

## Customer Loyalty and Reward Schemes - UK - December 2015

Report Price: £2195.00 | \$3554.69 | €2788.33

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“With their everyday low pricing structure the discounters have shown consumers that they don’t need to build up points or jump through hoops to get the lowest prices. Instead, loyalty schemes have become more about adding additional value to a purchase or enhancing a shopping experience than about cost cutting.”  
– Thomas Slide, Retail Analyst

### This report looks at the following areas:

- What loyalty schemes are people using?
- How are digital innovations changing loyalty schemes and what do consumers think of it?
- How do consumers perceive the value of loyalty schemes and what can be done to encourage uptake and engagement?

The way consumers see and use retail loyalty schemes has been changing as the discounters have shown consumers the benefits of an everyday low pricing scheme rather than using overly complicated promotions or having long lead times between spend and reward.

Consumers favour more frequent rewards that do not require high levels of pre-requisite spending but enhance their shopping experience rather than being simply about vouchers and cost-cutting. A good example is the recently launched M&S Sparks scheme that regularly offers invitations to events and special promotions which increase in value depending on the amount a customer spends or engages with the brand online.

The level of resistance we found towards smartphone-based innovations shows that retailers need to do more to demonstrate to consumers the benefits this can bring in terms of relevance and convenience. By enhancing the multichannel nature of loyalty schemes, retailers should also be able to appeal to a younger audience that our research found are less likely to be members of retail loyalty schemes.

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### DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

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## Table of Contents

### Overview

What you need to know  
Areas covered in this report

### Executive Summary

The market  
Rising consumer confidence good for loyalty  
Smartphone ownership grows but concerns persist  
Price and convenience drive choice for food retailing  
Discounter growth leads to changing perceptions  
Companies, brands and innovations  
Pick your own offers  
Digital receipt storing  
M&S launches 'Sparks' loyalty scheme  
Digital loyalty  
The consumer  
84% have used a loyalty scheme in the past six months  
Figure 1: Active members (used in the past six months) of retail loyalty schemes, August 2015  
Affluence leads to greater use of loyalty schemes  
Figure 2: Loyalty scheme repertoire use, by average age and affluence on a six-point scale, August 2015  
Consumers show a lack of commitment to loyalty schemes  
Figure 3: Use of customer loyalty schemes, August 2015  
More choice in redemption  
Getting it faster  
Figure 4: Attitudes towards loyalty schemes, August 2015  
Perceived lack of value is holding back membership  
Figure 5: Reasons for not joining loyalty schemes, August 2015  
Consumers want choice and surprises  
Figure 6: Encouraging greater use of loyalty schemes, August 2015  
What we think

### Issues and Insights

Digital loyalty  
The facts  
The implications  
Reducing the gap between spend and reward  
The facts  
The implications

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Appealing to the more affluent shopper

The facts

The implications

## The Market – What You Need to Know

Rising consumer confidence good for loyalty

Smartphone ownership grows but concerns persist

Price and convenience drive choice for food retailing

Discounter growth leads to changing perceptions

## Market Drivers

Consumer confidence

Figure 7: Financial well-being index, February 2012-October 2015

Smartphone ownership

Figure 8: Ownership of mobile phones, April 2012-June 2015

Figure 9: Agreement with the statement "I'd like to be able to use a smartphone to pay for purchases in shops, restaurants and other high street stores", by age, July 2015

