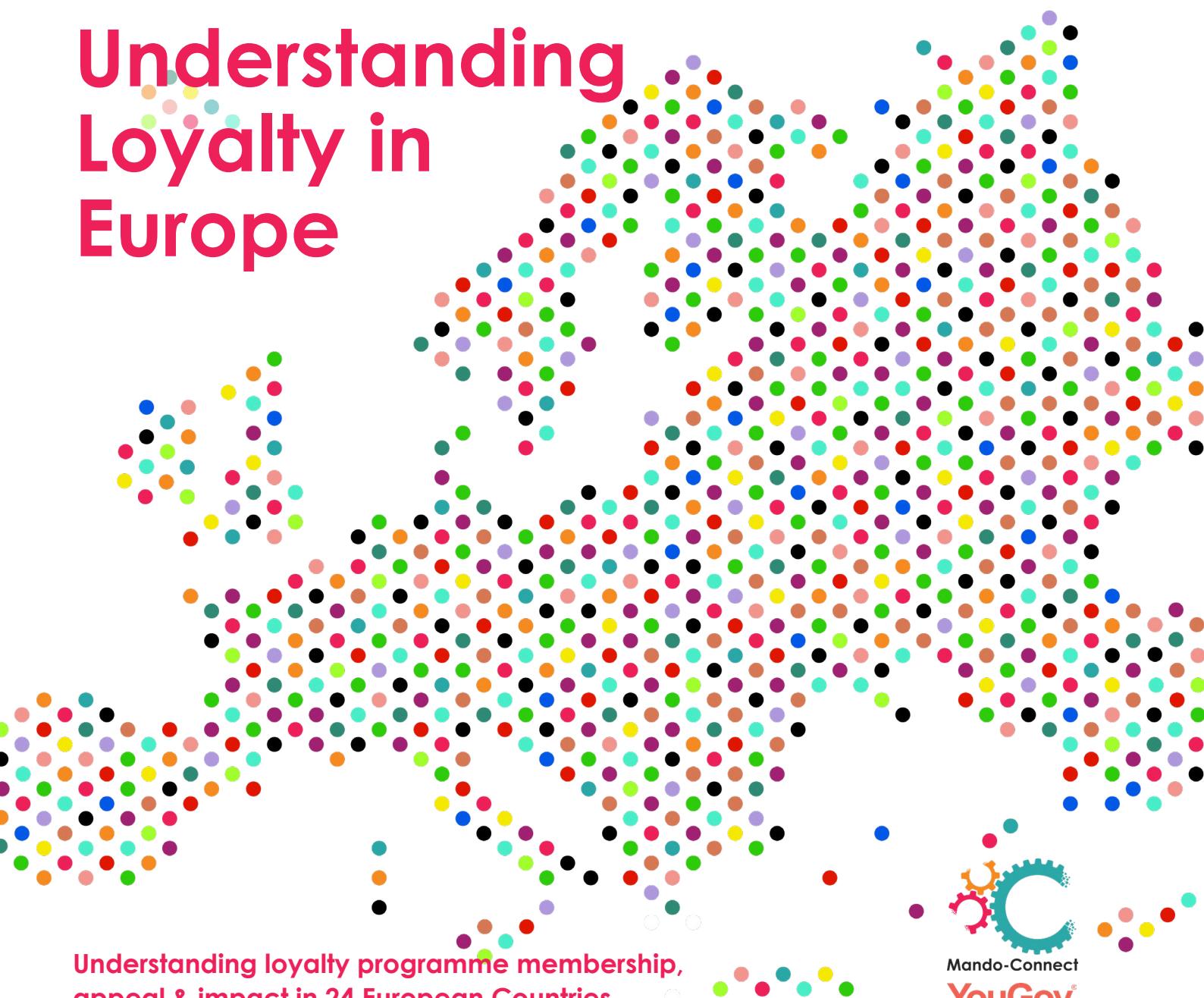


Understanding Loyalty in Europe



Understanding loyalty programme membership,
appeal & impact in 24 European Countries

Contents

Introduction	3 - 5	Market Snapshot - Italy	18 - 19
Loyalty Membership	6 - 7	Market Snapshot - The Netherlands	20 - 21
Loyalty Appeal	8 - 9	Market Snapshot - The Nordics	22 - 23
Loyalty Impact	10 - 11	Market Snapshot - Poland	24 - 25
Market Snapshot - Czech Republic	12 - 13	Programme Snapshots	26 - 31
Market Snapshot - Germany	14 - 15	Loyalty Gauge™	32 - 33
Market Snapshot - Great Britain	16 - 17	Conclusion	34

This whitepaper was created by Mando-Connect, in partnership with YouGov.

Mando-Connect

We are a smart, loyalty specialist, brand partnerships and rewards agency, devoted to producing brilliant data-fuelled partnerships that drive results across the UK, Europe and the globe.

We design brilliant loyalty and promotions solutions, partnerships and rewards based on the smart use of cutting-edge data and insight, using our specially built Insights Engine™.

We believe that, by working together, brands can achieve more, for less. Our process is easy, inspiring and proven.

www.mando-connect.co.uk

YouGov Profiles

YouGov is an international research data and analytics group. Our products and services help the world's most recognised brands, media owners and agencies to plan, activate and track better marketing activities.

For twenty years we have been building an ever-growing source of consumer data. We call it Living data. All of our products give you the access to this detailed understanding of 17 million+ registered panel members.

These products include our brand perception tracker, YouGov BrandIndex and our media planning and audience intelligence and targeting tool, YouGov Profiles.

If you need real-time surveys with live reporting, our market-leading YouGov Realtime gets you access to a global audience you can segment and get the answers you need at speed.

YouGov's Custom Research division has sector specialists to help you tailor the quantitative and qualitative research you need. As innovators and pioneers of online market research, you can trust the accuracy of our data.

Introduction

This paper is the first of its kind, the first to explore how the membership, appeal and impact of loyalty programmes varies across 24 European markets. The first to then bring those markets to life with expert commentary and case studies from in-market experts and pan-European loyalty programme leads.

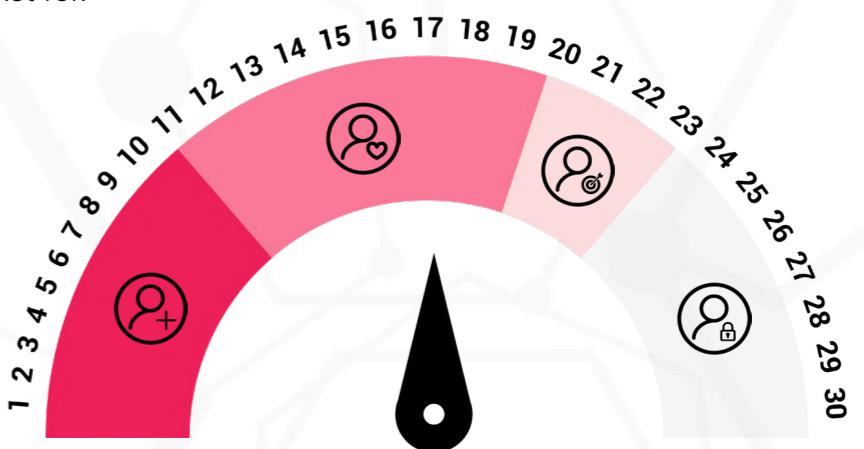
It has never been more important to look at the bigger picture, to look outside of your own brand experience, sector, audience and market. There is a lot that we as a loyalty community can learn from each other. This paper aims to teach, to inspire and to share the latest and greatest loyalty news, data and insight from across Europe.

Understanding loyalty across Europe – introducing the new Loyalty Gauge™

We cover membership, appeal and impact datapoints across 24 European markets. You can explore at an individual market and region level what membership, appeal and impact really look like. Which markets have the highest membership... which have the lowest? Which markets are the biggest fans and who sits on the fence? Where are the key impact points and what type of impacts are most prevalent in each market? Where does your market sit in the pecking order?

We then conclude our data exploration with our new **Loyalty Gauge™** Score, which has been created to easily track each market for loyalty programme engagement. It measures, summarises and ranks each market for:

-  Programme Membership
-  Programme Appeal
-  Programme Impact
-  Net Score



Bringing loyalty across Europe to life

Our 7 market experts then bring the data to life with in-depth commentary and inspirational case studies from 7 of our 24 markets: The Czech Republic, Germany, Great Britain, Italy, The Netherlands, The Nordics and Poland. They share snapshot summaries of the market and some great case studies to inspire our loyalty community.

Our 3 programme experts then share their pan-European experience and stories that bring the market variations to life. They have been drawn from 3 powerful loyalty sectors – from technology, travel and telco – from well established programmes and newer ones – we hope their stories inspire you.

We hope this paper inspires you to look outside of your own market and helps you think bigger and achieve more in your loyalty ambitions.

Our Experts



MD & HEAD OF STRATEGY - MANDO-CONNECT - GREAT BRITAIN EXPERT

Charlie Hills co-founded and leads WPP's loyalty & partnerships agency, Mando-Connect. She and her team work closely with programmes who are looking to make a step change and sees data-fuelled partnerships and rewards as the key to unlocking a programme's full potential. She is very passionate about developing actionable insight for the loyalty industry – she is the author of the "What Brits Want..." series of white papers on loyalty and promotions, an Editor at Large for the Wise Marketer, a member of the faculty of the Loyalty Academy and regularly contributes to loyalty press, conferences and podcasts.



PROFESSOR OF MARKETING - UNIVERSITY OF PARMA - ITALY EXPERT

Cristina Ziliani, Ph.D is Professor of Marketing at the University of Parma, Italy. She lectures on loyalty management at leading universities and business events around the world, including the US, Japan, UK, France and Spain. She has been the Director of the Osservatorio Fedeltà UniPR (Loyalty Observatory) since 1999, dedicated to research, consulting and education on Loyalty Management, CRM and CX. She is the author of +50 scientific papers on loyalty and 5 books, the latest being "Loyalty Management. From loyalty programs to omnichannel customer experiences" published by Routledge.



CO-FOUNDER - OPEN LOYALTY - POLAND EXPERT

Karl Bzik is a Co-founder of Open Loyalty, an API-first loyalty engine which boasts the most flexible loyalty and gamification features. He is a loyalty marketing buff and creator of the global Loyalty Trends research. He is a data-driven loyalty marketer focused on building and growing MarTech products and is particularly interested in B2B lead generation, SaaS product design, data-driven loyalty marketing and eCommerce performance marketing.



SENIOR SME LOYALTY CONSULTANT - EMAKINA (an EPAM company) - THE NETHERLANDS EXPERT

Léon Huyben is a data driven loyalty marketing professional with experience in a variety of industries including Fashion, Optics, Retail, Automotive, Lottery and Giftcard for B2C as well as for B2B. This enables him to help brands all over the world to define the right loyalty strategy and design the loyalty logic to maximise the retention of existing members through thorough data analysis and can help to acquire new members and activate inactive ones.



CUSTOMER LOYALTY EXPERT & ADVOCATE - GET-FOCUSSED - GERMANY EXPERT

Nicole Wilhelm is an independent customer loyalty expert, well-known industry thought leader and advocate for emotional loyalty with global cross industrial expertise. Since 2003 her assignments range from conceptual program design and optimization to operational implementation of customer loyalty projects at which clients find an experienced sparring partner with Nicole. Her unbiased evaluation of strategic options and in-depth knowledge of loyalty marketing execution is highly valued within the market.



PARTNER - VOXWISE - THE CZECH REPUBLIC EXPERT

Radek Hrachovec has dedicated the last 20 years of his professional life to loyalty programmes and direct marketing. He is one of the most skilled practitioners within the loyalty industry in Central Europe. His experience has been successfully exploited by companies looking to create programmes from scratch or who simply wish to use an experienced eye to evaluate an existing scheme. He is a Partner of the Voxwise company, which delivers Loyalty Programmes, Pricing & Direct Marketing Solutions.



