

# How Blockchain-based Loyalty Programs Impact ROI

## Three Ways Blockchain-based Loyalty Programs Impact Your Bottom Line

From streamlined customer experiences to intuitive dashboards and interfaces, the benefits of block-chain based loyalty programs aren't hard to understand from a user perspective. But how exactly can it impact the bottom line? Here are three ways block-chain based loyalty programs benefit ROI.

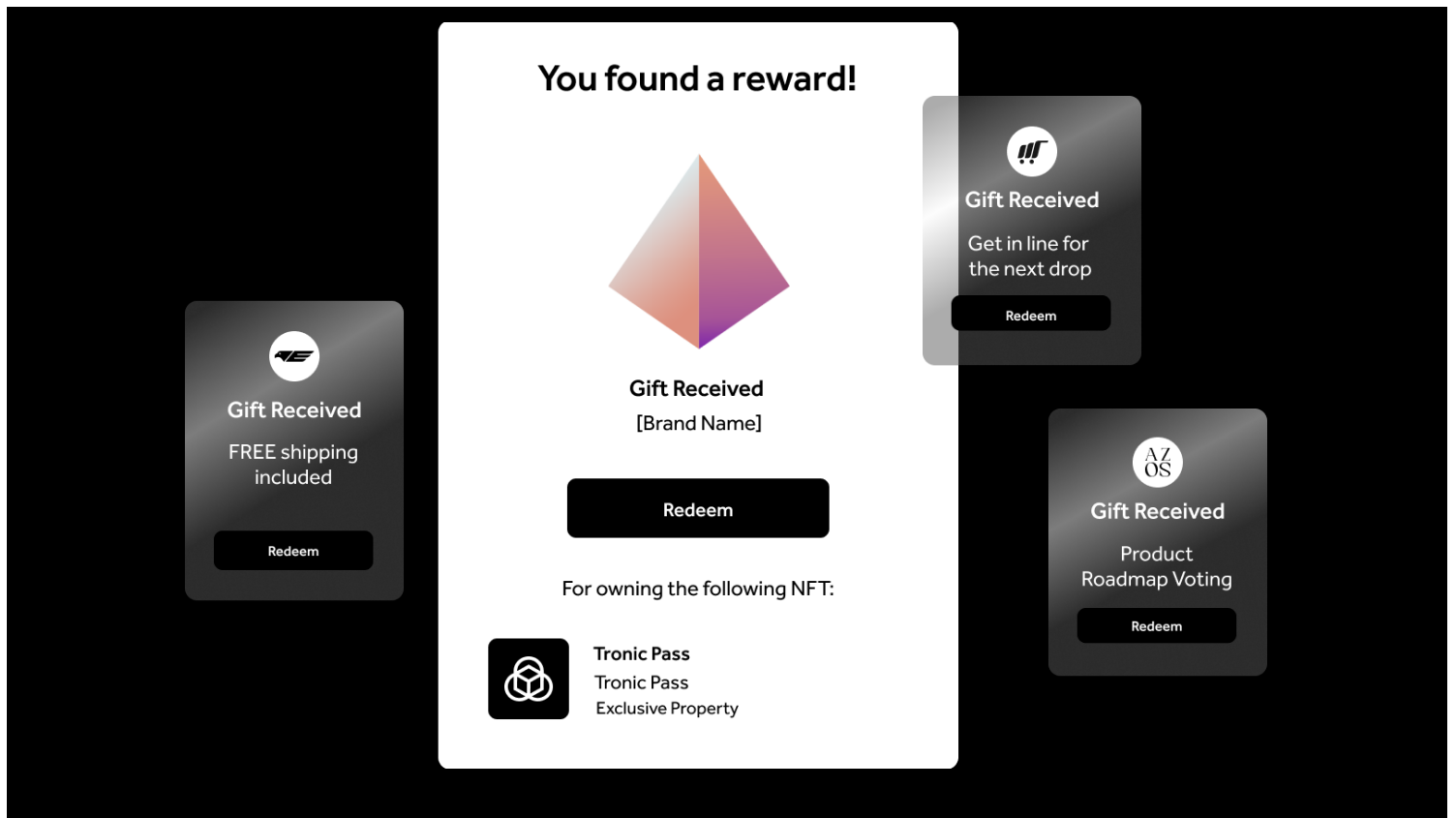
### #1 - Increase membership base and engagement with hyper-personalized rewards.

