

Beyond Al-deas: Data-led brand activations for lasting consumer loyalty, trust and advocacy

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In today's economic climate, marked by rising inflation and heightened price sensitivity, the battle for consumer attention and loyalty has intensified. Brands are seeking innovative ways to break through the noise, especially in competitive consumer markets.



And in the wake of the democratisation of generative Ai, innovation and ideas abound. But (Ai)deas are cheap. Execution that drives behavioural change is priceless. Below-the-line marketing tactics and mechanics, with their focus on direct consumer engagement, offer a tangible, real way to impact consumers where they act and transact.

By executing data-enabled, tailor-made shopper marketing solutions, brands can not only stay top of mind but also foster deep, lasting connections with their customers that drive conversion, loyalty, trust, and advocacy. Let's explore.

Show, don't tell: Unlocking consumer loyalty in tough economic times - A field marketing approach

High inflation constrained economic growth, energy supply disruptions, the rising cost of living and low consumer confidence all contribute to a challenging trading landscape for brands. Consumer price sensitivity has only increased with economic pressure, putting a squeeze on margin as brands compete on value to win consumer consideration.



Price inflation on food and non-alcoholic beverages forecast for 2023 Of employed adults earn below R6,110 per month

Monthly cost of a household food basket

https://www.tradeintelligence.co.za/

One approach to maximising value to win consumer consideration is through field marketing. Promotions and activations in

trade afford consumers the chance to experience a brand's value first hand. This proof-based approach also creates reciprocity in aisle where consumers are often inclined and compelled to purchase on the back of positive experiences and product trials.

As ever, promotions and activations have the added benefit of enhanced visibility at the point in the shopper journey when consumers are most receptive to influence.

The benefits don't end there. According to insights from <u>Harvard Business Review</u>, maintaining customer loyalty in the face of inflation requires a deep understanding of consumer behaviour and preferences. Field marketing allows brands to gather this invaluable first-party data, enabling them to tailor their offerings and messaging to meet the evolving needs of their target audience. This direct engagement not only boosts brand visibility but also builds trust and loyalty, key factors in driving repeat business in a challenging economic environment.

Of course, not all field marketing activities are created (or executed) equal. Getting the full benefit of these activities (essential to maximising return) requires partnering with agencies that are equipped to deploy activations across your store universe. Data enablement is key to optimising campaigns and to collecting consumer insights and information. The right partner will be able to demonstrate proof of these abilities.

From awareness to advocacy: Leveraging experiential events for lasting loyalty

Experiential events take the concept of direct engagement a step further by immersing consumers in a brand's world. These events, ranging from product demonstrations to interactive brand activations, create emotional connections that transcend the transactional nature of traditional marketing. In an era where consumers are bombarded with digital ads, the tangible, real-world experiences offered by experiential marketing stand out, making a lasting impression that fosters brand loyalty.

Where the rubber really meets the road in the world of experiential marketing, is where brands align with consumer passions, outside of the shopping aisle. In a recent article on <u>Business Live</u>, tapping into consumer passions through experiential marketing can significantly amplify a brand's appeal. By aligning brand activations with the interests and values of their target audience, brands not only attract attention but also inspire advocacy. Advocates, driven by their positive experiences and emotional connections with a brand, become its most powerful marketing tool, sharing their enthusiasm with friends and family and amplifying the brand's reach organically.

The key here is authenticity. Brands should ensure that their values are aligned with the passions of their event attendees, and not simply pay lip service in the interests of showing up. Having a strategic, insight-led approach will ensure that consumers find value and resonance in your experiential events. It's key to understand, not just your consumer's passions, but their mindset and intentions at events, to ensure that your experience meets and exceeds expectations.



Building better consumer profiles: The untapped potential of direct engagement

The direct interactions inherent in below-the-line strategies provide brands with a wealth of first-party data. This data, collected through field marketing activities and experiential events, offers detailed insights into consumer preferences, behaviours, and attitudes. By analysing this information, brands can develop comprehensive consumer profiles, enabling them to deliver more personalised, relevant marketing messages.

Moreover, in the context of rising privacy concerns and the increasing limitations on third-party data, first-party data becomes even more valuable. It allows brands to maintain a direct line of communication with their consumers, fostering a

sense of trust and loyalty that is crucial for success in today's market. As highlighted by the <u>Financial Times</u>, in an inflationary environment where every consumer touchpoint counts, the ability to leverage first-party data for better customer profiling and targeted marketing is a significant competitive advantage.

Again, in an era where ideas are cheap, it's never been more important that campaigns and concepts are grounded in real and accurate consumer data. And that they are executed in alignment with evolving consumer behaviour.

In a notable instance of AI data bias, Amazon ceased implementation of its hiring algorithm after discovering a propensity to favour applicants who incorporated terms such as "executed" and/or "captured," which were prevalent in male-centric resumes. This incident underscores the imperative for vigilance in mitigating biases embedded within algorithmic decision-making processes, particularly within contexts as critical as recruitment.

To avoid the problem of "garbage in, garbage out" and reduce the bias in ideation, we must ensure that data is high quality and reflects real-world distributions of the target audience we are looking to engage, and below-the-line marketing activities like experiential events provide ideal settings to collect and verify that data.

Conclusion

Inflation and economic uncertainty present real challenges for brands, putting a squeeze on margin and marketing budgets. But they also offer opportunities for innovation driven by deeper consumer engagement. By focusing on below-the-line strategies such as field marketing and experiential events, brands can unlock consumer loyalty, build lasting relationships, collect real-time consumer data, and stay ahead in the competitive market. The key lies in well executed direct engagement and the strategic use of first-party data to tailor marketing efforts to the unique needs and preferences of the consumer. In doing so, brands not only navigate the challenges of inflation but also set the stage for long-term success.

At Tradeway, we go beyond BTL – we pride ourselves in strategic long-term partnerships with the world's leading brands and agencies. Contact us and let's talk about how we can assist with integrated, tech-enabled campaigns that deliver results and insight, and add value to your customers for long term loyalty, trust and advocacy.

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