



Your Loyalty Toolbox



Looking to go farther with customer loyalty? We've provided a deeper dive into ways you can act on each of the nine tools in your loyalty toolbox. Before you move on to tips and tools, you can also take this short self assessment to score your own loyalty efforts.

Self Assessment

To score yourself, give yourself a maximum of five points for each question.

Use the number

- 5** when you are truly best-in-class
- 3** if your program is running effectively
- 1** if you have something in place that is not working effectively
- 0** if you have not done this at all

1. We have formal processes for understanding the needs of our end users with direct end user research.
2. We constantly update and improve our site based on user research.
3. We communicate with our shoppers regularly after they have made a purchase.
4. We tailor emails to our previous shoppers based on their demographics and past purchasing behavior.
5. Our shoppers have a personalized experience from the moment they access our website.
6. Every step of the shopper's journey from browsing to completing a purchase is personalized to them.
7. We make community features available to our shoppers so that they can interact with each other.

8. We have a core group of shoppers who actively participate in product forums or other community platforms for our brand.
9. We provide tools that help our shoppers share products and refer a friend easily.
10. Shoppers receive incentives for referring other customers to us.
11. We have programs that reward our shoppers with special offers, discounts, etc.
12. We actively promote our rewards program as a benefit to our customers.
13. We focus on putting the shopper first in our policies and procedures.
14. We publish accurate, tested product information and honest, real-world customer reviews.
15. We provide customer service using multiple contact points (email, chat, phone, etc.).
16. Customers easily and quickly resolve any issues they have with their purchases.
17. We provide many choices for how shoppers pay (cards, PayPal, digital wallets, etc.).
18. We offer installments or other buy now, pay later solutions.
19. Our shoppers don't end up with any hidden fees or interest charges, no matter how they pay.
20. Our loyalty and repeat purchase data gets better over time.

Scoring

86 - 100

You're a loyalty superstar. You're doing impressive work to keep shoppers coming back, and you are likely seeing an excellent payoff from your efforts. Congratulations!

71 - 85

You're a loyalty achiever. Good job! Keep tweaking and improving your loyalty programs, and if you scored low in any specific areas, think about making them a priority for future loyalty efforts.

60 - 70

You're a loyalty striver. You have some elements of a holistic loyalty program in place, but there are opportunities to improve. Focus on quick wins (and yes, adding Splitit is one of these) to boost your efforts and results.

0 - 59

You're a loyalty struggler. You may be doing a few things, but there are many opportunities for you to pilot new loyalty initiatives. Don't make the mistake of trying everything at once. Test, learn, and improve. You'll be in a much better place the next time you assess yourself.

Toolbox Tips



Empathetic Design

Use the following industry examples to inspire you to take a more empathetic approach to the user experience that you give to your shoppers.

- **Home furnishings**

The “nervous shopper” needs reassurance. Buying furniture online represents a big financial commitment. Shoppers may worry about the comfort level, the quality of materials, the fit for their home, and more. You’re asking them to make a big purchase sight unseen. Understanding that nervous shopper from a design perspective means giving them the right reassurance. Let them interact with the product and try it out in their homes virtually using interactive tools. Keep messages about the ease of returns front and center so that they feel more confident about risking a purchase.

- **New baby merchandise**

The “first time parent” feels excited but uncertain. He or she does not know quite what to buy, and gets distracted by the emotional elements of having a new baby. If you help this buyer understand the safety ratings of products, read through recommendations and feedback from other new parents, and share purchase ideas with friends and family, you increase the odds that they come back to your store again and again for the things they need to make a place for baby.

- **Sports equipment**

The “out of shape aspirer” wants to find the right equipment for their fitness needs. They need help matching what you offer to their actual level of fitness and commitment. They also want motivation to help them develop a new habit of exercise at home. COVID-19 social distance concerns have compounded these emotional needs. Product information will provide some of what they need, but they also will benefit from tools such as the ability to connect with a fitness consultant, or participate in online discussions with other aspiring athletes. The prospect of a community of users can go a long way to building shopper satisfaction and reinforcing comfort levels.



Digital Clienteling with Email Marketing

Follow this four-step process to cultivate your clientele and inspire them to shop with you again and again.

- **Match your product or service to your customer’s segment needs.**

Example: Customers in the southern hemisphere may be interested in swimsuits in January, while customers in the Northern Hemisphere may be better served with snow boots.

- Retain customers by appealing to that customer's stage of life.

Example: Moms of babies will be interested in certain types of products. In two years, those same customers may be interested in products that moms of toddlers typically purchase.

- Grow your business by upselling to customers who responded to previous offers.

Example: If a shopper was incentivized to complete a purchase with a "10% off for 1st Time Customers" offer, they might also respond to a "10% off Loyalty Reward for Returning Customers".

- Increase profits by increasing average order value.

Example: When emailing a customer the confirmation of their purchase, include related products to entice cross and up-selling.



Site Personalization

Personalization can and should occur at every stage of the shopper's journey.

- Landing Page

What do you know about your shopper before they even land on your storefront and how can you personalize their experience based on that data? Segment your shopper based on referrer (Social Media, Google Search, Paid Ad, etc.), type of device (desktop, tablet, mobile), geographic location, and any other information you may have. Serve content that makes sense for that specific shopper.

