



The Loyalty Report™

2023 **Charting
Growth Paths**

Europe
Executive Summary



bsnj.

IN PARTNERSHIP
WITH

VISA

The Most Comprehensive and Longest-Standing Study of its kind on Loyalty, Engagement and Known-Customer Experience.

IN PARTNERSHIP WITH **VISA**

Published for more than a decade and on five continents, "The Loyalty Report," published by Bond in partnership with Visa, is known by leading brands and industry providers as the most comprehensive consumer study fielded on the perceptions of performance, both attitudes and behaviors, of active loyalty and credit card programs.

Having access to customer insights that are relevant to your business objectives and will lead to prescriptive plans for customer-centric growth are critical for navigating from the front. The value that comes from a longitudinal tracker research study like this, which is amplified by the expertise infused by Bond and Visa, allows for multi-year insights in key business outcomes and customer loyalty measures. Additionally, its dual purpose serves brands with insights they can implement here and now, while also providing an eye towards emerging considerations they need to understand today for implementation tomorrow.

The Loyalty Report provides Brands with in-depth consumer insights from their own program members and/or their competitors' members. Learn to build enduring relationships by understanding the norms that have been established and those norms still emerging.

~17K consumers in **Europe** provided feedback on 330 Loyalty Programs between October 14, 2022 and January 27, 2023



Sample of **60K+** Consumers

Examining **1000+** Programs

In **15+** Industry Sectors

- Airline
- Apparel Retail
- Department Store
- Dining
- Discount Retail
- Financial Services
- Grocery
- Hotel
- Online Retail
- Online Travel Agencies
- Specialty Retail
- ...and more.

Across **100+** Attributes

- Loyalty Mechanics
- Program Influence
- Behavioral Loyalty
- Emotional Loyalty
- Earn Mechanics
- Rewards & Redemption
- Brand Alignment
- Human Experiences
- Digital Experiences
- ...and more.

Fast Facts

Loyalty Program Influence

The influence of loyalty on advocacy, retention and spend remains strong.



Say
64%

I am more likely to recommend Brands with good Loyalty Programs



Stay
71%

Programs make me more likely to do business with Brands

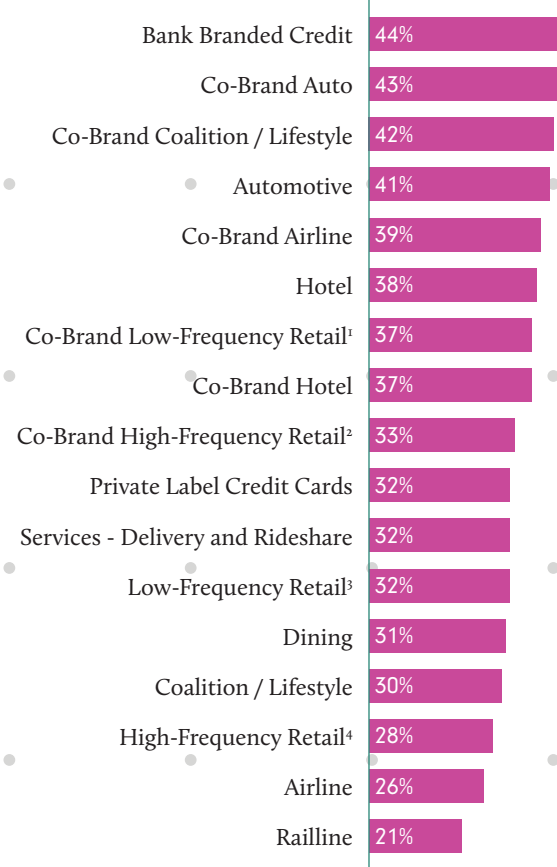


Spend
57%

I modify amount spent to maximize the benefits I receive

Member Satisfaction by Sector

% VERY SATISFIED



¹ Co-Brand Low-Frequency Retail Includes: Specialty, Apparel, Department and Online Retail Co-Brand Credit Cards

