



for *love* or *money*™ 2023

11TH EDITION
- EST. 2013 -

The research study taking the pulse on
customer loyalty and loyalty programs
in Australia

Executive Summary





for *love* or *money*[™]2023

Welcome to For Love or Money™ 2023 – the 11th Australian edition of the research study taking the pulse on customer loyalty and loyalty programs.

Stacked rocks (also called ‘cairns’) are the stimulus for the image of the 11th edition of the For Love or Money™ 2023 report.

They have been used since ancient times as navigational aids to signal you are following the correct path. However, they can also lead you in the wrong direction[^].

As you focus on the direction you take for your customer loyalty and loyalty program journey, my hope is you access the results, observations and insights (roi) available in For Love or Money™ 2023 as a guide in the right direction to:

- Understand loyalty is not a program. What is loyalty? Define what loyalty means to your brand (from your customers’ point of view) and identify the levers to influence those loyalty outcomes.
- Design and deploy valuable and viable loyalty programs that are meaningful and desirable to your members and profitable over the longer term for your business.

Thank you and have a happy loyalty day!



Adam Posner, Founder // The Point of Loyalty
Author of customer loyalty and loyalty program research – For Love or Money™
Certified Loyalty Marketing Professional - CLMP™

[^]marathonhandbook.com/stacked-rocks-meaning





for *love* or *money*TM 2023

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For Love or Money™ 2023 is the 16th consumer research study tracking key trends and insights on customer loyalty and loyalty programs in Australia and New Zealand.



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To find out more about the results and insights in this Executive Summary you can purchase the comprehensive report at www.thepointofloyalty.com.au or email adam@thepointofloyalty.com.au

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Detailed contents



● Section 4: Loyalty program structures, rewards and interaction

- Are loyalty programs improving?
- Where have loyalty programs improved in recent years?
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- NEW** • Are gift cards important as a reward redemption option?
- Member interaction, identification and payment integration

● Section 3: The Loyalty Program Experience Index SPV^x

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- NEW** • 68 Australian loyalty programs scored with the Loyalty Program Experience Index SPV^x

● Section 2: The Australian loyalty program landscape

- Profiles of loyalty program members
- Number of memberships
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● Section 1: Loyalty is not a program. What is loyalty?

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- NEW** • Is customer loyalty a one-way or two-way street?
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Detailed contents



● Section 9: Loyalty program data collection and use: privacy, trust and security

- Loyalty program data collection and use: enhancing the experience or invading privacy?
- What do members consider when providing their data to loyalty programs?
- Loyalty program data and trust: the Net Data Trust (NDT) score.

NEW

- Impact of data security breaches on loyalty program members' attitude to the data value exchange
How do members feel about sharing their data with loyalty programs?

NEW

- What are the concerns members have when sharing their data with loyalty programs?

● Section 8: Loyalty programs helping society and improving the lives of members

NEW

- Where can loyalty programs play their part to solve problems – in the world around us and in our lives?

NEW

- From Loyalty Program to Joyalty* Program.

What can loyalty programs do to add more Joyalty* to members' lives?

● Section 7: Web 3.0, metaverse, digital currencies and loyalty programs

NEW

- Web 3.0, Metaverse, Blockchain, Cryptocurrency, NFTs, Digital Collectibles:
What's the level of understanding?

NEW

- Interest in EARNING loyalty program rewards/benefits as NFTs/Digital Collectibles or Cryptocurrency

NEW

- Interest in REDEEMING loyalty program rewards/benefits to receive NFTs/Digital Collectibles or Cryptocurrency

NEW

- How appealing is having NFTs (Non-Fungible Tokens) or Digital Collectibles (unique digital tokens) as part of a brand's loyalty program?

● Section 6: The Collection of Six Currencies loyalty program members care about

● Section 5: Loyalty program strategy, team engagement and levers influencing member activity

- Why do loyalty program members think brands offer a loyalty program?

NEW

- What type of customers do loyalty programs attract?

NEW

- Do members want rewards for the future versus rewards now?

- Are loyalty programs still valuable to brands?

NEW

- Building a team of loyalty program champions

NEW

- The impact of five motivation levers influencing member engagement

NEW

- The impact of bonus points/rewards on member engagement

*Joyalty defined further on in this report

Introduction and research methodology

Welcome to For Love or Money™ 2023

This is the Executive Summary of 11th edition of the annual For Love or Money™ consumer research study taking the pulse on customer loyalty and loyalty programs in Australia.

With benchmarks first established in 2013, the 2023 study continues to track changes in customer loyalty and the Australian loyalty program landscape, building on trends and insights revealed in previous studies.

It also aims to uncover new insights for brands keen to discover more about 'what loyalty is' beyond enrolling in a loyalty program and the key success factors influencing the value and viability of loyalty programs in the future.

Research methodology

For Love or Money™ 2023 was commissioned by The Point of Loyalty and conducted independently by First Point Research and Consulting in the first quarter of 2023 through an online panel of Australian consumers (men and women aged 18+ years) who are all members of at least one loyalty program.

The research was structured to gain quantitative results with comparative analysis. Open text responses were included to gain actual feedback and comments from loyalty program members.

The total sample of N = 1040 provided a margin of error of +/- 3% on the total sample at a 95% level of confidence.

Broad quotas were placed on the sample to ensure an appropriate distribution of responses by gender and age.



What's the Point? The report reveals insights based on the results, trends or the personal point of view of the author.

Interpreting the results

Use of term 'loyalty program' in the research: For simplicity and consistency the For Love or Money™ research studies asked consumers their point of view on 'loyalty programs'. In the research we defined 'loyalty programs' as any type of loyalty or rewards program, VIP club, frequent buyer, member benefits or discount program.

Throughout the report, significant differences are highlighted as follows:

- ▼ **red downward pointing symbol.** A result that is significantly lower is highlighted with a red downward pointing symbol.
- ▲ **green upward pointing symbol.** A result that is significantly higher is highlighted with a green upward pointing symbol.

The significant difference is the difference (higher or lower) for the result compared with the 2023 results or compared with results from previous research studies as shown (2013–2022).

