

How brand authenticity improves customer loyalty



EBOOK

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Welcome to the age of authenticity

Why do some brands flourish where others fail? How do these brands set themselves apart when competition is at an all-time high? What have they got that others don't?

The answer might surprise you – or maybe not, since you decided to download this ebook.

The decision to engage or purchase from a brand is not only down to the products on offer or fancy advertising campaigns.

Authenticity is the backbone that drives success and loyalty.



20% of customers state that authenticity is a vital factor in deciding which brands they support.

The growing significance of authenticity in marketing

Marketing technology is developing faster than most brands can keep up. Unless you're a mega-corporation, many marketing teams are having to adapt to working with smaller budgets, and will probably need to for many years to come. While generative AI, big data, and smarter automation tactics can help improve the efficiency of your daily tasks, how do you keep customers engaged without paying consultants and ad agencies to help plan swish campaigns?

The answer is authenticity.

In today's hyper-connected world, customers want to be seen and heard – they are human beings, not targets. They want personal, not transactional, interactions with brands. Research suggests that younger generations, Gen Z and millennials especially, prefer brands that are <u>"real and organic"</u>, not "perfect and well-packaged".

The benefits of authentic marketing

Authenticity matters and it brings plenty of benefits. It has an impact on trust, brand loyalty, decision-making, and long-term growth, to name just a few. Let's take a closer look.

Improve brand loyalty

Authentic communication fosters customer loyalty. Your audience will stay loyal if they share your values and witness you consistently delivering on promises.

Building trust

By being genuine and honest, you can build trust with your customers. This trust is crucial in encouraging customers' decision-making and repeat business.

Establish an emotional connection

Authenticity helps form emotional connections with your customers. Emotional bonds form when your brand shows empathy, understanding, and genuine passion.

Influence the decision-making process

Customers are more likely to purchase products and services from brands they feel are authentic and trustworthy.

Promote long-term growth

By cultivating trust and loyalty, you will be better positioned to overcome market challenges and maintain a strong market presence over time.

Inspire word-of-mouth recommendations

Authentic brands benefit from positive word-of-mouth, which can lead to new customers and increased brand awareness.

Stand out from the crowd

In a competitive market, authenticity helps differentiate your brand. You can attract customers who are looking for something genuine and meaningful.

Demonstrate social responsibility

Customers today expect brands to be socially responsible. Demonstrating purpose-driven marketing and social initiatives can elevate your brand's reputation.

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Four strategies to inspire customer loyalty



Four strategies to inspire customer loyalty

Creating authentic connections with customers

Every single benefit brands experience from authentic marketing leads to stronger customer relationships and increased brand loyalty. In turn, this sets you up for great success in the future. Having a strong and loyal customer base can help get you through the hardest of times. All they ask for is authenticity and honesty. Simple, right?

So how do you effectively and authentically connect with your customers? How do you establish your brand's authenticity in a way that inspires loyalty?

We've discovered four strategies you can integrate into your marketing to guarantee customers see you as an authentic brand they want to do business with.



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Incorporate responsible marketing practices

Communicating the value of customer data sharing

Always be open and honest about your business practices. From where materials are sourced to how and why you're collecting customer data, the more customers are informed, the more they will trust you.

Many customers have been burned before. Either they've discovered that the clothes they purchased were made by forced laborers (think: fast-fashion giant Shein), or their data has been breached or sold to third parties without their consent (think: Facebook hack in 2021). They're more aware and therefore more cautious when they're making decisions.

Before you can gain their loyalty, you need to gain customers' trust and responsible practices go a long way towards making that happen. Explicitly tell customers why you need their data. Explain what benefits customers will receive when they share their date of birth or favorite location with you, such as birthday discounts and invites to local events.



Personalize customer experiences

Leveraging data to build trust and loyalty

As marketers, you have a wealth of data at your fingertips. You need to be tapping into this to show customers that they are more than just a target you need to hit.

Unifying your customer data into a single source of truth will enable you to access all information on a contact, from past purchases and last engagement to their preferred channel. You should be using this information to provide solutions and messages perfectly tailored to the customer's needs. This demonstrates that you value your customers, taking the time to understand their preferences and deliver unique messages and offers suited to them.

Especially important if you have collected customer data on the promise of delivering personalized experiences, this also helps to build trust which in turn inspires loyalty.



Engage in two-way communication

Strengthening human-to-human connections

One of the best ways to demonstrate the authenticity of your brand is to encourage two-way conversations with your audiences. Open discussions on social media or one-to-one communications on direct channels like live chat allow for human-to-human connections to be made.

Responding to comments, feedback, reviews, criticisms, and inquiries with empathy demonstrates that you are present and the brand is listening and cares about the customer's experience. Human-to-human experiences removes the idea that a brand is a faceless entity that lacks compassion.

The Dotdigital customer experience and data platform (CXDP) connects with your whole marketing stack to ensure customer data from every channel is unified in a single, secure source. This empowers customer service agents responding to live chat or social media messages, arming them with the information they need to deliver an expectational experience, no matter the channel.



// 70% of consumers want to know what brands are doing to address social and environmental issues.

Demonstrate social responsibility

Embracing purpose-driven marketing campaigns

Purpose-driven marketing campaigns – promoting your commitments to sustainable or social initiatives – resonate with customers because they align with their personal values.

Customers today are all too aware of corporations greenwashing their marketing in an attempt to ride on the public's wide support for green and sustainable movements. They're conscious of businesses making grand statements of support but ultimately doing nothing to improve social or environmental issues. To earn a customer's trust, words aren't enough, you must act.

