

# Loyalty Program Marketing 101

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Some powersport dealers regard their rewards programs as “set-it and forget-it” experiences, hoping customers will eventually catch on to the benefits. But did you know that a rewards program, such as our Rider Rewards loyalty program, is an effective marketing tool with endless capabilities that works for you in absolutely incredibly ways? It is!

As a matter of fact, rewards and loyalty programs create the most ROI when they benefit as many customers as possible in multiple aspects beyond regular purchases. In this blog, let’s get creative and explore your rewards program as a marketing and sales tool!

## The “Double-Point Day”

If you have a simple-to-understand, point-based rewards system set up to give “one point for every dollar spent” (like we recommend), reward points can be easily leveraged to incentivize customers. People are generally motivated to accumulate as many points as possible to receive their next reward, and they will change their behaviors to meet their goals. It becomes fun activity they can invest in, and customers feel special when they have earned enough points to be redeemed.

Knowing the basic psychological principles, we can design specific events involving reward points. So, our first big tip is to have at least one “double-point day” a week for your entire store. If you can’t do that, have it be once a month—but whatever you do, be consistent. Also, we recommend running it on your slowest day (perhaps a Monday or Tuesday) to encourage more people to shop when you need the business.

You’d be surprised how good this can work; some of our dealers have even reported a 25% or more traffic increase during their new double-point days. Yet, the rewards marketing doesn’t end here—let’s see what we can do in specific departments.

## Parts, Clothing, and Accessories

This is by far the biggest first step in your marketing, and it doesn’t cost you a thing: Ensure your entire front-line staff can quickly and confidently summarize your loyalty program and its benefits to customers. Personal interactions create the strongest impressions!

Secondly, we highly recommend supporting your program with signs, counter-top mats, brochures, fliers, stickers, business cards, bag stuffers—something, anything—to create immediate awareness. Show customers you are invested in their loyalty. POP materials will go a long way to support your employees, as well.

This is all very important as customers will quickly judge if your rewards program is worth their effort; they may already have several loyalty memberships with other businesses. People often have to perceive tangible, within-reach values to view your program as anything more than a gimmick. So, at the very least, make sure your staff knows how many points it takes for customers to start seeing redeemable benefits—it’ll go a long way to help stop discounting practices.

## Major Unit Sales

Are you signing up every new vehicle customer to your reward program? You should! These customers are most likely to become your latest advocates and loyal spenders.

As part of the sales process, giving a customer a branded reward card/key tag and adding a few hundred points to their account establishes the importance of the loyalty program with your new rider. It also reinforces the idea of a continued relationship with your store, it makes customers feel special, and encourages them to come back soon.

Whatever amount you decide to give customers for purchasing a vehicle from you, make sure it's enough for them to cash out at least your lowest reward during a future visit. Even if it's just ten dollars, they'll want to use it as soon as possible.

## Service

Having an award-winning service department is something a rewards program can help you accomplish. So, make sure your service writers remind customers about your reward point benefits!

In a recent survey we did in conjunction with one of our Harley-Davidson dealers, 83% of customers reported that "earning points for regular maintenance and repairs" was "extremely important" to them. This means your loyalty program can be a big deciding factor for where customers decide to service their vehicle; make sure people know they will earn points in your service department!

Also, allow your service manager the ability to compensate customers with extra points if there are unexpected delays or misunderstandings over work orders. It can mean more than just an apology, and be more affordable than lowering the final price. A customer might even be more appreciative that they can choose when and where to spend those extra points, giving them control over the situation.

## Marketing Ideas

As we have talked about in previous blogs, finding the balance between keeping current customers and gaining new customers is part of a good marketing plan. Well, a lucrative yet simple rewards program can attract new customers and keep them coming back. So, here are just a few things you can do to support and engage them:

- Organize and promote a special event to launch your loyalty program in a big way and sign up hundreds of people.
- Have an exclusive monthly birthday event for rewards members. How about an early pancake breakfast?
- If you have a H.O.G. chapter or other riding club, give members more points per dollar spent or award them extra points for attending meetings and going on rides.
- Create more double-point days just for the service department during the slower winter months.
- Give bonus points to the first 20 customers on the 20th of every month.
- Stuff scratch-off tickets in customers' bags. They could randomly win bonus reward points from their recent visit.

- Have exclusive, convenient parking spaces for reward members.

These are just a few of the endless ways you can use your rewards program as a marketing and sales tool. I hope that we have at least given you some ideas to inspire your creative thinking. Although, your staff is going to be one of your most effective marketing sources, so make sure to get them on board! Your most loyal customers will love you for it, and new customers will want to be part of the excitement.

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## Final Tips

We have found that our most successful dealers in terms of ROI—no matter how much they promote their rewards program in-store or online—sign up as many customers as possible every day. Ask everyone if they're a member during check-out. If they don't have a card, make sure you sign them up on the spot. (All counter staff should know how to do this.)

Make sure your reward program has a dedicated webpage; it should also be listed on your homepage prominently. Customers should know how to become a member, what the benefits are, and how the official rules work.

Promote! Promote! Promote! Mention your rewards program in all your advertising mediums. Use exclusive text clubs, direct mail, Facebook, Twitter, e-news blasts, website event calendars, radio stations, YouTube channels, Instagram, or whatever methods your customers prefer to be notified. Remember, if your loyalty program seems important to your dealer, it'll become important to everyone else.

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