

# How kids and Young Teens have raised the stakes for brand loyalty

A guide to entering the loyalty lifecycle and staying there



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AWESOME**

# Your essential guide to increasing the lifetime value of your customers

Empowered by technology and digital media, kids (under 13) and Young Teens (13 to 16) have become the most critical entry-point for brands seeking to establish long-term brand loyalty. Loyalty is formed by ages 16-18. These relationships are likely to hold into adulthood, when nostalgia becomes an important driver.

In all age groups, brand loyalty develops over time. Retention is more valuable than acquisition, and the more connection points you create, the longer those loyalties will endure. Brands can deepen and accelerate this loyalty by creating multiple touchpoints for consumers, from digital advertising, to social media, to in-store displays. But marketing, no matter how it's considered, is not a substitute for time. Later-life brand loyalty acquisition has high friction, and the interim opportunity cost is significant.

## **Understanding the emotional drivers of loyalty in under-16s is the key to increasing the lifetime value of your customers.**

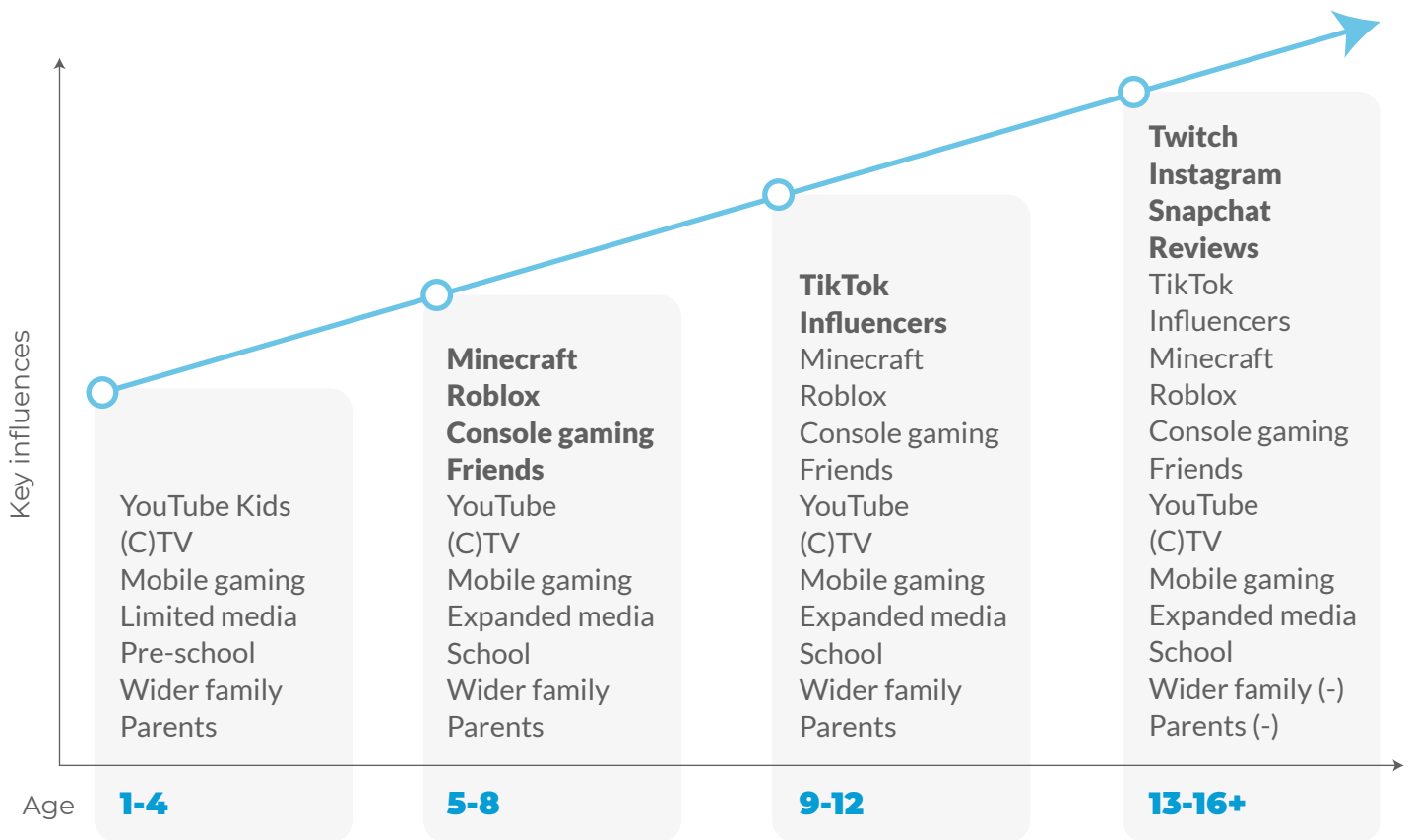
From establishing a baseline familiarity with 7-12 year olds, to securing a spot in the consideration set for Young Teens – a life stage at which both acquisition and shedding is high – loyalty takes time to develop. **Entering the loyalty lifecycle at the right point, with the right messaging, is essential to the success of your brand.**

### **Methodology**

This study is based on an online survey with a nationally representative sample of n=1800 7-40 year olds in both the US and UK, 15 friendship pair interviews in the US, and 10 friendship pair interviews in the UK. The survey was conducted by Illuminas on behalf of SuperAwesome.

