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Micro-Experiences:

The Key Secrets
to Brand Loyalty

White Paper



Introduction

It's no secret that customer experience is everything in retail. During every stage in the funnel, from exploring your brand presence on social media all the way to the checkout process. It's about ensuring every single step has a consistent, authentic brand experience. But how can we integrate these tiny nuances into all of the steps of the funnel and beyond? And how can we use these to create retention and nurture our customer loyalty efforts?

The key is creating branded micro-experiences, key interactions across your various sales channels. We're going to discuss the importance of micro-experiences, which brands are doing it well, and how to create one for your own loyalty strategy.



The Importance of Micro-Experiences

Micro-experiences come in many shapes and sizes. Any digital brand interaction that stands out to the consumer, good or bad, falls under that category. Social media contests, loyalty apps, and even retargeting ads are all different micro-experiences that create an omnichannel approach and create retention. How we position ourselves as brands through these interactions determines how buyers perceive us.

"Customers don't care if you claim you have omnichannel, they only care that they can connect with you when they want to connect with you," states Shep Hyken, Forbes Contributor & CX Expert. "They go through the channel that's easiest and most convenient for them."

Key Stats about Micro-Moments:

- 69% of consumers agree that the quality, timing, or relevance of a company's message influences their perception of a brand. (Wall Street Journal)
- 71% of consumers expect companies to deliver personalized interactions. And seventy-six percent get frustrated when this doesn't happen. (McKinsey & Company)
- Companies with strong omnichannel experience strategies retain an average of 89% of their customers, as compared to 33% for companies with weak omnichannel strategies (Aberdeen)
- 87% of customers think brands need to put more effort into providing a consistent experience. (Kampyle)
- 65% of buyers find a positive experience with a brand to be more influential than great advertising. (Temkin Group)



Your Brand as an Experience

A key component to gathering a loyal fanbase is authenticity. Your brand needs to have a clear, defined message that feels like an experience to a customer. A consistent identity that speaks volumes across all channels is pivotal to your entire customer experience. It should be so naturally ingrained into your core messaging.

The trick is to create one major campaign for your loyalty messaging and breaking it up tactically across an array of omnichannel touchpoints. Especially organic channels and campaigns, customers trust these owned media channels over paid media because of its authenticity. Have you created an organic social media campaign around it? What about a segmented email marketing strategy? You could even write a blog with a list of targeted keywords. Organic content is the cheapest and most authentic way of marketing your program.

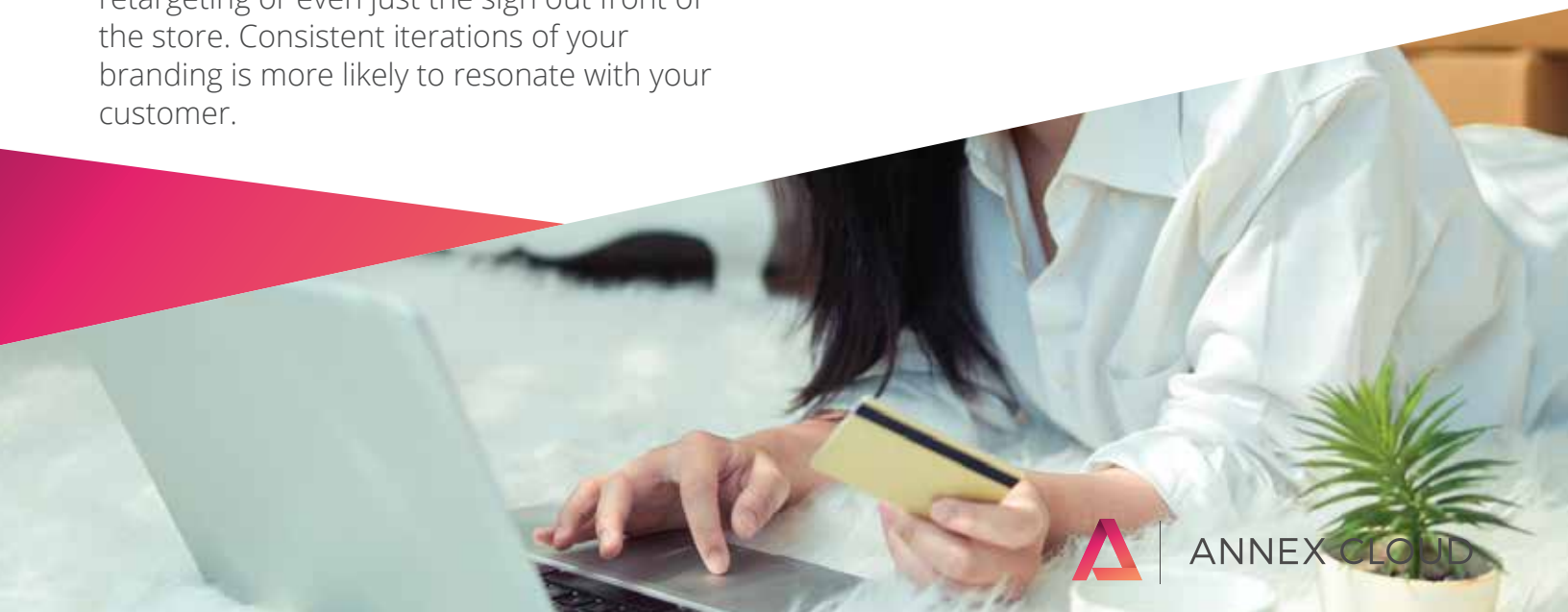
If there's just one takeaway from this, I cannot emphasize enough the use of consistent logos, graphics, and color patterns for your branding! If they have a split second interaction with your ad on social media, they're more likely to recognize it again if they see your ads through retargeting or even just the sign out front of the store. Consistent iterations of your branding is more likely to resonate with your customer.

