



A Marketer's Guide to Building Loyalty

Developing lasting relationships in an increasingly crowded market

Customer loyalty can be fleeting

But it doesn't have to be.

Before the booming popularity of the internet and digital devices, attaining loyalty was simpler. Brands created lasting relationships with customers through in-store experiences, and enhanced those experiences with quality products, reliable service, and convenient locations. Technology was not a driving force in customers' lives; they couldn't Google the nearest competitor when they weren't fully satisfied. Because of this, brands were able to more easily and reliably retain their customers' loyalty.

But as technology evolved, so did customer-brand relationships. Face-to-face, transaction-based relationships are no longer enough. Today's customers can make purchases in-store or online, reach out on the phone or social media, and even interact via a mobile app – and they expect each of these interactions to be as satisfying and reliable as the next. Every experience they have with your brand needs to be tailor-made to who they are as people – including (but not limited to) their preferences and interests, purchase history, and preferred methods of communication.

Creating experiences that resonate with customers on an individual level is an important task for any brand that wants to establish a loyal customer base. But cultivating basic loyalty is no longer enough – not when a similar product or solution is just a few keystrokes away. Instead, brands that want lasting relationships must try to establish an emotional connection with customers that will outlast any adversity, competition, or inconvenience.

When customers are emotionally invested and see your brand as a necessity in their lives rather than an option, companies can better predict and drive revenue, deliver experiences that matter, and cultivate a customer-focused culture.



We call this concept **emotional loyalty**, and it's the new standard for what brands should seek to generate with their customers.

Creating emotional loyalty is an achievable goal

It's important to note that emotional loyalty isn't a tactic or a strategy: it's an outcome that requires a complex, dynamic mix of activities and interactions between your brand and customers.

Thankfully, creating emotional loyalty does not require a fundamental shift in the marketing activities your brand is already executing, but it does necessitate a holistic approach to the customer experience.

Every step of a customer's journey — from discovering your brand to recommending it to a stranger in passing — must be understood and optimized. There are five key building blocks in delivering experiences that help curate emotional loyalty:



Know your customer

The very first step in any effective loyalty program is to truly understand all the places your customers might interact with your brand and identify their purchasing behavior indicators. Once all your customer data is aggregated into a centralized, single customer view, you'll have a holistic understanding of who they are, what they want, and how to best connect with them so you can more easily and expertly facilitate future experiences in a way that will resonate.



Respect your audience

It's not just legislation that companies must adhere to when it comes to consumer privacy and security — it's consumer expectations, too. With more technology and access than ever before, today's consumers are learning to protect their data and are demanding the same from the companies they do business with. Now more than ever, it's imperative that brands secure the proper permissions from customers, abide by all relevant global privacy laws and requirements, and ensure that they have appropriate security measures in place. One false move in this department could tarnish not just one customer's experience with your brand, but your entire audience's.



Give them what they want

Your customers are individuals, and they want to be treated as such. To create a truly emotional bond between your customers and your brand, it's necessary to provide personalized experiences and offers. Every communication you send and interaction a customer has with your brand must be tailored to their unique preferences and behaviors. Providing a simpler way to interact (e.g., a loyalty app) can also enhance your customers' perceptions of your brand.



Reward loyal behaviors

Like any relationship, loyalty is a two-way street. Recognizing and rewarding your customers for their loyal behaviors is a necessary ingredient in emotional loyalty. It's important to note, however, that loyal behaviors extend far beyond the point of purchase. Each time a customer engages with your brand on social media, leaves a review on a product, or recommends your brand to a friend, they are displaying signs that they are loyal. Rewarding these non-transactional actions alongside their purchases will help reinforce their loyalty for your brand.



Deliver valuable rewards

A loyalty program can (and should) be more than just points. Your rewards program should provide value in a way that makes sense for your brand. This could be anything from product/monetary rewards to exclusive content/offers. Your customers – intentionally or inadvertently – provide you with a lot of great information about themselves, so customize their rewards using their personal and/or purchase data. This can help ensure every reward is meaningful and makes customers feel appreciated for their loyalty.

