A Buyer's Guide to Enterprise Loyalty Management:
Strategy, Technology, and Services

MARIGOLD™ | *Let's Talk Loyalty*

Retention is Revenue

The global loyalty management market is estimated to be $18.3 billion in 2025 and is expected to reach $29.4 billion by 2030, growing at a compound annual growth rate (CAGR) of 9.9%.

The reason companies are investing over $18 billion in loyalty management is, of course, that as customer acquisition becomes increasingly expensive and competitive, retention yields substantial returns over time. This holds true even during economic downturns, and is particularly crucial during challenging financial periods. In fact, the market's robust growth reflects businesses' recognition that fostering customer loyalty is not just a nice-to-have, but a critical strategy for long-term success and profitability.

In competitive consumer marketing verticals such as hospitality, travel, retail, and restaurants, even differentiating the core product and experience is a real challenge.

In this context, managing loyalty to win, retain, and expand customer relationships can sound even more daunting.

Between drastic economic and social disruptions, changing consumer behavior, and rapid technological advancements, loyalty has undergone a paradigm shift for all stakeholders.

☐ **For customers**, loyalty is not about their 'brand loyalty' but the 'brand's loyalty' to them.

☐ **For the C-suite**, loyalty management is expected to yield profits, not be a cost center.

☐ **For business leaders**, loyalty is no longer a footnote to acquisition. The loyalty program is a product that needs to be sold and grown independently.

☐ **For IT**, loyalty is no longer a tool or software, but a data-powered engine that supports strategic business growth.

As a result, loyalty management has to be more customer-centric, value-driven, cross-channel, and tech-enabled than ever before.

There are several moving pieces — **strategic, tactical, technical, and analytical** — that need to be connected and synchronized.

With the right partner, it is easier for enterprise-scale brands to design and execute a seamless and efficient loyalty program that can grow into a significant and reliable source of revenue for the business.

That said, the loyalty vendor landscape is quite complex in itself, and finding the right partner to meet your unique context and needs can be a challenge.

This guide offers consumer-facing enterprise loyalty teams a practical guide with checklists and evaluation tools to do just that.
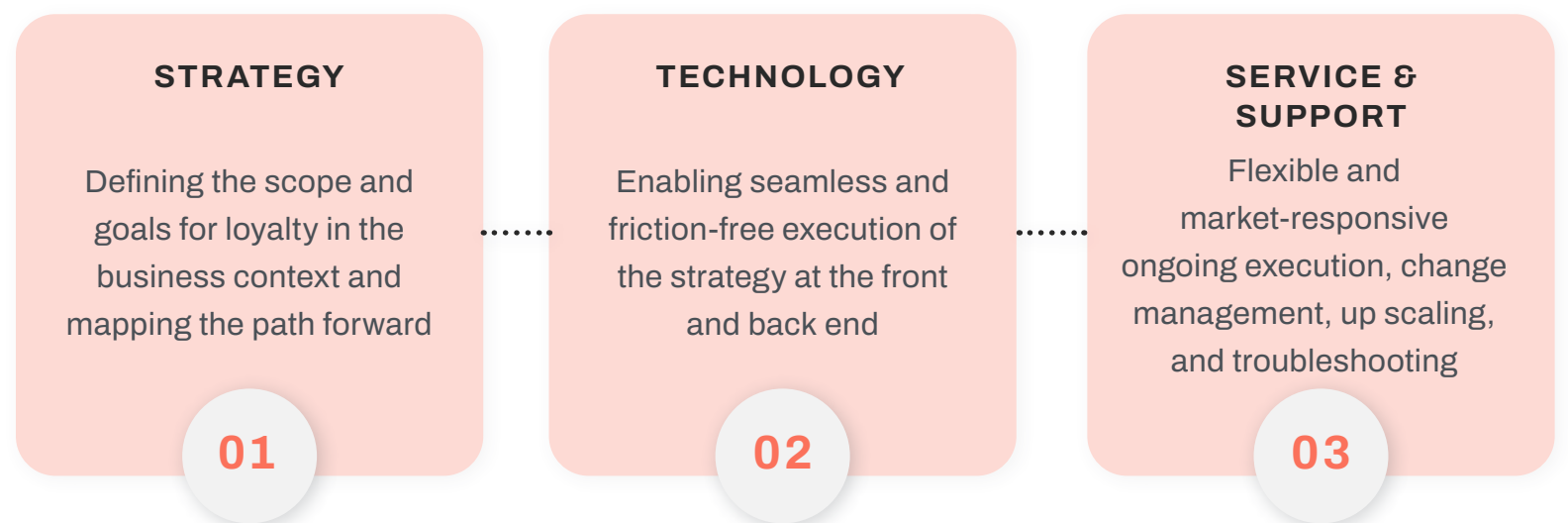
Finding the Right Loyalty Partner

For enterprise-scale loyalty management, companies need to focus on three aspects:

- **Strategy:** The big picture of the business and where loyalty fits into it

- **Technology:** The best tools and platform to balance functionality and innovation

- **Services:** An agile and responsive execution capability

Getting everything right in-house can be challenging, and often, not as efficient as one might assume.

This is where the right loyalty partner can make all the difference in costs, scale, and outcomes.

3 Pillars of Loyalty Management

STRATEGY	TECHNOLOGY	SERVICE & SUPPORT
Defining the scope and goals for loyalty in the business context and mapping the path forward	Enabling seamless and friction-free execution of the strategy at the front and back end	Flexible and market-responsive ongoing execution, change management, up scaling, and troubleshooting
01	02	03

PRO TIP!

Asking the right questions about loyalty strategy — internally and to potential partners is a great start.

Use the checklist of questions provided in this guide to inform your research.

PILLAR # 1

Strategy

To navigate the complex and evolving terrain of customer loyalty management with confidence, choose an experienced partner who is:

- Tuned into the realities of your customer segments, industry, and geography

- At the cutting edge of innovation

- Set up to grow and scale with your needs

Questions to Ask *Yourself*

☐ **WHAT DO OUR CUSTOMERS NEED?**

What are their pain points? How do our best customers behave and how can we provide them with more value? What kind of loyalty program best serves them, while aligning with our end-to-end CX strategy?

