

Marketing with Purpose

Accelerating Brand Performance Through Trust, Love and Loyalty

Key research takeaways for forward thinkers & modern marketers



Forward

At Microsoft Advertising, we're invested in helping our clients and partners create brands that are welcomed into people's lives, as well as become a brand people rely on. That feels especially important during these challenging times, when how you show up matters.

For the most successful brands, showing up means putting the consumer experience first to build trust. Especially in today's environment, trust is being stress-tested in how businesses operate, communicate, and respond.

We set out to discover what trust means to consumers, especially the role it plays in driving purchase consideration and business value.

We wanted to understand how brands can uniquely leverage trust to acquire and retain consumers.

Our research findings highlight one universal truth - that consumers expect brands to provide value and align to their values. It creates an opportunity for brands to develop an authentic relationship with consumers through responsibility, values, and inclusion. The findings can also be incorporated into business strategy, marketing collateral, and advertising campaigns.

Much like a loyal friendship that's built on shared values, Marketing with Purpose: Accelerating Brand Performance Through Trust, Love, and Loyalty calls for our collective creativity across the industry to adapt to what's ahead, and a commitment to step up to show people they come first.

Accelerating Brand Performance Through Trust, Love and Loyalty Microsoft Advertising, 2020

Research background

Methodology



15-minute consumer survey



Representation from across the U.S.



Tested 12 concepts that cover key areas, such as diversity, social good, privacy, and transparency

Qualifications

- Age 18-65
- Primary/shared decision making for respective category (Auto, Financial Services, Retail or Travel)
- Income of \$35K+
- Must be aware of at least one of the vertical brands
- Is engaged with one of the key verticals
 - Financial Services, Retail, Travel: Must have done some/a lot of research or made a purchase in the past 6 months
 - Auto: Must have done some/a lot of research or made a purchase in the past 12 months OR intends to make a purchase in the next 6 months

Introduction

Brands that put building trust at the center of their business decisions will be best positioned to build long-term loyalty with today's values-minded consumer.

That's because trust goes beyond being transparent and protecting people's privacy. It's about making people feel recognized and respected. It's about understanding what people value when connecting with your brand.

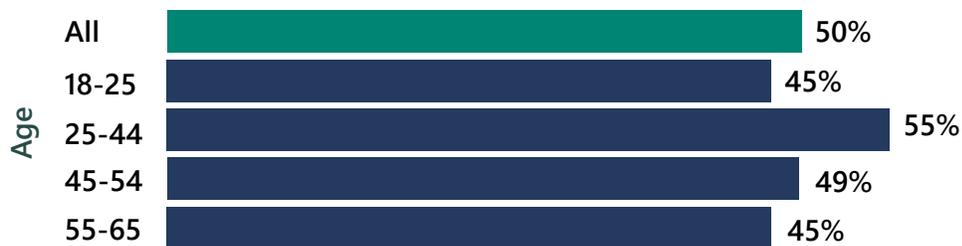
Through our research, we see evidence of the positive correlation between trust, love, and loyalty. More interestingly, we see that trust didn't just play a role in whether consumers purchased from a brand, but also how much established trust increased brand consideration and business growth.

Let's look at the 7 key takeaways, and how you can apply it to your business goals today.

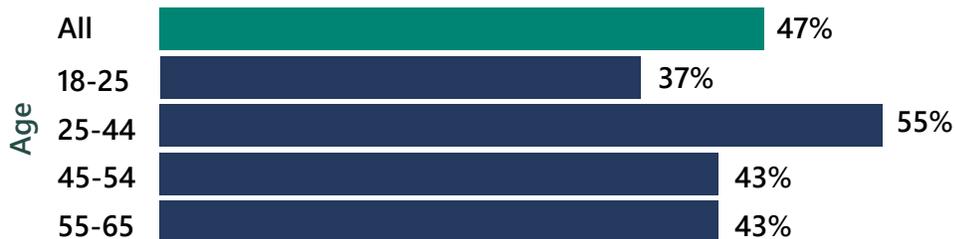
1 A new generation is growing up in a climate of distrust

Half of the consumers have accepted that their personal information will eventually be stolen online. And only 37% of Gen Z consumers believe that online companies can be trusted. Businesses should consider data policies that focus on transparency and an emphasis on consumer protection to break through the pessimistic consumer sentiment. By being responsible, you are building the foundation of trust.

