

# LOYALTY

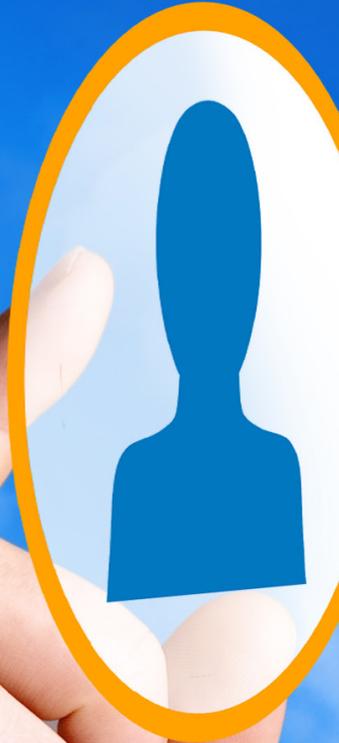
## MANAGEMENT

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SPECIAL ARTICLE EDITION

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### 7 Ways to Power Brand Loyalty Programs with Facebook



# 7 Ways to Power Brand Loyalty Programs with Facebook

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Brand loyalty and rewards programs have proven to be an extremely successful way to drive sales through reliable, consistent and passionate customers. These loyal customers deliver 80% of a brand's revenue on average<sup>[1]</sup>, making them the most important focus for any company looking to grow. Unfortunately, while the first year is the most critical time for a company to gain that customer loyalty<sup>[2]</sup>, most brands fall short. 54% of all loyalty memberships are inactive, and most fall inactive within the first year<sup>[3]</sup>. These numbers show the large participation barrier brands are faced with when it comes to activating loyalty in their customers. Luckily, most are already using an incredible tool that can help. That tool is Facebook. With 1.5 billion active users, significant mobile growth and seamless login tools at brands' fingertips, Facebook is the perfect solution to drive loyalty amongst brand fans and grow participation in loyalty and rewards programs.

## WAYS TO CONNECT

"While brands continue to employ strategies to engage their community of fans, our analysis reveals that they're also increasingly leveraging Facebook to capture and enrich customer data. With consumer expectations for relevant, personalised experiences rising, marketers can't afford to ignore this still largely untapped goldmine."

**Stéphane Dehoche** | President and CEO  
Adobe's Neolane Leveraging Your Facebook Community

49% of brand fans become a fan to support a brand they like<sup>[4]</sup>. Comparatively, 62% of U.S. consumers join retail brand loyalty programs to get discounts<sup>[5]</sup> and only 8.2% because they love the brand<sup>[6]</sup>. This disparity in motivation is a big reason a brand's Facebook fans can become some of its best and most active loyalty members.

**There are several options to boost membership and connect current loyalty members to their existing Facebook accounts, which include:**

**Offers:** While brands don't want fans only visiting their Facebook page to claim an offer, it can be an extremely useful feature to reward an already loyal fanbase. One example of this is to encourage opt-ins to loyalty and rewards programs. Air New Zealand knew this and encouraged consumers to join its Airpoints™ loyalty program by running an offer on Facebook that discounted the \$50 NZD joining fee to \$0 NZD for a limited time. In 6 days, 32,688 offers were claimed and the post reached 5x the size of its fanbase. This served the dual purpose of getting existing brand fans to connect to Air New Zealand's frequent flyer program while also getting them to engage positively with the brand page.

**Partnerships:** Continental Airlines and Marriott partnered to create RewardsPlus in 2013. This allowed all of Continental's MileagePlus Premier members the ability to convert MileagePlus miles into Marriott Rewards points. With Facebook communities of 710,000 and 1.5 million, respectively, Continental and Marriott have a perfect opportunity to tag each other in posts to expand their reach and fan bases. Given that they both have an additional investment in the success of one another's loyalty programs, it's the perfect way to tap into the invested customers of each brand.