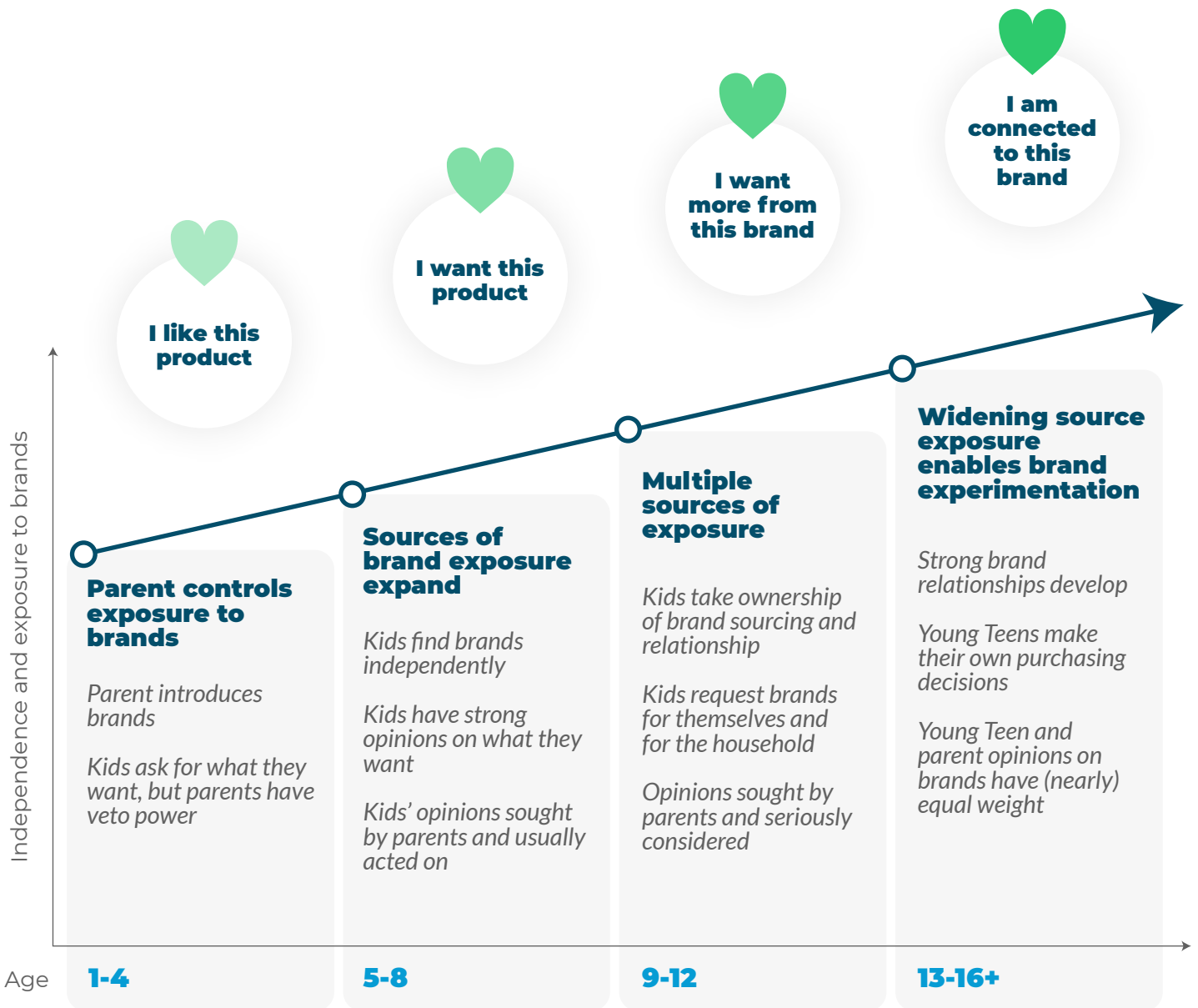
# The lifecycle of brand loyalty for kids and Young Teens

# As kids age, their key influences change and widen



Source: 'How kids and Young Teens have raised the stakes for brand loyalty' research by SuperAwesome

# As their exposure to brands grows over time, brand relationships become deeper



Source: 'How kids and Young Teens have raised the stakes for brand loyalty' research by SuperAwesome

# The drivers of loyalty shift as the brand relationship deepens

Brands can't cheat the loyalty lifecycle and must meet each action and emotional driver in order to reach the ultimate loyalty outcome. It's important to note that for many young consumers, Steps One and Two happen before they reach the intended target demographic of the brand. Encouraging excitement as early as possible is therefore pivotal.



