The Power of Brand Relationship Design

How to create meaningful
post-purchase experiences

Contents

How to create meaningful post-purchase experiences

In 2020, we witnessed the marketing industry undergo a serious shift: rather than engaging in the brutally expensive hamster wheel of constant customer acquisition, most marketers were planning to drive business growth by repeatedly targeting the audiences they already had. According to a recent Gartner survey, 79% of CMOs will focus on existing markets to fuel growth in 2021.[1]

This finding prompted us to dive deeper into what exactly makes a customer become a long-term, repeat customer. Daily conversations with R/GA clients and in-depth investigative research revealed many businesses are looking to build healthy, lasting, two-way relationships with their existing customers.

The biggest problem? An overwhelming amount of buyer's remorse.

Of all the purchases people made across 9 markets, 6 categories, and nearly 16,000 global respondents, 60% were unsure if they would make the same choice if they had to do it over again.

The general standard for customer experience has risen, and the proof points are everywhere; but a strange side effect of digital transformation is a functional flattening of the Internet. Today's easy website clicks are built using the same back-end tools, removing the texture and 'magic' from customer experiences—and rendering customer relationships completely automated and stripped of character.

1. Gartner, 2020 CMO Spend Survey, Part 1: CMOs Gamble on Swift Recovery, but Strategic Priorities Reveal Hedging, June 2020

There is a new set of dynamics and expectations that modern brands must exceed in order to not only win over, but win back, customers in the long-term.

THIS IS THE WHITESPACE FOR BRANDS

The next wave of brand innovation will be focused on what happens after the moment of conversion. Once the buy is in, then the real game begins.

Throughout the next decade, the role of brand will be to help customers become their "**Next Best Self.**"

The Next Best Self is the basis of today's healthy, mutually beneficial brand relationships. As a result, it is also the outcome brands must enable for every customer that they aspire to win long-term. Treat it as a call to action to build valuable experiences that empower customers to live a happier, more fulfilled life through the benefits of a product, service, or educational experience.

The way modern brands attempt to build relationships is falling short of today's customer expectations. This report introduces winning solutions. We'll present a series of insights and strategies that brands can leverage to create and enable a more impactful two-way value exchange.

As an industry, it's time we acknowledge that the marketing funnel is the tip of the iceberg. What lies beneath the surface looks a lot less like a few cursory emails and an unsubscribe button—and a lot more like a long-term, customer-centric strategy: one that uses brand values to inspire, data to decide, and people to engage.

Ready to see how? This report will guide your brand onwards—and show you how to win.
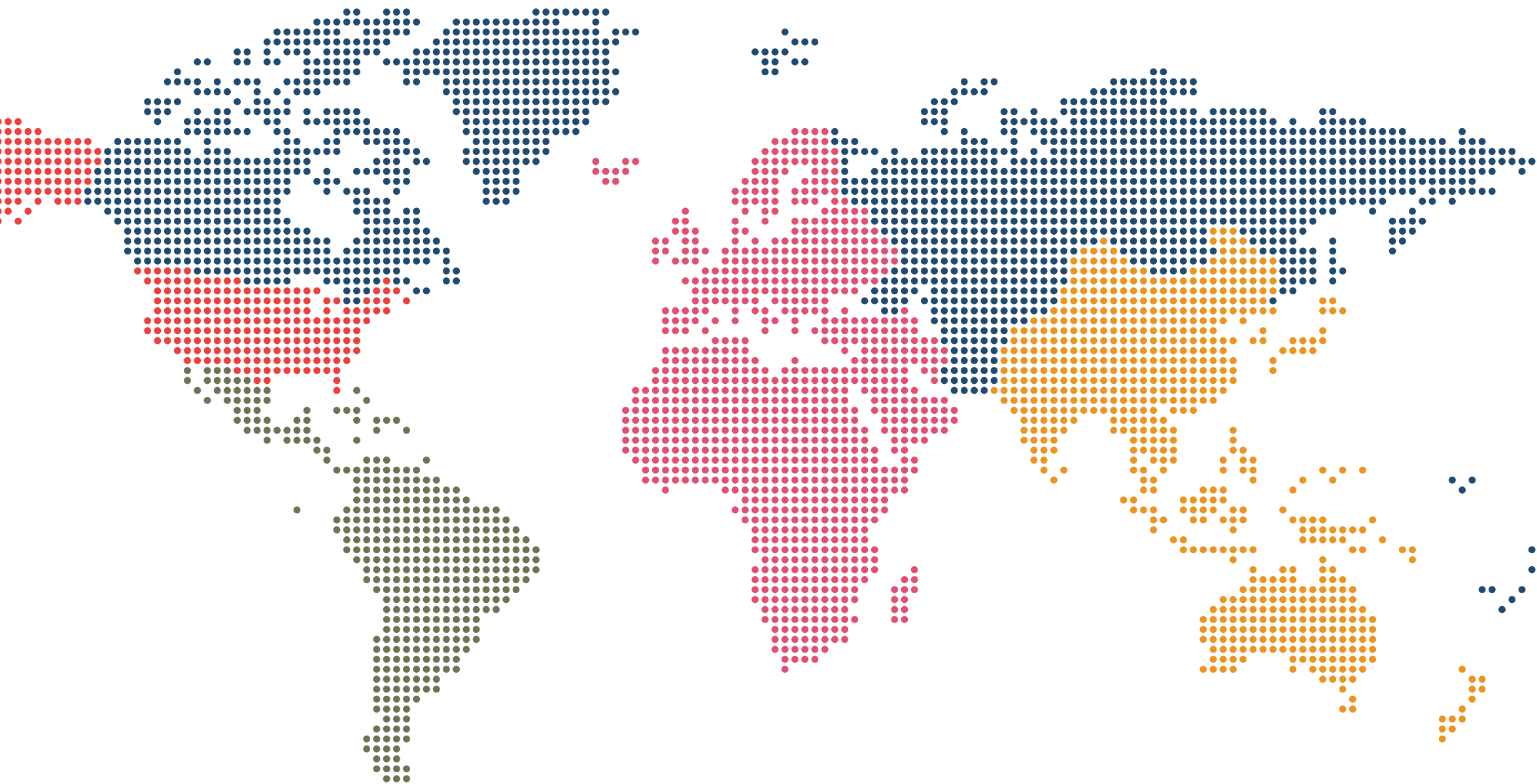
■R/GA

"THE NEXT BEST SELF"

Methodology

From June 14 to September 27, 2020, R/GA surveyed nearly 16,000 consumers in the US, EMEA, LATAM, and APAC across 15 service verticals, and honed in on six: **e-commerce, personal care and beauty, consumer technology and electronics, credit cards, quick service restaurants, and health and fitness.**

We also conducted external interviews with subject matter experts and industry stakeholders.

The goal of this proprietary research was twofold: to understand how brand relationships are evolving across these six product/service verticals—and what it takes to create the most optimal post-purchase customer relationship.

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Markets covered: US, UK, Germany, Australia, China, Japan, Singapore, Argentina, and Brazil.

Over the last decade, the general standard for how brands serve and support their customers has risen.

THE CURRENT STATE OF BRAND RELATIONSHIPS

For instance:
Amazon set a new bar for product offering and ease of use.

Platforms like Mailchimp pioneered plug-and-play commerce, content, and customer relationship management (CRM) tools to small businesses looking to reach and serve their customers.

Social media platforms like Instagram integrated commerce, so you can now become aware of a product, consider it, and buy it—a full funnel experience—in seconds, without ever leaving Instagram.

Starbucks saw nearly 25% of all US transactions in 2020 executed seamlessly through a mobile app.

"Direct-to-Consumer," a label once considered the territory of pastel-hued lifestyle start-ups, is now a selling decision any company can make for itself, even if the form of the relationship varies from category to category.

COVID-19 is sweeping up the last of the laggards in this space, when owned relationships with customers shifted overnight from "nice-to-have" to "must-have."

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In 2020, those who had already laid the groundwork for a more connected relationship with the customer thrived.

An unintended side effect of this swift digital transformation is a flattening of the internet—in both functionality and appearance. Websites are becoming cookie-cutter experiences. With the same back-end site-building tools being used again and again, the customer experience magic is being replaced by customer experience monotony.

Ironically, companies invest millions in differentiation through advertising and product. Yet the relationships that surround their brand have become automated, uniform, and robbed of personality.

Once everything is automatized, a pivotal question arises: how can brands stand out and surpass competition?

Uber Eats saw a 113% increase in food delivery revenue in a single quarter. Verizon saw a 20% increase in web traffic. McKinsey[2] claims the pandemic resulted in a compressed timeline of digitalization. "We jumped three years in one."

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2. How COVID-19 has pushed companies over the technology tipping point—& transformed business forever, McKinsey, Oct 2020

How to create meaningful post-purchase experiences

In our digital economy, business growth comes from expanding usage: spending longer on a product, upgrading from freemium to a paid subscription, or buying the $500 headphones that connect seamlessly to all of your other devices. Today's smart companies are able to grow by offering undeniable value in exchange for recurring revenue. We see this reflected in the rise of usage brands: brands whose experience is their product.

With so much emphasis placed on experience, disappointing a new customer can have colossal consequences. For example, dropping the ball after a successful (and exorbitantly expensive) customer acquisition can result in years of lost subscription revenue, usage, and additional purchases. That's why having a strong post-purchase experience strategy is crucial.

It goes hand in hand with a strong first impression. Just like in any new human relationship, the first few moments together can be make or break. Brands need to have a lasting positive impact on customers—starting with the initial acquisition. A good first impression can set a foundation for creating life-long, high-value customer relationships.

NEW ECONOMY, NEW RESPONSIBILITY

Like never before, customers are buying products and services to solve problems, conquer personal goals, and live happier lives.

The Call to Action

Today's modern brands have the opportunity to help customers achieve the following desired outcomes. They can—and should—empower customers to:

- *Solve real problems and reduce obstacles, pain points, friction, and irrelevance.*
- *Establish, maintain, and restore control.*
- *Learn, grow, and see results.*
- *Connect with others, and feel a sense of belonging.*
- *Act in the service of something bigger.*

"The Next Best Self" can be thought of as the basis of today's healthy, mutually beneficial brand relationships. Brands must foster a two-way connection with the customers they aspire to have long-term, and help them achieve their "Next Best Selves."

Today's call to action is for brands to build experiences of relevance, and more importantly, interactions of value that enable customers to achieve happier, more fulfilled lives. Our six insights break down exactly why.

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Insights

Welcome to the provocative
truths of Post-Purchase

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1

SEAMLESS IS THE ABSOLUTE BASELINE

With rising standards come rising expectations.

"In our research, 75% of consumers told us they don't just enjoy but *expect* a seamless experience across all devices and channels."

Good enough is no longer enough. Yet it's where most companies stop. When asked if brands met their baseline expectations for what they consider to be a 'good' experience, a majority of our global consumer respondents (64%) agreed, but only 12% strongly agreed. This gap between good enough and genuinely great contains billions of dollars of untapped revenue and potential repeat purchases.

When something is expected, it's no longer a competitive advantage.

Customers crave more than a quick transaction and functional product. They're hungry for brands to make the jump into the genuinely great space. For example:

64% of consumers want their experiences to be more than just a seamless delivery of goods.

66% purchased their product based on the brand experience enabled by the product.

