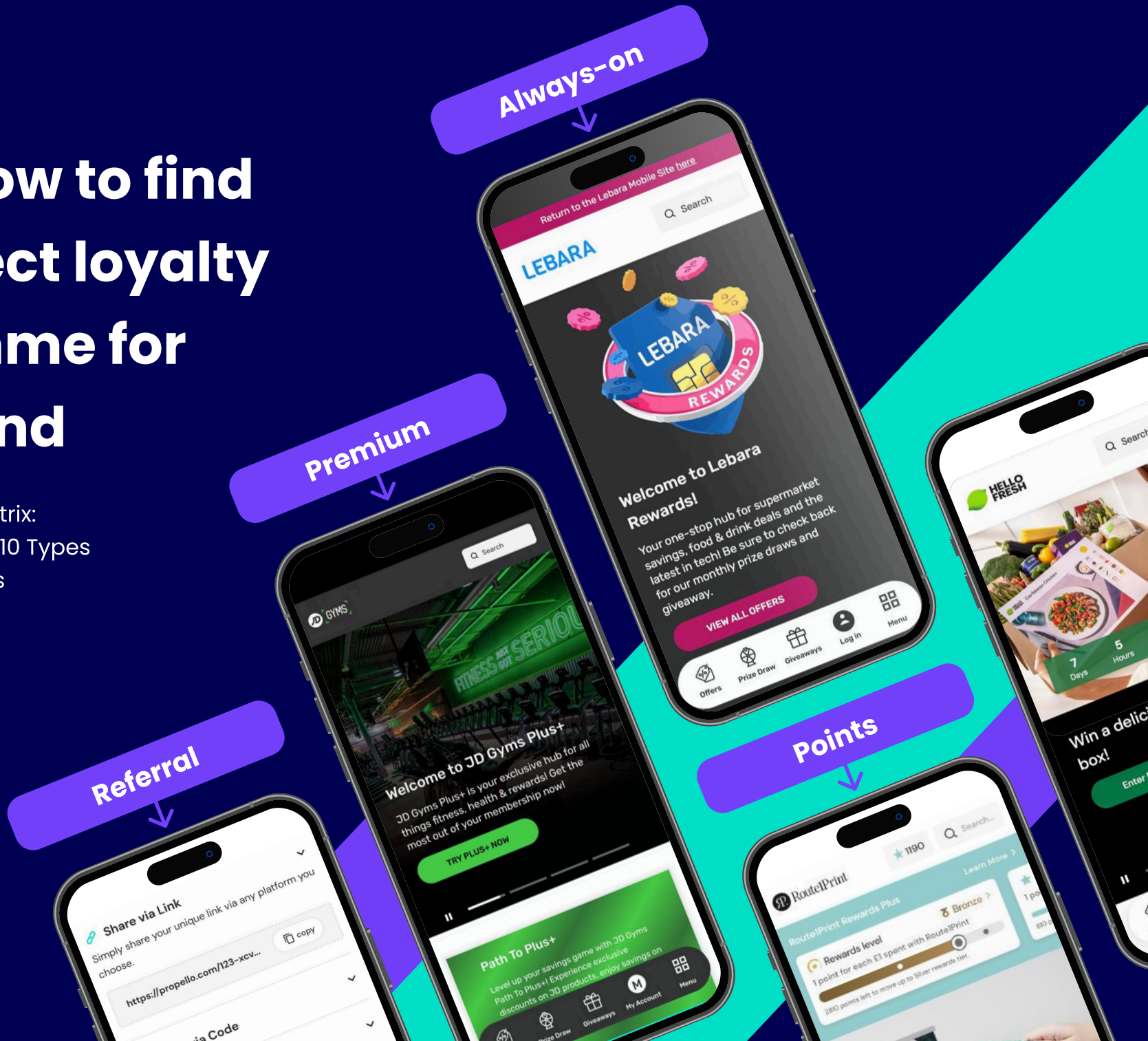
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Here's how to find the perfect loyalty programme for your brand

Comparison Guide Matrix:
Advanced Analysis of 10 Types
of Loyalty Programmes



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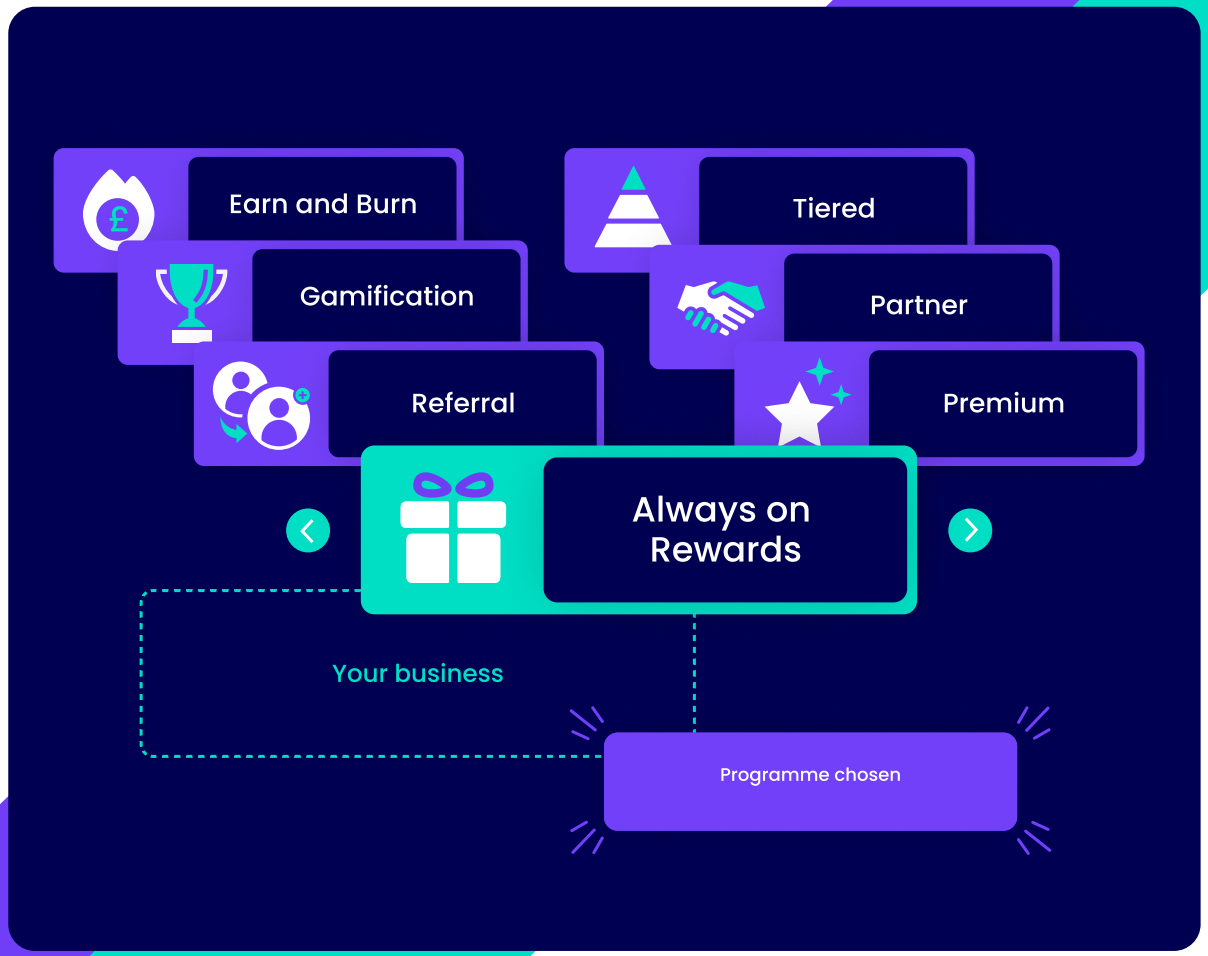
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Executive Summary



Mark Camp

Founder & CEO
Propello Cloud

As customer loyalty programmes evolve beyond points-based loyalty programmes, businesses face the very real conundrum of choosing the right approach when it comes to customer loyalty. With ten distinct programme types now available on the market, each offering unique benefits and implementation requirements, the decision-making process has become more challenging. Yet, the stakes are higher than ever for businesses paralysed by choice. They could lose out on emotionally engaged customers, responsible for approximately 60% more annual spend with their preferred brands.

