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How to build a rewards program in pet supplies.



Did you know that your pet supply brand is perfectly suited to a rewards program?



HIGH CUSTOMER LIFETIME VALUE

Some pets can live for up to 20 years! Since pet owners love spoiling their animals, your shoppers have the potential for a very high customer lifetime value.



PRONE TO REFERRALS

Few things are as popular on social media as photos of pets. This makes the likelihood of customers sharing your content much higher, especially if they're properly incentivized.



HIGH PURCHASE FREQUENCY

Pets tend to go through suppliers faster than their owners expect. Offering rewards for each of these purchases makes your store the only place owners will consider shopping.

A rewards program shares a percentage of your margin with your customers, which means you need to have the margins to support it.

Any company with margins above 10% is well suited for a rewards program, which means pet supply brands like yours are primed for taking advantage of this retention tool! With an average margin of 36% and a high purchase frequency, rewards are the purrfect fit.



The average pet supply margin is
36%



Low Competition

High Competition

With healthy margins and a growing customer base online, competition continues to grow in the pet supply industry. After all, most people have more than one pet in their lifetime, making the customer lifetime value incredibly high in this industry. With rewards, you can build a brand experience that truly sets you apart as top dog.



Congratulations!

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

Program Strategy



Pet owners have special relationships with their fur-babies that makes them incredibly well suited for the benefits of rewards programs. They view their pets as members of the family, which means they only want to give them the best toys, food, and treats they can find.

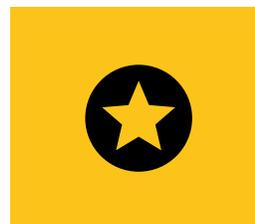
That makes quality more important than price, priming pet owners to become strong brand advocates for a brand that delivers an incredibly customer experience. A rewards program is the perfect vehicle for fueling this loyalty!

Along with intense adoration for their own pets, pet owners also have strong connections with other pet owners. Take a look at any dog park or animal loving social media account — birds of a feather really do flock together!

Rewards programs capitalize on this tendency for togetherness by using perks and community actions to strengthen relationships between delighted customers.

These communities allow pet parents to come together and share their experiences, creating bonds of loyalty to both each other and your brand. As a result, this helps safeguard your brand from losing customers to a competitor's excessive discounting.

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 an essential tool 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 pet supply specifics & recommendations.



STATUS-BASED REWARDS

Everyone who owns a pet knows theirs is the best ever, so use VIP tiers to help them not just think they're at the top, but actually earn their way to the being top-dog. When customers spend more, new tiers not only come with prestigious rewards but with an increase in perceived social status, which they can then share within their social circles.



REWARD FOR SOCIAL SHARING

Some of the biggest social media accounts in the world are dedicated to cute animals and influencer pets. Pet owners love to share pictures and videos of their furry friends, so why not reward them for that type of behavior? Mentioning or tagging your brand or showing off your products are all great ways to give your customers the joy of recognition while getting you incredible social proof of the value of your brand.



KEEP YOUR PROGRAM ON BRAND

In a market saturated with big, slow moving offline retailers, your program needs to stand out in order to pull savvy, quality-minded pet owners to your business. A completely branded experience that considers color, imagery, and tone of voice will give them faith in your brand and get them excited to interact with your community every chance they get.



ENCOURAGE CUSTOMER REFERRALS

With growing competition, referrals in the pet product industry are crucial to expanding your business. As members of pet loving communities, your customers have the power to bring prospective customers to your brand and convert them into repeat purchasers. Offering rewards for referrals shows your customers how much you appreciate them and their part in sharing your community with others.

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





Here is what your rewards program should reward points for:

Earning Rewards

MAKING PURCHASES

How does it work?

Customers will earn a certain number of points (or rewards currency) for every dollar 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.

MOVING UP IN YOUR VIP PROGRAM

How does it work?

Customers are given different rewards based on the tier they currently are a part of. The most effective way to classify members is with total points earned. The higher the tier, the more prestigious the rewards!

Why is this effective?

Tiered rewards allow your best customers to feel privileged and appreciated while still appealing to first-time or persuadable buyers. By reaching higher tiers in your rewards program, your customers are gaining social status, which is a valuable reward itself. Whether they're new to the world of pet ownership or seasoned pet parents, all of your customers will be given access to prestigious rewards that make a lasting impression.

SOCIAL SHARING

How does it work?

Customers are rewarded points for following your social accounts on Facebook, Instagram, and Twitter. They are also awarded points for sharing your brand with their personal networks on each of these channels.

Why is this effective?

There are few things people love more than showing off their pets. Think about how many dog and/or cat videos you see on social media. Encourage customers to show off their purchase and their furry friend by rewarding them with points. With 634 social connection in the average person's social network, this gets lots of eyes and paws on your brand!

CUSTOMER REFERRALS

How does it work?

Current members are rewarded for sharing your store with friends and family. When they refer a friend, both your current customers and the person they are referring get a reward, and you are rewarded with more sales.

Why is this effective?

Most shoppers who have had a positive experience are willing to refer their friends, however they seldom do because they aren't given a reason to. You can get more protective pet parents to choose your brand by rewarding customers for recommending your brand to others. Reward points for a referral and you will turn your existing customer base into your most effective marketing tool!

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

GIFT CARDS/STORE CREDIT

How does it work?

Instead of offering your customers a straight discount like dollars or a percentage off, you can offer them a gift card or store credit for the same value.

Why is this effective?

Offering straight discounts is the norm, but when value is more important to your customers than price, you don't want to look like you need to race to the bottom in order to keep their business. Gift cards and store credit gives your customers a similar benefit, while keeping the value of your products front and centre.

PERKS

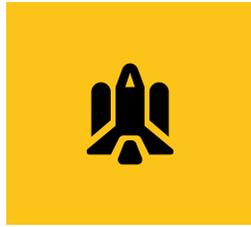
How does it work?

These rewards offer customers access to exclusive products and services that would be otherwise unavailable to them. Some examples include early access to new products, access to special events and products designed exclusively for program members.

Why is this effective?

These rewards work best within a tiered or customer group based program. Offering these rewards only to those customers in higher tiers is an excellent way to increase the elitism of your program and inspire increased spending.

A great way to leverage this type of reward would be to host an exclusive sale event for your best customers and their pets. Inviting them to an event where they're given the opportunity to purchase products before everyone else and meet new furry friends will make your loyal customers feel appreciated and boost their perceived social status even higher.



Building a rewards program for pet supply 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 to your business to encourage community.



PROVIDE MULTIPLE WAYS TO EARN REWARDS

focusing not only on dollars spent but on the complete experience.



OFFER TIER-BASED STATUS REWARDS

to motivate your customers to engage with your program more regularly.



REWARD FOR SOCIAL SHARING

to increase visibility for your brand.



BRAND YOUR PROGRAM

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



REWARD WITH GIFT CARDS AND STORE CREDIT

to encourage repeat purchases without diminishing the value of your products.



BUILD COMMUNITY

by rewarding customers with special events and social status that make your best customers feel elite.

Contact Information.

sales@smile.io

1-855-699-9322

Visit us at smile.io