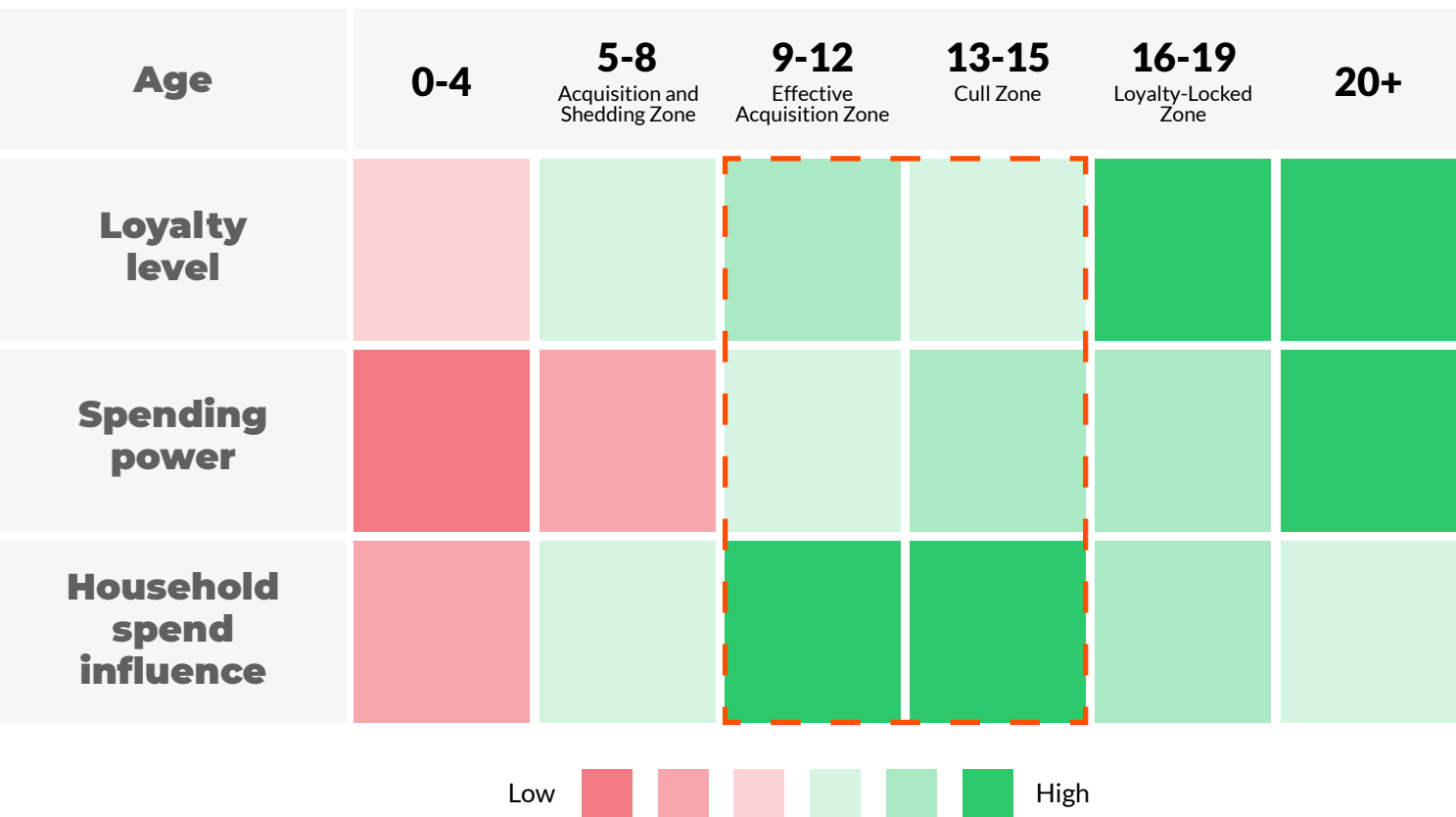
Source: 'How kids and Young Teens have raised the stakes for brand loyalty' research by SuperAwesome



# The opportunity cost of late entry to the loyalty lifecycle is significant

After kids turn 16, loyalties lock. If you haven't reached your audience while they are still shedding and acquiring brands of interest, you will be too late to enter their consideration set. Add to this the cost of acquisition and the all-important household influence, and the impact of late entry to the loyalty lifecycle becomes apparent.

## Reaching consumers before their loyalties lock is essential



Source: 'How kids and Young Teens have raised the stakes for brand loyalty' research by SuperAwesome

1.

# Exploring the key drivers of loyalty for kids



# A lifetime of loyalty starts with one interaction. Are you making a good first impression?

As a child ages, their primary influences change: from parents, to friends, to social media, and finally through to independently-sought reviews and advice. At all stages in this journey of influence, they are either directly or indirectly interacting with brands.

Brands that are non-endemic to the kids' market often neglect to spend time connecting with younger demographics – but this is a mistake. Not only are kids highly influential over household spend in all major verticals, their degree of digital connection means that they are likely to peripherally interact with your brand much earlier than you intend.

Brand perceptions linger, and brand recognition starts young. By 3-4 years old, children recognize that a brand may communicate something about themselves to others. A brand that is considered boring by a child is likely to keep that negative perception, significantly affecting the child's brand loyalties later in life.

## The emotional drivers of youth loyalty and how your brand can build early affinity

Loyalty driver

What action should I take?



**Excitement**

**Get their attention**

Be fun, entertaining, and playful.



**Reassurance**

**Be accessible**

Tap into shared family experiences.



**Uniqueness**

**Be on trend**

Stand out from the crowd.



**Connection**

**Speak directly to them**

Use their language so they feel heard.