☐ **WHAT DOES OUR BUSINESS NEED?**

Do we need to improve customer acquisition numbers, reduce acquisition and retention costs, improve engagement and retention tenures, improve basket size and revenue, tap into new segments, or get more referrals? How will loyalty management help with those goals? Do we have clarity on KPIs and how they will be measured?

☐ **WHAT DOES OUR PROGRAM NEED?**

Do we need to launch a new program; or upgrade, refresh, consolidate, innovate, or reinvent our existing loyalty program? What type of vendors and partners do we need in our ecosystem to achieve that?

☐ **WHAT PROGRAM STRUCTURE AND MECHANICS DO WE ENVISION?**

Based on our customer and product context, what kind of loyalty program structure would work best? What are the key elements of our program? Tiers, points, privileges, rewards, discounts, punch cards, gamified experiences, paid subscriptions, coalition or partner programs? How do we define the value of our program currency internally and with external partners?

☐ **DO WE HAVE TOP MANAGEMENT BUY-IN?**

What resources and budgets are approved for the project and what are top management expectations in terms of ROI?

☐ **HOW ALIGNED IS LOYALTY TO BUSINESS GOALS AND STRATEGY?**

How deeply is the loyalty initiative aligned with the mainstream business? Have any revenue goals been set for the function?

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Questions to Ask *Yourself*

☐ **HOW ALIGNED IS OUR LOYALTY PROGRAM WITH OUR BRAND?**

How do we want our brand and our values/mission to be reflected in the loyalty program? How can we create meaningful and lasting emotional loyalty, rather than the typical transactional-based loyalty experiences?

☐ **WHAT IS THE SCOPE AND SCALE OF THIS INITIATIVE?**

Will we manage loyalty for a single brand, multiple brands, or business unit, or will we create a single, company-wide loyalty program? What elements of loyalty will be managed in-house and what will we need partners and vendors for?

☐ **WHAT ARE OUR CURRENT AND ANTICIPATED CONSTRAINTS?**

What are the challenges and constraints we face right now? For example, resource allocations, timelines, access to data, regulatory limitations, integration with the larger CX and martech ecosystem, and so on.

☐ **HAVE WE DEFINED THE PROJECT MECHANICS?**

Can we define ownership for each project element — from program concept and ideation to structure, execution, technology, and maintenance? Are we able to set milestones for platform discovery, selection, deployment, and adoption; and assign stakeholder management responsibilities?

Questions to Ask *the Vendor*

☐ **CAN YOU SHOW RELEVANT EXPERTISE AND EXPERIENCE?**

Can you demonstrate your understanding of our industry, geography, and consumer segments? Have you worked with large matrix organizations before? What is the range of loyalty program strategies you have worked on?

☐ **CAN YOU HELP EVALUATE OUR CURRENT LEVEL OF LOYALTY READINESS?**

Can you help us assess our level of loyalty maturity based on factors like data, technology, resources, and goals? How far are we from winning emotional loyalty and what will it take us to get there?

☐ **WHAT INSIGHTS DO WE NEED TO GET STARTED?**

Can you help us enhance our understanding of our market, customers, and segments? What AI-powered tools and models should we leverage for behavioral analytics, churn/retention models, and reporting dashboards?

☐ **CAN YOU DEMONSTRATE YOUR ABILITY TO SCALE?**

Do you have a proven ability to scale the project to handle multiple channels, geographies, and high member and data volumes?

☐ **DO YOU OFFER PROFESSIONAL SERVICES?**

Do you have in-house resources set up in our key markets to address needs beyond technology? Would your services team work as an extension of our internal team to assist with research, creatives, execution, and tech support?

☐ **DO YOU WORK WITH EXTERNAL PARTNERS?**

Do you use external partner agencies for specific deliverables and execution elements? If yes, to what extent do you take ownership of their performance?

Questions to Ask *the Vendor*

☐ WHAT PARTNERSHIP NETWORKS DO YOU HAVE?

What is the breadth of your network and ecosystem to help widen the scope of our program? For example, potential program partners in complementary industries or e-commerce platforms in our key markets?

☐ WHAT ARE YOUR PROCESSES FOR KEY OPERATIONS?

How do you build customer insights into loyalty strategy and program design on an ongoing basis? What are your measurement and reporting processes?

☐ HOW DO YOU DEFINE SUCCESS?

How will you help us define success KPIs and metrics? How will you help us evaluate outcomes? Do you have methodologies to measure intangible metrics such as emotional loyalty?

☐ REFERENCES:

Can you share a list of clients with a similar geography, industry, and growth stage as us? Can you include the specific usecases you addressed and the goals and KPIs you achieved in each case?

PRO TIP!

Seek a strategy partner who has expansive platform experience and is at the cutting edge of what is possible with technology as an enabler.

PILLAR # 2

Technology

Modern loyalty programs would not be where they are if it weren't for technology as an enabler. But most brands are not in the business of technology.

This is where the right loyalty platform partner makes a significant difference. The optimal platform must meet your functional, technical, and operational requirements.

Technology Platform: *Requirements*

FUNCTIONAL REQUIREMENTS

Functional requirements describe what the system needs to do. This list is typically created by the loyalty marketing team and outlines what capabilities and features are needed to accomplish the strategy and program design.

Examples of functional capabilities:

- Cross-channel loyalty management
- Real-time response capabilities
- AI-powered personalization
- Data analytics
- Gamification
- Program structures — tiers, rewards, benefits, etc.
- Data analytics, reporting, and dashboard management

TECHNICAL REQUIREMENTS

Technical requirements come from the IT stakeholder. This list is typically created by a cross-functional team of IT, risk management, and compliance stakeholders.

