TINT

STATE OF COMMUNITY POWERED MARKETING

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TINT

Introduction

Susan Frech
Chief Revenue Officer
TINT

Welcome to our latest annual research study, where communities take center stage in shaping the future of marketing. In previous years, we've focused on User-Generated Content (UGC) and social media. This year we expanded the scope of our study to include community. Why? UGC is the authentic voice of your consumer community. Brands that can do more than just participate in that conversation and contribute to the stories that are unfolding stand to benefit greatly. We wanted to explore the full breadth of consumer engagement and how to build relationships on a deeper level through the power of community. And thus "The State of Community Powered Marketing" was born.

Join us as we explore the role of community-building in brand advocacy and the nuanced dynamics of engagement. Learn how to foster meaningful interactions that seamlessly translate into conversions and the factors that contribute to long-lasting brand loyalty.

This year, our study includes critical data on consumer thoughts and behaviors and how leading marketers adjust to and shape the next phase of marketing strategy.

We'll also dig into how the demise of third-party data has led to the need for owned data (zero party data), resulting in direct relationships between brand and consumer. And, of course, any study today wouldn't be complete without a mention of AI and how true community drives actionable insights, collecting and interpreting data to make informed decisions and deliver personalized consumer experiences.

As we unveil the findings of this report, we anticipate it will serve as a valuable resource for professionals like you, offering strategic perspectives and practical applications to elevate your marketing and cultivate powerful, lasting consumer relationships.

Executive Summary

This year's study stands out amidst the challenges posed by evolving social dynamics, budget constraints, and the increasing emphasis on return-on-investment (ROI). In response to the ever-changing landscape shaped by technology, market trends, and consumer behaviors, our report explores five key themes that guide marketers in maintaining and expanding revenue into 2024.

97% of consumers prioritize brands that listen, and 91% more likely to leave a review because they belong to a community.
- Authenticity prevails over influencers.
- Co-creation fosters sustained brand advocacy.
- Genuine connections drive brand loyalty.

39% favor brands' communities for personalized experiences, 78% for choiceful shopping.
- Daily time on traditional social media decreases.
- Interest-based communities offer intimate spaces.
- Brands urged to prioritize community-centric interactions.

69% of consumers align brand choices with identity, and 82% explore new products through communities.
- Traditional loyalty faces challenges; online communities enhance loyalty.
- Emotional connections are crucial for loyalty.

93% of consumers share data for unique experiences, and 59% of marketers struggle with zero party data.
- Privacy concerns drive need for Zero Party Data.
- Transparent data collection is crucial.

77% desire brand communities, and 69% of marketers prioritize community-building.
- Consumers seek direct brand interaction.
- Brands with dedicated communities are viewed positively and drive ROI.

What is a Brand Community Anyway?

The advent of online communities has forever changed how we create connections and a sense of belonging. For marketers, the community surrounding your brand is how you create lasting success. And success is getting harder to come by.

63%
of marketers are experimenting with new acquisition strategies

49%
of marketers are challenged with dimishing returns

85%
of marketers believe having a branded online community positively impacts core operations

When it comes to your brand and your customers, what really constitutes your community?

Is your following on a third-party social media platform your community? Is a website, app, or rewards program your community? Does the occasional post about your brand by someone make them a part of your community?

"Community" was named the big idea in 2020's marketing by McKinsey. And no wonder: people are seeking community and are actively searching for it. In fact, web searches for "community" have increased by 24% in 2 years*, and 40% of consumers indicate their involvement in online communities will increase in 2024. But consumers may struggle to find the authentic connections they're seeking. Seventy-eight percent (78%) of consumers say the term "community" is being overused by brands that don't deliver a true community experience. Consumers are growing weary of it being used as a buzzword, and brands that get community right will be at a considerable advantage in the future.

> "It is important for us to own direct consumer relationships because increasingly, we don't own our brands. Brands are living breathing organisms for consumption and consumers will adapt them as they want or need to."
>
> Tiffany Pegues, Head of Social, Search & CRM
> Church & Dwight Co., Inc.

Brands of the future will be defined by the community of consumers they cultivate. True brand communities that are direct, emotional, and engaging.

Our research

This year our research goes beyond the impact of UGC and social content (important tenets of community for sure) to tell the complete story of consumer engagement, what consumers want from a brand's community, and how leading marketers are guiding their brands into the future.

And it establishes why community should be at the center of your marketing efforts. Community enables brands to drive brand growth through their fans and consumers, activating the relationships they invest in to boost advocacy, increase conversion, fuel innovation and more. We call this Community Powered Marketing.