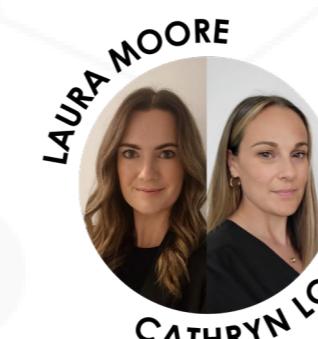
CO-FOUNDER AND CHIEF STRATEGY OFFICER - ANTAVO - THE NORDICS EXPERT

Zsuzsa Kecsmar has been instrumental in growing Antavo Enterprise Loyalty Cloud from a start-up to a scale-up. As Chief Strategy Officer and Co-founder, she is transforming the company into a unique loyalty technology vendor, offering a next-gen, best-in-class solution to the loyalty sector. Listed by Forbes as one of Europe's top 100 female founders in tech, she is focused on driving market share in the expanding loyalty market. She was instrumental in Antavo achieving 3x annual growth in 2021 and is now developing a global strategy to bring Antavo to loyalty professionals and systems integrators around the world.



MARRIOTT BONVOY - PROGRAMME EXPERT

As Senior Director, Loyalty Marketing EMEA, Virginie is responsible for all strategic loyalty marketing campaigns and activations for Marriott Bonvoy in Europe, the Middle East & Africa. This includes growing the member base in continent and executing effective localised campaigns and experiences to attract new members and keep existing members engaged with the programme, the portfolio of global brands, Marriott Bonvoy Moments and the mobile app. She is passionate about brand storytelling, sharing creative content that entertains, inspires and invites guests to be part of a programme that truly resonates with them and enhances their upcoming travel experiences.



SAMSUNG MEMBERS - PROGRAMME EXPERTS

Laura Moore, European Head of Customer Data-Driven Marketing, Retention & Loyalty and Cathryn Lodidge, European Cross-Channel Retention Lead at Samsung Electronics are experienced data-driven, loyalty marketing professionals, both with over 10 years' experience in the industry – across the consumer electronics, energy and automotive sectors in multiple markets. Responsible for customer strategies that improve the post-purchase experience across all digital marketing channels, including Samsung Members. They are passionate about developing and delivering global loyalty solutions that delight customers across multiple markets and, under their stewardship, Samsung Members has gone from strength to strength.



VERYME REWARDS FROM VODAFONE - PROGRAMME EXPERT

Pete O'Donnell is the Head of Loyalty, leading the development and delivery of VeryMe Rewards from Vodafone in the United Kingdom. He is an experienced senior commercial manager with a proven track record across the telecommunications industry. Recently bringing some of Vodafone UK's newest handsets propositions to market delivering customer value and differentiation. Pete is commercially driven with a keen focus on customer insights, campaign effectiveness, base segmentation and commercial efficiencies ensuring customers get the right offer, in the right way, at the right time.

We'd like to thank our experts for their contribution.

Loyalty Membership

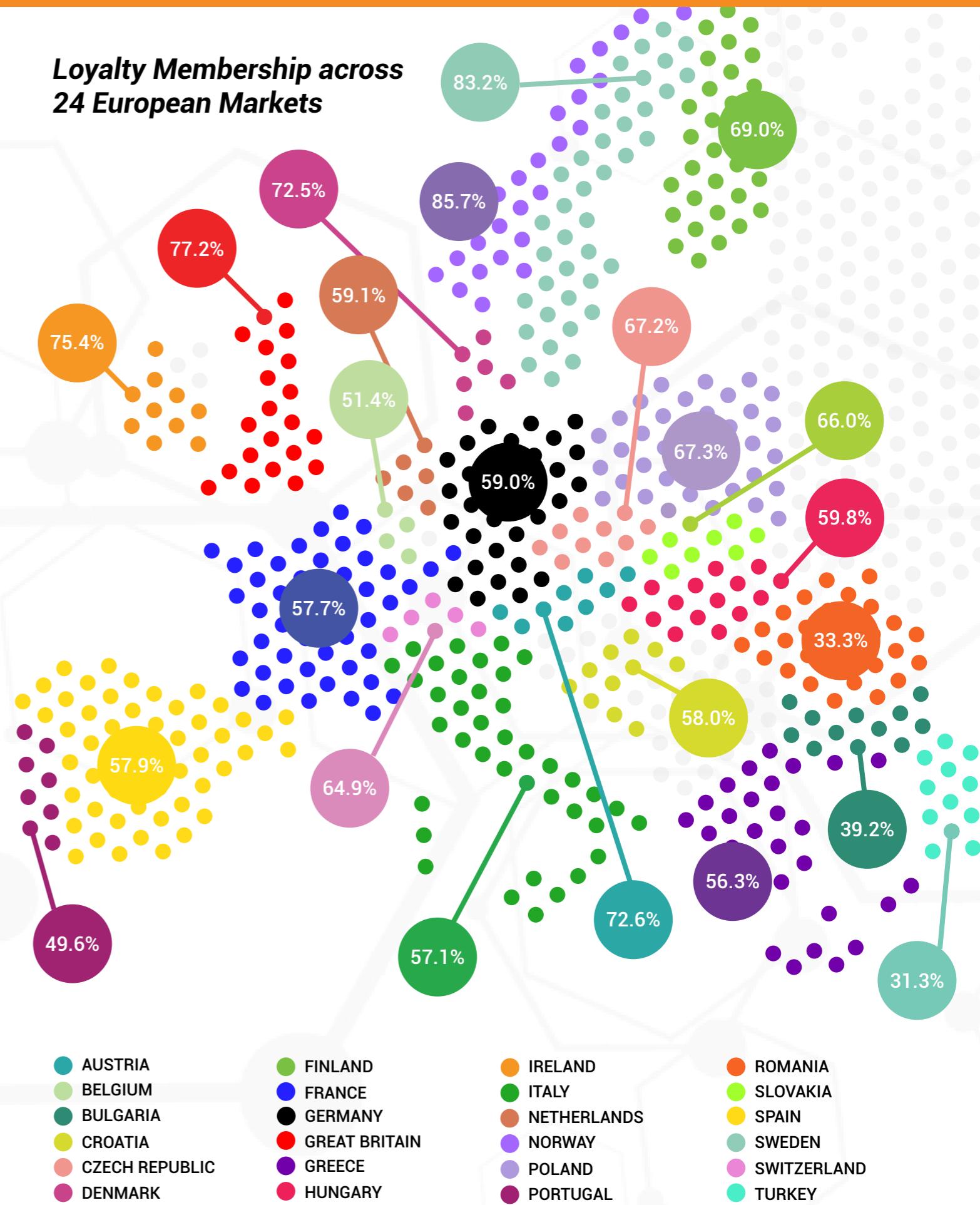
The majority of adults who live in our 24 European markets are members of loyalty programmes - 61.3% are members of at least one loyalty programme.

This peaks in Norway and Sweden where over 80% of people are members, and in Great Britain and Ireland where 77.2% and 75.4% are members. It is lowest in Romania and Turkey where only a third of adults are members (33.3% and 31.3% respectively). In all but four of the markets more than half the population is a member of at least one programme. The majority of markets we explored sit between 50% and 75% membership.

Most adults in most markets are members of loyalty programmes - it's a big audience and a big industry!



Loyalty Membership across 24 European Markets



Loyalty Appeal

It is fascinating to see how the appeal of loyalty programmes varies across the 24 European markets we explored. To understand the depth of appeal of programmes we explored agreement levels with 3 statements:

- Loyalty programmes are a great way for brands and businesses to reward customers
- All brands should offer loyalty programmes
- I join loyalty programmes each time I'm given the opportunity

56% think loyalty programmes are a great way to reward customers

In 17 out of 24 markets the majority of adults are fans of loyalty programmes, and overall, 56% of adults across our 24 European markets think that loyalty programmes are a great way to reward their customers. The British are the biggest fans – 70% think they are a great way to reward customers. Followed by the Irish (69%) and the Polish (68%).

At the lower end, the Danish are less sure – only 29% think that loyalty programmes are a great way to reward customers. Followed by the Dutch (36%), the Portuguese and the Turkish (44%).

42% think every brand should offer a loyalty programme

42% of adults across our 24 European markets think that all brands should offer a loyalty programme. The Bulgarians, the Irish and the Romanians sit at the very top of the market list (59%, 55% and 55% respectively). If you are a brand owner in these markets and you don't have a loyalty programme, you should seriously consider if getting one could help you meet your goals.

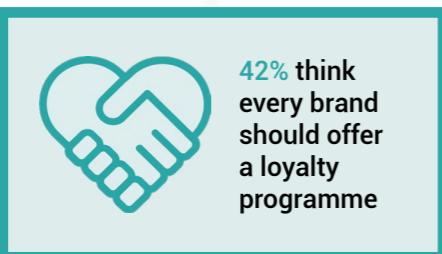
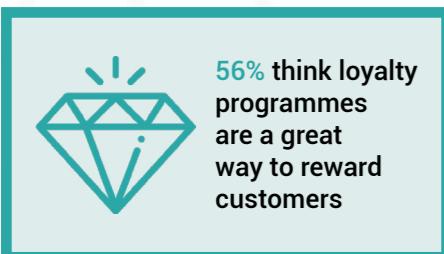
The Danish again are the most sceptical – only 19% of Danes think every brand should offer a programme. Followed by the Dutch (20%), the Finns (30%) and the Portuguese (30%). In these markets the loyalty challenge is harder – is a programme the right thing to do for your sector and your brand? If so, make sure your customers agree.

35% join loyalty programmes each time they are given the opportunity

35% of adults across our 24 European markets join loyalty programmes each time they are given the chance to. The Polish are the most keen – 52% will join each time they are given the chance. Followed by the Italians (46%), then the Irish (45%) and the French (43%).

Once again the Dutch and the Danish are less keen – only 16% of people in The Netherlands will join a programme each time they are given the opportunity, only 22% of the Danish will. Followed by the Greeks (27%), the Swedes and the Turkish (28%). In these markets loyalty marketers have to work harder to encourage people to join.

