

Finding New Ways to Fine-Tune the Role of Rewards in Retention

This post was created in partnership with Fetch

Key takeaways

- Loyalty is particularly crucial in a challenging economic environment.
- Brands and retailers should start considering loyalty from the first purchase.
- Data is core to the personalization and retention that fuel loyalty.

With a changing economy and varying customer loyalty, brands are working hard to grow sales from both current and new customers. Rewards can be an important ingredient.

During an ADWEEK House Miami Group Chat co-hosted with Fetch, a panel of industry leaders explored the customer journey, from trying different brands to moving into new life phases. Using granular data and creative thinking can turn loyalty from a program into a brand outcome.

Loyalty and personalization are shifting

(L-R) Fetch's Robin Wheeler, DIG's Jessica Serrano, Ghost Tequila's Maya Rubalcaba

Robin Wheeler, chief revenue officer at Fetch, kicked off the conversation by sharing how Fetch helps brands attract and retain customers. Consumers scan 11 million receipts daily on Fetch—about 88% of their monthly purchases. “We have a really unique view of the consumer that no one else can really match,” she shared. “We use that data to target them with the relevant offers that are going to drive outcomes for our partners.”

Consumers are trying new brands regularly, leading to opportunities but also shifting loyalties. “Seeing all those user purchases gives us confidence that you should start thinking about loyalty on that first customer touch point and then build out a more sophisticated strategy from there,”

explained David Parisi, general manager of restaurants and retail at Fetch.

Customers know their worth, and that marketers should feel fortunate to have their business, added Jessica Serrano, CMO at DIG, a chain of locally farm-sourced restaurants. “We’re lucky for the occasions that they do want to spend with us, but we know that we’re amongst many in their rotation.”

Personalization is fundamental to building loyalty, but it’s evolving. “As consumers get more sophisticated, personalization is about knowing what I want, what I need, without over-trying to deliver,” said Maya Rubalcaba, marketing director of Ghost Tequila.

Brands often have multiple teams under the marketing fold, including acquisition, retention, customer care, and loyalty. But personalization works best when integrating loyalty, not making it a silo. Though difficult, it’s important to “bring it all together so the customer insight matches the reward, the actual engagement and the conversion, ultimately,” said Jessica Berger, SVP of innovation at Publicis Media.

Data matters for retention and rewards

(L-R) Publicis Media's Jessica Berger, Fetch's David Parisi, Gopuff's Victor Angeline

Data is core to personalization and retention. CPG companies struggle without enough access. Joining multiple brand loyalty programs is challenging for consumers. Working with platforms like Fetch makes it easier—for brands and consumers. Wheeler said Fetch tracks \$179 billion annually in spend. “We see item-level purchase and all transactions—cash and credit card. If we were a retailer, we’d be one of the top in terms of sales,” she said. Fetch provides this data to partners, showing what keeps customers coming back.

Loyalty includes listening to customers and understanding how their needs change. Data helps. Gopuff customers often first use the app in college, as it delivers products within 20 minutes. But to be successful, Gopuff must follow customers

into new life phases—from late-night ice cream and alcohol purchases in college to late-night children’s Tylenol in parenthood. “How do we make sure we have baby and pet supplies as they grow with us? It’s really just maintaining that loyalty throughout the journey,” explained Victor Angeline, director of merchandising strategy and supplier relations at GoPuff.

Providing rewards in a difficult economy

(L-R) Fetch’s David Parisi, Gopuff’s Victor Angeline, Fetch’s Robin Wheeler

While the current economy is challenging for brands and consumers, there are ways to make it work. “Tell me as a

customer that you still value and love me, but also you understand my budget isn't what it used to be," said Berger.

For DIG, the company tries to make its approach less transactional. Like when it surprised and delighted guests who loved their cauliflower dish, a rotating menu item. When DIG reintroduced the dish, it contacted past cauliflower consumers, offering a "cauliflower" hat to the first 25 people who ordered one. Activations like this help brands engage their community, beyond points or discounts, Serrano shared.

The future of loyalty

Any brand offering products or services can benefit from a loyalty program, explained Berger.

Serrano agreed. "Loyalty is not a program. It's a business outcome," she said. It's a key indicator of same-source sales growth.

Loyalty and rewards' future also includes artificial intelligence. AI can help brands better understand customer actions. Data and technology typically help start that conversation. "We're able to show them the content they want, and we can reward them with the thing that they actually want," Berger said.

Wheeler agrees about AI's role. "Our rewards programs will be much more productive and predictive in the future, much more nuanced in knowing when and how to interact with the guests, which is going to be fun."

Featured Conversation Leaders

- Robin Wheeler, Chief Revenue Officer, Fetch
- David Parisi, General Manager, Restaurants and Retail, Fetch
- Victor Angeline, Merchandising Strategy & Supplier

Relations,Gopuff

- Jessica Berger, SVP, Innovation,Publicis Media
- Maya Rubalcaba, Marketing Director,Ghost Tequila
- Zoe Ruderman, Chief Content Officer, ADWEEK
- Jessica Serrano, CMO,DIG

Recommended videos

<https://www.adweek.com/brand-marketing/finding-new-ways-to-fine-tune-the-role-of-rewards-in-retention/>