



**CHEETAH DIGITAL**

by CM Group

# Omnichannel Loyalty





# Welcome to the Buyer's Guide to Omnichannel Loyalty

For as heartfelt of a topic as it is, navigating the world of loyalty technology can be a real pain. It shouldn't be, especially when a successful loyalty program can do so much. It creates a competitive advantage, it improves customer experience, builds a customer data asset, and motivates profitable customer behavior. But it can be a challenge to connect the various technologies needed to execute a great loyalty program.

A loyalty program is not just a standalone, isolated item in your marketing strategy. A box to be checked, a coupon to be given out. It's an integral part of an overall customer engagement strategy. And that's what this buyer's guide is here to walk you through – how to understand omnichannel loyalty, what a solution should look like, and how you can talk about it with your technology provider.

In this Buyer's Guide to Omnichannel Loyalty, we'll take you through:

- What omnichannel loyalty means
- The challenges marketers face when implementing loyalty programs
- How you should think of end-to-end omnichannel loyalty
- Key questions you should be asking your loyalty provider
- Comparisons of different loyalty technology providers
- A loyalty self-assessment and more resources

**Let's get started!**



# Defining Omnichannel Loyalty

**Omnichannel** om·ni·chan·nel

*/'äm̩n,CHanl/ adjective*

The connection of all channels and touchpoints at the same time for a cohesive, unified experience

**Loyalty** loy·al·ty

*/'loɪeltē/ noun*

A strong feeling of support or allegiance



Why did we make this guide not just about loyalty but specifically omnichannel loyalty? In the past, a traditional loyalty program may have been a nice-to-have; it may have brought you in customers occasionally to redeem points, rewards or get a special discount. These programs have been around for ages, and frankly, they're nice but they don't do much for the bottom line.

Today's marketer knows that they have to create a relationship with their customers to have any hope of standing above their competitors. This is where omnichannel loyalty comes in, it helps brands to accomplish their goals of fostering meaningful brand advocates and growing customer lifetime value. It enables you to build a relationship with customers that is long-lasting, effective, and has meaningful outcomes for your business. You can build this relationship through meaningful experiences. But there's a lot that goes into building these meaningful experiences, it takes the right technology.

An effective loyalty program must be connected to an omnichannel engagement system. To the customer, this omnichannel system appears like an interconnected web of ways to communicate with you. Whether it's through email, mobile, SMS, website, social media, or in-store, it gives the customer a seamless experience in dealing with your brand. This is the experience customers have come to expect, being able to interact and reach out to you on their schedule and on the channel in which they feel most comfortable.

To you, the brand marketer, this omnichannel system that allows customers to connect freely with you is actually a complex architecture of interconnected systems. In a perfectly executed omnichannel world, you can gather data, understand that data, and launch campaigns (based on data!) all within the same system. This system will also allow you to gain insights that allow you to understand things like, what type of message you should send and when the right time to send that message is. It allows you to collect meaningful data, not just for the sake of having lots of data, but to build a single customer view that informs so much of your relationship with them.

So, we've defined a bit about omnichannel loyalty, let's get into where marketers are really struggling – the challenges to implementing loyalty programs.





# Key Challenges with Traditional Loyalty Programs

Now, when we previously defined omnichannel loyalty, we said, in a perfect world, these channels would be seamlessly connected. That's not the world brands and marketers have been living in. They've been failing at omnichannel loyalty because creating a solution that connects these channels often means sticking together technology platforms that do each one of these things separately: data-gathering, data actioning, messaging, loyalty, etc., hoping that through APIs and connectors that they'll work seamlessly. This also might require multiple stakeholders from across the company to unify their strategies. Unfortunately, in reality, marketers either have too many tools to manage or loyalty systems that are disconnected from overall engagement systems. Knowing that, let's look at some of the specific challenges marketers face when it comes to building a successful omnichannel loyalty program.



