

How to give customers what they want in a loyalty programme

By [Nolan Daniel](#)

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In today's fiercely competitive market, businesses increasingly turn to loyalty programmes as a strategic tool to engage and retain customers. South Africa, an African nation with a mature and stable loyalty market, presents a unique landscape where loyalty offerings significantly influence consumer behaviour.



Image source: Aleksandra Gigowska – [123RF.com](#)

To capitalise on this opportunity, it is crucial for businesses to select the right technology platform when creating their loyalty offering. By aligning programme offerings with customer preferences and leveraging personalised experiences, companies can unlock the full potential of loyalty and build lasting customer relationships.

Understanding the South African loyalty landscape

According to the [2022 Truth & BrandMapp Loyalty Whitepaper](#), a staggering 73% of economically active South Africans are already enrolled in loyalty programmes. This statistic highlights the immense opportunity loyalty solutions offer businesses operating in the South African market. However, it also underscores the need for differentiation and innovation to stand out in a crowded space.

Selecting the right technology platform is the foundation for a successful loyalty programme. Businesses must consider several key factors when evaluating their options:

- **Flexibility and scalability:** A technology platform should have the flexibility to adapt to evolving customer needs and preferences. It should allow for seamless integration with existing systems and accommodate future growth without disruptions.
- **Personalisation capabilities:** The power of personalisation cannot be underestimated. Customers respond positively

to tailored experiences that align with their individual needs and preferences. A robust technology platform enables businesses to collect and analyse customer data, empowering them to deliver highly personalised rewards, offers, and communications.

- **Omnichannel integration:** South African consumers still prefer traditional methods, such as loyalty cards, for identification and programme usage. However, the rise of digital channels cannot be ignored. An effective technology platform enables businesses to provide a seamless omnichannel experience, allowing customers to engage with the loyalty programme through their preferred channels, be it physical cards, mobile apps, or digital wallets.
- **Analytics and reporting:** Actionable insights are vital for refining loyalty programmes and optimising customer engagement. A technology platform that offers robust analytics and reporting capabilities empowers businesses to measure the programme's performance, identify trends, and make data-driven decisions. And more importantly, this needs to be done in real-time.



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Driving relevance and personalisation

The report emphasises the importance of relevance and personalisation in loyalty programmes, which is critical when building digital tools into an underlying technology framework. South African consumers have shown a strong correlation between programme relevance and their loyalty towards a brand. Businesses can achieve relevance by leveraging the capabilities of a sophisticated technology platform.

The first way is via customised rewards. Points redeemed into cash remain the most preferred loyalty benefit among South Africans. However, preferences may vary among different customer segments. A technology platform enables businesses to offer diverse rewards tailored to individual demographics, such as travel-related benefits for wealthier customers and airtime/data rewards for lower-income consumers.

But there is no point in customising rewards if there are no effective means for a consumer to redeem their rewards, so the platforms built must be able to support multiple tools for rewards redemption. While some customers may be able to engage with a loyalty programme via QR codes, a mobile app, or WhatsApp, others are still reliant on USSD codes. A good platform caters for all methods.



Nolan Daniel, Joint CEO at Payment24

Secondly, modern loyalty customers want timely and relevant communications. Engaging customers with personalised and timely communications is essential to maintain their interest and drive participation. By leveraging customer data and insights through the backend support of AI algorithms, businesses can use their technology platform to deliver targeted messages and offer that resonates with individual preferences and behaviours.

Aligning to individual needs

In the competitive South African market, selecting the right technology platform is crucial for businesses looking to create successful loyalty programmes. What is clear is that personalisation and relevance are key drivers of customer loyalty.

By using a technology platform that enables flexibility, personalisation, omnichannel integration, and robust AI-infused

analytics, businesses can unlock the full potential of loyalty programmes in South Africa. Embracing these technology-driven strategies will empower companies to build stronger customer relationships, drive engagement, and stay ahead of the competition.

ABOUT THE AUTHOR

Nolan Daniel, Joint CEO at Payment24

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