

Report: Customer Advocacy in 2021

Introduction

In a tumultuous year, one thing stayed consistent: consumers recommended their favourite brands.

Despite everything happening in the world around us, people continue to talk about the brands getting it right. This is especially true for the sectors transforming our homes into places to live, work and play. Online orders and referrals for these businesses soared in lockdown.

For the fourth year running, we asked 2,000 UK consumers what makes them likely to recommend and return to brands. Some responses were similar to previous years. Trust is important, as are good quality products and services. Other responses, however, were different. People are shopping in new ways. They're recommending new businesses and buying different products.

In these uncertain times, consumers want brands they can rely on. Once they find them, they want to share them with their friends and family. In a global crisis, sharing our favourite brands with loved ones is a small yet meaningful act of kindness.

In this rapidly changing marketing landscape, your customers hold the key to long-term, sustainable revenue. A referral marketing programme equips you to unlock it. Whether you're a global retailer transitioning online, a fast-growing challenger brand, or anything in between, this report highlights the untapped potential of your customer base. I hope you find it an insightful read.



Andy Cockburn
CEO & Co-Founder
Mention Me

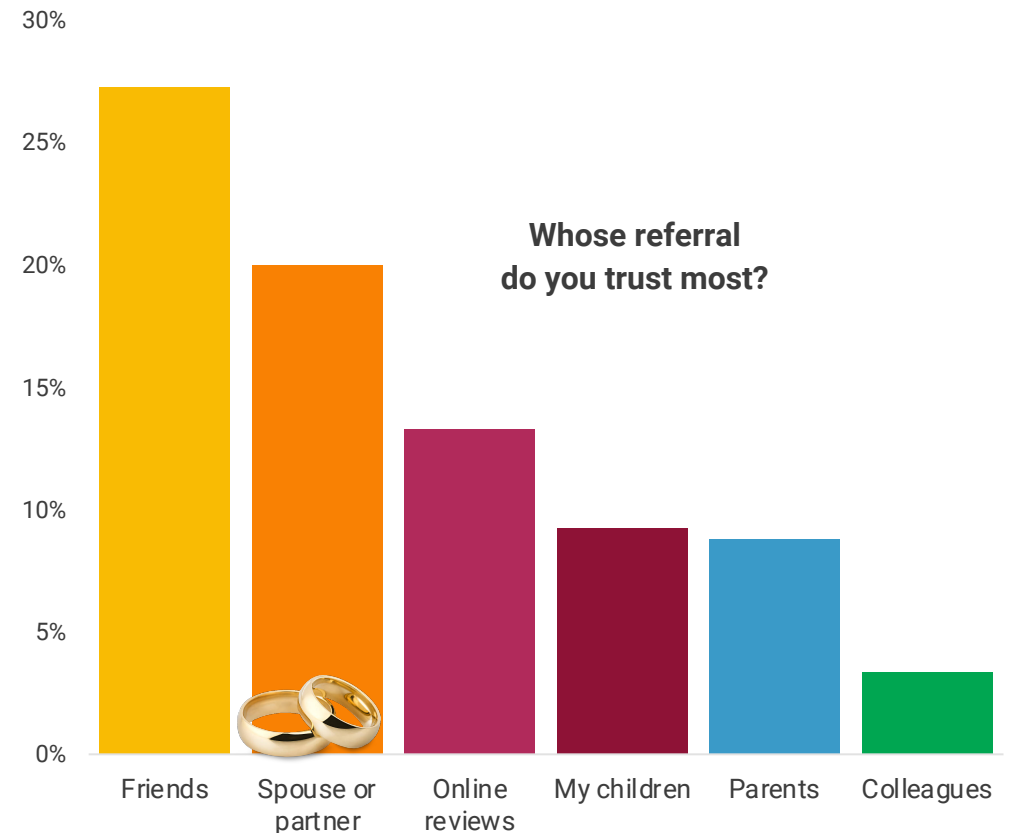
Friends' recommendations remain most trusted

For the fourth year running, consumers most trust brand recommendations from their friends. This beats even our partners (by 7%). Interestingly, men trust their partners' recommendations more than women do.

