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Does original content drive loyalty?

THE MORNING CONSULT BRAND TOOLBOX

This report is part of a series that seeks to give decision-makers
a better set of tools for dealing with essential brand decisions
- from managing a crisis to deepening consumer loyalty.

To make sure you receive these reports, [sign up here](https://mncnslt.com/sub) (mncnslt.com/sub).

INTRODUCTION

FIVE KEY TAKEAWAYS FROM THIS REPORT

1) The key to building loyalty is reliability.

90% of consumers say they associate the word “reliable” with brands they are loyal to. It is the single most important factor in determining loyalty overall, and across a range of industries.

2) When asked to name a brand they’re loyal to, one in three Americans will say either Walmart or Amazon.

We asked 6,600 consumers to think of a brand they are loyal to and name the first one that came to mind: 1,262 said Walmart and 854 said Amazon.

3) Learn from the best: The smartphone industry has loyalty locked down.

Among consumers who are likely to purchase a new smartphone in the next two years, the majority (61%) are very likely to buy from the same manufacturer as they currently own. Compare that to just 31% for people planning to buy a new car. Apple and Samsung were both among the list of brands with the most amount of mentions for brand loyalty.

4) Can online disruptors take away loyal consumers?

Survey points to yes.

We took a look at the shaving razor market as a test case. Among the key findings: 31% of people who have used an online razor subscription service say they were loyal to a razor brand before switching to one of these services.

5) Company ethics aren’t a major factor in terms of building brand loyalty.

Across a range of four different consumer categories, the ethics of a company rank towards the lower end of importance when determining loyalty. For example, just 23% of consumers who are loyal to a smartphone say the company’s good values are a factor. Compare that to 71% who say the phone’s features matter.

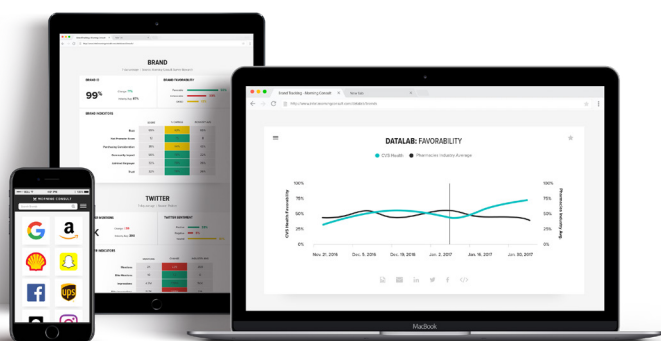
ABOUT MORNING CONSULT

INTELLIGENT DATA, INTELLIGENT DECISIONS

Morning Consult is a technology company revolutionizing ways to collect, organize, and share survey research data to transform how decisions are made. Our survey research technology produces results at **unprecedented scale, speed, and accuracy**.

OUR FLAGSHIP PRODUCT

Currently tracking over 1,800 brands and products, with 200 interviews per day per brand.



 **MORNING CONSULT** Intelligence



What Consumers **THINK**

*Collecting over 3 million
market research interviews*



What Consumers **SAY**

*Evaluating over 100 million
social media posts*



What Consumers **SEE**

*Analyzing over 85,000
news media outlets*

[REQUEST A DEMO HERE](#)

USE CASES



DAILY MONITORING

Track brand perception in real-time with the Brand Intelligence dashboard in your inbox.



STRATEGIC PLANNING

Identify demographic targets and geographic trends to customize communications & marketing campaigns.

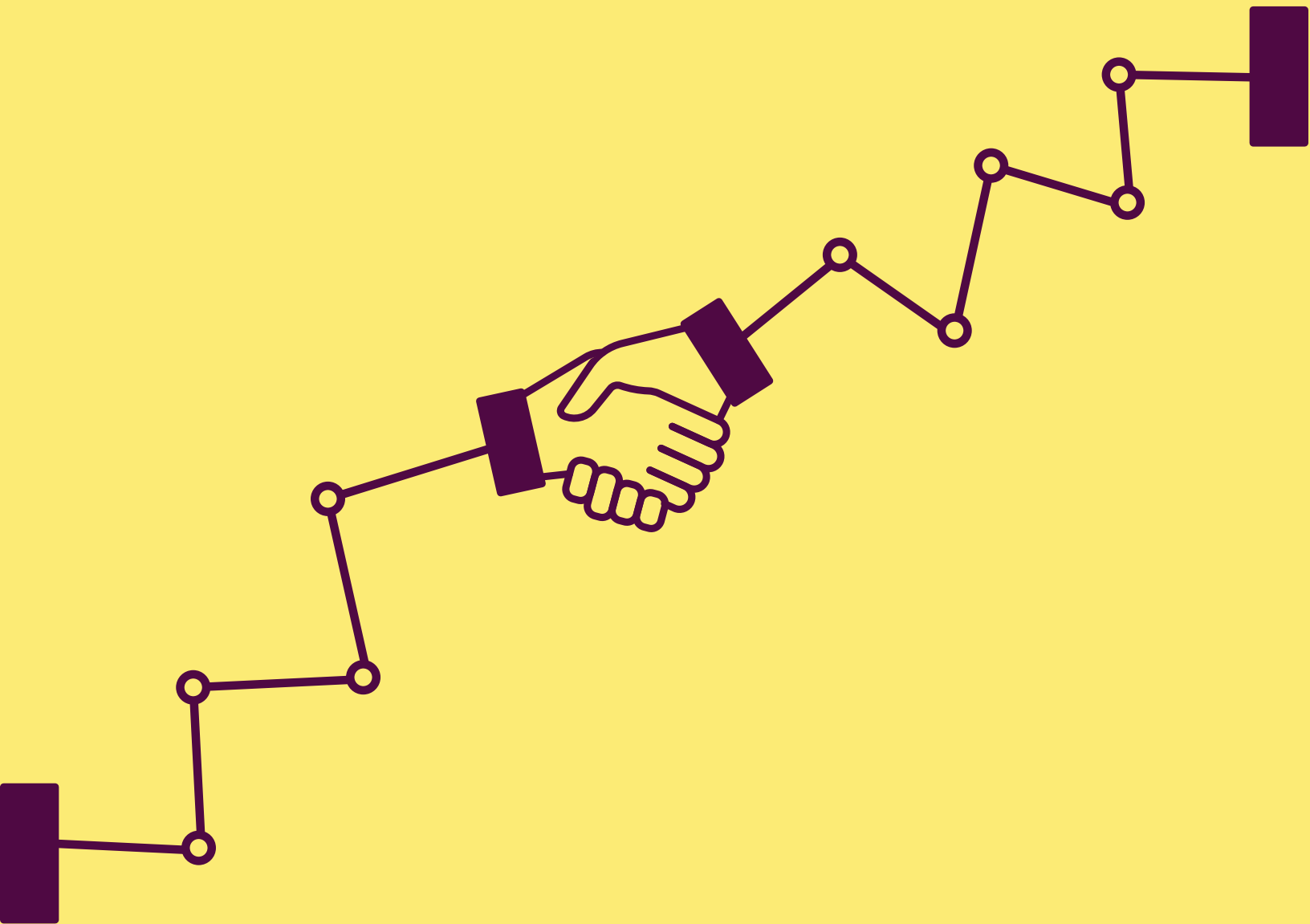


CRISIS RESPONSE

Evaluate the magnitude of a crisis and track the effectiveness of your response.

