

The Science of Loyalty: Intuit Mailchimp's New Global Study Uncovers Fundamental Drivers of Consumer Behavior and Decision-Making Towards Brand Loyalty

PUBLISHED

APR 22, 2024 10:05AM EDT



The study presents 12 actionable tactics brands and marketers can take to build loyalty with their customers MOUNTAIN VIEW, Calif.--(BUSINESS WIRE)-- [Intuit Inc.](#) (Nasdaq: INTU), the global financial technology platform that makes [Intuit TurboTax](#), [Credit Karma](#), [QuickBooks](#), and [Mailchimp](#), today released a new report, “[The Science of Loyalty](#),” focused on the drivers behind consumer behavior and tangible insights that marketers can take to build loyalty and cultivate meaningful relationships between their brand and its customer base. The report includes findings from a survey of 4,000 consumers across the United States, Canada, the United Kingdom and Australia - with 1,000 participants per market - and qualitative interviews with eight global marketing experts. It also introduces new resources like the Loyalty Wheel, a proprietary framework that breaks down the fundamental pillars of loyalty within the consumer brain.

This press release features multimedia. View the full release here: <https://www.businesswire.com/news/home/20240422270544/en/>



The Loyalty Wheel framework established in Intuit Mailchimp's latest report, The Science of Loyalty, distills loyalty into four neurobiological principles: reward, memory, emotion, and social interaction. These fundamental pillars of loyalty can be broken down into 10 behavioral elements that help us understand the scientific underpinnings of loyal actions. (Graphic: Business Wire)

The Science of Loyalty” uncovered that as brands and marketers build stronger relationships with their existing customer base, those customers are significantly more likely to purchase from the brand again, a cost-effective solution to the rising costs and resources it takes to acquire new customers. Diving into science-backed loyalty strategies can assist brands and marketers with setting their brand apart from the competition. Approximately 70% of consumers

Feedback



emphasize that it's important for them to buy from the "right brand," reflecting a desire for more conscious decision-making.

"Loyalty is more important than ever," said Michelle Taite, Chief Marketing Officer at Intuit Mailchimp. "In today's ever-changing business landscape, characterized by overwhelming amounts of data and endless options, brands and marketers should be equipped with the tools and resources needed for marketing strategies that make an impact and build meaningful connections that drive loyalty with their customers."

The Commitment Spectrum

The report finds that loyalty falls on a spectrum. To better understand the types of loyal customers, Mailchimp created a commitment spectrum, which ranges from "inert" to "fandom" loyalty. Loyalty begins on an inert level, where consumers purchase from a brand not out of preference, but out of convenience. Moving up the spectrum, other loyalty categories include habitual loyalty, where loyalty emerges from routine rather than emotional ties, followed by dedicated loyalty, where consumers form an emotional connection to the brand's vision and purpose. What many brands and marketers view as the pinnacle of loyalty—fandom—is characterized by a strong emotional bond and shared values amongst the brand's community.

While inspiring fandom may be the goal for many brands and marketers, only 13% of respondents belonged to the fandom loyalty group. Experts like Richard Shotton, author of *The Illusion of Choice*, caution that such affiliations can be extremely hard to cultivate and may not make sense for every brand. Most brands are likely to have a mix of all of these customers, and a good strategy should have tactical approaches that target different levels of commitment.

"I think a goal like loyalty, whereby people avoid better alternatives out of a sense of obligation or genuine passion, is phenomenally hard to achieve," said Shotton. "The danger is that marketers overestimate their chances of achieving that and maybe convert their budget into smaller sales rather than [pursuing] the much, much simpler goal of habit."

The 12 Tactics of Loyalty

To better understand the inner workings of loyalty, the report outlines "12 Tactics of Loyalty" to assist brands and marketers with building meaningful relationships with consumers.

- 01 Smart exposure:** Be top-of-mind with strategically placed brand codes and symbols. Almost half (46%) of repeat purchasers said they know a lot about the brands they purchase from. This rises to 60% among Fandom purchasers, who feel they know the brand best.
- 02 Familiar foundations:** Build familiarity by showing up in trusted spaces. About half (49%) of repeat purchasers said that recommendations from friends or family help them decide what to buy, rising to 72% among 18-24 year olds.
- 03 Choice validation:** To encourage renewed commitment, help customers feel justified in their choice. Only 52% of inert customers and 51% of habitual had a very favorable opinion of their preferred brand, but this rises to 84% among fandom purchasers.
- 04 New routines:** Build repeat purchases into your customer's routine. Routines are powerful drivers of loyalty. 35% of those who purchase on a daily or weekly basis said their preferred brand was the only one they'd consider (vs 22% among those purchasing monthly or less).
- 05 Smooth selling:** Remove obstacles that could disrupt customers' shopping journey. 97% of repeat purchasers said their preferred brand makes it quick and easy to purchase.
- 06 Easy decisions:** Create friction-free experiences that combat choice fatigue. 47% of all email subscribers explore new product offerings through brand emails and 39% went on to make a purchase after reading the message.
- 07 Gift giving:** Promote organic peer-to-peer marketing through gift giving. Less than half (37%) of customers have recommended their preferred brand to friends or family and only 22% have given it as a gift, revealing an untapped opportunity for brands to spread the word. However, this increases among 18-24 year olds, of which 43% have recommended their preferred brand to family and friends and 30% have given it as a gift.

