



Loyalty Executive Report

2017 CONSUMER LOYALTY SURVEY RESULTS

Shoppers share their wants, needs,
and wishes for retail loyalty programs.

SURVEY OVERVIEW

CodeBroker surveyed over one thousand consumers across the United States on a wide range of topics related to retail (non-grocery) loyalty programs – from pain points to changes they'd like to see, to more modern approaches that would make it easier to engage.

The survey results are based on responses from 1,207 consumers across all age groups, income levels, and geographies throughout the U.S.

DECLINE IN LOYALTY PROGRAM USAGE

Loyalty programs have become a mainstay of retailers' marketing arsenal. According to industry stats, increasing customer retention by just 5% can boost profits by 25-95%¹. But retail loyalty programs are not performing as well as they did just a short time ago. According to research by retail industry analyst EKN, overall active member rates have declined by 2% from 2013 to 2015 (from 44% to 42%)².

So what's driving this decline? We asked shoppers what they think about retail loyalty programs, and here are some of the results.

LOYALTY MEMBERSHIP



Belong to 1-5 loyalty programs.



Belong to 6 or more loyalty programs.



Do not belong to a loyalty program.

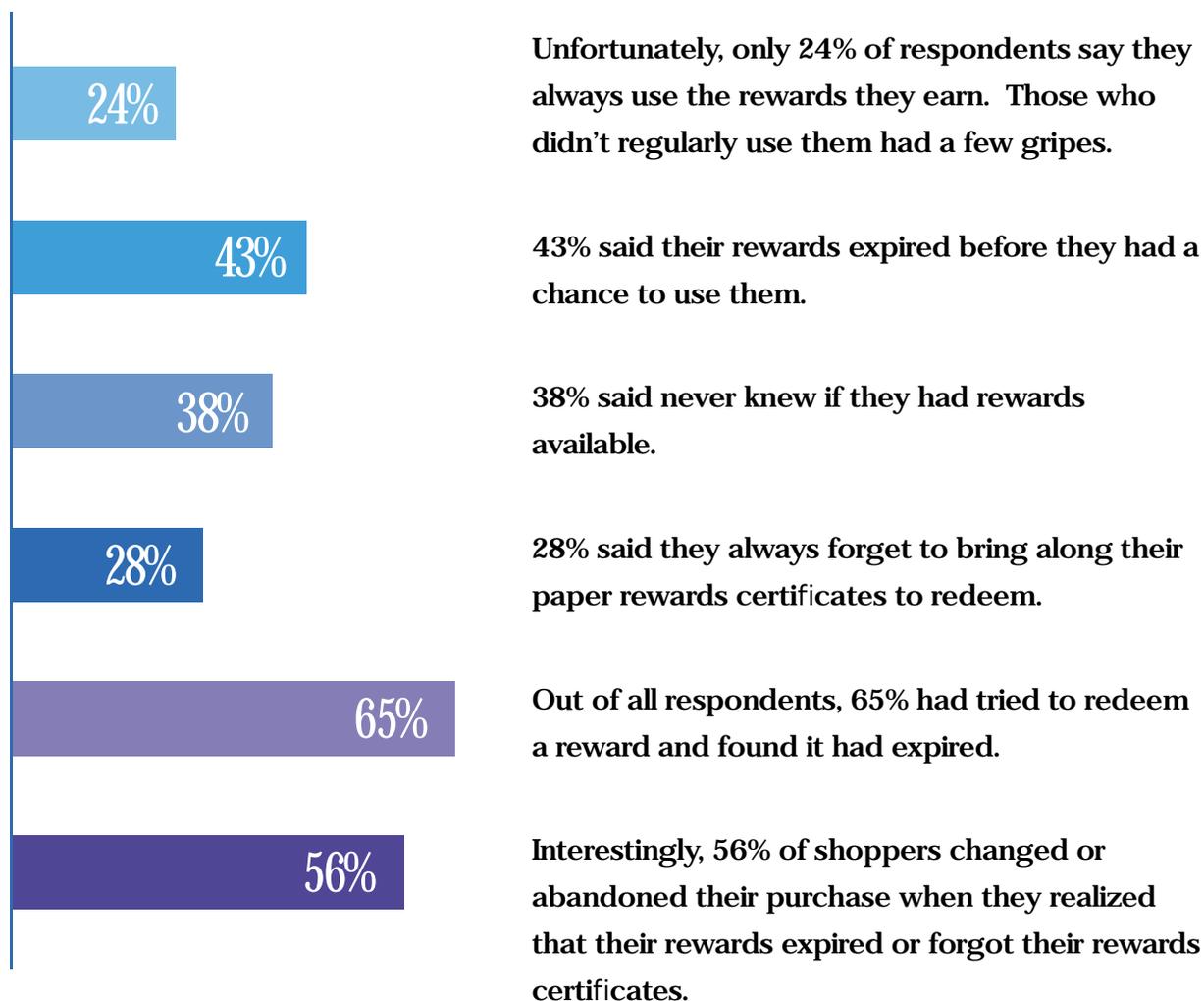
THE BIGGEST GRIPE WITH LOYALTY PROGRAMS

Carrying the cards is the number one frustration, with 43% saying it was their biggest pain point with loyalty programs.