Strategic Impact

The right loyalty programme will drive hugely beneficial business outcomes, such as:

- Increased customer lifetime value through deeper engagement.
- Significant reduction in customer acquisition costs.
- Enhanced brand advocacy generating quality leads.
- Strengthened market position through customer retention.

Programme Types: Core Value Propositions

Always On: Instant rewards driving immediate and continuous engagement.

Partnership: Strategic brand alliances creating unique value ecosystems.

Referral: Leveraging satisfied customers as powerful brand advocates.

Gamified: Interactive experiences transforming routine interactions.

Tiered: Status-driven benefits motivating increased customer spend.

Earn & Burn: Straightforward points-based rewards encouraging repeat purchases.

Premium: Subscription-based exclusivity developing emotional relationships.

Hybrid: Multi-mechanism engagement maximising programme flexibility.

Value-Based: Purpose-driven rewards building authentic connections.

Omnichannel: Seamless experiences unifying all customer touchpoints.

Strategic Selection Framework

Critical factors for programme selection:

- Business Model Compatibility.
- Resource & Infrastructure Requirements.
- Implementation Complexity & Timeline.
- Target Demographics Alignment.
- Technology Integration Needs.

For detailed analysis comparing all programmes across sectors, demographics, and implementation requirements, see our comprehensive matrix on page **24 to 29**.

This guide provides in-depth examination of each programme type, supported by real-world applications, implementation insights, and success metrics to inform your loyalty strategy decision.

Always on Loyalty Programme

What do Always On Loyalty Programmes do?

Always On Loyalty Programmes (also known as Instant Rewards Programmes) give customers immediate access to a rewards platform the moment they become a customer. Once signed up, customers can access and redeem rewards anytime while they remain active with the brand. For example, HelloFresh members gain immediate access to complementary rewards and savings the moment they join, which they can use whenever they choose.

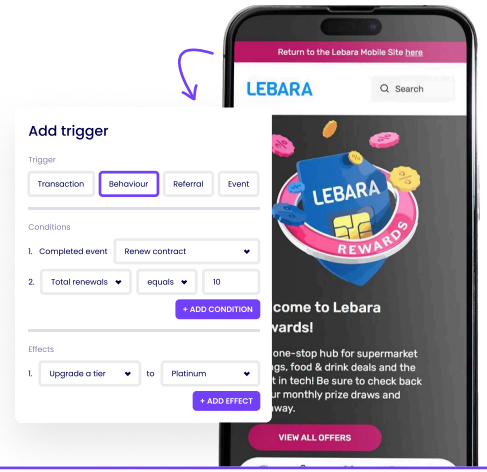
What does that do for customers?

Offsets their subscription costs by providing instant access to complementary savings and rewards. Through carefully selected partner brands, customers can access valuable discounts on products and services they already use or plan to buy. Customers can start saving money right away, making their membership or subscription more cost-effective from day one.

61% of customers expect to be rewarded simply for being a customer.[2]

How does that benefit businesses?

An Always On Loyalty Programme is a powerful retention tool, especially for subscription-based and recurring revenue models. Instant value through partner rewards turns the dial down on churn and incentivises contract renewals and membership upgrades. The programme also paves the way for upsells and cross-sells, driving increased revenue without directly linking rewards to customer spend. This helps win back lapsed customers through consistent engagement whilst enhancing overall customer lifetime value (CLV).



Always-on loyalty programmes use triggers to offer conditional rewards, which motivate customer actions, such as renewals, upsells or cross-sells.

Sector

Always on Loyalty Programmes work well for brands in all sectors, especially if they're operating a subscription or membership model. It's a great way to incentivise subscription renewals and cross-sell other services.

Demographic

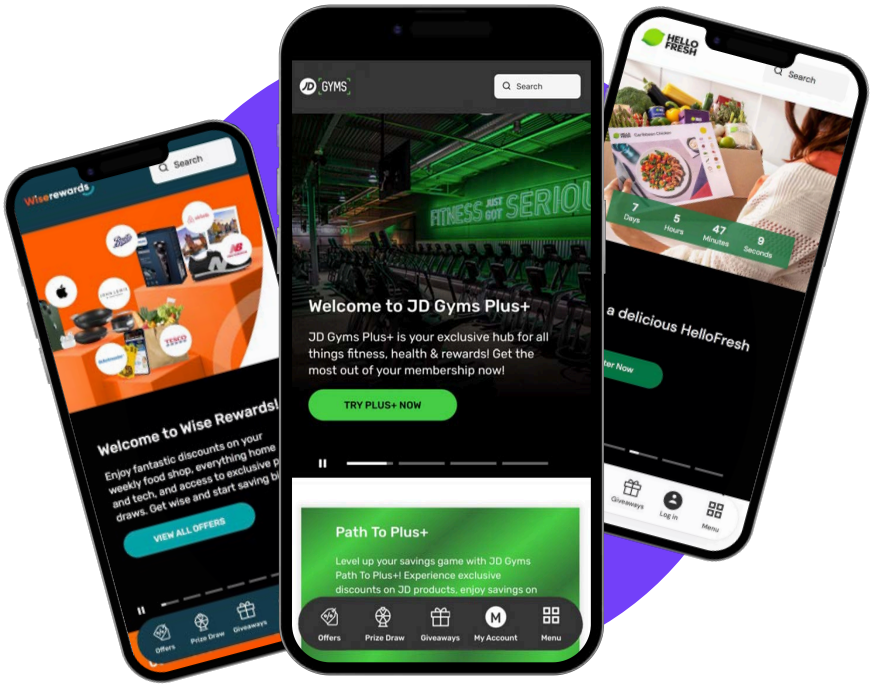
From our experience working with clients who've chosen this type of programme, we found it works well with all demographics. However, we urge you to revisit demographics if you decide to combine Always On with other loyalty programme types.

2 Team, Editorial. 2019. "8 Eye-Opening Stats about Why Customer Rewards Programs Are Crucial to the Bottom Line - Clover Blog." Clover Blog. July 25, 2019.

Always on Loyalty Programme

Does an Always On Loyalty Programme Align with Your Business Goals?

- Are you looking for a scalable solution that rewards growing audiences without impacting your margins?
- Do you want to engage customers with instant value from the moment they join your brand?
- Is increasing customer lifetime value through subscription and contract renewals and strategic upsells and cross-sells a priority for your business?
- Do you need a flexible programme that serves your acquisition, retention, and engagement goals?



Challenges of implementing an Always On Loyalty Programme

Challenge 1

Curating and maintaining a partner network that consistently delivers relevant rewards to your specific audience.

Challenge 2

Managing technical infrastructure to deliver a seamless, secure experience as your customer base grows.

Challenge 3

Identifying critical customer touchpoints to deliver the right rewards at the right time.

Challenge 4

Developing expertise to effectively scale and manage the programme while maintaining reward relevancy.

Outsourcing to a programme supplier addresses these challenges as they provide the tech and support required for successful customer loyalty.

Loyalty Partnerships

What do Loyalty Partnerships do?

Loyalty partnerships allow brands to team up in coalitions or alliances that boost exposure, credibility and personalisation. For example, when Nike and Spotify collaborated, they created unique workout playlists for runners. This shows how partnerships can enhance core products with complementary services. There's a whole range of different types of partnerships that benefit businesses in different ways.

What does that do for customers?

Partnerships between brands offer unique and exclusive promotions that are hyper-relevant and highly personalised to customers.

71% of consumers like it when partnered brands offer unique products.[3]

How does that benefit businesses?

Value has never been under more scrutiny than today. High-quality products and even rewards that are not deemed unique or relevant to the individual are not enough for modern consumers. Partnership programmes give your customers access to high-quality products from complementary brands. Together, with your partnered brands, you can create truly unique reward offerings and experiences. What's more, your brand gains exposure with your partnered brands' audiences.

Customers want personalised experiences between brands that produce ancillary value...

And it pays off - personalisation has shown a **10-15%** uplift in revenue.[4]

Sector

Partnership loyalty programmes are highly adaptable across sectors, from retail and hospitality to financial services and technology. Success comes from finding natural alignments that enhance customer experience - like pairing travel services with hotel rewards or fitness brands with health food companies.

Demographic

Demographics play a crucial role in partnership success. The alliance must resonate with both brands' customer bases to deliver value. For example, younger audiences might appreciate tech-focused partnerships, while luxury brand partnerships might better serve high-income demographics. If customers feel at odds with rewards from co-partnered brands, they'll see no value in the coalition.