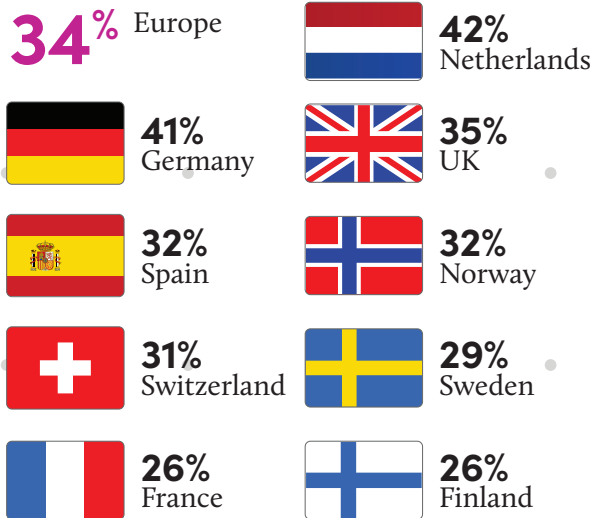
² Co-Brand High-Frequency Retail Includes: Grocery, Discount, Hypermarket and Petrol Co-Branded Credit Cards

³ Low-Frequency Retail Includes: Specialty, Apparel, Department, Warehouse, Health & Beauty and Technology Programs

⁴ High-Frequency Retail Includes: Grocery, Hypermarket and Petrol Loyalty Programs

Member Satisfaction

% VERY SATISFIED



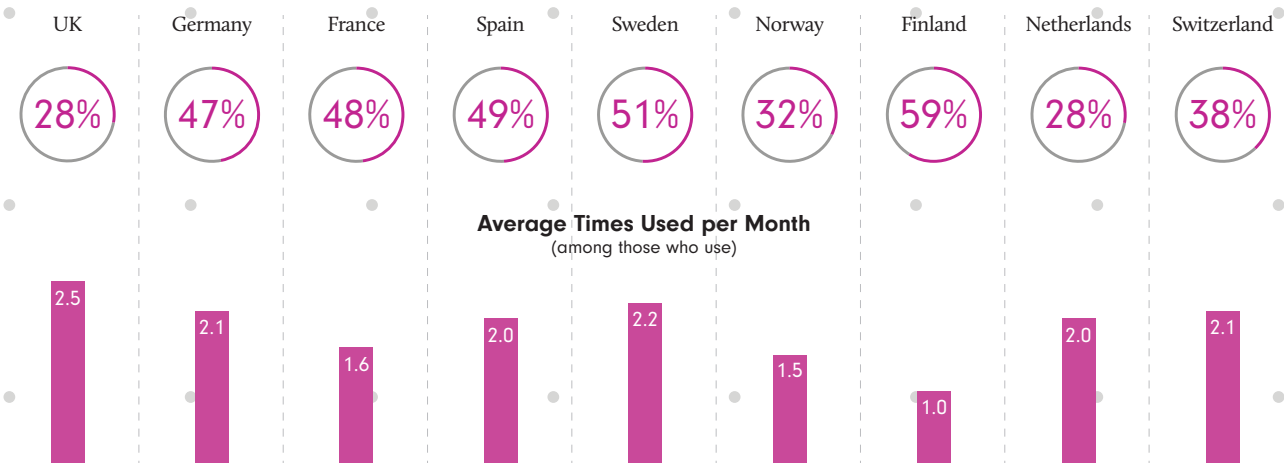
Top 10 Drivers of Satisfaction

1. Value for money
2. Benefits appealing
3. Experience seamless across touchpoints
4. Wide range of benefits
5. Easy to claim benefits
6. Benefits earned in timely manner
7. Interacts with right messages
8. Interacts at right moments
9. Makes me feel valued/important
10. Tailored to personal preferences

Gig Economy: Rideshare

The mobility space continues to be very dynamic as behaviors shift into new patterns driven by evolving needs and purpose. Even in markets where usage of Rideshare services is low, there are strong

frequency metrics for those who do utilize this service. While other markets have higher usage, Rideshare is a more occasional service.