They say 80% of revenue comes from 20% of customers. Why not engage those customers with dynamic, hyper-personalized offers that provide real value to customer loyalty? Here are a few examples we've seen clients use blockchain offers to engage customers:

**Alumni associations:** Offer event tickets, networking opportunities, mentorship programs, and exclusive merchandise or travel packages for the most engaged and highest-tier members. Blockchain tokens can represent different membership tiers and the access or benefits each tier provides. As members engage more with the association, they can earn more tokens to advance to higher membership tiers.

**Apparel brands:** Offer exclusive, limited-edition items of clothing or accessories as rewards for their highest-spending or most loyal customers. As customers continue to shop with the brand, they can earn more tokens to gain access to additional exclusive items and events.

**Fitness brands:** Offer custom perks based on activity or location, or even cross-sell partnership opportunities with popular fitness brands like F45, Nike, and more.



## #2 - Grow sponsorship partners and revenue through network effects.

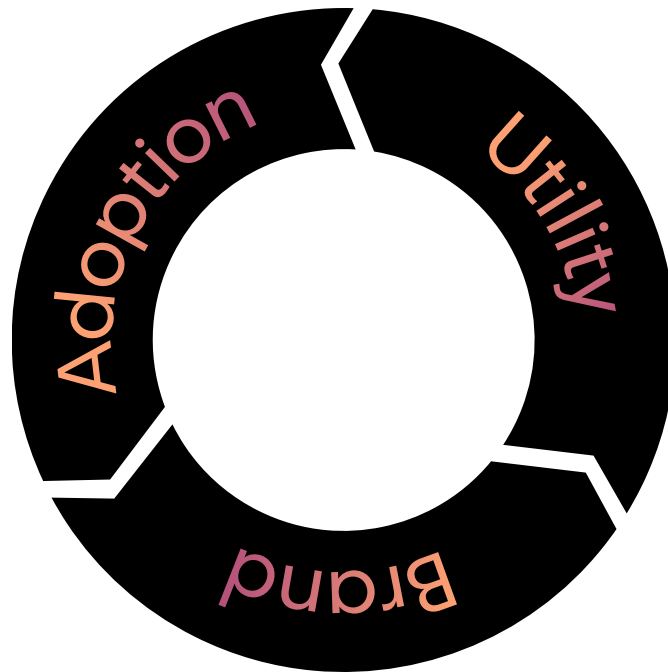
Over time, your blockchain-based loyalty rewards program will create what we call an incentive-loop flywheel. This is an ongoing cycle of creating offers to attract new members and generate interest, converting those members by having them sign up or purchase the offer, delivering valuable benefits and an excellent member experience to those who have converted, and then creating new incentives and offers to further engage those members. This flywheel also involves identifying new cross-sell and up-sell opportunities to provide additional value to members while also increasing their lifetime value.

The key to success with this flywheel is to consistently optimize each stage of the process. Offers should be tailored to match the interests and needs of your target audience. The conversion process needs to be seamless and frictionless, as does the member experience in order to retain members and keep them engaged. Incentives and new offers should be highly relevant to members and enhance the benefits they are already receiving.

When done right, this incentive-loop flywheel results in a virtuous cycle where more members and more engagement leads to more opportunities, which then brings in more members. Optimizing the flywheel and keeping it spinning is critical to growth and success.

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### #3 - Create custom brand collaborations.

Blockchain-based membership tokens can represent access to a network of rewards and benefits across different brands and platforms. These digital tokens could take the form of art, graphics, or other media. They enable brands to market to community members in a more personalized, peer-to-peer way by making the brands part of the community rather than just advertisers. The blockchain would provide a permission-less, decentralized environment for this kind of network.