MARIGOLD™

The Loyalty Program
Optimization Guide

GROW YOUR LOYALTY PROGRAMS TO DRIVE MORE REVENUE AND ENGAGEMENT

COCO CAFÉ

GET THE BEST OF COCO REWARDS!

Buy 6 Coffees
Get One Free

LOYALTY CARD

buy 5 get next coffee for free

1 .... 2 .... 3 .... 4 .... 5 .... FREE

Table *of* Contents

Sarah, Your Path To Platinum Status
(Spend $400 in a calendar year)

$0 $200 $400

$201
On your way to
Platinum for 2023

Spend for Platinum	$400
Dollars Spent	$199
Amount to Go	$201
You're Earning	1.25 pt / $1

Reach Platinum to earn 1.5 points per $1. When you're Platinum,
you qualify for our Personalized Travel Concierge!***

State of *Customer Loyalty*

Much has changed in the world of loyalty. Technology. Strategy. Terminology. But one thing remains constant: the value of customer loyalty is *immense*.

Our latest research shows that nearly seven in ten consumers will pay more to shop with the brands they're loyal to. And that figure is even greater among younger consumers, whose buying power and authority in the market only continues to grow.

68% *of consumers* will pay more to shop with the brands they're loyal to.

Source: Marigold's 2025 Consumer Trends Index

The fact is: loyal customers are more profitable over time. They are the ones who stay longer, spend more, and refer others. And thus, in the drive to increase customer lifetime value (CLV), brands often turn to dedicated loyalty programs. And according to new research from Forrester, consumers that are part of a loyalty program are more likely to make impulse purchases. But from onboarding to rewards to personalization and beyond, quite a bit goes into a robust loyalty program.

Forrester Consumers Want Financial And Experiential Rewards From Loyalty Programs

So let's dive in.

MARIGOLD

Key Strategies *to Optimize Loyalty Programs*

What's driving the popularity of loyalty programs?

Consumers want—expect—personalized shopping experiences. And in an era of economic turbulence, they want value, too. Loyalty programs can provide both.

Loyalty Programs by the Numbers

Loyalty program participation is on the upswing

37% *of consumers* cite that they're more likely to participate in loyalty programs this year, compared to last.

7% less likely

57% no change

Personalized offers = high engagement

79% *of consumers* say they're likely to engage with a personalized email tailored towards their interests.

What consumers want in loyalty programs

67% Points/reward system

61% Exclusive product or service discounts

35% Exclusive access to products/events/services

26% Personalized product recommendations

25% Ability to take part in contests, sweepstakes, or challenges

Source: Marigold's 2025 Consumer Trends Index

Acquisition &
effective marketing

A successful loyalty program begins with effective onboarding.

The first 30–60 days post-signup are critical for securing customer interest and loyalty, as this is when customers decide whether to actively engage with the program.

In reality, brands have about a month to effectively onboard new members before risking low engagement—or worse, total inactivity—adding to the cycle of one-and-done customers. Brands should focus on helping new members realize the value they can unlock and control through active participation in the loyalty program.

STRATEGIES FOR ONBOARDING INCLUDE:

Gradual onboarding: Create an onboarding sequence that introduces members to program benefits gradually, maximizing touchpoints to ensure engagement.

Non-transactional experiences: Encourage members to engage with your brand in ways other than purchasing. By offering points for actions like completing a profile or sharing feedback, you deepen your relationships without the need for constant purchases.

Educational content: Provide customers with clear guidance on how to navigate and maximize their loyalty program benefits, ensuring that they fully understand the value they're getting.

Did you Know?

Marigold Loyalty onboarding framework helps customers leverage 21 zero-party data touchpoints to engage new members and drive hyper-engagement from the start.
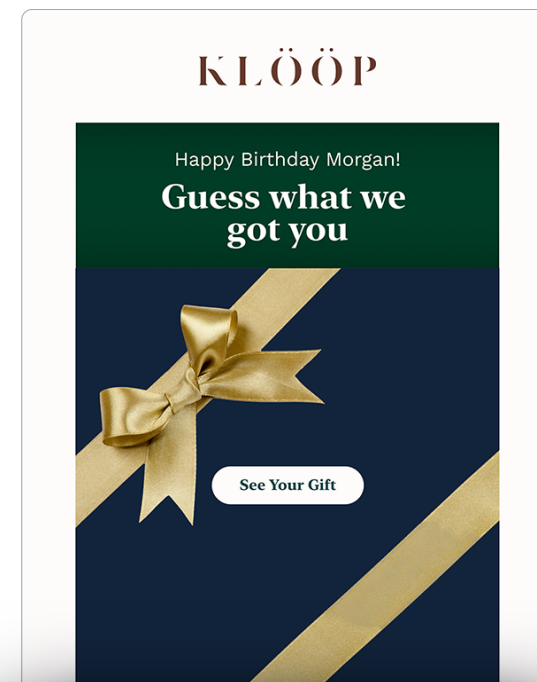
Personalization

Consumers want personalization, yet many (four in ten!) still cite frustrations with receiving irrelevant content or offers from brands. As a cornerstone of loyalty optimization, personalization is a key consideration.