Examples of technical capabilities:

- Data management
- Systems integration
- Privacy and compliance
- Security and firewall
- Specific company or industry standards to be adhered to in one or multiple geographies

OPERATIONAL REQUIREMENTS

Operational requirements include how the system should run. This list is created by a cross-functional team of demand generation, marketing operations, sales operations, and other key stakeholders.

Examples of operational capabilities:

- Scalability
- Specific service level agreements and service hours for support and troubleshooting
- Licensing and user permissions
- Change management to add and modify capabilities/ technical features

Questions to Ask *Yourself*

☐ **RESOURCES:**

Do we have all the resources and technology capabilities to build a custom loyalty program in-house or do we need to look for an external platform?

☐ **CUSTOMIZATION:**

How much platform customization do we need to handle the functional, technical, and operational requirements of our strategy? Will an off-the-shelf or hybrid solution do?

☐ **CHANNELS:**

What current communication channels are we on and what is our plan to scale up for cross-channel loyalty capabilities? For instance, email, website, mobile app, mobile chat services, social media, etc.

☐ **DATA:**

What are the data collection, storage, and processing regulations and compliance mandates we need to adhere to? Do we have buy-in from IT on data management processes and protocols?

☐ **LATENCY:**

Does our program need to function in real time? What are the implications on the technology infrastructure and architecture?

☐ **SYSTEMS INTEGRATION:**

What are the external and internal integrations required for the loyalty management system to run smoothly?

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Questions to Ask *Yourself*

☐ **INTERNAL INTEGRATIONS:**

With a range of internal systems like the CRM to billing, customer service, returns, point of sale (POS) terminals, enterprise data warehouses, and more.

☐ **EXTERNAL INTEGRATIONS:**

In the case of partner programs with cross-earn and burn, systems may need to connect for secure external data flows and real-time action.

☐ **PERSONALIZATION:**

What kind of personalization do we want? Which moments in the customer journey should trigger them? How do we architect our next-best offers?

☐ **USER-FRIENDLINESS:**

Is the system intuitive for customers at the front-end? How can we maximize usage across channels and devices? Will we need gamification expertise?

☐ **REPORTS AND DASHBOARDS:**

Who are all the stakeholders and what data insights and analytics do they require at what frequency?

☐ **PLATFORM RFP:**

Do we have a comprehensive RFP in place to clarify our requirements to vendors?
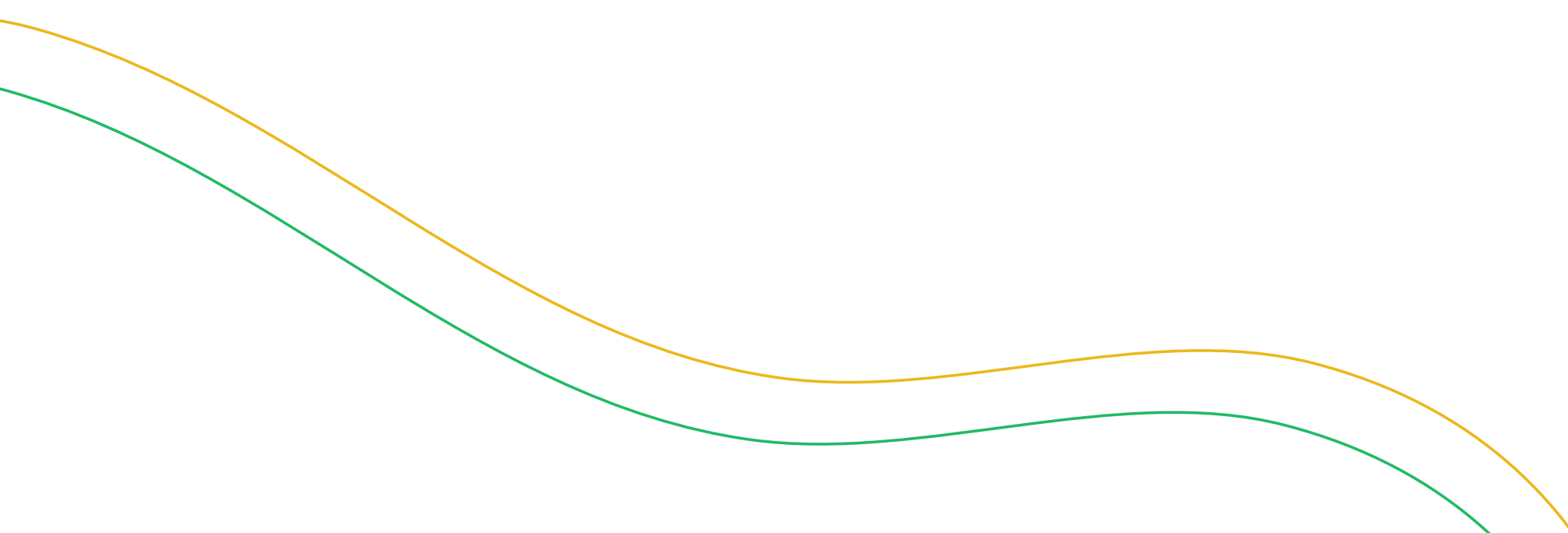
Questions to Ask *the Vendor*

☐ **CAPABILITIES:**

How do you support the functional, technical, and operational requirements of our strategic plan?

☐ **PLATFORM:**

How relevant and comprehensive is your platform or solution to our industry and our program requirements? What are the major and minor gaps in functionality?

☐ **MODULARITY:**

Can we pick and choose modules relevant to us, or do we purchase the entire platform? What are the fixed versus variable costs for a program of our scale? How do you price software license fees?

☐ **CUSTOMIZATION:**

How much customization is possible? And how complicated is the process?

☐ **INTEGRATION:**

What is the time, cost, and complexity involved in systems and data integration?

☐ **USER MANAGEMENT:**

Can we manage the platform ourselves, or is a monthly service retainer fee mandatory? What training and operational support will be included in the fee? Will there be additional fees for ongoing support?

☐ **OPERATIONAL FLEXIBILITY:**

How easily can our execution ecosystem, such as creative and support, access the system and work directly with it?

