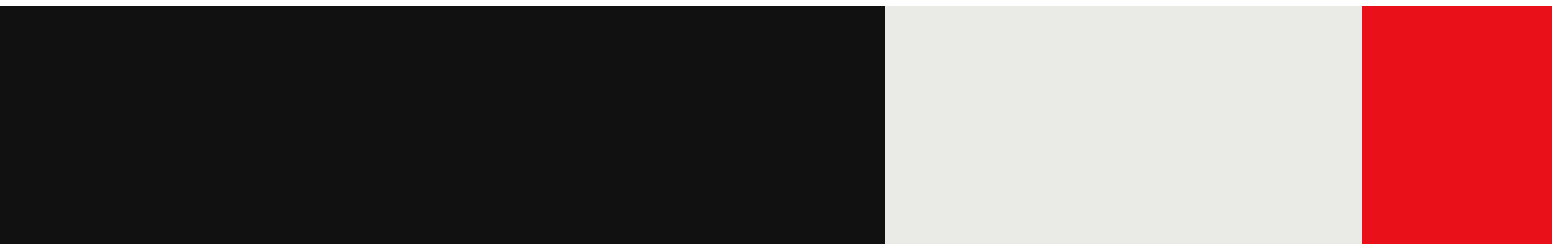


# How retailers can capture customer loyalty in 5 charts

## Article

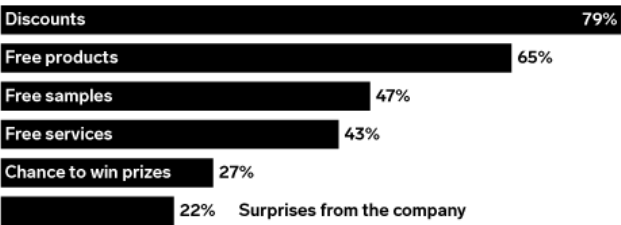


As brand loyalty declines, deals remain a surefire way to win over consumers. Shoppers get discounts and retailers get invaluable first-party data. It's a win-win. Here are five charts on how to up your loyalty game.

### 1. Give the people what they want

Rewards/Benefits of Current Loyalty/Rewards Programs That US Consumers Like to Receive, 2022

% of respondents



Note: ages 18+  
Source: Merkle, "2022 Loyalty Barometer Report," June 28, 2022  
278190 eMarketer InsiderIntelligence.com

Discounts are the perks that most consumers want to see from their rewards programs, followed by freebies and a chance to win prizes, according to Merkle.

But surprises aren’t high on consumers’ wish lists. Companies looking to incorporate surprise-and-delight features into their loyalty programs should still focus on providing shoppers with value, according to our analyst Suzy Davidkhanian.

“Given the economic uncertainty, even surprise-and-delight moments will need to be rooted in some sort of value proposition,” Davidkhanian said.

2. Play to your strengths

Average Number of Total vs. Active Loyalty Membership Among US Consumers, 2020-2022

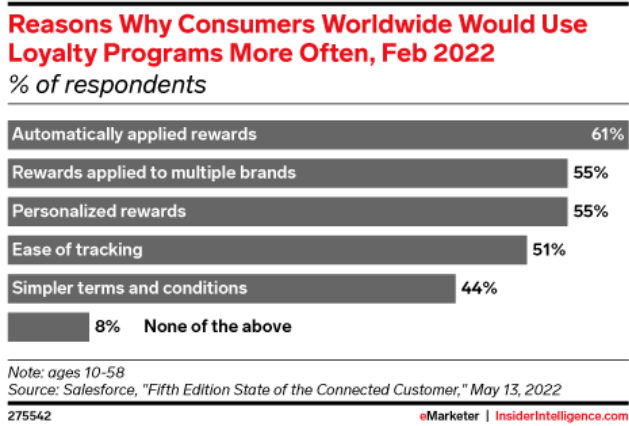
	2020	2021	2022
Average number of loyalty memberships	14.0	16.7	16.6
Average number of active loyalty memberships	7.0	7.4	7.6
Average number of active memberships, by type			
Credit and debit cards	1.9	1.6	1.8
Mid-frequency retail	-	1.1	1.1
High-frequency retail	0.9	1.2	1.2
Travel	0.8	0.8	0.9
Dining	0.8	0.8	0.8

Source: Bond, "The Loyalty Report" in partnership with Visa, June 14, 2022  
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“Frugal, fickle, and finicky.” That’s the current state of consumers, according to our analyst Paul Verna. It isn’t easy to win them over, and it’s even harder to keep them interested once you do.

