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What Do Consumers Really Expect?

New Survey Identifies Top-12 Categories With Biggest Growth In Customer Expectations

Expectations Drive 10,000 Brand and Marketing Choices A Day

NEW YORK, NY, March 28, 2023 – A new survey has identified the twelve categories where consumer have grown most and have the highest expectations. The survey, conducted by Brand Keys (brandkeys.com), the New York-based brand loyalty and customer engagement research firm, found category expectations have grown significantly faster than previous years.

“Expectations are up again,” noted Robert Passikoff, Brand Keys founder and president. “That they’ve grown is not a surprise. They’re always increasing. What *is* surprising is the degree of acceleration expectations are exhibiting. The recent velocity shift should concern marketers because expectations drive marketing and brand choice, and the consumer decision-process is governed almost entirely by expectations.”

35,000 Choices A Day. One Every 2.5 Seconds. 30% Are Marketing-Related

“Of the 35,000 choices consumers make each day, upwards of 10,500 of them relate directly to consumer marketing and brand choice,” noted Passikoff. The new survey found brand and marketing-related choices are based almost entirely on how well consumers’ pre-formed expectations are met. Although expectations and expectation-growth vary depending on category and age cohort, the higher the expectations consumers hold for category values, the more competitive the sector tends to be. Accurate pinpointing those expectations can give a brands a real competitive edge.

Not All Category Expectations Are Equal

Expectation growth ranged from a low of 11% (soft drinks) to a high of 58% (smartphones) in 2023, based on a review of 140 categories by 31,600 consumers, 16 to 65 years of age. The analysis identified a dozen categories where consumers hold the highest expectations and expectation growth. Percentages indicate category expectation growth YOY.

1. Smartphones (+58%)
2. Social Networking (+57%)
3. Online Retailers (+55%)
4. Tablets (+54%)

5. Automotive (EV & Luxury segments) / Instant Messaging (+51%)
6. Video Streaming (+50%)
7. Mutual Funds (+49%)
8. Luxury Retailers (47%)
9. Pain Relievers (45%)
10. Luxury Cosmetics / Travel & Leisure (44%)

“I don’t think it’s any surprise tech-related categories make up half the list *and* occupy the first-six rankings when it comes to consumers’ expectations,” noted Passikoff. “Technology has transformed the way we live. But if you think tech innovation grows every year it’s nothing compared to customer expectations associated with it.”

The Expectation Gap

Expectations aren’t static. They grow at the speed of consumer desire. The more personal the category to a consumer, the faster expectations grow. “Expectations – year-over-year – have shown an average, cross-category growth rate of 37%. Brands, on average, have only manage to keep up with that expectation growth by 9%. That leaves an awfully big gap between what consumers truly desire and what they perceive brands delivering,” observed Passikoff.

There are two critical reasons brands have a difficult time keeping up with their category’s expectation increases. First, expectations are emotionally-driven and completely unconstrained by reality because they are consumer-initiated. Second, traditional research isn’t really designed to measure the kind of emotional values that form – and drive – expectations. “Because people don’t think how they feel, and they don’t say what they think, and they don’t do what they say,” noted Passikoff.

“Serendipitously, these gaps represent tangible areas of opportunity for brands. Once you get an accurate fix on expectation gaps you have the ability to identify not just where the brand resides in the category but more importantly, what specific steps to take in order to bridge them. The opportunities become immediately apparent.

Expectation Applications: CX, CRM, CSAT. Even NPS.

Having a better fix and focus on expectations allows marketers to pre-calibrate strategies and tactics and make the most impactful and cost-efficient improvements in CX, NPS, CRM and CSAT initiatives ahead of the competition.

Success, loyalty, and profitability come down to how well brands and marketing efforts meet consumer expectations because those mostly-emotional expectation-values are leading-indicators of consumer behavior, particularly the ones related to marketing choice. They’re the best indicators of marketing success and loyalty because they’re forward-looking. “Brands that best meet consumer expectations are *always* category leaders with largest shares-of-market, and, axiomatically, with the most sales and the largest profits,” said Passikoff.

Methodology

Brand Keys uses an independently-validated research methodology fusing emotional and rational attributes, benefits, and values of categories to identify four category-specific path-to-purchase behavioral loyalty drivers and the expectations consumers hold for each driver.

A combination of psychological inquiry and higher-order statistical analyses, the approach has a test/re-test reliability of 0.93, with results generalizable at the 95% confidence level. Brand Keys loyalty assessments correlate very highly with positive consumer behavior in the marketplace at the 0.80+ level and have been successfully used in B2B, B2C, and D2C categories in 35 countries.

For more information about integrating predictive expectation metrics into marketing and branding efforts, contact Zoe Alexandra at zoe@brandkeys.com

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