



**Retailers Who Care About Loyalty
Choose Referral Marketing**

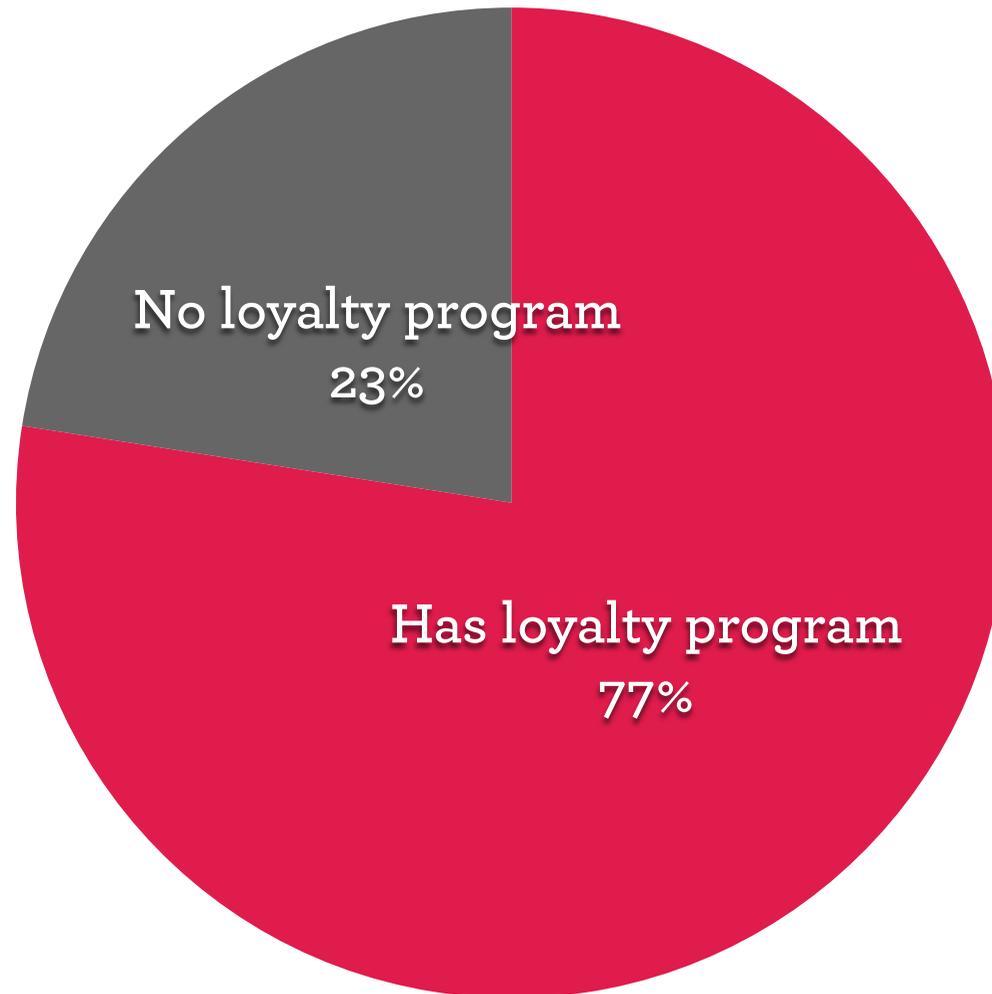
LOYALTY + REFERRALS: A POSITIVE CONNECTION

More than three quarters of retailers have customer loyalty programs. And, retailers with loyalty programs are twice as likely to use referral marketing (RM) as those without. Referral marketing drives positive, measurable ROI at almost twice the rate for retailers with loyalty programs as without. In short, retailers who care about loyalty use referral marketing.

We learned this and more in a new survey of more than 300 decision-makers in marketing and technology functions for retailers across the United States. It shows that retailers, armed with increasing digital marketing budgets, are spending more on referral marketing, email marketing, and social media marketing because they very effectively help acquire and retain customers. (Find out more in our survey report, [Perfect for You: How Referrals and Other Top Channels Drive Retail Revenue.](#))

When we look specifically at retailers with loyalty programs vs. those without, striking differences emerge in how they use and benefit from referral marketing.