A great product experience plays a huge role in successful customer retention, but creating this high quality experience hasn't been a part of the traditional brand marketer's job description. Instead, they're saddled with the responsibility of generating demand—raising expectations, but not meeting them.
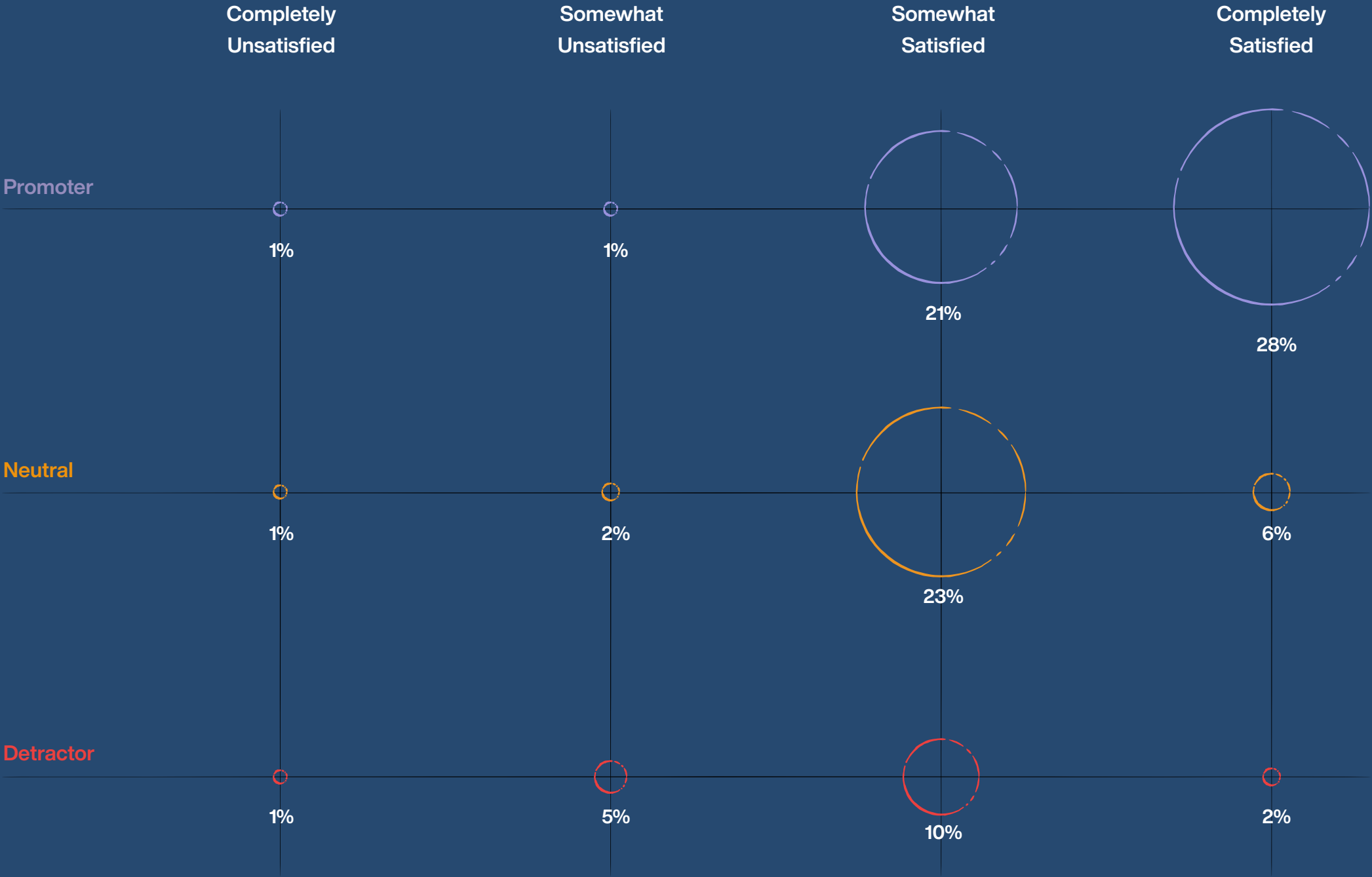
More than half (51%) of all customers agree that brands oversell their product experiences.

Marketers overhype and underdeliver. This hype job is a double-edged sword. When the product expectation doesn't match the product experience, the likelihood of repurchase plummets. It wasn't the advertising that was a waste of time, it was the experience the advertising was selling.
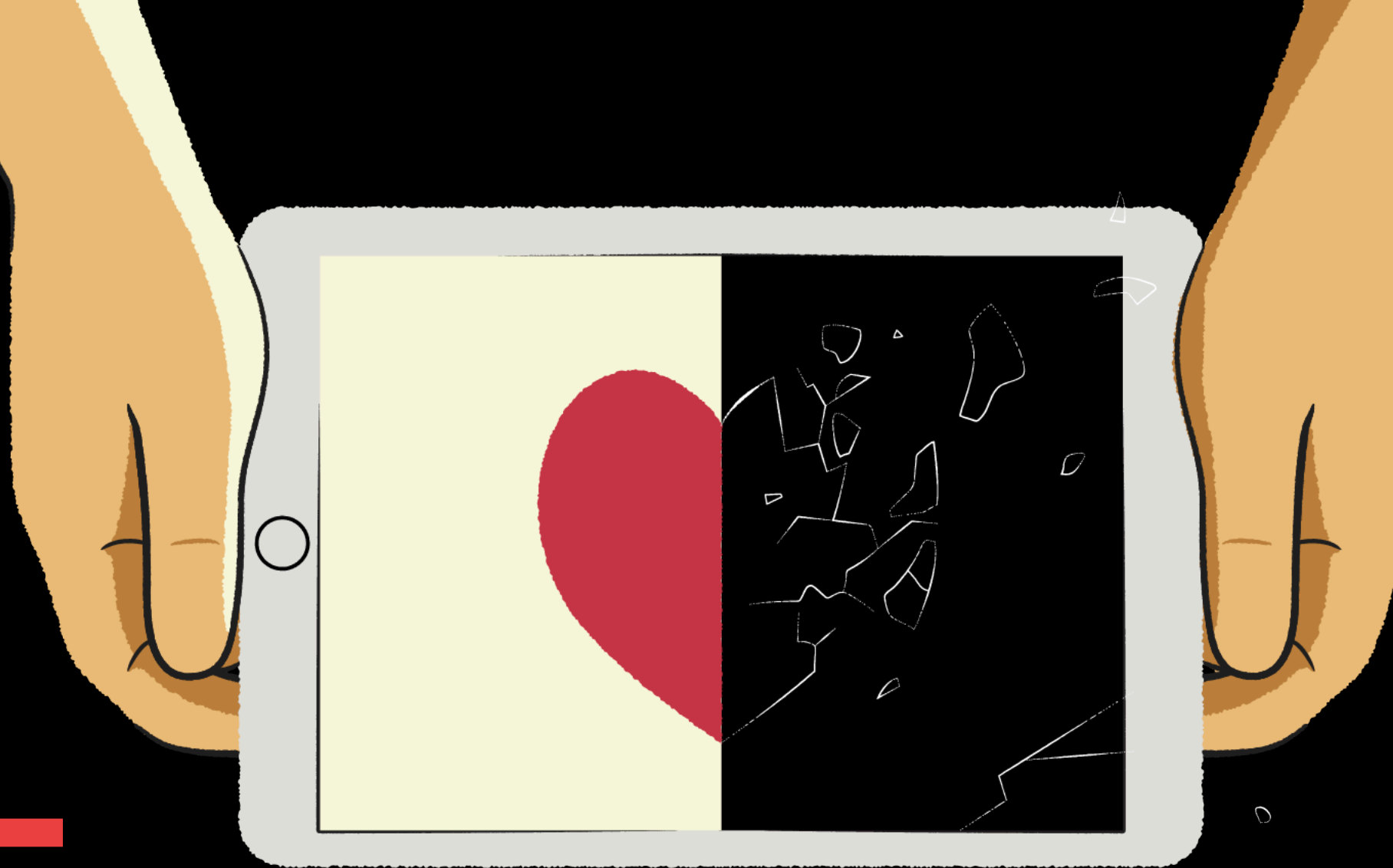
Half the time, the only thing marketers are in charge of generating is disappointment.

When a brand has a seamless experience, the advocacy rate increases across all categories. More customers are willing to recommend this positive interaction. If the experience is poor, however, we found the advocacy rate falls into markedly low territory.

After having spent the last decade chasing 'seamless' as the pinnacle of customer engagements, it's time for brands to take things a step further.

	Completely Unsatisfied	Somewhat Unsatisfied	Somewhat Satisfied	Completely Satisfied
Promoter	1%	1%	21%	28%
Neutral	1%	2%	23%	6%
Detractor	1%	5%	10%	2%

2

IT'S LOVE AT FIRST USE — OR NOT AT ALL

"Customers are most susceptible to buyer's remorse in two post-purchase moments - their first time using the product, and the moment immediately after, when looking for answers about how to properly utilize it."

Without helpful, proactive onboarding, buyer's remorse is inevitable.

The post-purchase experience is paramount to successful customer retention. But where should companies start investing to minimize disappointment, while also amplifying satisfaction? Our research made it clear.

We asked customers to rate their first time using a new service/product:

48% of respondents said their initial experience wasn't completely positive.

When they had problems, people turned to customer service or online tips for help, and a significant portion of those customers experienced further issues and problems that prevented them from ultimately having a positive experience.

In these immediate moments of vulnerability, frustration creeps in. Customers pay for a promise—and the second they realize the product isn't living up to that promise, the entire experience crashes: they become disappointed, discouraged, and distrustful. A product failure can have a lasting emotional impact that's truly hard to overcome.

We also found that categories where customers were committing to a purchase in order to solve specific problems—like ecommerce, credit cards, fitness—were **1.5-2x** times more likely to be disappointed and frustrated with their buy.

This is doubly risky. Picture it from the customer's perspective: you have a problem, and now you have a product that's failed to solve that problem. Your frustration has been essentially doubled, losing time and money in the process.

Reducing
Time-to-Mastery

No customer wants to feel stupid. The excitement of unboxing or using a product for the first time can vanish very quickly if the experience isn't immediately intuitive.

We've dubbed this period 'time-to-mastery,' and all brands should be looking to reduce it to practically zero.

At the most basic level, this period speaks to onboarding. Technology hardware companies have put significant time and effort into an out-of-the-box experience that requires as little set-up and time-to-mastery as possible. Digital products and services like Duolingo prioritize the onboarding phase as a key moment to demonstrate how to get the best out of the product (see report section 2).

Our research revealed just how much customers crave easy onboarding and continued support. We asked customers across all categories to outline the things they feel are most needed immediately after an initial purchase.

A quarter of customers (23%) indicated they were interested in tools or services that help them continue learning. An equal amount of respondents also indicated an interest in product curation: brands helping them discover what else to buy.

# "41% of respondents chose 'getting the most out of my purchases' as their primary post-purchase need."

Reducing Time-to-Mastery

Despite being the fourth and fifth preferences in order of priority, this is a major opportunity for marketers to use the first moments in the initial customer-brand relationship to cross sell and upsell additional services.

In addition to maximizing their preliminary purchase, we also found that customers crave for more interactive, engaging ways to learn:

82% want interactive experiences to learn about products and the category.

74% want to learn about the products and the category through game-based activities.

73% want live (real-time) educational services that include coaching, content, and community.

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Interest in learning how to use a product **better** vs. actually learning how
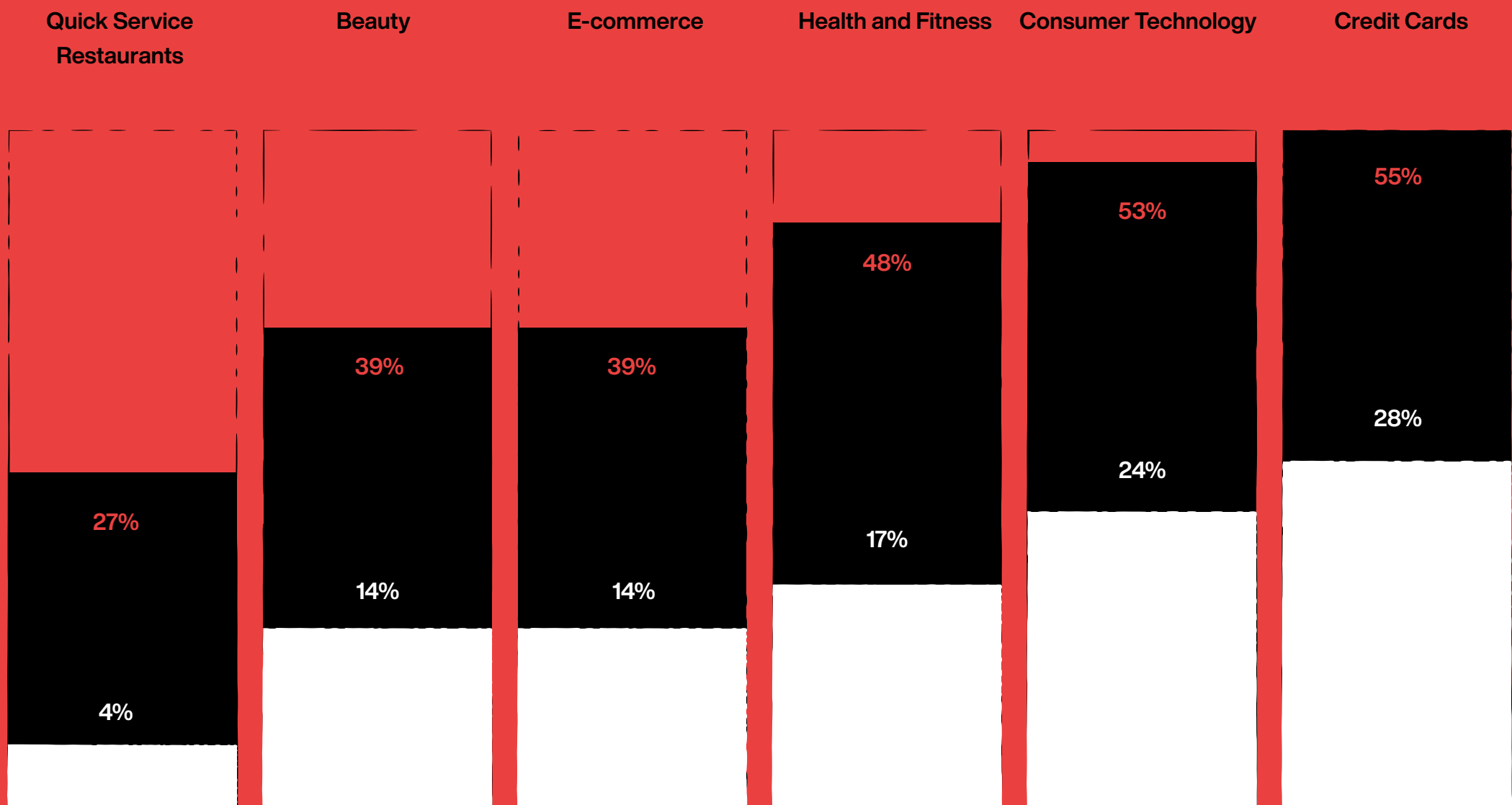
There can be a disconnect between what customers say they will do and what they actually do in real life.