GENERAL TRENDS

The factors that drive loyalty,
who's most loyal, and how that
shifts between industries

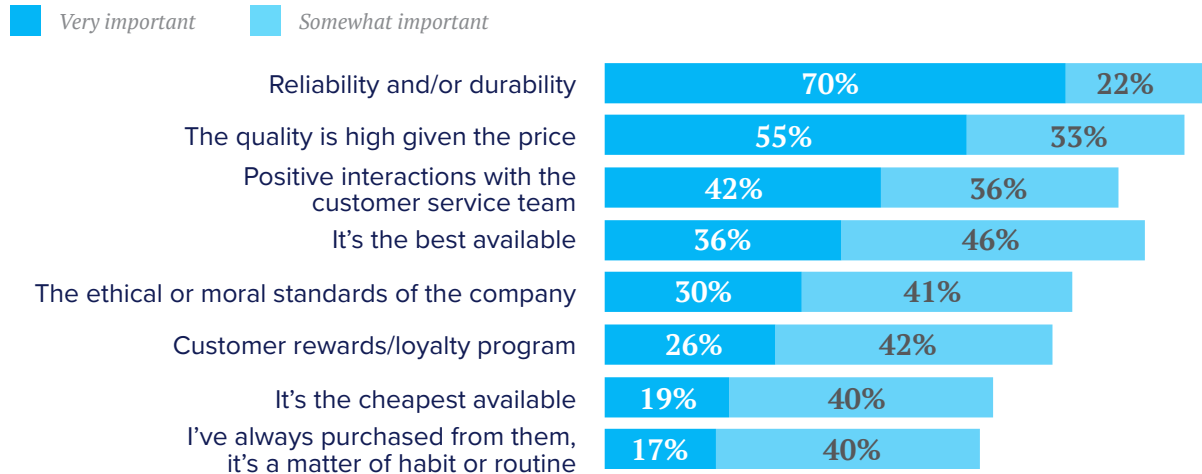


GENERAL TRENDS

WHAT DRIVES LOYALTY?

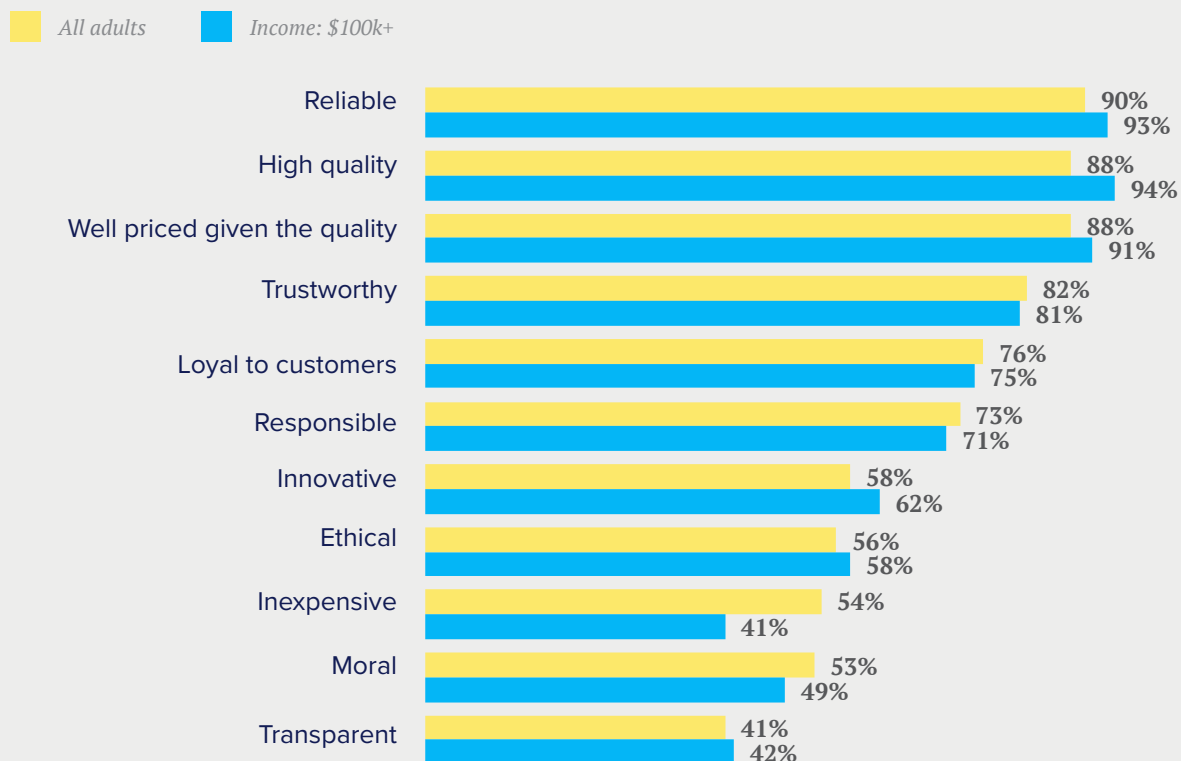
Reliability is the most important factor for contributing to loyalty

Thinking about brands or products that you are loyal to (meaning you often buy from them even when there are alternative options), how important would you say the following factors are in contributing to your loyalty?



Even to consumers with more disposable income, moral and ethical factors matter less

Do you associate the following words with the brands or companies you are loyal to?

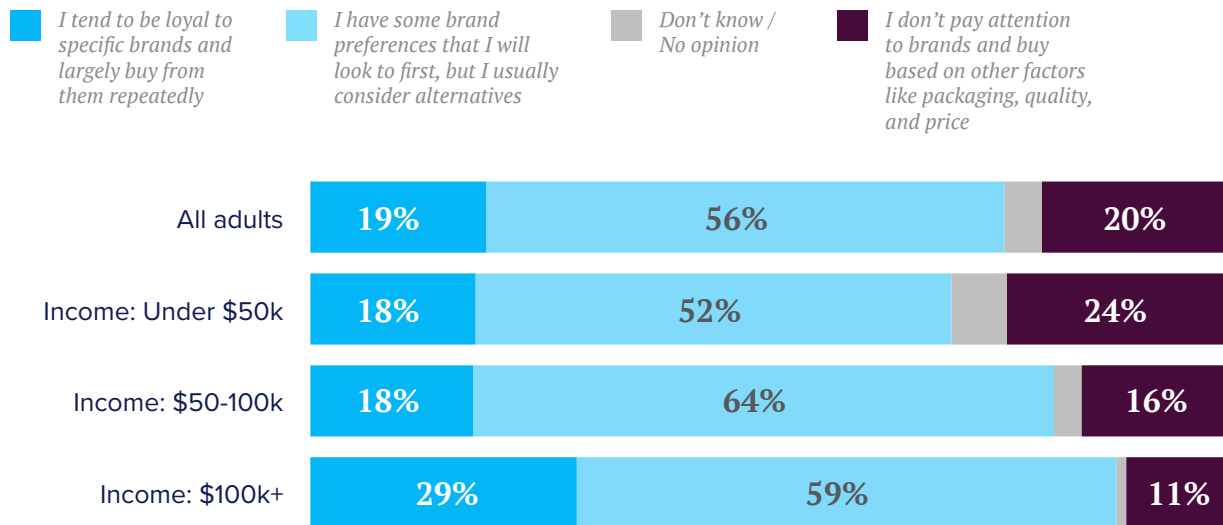


GENERAL TRENDS

WHO'S BRAND LOYAL?