LOYALTY PROGRAMS ARE THE RETAIL NORM

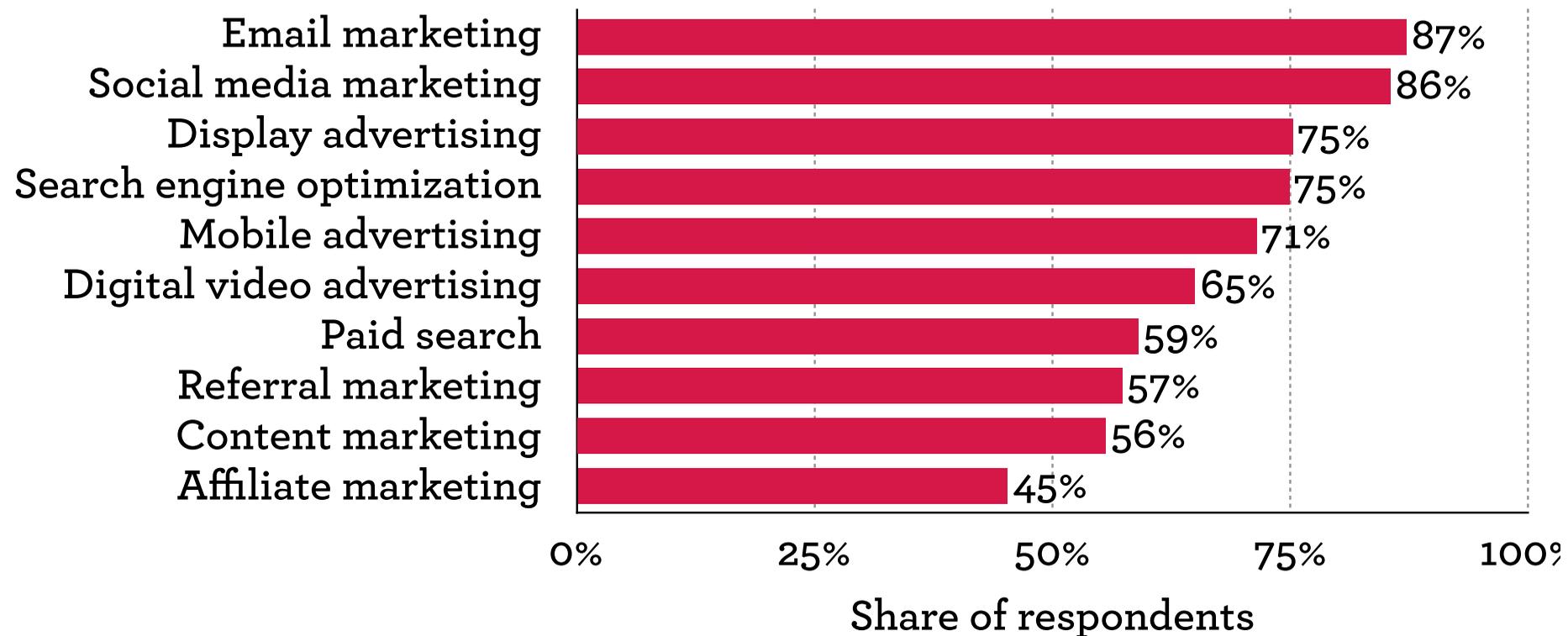


More than 3/4 of retailers have a customer loyalty program.

