"Transformations of customer loyalty attitude in marketing: Key components of modern loyalty"

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TRANSFORMATIONS OF CUSTOMER LOYALTY ATTITUDE IN MARKETING: KEY COMPONENTS OF MODERN LOYALTY

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Abstract

In the marketing landscape, there has been a noticeable shift from the well-established "customer retention" loyalty programs of the 2010s to the emerging trend of "customer attraction" programs in the 2020s. This study aims to investigate the underlying reasons behind these transformations and identify the key components shaping a contemporary customer's loyalty towards brands. To accomplish this, an empirical research was undertaken, interviewing 129 representatives of the "EU-Conexus" network, which education and research institutions are located in Lithuania (i.e., Klaipeda University), Spain (i.e., Catholic University of Valencia), Croatia (i.e., University of Zadar), Romania (i.e., Technical University of Civil Engineering), Greece (i.e., Agricultural University of Athens) and France (i.e., La Rochelle Université). The study employed a quantitative methodology, using a standardised online questionnaire contained multiple-choice, single-choice 18 detailed closed questions. The collected research data were subsequently analysed using MS Excel software through the application of descriptive statistics data processing techniques. The findings of this study revealed that regular and annoying promotional material and "intricate" loyalty programs are usually irritating contemporary customers and can be a reason to leave a brand. Consequently, modern brands are encouraged to regularly rethink – re-evaluate and re-design – their loyalty marketing strategies to become relevant to customers' needs. The study also highlighted the key components significantly influencing the loyalty of respondents: (i) high quality and responsibly priced goods and (or) services, (ii) well-organised customer service, (iii) a "rational" customer loyalty program, and (iv) an adequate number of promotional messages containing relevant content.

INTRODUCTION

Loyalty programs have had strong academic and practical attention to in the last decades. The main idea of these programs is to attract and retain "the right" customers by monetary and (or) non-monetary incentives, making them loyal to the brand, and increase revenues by encouraging the loyal customers to (re-)purchase continuously (Uncles et al., 2003). Loyalty programs are always about making a long-term relationship (Reichheld, 1993; Stauss et al., 2005; Lawrence & Greene, 2020) with the target group of clients. Wirtz (2008) outlines that identifying and acquiring "the right" customers mean long-term revenues (Razaka et al., 2019; Basari & Shamsudin, 2020) and continued growth to a brand, and, respectively, "the wrong" customers make a great impact on reduction in sales, deterioration of brand's reputation, and even a high turnover of the staff. A well-designed loyalty program may have a strong positive connection with the customer loyalty and can improve and (or) maintain, and (or) enhance it (Verhoef, 2003;

Noordhoff et al., 2004), and, respectively, the poorly-designed have negative consequences to the brand (Stauss et al., 2005). The modern consumer is individualistic, demanding, more critical and better informed (Curtis et al., 2021), and less sensitive to brands and marketing cues (Constantinides, 2006).

The concept of loyalty has many synonyms and generally means "a strong allegiance to someone or (and) something". Customer loyalty – an essential and in the recent years even newly re-discovered concept in marketing (Uncles et al., 2003; Fedotova et al., 2019; Gerami & Yazdanian, 2022) – is a significant component of every company in all industries, determining the successful implementation of its unique business idea (Lawrence & Greene, 2020; Thai et al., 2020; Basari & Shamsudin, 2020; Gerami & Yazdanian, 2022). Therefore, loyalty programs should be constantly re-evaluated and re-designed, according to modern customer needs.

1. LITERATURE REVIEW

Loyalty marketing is responsible for building strong relationships between company and its high-value existing customers, and attracting new ones through specific and well-designed customer attraction-retention programs, consisting of monetary and (or) non-monetary incentives, as, for instance, free gifts and (or) services, regular and (or) extra discounts, exclusive access to sale and (or) special prices fields, etc. Loyalty marketing is an integral part of the overall marketing strategy of the company with repeatable loyalty programs, turning target customers into brand's loyalists.

Loyalty programs are not a novelty of the recent decades. The first signs of modern loyalty programs are dedicated to 1793 (Nagle, 1971), when Sudbury Co. began to reward its loyal customers with "copper tokens" accumulated and reused for future purchases later, offering better shopping conditions. The successful idea was quickly replicated by other retailers. Shelper (2020) states that the first signs of loyalty initiatives were found earlier, in ancient Egypt. As money was not simply invented yet, workers and slaves were awarded for their work with "tokens" made from wood, which were similar to up-to-date loyalty points and were used to exchange to get bread, beer, or other products.

In 1860, commercial "checks" were represented by Great Atlantic & Pacific Tea Co., then in 1890, Hunsicker & Warmkessell Photographers Co. introduced special "certificates and coupons", – both ways were to reward loyal clients. "Trading stamps" came in 1891, and Schuster's Department Store in Milwaukee was the first to use them (Dahlsad et al., 2013). Customers were earning physical stamps after each purchase into special books and later exchanged them for wide range of rewards. Kellogg's was the first company to put "prizes" (i.e., books, toys, cards, etc.) in cereal boxes from 1906 (Murtagh, 2019). In 1937, Betty Crocker Co. started to print "special coupons" on the products packaging that could be redeemed and used for other shopping with better conditions. "Loyalty cards", which are widely popular till nowadays, firstly were presented in 1994 by British supermarket chain Tesco as "Tesco Clubcard" with special offers for loyal customers. Starbucks became the first company started to use a "loyalty mobile application" (Murtagh, 2019). "Cryptocurrencies" and "tokenized assets" are the latest loyalty programs, firstly introduced to customers in 2017 (Shelper, 2020).

Bain and Co. and Mainspring analysts' (Baveja et al., 2000) joint calculations 20 years ago already proved that customer retention programs are important. The survey underlined that an online customer in an apparel sector is becoming profitable to a company only after the fourth shopping on the site, and every new purchase of a loyal customer is usually larger than the previous one was, i.e., a shopper's fifth purchase was up to 40% larger and the tenth up to 80% larger than the first one. The same conclusion that the returned customers tend to buy more and, respectively, to spend more with every new purchase, was found by Reichheld (2001). It is estimating that a satisfied with the first purchase customer is tending to recommend the company's products and (or) services (Gerami & Yazdanian, 2022) to up to 3 people, and after ten purchases the same customer's recommendations can reach up to 7 people (Baveja et al., 2000).

According to Galo (2014), acquisition of a new customer, depending on an economic sector, is 5-25 times more expensive for a company instead of retaining the already existing one. According to Lawrence and Greene (2020), sometimes, attraction of new customers can be more expensive than to repeat the same business idea. That means, the company should not spend resources and time finding new clients, it just should keep the one it has satisfied (Reichheld, 2001). It is proved that, for example, a 5% increase in a customer retention strategy in financial services could improve a company's profit for up to 25%, in other economic subsectors even up to 95% (Reichheld, 2001).

