



EBOOK

Omnichannel Engagement Strategies: Engaging Every Generation Through Loyalty

Introduction

Gaining and increasing customer loyalty is crucial to a business' success. Yet today's customers are as vast and varied as the directions they are pulled in daily. Consumers lead busy lives and quickly make decisions regarding the 4,000 to 10,000 branding messages they are exposed to each day.

Inspiring loyalty requires a new level of commitment and creativity to build the type of connections necessary that will differentiate you against the competition, provide customers with a seamless experience, and help you remain top of mind to deliver a rewards program that makes you stand out in the crowd. This means learning as much as possible about your diverse customers and delivering on their wants.

Modern marketers are also further challenged to understand that along with every customer being an individual, they also fit into a group based on their generation. And every generation demonstrates different behaviors, habits, and values that influence their attitudes and engagement preferences. Many of these differences are inherently derived from the events happening as they grew up in the world and the access they had to evolving technologies.

To address this challenge, businesses are taking an omnichannel marketing approach to deliver consistent messaging and personalized offers across every engagement touchpoint. Companies recognize they need to capture and integrate internal and external data to provide customers of every generation with a seamless experience across mobile, social, online and offline.

With an omnichannel strategy and the right technology in place, businesses can create customer subsets based on generational behaviors to reach each customer at the right moment, with the right offer, through the right preferred channel.

Take the Generations Quiz

- 1** Which generation's preferred social media platforms are Instagram and Youtube?
- 2** Email marketing is the most effective marketing tactic to reach this group?
- 3** Who are more likely to download a branded mobile app?
- 4** Which generation is most willing to share content over Facebook?

Answers: 1. Generation Z, 2. Generation X, 3. Millennials, 4. Baby Boomers

Understanding Each Generation's Key Characteristics

Marketers must recognize the following attributes that drive the behaviors of the Four Generations:



Generous Generation Z

Ages 22 & under

Generation Z consumers (Ages 22 & under) display many character traits that make them appealing to marketers, including being the most willing generation to share information about themselves with a brand. They are 20% more comfortable than the average American with the information loyalty programs collect about them, according to The Loyalty Report 2019.

This generation has had a phone in their hands since they could sit in a stroller. They spend a tremendous amount of time on their phones and they acknowledge it with nearly 60% self-diagnosing overuse, according to a recent survey by Bloomberg and Morning Consult. They're also the most socially conscious with collective concerns about humanity's impact on the planet. So businesses must reward them for how they live.

20%

more comfortable than the average American with the information loyalty programs collect about them

(The Loyalty Report 2019)



Mighty Millennials

Ages 23-38

Millennials (Ages 23-38) are the largest generation group in the U.S., and have an annual \$600 billion to spend in the U.S. alone. They're the first generation to grow into adulthood in the digital age. They're accustomed to businesses having an online presence that provides them with an abundance of product information right at their fingertips.

Not surprisingly, Elite Daily's research on Millennial consumer trends find that nearly 90 percent of Millennials are actively using two to three devices a day, and roughly half are using social media or other internet-based tools to interact with their networks or influence buying decisions.

90%

are actively using two to three devices a day

(Elite Daily)



Gainful Generation X

Ages 39-54

Marketers need to remember this “forgotten generation” as Business Insider indicates that many Generation X consumers (Ages 39-54) already make as much as their Boomer counterparts and are poised to become the wealthiest generation, above Boomers within the next couple years. Plus, they already spend more, averaging 11% more than Boomers and 33% more than Millennials. And according to the Bureau of Labor Statistics, Generation X spends it on housing, clothing, and dining out.

Generation X has the memory of growing up in a computer-free world, yet built the bridge from analog to digital. Consequently, they’re savvy in the tech sphere, much like Millennials. And they know how to use social media with ease as 81% of Gen X is on Facebook and 5.9 million have Snapchat accounts.