Across categories, we found a considerable gap between the number of customers who passively expressed a desire for additional insight and the number of customers who took action to get that insight (see graph). Customers are open to educational communication, but unwilling to work hard for it.

The solution? Proactivity. By serving customers the information they're most likely to want in the moments immediately following purchase, brands can proactively prevent buyer's remorse. This is a powerful, yet underleveraged strategy that establishes a positive brand relationship from the get-go.

Quick Service Restaurants	Beauty	E-commerce	Health and Fitness	Consumer Technology	Credit Cards
27%	39%	39%	48%	53%	55%
4%	14%	14%	17%	24%	28%

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Insights

3

COMMUNICATION BEATS CONVENIENCE

First, make yourself easy to talk to. Then, make yourself easy to buy from.

In our seamless, one-click, same-day age, convenience is table stakes. A benefit to the business framed as a benefit to the customer, "convenience" is now a catch-all term for everything—from easy check-out and a bottomless product offering, to reliable availability, speedy delivery, and forgiving return policies.

To understand where convenience falls in customer priorities, we asked customers to rank a series of service offerings/features in order of purchase importance.

The top feature? Not convenience, but communication.

The top 3 scoring criteria were features related to healthy communication between company and customer: customer support, flexible customer service, and real-time communications and delivery tracking.

96% said customer support and assistance.

95% said flexible customer service.

93% said real-time delivery tracking & communications.

Customers also value brand values.

When asked what values they most like to see reflected in the companies they buy from, customers preferred "helpful," "transparent," and "hav[ing] integrity" over the more abstract "empathy," and "social impact" options.

In pursuit of "being easy to do business with," some companies have lost sight of these values in favor of digitized convenience. Removing the potential for clear, simple one-to-one communication creates more business risk than it solves.

Digital transformation is not a way to hide from the customer. In our quest to deliver "whatever you want, whenever you want it", we've forgotten to be helpful.

Successful companies encourage employees to take a helpful approach in their customer service. For example, Ally Bank's Banksgiving campaign surprised and delighted goal-chasing customers with additional cash. Pret a Manger empowers baristas to give out an occasional free coffee to favored customers, and Zappos' customer-friendly business policies provide radically simple, free returns up to 365 days after purchase.

The New York City Rule

The desire to know that customer service is available, even if not needed, is known as the New York City rule.

No matter what you need, you can get it at any hour in New York City.

High Importance to customer support vs. actually calling them

Consumer Technology	Health and Fitness	Credit Cards	E-commerce	Beauty
95%	95%	94%	98%	92%
4%	7%	19%	24%	26%
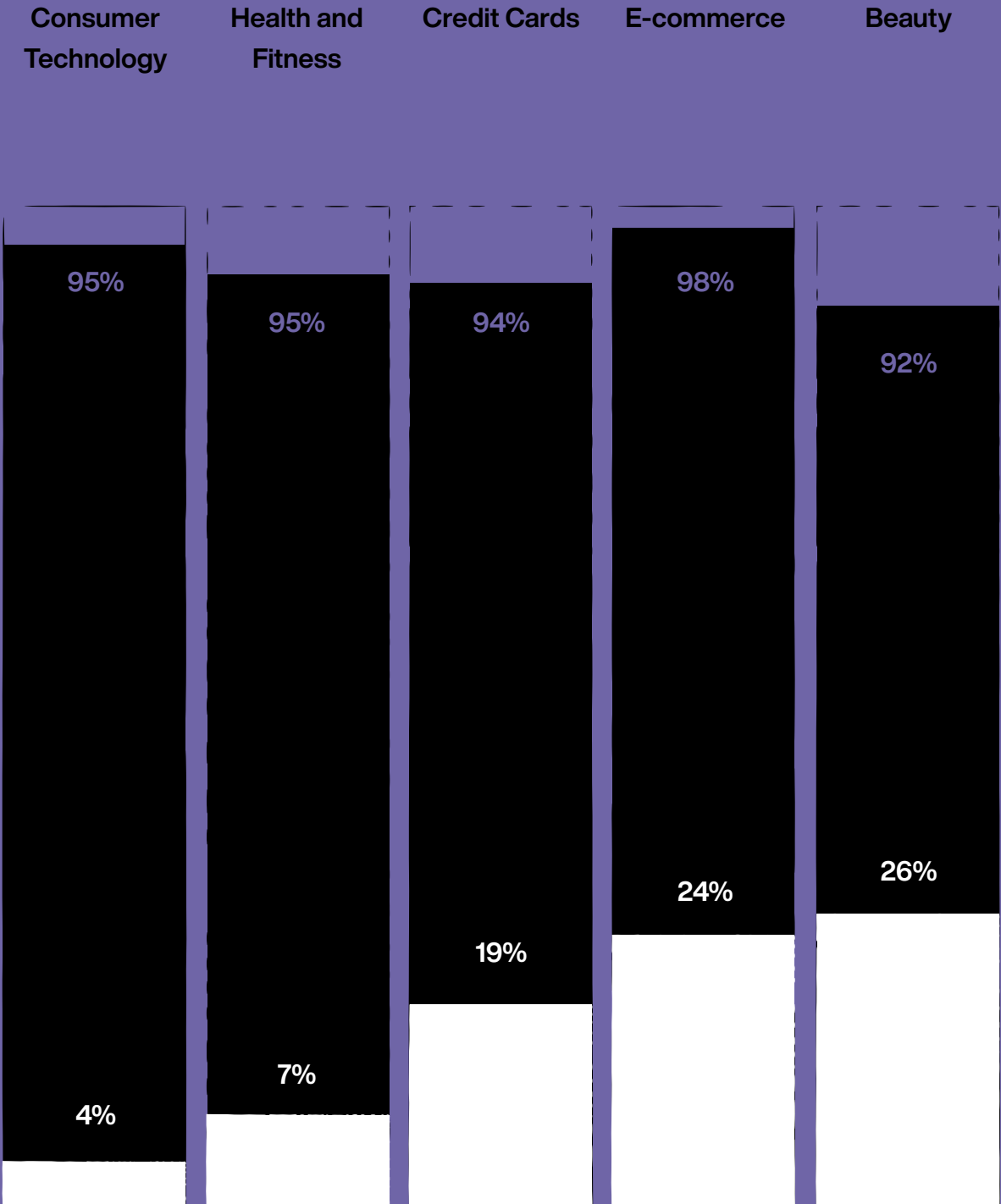
Despite this high value placed on customer support, very few customers actively engage support after purchase. When they do, the process is usually fraught with friction (see Insight 2: It's love at first use—or not at all).

To avoid this potentially negative customer interaction, brands need to have great communication as a safety net. If something goes wrong with a purchase, customers want to be assured that there's somewhere to turn.

The net-net: the promise of access to people, with good communication at every stage, are hallmarks of great brand relationships.

Customers want to know that brands are not only easily accessible in the moments after purchase, but also readily available to engage with them before buying the product. Just like a NYC slice of pizza at 4AM, customers crave that 24/7 accessibility.

4
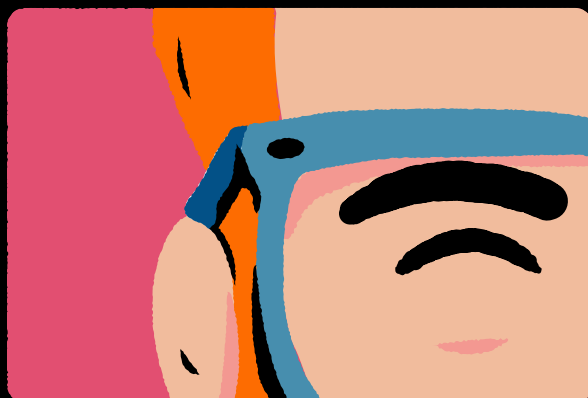
PERSON-ALIZATION ISN'T CREEPY

Data-driven personalization is awkward pre-purchase, but essential afterwards.

For years, "the right message for the right person at the right time" has been touted as the holy grail of modern marketing. Behavioral data can be a mixed blessing before the moment of conversion. For every perfectly timed offer, there are thousands more aggressively retargeted offers. Post-purchase, the aggression takes the form of pushy cross-selling and up-selling, which diminishes the role of CRM in the overall marketing mix.

In the race for quick sales, marketers are overlooking the bigger opportunity: to create sticky, helpful, and personalized messaging and services for people **who have already opted in as customers** and now need to be retained.

Why relationship-manage when you can relationship-design?

"That's 79% of customers not just willing, but eager for a personal relationship with the brand, as long as it's helping them directly—and not just 'someone like them'."

Personalization on their terms

Our research uncovered some complex but compelling attitudes to personalization: both in the product or service itself, and in the marketing that it surrounds.

In the pre-purchase consideration phase, customers are drawn to services that offer a degree of personalization in the experience. 87% of our global respondents are looking for some degree of recommendation or curation from the brands they're buying into. You can see this in the success of uber-curators Spotify and Target, and helpful sherpas, like fashion powerhouse ASOS and its in-app tools, all help customers navigate an overwhelming amount of product.

However, in the post-purchase phase, customer interest in personalization both *increases* and *diversifies*.

We asked respondents what *additional tools and services* they would be interested in engaging with from a brand after becoming their customer.

51% said they'd be interested in hearing about other products and services curated just for them. This is where a disproportionate amount of post-purchase CRM is focused ("You just bought this! So you could also buy this, and this, and maybe this…").

Personalization
on their terms

However, a much larger group, 79% of respondents, said they'd be interested in an interactive, 1:1 concierge experience for support, insight, and future recommendations.

That's 79% of customers not just willing, but eager for a personal relationship with the brand, as long as it's helping them directly—and not just 'someone like them.'

Beyond mere product communications, more than three quarters (84%) of customers said they'd like to have personalized communications about things that matter to them. It's critical for brands to engage not only through product, but also through the lens of the product's user. Brands need to communicate a point of view that's informed by the intersection of their brand values and the customer's values.

"Brands must encourage and reward customer data sharing early on, before the initial honeymoon phase wears off."

The sliding scale of personalization

All successful post-purchase strategies rest on the importance of both carefully deployed data, as well as early incentives to provide personalization. Implicitly, a base level is always possible (if it's 3pm on a sunny day in Los Angeles, then sell tank tops, not thermals). However, the desire and opportunity afforded by personalization grows when customers are encouraged to share explicit preferences in response to thoughtful questions.

Customers are significantly more likely to engage in these types of Q&As in the early moments of excitement that either immediately precede or follow a purchase.

Accordingly, brands must encourage and **reward customer data sharing early on, before the initial honeymoon phase wears off.**

Clearly signposting the value exchange is also vital. Getting customers to fill out multiple time-consuming fields of data, without clearly defining the personalization aspects they'll get in return, is a quick route to an eye roll at best and lasting exasperation at worst.

Instead, brands can use personalization to foster fulfilling relationships with their customers. How? By making the value exchange clear from the very beginning and by making the overall data sharing process genuinely fun *and* useful.

5

LOYALTY IS A MARKETING MISNOMER

"88% say loyalty programs and incentives are important for brands to offer. 13% actually join the program."

Loyalty programs as they're currently structured are failing to create any actual loyalty.

The "loyalty" program, a marketer's go-to gameplan for long-term engagement, is broken.

Our research revealed a giant gap: while 88% of customers find loyalty programs important for brands to offer when considering a buy, only 13% of them would actually sign up for the program post-purchase.

This data begs an important brand question: were these loyalty programs merely poorly explained or signposted? Or, more likely, is the nature of "loyalty" itself in need of reinvention?

"Brands should be loyal to customers, and not the other way round."

Frequency ≠ Loyalty

Loyalty is not a program, but rather an emotional state. It describes customers who are committed to buying from the brand, regardless of what it offers. Today's modern brands with the most loyal customers do not incentivize beyond the product. Their products get purchased without any need for promotion or discount.

Most programs labeled "loyalty" should therefore be "frequency" programs, which seek to prod the customer into becoming a repeat buyer. These programs tend to run on frequency data, and offer no insight into a customer's actual loyalty. For example, there isn't data around how much of your wallet they hold over other brands in the category. As a result, traditional loyalty programs aren't effectively inspiring anyone beyond the already loyal.

