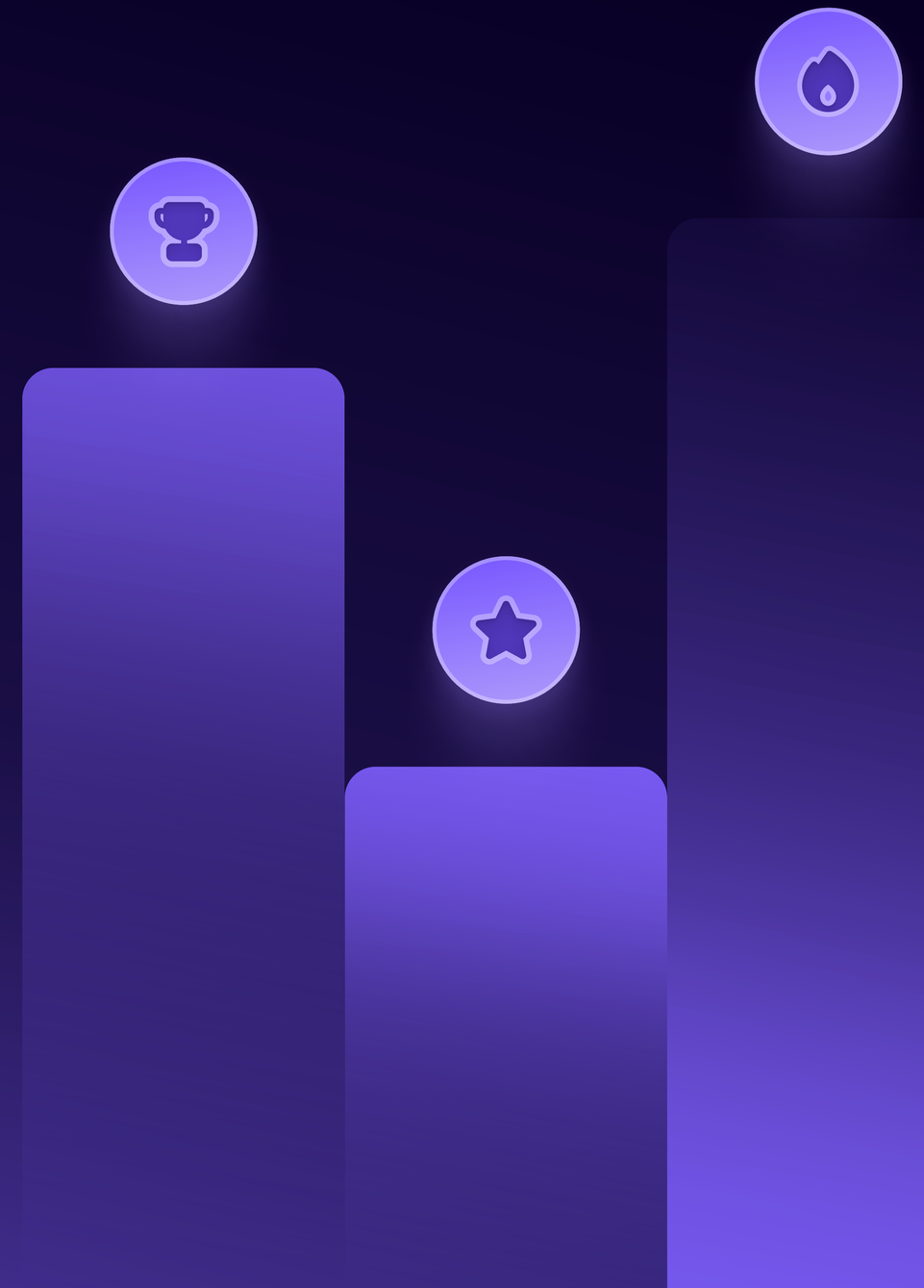
OPEN LOYALTY

Loyalty Program Benchmark 2026 Report

State of the loyalty program success factors



Open Loyalty sp. z o.o.® All information in this document should be considered confidential.

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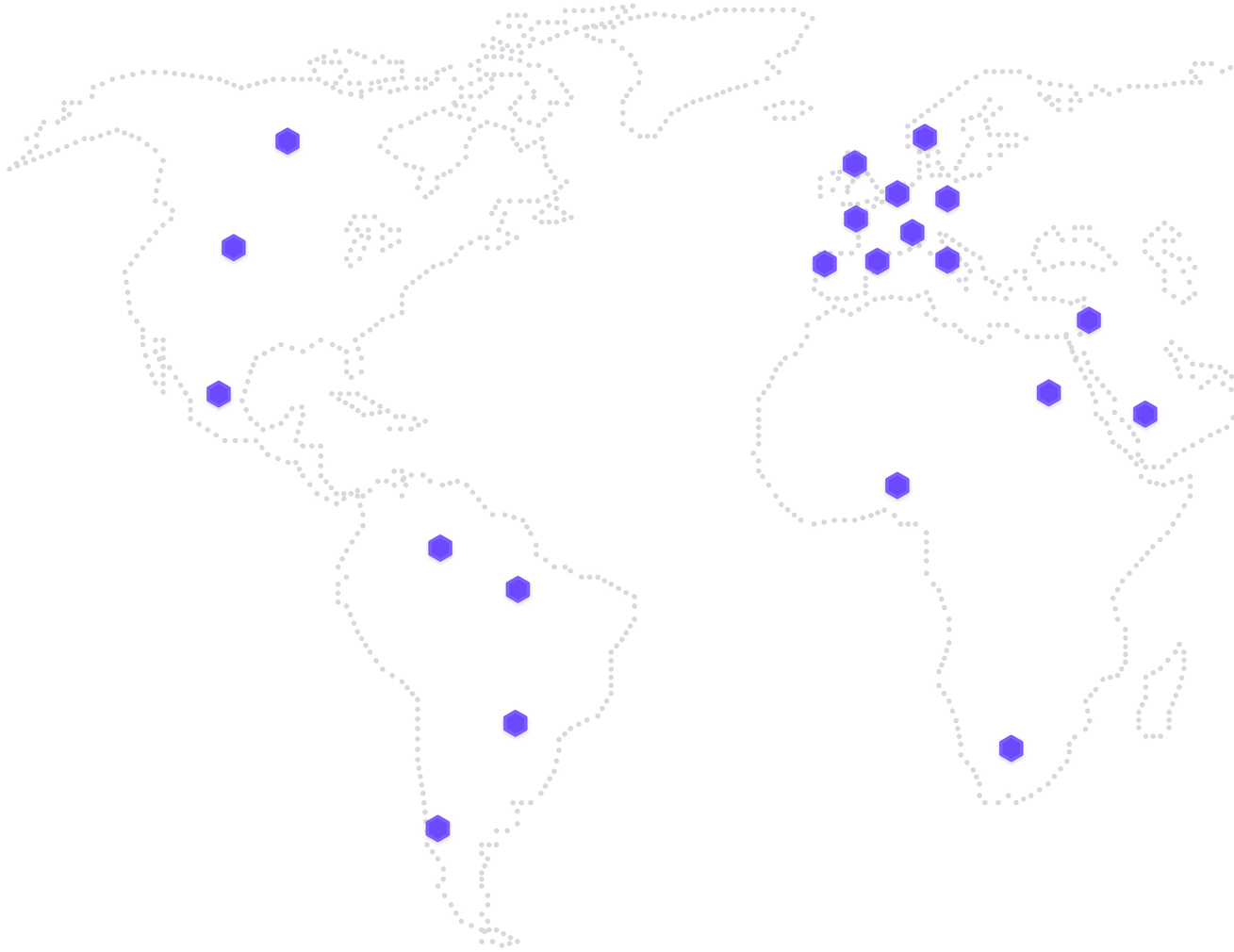
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Let's discover the loyalty benchmark together!



About the report

The Loyalty Program Benchmark Report 2026 offers a global perspective on how loyalty programs define and measure success. It draws on responses from **230 professionals across 30+ countries**, from top global brands such as Hugo Boss, Douglas, Shell, Decathlon, Papa Johns, Medibank, Leroy Merlin, and Kaufland.

The survey reached participants on every continent, with particularly strong representation from North America and the MENA region, providing both a worldwide overview and region-specific insights. Covering industries such as retail, financial services, hospitality, D2C, QSR, CPG, insurance, travel, manufacturing, and more. The report reflects the diverse realities of loyalty management these days.

By combining quantitative benchmarks with practitioner commentary, it serves as a credible reference point for loyalty program leaders who want to evaluate their programs against peers, identify measurable goals, and strengthen the business case for investment in loyalty.

Let's discover the loyalty benchmark together!

Who's behind the report?

The Loyalty Program Benchmark Report 2026 was developed by Open Loyalty, a leading provider of loyalty and gamification technology. This research draws on insights from loyalty experts across the globe, representing sectors including retail, financial services, hospitality, travel, insurance, D2C, QSR, CPG, manufacturing, technology, and beyond.

