

## Organisations Wasting Billions on Customer Loyalty Programmes That Do Not Work in Singapore Like They Used To, Accenture Strategy Study Finds

Accenture Strategy unveils the new 'languages of loyalty' driving customer relationships in the digital age

**SINGAPORE;** 20 February, 2017 – Organisations are wasting billions each year on customer loyalty programmes that do not work in Singapore like they used to, according to new research from [Accenture Strategy](#). With millions of loyalty points sitting dormant and the majority of Singapore consumers (80 percent) retracting loyalty at profit-crushing rates, organisations must pay attention to the new factors driving customer loyalty in the digital age or risk losing customers for good.

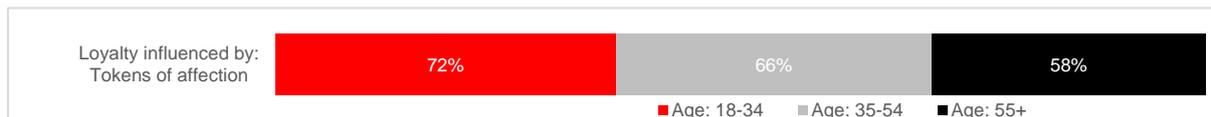
The [Accenture Strategy](#) report, *'Seeing beyond the loyalty illusion: it's time you invest more wisely'*, gauges the experiences and attitudes of 25,426 consumers around the world, including 360 Singapore consumers, about their loyalty relationship with brands and organisations today. The report found that 62 percent of Singapore consumers have switched provider in the past year, and nearly a quarter (24 percent) confirm their expectations around brand loyalty have completely changed. The report also identified five new factors influencing loyalty today.

“New ‘languages of loyalty’ have emerged, driven by brands experimenting with creative digital experiences, which have changed the dynamics of customer loyalty today,” said [Alison Kennedy](#), managing director, ASEAN at [Accenture Strategy](#). “Every consumer has a natural instinct around what makes them ‘stick’ to a brand. The traditional ‘low price’ and ‘reliable service’ mechanics are no longer as effective at driving loyalty. With 64 percent of Singapore consumers spending more with the brands they love, organisations that stick to traditional approaches and don’t explore the new drivers influencing loyalty risk draining profitability and pushing customers away – even when they have the best intentions or are following their historical playbook. It’s time for organisations to take a fresh look at loyalty.”

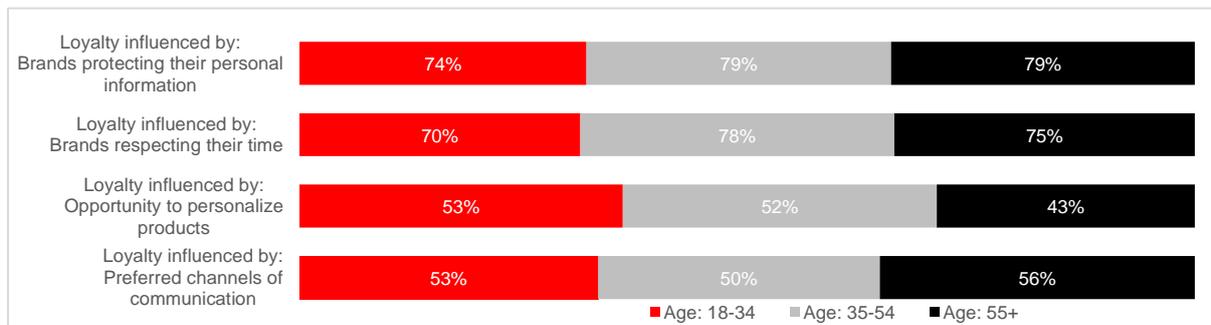
### The new languages of loyalty

Accenture Strategy has identified five languages of loyalty which are driving customer relationships in the digital age, particularly among Singapore millennials:

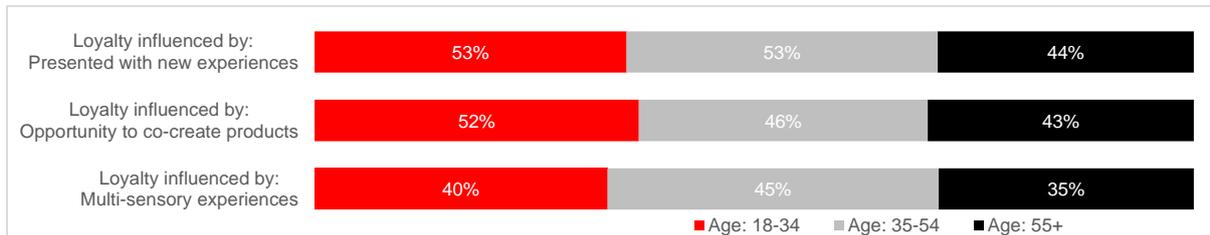
1. **‘Tokens of affection’** – Sixty-six percent of Singapore consumers feel loyal to brands that present them with small tokens of affection, such as personalised discounts, gift cards and special offers to reward their loyalty.



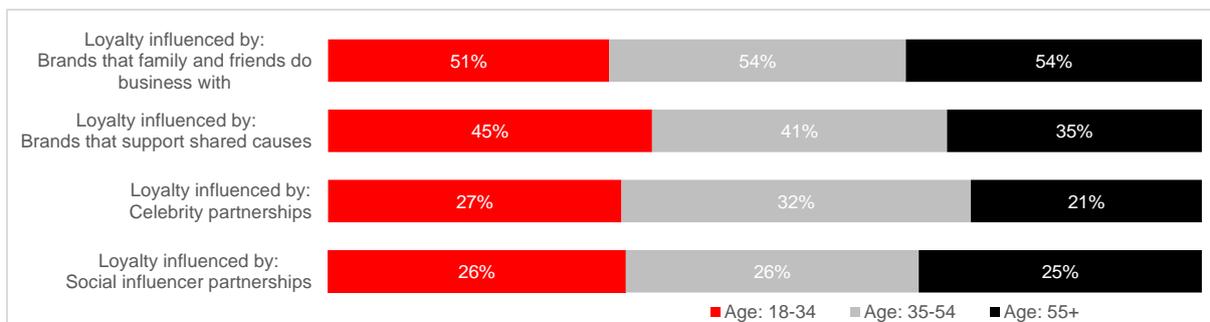
2. **‘Get to know me’** – Fifty percent of Singapore consumers are loyal to brands that offer them the opportunity to personalise products to create something that is bespoke to them. Fifty-three percent are loyal to brands that interact with them through their preferred channels of communication. Seventy-four percent feel loyal to brands that are there when they need them, but otherwise respect their time and leave them alone. Furthermore, 77 percent are loyal to brands that safeguard and protect the privacy of their personal information.



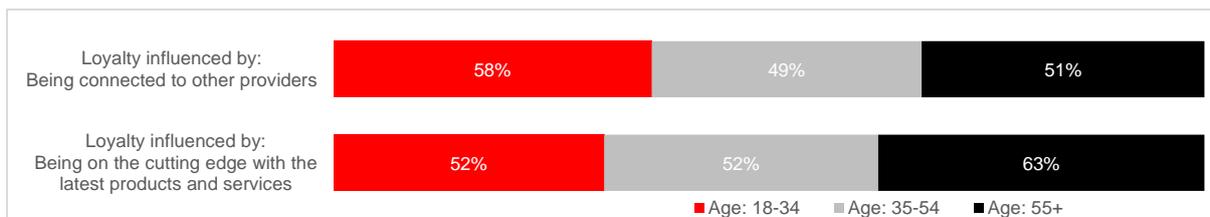
3. **‘Thrill seeker’** – Forty-eight percent of Singapore consumers are loyal to brands that actively engage them to help design or co-create products or services. Just over half (51 percent) are loyal to organisations that present them with new experiences, products or services. Furthermore, 41 percent are loyal to brands that engage them in ‘multi-sensory’ experiences, using new technologies such as virtual reality or augmented reality.