It's only a matter of time before my personal information gets stolen



Most online companies can be trusted with basic personal information



2 Without trust, there may not be purchase consideration

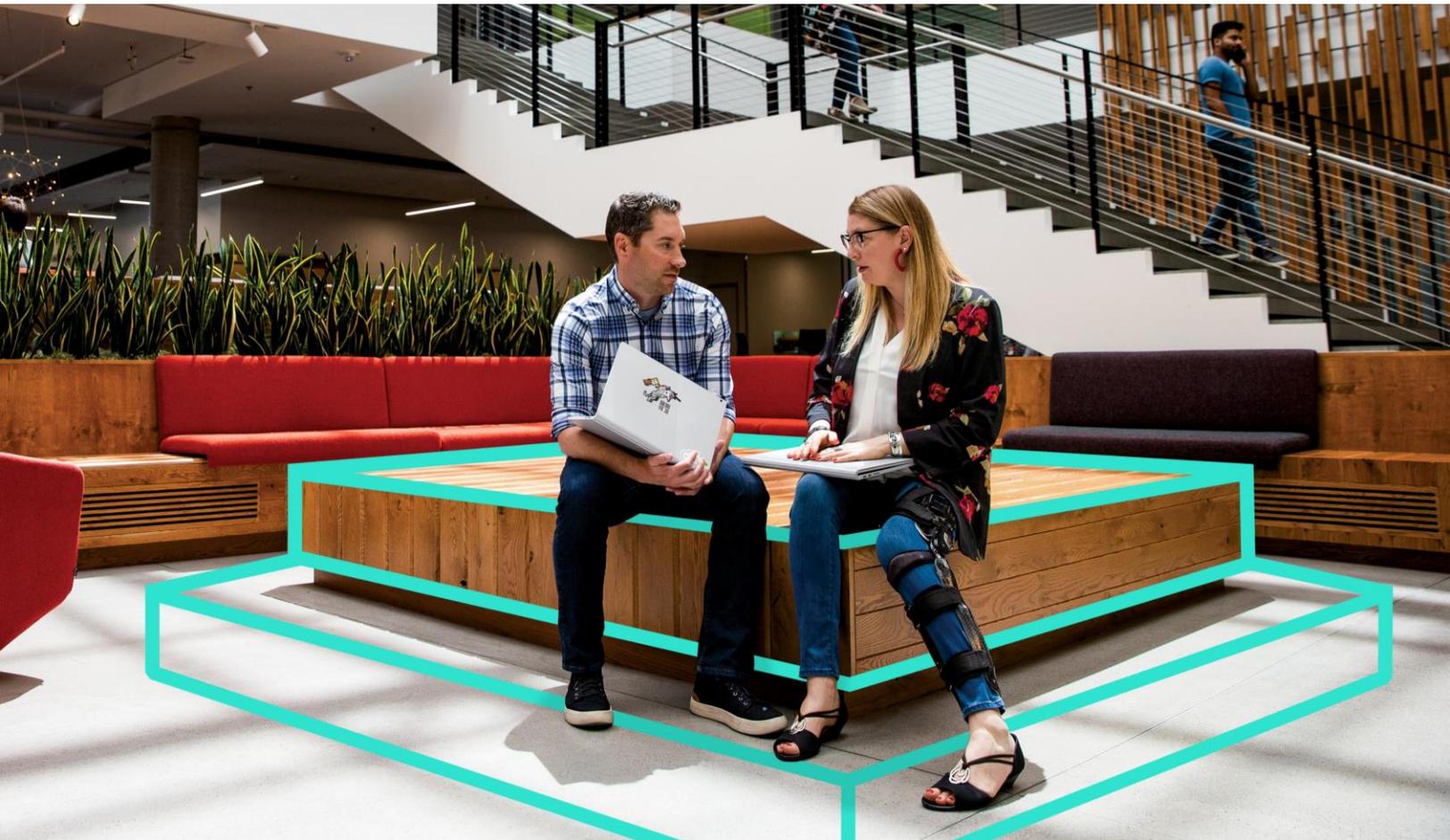
Trust is what gets a brand in the door with consumers. **In fact, a staggering 85% of consumers say they will consider a brand if they trust the brand.** Trust is also the gate keeper to brand Love, where only a mere 7% of consumers report loving a brand that they do not trust. That is an astonishing number of people that put trust above all else.

