

RESEARCH

## 73pc of users want to interact with loyalty programs via their mobile devices

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By CHANTAL TODE

Mobile offers an important and growing channel for loyalty marketers, with 73 percent of smartphone users interested in interacting with loyalty programs through their mobile device, according to a new report from Maritz Loyalty Marketing.

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The 2013 Maritz Loyalty Report U.S. Edition also found that 91 of smartphone users are likely to download a loyalty program's application. The findings suggest that mobile apps offer an opportunity to drive increased program enrollment.

"Increasingly, many marketers are talking about mobile as a channel for acquiring and engaging customers," said Scott Robinson, senior director of loyalty consulting for [Maritz Loyalty Marketing](#), Toronto.

"As loyalty marketers, we are hoping more of our customers participate in the programs that we run," he said. "We see mobile as a potential opportunity for enrolling additional customers into programs.

"As well, particularly in less frequently purchased categories, there is a role for mobile to play in terms of sustaining and maintaining a participant's engagement with a program in

between purchases. Given mobile is always on hand and in pocket, there is a chance for programs to piggyback on that and be more front-of-mind more regularly in purchases.”

### The right context

The functionalities that smartphone users are looking for on a loyalty app include managing points, redeeming points and receiving mobile alerts.

The report highlights the need for marketers to focus on reaching loyalty members in the right context and right channel.

While 74 percent stated a preference for receiving communications from loyalty programs via email and only 37 percent said mobile is their preferred channel of communication, there is likely some overlap as many smartphone owners are reading their emails via mobile these days.

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Interestingly, 46 percent said they want to receive communications from three or more channels. This suggests marketers and program operators must ensure a seamless customer experience across channels and deploy channel agnostic messaging strategies to ensure communications are readable in mobile.

Omnichannel communications will soon be table-stakes for all programs, per the report.

“The real takeaway is not which channel customers prefer, but increasingly, customers want to receive communications from a number of channels,” Mr. Robinson said.

“The implication for marketers is how to enable the seamless brand experience across the channels through which participants are interacting,” he said.

### Geolocation is the future

The loyalty programs rated highest in terms of overall satisfaction by the report include Chase Ultimate Rewards, Carmike Cinemas Rewards, Kohl’s Rewards, IHG Priority Club Rewards, Kroger Rewards and Southwest Airlines Rapid Rewards.

The report is based on a survey of more than 6,000 loyalty program members.

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“From our perspective, geo-location-based on smartphones is the future of creating positive experiences for loyalty members,” said Bob Macdonald, president and CEO of Maritz Loyalty Marketing.

“The second thread is the development and the evolution of the mobile wallet,” he said.

“We believe that loyalty programs are that first thing to go on mobile wallets because the risk associated with it is lower, so it is an easy way to test the mobile wallet concept.

“There is also a tremendous opportunity for information gain for CPG brands in terms of who is spending what and where.”

## Final Take

*Chantal Tode is associate editor on Mobile Marketer, New York*

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