



A lot has been said in the customer engagement space about “loyalty beyond reason,” and “brand love.” Extreme emotional loyalty is a great asset, but it is rare, and for many brands, simply unattainable. The kind of affinity some folks feel for Apple or Nike is difficult, if not impossible, for certain brands and categories to build.

But there are effective strategies to build addictive consumer behavior, and one of the most successful has been product extensions and partnerships that make a brand essential to a customer’s daily life. Some brands make themselves so valuable, customers can hardly conceive of life without them.

Back in the day, Sears, once one of America’s most iconic brands, provided millions of customers with clothing, tools, home goods, appliances, insurance, auto services, even autos themselves (see the Allstate, built by Kaiser and sold by Sears) – and for a time, ready-to-build kit homes.

Later, Starbucks grew from a coffee house into the original “third space,” a gathering place for snacking, working, and socializing. The ubiquitous brand was one of the first to offer an app that included one-stop convenience for locating a store, ordering, paying, earning and redeeming rewards, even streaming music and video.

Perhaps the best example is Amazon. An astonishing 67% of US households have an Amazon Prime account. Once a big virtual bookstore, today consumers buy huge, diverse baskets of goods and services from Amazon. Online shopping across endless categories becomes automatic when you have fast, free shipping. It gets even better when your wish becomes Alexa’s command, at the mere sound of your voice. Add auto replenishment and you don’t even have to order. Time to relax with music, movies, and other bespoke entertainment? Amazon Prime delivers that too.

On a recent visit to Costco, we bought food, clothing, housewares, and got our flu vaccinations. Petco and PetSmart offer on-site grooming, pet daycare, and vet

services through partnerships with established brands like Banfield. Just yesterday I received an email announcing the partnership between Petco and Nationwide Insurance to provide pet insurance with a wide range of coverage options (accident and illness insurance for guinea pigs starts at \$21 per month).

Not all of these extension strategies will be successful. Innovators like Amazon try ideas like Amazon Fresh Pickup, and quickly cut their losses if the format doesn't work. But when product or service extensions add real value for the consumer, brands can integrate themselves into customers' lifestyles, building habits and bonds that can last for years, maximizing customer lifetime value.

Your thoughts?

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