RETAILERS WITH LOYALTY PROGRAMS USE REFERRALS

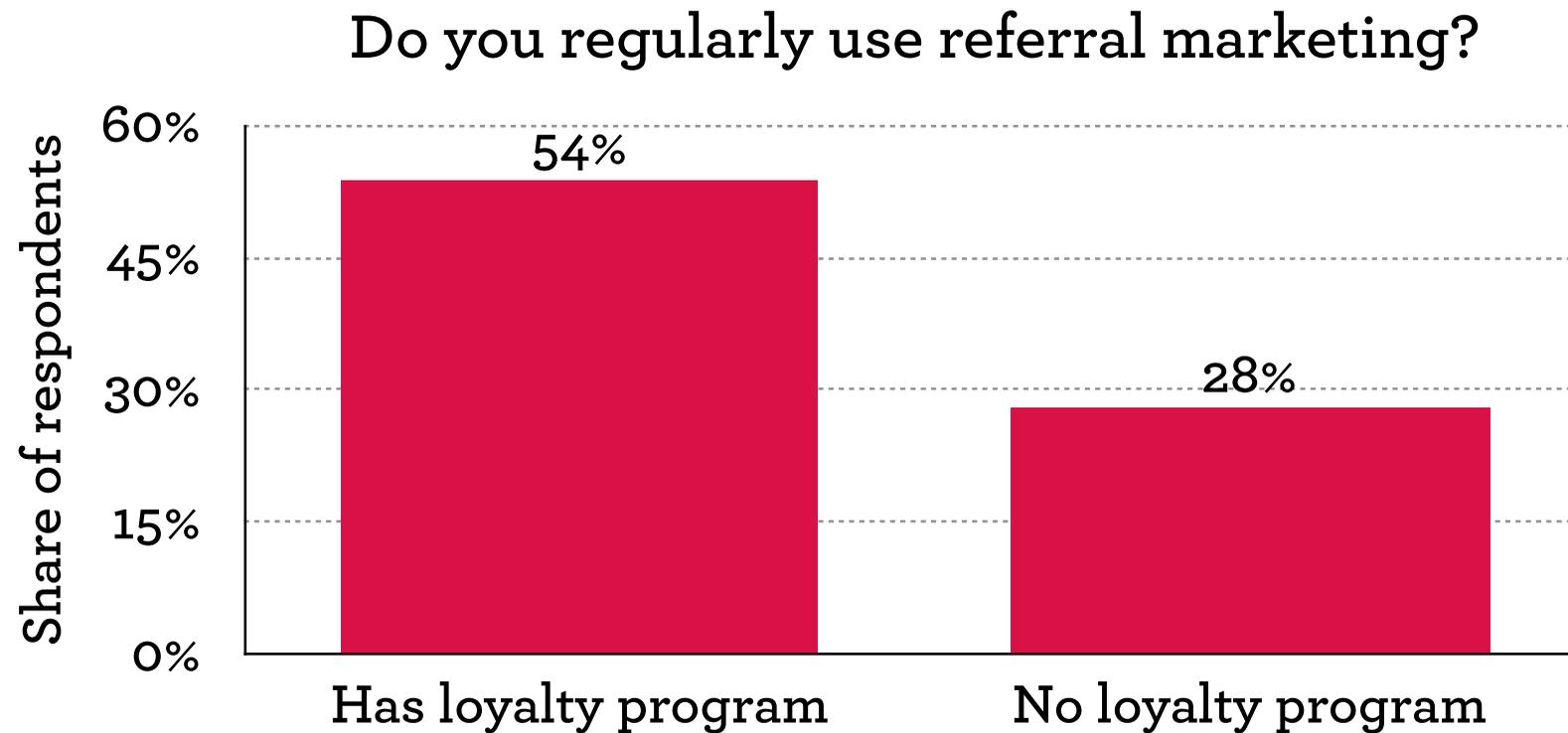
When asked to name the digital marketing programs they use regularly, 57% of marketers at retailers with loyalty programs say they use referral marketing — very similar to the 55% of overall retail marketers who do so.

