

Getting Sticky

Emotional attachment and profitable customer relationships

Roger Sant



Getting Sticky | Emotional attachment and profitable customer relationships



Roger Sant



Brand managers want emotionally attached customers!

They know intuitively that an emotional connection is a 'higher level' of relationship; it equates to more valuable customers – customers who stay longer, spend more and recommend the brand to others.

An individual's emotional connection to a brand undeniably plays an important role in their engagement and loyalty. But is it possible to measure 'pure' emotions using rational questions? By their nature, emotions are not things that one can rationalise (thus the need for pulse/heart-rate, sweat, caps to measure brain activity etc). Perhaps a more pertinent question is: *Can we construct an emotional framework (via quantitative questions) that adds valuable insight to our clients?* And the answer is YES!

Ipsos Loyalty has proved that there is value in trying to 'rationally' measure the level of emotional connection. Associating brands with emotional words such as *pride*, *care* and *forgiveness* clearly identifies a relationship state above and beyond 'merely satisfied'.

GAME CHANGERS





Validating an emotional framework

Ipsos Loyalty conducted a study to validate the effectiveness of such an emotional framework. We conducted 8,000 interviews in the UK, Germany, France and USA across three sectors (banking, automotive and smartphones).

A **functional dimension** was created from attributes such as *Meets My Needs*, *Is Reliable*, and *Satisfaction*. Meanwhile a similar **emotional dimension** was created from attributes such as *Trust*, *Forgiveness* and *Pride*. We also asked a number of business metrics such as likelihood to continue, recommend and buy other products & services.

Our research showed that:

- We *can* quantify a level of emotional attachment
- Emotional and functional work together – but emotional attachment can only be built from a functional base
- The rewards for creating an emotional attachment are significant

A very important finding is that the functional and emotional dimensions are very inter-dependent.

“It is possible to be satisfied without being attached, but it is not possible to be emotionally attached without being functionally satisfied”

When we classify both the functional and emotional dimensions as ‘High’ or ‘Low’ and plot ‘brand relationships’ on a quadrant map, we can look at the distribution of *different types of relationship* that customers have with brands (as defined by functional and emotional attributes).

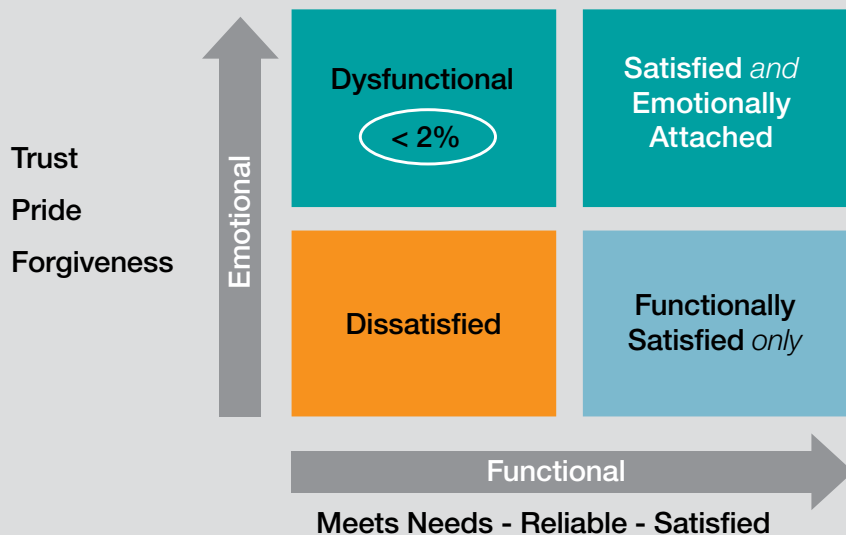
The top right-hand quadrant represents people who are both functionally satisfied *and* emotionally attached. They agree that the brand meets their needs in a reliable way, but also express a sense of pride in being a customer and even a willingness to forgive them if they make a mistake.