The benefits of loyalty programs maintaining loyal customers and turning new one to the loyalists for the companies are obvious. However, Zealley et al. (2018) argue that the era of loyalty marketing has come to an end. That is because of the transformation of consumers' values and purchasing habits, rapidly-evolving needs mainly caused by the Covid-19 pandemic, and the digitization era. Modern consumers care a lot about sustainability and ready to transform the way they lived and worked before (Curtis et al., 2021). They are making purchases according to the relevance of the product and (or) service at the buying moment.

Zealley et al. (2018) emphasized that 71% of surveyed consumers claimed that the dynamic loyalty programs did not make them loyal anymore. According to Nazari and LaBar (2018), 61% of consumers tended to switch companies that no longer met their needs and up to 44% were getting confused why the companies they are loyal to were still not relevant with their advertising messages and (or) offers, even though the brands were managing all necessary personal information left by them.

Customer's viewpoint to components determining a well-designed loyalty program is modifying constantly, and the key elements previously influenced his/her loyalty are inefficient for today. Therefore, modern "loyalty programs" popular in the 2010s with the focus on customer retention via mostly generalized promotion, attracting customer to continue purchasing, rewarding him/her with monetary or (and) non-monetary incentives, in the 2020s are recommended to be trans-forming to the "relevance programs" with the focus on customer attraction, mostly personalizing promotional offers to him/her without forcing to purchase.

Companies that remain relevant are rewarded with customer loyalty and a higher-than-average profit growth, and those who are not have loses (Nazari & LaBar, 2018). Only in the USA market companies are averagely losing $1 trillion of annual revenues to their competitors because they are not relevant enough on time. Up to 85% of well-doing business brands admitted that they are not fast enough with their marketing strategy development to maintain the right relationships with the clients and to meet their expectations on time (Nazari & LaBar, 2018).

According to Curtis et al. (2021), when more than 25,000 consumers across 22 countries from 14 industries were interviewed, the Covid-19 pandemic was the significant option to a large group of consumers to reimagine their values, and the three main groups of post-pandemic customers arose: "reimagined," "evolving," and "traditional."

The first group of customers (i.e., "reimagined") with the up to 50% of all respondents have rethought their personal purposes and values, started to focus on others instead of themselves, and claimed they are ready to pay more for goods and (or) services, especially if it is the question of their health, environmental sustainability, and brand's social responsibility. "Reimagined" (50%) are leaving those brands that did not create clear and easy customer service during the pandemic and after it. Loyalty of these customers (72%) depends on whether the brand feels their constantly changing needs and objectives. Representatives of "traditional" group, with the 17% of respondents, stated their purchasing principles have not changed because of pandemic and 33% of "evolving" consumers were unsure whether the pandemic affected their values and priorities.

Cultural differences had a strong impact on how the three groups of customers – "reimagined," "traditional," and "evolving" – were distributed among the countries. For instance, in Japan the largest group consists of "evolving" customers (52% total) and the "reimagined" customers had

only 26% of respondents. Completely opposite trends were in Brazil, where 71% of respondents were "reimagined" and 21% were "evolving" clients (Curtis et al., 2021).

In general, price and quality of goods and services have been and remain dominant motivations in consumer decision-making process – for loyalty and shopping – in all groups (i.e., "reimagined," "traditional," and "evolving") (Curtis et al., 2021). However, the new additional motivations having a strong impact on a customer loyalty are emerging, the strength of which depends on the economic sector the brand operates: (i) health and safety – especially in healthcare and tourism sectors, or while shopping at physical stores. For instance, 51% of "reimagined" would appreciate an online appointment with the doctor instead of a physical visit; (ii) customer service; (iii) easy and convenient purchasing and (or) delivering of goods/services. 57% of "reimagined" and 48% of "traditional" noticed that they would leave retailers if they did not offer new, fast, and flexible delivery options; (iv) product origin – the way it was produced. 65% of "reimagined" prefer to do business with the environment-friendly brands, which use natural (organic) ingredients, have "green" certificates for the products and (or) services they provide; (v) trust and reputation – company's social responsibility and care about sustainability.

According to Zealley et al. (2018), the majority of modern companies are (i) using the traditional 4P marketing model (i.e., product, price, place and promotion) and (ii) having a static archetype of a target client, as, for instance, "a value and quality seeker" or "a high-minded customer with a preference for "green"/environmentally-friendly products" to achieve their marketing objectives in the target market, and, respectively, thus, to attract and to retain loyal customers. The study believes these two options are becoming inefficient.

Kotler (2003) has pointed out that the 4P algorithm – firstly presented by Borden (1964) with the twelve controllable marketing elements, and, then, was refined by McCarthy (1964) to the 4P model in a term it is used today – represents the seller's view how to influence and retain customers, and the client's opinion and attitude, basically, are not evaluated. The importance of the traditional 4P model is undeniable, but to become a "living" business and to understand the way the modern clients perceive the selling-buying relationships with the brands, the new 5P categories (Zealley et al., 2018) – personalization, protection, partnership, pride, purpose – having strong parallels with the Maslow's (1943) hierarchy of needs pyramid (physiological, safety, belonging, esteem, self-realization) are welcome to be integrated to the philosophy of modern companies' loyalty marketing (Table 1).

Customer loyalty – a rare commodity (Basari & Shamsudin, 2020; Ogino, 2022) and a huge responsibility for the brand – is an important and in the recent years even newly re-discovered concept in marketing, still has not an agreed definition (Uncles et al., 2003; Fedotova et al., 2019; Gerami & Yazdanian, 2022). Customers do not naturally become loyal (Wirtz, 2008). Stauss et al. (2005) claim that customer loyalty is consisting of and depending on two main key components – a positive/negative attitude to a company's loyalty program and to the company itself (i.e., brand image) (Thai et al., 2020). If these the above-mentioned two ingredients are perceived positively – a customer is becoming or (and) remaining loyal to the brand

Table 1. Parallels of 5P with the Maslow's hierarchy of needs pyramid

Maslow's hierarchy of needs pyramid, according to their importance to a person	5P algorithm	Possible new motivations, making impact on a modern customer loyalty to the brand
5. Self-realization	Purpose	Client feels the company's values are equal to his/her.
4. Esteem	Pride	Client is proud to use the company's products/services and is inspired by the company's interior/exterior social actions/policy.
3. Belonging	Partnership	Client feels the company understands him/her and is working to have a good relationship with.
2. Safety	Protection	Client feels safe because of the relationships with the company.
1. Physiological	Personalization	Company is flexible and is adapting to the client's ongoing needs and priorities.