☐ **CHANGE MANAGEMENT:**

What is the process for making changes in the front-end UI? What is the process to introduce new features and functionalities at the backend?

☐ **AI AND MACHINE LEARNING:**

Do you have AI- or machine learning capabilities that enable personalization and recommend offers based on our customer's likes and preferences?

☐ **REPORTING, ANALYTICS, AND INSIGHTS:**

What user and program-level insights can you deliver and how will they be presented?

PRO TIP!

Define a clear RFP to ensure your vendor delivers on functional, technical, and operational requirements.

Need help with your RFP?
Request a copy of our ready-to-use loyalty platform RFP template here!

PILLAR # 3

Strategic Services and Customer Support

Successful loyalty programs have multiple moving parts and require an ecosystem of solutions and services to execute.

While strategy and technology considerations are key, don't underestimate the importance of strategic services and customer support for successful day-to-day program execution.

The devil lies in the details. With complex loyalty programs and multiple vendors, these details often fall through the cracks. Sometimes, those details can end up costing more than you bargained for, especially if they have to do with legal or data processing.

Technology-only vendors or point solutions typically can not support you with creative, technical, or marketing automation services — all of which are strategic to successful execution. If they do offer a set of partners, they are unlikely to be accountable for their performance.

On the other hand, a **full-service solutions partner** offers you a single window to access relationship marketing strategists, technology platform experts, and customer support teams. Not only does this approach ensure you connect the pillars of strategy, technology, and services seamlessly, but also provides a single point of accountability for all the moving pieces.

PRO TIP!

A full-service loyalty solutions partner offers the advantage of an in-house strategy and services team that's truly integrated into the technology platform. They act as a true extension of your core loyalty management team.

Questions to Ask *Yourself*

☐ **EVALUATE THE SCOPE OF STRATEGIC SERVICES REQUIRED:**

Do we have the right subject-matter experts and adequate people resources to handle strategic services and supporting operational processes?

○ **Data acquisition:** Campaigns and systems to acquire zero- and first-party data through experiences like questionnaires, polls, quizzes, sweepstakes, product pickers, and social stories

○ **Data reporting:** Performance metrics and analytics for program optimization

○ **Campaign management:** Promotions, enrollment, and activation to keep members engaged across all defined channels (online and physical)

○ **Creative resources:** For ongoing program branding and communications

○ **Legal and technical experts:** To ensure compliance with all data and privacy regulations as we collect and process zero- and first-party data, including potentially sharing data with partners

○ **Execution resources:** To manage the loyalty platform on a day-to-day basis, including automation for program and campaign execution. Check the level of dependence on the vendor to run day-to-day loyalty operations and troubleshooting

○ **Change management:** Making changes to the front-end of the system in response to customer and communication needs

○ **Frontline staff training and awareness:** For all the touchpoints where physical enrollments happen, such as shops and service centers

☐ **IF NOT, HOW DO WE PLAN TO FILL THE GAPS?**

○ Hire internal resources

○ Partner with a full-service solutions partner that can provide resources as needed

○ Work with our platform's third-party partners

Questions to Ask *the Vendor*

☐ **CAPABILITY:**

Are you able to provide the end-to-end managed service modules
we need to run the loyalty program, such as reporting, creative,
legal, and technical support services?

☐ **FLEXIBILITY AND SCALE:**

How easily can we add or drop modular services?

☐ **OWNERSHIP:**

Do you take full ownership of strategic services and customer
support deliverables? If not, what is the process of working with
third-party partners, and who will own their deliverables?

Choosing Your Loyalty Partner

When it comes to loyalty management, especially in consumer-facing industries, none of the three pillars are optional.

Each has to be strong enough to hold up the edifice of the loyalty program. However, at different stages, you may need to invest and focus more or less on one over the other.

Your choice of partner depends on multiple factors impacting your ability to design, launch, run, and scale your loyalty program in-house.

The right partner will understand and match the scale, speed, flexibility, and agility you need to run complex loyalty programs across multiple product lines, customer segments, geographies, and channels.

PRO TIP!

Too many companies start with technology.

Instead, use the Loyalty Maturity Index tool (Page 20-22) to identify where you are and which pillar you should prioritize first.

STEP 1

Identify your current needs and priorities

Many brands make the mistake of starting their loyalty management efforts by investing in technology. While the right platform is key to success, it is seldom the starting point.

When companies start with technology instead of strategy, they often end up paying for functionality and capabilities they don't need, or face gaps with those they do.

Starting with strategy helps choose the right platform to achieve specific and evolving goals. It is usually the right place to start.

That said, every brand is at a different stage of loyalty maturity and has already invested in some level of capabilities. So a better approach is to identify your current level of loyalty maturity and identify which pillar should focus on first.

Tool: Loyalty Maturity Index

Use the table below to evaluate your state of loyalty maturity and identify the priority for that stage.

Current status	Strategy	Technology	Strategic Services and Support
We need to start with data collection and acquisition as we have never had a structured data strategy to date.	1	3	2

What you need: High-fidelity customer data is the starting point for any loyalty program. If you are just initiating work on customer data, start with a strategy partner with owned strategic services such as data acquisition and processing to build and consolidate your database.

Current status	Strategy	Technology	Strategic Services and Support
We have zero- and first-party data and now want to launch our first loyalty program.	1	2	3

What you need: A Loyalty program is a long-term investment and needs to start right. However, over-indexing for technology at the beginning, or a lack of resources can hinder or derail action. Work with an experienced strategy partner who also knows technology, for a seamless transition to execution.

Current status	Strategy	Technology	Strategic Services and Support
We have a program, but the platform is inadequate – we need a more robust and flexible platform to keep pace with our evolving program.	2	1	3

What you need: Technology is an enabler but it can also be a roadblock. Out-of-the-box solutions are not flexible or scalable enough to meet growing needs, and custom-built programs can be too slow to respond and expensive to manage. A full-service loyalty solutions partner offers an owned loyalty platform flexible enough to meet your evolving needs.