Does building emotional loyalty sound daunting? It doesn't have to be. With the right loyalty partner, technology, and support, your brand can establish the emotional loyalty it needs to thrive in an increasingly crowded, noisy market.

Some of the best brands in the world are establishing emotional loyalty with their customers through innovative, effective strategies. Here are a few of their stories.



Craftworks creates one-of-a-kind rewards program to engage customers

As a part of the Craftworks family, Old Chicago boasts one of the very first restaurant loyalty programs. Since 1978, the brand has found new ways to engage customers and drive ongoing loyalty. Its loyalty program, OC Rewards, was designed to deliver exceptional guest experiences and rewards across every step of the journey. The program was relaunched in 2014, and has been driving measurable results since.

Using both physical and virtual cards, the OC Rewards program is scaled to serve more than 100 Old Chicago locations, allowing for location-specific loyalty rules. Since its relaunch, the program has helped Old Chicago double its contribution to sales, as reward members visit more frequently and highly-engaged members spend more per visit.

It's important to note, however, that OC Rewards is more than a spend-and-reward program. With it, Old Chicago has created a unique customer experience: the challenge of drinking 110 varieties of beer to earn a spot in the "Hall of Foam."

Guests who complete this challenge 10 times become a VIP member and receive a personalized VIP loyalty card, a special Hall of Foam plate, and a personalized VIP beer stein that can be used at any restaurant. Since its relaunch, over 9,000 guests have become VIP members and more than 120,000 tours have been completed.



3mos.

Created and launched program in just three months



9k

Acquired more than 9,000 VIP members



30%

of revenue attributed to loyalty members

THUN expands customer base and loyalty across channels

THUN, the leader in Italy's gift market, has been a crowd favorite since its establishment in 1950. With over 1,000 stores, customers truly love the products and experiences the brand creates. Its loyalty program enhances these experiences by establishing loyalty tiers that deliver unique benefits to motivate behaviors.

Customers can climb THUN's seven loyalty tiers by making purchases, engaging on social, and interacting via other digital channels, earning points for each step along the way. Through the loyalty program, THUN is able to deliver personalized promotions, instant offers, and relevant content — all based on an individual customer's preferences.

The brand also delivers highly targeted campaigns designed specifically to acquire new members. After one initial, two-week acquisition campaign, new member enrollment increased by 29% and ROI increased 25% based on net revenue generated.

In the next five months, THUN saw a 231% increase in new members. By rolling out a robust, multi-tiered loyalty program, THUN was able to position its consumers at the center of its strategy and reinforce its commitment to creating unique and unrepeatabe customer experiences.



231%

new member growth
in first five months



60%

Order value is 60% higher for
loyalty members vs. non-members



4k

YTD reward
redemptions

Fleet Feet creates locally-based loyalty experiences

Established well before the onset of smartphones and connected technology, Fleet Feet was well known and loved for providing nostalgic, personal experiences to each and every customer who walked through its doors. But as customer expectations transformed, Fleet Feet knew it needed to do more to retain and win business.

The running brand introduced a new, 3D foot scanning technology to replace the legacy Brannock Device. Concurrently, Fleet Feet launched a new ecommerce site and mobile app, connected directly to a customer data hub, which collected customer data at every point of interaction. From this hub, Fleet Feet was able to deliver personalized, locally-driven opportunities to involve customers in their mission: to inspire the runner in everyone.

Today, customers can earn points through engagement, actually using the products they buy, making a purchase, and attending Fleet Feet hosted clinics, classes, events, and training programs. This has created more personal customer relationships and unique engagement opportunities. For example, the brand has created a nationwide leaderboard for high school track and field athletes, enabling them to track summer training miles within the app.

This loyalty experience created a sense of community and competition, and was only visible to the athletes and teams enrolled.

Fleet Feet plans to make its loyalty app the central hub of its digital consumer experiences, including communications and personalization. And Cheetah Digital's loyalty solution and capabilities are a core part of achieving this plan.