Loyalty Appeal across 24 European Markets



Loyalty Appeal

■ Loyalty programmes are a great way for brands & businesses to reward their customers ■ All brands should offer loyalty programmes ■ I join loyalty programmes each time I'm given the opportunity

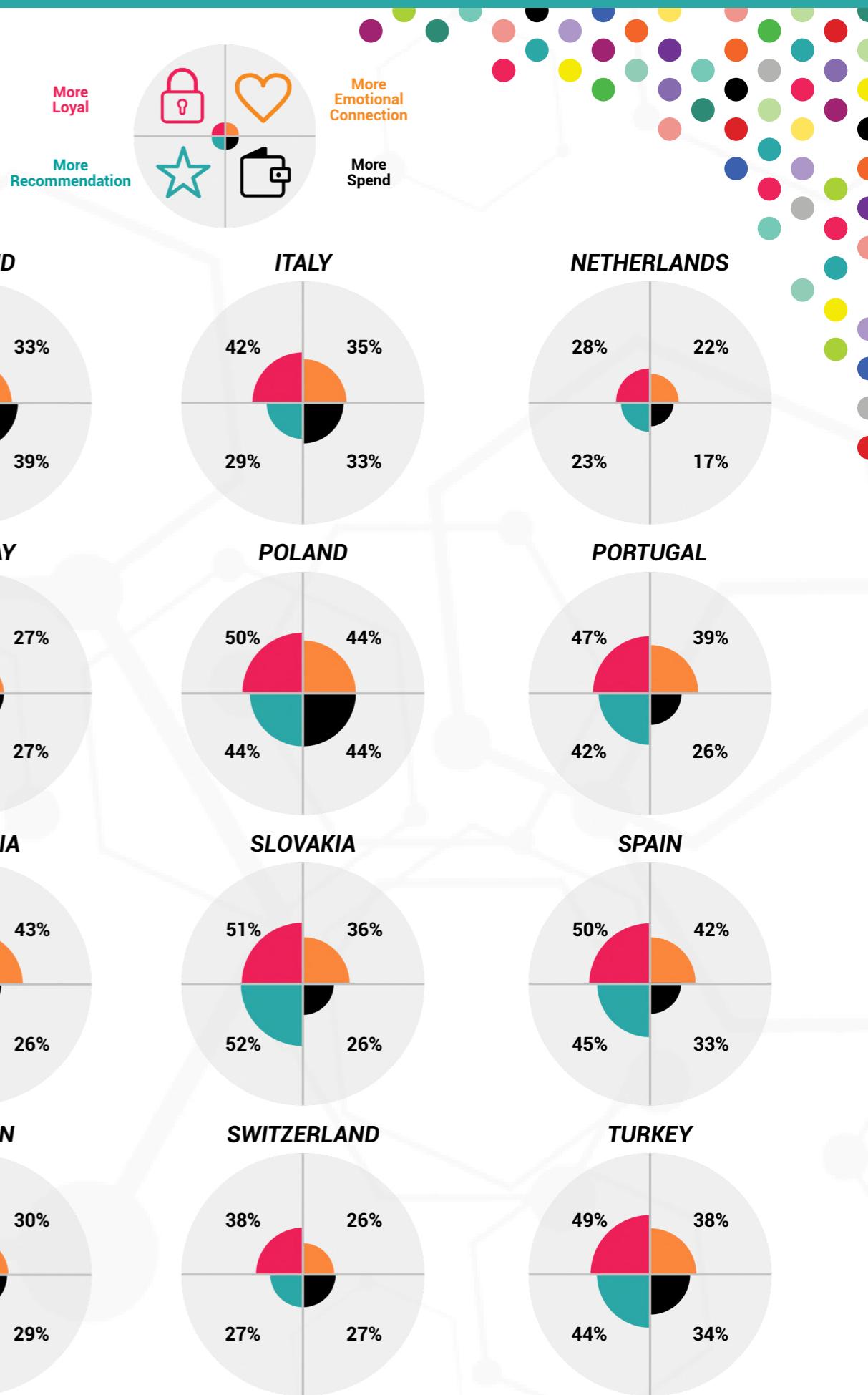


Loyalty Impact

Loyalty programme impact is very positive – on average across our 24 European markets, 43% say membership makes them more loyal, 36% say they are more likely recommend the brand, 33% feel more emotionally connected and 29% will spend more with a brand when a member of its loyalty programme.

BULLSEYE KEY:

The bullseye graphics visualise the 4 impact metrics.



Market Snapshot - The Czech Republic

Market Introduction: Loyalty in the Czech Republic

Czech companies embraced loyalty programmes relatively late in the day, despite the fact that their customers were always keen to sign up. This research clearly shows the inevitable truth that is a consequence of that late start - Czechs are very keen to participate, heavily engaged in loyalty programmes and recognise their positive impact (50% of Czechs say membership of a programme makes them more loyal to the brand). This is a great news for companies across the Czech Republic who are considering offering a programme or improving an existing one. Most brands do have a loyalty offering, but it is usually very basic, without much creativity or the courage to do things differently. For example, one of the most rewarding loyalty programmes on the market is McDonald's with 5+1 free coffee.

There are some notable innovations:

- Alza.cz, the biggest e-shop, offers a quite aggressively priced subscription programme offering free delivery. It has attracted hundreds of thousands and is a huge success.
- Abandoning points is a slow but visible motion. Fuel retailer MOL announced the end of its points programme, Lidl Plus has no intention to go beyond vouchers & games, the biggest retail bank ditched its points programme and focuses on cardlinked offers & the biggest pet shop, SuperZoo, uses "members only prices," inspired by Tesco Clubcard.
- The combination of loyalty currency collection. Kaufland, the #1 brand supermarket (who have more than half of Czech households signed up) unveiled direct payment within the mobile app recently; the first of many to come.
- Most programmes are single brand programmes in The Czech Republic – there is no sign yet of a big coalition on the horizon, that type of programme is yet to arrive in market.

Market Engagement: Loyalty in the Czech Republic

In the Czech Republic loyalty membership, appeal and impact is high. Whilst most programmes are a bit on the boring side, it's clearly working - maybe a bit boring is best!

LOYALTY MEMBERSHIP



67% are members of at least one programme

LOYALTY APPEAL



62% think programmes are a great way to reward customers

LOYALTY IMPACT



50% say membership makes them more loyal

67% of Czechs are members of loyalty programmes. They are also fans - 62% think they are a great way for brands & businesses to reward their customers, 41% think all brands should offer one and 33% join each time they are given the opportunity. 31% will spend more when a member of a programme, 50% say membership makes them more loyal, 46% will recommend more and 30% say they are more emotionally connected.

Czechs (rather surprisingly) recognise the hugely positive impact of loyalty programmes!

Expert Commentary on the Czech Republic Market provided by **Radek Hrachovec CLMP, Partner - Voxwise**

The Czech Republic: Loyalty Gauge™ Scores

MEMBERSHIP SCORE

6.7

APPEAL SCORE

4.6

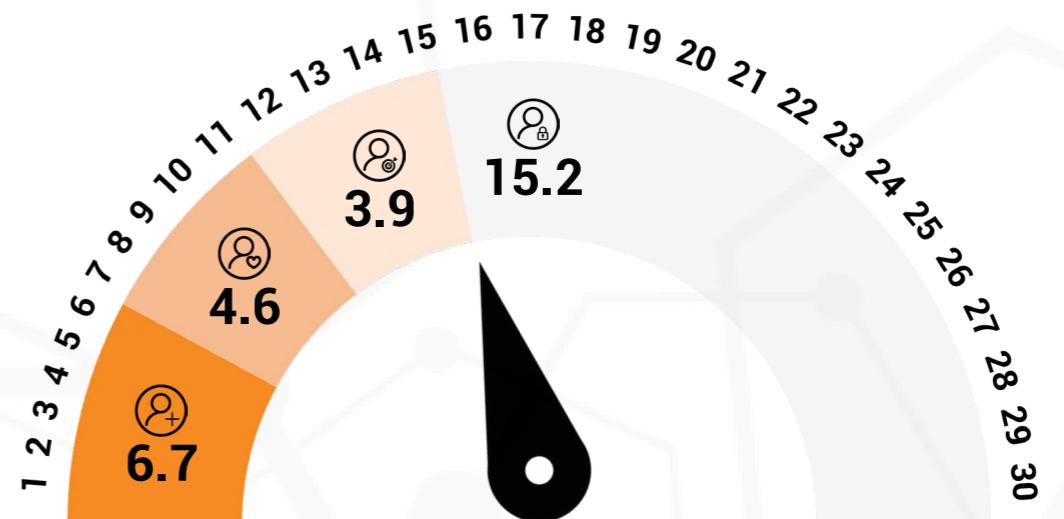
IMPACT SCORE

3.9

NET SCORE

15.2

Net Loyalty Gauge™ Score



The Czech Republic: Programmes to Watch

Dr.Max+

dm

GOPASS

DR.MAX ADVANTAGE CARD

This is the Czechs' favourite loyalty programme, with 45% of all citizens signed up. The programme addresses a very real need – members do not need to pay any surcharges for prescription medicines. The pharmacy chain Dr.Max is the undisputed market leader, mainly thanks to their brave actions - many years ago they ditched points and shifted their focus onto reducing surcharges. The redesign has now been proven to be a brilliant move. Its millions of members also receive targeted discount vouchers which significantly boost sales.

DM ACTIVE BEAUTY

Relaunched in 2018 with a new points-based approach, Active Beauty is one of the most beloved loyalty programmes in The Czech Republic, among a predominantly female audience. The basic programme is relatively simple; what makes it special however is the plethora of points bonuses on top. Points multipliers replace classic price reductions in a very effective way. Customers are delighted and it has the added benefit of minimum margin erosion for DM. They also invest heavily into content, in the form of a high-quality paper magazine, which is very popular among members.

GOPASS

The program was launched 2012 in a single ski resort. Since then it has evolved into a leisure platform connecting dozens of hotels, ski resorts, aquaparks, theme parks and golf resorts across five countries. Gopass is now an e-commerce channel, uniquely combining a reward system with practical benefits like unique hassle-free return guarantees and dynamic pricing. Part of the offering is a very successful prepaid programme, which thousands of skiers participate in. And the cherry on the cake is the gamified community engagement tool called Ski Challenge.

www.drmax.cz/kartavyhod

www.dm.cz

www.gopass.cz

Market Snapshot - Germany

Market Introduction: Loyalty in Germany

Food retail, chemists & fashion retail are the top German loyalty categories. The market has a strong focus on multi-partner programmes (such as Payback or Deutschlandcard) & cashback programmes (e.g. Shoop) which mainly consist of online partner offerings.

However, prominent single brand programmes can also be found across loyalty sectors such as food retail, hotels, mobility, electronics, cosmetics, fashion, petrol stations, DIY, food and entertainment. Notable brands with loyalty programmes include Douglas, Lidl, IKEA, Media Markt, Shell, H&M, Deutsche Bahn, Hagebau and Sky.

The dominant loyalty mechanic in Germany is a points-based programme, with member benefits focused on personalised offers, instant rebates, high quality and quantity premium offerings and easy registration and reward processes.

There are several innovations happening in the German market:

- Alongside the rational loyalty mechanics, there is a move towards greater emotional loyalty in Germany. Programmes are offering experience-based rewards and perks to increase member engagement and growth.
- From an infrastructure perspective, digital solutions like loyalty apps, gamification benefits & digital membership cards are effective ways to differentiate. Younger members especially expect programmes to offer digital & multichannel solutions.
- Sustainability and helping others is also starting to play a stronger role - loyalty programmes are reducing paper-based offers and offering sustainable rewards or charity initiatives (e.g. Payback Charity World).

Market Engagement: Loyalty in Germany

Germans typically focus on product quality; so loyalty programmes offer an opportunity for brands and businesses to offer additional rewards to their customers and consumers.



59% of Germans are members of loyalty programmes. They are also fans - 66% think they are a great way for brands & businesses to reward their customers, 45% think all brands should offer one and 35% join each time they are given the opportunity. 26% will spend more when a member of a programme, 34% say membership makes them more loyal, 27% will recommend more and 28% say they are more emotionally connected.

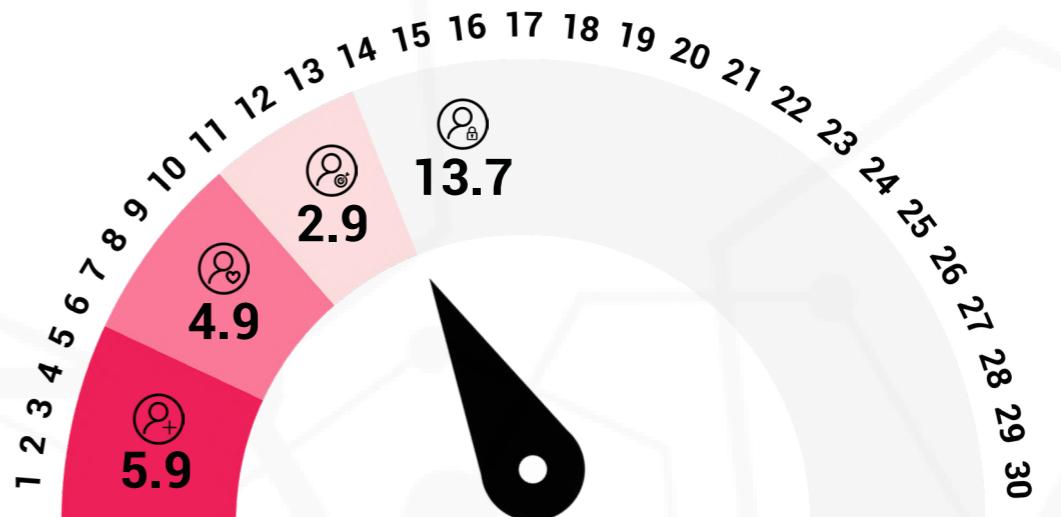
Germans like easy to use, value-adding programmes, that provide engagement and excitement!