81%

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(Statista)



Baby Boomers Belong

Ages 55-73

The Baby Boomers (Ages 55-73) still represents the most affluent customers in the U.S. and shouldn’t be discounted in a brand’s overall marketing strategy. Don’t think of this group as relics from the past.

You might be surprised to learn that Boomers spend five hours a day on their smart phones, meaning brands have the ability to easily reach this generation. But more so than other generations, what brings Boomers back repeatedly is their experience with your company.

5

hours a day on their
smart phones

(Provision Living)

Generous Generation Z (Ages 22 & under)

Top 3 Engagement Behaviors

80%

are impacted by social media in their purchases (Yes Lifecycle Marketing)

85%

engages with game mechanics & currently only about half of loyalty programs provide gamification opportunities (The Loyalty Report 2019)

83%

wish more businesses would use text to communicate with them (Zipwhip)



The most willing generation to share information about themselves with a brand. They are 20% more comfortable than the average American with the information loyalty programs collect about them.

Omnichannel Best Practices



Take social up a notch

Social media has a more broad impact on younger customers. Instagram, Snapchat and Youtube are their primary channels and businesses should respond with social media campaigns that fit these platforms and require some form of participation to grab Generation Zs' short eight-second attention span and maintain their loyalty.



Offer gamification

Brands need the ability to entertain and increase enjoyment lift for Generation Z through a customized loyalty program that offers customers gamification strategies. Younger consumers are interested in engaging with brands that encourage their loyalty through tiers, leveling-up, and fun challenges.



Meet their demand for mobile

While Generation Z is known to visit brick and mortar locations the most of any generation, they also appreciate receiving mobile promotions they can redeem while at the location. Businesses need to connect with this customer subset through SMS and geotargeted offers to create real-time opportunities for engagement with this generation.

Mighty Millennials (Ages 23-38)

Top 3 Engagement Behaviors

55%

most frequently use a retail mobile app to order food for express pick-up (Aruba)

43%

say the variety of rewards offered is the top incentive for them to join a loyalty rewards program (Software Advice)

47%

say engaging with them in innovative ways to provide a multi-sensory experience influences their brand loyalty (Accenture)



The first generation to grow into adulthood in the digital age. They're accustomed to businesses having an online presence that provides them with an abundance of product information right at their fingertips.

Omnichannel Best Practices



Deliver reliable mobile

Businesses need a branded app for easy and effective communication with this customer subset. And brands need an app that provides integration with online ordering and payment, including digital wallet compatibility as this generation leads the pack in mobile payments.



Create personal brand interactions

Millennial consumers respond favorably to authentic experiences, demonstrating loyalty to brands that engage directly with customers on social media. Facebook takes preference with this generation and businesses must deliver targeted content and campaigns that are quick and visual as this group is known to have the second shortest attention span of the four generations.



Establish feedback and sharing opportunities

Millennials are used to having information about what others around them are doing and need a loyalty program that offers easy access to reading and leaving online reviews. Brands need to provide tools and incentives to get millennials to talk and share with them through their app and on social platforms.

Gainful Generation X (Ages 39-54)

Top 3 Engagement Behaviors

81%

are on Facebook and 5.9 million have Snapchat accounts (Statista)

53%

say a personalized shopping experience would make them more likely to be loyal to a brand (RetailMeNot Inc.)

92%

report they have used email in the past month (SendGrid & Egg Strategy)



Generation X has the memory of growing up in a computer-free world, yet built the bridge from analog to digital. Consequently, they're savvy in the tech sphere, much like Millennials.

Omnichannel Best Practices



Engage over email

Generation X witnessed the beginning of this digital communication tool and is very comfortable using it. Brands that create compelling email campaigns will capture the attention of this generation as they are often seen checking home and work emails across all devices in a variety of settings.



Provide personalized offers

Personalized promotions are important as 76% of Generation X and Millennial consumers say an offer or discount is the largest factor in their purchase decision. Brands should consider this behavior and appeal to this generation with offers that help differentiate their brand in the marketplace.