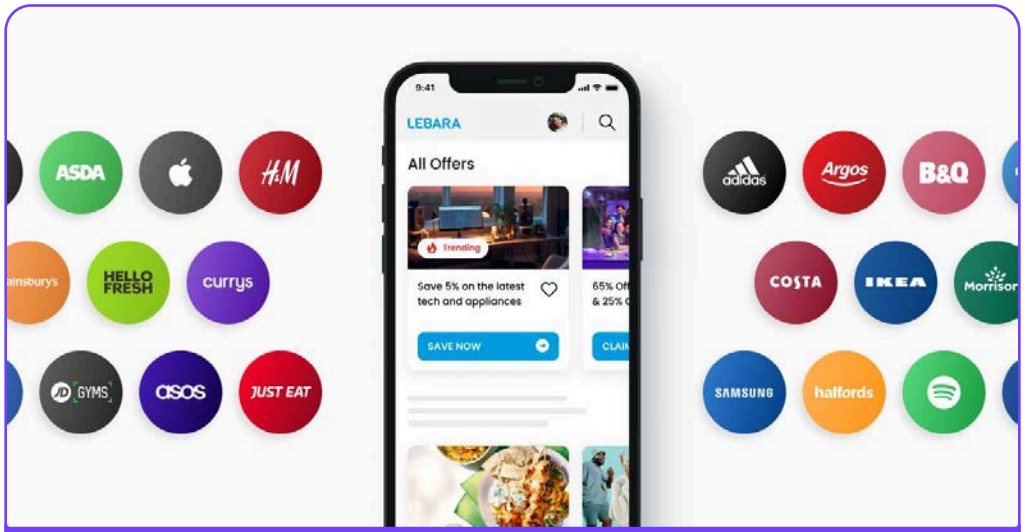
3 Wess, Sydney. 2021. "4 Essentials for Co-Branding Success." Visual Objects. August 24, 2021.

4 McKinsey & Company. 2021. "The Value of Getting Personalization Right--or Wrong--Is Multiplying." McKinsey & Company. November 12, 2021.

Loyalty Partnerships

Does a Loyalty Partnership Align with Your Business Goals?

- Are you looking to enhance your value proposition through strategic brand alignments?
- Do you want to expand your reach by accessing complementary brand audiences?
- Could your customer experience be elevated through carefully selected partner offerings?
- Is building brand credibility through established partnerships a priority for your business?
- Are you looking to add new revenue sources?



Loyalty partnerships allow businesses to monetise their brand partners, example through affiliate revenue share.

Challenges of implementing a Loyalty Partnership

Challenge 1

Partnership success requires expertise in alignment. Mismatched goals or values between partners can lead to failed ventures and damaged brand relationships.

Challenge 2

Managing large-scale customer data and integrations across multiple partners demands robust technical infrastructure and seamless collaboration tools.

Challenge 3

Identifying and securing the right partners takes time and resources. Partners must align on commercial goals while offering genuine value to each other's customers.

Referral Loyalty Programmes

What do Referral Loyalty Programmes do?

Referral programmes reward loyal customers who advocate brands to other people. Brand advocates receive exclusive offers, special discounts and early access to new products. For example, Dropbox offers additional cloud storage space to customers who successfully refer friends, creating a win-win scenario for both parties.

What does that do for customers?

Brand advocates are incentivised to share brands with their friends and family in return for what they perceive as highly valuable rewards. This makes referral loyalty programmes powerful lead magnets, generating qualified leads through trusted recommendations. Prospects trust recommendations from family and friends more than any other form of advertisement, making each referral a highly qualified potential customer.

Nearly **90%** of consumers trust word-of-mouth recommendations more than any other form of advertisement.[5]

How does that benefit businesses?

Referral programmes simultaneously nurture customers towards the ultimate expression of brand loyalty and minimise the cost of acquisition whilst bringing in SQLs. In this instance, it's a triple win!

81% of consumers must feel they can trust a brand before buying from them. With word-of-mouth referrals, advocates do the legwork in building trust.[6]

Sector

Positive reviews are fundamental for any business in every sector. Leveraging word-of-mouth referrals, acquires new customers, rewards loyalty and firmly establishes your brand as trustworthy.

Demographic

Demographics play a huge role in referral programme success. While word-of-mouth recommendations work across all age groups, digital natives (Gen-Z and Millennials) are particularly active in sharing brand experiences and responding to peer recommendations. Studies show younger generations place higher value on authentic brand advocacy from their social networks.

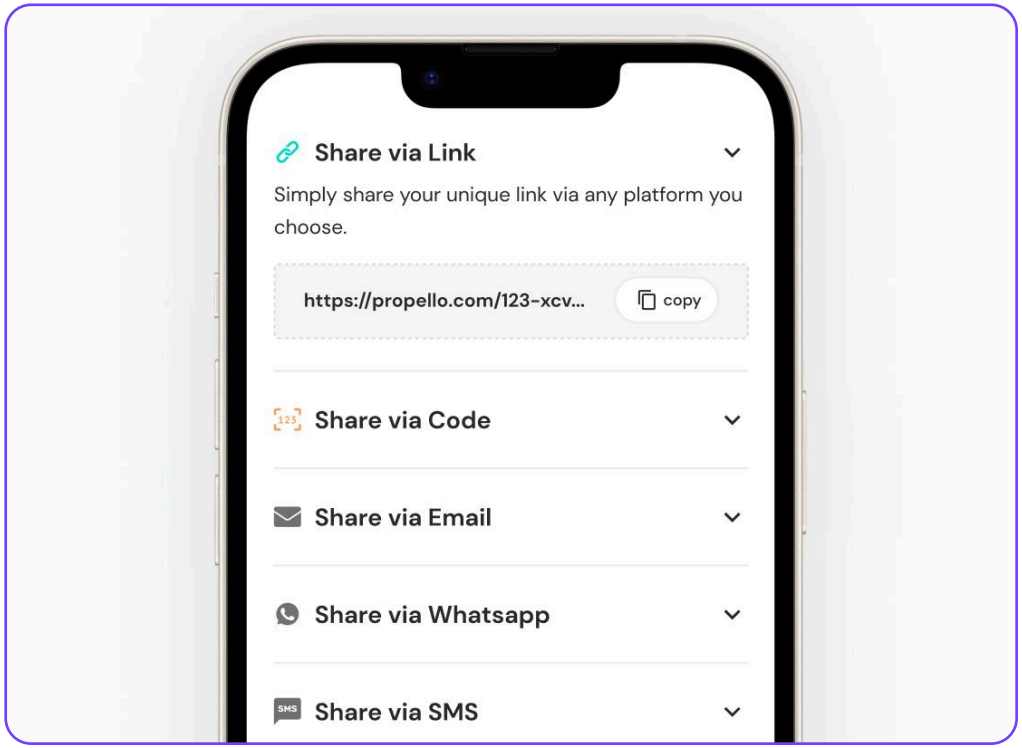
5 "Global Consumer Trust in Advertising by Format | Statista." 2023. Statista. 2023.

6 Howarth, Josh. 2022. "33 New Branding Statistics and Trends for 2022." Exploding Topics. April 13, 2022.

Referral Loyalty Programmes

Does a Referral Loyalty Programme Align with Your Business Goals?

- Do you want an accurate method of identifying and targeting loyal customers to reward them?
- Is leveraging your customer base as an unrivalled acquisition tool a priority for you right now?
- Is building trust and credibility important to your growth at this stage?
- Do you want to improve the security of your brand by verifying advocates and preventing bad referrals?



Challenges of implementing a Referral Loyalty Programme

Challenge 1

Creating a seamless and engaging referral process requires robust platform capabilities to ensure a rewarding experience for both advocates and referrals.

Challenge 2

Identifying optimal referral touchpoints demands sophisticated data analysis to determine when and how to approach customers for advocacy.

Challenge 3

Maintaining effective communication flows is crucial - from promoting the programme to notifying advocates of successful referrals and managing ongoing engagement.

Gamified Loyalty Programmes

What do Gamified Loyalty Programmes do?

Gamified loyalty programmes add interactive elements to your repertoire of engagement-boosting strategies. Modern programmes incorporate trending features like achievement-based progression, social challenges, and real-time leaderboards. These elements bring an element of fun to interactions that customers won't soon forget. Gamification can be incorporated into other programmes such as Always-on, making it a versatile addition to your loyalty strategy.

What does that do for customers?