Getting Sticky | Emotional attachment and profitable customer relationships



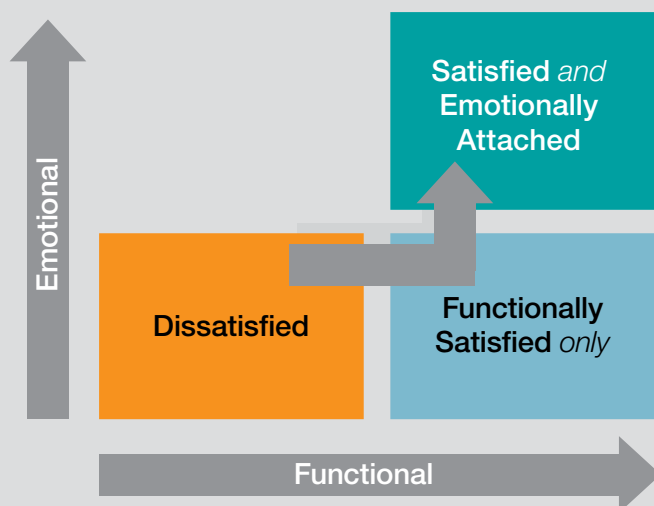
Roger Sant

CREATING A FUNCTIONAL/EMOTIONAL FRAMEWORK



However, when we look at the top left hand quadrant, the distribution shows us that less than 2% of customers are categorised as high emotional/low functional, labelled here as “Dysfunctional”. In effect this group does not exist in any significant form. This may seem intuitively obvious; why would anyone feel pride in a brand that is not even fulfilling their needs? Intuitive or not, it leads to an important conclusion:

On an individual basis, functional satisfaction is a prerequisite for emotional attachment. Efforts to create an emotional connection are futile unless targeted towards a base of satisfied customers.



Our study demonstrated that there are only three groups, and they form a continuum:

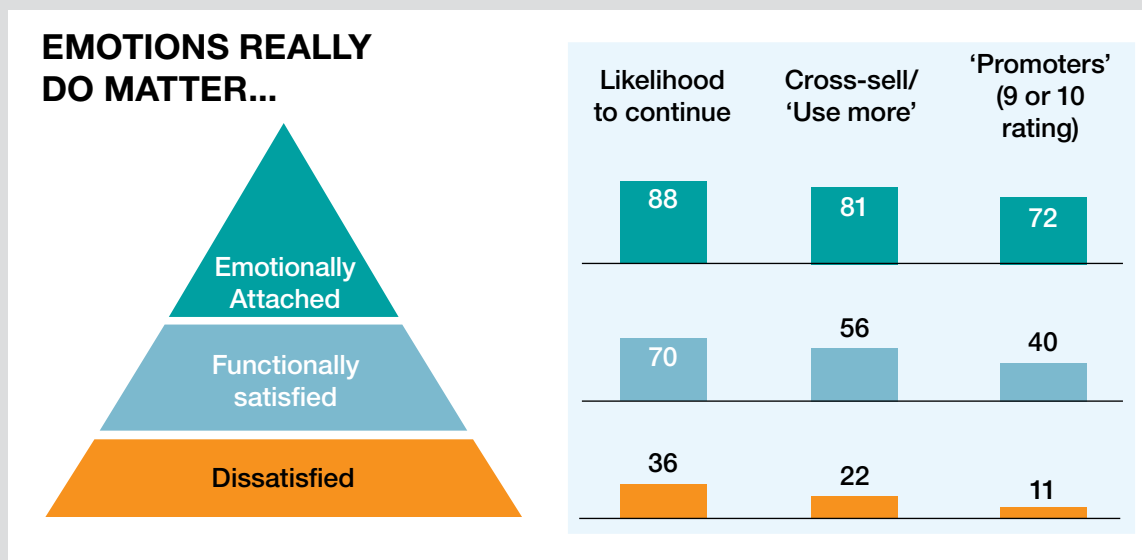
- Dissatisfied; those for which neither functional nor emotional needs are met
- Functionally satisfied only
- Satisfied and emotionally attached

The research finds that, while the percentages fitting into each of the three groups varies by brand and sector, the framework applies consistently across service industries.



The value of Emotional Attachment

Now that we know more about the functional and emotional structure of customer relationships, we need to establish whether striving to achieve that emotional connection is a worthwhile goal. To do this we look at how our measures of profitable relationships – retention, recommendation and cross-sell/use more – change as we move up the relationship hierarchy.



