



Nurturing Customer Loyalty in China

Principles to Build Loyalty in China

April 2023



OC&C
Strategy consultants

uncommon sense™

Chinese consumers are keen users of loyalty programs

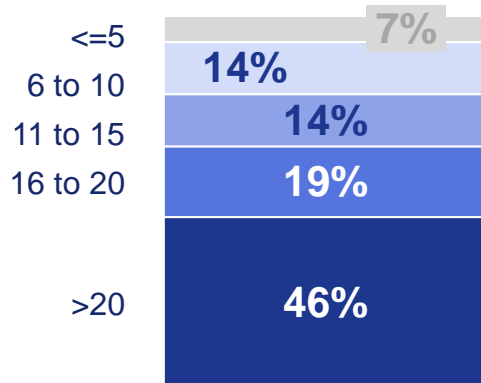
Highlights of Chinese Loyalty Program Users

Subject to Survey Screening Criteria¹

Close to half enrolled in >20 programs

across the key consumer good and leisure categories²

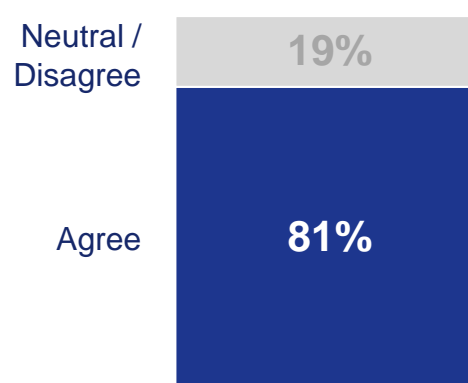
Number of Loyalty Program Enrolled³
% of Respondents



81% uses loyalty programs actively

(e.g. use the program to earn points, redeem benefits, enjoy privileges)

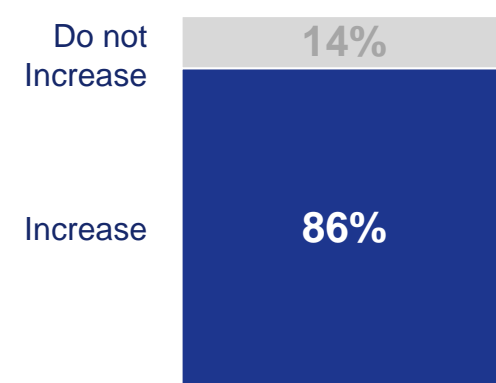
Do You Agree with "I actively use program to earn points and redeem benefits"⁴
% of Respondents Agreed



86% has increased their overall spend

after enrolling in loyalty programs

Change in Brand Spending after Loyalty Program Enrollment⁵
% of Respondents that Has Increased Spending for at Least 1 Program



1. Survey screening criteria: respondents have enrolled in and are actively using at least 3 major membership programs among the selected sectors
2. Including food service, grocer & mall, travel, E-commerce, luxury, footwear & apparel, cosmetics & beauty, food & beverage
3. Q: Within each sector, which of the programs have you enrolled in / are aware of? Please pick the most appropriate choice for each program
4. Q: On a scale of 1-5, to what extent do you agree with the following statements regarding your attitude / behavior to the membership program in general?
5. Q: After joining the program in different sector, how did total spending with the brand change (compared to spending when you were not a member)?

