



# 5 - point plan to **increase enrollment** in **customer loyalty programs**

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If your business has a customer loyalty program or if you're thinking of starting one, you will need an effective enrollment campaign to get it launched and growing.

Here are five key ideas to help achieve the success you're looking for.

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- 1** Have you clearly **defined the mission and goals** of your loyalty program? And do you have the KPIs in place to measure how you're doing? Retention, greater share of spend and referrals are examples of key behaviors that reflect customer loyalty and should be tracked. Be sure your communications and promotions are focused on those things you most value in your best customers and the behaviors that add real dollars to the bottom line. Share your mission and goals with your internal teams to make sure they understand the purpose behind the program and what future success might look like.
- 2** To your customers, is the **value of your loyalty program** clear, enticing and easy to engage? Put yourself in the shoes of your customers — does your loyalty program offer real, tangible value? Is there an equitable value exchange for what you might be asking your customers to do and what they might get in return? The rewards for doing a certain behavior should be commensurate with the effort or “ask” required; when that occurs you have an equitable value exchange and both sides win. Next, is the engagement process easy to understand and not too cumbersome for the customer to participate? Also, as you know, all customers are not alike. Customer segmentation work may dictate you treat certain audience segments differently in how you might communicate with them, what you might be asking them to do and how they might be rewarded. Customer tiering is one way to address this in a loyalty program design.
- 3** What is your **opening offer to enroll** in your loyalty program? You only get one chance to make a first impression. What kind of reward can you offer to get a customer to sign up? If your loyalty program uses reward points, think about how many points you might give to a customer to take the first step and get started earning greater rewards.

A merchandise gift for signing on is another way to drive enrollment. In one program we recently ran, we tested offering a branded merchandise item against no gift item and the results were significant. The branded merchandise item garnered a **15 times greater response** in enrollment than did the audience with no merchandise incentive.





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**4** Once a customer is enrolled, what is your **cadence of communications** strategy with them? Too many loyalty programs immediately overwhelm their customers with a relentless string of emails and other communications. Customers often regret they enrolled and will back away. Best-in-class programs clearly define when and how they will communicate with their loyalty customers. Creating a reasonable, regular cadence of communications is key to showing respect for your customers, while at the same time providing useful information and promotional offers they can enjoy. Communications that are clear, concise and reflect your appreciation of your customer's loyalty will go a long way in developing a strong and steadfast relationship. The more personalized your messaging can be the better. Personalization shows you know who your customers are and why they are important to you.

**5** Ultimately, enrollment in a loyalty program is driven by “**What’s in it for me** as the customer?” Rewards are not only a key driver to enrollment, but are critical to the ongoing participation of customers sticking with your loyalty program for the long term. Again, we come full circle to our concept of an **equitable value exchange**. Is what you’re asking your customers to do or engage in worth their time, effort and spend?

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At BI WORLDWIDE, we have studied customer behavior, incentives and loyalty. We have seen and learned a great deal about what people do, feel and act upon. We know by the results we’ve achieved that non-cash, tangible rewards motivate people.

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