Consumers are more likely to actively engage in memberships through their credit or debit cards than directly with brands. This suggests there's a huge opportunity for co-branded card partnerships, which can pair the massive scale of card issuers with customized offerings from retailers.

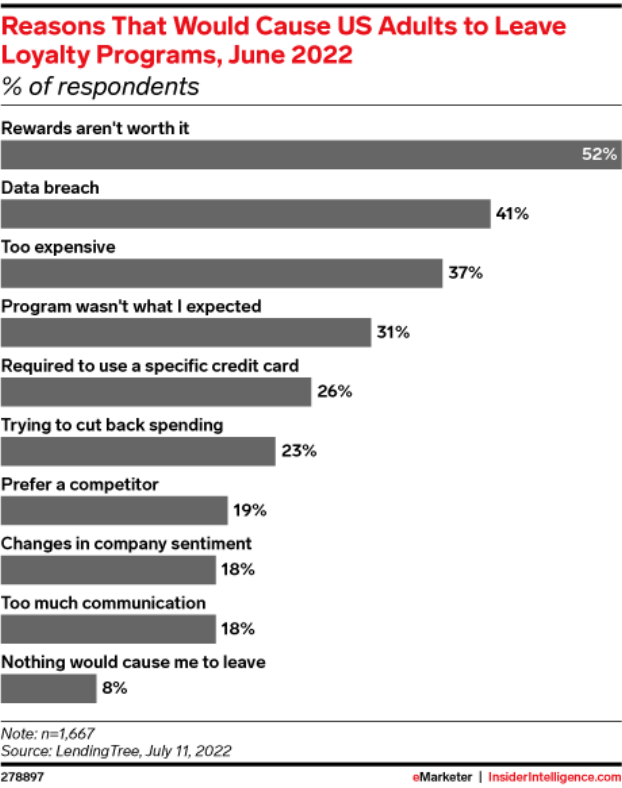
3. Meet consumers where they're at



Ease and versatility are the keys to **encouraging loyalty program adoption**. Rising costs and tightening budgets are already weighing on consumers. Don't add to the burden with a complicated loyalty program.

An easy way to score points with loyalty program users? **Let them engage on their own terms**. While most US internet users prefer to use a brand's loyalty program on mobile while shopping online, a third (33.8%) prefer to do it through an in-store sales associate, according to a Yotpo survey.

4. Make it worth their while



The No. 1 reason that US consumers leave a loyalty program: The rewards aren't worth it, further reinforcing how important it is for retailers to provide value.

And let's hear it for the 8% who say nothing would cause them to leave a loyalty program (though it would be wise not to test those limits).

5. It's time to make some changes

## As US Customers' Needs Change, So Does Their Loyalty



of consumers say good loyalty programs influence their purchases or make them more likely to do business with a brand<sup>1</sup>



of adults are less loyal to a brand due to rising costs<sup>2</sup>



of consumers canceled their membership-based programs to cut costs<sup>3</sup>

Source: <sup>1</sup>Bond, "The Loyalty Report 2022 USA" in partnership with Visa, June 2022;

<sup>2</sup>Dynata, "Global Consumer Trends Report: The Economic Crossroads," June 2022;

<sup>3</sup>PYMNTS.com and sticky.io, "Subscription Commerce Conversion Index," May 2022

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The **loyalty programs of the past just aren't going to cut it** anymore, especially when budgets are tight.

Marketers need to bring their programs into the modern age by beefing them up with tiers, value adds, or partner perks.

**Bottom line:** Loyalty doesn't come for free anymore. To stay competitive, retailers can use what matters most to customers (value, if you haven't gotten that already) to flesh out outdated loyalty programs.

*This was originally featured in the eMarketer Retail newsletter. For more marketing insights, statistics, and trends, subscribe [here](#).*