**Landing Pages & Apps:** Landing pages and apps are used to get customer information in everything from contests to surveys. With 35% of Facebook fans liking a page so they can participate in contests,<sup>[8]</sup> it's an incredible way to drive interaction. But far too often, brands fail to take that crucial final step of asking for a loyalty or rewards number in order to make the link between Facebook fan and rewards member.

**"With consumer expectations for relevant, personalised experiences rising, marketers can't afford to ignore this still largely untapped goldmine."**



**Adding Facebook Login:** Facebook Login provides an opportunity for a brand to increase logins to its loyalty program, especially through mobile apps. Facebook saw 609 million daily active users on mobile in Q1 this year (TechCrunch), giving an extremely active and significant base for brands to reach its users where they already are - on their devices. The vast majority of social logins for consumer brands (67%), travel/hospitality brands (65%) and ECommerce brands (77%) are done through users' Facebook accounts.<sup>[9]</sup> Users are saying they prefer Facebook Login over any other platform, and its time brands took that cue.

## LEVERAGING EMAIL CLUB MEMBERS ON SOCIAL

Even with all of the incredible resources and opportunities social media provides, email marketing is still one of the most efficient and statistically successful ways to target consumers, especially those designed to support loyalty programs. 91% of consumers use email at least daily<sup>[10]</sup>, and 82% of consumers open marketing emails<sup>[11]</sup>. The ability to deliver a marketing message directly into a consumers' inbox is a powerful one, but it becomes an even greater resource when used in conjunction with social media. Incentivizing email club members to like a brand page on Facebook and engage with that brand can ensure that these customers are not only receiving a brand's messaging, but also that they are absorbing it. From surprise and delights to rewarding sharing, here are some other ways to turn email club opt-ins to social media advocates.

**Social Sharing:** This is a no-brainer first step, but it should be noted that adding social sharing buttons alone can increase email click-through rates by more than 150%<sup>[12]</sup>. If merely having the button there with no CTA can see that kind of click-through, imagine what a direct ask can do.