Keeping customers informed with regular updates, renewed commitments, and accessible performance reports throughout the year will demonstrate your dedication to the cause. In turn, this will give substance to your claims, which will support the customer's perception of your brand as an authentic one. Demonstrating a strong track record of social and environmental commitment can signal transparency, trustworthiness, and high ethical standards.

What's more, establishing an emotional connection with your customers is a vital part of building loyalty. Customers form a deeper emotional connection with brands that reflect their own beliefs and values, leading to stronger loyalty and trust.



Embracing authenticity for long-lasting customer relationships



Cultivating loyal brand advocates through authentic strategies

Embracing authenticity can be the differentiator that sets your brand apart from the competition. Customers are increasingly looking for brands that stay true to their values, demonstrate transparency, and act sincerely.

Investing in authentic marketing practices does not require a huge budget or significant shifts in ways of working, but it does require commitment. Identify partners you can connect with to achieve your goals and amplify your message. For example, partnering with a CXDP like Dotdigital will help you achieve your sustainability goals, thanks to our status as a carbonneutral business. This means you can rest easy knowing your digital marketing activity is not having a negative impact on the environment.

To the customer, it reveals your brand's genuine character. It also helps you build and maintain strong emotional connections with customers, helping to turn them into your most loyal brand advocates.

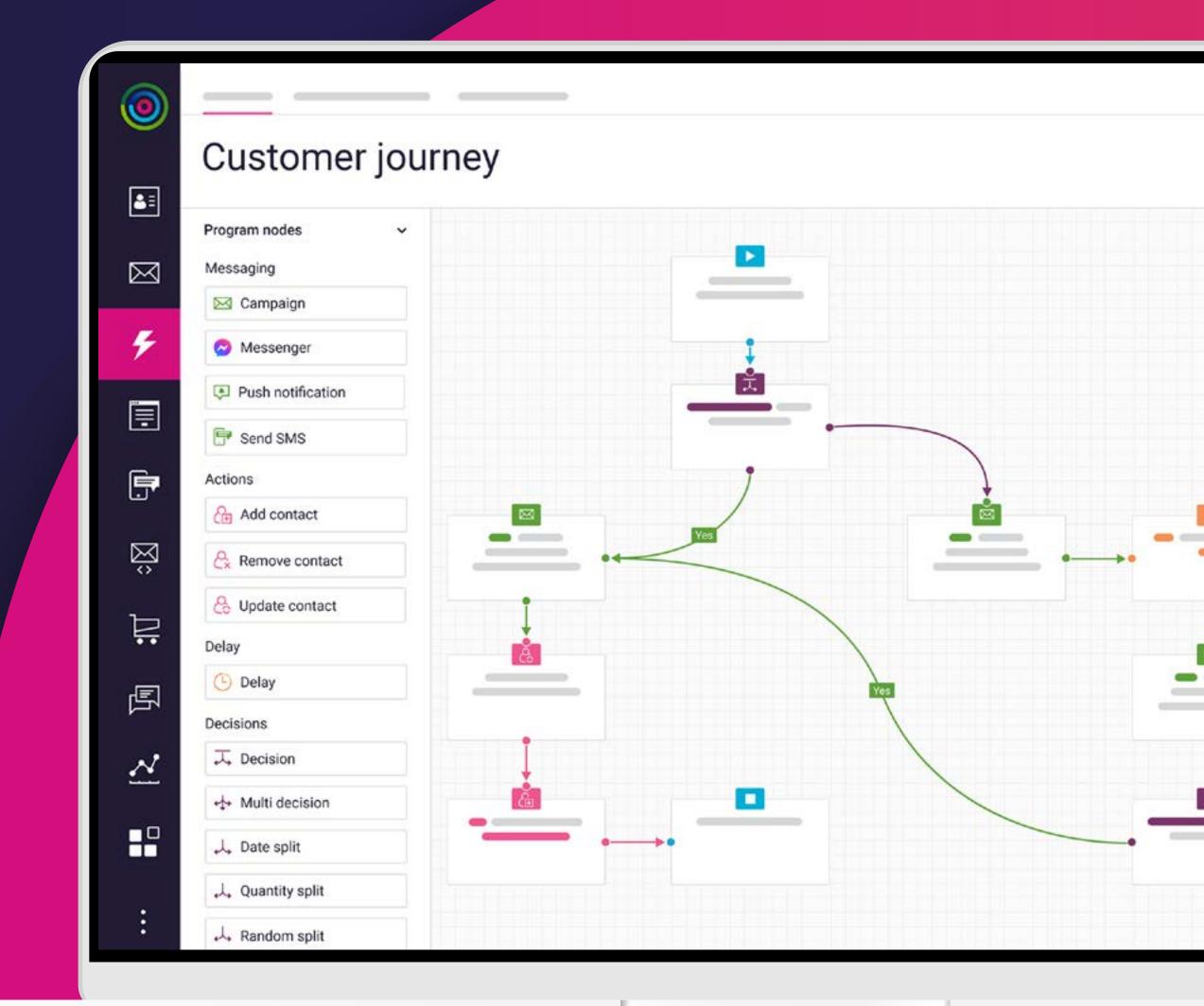
By placing authenticity at the heart of your marketing strategies, you will develop loyal customers who will advocate for your brand, helping you achieve long-term success and growth.

Integrate authenticity into your cross-channel campaigns

Embrace authenticity in your cross-channel campaigns with the help of Dotdigital CXDP to foster real connections with your target audience. Build trust, credibility, and long-lasting customer relationships with a seamless marketing strategy across various communication channels.

Don't let your message drown in the noise of the digital world.

Watch a quick demo







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