From loyalty and rewards programs to peer influencer marketing, and shopper marketing to content creation, Community Powered Marketing enables marketers to not only create more authentic and accelerated impact but to form lasting emotional loyalty by connecting consumers more closely to a brand and their fellow members. Your audience is waiting.

> "Building these relationships with consumers today and nurturing those relationships and really being there for them, that's what consumers want. That's what can really differentiate you in a sea of brands. Really showing that you genuinely care about your customers and that you listen to your customers, because at the end of the day all of us as consumers, we want to feel like our voice matters and that brands care about us and what we think and the feedback we have about their products."
>
> Gina Bonafede, Director of Marketing
> DAS
>
> Listen to the podcast

The following themes highlight what to expect and how you can make the most out of this year and beyond.

Theme 1 - **Social Networks on the Decline, Communities Rising**

The time when people shared their entire life story on public social networks is over. GWI reports that average daily time spent on social media has underlined declined globally since 2022 and Gartner predicts that by 2025, a perceived decay in the quality of social media sites will push underlined 50% of consumers to significantly limit their use of major platforms. Twitter, (does anyone really call it X?), once a giant of social media, now faces a major decline in users in the midst of an identity crisis. While on Instagram, the pressure to present a curated and perfect life can lead to feelings of inadequacy, and an over abundance of ads has many users choosing to limit their amount of posting and interaction.

Consumers today have seemingly unlimited choices and spend their time across various platforms, but a growing aversion to purely promotional channels and increasing fatigue from constant advertising has resulted in many opting to reduce or refrain from interacting in public.

39%
feel a brands' community provides more personalized, tailored, relevant experience than social media accounts

78%
of consumers say that interacting with a brand's online community makes that brand more "top of mind" when shopping

60%
of marketers are concerned about losing access to their brand's fans on social media due to an algorithm change

As the landscape evolves, users seek authenticity and meaningful connections over the noise of mass promotion and picture-perfect influencers. The rise of private, interest-based communities exemplifies this trend, offering a more intimate and personalized environment for consumers to engage directly with a like-minded tribe.

This year, 67% of consumers report that they feel more connected to a brand through community than social and 77% of consumers report that they are likely to use an online community to purchase products directly.

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Using an online community for direct product purchases can positively impact conversions by fostering trust, encouraging word-of-mouth recommendations, providing social proof, offering exclusive promotions, and building brand loyalty through a connected and engaged user base.

> "A Facebook group or an Instagram profile feels very linear, very static. When you build a community on a platform like TINT, it's so much more than that. They come to the Community to be heard. Building a community has allowed for us to engage with consumers on so many different levels."
>
> Christine Higley, Senior Brand Manager
> Veggies Made Great
>
> Read the case study

Why should brands care?

There's a growing shift towards community-centric interactions over broader social platforms. Engagement happens, relationships are built, brand perceptions are shaped, and purchase decisions are made within the confines of owned communities.

Unlike the one-size-fits-all approach of traditional social networks, a brand community provides a more tailored and relevant experience for individuals, fostering a sense of belonging and loyalty that transcends the transactional nature of commercial exchanges.

Actionable Insights

No method of engaging with your consumers is wrong, but the days of social media as your primary means of interaction are numbered. It's time to create a space for your audience to interact, share, learn, and feel valued.

Ensure that your strategy is centered on identifying, integrating, and maximizing community engagement channels to ultimately increase customer interactions and drive new sales.

10 community building ideas

Theme 2 - Influencers Out. Co-Creation In.

A notable shift is underway. Influencers, once hailed as the gold standard of brand promotion, are losing their luster. For consumers, authenticity is key, and co-creation is the rising star.

We've reported on the importance of trust for years. 93% of marketers agree that consumers trust content created by other consumers more than brand-generated content. But AI can complicate trust. Gartner reports that by 2026, 60% of CMOs will adopt measures such as content authenticity validation technology, enhanced monitoring, and brand-endorsed UGC to protect their brands from widespread deception unleashed by Generative AI.

Consumers want to be heard, to have their opinions matter, and their choices resonate with their identity. This year, 97% of consumers reported that they are motivated by brands that listen to their opinions. This marks a departure from the influencer era, emphasizing the power of genuine connections and a desired sense of belonging.

Edelman's Trust Barometer indicates that 71% of consumers prioritize trusting the brands they engage with, and 81% perceive brands collaborating with customers as more authentic.

