

5 benefits of rewards programmes

In today's challenging economic climate, getting as much value as possible from banking has become a priority for most people. South Africans are increasingly turning to loyalty and rewards programmes to maximise their budgets and add real value to their lives.



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According to the Nedbank Consumer Banking Segment Tracker (2023), rewards programmes were the main reason why 25% (14% in 2021) of clients in South Africa joined their current bank.

Similarly, 78% of banking clients were members of a banking rewards programme in 2023 (65% in 2022).

"With rewards programmes consumers get discounts and benefits for doing what they already do and, when all these benefits are stacked together, their money to work harder for them," says Dharmesh Bhana, loyalty and rewards executive at Nedbank.



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18 Mar 2024



Bhana shares five ways a well-designed rewards programme can help South Africans make the most of their money in these challenging times:

1. Encourage good financial behaviours

A well-structured rewards programme does more than just reward spending. It actively encourages good financial habits and empowers members to make better money choices.

"A goal-based approach that rewards positive financial behaviours like saving, investing and responsible loan repayment can go a long way. By offering incentives for behaviours like saving consistently, maintaining investments and managing debt responsibly, rewards programmes can play a vital role to improve financial discipline," says Bhana.



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2. Enjoy lifestyle benefits beyond banking

"Many bank rewards programmes extend beyond the realm of financial services by also offering a range of lifestyle benefits. From discounts on travel and entertainment to exclusive shopping deals and experiences, these programmes can help its members enjoy life's little luxuries without breaking the proverbial bank," adds Bhana.

"Greenbacks, for example, partners with popular brands and platforms to offer an array of lifestyle perks, including discounts on flights, movies and electronics. And, at a time where the rising fuel prices are a concern, members also get 25c cash back per litre of fuel every time they fill up at a bp service station, which can provide much-needed financial relieve," he explains.

3. Have the flexibility and choice

By providing a wide range of earning and redemption options, rewards programmes can allow members to tailor their experience to their unique preferences and lifestyles. "The best rewards programmes understand that one size doesn't fit all," explains Bhana.

Giving back to clients by offering more than just points delivers real value that can be felt in the pocket.

4. Support your community

For the socially conscious consumer, some bank rewards programmes offer the opportunity to turn rewards into a force for positive change. By allowing members to donate their points to charitable causes, these programmes provide a simple way to give back to the community without impacting your budget.

5. Enjoy a more personal, value-adding relationship with your bank

The most sophisticated rewards programmes leverage data analytics to provide members with personalised recommendations and offerings. By analysing each member's unique financial behaviours and preferences, these programmes can proactively suggest products, services and rewards that are tailored to their members' individual needs.

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