Expert Commentary on Germany Market provided by **Nicole Wilhelm, Customer Loyalty Expert - Get-Focused**

Germany: Loyalty Gauge™ Scores



Net Loyalty Gauge™ Score



Germany: Programmes to Watch



LOYALTY MEMBERSHIP



59% are members of at least one programme

LOYALTY APPEAL



66% think programmes are a great way to reward customers

LOYALTY IMPACT



34% say membership makes them more loyal

PAYBACK

Payback, established in 2000, is the best-known coalition programme in Germany with 31m members and 680 offline & online partners. Members collect points through partners and then redeem them in categories like sport or multimedia, use them for vouchers, donate them to charity or transfer them to the Miles & More frequent flyer programme. Members benefit from personalised offers, as well as raffles & gamification. There are also co-branded credit cards with Amex and Visa and Payback Pay.

DOUGLAS BEAUTY CARD

Douglas Beauty Card is a stand-alone programme for the perfume retail brand Douglas. It's free to join and members collect points with every purchase, which can then be exchanged into vouchers. They also receive personalised offers from Douglas & partners. For 6€ pa members can upgrade to the Beauty Card Premium and get additional perks such as a magazine, birthday voucher & rebate coupons. Members using the app receive more add-ons like extra freebees too.



LIDL PLUS

In 2020 Lidl launched the first discounter loyalty programme "Lidl Plus". It's purely digital and offers exclusive advantages such as rebates, coupons, promotions and perks. Members receive a 5€ welcome bonus coupon and weekly coupons, direct to their smartphone. They can also save money on special product offers & prices. Each digital scan qualifies the member for a scratchcard with even more chances to get coupons. Lidl Plus also launched in the UK and was named Best Loyalty Programme at the 2022 International Loyalty Awards.

www.payback.de

www.douglas.de

www.lidl.de

Market Snapshot - Great Britain

Market Introduction: Loyalty in Great Britain

Great Britain has long been known as one of the most innovative and diverse loyalty markets in the world. We see a huge variety of loyalty propositions, mechanics, rewards and communications approaches across a broad range of sectors – from stalwarts like grocery, health & beauty, retail and travel, right through to newer sectors like telco, sport, energy and casual dining. We have very well-established points programmes like Tesco Clubcard, Nectar and Boots Advantage Card which have been the nation's favourites for decades. And many new programmes too; in the last few years alone we've seen the launch of Asda Rewards, MyMcDonald's Rewards, Lidl Plus, Pizza Express Club and Pret Perks to name just a few. There is a huge variety of mechanics at play too; Points, Milestones, Rewards Always On and Subscription are the primary ones.

We also see consistent innovation across the whole loyalty lifecycle. Big news has been:

- Launch of "members only pricing" (e.g. Tesco Clubcard Prices, Boots Price Advantage)
- Significant increase in focus on sustainability (e.g. Costa Club relaunch)
- Rise in charitable giving & engagement (e.g. Pets at Home Lifelines has given over £19m to charity and now even helps members find lost pets)
- New and ever more inventive rewards (e.g. Sky VIP's Money Can't Buy experiences, VeryMe Rewards from Vodafone's Feel Good Fridays and My John Lewis' crafting tutorials and cooking workshops).

Market Engagement: Loyalty in Great Britain

Given the state of the market, it was no surprise to see that Brits over index on all 3 scores and that GB is the 3rd most loyalty engaged market of all the 24 markets we explored.



77% of Brits are members of loyalty programmes. 70% think they are a great way for brands & businesses to reward their customers, 49% think all brands should offer one and 39% join each time they are given the opportunity. They also have high impact: 37% will spend more when a member of a programme, 42% say membership makes them more loyal, 35% will recommend more and 30% say they are more emotionally connected.

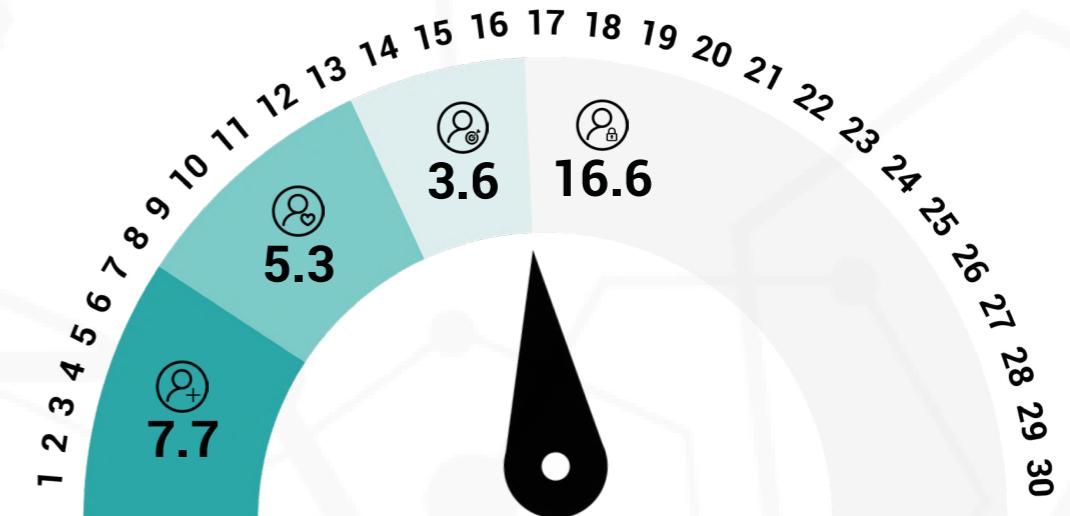
Brits really are a nation of loyalty lovers!

Expert Commentary on GB Market provided by **Charlie Hills, MD & Head of Strategy - Mando-Connect**

Great Britain: Loyalty Gauge™ Scores



Net Loyalty Gauge™ Score



Great Britain: Programmes to Watch



TESCO CLUBCARD
The nation's favourite programme, and one of the "Big 3" in Britain. Promises its members "the power to get the very best value from Tesco" and designed in service of the brand motto "Every Little Helps". Members collect points with spend, unlock exclusive Clubcard Prices and earn vouchers to save on shopping or get up to 3 x the value with over 100 reward partners.



COSTA COFFEE CLUB
Relaunched in 2022, ditching points in favour of beans with every drink purchased, it helps its members "let the free times roll". Offering members a free drink when they buy 8, free cake on their birthday, exclusive rewards and bonus beans, and, uniquely for now, it rewards members for demonstrating sustainable behaviours – if you use a reusable cup in store you only have to buy 4 drinks to get 1 free.



BMW INSIDE EDGE
Combining exclusive benefits, unique experiences, curated content and a frictionless user experience, 'BMW Inside Edge' is an automotive industry-first loyalty programme. It helps to connect BMW company car drivers to the brand, and it enables them to unlock the "inside edge" in their personal and professional lives.

Market Snapshot - Italy

Market Introduction: Loyalty in Italy

Loyalty programmes are a well-established marketing tool in Italy, where 70% of B2C and 33% of B2B companies have a programme of some sort. The penetration of loyalty is also accelerating - around 20% of B2C loyalty programmes have been introduced in the past 2 years.

The retail market – especially grocery – is very crowded - the majority of consumers are enrolled in at least 1 grocery programme. All other sectors lag behind; they are much smaller than grocery. Loyalty programmes in apparel, consumer electronics and pharmacies reach less than 20% of Italians. This is strongly linked to the fragmentation of the market, where small, local businesses are still commonplace, and national chains are the norm in larger cities. We also see growth in employee loyalty programmes, a new trend to watch in a country where this area is highly regulated.

In Italy programmes are characterised by points, levels and gamification. The industry is also looking forwards – the ambition to move to green, digital, experiential, simple, data-driven programmes is common.

Market Engagement: Loyalty in Italy

Italians slightly under index on membership and appeal of loyalty programmes, but meet market average on impact. They are also above average for some specific behaviours, as described below.

LOYALTY MEMBERSHIP



57% are members of at least one programme

LOYALTY APPEAL



60% think programmes are a great way to reward customers

LOYALTY IMPACT



42% say membership makes them more loyal

57% of Italians are members of loyalty programmes, with big differences across sectors. 46% join programmes each time they have the opportunity; this is 11ppts higher than the European average - good news for new programme launches! The Italian appreciation of loyalty programmes also shows when they say brands should offer them (48%) and they are a great way to reward customers (60%).

They make Italians spend more (33% vs 29% average) but fail to make them recommend to others (29% only vs 36% average). Is this perhaps due to programmes being less geared around wow! experiences and more around price?

Italians join each time there is opportunity and spend more as a consequence of membership, but don't ask Italians to recommend loyalty programmes!

Expert Commentary on Italian Market provided by **Cristina Ziliani, Professor of Marketing - University of Parma**

Italy: Loyalty Gauge™ Scores

MEMBERSHIP SCORE

5.7



APPEAL SCORE

5.1



IMPACT SCORE

3.5

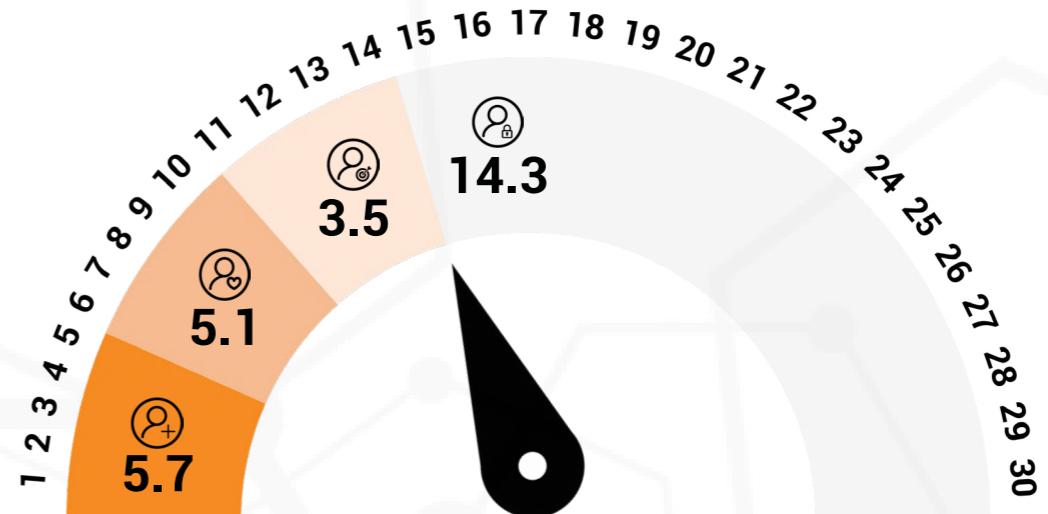


NET SCORE

14.3



Net Loyalty Gauge™ Score



Italy: Programmes to Watch



SORGENIA GREENERS

Greeners by Sorgenia is setting the pace for programmes that want to speak about environmental sustainability. It is a gamification platform aimed at a fully digital customer base, accessible through multiple channels and a real community, where Sorgenia can interact with their clients and motivate their employees for a more sustainable life. Greeners has been successful in increasing brand awareness, retention and engagement.



PIACERE LAVAZZA

The world famous Lavazza coffee brand wanted to get closer to their customers and engage them in a one to one relationship. Piacere Lavazza is an omnichannel, app-based loyalty programme where customers earn "coffee beans" which can be redeemed for rewards from coffee products all the way up to starred dinners. Members get engaged everywhere: at home, in bars and at vending machines. A twin app for baristas completes the programme.



