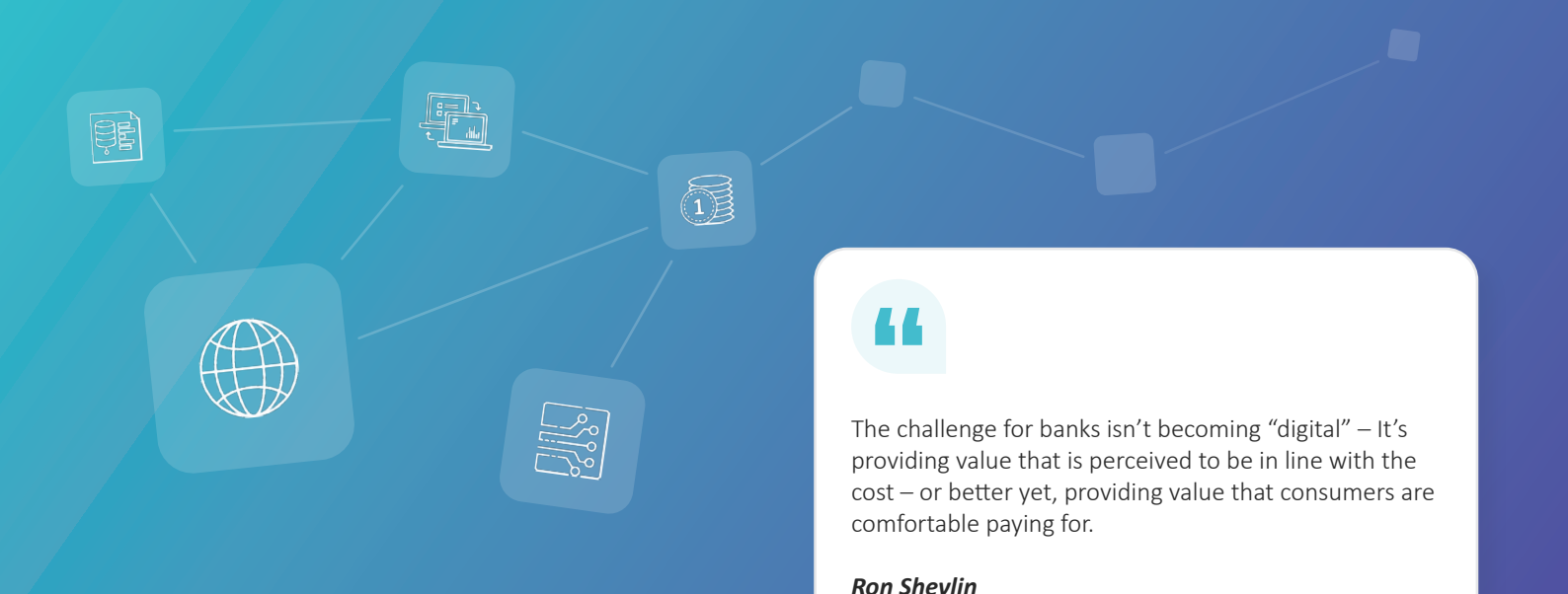




Loyalty in Fintech



The challenge for banks isn't becoming "digital" – It's providing value that is perceived to be in line with the cost – or better yet, providing value that consumers are comfortable paying for.

Ron Shevlin

It's well known that Fintech is one of the fastest growing industry areas in the world, with a 114% increase of active start-ups from 2018 to 2021. Global investment in Fintech companies has risen from 60 billion dollars in 2017 to a pre-COVID peak of 215 billion in 2019.

Given this explosion of financial services solutions available on the market, customer loyalty is more important than ever. A successfully enticing loyalty programme can secure a business' survival in an overly crowded market such as this and, in an acquisition-rich environment, a solid and loyal customer base will also make any business look more attractive. Offering a successful loyalty programme will make your business stand out from the competition, building your USP to inspire your customers and investors, as well as win new business.



One of the spaces most suited to a traditional loyalty programme is the merchant payment industry, especially for those with small/independent merchants in their client base. Frequent but small payments are perfect for a transaction-earning loyalty model.

There is so much opportunity for clients to get value back from their loyalty in this setting. Loyalty in B2B is exciting because you can offer more to help those merchants than just cashback or physical rewards. Being industry experts in commerce, mobile payment providers have the knowledge and best-practice wisdom to help grow their clients' businesses.

If you are involved in a merchant payment programme, here are some loyalty models that can help grow your client base and even increase customer spend by helping to mature their business.



Transaction value points earning

When a customer makes a transaction through the merchant payment system, the merchant earns points. The amount earned scales with value of transaction.



Transaction volume points earning

When a merchant has made X number of transactions through the merchant payment system, they would earn a set number of points, dependent on business size.



Segmented league tables for earning

Introduce competition to your clients by offering entry to leagues with other businesses in same space/industry. These can then be rewarded by either earning X% over an appropriate target or the merchant with highest earn over target wins a bonus reward.

And of course, all of these can be complemented by a tier system, rewarding those that have higher spend or go above and beyond for the business.



Now for the fun part, rewards!

The traditional way to reward in other sectors would be to offer cashback or physical items such as iPads or TVs via services like our RewardStream software. However, working with B2B customers allows you to offer so many more redemption options that can lower costs to your business, increase value for your merchants and remove any potential conflicts relating to regulatory / bribery act issues. Some examples of this include:



Has a merchant earned X number of points?

They gain access to a seminar on growing their business.



Receive X spend volume in X months

Earn exclusive tickets for commerce conferences.



Show significant growth over a set period?

Provide them with additional support from your partner consultants on how to continue that growth!





Merchants with multiple employees?

Provide rewards which the merchant can use to incentivise their own team, effectively helping them to manage their own employee recognition programme.

About the Author



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With 5 years of experience in CX research, Charlie has a passion for ensuring customers get the most out of his programmes. Having always worked on global projects, he enjoys travelling and the challenges of working with different markets.

We love talking about all things loyalty – if you fancy a loyalty chat, we'd love to hear from you!

About Stream

Stream are passionate about loyalty – we are the experts after all!

As a tech-enabled consultancy, we seek to understand your business challenges and your audience and work with you to craft a loyalty solution that delivers value. We are both consultants and implementers and use our extensive expertise and software capability to deliver proven, lasting results.

Loyalty is not 'one size fits all' and our team of commercial experts work to ensure that your loyalty strategy is right for you.

Whether you need to increase revenue, grow breadth of spend, or create a referrer programme, we have the experience to help sculpt the right solution. Our proprietary loyalty software- LoyaltyStream® helps to: retain customers, change buying behaviours, build brand loyalty and drive referrals.

Our LoyaltyStream® software is deployed globally, helping our clients to build trust that delivers brand loyalty and commercial rewards.

We guarantee to be able to help you Keep, Grow and Win customers for life.



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