But looking up a forgotten card isn't necessarily a solution. More than 17% cited that looking up a missing card as the most annoying part of the process.

In positive news, only 8% of respondents felt that sign up took too long, but 15% of people said linking a card online was the biggest hassle of loyalty programs.

TOP FRUSTRATIONS



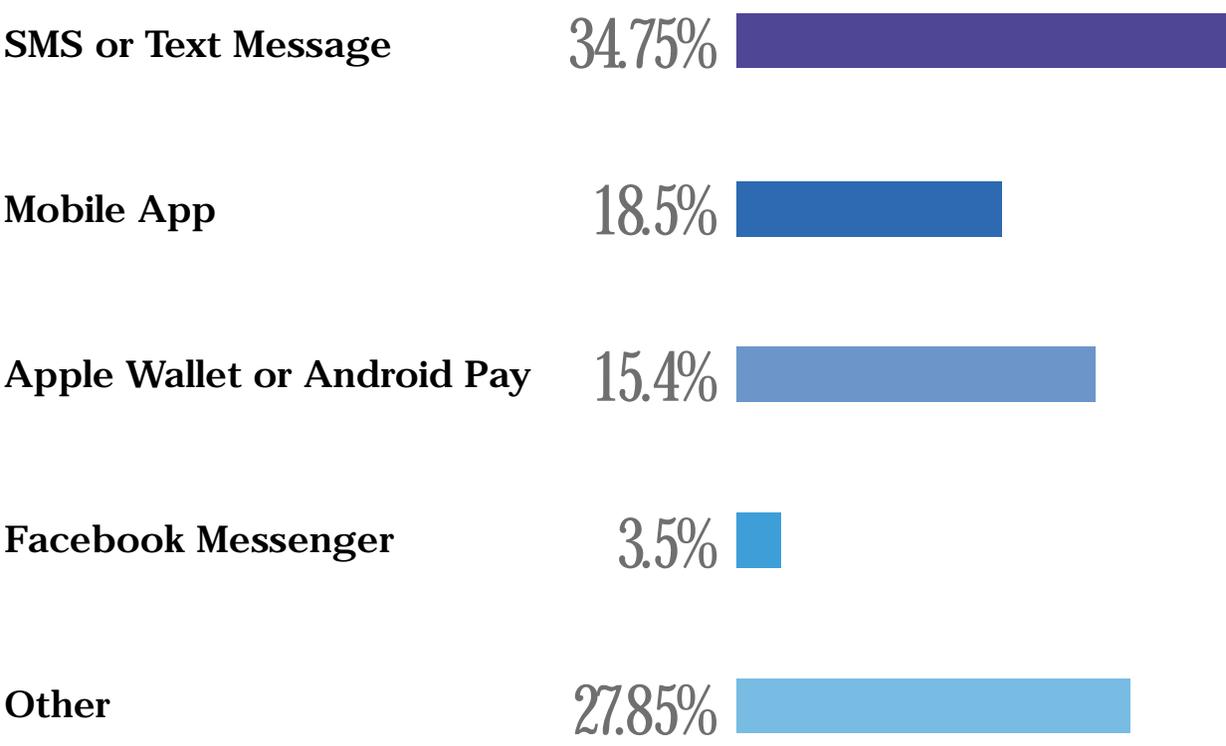
And to make matters worse, there is a high amount of ambiguity about how loyalty programs work. Only 24% of shoppers felt they understood their loyalty programs and how to earn rewards and change tiers.

SO WHAT DO SHOPPERS WANT?

70% said they would use a mobile version of their loyalty cards if they didn't have to sign in to a website or download an app.

71% said they would be more likely to use their loyalty cards if they could access their cards and rewards from their mobile phone.

HOW SHOPPERS WANT TO ACCESS LOYALTY PROGRAMS



3 KEY TAKEAWAYS

In 2017, 57% of retail marketers plan to increase spending on their loyalty programs³. Based on this survey, it will be critical to focus a portion of this investment on delivering a loyalty program that customers want:

1. Shoppers want easy access to their card, status, and rewards – they want to get the clunky plastic cards off of their key chains and out of their wallets.
2. They want to use their mobile phones to make it easier to be active participants in loyalty programs.
3. Customers want to make the most out of their earned rewards.

TRANSFORM YOUR LOYALTY PROGRAM

Learn how retailers are using the CodeBroker Mobile Loyalty Experience Engine to transform their loyalty programs to meet the needs of today's connected consumers.

To learn more,
please email us at:
info@codebroker.com

CodeBroker Mobile Loyalty Experience Engine

- Modernize physical card programs with a digital card that allows customers to access rewards and point balances from their mobile phones.
- Give customers access to your loyalty program via all the popular mobile technologies: text message, mobile app, email, digital wallet, and Facebook.
- Empower customers to engage with your loyalty program across all retail channels: desktop, mobile, in-store, online.

All without complex, time-consuming integrations.

FOOTNOTES

1. Harvard Business Review, "The Economics of Loyalty"
2. Colloquy
3. EKN data 2013-14