4. **‘If you like it, I like it’** – Twenty-eight percent of Singapore consumers are loyal to brands that partner with celebrities, and another 26 percent feel loyal to organisations that partner with social influencers, such as bloggers and vloggers. Fifty-three percent are loyal to brands that their family and friends do business with. Furthermore, 41 percent show loyalty to brands that actively support shared causes, such as charities or public campaigns.



5. **‘Hook me up’** – Over half (fifty-three percent) of Singapore consumers feel loyal to brands that connect them with other providers, giving them the ability to exchange loyalty points or rewards. Likewise, 54 percent are loyal to brands that keep them on the cutting edge by consistently offering the latest products and services.



“Organisations need to understand the loyalty languages of their most profitable customers and implement the optimal mix to ensure they’re delivering the experiences that drive advocacy, retention and growth,” added Kennedy. “An appetite for extra-ordinary, multi-sensory experiences, hyper-personalisation and co-creation, are changing consumer dynamics around loyalty and forcing brands and organisations to shift their approaches and programs.”

Additional Singapore consumer findings from the report include:

**Fight for loyalty:**

- Twenty-one percent of Singapore consumers currently have a negative or non-existent reaction when brands try to earn their loyalty.
- Another 22 percent think brands should do everything possible to earn their loyalty.

**How consumers express loyalty:**

- Almost half (48 percent) of Singapore consumers express loyalty by recommending the brands and companies they love to family and friends.
- Forty-three percent increase the level of business they do with the brands and companies they love.

For further information on [Accenture Strategy's 'Seeing beyond the loyalty illusion: it's time you invest more wisely'](#) report, please visit: [www.accenture.com/GCPRloyalty](http://www.accenture.com/GCPRloyalty). Join the conversation at [@AccentureStrat](#) #GCPR #loyalty

#### **About the research**

[Accenture Strategy's 'Seeing beyond the loyalty illusion: it's time you invest more wisely'](#) report is based on the findings from its twelfth annual Global Consumer Pulse Research. The report gauges the experiences and attitudes of 25,426 consumers around the world about their loyalty relationship with brands and organizations today. The survey includes online responses from respondents in: Denmark, Finland, Sweden, UAE, Thailand, South Korea, Singapore, Norway, Mexico, Malaysia, Ireland, South Africa, Russia, Argentina, Turkey, Poland, Philippines, Netherlands, Belgium, Czech Republic, India, Indonesia, France, Germany, Japan, China, Brazil, Spain, Canada, Australia, Italy, United Kingdom and the United States. The survey was fielded in July and August 2016.

#### **About Accenture**

Accenture is a leading global professional services company, providing a broad range of services and solutions in strategy, consulting, digital, technology and operations. Combining unmatched experience and specialized skills across more than 40 industries and all business functions – underpinned by the world's largest delivery network – Accenture works at the intersection of business and technology to help clients improve their performance and create sustainable value for their stakeholders. With more than 394,000 people serving clients in more than 120 countries, Accenture drives innovation to improve the way the world works and lives. Visit us at [www.accenture.com](http://www.accenture.com).

[Accenture Strategy](#) operates at the intersection of business and technology. We bring together our capabilities in business, technology, operations and function strategy to help our clients envision and execute industry-specific strategies that support enterprise wide transformation. Our focus on issues related to digital disruption, competitiveness, global operating models, talent and leadership help drive both efficiencies and growth. For more information, follow [@AccentureStrat](#) or visit [www.accenture.com/strategy](http://www.accenture.com/strategy).

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#### **Contacts:**

Hui Luen Lien  
Accenture  
+65 6410 8790  
[Hui.Luen.Lien@accenture.com](mailto:Hui.Luen.Lien@accenture.com)

Grace Chew  
Burson-Marsteller for Accenture  
+65 6671 3231  
[Grace.Chew@bm.com](mailto:Grace.Chew@bm.com)