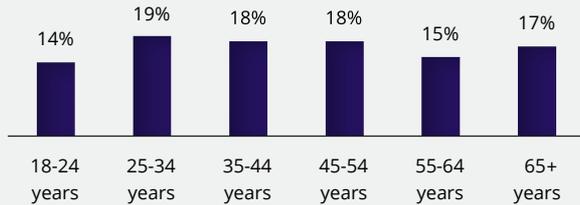
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Profile of participants

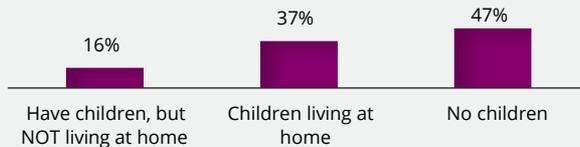
Gender



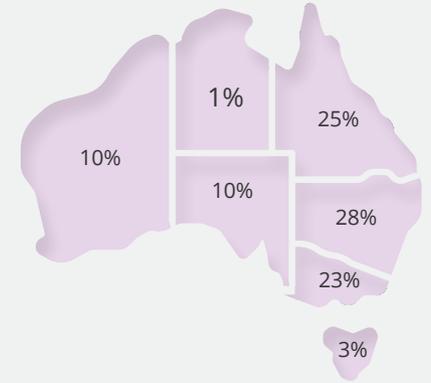
Age



Household structure



Location



Generational cohort



Household income



N = 1040. Figures may not add to 100%. Missing figures accounted for by customers who 'prefer not to say'

Executive Summary

- ● **Section 9: Loyalty program data collection and use: privacy, trust and security**
- ● **Section 8: Loyalty programs helping society and improving the lives of members**
- ● **Section 7: Web 3.0, metaverse, digital currencies and loyalty programs**
- ● **Section 6: The Collection of Six Currencies loyalty program members care about**
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- ● **Section 2: The Australian loyalty program landscape**
- ● **Section 1: Loyalty is not a program. What is loyalty?**

Section 1: Loyalty is not a program. What is loyalty?

Understanding loyalty to invest in loyalty

Customer loyalty continues to be debated, ignited by the ever-changing technology, data, social, economic and demographic landscape. As brands continue to invest in customer loyalty, gaining clarity on what 'loyalty' is to a brand from a consumer's point of view helps to determine:

1. Why it is important to invest in customer loyalty as a growth strategy.
2. How to achieve loyalty as a profitable outcome.

The 2023 For Love or Money™ research continues to study 'what is loyalty' by asking consumers – 'Beyond enrolling in a loyalty program, what does loyalty to a brand/business mean to you?'

Behaviour

is primarily driven by a transactional connection to a brand.



Belief

is primarily driven by an emotional connection to a brand.



Belonging

is primarily driven by a personal connection to the brand and its purpose.



The comprehensive report reveals the ranking of the 11 dimensions of loyalty based on Behaviour, Belief and Belonging. It also identifies all the results and insights by gender and the generations.

NEW Brand loyalty. Achieving the Loyalty Peak

**Loyalty is not a program. What is loyalty?
Loyalty is an outcome.**

Loyalty is a Behaviour

Your customers spend more, more often over the longer term with your brand versus similar competitor options. It's a transactional connection.

Loyalty is a Belief

Your customers love, trust and recommend your brand. It's an emotional connection.

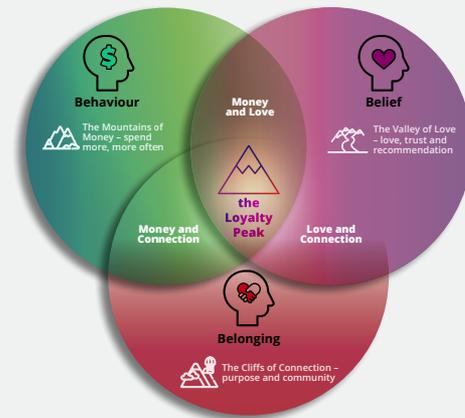
Loyalty is a feeling of Belonging

Your customers identify with your brand's purpose and connect with your community. It's a deeper emotional bond.

For the first time in the For Love or Money™ research, we asked consumers to identify the loyalty dimension that best represents their loyalty to a brand generically (no specific brands mentioned).

The comprehensive report reveals the ranking of the three dimensions of loyalty based on Behaviour, Belief and Belonging. It also identifies all the results and insights by gender and the generations.

The Loyalty Peak: Behaviour + Belief + Belonging



Section 1: Loyalty is not a program. What is loyalty?

NEW The impact of economic uncertainty on customer loyalty and loyalty programs

Periods of economic uncertainty represent a significant opportunity for loyalty programs to engage and support their members. 42% of members indicated they become more actively involved with their loyalty programs during times of economic uncertainty to maximise their rewards and savings. They are called 'Loyalty Program Double Clickers'.

Interestingly, only 10% of consumers tend to join a loyalty program to get immediate savings but may not continue shopping with the brand. They are called 'Loyalty Program Opportunists'.

The comprehensive report identifies all the results and insights by gender and the generations.

NEW Is customer loyalty a one-way or two-way street?

For the first time in the For Love or Money™ research, we asked consumers to identify their view on whether loyalty to a brand is a one-way or two-way.

The comprehensive report identifies all the results and insights by gender and the generations.

What's a tattoo got to do with brand loyalty?

The For Love or Money™ 2023 research aimed to uncover a deeper insight into brand loyalty.

A permanent tattoo on your body of a brand takes personally identifying with a brand to arguably more than a skin-deep level!

In the For Love or Money™ 2016 study, we researched with members if they would ever consider a **permanent tattoo** of a brand, logo or a loyalty program on their body in order to gain a high value lifetime discount or exclusive benefits.

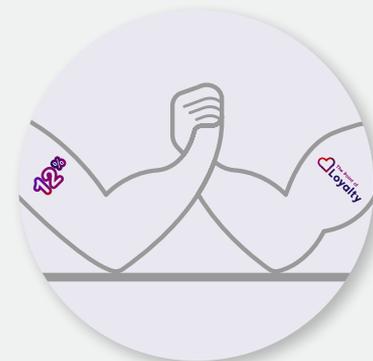
We researched this again in 2023.

The comprehensive report reveals the 20 brands/loyalty programs and identifies all the results and insights by gender and the generations.



Strange but true!

In 2023, 12% of consumers said YES (the same result as 2016) and 20 brands/loyalty programs were mentioned by members of loyalty programs.



Section 2: The Australian loyalty program landscape



In 2023, 90% of Australians are enrolled in at least one loyalty program.

This has remained stable over the past eight years.

2023	2022	2021	2020	2019	2018	2017	2016
90%	88%	88%	89%	89%	88%	87%	82%

Average number of memberships is stable

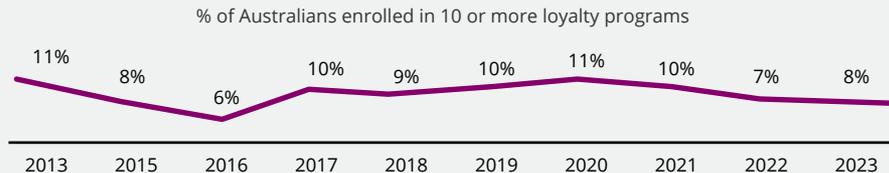


In 2023, Australians on average belong to 4.1 different loyalty programs, which has remained stable over the 10 years of benchmarking.