In an age in which brands have access to extraordinary amounts of customer data, this reliance on frequency is flawed. You might as well be strangers. Instead, brands should be using that data to get to know customers. By rewarding them with things that matter to them, brands can successfully generate actual loyalty.

Current loyalty program customers aren't even using the programs as intended.

Just for fun

Of the 51% fast food or quick serve restaurant (QSR) consumers who are members of a restaurant loyalty program, **most (86%)** were clinging onto the points they've earned and not spending or redeeming them. These weren't even loyalty programs where the points garner considerable status, as on an airline. Points were just… points—plain and simple.

This indicates that these programs' customer value wasn't about a free milkshake. It was about the fun of collecting. It's an intrinsic benefit: an internally satisfying motivation coupled with an end in and of itself. Other intrinsic benefits include a sense of community, discovery, or delight—all of which are powerful in creating the behaviors that eventually lead to habits.

To create genuine loyalty, brands must approach these programs from a different angle. The customer-first flipside of "how do I drive frequency?" is "how do I create a habit?"

Addressing
the practical

Brands can start by encouraging behaviors that align with the needs or personal goals of their customers. When asked what they would like help with, customers' top four answers, accounting for **74%** of all responses, were:

- Getting the most out of my purchases.
- Making life easier/lightening load/tedious tasks.
- Helping continue learning.
- Answering my questions.

These last two are particularly pertinent, as they relate to an even more precious commodity than money: time.

When Walmart set out to create an omnichannel strategy, its main goal was to help people make the most of their time: buy online, pick up in store, navigate aisles more effectively with digital displays, launch a design system that adds orange to the famous Walmart blue and yellow as a marker of time-saving experiences. For Walmart families, time is precious, and the more of it that can be reclaimed, the better.

"In the fitness, finance and technology categories, 'achieving a personal goal' was the second most popular reason for buying into the product or service."

Addressing the emotional

What's more, when we asked customers what the experience was they were hoping for from their purchase, their answers ranged from the functional to the emotional:

- *Solving a specific need (42%).*
- *Treated myself (32%).*
- *Replacing something I already had (27%).*
- *Upgrading to a better product (28%).*
- *Achieving a personal goal (20%).*

There's untapped loyalty potential rooted in these customer motivations. In Insight 2, It's love at first use—or not at all, we emphasized how brands must ensure the specific need is met and that the functional experience meets their expectation.

However, emotional states, like treating oneself and achieving personal goals, are under-leveraged in the post-purchase experience. A true 'loyalty program' should be designed to help customers feel like they're special, successful, engaged in a little friendly competition, or belonging to something bigger than themselves. (Turn to our strategies section on page 79 for information on how to do this.)

6

THE COLLECTIVE IS KEY

The key to happiness

While brand communities can be complex, they're incredibly influential.

Much post-purchase activity is transactional. The overall experience works harder for the brand's business than the customer's satisfaction: Please rate us on Amazon! Please buy this additional thing. Please fill out this survey so we can target you more accurately next time. Please sign up to our arcane loyalty program. Thank you for your business.

But what if brands established a more profound relationship with the customer in the moments after purchase?

When we dug into it, we struck the immutable truth at the heart of capitalism: consumers buy products to help them fulfill personal goals, believing that the achievement of these goals will make them happy.

20% of consumers said they were achieving a personal goal.

39% of consumers said that their #1 personal goal is to be happy.

Post-purchase relationship design has never played such a pivotal role. Assistance, education, rewards, and especially community can all be deployed in service of helping a customer reach their goals— including a happier life.

The more friction and frustration brands remove, the easier this will be.

Community confusion

When asked what kinds of services customers would happily engage with post-purchase, activities centered around community rose to the top:

72% of consumers are interested in live or digital brand community or programming events.

42% of consumers are more interested in seeing other customers' experiences with the brand once they become customers.

The impact of community in creating post-purchase stickiness is relatively new and therefore hard to quantify. We asked customers whether they considered themselves to be a member, or part of the brand community after making a purchase.

27% said yes.

32% said no.

22% said somewhat.

20% said they weren't aware there was a brand community or loyalty program to be a part of.

Community confusion

These mixed results indicate potential confusion or complexity around the definition of a brand community. One customer told us, "Being part of a community is knowing you're going to be first in line to get something from a brand." While this could be a benefit of being part of a community, it could also just be a result of being on the right email list. It's complicated.

The confusion is compounded by the fact that the nature of the brand community is changing. While large social followings on public-facing platforms are the norm, they're limited in their potential for deep community connections and more intimate services.

We're now seeing brands nurturing smaller fan networks in response to consumer shifts away from large, open online spaces.

This community-building is generally housed within third-party platforms like Instagram, WhatsApp, and Discord.

This is an extremely exciting development in the brand relationship space. As noted in Insight 5, Loyalty is a marketing misnomer. The mechanics of most customer "loyalty" programs are failing to serve genuinely enthusiastic brand loyalists. Private groups can speak directly to them by enabling direct access to the people behind a brand, opportunities for fan-to-fan connection, and a chance to input on future services, initiatives, and products.

While the exact definition of community, and customer's relationship with it, remains muddy, the appetite for community-powered experiences is strong.

"An outsize percentage of respondents (51%) chose 'health and wellbeing' as a cause becoming increasingly important to them."

Health and Happiness: A Growing Conversation

Customers' focus on happiness and emotional well-being also comes with a 2020 twist.

As a part of our research, we asked respondents to rate the causes that were most important to them and that they would like to see more brands supporting.

52% of consumers said the 'environment' is becoming a more important cause area.

51% of consumers said their 'mental health' is becoming a more important cause area.

48% of consumers said 'physical health' is becoming a more important cause area.

Given the current events, we have to separate this insight from the timing of our research. COVID-19 has dragged some previously muted conversations about mental health onto center stage. However, with the emotional impact of isolation, particularly on young people, it seems likely that the volume of these conversations will transcend the COVID zeitgeist.

This can be fraught territory for brands looking to sell a product or service. Do customers want an online underwear company messaging them about their mental health? Probably not. But can companies pay more attention to the ways in which their products could help customers feel happier and continuously satisfied long-term? Absolutely.
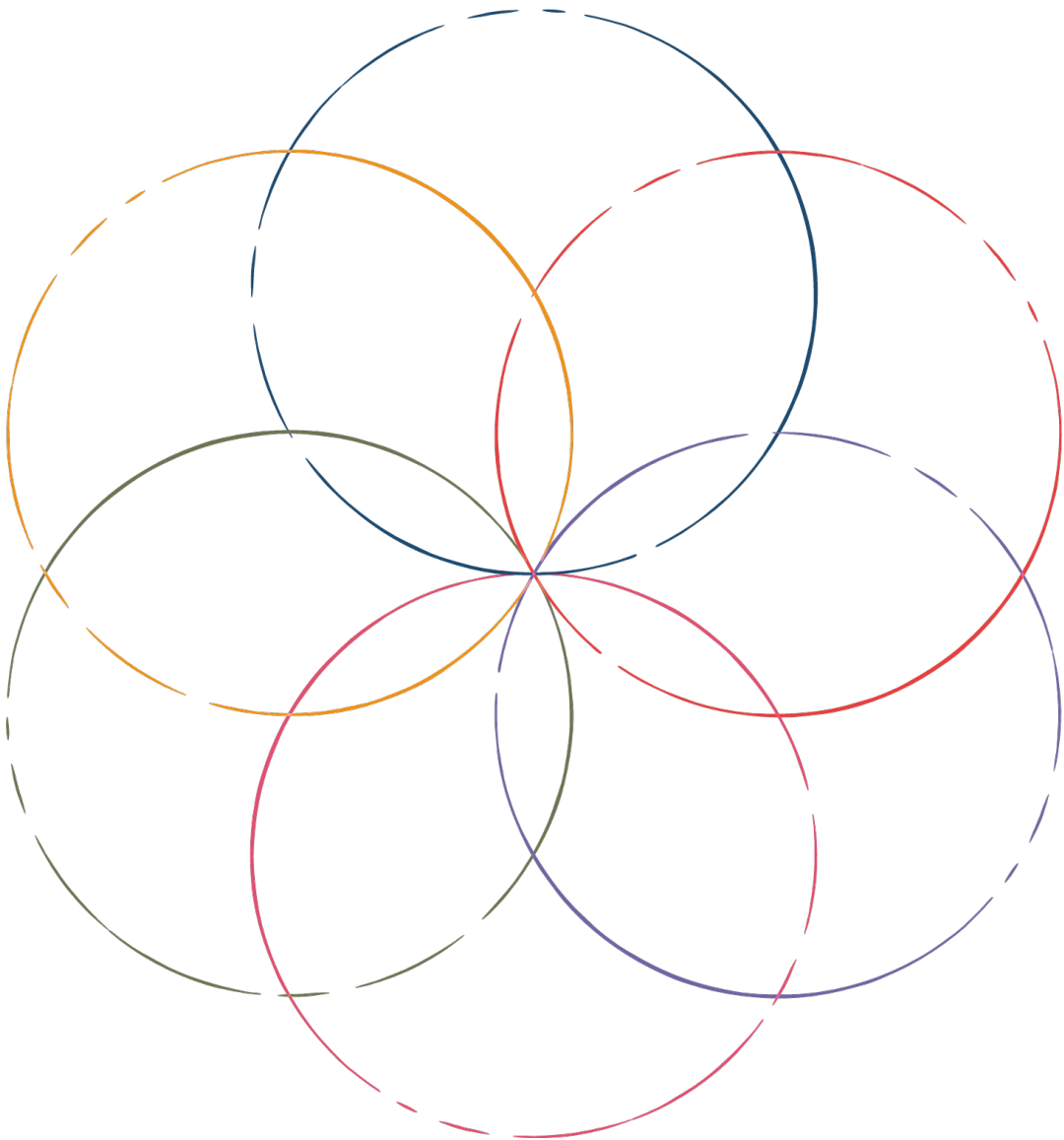
Strategies
for Winning
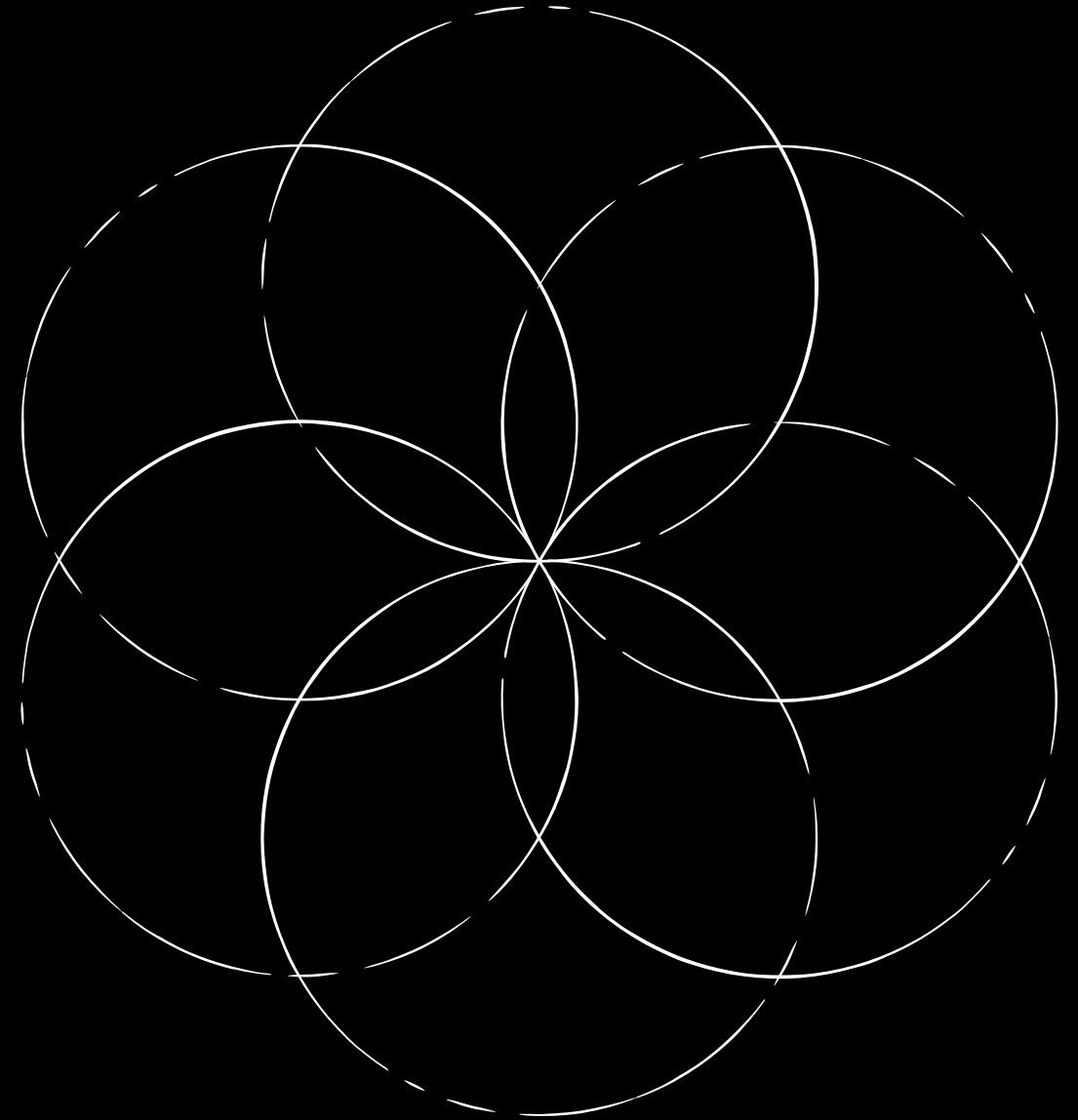
Our insights revealed why brands must develop stronger, lasting relationships with their customers. But how? These six insight-based strategies are essential steps brands must consider to foster mutually beneficial relationships that help customers achieve their Next Best Self.