Alongside the survey insights, the **report reflects the hands-on expertise of Open Loyalty's team**, who design and implement gamified loyalty programs for market leaders in 46 countries.

By combining practitioner experience with structured research, the report delivers a balanced view of both industry-wide benchmarks and real-world operational challenges, making it a reliable resource for loyalty leaders, marketers, and product strategists.

Why have we created the report?

The Loyalty Program Benchmark Report 2026 was created to provide loyalty professionals with a **credible point of reference** in a rapidly evolving market.

As organizations face mounting pressure to **prove ROI, demonstrate retention impact, and deliver more personalized experiences**, reliable benchmarks become critical. Many loyalty managers and marketers work in isolation, without clear visibility into how peers define success, which metrics they prioritize, or what challenges they encounter.

This report addresses that gap by offering comparative data and practitioner insights that can inform day-to-day decisions and long-term strategy. Our aim is to help loyalty leaders **set realistic goals, secure internal buy-in, and design programs that deliver measurable business outcomes** in 2025 and beyond.

Let's discover the loyalty benchmark together!

"This first edition of the Loyalty Program Benchmark is something I've wanted to see in our industry for a long time. My hope is that it gives loyalty professionals a place to check the pulse of the market, spark new ideas, and realize they're not alone in the challenges they face. We all feel the pressure to prove impact and keep programs relevant, so having clear benchmarks makes it easier to step back, reflect, and build strategies that truly stand the test of time."



Karl Bzik

Co-founder at Open Loyalty

Executive summary

Executive summary

This summary highlights the most actionable insights from the benchmark: which outcomes leading organizations pursue, the measures they rely on, and the obstacles they face. The findings are designed to give loyalty leaders a clear reference point for evaluating their own programs and to surface priorities that can guide planning for 2026 and the years ahead.

Defining success

- The majority of loyalty professionals define success in terms **of customer retention and customer lifetime value (CLV).**
- Engagement and activity levels are widely cited as complementary measures of success.
- A smaller group places emphasis on **direct financial ROI**, indicating that the connection between loyalty and financial performance is still developing.

Retention and CLV were named as core success outcomes by more than one-third of respondents.

Metrics tracked

- Engagement metrics such as participation and usage are the most common benchmarks, appearing in nearly **60% of programs**.
- Financial outcomes like revenue uplift or sales contribution follow closely, tracked by just **over half of respondents**.
- **Customer value indicators (CLV, AOV, spend per member)** are gaining ground, while relationship-based measures like NPS and referrals remain underutilized, with fewer than 4 in 10 programs tracking them.

In total, around 70% of programs measure either engagement or financial outcomes, underscoring a strong focus on transactional impact over advocacy.

Executive summary

Goals for 2026

- **Revenue and sales growth** dominate the agenda, cited by more than a quarter of programs.
- **Engagement and participation** targets are nearly as common, while retention and membership growth also feature prominently.
- Many organizations pursue broader “general improvement” aims, and a significant minority (around one in seven) point to redemption, strategic milestones, or customer value measures such as **CLV and ROI**.
- Customer satisfaction goals appear less often, and only a small share mention personalization. Notably, about **1 in 7 respondents** gave no specific targets at all.

Overall, nearly half of organizations set explicit numerical goals for 2026 performance improvements, while the rest focus on qualitative aspirations or broader strategic intent.

Challenges ahead

- **Technology limitations and integration complexity** remain the top obstacles, cited by a quarter of programs.
- **Organizational misalignment and siloed structures** are nearly as common, while keeping members engaged and driving adoption continues to be a recurring pain point.
- **Budget constraints and the difficulty of proving ROI** are highlighted by around **1 in 5** respondents. Data, strategy, and cultural barriers also appear regularly, reflecting the diverse pressures loyalty leaders face.

While technology is the single biggest hurdle, almost half of organizations report that internal alignment, engagement, and budget/ROI pressures collectively define their most significant challenges.

Key report takeaways

70%

of respondents say they track engagement or financial impact

Insight

Engagement and revenue contribution are the most consistently measured KPIs across programs.

58%

of respondents say engagement defines success

Insight

Engagement and financial outcomes are the leading measures of loyalty program performance, while retention and lifetime value play a supporting role.

24%

of respondents say ROI or budget is their biggest challenge

Insight

Many programs still struggle to prove financial impact and secure resources.

Thank you to 230 experts...

HUGO BOSS
DOUGLAS
H&M
LEROY MERLIN
DECATHLON
NEW LOOK
Kaufland
NATURA DROGERIA BLISKO CIEBIE
Carrefour
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Nestlé
Vivo energy
medibank
Virgin active
Jambojet.com
orange
AMERICAN EXPRESS
ING
Deloitte.
PAPA JOHNS
NESPRESSO
ALDI
MediaMarkt

What will you learn from the report?

This report distills the collective experience of loyalty professionals into clear benchmarks you can act on. It shows where organizations concentrate their efforts, which measures carry the most weight, and the obstacles that most often slow progress. More importantly, it offers a lens to evaluate your own program against peers and uncover opportunities for growth so a foundation for smarter decisions today and in the years ahead.

How loyalty programs experts define success

Which metrics define success for CMOs and product owners

What level of improvements in the KPIs companies plan short term

What challenges stand in the way

How your loyalty program compares and where it stands in relation to others in your industry

Research methodology

The Loyalty Program Benchmark Report 2026 is grounded in a global survey of loyalty professionals across diverse industries and regions. Responses combined structured answers with qualitative insights, allowing both measurable benchmarks and context-rich perspectives to emerge. Each response was reviewed, tagged, and analyzed to identify recurring themes, priorities, and challenges.



Sample size

Surveyed **230 loyalty professionals** across **30 countries**.



Objective

To understand how organizations define loyalty program success, which metrics they use, their improvement targets, and the challenges that shape program outcomes.



Question types

A mix of structured and open-ended questions, enabling quantitative benchmarks as well as qualitative analysis.



Timeframe

Data collected from **May to September 2025.**

Industries demonstrated

230 respondents from across the globe



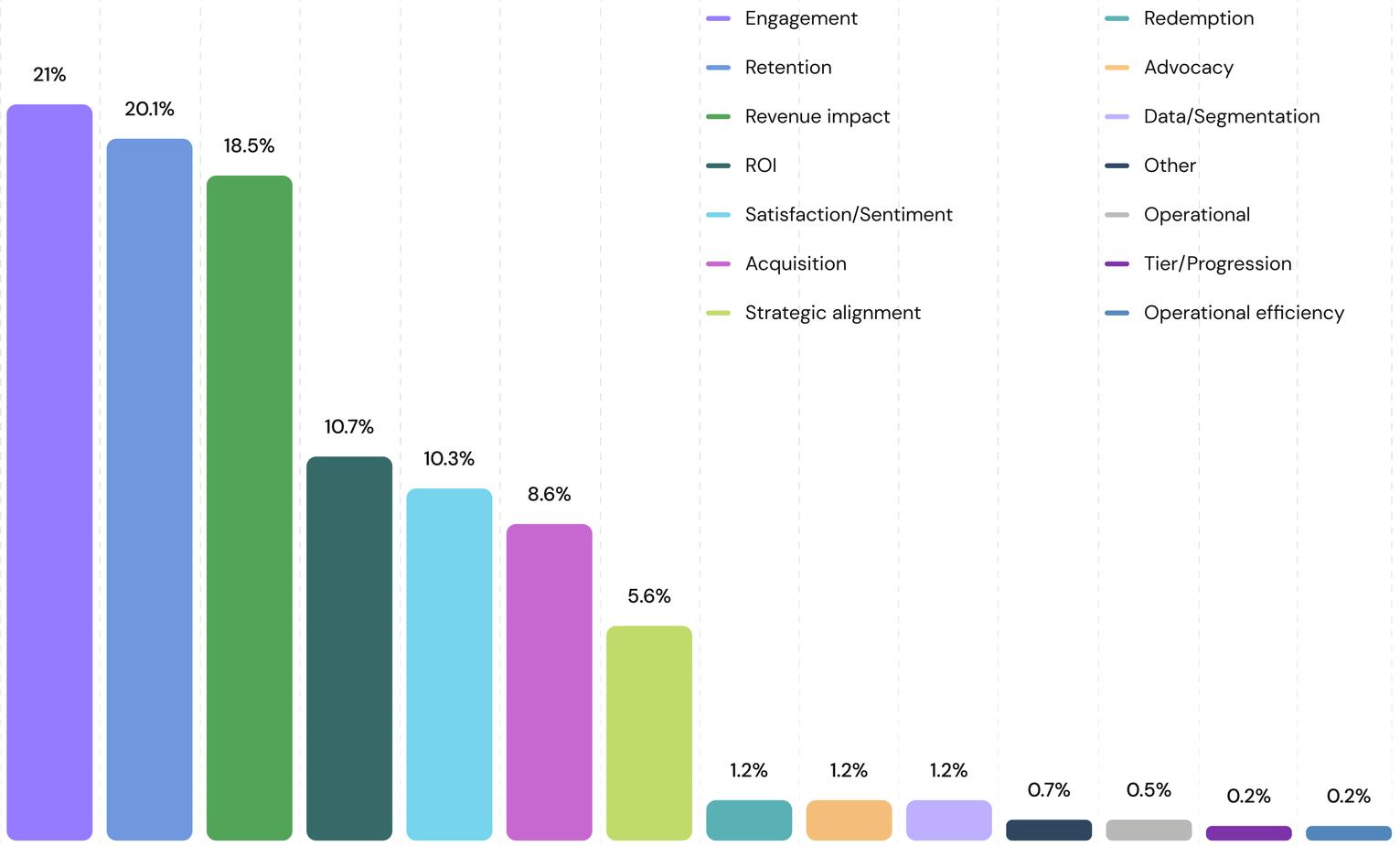
- 54 Retail
- 13 Financial services
- 11 Beauty
- 11 Consumer goods
- 10 Travel
- 9 Healthcare
- 7 Fashion
- 6 Services
- 5 QSR
- 5 Fintech
- 5 Entertainment
- 5 E-commerce
- 5 Sports
- 5 Energy
- 4 Telecom
- 4 Hospitality
- 4 Manufacturing
- 67 Other