It's not only those we know who we trust when choosing brands. Online reviews came in third at 13%, beating recommendations from our children, parents and colleagues. Trailing at the bottom of the league table is, unsurprisingly, a politician's brand recommendation. Just 0.65% of consumers are likely to buy from a brand recommended by their local MP or other political figure.

Despite influencers taking a significant chunk of many marketing budgets, our results suggest this money may be better invested elsewhere. Just 2.8% trust influencers' recommendations. Even fewer trust TikTokers' (1%).

Our friends and families' criticism of brands also matters. 84% are unlikely to buy from places advised against by those close to them. This highlights the importance of nurturing every customer relationship, no matter how seemingly valuable (or otherwise).



Consumers recommend brands (a lot)

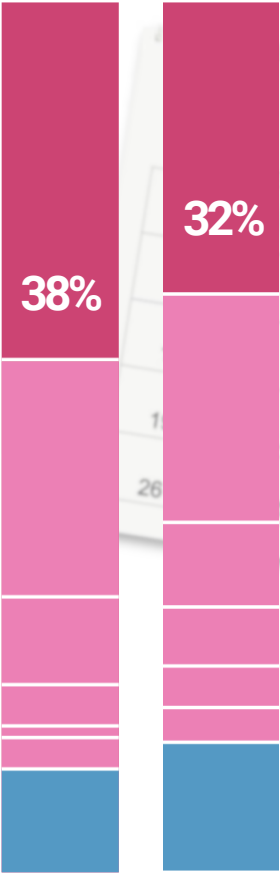
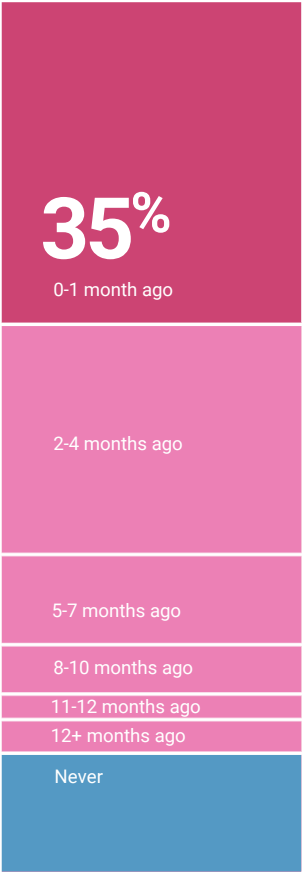
Consumers across every demographic recommend their favourite brands, especially in a pandemic. Over the past month, 36% of consumers have recommended a brand. This rises to 82% over the past year.

Younger millennials (those aged 25 to 34 years old) are most likely to recommend brands, with 90% having done so in the past year. Even those aged 55 and over – the demographic least likely to recommend – regularly do.

80% of this group has recommended a brand over the past year. When it comes to gender split, women are 20% more likely than men to have recommended a brand in the past month.

Yet opportunity remains. 15% of consumers never recommend brands. With the right tools and strategies, businesses can nurture advocacy in these customers to drive significant revenue.

When did you last recommend a brand?



Trusted brands are recommended most

65% of consumers cite trust as the most important quality for a brand recommendation. This is followed by great customer service (58%) and free delivery and/or returns (51%) – highlighting the importance of balancing emotional brand connections with practicalities.

People put their reputations on the line when they recommend brands to others. If their friend has a poor experience, it'll reflect badly on them. This makes meeting expectations like responsive customer support and free delivery even more important. Consumers won't recommend brands that risk falling short of their friend's approval.

This year's results highlight a continued focus on the wider impact of our buying decisions. Consumers are increasingly aware of their environmental footprint and want to make ethical purchases they can be proud of. 32% consider green credentials very important when recommending brands.

Unsurprisingly, brands' responses to Covid also emerged as an important factor driving referrals over the past year. 30% of consumers are more likely to recommend brands that responded well to the global crisis.



The sectors most likely to be referred

The pandemic hasn't changed how often consumers recommend brands. It has, however, changed the kind of brands they're recommending.