Our research showed that there are substantial rewards to be had from creating an emotional attachment. As can be seen from the above chart, there are significant gains in terms of these 'business success metrics' as relationship strength progresses up the hierarchy – both by moving from dissatisfied to satisfied and from satisfied to attached.

When a customer is both functionally satisfied *and* emotionally attached:

- They are significantly more likely to stay with the brand in the future
- They are almost twice as likely to recommend the brand (than if they were just satisfied)
- They are much more likely to consider the brand for other products and services

Roger Sant

Creating an Emotional Attachment

We have demonstrated that on an individual basis, functional satisfaction is a prerequisite for emotional attachment, and that creating this attachment is a worthy goal – the rewards are significant. Discussions on the subject quickly move on to *how* to create that emotional bond.

The hierarchical pyramid structure (on page 4) is not always linear – sometimes the touch point drivers that move people from dissatisfied to satisfied are not the same as the drivers that move people from satisfied to attached. Supermarkets provide a good example of this:

- The drivers of dissatisfied-to-satisfied are things like availability, cleanliness, ease of finding things, freshness of fruit & vegetables and queuing times
- The drivers of satisfied-to-attached are much more staff focused: being available, knowledgeable and helpful



Clearly one of the biggest opportunities to create an emotional attachment is via exceptional customer-staff interactions – but nobody enters into a service interaction without having a functional need to fulfil: *“I don’t want anything – I just want to see if you’re nice”*. – It simply doesn’t happen. So it’s the way in which we fulfil a functional need that gives us the opportunity to create an emotional connection.

Just as you can’t get an emotional connection without providing functional satisfaction... you only get the opportunity to create an emotional connection through fulfilling a functional need.

Conclusions

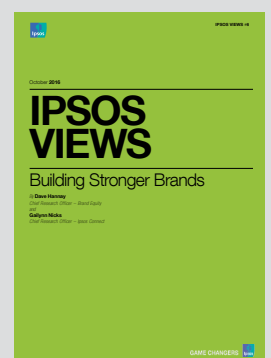
Getting customers emotionally attached to brands is important – everyone knows that intuitively. We have shown:

- That functional and emotional form a hierarchy – functional satisfaction is a pre-requisite for emotional attachment
- There are returns to be had – creating that emotional connection is at least as rewarding as eliminating dissatisfaction
- The drivers of attachment are not necessarily the same as the drivers of satisfaction – one of the biggest opportunities to create an emotional attachment is via exceptional customer-staff interactions

Emotional connections with customers can be created in a number of different ways, and one of them is effective customer-staff interactions. In these instances, it’s not just what you do that matters, but *how* you do it! This in turn is a function of the people skills of your frontline employees and their ability to handle each customer as an individual and not just as another transaction.

Further reading:

The focus of this white paper is on experience-based customer relationships in the service industries. For a broader perspective on Ipsos’ thinking on how people relate to brands, including in the consumer goods arena, please see our *Building Stronger Brands* white paper.



Getting Sticky | Emotional attachment and profitable customer relationships

Roger Sant

Roger Sant is Managing Director of Ipsos Loyalty's Global Client Solutions team.

Ipsos Loyalty is the global leader in customer experience, satisfaction and loyalty research with over 1,000 dedicated professionals located in over 40 countries around the world.

We collect, integrate, analyse and model a vast amount of both unstructured and structured data on a regular basis. Our modeling & analytical expertise, technological capabilities, and EFM partnerships enable us to offer creative solutions that build strong relationships and lead to better results for our clients.

This has made us the trusted advisor to the world's leading businesses on all matters relating to measuring, modeling, and managing customer and employee relationships.

The Ipsos Views white papers are produced by the **Ipsos Knowledge Centre.**

www.ipsos.com
@_Ipsos
IKC@ipsos.com

<<Game Changers>> is the **Ipsos** signature.

At **Ipsos** we are passionately curious about people, markets, brands and society. We make our changing world easier and faster to navigate and inspire clients to make smarter decisions. We deliver with security, simplicity, speed and substance. We are Game Changers.

GAME CHANGERS