85%

Will consider a brand that they Trust

7%

Love a brand but does NOT trust

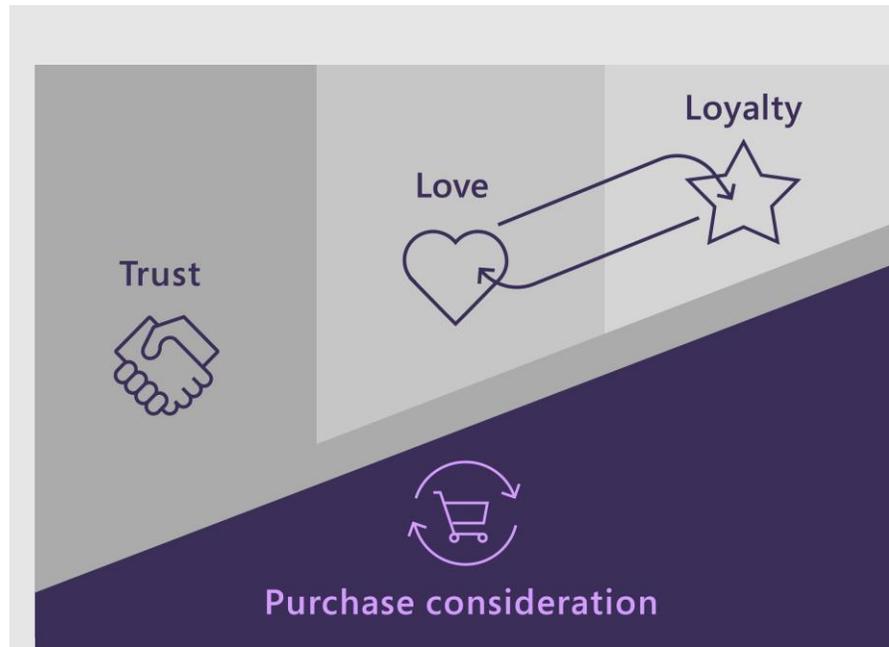


3 Purchase consideration is made up of trust, love and loyalty

Trust, love and loyalty all help drive purchase consideration for a brand. These three elements are closely related: between trust and love, and love and loyalty.

Trust starts with putting people first by respecting their needs, such as their privacy through transparent policies, and secure data systems. It then extends beyond responsibility to incorporate a brand's values and belief. Consumers want to see your brand take a stand, which is reflected through the decisions your business is making. Next, building trust also requires a brand to be inclusive with design, marketing, and advertising. These are not only foundational, they are also fundamental. And they are what consumers expect from you.

Once trust is established, the reward is greater brand love. A continued love for the brand leads to repeat buys, and that is brand loyalty. There is a need for brands to focus on all three elements – trust, love, loyalty - in order to accelerate purchase consideration.