The comprehensive report identifies all the results and insights by gender and the generations.

Who loves loyalty programs? 10 or more memberships



Data collected over the past ten years suggests that around one in 10 Australians are enrolled in 10 or more loyalty programs. Women generally and Gen Y in particular are the segments more likely to be enrolled in 10 or more programs.

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Men	4%	4%	6%	6%	5%	4%	3%	2%	3%
Women	10%	10%	14%	16%	15%	11%	15%	9%	9%

	2023	2022	2021	2020
Gen Z	8%	13%	13%	17%
Gen Y	11%	6%	16%	13%
Gen X	5%	7%	5%	10%
Baby Boomers	5%	5%	7%	8%

Section 3: The Loyalty Program Experience Index SPV^X

NEW Ranking three key variables for optimising the loyalty program member's experience

For the past 10 years, the For Love or Money™ research has been tracking Australian loyalty program members' view on which loyalty program is 'doing a very good job'.

In 2023, the For Love or Money™ research has been expanded to understand the members' point of view on Australian loyalty programs based on three key variables for optimising the loyalty program experience:



Simple

How **simple** a program is to interact with –
Simple to understand, easy to join; easy to identify as a member; easy to earn and redeem rewards



Personal

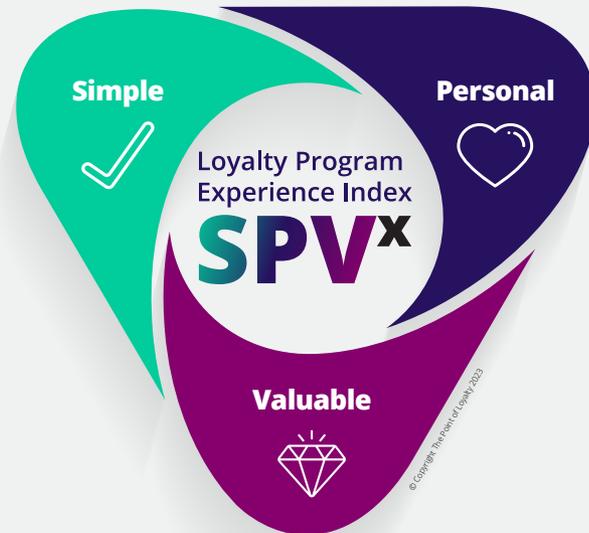
How **personal** a program is to members –
The communications are personalised, the rewards are relevant and members feel special



Valuable

How **valuable** a program is to members –
The rewards are meaningful, desirable and valuable to members

The three key variables for optimising the loyalty program experience are now integrated to be the **Loyalty Program Experience Index SPV^X**



Section 3: The Loyalty Program Experience Index SPV^X

NEW Ranking three key variables for optimising the loyalty program member's experience



Simple

How **simple** a program is to interact with – *Simple to understand, easy to join; easy to identify as a member; easy to earn and redeem rewards*



Personal

How **personal** a program is to members – *The communications are personalised, the rewards are relevant and members feel special*



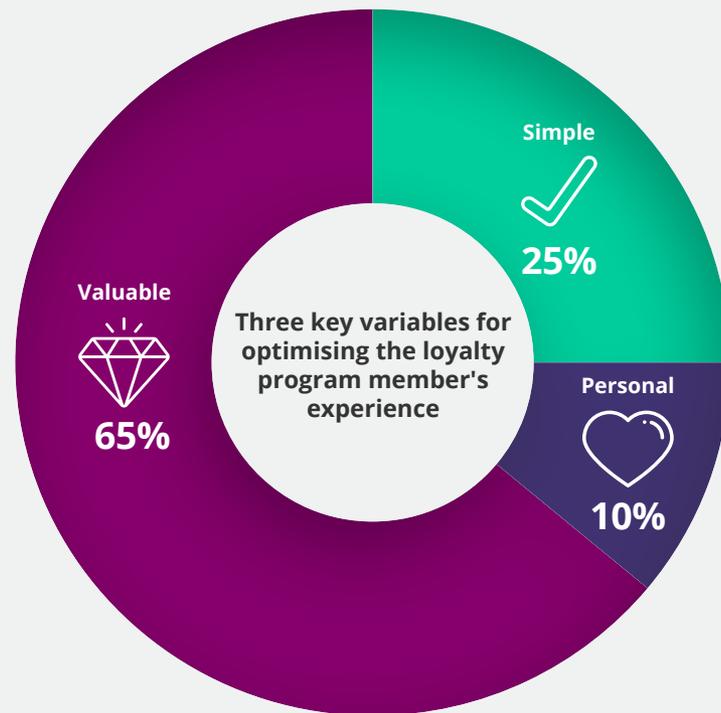
Valuable

How **valuable** a program is to members – *The rewards are meaningful, desirable and valuable to members*

For around two-thirds of members, how valuable a program is – the rewards are meaningful, desirable and valuable – is the most important variable for optimising the loyalty program experience. This is followed by how simple a program is to interact with and then how personal a program is.

Note: While members were asked to rank the most important of the three key variables for optimising the loyalty program experience, all loyalty programs should aim to integrate and optimise for each of the SPV key variables to deliver a holistic loyalty program experience.

The comprehensive report identifies all the results and insights by gender and the generations.



Section 3: The Loyalty Program Experience Index SPV^x



NEW Four steps to calculating the Loyalty Program Experience Index SPV^x for Australian loyalty programs

The Loyalty Program Experience Index SPV^x is a rating of a loyalty program by its members based on their experience with the program weighted against three key variables of how Simple (S), Personal (P) and Valuable (V) the program is to them.

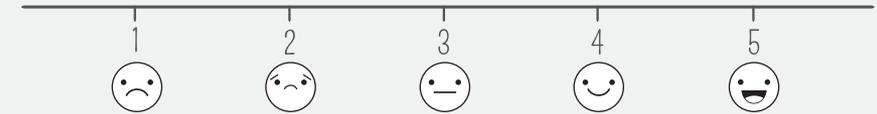
1 The SPV weighting
Loyalty program members ranked the importance of three key variables for optimising the loyalty program experience to reveal the SPV weighting.



