

# The evolution of loyalty programmes and how this will include End-to-End travel



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Loyalty programmes have a long and rich history dating back many years and across multiple industries. While there's no one way to define loyalty, one point is true for any brand, it means repeat business, which helps keep companies profitable. In fact, according to a recent survey, 46% of consumers state that loyalty programmes hold far more value than they did in the past . With customers now having more options than ever and more than 50% willing to switch providers to get a better offer, package, or price, it is essential for travel companies of all sizes to find ways to build stronger relationships with their customers and loyalty ecosystems have a role to play as the journey integrator which can provide maximum choice and flexibility for customers and will ultimately keep them coming back for more.

### The travel ecosystem must come together

Partnerships are the backbone of many effective loyalty programmes and are fundamental for success by extending the reach of the programme beyond the boundaries of the brand. End-to-end travel is an extension of the partnership model with a specific focus on building an ecosystem around travel journeys. So how can travel providers work together in the future. Joining forces could be beneficial for all areas of the travel industry.

Airlines could provide a service combined with rail that would be more convenient for their customers and extend their reach making it easier to book travel on a wider set of routes.

For rail companies, extend their reach replacing a domestic flight or drive. This is especially true if they offer discounts on partner airline flights or overnight stays at partner hotels expanding the scope of train stations to act as travel hubs.

Hotel chains have already been working together with airlines to provide end-to-end travel solutions for their customers. Joining forces with rail and airlines in a single offering may allow them to offer even more attractive packages while still maintaining brand exclusivity on accommodation and hotel specific travel experiences (such as spa treatments).



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Finally travel experience providers can participate in the end-to-end travel ecosystem providing ancillary products and services that reduce the friction of travel for the consumer while gaining access to the large customer bases of partners in the travel ecosystem.

They all gain valuable information about their passengers' travel preferences that could help them provide better services in the future. They also benefit from the shared pool of customer data from new end to end loyalty program.

## End-to-end travel is coming

The next wave of frequent traveller loyalty programs will be end-to-end travel. These programmes will enable a single experience for a customer to interact with numerous brands across their entire travel journey, combining multi-mode travel and multiple travel experience service providers, all within the context of a single loyalty programme, rewarding them for using each of the partner products in the travel ecosystem.

The concept of "loyalty programs" today provides an incentive to make a determined choice about which brand to travel with and stick with that company to build status and earn rewards.

In the future, the idea behind end-to-end loyalty programs will move from rewarding users for spending money with multiple brands and schemes to rewarding interaction with one individual brand within their travel ecosystem (spanning multiple brands in partnership) for all elements of their travel journey. The programme will act as the orchestrator of an integrated travel experience, and the reward will be the incentive to choose the ecosystem over buying the component parts individually.

## Many Factors to consider when implementing end-to-end travel

There are many businesses involved in making this work, and each one has its own motivations and interests. A travel loyalty program wants to retain customers increase spend and share of wallet, but it can only offer compelling rewards if there are enough passengers using the programme for them to fund new benefits. The traveller needs a seamless experience across all modes of transport and touchpoints to make travel easy – an experience that caters specifically to their needs and expectations.

This is no small task to make this work for the consumer. In order to build an experience that customers will want to use repeatedly there are huge challenges related to real time integration, data sharing policies, aligned data consents, and most importantly building a seamless UX that makes it EASY for the customer to make a purchase., As travellers demand more control over their own travel experiences the need for end-to-end travel loyalty programs will increase and they will certainly become more common going forward as the loyalty programme is best suited, with its access to data, preferences and customer consent to enable the insight to make this opportunity viable.



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## Success will benefit the whole industry

A satisfied customer is a repeat customer, and in the current climate this has become more vital than it ever has been before. A loyalty program will be most effective when customers are given more choice and have an easier time adapting to changes in their travel patterns. This will result in stronger performances through marketing strategies as these will be tailored to the needs of individual customer instead of a broad audience. Those who succeed in building an end-to-end travel ecosystem will benefit from increased customer trusts, and in turn an increase in the amount of useful data they are able to derive from each customer, in turn enables more sophisticated analytics to be carried out and creates a virtuous circle that is reinforced with better targeting and personalisation, every time the customer transacts – elevating the experience with the brand.

Implementing a programme such as this will require effort and time, but progress is being made on all fronts. Technology continues to improve; government agencies recognise end-to-end travel as an opportunity for economic growth; and consumers are ready for change. These experiences continue to become more convenient, personalised, affordable, and enjoyable.

When consumers are able to seamlessly book travel from start to finish with one platform or service this will lead to a seamless experience. Preferences are respected and plans come together before customers even set foot at the airport or hotel.

In conclusion, end-to-end travel is one of the biggest opportunities in travel today. It's no longer enough to simply sell a flight or hotel room. Travel providers need to find ways to make their passengers feel like they are getting a complete experience. This means offering more than just loyalty points or discounts on future trips—it requires that all elements of a trip working together seamlessly, so that travellers never have to worry about anything other than loving their journey.



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