Correlations Per Vertical*

Loyalty & Love

-  Retail 61%
-  FinServ 55%
-  Autos 55%
-  Travel 51%

Trust & Love

-  Retail 75%
-  FinServ 80%
-  Autos 75%
-  Travel 74%

*Where 100% is perfectly positively correlated

4 Trust is a marathon with several checkpoints

To move the levers of trust, love and loyalty, there are some key tactics that you can employ. First and foremost, like all relationships, there is the foundational requirement of security and appeal. Once that baseline is met, you can build upon it with additional attributes to strengthen the trust.



Security

Consumers rated "Security" as the most important fundamental need when considering brands. Consumers expect to feel safe about the products and that their purchase is reliable.



Privacy & Maintenance

Continue to earn consumers' trust by respecting their privacy and proactively solving customer issues. By anticipating the customers' needs, you are implicitly showing that you care.



Genuine & Authentic

Be honest in everyday interaction. Authenticity can have different manifestations in each industry vertical, such as value exchange, customer experience, accountability, and personalized experience.



Appeal

Consumers rated "Appeal" as another fundamental need when considering brands. This includes whether a brand is desirable, popular, and have esteem.



Delivers On Promise

Provide honest marketing by delivering on claims and promises made in your advertising.



Matched Values

Build authentic personal connections with consumers by ensuring that that your products and services are made for someone like them and stands for what they believes in. Inclusive marketing is an area you can explore to address this need.

5 Building trust may look slightly different by vertical

While security, appeal, privacy & maintenance, delivers on promise, genuine & authentic, and matched values are consistent areas of focus in building trust across verticals, Travel, Financial services, and retail have nuanced needs:



Travel

Inclusive advertising is needed to create a sense that the brand is built for the consumer.

Consumers stated it's important for Travel brands to have "advertising that represents many different types of people, cultures, values, and not typical stereotypes". That's because travel is highly experiential, it evokes a sense of escape, of who someone could possibly be and what they believe as an aspirational experience.



Financial services

Data transparency and supporting ethical practices are more important.

This is no surprise as institutions are trusted with consumers' lives in monetary form. Consumers responded that businesses should be "open and honest about how my personal data will be used" as an important factor in building trust.

Consumers also said "supports ethical practices within their company to promote positive economic, social, and environmental impact" as important in building trust, love and loyalty.

7 key insights to build trust, love, and loyalty

Building trust may look slightly different by vertical (continued)



Retail

Data transparency, supporting ethical practices, and ensuring that advertising is brand safe are top of mind.

Retail represents many aspects for consumers - from brand quality, to delivering a personalized experience that does not misuse the consumers' data, to enabling consumers to impact bigger issues with their purchases.

Areas that are important to consumers in building trust include:

