The ultimate guide to loyalty on Shopify Plus
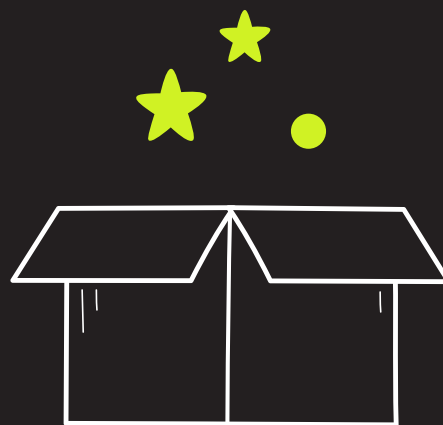
LOYALTY**LION**

shopifyplus

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Introduction

Too often, we see customer loyalty slipping down the to do list. Retention tools become something that can be invested in later, while existing technologies bridge the gap. A loyalty strategy becomes something to think about after new customer acquisition channels are prioritized.

But this is a risky business. Whether you're ready for it or not, we have entered the opt-out era. A new age of ecommerce where not only is it becoming increasingly costly to acquire new customers, but those customers aren't opting in to share their data with you. This is making it far more difficult to derive any more value from new customers than that first purchase, which you may or may not have secured with a discount.

However, all is not lost. Your existing customers - **or your Insider Customer Community as we like to call them** - are ready and waiting to hear from you. Plus, your retained customers are worth far more to you than new shoppers. A customer that joins a loyalty program is **47% more likely to repeat purchase, spends 40% more annually** than non-members, and has a **28% higher purchase frequency**.

With 50% of your revenue likely being driven by the top 20% of your customers already, there is a huge opportunity to turn your existing customer base into your most effective lever for sustainable ecommerce growth. See - it's not all doom and gloom!

We know it's not easy to shift gears and change focus. So while we ARE here telling you that your retention strategy cannot wait, we're not just going to leave you to figure it out by yourself. **We're excited to show you just how easily you can build a loyalty program on top of the Shopify Plus functionality you already have**.

Let's work together to start a new chapter where we take control of the opt-out era, and customer loyalty becomes the new key driver for ecommerce growth on Shopify Plus.

Going with the flow:

Limit loyalty legwork with Shopify Flow automations

If you're a Shopify Plus user, then you've likely already started to unlock the benefits of Shopify Flow. For those not yet in the know, Flow gives you the power to easily segment and automate common tasks, using a "trigger, condition, action" formula. And you can do this without any technical or developer support.

Shopify Flow + Loyalty

Your customers and your brand are unique, and your loyalty program should be too. A loyalty program looks different for every single store, and Shopify Flow gives you the ability to design and implement your own unique approach to activity rules and rewards. It also gives you the ability to enroll more customers into your program, increase their engagement and limit customer churn, all in a smooth and automated way.

TRIGGER

CONDITION

ACTION
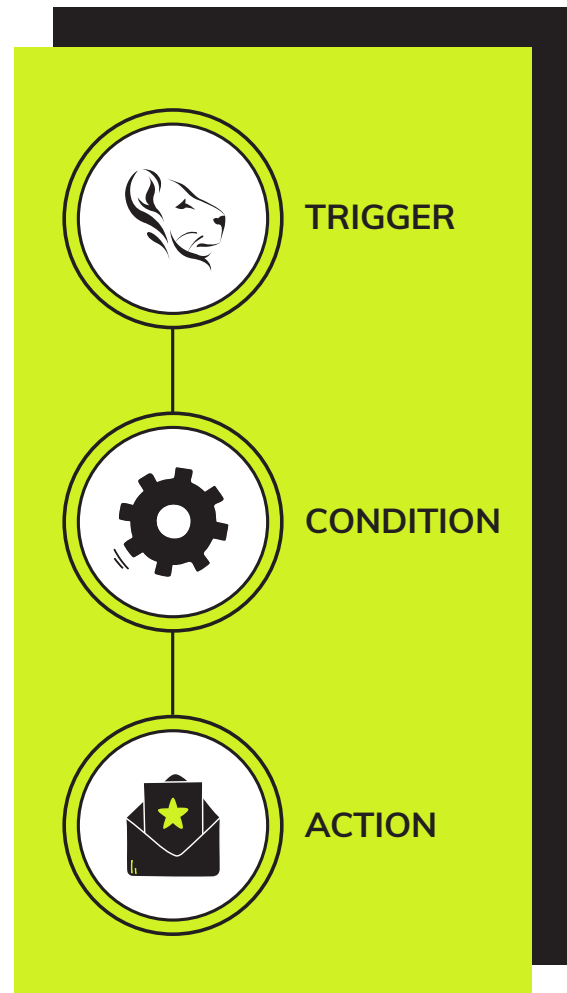
The result? You can deploy an advanced loyalty program that's aligned with your brand and your customers, without adding more tasks to your day to day workload. Hurrah!