Digital marketing programs used regularly



RETAILERS WITH LOYALTY PROGRAMS USE REFERRALS

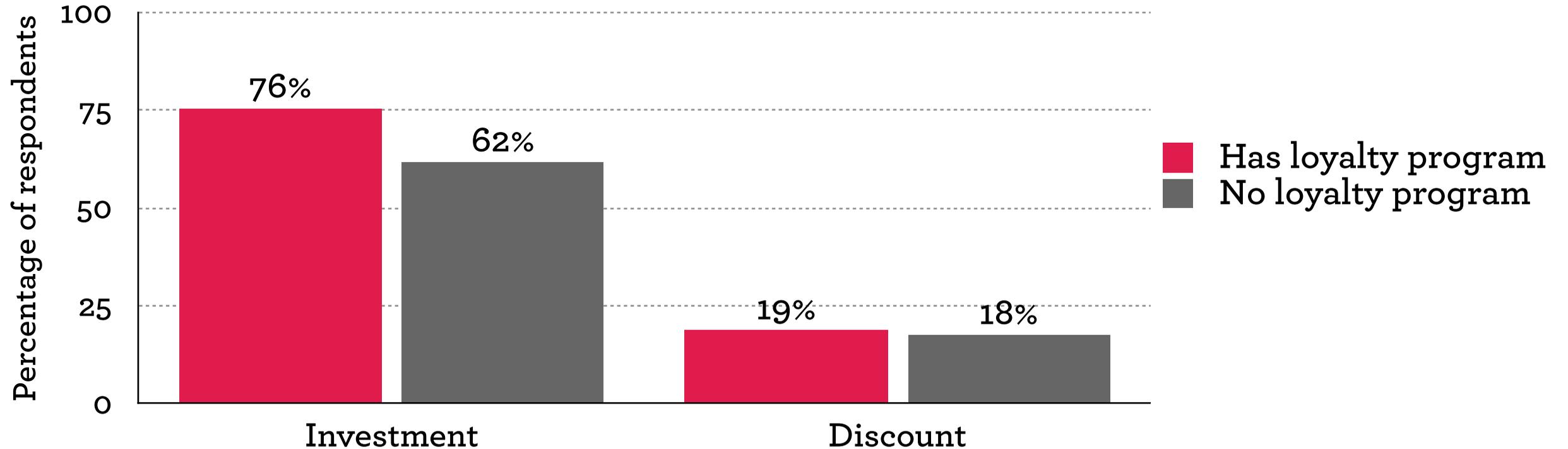
When asked specifically whether they regularly used referral marketing, retailers with loyalty programs say yes about twice as often as retailers without them.



THE RETURN ON REFERRAL INVESTMENT

It isn't just in the use of referral marketing that companies with loyalty programs differ from those without. It's also in that they're more likely to view it as an investment...

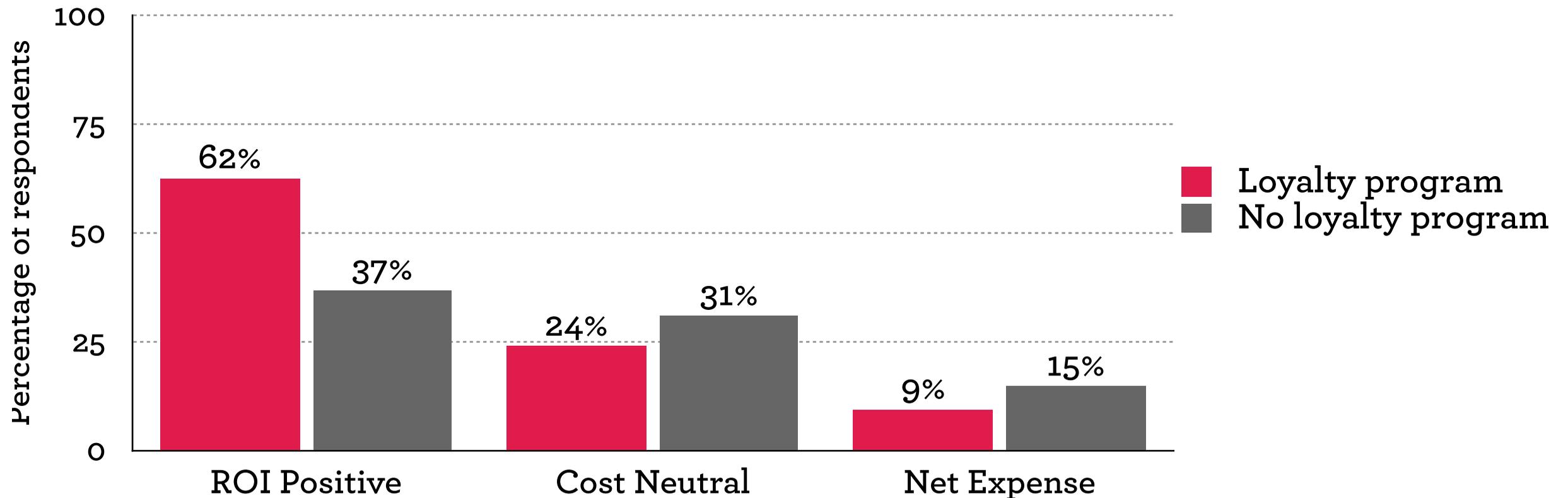
Referral marketing costs: investment or discount?