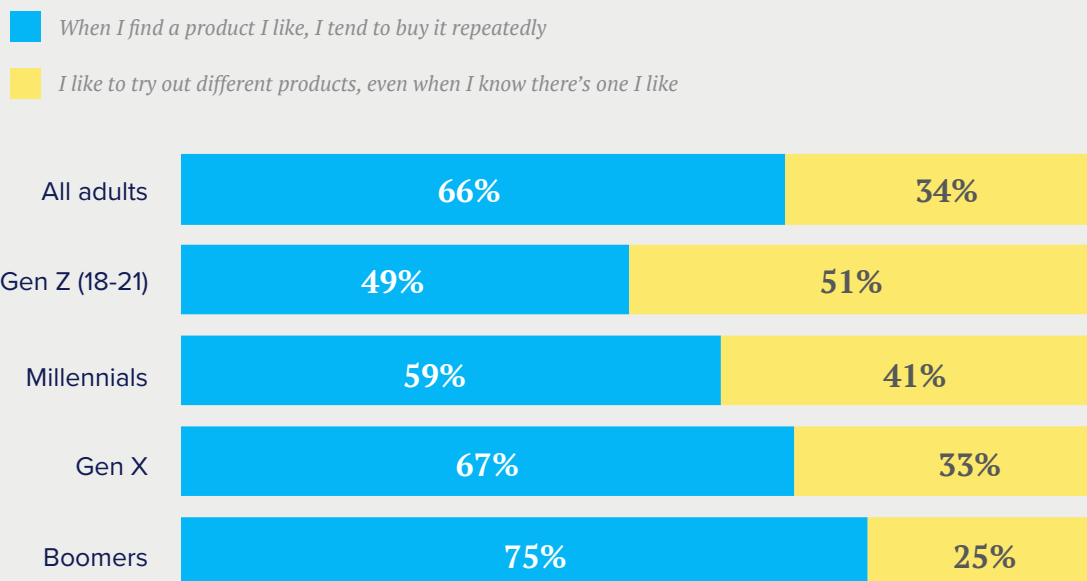
High-income individuals tend to be more brand loyal

Which of the following best describes you?



Gen-Zers, millennials more likely to try out new products

Which of the following statements comes closest to your view, even if neither is exactly right?

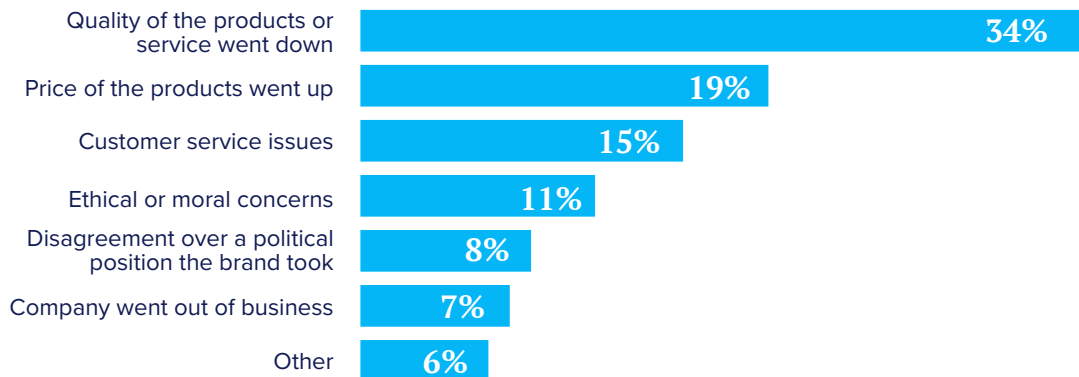


GENERAL TRENDS

HOW LOYALTY IS LOST

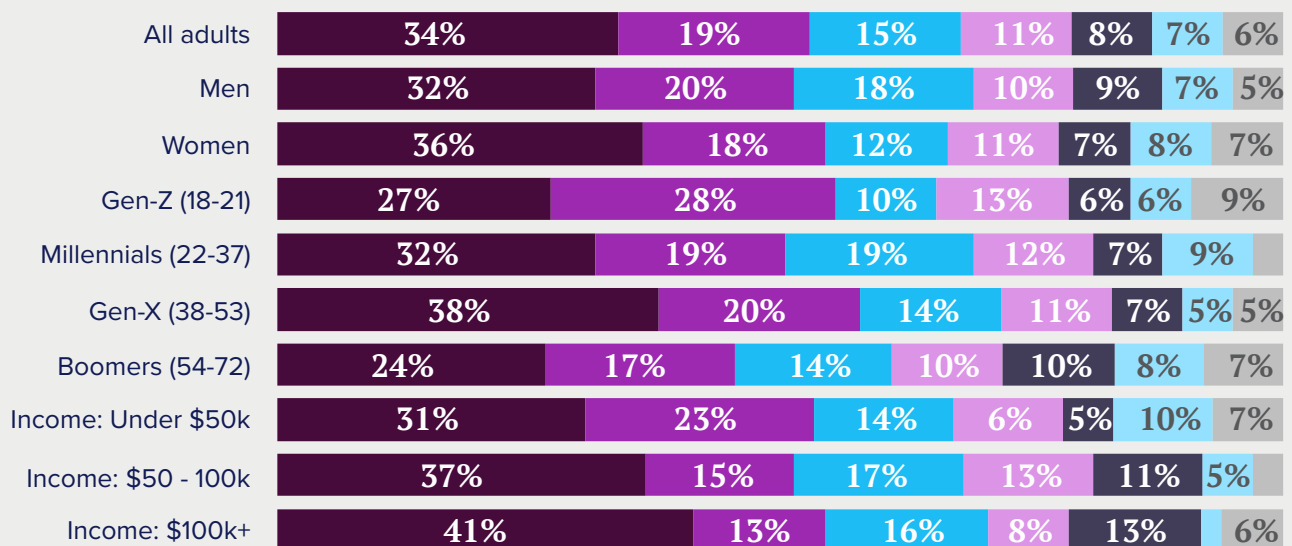
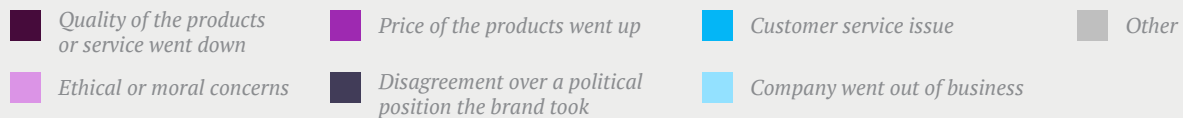
65% of consumers have stopped buying from a brand they were once loyal to. Why?

Which of the following is the primary reason why you no longer purchase from a brand you were once loyal to?



Losing loyalty by demographics:

Which of the following is the primary reason why you no longer purchase from a brand you were once loyal to?