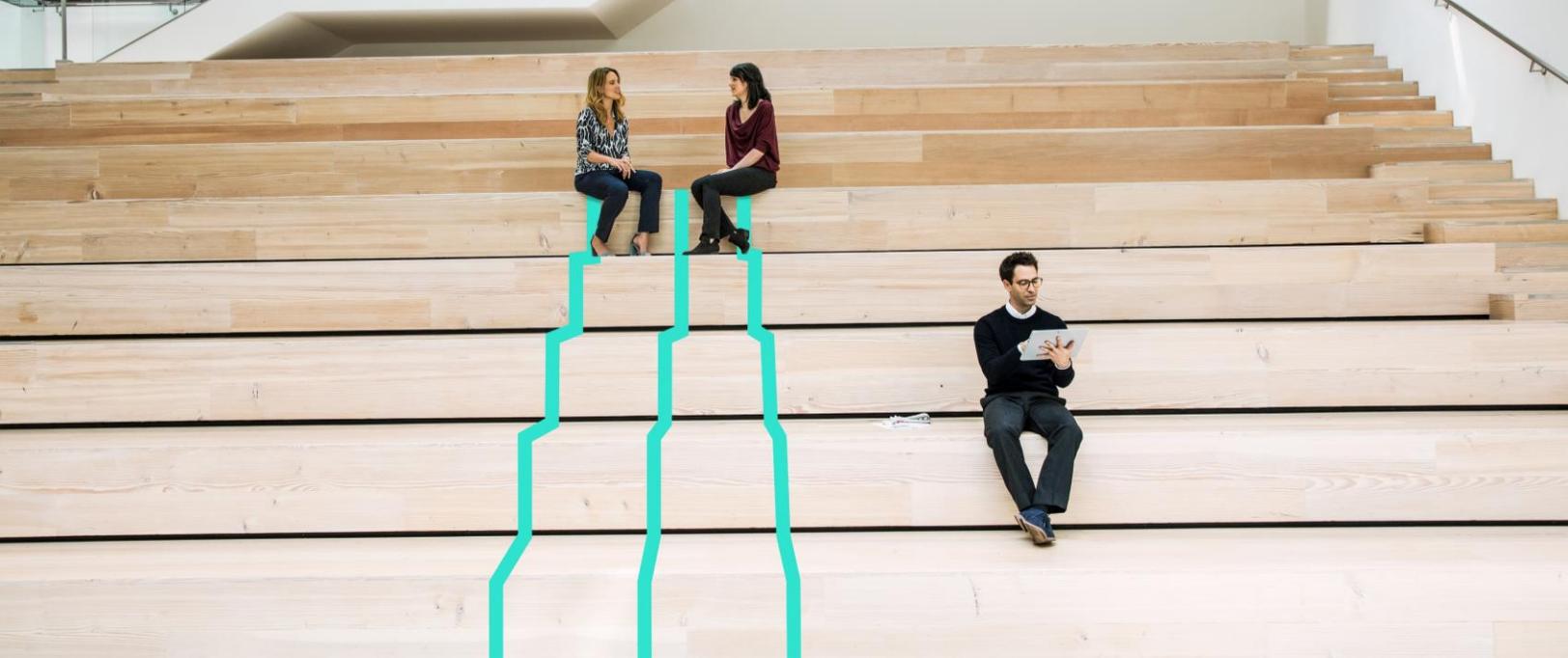
- "protects their advertising content from being displayed near potentially harmful content"
- "is open and honest about how my personal data will be used"

Consumers also said it's important for retail brands to support "ethical practices within their company to promote positive economic, social, and environmental impact" in order to build trust, love, and loyalty.



Pro tip:

- Optimize your creative strategy to lead with what consumers believe as important in building trust
- Ensure your brand message appears in a brand safe environment



7 key insights to building trust, love, and loyalty

6 Authenticity can come in different forms

Being genuine and authentic is critical across all verticals – Retail, Financial Services, Auto, and Travel. That's because these two qualities are the key ingredients in building trust, resulting in valuable connections between a brand and its consumers. However, the meaning of authenticity differs by vertical.



Retail Authenticity is value.

It comes down to providing a strong value exchange. Do consumers believe the perceived value of the goods are equal to the price? Consumers want appropriate quality for the price they pay and unbeatable deals. There is a correlation between "is genuine/authentic" with good prices and value:

- 61% correlation with offers good quality for the price
- 50% correlation with is a place where I can get a lot for what I spend
- 52% correlation with offers unbeatable deals



Financial Services Authenticity is about a strong customer experience.

Providing peace of mind, hassle-free experiences, and exceptional customer service help build an authentic brand in this vertical. There is a correlation between "is genuine/authentic" with strong customer service:

- 76% correlation with provides peace of mind to customers
- 74% correlation with provides hassle-free experience
- 74% correlation with provides exceptional customer service

7 key insights to building trust, love, and loyalty

Authenticity can come in different forms (continued)



Auto Authenticity is about accountability.

