

Chapter 6: Building Customer Loyalty and Advocacy through Engagement Programs

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Retailers' constant concern is how to enhance client loyalty and keep profitable consumers. Customer loyalty appears to be getting harder to attain in the present competitive, omnichannel environment, where switching costs are cheap and customers may evaluate merchants' products and price levels more transparently (Grewal et al., 2017). *Customer loyalty* refers to the tendency of customers to consistently choose a particular brand or company over others in the marketplace (Oliver, 1999). It shows how devoted, attached, and preferred consumers are to a certain brand, item, or service. According to Reichheld and Sasser (1990), loyal consumers often exhibit greater levels of pleasure, recurrent purchase behavior, and a readiness to refer others to the brand. In a more recent definition, customer loyalty was described as a psychological character formed by sustained customer satisfaction coupled with emotional attachment formed with the service provider that leads to a state of willingly and consistently being in the relationship with preference, patronage, and premium (Rai and Srivastava, 2013). Businesses place a high value on customer loyalty since it is essential to their performance and profitability for customers to return for more goods and services (Hallowell, 1996; Oliver, 1997). While Cooil et al. (2007) viewed customer loyalty as a tactical goal for managers, Onyeaso and Johnson (2006) described it as an inherent strategic strength that will improve an organization's success.

For companies to cultivate long-term connections, propel revenue development, and retain a competitive edge in the market, they must develop and preserve

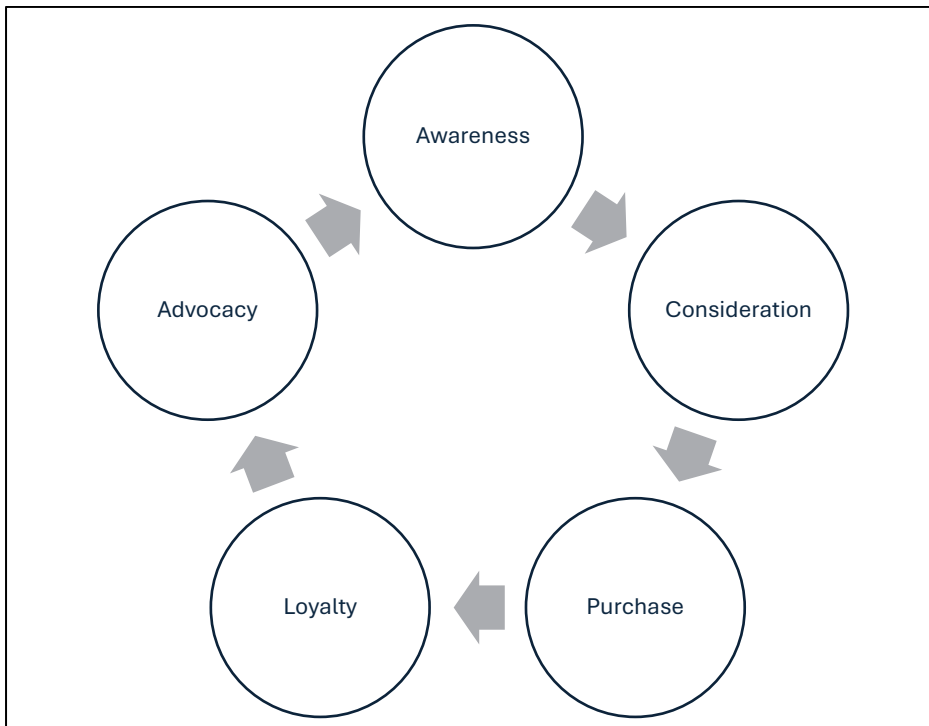
client loyalty. *Advocacy* in the context of business and marketing refers to the active support, endorsement, and promotion of a brand, product, or service by satisfied customers or brand enthusiasts (Brown, 2007). Customers who actively share good experiences, refer others to the company, and stand up for the brand in the face of criticism are known as advocates (Dichter, 1966). They act as influencers, promoters, and brand ambassadors, using their own networks and platforms to increase the brand's visibility and authority. Fostering consumer advocacy is a potent tactic for increasing brand recognition, bolstering reputation, and promoting organic growth advertising. In fact, advocacy is a special case of WOM, and it is holistic. Inherently positive can be achieved when customers are loyal and happy (Sashi, 2012). This is one of the most important outcomes of building customer loyalty (Wals and Celuch, 2010).

Customer loyalty and advocacy are integral to the success of businesses, playing a crucial role in driving revenue growth, reducing costs, and maintaining a competitive edge. In addition to encouraging repeat business, loyal consumers also gradually increase their spending, which is a major factor in the company's financial stability (Reichheld & Sasser, 1990). Furthermore, because of their familiarity with the brand and built-in trust, they demand less marketing budget since customer acquisition expenses are reduced (Reichheld, 1996). Additionally, brand advocates work as strong representatives, influencing others' choices to buy by encouraging word-of-mouth referrals. This increases the legitimacy of the brand and naturally draws in new clients (Brown, 2007). Long-term profitability is maximized by loyal consumers, who have a greater lifetime value than one-time purchasers (Reichheld & Scheffer, 2000). Businesses may stand out from the competition in competitive marketplaces by offering individualized experiences and outstanding customer service to their most devoted clients. This approach increases customer satisfaction and loyalty