(Stauss et al., 2005). Khoury (2014) believes that the strength of customer's loyalty to the brand depends on the strength of brand's loyalty toward its consumers. Wakefield and Blodgett (1996) assume that lasting customer loyalty is mainly formed by a well-managed customer service forcing clients to come back giving a positive word-of-mouth advertising to the brands. According to Wirtz (2008), a company should create unique value, associated with the brand (Chaudhuri & Holbrook, 2001), or, according to Mascarenhas et al. (2006), an entire (consumptional and emotional) experience, fulfilling person's needs to make him/her a loyal customer. Curtis et al. (2021) identified that the components making a strong impact on customer loyalty to a brand are being changing constantly; therefore, modern brands are encouraged to regularly rethink their marketing strategies to resize their opportunities and to become relevant to the customers' needs, to be rewarded with their regular loyalty (Nazari & LaBar, 2018).

Consequently, this study seeks to determine key components of a modern customer's loyalty to a brand significantly influencing transformations of loyalty marketing techniques.

2. METHODOLOGY

The current scientific paper applies a synthesis of two research methods. Theoretical research method is used for secondary data collection, analysis, comparison, systematization, and generalization. It aims (i) to investigate the historical transformations of loyalty programs and their financial importance to the companies, (ii) to identify the differences between customer retention and customer attraction marketing strategies, as well as (iii) the constantly changing motivations making an impact on customer loyalty to the brand. Quantitative research method is using standardized online questionnaire to identify: (i) a modern customer's attitude to "loyalty" and (ii) what key components are determining a well-design loyalty program the respondent would be happy to be a part of.

The online survey was conducted from April 12, 2022, to May 12, 2022, and 129 respondents voluntarily took a part in the survey being informed about General Data Protection Regulation (GDPR). All respondents were representatives of European higher education and research institutions, collaborating in the field of smart urban sustainable coastal development and highly integrated at educational, scientific, and administrative levels in the frames of EU-Conexus network. EU-Conexus partners – education and research institutions – are located in Lithuania (i.e., Klaipeda University), Spain (i.e., Catholic University of Valencia), Croatia (i.e., University of Zadar), Romania (i.e., Technical University of Civil Engineering), Greece (i.e., Agricultural University of Athens), and France (i.e., La Rochelle Université).

The online questionnaire (Appendix A) was prepared through Google Forms and was anonymous. The standardized online questionnaire contained multiple-choice, single-choice 18 detailed closed questions. All the questions were required (*) to be answered to be accepted by the Google Forms, afterwards.
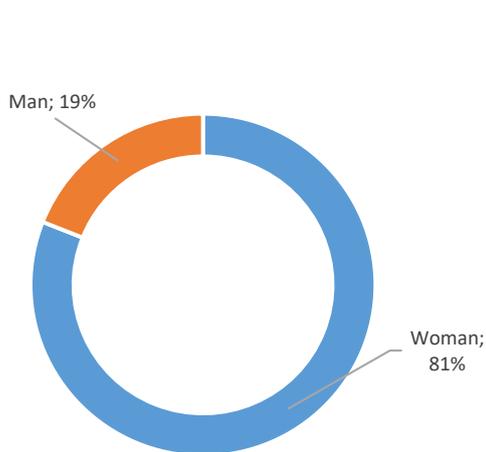
The research data were processed with MS Excel software, turning the absolute quantitative data into relative measurements (i.e., in percentage), applying the descriptive statistics data proceeding method.

3. RESULTS AND DISCUSSION

As shown in Figure 1, most respondents were women (81%), while men represented 19% of all participants. The respondents of 46-65 years old constituted the largest group (41%), while 26-45 years old (31%) and up to 25 years old (26%) had similar quantitative weight, and only 2% of respondents were representatives of over 65 years old group (Figure 2).

The vast majority of respondents (67%) were employees and the minority – employers (7%). As Figure 3 shows, 26% of respondents were students, while pupils (0%), permanently (0%), and temporary (0%) not working persons did not take a part in the survey.

According to the main results of distribution of respondents by gender (Figure 1), age (Figure 2), and

Man; 19%

Woman; 81%

Figure 1. Distribution of respondents by gender

You are over 65 years old; 2%

You are up to 25 years old; 26%

You are 46-65 years old; 41%

You are 26-45 years old; 31%
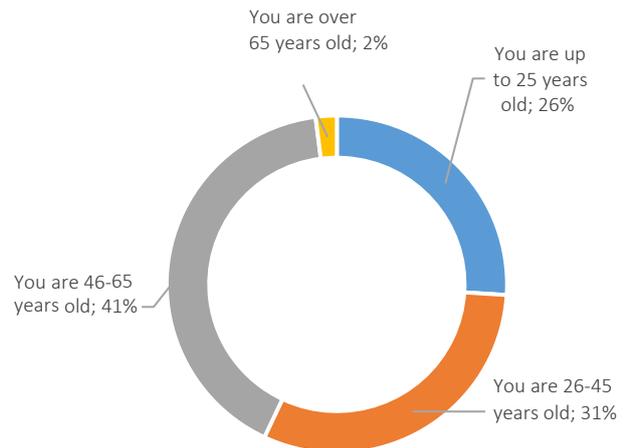
Figure 2. Distribution of respondents by age

You are an employer ; 7%

You are a student; 26%

You are an employee; 67%

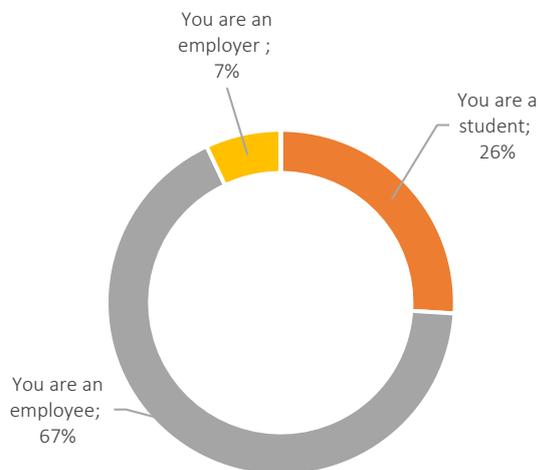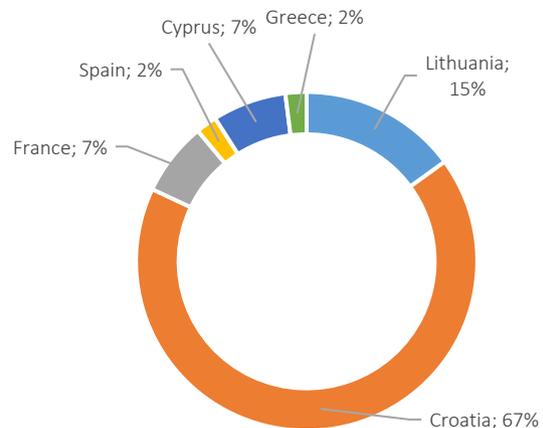**Figure 3.** Distribution of respondents according to their activities

