Customer loyalty, smoyalty

Marketers have spent many years and countless millions building customer loyalty for their brands. It took a global lockdown to curtail the spread of Covid-19 less than two years to undue all that effort and adspend. So much so that, going into 2022, customer loyalty is no longer guaranteed.

This is the opinion of Rapt Creative CEO Garreth van Vuuren, who said this one single fact is his biggest takeout of actively participating in the advertising and marketing sector over the past 20 months.

Garreth van Vuuren, Rapt Creative CEO

"The pandemic presented brands with a multitude of opportunities to create impactful work to give their audiences a sense of reassurance and hope at a time of immense disruption. Many did so very successfully.

"When panic buying was starting to gain traction, Pick n Pay created 'Shop Thoughtfully', an online piece with a host of local artists to get South Africans looking out for one another and leave some on the shelf for others.

"Among the many brands giving their audiences a sense of calm after so much disruption, VW did a great piece for 'Drive Local', a rallying cry to support local businesses as restrictions started to ease.

"And, Savanna's 'Virtual Comedy Bar' launched during the liquor ban showed how the brand's true purpose was laughter and comradery with its proactive relevant comedy.

"Other brands chose to remain silent; I believe at their peril.

"And now, more than ever, brands need to actively engage in their consumers' worlds by creating purposeful work that's worth their attention - and their Rand. Being on the bench while others are running on the pitch is simply a non-strategy."

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Van Vuuren also highlighted the consumer needs and behaviours that helped destroy customer loyalty.

"South African consumers became so much more conscious of value in all its form – value for money, value of experiences, and value of the 'little things'.

"People from all walks of life are under immense financial strain. Reduced income, retrenchments, business closings and a weakened economy meant every Rand had to work a little bit harder. Consumers across all income levels became more willing to trade down in certain categories, as well as halt purchases of certain items all together.

"Restrictions on gatherings and travel forced consumers into virtual world. From embracing more streaming and virtual entertainment as a result of restrictions on real-world engagements, to shifting to more online shopping for greater convenience and peace of mind, the consumer quickly demanded a holistic omni-channel experience, and the need for brands to be consumer-centric will continue well into the future.

"Lastly, the 'little things' meant a lot to consumers, and they'll continue to demand those 'little things'. Human-to-human transactions and relationships will be the greatest influence here and give stronger meaning to these more traditional behaviours."

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The impact of consumers putting value in its broad forms at the top of the hierarchy of needs is that the customer experience across the entire journey becomes paramount, according to Van Vuuren.

He stressed that the customer has a multitude of options at their fingertips, so loyalty is not a once-off transaction but a consistent relationship maintenance exercise. Failure to deliver on high expectations could result in loss of sales and loss of brand equity.

Many South Africans are still very financially conscious and finding new ways to save every Rand they can. This will be a long-standing shopper mentality that will see customers searching and finding the best deals they can, and it shows no sign of slowing down any time soon.

The key lesson, he said, is that every touchpoint across multiple channels at the customers' disposal should be architected to ensure convenience, peace of mind, and satisfaction.