Seamless is the absolute baseline	→	Introduce the brand universe
It's love at first use —or not at all	→	Onboard like no other
Communication beats convenience	→	Serve famously
Personalization is(n't) creepy	→	Empower with personalization
Loyalty is a marketing misnomer	→	Reward the relationship
The collective is key	→	Cultivate community

While some actions within each strategy will lend themselves to specific brand worlds more than others, all six strategies are important.

Each action is key to designing a holistic and long-term brand-customer relationship. To break down how brands can go even further in pursuit of this relationship, we've broken up suggestions into "Easy Mode" and "Beast Mode" categories.
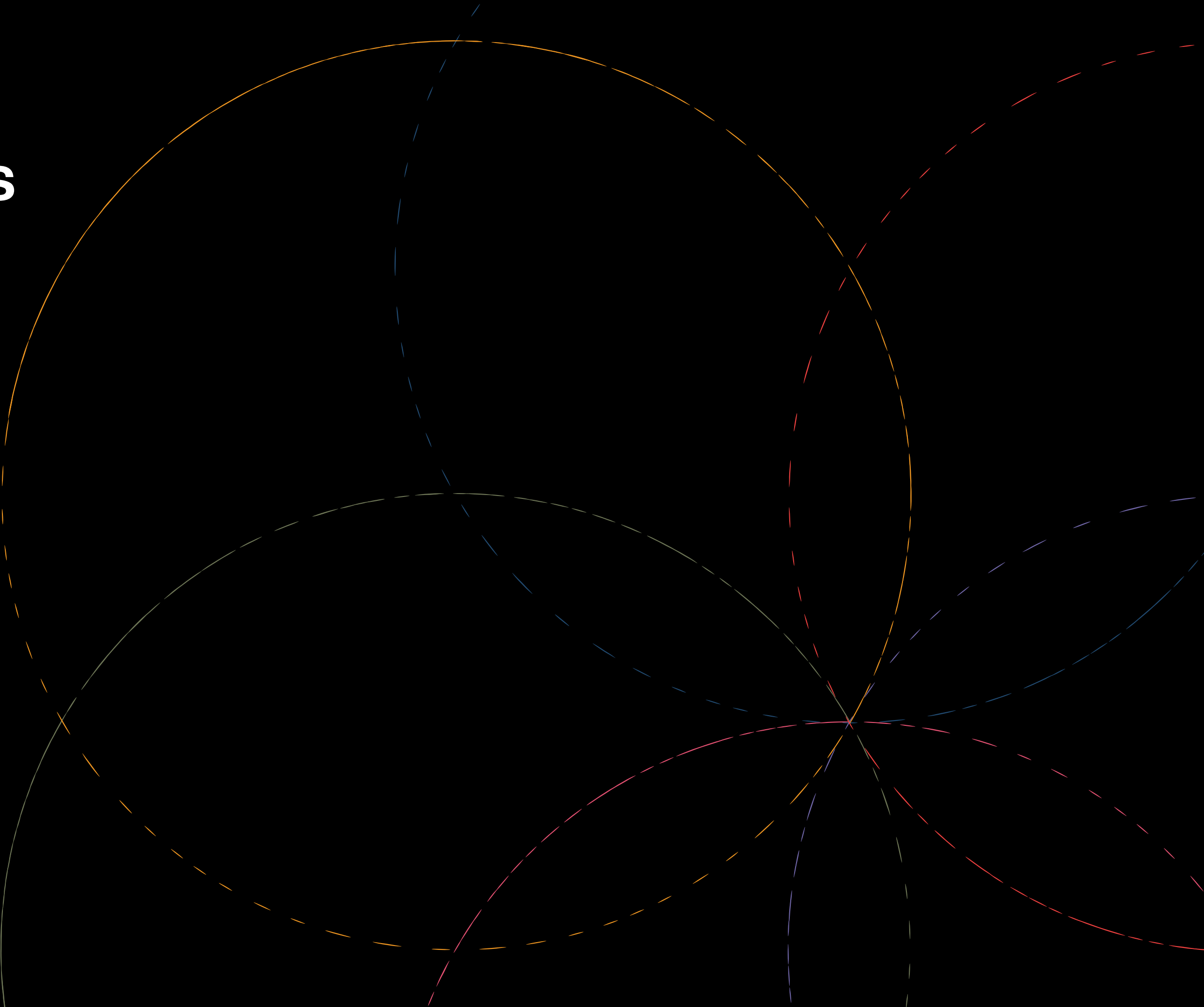
At the beginning of this relationship, these strategies focus on passive consumption and communication designed to create a great first experience. Over time, the strategies build to a much deeper, active connection.

When buyers move from first-time to second-time—from habitual to ritual—actions can be dialed up or down accordingly. For example, a power user of a brand's products may still require guidance when using a new product for the first time. Or they may be looking to skip straight to an extra reward. Depending on your customer's preferences, your brand must be able to adapt and satisfy.

Successful relationships need to be nurtured. While potentially hard to do, the reward can be invaluable. A strong, two-way brand-customer connection creates happiness, trust, and lasting loyalty. Our six strategies break down exactly how to win with this kind of game-changing relationship.

From Passive...

Conversion

Cultivate community

Introduce the brand universe

Onboard like no other

Reward the relationship

NEXT BEST SELF

Empower with personalization

Serve famously

To Active...
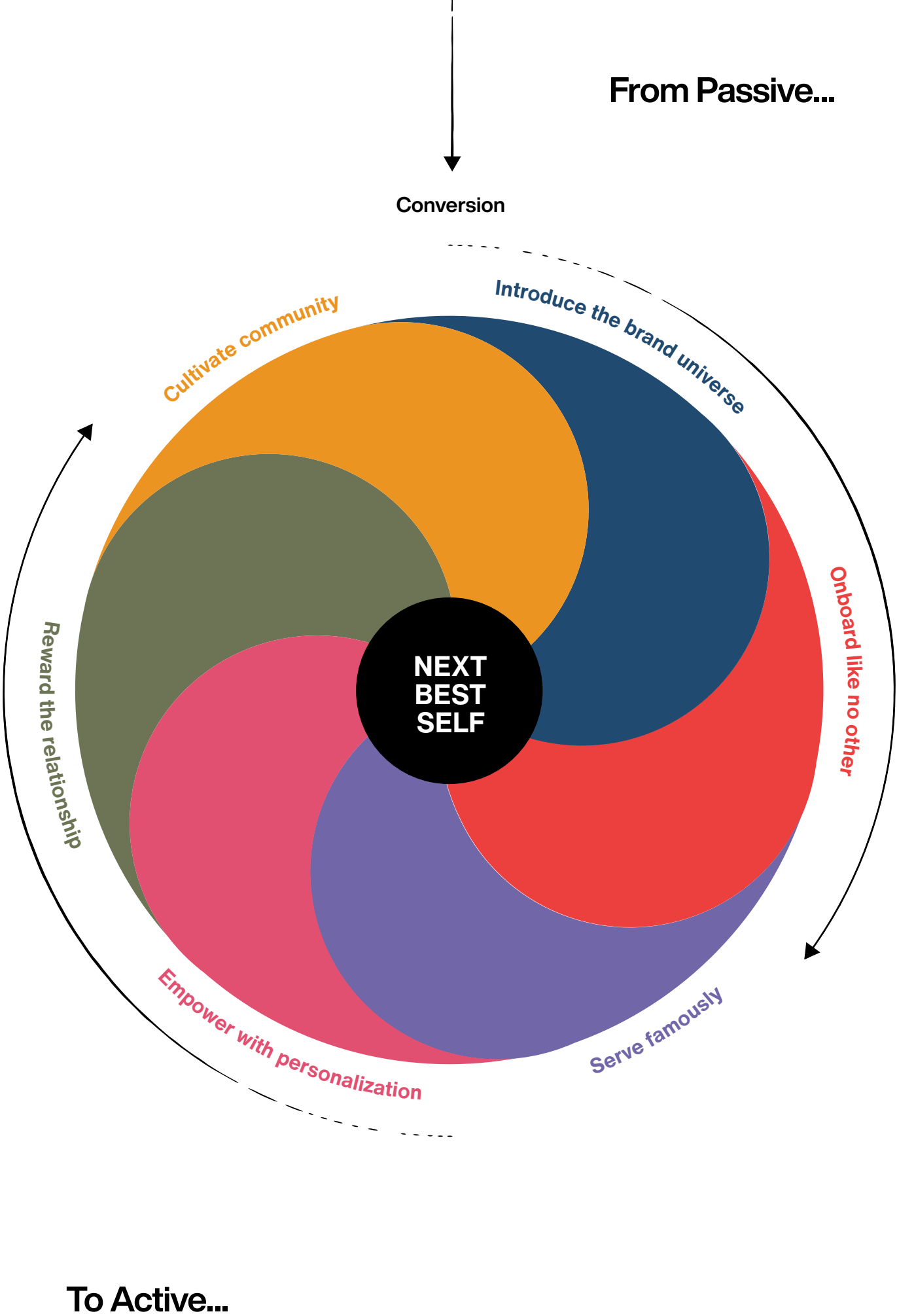
Strategies

Introduce the Brand Universe

Your customers are never more open to a relationship than they are when they've just bought something from your brand.

This is a vital moment to welcome them in; drive a little extra commitment, introduce company values, and show customers how they might be able to live their best lives, through you —and *with you*.
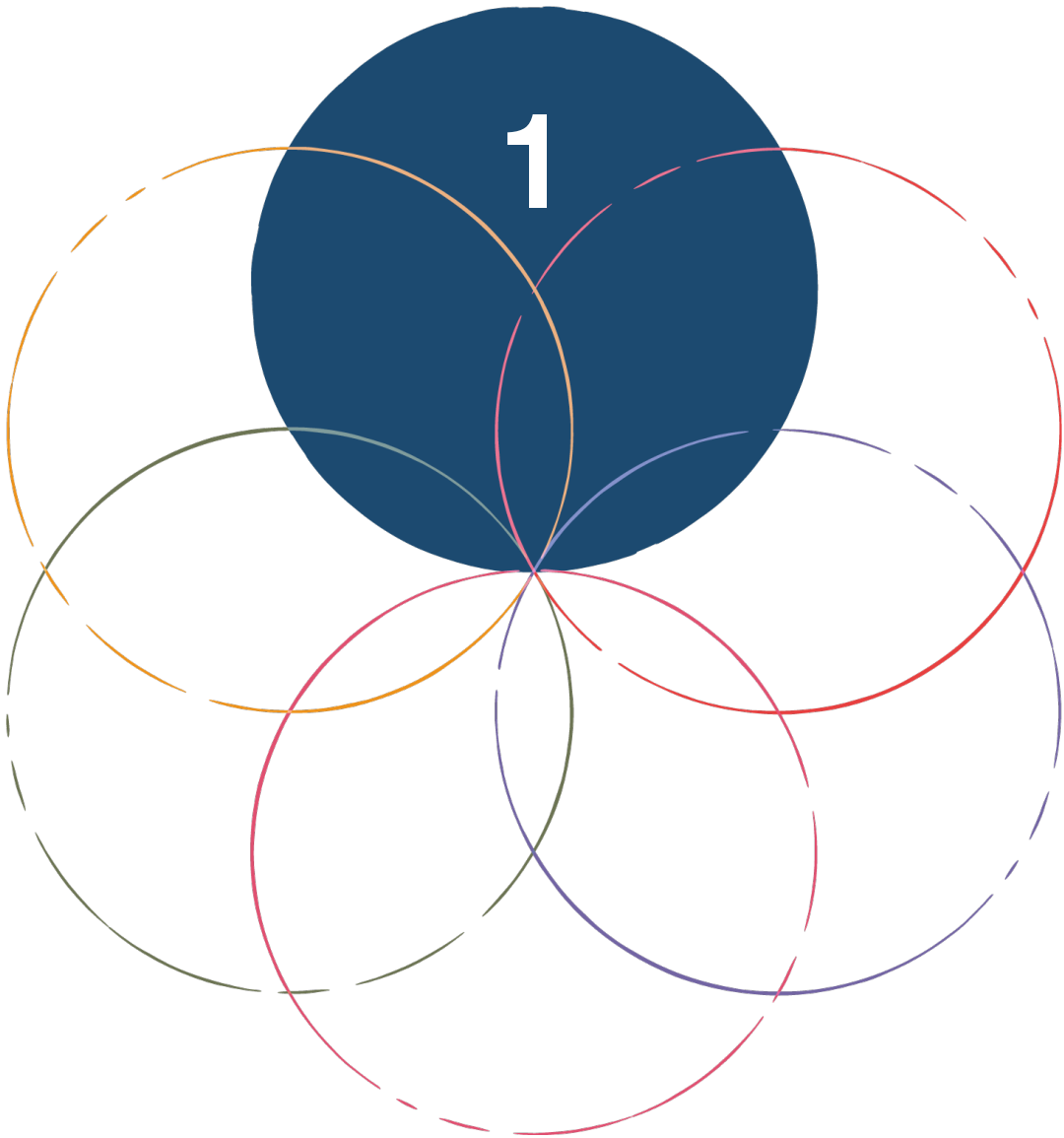
Customer Mindset	→	Open-minded
Winning	→	Excitement
Losing	→	Disinterest

Easy Mode

Beast Mode

Greet customers personally and recognize their choice as a good one.

