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An emotionally connected customer community leads to better marketing ROI, says study

Brands that create emotional connections with their customers \square see greater \square ROI \square from \square marketing investment, research \square by \square Loyalty Lion \square has found. \square

LONDON, UNITED KINGDOM, July 15, 2021 /EINPresswire.com/ -- The Community Matters report, which involved a survey of more than 4,000 US and UK consumers, explains how making customers feel aligned with your brand values, and offering experiential benefits that elevate their shopping experience, are important in motivating people to join your community and engage in actions such as writing positive reviews, making referrals and more.

According to the research by loyalty and engagement platform, \(\Delta\text{LoyaltyLion}\), customers will establish emotional connections with brands if they feel aligned \(\Delta\text{with them,} \Delta\text{and} \Delta\text{retailers}\) without engaged communities are missing out on an opportunity to build longer-lasting relationships that drive loyalty and lifetime value. \(\Delta\text{U}\)

Over half (57%) of the consumers polled said they feel motivated to actively participate if they understand what a business stands for, and half (50%) by knowing the brand's story and history. Six in ten (61%) said they would be motivated to participate in a community by the ability to contribute to a cause they care about.

The research also found that shoppers are driven to engage by the experiential benefit of connecting and learning from others. Two-thirds (69%) of shoppers were motivated to join a community by the ability to communicate directly with an online store, and just under half (48%) by the ability to communicate with other like-minded people. Seven in ten (70%) are also motivated by the opportunity to find out more about products from other customers who have bought them.

In contrast, just 43% said that transactional benefits like free shipping would motivate them to join and participate in a brand community. $\Box\Box$

Other reports have observed that the average active online brand community has the potential to deliver an ROI of over 4,000% - a number that increases each year a community is active.

The additional benefits of having more active and engaged community members included:

- They are the most cost-effective way of acquiring new customers as they utilize word-of-mouth and engage in conversations about your brand.□□
- They engage in greater/more inspiring conversations because they trust your brand.
- They provide an open and honest feedback loop that helps you future-proof your brand.
- They encourage higher customer lifetime value and brand loyalty due to their emotional connections to your brand.

Fiona Stevens, Head of Marketing at LoyaltyLion said: "The ecommerce landscape is changing." One of the best ways to adapt to the changes is to invest in an online customer community. They are powerful things, with 47% of customers saying they would be loyal to brands (and spend more over time) by becoming a member of a like-minded community. [] Brands who deploy the right tactics to create emotional connections within these communities could see this number increase even further as their relationships with their customers develops over time. []

"The rise in online customer communities is an opportunity for brands to strengthen loyalty and increase revenue. A thriving customer community built around something meaningful,□and

"Cult brands like Sephora, GoPro and Red Bull have long been focusing their attentions here. Their communities have become the lifeblood of their brands, with new customers joining all the time in order to feel like they are part of something bigger and exciting. And in return, these brands have a direct line to their customers for ideas, □feedback□and inspiration.□

"Active community members are your most powerful marketing asset and your most reliable source of revenue. They act as advocates which in turn supports your acquisition goals. They start conversations about you which supports your social engagement strategy, and they provide

"Your loyalty program can be an immensely powerful vehicle not just in encouraging and rewarding these positive behaviours, but also in helping you to identify and segment your most valuable customers. This means you □can focus your marketing efforts where you'll see the greatest ROI.

"I really encourage brands to consider how they can create a thriving customer community that relies less on transactional benefits, and more on strong emotional connections. This is what today's consumers want in return for their participation and contribution."

To download the full Community Matters report from LoyaltyLion, visit: https://info.loyaltylion.com/community-matters-lifting-the-lid-on-customer- communities []. []

Cheryl Crossley

Ingenuity Digital +44 113 512 3233 email us here

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