Source: 'How kids and Young Teens have raised the stakes for brand loyalty' research by SuperAwesome

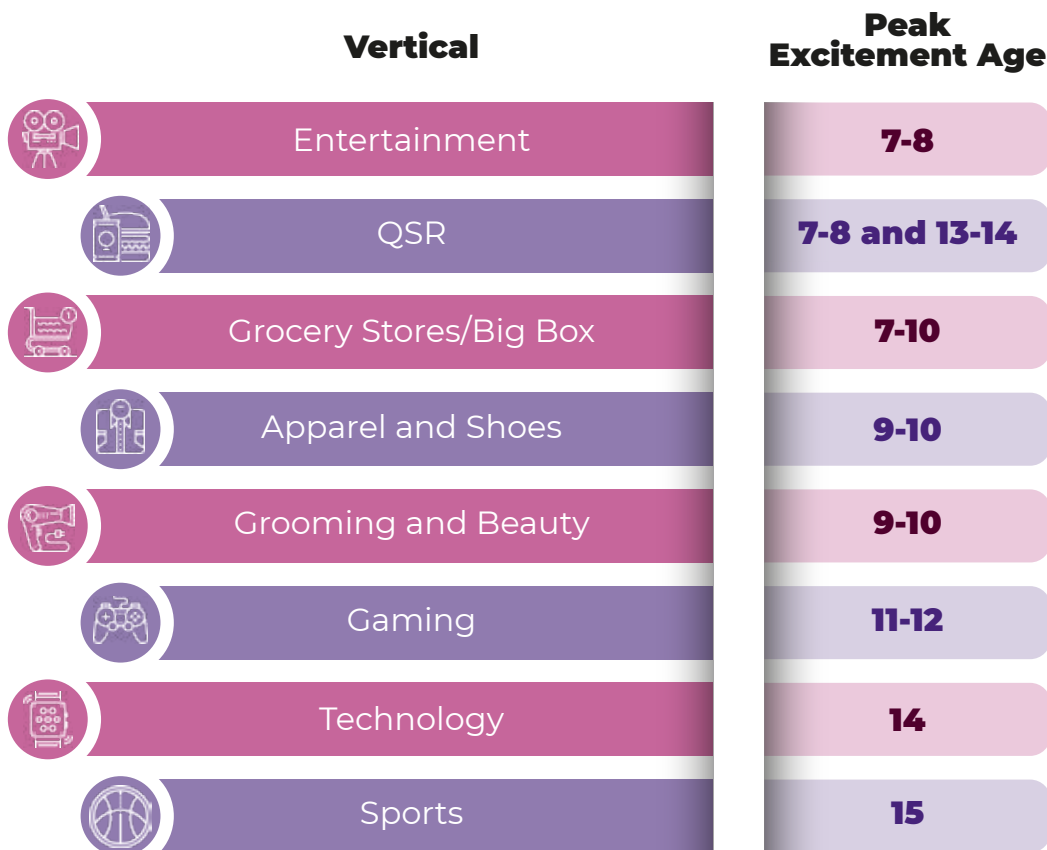
# For both kids and Young Teens, excitement is the most important driver for lifetime loyalty

Brands must ensure that they are reaching kids at the age they find the category most exciting, or they lose their chance to enter the loyalty lifecycle.

Both 7-12 year olds and 13-15 year olds say that brands being exciting is the most important value to them. By the time they turn 16, this drops to the fourth-most important category.

Importantly for brands, the verticals that are most talked about by 7-12 year olds remain the most talked about during their Young Teen phase. Conversely, brands that are perceived as boring get dropped by Young Teens. Excitement is the primary emotional driver for all categories except QSR and Groceries, in addition to Grooming and Beauty, where reassurance takes precedence.

In order to keep Young Teens from dropping your brand, it is essential to maintain excitement as its loyalty driver. This keeps you on the radar for Young Teens and ensures that you survive the cull phase to remain in the consideration set.



Source: 'How kids and Young Teens have raised the stakes for brand loyalty' research by SuperAwesome

# Loyalty is cyclical. Multi-platform touchpoints with kids will ensure your brand stays in the loop

In all age groups, loyalty relies on sustained interaction. A connection with a brand can be superseded by a competitor if they are more impactfully and more regularly connecting with a consumer. There are many different ways that a consumer can interact with your brand, and some have longer-lasting effects than others.

The brand touchpoints that most influence later behaviors in kids are social content, conversations with friends, and tangible, real-life interactions with the brand or product. If a child undertakes one or more of these actions, there is a direct correlation with the formation of later loyalty.

The strategic impact of this on the behavior of brands is significant, as it represents a shift in the scope of the target consumer. Put simply: if you fail to consider the way your brand is received and responded to by kids, you directly impact their brand choices and behaviors in later life. Brands that are thinking long-term will win important loyalties.