Offer simple, playful ways for them to tell you more about themselves.

Encourage them to register products with additional incentives.

Let them dictate and personalize how much information they want to receive.

Leave seeds for them to learn more about your values.

Host a welcome page for new customers/members.

Make it easy to access answers to any questions they might have.

Turn delivery information and wait time moments into playful opportunities.

Encou rage customers to activate a membership avatar.

Provide an immediate 'starter pack.' This can include:

- An initial bump of currency in a membership program.

- An invitation to community (note: more 'join our community' than 'follow us on Instagram').

- An unexpected extra 'thank you' in packaging or product.

- An unlock of additional content or reward for first-time users of a service.

Do it like Gucci

→

This luxury fashion brand powerhouse integrated a virtual avatar creator into its app, enabling customers to design their own avatar, try on Gucci goods, and accessorize with digital products. "The worlds of fashion and gaming are colliding," CMO Robert Triefus told Fast Company. This collision is a good thing. Gucci's avatar-based shopping experience not only helps customers see what the product looks like on themselves, but it also supplies the brand with customer data to utilize post-purchase.

Do it like Duolingo

→

Meet the language-learning company that successfully underpromises and overdelivers to new customers. It's a surprisingly effective strategy because once customers are exposed to the fun free experience, they're ready for more. As Duolingo VP of Product, Cem Kansu told us, "Our bet is that [if] we can delight users earlier, we can convince them to sign up for an account or go further." Duolingo's rewards are also designed to align with customers' language learning goals, so the more you use the platform, the more you amass 'Lingots,' the service's currency. Lingots unlock additional services/courses, getting you closer to fluency and letting you watch your fluency score rise as you master new words, phrases, and grammar. This reward system keeps customers connected to the brand—and vice versa.

Onboard Like No Other

Once customers are signed up, the post-purchase product experience begins. Onboarding must be made as intuitive, simple, and engaging as possible. The goal? Reducing time-to-mastery. Failure to deliver this can leave consumers feeling duped or discouraged.

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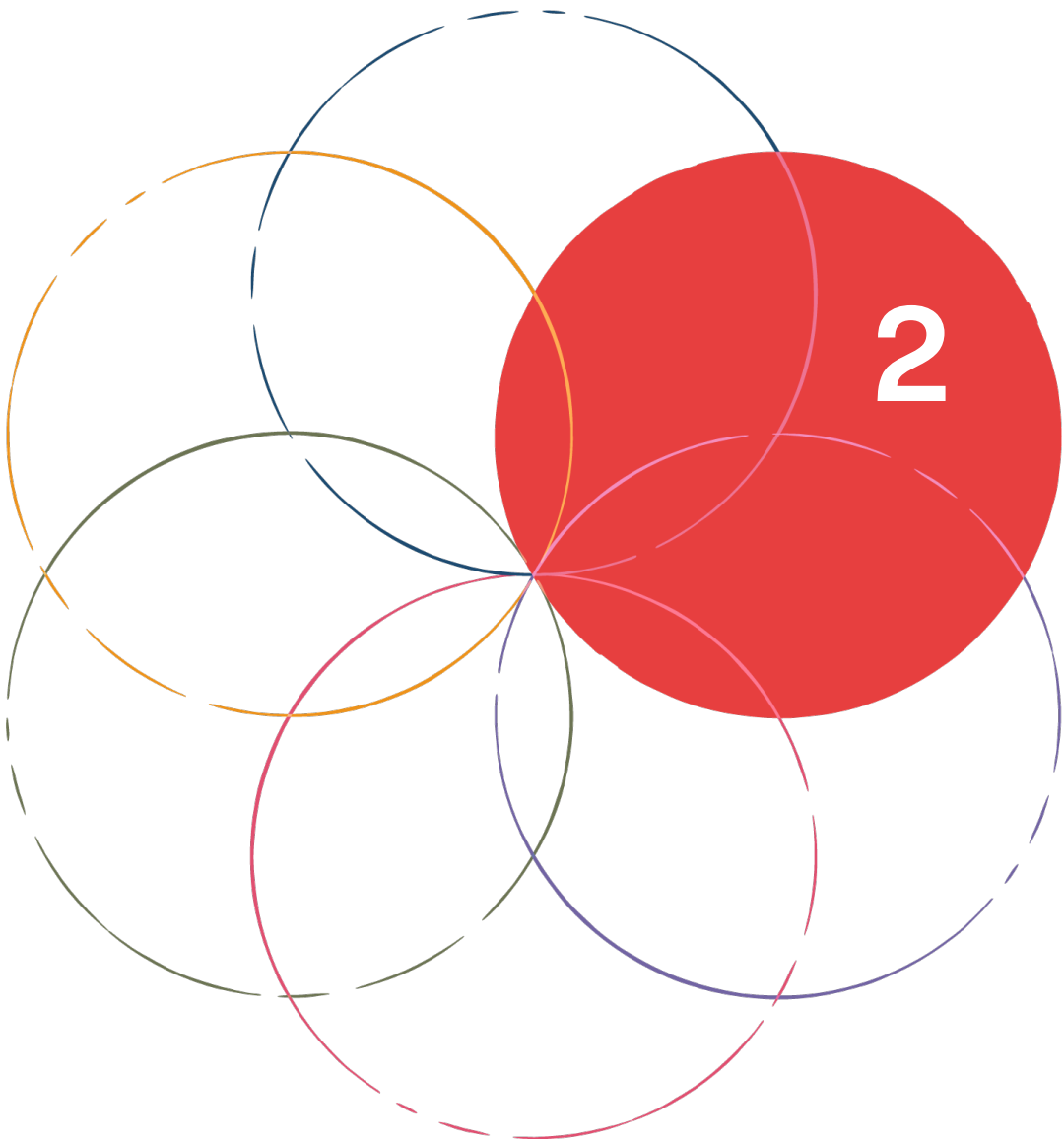
Customer Mindset	→	Eager to learn
Winning	→	Understanding
Losing	→	Disappointment

The Power of Brand Relationship Design

Easy Mode

Beast Mode

Deliver information directly before customers have to search for it.

Keep the onboarding experience simple and relevant: what is the key thing your new customers must know? A week later? 6 months later?

Use pre-purchase marketing as an onboarding tool, giving cues and advice.

Meet them where they are: Youtube, Reddit, Pinterest, TikTok, QR codes on packaging.

Include walkthroughs and testimonials.

When possible, onboard in-store with a guide ready to help.

Show them how other customers like them use the same product.

Invite to a community of engaged users.

Link to influencer videos.

For product:
Match each new product with a corresponding piece of educational content designed to inspire its uset.

For services:
Make early suggestions based on what's popular, and what's new.

Gamify the learning experience: make it interactive, immediate and playful.

Reward them for clicking through a quick FAQ with information other customers like them have found useful.

Make connecting to a person for support a one-click journey.

A Little Inspiration

Do it like Equinox

→

Having learned that customers' first 30 days of membership were make-or-break and cancellations were more likely to occur without personal contact in that time frame, Equinox transformed its mobile app. It now lets members message one-to-one with a virtual concierge. From rapid workout recommendations to guidance navigating the gym, the app's concierge service helps mitigate the awkwardness of getting used to a new gym in an empathetic way. Even more: the mobile app also connects customers to others who are chasing the same goals. **Designed by R/GA**

Do it like Verizon

→

Verizon's 5G Internet Gateway is an all-in-one wireless broadband device. For ease of use, customers can guide themselves through the installation process via the Verizon app, which now boasts augmented reality to indicate exactly how and where to activate the device, mount it, and confirm that it's working. It's helpful, engaging onboarding at its finest.

Serve Famously

When a customer encounters a problem with a product purchased to solve another problem, frustration gets compounded. Any customers looking to resolve their issues should be welcomed with open arms.

Brands, and their representatives, must be armed with solutions, inspiration, and guidance that are all accessible and helpful.
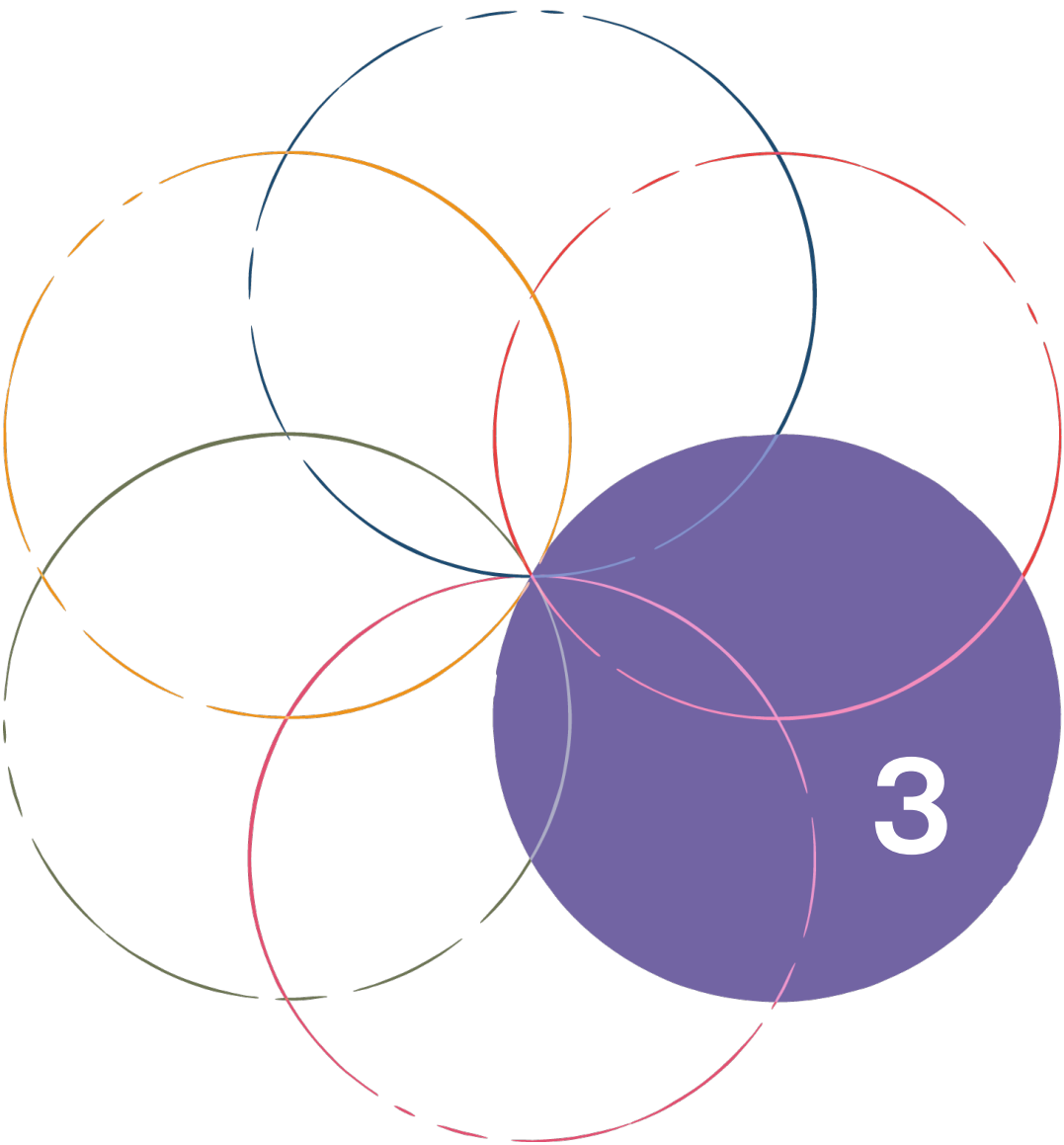
Customer Mindset	→	Vulnerable/Confused
Winning	→	Confidence
Losing	→	Frustration

Easy Mode

Beast Mode

Empower employees to share their expertise and experiences.