Cyprus; 7% Greece; 2%

Spain; 2%

France; 7%

Lithuania; 15%

Croatia; 67%
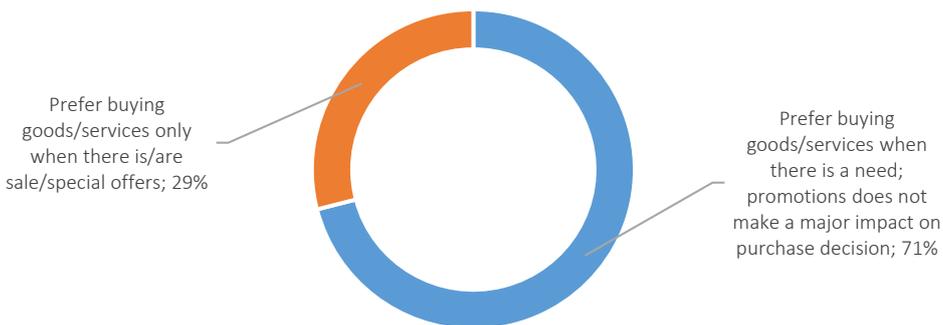
Figure 4. Distribution of respondents by country

activities (Figure 3), the majority of respondents were women with fixed income, and the vast majority of persons in the age group of up to 25 years old were students (Figures 2 and 3, with equal quantitative parts of 26% each), very likely with no regular income.

The largest group of respondents were inhabitants of Croatia (67%), Lithuania was represented by 15% of respondents, France and Cyprus by 7% of respondents each, Greece and Spain by only 2% each (Figure 4).

With the question no. 2 of the questionnaire, the respondents were asked where they prefer to purchase goods/services: online or at physical store. The vast majority of respondents (i.e., up to 86%)

prefer making purchases at a physical store (i.e., 76% of those, who "prefer a physical store more than an online one" and 10% of those, who "use only a physical store") instead of an online one (i.e., up to 14%, where 12% "prefer an online store more than a physical one" and only 2% "use only an online store").

The study assessed how the respondents prefer to organize their purchasing process: according to their own decision (i.e., when there is a need) or being impacted by special promotional offers (Figure 5, question no. 1 of the questionnaire). The vast majority of the survey's participants (71%) stated that the promotion does not make a strong impact on their decision to purchase, and this group of respondents prefer buying

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Prefer buying goods/services only when there is/are sale/special offers; 29%

Prefer buying goods/services when there is a need; promotions does not make a major impact on purchase decision; 71%
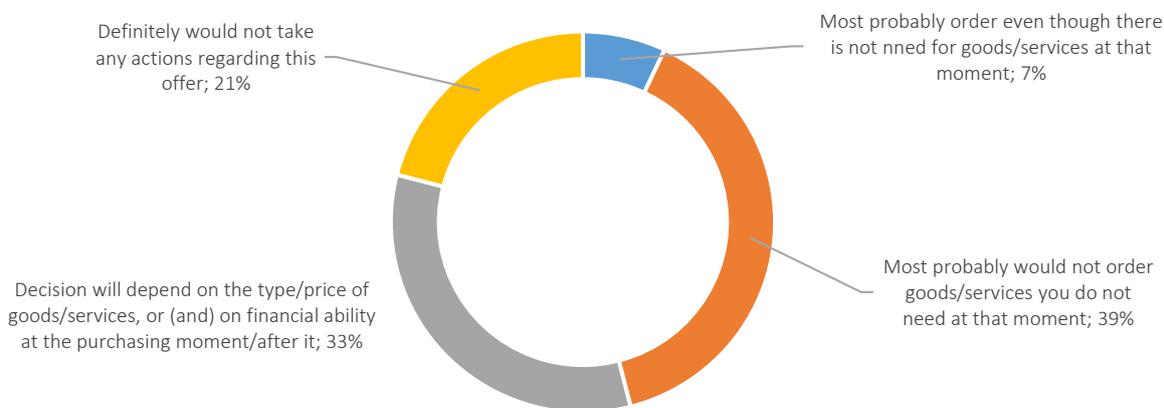
Figure 5. Distribution of respondents by how they organize their purchasing process of goods/services in most cases

good/services only when there is a need. Almost one third of the respondents (29%) claimed they prefer buying goods/services only when there is/ are sale/special promotional offers.
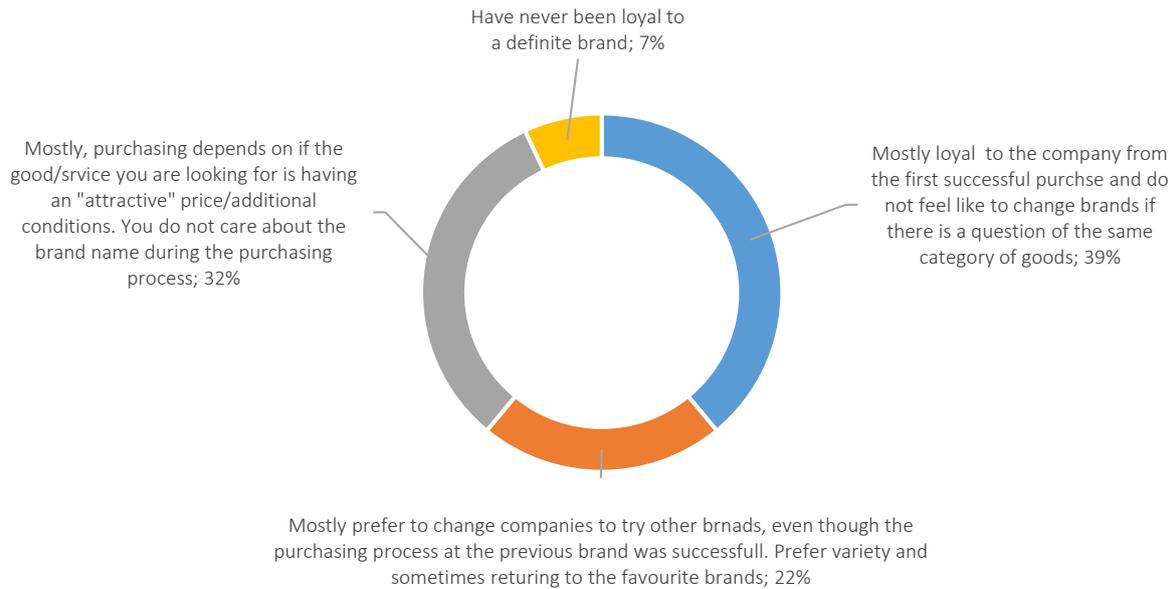
The distribution of the respondents according to their shopping habits was more strengthen by answers to the question no. 9 of the questionnaire, when the specific situation was given. Respondents were asked to choose the way they will behave if they get a promotional e-mail from the brand they are loyal to with the well-discounted/well-priced goods/services they can financially afford but do not really need at the moment. 60% of respondents (i.e., 21% "definitely won't take any actions" and 39% "most probably won't order") won't take advantage of the "special offer." As shown in Figure 6, approximately one third of respondents (33%) were unsure and could take actions according to "special offer", while only 7% will take advantage of a commercial offer and purchase goods/services, although there will be no need for it.