## Types of brand interactions experienced by kids

High Loyalty Driver

Read social media content from a brand ★

Been to a shop that sells this/experienced it in person ★

Talked with friends about a brand ★

Bought something from a brand

Noticed mobile ads for a brand

Saw a TV advert for a brand

Noticed online advertising

Talked to other family members about a brand

Talked to my parents about a brand



**I've probably been a Disney fan since I was really young, just because I feel it's good for all ages not just for young kids, because they have Star Wars and other things that Disney did."**

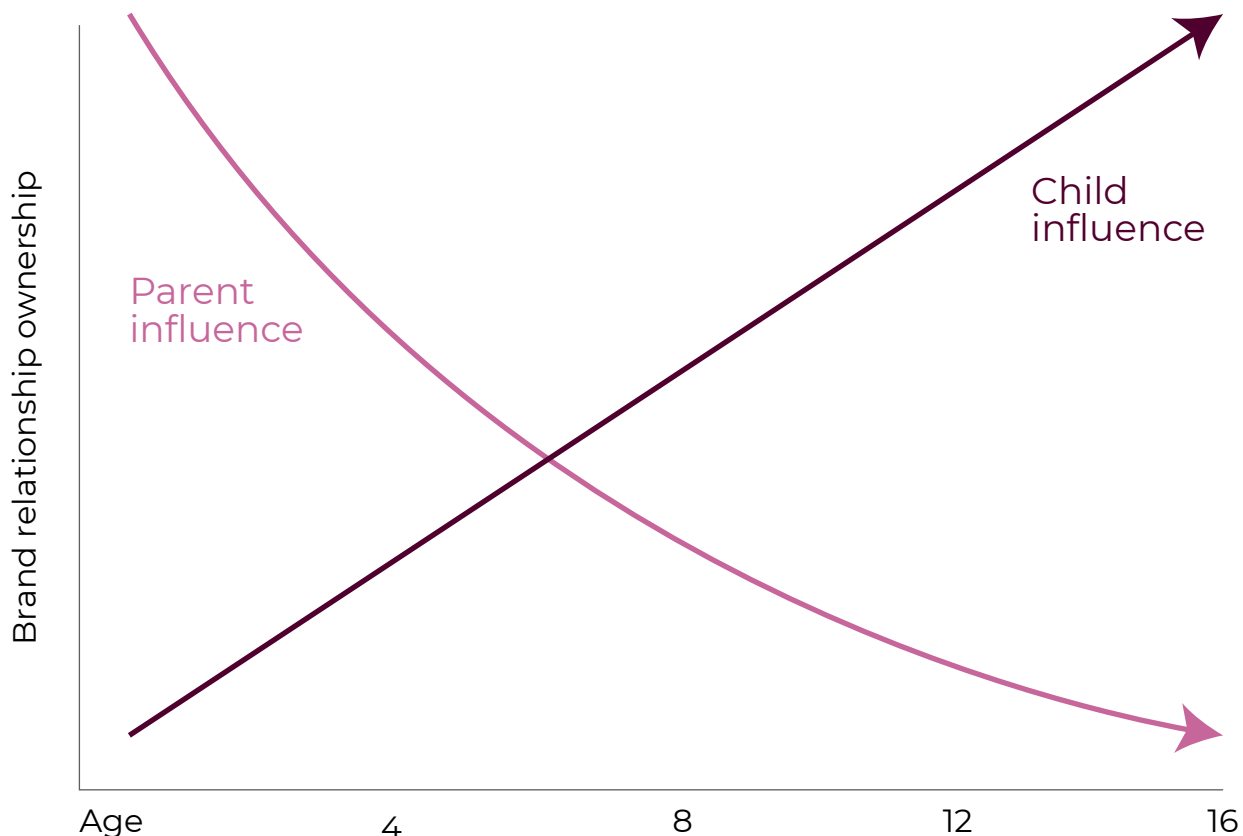
Girl, UK, Age 11

# Moving from like to want: connecting with kids relies on understanding their influences

Across all categories, the most important overarching qualities that people ask for are reasonable prices, entertainment, reliability, and high quality. Once you've caught their interest, consumers of all ages need to be reassured that your product and brand meets these requirements. Only then can interest in a product convert into ongoing commitment to a brand.

The decisions made by kids are highly influenced by their parents and friends, but as young as 5 years old, kids begin to discover brands themselves and make direct requests of their parents. As parents' influence diminishes, children's decision-making scope grows, and other influences enter in the form of friends, school, media, and more.