(Gummesson, 1991). Furthermore, loyal customers provide insightful criticism and recommendations for enhancements, spurring creativity and helping companies better satisfy client wants and preferences (Reichheld, 2003). In today's competitive environment, organizations must prioritize client loyalty and advocacy if they are to succeed and sustain sustainable development. This chapter investigates the core ideas of client advocacy and loyalty, as well as their importance in promoting long-term corporate success. First, it defines client advocacy and loyalty and emphasizes how crucial they are to firms in the current competitive environment (Reichheld & Sasser, 1990; Brown, 2007). The chapter then explores the several aspects that affect customer loyalty, such as brand trust, emotional connection, perceived value, and customer happiness. These aspects provide valuable information about how businesses may develop and preserve relationships with their most devoted customers (Oliver, 1999; Reichheld, 1996). Furthermore, the chapter looks at various engagement programs, including co-creation projects, customer communities, and social media interaction, and explores how these programs help to foster consumer advocacy and loyalty (Gummesson, 1991; Reichheld & Scheffer, 2000). Additionally, it highlights the advantages of engagement programs in promoting corporate development and profitability by talking about how they may lead to revenue creation, cost savings, and brand advocacy (Reichheld, 2003). Additionally, case studies of successful engagement program examples are included in the chapter, providing practical insights into techniques that work for fostering consumer advocacy and loyalty (Reichheld & Sasser, 1990; Reichheld & Scheffer, 2000). All things considered, the chapter offers a thorough review of the fundamental ideas, tactics, and procedures for fostering and using client advocacy and loyalty to generate long-term economic achievement.

The "Customer Loyalty Lifecycle" graphic that follows shows the path that consumers take from their first encounter with a business to becoming devoted supporters. The steps of the customer journey—awareness, deliberation, purchase, loyalty, and advocacy are highlighted in this graphic illustration. The customer's connection with the brand is shaped at every level, and engagement programs are important factors that influence this relationship at every turn. Organizations may create focused strategies to engage consumers at every step of the customer loyalty lifecycle by comprehending its dynamics, which will eventually promote advocacy and long-term loyalty. The Customer Loyalty Lifecycle diagram offers a thorough framework for evaluating and maximizing customer engagement initiatives, helping companies to establish enduring connections with their clientele.

Figure 6-1: Customer Loyalty Lifecycle



Theoretical Frameworks of Customer Loyalty

Relationship Marketing Theory places a strong emphasis on the value of establishing and maintaining long-term connections with clients via individualized communication, mutual respect, and gain-sharing (Berry, 1983). This idea holds that companies may foster customer loyalty by emphasizing the building of robust, emotional bonds with clients instead of concentrating just on business-to-business transactions. Organizations may cultivate customer loyalty and retention by using a customer-centric strategy and allocating resources towards relationship-building initiatives, such as tailored communication, prompt customer service, and continuous involvement (Gronroos, 1994).

Loyalty Program Theory (Jacobson & Aaker, 1987), posits that offering rewarding and incentivizing consumers for their subsequent purchases may foster loyalty and improve customer retention. With every transaction made, loyalty programs usually entail the collection of points, miles, or awards that may be redeemed for special offers, freebies, or discounts. This hypothesis states that consumers' perceptions of the value of the benefits they get are a major factor in their decision to join loyalty programs and stick with the company (Oliver, 1999). Recurring purchases are encouraged by effective loyalty programs, which also provide companies the chance to gather insightful and useful consumer data that they can use to better target their marketing and improve the customer experience in general. These theoretical frameworks give insightful analyses of the variables impacting consumer loyalty as well as direction for creating winning plans for fostering and maintain loyal customer relationships.

Factors Influencing Customer Loyalty

A consumer's connection with a brand is shaped by a number of important characteristics, which in turn affect customer loyalty. First and foremost, loyalty is greatly aided by customer satisfaction, which measures how well expectations



are fulfilled or surpassed (Oliver, 1980; Anderson & Sullivan, 1993). Second, consumers' emotional connection to a brand a link that promotes repeat business and favorable word-of-mouth influences loyalty (Fournier, 1998; Thomson & MacInnis, 2005). Thirdly, consumers are more likely to stay loyal when they believe they are getting good value for their money, which is influenced by perceived value, which is determined by weighing advantages against expenses (Monroe, 1990; Zeithaml, 1988). Furthermore, by lowering perceived risk and boosting confidence in the brand, brand trust which is based on dependability, authenticity, and integrity improves loyalty (Morgan & Hunt, 1994; Doney & Cannon, 1997). Last but not least, the quality of contacts with customers throughout their journey has a substantial impact on their loyalty. Positive experiences increase customer satisfaction and loyalty, whereas poor encounters may cause defection (Meyer & Schwager, 2007; Verhoef et al., 2009). By taking care of these issues, companies may successfully develop and preserve client loyalty, which promotes long-term success in the industry.

Businesses hoping to create long-lasting connections with their consumers must comprehend the elements that affect client loyalty. An extensive examination of the primary factors influencing client loyalty is shown in the table that follows. Organizations may get important insights on how to successfully engage and keep their customer base by looking at aspects including customer happiness, emotional connection, perceived value, brand trust, and customer experience. A thorough framework for comprehending and improving customer loyalty strategies is provided by each factor's influence on loyalty as well as pertinent measuring indicators.