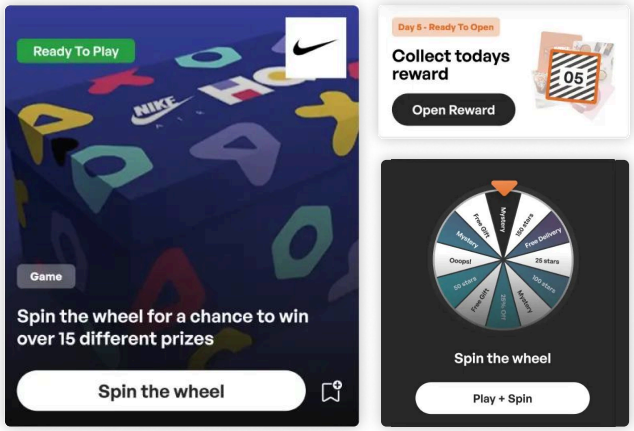
Gamification transcends the usual transactional nature of customer-business relationships, creating memorable experiences that keep customers engaged even when they're not buying. Through mobile-first challenges and social gaming elements, customers earn badges, unlock achievements, and receive instant rewards for actions like leaving reviews, making referrals, or participating in brand communities. Many programmes today feature augmented reality experiences and virtual rewards, adding an extra layer of entertainment to everyday interactions.

Gamification can boost engagement by up to **48%**.[7]

How does that benefit businesses?

Beyond improved engagement, gamification helps brands stand out in crowded markets. Customers are naturally drawn to fun, interactive experiences, making gamified elements powerful tools for increasing brand interaction and loyalty.

Which is why **54%** of consumers are more willing to trial a gamified product or service.[8]



Sector

Gamification's appeal to our natural curiosity and competitiveness makes it effective across sectors. From retail and finance to healthcare and education, brands are incorporating game elements to drive engagement. The approach is particularly powerful in digital environments where interactive experiences can be seamlessly integrated.

Demographic

While gamification appeals to all age groups, Gen Z and younger millennials show particularly strong engagement with interactive loyalty elements. These digital natives expect seamless, engaging experiences and respond well to achievement-based rewards.

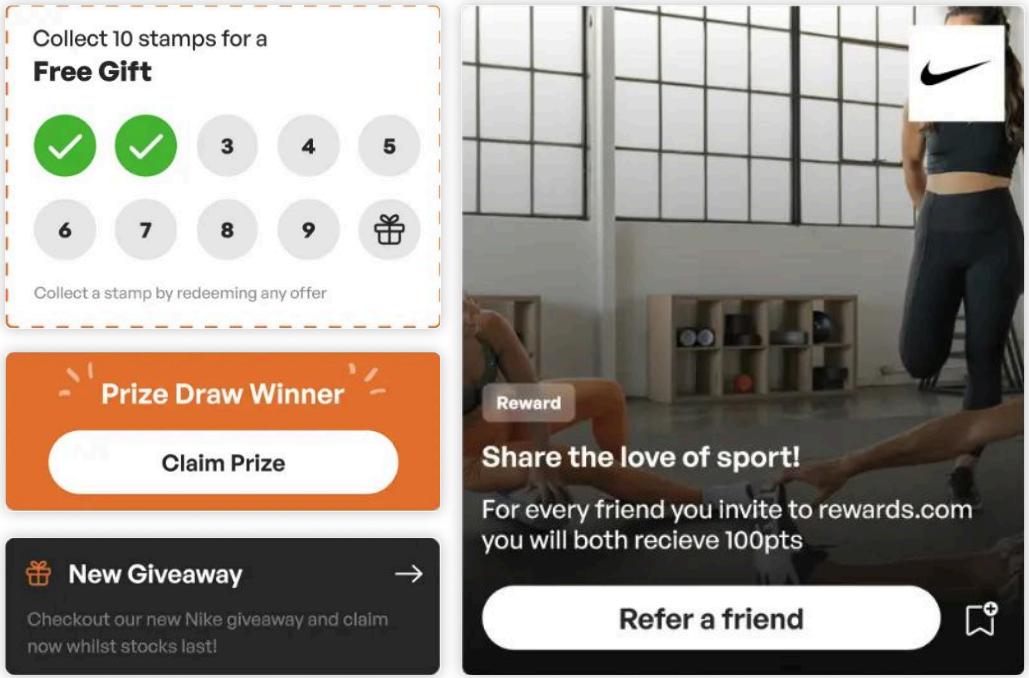
7 Caveney, Laura. 2024. "Gamification Statistics You Need for 2025 - BuildEmpire." BuildEmpire. December 18, 2024.

8 "How to Gamify a Mobile App: Tips and Examples." 2017. Django Stars Blog. February 20, 2017.

Gamified Loyalty Programmes

Does a Gamified Loyalty Programme Align with Your Business Goals?

- Do you want to keep customers engaged with your brand between purchases?
- Are you looking to boost both customer or employee engagement?
- Could your loyalty strategy benefit from interactive elements?
- Is building deeper emotional connections with customers a priority for your brand?



Challenges of implementing a Gamified Loyalty Programme

Challenge 1

Developing engaging gamified elements requires investment in UX design, mobile optimisation, and interactive features to meet modern customer expectations.

Challenge 2

Maintaining relevance of your gamified programme calls for continuous content updates and feature releases that compete with rapidly evolving digital experiences and changing user preferences.

Challenge 3

Technical expertise in both loyalty mechanics and game design is essential for successful implementation. Plus, ongoing resources to manage user data, personalisation, and cross-platform functionality.

Tiered Loyalty Programmes

What do Tiered Loyalty Programmes do?

Tiered loyalty programmes strategically segment customers based on engagement levels, purchase volumes, or total spend. The programme rewards increased loyalty with enhanced benefits, creating distinct tiers that offer progressively more valuable rewards and exclusive experiences.

What does that do for customers?

Immediate and aspirational value. Every tier offers meaningful benefits, while higher tiers provide exclusive, status-based rewards that motivate progression. This dual approach satisfies customers' current needs while appealing to their natural competitive drive to achieve more.

> ...as demonstrated here – **50%** of consumers said they'd alter their spending behaviours to reach higher tiers.[9]

How does that benefit businesses?

A tiered structure that motivates half your customer base to increase their spending naturally creates revenue potential. Moreover, by offering progressively better rewards, you can systematically increase customer lifetime value at each tier.

> On average, existing customers spend **67%** more than new customers. A tiered loyalty programme would compound the ROI of that percentage.[10]

Sector

Tiered loyalty programmes are popular in sectors synonymous with premium service and exclusivity. As showcased by the automotive industry's offers of car accessories. For example BMW and its NFT-led tiered loyalty programme. But they can also be effectively used in other sectors like hospitality, travel, e-commerce, fashion and beauty. Tiered loyalty programmes will work well if you can categorise your products or services into different levels.

Demographic

While all demographics respond to tiered programmes due to natural competitive instincts, 62% of affluent consumers rank quality as their top priority when making purchases. This makes tiered programmes particularly effective in premium markets. However, when designing tier structures, consider your core demographic's purchasing power. For younger audiences, ensure tier thresholds remain attainable to maintain engagement.

9 Saleh, Khalid. 2016. "The Importance of Customer Loyalty Programs – Statistics and Trends." The Invesp Blog: Conversion Rate Optimization Blog. March 30, 2016.