Survey results

Defining success

When would your main business owner consider your loyalty program a success?

Business moments defined as a loyalty program success



Boost engagement activity

Engagement is the most common success definition, with **21%** of respondents pointing to active participation, usage, and rewards redemption.

If you're not measuring how actively members use your program, you may be missing the top signal of success.

Prioritize retention tracking

Retention and lifetime value are cited by **20.1%** of respondents as the ultimate markers of success.

If you're not tracking retention, you may be overlooking one of the strongest business outcomes from loyalty.

Show financial impact

18.5% of respondents define success by revenue impact, from higher spend per customer to increased sales uplift.

If your program isn't directly tied to revenue metrics, proving its value will be difficult.

Track ROI and profitability

10.7% of respondents look at ROI and financial returns as their definition of success.

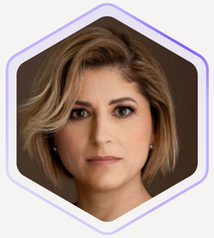
If you're not calculating program ROI, you may be missing a core way business owners evaluate performance.

Business moments defined as a loyalty program success

JOURNEY STAGE	BUSINESS MOMENT	WHY IT MATTERS
Awareness and adoption	Members join quickly after launch, sign up without friction, and activate their account.	Early adoption proves the program is compelling and easy to access. If members don't join, nothing else follows.
Early engagement	Members make their first earning and redemption within days or weeks.	Early activity builds momentum; programs that deliver instant value are more likely to keep members active.
Program integration	Members regularly earn, redeem, and progress through tiers or levels.	Consistent engagement shows the program has become part of daily shopping habits, not just a one-off perk.
Retention and loyalty	Customers stay longer, buy more often, and increase their lifetime value (CLV).	Retention and higher CLV are the strongest business proof that loyalty drives sustainable, recurring revenue.
Revenue and ROI	Measurable uplift in sales, order value, and program ROI.	Links the program directly to financial performance, which is critical for business owners and CFOs.
Advocacy and sentiment	Members report high satisfaction and recommend the program to others.	Positive sentiment creates a cycle of retention and referrals, extending the program's impact beyond spend alone.
Strategic alignment	Loyalty outcomes support broader goals (brand positioning, market share, etc.).	Ensures the program is tactical and connected to long-term brand and business strategy.

When would your main business owner consider your loyalty program a success?

A successful loyalty program is usually defined as a success by meeting specific, measurable goals such as increased customer retention, CLV growth, customer's engagement with the program, high customer satisfaction level and positive brand advocacy.



Barbara Fitał

Head of CRM and Beauty Card Program at Douglas

Linkedin

Industry experience:

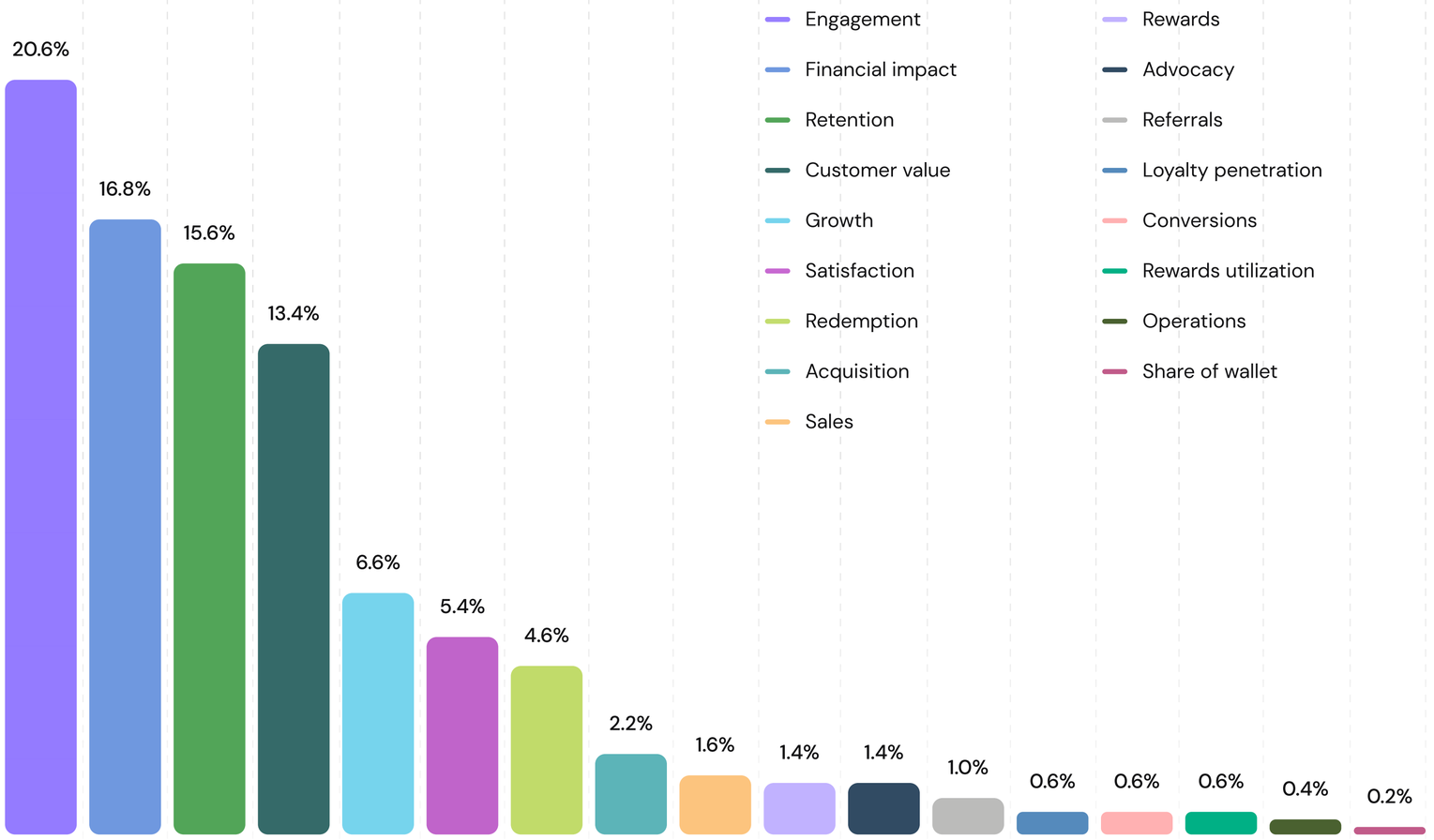
Decathlon | Empik | Orange

Success metrics

Improvement of which business metric reflects the success of your loyalty program?

Success metric tracked

See which metrics loyalty programs track most and how they reflect success across industries.



Revenue and customer value drive success

16.8% of respondents measure loyalty program success through revenue growth, average transaction value, or customer lifetime value (CLV).

Financial outcomes remain common lens for proving loyalty impact.

Retention rates confirm loyalty impact

15.6% of respondents point to retention, repeat purchase rates, or reduced churn as their key success metrics.

Retention is a critical indicator. If customers aren't staying longer, the program isn't achieving its purpose.

Engagement is a clear signal of relevance

Around 20.6% of respondents track engagement metrics such as active members, participation, or redemption rates.

High engagement shows the program is valued and used, which underpins long-term loyalty.

Customer value drives long-term loyalty impact

13.4% of respondents track customer value metrics, such as lifetime value (CLV), purchase frequency, and average spend, to assess their program's effectiveness.