## Challenge Number 1

# Program Strategy

Let's start with your loyalty program strategy. This is the foundation of your program, and it's where you can easily identify issues right away. The first issue you may face is a **poor value proposition**. Basically, what's in it for the customer if they join your program? They're giving you their valuable personal data – data that you can use to target them for future campaigns – so they expect something in return. A **solely transactional relationship** with your customer means they may sign up to get some rewards, but they'll only be coming back when they can get something. When a competitor offers a different option or a more competitive price is found, customers who were with you previously may be easily swayed to spend their dollars elsewhere. Often these programs aren't very unique or targeted either – failing to offer any **personalization**. Without personalization, which is heavily dependent on gathering the right kind of data, customers won't feel valued or heard, another reason to leave your program for a different brand's program.

67%

year-on-year increase in consumers who would feel closer to a brand if they provide extra value for them to stay loyal.

**Digital Consumer Trends Index 2022**





## Challenge Number 2

# Technology Issues



Another pain point for brands arises because they don't understand the technology options available to them. Or they have a loyalty technology option available to them but they don't understand how to connect it to a system of action. When trying to jam together systems that were never meant to work together, brands can face **costly integrations** and end up frustrated with a solution that doesn't work well. These unintuitive, disconnected solutions often result in **inconsistent experiences across channels**, meaning that the customer on the other end of the solution is getting a terrible loyalty experience, often during an in-store experience that isn't working with what their email or loyalty app is telling them. Lastly, a pain point for customers is wanting to use their loyalty rewards but not getting **real-time updates**. If they can't use it in-the-moment, they're likely to move on to a brand that will allow them to.



### Challenge Number 3

## Service Issues

Our third major challenge for brands seeking to build a better loyalty program is with service issues. You are not an island, nor should you be if you have the right partner. But oftentimes, marketers can experience challenges with **poor account management**. Having a team in place to help you is essential, but not if they're **unresponsive** and fail to help you when you need it most. Another challenge is a service team with **minimal domain experience**. Your services team is your partner – they should be up on all of the latest trends and issues that affect your industry, as well as technology experts. Many times you are paying thousands of dollars a month for these retainers and they are not returning the value you had hoped for. An omnichannel loyalty strategy is most successful when you have true choice, either the ability to manage the programs or yourself or be backed by a strong services team.



**So now you've  
got a solid grasp  
on the challenges**

But understanding where exactly it should fit into an overall customer engagement strategy is also essential, so let's get into that next.





# A Blueprint for End-to-End Omnichannel Loyalty

Because we've been in this business for a while and we know that marketers want to engage, reward, and incentivize customers to help drive more rewards, as well as encouraging customers to drive more revenue and interaction while optimizing offers and building customer lifetime value. But they're having a hard time doing that with the simple loyalty tools in place right now.



To get the best results from a loyalty program, it has to be part of a larger system of action, one that connects insights, personalization, and engagement. This is omnichannel loyalty – a process for loyalty that fits inside a larger framework that addresses the whole theory of customer engagement. Below are the three items that make up a solution framework for omnichannel loyalty.

## A System of Insight

Should be able to handle batch, real-time, and streaming data at scale. And consolidate and normalize all customer-related data, including enrichment and identity matching. It is the single customer view and should natively and seamlessly be connected to all other customer engagement stacks, including your systems of action. You should be able to derive insights from all of this customer data, recommend the next best action using advanced analytics, and create audiences automatically or on an ad-hoc basis.

## Next-Generation Personalization

Personalization has been a road well traveled. Customers have always valued contextual and tailored engagements. Modern personalization must go beyond personalizing digital content in a single channel and leverage anonymous profiles. It must incorporate first and zero-party data, decisioning, intelligent offers, journey orchestration, and real-time interaction management. The next generation of personalization is about providing a value exchange for consumers in the “moment” when they engage on your mobile app, on your site, in your store. It’s about providing them something that will generate trust and affinity with your brand. All of these capabilities put together represent the evolution of personalization.