CISALFA PRO

In the low-frequency sporting goods retail business, this newly re-launched programme is a winner. An innovative subscription model, a digital loyalty card and two levels – talent and top player. It offers personalised offers, carefully planned email marketing journeys and the constant proposal of new experiences, based on members' sports preferences and local events. It's driving Cisalfa Pro growth in both acquisition and retention.

www.sorgenia.it/entra-in-greeners?campaign_code=SEM-DSA&gclid=Cj0KCQjAvqGcBhCJARIsAFQ5ke7Bl3hin1u62F6uacaj_uTY2beKDswEkGLzqb6C-zG1mVoBn4w8Q70aAs2SEALw_wcB&gclid=aw.ds

www.lavazza.it/it/app-piacere-lavazza

www.cisalfasport.it/it-it/cisalfa-pro/

Market Snapshot - The Netherlands

Market Introduction: Loyalty in the Netherlands

Whilst the Dutch market is still primarily focused on traditional transactional loyalty mechanics, we are seeing an increasingly broad spectrum of loyalty mechanisms in operation. But more needs to be done to create more emotional or hybrid loyalty marketing strategies. These new types of strategies are extremely important to keep the consumer engaged with your brand. This is clearly reflected in the results of this study and shows great potential for the Dutch market.

Where the Dutch consumer is known for being cost conscious and a bargain hunter, the Dutch consumer also shows the characteristics of a loyal consumer. There are some good examples of innovation in the Dutch market:

- Ekovriend, the loyalty programme of Dutch eco-supermarket chain, Ekoplaza, demonstrates the rise of the importance of sustainability. This new programme gives its members the chance to save points for discounts and free products, but also enables them to support and donate points to sustainable initiatives.
- Jumbo Extra's is the programme of Dutch supermarket chain, Jumbo. Jumbo is adding electric car charging stations to their stores, powered with solar energy. And the loyalty programme is in close support - while members do their grocery shopping they can charge their cars and collect Jumbo Extra's points while charging.
- There is significant innovation from younger and smaller companies – for whom it is very important to gain brand ambassadors and funding for growth. Seabass is a Dutch brand that produces UV-swimwear for children. They have introduced the 'Seabass Club' – it actually offers its members the chance to become part of the brand itself, by providing stock that is linked to the amount spent per transaction.

Market Engagement: Loyalty in the Netherlands

The Dutch are a nation of value seekers – we love saving points, stamps and collectibles! But the research shows that membership and appeal of loyalty is low (but impact is high).

LOYALTY MEMBERSHIP



59% are members of at least one programme

LOYALTY APPEAL



36% think programmes are a great way to reward customers

LOYALTY IMPACT



28% say membership makes them more loyal

59% of Dutch consumers are members of loyalty programmes. Only 36% see them as a great way to reward customers, and only 16% join each time they are given opportunity. The impact of programmes shows similar figures: 17% spend more when a member, 28% say membership makes them more loyal, 23% will recommend more and 22% feel more emotionally connected.

Especially for a frugal culture like the Dutch, this data indicates there is tremendous potential for loyalty programmes in the Netherlands!

Expert Commentary provided by Léon Huyben, Senior SME Loyalty Consultant - Emakina (an EPAM company)

The Netherlands: Loyalty Gauge™ Scores

MEMBERSHIP SCORE

5.9

APPEAL SCORE

2.4

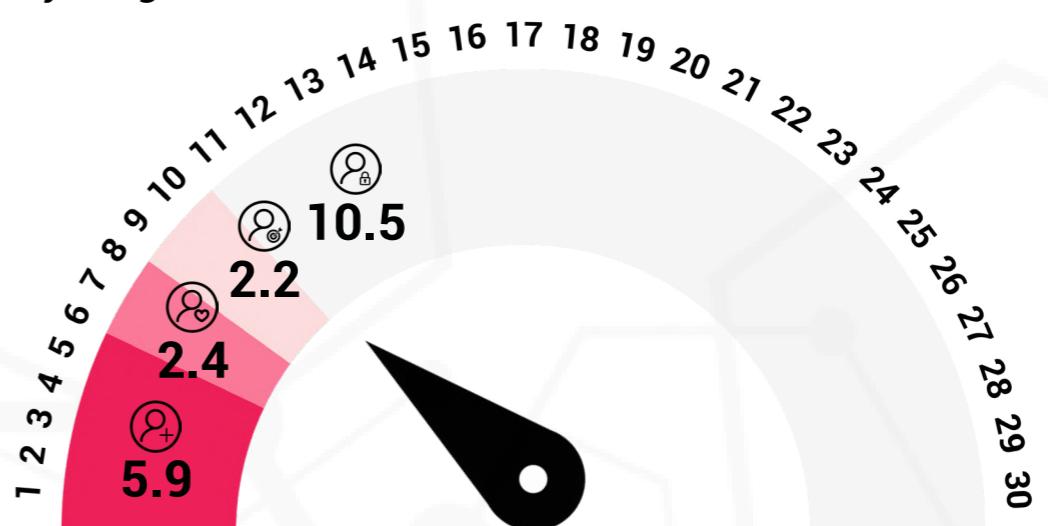
IMPACT SCORE

2.2

NET SCORE

10.5

Net Loyalty Gauge™ Score



The Netherlands: Programmes to Watch



de Bijenkorf

MEER HEMA

HEMA is one of the Netherlands' leading retail brands. In 2017 they launched the 'meer HEMA' programme and it's been a huge success regarding gaining new members and membership engagement. The success of the programme is not only due to the clear benefits and the simplicity of use but also the knowledge of the app usage among all HEMA employees in the stores. It's very well supported by all employees within the organization, from the shop floor to the Board. In the future, HEMA will add more and more services and innovations to the programme.

www.hema.nl

MIJN ALBERT HEIJN

One of the most innovative brands in the Netherlands, and also the Dutch largest supermarket chain, is the AHOLD supermarket chain Albert Heijn. We also see their innovative excellence in the field of customer engagement campaigns with spot-on savings campaigns and mechanisms. Throughout the year Albert Heijn triggers her customers with a powerful variety of these high-profile savings promotions. This is complemented with a strong Air Miles programme, and activity to support sustainability and education for the young and the old.

www.ah.nl

DE BIJENKORF MEMBERSHIP

de Bijenkorf is a chain of premium Dutch department stores. It is setting a great example for the market of an emotional / brand experience-driven loyalty strategy. They recently launched their new programme 'de Bijenkorf Membership.' It is purely focused on the 'de Bijenkorf experience,' that you get as a Bijenkorf member. It offers exclusive member experiences such as personal stylist sessions, access to special events and services, and no more points for discounts.

www.debijenkorf.nl

Market Snapshot - The Nordics

Market Introduction: Loyalty in the Nordics

The Nordics are very advanced loyalty markets, often ahead of others for innovation and trend adoption. For example, innovations such as loyalty apps and digital passes have been around for a longer time in the Nordics than in other markets, and their adoption among programme members is also higher. Loyalty programmes in the Nordic region also really stand out in terms of enrolment rates. On average 78% of adults in the Nordic region are members of at least one loyalty programme.

On the downside, this early innovation adoption and mass membership results in a market environment with a high barrier of entry for newcomers or those planning to revamp their loyalty programmes. In other words, those who wish to enter the Nordic loyalty programme market, need to deliver really great loyalty propositions – that meet the high expectations of a mature, innovation-loving loyalty audience, and also stand out from a mature competitive set.

One of the areas where the market is still ripe for innovation however, is in non-transactional engagement and emotional loyalty. Whilst many Nordic loyalty programmes offer a community-based approach and unique and personalised rewards, there is still more to be done in this space. Programmes need to break new ground and incorporate propositions that support eco-friendliness and healthy lifestyle choices. They could do more to integrate sport or health tracking apps into their reward experiences, or encourage sustainable behaviours in a gamified manner.

Market Engagement: Loyalty in the Nordics

In the Nordics, loyalty programmes are expected; they are almost a hygiene factor.

LOYALTY MEMBERSHIP



78% are members of at least one programme

LOYALTY APPEAL



44% think programmes are a great way to reward customers

LOYALTY IMPACT



36% say membership makes them more loyal

People in the Nordics are heavily engaged in loyalty - 78% are programme members. But impact and appeal are lower, behind the average. 44% think they are a great way for brands & businesses to reward their customers. 28% believe all brands should offer one and 33% join each time they are given the opportunity. 29% will spend more when a member of a programme, and 36% say it makes them more loyal. The advanced nature of the region presents an opportunity for brands to shake things up and set a new standard for loyalty impact!

We are at the beginning of the next stage in Nordic loyalty, revamping what's old and expected and creating something innovative instead is the key to success!

Expert Commentary on the Nordics Market provided by **Zsuzsa Kecsmar, Chief Strategy Officer and Co-founder**

- Antavo Enterprise Loyalty Cloud

The Nordics: Loyalty Gauge™ Scores

MEMBERSHIP SCORE

7.8



APPEAL SCORE

3.5



IMPACT SCORE

3.0

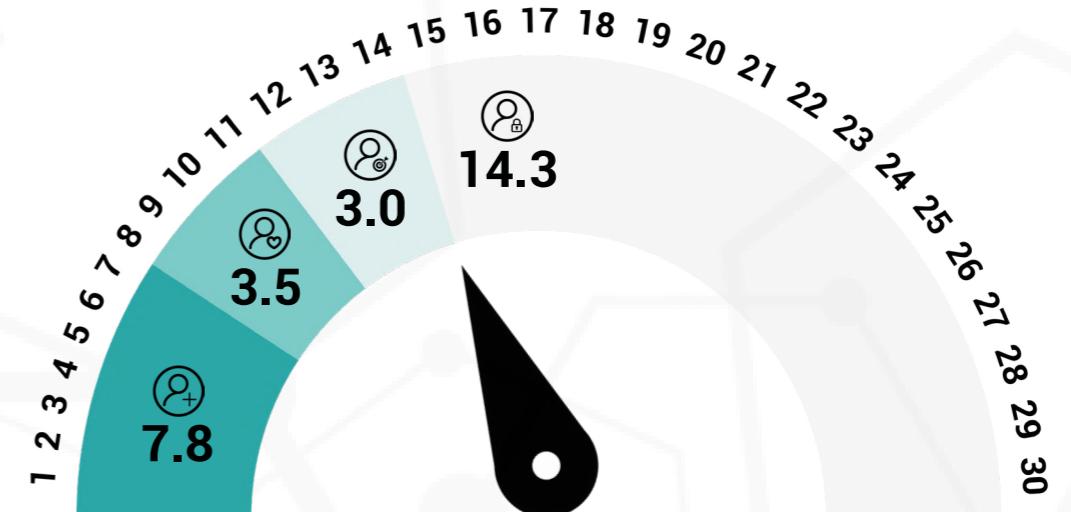


NET SCORE

14.3



Net Loyalty Gauge™ Score



The Nordics: Programmes to Watch



CLUB MATAS

Club Matas is a loyalty programme from Matas, a Danish retail chain. The omnichannel loyalty programme uses an earn & burn model, but it's most notable for its highly personalised app experience. This provides offers and reminders on upcoming rewards. Moreover, the company has recently introduced a paid level (Club Matas Plus) that has been well received by audiences.



KJELL & COMPANY CLUB

Hailing from Sweden, the Kjell & Company Club has over 2.6 million members. The programme emphasises community building over transactional loyalty. Club members have access to members-only product demos and workshops, as well as supportive content and unique offers through the programme's newsletter.