40% *of customers* have cited frustrations with receiving irrelevant content or offers from brands in the last year.

Source: Marigold's 2025 Consumer Trends Index

Segmentation: A trusted strategy for decades, segmentation still remains a common tactic for transcending one-size-fits-all messaging. By analyzing purchase history, demographic data, and engagement patterns, you can take the first step towards making your program less generic and more tailored, with offers unique to different customer groups.

Triggered Offers: From birthdays to shopping anniversaries to customer milestones that you define, there are a plethora of opportunities to deploy triggered offers that are especially relevant to customers on an individual level.

AI and machine learning: AI plays a crucial role in bridging the personalization gap in loyalty programs. By leveraging machine learning to analyze customer data, brands can segment loyalty members more effectively and deliver relevant, timely offers that drive higher conversion rates.
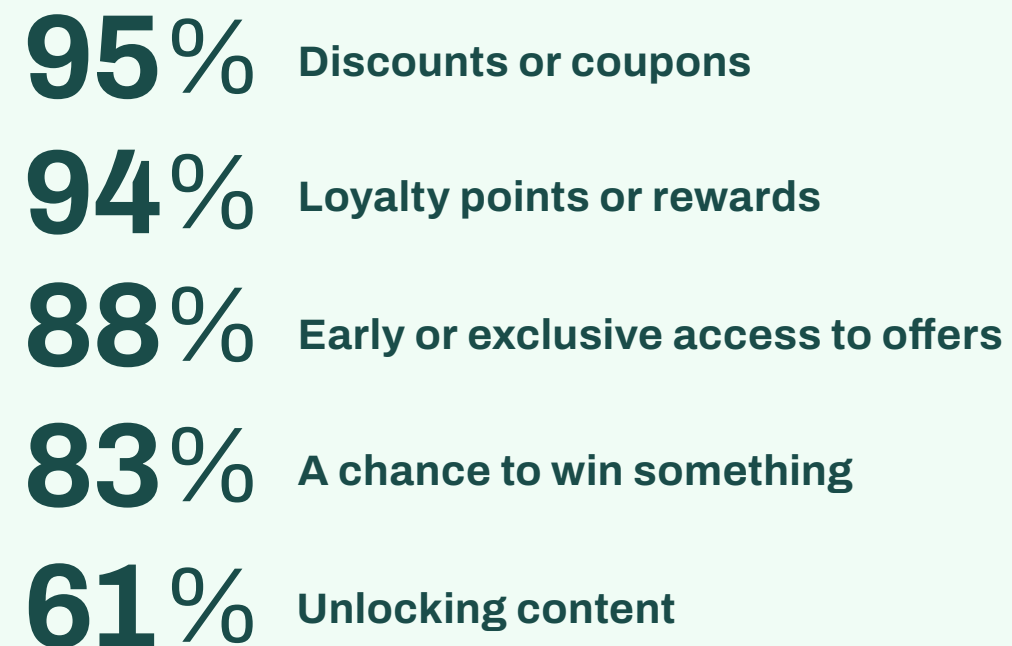
Zero-party data utilization: Zero-party data, by definition, comes directly from the consumer and goes beyond basic demographics, touching on areas like interests, preferences, and motivators.

Popular tactics for collection include surveys, polls, and other interactive experiences whereby consumers have an opportunity to voluntarily disclose what matters most to them.

The major challenge lies in inspiring consumers to actually participate in these experiences. The solution? It's what we call the value exchange – brands need to provide something of value to consumers for their data. Fortunately, consumers are receptive to a number of offerings.

KLÖÖP

Happy Birthday Morgan!
Guess what we got you

See Your Gift

Offerings consumers find to be *a value exchange for their personal data*

95% Discounts or coupons

94% Loyalty points or rewards

88% Early or exclusive access to offers

83% A chance to win something

61% Unlocking content

Source: Marigold's 2025 Consumer Trends Index

Multi-channel Integration

For a cohesive loyalty experience, you should ensure customers can engage with your program seamlessly across multiple channels. Further, point redemptions and use of loyalty accounts should extend to both online and in-store interactions; this is an expectation from consumers, and a necessity to ensure widespread participation.