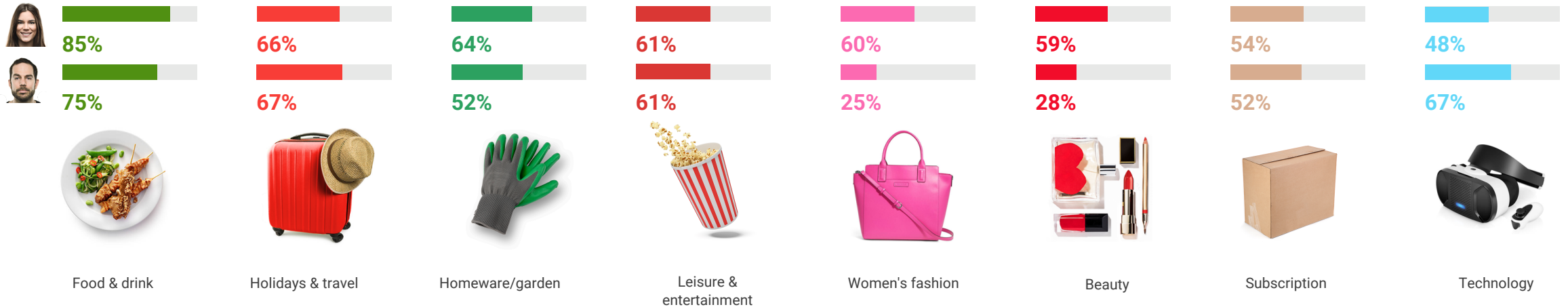
The sports and fitness sector has had the most notable uplift (+17%) in referrals year-on-year. This reflects changing lifestyles brought on by the pandemic, as people swapped gym memberships for home workout equipment.

Close behind is the home and garden sector, with consumers now 16% more likely to recommend these brands. Fashion brands, meanwhile, are driving fewer referrals now than this time last year.

Despite – or rather because of – Covid, the sector most likely to get people talking remains food and drink. The tendency to talk about these brands

in everyday conversation became even stronger when restaurants closed and supermarkets struggled to meet demand.

Consumers discovered online businesses that could meet their needs, from meal delivery services to gin-tasting providers. And when they found them, they told others. 94% are likely to recommend brands in this sector.