RETURN ON REFERRAL INVESTMENT

...one that generates positive returns.

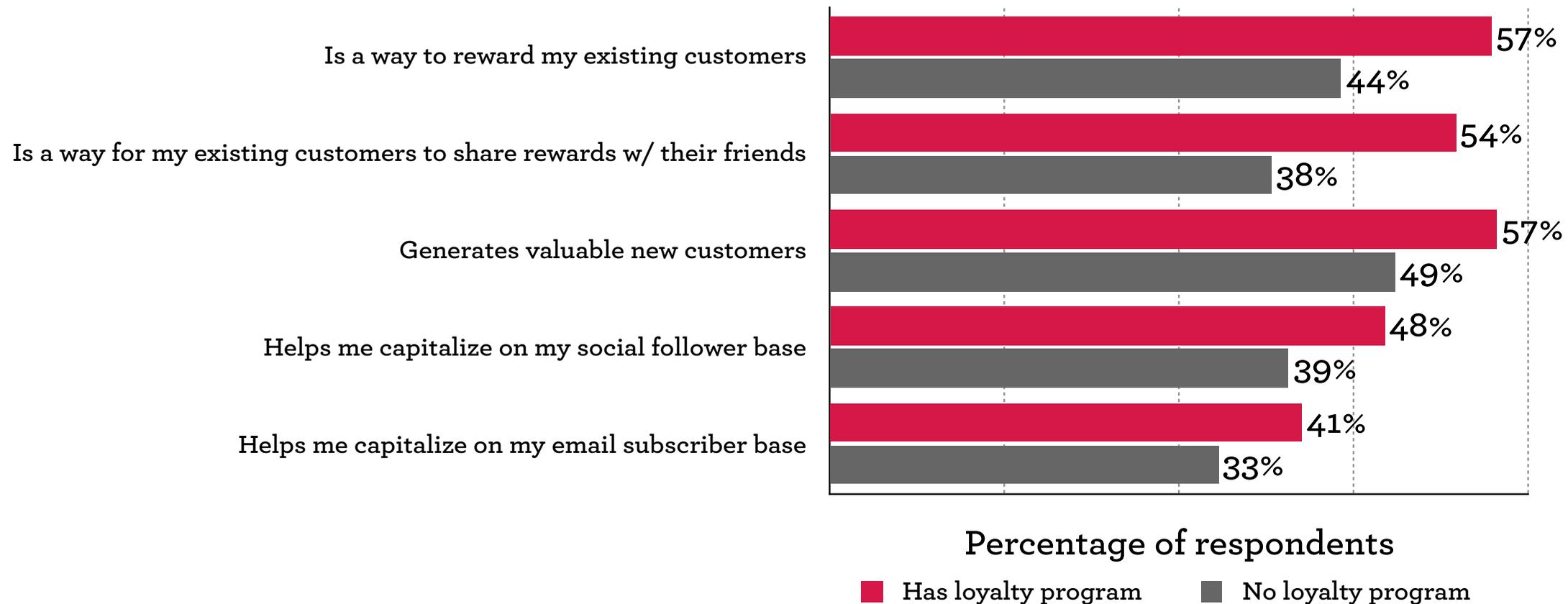
Referral marketing ROI: positive or negative?



HOW RETAILERS FEEL ABOUT REFERRALS

Retailers with loyalty programs describe referral marketing more positively than do those without loyalty programs.