Flow allows you to use automated triggers to add tags to your customers. So what does this look like in practice?

Shopify Flow + LoyaltyLion

There are too many loyalty use cases to put in one ebook (no one needs an e-novel), but we've pulled out the Shopify Flow formulas that are most popular with LoyaltyLion stores today:

1. Move customers from tier to tier
Use customer information such as post code, order size or lifetime spend as triggers to enable a customer to become tagged. Our Conditional Tier feature is built to listen to these tags, meaning that customers will automatically feed into a new tier, if they possess the right tag.

This allows you to move customers between tiers and reward their

engagement and spend differently based on any number of factors, from spend to location to something else entirely. A great experience for your most loyal customers, with no additional time sink for yourself.

2. Catch at-risk customers before they churn
Customers can also be tagged according to the recency and frequency of their last activity. Use Flow to identify customers who are 'at risk' because they haven't visited your store for two months. Once identified, use an automated action to credit points to their account to let them know that you miss them and they should return to make their next purchase.

This means you can catch customers before they churn, re-engaging those that already know and trust your brand, and showing them that you use their data responsibly and for their benefit. Fewer customers churning? Fewer customers you need to add back into the top of your sales funnel.

3. Never miss a birthday again

Collect customer birthdays and use that information to trigger a workflow that sends your shopper a surprise birthday treat. You can configure this in any way you like. For example, set this up so a treat arrives in their inbox on the day, or a week before their birthday. Limit free gifts to just those in your VIP tier, or spread birthday joy further afield.

Celebrating every customer's birthday without automation would be a fool's errand. However, with a birthday flow you can make every single shopper feel special, rewarded and recognized, vastly increasing the chances that they'll return to shop with you again, and remain opted in.

### 4. Say goodbye to guest checkouts

Take action to prevent customers checking out as guests. Use the Flow action "customer checks out as a guest" to trigger an automated message from your ESP or SMS platform, highlighting to the customer that there are points waiting for them if they return and create an account.

Customers who check out as guests remain anonymous. You should be taking every opportunity to remind your incognito customers that they're missing out if they don't return and create an account . This will help you encourage more opt-ins, putting names to faces for more of your database.

5. Points for purchase milestones

Give your customers a virtual high five when they reach a purchase milestone, using Flow to automatically award them some bonus points. For example, once Wendy reaches purchase number five, credit her with 500 additional points to make her day. You can even trigger a message via your ESP or SMS platform to let them know that they've got new points to come back and spend.
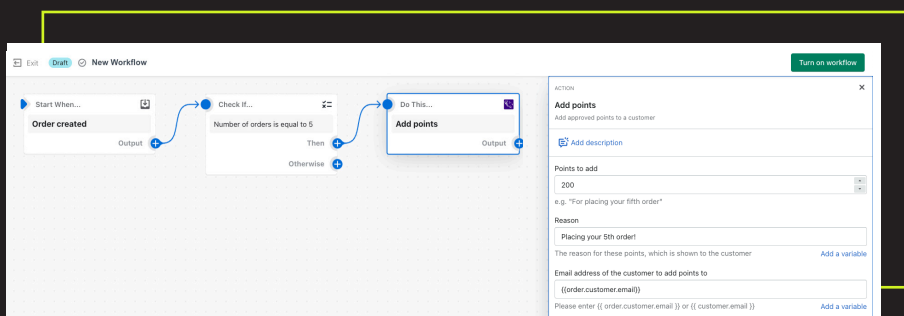
The more a customer shops with your brand, the more they deserve to be recognized and rewarded, but communicating those rewards in a timely way is key. Automated bonus points with corresponding emails are highly effective in reducing the time to a customer's next purchase, as they are left excited to return and redeem their unexpected points.