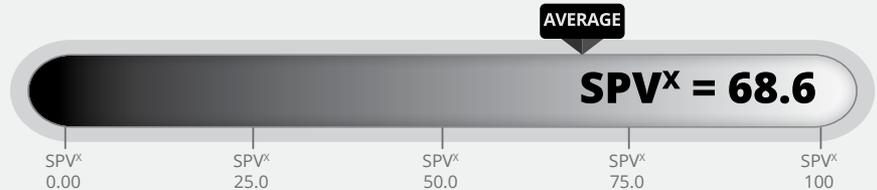
2 Loyalty program memberships
Loyalty program members identified their memberships of any of 68 Australian loyalty programs listed (see list next page).

Examples: Accor Live Limitless, Adairs Linen Lovers, Adidas Creator, Adore Beauty - Adore Society, Amazon Prime, Amcal Rewards, Anaconda Adventure Club, ANZ Rewards, Athlete's Foot - MyFit Rewards, Baby Bunting Family, Bakers Delight - Dough Getters, BCF - Club BCF, BIG 4 Holiday Perks, Bonds & Me, Boost Juice - Vibe Club, BP Rewards and others (see next page).

3 Scoring the SPV variables on a 5-point scale
Members scored each of their loyalty programs on a 5-point scale for each of the SPV variables e.g. for Simple: very complex to very simple



4 Calculating the Loyalty Program Experience Index SPV^x
The Loyalty Program Experience Index SPV^x was calculated based on the SPV weighting and relevant SPV 5-point score across the total sample of members identified for the loyalty program*.



*Excludes programs with less than 3% memberships.

Section 3: The Loyalty Program Experience Index SPV^X



NEW The 68 Australian loyalty programs identified for the Loyalty Program Experience Index SPV^X (alphabetical order)

Accor Live Limitless	BUPA – Life Rewards	IKEA Family	NikePlus	7-Eleven - 7REWARDS
Adairs Linen Lovers	Club Jetstar	Kathmandu Summit Club	Noni B Exclusive Rewards	Spotlight VIP Club
Adidas Creator	CommBank Rewards	Katies Style Rewards	Petbarn	Supercheap Auto – Club Plus
Adore Beauty – Adore Society	Cotton On & Co Perks	Kmart/Target/Catch.com.au/ Bunnings – OnePass	Friends for Life Rewards	Sussan VIP
Amazon Prime	David Jones Rewards	Kogan First	Petstock Rewards	Telstra Plus
Amcal Rewards	eBay Plus	Marriott Bonvoy™	Priceline Sister Club	Terry White Chemmart – myTWC
Anaconda Adventure Club	Event Cinemas Cinebuzz Rewards	McDonalds – MyMacca’s Rewards	Princess Polly Rewards	The Lott Members Club
ANZ Rewards	Flybuys	Mecca Cosmetics – Mecca Beauty Loop	Qantas Frequent Flyer	Uber One
Athletes Foot - MyFit Rewards	G’day Parks – G’day Rewards	Medibank Rewards	Rebel Active	Velocity Frequent Flyer
Baby Bunting Family	Grill’d Relish Membership Program	My Dan’s – Dan Murphy’s	Red Rooster – Red Royalty	Village Cinemas - Vrewards
Bakers Delight – Dough Getters	Gusman y Gomez – Gomex Rewards	MYER one	Review Fashion Loyalty Program	Westfield Plus
BCF – Club BCF	Hoyts Rewards	NAB Rewards	Rewards by Country Road/ Trenery	Westpac Altitude Rewards
BIG 4 Holiday Perks	IGA Rewards	Nando’s Peri Perks	Sephora Beauty Pass	Witchery Rewards
Bonds & Me				Woolworths – Everyday Rewards
Boost Juice – Vibe Club				
BP Rewards				

Section 3: The Loyalty Program Experience Index SPV^x



NEW The 68 Australian loyalty programs scored with a Loyalty Program Experience Index SPV^x.

The maximum SPV^x score achievable is 100. The average SPV^x score in 2023 is 68.6.

The 68 Australian loyalty programs with an SPV^x score listed in alphabetical order

Loyalty program	SPV ^x	Loyalty program	SPV ^x	Loyalty program	SPV ^x
Accor Live Limitless	61.0	Flybuys	80.0	Priceline Sister Club	63.9
Adairs Linen Lovers	63.3	G'day Parks – G'day Rewards	69.6	Princess Polly Rewards	71.9
Adidas Creator	66.5	Grill'd Relish Membership Program	68.7	Qantas Frequent Flyer	66.7
Adore Beauty – Adore Society	66.7	Gusman y Gomez – Gomex Rewards	70.8	Rebel Active	63.2
Amazon Prime	76.9	Hoyts Rewards	69.2	Red Rooster – Red Royalty	71.8
Amcal Rewards	65.8	IGA Rewards	68.7	Review Fashion Loyalty Program	68.3
Anaconda Adventure Club	63.4	IKEA Family	62.2	Rewards by Country Road/Trenergy	69.8
ANZ Rewards	70.3	Kathmandu Summit Club	64.7	Sephora Beauty Pass	68.8
Athletes Foot – MyFit Rewards	66.1	Katies Style Rewards	67.5	7-Eleven – 7REWARDS	72.2
Baby Bunting Family	64.8	Kmart/Target/Catch.com.au/Bunnings – OnePass	74.9	Spotlight VIP Club	66.9
Bakers Delight – Dough Getters	70.0	Kogan First	67.0	Supercheap Auto – Club Plus	67.3
BCF – Club BCF	66.5	Marriott Bonvoy™	63.2	Sussan VIP	69.7
BIG 4 Holiday Perks	69.1	McDonalds – MyMacca's Rewards	74.0	Telstra Plus	67.3
Bonds & Me	68.2	Mecca Cosmetics – Mecca Beauty Loop	69.5	Terry White Chemmart – myTWC Rewards	67.6
Boost Juice – Vibe Club	68.1	Medibank Rewards	69.0	The Lott Members Club	64.5
BP Rewards	65.5	My Dan's – Dan Murphy's	68.0	Uber One	71.7
BUPA – Life Rewards	65.5	MYER one	67.3	Velocity Frequent Flyer	65.8
Club Jetstar	73.2	NAB Rewards	70.4	Village Cinemas – Vrewards	70.5
CommBank Rewards	68.7	Nando's Peri Perks	71.7	Westfield Plus	64.6
Cotton On & Co Perks	70.2	NikePlus	66.7	Westpac Altitude Rewards	74.1
David Jones Rewards	64.9	Noni B Exclusive Rewards	70.3	Witchery Rewards	68.6
eBay Plus	73.5	Petbarn Friends for Life Rewards	68.8	Woolworths – Everyday Rewards	79.5
Event Cinemas Cinebuzz Rewards	67.0	Petstock Rewards	70.4		

The Loyalty Program Experience Index SPV^x

FREQUENTLY

ASKED

QUESTIONS



1. How were the definitions of Simple, Personal and Valuable formed?

- Since 2013, we have been researching loyalty programs from the Australian loyalty program members' point of view.
- In those research studies we have identified multiple dimensions of how members engage with programs and what's important to them. How simple a program is, how personal it is and how valuable it is to members are key variables we have identified to optimise the loyalty program experience.
- Based on these learnings, we created a standard and simple definition of each of the three variables for members of programs to assess their memberships on these variables.