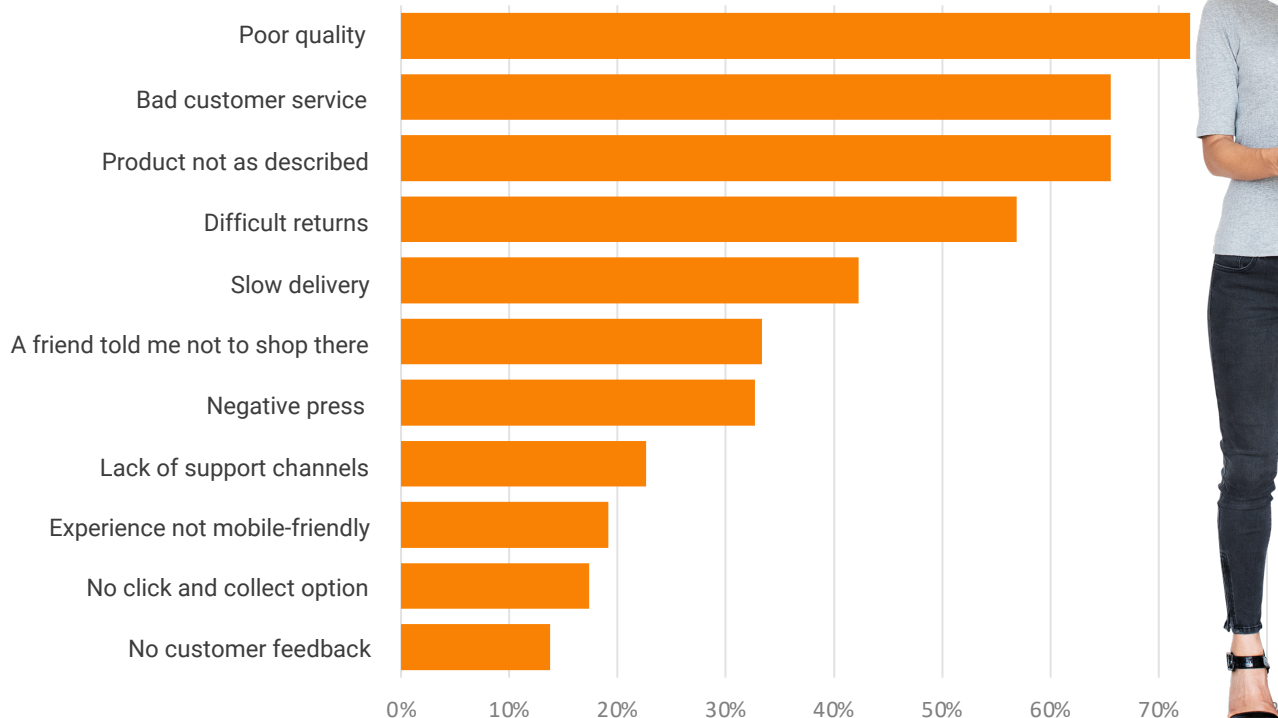
Blockers to brand recommendations

Poor quality products, bad customer service and misleading marketing remain the three biggest reasons people don't recommend brands. This highlights how brands that prioritise resolving these issues can drive long-term results.

As well as a disappointing product and/or service, the opinions of others can prevent brand recommendations. More than eight in ten consumers wouldn't recommend a brand that's had negative press coverage or been advised against by a friend. Going against the status quo is a risk; recommending brands with poor reputations could make the referrer look bad themselves.

When comparing the results to last year, responsive customer support is growing in importance. 23% of consumers cited a lack of support channels as a reason they wouldn't recommend a brand, up 7% year-on-year.

What puts you off recommending a brand?

