

COLUMNS

What is driving mobile loyalty?

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By **Brandon Logsdon**

With a smartphone planted firmly in the hands of nearly two-thirds of the United States population, brands such as Starbucks, Sephora and Urban Outfitters have become the poster children for successful loyalty and customer engagement programs because of their immersive mobile offerings and overall approach to mobile.

The common thread among these brands and other loyalty innovators?

Apps and mobile features that offer consumers convenience and utility, and are intelligent and intuitive to use instead of being gimmicky or cumbersome.

These characteristics are especially important for loyalty programs that feature multiple brand participants, essentially forming a coalition of merchants and program partners that have the same values and goals.

Won moment

With this increasingly popular approach to loyalty in line with the wants of consumers flexibility, choice and loyalty on their terms the success of a coalition program rests on its members' ability to understand and find value in the rewards and incentives being offered.

Because of this, delivering a convenient, relevant and consistent mobile experience is paramount.

Loyalty network applications achieve success on mobile by tapping into their members' mobile moments defined by Forrester Research as "a point in time and space when someone pulls out a mobile device to get what he or she wants immediately, in context."

In other words, marketers who are able to recognize their members' reasons for interacting with the brand in that moment and then providing the member with relevant information are far more likely to increase the frequency of member engagement.

Start with mobile

With myriad functionalities and the choice between a standalone loyalty program app or embedded loyalty features, it is up to each brand to determine which features will resonate with their customer base while maintaining the brand identity.

As put by Harvard Business Review, "organizations need to identify the loyal behaviors that most deserve explicit attention and investment."

There are, however, several features and capabilities that continue to provide value to consumers, regardless of industry or brand size:

Location-aware functionality: Already commonplace in many apps, having access to a user's physical whereabouts

Location aware functionality: Already commonplace in many apps, having access to a user's physical whereabouts is critical for brands with physical locations wanting to drive foot traffic and in-store engagement.

Apps can provide information on nearby offers, promotions, participating merchants and rewards opportunities.

Personalized displays and messages: As mobile devices are one of the most personal channels a brand can interact with us on, providing personalized information and messaging can make all the difference to consumers.

Give members their rewards balances, tier status and expected redemption values, for on-the-go updates.

Integrate social-sharing capabilities: Integrating social APIs such as Facebook, Twitter and Instagram gives members access to the outside world to share and oftentimes brag about their achievements, status or earned badges.

Brands benefit from this also, as social sharing helps boost recognition for the program and reinforce positive behavior.

Wallet integration: Whether it is Passbook, Google Wallet or PayPal, mobile wallets are becoming hubs for credit and debit card management. It makes sense that consumers' loyalty program transaction data makes the transition as well.

Mobile notifications: Fundamental to any mobile feature, notifications give members vital program information.

As simple as SMS/MMS or in-app alerts, notifications keep members informed and updated about balances and additional earning or redemption opportunities wherever they are.

BY 2017, U.S. customers' mobile engagement behavior will drive mobile commerce revenue to 50 percent of U.S. digital commerce revenue.

This rapid shift of commerce to the mobile environment should serve as a wake-up call for brands and loyalty marketers.

Those wanting to leverage consumers' love affair with mobile devices of all makes, operating systems and sizes must create better mobile shopping experiences and make their brands become as central to consumers' lives as the mobile device has become.

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