Source: OC&C China membership survey (2023), OC&C analysis

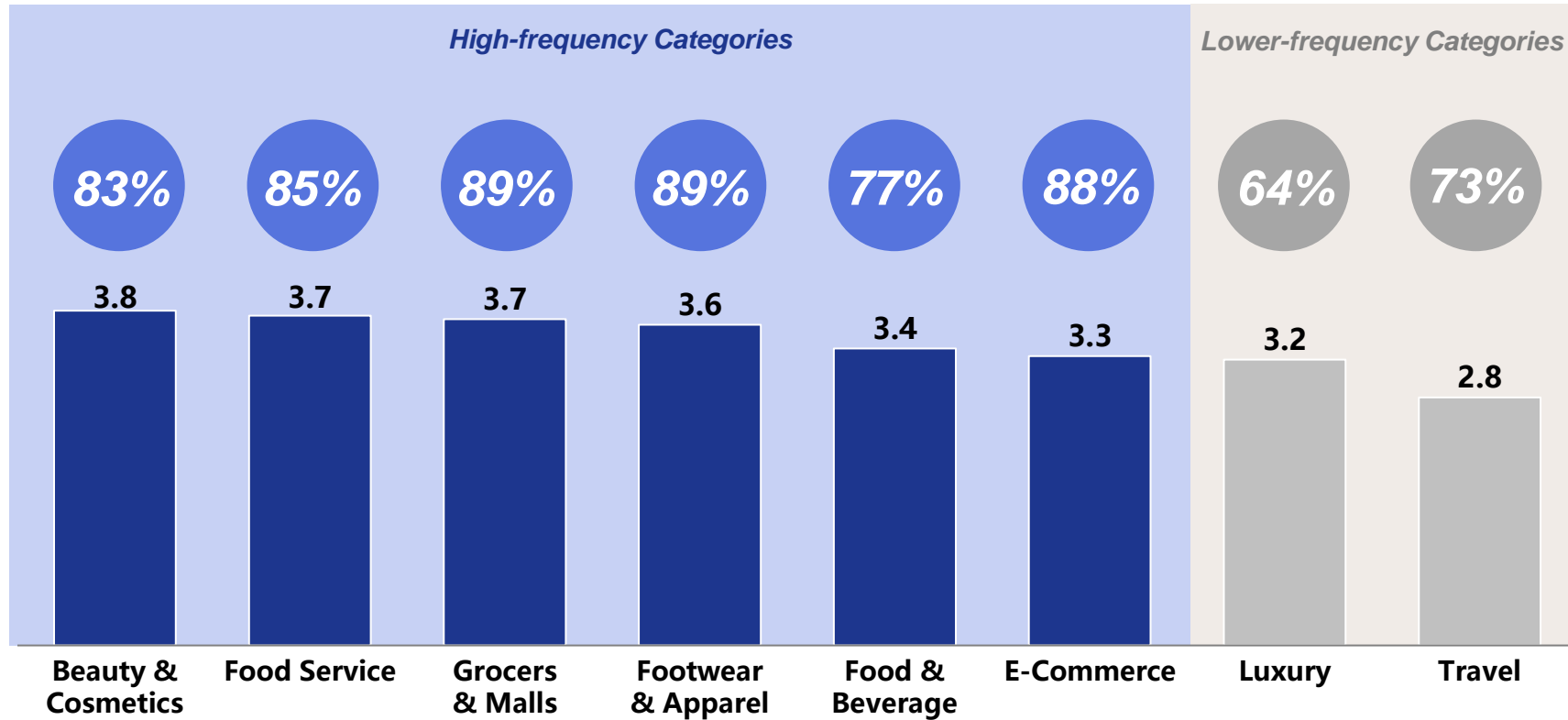


Particularly in high purchase frequency categories such as beauty and food service

Number of Programs¹ Enrolled per Respondent by Sectors²
 N = 1,500³

Subject to Survey Screening Criteria³

x% Category Loyalty Program Penetration



1. Average number of programs enrolled for a respondent that have program(s) in that specific sector

2. Q: Within each sector, for how many brands have you enrolled in membership programs at this time point? Sectors covered in the survey includes: Food Service (e.g. restaurant, café, tea drink), Retail (e.g. department store, shopping mall, grocery), E-Commerce, Travel (e.g. hotel, airline, OTA), Luxury, Footwear & Apparel (e.g. casual / formal / sport brands), Beauty & Cosmetics (e.g. beauty & cosmetics brands, specialist retailers), Food & Beverage (e.g. alcohol, soft drink, snack brands)