2. Why are the three variables of Simple, Personal and Valuable selected as the basis of the Loyalty Program Experience Index SPV^x?

- Based on our 16 years of experience with designing and deploying loyalty programs of all types and structures, we identified the overall program experience was optimised by three key variables – how simple, personal and valuable programs are to members.
- These three variables are key to loyalty program engagement and success.
- While there are deeper layers behind each of these, we have been researching these three variables in the For Love or Money™ research studies, and have now integrated these into the Loyalty Program Experience Index SPV^x, based on the members' point of view.

3. Will the Loyalty Program Experience Index SPV^x use the same criteria for future For Love or Money™ research studies?

- Yes, it will be based on the same three key variables of Simple, Personal and Valuable as defined. The Loyalty Program Experience Index SPV^x will be dynamically updated each year based on loyalty program members' ranking of the three key variables – Simple, Personal and Valuable. Memberships of programs will also change year-on-year and so the overall SPV^x index for programs will be unique to each year.

4. Why are programs with less than 3% memberships excluded?

- The sample size of memberships below 3% is not significant enough to provide a Loyalty Program Experience Index SPV^x.

5. Can we see our Loyalty Program Experience Index SPV^x by gender and generation breakdown?

- Yes, please contact adam@thepointofloyalty.com.au to discuss your requirements for a quote to be provided.

6. Can we see the Loyalty Program Experience Index SPV^x by gender and generation breakdown of our competitors?

- This data is confidential and will not be available.

7. Can you provide a tailored research study of the Loyalty Program Experience Index SPV^x for our loyalty program with our member base?

- Yes, please contact adam@thepointofloyalty.com.au to discuss your requirements for an investment outline to be provided.

Section 4: Loyalty program structures, rewards and interaction

Are loyalty programs improving?

In 2023, more than two in three (71%) of loyalty program members believe programs have improved in recent years. This has been a steady improvement since 2017 and is significantly higher than the benchmark established six years ago (51%).

Where have loyalty programs improved in recent years? Where do programs need to improve in the future?

The research ranks six areas of a program's proposition and experience based on improvement to date and areas needing improvement in the future.



The comprehensive report identifies all the results and insights by gender and the generations.

NEW Are gift cards important as a reward redemption option?

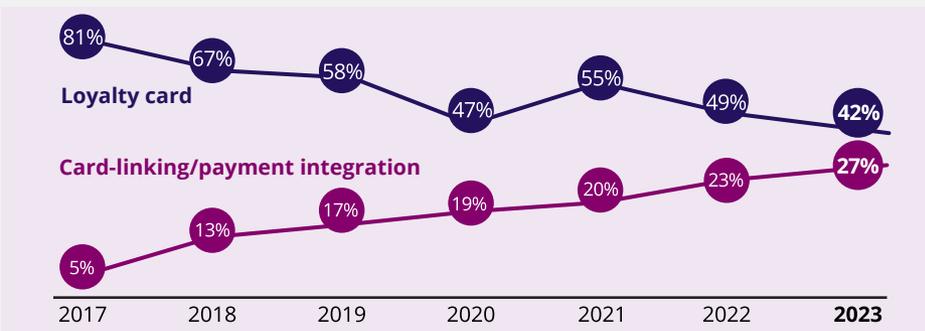
Due to the popularity of gift cards in the general shopping landscape and specifically as a reward redemption option in loyalty programs, the For Love or Money™ 2023 research investigated the importance of gift cards to members as a reward redemption option.

The comprehensive report identifies all the results and insights by gender and the generations.

Member interaction, identification and payment integration

The trend away from traditional loyalty cards has continued in 2023. Card-linked/payment integration has increased significantly over the past 12 months (up from 23% in 2022 to 27% in 2023) and has increased in preference by more than five times since 2017.

The comprehensive report identifies all the results and insights by gender and the generations.



Section 5: Loyalty program strategy, team engagement and levers influencing member engagement

Why do loyalty program members think brands offer a loyalty program?

11 reasons why brands have loyalty programs where researched. Loyalty program members believe programs are designed to encourage them to buy more often and spend more.

The comprehensive report reveals all 11 reasons and the results and changes since 2015.

How important are each of these factors to a brand that offers a loyalty program to its customers?	% who rated each variable as IMPORTANT, i.e. a 6 or 7 (out of 7)	2023	2015
To encourage you to buy from them more often	Revenue: buy more often	69% 1	67% 2
To encourage you to spend more with them	Revenue: spend more	65% 2	63% 3
To keep you buying from them rather than the competitors	Competitive advantage	▼ 64% 3	69% 1
To attract new customers	Acquire new customers	▲ 59%	53%

Significantly ▲ higher ▼ lower than the total for 2015

NEW What type of customers do loyalty programs attract?

Are loyalty programs for every customer? This question was the stimulus for the For Love or Money™ 2023 research to define and quantify the different types of customers loyalty programs attract.

Three types of customers were defined and then quantified to provide insights to develop modelling for strategies to acquire, retain and grow members with a loyalty program.

The comprehensive report identifies all the results and insights by gender and the generations.



NEW Do members want rewards for the future versus rewards now?

The majority of loyalty program members (50%) are looking for higher value rewards based on purchases and activity over the longer term.

The comprehensive report identifies all the results and insights by gender and the generations.

NEW What type of customers do loyalty programs attract versus rewards for the future or rewards now

Opportunistic customers are more likely to be attracted to lower value and immediate rewards that are consistent with their opportunistic purchases.

The comprehensive report identifies all the results and insights by gender and the generations.

Section 5: Loyalty program strategy, team engagement and levers influencing member engagement

Are loyalty programs still valuable to brands?

In 2023, 10 value dimensions of programs were researched. Loyalty programs are providing revenue and other benefits to brands with programs.

The comprehensive report identifies all the results and insights by gender and the generations.

	% agree/strongly agree	2023
When choosing between two similar brands/companies, I tend to buy from the one that has a loyalty program	Choose the brand	69%
I tend to spend more over the longer term from the brand compared with similar competitor options when I am a member of their program	Spend more	67%
I tend to purchase more often over the longer term from the brand compared with similar competitor options when I am a member of their program	Purchase more often	66%
I tend to feel more loyal to the company/brand when I am a member of their program	Feel more loyal	64%
I tend to recommend the brand/business to other people when I am a member of their program	Recommend brand	48%

Building a team of loyalty program champions.

