

Why mobile is the gatekeeper of brand loyalty today

By [Gareth Hawkey](#)

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Achieving long-term brand loyalty has become brutally difficult for South African retailers. Mobile represents an unparalleled opportunity for savvy retailers to reach customers in more personalised, efficient and powerful ways - paving the way for a new era of data-driven brand loyalty.



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In the local market, non-digital promotions and brand loyalty initiatives are beginning to fall flat. Recent scratch card promotions that promise cash prizes and airtime for winners have all but failed – arguably doing more harm to the brand than good.

"New 'languages of loyalty' have emerged, driven by brands experimenting with creative digital experiences, which have changed the dynamics of customer loyalty today," according to Robert Wollan, senior managing director, global lead of Advanced Customer Strategy at Accenture Strategy. "Every consumer has a natural instinct around what makes them 'stick' to a brand. The traditional 'low price' and 'reliable service' mechanics are no longer as effective at driving loyalty."

Data-driven loyalty

For savvy brands and retailers, mastering the new 'languages of loyalty' may, in fact, be easier than in years past. It all depends on how effectively retailers can harness the reams of data now at their fingertips to create smart, highly personalised promotions and offers that consumers can access via mobile.

For example, by tracking every customer engagement with a brand, retailers can now harness artificial intelligence and machine learning to understand where, when and why a customer will choose one product over another. By leveraging this information, in real-time, retailers can develop mobile apps that push highly personalised promotions and offers to customers in-store.

This personalised approach undoubtedly leads to higher engagement with customers and far greater uptake of promotional offers. There are also countless opportunities to leverage gamification and reward consumers for different behaviours, in a way that benefits their own shopping preferences.

Importantly, the use of mobile apps for promotions and loyalty programmes also creates a vital feedback loop for retailers. Armed with their mobile devices, customers can provide feedback or submit queries in an instant, providing brands with key data to improve the overall customer experience.



Enhancing the in-store experience through personalisation

Gareth Hawkey 27 Aug 2018



Smarter cost equation, smarter loyalty

For retailers, the cost equation of embracing a mobile-first digital strategy in favour of traditional brand promotions is almost a no-brainer. Unlike the expensive logistics involved with running physical brand outreach initiatives, developing a mobile app represents far more effective economies of scale.

For example, a retailer can develop one app that can be rolled out to 100 or 1000 customers, at much the same cost – with the flexibility to scale up or down as required. Moreover, there are countless opportunities to provide add-on services to every app – such as mobile wallets and online games – that increase valuable touchpoints with customers at very little added expense.

Notably, mobile makes integration with non-competing brands far simpler, faster and cheaper. For example, retailers can create loyalty apps that allow customers to redeem points at petrol stations, simply by scanning QR codes or logging in.

With mobile connectivity now influencing consumer behaviour at every step (more than half of South Africans now own a smartphone), loyalty programmes have to harness digital technology to remain relevant – and to retain customers.

For retailers, the message is clear. Consumers need to be reached in a more personalised way, and any promotions or loyalty programmes need to be easy, seamless and quick to redeem.

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