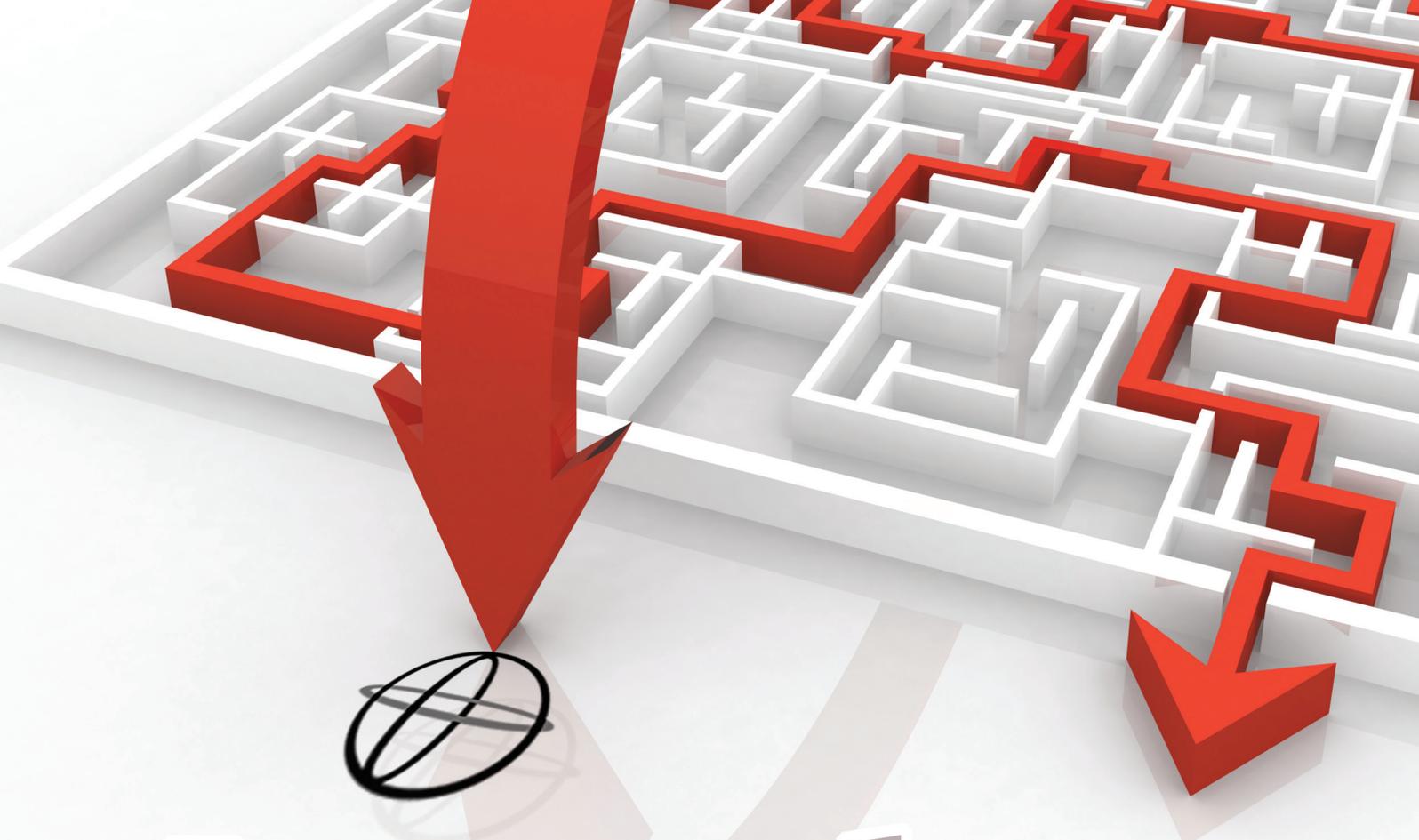
**Reward Action:** Beyond the traditional method of only rewarding loyalty and rewards members for their purchases, many brands are now awarding points for social shares and activities as well. While many brands currently offer one-time discounts and coupons to their email database in exchange for more information about themselves, that information can change drastically over time without ever being updated. Alternatively, brands that offer incentive for social sharing through Facebook enjoy the dual benefit of having a brand message spread on the site and accessing up-to-date customer information on Facebook, all without ever asking the consumer to provide information manually.

**Direct Links:** With most loyalty programs communicating with members primarily through email, and over 838 billion marketing emails sent in 2013 alone<sup>[13]</sup>, finding an additional touchpoint to target consumers is essential for brands looking to drive customer participation and engagement. Facebook is that touchpoint. Boasting 128 million daily active users in the US alone<sup>[14]</sup> and 72% of online adults visiting the site at least once a month<sup>[15]</sup>, Facebook is a great place for a brand to reach its most loyal customers where they are already engaging. ●

*As the Marketing Manager at Crowdly, Stacey works with top brands to find, rank and activate the passionate advocates in their Facebook communities. She has previously worked in marketing and community management for casual dining chain Bertucci's and regional brewery Wachusett Brewing Company. She's a graduate of the University of Delaware.*

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[1] New Brand Analytics, [2] Customer Insight Group, [3] Colloquy, [4] Mashable, [5] New Media Marketing [6] BlueHornet, [7] Facebook Case Study, [8] QuickSprout, [9] Gigya, [10] ExactTarget, [11] Litmus [12] SocialTimes, [13] Forrester, [14] TechCrunch, [15] Marketing Pilgrim



# Loyalty

is a journey...

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You Along the Way.

Loyalty 360 offers you a roadmap to engaging customers and driving loyalty through research, reports, webinars, conferences, news, expert articles, multimedia and more. We pride ourselves on our ability to continuously deliver relevant and timely customer loyalty and engagement marketing best-practice perspectives and industry thought leadership on a variety of topics.

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