

# Victoria's Secret, Vitamin Shoppe tips for building a successful loyalty program

Article



US consumers belonged to an average of 17.9 [loyalty](#) programs last year, according to a June 2023 report from Bond. However, only about half of those memberships were active.

Here are three best practices from industry leaders to boost loyalty program engagement.

**Listen to consumers:** For Victoria's Secret, loyalty is about building a community. The retailer has offered a rewards-based credit card for 30 years, but only launched a multitender loyalty program last year.

- “We asked customers what they wanted,” Jessica Dennis-Capiraso, senior vice president of marketing at Victoria's Secret, said last week at [CommerceNext](#). “And while they did want points and rewards, they also wanted experiences and access to exclusive products.”
- This led Victoria's Secret to create an exclusive community within the app, where program members can take quizzes, get birthday gifts, or have the opportunity to earn more points.

**Be thoughtful with rewards:** Vitamin Shoppe revamped its loyalty program in 2019, adding multiple tiers and new benefits.

“We took a long time to think through what kind of program we wanted to design, how many tiers, and what benefits worked for each,” said Nadina Guglielmetti, chief customer officer at Vitamin Shoppe. “And before we launched, we piloted it, which I recommend for any brand launching or relaunching a loyalty program. It's a great way to assess whether your assumptions are right.”

When done right, loyalty programs are a great way to collect additional customer data. But brands have to remember to provide them with incentive to do so.

“We see loyalty as an opportunity to have a value exchange with our customer,” said Guglielmetti. “They give us information and we provide additional value beyond our services and products.”

**Test and learn:** Vitamin Shoppe is constantly improving its loyalty program and finding new ways to engage consumers outside of the app.

“I made it a mandate for my team to make our website more than just a transactional experience,” said Guglielmetti. “We've begun to infuse educational content, more info on our loyalty program, we created a rewards center. We are trying to provide customers with more opportunities to connect with our loyalty program.”

But [measuring](#) the success of loyalty programs can be difficult, especially when leadership is looking for short-term results, said Derek Yarbrough, former CMO of J.Crew.

- “Loyalty programs are under a lot of scrutiny from a measurement perspective,” he said. “There’s an inherent tension between long-term and short-term measurement. The north star of loyalty should be lifetime value (LTV), which is really hard to move the needle on in a short period of time.”
- To supplement long-term metrics, marketers can conduct small tests throughout the year to gauge short-term program performance.
- For example, while LTV is the main metric Victoria’s Secret focuses on, the retailer also uses net promoter scores and solicits qualitative and quantitative feedback from customers on a regular basis, said Dennis-Capiraso.

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