IKEA FAMILY

IKEA Family is one of the most popular loyalty programmes in the Nordics, from local-born IKEA. It offers a wide variety of instantly available benefits - like special discounts that change monthly or free coffees at the stores. But it also unlocks a range of much loved and more emotional benefits – such as access to a range of community-focused events and workshops for both kids and adults to help them get better at DIY projects.

www.matas.dk/clubmatas/
www.club-matas.com

www.kjell.com/no/medlem

www.ikea.com/us/en/ikea-family/

Market Snapshot - Poland

Market Introduction: Loyalty in Poland

The popularity of loyalty programmes in Poland has been growing steadily. Similar to other markets, the most popular programmes are found in the convenience, pharmacy, QSR and fuel retail sectors. They are especially effective in sectors with high buying frequency. The biggest loyalty programmes in the Polish market are Moja Biedronka, Rossnę Rossmann, Lidl Plus, and Orlen. And the programmes that are trending in terms of popularity are Żappka, Allegro Monety, Mój Empik and MojeM Nagrody from McDonald's.

Poles participate in loyalty programmes primarily for a pragmatic reason – to save money. The current climate of growing inflation and market slowdown is further increasing this driver of participation. They expect a clear value proposition and often treat participation in loyalty programmes in a very transactional manner. They expect promotions, discount coupons and points which can be used as payment or for reward redemption.

In the past, many brands introduced points-based loyalty programmes, popularised by the PayBack coalition. Now, we see that brands are increasingly moving towards their own independent loyalty propositions. They are pivoting towards discount-based approaches, gamified mechanics and programmes that integrate payment. The popularity of gift and prepaid cards is also on the rise.

Lots of Polish companies who have strong loyalty programmes seek to engage in direct contact with the end customer, and to build more engaging mediums than other marketing channels like newsletters can provide. As a result, we are seeing an increase in mobile loyalty applications.

Market Engagement: Loyalty in Poland

Over the past few years, loyalty programmes have become exceedingly popular with Poles. The current market recession and growing inflation has strengthened this popularity.

LOYALTY MEMBERSHIP



67% are members of at least one programme

LOYALTY APPEAL



68% think programmes are a great way to reward customers

LOYALTY IMPACT



50% say membership makes them more loyal

67% of Poles are members of loyalty programmes. They are also super fans – 68% think loyalty programmes are a great way for brands & businesses to reward their customers; 50% think all brands should offer one, and 52% join whenever they are given the opportunity. 44% will spend more when participating in a programme; 50% say membership makes them more loyal; 44% will recommend more, and 44% say they are more emotionally connected.

Poles consider loyalty programmes a great way to generate savings!

Expert Commentary on Poland Market provided by **Karl Bzik, Co-Founder - Open Loyalty**

Poland: Loyalty Gauge™ Scores

MEMBERSHIP SCORE

6.7

APPEAL SCORE

5.6

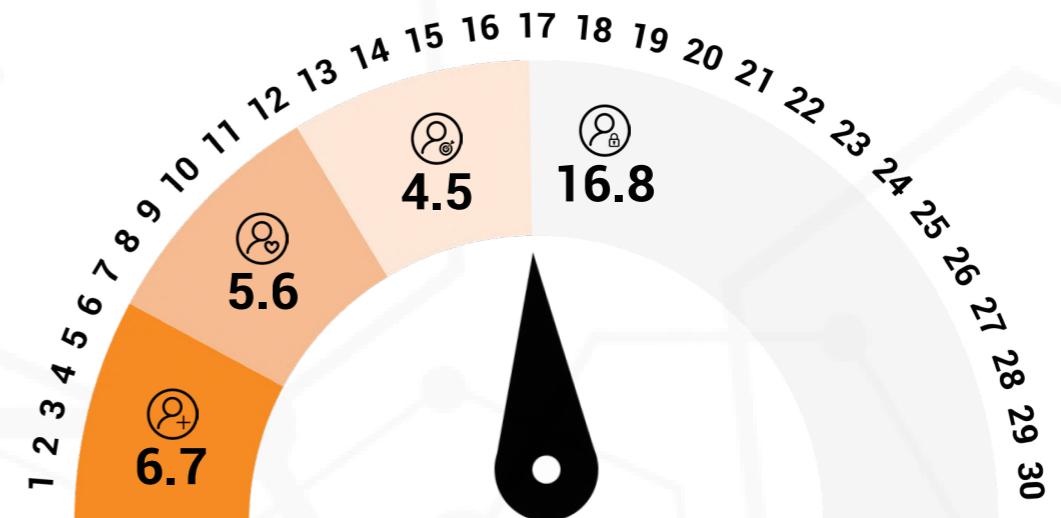
IMPACT SCORE

4.5

NET SCORE

16.8

Net Loyalty Gauge™ Score



Poland: Programmes to Watch



ZAPPKA FROM ŻABKA

Żappka, a mobile loyalty application from Żabka, the biggest polish convenience chain, is currently the most popular app in the Polish market. The programme is based on simple and successful earn & burn mechanics. Customers earn a digital currency called "żappsy" and exchange it for coupons for dedicated offers. Digital currency can be easily shared between members. What's unique is that the promotions are generated dynamically, they change on a daily basis based on a personalisation algorithm. Customers can also connect their payment cards, making the whole shopping process even smoother.

ROSSNĘ FROM ROSSMAN

Rossnę is a superb popular loyalty program from Rossmann - a Polish branch of the German beauty supply store chain. The programme is designed for pregnant women and parents of children under the age of 10. The mechanics are based on special offers and coupons. Twice a month, members receive personalised offers, which are tailored and personalised according to the age of the child. Rossmann also enriched their programme with a big bank of content about childcare. The mobile application is the main channel of communication with members.

MOJA BIEDRONKA FROM BIEDRONKA (JERÓNIMO MARTINS)

Moja Biedronka is the loyalty programme of Biedronka, the biggest discount supermarket chain in Poland. With over 14 million members, it is the biggest programme in Poland. The strategy is based on time-limited coupon campaigns and most promotions are focused on own brands. As Biedronka has customers across all age groups, they allow multiple identification methods within the store. Members can scan a QR code found in the mobile app, use physical cards or provide their mobile phone numbers. All identification methods work in standard and self-service checkouts.

www.zabka.pl/aplikacja-zappka

www.rossmann.pl/rossne

www.moja.biedronka.pl/

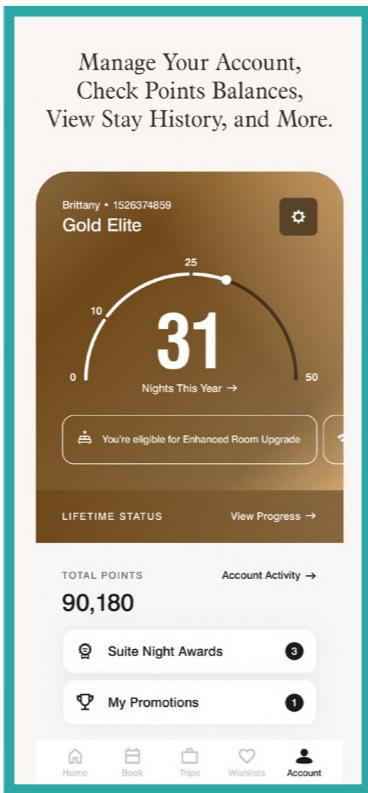
Programme Snapshot - Marriott Bonvoy

PROGRAMME OVERVIEW

Marriott Bonvoy is Marriott International's award-winning travel programme and marketplace. It gives members access to transformative, eye-opening experiences around the corner and across the globe. Its portfolio of 30 extraordinary brands offers renowned hospitality in the most memorable destinations in the world.

Members can earn points for stays at hotels and resorts, including all-inclusive resorts and premium home rentals, as well as through everyday purchases with co-branded credit cards. Members can redeem their points for experiences including future stays, Marriott Bonvoy Moments, or through partners for luxurious products from Marriott Bonvoy Boutiques.

With the Marriott Bonvoy app, members enjoy a level of personalisation and a contactless experience that allows them to travel with peace of mind. To enrol for free or for more information about Marriott Bonvoy, please visit marriottbonvoy.com. Travellers can also connect with Marriott Bonvoy on Facebook, Twitter, Instagram and Tik Tok.



VARIATION ACROSS EUROPEAN MARKETS

The core of our Marriott Bonvoy travel programme does not differ from market to market, and our members worldwide unlock amazing benefits the more they stay with us. Our members enjoy instant benefits such as exclusive member rates and mobile check-in/services. As they achieve the next Elite status, they earn bonus points, priority late checkout and more benefits, starting after only 10 nights.

However, we do constantly listen to our members' and customers' needs to ensure that we offer what matters the most to them, and localise their experience as much as possible. For example, we offer local experiences through our Marriott Bonvoy Moments platform (in line with their passions and interests) and we are expanding our value proposition towards more every day (non-stay) points earning opportunities through travel partners.

We also constantly look at partners who can help us enrich our travel offering and programme value proposition, in line with our European members' travel behaviours and interests. For example, members can redeem their points to see a show from our luxury suite at The O2 London or the Mercedes-Benz Arena in Berlin, support their favourite Basketball or Football team from our VIP seats in Paris or Manchester, and much more. They can also choose to transfer their points to frequent flyer miles with 38 participating airlines. In the UK, members can also acquire our Marriott Bonvoy® American Express® Credit Card to accelerate their rewards.

We encourage members to share their preferences with us so we can offer a more personalised experience when on-property. And finally, we ensure that our member communications are thoughtfully crafted and delivered in a way which recognises and addresses regional nuances. We focus on content localisation and personalisation, by serving targeted communications via email or other member channels, including relevant content based on location, travel history and preferences, Elite Status tier, points balance, etc. We celebrate their milestones, engage with them throughout their life-cycle and strive to talk to our members in their preferred language.

POINT OF VIEW ON LOYALTY GAUGE DATA

We have noticed that while Europeans have high membership and usage of loyalty programmes, this is often more focused on retail and airlines, rather than hotels. For example, British and German frequent travellers are likely to be members of more than one airline programme, but less likely to be a member of hotel programmes. There is not such a strong culture of engagement with hotel loyalty programmes, and, where there is, they are often perceived as a business travel offering, rather than for leisure travel as well.

In research we carried out, we learned that travellers from all European countries want a loyalty programme to offer good deals and value for money, while, in the Middle Eastern countries, travellers most value recognition and good customer service (ie. special treatment). German travellers want to be members of programmes they trust, and, in the UK, travellers place receiving value at the top of the list of desired benefits.

Marriott Bonvoy offers members generous limited time promotions throughout the year, allowing our members to accelerate their earnings with bonus points to experience more and bonus Elite Night Credits to achieve the next Elite Status faster. We also encourage our members to refer their friends to earn bonus points.

We also notice that our highest elite members stay more and spend more when on property. They trust our brands and guest experience, and continue to stay with us to enjoy their exclusive member benefits. Once on property, our associates deliver a personalised experience to ensure they return. Finally, we regularly engage with our members, to continue to build trust, reinforce the relationship, seek their feedback and improve our programme to meet their needs.

WHAT THE FUTURE HOLDS

Over the last few years, Marriott Bonvoy has evolved from a rewards programme to an immersive and inclusive travel platform to welcome every type of traveller. The global pandemic not only shifted travellers' expectations, but it fundamentally changed human attitudes and behaviours at a speed we've never seen before. Today's traveller wants a holistic, tech-enabled, personalised experience, so this is something we've focused on developing.



Our guests want options such as mobile check-in and a mobile key, to browse in-room dining menus from the convenience of their personal device and have the ability to communicate with their hotel without having to pick up the phone and call. Guests now engage with the Marriott mobile app before, during, and after their stay using our Mobile Request chat feature.

Looking ahead, our focus continues to be on expanding the ways members can earn points and engage with us, giving flexibility, rich offers, amazing once in a lifetime experiences. In addition, growing the choice of stay options our members can choose from at hotels, resorts, home rentals, and now a yacht too, around the world, while offering new ways to earn and redeem their points outside of hotel stays. We will keep expanding our partnerships and member experiences to ensure the programme remains relevant and valuable to our members.