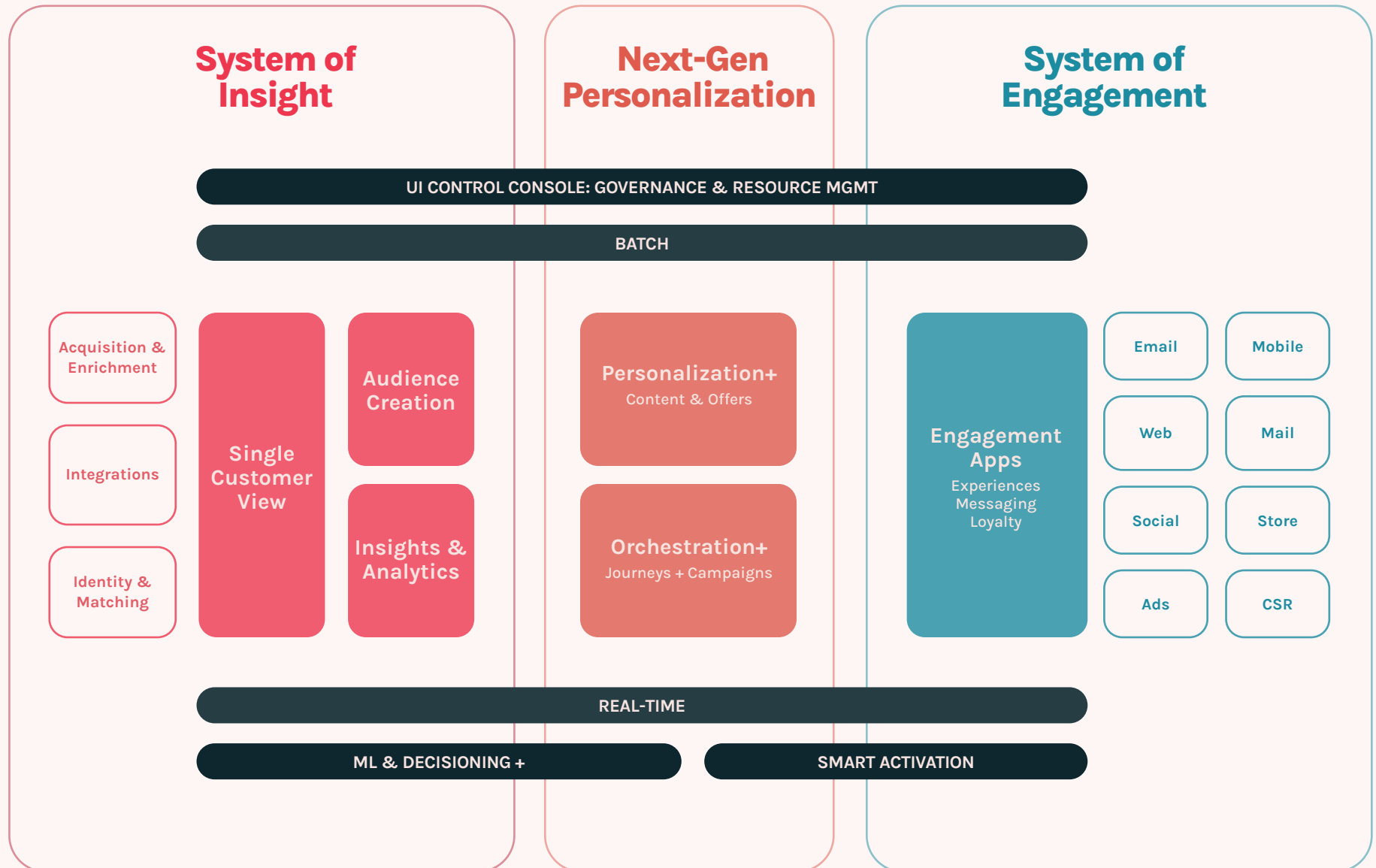
## A System of Engagement

Once you have your systems of insight in place and a strategy for targeted engagement, you should then be using “smart activation tools” to reach your customers. These activation tools should help you reach customers through any touchpoint or channel, such as email, web, SMS, mobile apps, push notifications, and in-store – everything you need to use to connect with your customers throughout their lifecycle. Everything from acquisition and progressive profiling to promotional and triggered messaging all the way through to loyalty management.