Table 6-1: Factors Influencing Customer Loyalty

Factor	Description	Impact on Loyalty	Measurement Metrics	Key Insights
Customer Satisfaction	Degree to which customer's expectations are met	High satisfaction leads to repeat purchases and loyalty	Net Promoter Score (NPS), Customer Satisfaction Index (CSI), Customer Effort Score (CES)	High satisfaction correlates with repeat purchases and positive word-of-mouth.
Emotional Connection	Emotional bond between customer and brand	Deep emotional connections foster long-term loyalty	Emotional Engagement Index, Brand Love Index	Emotional connection fosters loyalty and creates brand advocates.
Perceived Value	Customer's assessment of benefits versus costs	High value perception enhances loyalty and reduces churn	Price Sensitivity Meter, Perceived Value Index	Customers perceive value when benefits exceed costs, leading to loyalty.
Brand Trust	Confidence in the brand's reliability and credibility	Trust increases customer loyalty and advocacy	Brand Trust Index, Reputation Quotient (RQ)	Trust is a foundation of loyalty and influences brand advocacy.

Customer Experience	Quality of interactions and experiences with the brand	Positive experiences lead to stronger loyalty	Customer Effort Score (CES), Customer Experience Index (CXI), Customer Journey Mapping	Positive experiences increase loyalty and likelihood of advocacy.
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Customer loyalty measurement metrics include a range of indicators that provide valuable information about the quality of a company's connection with its customers. A popular statistic for gauging consumer propensity to refer a business's goods or services to others is the Net Promoter Score (NPS) (Reichheld, 2003). There are three groups of customers: those who score 9–10, those who score 7-8, and those who score 0-6, or promoters. NPS is computed as a score between -100 and 100 by deducting the proportion of critics from the percentage of promoters. According to Reichheld & Sasser (1990) and Blattberg & Neslin (1990), retention rate and repeat purchase rate provide information on the frequency and durability of customer relationships and the degree of loyalty. According to Rust et al. (2004), Customer Lifetime Value (CLV) measures the total value a customer contributes to a business throughout their whole tenure. On the other hand, Churn Rate measures the proportion of clients who stop doing business with the organization, suggesting possible breaches in allegiance (Fader et al., 2005). Together, these indicators provide organizations the ability to evaluate and monitor customer loyalty levels, which in turn directs strategic efforts to improve customer satisfaction, retention, and advocacy.

Engagement programs are strategic initiatives aimed at actively involving customers in meaningful interactions with a brand to foster loyalty and advocacy (Gensler et al., 2013). These initiatives aim to establish lasting relationships with customers by fostering meaningful and unforgettable experiences that go beyond conventional business dealings (Kumar & Pansari, 2016). Engagement initiatives come in a variety of forms. Social media engagement makes use of platforms to communicate with customers via discussions, interactive material, and community-building exercises (Hanna et al., 2011). Social media is a powerful tool for brands to gather input from consumers, respond quickly to issues, and provide interesting content that invites interaction and sharing. Contrarily, customer community involvement refers to the use of online platforms by consumers to communicate with the brand, other customers, and each other in order to exchange experiences, pose inquiries, and offer feedback (Muniz & O'Guinn, 2001). Through the sharing of good experiences, these communities help customers feel like part of the company and create a sense of belonging. Thirdly, loyalty events offer companies the chance to engage with consumers through special occasions, deals, or experiences designed to recognize and encourage loyalty (Rosenbaum & Otalora, 2017). Last but not least, co-creation initiatives let users offer suggestions, criticism, and new perspectives throughout the product or service development process (Prahalad & Ramaswamy, 2004). Brands may create goods that better satisfy consumer requirements and preferences by incorporating customers in the co-creation process. This increases customer happiness and loyalty. Through the use of a variety of platforms and strategies, these customer engagement initiatives engage consumers in meaningful ways that eventually increase brand advocacy and loyalty.



Creating programs that engage customers is a crucial tactic for creating enduring bonds and encouraging loyalty. The table that follows provides an overview of the several engagement strategies that businesses may use to foster customer loyalty. Every program offers several ways to connect and engage with consumers, such as through co-creation projects, customer communities, and social media participation. Through an examination of the program's key success measures and examples, organizations may acquire vital insights into the development and implementation of engagement strategies that effectively resonate with their target audience.

Table 6-2: *Types of Engagement Programs*

Engagement Program	Description	Example	Key Success Metrics	Strategic Insights
Social Media Engagement	Engaging customers through social media platforms, fostering interaction	Twitter Q&A sessions, Instagram contests	Engagement Rate, Share of Voice, Social Reach	Social media engagement humanizes brands and fosters community.
Customer Community	Building online or offline communities where customers can interact	Facebook groups, exclusive forums	Community Growth Rate, Active Members, Participation	Communities provide platforms for customer interaction and feedback.
Co-creation Programs	Involving customers in the creation or development of products/services	LEGO Ideas, Starbucks My	Idea Implementation Rate, User	Co-creation fosters customer

		Starbucks Idea	Participation, Impact	ownership and innovation.
Loyalty Events	Hosting events exclusively for loyal customers to enhance engagement	VIP customer dinners, product launch parties	Attendance Rate, Customer Satisfaction, Retention Rate	Exclusive events strengthen relationships and loyalty.