Expert commentary provided by **Virginie Liddawi - Marriott Bonvoy**

Programme Snapshot - Samsung Members

PROGRAMME OVERVIEW - INTRODUCING SAMSUNG MEMBERS

Samsung Members is a place where Samsung customers are empowered to do more of what they love to do. Where they get rewarded, get inspired and connect with a community of Samsung fans. The programme builds active emotional loyalty through participative and dynamic content relevant to the Samsung products they own and their passions – from games, bite-sized “how to” lessons and community contests, through to exclusive access to Samsung events and exclusive customer support too.

Created in 2015, it has evolved into an engagement platform at the heart of the Samsung customer experience, engaging millions of loyal Samsung customers across owned and paid channels, using first party data to effectively target customers. It's a unique flexible programme designed to meet local country priorities and needs, it helps customers engage more, spend more, more often and stay for longer.

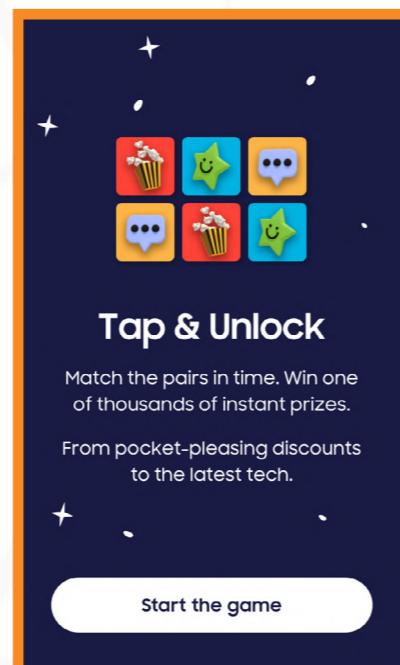
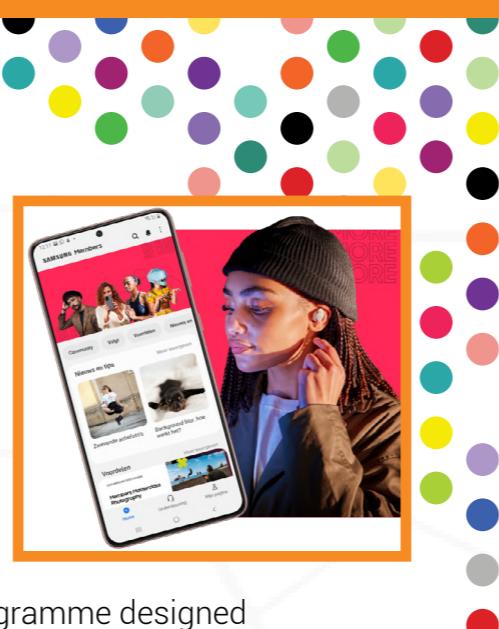
VARIATION ACROSS 34 EUROPEAN MARKETS

Whilst Samsung Members has a European vision and proposition based on four key pillars – Support, Reward, Inspire and Connect, the experience of the programme is tailored across the European markets.

In Belgium and Netherlands, the programme is elevated through inspirational content and builds engagement through an exclusive “How To” Masterclass Series. Masterclasses are focused on customer passions such as entertainment, photography & wellbeing. It's a powerful platform that has grown through local influencers and inspires Members to get the most out of their Samsung products and empower them to fulfil their passions.

In Poland, the programme elevates the Members community with customer participation in community contests. Partnerships are created with popular passion brands to create competitions that drive engagement through entries, likes & comments. One such activity was undertaken with National Geographic (Burda Media). Members were encouraged to submit images taken on their Samsung phones, for a chance to win a Samsung prize bundle and be featured in National Geographic. It achieved the highest community engagement across the whole of Europe!

In Italy, engagement is elevated with rewards. By offering a variety of instant win mechanics, the Samsung Members approach offers the instant gratification YM and Gen Z crave. Instant Win and Contest are planned during holiday seasons (like Christmas) and main business moments (like Black Days), with Samsung products and partner rewards. These exclusive rewards drive engagement with our loyal customers and secondly support campaign conversion on Samsung.com.

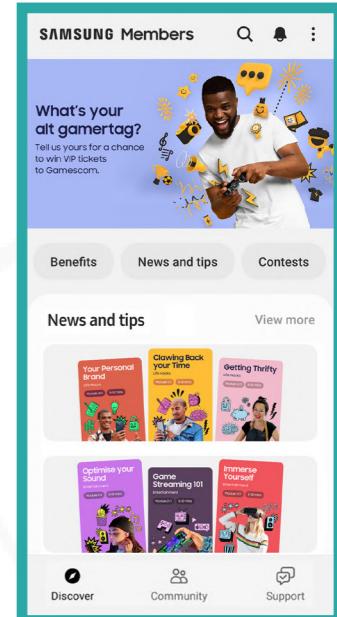


POINT OF VIEW ON LOYALTY GAUGE DATA

The Loyalty Gauge data clearly demonstrates that Europeans are highly engaged in loyalty. That is mirrored in our experience with Samsung Members. The programme has over 50 million members across 34 European markets. Those members have primarily been acquired through organic means; it's a naturally engaged audience.

- The Loyalty Gauge data shows that 57% of Italians are members of loyalty programmes and 60% think they are a great way to reward customers. We see similar high Italian engagement.
- We are seeing highest member growth in Greece and the Nordics – double digit growth in both markets. Which, in the context of the Loyalty Gauge data, is now even more impressive to us – only 27% of Greeks which join a loyalty programme every time they are given a chance, 33% of those based in the Nordics will.
- In Poland the research stated that 44% will spend more when they are a member of a programme. We see the same trend in our data – in Poland the spend impact of membership is more than 20% higher than our European average.

The data in this white paper reflects our experience across Europe – we are excited to see what more we can do to engage local audiences with these insights.



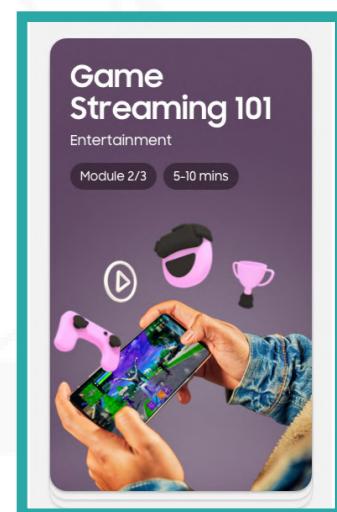
WHAT THE FUTURE HOLDS

Retaining and engaging our existing members is a key priority. Samsung Members will continue to innovate to drive more moments of joy and support for our customers, so they can do more of what they love with the help of our technology and services.

Here's a sneak peak of the areas that we are exploring:

- Helping our customers live more connected lives by elevating our IOT app, SmartThings.
- Expanding omni-channel access to the programme across digital, retail and social channels.
- Exploring new hero brand partnerships with exclusive Member benefits, linked to our customers' passions.
- Amplifying Samsung's sustainability initiatives and increasing our community engagement.

We are very excited to keep innovating, keep moving, keep engaging and delighting our existing Samsung Members, and keep winning the hearts and minds of every Samsung customer.



Expert commentary provided by **Laura Moore** and **Cathryn Lodridge - Samsung Members**

Programme Snapshot - VeryMe Rewards from Vodafone

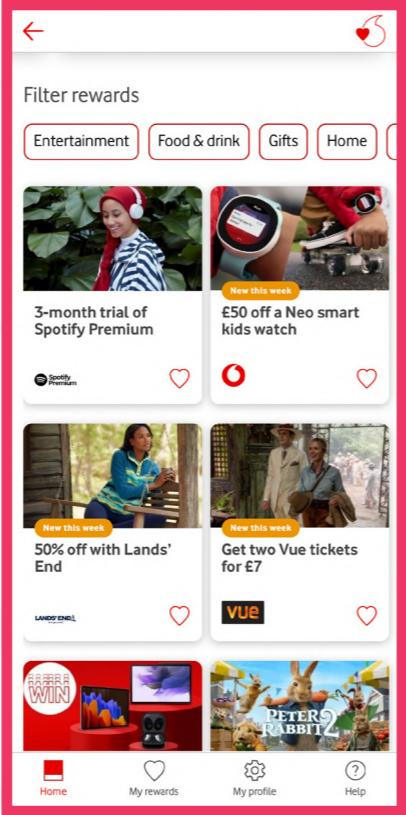
PROGRAMME OVERVIEW

VeryMe Rewards from Vodafone is designed to help the brand build genuine and meaningful loyal relationships with its customers for the long term, in one of the toughest and most competitive telco markets in Europe.

This programme has won multiple awards since it was launched in 2018, and in 2022 it was recognised at the International Loyalty Awards as the Best Long Term Loyalty Programme and also won the prestigious Best in Western Europe Award.

The programme is unique because it connects its members to what they really love, based on their interests and preferences. It is the only one that uses gamified engagement, insight and machine learning to understand its members and then serve them rewards they really love. Members are offered a curated range of rewards – over 30 different rewards are available each month, prioritised and personalised to each member.

It's a digital first, friction free, mobile only app-based mechanic. It sits in the MyVodafone app for brand and data integration and ease of use and it's supported and promoted with a full 360 marketing communications plan across social (Twitter, Instagram, Facebook, Snapchat), TV, email, retail, digital OOH, radio, display, PR, SMS, MMS and push.



DEVELOPED FOR THE UNITED KINGDOM

The programme is designed to delight and engage Vodafone customers:

- Vodafone customers really enjoy a gamified experience, so VeryMe regularly features games and competitions that enable members to win big. For example, in 2020, we developed a new instant win mechanic, which in its first 2 campaigns alone saw 1.5m plays.
- In 2021 we used a combination of customer research, member reward behaviour analysis and trend forecasting to identify an insight that members wanted to help others. We introduced "Gifting" capability, where members can gift their rewards to others, even if they aren't on Vodafone. The results have been off the charts. We've amplified this with charity partnerships such as The Trussell Trust and The Big Issue to win members' hearts.
- In 2022, we proactively tailored rewards to the oncoming cost of living crisis with a new everyday essentials reward category and increased the number of value focused rewards aimed at delivering tangible value to as many members as possible. These rewards included £5 off your weekly shopping at Sainsbury's and Morrisons fuel vouchers.
- And we continuously use our insight to identify new types of rewards for our members. For example, having identified that 46% regularly get takeaways – we developed a key strategic partnership with JustEat to deliver ongoing campaigns including 20% off any takeaway for all Vodafone VeryMe members.

POINT OF VIEW ON LOYALTY GAUGE DATA

VeryMe Rewards from Vodafone is an internationally recognised programme that operates in one of the most advanced loyalty markets in the world. In this market, 77% of the adult population are members of loyalty programmes and 70% think that programmes are a great way to reward customers.

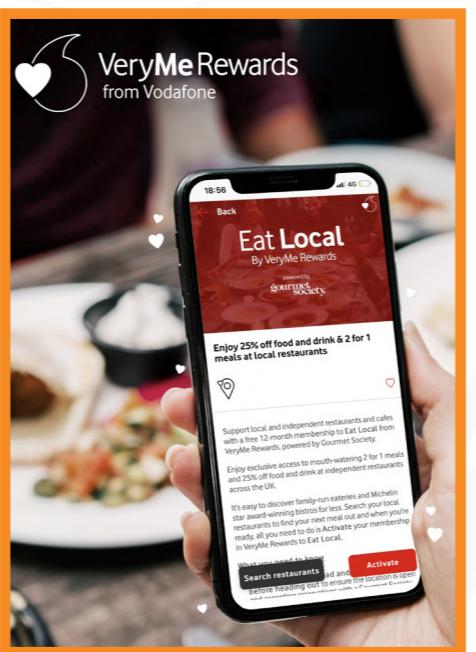
It is therefore especially important that VeryMe Rewards from Vodafone is at the top of its game. To do this, we have invested heavily in a powerful insight engine, that drives the programme forwards and ensure it stays one step ahead. This engine is fuelled by multiple data sources – by customer data, by reward performance data, by preferencing data, by research including tracking and regular studies, by behavioural data, by gamification and by regularly looking outside to the market, to trends and to other markets for inspiration and new ideas.