Customer Experience and Emotional Loyalty

Emotional loyalty stems from positive customer experiences. The way we feel about a brand largely determines how we interact with it. Brands that use micro-experiences that go above and beyond can establish long-term emotional loyalty. Adding emotional messaging, exceeding customer expectations, and building philanthropy are some ways brands have found success.

Engaging brands and adding value between purchases creates emotional bonds. According to the Digital Transformation Institute, 70% of consumers with high emotional engagement spend up to two times or more, 80% promote the brand to family and friends, and 62% advocate for the brand on social networks.

McKinsey & Company reports 71% of consumers expect companies to deliver personalized interactions. And 76% get frustrated when this doesn't happen. It's worth the effort. Companies that grow faster drive 40 percent more of their revenue from personalization than their slower-growing counterparts.



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Know Your Audience: Millennials & Customer Experience

Though customer experience is key across all demographics, we've found it's especially important to millennials. According to a report by The Brookings Institute, Millennials will grow to represent more of the decision-maker population, projected to represent 1/3 of adult Americans by 2020 and 75% of the workforce by 2025.

Because of that, brands are finding it increasingly important to shift their marketing strategies to focus on millennial inclinations. According to the same report, 72% of millennials choose to spend money on customer experiences over products, concluding that millennials weigh value not by monetary cost but by how priceless an experience is. So by integrating positive micro-experiences like social media contests, UGC, and product incentives; they're more likely to convert.

5 Brands

that know **Micro-Experiences** ▶



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The North Face

The North Face has nailed down its loyalty program by providing its customers with some of the most tailored reward options for their lifestyles. With their VIPeak program, customers earn points through traditional methods as well as through less traditional micro-moments: attending events, checking in at certain locations, downloading the company's app, etc.

Where The North Face really shines is in the redemption choices they offer. Customers can use their accrued points toward activities they enjoy and unique travel adventures like mountain climbing in Nepal or snowy excursions in Alaska.

Airbnb

Airbnb has one of the most unique customer experiences, which is why they're projected to takeover 6% of the lodging marketing by 2020 (Morgan Stanley). Their unique model, use of UGC, and the implementation of Airbnb Experiences all add to their unique customer journey.

To give their users more positive micro-moments, Airbnb is partnering with restaurants, activity vendors, etc. to enhance their time. While you can definitely use a hotel concierge or travel agent to help you plan experiences, being able to just click and select activities is much more convenient and user-friendly. They also have a great UX and loyalty functionality built into their app with an updated algorithm to give the user personalized recommendations based on user behavior. And by posting user-submitted photos to their social media, they're rapidly expanding out a holistic community of loyal followers.



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Domino's

Domino's has mastered the art of ordering pizza online. In fact, their ecommerce and mobile ordering has exceeded pizza sales over the phone. They are the only pizza chain to meet this target and I believe the key is the pizza simulator. This is the ultra micro-experience for pizza lovers because once you order online, it tells you when it's being prepped, baked, and even who's delivering it! And by integrating their Points for Pies loyalty program, they're seeing great retention among customers.



SEPHORA

Sephora

Sephora has done a fantastic job of building out a long-term loyalty program that keeps their customers engaged month after month, year after year. Through their Beauty Insider Loyalty Program, customers earn points based on money spent that not only can be used for transactional rewards (e.g. free add-on products), but also qualifies them to tiered status levels like Insider, VIB and VIB Rouge.

At the top level, VIB Rouge, customers enjoy access to exclusive events, free in-store makeovers, frequent discounts, early access to new products, and more. Customers come back again and again because of the unique events, rewards, and experiences consumers are able to redeem through the program.