## As youth household influence increases with age, parents' household influence declines



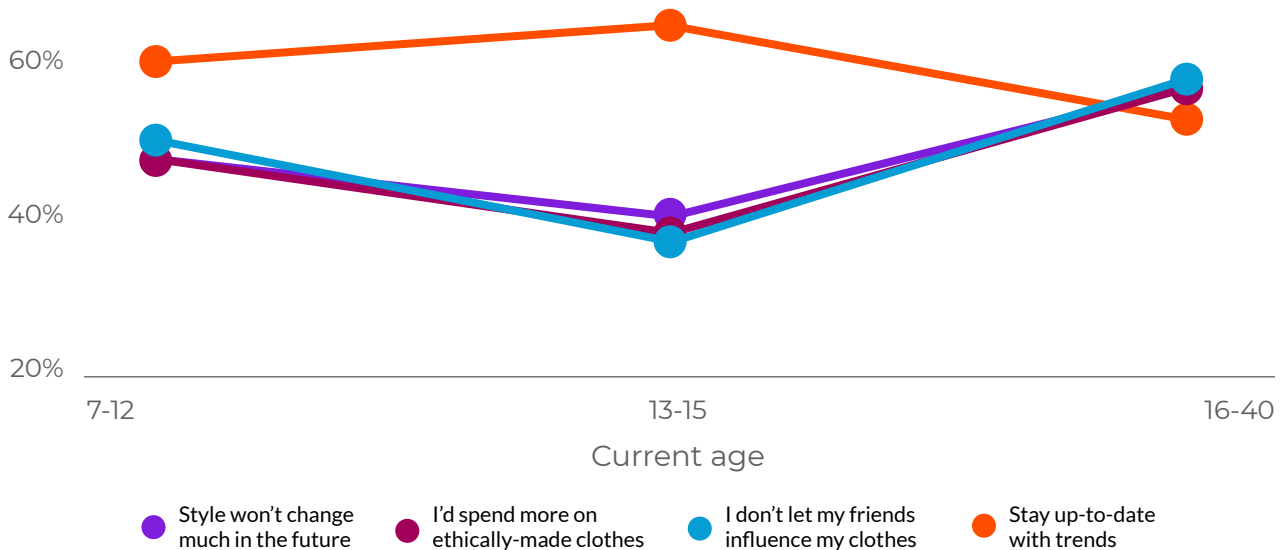
Source: 'How kids and Young Teens have raised the stakes for brand loyalty' research by SuperAwesome

# Within the apparel vertical, ownership of the brand relationship starts as young as 8 years old

Clothing brands have to work hard and early to be part of the first acquisition phase and survive the Young Teen Cull Zone, the period during which 13-16s shed and acquire brands at pace. While there is an expectation and acknowledgement among Young Teens that their style will change as they get older, 80% of this cohort expect to keep some brands while adding new ones. This puts the onus on brands to ensure that they are not replaced by new favorites.

Young Teens have different motivations from the cohorts above and below, and they must be spoken to directly. They are highly influenced by their peers and less motivated by ethical considerations. This means ensuring that conversations with kids and Young Teens are parallel-pathed with conversations with their parents.

## When it comes to clothing, how much do you agree or disagree with these statements?



Source: 'How kids and Young Teens have raised the stakes for brand loyalty' research by SuperAwesome

**I think when I'm older, I'll probably go to Victoria's Secret vs. Pink because there is more mature stuff there. I feel like Pink is more for my age group than Victoria's Secret."**

Girl, US, Age 14

**2.**

**How brands  
should engage  
Young Teens  
through the  
loyalty  
transition  
period**



# Young Teens know who you are. But why should they connect with you?

Connecting with Young Teens means meeting them as kids. Once you've caught their attention and reassured them that your product is both valuable and interesting, you need to turn that knowledge into a genuine connection.

Connection with Young Teens relies heavily on meeting their expectations of you. These expectations have shifted significantly in the last ten years. Brands are expected to have both equity and a conscience; it is essential that they have a social presence and that their trustworthiness isn't performative. Young Teens expect authenticity from the brands they engage with.

Consider Nike as an example of a brand benefiting from connection. The reliable quality of their products is expected; they have won the loyalty of younger consumers through relevant and interesting campaigns that meet expectations of social awareness.

## The emotional drivers of youth loyalty and how your brand can build early affinity

Loyalty driver

What action should I take?



**Excitement**

### Stay interesting

Keep up with the consumer as they grow up, and find ways to be talked about.



**Reassurance**

### Bring comfort

Make your brand mission and ethos clear. Show them you can be trusted.



**Uniqueness**

### Be relevant

Integrate with trends to prove that you are a brand for both now and the future.



**Connection**

### Meet expectations

Allow your audience to ask questions, and follow through with answers.

Source: 'How kids and Young Teens have raised the stakes for brand loyalty' research by SuperAwesome



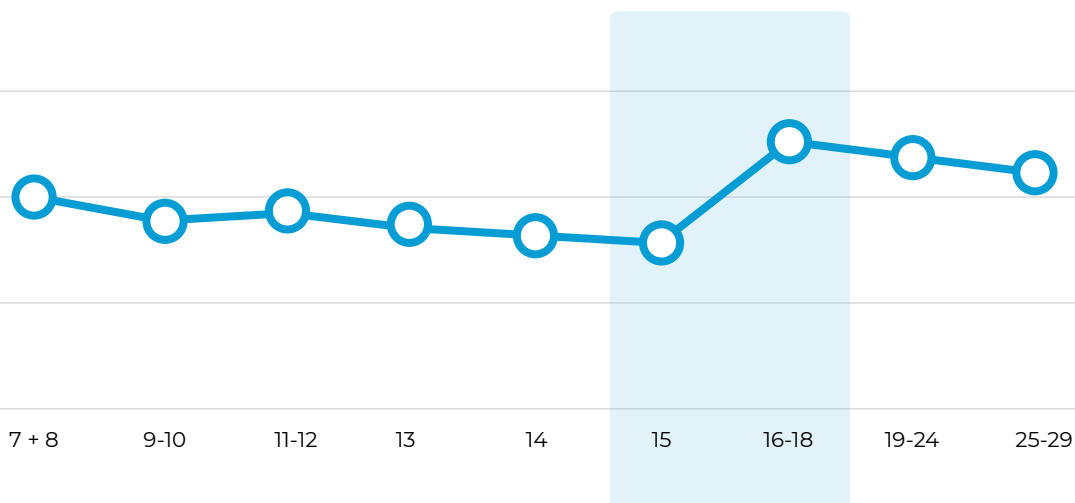
# You have Young Teens' attention. Now build a connection

Across all verticals, a marked uptick in self-affirmed loyalty occurs between the ages of 16-24. In order to be present when these decisions are made, your brand must have made a connection with Young Teens.