These are just some of the loyalty use cases that we recommend implementing with Shopify Flow. In reality, the options are endless, but the automations available make this an exciting prospect, rather than a daunting one.

Rewrite the script:

Create a seamless checkout experience

Cart abandonment might be old news, but it remains as much of a headache as it's ever been. In fact, data shows that in 2022, the **average shopping cart abandonment rate across all ecommerce sectors is 79.8%**. Shopify Scripts are small pieces of code that give you the ability to create your own personalized checkout experiences that drive more completed transactions and keep those abandonment issues in check.

Shopify Scripts + Loyalty

Not all loyal customers are created equal, and therefore not all loyal customers should receive the same checkout experiences. Customers with the greatest lifetime value - i.e. those who spend more and shop more frequently - should be able to unlock greater discounts or better shipping perks, than the average one-off customer.

Scripts allow you to use code to automatically change up the checkout experience for individual customers, applying discounts or changing shipping costs depending on the shopper.

The result? You protect your profit margins by only treating your most valuable customers as VIPs, giving them a shopping experience that they'll shout about and advocate to others.

Shopify Scripts + LoyaltyLion

With the right technical expertise, there's no limit to the ways in which Shopify Scripts can be deployed. We're going to focus on the most simple use cases to get you started:

1. Remove voucher friction

Remove friction and reduce cart abandonment during events such as Black Friday or other seasonal sales by removing the need for a customer to copy and paste a voucher. Create automatic, personalized discounts on line items, using Scripts to automatically apply discounts on items that customers have in their cart.

This promotes more completed transactions, while also ensuring that more customers experience and benefit from the rewards within your loyalty program. The end result? More shoppers building a long-term relationship with your brand.

79.8%

..data shows that in 2022, the **average shopping cart abandonment rate across all ecommerce sectors is 79.8%**.

2. Create VIP shipping experiences

Automatically apply different shipping costs for individual customers without them having to lift a finger (or in this case, apply a coupon code). This ensures that customers who are using a reward they've earned by collecting points, can benefit from the shipping perks attached to their tier status at the same time, rather than having to choose between the two rewards.

This allows you to ensure that your most loyal customers are receiving seamless shopping experiences, while simultaneously reducing headaches for your Customer Support team!

3. Provide experiences, not points

For many retailers, particularly in the luxury space, the 'points means prizes' concept doesn't quite match their branding. But the solution is simple. Use Shopify Scripts to provide an experience-based program, allowing customers to automatically receive experiential rewards without ever having to engage with the concept of points.

This not only allows you to deploy a loyalty program that matches the ethos of your brand, but it also lets you create experiences that customers will talk about and share with others, helping you drive greater advocacy and in turn, more cost-effective acquisition.
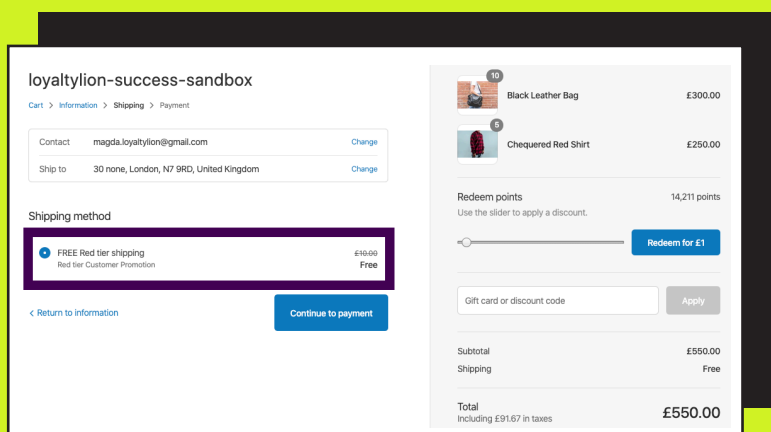
Unlike Flow, Shopify Scripts require you to be slightly more comfortable with code. However, the ability to completely personalize your checkout experiences makes this well worth the effort.

