



KEY ELEMENTS

to Measure Loyalty Program Success

The success of a loyalty program depends on how it fares against industry benchmarks in 5 key areas: customer satisfaction, business performance, technology, financials, and competition. With the help of a loyalty expert, brand should use the right methodology and proven diagnostic tool as Comarch **DIAMETRICS®** that measures a loyalty program against these five key elements to identify gaps and potential enhancements.



CUSTOMER SATISFACTION

92% of loyalty program operators believe their members are very or somewhat satisfied with their loyalty program but only **79%** of customers feel the same way.

Measure customer satisfaction through a carefully designed survey which will provide insight into:



The immersiveness of your loyalty program and its parts (rewarding speed, status levels, etc.)



Clients' willingness to recommend the program to their friends and family (NPS)



Customer Satisfaction Score (CSAT)



Customer Journey Consistency



BUSINESS PERFORMANCE

To setup and run a successful loyalty program, brands must set clear goals and KPIs that will allow their business to monitor the loyalty program's outcome and ROI. Key KPIs include:



Alignment with overall business goals



Active/inactive members and data quality



Program penetration



Average transaction value (ATV) uplift



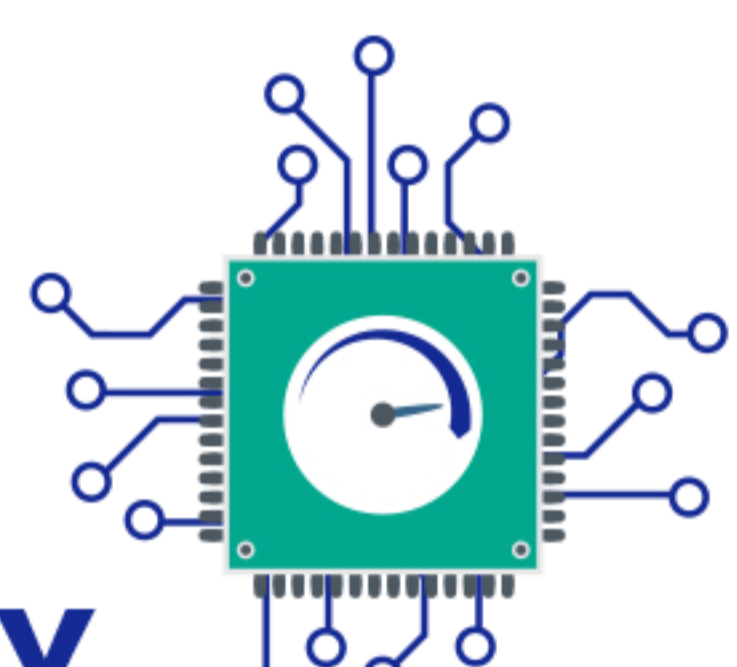
Retention / churn rate



Redemption rate



TECHNOLOGY



More than 6 out of 10 consumers agree that loyalty schemes are often too difficult to join and/or earning rewards is too difficult, due to a number of factors, including lengthy registration processes and technical difficulties. Loyalty program members want to engage with their brand's program through new and emerging technologies that create a seamless experience. Evaluation of the organization's information technology infrastructure, security policies and operations connected with the loyalty program with respect to the following aspects is a must:



System performance, architecture and integrations



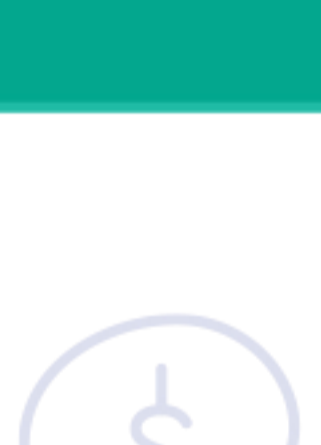
Robustness of Business Processes (determining the risk of fraudulent activity)



Scalability & Upgrade Readiness



Customer Touchpoints Design



FINANCIALS



Loyalty program liabilities and revenues impact a company's balance sheet and income statement accounts. These financial items depend on the program value proposition and may be represented by the following:



Breakage (Loyalty Currency)



Loyalty Program Liabilities



Cost-Per-Point



Operational costs of the running program (overheads, communication campaigns)



COMPETITION



57% of consumers have stopped buying from a company because one of their competitors provided a better experience. Competition is fierce in the loyalty space and as a result, brands should keep a dedicated eye on their key competitors through market studies and reports



Loyalty program policies (e.g., the complexity of the registration process)



Main loyalty program differentiators (USPs)



Features and member benefits



Marketing channel strategies



Our goal is to provide you with actionable recommendations that will boost the performance of your program.

By using DIAMETRICS® as a tool you will find out what area you should focus to gain effects in no time.

[FIND OUT MORE](#)