Loyalty efforts translate into long-term customer worth rather than short-term gains.

Analysis: How metrics reflect loyalty strategy

LOYALTY STRATEGY FOCUS	EXPERT DIRECT QUOTES	STRATEGIC IMPLICATIONS
Financial outcomes	*"Positive impact on revenue measured as an uplift in overall revenue or sales directly attributed to the loyalty program."*	Demonstrating incremental revenue is key to proving ROI and securing budget.
Engagement as health indicator	*"Main metric is engagement measured by user achievement in loyalty program defined steps... user achieves activities and uses rewards."*	Use engagement as an early-warning signal for program relevance and long-term loyalty.
Customer value metrics	*"The most critical metric is typically CLV, as it directly reflects the long-term financial impact of the program."*	Adopting CLV shifts focus from short-term KPIs to sustained customer profitability.
Retention measures	*"Customer retention rate (primary metric), customer lifetime value, purchase frequency, reward redemption rate, and NPS."*	Retention remains foundational. Pair it with engagement and financial metrics for a holistic view.
Satisfaction and advocacy	*"Repeat purchase rate, member contribution to revenue, and program ROI... we also track engagement rates and tier progression."*	Measuring customer advocacy is still rare, but it differentiates programs by capturing brand trust.
Growth and acquisition	*"New customer acquisition rates, retention and ROI."*	Acquisition is essential for young programs but should balance with retention to sustain loyalty.

Improvement of which business metric reflects the success of your loyalty program?

Success is reflected in ARPC on engaged customers, combining purchase frequency with average order value. We also track program usage rates, along with redeemer and burn rates in the points system to see how well members are engaging with rewards.



Pablo Sardiña

Global Sr Product Marketing Manager at Decathlon

Linkedin

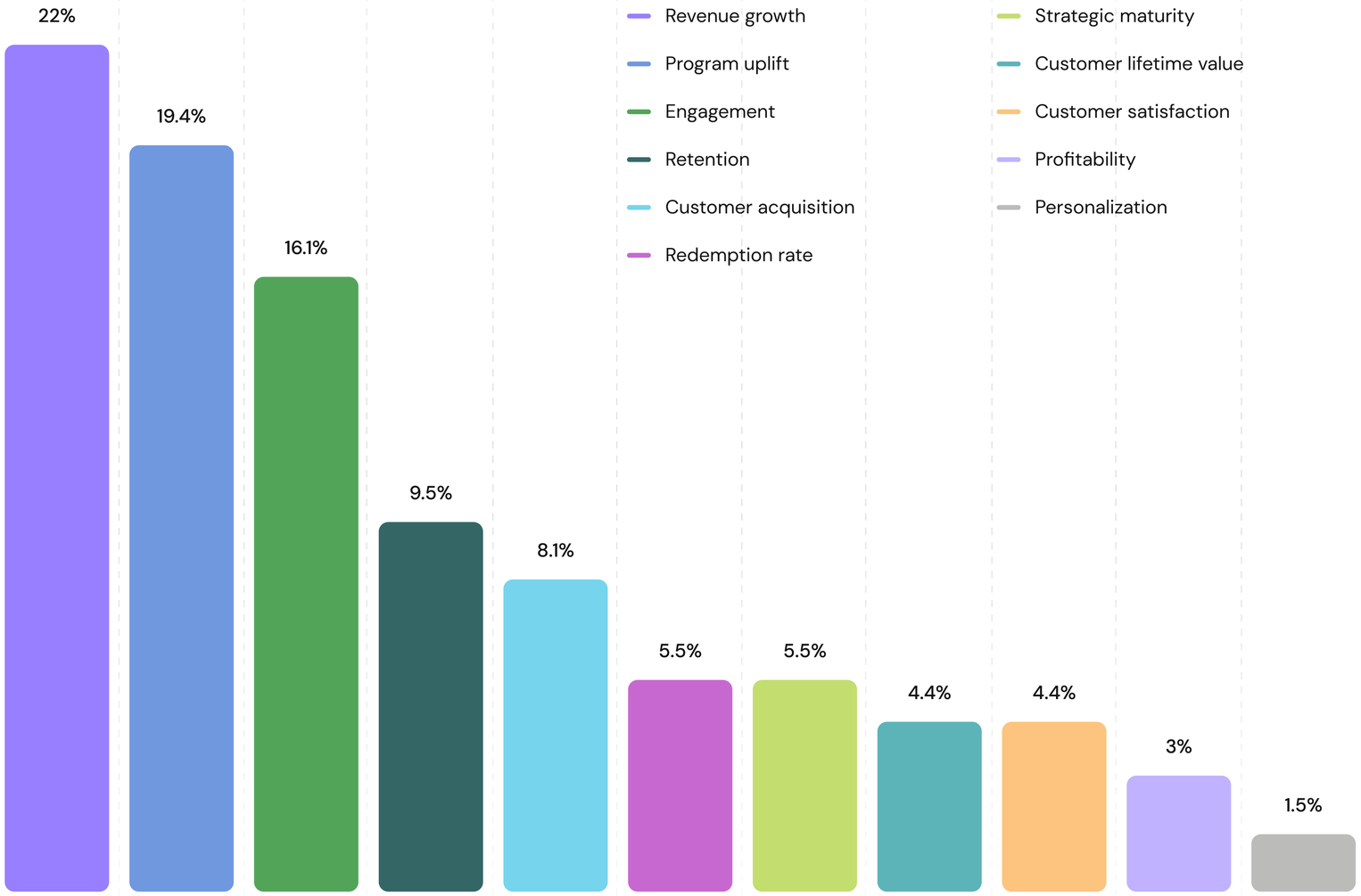
Industry experience:

Decathlon ING Deloitte

Expected results for near future

What level of improvement of the metrics would you like see in the next year?

Expected improvements



▲ Revenue growth

Over a quarter of respondents set clear revenue or sales growth targets, often in the double-digit range.

Tying loyalty directly to topline performance reflects growing pressure to show measurable financial impact.

▲ Engagement and participation

Targets for higher participation, activity rates, and usage are nearly as common as revenue goals.

More active members mean stronger program stickiness and better justification for investment.

▲ Retention and churn reduction

Many expect loyalty programs to lift retention and reduce churn, sometimes by **10–15%** or more.

Stronger retention translates into longer customer lifecycles and higher profitability.

▲ Membership growth and acquisition

Respondents frequently cited membership expansion, from sign-ups to paid tier adoption, as an expected win.

A larger base boosts both reach and the potential to scale other program KPIs.

