

The evolution of customer loyalty programmes

By [Len Lubbe](#)

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Over the past 25 years, I have witnessed a remarkable transformation in the customer loyalty landscape, largely attributed to technological advancements and evolving customer expectations.



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In the early stages, loyalty programmes were rather generic and lacked the multifaceted nature that characterises today's offerings. However, the integration of personalisation with cutting-edge technologies like artificial intelligence and machine learning has paved the way for a more data-driven approach.

Loyalty is now about more than rewarding customers for their business. Instead, it's enhanced by the ability to anticipate their individual needs and preferences. We've also continued to innovate in this regard as we adapt our approach to our loyalty and CRM platform solutions.

Throughout this, our unwavering commitment lies in delivering tailored and customised solutions to our valued clientele.

I believe that a one-size-fits-all approach to loyalty programmes is no longer good enough. Instead, it centres on companies like us working closely with our clients to understand their specific objectives, challenges, and customer demographics. Our strategy is consultative in nature, and firmly grounded in data.



By leveraging our extensive industry experience and cutting-edge technology, we have the ability to craft loyalty programmes that not only ensure customer retention but also position our clients for long-term and sustainable growth.

Beyond the traditional

Central to our service offerings are technology and data. Changes in technology have enabled us to move beyond traditional point-based systems. Now, we are creating more vibrant and engaging customer experiences.

By leveraging AI and data analytics, we have the capability to delve deeply into customer behaviour, enabling us to anticipate their desires even before they themselves are aware of them.

This advanced approach allows us to gain valuable insights and stay one step ahead in meeting their needs. Mobile apps, chatbots, and personalisation engines have emerged as integral components of loyalty programmes. We should constantly be seeking innovative ways to use technology to enhance our clients' experiences and achieve better outcomes.

From a commercial standpoint, ensuring that a loyalty programme is synchronised with a company's overall strategic aims is pivotal. Based on our experience, here are five areas to help ensure this alignment:

1. **Start with clear objectives:** Your loyalty programme and overall business strategy must be grounded in clear, quantifiable objectives.
2. **Regularly review and adjust:** Periodically assess the programme against your strategic objectives and be agile enough to adjust.
3. **Data-driven decision-making:** Leverage data to track progress and make informed decisions about programme adjustments.
4. **Communication and collaboration:** Ensure clear communication and collaboration between the loyalty programme team and other departments.
5. **Adopt a customer-centric approach:** Both loyalty programme design and strategic planning should put the customer at the forefront.

Future thinking

The future of loyalty programmes holds incredible potential even though it has its share of challenges. I see programmes becoming even more personalised and being completely integrated into the daily lives of customers.

Blockchain technology will likely play a significant role in safeguarding customer data and fostering trust, while the wider adoption of AI will enable real-time data analysis and recommendations.

ABOUT THE AUTHOR

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