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News |

Consumer loyalty on the rise: 91% of UK public engaged in loyalty schemes

The Gift Card and Voucher Association reports that supermarkets and coffee shops lead the way in loyalty programme engagement

Douglas Blakey | June 7, 2024

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Some 91% of the UK public are now actively involved in loyalty programmes according to research from The Gift Card and Voucher Association (GCVA). It says there is evidence of rewards schemes reflecting a broad appeal across different demographics and income levels.

94% of those aged 66 and over are engaged in at least one scheme. Meantime, 81% of young adults between 18 and 25 are similarly engaged.

Schemes also appeal to those on both high and low incomes. 96% of those with a household income of over £75,000 are actively involved in such schemes says the GCVA.

“This high engagement rate underscores the effectiveness and widespread appeal of loyalty programmes,” said Dr Hannah Shimko, Director General at GCVA.

“Our findings indicate that consumers across all demographics are recognising and valuing the benefits provided by these schemes.”

88% of UK consumers use supermarket loyalty programmes

The GCVA also identifies sector-specific opportunities where loyalty programmes are particularly effective. Supermarkets lead the way, with 88% of consumers using loyalty schemes for their essential shopping needs.

Coffee shops and cafes also see substantial engagement, with 35% of loyalty scheme users enjoying rewards alongside their regular coffee purchases.

Other sectors showing significant engagement include travel and airlines (25%), health and beauty (22%), and restaurants and food delivery services (20%).

“The high engagement in supermarkets and coffee shops illustrates where consumers are most actively participating in loyalty schemes,” added Shimko.

“Businesses in these sectors, as well as those in travel, health, and dining, can leverage these insights to refine and expand their loyalty programmes, driving greater customer retention and satisfaction.”

Gift cards: flexible, reliable and convenient says GCVA

On the other hand, the GCVA flags up data that consumers often find these programmes complex and difficult to use. This can diminish their effectiveness. Additionally, concerns about data privacy and the perceived value of rewards can hinder consumer trust and engagement.

“Gift cards present a powerful solution to these common issues. They offer a straightforward, easy-to-understand reward mechanism that simplifies the process for consumers. The flexibility and reliability of gift cards ensure that rewards are both valuable and convenient. It addresses the complexity and scepticism that some loyalty schemes face. By integrating gift cards into their loyalty strategies, businesses can enhance user experience, build trust, and ultimately drive higher engagement and satisfaction.”