Businesses may profit from engagement initiatives in a number of ways, including improved customer relations, brand loyalty, and advocacy. First off, it boosts customer engagement. According to Hennig-Thurau et al. (2010), engagement programs actively involve consumers in brand interactions, which raises customer engagement and participation levels. Businesses may enhance customer relationships and build brand affinity by giving consumers the chance to engage with the brand through a variety of platforms and activities. Second, it increases consumer loyalty. According to Homburg et al. (2010), engaged customers are more likely to form deep emotional bonds with the company, which increases loyalty and encourages repeat business. Through the creation of satisfying experiences, engagement initiatives increase client loyalty and lessen the chance that they would defect to rival businesses. Additionally, it enhances brand advocacy as happy and involved consumers are more likely to spread the word about the company to friends and family and share great experiences with others (Kumar & Pansari, 2016). Engagement initiatives that prioritize on client happiness and loyalty may produce legions of brand evangelists that aggressively spread the word about the company in their social networks. Verhoef et al. (2010) state that engagement programs offer organizations a beneficial means of obtaining consumer data and insights.

Additionally, they supply customer data. Businesses may obtain a more profound comprehension of consumer preferences, habits, and requirements by scrutinizing customer interactions, feedback, and engagement activities. This enhanced understanding can then be used to strategic decision-making and marketing campaigns. Finally, it also contributes to competitive advantage. Companies that successfully interact with clients and cultivate enduring bonds with them are able to get an edge over rivals in the industry (Hennig-Thurau et al., 2010). Engaged consumers are more inclined to stick with the brand and are less prone to take advantage of competitor offers, which results in a steady client base and long-term income streams. Thus, by fostering client engagement, loyalty, advocacy, and competitive advantage, engagement programs provide organizations with a host of advantages.

Starbucks, a global coffee chain, has implemented one of the most successful engagement programs with its Starbucks Rewards program. Customers may take advantage of a number of perks from the program, such as early access to new items, tailored deals, and complimentary beverages. Customers who use the Starbucks mobile app or a registered Starbucks Card can accrue points, or stars, for each transaction they make through Starbucks Rewards. You may exchange these stars for free stuff, beverages, or meals. Members can get customized offers according to their interests and past purchases. Starbucks Rewards success reasons include community development, gamification, convenience, customization, and tiered perks. With members making up a sizable share of overall revenues, the program has greatly enhanced consumer loyalty. Members who receive prizes for earning stars have been seen to exhibit higher levels of engagement and make repeat purchases. Starbucks Rewards members see Starbucks as a favorite coffee location and a company that cherishes their loyalty, which has improved the opinion of the brand overall.



Nike, a global leader in athletic footwear and apparel, has implemented a highly successful engagement program with its NikePlus membership program. Members of the program can enjoy special advantages, incentives, and customized experiences. Customers may register for a free account with the NikePlus membership program to receive a number of perks, such as first access to new product releases, member only events, individualized training plans, and incentives for purchases and activity. The NikePlus program's success features include community involvement, prizes and incentives, a smooth experience, personalized access, and awards. Customer loyalty has improved dramatically as a result of the program; members exhibit better lifetime value and purchase frequency than non-members. Members are spending more time on the app, taking part in challenges and events, and sharing their experiences with others, all indicators of increased brand engagement. Members now see Nike as a brand that honors their dedication and devotion and as a reliable partner in their fitness journey, which has improved the company's overall reputation.

A key component of any effective loyalty program is rewarding and incentivizing customer loyalty. An overview of the many loyalty programs and incentives that businesses might provide to their clientele is given in the following table. Every incentive type—from point-based programs to experiential rewards and perks/discounts—offers unique advantages and chances to increase client loyalty. Businesses may successfully encourage repeat purchases and cultivate long-term consumer loyalty by designing and optimizing their loyalty programs by looking at the performance indicators and tactical insights linked to each reward category.



Table 6-3: *Types of Loyalty Rewards*

Loyalty Reward	Description	Example	Performance Metrics	Tactical Insights
Points-Based Systems	Rewarding customers with points for purchases or activities	Airline frequent flyer miles, credit card points	Redemption Rate, Point Accumulation, Point Burn Rate	Points incentivize repeat purchases and increase engagement.
Tiered Rewards	Offering different levels of rewards based on loyalty tiers	Marriott Bonvoy Elite status, Starbucks Gold	Tier Upgrade Rate, Tier Retention Rate, Benefits Usage	Tiered rewards recognize and reward loyal customers.
Experiential Rewards	Providing unique experiences as rewards for loyalty	Exclusive access to events, personalized gifts	Participation Rate, Satisfaction Score, ROI	Experiences create memorable moments and emotional connections.
Perks and Discounts	Offering exclusive discounts or perks to loyal customers	Members-only sales, birthday discounts	Redemption Rate, Discount Utilization, ROI	Discounts incentivize purchases and enhance perceived value.

In today's cutthroat business environment, loyalty rewards programs are essential since they provide a plethora of advantages to both consumers and companies. By providing incentives, discounts, or special awards, these programs help retain current clients and build long-term loyalty while lowering attrition and raising customer lifetime value (Reichheld & Sasser, 1990).