# A Blueprint for End-to-End Loyalty Engagement





With each of these systems in place, you have a blueprint for customer engagement that goes from end-to-end, providing a path throughout the customer lifecycle. And with every touchpoint more data and insight is created and this cycle continuously repeats. This framework shows that loyalty isn't just an isolated app on the side, but a thread that runs through an entire customer engagement strategy. After all, our goal as brands is to create that “emotional” relationship with consumers, that will ensure they become passionate brand advocates and consider your products and services crucial to reducing the friction from their everyday lives.

## Essential Capabilities of an Omnichannel Loyalty Platform

What else should you be looking for in an omnichannel loyalty platform? Here are just a few key capabilities that will help your loyalty program move from good to great.

### Loyalty Management

Let your platform do the work of managing your loyalty program. Look for an integrated rules engine that enables brands to award points, manage tiers, build ML-optimized offers with multiple POS systems, develop content with pre-built CMS integrations, and capture online and offline purchases.

### Immersive Engagement

Within your loyalty platform, you should be able to quickly create and deliver scheduled or triggered campaigns via email, SMS, push, mobile wallet, or in-app messaging using a simple console. Also look for progressive profiling to enrich a customer's profile with first- and zero-party data by using a series of quizzes, contests, or surveys.

### Offer Management

For offer management, look for a system that helps you create and manage high quality offers, whether they are coupons, images, messages, content, or any combination. Intelligent offers incorporate rules-based and ML offer targeting strategies that allow marketers to design content for hyper-personalized engagement.

### Mobile Engagement

Features like mobile wallet are essential for true omnichannel loyalty. Mobile wallet allows marketers to manage stored value and gift card balances, reload via integrations with Apple and Android, design Loyalty and membership cards customized to match brand guidelines, and incorporate geolocation notifications for check in at POS to capture rewards.

Finding a platform that incorporates these capabilities will take your loyalty program to the next level. By delivering targeted offers and recommendations with optimized content, you can increase your loyalty membership, ROI and infinite flexibility.

### How do you know what to look for in a technology provider?

Now that you are grounded in the foundational framework and features of omnichannel loyalty, how do you know what to look for in a technology provider that can help you progress your maturity? We'll cover that in the next section.



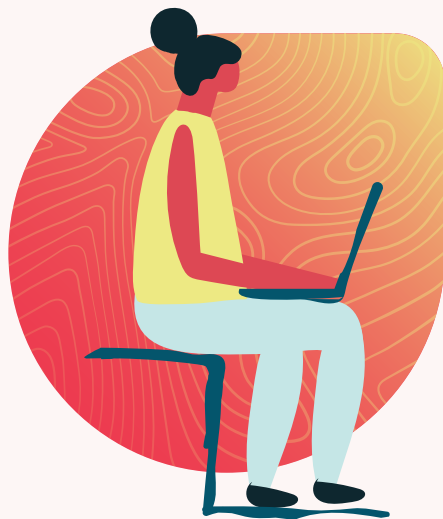
# The Five Key Questions You Should Ask Your Loyalty Provider

Let's face it – you don't know what you don't know and that can make the idea of jumping into a new loyalty solution daunting, expensive, and overwhelming. But being aware of what's most important in a platform can help you get started in your research or in your discussions with loyalty martech providers. We've compiled some of the most important questions you can ask your loyalty provider below so that you can assess what matters most.



# 1. Do you have the technology that allows brands to create their own loyalty programs?

This is not relevant for every brand, but for those that are interested in rewarding and incentivizing engagement and foster loyal advocates are taking advantage of loyalty platforms that focus on loyalty management, loyalty marketing, and in many cases full lifecycle customer engagement. This enables marketers to deliver personalized experiences, cross-channel messaging, all aligned around winning loyalty strategies.



# 2. Does your platform allow brands to create loyalty programs in-house?

With digital transformation being accelerated by COVID-19, we are seeing more and more brands taking ownership of their digital strategies, including loyalty programs. Does your vendor allow you to have access to the platform, so you can manage your own loyalty programs, data, offers, creative strategies? Do you pay thousands of dollars in monthly service retainers? Do you feel restricted by a full service agency model? The key is to have choice and if you have inspiration and ideas on how to deliver great programs, you should never be held hostage by your loyalty tech vendor.



