

59% of South Africans shop where they can use loyalty and rewards programmes

According to the latest NIQ (N NielsenIQ) Consumer Outlook report, which looks at the financial state of South African consumers and how they have altered their shopping behaviour to save more at FMCG retailers, 59% of South Africans shop at FMCG stores where they can leverage loyalty and rewards programmes to help manage their spend. The psychology of loyalty and rewards programmes plays a significant role in getting consumers through tough times.



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On average, a middle-class South African adult belongs to nine loyalty and rewards programmes. FMCG retailers who offer instant rewards or savings directly influence the shopping and spending behaviour of these consumers, ultimately creating an emotional and personal connection between the consumers and the store or brand and building a competitive advantage for themselves.

However, this connection can easily be broken if programmes are structured in such a way that loyalty points expire before consumers wish to use them.



5 benefits of rewards programmes

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Coupons offer an alternative to points; they help people save money and make their budgets go further. They offer immediate upfront savings on everyday items, allowing people to spend less on groceries and other essentials. This helps stretch their disposable incomes, giving them more financial flexibility.

In South Africa, retailers have a big opportunity to offer coupons in their stores. By providing savings to shoppers, retailers can attract more customers and increase sales making it a win-win situation: shoppers save money, and retailers boost their revenue. Plus, offering coupons can help retailers stand out in a competitive market and build customer loyalty.

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