The Loyalty Report unpacks more insights on Gig Economy services for both Rideshare and Delivery service offerings.

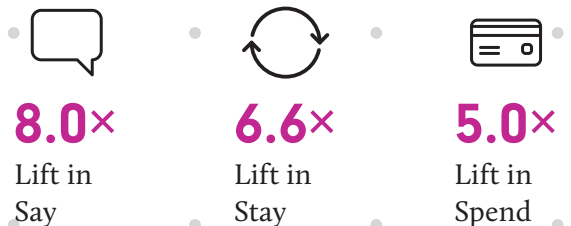
Member Engagement Mapping

The role of Loyalty mechanics is to make the Brand experience better.



Less than one quarter of respondents strongly agree the Program is successful in making the Brand experience better

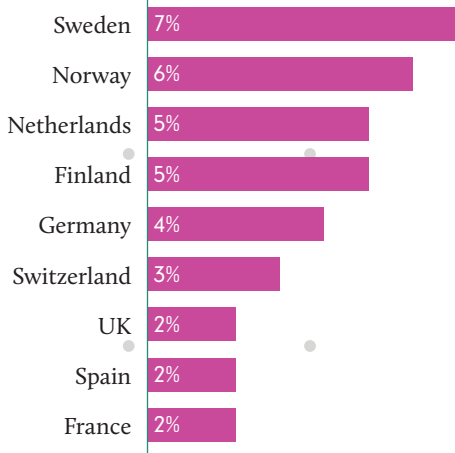
Programs that make the experience better along the member journey see considerable lifts on key measures:



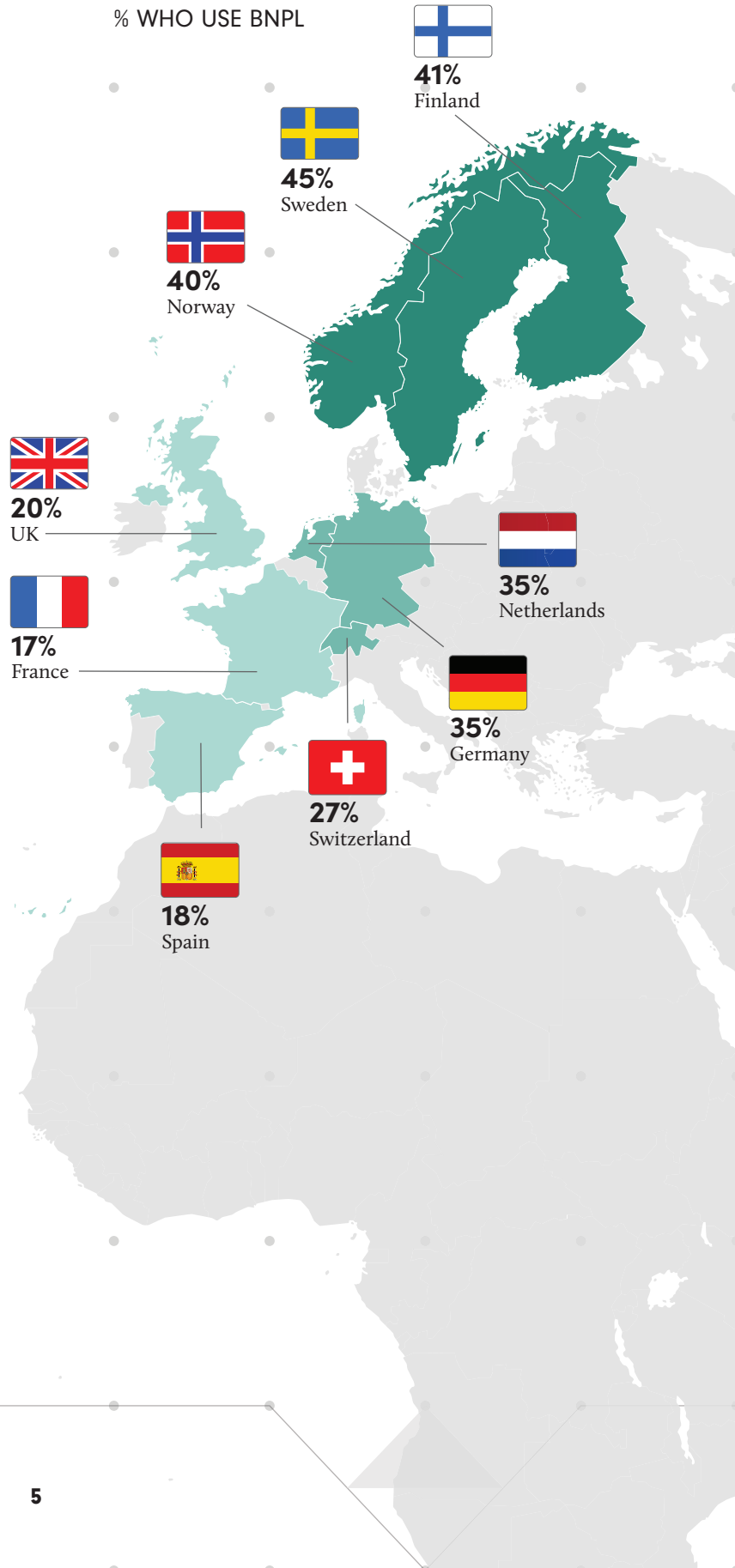
Buy-Now-Pay-Later

Usage of Buy-Now-Pay-Later (BNPL) services vary greatly by country across Europe. Both adoption of BNPL and the proportion of consumers' discretionary spend placed on BNPL is highest in Scandinavian countries. The ability of these offerings to influence top of the funnel, the expansion of some offerings into the loyalty space, and potential for increased adoption and usage due to economic pressures mean the potential to disrupt traditional behaviors continues.

% OF DISCRETIONARY SPEND PAID BY BNPL



% WHO USE BNPL



Top 3 Programs

on "Overall Satisfaction"

★ Indicates breakaway leader
(+5% gap between next highest)

Airline

1. Lufthansa Miles & More
HON Circle
Germany



2. Air France /
KLM Flying Blue
Germany



3. Air France /
KLM Flying Blue
Netherlands



Hotel

1. Hilton Honors ★
Germany



2. Amigos de Paradores
Spain

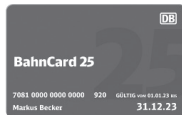


3. Accor Live Limitless (ALL)
Germany



Rail Line

1. BahnCard ★
Germany



2. Club Eurostar ★
United Kingdom



3. Más Renfe
Spain



Dining

1. Costa Coffee Club
United Kingdom



2. Starbucks Card
Germany



3. TchiboCard
Germany



★ Indicates breakaway leader
(+5% gap between next highest)

Grocery

1. Tesco Clubcard Plus
United Kingdom



2. Lidl Plus
Germany



3. Tesco Clubcard
United Kingdom



Petrol

1. Shell V-Power Club
Germany



2. Shell ClubSmart
Germany



3. Esso Extras Card
Netherlands



Low-Frequency Retail

1. Otto UP
Germany



2. Amazon Prime
United Kingdom



3. Amazon Prime
Spain



Coalition

1. PayBack
Germany



2. Nectar
United Kingdom



3. Trumf
Norway





About Bond

WE BUILD BONDS. BONDS BUILD GROWTH.

Bond generates growth for clients by creating enduring relationships between people and brands based on intelligent connections and engaging experiences. Bond serves clients globally with data-driven customer experience and loyalty solutions that enable brands, customers, employees, partners, and the communities they serve, to experience the benefits of growth. Headquartered in Toronto, Bond is management-owned with more than 800 people and six offices across North America and Europe.

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