Offline connections:

Deliver omnichannel loyalty experiences

It's official - stores are open, and once again, shopping trips are something people look forward to. However, customer expectations around omnichannel didn't slow down in the same way that in-store shopping did. In fact, **90% of customers expect consistent interactions across channels**. With Shopify POS, you can link your physical and online stores, in order to provide a more consistent and rewarding experience, wherever your customers are transacting.

Shopify POS + Loyalty

Loyalty programs were born offline with the traditional stamp card that still exists in coffee shops and beauty salons to this day, but online offerings have since stolen the show. Retailers now face the difficulty of delivering a consistent loyalty program that works as well in-store as it does online. Although it's tempting to leave these traditional methods on the backburner, great in-store experiences are crucial to ensuring that a customer who is out shopping with distractions and temptations everywhere, walks past another shop, and into yours.
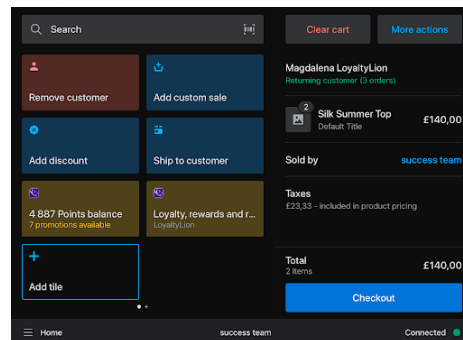
Shopify POS + LoyaltyLion

Having a seamless, omnichannel loyalty experience isn't just good for your customers. It's good for your in-store staff as well, giving them additional ammunition with which to win over and reward shoppers. Here's what that might look like in practice:

1. Link up loyalty, everywhere

If you have multiple stores, use Shopify POS to connect them and ensure that the same loyalty data and information is available at every outlet. This means that customers can earn and redeem loyalty points, wherever they are shopping. Ideal for capturing the customer who travels and has the potential to visit multiple store locations.

Today's customer wants to feel recognized as an individual, wherever they are shopping. Using Shopify POS to make loyalty data available in every physical location will help you to achieve this, delivering an in-store experience that will bring that customer back through the door time and time again - online, or offline.
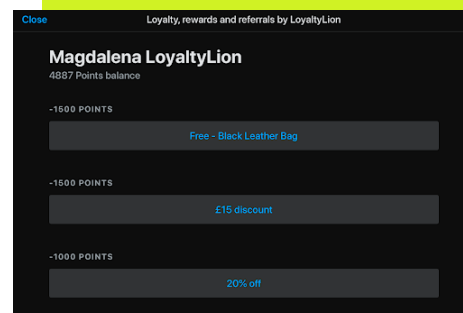
2. Shift offline shoppers online

Shopify POS gives you the ability to award in-store shoppers with points that can then be redeemed online. Make sure your in-store staff are aware of this and pass on the good news, and you'll find that you don't have to wait for that shopper to be in the area again - they'll find you online to redeem their rewards.

By encouraging your offline shoppers to engage with you online as well, you decrease the time to their next purchase. Once they've connected with your ecommerce store, you can also show them all the other online ways that they can earn points - for example, social media engagement, reviews or referrals. With this earning channel unlocked, they will get to a reward much faster than they would offline, giving them all the more reason to return and purchase with you again.

3. Keep in touch with offline customers

Use Shopify POS to understand the in-store purchases that your customers have made, and use loyalty messages via your ESP or SMS platform to deliver personalized communications around them. For example, alerting them to similar products that are available online, or letting them know that you have an upcoming double points event on the product that they've previously purchased.

Demonstrating to your customers that you understand their previous purchasing behavior, whether those purchases were made on or offline, will help them feel emotionally connected to your brand. They'll feel valued as a customer instead of an entry in your database, and will look for more opportunities to engage with your brand and feel special.

