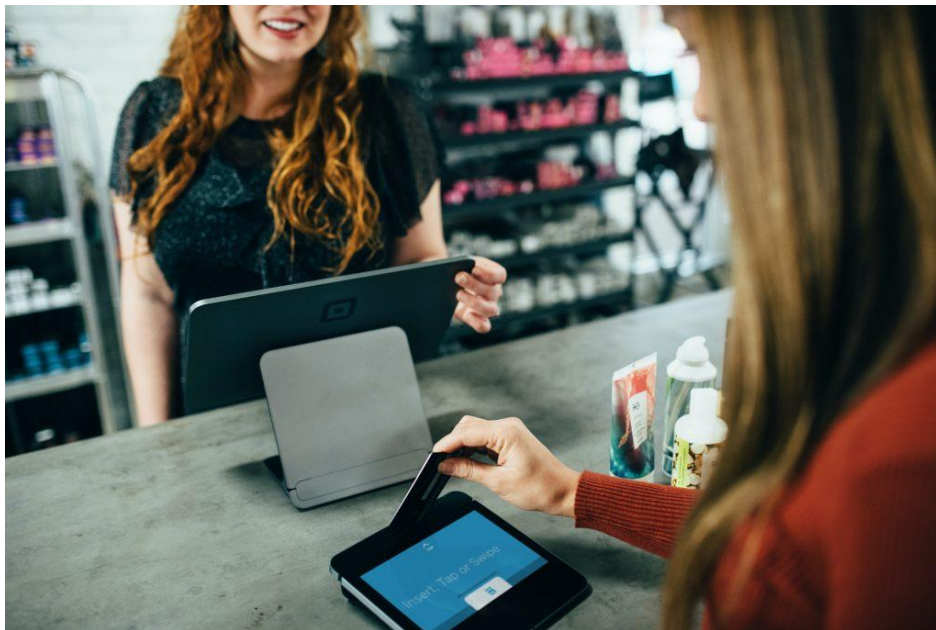


# Top 8 Ways to Incentivise Customers

When you run a business, your main focus is on giving your customers the best service possible. Happy customers are the key to the success of your business, and it's likely that they'll keep returning and spending more money with you.



First, you need to acquire those customers. Encouraging them to visit you over their competitors can be a challenge, and once you've got them in your shop, you need to give them a reason to return. Offering customer incentives can encourage acquisition and loyalty to your brand.

## What Is Customer Acquisition?

The definition of customer acquisition is gaining new customers, and convincing people to buy the products or service you are offering. It covers the process of bringing consumers from the brand awareness stage to purchase decision.

Customers can be acquired in several different ways, including [marketing](#), customer service, and transaction experience. However, it is important to note that customer acquisition should not be relied on as a primary source of sales. The marketing costs involved can be five times higher than retaining current customers.

## What Is Customer Loyalty?

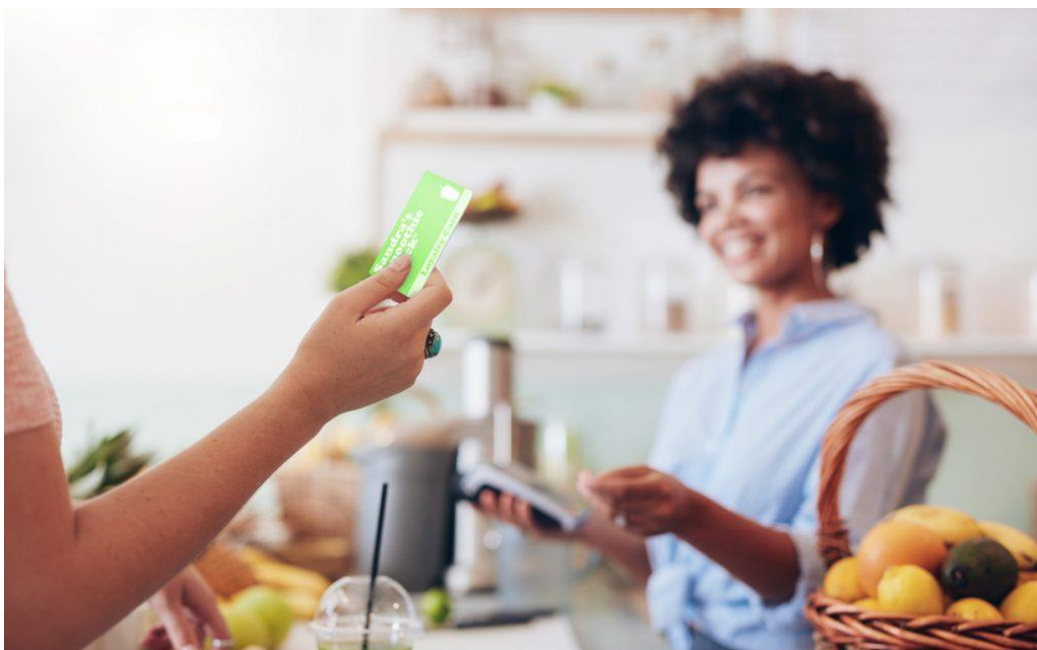
[Customer loyalty](#) is a positive and trustful continuous relationship between a customer and their favourite brands. It maintains repeat purchases and ensures that existing customers will choose your business over a competitor that offers a similar service to your business.