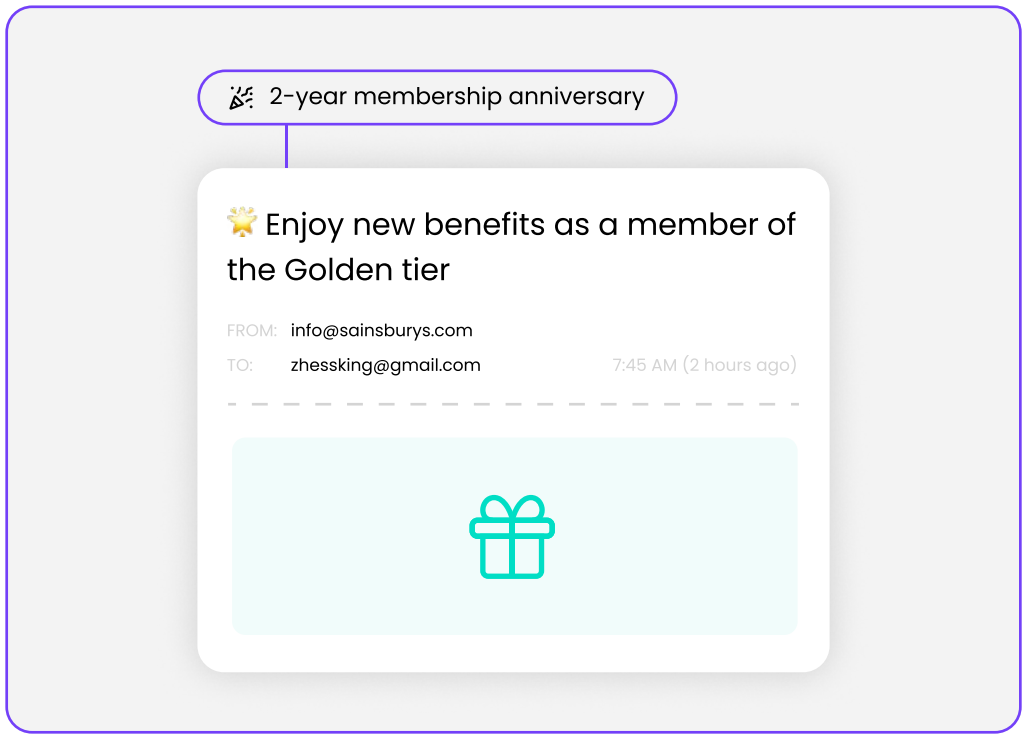
10 "Customer Lifetime Value: What Is It and How to Calculate." n.d. CleverTap.

11 "Price vs Quality: What Matters Most to Consumers?" First Insight. January 26, 2023.

Tiered Loyalty Programmes

Does a Tiered Loyalty Programme Align with Your Business Goals?

- Do you want to keep customers engaged with your brand even between purchases?
- Is delivering premium experiences and status-based rewards a priority for your business?
- Do you want to protect market share by offering your top spenders exclusive benefits?



Challenges of implementing a Tiered Loyalty Programme

Challenge 1

Balancing tier thresholds and rewards requires careful consideration. The perceived value at each tier must justify customer effort and spending while maintaining programme profitability.

Challenge 2

Maintaining consistent engagement between purchases demands sophisticated CRM capabilities to track, analyse, and respond to customer behaviours across tiers.

Challenge 3

Each tier requires carefully curated rewards that align with the customer journey. This demands ongoing analysis of customer feedback and purchase patterns to ensure rewards remain relevant and motivating.

Earn and Burn Loyalty Programmes

What do Earn and Burn Loyalty Programmes do?

Earn and burn loyalty programmes reward customers with points for purchases, which they can redeem for discounts, rewards and special offers. Leading brands like Starbucks Rewards have mastered this approach, creating simple yet engaging point systems that drive repeat visits.

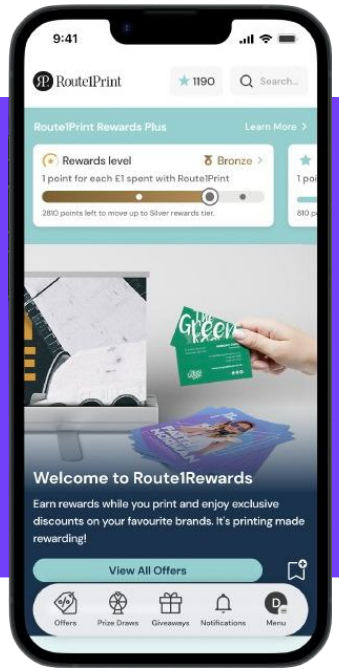
What does that do for customers?

Customers receive clear, tangible value with every transaction, making their purchases more rewarding. This straightforward approach to earning and redeeming points creates an easy-to-understand value exchange that encourages repeat purchasing behaviour.

Global loyalty programme reward redemption rates increased to **49.8%** in 2023, up from **48.6%** in 2022.[12]

How does that benefit businesses?

Increasing the transactional value of existing customers compounds revenue from more reliable sources like loyal customers and lowers your dependency on expensive acquisition strategies. With acquisition costing 5 to 25 times more than retention and a 5% increase in retention growing revenue by 25-95%, the business case for points-based loyalty is clear.[13]



Sector

As the most accessible form of transactional loyalty, a rewards system works particularly well for retail, hospitality, and businesses with frequent purchase cycles. Simplicity makes it ideal for companies just starting their loyalty journey.

Demographic

While earn and burn programmes appeal to all age groups, success lies in keeping the earning mechanism simple and transparent. Modern consumers expect clear value exchange - for example, "Earn 1 point per £1 spent." Complex earning models discourage participation and reduce programme effectiveness.

12 "Loyalty Program Reward Redemption Rate Worldwide 2023." n.d. Statista.

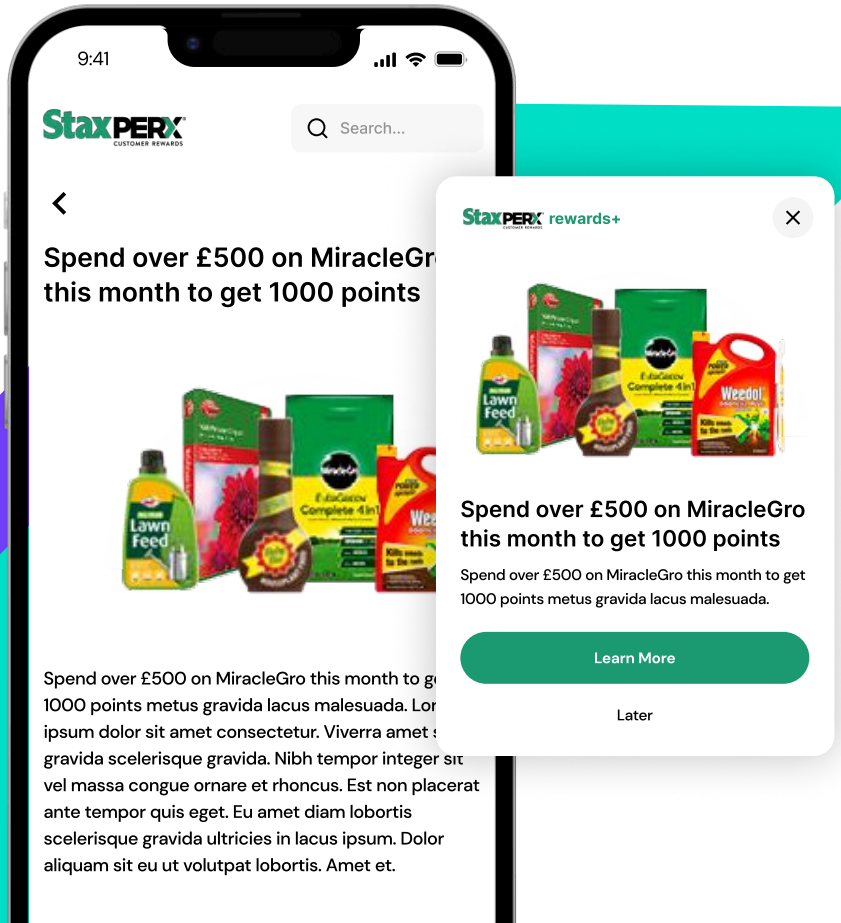
13 Camp, Mark. 2024. "Top 10 Benefits of Customer Retention: Keep Your Customers for Longer." Blog.propellocloud.com. September 19, 2024.

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Earn and Burn Loyalty Programmes

Does an Earn and Burn Loyalty Programme Align with Your Business Goals?

- Are you looking for a straightforward loyalty solution to start building customer relationships?
- Do you need a proven programme that can be implemented quickly?
- Is increasing purchase frequency a key objective for your business?



Challenges of implementing an Earn & Burn Loyalty Programme

Challenge 1

Creating sustained engagement requires platform capabilities beyond basic points tracking.

Challenge 2

Maintaining programme sustainability demands careful balance between reward values and business profitability.

Challenge 3

Poor programme design and complex earning mechanics can lead to customer confusion and reduced participation.

Challenge 4

Standing out in a crowded market requires continuous innovation in rewards and redemption options.

Premium Loyalty Programmes

What do Premium Loyalty Programmes do?

Premium loyalty programmes (also known as paid and VIP) instantly deliver benefits and rewards to subscribed members. Unlike traditional programmes requiring point accumulation, members receive immediate value through exclusive perks, like JD Gyms PLUS+ offering nationwide gym access and partner brand savings.

What does that do for customers?

Premium loyalty members receive exclusive benefits from day one, reflecting their commitment to the brand. Immediate access to enhanced services, birthday rewards, early product access, and member-only perks create distinctly elevated experiences that validate their subscription.