Invest in social media customer service and ensure customers know where to find it.

Make retail environments a center for guidance—in addition to commerce.

Integrate stories of successful interactions into marketing.

Avoid jargon or hyped language. Customer service dialogue should feel real, honest, empathetic, and human.

Co-opt other enthusiastic customers to answer questions.

Make employee gifting a permanent tactic, where customers can get rewarded or delighted at random, and potentially complex interactions get an unexpected sweet side.

Do it like Monki

→

Monkisphere is an in-beta online community space from H&M's most youthful brand, Monki. Opportunities for supporting and engaging customers range from answering shopping questions other members have posed on the site's group chats, to making clothing mood boards to share with other clusters of customers.

Empower with personalization

Congratulations! By this step, customers have been successfully immersed into your brand world. You've guided them through their first experience, and potentially through a more in-depth, trouble-shooting interaction. They have your product and they know how to use it.

This also means customers are no longer a beginner. At this stage, they're evaluating the need for additional products, deciding between competitors, or considering upgrades.

In this stage, your biggest goal should be to drive every customer closer to their personal goals through additional, valuable services and offerings. The more personalized and relevant these offerings are, the more likely they are to succeed.

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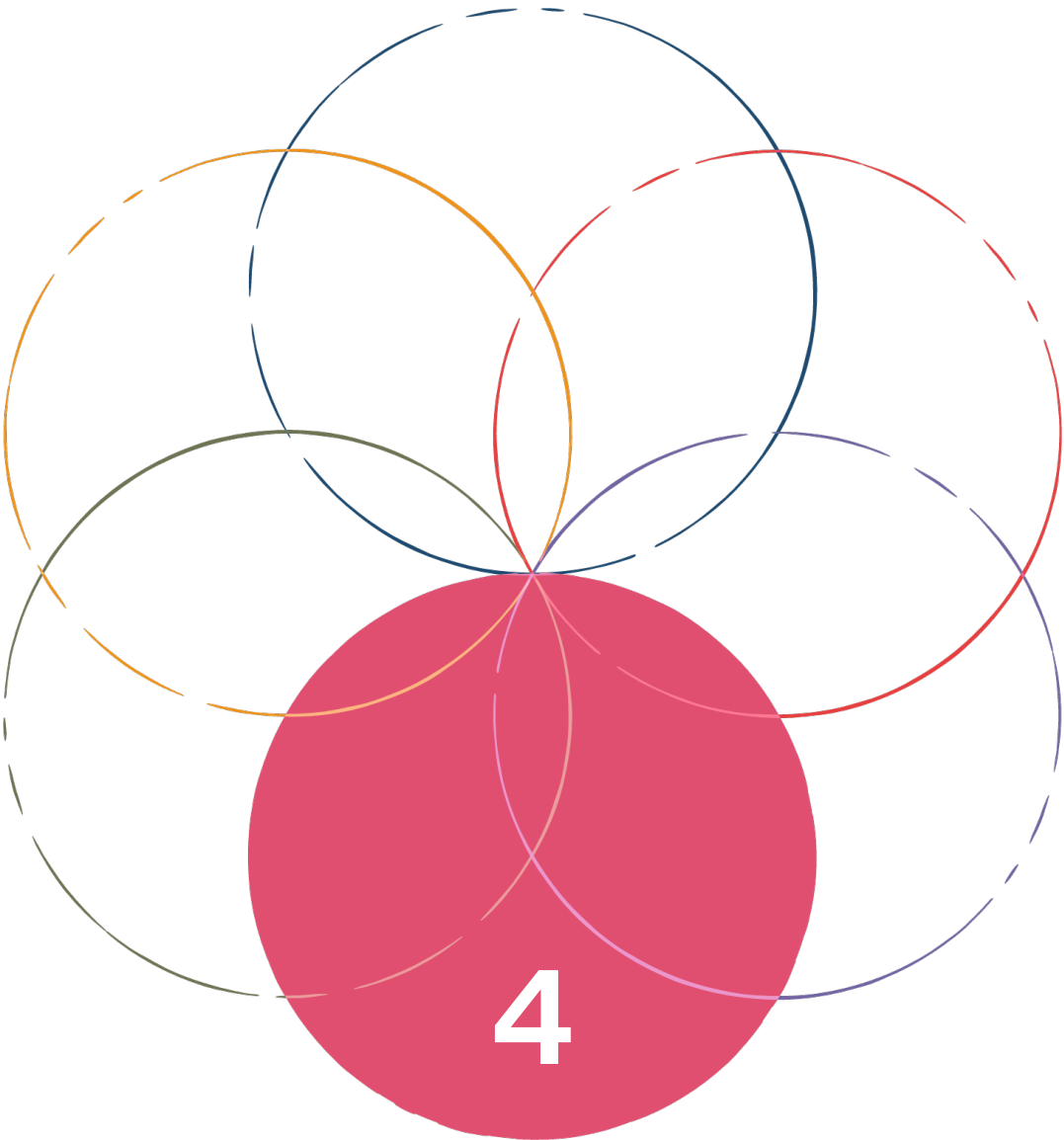
Customer Mindset → Growth

Winning → Expertise

Losing → Failure

Easy Mode

Beast Mode

Use the customer profile and past interactions to guide all activity.

Leverage data to create customized, automated, and thoughtful reminders —like "Hey Sarah! It's time to get your oil changed" or "Don't forget to schedule your pest control this month."

Curate and surface relevant products from your brand to create new ways for customers to engage and grow.

Make it clear what customers are getting in exchange for their data.

Make data privacy a frank and transparent part of your brand communications.

Connect customers with brand experts, online or in-person, that can suggest personalized next steps for their goals.

Customize the entire retail experience: from web homepages, to in-store displays and ordering menus, to give customers a personal view of the services they might be interested in long term.

The Power of Brand Relationship Design

Do it like next Bank →

Realizing that many of its young customers were living from paycheck to paycheck and finding it difficult to set saving goals, next Bank set out to create the first-ever bank designed for digital natives. It isn't just another digital bank. The next Bank customer experience "flows" with the user, making each 30-day cycle until payday more secure and manageable. It also puts experiences above numbers, guiding customers towards their personal money goals. Three years post-launch, the bank currently has over 3 million customers. **Designed by R/GA**

Do it like Chanel →

Chanel's beauty workshop, Atelier Beauté CHANEL, offers helpful services like one-on-one video makeup tutorials with a Master Artist, and skincare routine consultations with an expert Beauty Guide. It's truly useful personalization. After a consultation, Beauty Guides post a custom skincare regimen to the customer's profile, and build a personalized sampler kit for customers to try out at home.

Do it like Sonic Drive-In →

This iconic American burger chain's app takes personalization to the next level, with over 1.3 million possible drink/meal combos alone. The contactless experience enables customers to check in at one of more than 90,000 digitally-enabled stalls, view their profile information, order, and pay with a single tap. Geo-location information, purchase history, and weather conditions also factor into the personalized offers that customers receive. To date, the app has had millions of downloads, with hundreds of thousands of mobile payments processed daily. It's no surprise that the Sonic app remains a top-rated QSR mobile experience. **Designed by R/GA**

Reward
the Relationship

At this point, the consumer-brand relationship has been established. Brands must now shift from superficial loyalty programs towards personalized utility and benefits. Why? Because customers need access to added services or exclusive experiential perks.

Brands should utilize customer data to not only encourage frequency, but also intrinsic rewards—like celebrating customers' accomplished goals, participation in community, and realization of new skills.
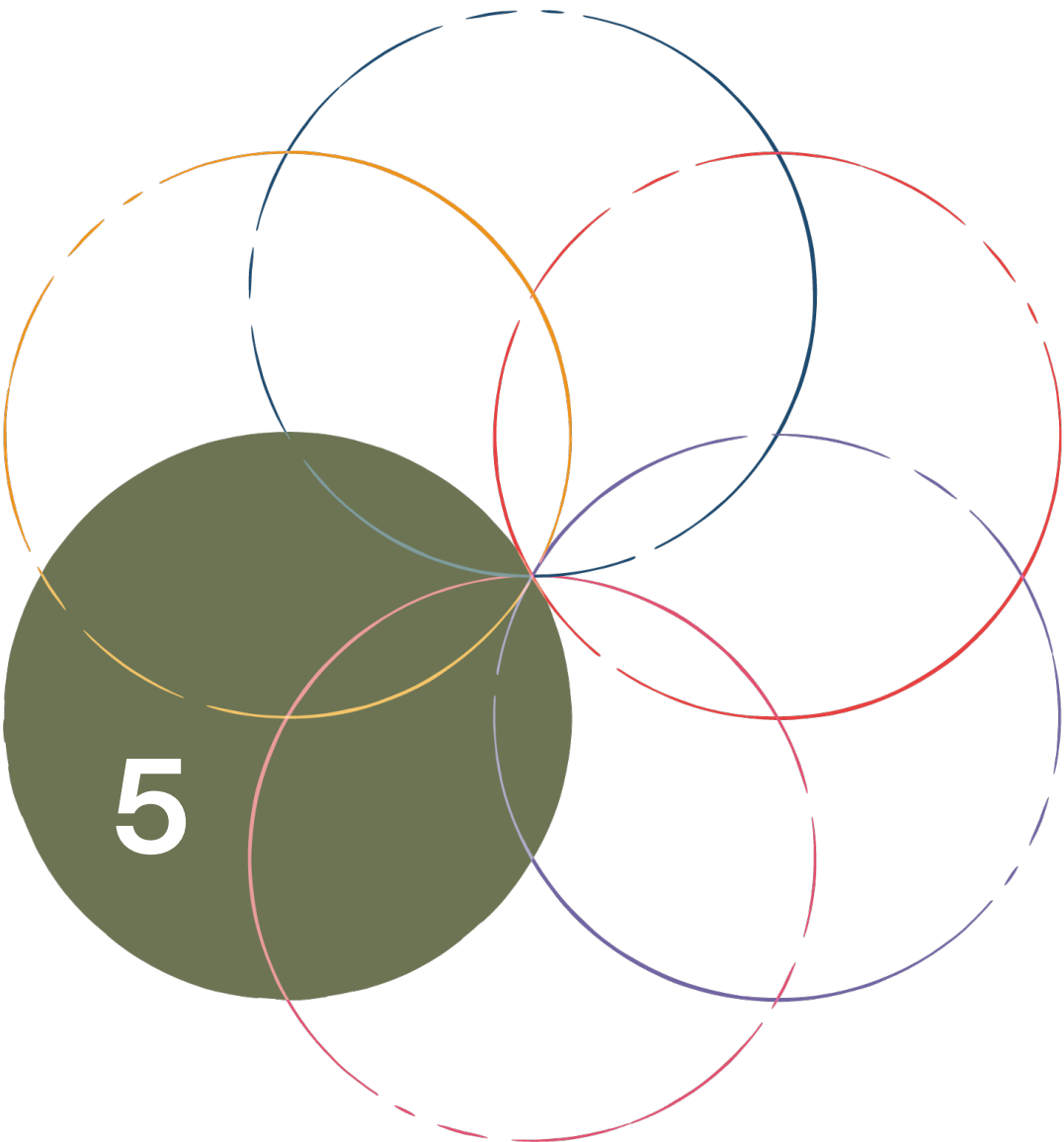
Easy Mode

Beast Mode

Dedicate retail and digital real estate to member exclusive events and programming.

Encourage customer service representatives to ask about customers' current goals and find ways to inspire them onwards.

Introduce some friendly competition for anyone tracking progress towards a goal (of fitness, technology fluency, or creativity).

Use social media channels to shout-out customers making progress.

Reward users with personalized, shareable content—such as their usage/consumption (hello, year in review).

Empower employees to gift small amounts of product or service at random, which can add a playful gamifying element to interactions with your brand.

Let points pay for purchases, enabling customers to access products they might not have been able to afford.

Turn customer's goals into a game, where level ups can result in rewards like badges, unlocks, and shout outs.

Hint at surprise prizes or freebies following a purchase and encourage customers to find them.

Design playful, visually satisfying interfaces that gamify the process of achieving points.

Elevate super users to a high-ranking status: highlight their community contributions, such as reviews or trouble shooting, and invite them to brand events.

Create a flexible rewards system that allows customers to earn points/ currency that can be used both inside the brand and in the real world.