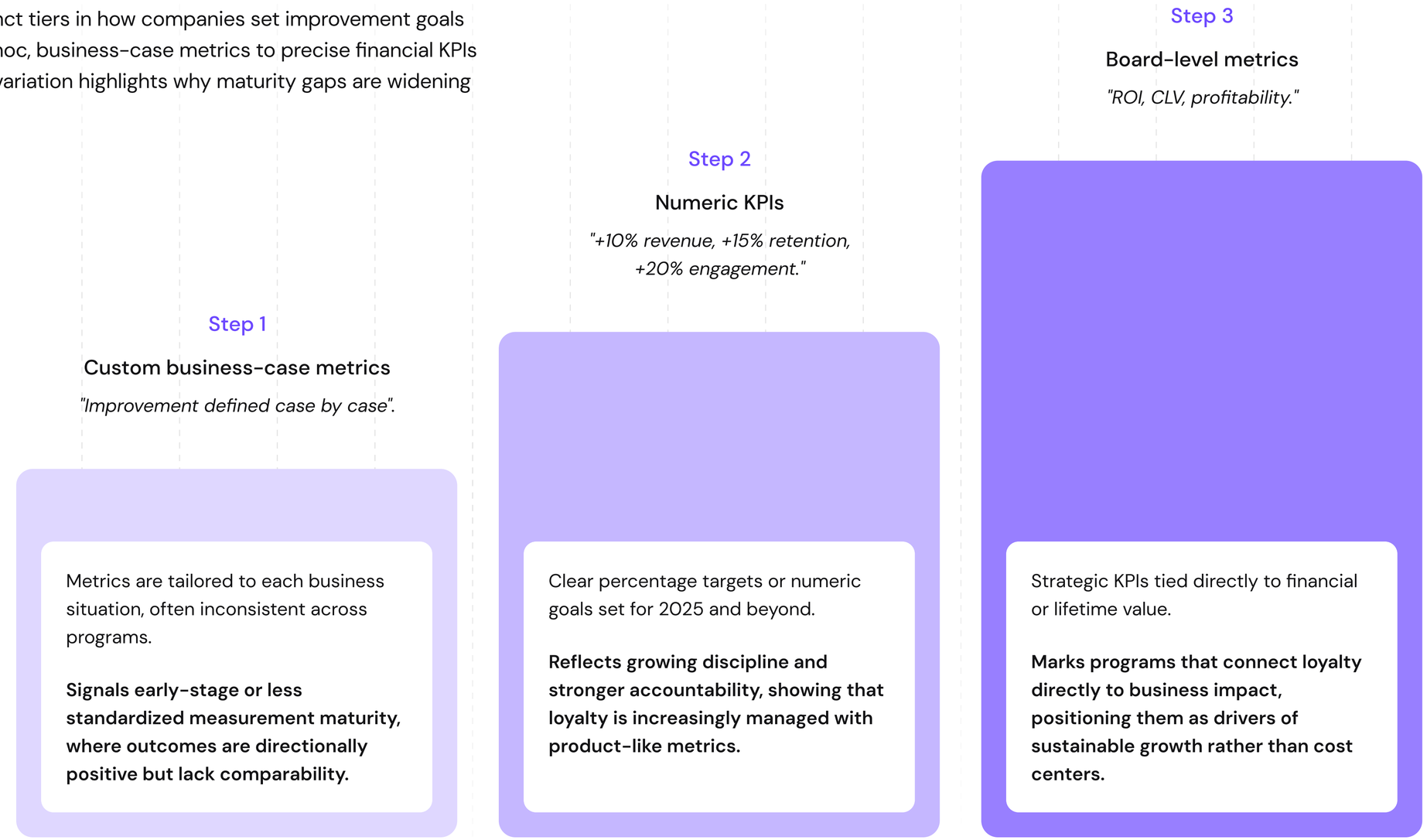
▲ Beyond financials: CLV, NPS, ROI

Smaller but consistent mentions focused on CLV, satisfaction (NPS/CSAT), ROI, and redemption rates.

These outcomes show how loyalty programs aim to balance financial returns with customer experience and long-term value.

Maturity ladder

The results reveal three distinct tiers in how companies set improvement goals for the near future, from ad-hoc, business-case metrics to precise financial KPIs tied to board priorities. This variation highlights why maturity gaps are widening across industries.



Expected improvements analysis



Optimism outweighs caution

What's happening:

Most respondents set ambitious goals for 2025, often in the double-digit growth range, across revenue, engagement, and retention.

Why it matters:

Optimism signals confidence in loyalty investment, but without robust measurement frameworks, many will struggle to prove progress. Ambitious targets may turn into credibility risks if results fall short.

Expert view:

We see the strongest optimism in industries undergoing rapid digital transformation (retail, QSR, travel). These sectors treat loyalty like a growth engine but the maturity gap in measurement will separate leaders from laggards.



ROI conversations will intensify

What's happening:

ROI and profitability weren't the top KPIs, but their mentions are increasing, reflecting growing finance-team attention.

Why it matters:

In tighter budget environments, loyalty must prove incremental revenue and margin impact. Without ROI visibility, programs risk being seen as cost centers.

Expert view:

We expect ROI to become a boardroom topic in 2025 and beyond. Program managers will need to link retention and spend directly to financial KPIs to defend and grow their budgets.

Expected improvements analysis



Experience metrics will rise, but slowly

What's happening:

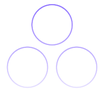
Metrics like NPS, CSAT, and personalization goals remain niche compared to growth or retention KPIs.

Why it matters:

Experience outcomes often lag behind transactional metrics, yet they are the foundation of advocacy and long-term loyalty. Underinvesting here limits differentiation.

Expert view:

With AI-driven personalization becoming mainstream, we expect experience metrics to gain traction in 2025 and onwards. Early adopters who measure and act on experience data will stand out in saturated markets.



Regional and industry clusters will diverge

What's happening:

Growth-focused markets (APAC, LATAM) are setting aggressive numeric goals, while mature markets (Europe, North America) emphasize retention and efficiency.

Why it matters:

Benchmarking across regions shows loyalty maturity doesn't follow a single global playbook. Competitive pressures and customer expectations differ by market.

Expert view:

Expect divergence to deepen: growth markets will double down on acquisition and expansion, while mature markets will refine retention economics and tier progression.

Expected improvements analysis



Redemption will return to the spotlight

What's happening:

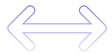
Redemption was not the most cited metric, but it frequently appeared alongside engagement and CLV targets.

Why it matters:

Redemption is where members feel value. Low or inefficient redemption undermines trust and program stickiness, regardless of growth targets.

Expert view:

Inflation is eroding the perceived value of points. We predict brands will revisit earn/burn ratios and expand non-transactional redemption options (e.g., experiences, partnerships) to maintain relevance.



Maturity gaps will widen

What's happening:

Some respondents shared precise numeric KPIs, while others only gave vague "general improvement" goals.

Why it matters:

This inconsistency reflects uneven loyalty maturity. Programs without hard KPIs risk falling behind peers who manage loyalty as a strategic business lever.

Expert view:

We expect industries like financial services and telecoms to push further into ROI, CLV, and predictive models, while lifestyle and retail may lag with less structured targets. The gap between leaders and followers will become more visible in 2026.

What level of improvement of the metrics would you like see in 2026?

Gamification will be at the core. With app usage driving stronger engagement and exclusive promotions offered to loyalty clients to deepen their connection with the brand.



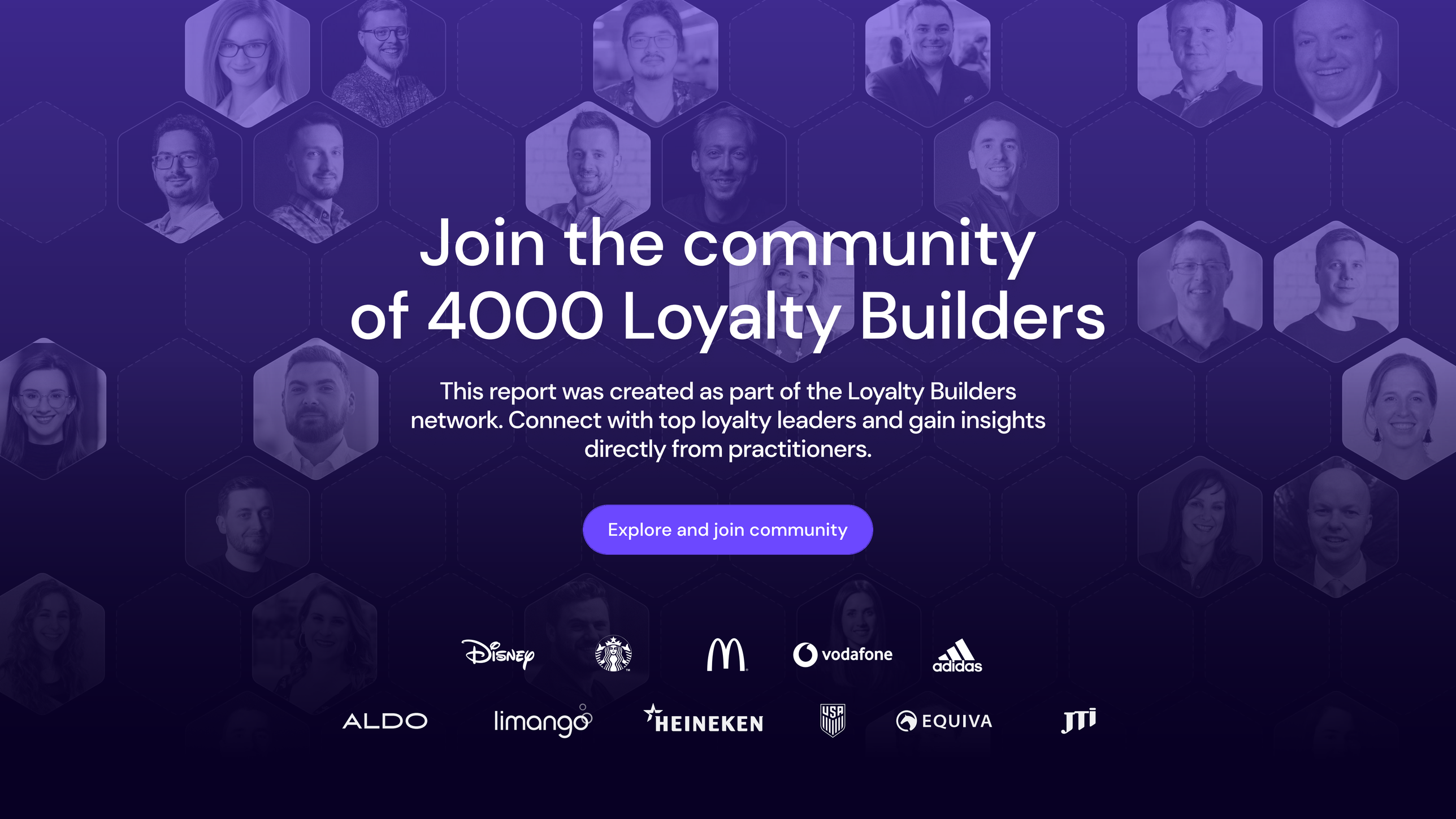
Lorenzo Federico Ebranati

Head of Loyalty at Leroy Merlin

Linkedin

Industry experience:

Leroy Merlin



Join the community of 4000 Loyalty Builders

This report was created as part of the Loyalty Builders network. Connect with top loyalty leaders and gain insights directly from practitioners.