Tool: Loyalty Maturity Index

Use the table below to evaluate your state of loyalty maturity and identify the priority for that stage

Current status	Strategy	Technology	Strategic Services and Support
We have the platform and the program, but our program is not working. We need to improve member engagement with better campaigns and creatives and show tangible ROI.	1	3	2

What you need: Starting a loyalty program is one thing. Keeping it relevant and engaging for customers, and also efficient and effective for the business is another. An experienced loyalty solutions partner brings both – the strategic chops to design best-in-class campaigns, and the technology and services to execute, optimize and measure outcomes.

Current status	Strategy	Technology	Strategic Services and Support
We have a program, multiple agencies, multiple systems – maybe too many. Everything is fragmented and inefficient. We need to prioritize and consolidate.	1	3	2

What you need: Fragmented loyalty management ecosystems are a common challenge for companies that bolt on tools and services as they grow, or create temporary integrations to work with multiple data systems. The root cause is not the technology — unplanned expansion reflects an unclear strategy. Work with a strategic partner to evaluate your foundational loyalty strategy and cut out unwanted elements.

Current status	Strategy	Technology	Strategic Services and Support
We have a platform and strategy, but it's stagnating. We want to expand, scale, innovate, or improve member experience and personalization.	1	2	3

What you need: Legacy loyalty programs often struggle to keep pace with shifts in consumer behavior. Whether it is an airline trying to establish a paid points program or a fashion label wanting to reward sustainable behavior, a strategic partner will help you reframe loyalty in the current context to help your brand build both – emotional and transactional loyalty that lasts.

Tool: Loyalty Maturity Index

Use the table below to evaluate your state of loyalty maturity and identify the priority for that stage

Current status	Strategy	Technology	Strategic Services and Support
We have a program on some channels and not others – we need to add and connect more offline and online channels to better serve customers.	1	2	3

What you need: Often brands rush to meet their customers on all channels. However, customers care more about a connected, meaningful experience on their preferred channels than having every channel available. A strategy partner will help define (or redefine) what cross-channel loyalty means to your customers, identify high-priority channels, and set up the systems to operate smoothly across channels.

Current status	Strategy	Technology	Strategic Services and Support
We have a generic loyalty program but want to improve segmentation and deliver better value to each segment. Not all of our customers want the same thing.	1	2	3

What you need: Some segments may want a gamified loyalty program, while others may prioritize discounts and points-for-purchases. Generic loyalty programs harm customer engagement and could even alienate some potentially loyal customer segments. At the same time, an over-customized loyalty program can quickly become confusing for customers and an execution nightmare for you. A strategic loyalty solutions partner will help create layered programs that are easy to execute and deliver optimal outcomes.

Current status	Strategy	Technology	Strategic Services and Support
We have the program and the platform, but struggle with consistent program delivery and execution – we need more streamlined day-to-day operations.	2	3	1

What you need: Many loyalty programs start well and grow so fast that internal resources cannot keep up with the complexities. Before they know it, they have an unmanageable patchwork of execution partners and spiraling costs. Instead, choose a full-service solutions partner with a full range of strategic services, who takes responsibility for smooth delivery and impact of program outcomes.

STEP 2

Choose the right type of vendor/partner

Based on where you are, you can choose a partner or set of vendors that best match your needs. The loyalty landscape typically has four types of vendor.

Types of Loyalty Solutions Providers

01

FULL SERVICE LOYALTY PARTNER

End-to-end loyalty management solutions with owned resources for strategy, technology, strategic services and support

02

STRATEGY CONSULTANT

Support through the journey from strategy design to platform selection, and selection of the right service partners
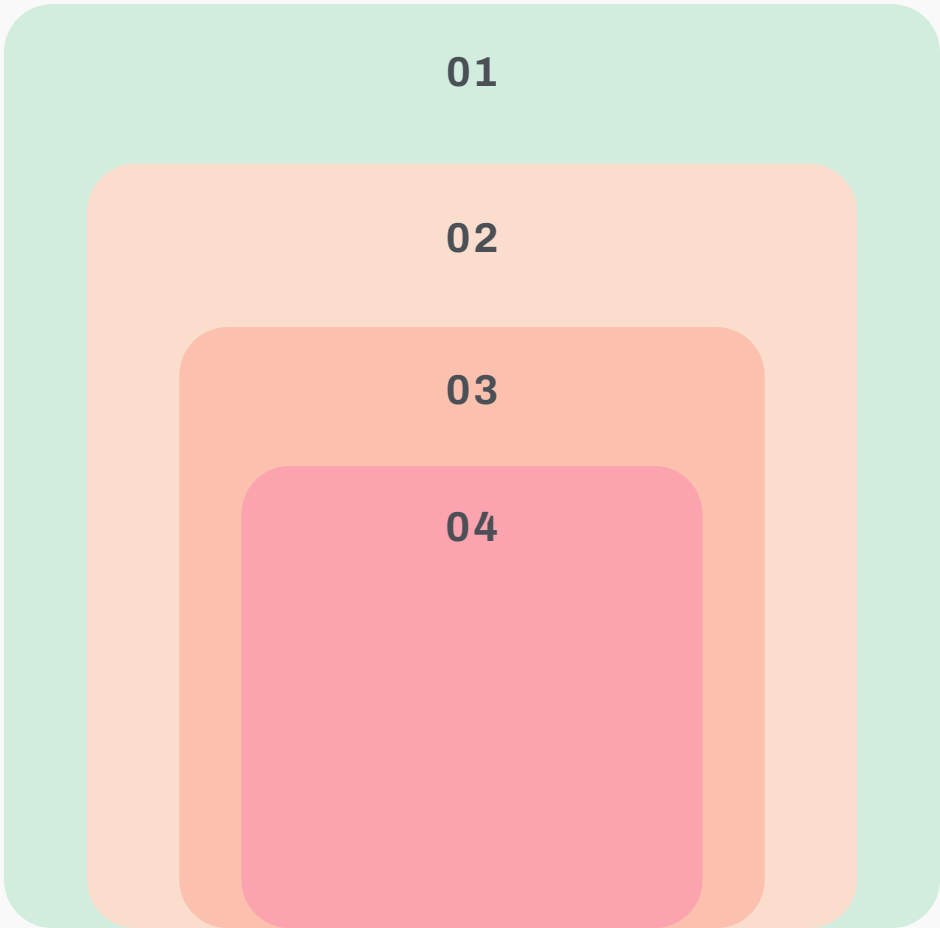
03