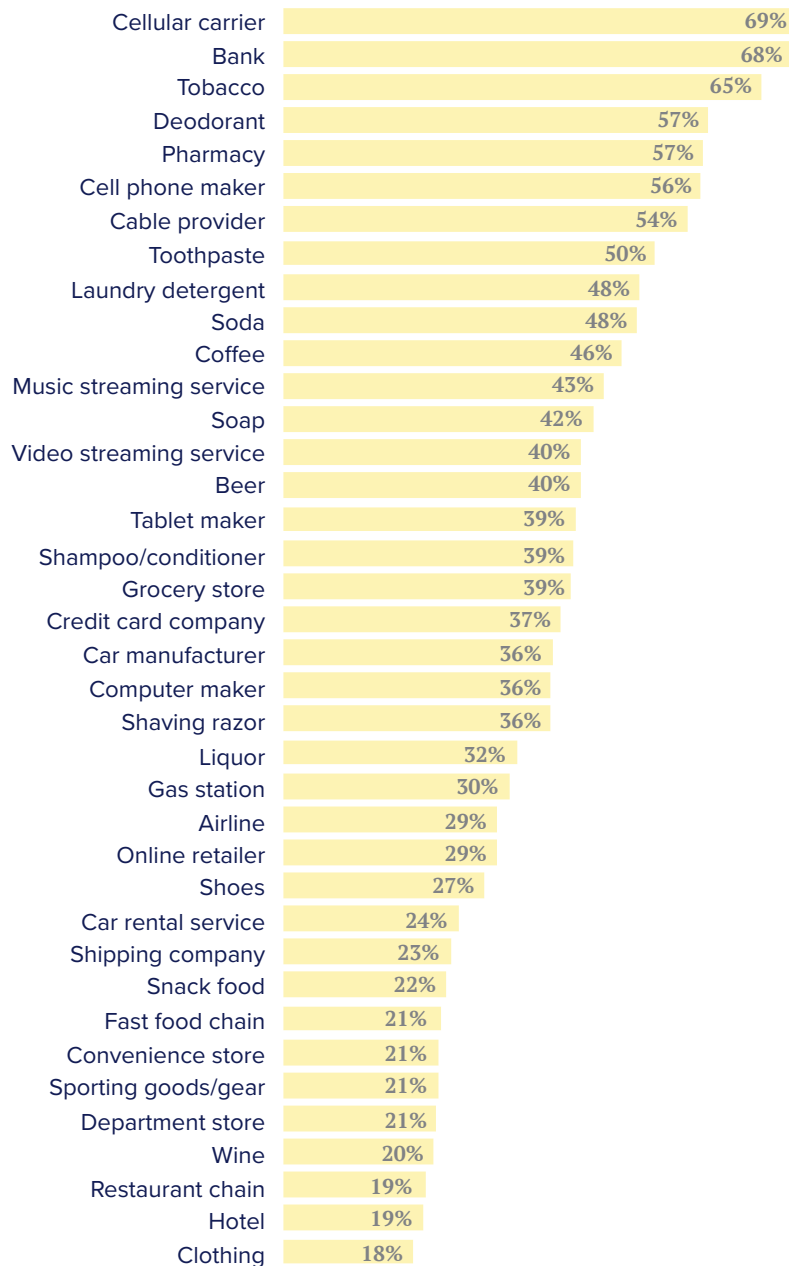
75% would consider purchasing from a brand they were once loyal to if circumstances changed

GENERAL TRENDS

LOYALTY ACROSS INDUSTRIES

The industries where customers are most and least likely to be brand loyal

For each category, consumers were given three options: I'm loyal to a brand, I buy from a range of brands, or I don't buy anything in this category. The below numbers reflect the percent of loyal consumers among those who buy something in the category. People who don't buy anything in the category are excluded.



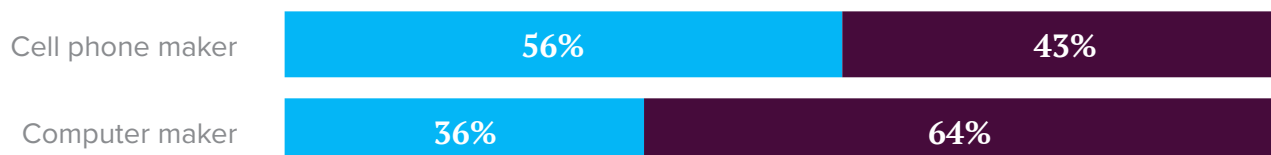
GENERAL TRENDS

NOTABLE LOYALTY STANDOUTS

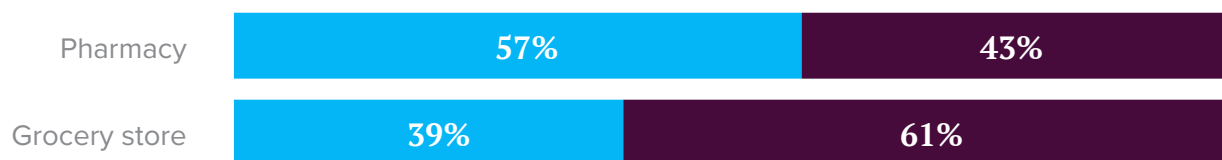
Consumers are more likely to be loyal to a **cell phone maker** than computer maker*

■ Yes, I'm loyal to a brand in this category

■ No, I buy from a range of brands in this category



Consumers are more likely to be loyal to a **pharmacy** than grocery store



Consumers are more likely to be loyal to a **deodorant** than shampoo



Demographic standouts:

45%

of 18-29 year-olds are loyal to a music streaming service, compared to 26% of all adults.

27%

of Trump voters are loyal to a beer company, compared to 18% of Clinton voters. Clinton voters are slightly more loyal to a wine brand, however.

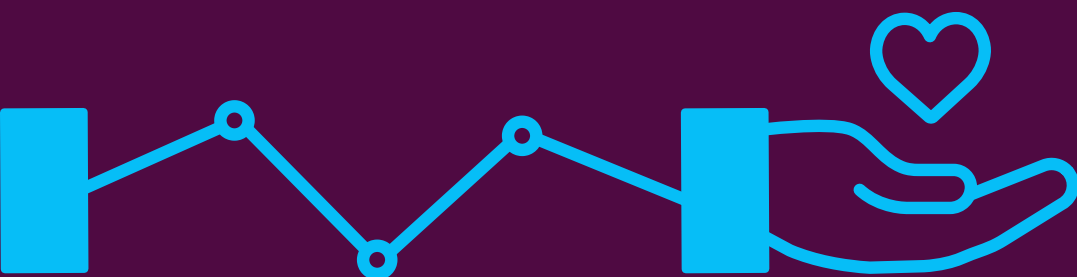
30%

of adults with incomes of \$100k or more are loyal to an airline, compared to 19% of all adults.

*For more on the smartphone industry, see page 13

THE BRANDS CONSUMERS ARE MOST LOYAL TO

The Top 20



BRAND TRACKING

THE BRANDS CONSUMERS ARE MOST LOYAL TO

We asked 6,600 consumers to think of a brand they are loyal to and name the first one that came to mind. The brands are sorted by number of mentions (which are displayed in parentheses)

	WALMART (1,262)		MACY'S (45)
	AMAZON (854)		MEIJER (42)
	TARGET (385)		PUBLIX (41)
	APPLE (212)		EBAY (40)
	KROGER (110)		MICROSOFT (39)
	COSTCO (102)		
	MCDONALD'S (85)		
	COCA-COLA (81)		
	NIKE (78)		
	LOWE'S (64)		
	STARBUCKS (64)		
	HOME DEPOT (59)		
	KOHL'S (53)		
	SAMSUNG (51)		
	BEST BUY (48)		