3m / loyalty program members



10k / new app downloads per month



93% / net promoter score

Donatos connects with pizza lovers through innovative loyalty program

Established in 1963, Donatos has a long history of serving customers the best pizza. With more than 150 locations across nine states, the brand has always strived to be an active, positive influence in the communities they serve — and to create lasting customer loyalty. Donatos quickly realized that creating loyalty required data — the right data. With it, they could truly know their customers and, in turn, provide better experiences, driving loyalty and profitability.

Their loyalty program offers customers points for actions such as making a purchase, engaging with the Donatos brand online, and recommending the pizza chain to a friend. Customers can redeem their points for free pizza or other, smaller point redemptions that save the brand money and deliver quicker gratification for consumers.

They also promote desired loyalty behaviors via highly-segmented marketing, which targets customers by their interests, current environment, and personal journey with the brand.

Through this, they've been able to influence prospective customers to make purchases and join their loyalty program. Donatos has always strived to be an active, positive influence in the communities they serve — and to create lasting customer loyalty.



11 wks / Launched successful loyalty program in just 11 weeks



500k / Over 500,000 members in first year



Exceeded goal of an additional visit from all customer segments

Are your customers emotionally loyal?

If they're not, it's time to do more to earn their affections. In today's technological, connected world, customers are seeking out the companies and products that truly capture their hearts — and anything else simply won't cut it when a better, less expensive, or more convenient option comes along.

Determining whether your customers are loyal isn't a difficult task. Start by looking at your analytics. Has your loyalty program membership stopped growing? Is your loyalty application's traffic decreasing? Are your reward redemptions low? If so, it's likely time to step up your loyalty game. Because if your customers aren't emotionally loyal, your loyalty efforts are not as effective as they should be.

Thankfully, every touchpoint across your customer journey is an opportunity to reinforce why customers chose your brand in the first place. From the very first moment they learn that your brand exists, you should strive to know your customers better than you did yesterday. And with that information, you should deliver more personalized and relevant messages, offers, promotions, and experiences.

Remember: emotional loyalty is a heightened sense of loyalty. It's a state in which customers feel affinity, attachment, and trust for your brand. When earned, customers will choose your brand again and again regardless of price, convenience, or circumstance. And by ensuring your loyalty program reflects your distinct brand and values across every channel — including website, mobile wallet, in-app, in-store, email, and more — you will be able to drive the loyalty behaviors your brand craves. Having the right technology and partner is a key part of this effort. Cheetah Digital's loyalty solution, Cheetah Loyalty, helps brands connect with customers across every point of the customer journey.

We help encourage and enhance the relationships customers have with your brand. Want to see how we can help you create true emotional loyalty? [Reach out to us today.](#)

Cheetah Digital

It's time to look beyond transactional data to build thriving customer relationships that deepen at every touchpoint. With Cheetah Digital's Customer Engagement Suite, you have an entire platform at your fingertips to help you drive revenue and deliver a unique value exchange throughout the customer lifecycle.



Cheetah Experiences

We help deliver interactive digital acquisition experiences that will delight customers, collect first- and zero-party data, and secure valuable permissions needed to execute compliant and successful cross-channel marketing campaigns.



Garnered Most Features
CDP Institute for Customer Data Platforms 2020



Cheetah Messaging

We enable marketers to create and deliver relevant, personalized marketing campaigns across all channels and touchpoints.



Named a Leader
Forrester Wave™:
Email Marketing Service Providers, Q2 2019



Cheetah Loyalty

We provide marketers with the tools to create and deliver unique loyalty programs that generate an emotional connection between brands and their customers.



Named a Leader
Forrester Wave™:
Loyalty Technology Platforms, Q2 2019



Cheetah Engagement Data Platform

Our foundational data layer and personalization engine enables marketers to drive data from intelligent insights to action at speed and scale.



Named a Challenger
Gartner Magic Quadrant for Multichannel Marketing Hubs 2020

Start building lasting customer relationships at cheetahdigital.com