These results (Figures 5 and 6) meet the statements of Zealley et al. (2018) and Curtis et al. (2021) that an up-to-date customer is tended to make purchases according to the relevance of the product and (or) service at the buying moment, and the companies with the relevant customer attraction initiatives can be rewarded with customer loyalty and a higher-than-average profit growth (Nazari & LaBar, 2018).

When the respondents were asked to identify their relationships with companies, they are making or wishing to make purchases at (Figure 7), the two almost similar by quantitative weight groups arose: (1 group) 39% of respondents stated they are "regular" loyalists (i.e., "true loyalists") to the company from the first successful purchase and do not like to change brands if there is a question of the same category of goods/services, while (2 group) 32% of respondents claimed they are more "followers of good conditions" and do not care about the brand name. Also, the sur-

Definitely would not take any actions regarding this offer; 21%

Most probably order even though there is not nned for goods/services at that moment; 7%

Decision will depend on the type/price of goods/services, or (and) on financial ability at the purchasing moment/after it; 33%

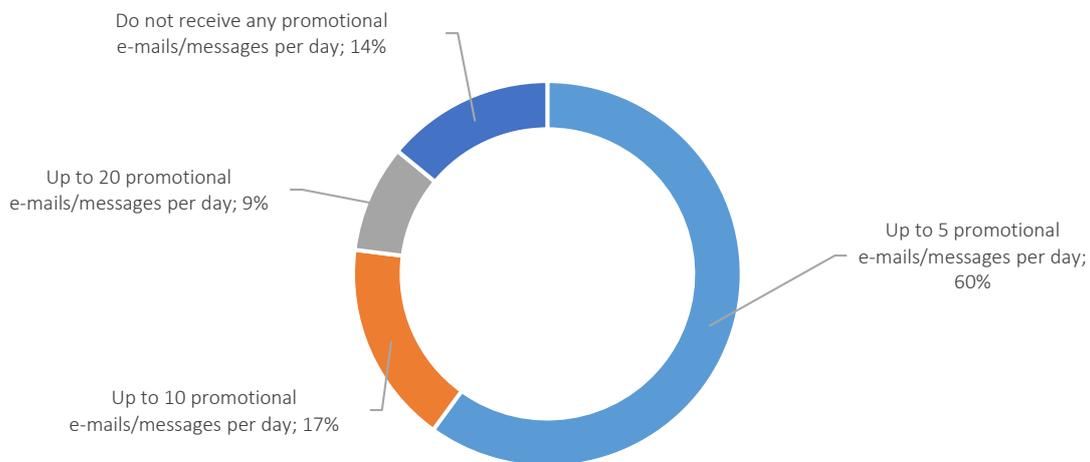Most probably would not order goods/services you do not need at that moment; 39%

Figure 6. Distribution of respondents by whether they will take any actions if they get a well-discounted/well-priced commercial offer

Have never been loyal to a definite brand; 7%

Mostly, purchasing depends on if the good/srvice you are looking for is having an "attractive" price/additional conditions. You do not care about the brand name during the purchasing process; 32%

Mostly loyal to the company from the first successful purchse and do not feel like to change brands if there is a question of the same category of goods; 39%

Mostly prefer to change companies to try other brnads, even though the purchasing process at the previous brand was successfull. Prefer variety and sometimes returing to the favourite brands; 22%
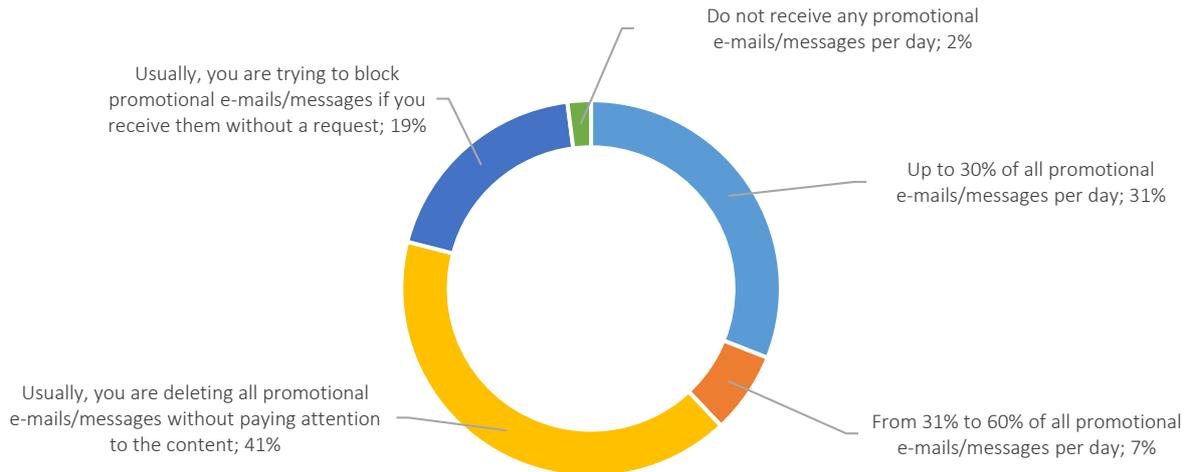
Figure 7. Distribution of respondents by how they describe their relationships with the brands algorithm

vey identified the group of respondents (22%) that can be described as "not regular" loyalists (i.e., "shifting loyalists"), who prefer variety and easily moving from one company to another, and usually returning to the brands they liked shopping at in the past. Only 7% of respondents said they have never been loyal to the company. Summarizing, the majority of respondents are identifying themselves as "loyal" or "more loyal than not" customers (i.e., 61%, where 39% are "true loyalists" and 22% are "shifting loyalists"), the other part as "disloyal" ones (i.e., 39%, where 32% are "followers of good conditions" and 7% have never been loyal to the brand).

When the respondents were asked (question no. 8 of the questionnaire) whether the company they are loyal to (on a "regular"/"irregular" basis, Figure 7) is making promotional or (and) informative offers that ideally reflect their needs, the vast majority of respondents stated that it "more does than does not" (i.e., 68%, where 44% of "yes, sometimes", 22% of "yes, mostly" and 2% of "yes, definitely"). Only 10% said the company they prefer shopping at is almost never good at meeting their needs and 22% underlined they have never been loyal to a definite brand and, most likely, do not pay attention to the promotional or (and) informative stuff they get.

