

How business leaders are inspiring brand and customer loyalty in 2024

The loyalty as a service industry has grown leaps and bounds in the last decade. Its foundations include traditional brand and customer loyalty strategies such as rewards cards and personalised service offerings.



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Today, with the aid of technology and the growth of the loyalty management market (estimated to grow to a value of \$59billion by 2030), businesses across a range of sectors are employing a range of loyalty oriented strategies.

These include personalised services for different customers, the use of AI and other technology for better service delivery and marketing for example, and good old fashioned one-on-one interactions between customers and staff.

In this piece, business leaders from service-oriented industries including hospitality, insurance and technology explain their approach to building customer loyalty in 2024.

1. Combining solutions and loyalty

Customers want to feel that companies cater to their individual needs in order to form a connection with products and services they use.

"We make sure that whenever we update or develop a product, we do it in such a way that it is user-friendly for pleasant customer service, tailored to the customer's needs and reflects their lifestyle needs and preferences," says Head of MiWay Blink, Keletso Mpisane.

"In other words, loyalty is the brand's way of rewarding customers for providing solutions that fit seamlessly into their lives," she adds.

2. Using marketing AI for retail tools help businesses enhance brand loyalty

Eighty-three percent of global retailers have seen operational efficiency improvements with AI, according to new Salesforce data. And 63% of marketers say that trusted customer data is important to implementing generative AI in their businesses. Retailers need a solution that can bring all their customer data together into one, trusted platform and use it to power the most efficient, AI-driven retail experiences.

"Companies that leverage their customer's data effectively to build trusted, connected commerce experiences will see stronger customer loyalty and profitability," says Jujhar Singh, EVP & GM, Salesforce Customer 360 Applications and Industries. "Every business must focus on driving efficiency and growth with new integrated and AI-powered innovations that enable a faster path to purchase and greater customer satisfaction."

3. Paying attention to detail

"It is often the small things that make people feel valued," says Radisson Blu Hotel Waterfront Food and Beverage Manager, Colleen Lategan. In the hotel industry, for example, loyalty and great service could be shown through something as simple as staff giving personal greetings and help being there for guests as soon as it is needed.

"At events we make sure that there is a person at the entrance to the venue to meet and greet each attendee. Another added touch could be to have a person situated on the events floor to attend to any questions or queries during the event. That personal interaction really does make all the difference," adds Lategan.

"Furthermore," comments Andrew Bourne, Regional Manager, Africa, at technology firm, Zoho "Consumers actually now anticipate personal and personalised experiences with companies, seamless interactions, and exceptional service. A loyalty-oriented organisation comprehends these evolving customer needs and concentrates on cultivating enduring relationships grounded in trust, satisfaction, and loyalty." he ends

By placing the customer experience at the forefront, companies can establish a distinctive position amidst competitors, drive customer advocacy, and nurture their own sustainable growth.

4. Running loyalty programmes with the right kind of rewards

Some of the benefits of building loyalty among guests are obvious. For example, these returning guests might ensure that fewer rooms need to be marketed to first-time guests in a specific period. There are other benefits too. Research has shown that returning hotel guests spend more than casual visitors and are more likely to recommend the hotel to others. Skift research found that members of loyalty programmes contribute between 30 and 60 percent of room revenue and tend to pay higher average day room rates than non-members.

There's a clear interest in loyalty programmes too. According to a 2022 Skift report, the rate of global leisure travellers who were loyalty programme members of the hotel they stayed at during their last trip grew from 41% in 2020 to 47% in 2021.

"A good hotel loyalty programme such as Radisson Hotel Group's Radisson Rewards programme is something worth

investing in. But in order for it to be effective, it has to provide the right kinds of rewards. The Radisson Hotel Group's Rewards aims to be the most personalised in the industry and offers choices based on guest preferences and previous requests. This is achieved by creating a comprehensive member profile which allows member benefits to be customised and tailored per booking without annual membership fees," says Stephanie Aboujaoude, Senior Area Director, Marketing & Communications, Middle East, Africa, Turkey and Mediterranean at Radisson Hotel Group.

5. Building authentic relationships through organic experiences

As much as every business would like its customers to demonstrate brand loyalty, the reality is that loyalty is taking a downturn. A 2023 survey found that 66% of customers are loyal to a certain brand. That's a 10% drop from the same survey in 2022. People also expect brands to do more to gain their loyalty. In 2022, 13% of shoppers worldwide felt that retailers and brands needed better loyalty initiatives. This year, that's risen to 20% in 2023, marking a sizeable increase of 54%.

"At Kruger Gate Hotel we have great repeat guest stays - and this even after de-flagging from Marriott International management in 2022. One would associate huge brand and customer loyalty to the largest hotel group in the world, but being an independently owned hotel has allowed us to tap into experiential travel, which is so important to today's traveller," says Anton Gillis, CEO at Kruger Gate Hotel.

"While loyalty may be declining in certain sectors, we're privileged to be bucking the trend - but it takes hard work to achieve this. Having been fortunate enough to have worked in hospitality for many years, I have learnt that it's not just one aspect of a hotel that inspires this kind of loyalty, which means hoteliers need to constantly keep an eye on every part of their business. Building an authentic relationship with customers is vital to building trust in brands. That's why the same level of care and personalisation should be taken with every interaction and touch point a business has across the entire customer journey.

To build brand loyalty in 2024, the modern hospitality industry and other service industries must look to more organic ways to entice repeat customers or "money can't buy" experiences that evoke an emotional connection.

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