



## Four Pandemic-Specific Loyalty Rewards



business customers

customer experience

pandemic

**Summary:** Pandemic-specific loyalty rewards are popular. We share four of them to consider for your program.

According to Bain & Co., bumping up customer retention by only 5% can boost profits by 125%! That is a good reason to re-examine your loyalty programs to ensure they are still relevant.

These days, loyalty programs are pivoting to include pandemic-specific customer needs. Instead of a regular shopping or dining discount, some are offering freebies like free delivery instead.

The popularity of loyalty programs has never been higher. A recent study by [daVinci Payments](#) found that 97% of American adults now participate in loyalty programs. Furthermore, another study found that nearly nine out of 10 bank customers in the US and Canada expect some kind of reward for their business, and 70% would consider switching banks based on the offered rewards.

With that much customer attention focused on rewards, it makes sense for community financial institutions (CFIs) to try to harness that sentiment. We have four possible rewards to share.

1. **Free deliveries.** Say you have a loyalty program that gives restaurant discounts. That's fine when people are dining out. But closures have limited dining options, and many people remain skittish about dining out. So, a CFI could add a twist by offering coupons for free restaurant deliveries. CFIs could contact meal delivery services and offer reward points that can be redeemed for restaurant or grocery deliveries. With winter approaching and COVID cases again on the rise, sheltering families might welcome rewards for meal deliveries.
2. **Free masks and hand sanitizers.** Since many people are still using face masks and hand sanitizers, some of your customers will likely be happy to receive them free of charge. Drive-through branches could easily provide them to loyalty program customers and you could also thank customers with these necessities as they enter the branch.
3. **Food donations.** Another option is to rack up points that translate to donations to food banks. Food banks regularly partner with grocery stores to gain donations at the checkout counter. CFIs could similarly partner with food banks and offer customers the option of earning points that go toward donations. As the donations roll in, the CFI could promote the amount contributed, thus encouraging more participation. Food banks could certainly use the help. The point is building loyalty with customers by offering benefits that are important to them and the broader community.
4. **Rewards for coins.** Some institutions have found one-off ways to reward customers during the pandemic too. One CFI in WI used the coin shortage in its rewards program in July. This institution offered gift cards for use at local businesses to customers who exchanged coins for paper bills. That program not only rewarded customers but also helped local small businesses, some of which were no doubt customers of the bank.

These pandemic-specific loyalty program ideas could go a long way toward building brand loyalty not just today, but long after the pandemic.

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