

Experience, value and convenience underpin successful QSR loyalty programmes

By  Mia Morkel

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Retail loyalty is constantly evolving, as customers demand more personalised value and the 'experience economy' gathers momentum. The current battle is around offering seamless experiences that deliver relevant value through mobile and card-based loyalty programmes.



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When retailers get it right, they can increase basket size through digital loyalty and reward incentives, or increase the value offered by introducing product incentives through brand-funded programmes.

In fact, in one Bond Loyalty report, 66% of customers said they modify the amount they plan to spend in order to qualify for rewards.

More than an experience

However, a positive retail loyalty experience requires other components too.

Tiering – where individual members' experience and interaction with the loyalty programme changes based on their level of engagement and activity – has emerged as a powerful tool in the experience economy.

Rewards also change: the higher the tier, the better the value offered through loyalty rewards. For example, a quick-service restaurant offering free fruit smoothies as a reward may also add the occasional breakfast wrap to the

more engaged higher-tier members.

“ Mobile order-ahead is the other gamechanger in the loyalty arena; with the ability to complete the entire transaction while still earning and spending loyalty points, giving customers the flexibility of ordering and paying via a smartphone app, earning and spending loyalty value, and then picking up the items at the counter at the pre-selected time. ”

Kauai is the perfect example, where customers are able to place their order at the end of their workout and collect upon leaving the gym. In light of the heightened expectations of positive customer experiences, this implementation enhances the overall loyalty eco-system by reshaping what is possible from an incentive and convenience perspective.



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Different forms of value

Customers are not just looking for financial value.

“ If all you're doing is offering cost-savings, customers will quickly abandon your programme for the first alternative that offers a better deal. ”

What retailers need to focus on is delivering a seamless customer experience from ordering to earning to paying to collecting, and to give members as much freedom as possible when it comes to redeeming their earned loyalty.

The surprise-and-delight element is still a powerful tool for deepening engagement and building customer affinity with the loyalty and rewards programme. Giving customers value for random purchases, or offering a reward for every 100th customer, creates an air of excitement and anticipation, and helps QSRs exceed customer expectations.



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With the correct data, retailers can also introduce value that is only redeemable during times when the customer wouldn't typically make a purchase. For example, if a QSR has a weekly two-for-one special on a Wednesday, the QSR can send a voucher on a Friday or Saturday to encourage additional store visits and associated spend.

Mobile apps are powerful tools in this regard: the mere act of a customer registering their details on the app gives QSRs some customer data, which can be used to build accurate individual profiles that allow for richer, more personalised interactions.

Using this data, QSRs can run different versions of the same campaign to ascertain which are most successful with what customer base. Future communication and associated offers can then be tailored accordingly; giving the right customers the right reward.

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In the experience economy, the customer experience is king.

“ Loyalty and rewards programmes give QSRs a powerful tool to deliver consistently positive experiences that add direct value to their customers' lives. ”

Relevant partnerships and a mobile app that enables ordering, payment and loyalty earn-and-burn all in one convenient place positions QSRs strongly for success in the 'Age of the Consumer'.

ABOUT MIA MORKEL

Mia Morkel is the Managing Director of Retail Rewards at wiGroup, a South African provider of global mobile transacting solutions. Mia works with some of the world's leading retail and hospitality brands to develop technology solutions that enable richer brand experiences through mobile loyalty, rewards, and other value-added services.
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