Customers are more inclined to prefer a certain brand over rivals and spend more to unlock more prizes, therefore rewards systems also drive repeat business and higher expenditure (Blattberg & Neslin, 1990). Furthermore, they enhance customer happiness and engagement by offering individualized experiences and special advantages, which raises consumer contentment and strengthens their emotional bond with the business (Kumar & Pansari, 2016). Additionally, rewards programs provide companies a chance to gather information about their clients' behavior, tastes, and purchase patterns. This information may be used to enhance products and services and target marketing campaigns more precisely (Verhoef et al., 2010). Loyalty rewards programs can give businesses a big competitive edge in today's cutthroat market. Companies that offer alluring benefits and rewards stand a better chance of drawing in new business, keeping existing clients, and becoming leaders in their respective fields (Hennig-Thurau et al., 2010). In general, loyalty reward programs are crucial for companies trying to establish long-lasting bonds with customers, encourage recurring business, and maintain an advantage in a cutthroat industry. There are many different types of loyalty rewards programs, and each has advantages for both customers and businesses. First off, according to Kumar and Reinartz (2016), one of the most popular categories of loyalty rewards programs is point-based. Consumers may exchange their points for benefits like freebies or discounts after earning them for purchases or by participating in certain activities. Second, according on a customer's spending capacity or level of loyalty, tiered rewards programs offer varying degrees of incentives (Homburg et al., 2015). Customers begin at a basic level and can advance to higher tiers by fulfilling certain requirements, including spending a particular amount of money or completing a predetermined number of transactions. Finally, customers can receive one-of-a-kind and unforgettable experiences as incentives via experiential rewards programs (Kumar & Pansari, 2016). These encounters

might be individualized activities according to their interests or exclusive access to events. Businesses may develop a complete loyalty program that successfully engages customers and encourages repeat purchases by combining these sorts.

Clear objectives, strategic planning, and a thorough grasp of client wants and preferences are all necessary for creating a successful loyalty rewards program. Businesses may obtain important insights into the incentives and rewards that will most appeal to their target audience by performing market research, evaluating consumer data, and obtaining feedback (Reinartz & Kumar, 2003). To help with program design and implementation, specific goals should be established, such as increasing customer retention, encouraging repeat business, or drawing in new clients (Kumar & Pansari, 2016). Personalized experiences, discounted prices, free merchandise, first access to events, or other forms of value should all be considered when designing rewards for customers (Blattberg & Neslin, 1990). While customization improves the experience by customizing incentives and messages to individual preferences, keeping the program straightforward and simple to participate in is crucial to fostering consumer engagement (Kumar & Reinartz, 2016). Using a variety of channels to reach and engage clients, effective communication is essential to explaining the program's advantages and how to join (Hennig-Thurau et al., 2010). According to Verhoef et al. (2010), constant examination of important indicators and feedback enables firms to make modifications and maximize results. Constant monitoring and adaption are essential to ensuring the program stays effective over time. Businesses may create loyalty rewards programs that successfully engage customers, foster loyalty, and support long-term economic success by adhering to these criteria and integrating best practices.

Amazon Prime is a prime example of a successful loyalty rewards program. After paying an annual subscription fee, users may enjoy a number of advantages, such

as free two-day delivery on qualified orders, limitless movie and TV program streaming, exclusive offers, and early access to Prime Day sales. Stewart (2019) notes that Amazon Prime has achieved strong customer retention rates and boosted spending among its members by providing a compelling value proposition and a frictionless consumer experience.

Sephora's Beauty Insider program, which is well-known for its engaging experiences and individualized incentives, is another example of a loyalty rewards program. With every dollar spent, members get points that may be exchanged for free goods, exclusive samples, and cosmetic treatments. Additionally, Sephora provides three tiers of membership (Insider, VIB, and Rouge) with progressively more advantages, such first dibs on new arrivals, invitation-only gatherings, and individualised cosmetic advice. According to Petronio (2017), the initiative has been effective in building a sense of camaraderie among participants and boosting brand loyalty among lovers for cosmetics.

Delta SkyMiles is also an exemplary loyalty rewards program offered by Delta Air Lines. Every flight taken by members on Delta or its partner airlines counts toward their point total, as do transactions made with credit cards with the Delta co-brand. You may use these points to book flights, hotel stays, preferred seats, and other travel-related advantages. In addition, Delta SkyMiles provides elite status categories with extra benefits including priority boarding, free upgrades, and entry to airport lounges. In the very competitive airline sector, the program has effectively encouraged customer loyalty and retention (Delta Air Lines, n.d.). As a result, these case studies show how loyalty incentives programs may effectively encourage consumer advocacy, loyalty, and participation. Through the provision of meaningful incentives, tailored experiences, and smooth customer

service, companies may establish loyalty programs that connect with clients and foster sustained prosperity.