Factors affecting choice of supermarket

Figure 10: Factors in choosing where to shop, August 2015

Figure 11: Profile of people valuing key factors, August 2015

Figure 12: Regional profile of factor preferences, August 2015

Discounter growth is changing perceptions

Figure 13: Leading grocery retailers' share of sector sales, 2010-15

## Key Players – What You Need to Know

Leading schemes

Innovations

Advertising

Brand loyalty

## Customer Loyalty Schemes

Tesco Clubcard dominates

Nectar cuts points

Boots Advantage Card trials PYO

myWaitrose specialises in instant rewards

Morrisons' Match & More shifts focus

My John Lewis focuses on making shopping easier

House of Fraser introduces digital Recognition card

B&Q Club offers tailored benefits

Love Your Body card offers generous returns

Superdrug Health & Beautycard

IKEA Family card enhances the shopping experience

Debenhams Beauty Club

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## GAME rewards

### Launch Activity and Innovation

#### Pick your own offers

Figure 14: Waitrose, pick your own offers scheme, 2015

#### Digital receipt storing

#### M&S launches 'Sparks' loyalty scheme

Figure 15: The new Sparks card by M&S, October 2015

#### Digital loyalty

#### Walgreens Balance Rewards

#### Lotte's digital department store

### Advertising and Marketing Activity

#### Nectar card the biggest advertiser

Figure 16: Recorded above-the-line, online display and direct mail total advertising expenditure by the leading loyalty schemes, 2011-14

#### Tesco Clubcard uses seasonal adverts

#### Morrisons Match & More advert ban

Figure 17: Recorded above-the-line, online display and direct mail total advertising expenditure by the leading loyalty schemes, 2011-14

#### A note on adspend

### Brand Research

#### What you need to know

#### Asda and Tesco are favourite brands

Figure 18: Preferred or favourite food retailers, August 2015

#### Key brand metrics

Figure 19: Key metrics for selected supermarket brands, August 2015

#### Brand attitudes

Figure 20: Attitudes, by supermarket brand, August 2015

### The Consumer – What You Need to Know

#### 84% have used a loyalty scheme in the past six months

#### Affluence leads to greater use of loyalty schemes

#### A lack of loyalty

#### Consumers want quicker rewards

#### Appeal of digital innovation varies by age

#### Almost half want more choice

### Membership of Loyalty Schemes

#### Loyalty scheme membership at 84%

Figure 21: Members of loyalty schemes that they have used in the past six months, August 2015

#### Loyalty scheme membership rises in 2015

Figure 22: Membership of loyalty schemes, August 2014 and August 2015

#### Boots has the highest number of lapsed members

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Figure 23: Membership of loyalty schemes, August 2015

**Biggest loyalty schemes need to attract younger members**

Figure 24: Active members of retailer loyalty schemes by age and socio-economic group, August 2015

**Women are significantly more likely to be active loyalty scheme members**

Figure 25: Membership of retailer loyalty schemes netted by category, by gender, August 2015

**Affluence leads to greater use of loyalty schemes**

Figure 26: Loyalty scheme repertoire use, by average age and affluence on a six-point scale, August 2015

## Usage of Loyalty Schemes

**Deal hunters**

Figure 27: Use of customer loyalty schemes, August 2015

**Overcoming forgetfulness**

Figure 28: Use of customer loyalty schemes, selected options by scheme type, August 2015

**The gender gap**

Figure 29: Use of customer loyalty schemes, by gender, August 2015

## Attitudes towards Loyalty Schemes

**Loyalty points take too long to accumulate**

Figure 30: Attitudes towards loyalty schemes, August 2015

**Minimise the rewards**

**Younger consumers are keen to use smartphones**

Figure 31: Selected attitudes towards loyalty schemes, by age, August 2015

## Reasons For Not Joining Loyalty Schemes

**Perceived value is holding back membership**

Figure 32: Reasons for not joining loyalty schemes, August 2015

**Young Millennials reject loyalty schemes**

Figure 33: Non-members of any loyalty scheme, by generation, August 2015

## Encouraging Greater Use of Loyalty Schemes

**Consumers want more choice**

Figure 34: Encouraging greater use of loyalty schemes, August 2015

**Women want choices and surprises**

Figure 35: Encouraging greater use of loyalty schemes, by gender, August 2015

**Men want simplicity**

## Appendix – Data Sources, Abbreviations and Supporting Information

Data sources

Abbreviations

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