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2024 Customer Loyalty Engagement Index

Brands Convert Mega-Expectations to Long-Term Enduring Loyalty

Brand Loyalty Juggernauts Exert Overwhelming Category Dominance: Apple, NFL, Google, Crest, Discover, Coca-Cola, Domino's, Red Bull, McDonald's, Delta, PayPal, Lysol, Häagen-Dazs

NEW YORK, NY, January 22, 2024 – Brand Keys (brandkeys.com), the global leader in loyalty and customer engagement, released its 27th annual Customer Loyalty Engagement Index (CLEI) assessments. “This year’s roster proves meeting or exceeding consumers’ expectations allows brands to transmute market-share and loyalty into category and market dominance. Those brands are ‘Loyalty Juggernauts’ – brands of such overwhelming economic force that their ability to meet expectations makes them far more powerful than universal awareness alone,” noted Robert Passikoff, Brand Keys founder and president.

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Some Top Industry Loyalty Juggernauts

The model applies to all sectors and categories where brands generate high levels of consumer engagement and loyalty by better meeting consumers’ expectations. Doing that can turn a brand into a devastating economic force. This year, Loyalty Juggernauts include the following brands, with percentages indicating their ability to meet expectations consumers hold for the Ideal (100%) in their category:

Automotive: Hyundai (89%), GEICO (72%), Uber (78%)

Broadcast & Entertainment: Netflix (85%), Fox & Friends (83%), NFL (81%)

CPG & Personal Products: Flonase (90%), Häagen-Dazs (92%), Chobani (86%)

Digital & Online: Google (94%), Spotify (82%), TikTok (89%)

Electronics: Apple (95%), Samsung (87%), Konica-Minolta (90%)

Finance: Discover (88%), Chase (85%), PayPal (90%)

Food & Beverage: Coca-Cola (87%), Tito's (92%), Dunkin' (93%)

Restaurants: Domino's (88%), Chipotle (85%), McDonald's (91%)

Retail: Amazon (96%), T.J. Maxx (79%), Walmart (82%)

Technology: WhatsApp (88%), ChatGPT (96%), HP (80%)

Travel: Delta (86%), Expedia (89%), Ritz-Carlton (89%)

A complete list of the 2024 CLEI Brand Juggernauts in their categories can be found at <https://brandkeys.com/customer-loyalty-engagement-index/>

Loyalty Works Differently Today

“The loyalty paradigm has changed dramatically since the Cola Wars of the ’70s,” observed Passikoff. Today, loyalty – and consumer choice – don’t come down to one-or-the-other options. Today’s loyalty bottom-line comes down to consumers’ deepest expectations, and how they *feel* which brand measures up best. “Customer behavior and brand loyalty are now almost entirely governed by emotional values related to expectations, and expectations grow constantly,” noted Passikoff. This year’s results validate customer expectations as the most accurate and predictive loyalty indicators, proving conclusively that better addressing consumer expectations turn everyday-brands into “Loyalty Juggernauts.”

This year’s CLEI also makes it clear that consumers will not simply settle. Their emotional expectations are the hardest to measure, but that is why they are the most valuable. In this year’s survey, cross-category expectations increased 34%, but most brands have only kept up on average by 8%. Loyalty Juggernauts reduce that gap up to 50%, thereby virtually guaranteeing ongoing and consistent customer loyalty.

The ‘Super Glue’ of Customer Loyalty

Being a Loyalty Juggernaut, moves brands beyond primacy-of-product, distribution, ad budgets, even pricing. Being a Loyalty Juggernaut essentially commands category leadership. “The ability to meeting those very high consumer expectations better than the competition acts like the ‘super glue’ of loyalty,” said Passikoff. “Brands create a virtually unbreakable bond with customers.”

The Economics of Expectations

“Identify what consumers expect – create strategies, advertising and experiences that meet those expectations, and your brand can transform into a Loyalty Juggernaut. Customers will be six times more likely to engage, buy and buy again. They are six times more likely to think of you first, pay more attention to your marketing and social networking activities and actively engage with your brand,” noted Passikoff. “That’s the real payoff – blockbuster category leadership and more effective marketing.”

A few 2024 economic facts substantiate the cost-and-effort effectiveness of brand loyalty strategies:

- It costs 16 times more to recruit a new customer than keep an existing one.
- A 5% increase in loyalty lifts lifetime profits per customer as much as 78%.
- A 5% loyalty-increase is equal to a 12-21% across-the-board cost reduction program.

Recognizing Real Loyalty

The results of the 2024 CLEI offers up something more concrete than the accumulation of points and more to actual, behavior in the marketplace. “Real loyalty isn’t as nebulous as you might think,” suggests Passikoff. “Unfortunately, it isn’t something that just visits itself upon your brand. It’s not awareness, not satisfaction. It isn’t something you find on a 10-point scale. Those metrics only allow brands to bask in mediocrity.

Loyalty is more complex in the same way the consumer and marketplace have become more complex. Loyalty is the consumer-to-brand bond, the bridge between emotional engagement and ensuring *future purchases*. From a measurement perspective it's *the degree to which a brand meets expectations that consumers hold for the Ideal product or service in its category*. It's the ultimate answer to the question, "Do you know what consumers truly desire and how well does your brand deliver on those expectations?"

Loyalty Juggernauts can definitively answer, "Yes."

Methodology

For the 2024 CLEI survey, 95,607 consumers, 16 to 65 years of age, from the nine US Census Regions, self-selected categories in which they are consumers and assessed brands for which they are customers via an independently validated research methodology, a combination of psychological inquiry and statistical analyses, with a test/re-test reliability of 0.93 and results generalizable at the 95% confidence level.

This year, Brand Keys examined 1,200 brands in 114 categories to identify four category-specific path-to-purchase behavioral loyalty drivers, *each* driver's component values and their percent-contribution to engagement, loyalty, and profitability (assessments that correlate with positive consumer behavior in the marketplace at the 0.80+ level). It has been successfully used in B2B, B2C, and D2C categories in 35 countries.

For more information about the 2024 CLEI survey results, or information about integrating predictive loyalty and engagement metrics into your marketing and branding efforts, contact Leigh Benatar at leighb@brandkeys.com.