

TADA



**How to build
a rewards
program in
Automotive.**

Did you know that automotive businesses are suitable for reward giving programs?



HIGH SENSIBILITY INDUSTRY

Automotive is a high sensibility industry, means that the buying process and purchase decision are made after one great consideration to suit all of one's physical tastes and practical needs. A loyalty program ensures customers to have first-hand trial experience to help them choose which products to buy.



PRONE TO REFFERALS

Automotive experiences are frequently discussed and shared amongst specific groups of automotive connoisseurs. This makes the probability of referrals even higher with some incentives to do so.



HIGH CUSTOMER RETENTION RATE

Once the customers are happy and have strong bonds with certain automotive brands, they tend to be repeat customers. Some form of reward programs can create even stronger bonds with customers to make them hooked for life.

It is a fact that one of the biggest spending percentages of average individual's yearly income goes to automotive-related products, where fulfillment of the brand remains a top-deciding factor. That's why it is important for the automotive company to gain customers' respect and trust to make them choose your brand over the others' for a long run.

A loyalty rewards program is a perfect way to encourage customers not only to choose your products but also to build a sense of fidelity as a way to promote your brand to the other customers through referrals. In this guide, you will learn how to capture more revenue and expand your reach through loyalty.



Low Competition



High Competition

The automotive industry is one of the most competitive industries out there because automotive products are prone to dynamic personal choices of the customers that keep on changing continuously. The high sensibility industry and referrals rate have made the acquisition costs soaring high. A rewards program supports your retention efforts and drives down your acquisition costs.

Congratulations!



**Your brand is perfectly suitable
to capitalize on the benefits of
a loyalty rewards program.**

Program Strategy



Automotive companies face a number of various challenges. One of it is how to make better innovation to meet customer needs. A demand for customization and greater customer intimacy is growing rapidly and automakers are challenged to find new ways to get closer to the customers while maintaining profitability. This means that you need to make your revenue by combining each of the customers' needs and their reliance on your brand that can be done by gaining customers' trusts and loyalty that can affect their preferences of what automotive products to buy and get them to come back and buy from you again.

A rewards program encourages your customers to both give their trust to you and keep on returning to buy more of your products. First hand experience offerings and points for every automotive products

purchase make your customers feel specially treated that is crucial for them to choose your brand. When a customer feels a special bond and satisfaction with your brand, they are less likely to switch to a competitor.

You can also use your rewards program to create a customer community, which is important for the spreading of good reviews of certain products. One of the main reasons a buyer is willing to spend his money on your automotive products is because he heard good reviews of someone from a trusted community that has already tried the products first. This is a good mean to promote positive experiences others have had and you can ensure a real first-time trial experience that happens with points.

A reward program is the best way to gain your customer trusts and loyalty to your brand!

Program Objectives



ACQUIRE

You already have some profitable customers, but it's always great to have more! Providing potential customers with a loyalty program that offers clear value will separate your brand from your competitors. Getting more bang for your buck is always attractive and demonstrates a commitment to excellent customer service.

RETAIN

Once you've got your customers hooked, it's important to ensure they stay there. Developing a reward program that recognizes the longevity of your customer's spending habits is vital to keeping them engaged and satisfied with your products and services. Offering multiple ways to earn and redeem rewards will make your program more enticing, and keep more shoppers actively engaged.

NURTURE

Brand advocates are essential tools for promoting your business, but they're not always easy to come by. Rewarding your customers for both sharing about their experiences with your products and referring friends to your business is an excellent way to develop a relationship with your key customer base. By actively investing in this relationship, you'll be building trust with your customers that can't be outbid by competitors who offer nothing more than a low price.

Outlining the purpose of your program will allow you to better track success and make valuable changes later on.

Let's talk automotive specifics & recommendations.



VOLUME-BASED REWARD

Automotive industry is all about building a strong bond with your customers. Your program should reward people for spending more with you and for bringing in repeat business, that's why volume-based reward is the best way to do the accumulation. As a good example, reward your customers by giving them a free oil change service after they've paid for three oil changes. They'll come back for more!