97%
of consumers are motivated to be loyal and purchase more frequently when a brand listens to their opinions and feedback

91%
of consumers are more likely to leave a review because they belong to a community

21.7%
Over 2022

71%
of consumers say it is more important to trust the brands they buy from or use today than in the past
*2023 Edelmen Trust Barometer
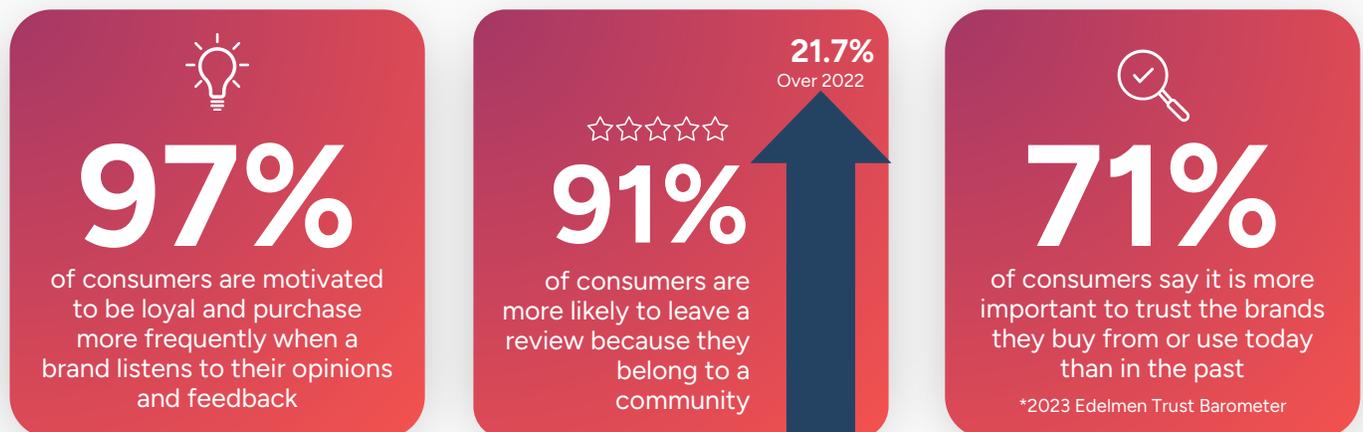
The massive marketing power of User-Generated Content (UGC) is no secret, and consumers trust authentic, unpaid reviews from real customers more than any other type of content. But if a brand's only interaction with the creator of UGC is transactional, the timing can't be predicted or controlled, and ultimately, if created on an ad hoc basis, does not build a relationship or lasting brand advocacy with the consumer. Continued engagement through community is required.

Brands need an ongoing fuel source for reviews that outlasts the initial hype of a new product launch. Recency matters, and a great five star review dated 2018 is not going to cut it. Additionally, marketers face challenges in securing authentic advocacy, with 65% struggling to gather UGC and 63% having trouble maintaining a pipeline of fresh reviews.

"We are incredibly excited to see the immediate impact our community is having on our brand. The Hero Skin Squad is actively sharing their positive experiences with our products, participating in product development, and helping us spread the word about our new launches. The activities and insights coming out of our community are creating great value for Hero."

Amy Calhoun Robb, VP of Marketing
Hero Cosmetics

Read the case study

Hero.

Why should brands care?
Consumers want to be advocates, with 81% of community members identifying as advocates, and 68% likely to create content and videos about brands within their communities.

Actionable Insights
Brands must embrace co-creation, fostering a two-way dialogue. The solution is to mobilize communities to create a consistent flow of brand advocacy and product innovation over time. Providing a space to listen, interact, and mobilize their consumers to create quality reviews and authentic UGC while moving past the limitations of influencer marketing.

How to build brand advocacy

Theme 3 - **Good News, Bad News for Brand Loyalty**

Bad news for brand loyalty

McKinsey recently reported that <u>79% of consumers are trading down</u> to save money when they shop, with 38% shopping at lower-priced retailers, and 25% switching to lower-priced brands or private-label goods. Meanwhile, eMarsys reports a <u>14% decline in customer loyalty</u> in the past year.

And it's not like brands haven't tried: loyalty programs are everywhere. The problem is developing loyalty programs that are easy to understand, easy to access, and incentivize behaviors that advance the relationship between customer and brand. Traditional loyalty programs rely heavily on purchase-based incentives, like discounts, gifts, or cash back, which can turn your customers into transaction drones who will quickly abandon you when the tap turns off. True loyalty can no longer be bought via points and discounts. Brands need to prioritize fostering emotional connections as much as they do other analytical marketing activities.

Good news for brand loyalty

Community offers a solution to building long-lasting loyalty. In fact, 40% of consumers are more likely to stay loyal to their favorite brands when they are engaged in an online brand community while 70% of marketers agree that community-building is important to customer retention.