If you're operating in an omnichannel way, then delivering consistently great experiences can be challenging. Shopify POS can take a lot of the hard work out of rewarding customer loyalty, wherever that loyal customer is shopping.
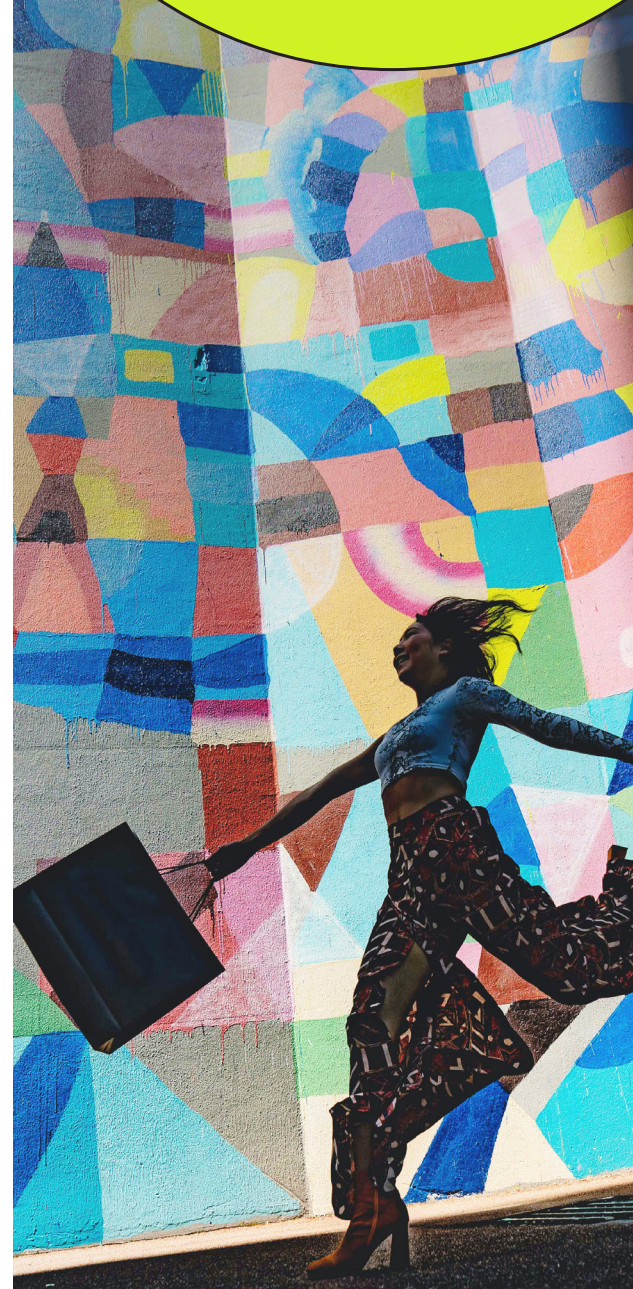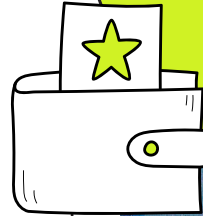
LoyaltyLion and Shopify Plus

The retention dream team

So there we have it, the ultimate guide to using Shopify Plus features to drive greater customer retention and loyalty in the opt-out era. Have we piqued your interest? If so, keep reading as we give you the lowdown on the LoyaltyLion features available only to Shopify Plus customers:

Conditional tiers

Conditional tiers are an exclusive type of loyalty tier that can only be accessed by customers with a specific Shopify tag. They are a great way to segment your customers into groups and create relevant rules and rewards for each segment.

For example, use conditional tiers to allow your most valuable customers to access exclusive rewards, or to earn more points in exchange for their interactions.

Points slider

The Points Slider allows you to enable points redemption directly in the checkout. This means no more copying and pasting voucher codes for your customers, and higher redemption rates for you.

Instead, a discount code is automatically created and applied to the checkout, giving shoppers the ability to decide the specific discount amount they want to apply. They can then redeem that amount directly at the checkout quickly, and easily.

In-Cart Rewards and Instant Points

In-Cart Rewards enable customers to see free product rewards that are available to them within a carousel in their shopping cart. They can easily redeem points for these products that are then automatically added to their shopping carts, leaving them free to checkout feeling special, with no voucher codes, gift cards or hassle.

Instant Points takes the In-Cart Rewards feature one step further, allowing shoppers to see their points value change as they add products to their carts. This gives them motivation to increase their basket size in order to unlock a free gift reward that they will receive within that same purchase.

Cross-Store Rewards

Cross-Store Rewards allow you to increase loyalty program engagement across all of your stores. Customers who earn cross-store rewards such as money-off vouchers or collection discount vouchers in one store, can then redeem those rewards in another store, helping you to drive your loyal customers to more of your businesses.