Turning Customers into Advocates

Utilizing the fervor and allegiance of contented clients to become vociferous evangelists, advocacy campaigns enable companies to expand their brand's influence and reach beyond what engagement programs can achieve. The goal of advocacy marketing is to convert happy consumers into vocal advocates of a company or item. In contrast to conventional marketing strategies, which focus on the brand promoting itself, advocacy marketing depends on utilizing the zeal and allegiance of present customers to generate favorable word-of-mouth and foster organic expansion (Muntinga et al., 2011). It acknowledges that contented consumers are a brand's strongest evangelists as their sincere suggestions and support are taken seriously by their contemporaries. In order to understand advocacy marketing, one must first identify and support these brand champions, giving them the confidence to tell others about their great experiences and suggestions via social media, internet reviews, and word-of-mouth recommendations (Hennig-Thurau et al., 2004). Building solid, enduring relationships with clients based on mutual respect, trust, and honesty is another goal of advocacy marketing, in addition to raising sales and brand exposure (Richter et al., 2012). Through leveraging the potential for customer advocacy, companies may establish a dynamic marketing force that propels engagement, loyalty, and eventually, long-term economic expansion.

There are some element to build advocacy in order to maintain customer loyalty. First we can connect to each other and never undervalue the significance of this facet of community. More strategic relationships between your advocates are what they need and want. They can be the lone employee in their position at the company. They seek for relationships with people who share their worldview.



And then second, advocacy need relationships between customer and the company itself. Customers desire greater connections with you and your business, just as they do with one another. They are looking for behind-the-scenes looks. They are interested in knowing who develops the product, who backs them, and who makes the choices. They would like having additional access to your roadmap. When it's possible, let them in. Thirdly, Education play a significant role. Creating value for your customers should be your first priority when running a business. Make sure you provide a range of learning options for your team members, including blogs, white papers, e-books, case studies, and webinars, in addition to opportunities for them to learn from one another and from specialists within your company. Yes, it is crucial to incorporate these three characteristics into your community. However, they cannot guarantee overall success and long-term growth by themselves. Your community needs additional resources.

Various tactics are used in advocacy campaigns to successfully capture the zeal and allegiance of happy consumers and convert them into vociferous brand ambassadors. First, user-generated content initiatives, which boost reach and authenticity by encouraging users to produce and share their own material displaying their interactions with the business (Muntinga et al., 2011). Second, referral programs, which use the power of word-of-mouth recommendations to encourage current customers to recommend friends, family, or coworkers to the business in exchange for prizes or discounts (Swait & Erdem, 2006). Thirdly, companies may market their brands to their audience in a genuine way through influencer relationships, which entail working with people who have a sizable following and influence within a certain specialty or industry (Brown & Hayes, 2008). Fourth, customer advocacy programs foster a network of ardent brand advocates by rewarding and recognizing devoted consumers for their advocacy

activities (Hennig-Thurau et al., 2004). The last strategy is brand ambassador programs, which enlist ardent and powerful consumers to serve as brand ambassadors, boosting marketing initiatives and forging closer ties with the intended market (Fournier, 1998). By putting these methods into practice one after the other, companies may harness the advocacy potential of their happy consumers and build a strong network of brand advocates who promote the company through word-of-mouth advertising and long-term success.

Increasing the reach and legitimacy of a business may be achieved by converting happy consumers into enthusiastic brand ambassadors. A variety of advocacy campaign tactics are examined in the table below with the goal of encouraging consumers to promote the brand. Every tactic provides a different way to capitalize on consumer advocacy, from influencer alliances and brand ambassador programs to user-generated content projects. Businesses can create and execute advocacy programs that connect with their target audience and encourage genuine participation and advocacy by looking at the case studies and KPIs linked to each approach.

Table 6-4: *Strategies for Advocacy Campaigns*

Advocacy Strategy	Description	Example	Key Performance Indicators (KPIs)	Strategic Insights
User-Generated Content	Encouraging customers to create and share content related to the brand	Coca-Cola's "Share a Coke" campaign	User-generated Content Volume, Engagement Metrics	User-generated content amplifies brand reach and credibility.

Referral Programs	Incentivizing customers to refer others to the brand	Dropbox's referral program	Referral Conversion Rate, New Customer Acquisition	Referrals leverage existing customer networks for growth.
Influencer Partnerships	Collaborating with influencers to amplify brand messages and reach new audiences	Nike's partnership with athletes and celebrities	Reach Metrics (Impressions, Views), Engagement Metrics	Influencers provide access to targeted and engaged audiences.
Brand Ambassador Programs	Recruiting loyal customers as brand ambassadors to advocate for the brand	Sephora's Beauty Insider Community	Ambassador Activity Level, Advocacy Impact	Brand ambassadors embody brand values and advocate authentically.
Community Engagement	Collaborating with many communities such as art community, extreme sport community, and also musician	Vans's partnership with many skateboarders, musician, and artist	Community gathering, Community activity level	Community make a huge impact to create advocacy, and make an engagement