BUILD A COMMUNITY

A community helps maintaining a good relationship between customers and the brand itself as a mean for customers of certain automotive products to engage with each other and put a bigger trust to the brand. Few of the best ways to do this are by organizing regular meetings of customers that own certain car type of the brand and rewarding them with benefits that encompass lifestyle offerings for the car owners.



REWARD FOR NEWSLETTER SUBSCRIBERS

Get your customer to subscribe to your company's digital newsletter has many benefits especially to expand your business network. Customer who refers friends and relatives or who gets special code after purchasing products from your company will be rewarded by various first hand trial experiences.



TRANSFERABLE REWARDS BETWEEN PRODUCTS

As in, better be not associating a specific product for the rewards. Rather, associate it to the customers and their household. The flexible loyalty program will encourage buyers to shop in more amounts from your company because one reward can be implemented in various products that they've purchased. Bottom line? Flexible rewards = more amounts of products sold.

We've helped many automotive brands grow their business with rewards, including these amazing brands:



Here is what your rewards program should reward points for:



Earning Rewards

POINTS PER PURCHASE

How does it work?

Customers will earn a certain number of points (or rewards currency) for every rupiah they spend or transaction they complete.

Why is this effective?

This type of reward is effective because it encourages members to perform the most valuable action on your site, making a purchase! The amount of points you offer will vary depending on your margins and what your direct competitors are doing.

SOCIAL REWARDS

How does it work?

Customers are rewarded points for subscribing to your company's newsletter and social channels. They will also be awarded points for referring friends and relatives and sharing your brand to their social networks.

Why is this effective?

One of the factors that make one automotive company strives high in business is because they create friendly networking with their customers. The best way to broaden this network and attract more potential buyers is by making your loyal customers to refer your company to their social networks and gain trust based on real experience.

VOLUME-BASED REWARDS

How does it work?

Customers are given rewards based on the accumulation of actions they've taken. The most effective way to encourage customers in buying your products or using your service is with accumulated rewards earned. The more the points, the closer you are to free product or service!

Why is this effective?

Volume-based rewards allow your loyal customers to feel privileged and appreciated while still appealing to first time or persuadable customers. Whether they're new or regular customers, they all will be given chance in indulging of free products and services that makes a lasting impression.

Having multiple ways to earn rewards makes your program more engaging, which ultimately makes it more profitable.

Now for the fun part: redeeming rewards.



Redeeming Rewards

DISCOUNTS

How does it work?

The following discounts and price-offs are great rewards to consider when designing your rewards program: fixed discount for automotive parts (rupiah or percentage off) and price-offs for automotive services.

Why is this effective?

Customers always appreciate being rewarded with rupiahs off or a promised discount in the future because it reinforces their decision to make purchases of your products instead of someone else's. This method of redemption is also very easy to explain and even easier to understand.

PERKS

How does it work?

These rewards offer customers access to exclusive products and services after they do purchasing actions for certain levels. Some examples include test-driving new cars, access to special events (product launches and company functions), and products or spare parts designed exclusively for program members.

Why is this effective?

These rewards work best within an exclusive customer group based program. Offering these rewards only to those customers in specific range is an excellent way to increase the elitism and spark the feeling of being specially treated, which will inspire increased spending. A great way to leverage this type of reward will be to host an event for your special customers where they're given the opportunity to try the new product innovation of your company that will make them feel appreciated and give them the opportunity to discover their new favorite products.

Building a rewards program for automotive brands isn't rocket science.



DEVELOP A PROGRAM STRATEGY

which places excellent value and customer service at the core of your program.



REWARD YOUR CUSTOMERS

for referring friends and relatives to your business to encourage community.



PROVIDE MULTIPLE WAYS TO EARN REWARDS

by making the rewards transferable to other products purchased.



OFFER REWARDS THAT BUILD UP TRUST

and provide additional value in their day to day routine.



BRAND YOUR PROGRAM

so that it becomes an integral part of your outstanding customer experience.



OFFER VOLUME-BASED REWARDS

to motivate your customers to engage with your program regularly.

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CONTACT INFORMATION.

 1 500 340

 0813 1500 7070 (Whatsapp)

 info@tada.id