Delivering on promises made in your advertising, along with proactive problem solving are key to being authentic. There is a correlation between “is genuine/authentic” with accountability to customers:

- 63% correlation with delivers on promises made in advertising/marketing
- 58% correlation with proactively solves issues if products/services do not deliver as expected

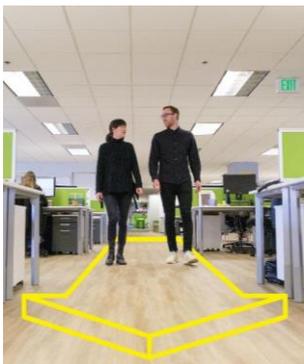


Travel Authenticity is about experience.

Consumers want travel brands to go above and beyond, providing a personalized experience. They want the brand to understand and recognize how important they are as a person. Consider the person’s preference; what was their last experience like? There is a correlation between “is genuine/authentic” with benefits of personalization:

- 64% correlation with provides service above and beyond
- 64% correlation with provides an experience that feels personal
- 62% correlation with understands and recognizes how important I am
- 61% correlation with anticipates my needs
- 53% correlation with uses targeted and relevant ads that help me while shopping
- 53% correlation with provides me personalized offers, content, or messaging tailored to my preferences

Pro tip:



- Optimize your ad creative to align with what your consumers expect
- Utilize Ad Extensions, such as Call, App, Location, Reviews, and Price, that enable a richer consumer experience. For Financial Services, this can help enable a hassle-free experience that consumers expect. For Retail, best prices and relevant products can be highlighted
- Responsive Search Ads that use the power of artificial intelligence (AI) to look at thousands of permutations across headlines and descriptions, to provide a personalized experience with the right message at the right time



7 key insights to building trust, love, and loyalty

7 'For someone like me' has a different meaning for each vertical

For Retail, Auto, and Travel, it's important for you to make consumers feel like the brand is built for someone like them in order to build trust. However, how consumers want to see themselves reflected differs by vertical.



Retail It's about variety.

Having the right products, high quality merchandise, and brands that consumers want all create a brand connection, making people feel like the brand is built for them. There is a correlation between "for someone like me" with having options people like:

- 73% correlation with has the right products for me
- 62% correlation with has high quality merchandise
- 68% correlation with is a place where I can find my favorite brands
- 68% correlation with carries products I am interested in

7 key insights to building trust, love, and loyalty

'For someone like me' has a different meaning for each vertical (continued)



Auto It's about standing for what consumers believe in.

To make consumers feel like the brand is for them, it is important that it aligns with their values. Do they care where the vehicle is built? Does safety or gas efficiency matter? There is a 62% correlation between "is for someone like me" with standing for what the consumers believe in and reflecting their values.



Travel It's about giving travelers options.

Having a wide variety of products, providing relevant information for making the most of someone's trip, providing value and being near locations that are of interest are the keys to creating that connection. There is a correlation between "for someone like me" with giving travelers the best options:

- 60% correlation with offers a wide variety of options
- 59% correlation with provides relevant options so I can make the most of my trip
- 57% correlation with is a good value for the price paid
- 57% correlation with has locations nearby places that I am interested in

Pro tip:



- Dynamic Search Ads enable you to serve ads with the best message to match what your consumers are looking for, based on the content of your websites to show it's for "someone like me"
- Shopping extensions give confidence and peace of mind with e-commerce experience reviews and local inventory information
- Microsoft Advertising's automation tools anchored in AI allow your ads to show at the best time to optimize ROAS and/or ad delivery, with real time optimizations at scale

Some inspiration to get started

Ignite your own Marketing with Purpose today



TRUST

Do your consumers trust your brand? Consider having a baseline understanding of where you stand with your current customers, as well as future consumers.



TOOLS

Are you measuring trust? Go beyond the baseline and continue to keep a pulse on your brand, as well as how you fare against your competition.



TRUST, LOVE, LOYALTY

What are you focused on in your vertical? From "genuine/authentic", to "someone like me", emphasize on activities that demonstrate responsibility, values, and inclusion to accelerate marketing with purpose.



For more thought starters and actionable insights, visit

> aka.ms/MarketingWithPurpose