Explore and join community

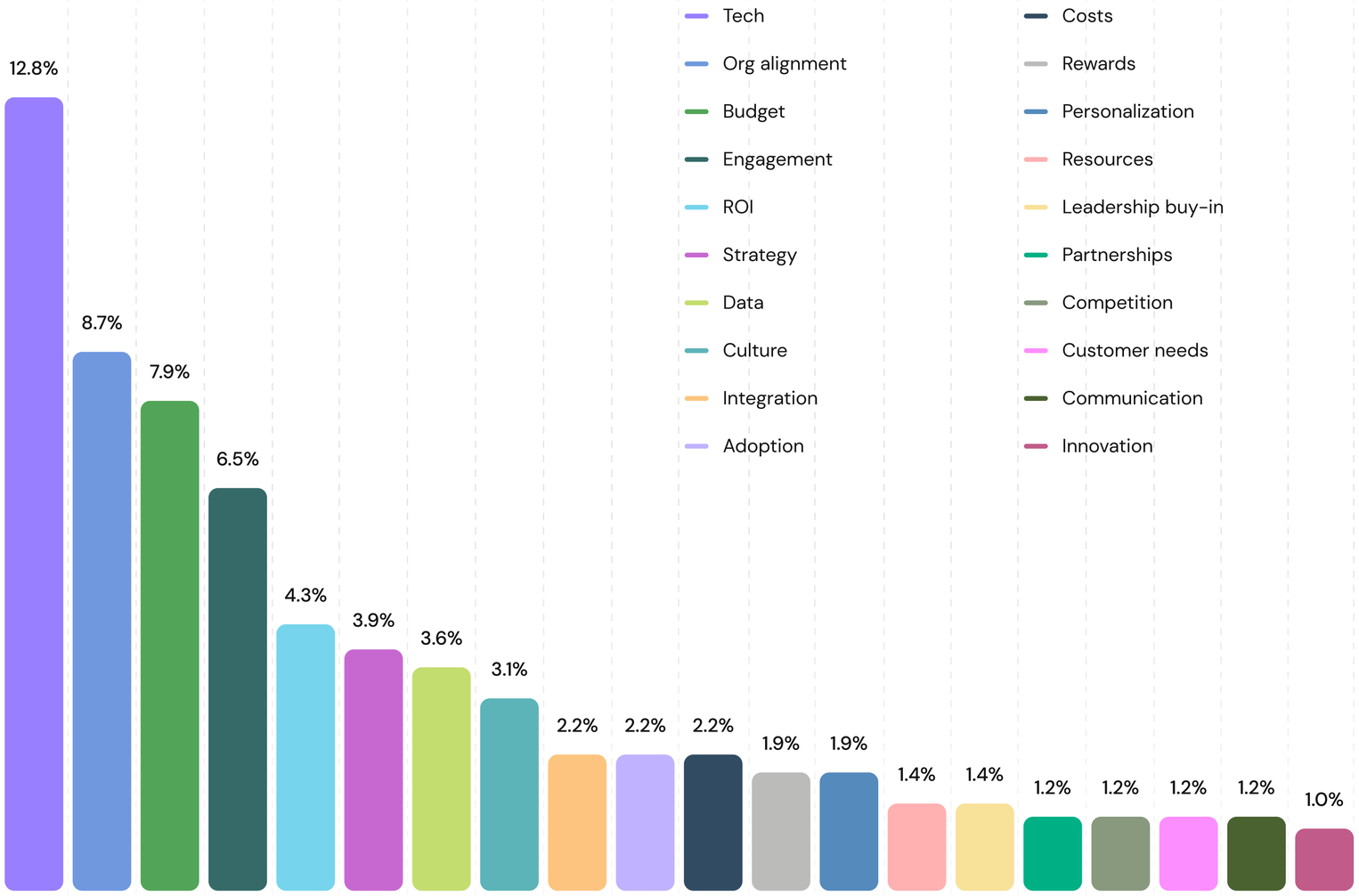
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ALDO limango HEINEKEN EQUIVA JTI

Key challenges

What are your biggest challenges when it comes to implementing a successful loyalty program in your organization?

Challenges categories



Winning customer adoption and sustained engagement is the biggest hurdle

Many respondents pointed to challenges in driving initial adoption and keeping members engaged over time.

Without active participation beyond sign-up, loyalty programs risk becoming cost centers rather than growth drivers.

Organizational alignment and leadership buy-in remain weak spots

Breaking down silos, securing executive sponsorship, and aligning departments on loyalty priorities surfaced repeatedly.

Lack of internal collaboration slows program development, complicates decision-making, and dilutes impact.

Budget pressure and slow ROI make it hard to sustain loyalty investment

Funding constraints, rising costs, and long payback timelines were common concerns.

Without clear short-term wins or ROI visibility, loyalty often loses out against competing business priorities.

Technology and data integration challenges block personalization

Respondents cited tech limitations, fragmented stacks, and poor data quality as major barriers.

Struggles with integration and real-time personalization prevent programs from meeting customer expectations.

Challenges categories

CHALLENGE CATEGORY	DESCRIPTION	EXPERT DIRECT QUOTES	POTENTIAL SOLUTIONS
Technology and data	Integration issues, legacy systems, poor data quality, lack of real-time personalization.	*"Technology integration: ensuring the loyalty system connects smoothly with sales channels (physical and digital) and with the CRM."* *"Getting all the tech to work, especially POS challenges."*	Invest in flexible platforms, unify data sources, modernize POS/CRM integrations, and prioritize real-time personalization.
Org alignment and leadership	Silos, lack of executive sponsorship, limited cross-functional collaboration.	*"Breaking down organizational silos is our toughest challenge."* *"Getting the whole organization on board."* *"Getting sign-off from the top of the organization and aligning BUs is feasible but takes a lot of time."*	Build cross-functional teams, secure C-level sponsorship, and align KPIs to loyalty outcomes.
Budget and ROI	Funding constraints, rising costs, long payback timelines.	*"Funding, time to ROI, technical constraints, and low prioritization of loyalty."* *"Budgets for loyalty should not be affected by overall company targets."* *"Costs and showing ROI, which often comes in the longer term."*	Pilot programs to show quick wins, protect budgets with ROI attribution, link outcomes to financial KPIs.
Adoption and engagement	Driving customer participation and sustaining activity over time.	*"Customer acceptance and adoption remain difficult."* *"Key challenge: consistently engaging customers and avoiding sign-ups without participation."* *"Our members don't see our messages — clutter across SMS/email reduces impact."*	Design engaging onboarding flows, create emotional value beyond discounts, and improve communication cut-through.
Strategy and knowledge	Lack of clear direction, best practices, or loyalty expertise.	*"Understanding of what works and how to proceed in the industry."* *"Lack of understanding of the loyalty concept."* *"Skilled staff are missing. Loyalty is not a gimmick, it's a science."*	Provide internal training, hire/consult experts, and benchmark against industry leaders.
Market context	Competitive pressure, multi-brand complexity, regulatory environment.	*"The biggest challenge is making our brand relevant in a crowded market."* *"We are a multi-brand, multi-market business with fragmented data and stakeholder misalignment."* *"Program saturation. Customers are bombarded with loyalty programs from numerous brands."*	Differentiate with unique experiences, adapt global frameworks locally, and build alliances for scale.

Seriousness of challenges

The tech trap

What's happening:

Fragmented POS, CRM, and data systems make it hard to build a unified customer view or deliver real-time personalization. Many organizations also rely heavily on IT resources, which slows innovation.

Why it matters:

This defines whether loyalty can evolve beyond points and discounts. Without flexible architecture, companies can't adopt AI, omnichannel personalization, or advanced segmentation.

Expert view:

A critical barrier. Tech readiness determines whether a program is scalable and future-proof. Those who delay modernization risk being permanently behind competitors.

Seriousness Thermometer  5/5 Critical

The internal politics of loyalty

What's happening:

Loyalty programs often get stuck between marketing, finance, and operations, with no clear ownership. Silos and lack of executive sponsorship stall initiatives.

Why it matters:

Organizational buy-in is as important as budget. Even the best-designed program fails if teams don't align on KPIs, processes, and responsibilities.

Expert view:

A serious but solvable issue. Unlike tech, which requires capital, alignment is about governance. Companies that elevate loyalty to a board-level discussion tend to succeed faster.

Seriousness Thermometer  4/5 High

Seriousness of challenges

The ROI paradox

What's happening:

Loyalty takes time to show value, but leadership wants immediate results. Inflation and reward costs put even more pressure on proving ROI quickly.