Companies that establish emotional connections with customers outgrow competitors by **85%.**[14]

How does that benefit businesses?

Premium programmes transform regular customers into brand advocates through exclusive experiences. Member anniversaries, early access, exclusive rewards, and product samples create talking points that drive organic referrals.

Customer acquisition cost for referred customers is **$23.12** cheaper.[15]

Sector

While Amazon Prime exemplifies premium loyalty, businesses across e-commerce, retail, and service sectors successfully implement these programmes. Premium models work particularly well when they enhance core services with valuable extras.

Demographic

Premium loyalty programmes show strong appeal across generations, with adoption readiness varying by age group: 87% of Gen-Z, 85% of Millennials, 76% of Gen-X, and 61% of Baby Boomers plan to join when offered.[16] High interest, particularly among younger demographics, reflects growing consumer willingness to pay for immediate, valuable benefits. Gen-Z's strong preference for premium programmes signals a shift in loyalty programme expectations toward instant value delivery.

14 Morgan, Blake. 2019. "50 Stats That Prove the Value of Customer Experience." Forbes, September 24, 2019.

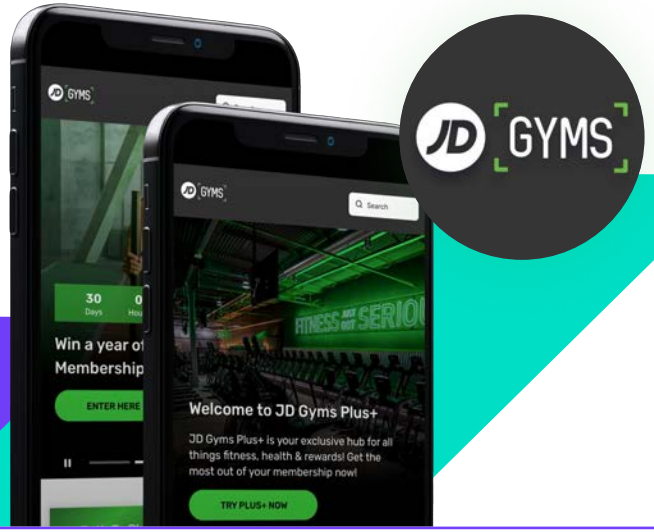
15 "6 Reasons Referrals Is the Most Cost-Effective Acquisition Strategy." 2018. Talkable.com. 2018.

16 Stats here———. 2024b. "10 Types of Loyalty Programs: Which Is Right for Your Brand? [+Guide]." Propellocloud.com. Propello Cloud . November 28, 2024.

Premium Loyalty Programmes

Does a Premium Loyalty Programme Align with Your Business Goals?

- Can you deliver consistent value that justifies a subscription fee?
- Do you want to increase customer lifetime value through premium memberships?
- Is your business ready to provide exclusive, personalised experiences?
- Can you sustainably maintain premium benefits and rewards?



"Using Propello has unlocked huge value for our members, with Premium Plus+ membership subscriptions having reached an all-time"

Challenges of implementing a Subscription-based Loyalty Programme

Challenge 1

Determining optimal subscription benefits requires careful balance. Offering too little diminishes perceived value; too much impacts profitability.

Challenge 2

Businesses might struggle to integrate the right programme with their current CRM. Which is why they need to choose a platform that has high compatibility.

Challenge 3

Premium members expect consistent value delivery. Meeting these expectations requires robust analytics and efficient resource management.

Challenge 4

Membership rates of premium loyalty programmes tend to be lower for newer businesses, unless they promote something with major impact. Advice may be needed from an experienced marketing team.

Hybrid Loyalty Programmes

What do Hybrid Loyalty Programmes do?

Hybrid loyalty programmes combine elements from different programme types to create comprehensive reward experiences. Most commonly merging points-based systems with tiered benefits, these programmes can include any combination to maximise engagement and value.

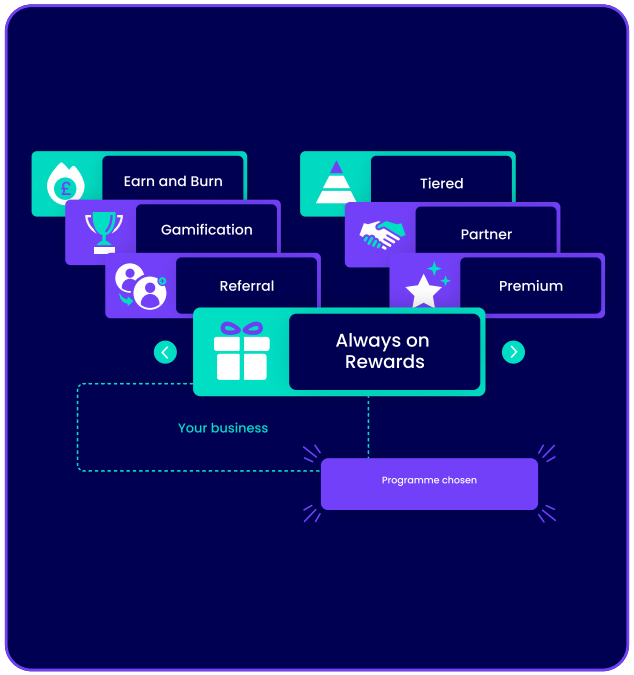
What does that do for customers?

Customers enjoy multiple ways to engage with the brand while maintaining consistent reward redemption. For example, Starbucks Rewards combines points (Stars) with tiers and gamification elements, creating varied paths to earning rewards and driving deeper brand engagement.

Fully engaged customers increase profitability and revenue by **23%.**[17]

How does that benefit businesses?

With fully engaged customers driving 23% more revenue, hybrid programmes create significant opportunities. By appealing to different customer segments simultaneously, they maximise both transactional and emotional loyalty while creating multiple engagement pathways.



Sector

Hybrid programmes excel in industries where customers have diverse preferences, particularly retail, hospitality, and service sectors. Success comes from finding natural alignments between digital and physical experiences.

Demographic

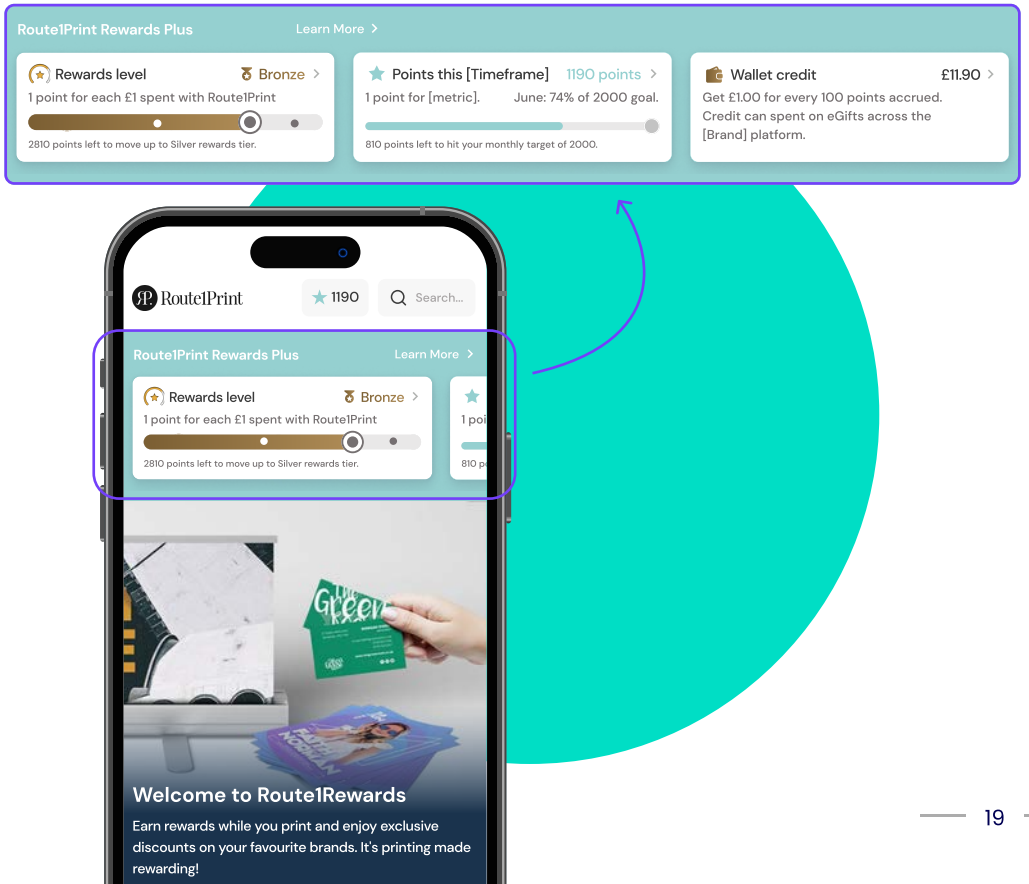
The multi-faceted nature of hybrid programmes offers universal appeal through varied engagement options. Different demographic groups can interact with features that match their preferences, from points collection to experiential benefits.