8. **08** Insider status: Help customers feel heard by asking for, and responding to, feedback. The most popular method of contact is email with over half (57%) of shoppers looking to keep in touch with brands this way. This is followed by SMS (17%) and social media (17%). If a brand can't offer quality customer service across channels, 1 in 4 said they would consider switching brands.
9. **09** Meaningful rewards: Personalize reward programs with customer lifestyles to boost satisfaction. While 45% of repeat purchasers said they'd like their preferred brand to provide them with deals or discounts, rewards aren't always about monetary incentives. In fact, 87% said their preferred brand made them feel good, which was the second biggest driver of loyalty, after consistency.
10. **10** Game on: Gamify your rewards to foster a sense of achievement and fun. 29% of repeat purchasers said they'd like to receive loyalty reward perks from their preferred brand. However, currently only 16% have joined a loyalty benefits program, suggesting untapped potential.
11. **11** Shared Interests: Build emotional resonance by aligning with a cultural niche or value. 1 in 4 (26%) of consumers said they would consider switching brands due to environmental impact or unethical manufacturing, rising to 34% among 18-24 year old shoppers.
12. **12** Sense Of Ownership: Actively engage consumers to foster a sense of co-collaboration. Customers are keen to provide their thoughts and experiences to brands, with over 1 in 4 (29%) email subscribers participating in surveys or feedback.

Why Brands and Marketers Should Care

Experts like Denise Lee Yohn, author of [What Great Brands Do: The Seven Brand-Building Principles that Separate the Best from the Rest](#), describes loyalty as not just a marketing goal, but a comprehensive business strategy.

In an era marked by choice-overload, loyalty is a strategic imperative for brands seeking sustainable growth and resilience. Marketers must be able to navigate the complex terrain of consumer behavior effectively and recalibrate their marketing strategies. Using the tactics outlined in the Strategic Loyalty Playbook, brands and marketers will be one step closer to engaging with customers in a holistic way and deepening relationships that positively impact their marketing goals.

To further explore loyalty—how it's fostered, the role of trust, and how fandom factors into consumer behavior—head to [Mailchimp Presents](#) to check out our latest Loyalty Film Collection, featuring documentaries that celebrate the dynamics of loyalty.

All statistics from a Canvas8 conducted panel-sample online survey on behalf of Intuit Mailchimp February 17–27, 2024 consisting of 4,000 respondents (1000 from each of the US, UK, Australia, Canada ages 18 to 65). The margin of error is +/- 5.5 percent, as reported at a 95 percent confidence level.

About Intuit Mailchimp:

[Intuit Mailchimp](#) is an email and marketing automations platform for growing businesses. We empower millions of customers around the world to start and grow their businesses with world-class marketing technology, award-winning customer support, and inspiring content. Mailchimp puts data-backed recommendations at the heart of your marketing, so you can find and engage customers across email, social media, landing pages, and advertising—automatically and with the power of AI. In 2021, Mailchimp was acquired by Intuit Inc. (Nasdaq: INTU), the global financial technology platform that makes Intuit TurboTax, Credit Karma, QuickBooks, and Mailchimp.

About Intuit:

Intuit is the global leader in providing approximately 1 billion customers with innovative ways to manage their money. Intuit and our

About Canvas



Feedback

serve. With and new, information about



Canvas8 is an
is on enabling

Date as of Oct 4, 2023 02:55 PM ET

calculated?

re. Its focus

View source

pr@mailchim

Source: Intuit

Symbol	Scorecard	Industry Average ⓘ
MSFT	6:8	4:8
Microsoft Corporation Common Stock		
Metric	Score	More Data
1 Earnings Forecast	+1	Forecast

Analyze your stocks, your way

Leverage the Nasdaq+ Scorecard to analyze stocks based on your investment priorities and our market data.

Subscribe Now →

IN THIS STORY

INTU

Market Makers

Sign up for our newsletter to get the latest on the transformative forces shaping the global economy, delivered every Thursday.

All Text Fields Are Required

Job Role*

Industry*

Feedback

[INVESTOR RELATIONS](#)

[CONTACT](#)