Many loyalty programs have team members at store level or provide online member services. For the first time in the For Love or Money™ research, the influence of team members on acquiring new members to a loyalty program and on the ongoing existing interaction of members with a program.

NEW What influence do team members have on acquiring new loyalty program members for a program?

Four influencing factors team members have to acquire new members were identified to research and rank.

The comprehensive report ranks the four influencing factors and identifies all the results and insights by gender and the generations.



NEW What influence do team members have on the ongoing interaction of existing loyalty program members with a program?

Three factors team members have to influence ongoing member interaction were identified to research and rank.

The comprehensive report ranks the three influencing factors and identifies all the results and insights by gender and the generations.



Section 5: Loyalty program strategy, team engagement and levers influencing member engagement

NEW The impact of five motivation levers influencing member engagement

For the first time in the For Love or Money™ research, the impact of five motivation levers influencing member engagement in a program – members' activity and purchases to access more rewards/benefits or to achieve higher tiers/status levels – were researched.

These five motivation levers are often displayed in members' profiles as visual images and indicators of program engagement.

The comprehensive report ranks the impact of the five motivation levers influencing member engagement and identifies all the results and insights by gender and the generations.

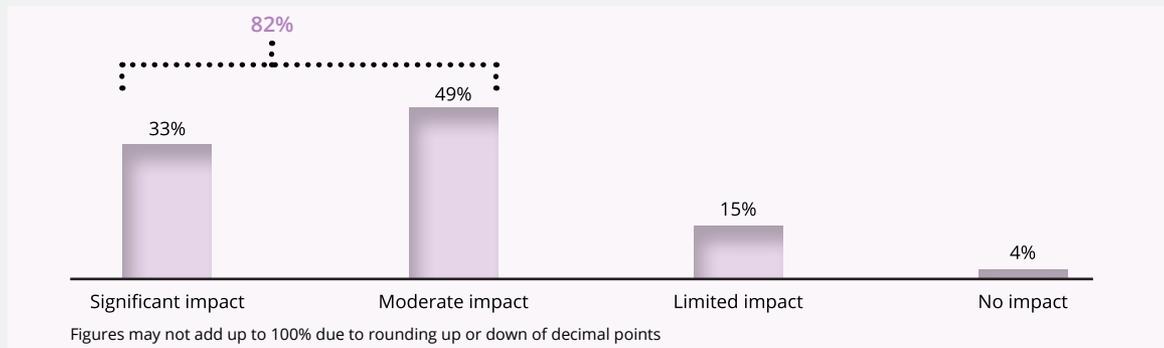
	1. Time Seeing how quickly they have earned their rewards or progressed through tiers/status levels
	2. Advancement Seeing the progress they have made already towards achieving their next rewards or higher tier/status level
	3. Proximity Seeing how close they are to achieving their next reward or higher tier/status level
	4. Achievement Seeing how many rewards they have achieved or tiers/status levels they have progressed through
	5. Social Proof Seeing how their progress of rewards earned or tiers/status levels achieved compares with other members

NEW The impact of bonus points/rewards on member engagement

Some loyalty programs gift their members bonus points or a portion of a reward to boost their program activity and their journey towards achieving more rewards/benefits or higher tier/status levels.

One in three members indicate bonus point boosters have a significant impact on their behaviour, with 82% indicating it has both a significant/moderate impact.

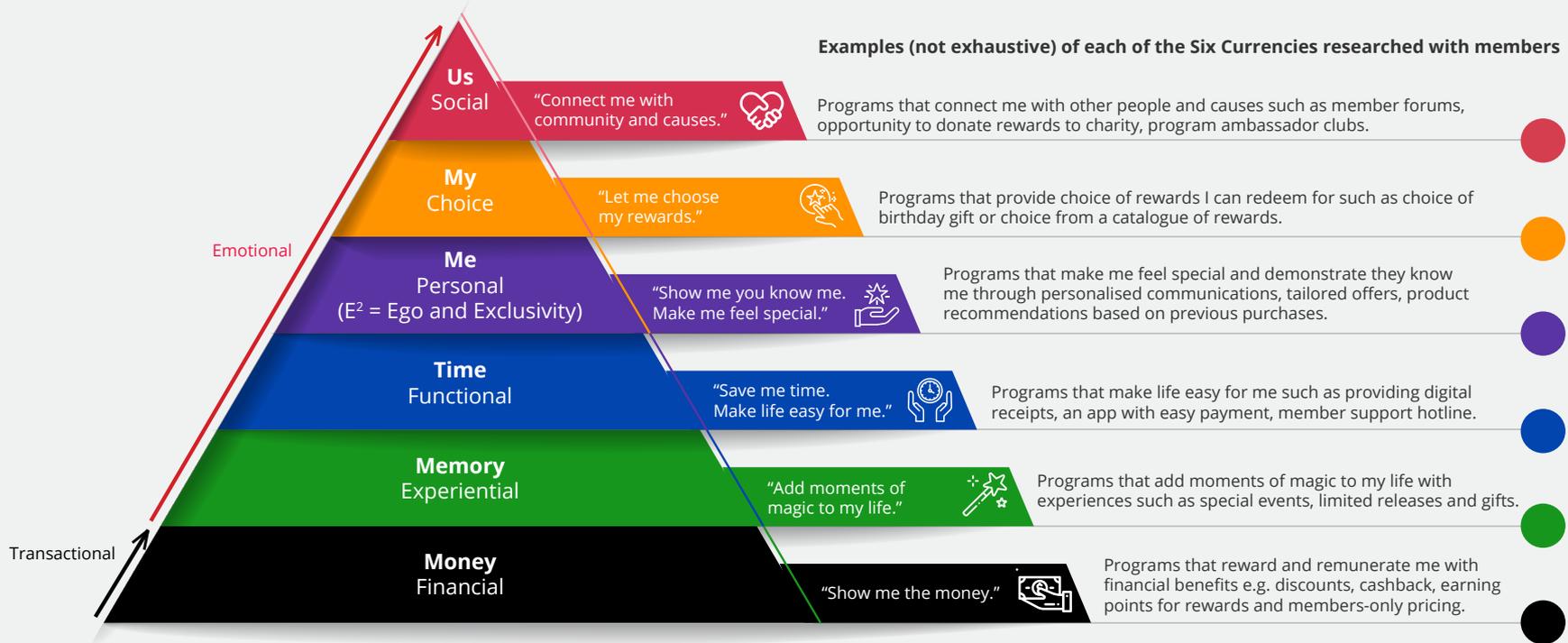
The comprehensive report identifies all the results and insights by gender and the generations.



