

The Behavioral Economics of Lifecycle Marketing

At BI WORLDWIDE, we have a unique point of view when it comes to loyalty marketing – one that focuses on driving desired behaviors across the customer lifecycle, optimizing each phase and cultivating emotional loyalty. We pair this with our expertise in behavioral economics to design and deliver programs that produce measurable results **and** loyal customers.

Let's use these proven principles to design a marketing program that successfully engages your customers, no matter which stage of the lifecycle they're in.

Stage
1



ACQUISITION

Cut through the clutter.

To combat declining attention span and infobesity (information overload), earn customer attention with relevant, targeted, vivid marketing.

Attention Currency:

The need to earn someone's attention and time before you earn their engagement, purchases and loyalty.



Make it easy to engage.

Humans react differently to a particular choice depending on how it's presented. Simplify decision making and drive desired behaviors with heuristics.

Heuristics:

Mental shortcuts, framing and filters to help solve problems or make decisions.



Stage
2



DEVELOPMENT

Drive sequential behaviors.

Leverage the positive feelings associated with goal achievement by reframing your marketing objectives as goals and breaking those goals into desired behaviors.

Goal Orientation:

People have a natural disposition to achieve goals.



Capitalize on the universal love of games.

Incorporate game mechanics into your program design to drive innate motivation.

Gamification:

The use of game mechanics and dynamics in non-game contexts to drive behaviors.



Stage
3



RETENTION

Make it their personal program.

Customers base their level of participation in a program by assessing the potential reward relative to the effort required. If you show them they have an advantage, they will engage at a higher rate.

Idiosyncratic Fit:

Customers are enticed by offers for which they believe they enjoy a relative advantage.



Embrace irrational behavior.

Develop and cultivate an emotional connection that yields brand preference and true loyalty (versus transactional or mercenary loyalty).

Emotion Trumps Reason:

When it comes to human behavior and decision-making, emotion is a more powerful driver than rational thought.



Stage
4



AMPLIFICATION

Leverage rewards for advocacy.

Some rewards are better than others, especially when it comes to fueling social engagement and advocacy. People are much more likely to talk about rewards they're excited about, like an experience or a unique branded item.

Sociability & Re-consumption:

Memorable rewards that people will talk about and re-usable rewards that reinforce your brand over a period of time.



Control the Say/Do Gap.

The intent to refer is not the same thing as an actual referral. Advocacy requires cultivation. Don't ask for too much too early from your customers or you risk damaging the relationship you've worked so hard to establish.

Say/Do Gap:

People say one thing for appearances (or social norms) but do the opposite because of habits, attitudes and perceived control over behavior.



To learn more about BI WORLDWIDE and how we can help engage your customers in every stage of the lifecycle, visit: BIWORLDWIDE.com or email info@BIWORLDWIDE.com.

