

MOBILE LOYALTY + THE CONSUMER EXPERIENCE:

4 REASONS WHY CONSUMERS PREFER CARDS

SECURITY

Fraud within loyalty programs exists, but with mobile apps, this concern increases. There are a number of ways that cybercriminals can obtain consumers' loyalty program information and steal their earned points and, if linked to a credit card, payment information.



PRIVACY

One retailer that had adopted a 100% mobile-based loyalty program is now beginning to offer loyalty cards again. Why? In order to access the program during the checkout process, customers had to verbally provide their phone number to the cashier. To some, this felt like an invasion of privacy, and to others, they simply did not want to provide their phone number fearing it would be used for telemarketing purposes.



CONVENIENCE

There can be many steps in using a mobile loyalty app – unlock phone, open up app, open app menu, select the program that will display a barcode or coupon, scan barcode/coupon. With cards, just three steps: open up wallet, obtain card, and scan. And since consumers have been slow to adopt mobile payments, wallets with cards and cash will still exist for some time to come.



RELIABILITY

Let's face it, technology does not always work. Add a few metal-framed walls and the competition of several phones in a small space and your phone can become useless. Consumers want to know that their loyalty program is going to be accessible at all times and a mobile app cannot guarantee this, but a card can.



Smartphones were created to replace everything - - books, cameras, radios, and, yes, even loyalty cards. But how many apps can one consumer reasonably manage? How many are forgotten about? And is your loyalty app one of them? Despite the allure of technology, consumers are not as enamored with mobile loyalty as you may think.