

Is a little loyalty too much to ask for?

 By [Romy Honneysett](#)

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The South African retail market is a battleground at the moment: fierce competition by brands; a vast choice available to consumers; and a weak economic climate that has resulted in fickle, price-sensitive customers who lack loyalty.



This could sound harsh and inflated but the proof is in the [latest report](#) compiled by WhySatisfy. It analysed the performance of SA retail companies online and on social media in Q3 2017 based on their following: share of voice, and conversation sentiment.

Quality vs quantity

You've probably heard most of the biggest SA online retailers go on about how customer acquisition is their focus. It's all about getting as many new customers' details as they can because they can then flood them with marketing material later. Is having a large audience that is not actively engaging with the brand better than a smaller, much more engaged one? Is this numbers game really worth it in the long run though when it comes to brand loyalty and profit?

Free loyalty programmes are a popular choice for retailers to use as it poses little risk for consumers to join and therefore appeals to a wide audience. Problem is that they have now trained customers to wait for discounts. So not only do they not get any value add when customers join the free loyalty programme (a.k.a. 'margin killers'), they will actually cost money in the long run while customers wait dormant until the next sale or discount coupon to arrive in their inbox. Retailers are not rewarding brand loyalty, they are rewarding membership.



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Retailers are also trying to gain customers by relentlessly offering rewards through contests and competitions which does create buzz and contributes to their share of voice online, but more detrimentally creates a following of serial competition chasers that don't actually value the brand.

“Contests don’t build loyalty to the brand. They build loyalty to the prizes.”

Pick n Pay seems to be doing something right as they have the greatest following, the most active social audience and the best-performing content. This is not surprising though as it all stems from, and is supported by, their unwavering core values of providing customers with what they need – quality goods at affordable prices, with good before, during and after sales customer service.

The key then to owning a genuine share of voice online and building an audience of value is in the content! Creating and using content effectively, to fulfil specific objectives, is in-depth and multi-faceted, with many brands still missing the mark. To help delve a little deeper, here’s what [Joe Steyn-Begley](#) from Mark1 Media thinks...

“Brands have to design content with specific platform objectives in mind. And together with designing for specific objectives, you need to advertise for specific objectives. It doesn’t help you try to drive sign-ups for a Black Friday newsletter and your promotion objective is set to create awareness. It seems straightforward but still, so many companies get it wrong. My suggestion would be to revisit the objectives you can set on Facebook, decide on the specific format and work things backwards from there.”

Are you relevant though?

The next important layer is the promotion of the content, especially considering the anticipated launch of Facebook’s alternative [News Feed – Explore](#). Promoted content campaigns need to be thoughtfully targeted, completely relevant to the target audience, fit the platform seamlessly and remain authentic to the brand. Unless you have enormous budgets to play with, using broad demographics in your targeting is like your message being a drop in a vast ocean. Rather use the platform’s unique targeting abilities and focus your messages to the interests of your target audience.



Of those who take part in conversations about retail online, the core interest groups are: family and parenting, business and music. Also, topics that customers feel strongly about and that always stand out are: corporate social responsibility (CSR), online shopping and price. The SA retail audience has almost a 50/50 gender split, showing that the old 'women love shopping' stereotype is dying. Why not use all this knowledge and more to engage with your audience in a more meaningful way that will increase its performance?

Success in retail is still rooted in doing everything you can to ensure a great customer journey – bend over backwards if you have to! If you've cracked this then the rest will follow. Get those glowing reviews and recommendations on social media to combat any irritable customers complaining.

Retailers are at the mercy of social media in that way as consumers are quick to use this platform to moan about poor quality or bad service. That being said, any retailer can convert negative sentiment into positive with a solid and streamlined customer care plan.

[Click here](#) to download the full *WhySatisfy* report.

ABOUT ROMY HONEYSETT

Honey Social is a Social Media Marketing Consultancy for Small Businesses, based in Cape Town. It provides freelance services to various clients. Honey Social provides tiered packages to clients to handle their Social Media Marketing (and other integrated marketing activities) where they can choose the package suited to their budget and marketing goals.
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