Create seamless online and offline experiences

This generation grew up shopping at malls and like Generation Z still do visit brick and mortar locations. They also enjoy researching and shopping online and need brands to deliver a consistent experience across multiple channels that rewards them for their habits and earns their continued loyalty.

Baby Boomers Belong (Ages 55-73)

Top 3 Engagement Behaviors

25% +

clock in at over 20 hours of content per week (BuzzStream and Fractl)

41%

use Facebook regularly (Pew Research Center's Social Media Factsheet)

50% +

will visit a company website or continue their search on a search engine after seeing something on a social networking site (DMN3)



The Baby Boomers still represents the most affluent customers in the U.S. and shouldn't be discounted in a brand's overall marketing strategy.

Omnichannel Best Practices



Market over Facebook

Facebook is this generation's social platform of choice. A little over 15% of Boomers even spend 11+ hours on Facebook every week. Plus, they're more willing to share content on Facebook compared to other generations. Brands need to establish a presence on this platform and engage Boomers with a Facebook campaign that rewards them for sharing brand information with others.



Consider up-selling

Even though much of this generation is in retirement, they have the spending power, if persuaded, to demonstrate incremental behaviors. Present Boomers with a customized promotion designed to increase their spend and also drive engagement with your brand.



Make relevant recommendations

Boomers are looking for businesses to recognize them as individuals and provide them with knowledgeable recommendations. Brands must understand that Boomers are influenced by what they see on social media and need to deliver a fully integrated marketing strategy that keeps this generation informed through email, print and mobile channels. Loyalty for this generation includes receiving updates on new product and service details.

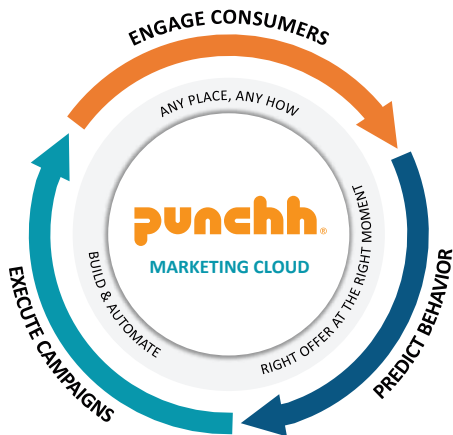
Delivering Omnichannel Loyalty Across Every Generation

Omnichannel loyalty allows businesses to reward generational customer subsets not only for spending, but also for engaging with their brand. It provides marketers with a unique opportunity to reach each target audience and better understand the needs and preferences of their market by generation. As brands cannot expect a Boomer to behave in the same way as a Millennial as their technology, social media, and marketing preferences are all different.

A one-size-fits-all approach lacks the necessary engagement tactics and touchpoints needed to provide the four generational groups with more personalized campaigns that align with their interests, values and behaviors. Modern marketers must deliver a customized loyalty program that generates tailored messages, offers and rewards across multiple channels to create a seamless online and offline experience.

Brands need a single platform that leverages technology to more easily define and better segment groups and to more successfully create and execute omnichannel campaigns. Marketers will find success and foster greater loyalty if they have the ability to engage with customers across mobile, POS, kiosk, web or chatbot and through any type of interaction including loyalty, ordering/eCommerce, payments, referrals, games and surveys/feedback.

With the right technologies businesses will successfully acquire new customers from every generation and also increase their loyalty to fully optimize their lifetime value.



The Punchh Marketing Cloud provides brands with all the tools needed to deliver seamless, personalized customer experiences.

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About Punchh

Headquartered in San Mateo, CA, Punchh is the world leader in innovative digital marketing products for physical retailers, combining AI and machine learning technologies, mobile-first expertise, and omnichannel communications designed to dramatically increase customer lifetime value. Leading global chains in the restaurant, convenience store, and retail sectors rely on Punchh to grow revenue by building customer relationships at every stage, from anonymous to loyalists.