Young Teens are tribal. They care about displaying and emulating the influences throughout their life. It's important to distinguish this from the traditional motivations of popularity or trendiness; there are many distinct groups within the Young Teen cohort, and identifying them within their tribes is an important means to forming those connections. In fact, being viewed as overtly trendy can negatively impact loyalty, as the assumption is that the brand is linked to a phase and won't be interesting or relevant across a lifetime.

The best indicator of burgeoning loyalty in a Young Teen is their willingness to display a connection to your brand, whether that be through social media or visible branding. Young Teens are highly influenced by each other, so it's essential that you make it easy for them to advertise their connection.

## Brand loyalty is locked in at age 16+. Building early affinity is critical for surviving the Young Teen cull



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# A period of transition: how to survive the Young Teen cull

Young Teens are researchers and decision makers. They are authoritative both within the household and within their own communities. A brand that survives this period is one they will connect with for life.

During these few years, Young Teens are shedding and acquiring brands in equal measure. Ensuring that your brand doesn't get shed during this transition period means invoking their loyalty drivers across a selection of key touchpoints.

Essential to this is your presence in conversation and online. Young Teens are highly influenced by the behaviors of their peer group, and they research and make their own decisions based on what they read online. Be mindful of balancing digital interaction with real-life presence; both are important to remaining within the Young Teen consideration set.



Exclusivity doesn't motivate Young Teens, but uniqueness does.



If you're not part of the conversation, you're not part of the consideration set.



Young Teens are on social media (so you should be, too).



Interactive, real-life experience is an important cultivator of loyalty.

**3.**

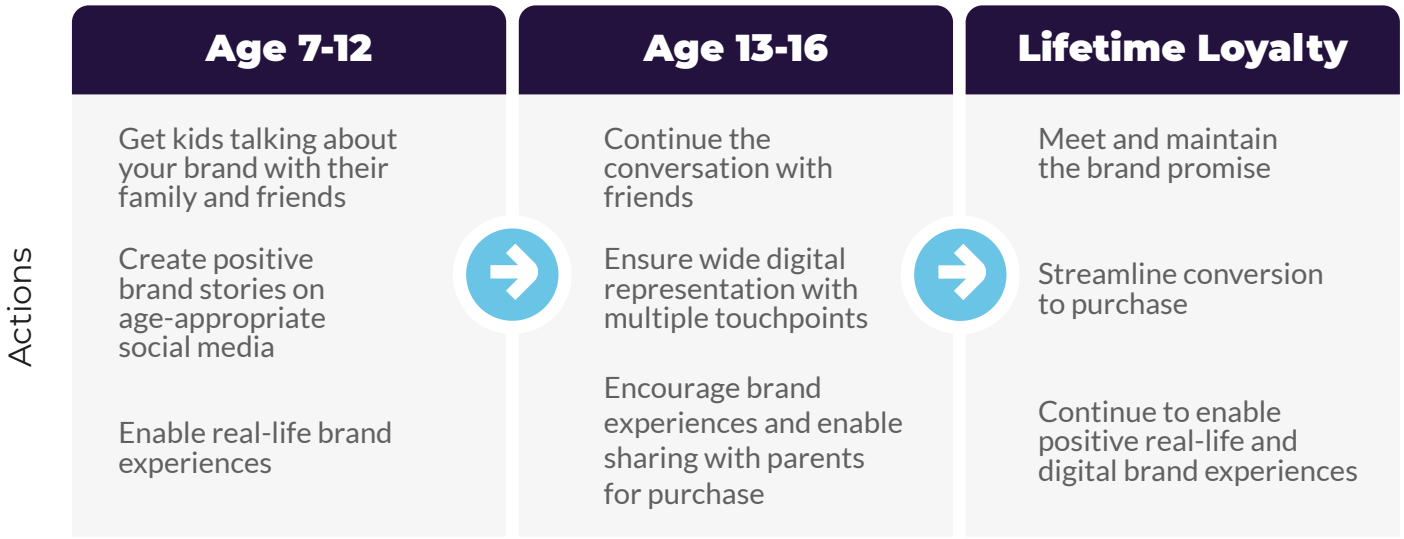
**Maintaining  
the loyalty  
lifecycle**

# Once loyalty is locked, the customer is yours to lose. Don't neglect the essential drivers

Brands that capture audiences young and continue to deliver across the key loyalty drivers of excitement, reassurance, uniqueness, and connection can expect to see the lifetime value of their consumers grow. Once your audience is engaged and truly loyal, it will take significant disruption to thwart their loyalty. It is necessary to revisit each step of connection regularly in order to ensure all elements are being met. Excitement is as essential to loyalty as it is to discovery.