Section 6: The Collection of Six Currencies

loyalty program members care about

To help brands design loyalty program propositions that are meaningful and desirable, The Point of Loyalty has developed the Collection of Six Currencies loyalty program members care about. The Collection of Six Currencies was first researched with loyalty program members in the For Love or Money™ 2022 study to set a benchmark and For Love or Money™ 2023 has identified changes.



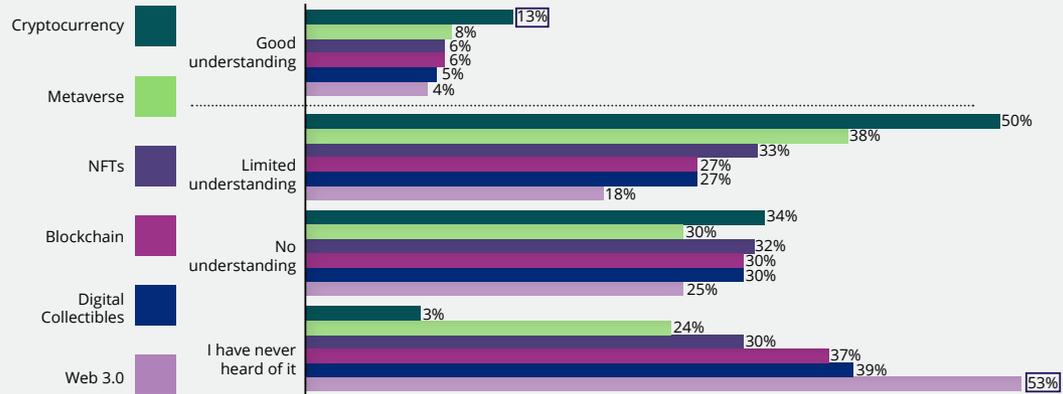
The comprehensive report identifies all the results and insights by gender and the generations.

Section 7: Web 3.0, metaverse, digital currencies and loyalty programs

NEW Web 3.0, Metaverse, Blockchain, Cryptocurrency, NFTs, Digital Collectibles: What's the level of understanding?

The 2023 research aimed to identify what level of understanding loyalty program members have of **Web 3.0, Metaverse, Blockchain, Cryptocurrency, NFTs and Digital Collectibles**. 13% of loyalty program members have a good understanding of Cryptocurrency followed by 8% indicating a good understanding of the Metaverse. Web 3.0 is the greatest mystery to members with just 4% claiming to have a good understanding of it and more than half (53%) having never heard of it.

The comprehensive report identifies all the results and insights by gender and the generations.



NEW Interest in EARNING and REDEEMING loyalty program rewards/benefits as NFTs/Digital Collectibles or Cryptocurrency

The comprehensive report identifies all the results and insights by gender and the generations.

NEW How appealing is having NFTs (Non-Fungible Tokens) or Digital Collectibles (unique digital tokens) as part of a brand's loyalty program.

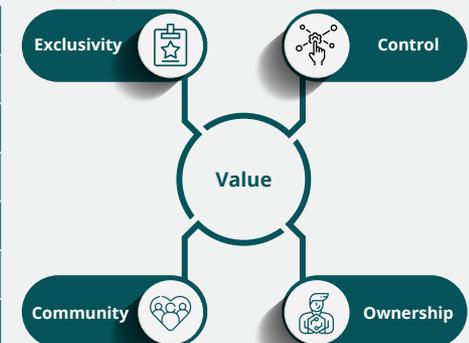
Augmenting a loyalty program with an NFT or Digital Collectible strategy for members, provides a deeper layer of engagement and a number of benefits for members. The For Love or Money™ 2023 research identified Seven Benefits and Four Categories of Connection to understand the appeal to members.

The comprehensive report identifies all the results and insights by gender.

Seven Benefits

1	Access to exclusive money-can't-buy events or experiences	Exclusivity (experiences)
2	Access to exclusive offers/rewards/merchandise	Exclusivity (rewards)
3	Feeling special being part of and engaging with an exclusive community	Community (belonging)
4	Control to hold or trade	Control (value growth*)
5	Exclusive access to own more	Ownership (value growth*)
6	Ownership as a unique membership identification	Ownership (belonging)
7	Ownership of unique collectible	Ownership (uniqueness)

Four Categories of Connection



Section 8: Loyalty programs helping society and improving the lives of members

NEW Where can loyalty programs play their part to solve problems – in the world around us and in our lives?

For the first time in the For Love or Money™ research, the focus of loyalty programs solving problems in the world around us and in the lives of members was researched.

While the list provided for the research is not exhaustive and not all brands will find relevance in the areas researched, the vision is for the insights to provide a stimulus for programs to look for ‘problems to solve’ relevant to the brand, their customers, their members and the wider community.



The comprehensive report identifies all the results and insights by gender and the generations.

Section 8: From Loyalty Program to Joyalty* Program

NEW Joyalty*

By Adam Posner

*A word I found in the book *Brand Currency* by Steve Susi^{^^}

I loved it so much (for obvious reasons), I have borrowed it and redefined it to bring new meaning to loyalty programs and to inspire program managers to add Joyalty* to their loyalty program!

For those brands who choose not to have a loyalty program, consider a Joyalty* Program instead.

My definition of Joyalty* is:

Your members' feeling of maximum joy and delight from one or a series of Moments of Magic (MoMs) delivered by your loyalty program.

Therefore, a Joyalty* Program is a:
*Defined structure (planned spontaneity) of recognition, rewards and benefits delivered as one or a series of Moments of Magic (MoMs) to your members **without any expectation** from them (surprise is critical) to generate the feeling of maximum joy and delight. The outcomes are social sharing, referrals, revenue and advocacy plus a deeper emotional connection to your brand.*

^{^^}<https://www.amazon.com.au/Brand-Currency-Former-Information-Loyalty/dp/1544514026>

“

The new Loyalty Program is a Joyalty* Program

You can access a free guide on the Seven Principles of creating a Joyalty* Program at

FREE [thepointofloyalty.com.au](https://www.thepointofloyalty.com.au)

”

Section 8: From Loyalty Program to Joyalty* Program

NEW What can loyalty programs do to add more Joyalty* to members' lives?

To gain more insights on Joyalty*, the For Love or Money™ research identified 13 ideas that could add more unexpected moments of joy to members of loyalty programs. This is not an exhaustive list, rather a catalyst for brands to generate more Joyalty* Moments of Magic (MoMs) relevant to their brand, customers and members.