Why it matters:

If ROI is measured only in the short term, programs get cut before they mature. That means missed opportunities for long-term CLV growth and customer retention.

Expert view:

This is the most persistent challenge. Not fatal if addressed, but it requires resetting expectations: loyalty is infrastructure, not a campaign. Organizations that communicate long-term value to executives gain a competitive advantage.

Seriousness Thermometer  4/5 High

The engagement cliff

What's happening:

Enrollment isn't the problem keeping members active is. Low message visibility, lack of differentiation, and purely transactional offers drive early disengagement.

Why it matters:

Without engagement, loyalty becomes a "discount scheme," delivering little incremental value. This erodes brand equity and fails to build emotional connection.

Expert view:

A serious growth blocker. Programs that fail to cross the engagement cliff stagnate at low activity rates. The solution isn't more rewards but better design: onboarding, emotional value, and clear differentiation.

Seriousness Thermometer  3/5 Moderate

What are your biggest challenges when it comes to implementing a successful loyalty program in your organization?

One of the biggest challenges loyalty experts face is dealing with high customer churn and low referrals. We can bring people in, but keeping them engaged and loyal over time, and turning them into advocates, is where it gets tough.



Sergey Kukol

Business Analyst and Customer Interaction Manager at ALDI

Linkedin

Industry experience:

ALDI | Media Markt

Comparative benchmarks and segment insights

Top success metrics: differences by industry

INDUSTRY	ENGAGEMENT	RETENTION	CUSTOMER VALUE	CONVERSIONS	FINANCIAL IMPACT	ADVOCACY	ACQUISITION	GROWTH
Other	■				■			
Retail		■	■					
Financial services			■	■				
Beauty		■	■					
Consumer goods	■						■	
Travel	■	■						
Healthcare		■				■		
Fashion	■		■					
Services	■							■
QSR	■	■						
Fintech	■	■						
Entertainment	■				■			
E-commerce	■			■				
Sports	■	■						
Energy		■	■					
Telecom		■	■					
Hospitality	■				■			
Manufacturing		■			■			

Top challenges: differences by industry

INDUSTRY	BUDGET	TECH	DATA	ROI	ORG ALIGNMENT	PERSONALIZATION	COSTS	COMPETITION	ADOPTION	STRATEGY	INTEGRATION	RESOURCES	CULTURE	ENGAGEMENT	CUSTOMER NEEDS
Other	■				■										
Retail	■	■													
Financial services	■		■												
Beauty				■					■						
Consumer goods	■					■									
Travel		■					■								
Healthcare			■								■				
Fashion					■			■							
Services	■									■					
QSR								■	■						
Fintech			■		■										
Entertainment	■											■			
E-commerce				■			■								
Sports													■	■	
Energy		■			■										
Telecom		■													■
Hospitality	■	■													
Manufacturing		■			■										

Success metrics and challenges: differences by industry



Quick insights and key observations

- **Retail** anchors loyalty performance on customer value, but continues to struggle most with **technology and data integration.**
- **Beauty and personal care** link loyalty to retention and CLV, but **personalization and internal alignment** are costly pain points.
- **Financial Services** emphasize customer retention vs. churn, while **budget and ROI justification** limit program growth.
- **FMCG, Travel, Healthcare** cluster around engagement and retention metrics, with challenges split between **budget pressure** and **technology modernization.**
- **Niche sectors (Insurance, Entertainment, QSR, Sports and fitness, etc.)** show highly diverse definitions of success, but consistently cite **either budget or adoption** as their roadblock.

Success metrics and challenges: differences by program size

PROGRAM SIZE	% OF RESPONDENTS	EXAMPLE BRANDS	TOP SUCCESS METRIC	PRIMARY CHALLENGE	PROGRAM PROFILE	TYPICAL LOYALTY FEATURES	STRATEGIC IMPLICATION
Large (Global/ National brands)	27.8%	Hugo Boss, John Lewis, H&M, Nestlé, Abbott, Decathlon	Customer value (CLV, spend uplift)	Engagement at scale	Multinational retailers, FMCG, pharma and lifestyle brands with millions of members	Tiered programs, omnichannel apps, advanced personalization, partnerships	Struggle to keep members active; risk of stagnation if engagement tactics don't evolve
Medium (Regional/ Mid-market)	46.1%	Zooplus, Medibank, Douglas, Club Brugge, Gluky, Fidela	Engagement (active members, usage)	Organizational alignment	Regional leaders and loyalty agencies managing large but not global bases	Points-based schemes, hybrid earn/burn categories, early adoption of gamification	Without leadership buy-in and cross-team cooperation, engagement goals remain fragmented
Small (Startups/ SMBs)	26.1%	Holybelly, Easycook.io, Jack of Brands, Comerito	Financial impact (ROI, revenue uplift)	Technology and integration	Local businesses, digital-first startups, small consultancies	Simple stamp cards, basic apps, referral incentives	Ambition is ROI-driven; but without scalable tech, they risk hitting a growth ceiling

Success metrics and challenges: differences by program size

Quick insights and key observations

- **Large programs** tend to define success in terms of customer value and overall revenue contribution. Their biggest challenge is sustaining engagement at scale. These organizations often already operate advanced platforms, but without fresh tactics for personalization and omnichannel experiences, they risk loyalty fatigue among large member bases.
- **Medium programs** place engagement at the center of their success criteria. Their struggle is less about tools and more about people: loyalty is typically spread across multiple departments, making alignment and leadership commitment the real bottlenecks. The lack of shared KPIs between marketing, IT, and business owners often slows down execution, even when the right technology is in place.
- **Small programs** most often equate loyalty success with financial ROI. For them, loyalty must directly prove its impact on revenue. The challenge is technological: limited budgets and fragmented systems prevent these companies from implementing advanced features. Their ability to scale depends on access to affordable, plug-and-play solutions that remove integration barriers.

The overall pattern shows a clear maturity curve: **large programs wrestle with engagement, medium programs with alignment, and small programs with technology.**



Strategic recommendations to beat the competition

Define your success this way

Make definitions measurable

Replace vague goals like "better engagement" with specific KPIs: uplift in average order value, frequency of repeat purchases, or reduced churn.

Clear measurement prevents loyalty from being seen as "soft marketing."

Anchor success in business outcomes

Define loyalty as a driver of revenue, retention, and lifetime value, not just engagement rates.

Programs that link directly to financial growth earn stronger leadership support.

Set layered success markers

Balance short-term wins (e.g., participation rates, redemption activity) with long-term indicators (e.g., improved profitability, higher customer lifetime value).

This ensures momentum while proving lasting impact.

Benchmark externally

Track progress not only against your own past performance but also against industry standards and competitor programs.

External benchmarks highlight whether you're leading or lagging the market.

