

WHY TODAY'S BRANDS NEED FANATICS NOT LOYALISTS

Matt Kollmorgen

softserve

The days of legacy customization and fallible segmentation (as foundational to business development success) are numbered. Technology is empowering sales teams to identify, track, and engage prospects more efficiently than ever. In order to maximize returns on customer acquisition investments, companies need to consider calculated adoption of data-driven technology. And they need to do it today.

Closing new business is clearly vital for every company, but what about those customers who require no “hunting” to reach? In the search for new revenue, loyal customers, brand advocates, and die-hard fanatics are often given less attention—if not ignored altogether.

This white paper reviews:

- Why likes, follows, and shares are not indicative of future success
- The differences between a loyalist, advocate, and fanatic
- How technology should be leveraged to convert existing customers into brand fanatics

A like is not a like, is not a like

It is no small task for a company to earn a customer, but in today’s society, consumers are increasingly inclined to consider a “like” to be all the advocacy needed. To be successful, brands need to deliver consistent, relevant engagements and genuine personalization that inspires actions beyond clicks.

Brand Fanaticism 2.0 is brand advocacy driven by genuine personalization, powered by technology, and future-proofed by agility and innovation.

- It is not grown through increased ad spend in the face of declining organic social reach
- It is not overrun by the cost of digital advertising rising faster than inflation
- It *is* a remedy to rising ad blocker usage and ad blindness

Positive word-of-mouth recommendations are the most enduring marketing tool ever created. Recommendations from family, friends, and peers are still trusted by **92% of the population** today. The challenge is how to earn consumer loyalty and then refer your brand to countless consumers in a saturated marketplace with declining consumer trust and attention spans. The solution is a personalized engagement strategy that creates a brand loyalist, converts him or her into an advocate, and ultimately into a vocal and active brand champion.



But sustainable brand fanaticism requires solid fundamentals.

Market conditions and consumer paradigms are irrevocably changing the status quo. Without optimized brand, mobile, and integrated communications strategies, most companies have little chance of sustainable success. These are fundamental tenets, not innovations.

To effectively compete, brands must also:

Consolidate silos and disparate data

Optimal marketing today requires optimized first-, second-, and third-party data. If data lives in silos and isn't managed properly for quality and gaps then genuine personalization is impossible. In the absence of personalization, marketing waste (dollars, time, effort) will follow.

Migrate to the Cloud for agility

Migration to the cloud is inevitable for any business serving customers beyond its neighborhood. Each business must determine whether public, private, or a hybrid cloud solution is best, but migration is a must for the agility needed to keep pace with technological and personalization progress.

Provide Relevant and frictionless experiences

Most media managers would agree that experience is king in a world where the consumer—not the brand—dictates relevance and future sustainability. In fact, when a consumer is given a genuinely personalized experience she is **10 times more likely** to be a brand's most valuable customer, typically making more than 15 transactions in one year.

Mastering these fundamentals can generate likes, followers, and quality leads that equip sales and marketing teams to more effectively capture new prospects and revenue. Not every customer will become a fan, and not every fan is guaranteed to remain one, but fundamentals do not guarantee fanaticism.

Loyalty is dead – long live loyalty!

If you think brand loyalty is dead, think again. Generation X is **more brand loyal** than both Baby Boomers and Millennials, but Generation Y and Z are **more open to loyalty programs** if technology allows for the right personalization.

But it is important to differentiate between loyalists, advocates, and fanatics as loyalty and advocacy are often used interchangeably with fanaticism (and with each other). In fact, there are very distinct differences between the actions and mindsets of individuals engaging with a brand at each stage of the customer journey.

Loyalist (Customer+)

Loyalty and advocacy are synergistic, but not interchangeable terms. Once a customer is retained and repeat business received, loyalty can be achieved over time—but not every loyal customer will become an advocate.

Often companies divert attention, investment, and effort back to new sales generation once a person has been converted to a loyal repeat customer—especially if that customer has liked, followed, and shared.

Advocate (Loyalist+)

The primary difference between an advocate and a loyalist is action on behalf of a brand. While loyalty is demonstrated by reoccurring transactions, advocacy is equivocal to word-of-mouth recommendations, sharing, and even casual defense of a brand if necessary.