17 "50+ Customer Engagement Statistics: Facts & Trends for 2023." 2020. Chat Blog. January 30, 2020.

Hybrid Loyalty Programmes

Does a Hybrid Loyalty Programme Align with Your Business Goals?

- Are you ready to combine points-based rewards with tier advancement?
- Do you want to create multiple paths for customer engagement?
- Can your infrastructure support both digital and physical touchpoints?
- Is delivering personalised experiences across channels important to your strategy?



Challenges of implementing a Hybrid Loyalty Programme

Challenge 1

Integration requires seamless handling of both digital elements (mobile-first experiences) and traditional touchpoints (in-store recognition).

Challenge 2

Programme success demands sophisticated data management across multiple channels while maintaining customer privacy and security.

Challenge 3

Staff must understand and deliver consistent experiences across both immediate rewards and tier-based benefits.

Value-Based Loyalty Programmes

What do Value-Based Loyalty Programmes do?

Value-based loyalty programmes connect rewards to social causes and community impact. The Body Shop's Love Your Body Club exemplifies this approach, allowing members to direct rewards toward charitable causes while earning personal benefits.

What does that do for customers?

Customers can align their purchasing power with personal values, contributing to causes they care about through everyday transactions. This creates deeper emotional connections beyond traditional transactional rewards.

80% of consumers favour brands that demonstrate sustainable practices.[18]

How does that benefit businesses?

Value-based programmes differentiate brands in crowded markets while building authentic connections with socially conscious consumers. Strengthens brand reputation and customer loyalty through shared values.



Sector

Particularly effective in industries where consumers are increasingly conscious about social and environmental impact, including beauty, fashion, food and beverage, and retail sectors.

Demographic

Research shows Millennials and Gen Z are particularly drawn to brands whose loyalty programmes align with their values, though social consciousness spans all age groups.

18 Johnson, Nicole. 2023. "How to Create a Green Loyalty Program in Ecommerce." EcoCart. October 21, 2023. https://ecocart.io/green-loyalty-program/.

Value-Based Loyalty Programmes

Does a Value-Based Loyalty Programme Align with Your Business Goals?

- Do you want to build deeper emotional connections with customers?
- Is your brand committed to social or environmental causes?
- Are you looking to differentiate in a crowded market?
- Do you want to attract and retain socially conscious consumers?



Challenges of implementing a Value-Based Loyalty Programme

Challenge 1

Maintaining authenticity while balancing commercial interests with social impact.

Challenge 2

Measuring and communicating programme impact effectively requires robust tracking.

Challenge 3

Higher costs associated with implementing genuine social impact initiatives.

Omnichannel Loyalty Programmes

What do Omnichannel Loyalty Programmes do?

Omnichannel loyalty programmes provide seamless experiences across all customer touchpoints - physical stores, mobile apps, websites, and social media. These programmes recognise and reward customers consistently, regardless of how they interact with your brand.

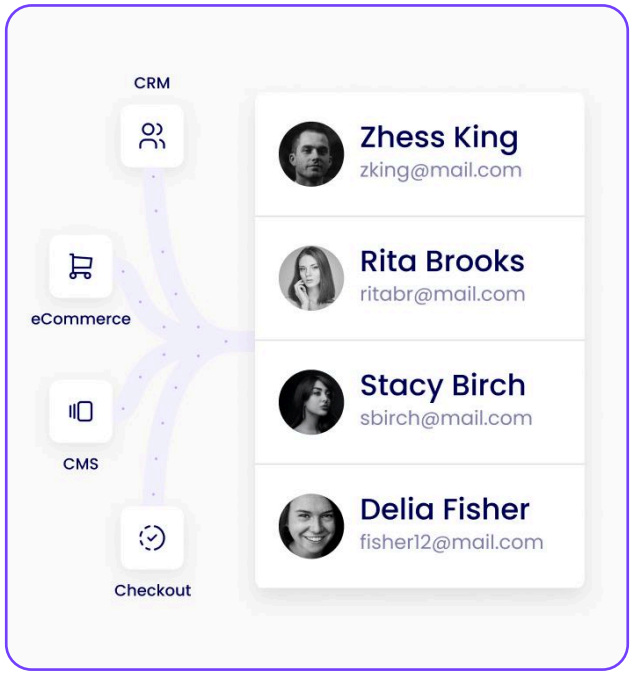
What does that do for customers?

Customers receive consistent recognition and rewards whether shopping online, through mobile apps, or in physical stores. Sephora's Beauty Insider Program exemplifies this, offering a unified experience across online shopping, in-store visits, and mobile engagement.

73% of shoppers use multiple channels during their shopping journey.[19]

How does that benefit businesses?

Unified customer data across channels enables personalised experiences and better targeting, bridging the gap between digital and physical shopping experiences, and driving engagement.



Sector

Essential for retail, hospitality, and service industries where customers regularly switch between online and offline interactions. Particularly valuable for businesses with both digital and physical presence.

Demographic

While digital natives (Gen Z and Millennials) expect seamless experiences, the approach appeals across all age groups. Success depends on making the programme accessible and easy to use across all platforms.

19 Sopadjieva, Emma, Utpal Dholakia, and Beth Benjamin. 2017. "A Study of 46,000 Shoppers Shows That Omnichannel Retailing Works." Harvard Business Review. 2017.

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Does an Omnichannel Loyalty Programme Align with Your Business Goals?

- Do you want to create consistent experiences across all channels?
- Are you looking to collect comprehensive customer behaviour data?
- Do you aim to increase engagement across multiple touchpoints?
- Can you bridge your online and offline customer experiences?



Challenges of implementing an Omnichannel Loyalty Programme

Challenge 1

Significant technical infrastructure required to integrate different systems and platforms seamlessly.

Challenge 2

Complex data management needs across multiple channels while maintaining security and privacy.

Challenge 3

Staff training across all touchpoints is essential to ensure consistent experience delivery.

Programme Type	Sector/Industry/ Business Examples	Consumer Type/Customer Demographics	Good for businesses looking to...	Challenges (Propello can help with common and specific programme challenges and considerations)	
				Common	**Specific**
Always on rewards	Membership and Subscription Financial Services Insurance Telecoms Food & Beverage Retail E-commerce Health & wellness e.g. gyms	**Consumer Type:** Impulsive buyer aka **Spontaneous Chancer** **Age:** 25 - 44 **Income level:** Mid > High **Interests:** Trends, Getting ahead, Great deals **Attitude:** Motivated, Decisive **Behavioural:** Emotional-based purchases Spontaneous purchases **Other types:** Need-based customers Discretionary spenders	Incentivise subscriptions and repeat purchases Differentiate from competitors Offer value through rewards without direct effect on spend Funnel targeted leads to product web pages and landing pages Upsell and cross with an optimised engagement tool Increase conversion rates Boost retention and customer lifetime value Implement a 24/7 loyalty programme Implement a cost-effective loyalty solution	How to reduce time to market and remove barriers to entry How to make the programme and redemption process easy to understand for customers Having the technical support to manage the programme Marketing support to help promote the programme and the rewards it offers to your customers How to gain insights to review and analyse the performance and success of loyalty programmes For digital programmes, how to achieve a Mobile first UI and customer experience Integrating to other technology via APIs Complex programme design and implementation Higher resource requirements Need for sophisticated tracking systems Staff training across multiple programme elements Balancing commercial and social objectives Measuring and tracking social impact Resource allocation for genuine initiatives Clear impact communication Technical infrastructure requirements Cross-platform data management Staff training across touchpoints Integration complexity	Partner network required which offers consistent relevant rewards to a specific audience How to scale programmes as number of customers and partner rewards increase Using machine learning to serve hyper-relevant rewards based on customer buying preferences Ability to set and trigger reward incentives to influence buying decisions such as subscription upgrades, membership renewals
Partnerships	Retail sale Tourism Insurance and banking Financial services e.g. crypto Healthcare services Legal services Automotive Transport Energy utilities Real estate Arts, entertainment & recreation	**Consumer Type:** Agreeable customer aka **Flexible Cooperator** **Age:** Mostly 30s - 60s **Income level:** Low > Mid **Interests:** Collaborations, Cross-brand promotions, Altruism **Attitude:** Receptive, Sociable **Behavioural:** Finds pleasure in working/shopping with others, Prosocial behaviours **Other types:** Open customer, Impulsive buyer	Co-create value with partners Add new value to their existing customer base Expand new segment reach and brand awareness for better acquisition Improve USP by adding partners-as-value propositions Enhance customer data and insights Increase revenue Increase retention by leveraging differential value for existing customer base		Partner network required which offers rewards Process of finding the right partner can be long winding and yield no results Rewards must be mutually beneficial to customer bases of both brands Disputes may arise if parameters are not clearly and properly negotiated prior to activating programme Tech support is required to integrate transparent data/results/KPIs between partners Goals between inexperienced partners can become misaligned Some partners may not trust each other due to suspected hidden agendas (hence importance of the right tech!) Partners need educating on each others' value propositions and customer base

