

Shoppers Have More Faith in Established Brands

They are more willing to take a chance on upstarts for small purchases

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rand trust has a great deal of sway on purchase behavior, especially when shopping for big-ticket items.

According to an October 2018 SurveyMonkey poll, 68% of US internet users said trust in a brand was very influential when making a major purchase.

When asked about the likelihood of buying an established brand or a brand from a startup that were similarly priced, consumers were wary of the unfamiliar brand. But the bigger the purchase, the higher the skepticism; 81% would prefer an established consumer electronics brand, while 64% said the same for shoes.

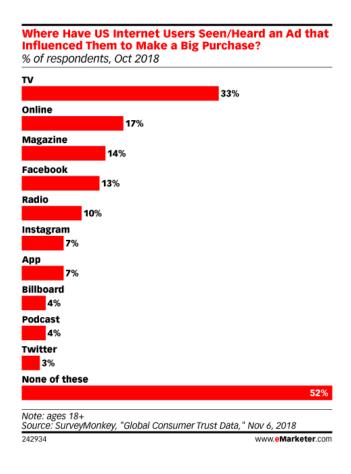
Spinoff brands like Urban Outfitters' Free People or Coca-Cola's Dasani enjoy a halo from their parent brands. Sixty-seven percent said they would trust a new brand from a trusted company as much as the established brand, and 7% said they would trust it more.

Echoing earlier studies, it's the people who you know in real life who are most persuasive. In this study, a trusted friend or family member was the most influential; 65% said they had made a big purchase based on a recommendation from someone close to them. Despite the persistence of celebrity endorsements and influencer campaigns on



social media, few consumers claimed that famous people (7%) and YouTube stars (12%) motivate purchase decisions.

Like many consumers, a majority in this survey (52%) did not think advertising played a role in a major purchase decision. TV was cited as the most influential (33%), while an online ad convinced only half as many buyers (17%).



Facebook and Instagram had lower levels of influence. Coupled with the fact that these consumers didn't fully trust unknown brands, it makes you wonder about the number of upstart brands—many foreign and online-only—advertising on both of those social platforms.

Four times as many millennials, presumably the focus of these social campaigns, said they were influenced by an Instagram ad compared with internet users 35 and older. However, the number of younger internet users moved to buy something they saw advertised on Instagram was relatively low (16%).