Encouraging customer loyalty can be made easier by following the steps on the [customer loyalty ladder strategy](#). Getting each customer higher up the ladder means your relationship will be more resilient, and also encourages referrals from your loyal customers to your new ones.

## How Can Customer Incentives Encourage Customer Acquisition and Customer Loyalty?

Customer incentives are popular amongst consumers and have been for a long period of time. In fact, back in 1881, baking powder salesman William Wrigley Jr tried to increase the sales of his baking powder by including two packs of chewing gum with each unit sold. Customers loved the extra bonus – so much so that Wrigley moved to sell chewing gum instead, and thus the Wrigley’s chewing gum empire was born.

Research has shown that 75% of consumers prefer brands that offer incentives, but it’s important to understand what you want to incentivise. This is likely to be either motivating purchases or improving retention rate. There are different things you can try to encourage both.



“75% of consumers prefer brands that offer incentives”

## **Incentivising Customers to Motivative Purchases and Improve Retention Rate**

### **Buy One Get One Free, Coupons, Sales and Discounts**

Offers of all kinds are great incentives to encourage customers to make a purchase. 50% of consumers won't make a purchase unless it's part of a promotion or offer, so running regular, cost-effective promotions can increase sales.

### **Free Bonus Gifts With A Purchase**

Adding free gifts with purchases is effective, especially when only for a limited time. If customers are planning on buying one of your products or services but keep procrastinating (as we all tend to do!), the addition of a gift during a certain period is likely to encourage that sale. Customers don't like to lose out on something they consider good value.

### **Free Upgrades With Purchases**

Similar to free gifts, if you have any products or services that are available in tiered ranges, you could offer a limited time upgrade with each purchase. Customers will be encouraged to go for a better package than they would have originally to make the most of the deal, so it will negate the cost of free upgrades.

### **Loyalty Points and Discounts**

Even something as simple as implementing a [loyalty system](#) can help you acquire customers and retain them. There are [different types of schemes](#) you can implement, all of which can make customers feel as though their loyalty has been rewarded.



Customers can collect points for each pound they spend and redeem them for products, or you can offer discounts. No matter the scheme, your customers will feel validated when they see their loyalty rewarded.

### Prize Draws

You can hold prize draws or raffles, with one purchase being one entry. This means customers can make multiple purchases and still be entered into the draw. For a cost-effective solution, the prize could be a [gift card](#). It is cost-effective and encourages further spend in your shop, as 72% of customers spend an average of 20% more than the gift card's original value.

You can also filter the people who have used their loyalty card within a certain time period, such as a week or a month, and enter them into a prize draw. This will encourage loyalty sign ups and more purchases.

### Discounts, Offers, etc on Birthdays and Other Special Occasions

If you [collect consumer data](#), you will have an email database that you can send [marketing emails](#) to. Make use of this by adding a personal touch to your service – send customers offers or discounts on their birthday, or during festive seasons such as Christmas. These are the times when customers want their loyalty to be recognised.



### Free Samples

If you have received new products, consider offering your customers free samples when they make a purchase – or simply send them to your most loyal customers. Your customers will appreciate the free gift and if they like the product, will purchase the full-sized item.

### Free Gift Wrapping

During festive periods such as Christmas, most shopping that consumers do will be for gifts for relatives and friends. Offering a free gift-wrapping service can be the competitive edge you hold over your competitors.

**Learn more about how loyalty schemes can incentivise customers to visit your shop [here](#), or contact one of our experts by calling [020 8266 1600](tel:02082661600).**