### 3. Can the platform recommend dynamic offers for customers based on their history?



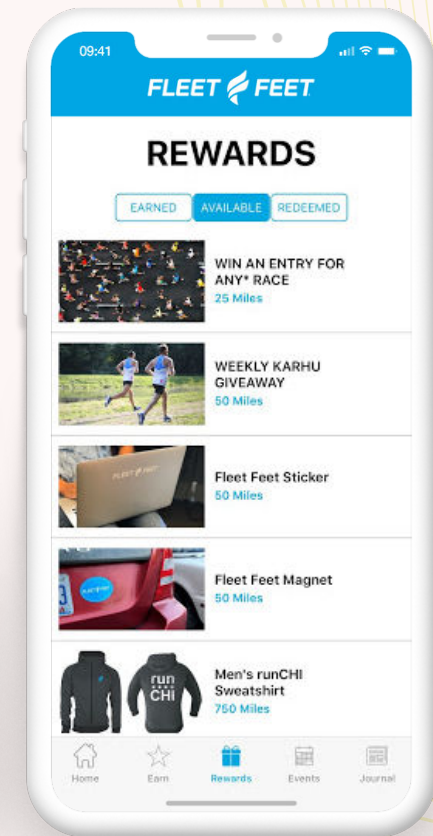
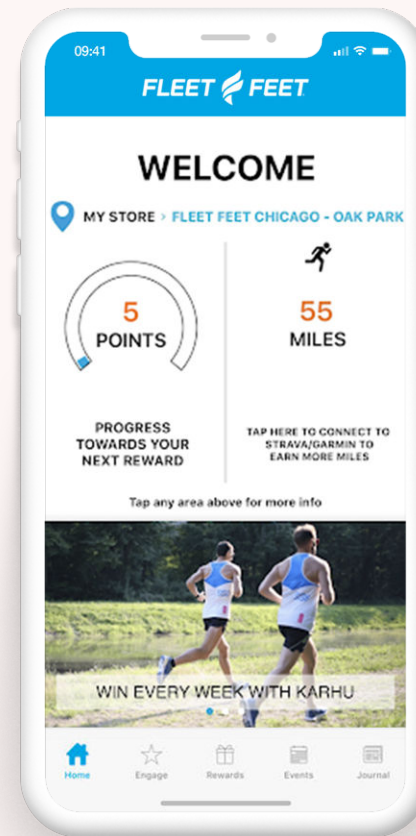
Offer management is a classic concept that has been revitalized in recent years. Offers don't have to be coupons or financial discounts, offers can be "thanks for being a great customer," or "welcome to our program," or "here is a great piece of content you might want to read," or images, reminders, and helpful tips. Offers are at the heart of the creative process when it comes to loyalty program generation, but they can also be used in many other contexts, outside of loyalty in regular ongoing marketing and customer engagement programs. Adding "intelligence" to offers takes your programs to the next level, where the power of business rules and machine learning can help you scale and automate the offer selection and targeting process.



**FLEET FEET**

## 4. Can you facilitate Emotional Loyalty programs that go beyond points and discounts?

Emotional Loyalty is all about moving beyond transactions and building a deeper relationship with consumers that create long term customer value and create passionate brand advocates. As mentioned above, it's not always about points, discounts, and redemptions. Brands like **Fleet Feet** are forming a community of like-minded health conscious people and weekend runners, making their mobile app the central hub of the digital consumer experience.







## THUN

### 5. Can your platform deliver incremental revenue and customer lifetime value?

The key to success here is ensuring you are delivering a loyalty program that provides a value exchange with the consumer to ensure they are getting utility from your programs, and in exchange you are learning more about them, capturing more zero-party data about preferences, and you are driving an uplift in revenue, average order value, and long term retention and loyal brand advocates.

**Brands like THUN** are creating best in class programs for their customers using these methods.

#### **You're almost all the way through!**

Hey, you're almost all the way through this buyer's guide! In the last section, we provide a resource for you to compare technology providers, compiled by the world's largest loyalty association.