Regular promotion of the programme is also critical to its success – to engage existing members (in Britain 39% will join a loyalty programme each time they are given the opportunity), but also to attract new members and customers. In the summer of 2022 VeryMe launched its first ATL campaign. The programme "packed summer with more of things our audience love" – members could win tickets to the biggest summer events - including Wimbledon and summer festivals - and get discounts on family days out and experiences. It was a huge success.



WHAT THE FUTURE HOLDS

VeryMe Rewards from Vodafone prides itself on never sitting still – continuous innovation is at the heart of the programme. We are exploring new, insight driven innovation across the board with VeryMe:



- Insight innovation with new sources of data, new approaches to member segmentation and new external data sources, all developed in an agile approach.
- Platform innovation with new features and capabilities to improve the user experience, add new functionality and give members new experiences to try.
- Reward innovation with new types of rewards, new brand partners and new types of reward mechanics and experiences for our members.
- Marketing innovation with new types of targeted campaigns in development and new ideas to test.

VeryMe Rewards from Vodafone will continuously be improved, to continue to delight and engage Vodafone customers across the United Kingdom for many years to come!

Expert commentary provided by **Pete O'Donnell - VeryMe Rewards from Vodafone**

Loyalty Gauge™

The Loyalty Gauge has been created so that loyalty marketers can see in a quick snapshot the membership, appeal and impact of loyalty programmes across the 24 European markets.



The Membership Score represents the membership of loyalty programmes in the market.



The Appeal Score represents the appeal of loyalty programmes in the market.



The Impact Score represents the impact of loyalty programmes in the market.



The Net Loyalty Gauge Score represents the overall level loyalty engagement in the market.

Across the 24 European Markets, the mean average Membership Score is 6.1, Appeal Score is 4.4, Impact Score is 3.5 and Net Loyalty Gauge Score is 14.1.

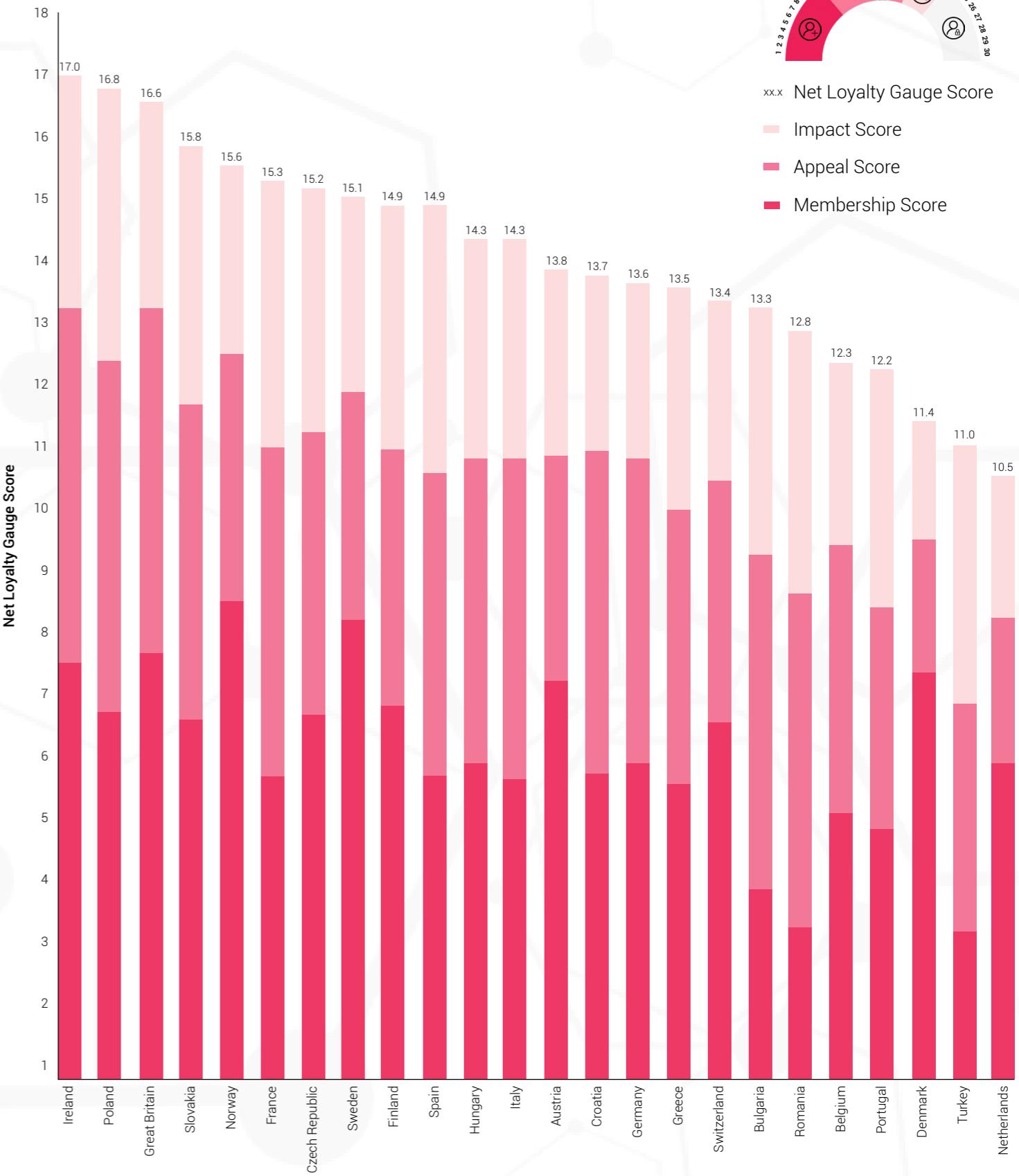
At the top of the Loyalty League comes Ireland with a Net Loyalty Gauge Score of 17.0, followed by Poland at 16.8, Great Britain at 16.6, Slovakia at 15.8, Norway at 15.6, France at 15.3 and The Czech Republic at 15.2. These markets are characterised by high membership, appeal and impact, scoring well across all metrics.

In the middle comes markets like Spain (14.9), Hungary (14.3), Italy (14.3), Austria (13.8), Croatia (13.7) and Germany (13.6) – markets with average performance across membership, appeal and impact. At the bottom comes markets where some of the scores are particularly low - like The Netherlands, with the lowest score at 10.5 (appeal and impact are very low despite a healthy membership score), followed by Turkey at 11.0 (where membership and appeal are low, despite high impact scores) and Denmark at 11.4 (where, despite a very high membership score at 7.3, low appeal and impact drag the country down to the bottom 3).

Net Loyalty Gauge Score



- xx.x Net Loyalty Gauge Score
- Impact Score
- Appeal Score
- Membership Score



*Membership Score is %age of the adult population that are members of a loyalty programme. Appeal Score is the mean average of the 3 Appeal Datapoints. Impact Score is the mean average of the 4 Impact Datapoints. All translated from %age to Decimal Point, multiplied by 10 to create a simple numeric. Net Loyalty Gauge Score is the calculated total of the Membership, Appeal & Impact Scores.

Conclusion

This paper was designed to explore, to understand and to track loyalty membership, appeal and impact across 24 European Markets. Then to bring those markets to life with compelling expert market and programme commentary and case studies. For the first time loyalty marketers can now take a robust pan-European view of loyalty.

Loyalty programmes matter. They engage big audiences, appeal to the majority of adults and win hearts, minds and wallets across every one of the 24 countries we explored.



The new Loyalty Gauge™ has created a simple snapshot metric that loyalty marketers everywhere can use to assess and understand their market. We now know that Ireland, Poland, Great Britain, Slovakia, Norway, France and The Czech Republic are the most loyalty engaged markets, and that The Netherlands, Turkey and Denmark are the least. We see much greater variation in membership, than we do in appeal and impact – driven by the differing levels of loyalty maturity, the different retail and loyalty structures and the market culture and habits across our 24 markets.

But what next? Our ask is that loyalty marketers everywhere interrogate the data, think about it and then act on it. If membership in your market is high, but your programme membership in that market isn't – what can you learn from the other programmes that are getting it right? If appeal in your market is high, but appeal for your programme isn't strong – what are you getting wrong? How can you fix it? If impact on spend in your market is positive, but your ROI isn't – what levers can you address to drive incremental value harder?

For those loyalty marketers operating programmes across multiple markets we ask the same – how can you adapt your programme to cater for local market needs and nuances?

One thing is very clear from this report, loyalty programmes across Europe are big news - they matter to the millions of people who are members, who find them appealing and their impact on spend, loyalty, emotional connection and recommendation is significant. Make sure you get yours right.

This new data allows us to understand, but more importantly to think, to plan and to act. Loyalty Marketers everywhere take note – what will you think, plan and do differently based on this new insight?

Brought to you by Mando-Connect & YouGov

We are a smart, loyalty specialist, brand partnerships and rewards agency, devoted to producing brilliant data-fuelled partnerships that drive results across the UK, Europe and the globe.

We design brilliant loyalty and promotions solutions, partnerships and rewards based on the smart use of cutting-edge data and insight, using our specially built Insights Engine™.

We believe that, by working together, brands can achieve more, for less. Our process is easy, inspiring and proven.



1. Understands what people want
Uses robust data from YouGov & WPP to discover what the target audience really desires, unlocking the insights that matter.

2. Learns what works best
Leverages Mando's ProNet™ database which contains 20 data points on over 3,000 rewards and partnerships, to identify what will work best.

3. Identifies who fits best
Analyses the Connect Partner Bank™, which contains over 2,000 fully audited brand partners to identify which partners will be the perfect fit.

Get in touch to find out more about how we can help you unlock the power of loyalty programmes, partnerships and rewards to engage your audience

Charlie Hills, MD & Head of Strategy

info@mando-connect.co.uk www.mando-connect.co.uk

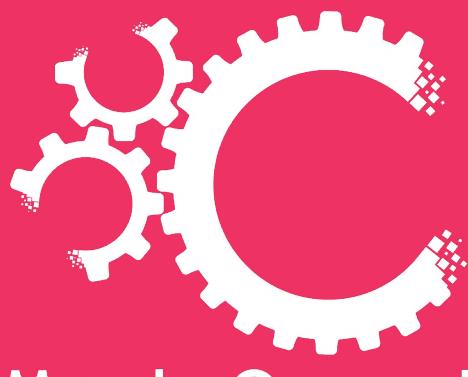
Sea Containers House, 18 Upper Ground, London, SE1 9RQ

Credit to: Creative - Lauryn Hallett Data Analyst - Leon Salter

All figures, unless otherwise stated, are from YouGov Plc.

Source: YouGov Profiles. Market Samples: 800 Austria; 3,735 Belgium; 1,837 Bulgaria; 1,672 Croatia; 2,338 Czech Republic; 1,367 Denmark; 1,283 Finland; 8,898 France; 13,995 Germany; 33,231 Great Britain; 2,703 Greece; 2,177 Hungary; 1,991 Ireland; 8,205 Italy; 3,893 Netherlands; 1,393 Norway; 1,392 Poland; 2,579 Portugal; 1,742 Romania; 1,548 Slovakia; 7,923 Spain; 1,248 Sweden; 481 Switzerland; 2,232 Turkey.

Please note mean average calculations in the white paper are the mean average of the 24 European markets datapoints featured. These mean averages do not account for variation in the population sizes of each country.



Mando-Connect

YouGov®

info@mando-connect.co.uk
www.mando-connect.co.uk