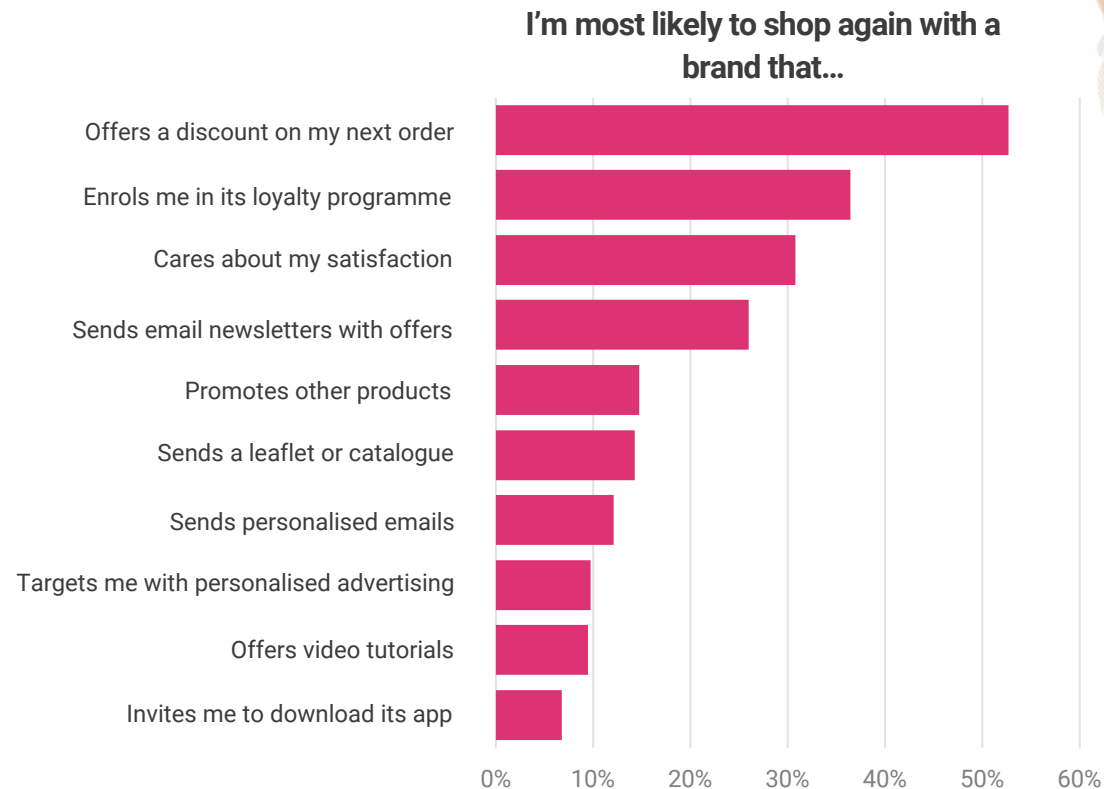


Motivating customers to return

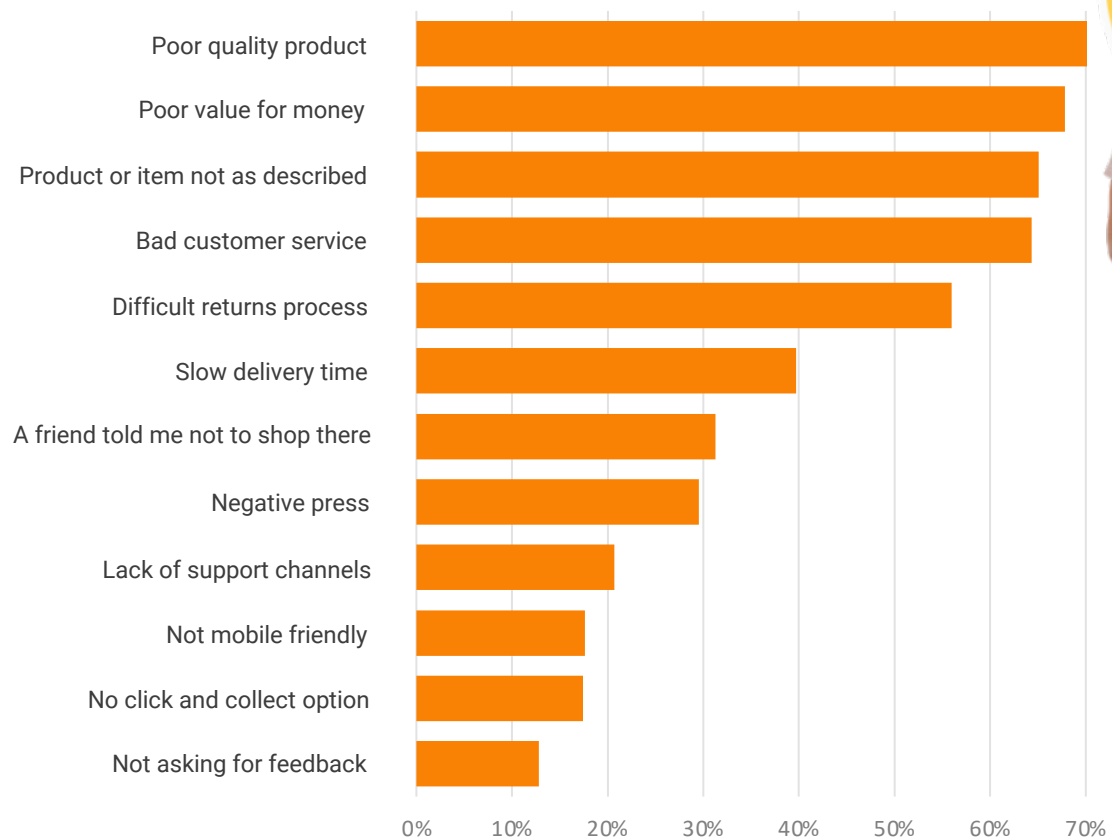
Brands may be tempted to drive repeat purchases with discounts, but meaningful relationships are key to unlocking long-term revenue. Consumers want brands that appreciate them. 31% are likely to buy from brands that show they care about their satisfaction.

Loyalty programmes aren't a major consideration when recommending brands, but they do motivate customers to return. 40% are likely to buy again from brands that reward loyalty.

