

# The traits that make consumers more loyal

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*YouGov's new research reveals the consumers most likely to be fans of your brand, as well as why the most loyal customers are so hard to find.*

13 Jun 2018 12:36 pm

## HOW LOYAL ARE YOU?

### Read the following article and complete the tasks at the end

Numerous brands across all sectors use loyalty schemes as a marketing tactic, both to encourage repeat business and to learn more about their customers. But just because they are so common, it doesn't make them easy to get right.

#### The 'holy trinity' of loyalty – and how to achieve it

Just 13% of loyalty scheme members claim to exhibit all three of the key traits brands want: spending more, recommending more and feeling more emotionally connected. Making more purchases is the most common of the three.

Among those consumers who say loyalty schemes prompt all three behaviours, the most popular programme is Boots' Advantage card.

#### Women are much more likely to be loyalty scheme members

85% of women are members of a loyalty programme, versus 70% of men, but women aged under 25 are more resistant to the idea than those aged above.

People who have never joined one are more likely to shop with cash and prefer brands over private labels.

#### Consumers want money off and freebies, and not much else

Discounts are overwhelmingly the main draw of loyalty schemes, with 87% wanting a brand to offer reduced prices and 56% looking for rewards redeemable with other brands. Just over half want freebies

**Brief:**

The summer project is designed to prepare you for the type of activities, research and assessment that you will be involved with from September.

Based on the article provided above and or access via the link, complete the tasks and hand this to your business teacher during induction (September 2019).

<https://www.marketingweek.com/2018/06/13/traits-that-make-consumers-more-loyal/>

Consumer loyalty is an area that will be discussed from September under the topic of 'marketing'. The associated tasks will support you with your knowledge and understanding of business and why promotion, advertising and marketing is core to any organisation activity.

**Tasks:**

- 1 Provide a definition of 'branding' and provide examples of THREE strong brands.
- 2 Make a list of brands that you or your family have/use.
- 3 Produce a table that compares and contrasts FIVE loyalty cards/schemes. These could be store cards, loyalty schemes such as Hilton Honors or Air Miles. Use a similar table to the one provided.

Loyalty card or scheme	Benefits	Advantages	Disadvantages	Is it free?
1				
2				
3				
4				
5				

- 4 In your opinion, what makes a customer loyal to a particular brand?
- 5 The article states that 85% of women are loyalty scheme members compared to 70% of men. Design a short survey and interview 20 people, 10 men and 10 women.
- 6 Based on the answers provided, produce a summary sheet including a graph or chart to evidence your results

Questions should include:

- Do you have a loyalty card(s) or belong to a loyalty scheme?
- Which ones do you have/belong to?
- What benefits do you get from your loyalty card or scheme?
- Which is the best loyalty card/scheme you have/belong to and why?

## Resources:

To support you with your research project it is recommended that you also view and read some of the resources listed below:

Customer loyalty and branding

<https://www.marketingdonut.co.uk/customer-care/customer-loyalty>

Starbucks case study on loyalty rewards

<https://blog.smile.io/loyalty-case-study-starbucks-rewards>

Online journal – Marketing Weekly

<https://www.marketingweek.com/>