Data Utilization

Data is the foundation of an effective loyalty program. By gathering and analyzing data, you can continuously refine and improve your loyalty offerings.

Behavioral insights: Analyze customer purchasing patterns, preferences, and frequency to craft relevant and timely offers.

Performance tracking: Use KPIs like redemption rate and purchase frequency to gauge program effectiveness, adapting to what resonates most with customers.

Turning Customers into *Superfans*

Emotional Loyalty

To stand out, loyalty programs need to go beyond discounts and traditional points-based rewards, which remain popular but often fall short of fostering deeper connections. Brands and retailers should broaden their offerings to cultivate emotional loyalty, which forms when brands resonate with customers on a personal level, moving beyond transactional relationships. By focusing on shared values, brand storytelling, and community building, you can create more engaging, lasting connections with your audience and analyzing data, you can continuously refine and improve your loyalty offerings.

Align on values: Customers are more likely to remain loyal if they feel your brand supports their values.

28% *of consumers* say that a brand's ethical values are a factor more important than price when making a purchase decision.

Source: Marigold's 2025 Consumer Trends Index

Community Engagement: Analyze customer purchasing patterns, preferences, and frequency to craft relevant and timely offers.

Incentivizing advocacy

Consider encouraging loyal customers to spread the word by offering rewards for referrals, social shares, and reviews. Advocacy incentives can amplify loyalty and attract new customers organically.

Referral programs: Design rewards for customers who refer friends, giving them a tangible reason to recommend your brand.

Social media sharing: Reward customers for posting about your brand or using branded hashtags, amplifying your reach.

Exclusive rewards and experiences

Offering unique, high-value experiences can turn casual customers into loyal superfans who feel part of something exclusive.

VIP tiers: Implement tiered rewards that unlock premium experiences, such as early access or personalized support.

Surprise and delight: Periodically offer unexpected rewards, keeping customers engaged and eager for what's next.

Increasing *Incremental Revenue*

Driving incremental revenue

Over the past decade, one thing has become clear: traditional, transaction-focused loyalty programs alone don't build lasting engagement. Today's consumers expect more, and while discounts and rewards still play a key role in securing their loyalty, it's essential to go beyond.

HERE ARE A FEW STRATEGIES TO INCREASE INCREMENTAL SPEND:

- **Personalized experiences:** Yes, personalization again. The proof is in the numbers, with nearly four in five consumers citing a likelihood to engage with messages tailored to their interests.

- **Interactivity**: From punch cards to challenges to contests, there are a slew of tactics to inject some "fun" into your loyalty program. Interactive elements will help differentiate your program in a vast sea of generic, points-for-purchases offerings.

- **Flexible redemption options**: Customers love choice. While redeeming points or getting dollars off is still popular, they aren't the end-all-be-all. Convenience-oriented options, like early boarding on a flight or getting first access to new menu items, are becoming increasingly popular. And as an added bonus, these sorts of rewards eat less into profit margins.

- **Golden Moments**: This is the most potent heuristic in loyalty. Golden Moments are periods when loyalty members are most likely to make full-priced purchases. Golden Moments are simple on the surface; they begin after a loyal member redeems their points. The duration of a Golden Moment tends to vary based on the size or value of the redemption itself and the products and industry. Through testing, our strategists help brands refine the duration of Golden Moments.

"Incremental revenue is additional spend that we're able to influence or incentivize customers to make. By creating a strong value proposition, we see that loyalty members consistently spend more than non-loyalty members. This increase can happen in a single transaction, for example, through offers like bonus points encouraging larger basket sizes.

It can also be seen in frequency, where a guest who usually visits once a week is motivated by a punch card to visit twice a week. These tactics unlock the feeling of "irrationality" which motivates them to spend more and more often."

Jillian Dimoff, Loyalty Expert, Marigold

"Incremental revenue can be generated in several ways by a loyalty program, but many marketers fail to develop a method for attribution.

One of the most reliable methods to create incrementality and simultaneously track it is to exploit the period after a member redeems their points; we call these periods golden moments, and they're magical."

Roger Williams, Head of Loyalty, Marigold

Measuring the Success of *Your Loyalty Program*

Effective loyalty programs are data-driven, with continuous performance analysis to ensure ongoing improvement.