INDUSTRY SPOTLIGHT: SMARTPHONES

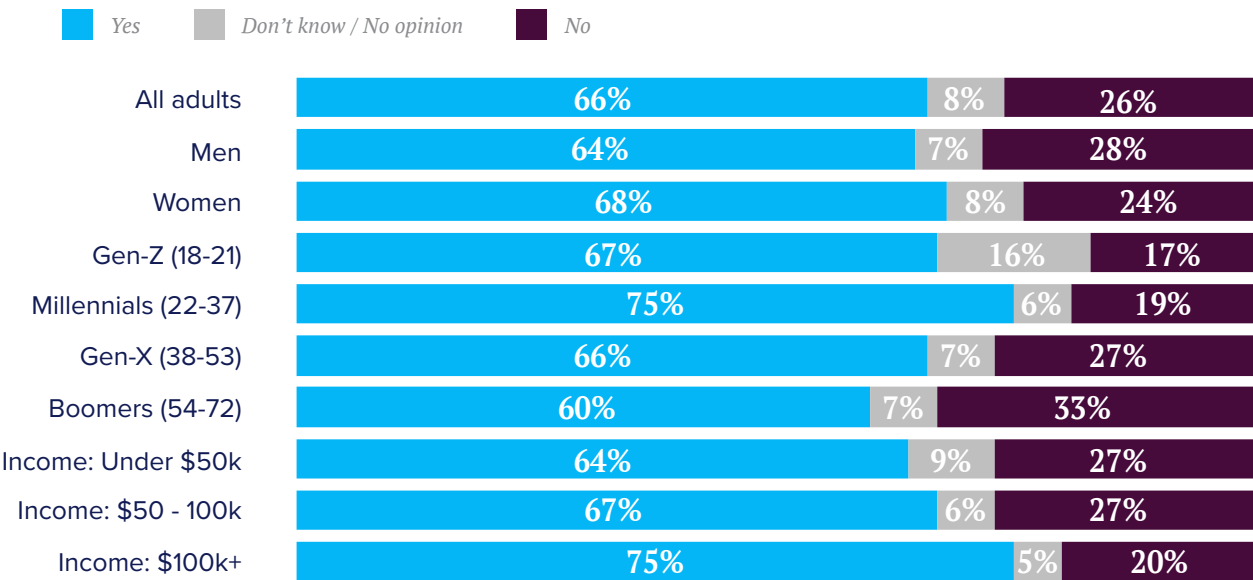
How the smartphone
industry locked down
loyal consumers



GAUGING SMARTPHONE LOYALTY

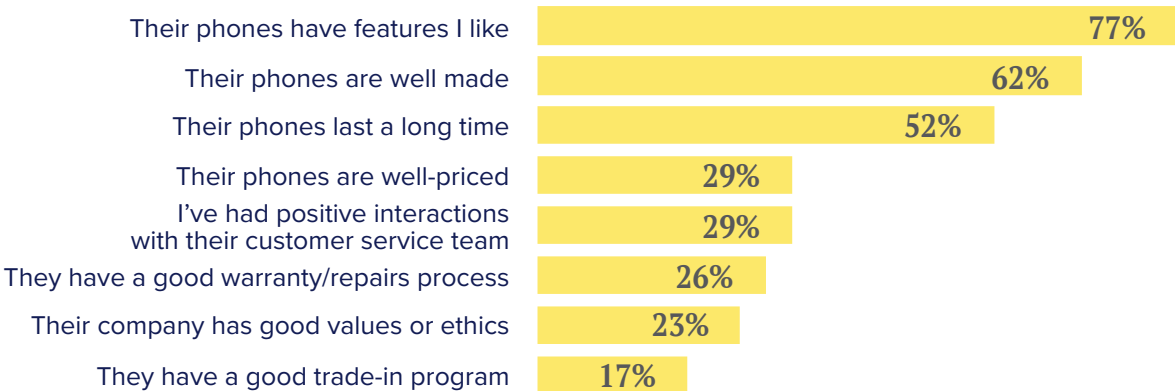
A majority of smartphone owners are loyal to a brand. Particularly millennials.

Would you consider yourself loyal to your smartphone manufacturer?



Among those loyal to a particular brand, the most important determining factor is the phone's features

Which of the following factors are reasons why you are loyal to your smartphone manufacturer? Select all that apply.



Sidebar:
Which features matter?

65%
of consumers say the **operating system** is very important when choosing which smartphone to purchase

64%
say **storage space**

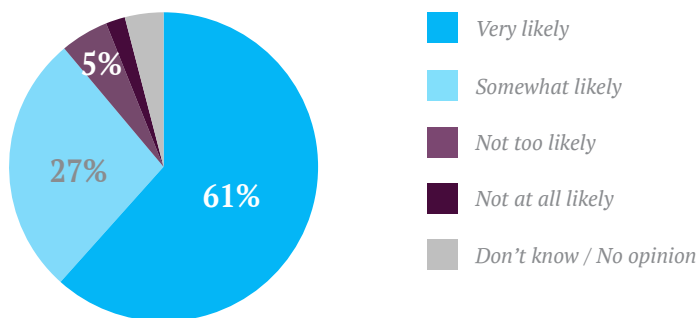
55%
say **camera quality**

INDUSTRY SPOTLIGHT: SMARTPHONES

HOW LOYALTY TRANSLATES TO PURCHASING

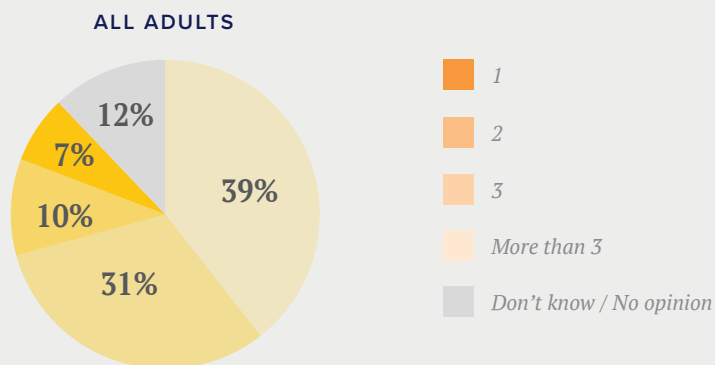
Among smartphone owners, **62% plan on purchasing a new phone within the next year. Most will purchase from the same manufacturer.**

How likely are you to purchase your next smartphone from the same manufacturer of the one you currently own?

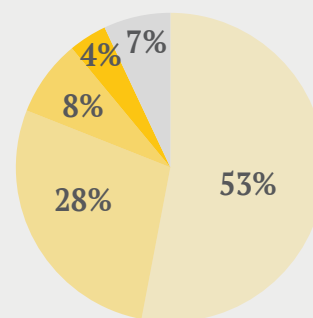


A plurality (39%) of consumers will not even consider more than one brand

Thinking about the last time you purchased a smartphone, how many manufacturers did you consider before making your purchase?

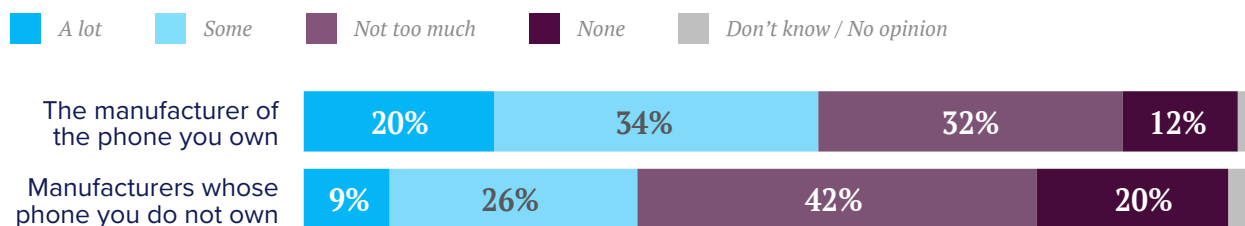


ADULTS WITH \$100K+ INCOME



Hype factor: Consumers pay closer attention to their brand's new releases

How much attention do you pay to the release of new smartphones made by...