TECHNOLOGY VENDOR

Primarily provide the loyalty technology platform, and may further connect with external service partners for execution as needed

04

MANAGED SERVICE PROVIDER

Specialists in specific areas, such as marketing automation, legal services or data services

01
02
03
04

STRATEGY CONSULTANTS

A consultant will help you plan strategy and often work with you through platform selection, program execution, and delivery. Some consultants may leave the heavy lifting of integration and execution to your in-house team, although they will help streamline much of the alignment across multiple partners.

Our take: A strategy consultant can be of great value if you have a capable in-house execution team but need help designing the top-level strategy, platform selection, and streamlining the vendor ecosystem to run your multi-channel loyalty program.

Before engaging a consultant, check if they have built and run a loyalty program themselves and verify client referrals. Find out how much ownership of vendor deliverables they will take during execution.

TECHNOLOGY PLATFORM VENDORS

Platform-only vendors are just that — they will give you access to a technology platform that can, in theory, run your loyalty program. However, many platform-only vendors cannot customize, making you fit your program to their capabilities rather than the other way around. They may have trouble integrating with your existing legacy systems, or have other constraints in terms of access to strategic and support services.

Our take: This approach is advisable only if you have a well-established in-house strategy and services team. A platform-only approach leaves too many execution details open that could fall through the cracks.

On the other hand, taking on too many specialist execution partners may end up costing more in terms of operational efficiencies than you foresaw. A platform-first approach may also force you to adapt strategy to technology, rather than the other way round.

SPECIALIST MANAGED SERVICES AGENCIES

There is a vast landscape of specialist vendors providing small pockets of managed services, all of which are essential for program execution. These could range from creative and content services to marketing operations, data analytics and measurement, data processing, system security, and legal compliance.

Our take: No doubt these specialist elements need expert input. However, dealing with a network of specialist vendors can also demand more in-house resources to align, coordinate, and manage deliverables.

This approach is recommended if you already run a mature loyalty program, know with clarity the exact specialist services you need to meet specific gaps and have in-house resources to manage the additional coordination.

FULL-SERVICE LOYALTY MANAGEMENT SOLUTIONS PROVIDERS

Depending on where you are and where you want to go in the next year, three years, and five years, a full-service partner can support you with everything your program needs for strategy, technology, and services over the long term.

Whether you are just starting your loyalty journey or want to revamp an existing program to be more customer-centric, the consolidated approach means your loyalty vendor is a strategic partner in the full journey, from conception to execution and expansion.

Several full-service agencies are technology agnostic — meaning if you already have an existing loyalty platform, their tech experts can work with those rather than requiring you to invest in a new platform.

Our take: If your goal is to cover 100% of your requirements in the most efficient, connected, and streamlined way, a full-service partner with in-house strategy, technology, and service resources is the best option.

The single-window access to a full suite of services creates operational efficiencies and a single point of ownership for all deliverables. It also offers flexibility and agility to pick, add, or drop modules and services as your enterprise-scale loyalty program matures.

A full-service loyalty solutions partner caters to your specific size, industry, and maturity-level, and typically provides a full suite of services to meet you wherever you are.

STRATEGY DESIGN:

Data acquisition, customer conversion, engagement and retention, growth

Technology expertise: Data management, systems integration, program enablement (points engines, mobile apps, eWallets, offer and reward management, gamification).

EXECUTION:

Managed services, and support for day-to-day ops. For instance, creative, marketing automation, legal, security, compliance, and even reward fulfillment.

Global and Regional Loyalty Management Insights

Loyalty management is evergreen — but prevailing social, political, and economic circumstances do impact the dynamics between consumers and companies.

As loyalty managers look to amp up their loyalty programs and deliver better business results in 2025 and beyond, we've curated some of the most impactful global trends and regional consumer insights to factor into your decision-making.

5 Global Trends
Impacting Loyalty Management

1. CONSOLIDATION IS KEY

Key takeaway: Companies are removing complexity from loyalty program structures and the partner ecosystems that help manage loyalty.

50% of consumers have purchased from an email, 43% from a social media post, and 24% from an SMS in the last year.

Source: Marigold 2024 Global Consumer Trends Index

2. CROSS-CHANNEL LOYALTY

Customers don't silo their journey by channel, platform or device. They expect a complete and seamless experience across channels.

Key takeaway: Brands must make it easy for customers to join, participate, engage, and grow with the loyalty program. This includes seamless member experiences across the web, mobile, and physical spaces. For example, consistently delivering personalized offers on all channels: online, at the register, and when customers are near your store; or friction-free fulfillment of coupons, gift cards, discounts, cashback, sweepstakes, donations, physical rewards, benefits, or privileges.

92% of consumers say their favorite brand provides a consistent experience, regardless of the channel.

Source: Marigold 2024 Global Consumer Trends Index

3.   LOYALTY BEYOND TRANSACTIONAL REWARDS

Multiple factors impact what customers see as "value" from their preferred brands. They tend to value brands that build a meaningful relationship rather than with a transactional earn-and-burn approach to loyalty.

Key takeaway: Emotional loyalty delivers a genuine and lasting connection between customers and their preferred brands. We will see brands engage with customers to create and grow 'emotional loyalty' well beyond standard transactional loyalty.

Forward-thinking brands use a combination of methods to engage members in both transactional interactions and positive behaviors. For example, they may offer discounts or rewards for completing surveys or referring friends.