Do not receive any promotional e-mails/messages per day; 14%

Up to 20 promotional e-mails/messages per day; 9%

Up to 5 promotional e-mails/messages per day; 60%

Up to 10 promotional e-mails/messages per day; 17%

Figure 8. Distribution of respondents by how many promotional e-mails/messages they are getting everyday from the brands they are loyal to and (or) have left their personal information to

Do not receive any promotional e-mails/messages per day; 2%

Usually, you are trying to block promotional e-mails/messages if you receive them without a request; 19%

Up to 30% of all promotional e-mails/messages per day; 31%

Usually, you are deleting all promotional e-mails/messages without paying attention to the content; 41%

From 31% to 60% of all promotional e-mails/messages per day; 7%

Figure 9. Distribution of respondents by how many promotional e-mails/messages averagely they are paying attention to everyday

As can be seen from Figure 8, the majority of respondents (60%) are getting up to 5 promotional e-mails/messages per day, 17% – up to 10 units, and the minority (9%) – even up to 20 promotional e-mails/messages per day.

Most of participants took a part in the online survey have a relatively negative attitude toward digital advertising (Figure 9), usually, deleting all promotional stuff without paying attention to (41%) or trying to block promotional e-mails and (or) messages received without a request (19%). Zealley et al. (2018) and Nazari and LaBar (2018) emphasized that the dynamic and annoying loyalty programs do not make modern customers loyal anymore and can be a reason to switch a company. One third of respondents (31%) were interested in up to 30% of all promotional stuff getting per day (Figure 9).

With the question no. 12 of the online questionnaire, the respondents were asked if they are unsubscribing promotional e-mails/messages and why. The majority of respondents (43%) stated they are deleting promotional e-mails/messages only from those companies that are becoming annoying and too much regular with the promotion. Almost one third (29%) said they are subscribing promotional e-mails/messages only to get discounts for their first order, afterwards unsubscribing.

The respondents were asked to specify what the term "loyalty to the brand" means to them, with

the opportunity to choose up to 3 answers reflecting their opinion and attitude the best way (Figure 10, question no. 4 of the questionnaire). The final results indicated two basic respondents' opinions, similar by their quantitative weight. Respondents believe that loyalty is not about monetary or (and) non-monetary brand's incentives (55%) (although, 26% of respondents admitted and agreed with it), it is the process, when both parts, a company and a client, feel safe and comfortable having relationships/doing business together (55%). The obtained results mainly meet the idea of Zealley et al. (2018) that modern customers perceive buying/selling relationships with brands according to 5P principles – personalization, protection, partnership, pride, purpose – which should be integrated into the philosophy of modern companies' loyalty marketing strategies. 17% of respondents claimed loyalty is a "rare commodity" and impossible because of oversupply of producers.

Which components are making a major impact to the respondents' loyalty to the brands they prefer shopping at are shown in Figure 11 (respondents were given an opportunity to choose up to 3 answers). The vast majority of respondents (83%) claimed high quality and responsibly priced goods/services are important key factors influencing loyalty to a definite company. Good customer service (51%) and clear general/specific information on a company's official webpage (32%) are influencing their loyalty as well. The results generally meet the tendencies shown by Curtis et
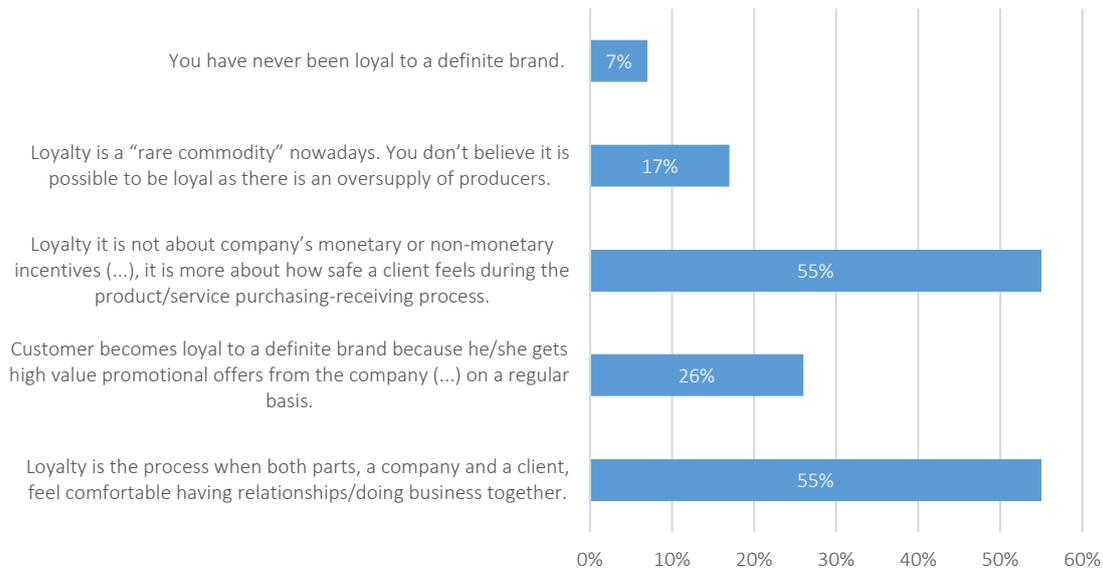
Figure 10. Distribution of respondents by what does the term "loyalty to the brand" mean to them

al. (2021), where price and quality of goods and (or) services, well-managed customer service with easy and convenient purchasing and (or) delivering of goods and (or) services, and reputation of the brand were singled out as the dominant motivations making a strong impact on modern customers' loyalty. As Figure 11 shows, one fourth of respondents (25%) underlined the importance of compliance of the company's internal and external policies with the respondents' values and worldview. Permanent promotional offers, as, for instance, special discounts, gifts (12%) or specif-

ic loyalty program the company is implementing (10%), have a very minor impact on a customer loyalty to the brand.

In Figure, 12 the distribution of respondents' answers by what influenced them to leave brands, they were (if were) loyal to for a short/long time is shown. Participants were allowed to choose up to 3 answers. Respondents have left the companies they were loyal to because of deterioration of products'/services' quality (41%) and, probably, there is the reason why their prices became irrational (46%). Poor customer