69%
of consumers say the brands they buy reflect who they are and are important to how they want to be perceived

82%
more likely to purchase new products varieties because of engaging with it through online brand community

68%
of marketers agree community-building is important to creating emotional loyalty

"We've seen a huge increase in brand loyalty through this program. One loyalty survey showed that the majority of advocates were also members of our subscription service, and we saw an increase in members who consider our brand to be the preferred choice over competitors. Our advocates have ultimately become more brand loyal due to our connection with them through this platform."

Amanda Allbee, Sr. Marketing Associate
Grubhub

[Read the case study](#)

Why should brands care?

Emotionally-connected consumers buy more products and services, with 74% more likely to purchase more frequently (an 8% increase year over year).

They also visit stores more often, exhibit less price sensitivity, pay more attention to content, follow advice, and recommend a brand to others.

Actionable Insights

Winning at loyalty involves emotional engagement, community connection, trust-building, and the ability to engage meaningfully.

By setting emotional connections as a goal for your brand investment in pre- and post-purchase interactions, you will reap the benefits of a committed base of engaged consumers.

[8 ideas to upgrade your loyalty program strategy](#)

Theme 4 - **You Gotta Fight For Your Right to Data**

Consumers expect personalization from brands. Personalization requires data. Despite this, a palpable tension exists in the balance between privacy and personalization. Effective marketing can't exist without data, yet data has become harder to get and more protected. Jurisdictions around the world are rolling out more regulations and privacy controls to protect consumers.

Following consumer outcry, companies like Apple and Google are changing their tracking and analytics systems. The disappearance of cookies will leave many brands blind to data-backed insights and will result in gambling with marketing dollars and risking customer loss.

It's no secret that the better the data, the more that marketing programs and spend can be optimized. But many struggle with capturing the right data. 54% of marketers report that it's a struggle to keep consumer data up-to-date for effective personalization.

Enter Zero Party Data: information a consumer shares directly and intentionally with a brand which typically includes personal preferences, emotional leanings, and lifestyle behaviors.

93%
of consumers will share their data in exchange for unique experiences and offers

yet...

59%
of marketers struggle to get consumers to provide zero party data

People are willing to share their data, but you have to earn it. Consumers need to trust your brand and your motives. In this year's report, 93% of consumers indicated that they are more comfortable sharing their data if they know what it's being used for. This is great news, but only if you intend to use it to improve the user experience since 67% of consumers are disappointed when they share their data and the brand doesn't do anything with it.

😢

74%
of consumers agree that brands fall short of providing personalized experiences

"So why did we choose TINT? For us, it was ease. It was access to our consumer. It was ownership of the data. And it was the ability to do what we needed, which was to drive loyalty beyond purchase. Because we typically have limited resources budget-wise. And so that's where this platform fit every need that we were trying to piece together previously."

Rachel Moore, Chief Marketing Officer
Clio Snacks

Read the case study

Clio

Why should brands care?

It's time to double down on personalization to be prepared for a world without a firehose of third-party data. McKinsey reports that personalization can reduce acquisition costs by as much as 50%, lift revenues by 5–15%, and increase marketing spend efficiency by 10–30%.

When it comes to the future of marketing, successful consumer interaction will be more direct, emotional, and engaging. Zero party data helps brand marketers achieve this.

Actionable Insights

People will share if you are clear with your why and how it will benefit them. Brands must cultivate a living, breathing, consumer-facing world. Zero party data can be collected through activities like profile questions, contests, surveys, polls, quizzes, or discussions. This differs from traditional market research or customer feedback because the right technology platform can append the data to an individual's customer profile while enabling personalization.

📖 **Marketers guide to Zero Party Data**

Theme 5 - **Community is Table Stakes**

Consumers are tired of being nameless, faceless numbers in a company's database. They crave a connection with your brand. 67% of consumers wish they could interact directly with brands, and 91% of consumers buy more frequently when the brand knows who they are. That's a problem because many marketers admit they don't know who their customers are. According to research by HubSpot, less than half of marketers know their audience's interests and hobbies, shopping habits, the products they are interested in buying, their purchase history, and where they consume content.

Forward-thinking brands are finding ways to become more embedded in consumers' daily lives, a concept McKinsey calls "share of life: an ecosystem that provides products, services, and experiences to consumers." In other words, community. Consumers view brands with a dedicated community positively and are willing to get involved.

This is especially true for brands targeting younger consumers. It is about making everyday consumers feel valued and aware they are helping shape your brand and showing them creative brain power isn't just appreciated by influencers. This kind of personal investment with your brand pays dividends in purchase frequency and long-term loyalty.

