

Big Brands No Longer Get Big Love From UK Consumers

Submitted by: Acceleris Marketing Communications

Monday, 10 September 2018

Global brands may have spent billions over recent years putting customer love into the DNA of their advertising strategies, but for the majority of today's consumers, brand loyalty is firmly a thing of the past.

New independent research launched today, The Truth Report 2018: The trouble with Real People, conducted by strategic marketing and advertising agency, FKC reveals that the majority of consumers (51%) are unable to identify a favourite brand, whilst the vast majority of us (74%) often feel confused by brand advertising and messaging.

The aim of the research was to help all 'brands' understand how to communicate better with their target audiences, shedding light on some of the common errors and misunderstandings linked to the changing behaviours of everyday people in an anguished retail world.

Of the 2,032 people that FKC spoke to, tour operators (41%), department stores (35%), shopping centres (32%), car brands (34%) and casual dining (33%) were all highlighted as sectors with poor consumer loyalty, often citing infrequent or irrelevant brand messaging as the reason.

This trend is evident on the high street, with 2018 being the worst year since the Millennium for store closures in the UK. House of Fraser recently announced 31 stores are at risk of closure after Debenhams' woes last year and the closure of BHS in 2016. Earlier this year, both Toys R Us and Maplin collapsed, while the likes of Prezzo, Byron and Jamie's Italian all recently announced restaurant closures. And the list goes on.

Of the smattering of people who could name a favorite brand - and there were very few - Amazon came top of the loyalty league, followed closely by supermarket chains Tesco and Asda. The Top Ten list of favourite brands was wholly dominated by fashion and supermarket brands – all who have invested millions attempting to leverage offline and digital channels to engage customers, with what appears to be relatively little success.

Stephen Fox, Chairman at FKC commented: "Our research has shown that the heady, halcyon days of unquestioning consumer loyalty are long gone. The sea of consumer choice has diluted customer commitment to brands – even to companies like Amazon.

"The research validates that we find it easier to be loyal to brands that we either use or connect with every day, so the big challenge is how can those in the longer-term purchase category like tour operators, and car brands increase loyalty when they are not always on our minds. Key to their success is providing a service and experience that becomes part of everyday lives.

"Categories including department stores, shopping centres and casual dining are experiencing huge challenges in loyalty and would do well to evolve their service by looking at challenger brands and the growing community of high street pop-up competitors– who are making huge waves when it comes to consumer engagement."

The research also looked at our decision-making process when making purchases and looked to understand to what extent these decisions are instinctively affected by emotion or logic. For longer term purchases emotion played a greater role at the beginning and the end of the buyer journey, so brands in this area should be thinking about how to tap into this when communicating with customers.

Insights from the survey also revealed the key times a consumer is most likely to notice a communication from brands, and when they are more likely to act. The research shows that the best time to communicate with people is at their most relaxed. For over a third (37%) this is at the end of the working day and for around a quarter (29%) just before bedtime, with the morning being the worst time to effectively engage consumers.

People are as happy on a Saturday as a Friday, but they are more likely to shop for key items as well as special one-off purchases at the weekend, highlighting the optimum time to be communicating for brands struggling with engagement and loyalty for longer-term purchases.

When asked which platforms are most credible when receiving brand messages, terrestrial and broadband TV came top with almost a quarter of the vote (22%).

To download the full report, go to: <http://www.fkclondon.co.uk/lp/the-truth-report-2018/>

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