Do it like Sephora →

Sephora's Beauty Insider program celebrates and fuels its members' passions: all things beauty. The program has always emphasized special events for its members, like one-on-one meet-ups with a brand founder, a facial from a skin-care pro, or an opportunity to see how their favorite products are made. These events will be reinstated once social distancing restrictions are lifted.

Do it like susGain →

Singapore now has a new eco-rewards app designed to give users cash back for living more sustainably. When using services like water refill stations and recycling bins, users use GPS or scan a nearby QR code for points and rewards. They're also able to earn cash back rewards at eco- and socially conscious businesses, and give the equivalent as a donation to a cause of their choosing.

Do it like Nuun →

This hydration products company offers a tiered, points-based loyalty program, which includes rewards for VIP power shoppers, free samples, and early access to branded merchandise. As part of the program, the company offered New Year "hydration starter kits,": a 30-day product supply to get started, with the opportunity to earn points for keeping their resolutions and interacting with the brand.

Cultivate Community

In our research, we discovered customers' biggest personal goal: happiness. Coupled with their primary concern (mental/physical health), it's crucial that brands help customers stay motivated in pursuit of their goals. Enter: community.

Community can be a powerfully sticky motivator. Brands need to tap into this and build communities around cultural conversation; digital collaborations; and shared values, interests, and experiences.

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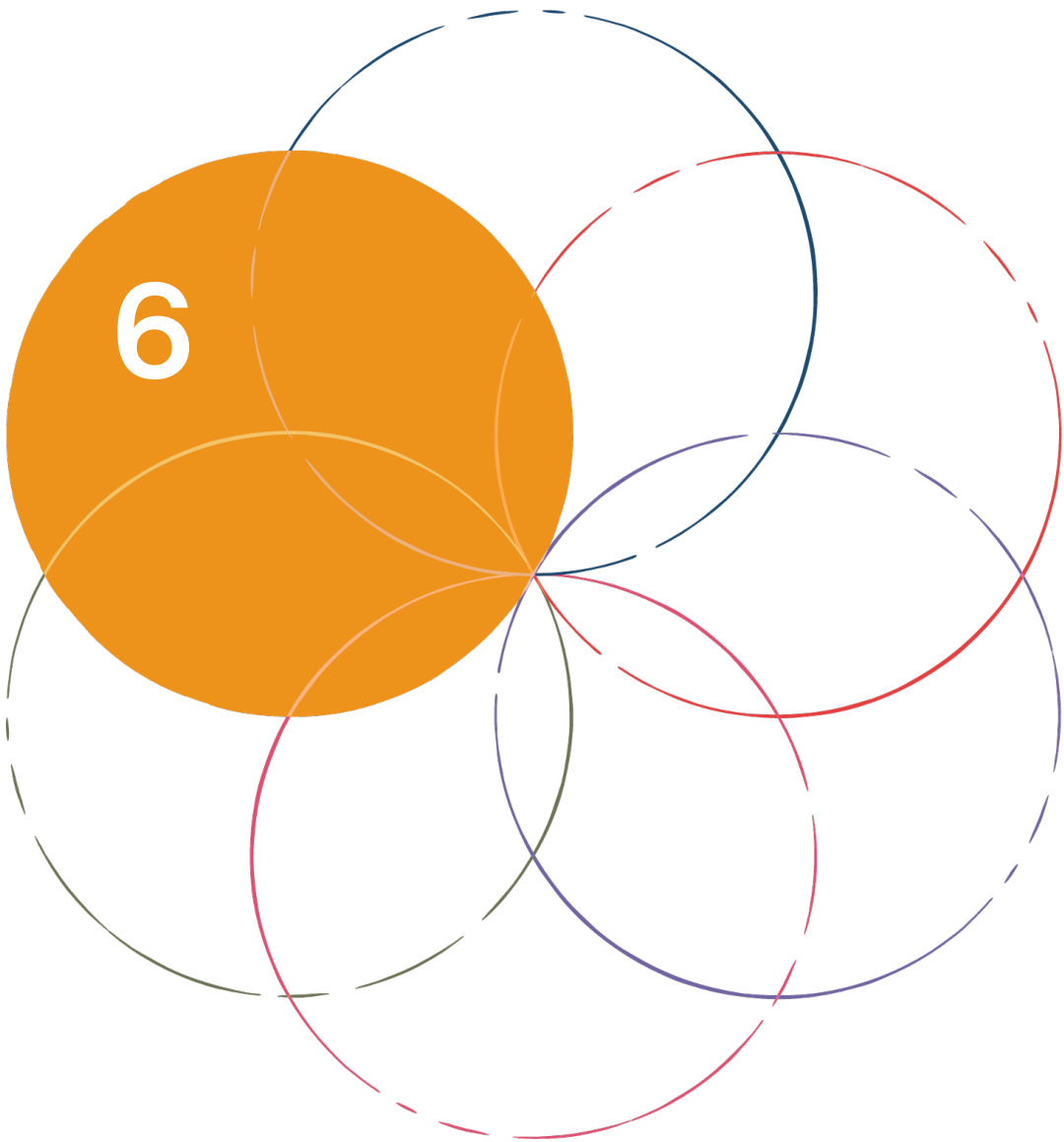
Customer Mindset	→	Desire for connection
Winning	→	Happiness
Losing	→	Apathy

Easy Mode

Beast Mode

Define what community means for your brand: public or private, niche or generic, a supporting role for an existing community, or completely grown from scratch.

Provide digital spaces for consumers to showcase their voice, style, and content.

Offer a designated area in retail for events, education, and socializing.

Create digital community experiences, such as livestreamed broadcasts or influencer-hosted events, to help them get closer to the brand and each other.

Use digital tools and services to help users compare their progress with others.

Encourage friendly competition between users as a core part of your offering.

Invite customers into the product research and development process.

Give over retail space to local groups and play an active role in supporting local businesses and activism.

Leverage social media to amplify the impact of your initiatives and create digital and real-life communities to help.

Partner with like-minded brands to create shared experiences for a good cause.

Make mental health and wellness conversations a core part of your employee experience.

Measure customer happiness above customer satisfaction.

Do it like IKEA

→

Currently, R/GA is working with IKEA to transform its 150-million member loyalty program, IKEA Family, from a discount-driven "customer club" to a connected community that brings members together around shared values. "150 million people all around the world sharing different ideas for life at home is incredibly inspiring," says Aaron Mitchell, IKEA's Global VP of Customer Engagement and Loyalty. "For example," he adds, "imagine during lockdown that you're part of a community, that you can share experiences, and inspire others to also create a better life at home for themselves and their loved ones." IKEA knows just how powerful a brand community can be.

Do it like Hims

→

This direct-to-consumer acne and hair loss solutions health brand provides therapy services as part of its initial push into mental health. These services are low cost and pay-as-you-go, giving more customers access to therapy while driving revenue for Hims.

Do it like LEGO

→

For toymaker LEGO, digital content has become central to creating play experiences that capture children's attention over video games, YouTube, or social media. To generate customers' interests, LEGO is currently encouraging new storyline or toy environment submissions on its new social platform, LEGO World Builder. Users can propose story worlds, create characters, and upload concept art, videos, and descriptions. LEGO will monitor the digital community and buy ideas that it likes directly from its customer-creators.

In Summary
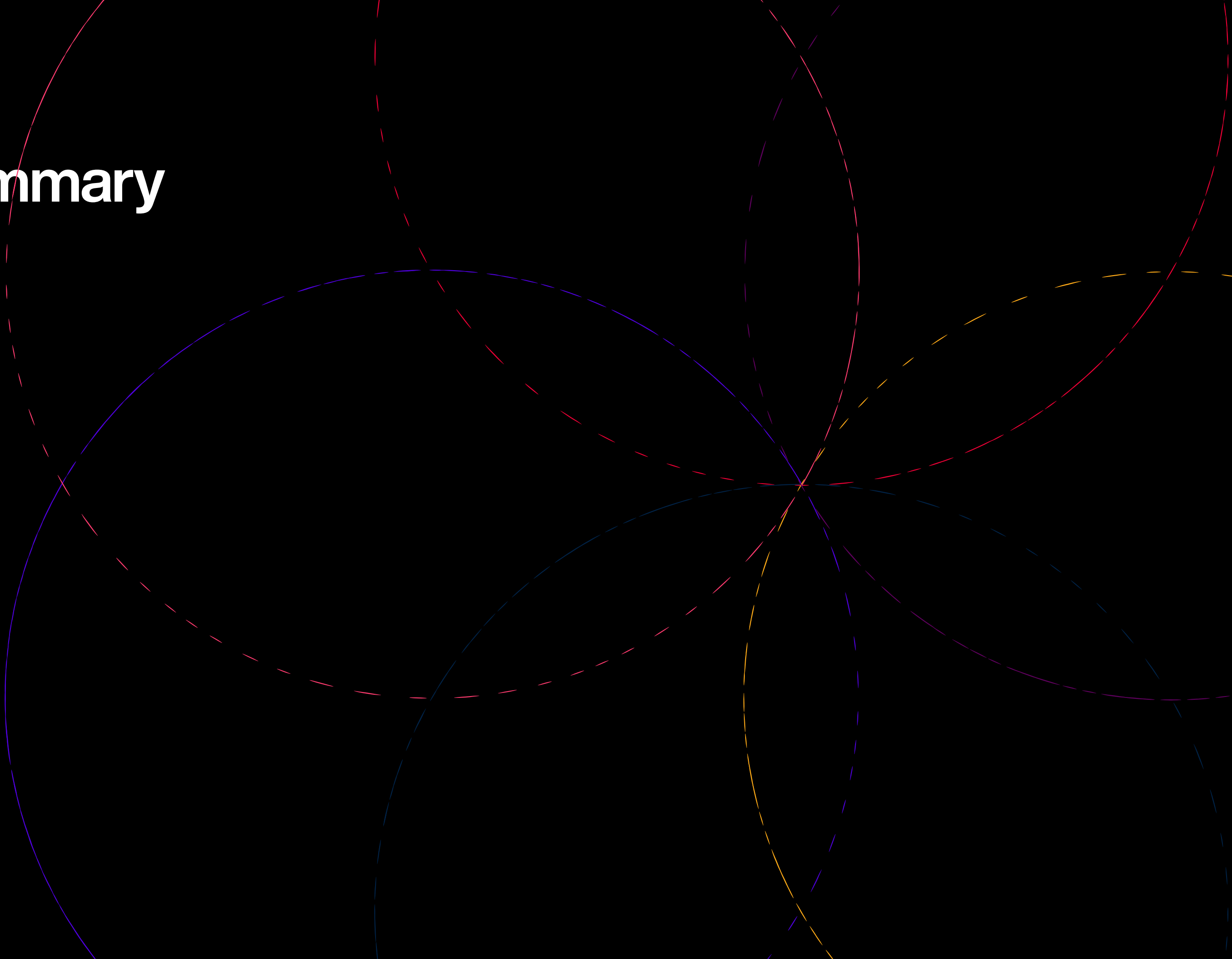
Thank You

Relationships don't have a single code that can be cracked. There is no long-term guarantee.

Instead, brand relationships should be thought of as a result of the ongoing, interactive process between the customer and a brand. It's not about a simple pattern of repurchase based on customer satisfaction with a product or service. It's about empathy, understanding, open communication, and commitment.

Relationships are hard work, but the work is infinitely rewarding. You can't try to change your customer, but you can change your brand experience to better serve your customer.

As brands continue to evolve beyond the scope of their product and service offerings, they play a more meaningful role in people's daily lives. Customers will depend more and more on brands to empower them with the tools and resources they need to achieve their goals, and ultimately, their Next Best Selves.

Brand Relationship Design at R/GA helps brands establish and nurture lasting relationships with their customers, creating mutual value at every touch. After unlocking unique customer needs and motivations, our team helps brands design relevant value propositions, communications, and experiences that drive truly enduring, two-way value. **It's possible, it's effective, and it starts here.**

To connect with us on Brand Relationship Design research, please email us at futurevision@rga.com.

For New Business inquiries, please get in touch with alex.sehnaoui@rga.com.

Acknowledgments

Paul Turzio

Yuliana Safari

Avery McCaffrey

Christian Kugel

Matthew Woodward

Melanie Mahaffey

Ariel Mintzer

Pete Jones

Chloe Briscoe

Genevieve George

George Griffiths

Kelly Harrison

Ben Williams

Lars Hansson

Tatiana Gallardo

Esteban Fay

Blakely Bar Lev

Eduardo Melchior

Ellie Bamford

Jolene Tan

Beatriz Ribeiro

Wing Luo

Krista Loughnane

Celina Twardowski

Iris Wargas

Morgan Shorey

Cole Habersham

Joe Choi

Patricio Testolin

Seema Gounder

Julia Sartori

Kiwa Kawada

Rita Goh

Soledad Gherardi

Anke Pinotek

Karina Pino

DongJun Shon

Lisa Wang

Luis Marcelo Rodriguez

Martin Salduna

Jess Greenwood

Shirley Brady

Shannon Clayton