

# These are SA's favourite loyalty programmes for 2019/20

Retail loyalty programmes continue to lead the charge when it comes to loyalty programme usage in South Africa. For the third year in a row, **Clicks ClubCard** remains the most used loyalty programme in South Africa, with 71% of South African consumers saying they use it the most.



Image credit: Clicks Group

**Pick n Pay Smart Shopper** and **Dis-Chem Benefit** remain unchanged in holding their positions at 2nd and 3rd place, respectively. The only retail bank to make it into the top 5 most used loyalty programmes in South Africa is **FNB eBucks**. Both FNB eBucks and **Woolworths WRewards** surpassed Edcon Thank U (previously in 4th position), forcing Edcon Thank U out of the top 5 most used programmes in South Africa.

The results are the latest findings of the <u>2019/20 Truth and BrandMapp South African Loyalty Landscape Whitepaper</u>, a comprehensive annual snapshot of the loyalty habits of 26,100 adults, with a gross monthly household income of R10,000 or more.

# Slight decline in loyalty usage

The total number of respondents using loyalty programmes is 72%, representing a slight decline since the previous year. However, it is a 7% points decline in loyalty programme usage since 2017.

Amanda Cromhout, founder and CEO of Truth says, "We conclude that this is intricately linked to overall consumer spend and economic confidence in South Africa. Consumers' loyalty programme usage (in particular in the retail environment) is directly correlated to spend habits, which are under threat due to a more unstable environment."



#BehindtheSelfie with... Amanda Cromhout, founder and CEO of Truth Customer Leadership
Leigh Andrews 12 Feb 2020



# The loyalty programme we can't live without: eBucks

An interesting new insight revealed in the 2019/20 Truth & BrandMapp Loyalty Landscape Whitepaper is the response to the question "which loyalty programme can you simply not live without?" eBucks is the outright winner as results show that 54% of respondents, who are eBucks members, indicate it is their no. 1 programme of choice, over all others.

Results show financial services dominate the top 6 loyalty programmes, where their members claim that the programme is indispensable to them.

#### **Enticing cashback and instant discounts**

The whitepaper deep-dives into which benefits consumers enjoy in loyalty programmes and unsurprisingly, this continues to be dominated by cashback or monetary rewards.

In 2019, monetary related benefits remain more appealing to consumers, particularly in South Africa. In a tough economy, consumers continue to search for monetary value. This is evident in the results showing consumers still prefer cashback (63%) and instant discounts (45%) over any form of VIP treatment, such as priority queues or exclusive experiences.



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Truth and BrandMapp state that they expected to see a shift in consumer preferences towards using an app for loyalty programme identification but, still, 73% of South Africans prefer to use a loyalty card. Twenty-five percent of the respondents prefer using a cellphone number and scanning an app is still not as favoured as swiping a card, with only 23% of respondents indicating this.

## Consumers savvier about personal data

South African consumers are becoming more and more sawy about how they wish their data to be used, if at all. Twenty-nine percent of the respondents state that "they should not be allowed to do it at all." This is a significant proportion of South Africans who feel strongly about personal data usage and the older the respondent, the more passionately they agree with this sentiment.

However, consumers are equally okay with brands using their data so long it results in more personalised and better deals or offers, state 29% of respondents in the survey.



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## How programmes impact purchasing behaviour

In conclusion, South Africans were asked if loyalty programmes actually change their behaviour. An overwhelming 67% of respondents said that they influence where they shop, 38% said loyalty programmes influence what they purchased, 37% claim where they buy fuel is influenced by programmes and 32% are influenced by loyalty in terms of where they bank.

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