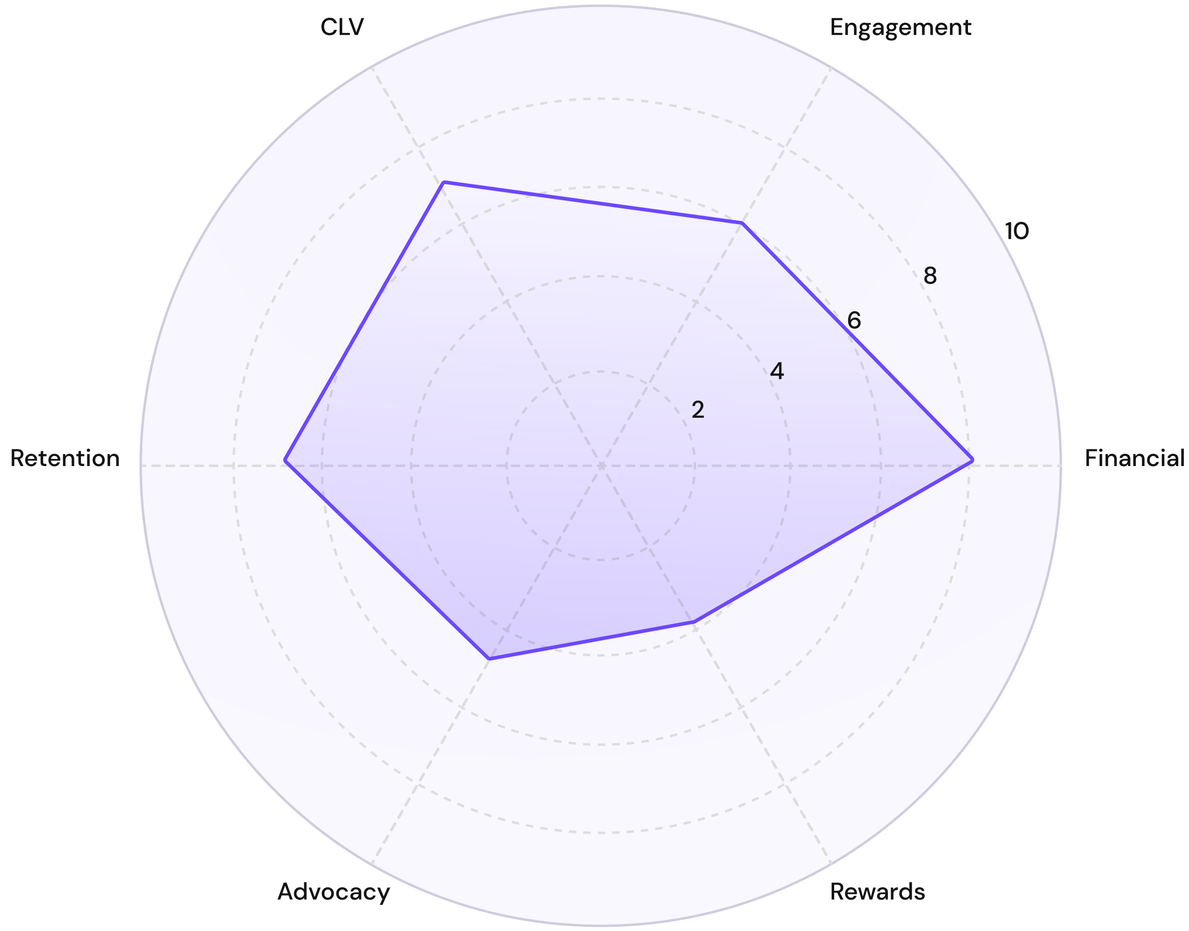
Keep it board-level relevant

Translate loyalty metrics into outcomes that resonate with executives and finance teams.

Show how the program contributes to growth targets, profitability, or market share — not just marketing vanity metrics.

Use these metrics

- **Prioritize financial metrics.** Track revenue uplift, ROI, and profit per member. These are the numbers that prove loyalty is not just an engagement driver but a growth engine.
- **Monitor retention and churn.** Use retention rate, repeat purchase frequency, and churn reduction as leading indicators of long-term program health. Retention is often the single most powerful success metric.
- **Measure engagement with precision.** Go beyond "active members." Track logins, transactions per member, and redemption activity to understand the depth of participation.
- **Track customer value evolution.** Watch how CLV, AOV, and share of wallet change over time. A healthy program should steadily lift customer value, not just keep members busy.
- **Add sentiment and advocacy.** NPS, referrals, and satisfaction scores capture how loyalty influences brand love and word-of-mouth — outcomes that fuel organic growth.
- **Segment your metrics.** Break down performance by member tier, cohort, or product line. Granular insights reveal what's working — and where your program is leaking value.



Include in your 2026 strategy

Double down on personalization

Move beyond generic campaigns. Use data-driven segmentation and AI tools to deliver rewards, offers, and content that feel tailored to each customer journey.

Integrate loyalty across channels

Ensure your program works seamlessly in-store, online, and in-app. Omnichannel loyalty isn't a "nice to have" anymore — it's the baseline expectation.

Make rewards flexible and meaningful

Offer a mix of monetary (discounts, cash-back) and non-monetary rewards (experiences, access, status). Variety drives higher participation across different customer segments.

Invest in scalable technology

Plan for APIs, modular systems, and real-time data pipelines. Without modern architecture, your program will stall when you try to add AI, gamification, or advanced analytics.

Embed loyalty into brand purpose

Tie your program to sustainability, community impact, or values that resonate with your customers. This makes loyalty feel bigger than points.

Use gamification smartly

Add progress bars, challenges, or badges to increase motivation. Gamification keeps members active between purchases and strengthens emotional engagement.

Address challenges this way

CHALLENGE	EXPERT RECOMMENDATION
Technology gaps	Build future-proof architecture. Many programs still run on fragmented POS, CRM, and data systems that make real-time personalization almost impossible. The fix is to move toward API-first, modular platforms that can easily integrate AI, advanced segmentation, and omnichannel delivery, without relying on slow IT cycles.
Leadership alignment	Speak the language of growth. Senior executives rarely care about "member logins" or "redemption rates." They want to see loyalty linked to revenue, retention, and profitability. Frame program outcomes in boardroom language and show loyalty's role in hitting growth targets.
Budget pressure	Prove ROI early and often. Loyalty budgets are under scrutiny. Start small with pilots that deliver quick, measurable uplifts, like repeat purchase frequency or incremental revenue per member. Use those wins as proof points to unlock larger, long-term funding.
Low adoption	Design for simplicity. Overly complex rules (points ladders, hidden tiers, confusing redemption options) are a barrier. Programs that succeed make earning and spending rewards intuitive, mobile-first, and rewarding from day one, so members immediately see the benefit.
Knowledge gaps	Upskill and benchmark. Many teams lack specialized loyalty expertise. Invest in training on loyalty strategy and best practices, and actively benchmark against competitors. This prevents wasted effort reinventing the wheel and accelerates maturity.
Market uncertainty	Build agility into programs. Inflation, shifting consumer values, and competitive moves can change member priorities overnight. Programs must be designed with flexibility, from modular rewards catalogs to campaign playbooks, so they can pivot without months of rework.

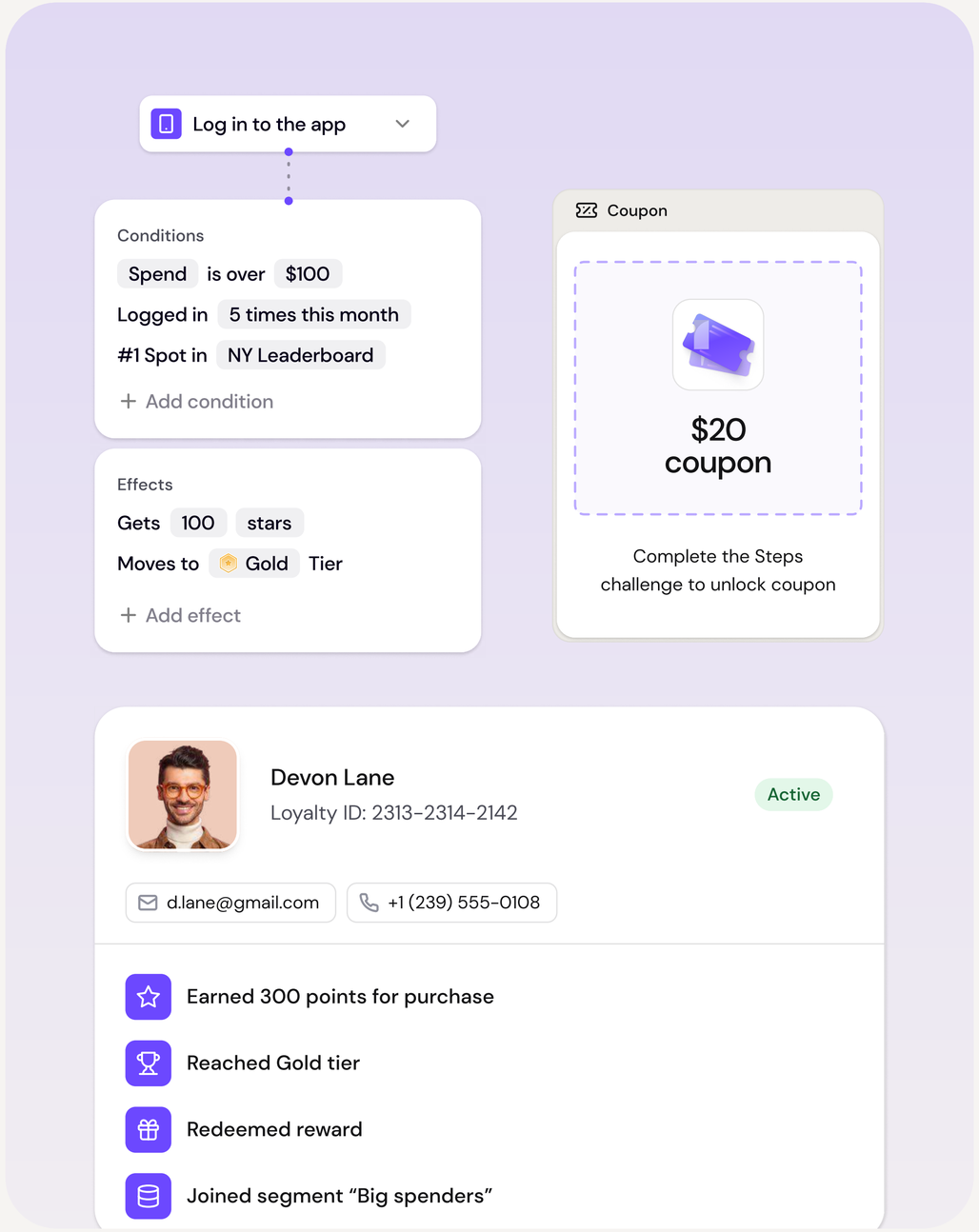
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