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Referral	Retail sectors Online retail Private healthcare Insurance Telecommunications Hospitality Investment banks/ platforms Financial services e.g., crypto Personal finance Cloud storage Web hosting Freelance Marketplaces Consumer tech CRMs & custom apps	**Consumer Type:** Impulsive buyer aka **Happy Influencer** **Age:** 18 - 65 **Income level:** Low > Mid > High **Interests:** Community, Social media **Attitude:** Enjoys sharing info and feedback with others, Positive outlook **Behavioural:** Interacts on social media channels, Engages with brand communities **Other types:** Agreeable customer Open customer	Mitigate customer acquisition cost Utilise word-of-mouth referrals (most trusted form of advertisement) Use brand advocates at every step of the customer journey Increase customer lifetime value by rewarding brand advocates Convert more customers into brand ambassadors Use influencers and social media to boost brand awareness Capture more leads through use of user-generated content		Referral programmes need seamless processes for customers to refer others Referral process should also be engaging and the experience rewarding They require substantial data sets and segmentation to correctly ascertain when an individual should be asked to refer Robust tech infrastructure is a must to protect against fraud, manage, track and report all activities within programme
Gamified	E commerce SaaS Admin & support Education IT & telecommunications Arts, entertainment & recreation Video game industry	**Consumer Type:** Open Customer aka **Adventure Seeker** **Age:** 18 - 30 **Income level:** Low > Mid **Interests:** Novel experiences, Innovative technology, Art & creativity **Attitude:** Curious to explore fresh ideas, Values innovation **Behavioural:** Seeks out novelty, Strives for emotional connections **Other types:** Agreeable customer	Drive engagement through fun, interactive elements Boost brand awareness via standout point of difference Nurture top-of-mind awareness Boost acquisition via word-of-mouth Appeal to younger audiences Set up various channels of engagement e.g., apps Incentivise customers to share data that can be leveraged Build a community around the brand Add a competitive element to their loyalty scheme		Is expensive to develop and maintain without the right platform Needs constant updates to patch glitches, keep content fresh and exciting, otherwise risks losing value over time Familiarity with game design may be necessary

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Tiered	Hospitality Airlines Beauty & cosmetics Fashion Ride-hailing & taxis Financial services Fintech Automotive	**Consumer Type:** Discretionary spender aka **Luxury Lover** **Age:** Mid 20s - Mid 40s **Income level:** Mid > High **Interests:** Exclusive benefits, Quality experience **Attitude:** Values self-expression, Big spending is empowering **Behavioural:** Pursues custom experiences, Chases the "in-group" **Other types:** Conscientious Customer, Extroverted customer	Promote high-end direct-to-consumer luxury products or services Identify, reward & retain highest spending customers Engage customer segments via hyper-relevant rewards & offers Optimise reward budgets by offering more valuable rewards to top tier customers Add social status to nurture an air of exclusivity & prestige to their loyalty programme Build long lasting relationship with customers via brand affinity		Rewards must be equally distributed to incentivise commercially desirable actions Lower tiered members may feel the task of elevating to higher tiers as too daunting CRMs and marketing support required to maintain engagement between purchase decisions
Earn & Burn	Wholesale retail Supermarkets Sporting goods retail Healthcare retail Tool retailers Retail coffee Snacks store industry Restaurant Industry Electronics Video game industry	**Consumer Type:** Need-based customer aka **Habitual Appreciator** **Age:** 20 - 65 **Income level:** Low > Mid **Interests:** "Treat yourself" shopping, Family, Home & work essentials **Attitude:** Pragmatic, Appreciates the small things **Behavioural:** Habitual buyers, Sticks with brands that value them as customers **Other types:** Conscientious customer, Agreeable customer	Implement a fast-to-market loyalty programme Reward all customers & avoid lengthy segmentation of qualifying customers Implement a cost-effective loyalty solution Boost their high perceived value Implement a user friendly programme that has great ease-of-access Incentivise customers to identify themselves during sign ups as a potential data source		Harder to substantiate point of difference when loyalty programme is most common type used A focus on extracting short term value may delay increased spending over time Requires consistent innovation that leads to unique & exciting rewards or risk customer attrition

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Premium (Paid / Subscription)	Video game industry Entertainment e.g. cinemas, theatres SaaS Online retail Financial services e.g., crypto Technology retail Publishing	**Consumer Type:** Conscientious Customer aka **Dependable Loyalist** **Age:** Mid 20s - late 50s **Income level:** Low > Mid **Interests:** Maintaining order and organisation, Being productive **Attitude:** Goal-orientated, Self-disciplined **Behavioural:** Prefers planned schedules, Keeps long term goals **Other types:** Discretionary Spender, Open customer	Instantly reward customers subscribed to loyalty programme Differentiate from traditional programmes that take time for customers to redeem rewards Implement a 24/7 loyalty programme Implement a loyalty programme that's easy on the margins Implement a cost-effective loyalty solution Leverage customer base with high affinity by upselling them		Fees add barrier-to-entry therefore business must have high brand affinity Benefits and rewards need regular rotation, maintenance and ideation to keep subscribers delighted Membership rates tend to be lower for newer businesses that have little social proof
Hybrid	Retail Hospitality Service industries with frequent customer interactions	**Consumer Type:** Versatile Engager aka **Multi-Channel Maximiser** **Age:** All age groups **Income level:** All levels **Interests:** Values choice and flexibility **Attitude:** Appreciates varied engagement options **Behavioural:** Interacts across multiple channels **Other types:** All customer types	Appeal to multiple customer segments simultaneously Provide varied engagement paths Create sophisticated loyalty experiences Maximise both transactional and emotional loyalty Build flexibility into loyalty strategy Evolve programme capabilities over time		Balancing programme elements while maintaining clarity Managing costs across multiple programme features Integration of different loyalty mechanics Maintaining consistent experience across programme elements

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Value-Based	Beauty Fashion Food & Beverage Retail Particularly businesses with sustainable/ethical products	**Consumer Type:** Socially conscious customer aka **Values-Driven Advocate** **Age:** Primarily Gen Z and Millennials **Income level:** Mid > High **Interests:** Social causes, Sustainability, Community impact **Attitude:** Socially conscious, Values-aligned **Behavioural:** Makes purpose-driven purchases **Other types:** Conscientious customer	Build deeper emotional connections Differentiate in crowded markets Align rewards with social/environmental causes Build community around shared values Attract socially conscious consumers Enhance brand reputation through authentic impact		Maintaining programme authenticity Avoiding "purpose washing" accusations Managing implementation costs Transparent impact reporting
Omnichannel	Retail Hospitality Service industries Businesses with both physical and digital presence	**Consumer Type:** Connected Consumer aka **Channel-Fluid Shopper** **Age:** All ages (digital natives expect it) **Income level:** All levels **Interests:** Seamless experiences, Technology, Convenience **Attitude:** Values consistency and accessibility **Behavioural:** Shops across multiple channels **Other types:** Digital-savvy customer	Create consistent cross-channel experiences Collect comprehensive customer data Drive engagement across touchpoints Bridge online and offline interactions Modernise customer experience Unify customer recognition		System integration across channels Maintaining data security/privacy Ensuring consistent experience delivery Real-time synchronisation of customer data

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