Figure 11. Distribution of respondents according to the main reasons making them loyal to a brand
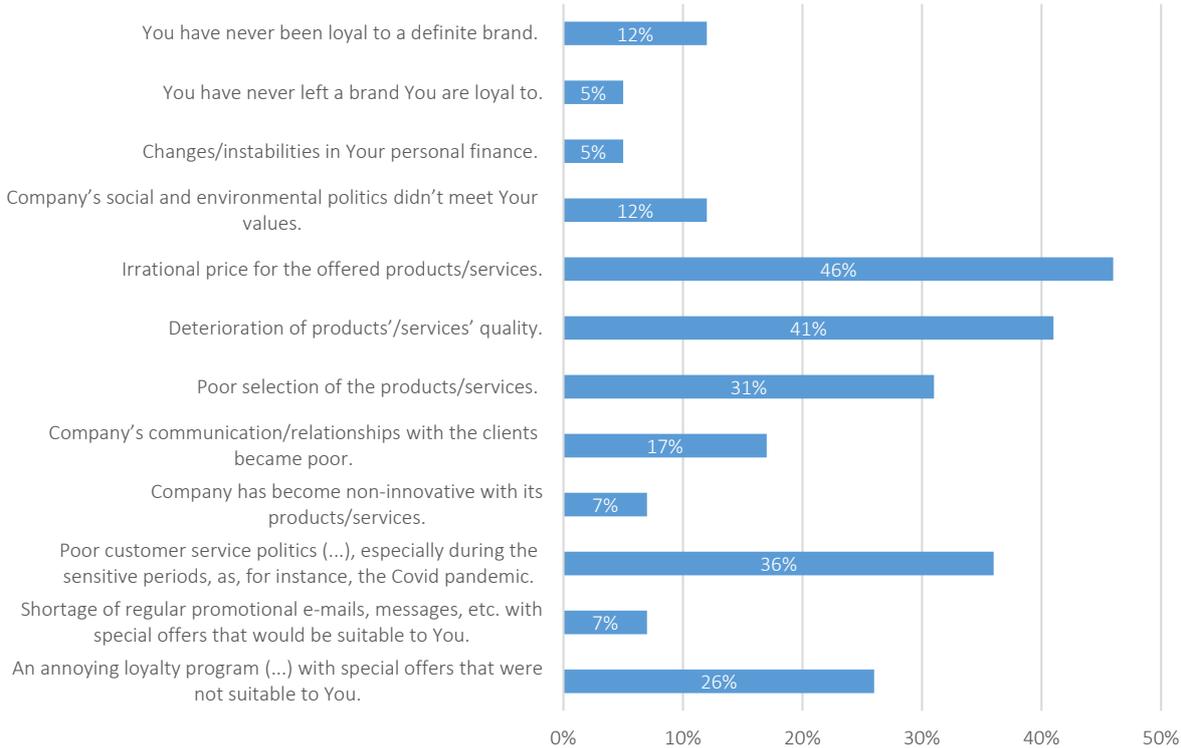
Figure 12. Distribution of respondents by whether they have left companies they were loyal to for a short/long time and what influenced to make that decision

service, especially during the sensitive periods, as, for instance, Covid-19 pandemic (36%), poor selection of the products/services (31%), and annoying promotional messages (26%) were the reasons forced to leave the brands respondents were loyal to for a short/long period as well.

Complicated customer loyalty programs, which require making a lot of purchases to become a "privileged customer" (45%) and regular promotion of goods/services via e-mails/messages/social media platforms for a limited time (48%) or (and) respondents do not need for that moment

Figure 13. Distribution of respondents by what can frustrate them in a company's loyalty program

(50%) are the elements frustrating respondents in the brands' loyalty programs (Figure 13, question no. 6 of the questionnaire). Although, as the survey indicated, one fourth (26%) of respondents stated insufficient number of special offers can be the reason of frustration in the company's loyalty program for them.

There are some possible limitations of the survey:

1. As the survey was conducted online, there could be some cases of not appropriate understanding of the topic. The meaning of "customer loyalty to the brand" can be interpreted by respondents differently.

2. Some single/multiple choice questions of the online questionnaire have very detailed and, respectively, long enough possible answers.

There is a possibility the respondents lost their concentration and did not respond to the questions in the way they could.

3. The majority of respondents were representatives of Croatia, and, respectively, the survey results and its conclusions are mostly representing the position of the mentioned country's inhabitants.

4. The survey was conducted, and the results were analyzed in a general context, i.e., without segmenting data by customer loyalty to luxury/non-luxury brands or determining customer loyalty specifics to brands operating in a definite economic subsector, etc. That would allow a deeper and more accurate understanding of customer loyalty attitude trends in modern marketing.

CONCLUSION

The purpose of this study was to investigate the key components determining a modern customer's loyalty to a brand. Through a combination of scientific literature review and empirical research, several important findings have emerged, shedding light on the dynamics of customer loyalty in contemporary marketing.

The study revealed that customer loyalty to a brand is intricately linked to the development of comfortable and secure relationships between both the company and the client. It identified three distinct categories of customer attitudes towards brands, including "true loyalists", "shifting loyalists", and "disloyal" (or "disloyal followers of good conditions"). These findings underscore the need for a nuanced approach to customer loyalty strategies, as different customers exhibit varying levels of attachment to brands.

Furthermore, the research demonstrated that the modern consumer's mindset is in constant flux. The traditional approach of employing regular and intrusive promotional materials and complex loyalty programs is no longer effective and can even lead to customer dissatisfaction. As a result, it is recommended that loyalty programs shift from a focus on customer retention to customer attraction, aligning with the preferences of contemporary customers.

Based on the accumulated results, it is evident that the key factors positively impacting customer loyalty to a brand include the provision of high-quality and reasonably priced goods/services, excellent customer service, the availability of clear and comprehensive information on the company's official webpage, a rational loyalty program, and a balanced number of relevant and timely promotional messages.

In the era of digitalization, companies have more tools at their disposal to monitor and adapt to the ever-evolving priorities of their loyal customers. It is crucial for brands to invest in continuous marketing research to gain insights into the rapidly changing consumer mindset. Additionally, improving planning and execution models, embracing new distribution channels, and innovating product production and service implementation methods are essential to create compelling advertisements and foster customer loyalty.

In essence, this research underscores the importance of brands becoming attentive organizations that prioritize customer needs and satisfaction. By adapting to the dynamic preferences of their loyal customers and investing in marketing research and innovation, companies can build enduring relationships with their customers and strengthen their brand presence in a competitive marketplace.

AUTHOR CONTRIBUTIONS

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APPENDIX A

TRANSFORMATIONS OF CUSTOMER LOYALTY ATTITUDE IN MARKETING: KEY COMPONENTS OF MODERN LOYALTY

QUESTIONNAIRE

Dear Respondent,
The authors of this online questionnaire decided to figure out how modern consumer feels being surrounded by a surplus of producers and promotional stuff. Your participation in the survey will help us to answer the following questions:

- What does "loyalty to the brand" mean to a modern customer and is he/she loyal?

- What components are determining a well-designed loyalty program an up-to-date consumer will be happy to be a part of?

The questionnaire is anonymous. The obtained results will be published in the upcoming scientific article: "TRANSFORMATIONS OF CUSTOMER LOYALTY ATTITUDE IN MARKETING: KEY COMPONENTS OF MODERN LOYALTY."

Thank you for the time and your opinion!

This study is implemented by Klaipeda University – Lithuanian member of European University EU – CONEXUS for Smart Urban Coastal Sustainability.

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1. In most cases, how do you organize the purchasing process of goods/services?

a) You prefer buying goods/services only when there is a need. Promotion doesn't make a major impact on your decision.

b) You prefer buying goods/services only when there is/are sale/special offers.

2. In most cases, where do you prefer to purchase goods/services?

a) You prefer an online store more than a physical one.

b) You prefer a physical store more than an online one.

c) You use only an online store.

d) You use only a physical store.