Key metrics *to track*

[Learn more here]

Annual spend:
How much are customers spending on an annual basis?

Average order value:
What is the average a customer spends during one visit?

Average frequency:
What is the average number of visits a customer will make?

Customer lifetime value (CLV)**:**
What is the total revenue you can expect from the customer for the duration of the relationship?

Compare these metrics for loyalty members vs. non-members for insight into your program's relative effectiveness.

Customer retention rate: What is the percentage of customers who are staying with you during a given period of time?

Redemption rate: Are customers using their points to redeem for rewards, and how often?

Enrollment rate: What percentage of customers are enrolling in your program?

" You should continuously be monitoring your loyalty program, as should your provider. There should be QBRs (Quarterly Business Reviews) and continuous measurement of metrics and benchmarks for the program. We've pivoted on design in the first six months or within the first few years, in some brands' cases. Customers and the times are always evolving, so programs have to evolve, too.

Bottom line: Review the program continuously! Loyalty programs are not 'set it and forget it.' You need someone to make strategic decisions and lead the program based on a thorough analysis. "

Jillian Dimoff, Loyalty Expert, Marigold

" Your loyalty program is the greatest source of actionable customer data, gathered through your members' engagement with loyalty mechanics and zero-party data rich dialogue. This highly dynamic process requires constant monitoring of insights and responding to signals with adjustments to loyalty levers within the program. "

Roger Williams, Head of Loyalty, Marigold

Driving Revenue and Results
with Marigold

Neither loyalty programs nor the brands using them are a monolith. And thus, it doesn't make sense for every program to have the same offers, rewards, or level of sophistication. This is why **scalability** is a critical component of any loyalty solution.

Your brand needs the flexibility to start simple, but scale to complex (e.g.; gamification options, varying loyalty tiers, etc.) as program participation grows.

This is what Marigold offers. With advanced loyalty engines and dedicated strategic services to match, we'll help you find new members, onboard them effectively, and incrementally win their loyalty by delivering the right offers at the right time. But don't just take our word for it.

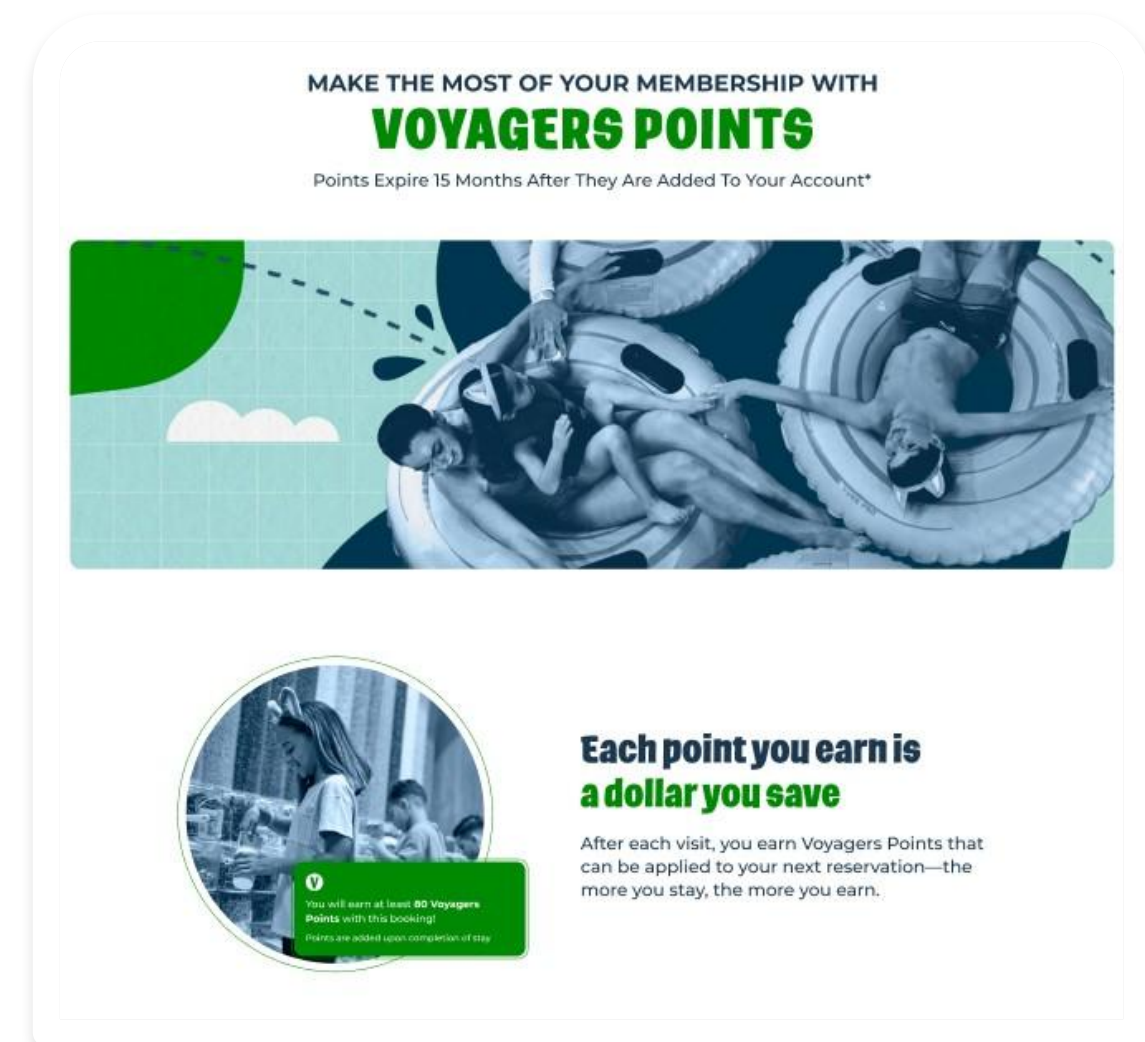Real-World Loyalty Programs, *Real-World Results*

