

Living the dream or just dreaming?

A proliferation of Loyalty Programs

Consumer loyalty programs have proliferated as companies compete for new customers and seek to retain customers in an increasingly competitive global environment.

Deloitte considers that airline executives should consider four (4) questions as they design and develop their loyalty programs:

1. Is the program designed as an integrated part of the broader strategy of the airline?

2. Is the program being designed with as deep an understanding of the target customer segments as possible and differentiated from the competition?

3. Is the program maximising the value it delivers to the core airline and to its members? Is this being appropriately monitored and communicated?

4. Is the airline and program leadership enabling the program to be successful?

Is airline leadership committed to enable five success factors?



Operational Alignment

The right incentives for airline staff to deliver on the promise that is made to the program member by the loyalty program.



Operational Integration

Key processes and toolsets deployed in the airline need to be integrated



Customer Insights

The power of data and analytics needs to be realised-generate true customer insights



Business Model Flexibility

Making a clear strategic decision regarding whether or not to have a program and how it is designed.



A Customer Centric Mindset

Appropriate investment in building the capability to utilise the data available to the airline on its customers in more than an operational context.

The airline industry has done much to advance loyalty programs over the decades since they were first introduced and continues to be at the forefront of much of the thinking and innovation today.

Failure to get the design of the loyalty program "right" can mean at best wasted investment and at worst a significant loss in customer loyalty and long term value.

Are you living the dream or just dreaming?

For more information on loyalty programs and customer related service offerings for your organisation visit:

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