Working with LoyaltyLion and Shopify Plus

LoyaltyLion is a Certified Shopify Plus technology partner. We help Shopify Plus stores around the world create loyalty programs that go beyond points and rewards, driving greater customer lifetime value and cost-effective acquisition through better customer relationships.

ASTRID & MIYU

LIVELY

BASEBALLISM

Ω
VITABIOTICS
SCIENCE OF HEALTHY LIVING

SKYNNY DIP
LONDON

REN
CLEAN SKINCARE

"

As brands face an increasingly complex retail landscape, building fast, seamless and scaleable processes can help deliver standout customer experiences. Shopify Flow automations help brands gather insights, improve fulfilment, reduce customer queries and complaints, drive repeat purchase and encourage referrals. The power of Shopify Plus and LoyaltyLion is helping brands like Vitabiotics, Astrid & Miyu and LIVELY build mighty loyalty programs unique to their business.

Warren Pamukoff, Product Marketing Lead at Shopify

We integrate with your existing tools and technologies, helping you deliver greater ROI:
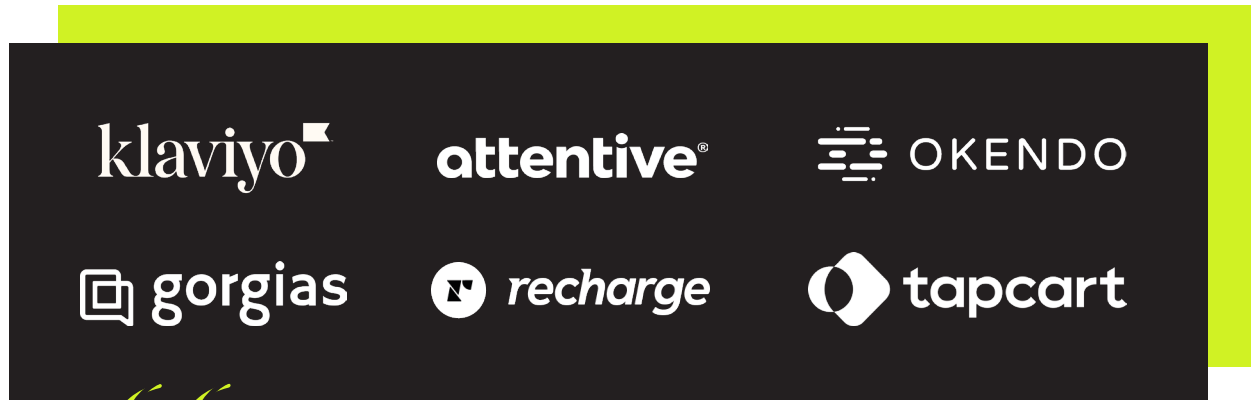
> Your most loyal customers are also the ones that are most likely to subscribe to your SMS program. Attentive's integration with LoyaltyLion allows Shopify Plus stores to easily identify loyalty members who are SMS subscribers. They can then create segments relevant to the statuses of their loyalty subscribers, and send them targeted automated journeys through the Attentive platform. Brands can instantly text subscribers who have a reward to redeem, or who are approaching the next tier, and target subscribers at a specific moment in their customer journey. Overall, the LoyaltyLion and Attentive integration has provided significant, high-value messaging that increases customer lifetime value for Shopify Plus stores.

Greg Bauman, Director of Ecosystem Partnerships at Attentive

We work with leading Shopify Plus agencies around the world:

> We're thrilled to partner with LoyaltyLion! The platform allows our clients to fully customize their loyalty experience to reflect their individual branding, retention and acquisition objectives, and product range. What's more, LoyaltyLion's integration with Shopify Plus is seamless and the results they drive speak for themselves.

Dan Sheard, CEO & Co-founder at Velstar

Ready to kickstart retention for your Shopify Plus store? Visit loyaltylion.com today to get started.

About LoyaltyLion

LoyaltyLion is a **data-driven loyalty and engagement platform**, helping fast-growth ecommerce merchants power longer-lasting relationships and sustainable growth. Our unique combination of **best-in-class technology and dedicated loyalty expertise** helps thousands of Marketers drive more revenue from **highly-engaged, highly-valuable customers**.

loyaltylion.com

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