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# Creative Effective Loyalty Programs For Financial Services



## Why is Gaining Customer Loyalty Harder in the Financial Service Sector?



### LOW SPENDING INTENTIONS

When it comes to financial services, users think about saving in each transaction



### COMPETITION AND DISRUPTERS

Competitive pricing and multiple options available for users



### NON-RELEVANT LOYALTY PROGRAMS

Loyalty programs that do not align with their customer needs are bound to fail



### INADEQUATE DATA MANAGEMENT

Insufficient customer data (from internal or external sources)

## How Can Financial Services Businesses Strengthen their Loyalty Programs to Stay Relevant with the Digital World?



WHAT The Solution	WHY What the Data Says	HOW The Implementation
<p><b>1</b></p> <p>Understand customer needs</p>	<p><b>70%</b></p> <p>Customers believe in converting loyalty points to cash/digital assets</p>	<p></p> <p>Analyze customer demography, spend data, and brand interaction</p>
<p><b>2</b></p> <p>Monetary benefits + Exclusive experience + Shared values = Effective Loyalty Program</p>	<p><b>2.9X</b></p> <p>Increase in engagement when users are a part of an enhanced tier in a tier-based loyalty program</p>	<p></p> <p>Customer segmentation based on customer lifetime value to implement tier-based loyalty programs (eg: gamification). Measure impact using pre-post analysis</p>
<p><b>3</b></p> <p>Create brand value and forge communities</p>	<p><b>&lt;50%</b></p> <p>Less than 50% of loyalty members are active</p>	<p></p> <p>Customize loyalty program to align with a purpose that connects the brand and customers</p>
<p><b>4</b></p> <p>Design a multi-channel loyalty program</p>	<p><b>3X</b></p> <p>Multi-channel shoppers spend 3 times more than single-channel shoppers</p>	<p></p> <p>Design a multi-channel loyalty program, and leverage data to create personalized rewards and engage with customers</p>
<p><b>5</b></p> <p>Focus on personalization, with due respect to privacy</p>	<p><b>83%</b></p> <p>Customers are willing to share their data if businesses are transparent about data usage</p>	<p></p> <p>Offer experiences where customers are empowered to drive their journey</p>

TO KNOW MORE

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