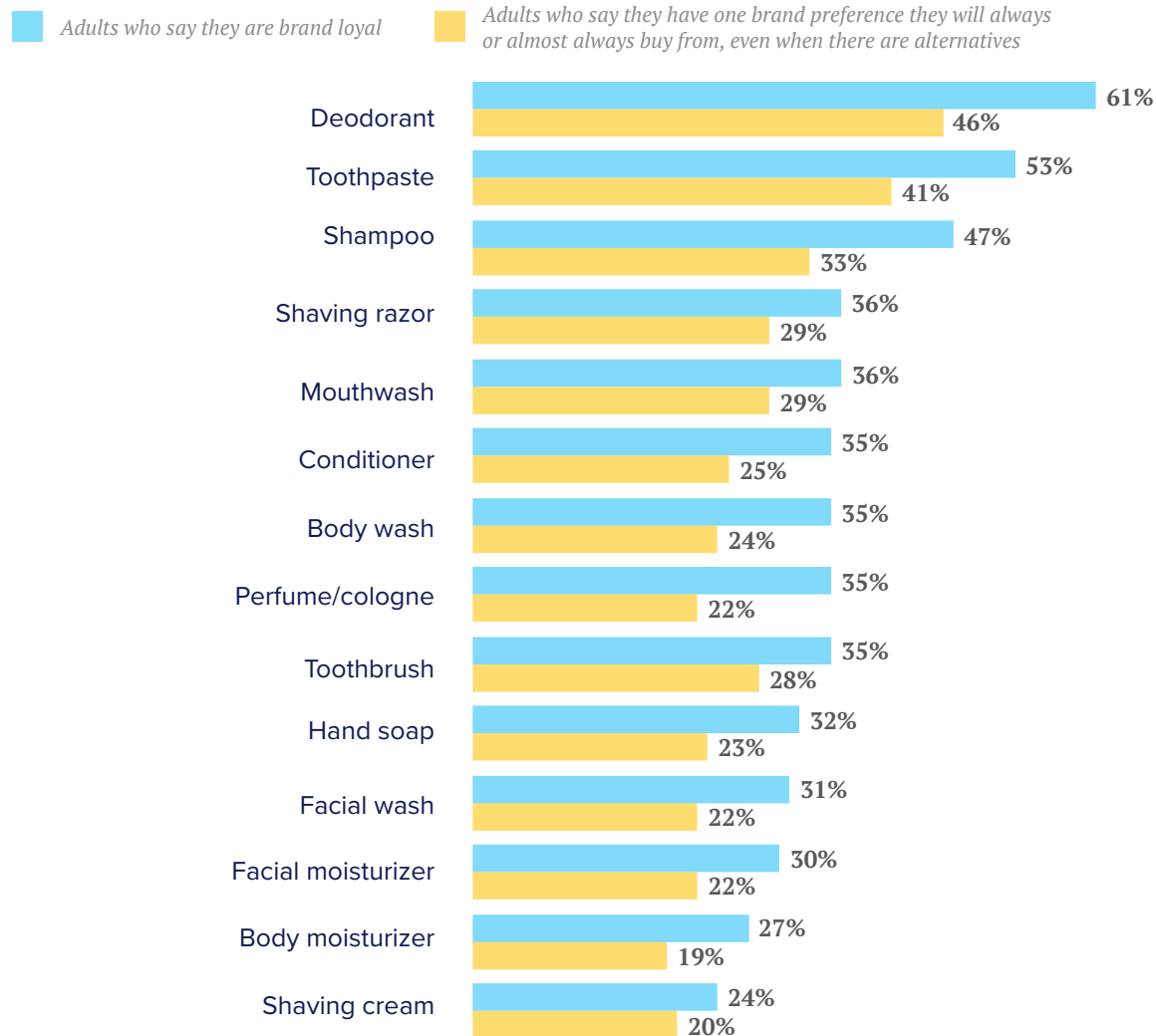
INDUSTRY SPOTLIGHT: PERSONAL CARE CPGS

Including a look at
how online disruptors
can impact loyalty



BRAND LOYALTY BY PRODUCTS

For each product, there are two separate measurements - both intended to gauge loyalty. First, the percentage of consumers who say they are loyal to a brand. Second, the percentage of adults who say they have a preference they will seek out, regardless of other options available.



Two takeaways from this chart:

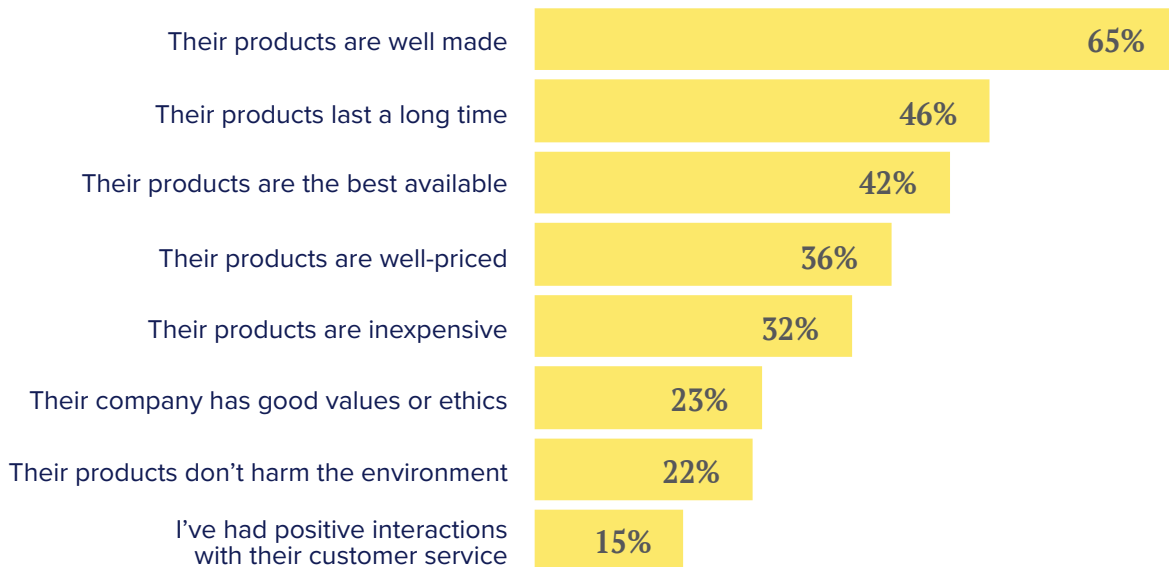
- 1. Even when comparing similar products, brand loyalty varies dramatically:** The purchasing considerations that go into buying shaving cream and deodorant are quite similar, yet the degree of brand loyalty is remarkably different between these two products - 24% and 61% respectively.
- 2. Brand loyalty often translates to purchases (but not always):** For the average product listed above, 37% of consumers are loyal to one brand and 27% will look to buy from one brand without considering alternatives. That means for every four consumers who are loyal to brand, roughly three won't even consider buying something else.

INDUSTRY SPOTLIGHT: PERSONAL CARE CPGS

WHAT DETERMINES LOYALTY FOR PERSONAL CARE CPGS?

To loyal customers, quality matters more than price

Which of the following factors are reasons why you are loyal to a personal care brand? Please select all that apply.



TREND TO WATCH

Can subscription upstarts peel away loyal customers?

A look at how online razor subscription companies have impacted loyalty in the market.

Were subscribers loyal before switching? Among consumers who have switched over to a subscription service for shaving razors, 31% say they had been loyal to another brand before switching.

Could that base grow? Among consumers who haven't used one of these services, 26% are interested in using one. And among the other 74% who aren't currently interested - 29% say they would be more interested if they knew it would save them money.

Are non-subscribers more loyal? When looking at consumers who haven't ever used a subscription service, 31% are currently loyal to a razor brand (slightly lower than the average among all consumers).

Where consumers most want subscription services: 37% of consumers are interested in a subscription service for shampoo and 36% are interested in one for deodorant.

