Finding an Effective Client Loyalty Program by Amia Trevisan

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Every business should consider having a client loyalty program. Thatâ€™s because itâ€™s more expensiv to get a new customer â€“ some say at least five times more expensive â€“ than to have a current customer come back for repeat business.

Now more than ever, companies are interested in a deeper and broader focus on their customers. Creating experiences for customers and developing relationships with customers result in higher levels of client loyalty.

Key Elements

A client loyalty program is a way for the company or the retailer to encourage the client to continue their patronage. Aside from, a client loyalty program would typically let the company gather information on the client, particularly the buying habits, so that the retailer can assess trends and reward the client appropriately.

These types of programs include pay-for-membership cards and the ever-present rewards cards. A membership program is one of the best ways to encourage a client to keep coming back. Special incentives to members also increase the effectiveness of this kind of client loyalty program.

A rewards program, on the other hand, is a type of client loyalty program that offers perks or gifts depending on â€œpoints earnedâ€• or the amount of business the customer has done.

The first step to finding an effective client loyalty program is researching and assessing the key elements that foster client loyalty. Gifts do not necessarily â€“ and certainly not instantly â€“ lead to repeat business. The reward or rewards involved in the client should be meaningful to your customers. They do not necessarily have to be pricey. Some studies have in fact found that some current and prospective customers prefer content-rich rewards and items that can great additions to the materials that they are already purchasing from the company.

Some client loyalty programs have been tremendously successful because they managed to create a community around the loyalty program. An example of this would be creating a special charity event or a sports event for your customers. This helps build a community of people who have one thing that they have in common from the get-go: theyâ€™ve all purchased your product.

Beyond the Transaction

For the client loyalty program to be effective, companies should see beyond the transaction and focus on creating an engaging experience. Because that is what a client loyalty program should primarily be about â€“ engaging the customer.

Engaging, not harassing them with a barrage of product suggestions. One of the best ways to deploy a client loyalty program is to use it as a way to serve the customer even better. Nordstrom, for example, gathers data such as size, preferences, color, birthdays and anniversaries and makes sure that the sales staff can access these information instantly so that they can better assist the customer while he or she is shopping, thus making the shopping experience more efficient and even enjoyable.

Use the best technology available to create a truly engaging client loyalty program. Find ways for it

the process to be easy and user friendly. The bottom line should be finding more ways to better serve the customer.

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