3. How can you describe your relationship with the brand algorithm?

a) Mostly, you are loyal to the company from the first successful purchase. You do not like to change brands if there is a question of the same category of goods.

b) Mostly, you prefer to change companies to try other brands, even though the purchasing process you have had at the previous brand was successful. You prefer variety and sometimes returning to the brands you liked in the past.

c) Mostly, your purchasing depends on if the good/service you are looking for is having an "attractive" to you price/additional conditions. You do not care about the brand name during the purchasing process.

d) You have never been loyal to a definite brand.

4. What does the term "loyalty to the brand" mean to you? You can choose up to 3 answers.

a) Loyalty is the process when both parts, a company and a client, feel comfortable having relationships/doing business together.

b) Customer becomes loyal to a definite brand because he/she gets high value promotional offers from the company, for instance, real discounts, real special offers, etc. on a regular basis.

c) Loyalty it is not about company's monetary or non-monetary incentives (for instance, rebates, bonuses), it is more about how safe a client feels during the product/service purchasing-receiving process.

d) Loyalty is a "rare commodity" nowadays. You do not believe it is possible to be loyal as there is an oversupply of producers.

e) You have never been loyal to a definite brand.

5. What makes you loyal to a brand? You can choose up to 3 answers.

a) Good customer service.

b) High quality of the goods/services, and responsible price for them.

c) You like the new collections (for instance, style, colors, wide selection of products/services).

d) Easy and clear information on webpage about everything you are interested in about the company and its goods/services (for instance, company's values, components of goods and its origin, etc.).

e) Company's internal and external policies coincide with your values and principles.

f) Permanent special promotional offers (for instance, extra and special discounts, gifts, etc.).

g) Specific loyalty program the company is implementing (for instance, mobile application with a regular extra discount; or points system, that are accumulating and giving a higher discount for every new purchase, etc.).

h) Stability in a personal finance, that allows you to make purchases.

i) You have never been loyal to a definite brand.

6. What can frustrate you in a company's loyalty program? You can choose up to 3 answers.

a) Regular promotion (via e-mail, messages, social media platforms) of special offers or discounts for a limited time.

b) Regular promotion (via e-mail, messages, social media platforms) of special offers or discounts for goods/services You do not need at that moment.

c) Regular presentation (via e-mail, messages, social media platforms) of few new goods/services the company included in a latest/new collection.

d) Insufficient number of special offers.

e) Insufficient amount of discount for new collection/sale products/services.

f) Company stops making special monetary/non-monetary incentives during the season. The only "winter"/"summer" sale stays.

g) Company's loyalty program is complicated ("unreal") and requires making a lot of purchases to become a "privileged customer".

7. If there are brands you were loyal to for a short/long time and have finally left, what influenced you to make that decision? You can choose up to 3 answers.

a) An annoying loyalty program (for instance, regular promotional e-mails, messages) with special offers that were not suitable to you.

b) Shortage of regular promotional e-mails, messages, etc. with special offers that would be suitable to you.

c) Poor customer service politics (for instance, problems with payments and refunds, with delivery and return time, etc.), especially during the sensitive periods, as, for instance, the Covid-19 pandemic.

d) Company has become non-innovative with its products/services.

e) Company's communication/relationships with the clients became poor.

f) Poor selection of the products/services.

g) Deterioration of products'/services' quality.

h) Irrational price for the offered products/services.

i) Company's social and environmental politics did not meet your values.

j) Changes/instabilities in your personal finance.

k) You have never left a brand you are loyal to.

l) You have never been loyal to a definite brand.

8. Is the company you are loyal to making offers that ideally reflects your needs?

a) Yes, definitely.

b) Yes, mostly.

c) Yes, sometimes.

d) No, almost never.

e) No, never.

f) You have never been loyal to a definite brand.

9. Imagine a situation that you are getting a promotional e-mail with the well-discounted/well-priced goods/services from the brand you are loyal to, and you can financially afford it, but you do not really need it/them at that moment. What decision will you make?

a) Most probably, you will order even though there is no need for goods/services at that moment.

b) Most probably, you won't order goods/services you don't need at that moment.

c) Your decision will depend on the type/price of goods/services, or (and) on your financial stability at the purchasing moment/after it.

d) Definitely, you won't take any actions regarding this offer.

10. How many, in very broad average numbers, promotional e-mails/messages you are getting every-day from the brands you are loyal to and (or) have left your personal information to?

a) Up to 5 promotional e-mails/messages per day.

b) Up to 10 promotional e-mails/messages per day.

c) Up to 20 promotional e-mails/messages per day.

d) More than 20 promotional e-mails/messages per day.

e) You do not receive any promotional e-mails/messages per day.

11. How many promotional e-mails/messages averagely you are paying attention to everyday?

a) Up to 30% of all promotional e-mails/messages per day.

b) From 31% to 60% of all promotional e-mails/messages per day.

c) From 61% to 100% of all promotional e-mails/messages per day.

d) Usually, you are deleting all promotional e-mails/messages without paying attention to the content.

e) Usually, you are trying to block promotional e-mails/messages if you receive them without a request.

f) You do not receive any promotional e-mails/messages per day.

12. Do you unsubscribe promotional e-mails/messages? If so, why?

a) Because promotional e-mails/messages are becoming annoying from a definite company.

b) Because there is a surplus of promotional e-mails/messages from all companies you are loyal to.

c) Because you have subscribed for the newsletter to get a discount for the first order, and after there was no need for promotional e-mails/messages from that company.

d) You don't unsubscribe promotional e-mails/messages.

13. What would you refer? Please, choose between these options:

(1) to have a constant, but relatively low, loyal customer special discount (for example, 10% for all orders all the time), but lower discounts during the sale period, and no special promotions for goods/ services, etc., or

(2) don't have a special constant loyal customer discount (for example, 10% for all orders all the time), but to have higher discounts during the sale period and regular special promotions for a definitive type of products/services (for instance, only this week 20% to all women/or men /or children goods).

a) You will prefer (1) situation.

b) You will prefer (2) situation.

c) Your preference will depend on the type of product/service and, respectively, the sector the brand operates in.

d) None of the mentioned above.

14. What is your gender?

a) Female

b) Male

c) You don't want to mark.

15. How old are you?

a)   You are up to 25 years old.

b)   You are 26-45 years old.

c)   You are 46-65 years old.

d)   You are over 65 years old.

e)   You do not want to mark.

16. What do you do? You can choose more than one option.

a)   You are a pupil.

b)   You are a student.

c)   You are an employee.

d)   You are an employer (i.e., a business owner or a self-employed).

e)   You are permanently not working.

f)   You are temporarily not working.

g)   You do not want to mark.

17. Which country you are from?

a)   Lithuania

b)   Greece

c)   Croatia

d)   France

e)   Spain

f)   Romania

g)   Other: _____

18. Thank you for your opinion and time! If you are interested to get final survey results, please, leave your e-mail address below:

_____