INDUSTRY SPOTLIGHT: CARS

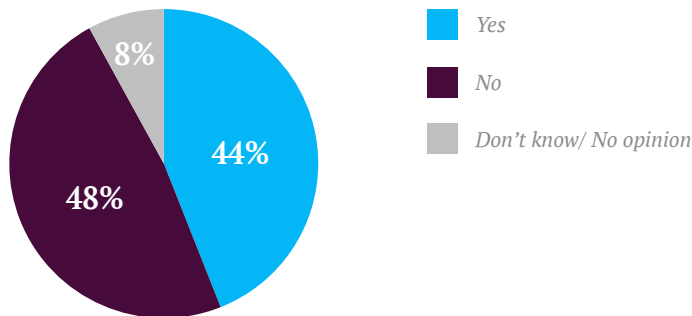
Including a look at
how many car brands
consumers will consider
before purchasing



GAUGING LOYALTY FOR CARS

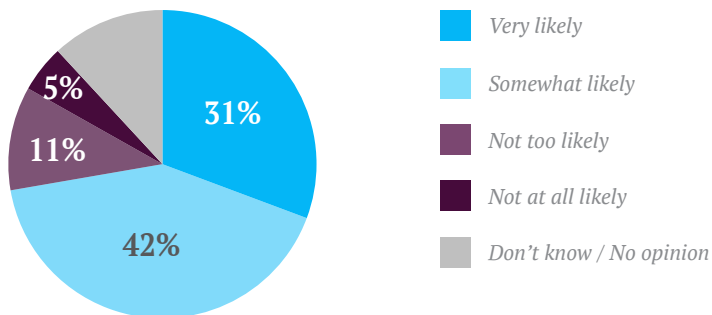
44% of car owners are loyal to a brand

Would you consider yourself loyal to a car manufacturer?



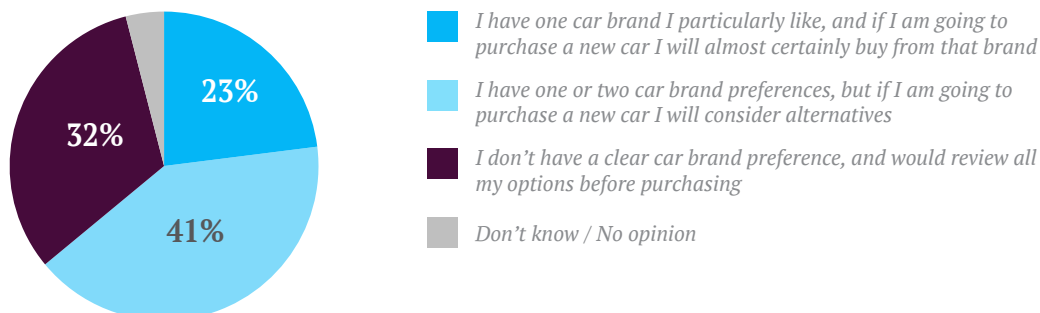
73% say if they were going to trade in their current car they would be likely to buy from the same manufacturer

If you were going to trade in your current car, how likely would you be to buy from the same auto-manufacturer?



23% say if they are buying a new car they will almost certainly buy one brand

Which of the following best describes you?

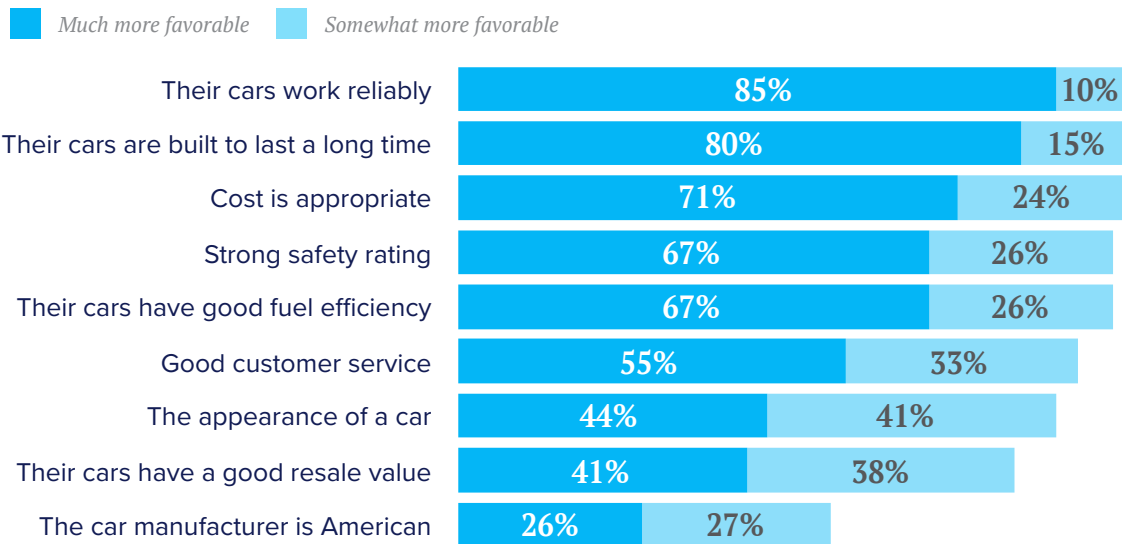


WHAT DRIVES LOYALTY FOR CARS?

Reliability is key for building loyalty

Among consumers who are loyal to a car brand, the most important determining factors is that the car works reliably. That trend holds true among all car-owners:

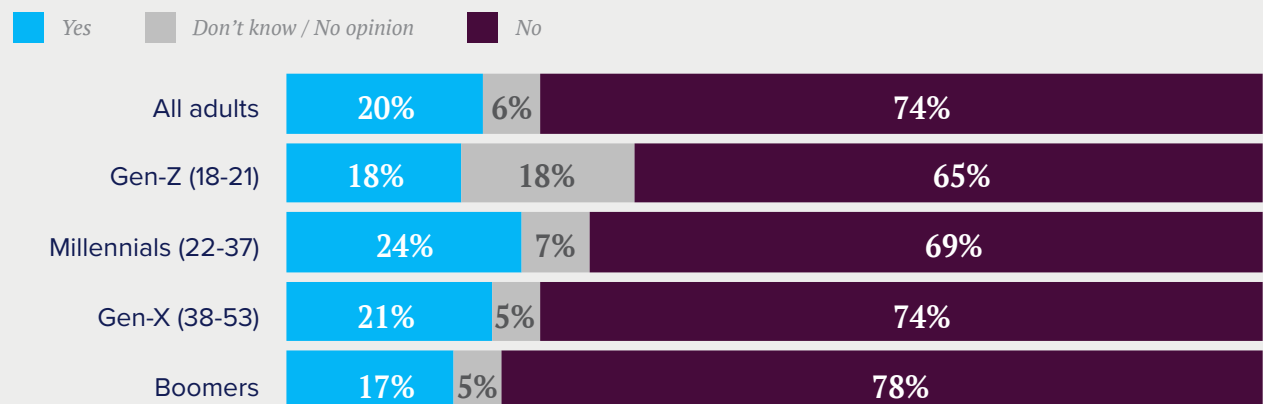
How important are each of the following factors in determining your loyalty to a car manufacturer?



TREND TO WATCH

Millennials are more likely to have an emotional connection to a car manufacturer

Would you say you have an emotional connection to a car manufacturer?



INDUSTRY SPOTLIGHT: VIDEO STREAMING SERVICES

Does original content
drive loyalty?