# The Loyalty Technology Provider Landscape

With so many options available for brands to choose from, how do you know which loyalty technology provider will be the best for you? While we're happy to brag about our fantastic Cheetah Loyalty platform, we're trying to be impartial here. So, we recommend checking out a report from a completely independent judge – the world's largest loyalty association, Loyalty360.

In this report, you'll find an in-depth overview of over 30 vendors, collecting both quantitative and qualitative data points, including first-hand brand perceptions, feedback, and experiences. We find it to be the most comprehensive and balanced assessment available – Loyalty360.

You can get your own copy of the report and start assessing vendors right away – just [click here](#).





# Quick Reference Guide

## What is omnichannel loyalty?

The connection of all channels and touchpoints at the same time for a cohesive, unified experience that helps foster meaningful brand advocates and grows customer lifetime value.

### Five Key Questions for Your Loyalty Provider

1. Do you have the technology that allows brands to create their own loyalty programs?
2. Does your platform allow brands to create loyalty programs in-house?
3. Can the platform recommend dynamic offers for customers based on their history?
4. Can you facilitate Emotional Loyalty programs that go beyond points and discounts?
5. Can your platform deliver incremental revenue and customer lifetime value?

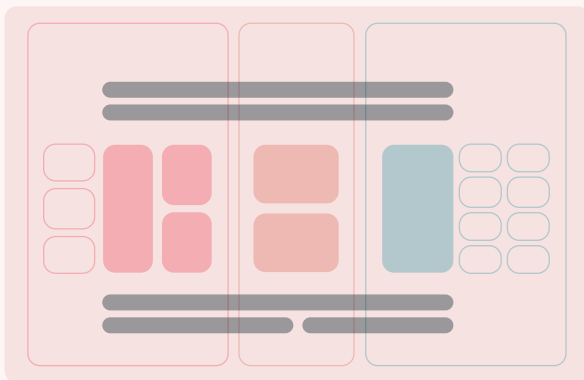
### Key Challenges

- Program strategy (poor value proposition, solely transactional, lacking personalization)
- Technology issues (costly integrations, inconsistent experiences across channels, lacking real-time updates)
- Service issues (poor account management, unresponsive contacts, minimal domain expertise)

### Essential Features

- Loyalty management
- Immersive engagement
- Offer management
- Mobile engagement

### The Blueprint for Omnichannel Loyalty



### Notes

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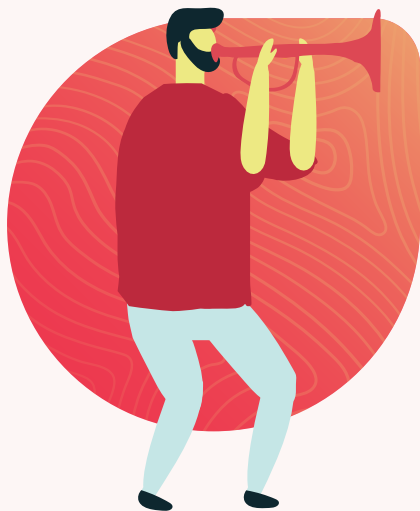
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# Questions? Reach out to Cheetah Digital

You've come to the end of the Buyer's Guide to Omnichannel Loyalty. Congratulations! We hope that you walk away feeling more informed that you were when you started, and confident that you can find a loyalty platform that meets your brand's specific needs. In the meantime, we'll leave you with some of the great things we've heard from our clients about Cheetah Loyalty. And if you want to learn more, visit our [Omnichannel Loyalty use case page on Cheetahdigital.com](#) or [reach out to our team at any time](#).



*"Cheetah Digital has a flexible, modern platform that has given Vans a differentiated experience for its customers. The initial integration was fast and very smooth and there was great partnership between the teams to make that happen in a short period of time."*

**Frank Neumann, Senior Director of Consumer Lifecycle Management at Vans**

*"The word which I would use is a partnership. I think it's very good that we were together in this. From the very beginning that's how we treated each other, we built the architecture, we built the system, we built the code – everything together. We did it within a very short timeframe, from basically the idea to the first customer, it was less than a year. I believe we made a brilliant product and both of our platforms got much more clever and much better."*