56% of consumers cite a brand's relationship-building efforts as either important or critically important to maintaining loyalty.

71% of consumers say that their favorite brand influences their life beyond the products or services it provides.

Source: Marigold 2024 Global Consumer Trends Index

4.   LOYALTY AS A PROFIT CENTER

Marketers find it challenging to link their campaigns to revenue. A well-managed loyalty program can bridge that gap. The focus is on transforming from a cost center to a profit center for the business. The C-suite sees the strategic value and business potential of the first-party data that loyalty programs create, especially with cookie deprecation and a privacy-first approach impacting the reach and impact of advertising.

Key takeaway: Customer loyalty is not an end in itself — it has to tie back to improvements in customer retention, lifetime value, revenue, and profitability KPIs.

One way to ensure this is by tying shopping behavior with rewards and benefits in real-time using deep POS and e-commerce integrations. Member profiles can be updated with purchase and redemption activities in real-time, which closes the loop on campaign and program performance metrics.

67% of consumers worldwide believe the loyalty program of their favorite brand is important or critically important.

63% of consumers are willing to pay more to shop with the brands they're loyal to.

Source: Marigold 2024 Global Consumer Trends Index

5.   LOYALTY AS THE DATA GATEKEEPER

Access to high-quality first-party shopper data creates a virtuous cycle of insights, performance optimization, and stronger ROI — not just for the loyalty program, but for all marketing initiatives.

For example, access to high-fidelity customer data allows brands to understand them better, which in turn helps improve acquisition marketing with sharper segmentation and targeting. In a cookie-less, privacy-first era, loyalty programs are becoming both — the gateway and gatekeeper for high-quality zero- and first-party customer data.

Key takeaway: Data is a double-edged sword.
High-quality zero- and first-party data helps brands deliver highly personalized loyalty programs that recognize and reward loyal customers at the right moments, and increase visit frequency, spending, and customer lifetime value.

However, data collection, processing, and usage are also subject to stringent laws and regulations. It can become a liability if not handled responsibly. It is imperative to align programs with company data strategies and policies and to comply with data regulatory requirements.

88% of consumers favor brands that treat their data responsibly.

35% of consumers felt frustration when they received a message based on information they hadn't shared directly with a brand.

Source: **Marigold 2024 Global Consumer Trends Index**

Data source: Marigold 2024 Global Consumer Trends Index

Expert Insights
Loyalty Strategy

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Loyalty builds high-fidelity zero- and first-party data which improves all aspects of marketing and business

Phil Rubin.
Independent Loyalty Advisor, and Founder, Grey Space Matters

"The most significant long-term factor impacting loyalty investments (as a capex) right now is the eventual sunsetting of cookies and the shift to zero- and first-party data on both owned and paid channels. The entire point of loyalty is to collect high-fidelity customer data to improve not just the loyalty program but all marketing — even programmatic advertising. It follows that the loyalty strategy is much bigger than the loyalty program. While programs are increasingly transactional and homogenous, a loyalty strategy impacts every facet of the business and CX. Consumers want positive experiences with all brand interactions, not just those related to loyalty programs. A strong loyalty strategy can help achieve this."

37% of U.S. consumers have switched away from a brand they previously liked to buy from, for reasons like poor CX, inadequate loyalty program, or unconvincing data privacy policies.

There has been a noticeable increase in U.S. consumers valuing interactions that make them feel special — engaging experiences on preferred channels, exclusive access to products, personalized recommendations, and brand community.

Source: Marigold 2024 United States Consumer Trends Index

Expert Insights
Loyalty Technology

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Brands need the data and technology expertise to measure the performance of both – transactional and experiential loyalty

"Brands struggle to measure incremental revenue and economic value of loyalty management. Integrating the right technologies for seamless data flow is still a challenge, especially for physical point-of-sale data. Not every vendor can deliver this seamlessly."

OUR TAKE

Loyalty strategy and the revenue impact of loyalty is like a chicken-and-egg story. To invest in loyalty, companies need to invest in strategy. But to invest in strategy, they need to build a strong business case and project realistic returns.

A loyalty partner with proven success in similar industries can help build a strong business case and identify priorities and gaps.

The best partners first focus on diagnosing the problems that need solving and building a scalable solution to address them; rather than starting with software features and capabilities.

78% of U.S. consumers are prepared to pay more to purchase from a preferred brand. Yet, 70% who frequently buy from a company say they are not loyal to that company.

There's a huge unmet need - and opportunity - for brands that can take engagement from transactional to emotional loyalty.

Source: Marigold 2024 United States Consumer Trends Index

Expert Insights
Loyalty Strategy

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Traditional loyalty programs are being refreshed to meet Gen Z expectations

"As consumers, Gen Z has a unique relationship with brands. Brands are redesigning loyalty programs to better engage with this growing consumer demographic."

Tom Peace,
Managing Director at The Loyalty People

IN PRACTICE, WE SEE:

- **Brands incorporating sustainability into loyalty:** Brands are finding the most genuine way to incorporate their environmental, social, and governance (ESG) goals into their loyalty programs and give customers a chance to participate in those efforts, whether it's through donating points to charity or earning rewards for participating in sustainability efforts.

- **Legacy programs expanding into subscription and paid formats:** Gen Z wants their rewards fast — they won't wait 12 months and several transactions for their rewards. Younger shoppers are happy to buy their way into loyalty benefits, and subscription programs offer easy math. They can calculate, commit, and see results from day one.

- **Customers valuing experiences over transactions:** Gen Z wants experiences that create an emotional connection. As a result, brands are experimenting with 'experiences' as a loyalty currency. Aside from higher relevance, experience-led loyalty also helps avoid the liability of unused (dead) points piling up in member wallets.

87% of European Gen Z consumers say they prefer brands that provide consistent and personalized experiences, and 68% will pay more to shop with their favorite brands.

Source: Marigold 2024 European Consumer Trends Index

Expert Insights
Loyalty Strategy

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Changing redemption patterns and rewards beyond transactions are major loyalty themes this year.