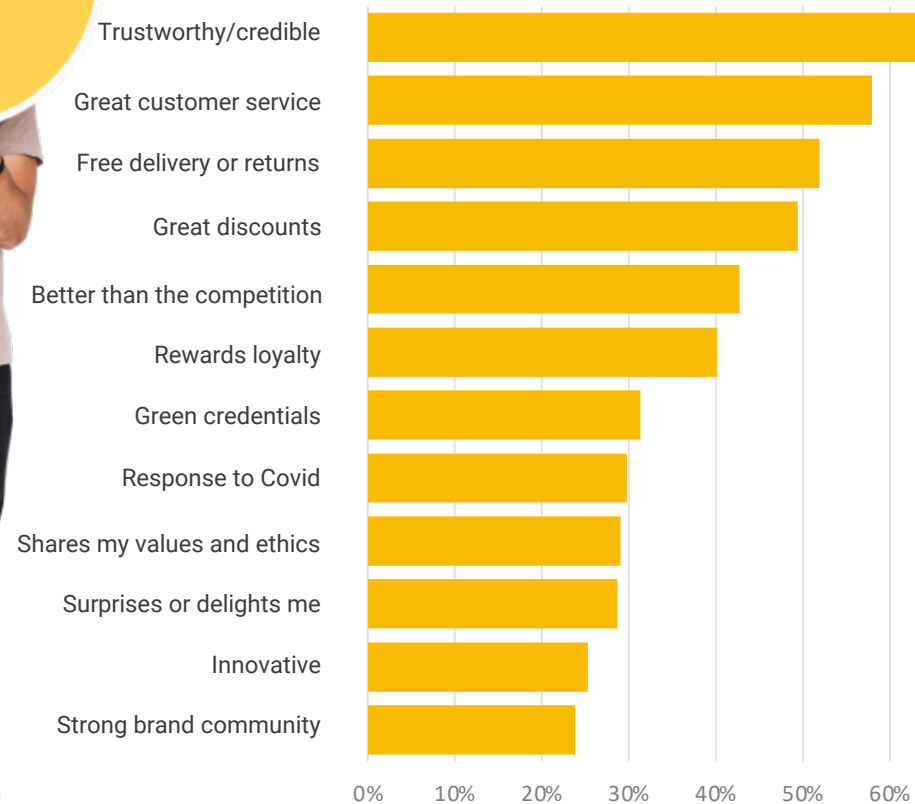
Unsurprisingly, repeat purchase drivers align with referral drivers. People don't recommend brands they wouldn't buy from again themselves. The businesses that get the basics right, like listening to customer feedback and providing good products, can drive both repeat purchases and referrals. This, in turn, will build high customer lifetime value that delivers sustainable revenue.



To what extent would these factors put you off buying from a brand again?



How important are these qualities when buying from a brand again?



The impact of Covid on consumer behaviour

The pandemic has changed what consumers buy and how they buy it. Sectors that made being at home more comfortable thrived in 2020, particularly during lockdown.

Groceries and food had the biggest shift in buying behaviour, with 47% buying more online (11% for the first time). Gift brands also saw a significant uplift, as 43% bought more gifts online to support loved ones from a safe distance. Homeware brands also prospered.

But even sectors typically associated with being outside the home drove demand with the right offering. 42% of consumers have bought more online from fashion brands over the past year.

By adapting to focus on products like loungewear and Zoom-appropriate blouses, brands continued to drive sales. Even travel brands experienced some consumer appetite, as 23% of consumers bought more online (likely staycations or local trips away).

The pandemic prompted older audiences to discover online shopping, but every demographic was impacted. Even 12% of digitally native Gen Z consumers bought products from sectors online for the first time last year.

Across every sector and age group, online buying behaviour increased in 2020. The pandemic has firmly accelerated the shift to ecommerce. For brands to thrive in 2021 and beyond, they must serve a seamless online offering that reflects consumer needs.



About Mention Me

Mention Me is a referral marketing platform that fuels sustainable business growth. Our world-class programmes have delivered more than three million referrals totalling £750M+ in revenue, and increased customer lifetime value for 450+ brands around the globe.

Founded as a bootstrapped two-man company in 2013, we now employ more than 70 specialists and work with brands like Farfetch, Virgin Experience Days and Nutmeg.

Get in touch

Discover how Mention Me can drive results for your business

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Our work has been celebrated by awards including Showcase Startup at Retail Week's Buzz conference, Best Tech Startup at Drapers Digital Festival, and a Bronze Stevie for Customer Service Team of the Year.