	Emotional driver	Customer questions
STEP 1	<p><b>Excitement</b> Fun/Entertaining/ Interesting</p>	<p>Do I still like this product best?</p>
STEP 2	<p><b>Reassurance (Product)</b> Price/Longevity/ Durability/Reliability</p>	<p>Do I still want this product more than another? Is this product still meeting my needs?</p>
STEP 3	<p><b>Reassurance (Brand)</b> Social Equity/Trust</p>	<p>Do I still trust this brand?</p>
STEP 4	<p><b>Connection</b> Badging/Identity</p>	<p>Am I still connected to this brand? Does this brand still say something about me?</p>
STEP 5	<p><b>Uniqueness</b></p>	<p>Is this brand still uniquely interesting to me?</p>

## Your roadmap to brand loyalty



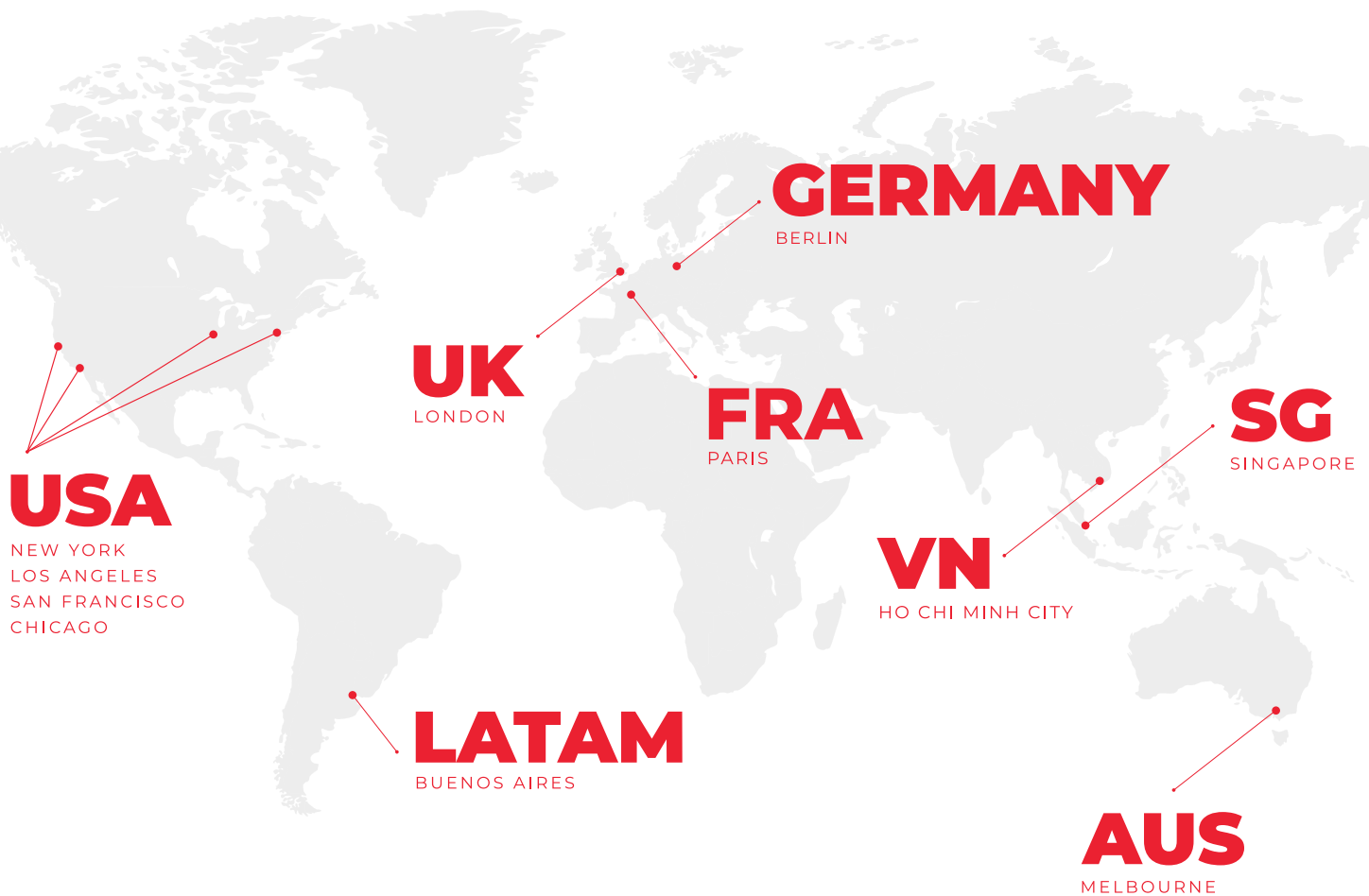
Drivers

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SuperAwesome, part of Epic Games, powers safe digital engagement for kids and Young Teens for hundreds of companies around the world. Every month, our kidtech platform enables over 12.5 billion transactions across thousands of apps and digital services.



## Our tools include:

### **Kid-Safe Advertising**

Contextual advertising across YouTube, OTT, mobile, and desktop.

### **Safe Social**

Kid-safe community engagement and influencer marketing.

### **Parental Consent**

Verifiable parental consent for digital experiences.

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