Amanda Cromhout,
CEO of Truth Loyalty Consultancy

- Thanks to the challenging economic environment, we see more reliance on instant discounts, which is becoming a value proposition in itself. The bulk of points are being redeemed within the first 30 days of being issued.

- There is also a general trend towards rewarding customers for non-transactional behavior to build emotional loyalty. Some brands don't even require a financial transaction to earn a reward — it could be just for attending an event or engaging in specific activities.

40% of European consumers are more likely to rely on loyalty program benefits this year compared to last.

Source: Marigold 2024 European Consumer Trends Index

Expert Insights
Loyalty Strategy

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We are seeing the strategic resurgence of loyalty and a broadening scope of loyalty programs.

Lisa Brightwell
Managing Director at Bright Insights Consulting

- In a tough economic environment, the C-Suite is seeing the value of loyalty as a revenue source. Companies are shifting from acquisition marketing to reactivate, reengage, or retain existing customers via loyalty programs.

- The scope of loyalty programs is expanding. Traditional airline and hospitality programs are increasingly exploring partnerships to offer customers a broader network to earn and redeem points, beyond the core experience. As a result, card-linking* technology is gaining popularity.

(*Card linking lets members use regular payment cards instead of a loyalty card, code, or coupon to earn points at checkout).

40% of consumers are more likely to participate in a loyalty program this year, while a mere 7% are less likely. The most desired components in loyalty programs range from financial incentives like discounts (56%) and points/rewards (56%) to exclusive access to products, events, or services (32%) and personalized product and service suggestions (23%).

Source: Marigold 2024 European Consumer Trends Index

Expert Insights
Loyalty Technology

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Updating a loyalty program doesn't mean adding new technology. First redesign strategy and only then find the right tools to execute it.

Tom Peace,
Managing Director at The Loyalty People

- In Europe, loyalty teams prefer SaaS solutions that can be bolted together. Multiple best-in-class platforms create their solution ecosystem. But this needs a lot of labor, streamlining, and integration, not to mention complications with legacy systems. While Europe has mature loyalty talent available in plenty, technology vendors can help them build a more holistic business case that connects the dots between strategy, technology, execution, and the impact on sister systems like the CDP and CRM.

Expert Insights
Loyalty Technology

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Brands need tech to help take control of their data environment and enable seamless cross-channel program execution.

Amanda Cromhout,
CEO of Truth Loyalty Consultancy

- There are three technology-led priorities for brands. First, enable more responsible collection, processing, and use of data (given the tightening regulatory scenario); second, connect systems and components to avoid fragmented cross-channel customer experiences; and finally, better manage customer and staff fraud occurring with loyalty points and rewards.

- Loyalty technology partners too should better support customers in less mature markets with regional product versions and an ecosystem of trusted and cost-effective partners for local execution.

91% of European consumers say their favorite brands provide a consistent experience, and 87% say that their favorite brands use data in a way that makes them feel comfortable.

Expert Insights
Loyalty Technology

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Data architecture is the most important consideration from the technology point of view right now, and it needs smarter platform selection.

Lisa Brightwell
Managing Director at Bright Insights Consulting

- Loyalty data is fast becoming the primary source of zero- and first-party data and cannot sit in a silo. Many loyalty managers in this region are not trained to handle platform selection or integration. They often underestimate the time and effort required to deploy and customize a loyalty solution. Vendors can help them make more informed decisions by insisting on a clear RFP, not over-promising, and not building functionalities that are not their core competence.

OUR TAKE

Loyalty managers tend to underestimate the costs and efforts of a 'bolt-on loyalty tech ecosystem'. Too late, they find a fragmented approach complicates the business case for investment in strategy, loyalty tech, and services. Measuring and optimizing performance also becomes more challenging, creating a vicious cycle.

The right loyalty solutions partner has a consultative approach to help brands ask and answer difficult questions. Technology-only SaaS solutions may shy away from this approach because it could surface questions about strategy, execution, and services they can't answer or expose the need for capabilities they don't have.

Conclusion

Loyalty management is one of the most strategic initiatives a company can undertake in 2025 and beyond.

It has a deep impact on three areas discussed in the boardroom: customer data, customer retention, and sustainable revenues.

Even as traditional and legacy loyalty programs reinvent themselves to meet the emerging needs of modern-day consumers, others are gearing up to launch their first loyalty programs and stand out in a crowded, noisy landscape where loyalty fatigue is all too real.

With significant investments in the balance, brands need to create a program rooted in solid strategy and yet innovative enough to engage customers for the long haul.

The right partner can make this journey much easier for both the business and its customers. In a world of one-size-fits-all marketing technology companies, it is critical to find a partner whose solutions are tailored to your specific size, context, and maturity levels.

At the end of the day, your loyalty program will stand on the three pillars of strategy, technology, and strategic services, so choose a partner who can help build the strongest foundation.

Where *relationships* take root.

Marigold's approach to Relationship Marketing stands alone in a world of one-size-fits-all marketing technology companies. Our solutions are designed for your specific size, industry, and maturity, giving you the technology and expertise you need to grow the relationships that grow your business, from customer acquisition to engagement to loyalty. And, with a team of strategists that provide insights into what's working, what's not, and what's changing in your industry, you're able to maximize ROI every step of the way.

Great marketing isn't just about conversion, but true connection. Learn why 40,000 businesses around the world trust Marigold to be the firm foundation they need to help relationships take root.

Find out more at **MeetMarigold.com**

"Let's Talk Loyalty" is the world's leading podcast for loyalty marketing professionals, featuring over 400 episodes and interviews with loyalty marketing experts from some of the world's greatest brands.

"Let's Talk Loyalty" is a powerful source of education and inspiration for loyalty marketing professionals around the world, who create, run, and optimize marketing programs in order to drive customer loyalty.

If you work in loyalty marketing, make sure to listen to "Let's Talk Loyalty" to learn the latest ideas and marketing insights from loyalty specialists around the world.

Listen and learn at **https://letstalkloyalty.com/**

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