**András Szöcs, Head of Customer Program and Center of Excellence at Salling Group**

*"Thanks to Cheetah Loyalty we're now able to quickly evolve historical campaigns to make them fresh and new and are successfully meeting all of the requirements and expectations of our guests on the loyalty program front."*

**Jason Siska, Director of Loyalty and CRM, CraftWorks Holdings, Inc.**

*"Cheetah Loyalty's cutting-edge technology, combined with its services spanning strategy, operations, and analytics, makes them a valuable partner to help us achieve our customer engagement goals."*

**Amanda Saye, Marketing Manager, GreenTree Hospitality Group**



## How does your loyalty program rank?

Take our loyalty quiz to see how you stack up against other loyalty programs.

[Take the Assessment](#)



## Foster meaningful brand advocates and grow customer lifetime value with Cheetah Loyalty

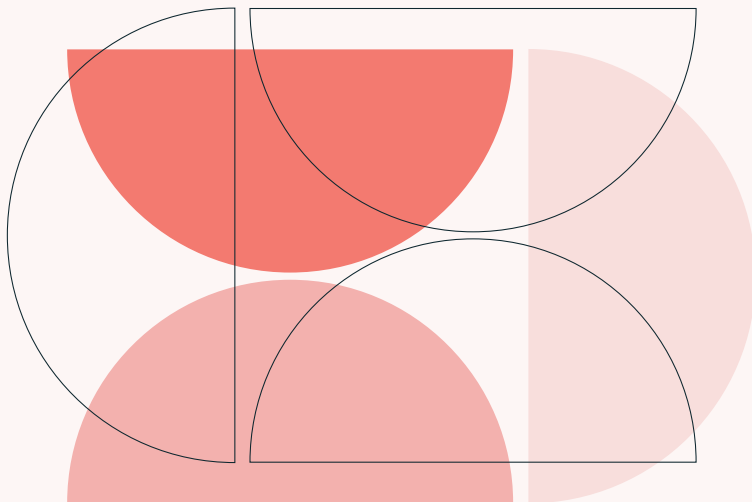
A best-in-class modern technology platform with the flexibility and scale you need to grow, as well as the global services to support your creative strategies and goals.

[Learn More about Cheetah](#)



## Relationship Marketing:

# The Most Powerful Way for Marketers to Drive Revenue Right Now



Cookies, third-party data, regulations – these things are entirely out of the hands of marketers. But when you own your data and database, when you are in charge of your relationships with your customers, when you can dictate the terms of your loyalty program, that's when marketers take back control and drive the revenue that's essential to their existence.

With a Relationship Marketing platform that encompasses every stage, from Acquisition & Enrichment to Engagement to Personalization to Loyalty & Retention, your customer stays within your grasp at all times. No more siloed systems that don't speak to each other, or journeys that stop the moment your customer transitions from online to brick-and-mortar.

CM Group encompasses Relationship Marketing solutions for commercial brands all the way up to enterprise organizations. Our teams can assist your brand in designing a custom strategy and help to integrate with the technology that enables the essential 1:1 relationships that will future-proof your marketing efforts for years to come.

# Cheetah Digital, a CM Group Product

It's time to look beyond transactional data to build thriving customer relationships at every touchpoint.

With Cheetah Digital's Customer Engagement Suite, you have an entire platform at your fingertips to build the most **relevant, integrated, and profitable customer experiences**.



## Cheetah Engagement Data Platform

Our foundational data layer and personalization engine enables marketers to drive data from intelligent insights to action at speed and scale.



## Cheetah Experiences

We help deliver interactive digital acquisition experiences that will delight customers, collect first and zero-party data, and secure valuable permissions needed to execute compliant and successful cross-channel marketing campaigns.



## Cheetah Messaging

We enable marketers to create and deliver relevant, personalized marketing campaigns across all channels and touchpoints.



## Cheetah Loyalty

We provide marketers with the tools to create and deliver unique loyalty programs that generate an emotional connection between brands and their customers.



## Cheetah Personalization

We enable marketers to leverage the power of machine learning and automated journeys to connect with customers on a one-to-one basis.

Start building lasting customer relationships at [cheetahdigital.com](https://cheetahdigital.com)