Marketers

16% wish they had a dedicated community

20% are building a dedicated community now

28% marketers struggle to own a dedicated online brand community distinct from social media

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77%

of consumers wish their favorite brands had a community

69%

of marketers are planning to prioritize community-building over the next 2 years
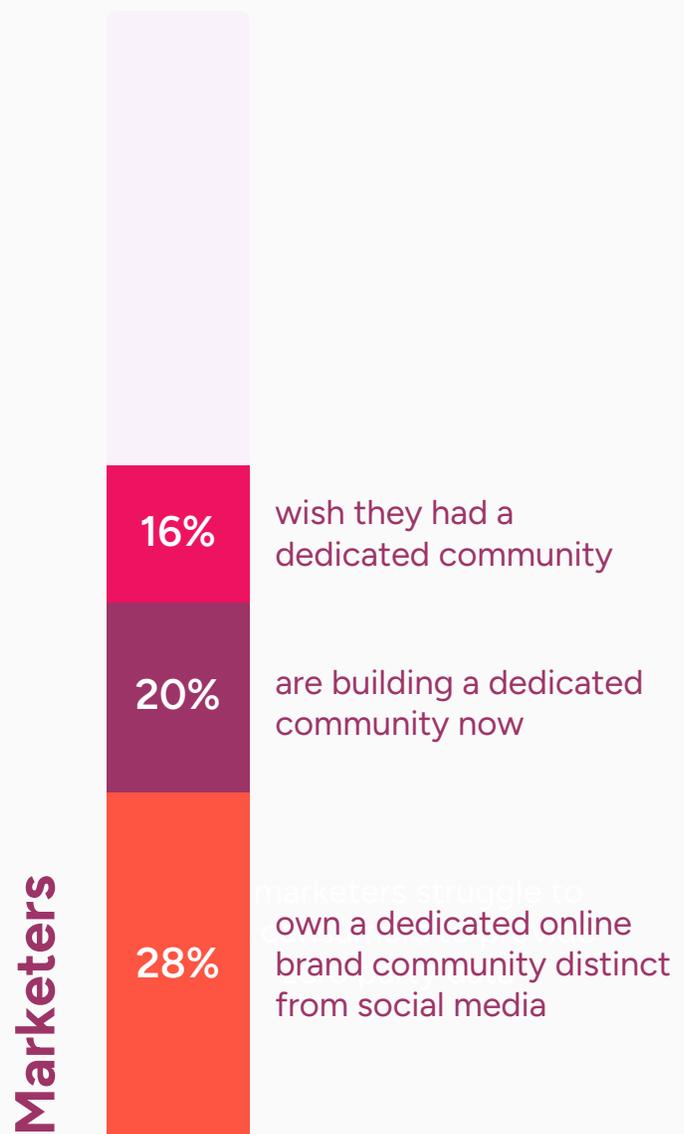
"We have had our Taste Buds community for over two years. We turn to them for anything and everything that you can think of. And we've found it so valuable. We constantly get messages from our Taste Buds about how much they love Sir Kensington's. About how much they love being a part of the community. And so it really has been an important part of our growth strategy in activating and building this group of super fans."

Amanda Triglia, Marketing Manager
Sir Kensington's

Read the case study

Why should brands care?

40% of consumers say their involvement in online communities will increase in 2024 and yet only 28% of marketers currently have a dedicated online brand community distinct from social media.

This represents a major opportunity for brands to stand out and capture direct relationships with their audience.

Actionable Insights

Enhancing customer relationships means engaging with customers between purchases. To truly drive loyalty, you'll need to think about more than just the transaction. By inviting your best consumers to join your community, you can attract your next customers and create direct, emotional, and engaging relationships that deliver powerful advocacy, insights, sales growth, and lasting loyalty.

📖 **How to create a Community Powered Marketing strategy**

About TINT

The Community Powered Marketing Platform

Find new customers. Hug the ones you have. Leverage their voices everywhere.

Harness AI to identify, engage, and mobilize your consumer community to increase advocacy & engagement, create authentic UGC and reviews, boost sales & conversions, and foster lasting loyalty.

Trusted by over 5,000 brands in more than 173 countries for our unique mix of software, services, and expertise to cultivate communities and scale impact to create awareness, engagement, and loyal customers.

We look forward to partnering with you.

TINT

Thank You & Methodology

A heartfelt thank you to all respondents and collaborators for your time and invaluable input. This research would not be possible without your attention to detail and thoughtful contributions.

The data for this report was gathered using online surveys, collecting data from 2,386 consumers and 220 global marketers. Additional data were included from TINT, our consumer network of over 1.4 Million users, and partner resources. Links are incorporated throughout the report.

Individual survey data and participants are held in strict confidence.

Thank you for your continued support!

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