- Recommended Products

Why is your shopper on your site to begin with? Based on their searches and browsing, can you recommend products that they may need or want?

- Shopping Cart

What items complement products already in your shopper's cart? What have other customers purchased in tandem?

- Confirmation Email

Every communication is a chance for a positive customer/retailer interaction. At this point, you know a lot about your shopper. Are there products that they browsed but ultimately didn't purchase? What added value can you offer to increase their satisfaction?

- Shipment

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Creating Community

Communities are often created around a product and an activity or lifestyle:

Product Category	Community Format
Sneakers	Running club
Cookware	Exclusive recipe database and forum
Camping gear	Adventure travel/Lifestyle group
Novels	Book club
Make-up	Beauty community
Baby products	Local moms groups

Be creative! For example, let's say that you are a retailer for outdoor, backyard ovens. There are social media influencers for almost anything you can dream of. Perhaps with the help of several, moderately well-known, amateur bakers, you can launch a "Pizza Party" community.



Referral Programs

A few examples of Referral Programs can help you get creative about what you offer to your shoppers.

- Koodoo Mobile offers existing customers \$25 off their bill for every friend that signed up for the service and the referee received \$25 off their first bill. Koodoo saw an increase of 75,000 customers in 2 years and lowered their customer acquisition spend by 167%. When the company increased the referral offer to \$50, the average number of referrals rose 500% overnight.¹
- Tesla offers free supercharging miles while Dropbox offers cloud storage space.²
- Mattress retailer Nectar gives purchasers a referral link that unlocks a \$399 free gift bundle with each friend's mattress purchase. They also offer three months of premium HULU for free to purchasers and friends – a very clever way to reinforce a brand that promotes rest and relaxation.

Above all, your referral program should be **EASY** all around.

- Easy to see - Use a primary banner that appears on your landing page, featured prominently in your email communications, show-up in Google search results, and be all over your social media channels. If possible, partner with influencers for an extended reach.

¹ [Buyapowa](#)

² [Tesla / Dropbox](#)

- Easy to understand - If you can't sum it up in 2 short sentences, go back to the drawing board.
- Easy to sign up - Enrollment should be as simple as entering an email address
- Easy to complete the referral - Provide a space for customers to enter friends' email addresses, then you do the work of sending the emails. Allow for sharing on Social Media with a single click and provide a personalized link that your referrer can copy/paste/distribute.
- Easy reward access - Ideally rewards will be given to both referrer and referee automatically.



Points Programs

We love the innovation and strategies of both The North Face and Tarte cosmetics. Retailers can model programs like this to get the most out of their loyalty programs.

The North Face's "VIPeak" program incentivizes customers by offering them huge flexibility in how they use their reward points. The points translate to a monetary value and then customers can put that value towards anything they want.³

"TeamTarte" incentivizes not only purchases, but also Social Media engagement.⁴ As shoppers increasingly turn to Social Media for beauty and lifestyle advice, this strategy rewards customers with exactly what the brand needs most - peer to peer advocacy.



Selling with Integrity

On the "shopper facing" front end - there are a myriad of ways to infuse the browsing and purchasing experience with honesty and integrity. Set yourself up with policies and procedures for quality sales and service. It will ultimately be easier to guarantee you'll provide the same each time.

- **Your Return Policy**

Make this easy to find and even easier to understand. Your Return Policy should communicate the values of your company and prove to customers just how much you believe in your products. Click here to read our detailed techniques about how to structure your Return Policy.

- **Your team**

Your staff, especially those who interface with shoppers, should be your biggest fans. These people can empathize with a customer when something goes wrong, but ultimately should believe in the company they represent.

³ [The North Face](#)

⁴ [Tarte cosmetics](#)

- **Size guides and product specs**

There is nothing worse than processing a return from an unsatisfied customer whose expectations just weren't met. Make sure to double check size guides and descriptions from 3rd party vendors and only post information you know to be true and validated.

- **Customer Reviews**

Nobody trusts a product with a 100% satisfaction rate. 82% of shoppers purposely look for negative reviews as perfection just isn't believable.⁵ Let shoppers honestly share their experiences so that prospective customers can make decisions with confidence.



Customer Service

Consider the best practices below as a way to deliver the best possible customer service.⁶

- **Address negative reviews**

57% of shoppers will turn away from a brand if their negative review isn't paid attention to, even if they receive other communications (i.e., promotions). Everybody likes feeling heard; that their concerns are important. Prove to customers that they are the most important part of your business and respond to both negative and positive reviews.

- **Invest in live chat**

Shoppers don't want to hunt around on your website for contact information and they certainly don't want to wait for an email to be responded to. In fact, 42% of shoppers will go elsewhere if they aren't able to access real-time customer support.

- **Use your marketing to convey your appreciation**

Shoppers want to feel that they matter. And they do! Don't be afraid to convey this in your communications to them, especially via emails when trying to entice them back. A full 68% of shoppers will go elsewhere if they feel that the company is unconcerned with their business.

- **Reciprocal communication**

Ask your customers about their experience with both your product and their shopping event. Listen to their feedback.

⁵ [Search Engine Journal](#)

⁶ Source: [Fundera](#)