Businesses must measure the impact of advocacy campaigns in order to evaluate the success of their strategies and make the most of their upcoming initiatives. The effectiveness of advocacy programs and their influence on consumer involvement, brand perception, and business outcomes may be evaluated using

a number of critical measures. These metrics could include, but are not limited to: Net Promoter Score (NPS), a measure of a strong base of brand supporters that indicates how likely a consumer is to suggest a brand to others on a scale from 0 to 10. (Reichheld, 2003) Customer Referral Rates: These metrics track the volume of referrals received through word-of-mouth or referral programs to determine the level of customer advocacy (Swait & Erdem, 2006); Brand Sentiment Analysis: These metrics analyze customer feedback and sentiment on online platforms to evaluate overall brand perception (Liu et al., 2018). Social Media Engagement metrics, likes, shares, comments, and mentions, provide insights into customer engagement and advocacy generated through social media channels (Hennig-Thurau et al., 2004).; Advocacy Conversion Rates, which track the conversion rates of advocacy-driven initiatives to show the effectiveness of advocacy in driving desired actions (Godes & Mayzlin, 2004); Customer Lifetime Value (CLV), which measures the total value a customer brings to the business over their lifetime, with advocates often having higher CLV (Kumar & Pansari, 2016). Businesses may obtain important insights into the return on investment (ROI) of their advocacy campaigns and make well-informed decisions to maximize the effectiveness of upcoming campaigns by examining these indicators and tracking the impact of advocacy campaigns over time.

One notable example of an advocacy campaign that was effective and connected with customers all around the world is Dove's Real Beauty Campaign. The campaign featured actual women of different shapes, sizes, and races in its ads in an effort to dispel misconceptions about beauty and advance body acceptance. Through promoting diversity and authenticity, Dove opened up dialogue about beauty standards and self-image, garnering a lot of support and appreciation from customers. The impact of the campaign went beyond conventional



marketing measurements, strengthening Dove's standing as an advocate for women's empowerment and encouraging a more profound emotional connection with the brand (Chandler, 2012).

The "Reuniting with Clydesdales" campaign by Budweiser is a powerful illustration of an advocacy campaign that touched people's hearts and attracted a lot of attention. Budweiser responded to the COVID-19 epidemic by airing a Super Bowl commercial featuring the return of their recognizable Clydesdale horses. The touching advertisement portrayed scenes of cooperation and resiliency, stirring deep feelings in viewers and presenting Budweiser as a ray of hope amid trying times. The campaign connected with viewers and reaffirmed Budweiser's brand values of tradition and camaraderie through its nostalgic imagery and message of togetherness (Budweiser, n.d.).

One example of how businesses may encourage their customers to support significant social and environmental concerns is shown in Patagonia's advocacy programs for sustainability and environmental protection. With advertisements like "The President Stole Your Land" and "Don't Buy This Jacket," Patagonia used its influence to encourage its clientele to take action and spread awareness of environmental concerns. Patagonia developed a network of environmentally conscious advocates that actively support the company and its goal by integrating environmental stewardship and activism into its brand (Patagonia, n.d.). Thus, by aligning with values that resonate with their target audience, these case studies highlight the ability of advocacy efforts to promote significant change, build emotional ties with customers, and enhance brand loyalty.

Integrating loyalty and advocacy programs can yield powerful synergies that enhance customer engagement, brand loyalty, and advocacy efforts. By rewarding customers for their ongoing business, loyalty programs aim to



encourage recurring purchases and improve customer retention (Kumar & Shah, 2004). Businesses may increase the effect of their loyalty initiatives by utilizing happy customers as brand champions by including advocacy components into their loyalty programs. Offering incentives such as bonuses or awards for recommendations or social media endorsements, for instance, encourages devoted clients to actively spread the word about the business to their networks, which increases both retention and acquisition. According to Bhattacharya and Sen (2003), advocacy campaigns can also gain from having a base of devoted consumers who are already emotionally involved in the brand and driven to promote it. Businesses may develop a comprehensive strategy to customer engagement by combining advocacy and loyalty programs. This will not only reward consumers for their loyalty but also motivate them to speak up as advocates, building a network of loyal brand ambassadors (Homburg et al., 2013). By utilizing this connection, companies may fully leverage the potential of their clientele, resulting in increased income in the near term as well as enduring brand loyalty.

Engagement programs are essential for improving advocacy because they create stronger bonds between consumers and companies, which makes it more likely for consumers to become outspoken supporters. These initiatives generate chances for deep connections and experiences that transcend business dealings, strengthening emotional links and fostering loyalty (Kumar & Pansari, 2016). Engagement programs provide consumers a sense of ownership and belonging by actively include them in brand activities including social media involvement, community service, and co-creation projects (Muniz & O'Guinn, 2001). Customers are more likely to advocate for a brand when they are more involved with it; this is because they have a deeper affinity and attachment to the brand (Hanna et al., 2011). Additionally, engagement programs give clients a forum to

praise and discuss their good experiences, which increases peer and word-of-mouth influence (Gensler et al., 2013). Engaged consumers develop into strong brand ambassadors who voluntarily spread the word about the company to their networks through social sharing, user-generated content, and interactive experiences (Brown & Hayes, 2008). All things considered, engagement initiatives strengthen advocacy via fostering devoted and enthusiastic brand advocates who actively support the company, spread good news, and contribute to its success and reputation.