The comprehensive report identifies all the results and insights by gender and the generations.

Section 9: Loyalty program data collection and use: privacy, trust and security

Loyalty program data collection and use: enhancing the experience or invading privacy?

How do members feel about loyalty programs collecting and using their information?	2023	2022	2021	2020	2019	2018
I am ok with sharing my information with loyalty programs knowing that it is used to enhance my shopping experience	58% ▲	51%	51%	53%	51%	50%
I feel the information collected by loyalty programs is an invasion of my privacy, even if it is used to enhance my shopping experience	22% ▼	27%	27%	24%	27%	23%
I don't have a particular view on this	20%	22%	22%	22%	22%	27%

Significantly ▲ higher ▼ lower than the total for 2022

The comprehensive report identifies all the results and insights by gender and the generations.

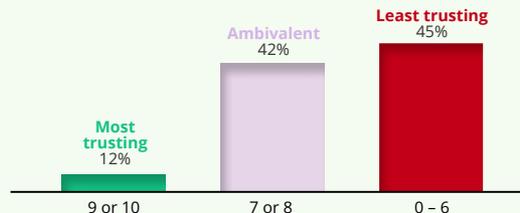
Loyalty program data and trust: the Net Data Trust (NDT) score

The Net Data Trust score (NDT) is a metric first introduced in For Love or Money™ 2019 to assess the level of trust members have in the loyalty programs they are a member of to safeguard their personal details and data.

The 2023 Net Data Trust (NDT) score is -33, with Gen Y the most distrustful (NDT = -38).

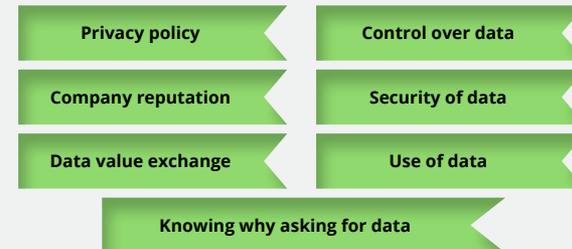
The comprehensive report identifies all the results versus previous years and insights by gender and the generations.

To what extent do you trust the loyalty programs that you are a member of with your personal details and data? (Rating provided from 0-10)



The NDT score is calculated by subtracting the proportion of members who are least trusting from the proportion who are most trusting.

What do members consider when providing their data to loyalty programs?

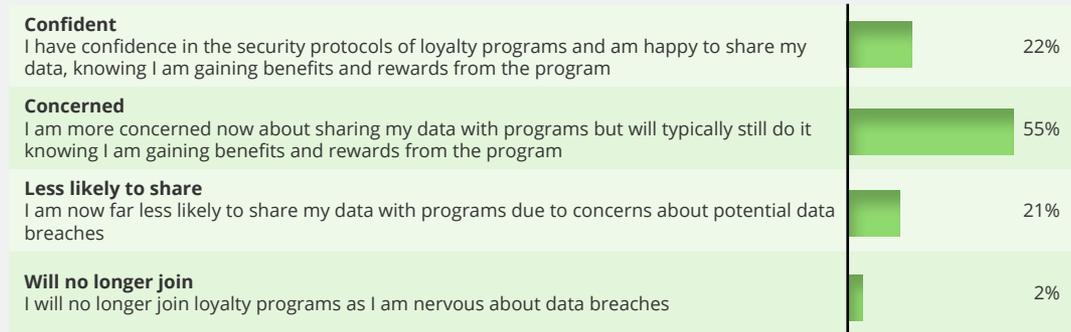


The comprehensive report identifies all the results and insights by gender and the generations.

Net Data Trust score (NDT) 2023	
Overall NDT	-33
Gen Z	-30
Gen Y	-38
Gen X	-35
Baby Boomers	-28
Women	-36
Men	-30

Section 9: Loyalty program data collection and use: privacy, trust and security

NEW Impact of data security breaches on loyalty program members' attitude to the data value exchange. How do members feel about sharing their data with loyalty programs?



Even with the more recent and widely publicised data security breaches, more than one in five loyalty program members (22%) are still confident with the security protocols of loyalty programs and are happy to share their data, knowing they are gaining benefits and rewards from the program.

However, most loyalty program members (55%) are now more concerned about sharing their data with programs but will still do so, knowing they are gaining benefits and rewards from the program.

The loyalty program industry needs to keep an eye on this!

The comprehensive report identifies all the results and insights by gender and the generations.

NEW What are the concerns members have when sharing their data with loyalty programs?

Six areas of data privacy and protection
WHO: Who has access to data
SECURITY OF SYSTEMS: The security of the systems where your loyalty data is stored
PROTECTION: Knowing how loyalty programs are protecting data
USE: Knowing how loyalty programs are going to use the data
TIME: The length of time the program will have access to the data
WHY: The reason why data is being requested

Three areas of most concern to loyalty members are:

1. Who has access to their member data
2. The security of the systems where the data is stored
3. How loyalty programs are protecting the member data.

It is critical for loyalty programs to continually reassure their members that they are covering all six concerns members have about sharing their data with loyalty programs.

The comprehensive report identifies all the results and insights by gender and the generations.

Behind the research

Who loves loyalty and loyalty programs?



Retain the Best. Grow the Rest.



Adam Posner (CEO and founder) is an independent customer loyalty specialist working with brands to retain their best customers and grow the rest through thriving customer retention, loyalty and Joyalty* programs.

He has been a data-driven marketer for more than 30 years and is a Certified Loyalty Marketing Professional – CLMP™.

In 2007, he founded the direct marketing agency Directivity and in 2017 established a divisional brand – The Point of Loyalty.

The Point of Loyalty is dedicated to helping brands design and deploy profitable and sustainable loyalty program assets based on its proven framework – ‘Profit from the seven zones of loyalty program performance’.

Adam has advised brands operating in diverse sectors on their customer loyalty, rewards and membership program strategies and research.

These include retail (various), hospitality, hotels and holiday parks, child care, financial services, shopping centres, leisure and entertainment, trade, education and B2B industries.

Adam is also the author of one of Australia’s few practical books on loyalty programs, *Give-back to Get-back – 9 steps to a profitable loyalty program*.

Since 2013, he has commissioned and authored 16 in-depth Australian and New Zealand customer loyalty and loyalty program research studies – *For Love or Money™*.

Adam presents on customer loyalty and loyalty programs nationally and internationally.



for *love* or *money*™ 2023

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- EST. 2013 -

The research study taking the pulse on
customer loyalty and loyalty programs
in Australia

Executive Summary

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