MacKenzie-Childs

When MacKenzie-Childs creates anything, they need it to be original and inventive. The same rule applies when they worked with Annex Cloud on developing their award-nominated loyalty program TrulyMC Rewards. Benefits vary depending on loyalty tier, some of which include: free shipping, monthly drawings, and annual personalized gifts. Once members earn their way to the higher tiers, they're eligible for early access to shopping events and even dedicated concierge services.

What MacKenzie-Childs does especially well is integrating loyalty into their content on social media. By using the #trulymc tag on Instagram for example, they're able to attribute social posting and reward points to their followers that subscribe to the program. By rewarding social actions, they're able to turn customers into brand advocates online.

"Our customers have an amazing passion for the artisan crafts we create, which all ties into creating our unique identity and customer experience. By implementing omnichannel to cater to those micro-moments, we're able to take that passionate community to a much grander scale online. And just by optimizing that experience, we were able to see a 10% increase in retention within the first 8 months."

-Larry Shaw, Chief Marketing Officer,
MacKenzie-Childs

MACKENZIE-CHILDS



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How to Build Experiences into Your Loyalty Strategy

Imagine a good loyalty program as the hub for your customer experience strategy. It integrates your site, email strategy, rewards, POS, and product incentives all under one platform to help tailor the customer experience. It's a proven means of managing all of these strategies for retention.

MIT Sloan Management Review found that consumers who participate in top loyalty programs are 80% more likely to choose that brand over its competitors and two times more likely to recommend it to others. Loyalty adds an element of interaction in the consumer experience. Brands everywhere are competing over who can deliver their products better with the best customer experience possible, customer loyalty elevates those efforts.

Seamless Customer Experience with Omnichannel

Did you know that 86% of purchasers change channels when buying online? For that reason, it's important to have quality interactions across all of your major touchpoints. So the same sale or promo online should be honored in-store and vice versa. 60% of millennial shoppers want a consistent experience on their phone, thus proving just how important universal branding is across all media.

A typical consumer who has issues opening a loyalty email or advertisement on their phone will quickly become frustrated with their experience. Ensuring omnichannel compatibility will prevent frustrations, help you retain consumer interest, and ultimately increase revenue. Creating all of these micro-experiences add up to the macro-strategy that is your omnichannel loyalty presence.



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Implementing Experiential Rewards

Experiential rewards go past the dollar savings and provide a much higher value by improving the overall customer experience, allowing you to build deeper relationships with your customers. It says beside product, these are the other things we think you'd like based on your preferences.

Personalization is so key in creating experiential rewards and now more than ever people are looking for that extra effort. A personalized brand experience in any industry is what keeps customers coming back for more. By creating a meaningful connection between people and your brand, you're incentivizing them to choose yours over another.

Visual Commerce: Instagram Checkout

Instagram's new direct checkout is a gamechanger in visual commerce. Before, we would create such extensive calls to action to get shoppers to abandon Instagram to buy online. We used to only be able to add a store link in brand's Instagram bio. Then, it evolved to integrating product links into posts. Now, it's one fluid experience for Instagram users that don't necessarily want to leave, making it a great sales channel and micro-experience for customers.

"As Instagram is becoming a key player in product discovery, offering native checkout makes the mobile buying experience seamless," Laura Musa, Director of Digital Marketing at Adlucent.

Micro-Moments & Ways to Earn Points

Micro-moments shouldn't just be marketing strategies to get customers to buy, they can also give us ways to give them rewards back. By rewarding loyalty points for social behaviors such as following your brand on Instagram, posting with your branded hashtag, or even just writing a review; your creating positive interactions with your brand online.



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Top 10 Micro-Experiences Most Brands Can Implement Today:

1

Consistent visual collateral across channels

2

Unique rewards that speak to your brand

3

Segmented email campaigns

4

Organic blog content with targeted keywords

5

Strong UGC presence on social media

6

Adwords campaigns for industry, branded, & competitor Keywords

7

Branded loyalty hashtag

8

Retargeting campaigns

9

Integrating loyalty with your POS

10

Mobile experience and usability



Conclusion

It takes a unique blend of micro-experiences to create a branded customer experience strategy. It's about honing your key branding, creating marketing campaigns surrounding that messaging, and finding ways to nurture that relationship. The more interactions with your brand, the more likely they'll remember your brand. By implementing these key micro-experiences, we're able to find a higher rate of customer retention.

Do you have issues with customer experience and want to see better results? Having trouble breaking through the noise with your brand's messaging? Talk to us about how to hone your brand experience. Our consultants will answer any questions you may have and find ways to naturally implement micro-experiences in your core marketing strategy!



Ready to talk?

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