By creating enduring connections and enhancing the emotional bond between consumers and businesses, advocacy is an effective strategy for boosting consumer loyalty. According to Hennig-Thurau et al. (2004), consumers who transform into advocates not only exhibit their allegiance to the brand but also proactively spread the word to others, impacting the attitudes and actions of their peers. Through the use of advocacy, companies may improve loyalty in a number of important ways. First off, advocacy builds credibility and trust since people tend to view recommendations from friends or other dependable sources as more genuine and trustworthy than ads (Bhattacharya & Sen, 2003). When happy consumers promote a brand, they uphold favorable opinions and reassure prospective buyers about the dependability and quality of the product. Second, customers who advocate for a brand they love feel that they are a part of a larger community and purpose (Muniz & O'Guinn, 2001). This sense of belonging deepens the emotional connection that customers have with the brand and increases the likelihood that they will stick with it over time. Thirdly, since consumers who feel valued and appreciated for their advocacy efforts are more inclined to continue supporting the company in return, advocacy encourages reciprocal behavior (Homburg et al., 2013). Brands have the ability to strengthen positive actions and foster continuous loyalty by recognizing and incentivizing

advocacy. All things considered, using advocacy to increase loyalty entails developing meaningful interactions, establishing a sense of community and trust, and encouraging an attitude of gratitude and reciprocity, all of which eventually result in more substantial and long-lasting client connections. A thoughtful and determined strategy is needed to integrate loyalty and advocacy programs in order to optimize synergies and promote reciprocal advantages. In order to do this, companies must guarantee coherence and consistency in their integration efforts by coordinating the aims of both programs with their overarching company objectives and brand values (Reichheld, 2003). Businesses should create integrated experiences that smoothly incorporate loyalty and advocacy programs into the consumer journey, from enrollment and participation to incentives and recognition (Kumar & Pansari, 2016). Creating seamless experiences is essential. Another crucial strategy is to use loyalty programs to reward advocacy. Businesses may encourage consumers to become advocates by rewarding them for actions such as social media shares and referrals (Swait & Erdem, 2006). Utilizing data insights is also essential; the integration process may be greatly improved by applying data-driven insights to increase program performance and customize experiences (Brown & Hayes, 2008). Furthermore, it is essential to foster cross-pollination between advocacy and loyalty programs. Promoting advocacy possibilities inside loyalty communications and vice versa can help entice devoted consumers to become advocates and vice versa (Muntinga et al., 2011). Additionally, it's critical to promote community involvement in loyalty and advocacy initiatives. Encouraging peer-to-peer exchanges and the sharing of user-generated information can improve relationships and spur advocacy (Hennig-Thurau et al., 2004). Lastly, it is important to engage in ongoing monitoring and optimization. Businesses may make sure that their integrated programs continue to be successful and produce the intended results by keeping an eye on program



performance and adjusting tactics based on data analysis (Gensler et al., 2013). Businesses may develop a unified and mutually supporting customer interaction strategy that promotes brand advocacy, brand loyalty, and company expansion by adhering to these best practices.

Red Bull's Wings Team Program engages customers personally by combining grassroots advocacy initiatives with loyalty benefits. Wings Team members, who are brand ambassadors for Red Bull, are chosen by the program to represent the company at events, hand out samples, and make customers' experiences unforgettable. Wings Team members are rewarded for their work with free Red Bull products, access to events, and unique goods. Red Bull builds relationships with customers outside of the typical marketing channels and encourages brand advocacy by giving enthusiastic people the freedom to represent the company and engage with them directly.

REI's Co-op Membership Program combines advocacy efforts focused on outdoor sustainability and community involvement with loyalty benefits. Co-op members, sometimes referred to as REI members, are entitled to member-only events, dividend incentives, and member-only discounts. Furthermore, REI encourages members to engage in volunteer work and outdoor activities by actively supporting environmental advocacy and outdoor education efforts. Through the alignment of its loyalty program with its brand values of community participation and environmental stewardship, REI has nurtured an enthusiastic community of outdoor enthusiasts that actively support the business and its objectives.

Several important conclusions have come out of this investigation on using engagement programs to increase customer loyalty and advocacy. We've determined how important engagement initiatives are for building strong,



enduring bonds and relationships with customers. Through an analysis of several engagement programs such as co-creation efforts, social media involvement, customer community interaction, and loyalty rewards, we have identified the processes that propel consumer advocacy and loyalty. Case studies have provided excellent instances of advocacy and loyalty programs that are combined, highlighting the value of coordinating these tactics to improve consumer involvement and brand loyalty.

There are significant business implications. Programs for advocacy and loyalty can work together to foster synergies that increase brand loyalty, foster consumer involvement, and foster advocacy. Businesses may build stronger customer relationships and a network of brand supporters by coordinating these efforts with broader company objectives and brand values. Additionally, these programs may be made more successful by integrating data insights and tailored experiences, which will help firms optimize their strategy and provide significant outcomes.

Looking ahead, further studies should be conducted to examine how consumer advocacy and loyalty are changing within the framework of engagement initiatives. Additional exploration of the factors that underlie consumer engagement and advocacy behaviors might yield more profound understandings of successful company strategies. Furthermore, new avenues for innovation can be found by investigating how emerging technology, such as augmented reality and artificial intelligence, affect the efficacy of engagement programs. Additionally, longitudinal research examining the long-term consequences of engagement initiatives on advocacy, brand loyalty, and customer retention can provide important new information about the programs' long-term implications. In conclusion, companies looking to succeed sustainably in the cutthroat market of today must cultivate client advocacy and loyalty through engagement initiatives.



Businesses may strengthen their customer relationships, promote brand advocacy, and set themselves up for long-term development and success by comprehending the factors that influence customer loyalty and advocacy and putting those factors into practice.



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