Referral marketing attributes



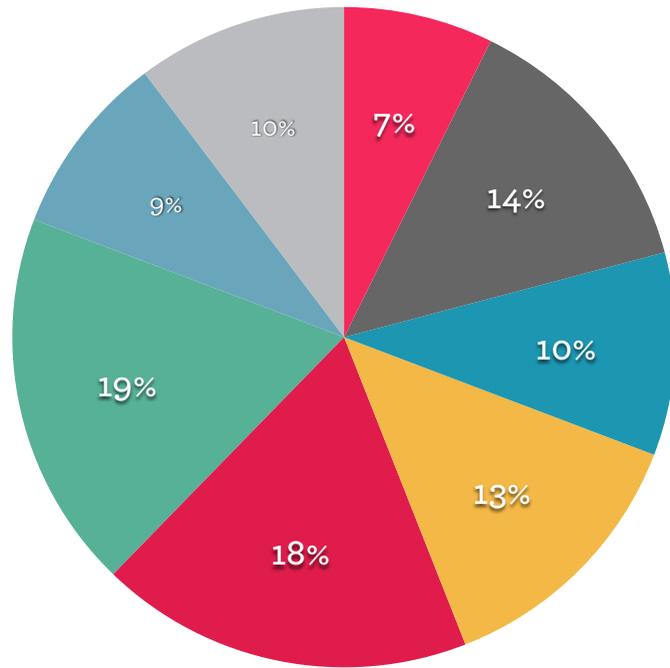
METHODOLOGY

In August 2014 we surveyed 302 respondents in primarily U.S. retail companies varying widely by geography, revenue, and type. Over half of respondents held jobs in marketing or advertising. Others held job functions including information technology, general management, and executive.

Retailer Type	% of respondents
Clothing, Shoes, Jewelry and Accessories	22%
Miscellaneous Retail	16%
Computers, Electronics and Home Entertainment	15%
Building Materials, Hardware and Home	13%
Supermarkets, Groceries and Specialty Foods	10%
Home Furniture, Furnishings and Equipment	5%
Cosmetics, Beauty Supplies, and Fragrances	4%
Office Supplies and Stationery	4%
Books, Music and Movies	3%
Automotive Parts and/or Accessories	3%
Cars, Trucks and Motorcycles	2%
Beer, Wine and Alcohol	2%
Pets and Pet Supplies	1%
Garden Supplies, Flowers, Plants and Nurseries	1%
Toys, Games and Hobbies	0%

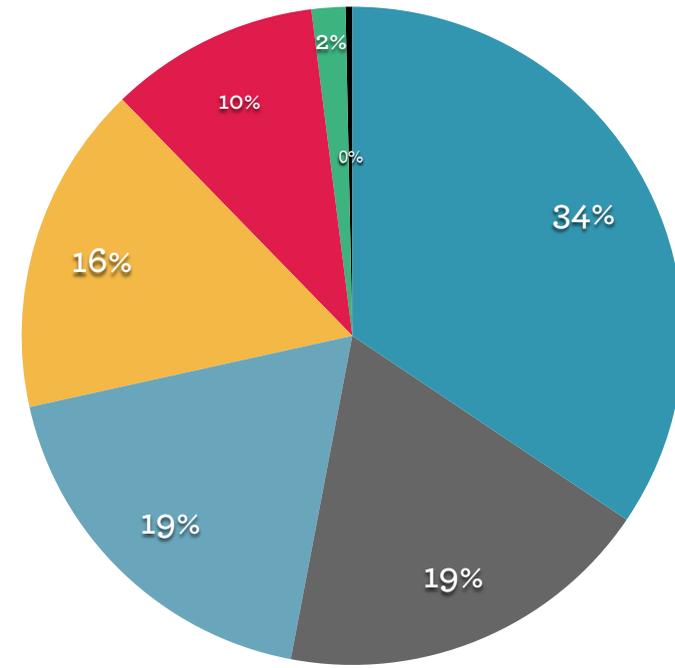
METHODOLOGY

Annual Revenue



- \$5mm < \$10mm
- \$10mm < \$50mm
- \$50mm < \$100mm
- \$100mm < \$500mm
- \$500mm < \$1bn
- \$1bn < \$2bn
- \$2bn < \$5bn
- \$5bn +

Physical Footprint



- Throughout U.S.
- Single U.S. city
- U.S. & international
- U.S. regional
- Single U.S. location
- Online only
- International only

ABOUT EXTOLE

Extole helps brands acquire new customers at scale by rewarding existing customers. We exist to help marketers drive measurable, reliable customer acquisition at scale. Our industry-leading referral platform helps brands take advantage of a unique resource they already have in front of them: their current customers. More than 300 retail, financial services, consumer subscription, and B2B companies use Extole to acquire new customers using our platform.

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