MARIGOLD × GREAT WOLF LODGE

Great Wolf Resorts Launches First-Ever Loyalty Program

Project Overview

Great Wolf Resorts leveraged the Marigold Loyalty platform to introduce its first-ever loyalty program — the Voyagers Club. Rather than a traditional tiered loyalty program, Voyagers Club is designed so members earn 1 point for every $10 spent across the entire folio, and redeem as a 1:1 model – a differentiator within the industry. No elite tiers or charges for faster access.

Marigold helped bring the company's vision to life in just a few months, and shortly after launch the company added additional benefits like bonus deals and friend referral rewards. In 12 months:

- 1.7 million members joined the program
- Drove double-digit percentage growth for repeat rate
- Nearly 40% of all bookings attributed to Voyager Club members

MAKE THE MOST OF YOUR MEMBERSHIP WITH
VOYAGERS POINTS
Points Expire 15 Months After They Are Added To Your Account*

Each point you earn is a dollar you save
After each visit, you earn Voyagers Points that can be applied to your next reservation—the more you stay, the more you earn.

"The Voyagers Club is a unique way to earn and use points to experience everything Great Wolf has to offer. It's not just about earning points, but engaging with customers, learning who they are, and delivering tools that allow them to have the best experience possible."

Dave Van Saun, Vice President of CRM and Ancillary, Great Wolf Resorts

Marigold Helps KFC Launch *Instant-Hit Loyalty Program*

Hear from Paul Tuscano, Chief Digital Officer at KFC, as he reflects on the smashing success of KFC Rewards.

Watch Video

Donatos Loyalty Program Dishes Stronger Sales and Connection

Company Snapshot

Donatos Pizza is a Midwest pizza delivery restaurant franchisor with nearly 200 stores across 10 states.

CHALLENGE

Donatos wanted a loyalty program that not only drove frequency, return visits and overall member spend, but connected digital channels with point-of-sales data and delivered localized marketing controls to franchisees.

SOLUTIONS

Using Marigold Loyalty, Donatos launched a new loyalty program that moved relationships from transactional to personal.

- Integrated rewards with entire e-commerce experience
- Created better brand experience across every digital and physical channel
- Introduced on-demand rewards for more ways to earn and redeem points

RESULTS

Donatos combined behavioral data with past orders and check values, optimizing experience and building closer emotional connections.

23% Increase in Membership Program Penetration

31.5% Share of Net Sales

98K Transactions Attributed to On-demand Rewards

Where *relationships* take root.

Marigold is the messaging and loyalty solutions platform dedicated to helping brands find their people, really get to know them, and turn them into superfans.

From email to SMS to loyalty programs to zero-party data acquisition and beyond, Marigold offers comprehensive solutions that support the entire customer lifecycle, making it easy for brands to grow the relationships that grow their business.

Today, bringing together Campaign Monitor, Cheetah Digital, Emma, Liveclicker, Sailthru, Selligent, and Vuture under one banner, Marigold helps 40,000 brands deliver ultra-personalized customer experiences at scale.

Find out more at **MeetMarigold.com**

❀ MARIGOLD™