Fanatic (Advocate+)

Whatever is true of an advocate is amplified with a fanatic.

A fanatic's recommendation goes beyond a casual, "You should try," to enthusiastic insistence that friends and family take action. Sharing becomes an interpersonal exchange whenever the opportunity presents itself. And advocacy is no longer limited to posting good reviews, but also adamant defense against any disparaging words or actions—all while continuing to purchase, like, follow, and share.

Realistically, companies should expect customers to oscillate between loyalty and advocacy, but once fanaticism is achieved these individuals become virtually lifelong ambassadors unless poor experiences or treatment change the customers paradigm. And that represents the crux of achieving Fanaticism 2.0—moving customers beyond a transactional and temporary mindset to one that is emotional and driven by a sense of belonging.

LOYALTY + ADVOCACY x PASSION = FANATICISM

Upgrade your customer funnel seamlessly with the latest technology

The traditional customer funnel was created to help ensure that companies acquired, retained, and grew customers as efficiently and profitably as possible. But today, a consumer expects the brands she loves to not only make recommendations based on retrospective insights, but to proactively anticipate her wants and needs. Ad blocking and blindness are the ramifications of impersonal (and therefore irrelevant) advertising in a marketplace where consumers are no longer forced to endure it.

It makes no fiscal sense to increase spending volume to “rise above” the noise. A better investment is in optimized data management, cloud migration, and AI-driven technologies which are the keys to personalization—the prerequisite for Fanaticism 2.0. Google, Amazon, and Netflix are great examples of brands that do just this. At SoftServe we advise our clients and provide solutions including, but not limited to:

Data optimization

Data is the lifeblood of genuine personalization. It must be consolidated, quality assured, and managed properly to ensure optimal results with artificial intelligence, machine learning, natural language processing and more.

- You don’t become the number one search engine and advertising platform like Google without perpetually optimized data that drives relevant results for the individual.

Cloud migration

Migration delivers agility for real time data processing and communications and is a must for futureproof preparedness with technological advancements, as well as evolving consumer demands.

- Netflix uses **more than 37% of the Internet** during peak hours. Let that sink in a moment while you consider if that much personalized content streaming would be possible without the agility of the cloud.

Artificial intelligence

There are too many touchpoints and data sources to ensure a genuinely personalized experience with every engagement. Artificial intelligence drives machine learning that allows for automation, natural language technologies for voice, and smart environments that allow for real time monitoring and response.

- It wouldn’t be possible to deliver personalized service as the largest store in the world without artificial intelligence. Just ask Amazon.

These are the same innovations required for both new business and fan building. With the proper foundations and strategies, futureproof technology will upgrade funnels and evolve in step with the marketplace—and the individual consumers driving it.

Conclusion

Earning brand champions in today's marketplace essentially comes down to active listening, attentive response, and sustained relationship building. Accomplishing this can no longer be effectively done in traditional ways. But while the technology employed may be changing, the foundational theories on customer nurturing persist.

Brands that pivot and perfect personalization the fastest will earn the most positively fanatical customers and achieve the greatest success, both today and into the future.

To learn how we help our clients prepare for and execute optimized fan-building, **contact SoftServe today.**

ABOUT US

SoftServe is a global digital authority and consulting company, operating at the cutting edge of technology. We reveal, transform, accelerate, and optimize the way large enterprises and software companies do business. With expertise across healthcare, retail, media, financial services, software, and more, we implement end-to-end solutions to deliver the innovation, quality, and speed that our clients' users expect.

SoftServe delivers open innovation – from generating compelling new ideas, to developing and implementing transformational products and services. Our work and client experience is built on a foundation of empathetic, human-focused experience design that ensures continuity from concept to release.

Ultimately, we empower businesses to re-identify their differentiation, accelerate market position, and vigorously compete in today's digital, global economy.

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USA HQ

201 W 5th Street, Suite 1550
Austin, TX 75703
+1 866 687 3588

EUROPEAN HQ

One Canada Square
Canary Wharf
London E14 5AB
+44 (0)800 302 9436

info@softserveinc.com
www.softserveinc.com

softserve