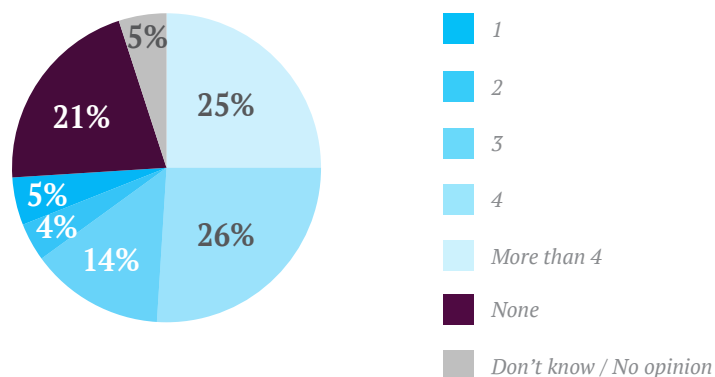


INDUSTRY SPOTLIGHT: VIDEO STREAMING

GAUGING LOYALTY FOR VIDEO STREAMING

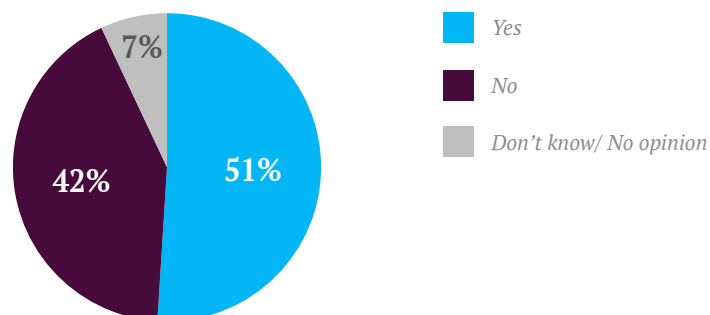
49% of consumers use at least two video streaming services

How many video streaming services do you use?



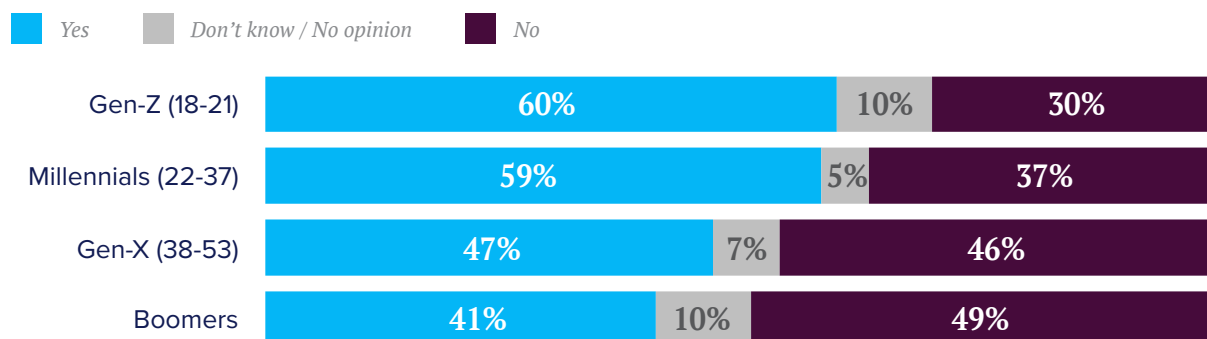
51% of video-streaming users are loyal to a particular service

Would you consider yourself loyal to a particular video streaming service?



Younger video-streamers are more loyal

Would you consider yourself loyal to a particular video streaming service?

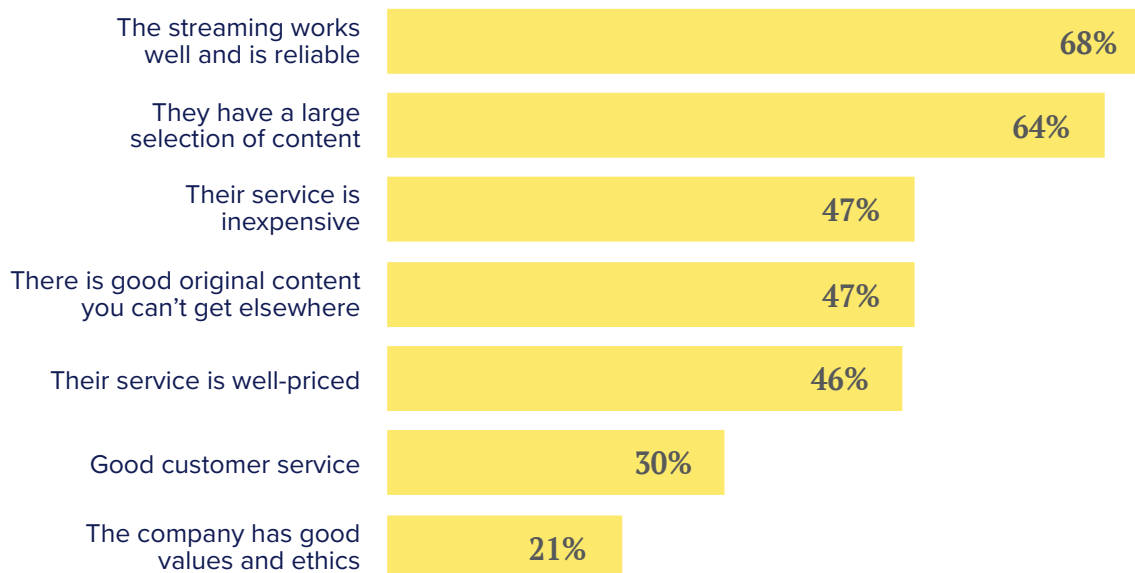


INDUSTRY SPOTLIGHT: VIDEO STREAMING

WHAT DRIVES LOYALTY FOR VIDEO STREAMING?

Reliable streaming and lots of content are key among loyal consumers

Which of the following are reasons why you are loyal to a particular video streaming service? Please select all that apply.

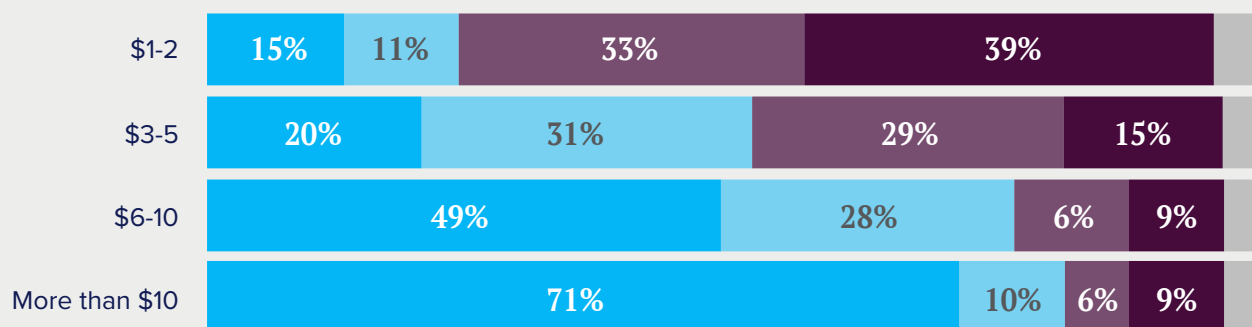


TREND TO WATCH

How price changes could impact cancellations

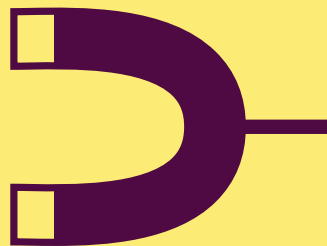
How likely would you be to consider cancelling your video streaming service if the price per month rose by each of the following amounts?

Very likely Somewhat likely Not too likely Not at all likely Don't know / No opinion



WHERE DOES YOUR BRAND STAND?

FIND OUT HERE



METHODOLOGY

This poll was conducted from August 01-05, 2018, among a national sample of 2,202 Adults. The interviews were conducted online and the data were weighted to approximate a target sample of Adults based on age, race/ethnicity, gender, educational attainment, and region. Results from the full survey have a margin of error of plus or minus 2 percentage points

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SAN FRANCISCO

