Loyalty program

Loyalty programs are valuable tools for building customer loyalty. The programs that are developed by conducting market research and after considering customers preferences have a high probability of success. The airline loyalty program used by has a positive impact on targeted customers and is a practical tool for enhancing the performance of the company.

The reward programs such as discounted deals for regular travelers are a good example of the loyalty program. Airlines and hotels use the concept of the token economy as a loyalty program. Point system is another common feature used by the airlines and hotel industry. Loyalty is given to the premium customers who are regular users of the service.

Customers experience plays a central role in loyalty programs. Companies have to pay a high cost for maintaining brand loyalty. Service quality and customer satisfaction are two significant factors that derive returns for companies.

The overall analysis of the loyalty programs depicts that they can be effective tools for grabbing customers if the airlines or tourist industry make the best use of it. I realized the practical impact of the loyalty program during my airline travel. Frequent flyer program is also used by the airline companies that allow customers to avail rewards. Customers satisfied with the rewards are more likely to reuse the service. The points offered by the airlines can be used for shopping, hotel stays or for flight price. The points depend on the amount spent on the flight. Higher amount means higher price. I think these programs can be effective if the companies target customer preferences. Market research can give a better idea of what appeal to customers. Perks like extra luggage, hotel, car rentals, and first class upgrades are strategic tools for increasing customer base.