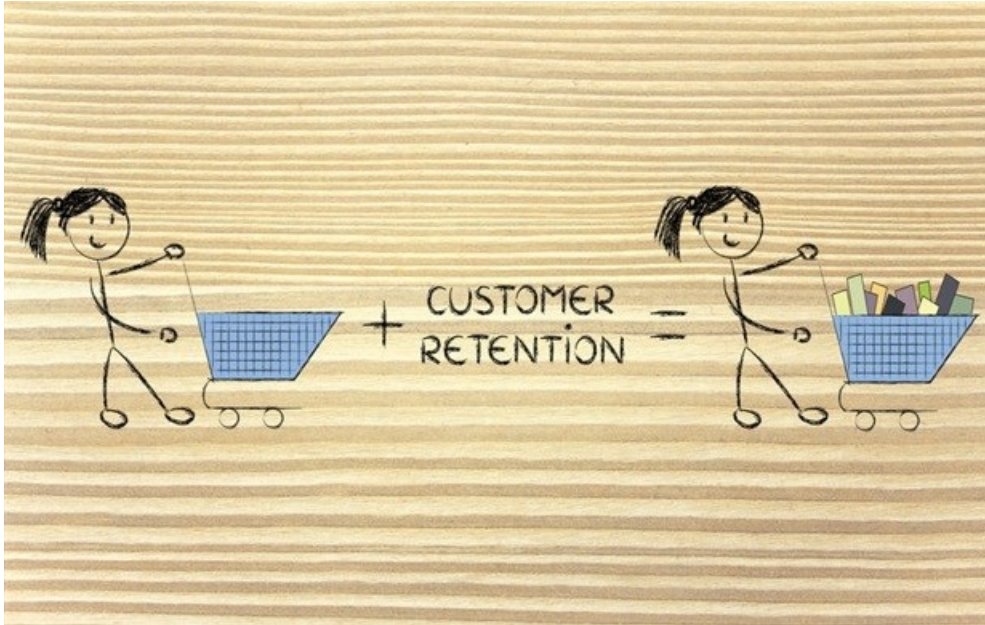# Loyalty is about more than just points

An effective loyalty programme will positively influence the relationship between a service provider and the customer through rewards and incentives - but the days of offering points as the frontline reward are long gone, says independent Customer Relationship Management (CRM) specialist LoyaltyPlus.

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According to the company, the loyalty programme strategy is nothing more than a modern marketing tool, which facilitates the development of a relationship with each individual customer through multiple touch points in the organisation. These touch points are not limited to traditional physical interactions, such as sales staff and cashiers. However, it extends to a host of electronic mechanisms like the internet, smartphone apps, tracking and communication beacons, electronic kiosks and social media.

LoyaltyPlus continues to assert the message that a well-thought through CRM and loyalty strategy has become an essential marketing tool for all sized businesses. Like any mission-critical area of business operation, technology can and does make a difference.

"There is little margin for misjudgment when it comes to customer experience, customer relationship management and everything needed to retain the customer by building and nurturing loyalty," says Len Lubbe, CEO of LoyaltyPlus. "Today, there are highly influential progressive technologies like the cloud, data analytics and AI that all impact customer experience, and can be leveraged to build the loyalty we prescribe in programmes."

Solutions that are brought into the equation should offer advanced functionality and link up with cloud services to offer an all-round service to clients.
Lubbe adds that the loyalty programmes can be built with the cloud, offering all stakeholders the opportunity to interact with the system via human web-based touch points or electronic channels.

Consider the value proposition

Before deciding on- and entrenching the loyalty system and CRM programme, businesses should 'do their homework' and carefully evaluate the value proposition of technology platforms that have been introduced to market.

Tech solutions must fulfill specific criteria to add value to the customer experience and serve as a critical tool to build and administer loyalty.

"Platforms need to be scalable, facilitate internet deployment, be attached to service management and provide a proven low cost of ownership. It should feature transaction and event billing, a full corporate management module, automated retro credit functionality and offer customer insights through advanced analytics," adds Lubbe.

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CRM market has evolved, driven by technology and advances in HR, HCM and labour-focused platforms. "Technology has automated much of the functions that one would come across within CRM. Solutions should provide for aspects such as intelligent customer segmentation based on pre-defined rules, multi-partner transactional tracking and invoicing capabilities. Staff and agents can be rewarded in the programme and seamless system integration with third-party systems must be facilitated," says Lubbe.

A loyalty system is far more than mere points, accumulation and administration – it has advanced to the point where customers want a personalised experience, they want the benefit of analysis and informed advice on purchasing decisions, and other initiatives and incentives.

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