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Making the Emotional Investment

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What's the point in delivering a good experience to customers? As long as you avoid driving them away with appalling service, is there really value in setting a higher target?

These are important questions that get to the core of the commercial value of the relationships service providers build with customers. Do you understand what proportion of customers feel that you don't meet their functional needs? How many are satisfied with the way their basic needs are met but lack any sense of deeper connection with your brand? And how many are both functionally satisfied and emotionally connected to your brand; trusting that you care about their needs, proud to use your services and willing to forgive the occasional mistake?

It is only through fulfilling both the functional and emotional aspects of customer relationships that you get the benefit of loyal and committed customers.

And this points to the important commercial finding: it's emotionally connected customers who are much more likely to continue using the brand, to buy additional services and to recommend the brand to others. Without this emotional connection, even customers who give very positive "satisfaction" ratings can be lured away by attractive competitor offers.

Evaluating how well your brand builds and sustains these deep customer relationships is a great tool for monitoring competitive performance. But it's also interesting to compare the state of relationships that brands in different sectors build with their customers. I've lost count of the number of clients who've told me that they want to be the most loved brand in the world – it's always useful to draw inspiration from the best players in other industries.

Willingness to forgive mistakes is a great indicator of customers being confident that they've made the right choice; if they get enough in return, they will overlook the occasional error.

How successful are networks at building emotional relationships?

At Maritz Research we recently carried out a piece of research looking at customer relationships with mobile networks, banks and supermarkets. We found that the mobile brands are the least successful of the three in building strong customer relationships. In terms of meeting customers' basic functional needs, mobile networks under-perform in comparison with supermarkets. Looking at specific areas of functional under-performance, mobile networks are weak on reliability and customers think there's little to choose between the available alternatives. Customers lack confidence that they have made the right choice in picking or sticking with their current network; they worry there may be a better deal out there somewhere. There's also a sense that any instances of unreliability are a frustration to customers who are used to their mobiles working, reliant on smartphones to keep up to date with emails and browse the internet in their downtime.

Although mobile networks are no worse than banks in building functional satisfaction, fewer satisfied customers move up to become emotionally connected with the brand. Consumers may loathe the bankers, but it appears they still seem to think that their bank delivers against their needs better than their mobile network.

Trust in me

Consumer trust is an especially interesting area. It's a great illustration of the difference between the functional and the emotional connection. While trust is an emotion, there's nothing irrational about it. Emotional is not the opposite of rational – emotion is often a shortcut to making good decisions without investing time and effort in evaluating all the options available.

Of course the importance and nature of trust varies across different categories. In banking for instance, being trustworthy is very much a requirement of entry into the market: people just won't deposit their salary regularly and let you look after their life-savings if they don't trust you. Similarly, the consequences of being unreliable also varies hugely across categories. If my mobile network drops calls every now and then, it's irritating, but it's not in the same league as money going astray when my bank make a mess of things. At the other end of the scale, if the supermarket doesn't have my preferred brand of washing powder one week, then they almost certainly have an acceptable alternative.

So people form feelings of trust over time as their experience tells them that their mobile network is reliable, delivers against its promises and meets their needs without being transparently self-interested. And knowing that they trust the brand means they don't have to work too hard at making these rational evaluations each time they think about the performance of their network.

When examining the more emotional aspects of the customer relationship, we found that mobile networks are weak in the area of trust. In addition, the potentially powerful connection that comes from pride in being a customer wasn't strong. Although there are brands that stand out in this market, this weakness in pride could suggest a lack of clear differentiation between the brands available - a pattern we see across many mature markets.

The importance of a memorable experience

Events and experiences that have enough of an impact to influence my perceptions of a brand are what build (or can undermine) emotional connections. Customer experience isn't only important in the sense of doing the basics well enough – of making sure customers never have bad experiences. Delivering superior customer experiences - “memorable moments” - helps to bond customers more closely to the brand. And herein lies the challenge for mobile brands: many of the customers of mobile networks we spoke to found it difficult to recall a memorable experience with their provider. For those who could recall some experience, the balance of positive versus negative is in line with the other categories. It's not as though the experience is necessarily any worse, but there's less customer contact and less of the experiences customers have are memorable. Mobile providers have every opportunity to let customers down on functional performance and fewer chances to build emotional connections.

An unusually large part of people's experience with their mobile provider is tied up in the service delivering exactly what it's supposed to. In many ways, I want the experience to be mundane – I just want it to work when I need it. Every time I try to make or receive a call, send a text or access the web is a chance for my mobile service to let me down. Supermarkets, by comparison, have every opportunity to rescue each potential disappointment – either by offering alternative products, providing staff to help resolve the problem or even just giving a great special offer somewhere in-store.

The knowledge that customers have the opportunity to make a choice every time they do their weekly shopping keeps supermarkets acutely focused on maintaining strong delivery against their needs. By contrast, mobile and bank customers often feel that once they've been sold a package, their provider doesn't care about them until next time their deal is up for renewal.

Part of the challenge with building emotional connection is that it's just as important to deliver against promises and expectations as it is with functional claims. You need to be able to back up your positioning with what you deliver to customers – you can't just make bold claims that run contrary to the reality of the experience you are delivering day-to-day. The way you market your brand and what is happening with competitors' marketing shapes customer expectations. If you tell them that you have the best network, then they will be even more critical if you don't live up to the promise. If you promote yourself as offering honest, straightforward value, then customers will be sceptical when they read the small print and critical of any complications.

So while it's always interesting to make comparisons and learn from market leaders in other categories, it's comparisons against your direct competitors that really matter. Mobile markets often lack the niche brands with very distinctive propositions that thrive in financial and grocery markets: strong value or premium/organic players in groceries; online only banks, those with strong local heritage and so on. In this context, the Everything Everywhere joint venture in the UK is particularly interesting to watch as an exercise in managing a brand portfolio – a potential opportunity to differentiate the Orange and T-Mobile brands much more clearly.

What are the implications for your business?

Building good customer relationships is an investment in the future. Just as in other categories, mobile networks need to go beyond merely delivering functional satisfaction and start showing that they care about meeting customer needs. At the same time there is a clear role for mobile providers to build strongly appealing brand propositions and positioning. But when you're developing the proposition, be brutally realistic about your ability to deliver it – you'll get penalised for making promises you can't keep.



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