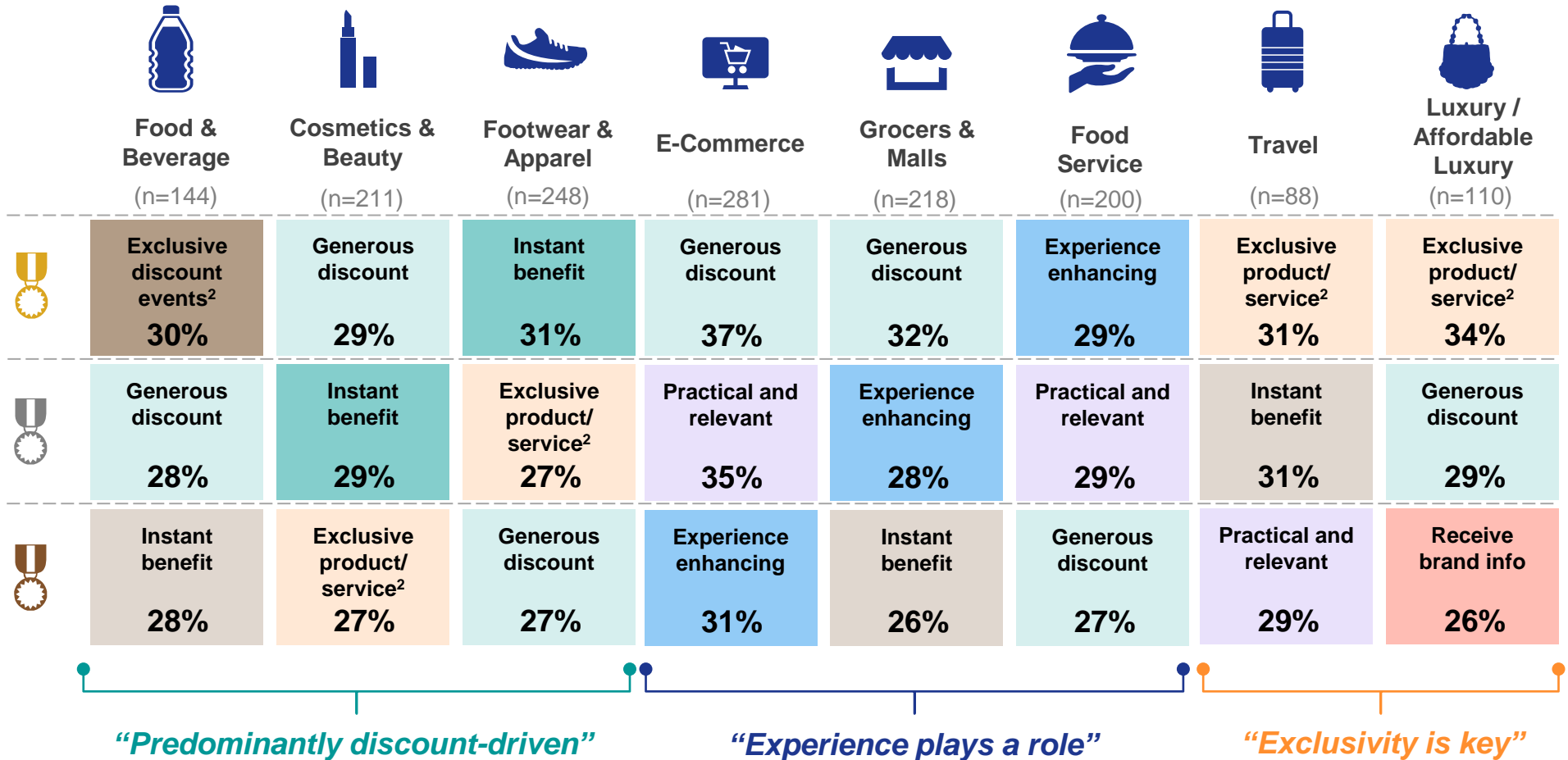
3. Survey screening criteria: respondents have enrolled in and are actively using at least 3 major membership programs among the selected sectors

Source: OC&C China membership survey (2023), OC&C analysis



The reasons for joining and participating in loyalty programs differ across categories

Top Reasons For Joining Loyalty Program by Sector¹
 % of Respondents Choosing as Top 3 Reasons, Various N



1. Q: what is your motivation of first becoming a member of [XX] program? Please rank top 3 motivations for joining
 2. Applied different interpretation for the same option of “This program gives me access to exclusive product, service, content, or activities”
 Source: OC&C China membership survey (2023), OC&C analysis



Within each category, the favourite program is typically a local operator – in fashion and beauty, international brands top the charts

Best Loyalty Program by Sector

Top Ranked Program Selected as Top 5 Favourite¹



Food Service



海底捞火锅

HaiDiLao Hotpot



Grocer & Mall



Yonghui Superstore



Travel



CTrip



E-Commerce



JD.com²



Luxury/
Affordable Luxury



Chanel



Footwear &
Apparel



Nike



Cosmetics &
Beauty



Estee Lauder



Food &
Beverage



Three Squirrels

Three Squirrels

1. Among the respondents whose favourite programs include a category, the % of respondents that select the particular program as overall top 5

2. JD Plus is a paid program

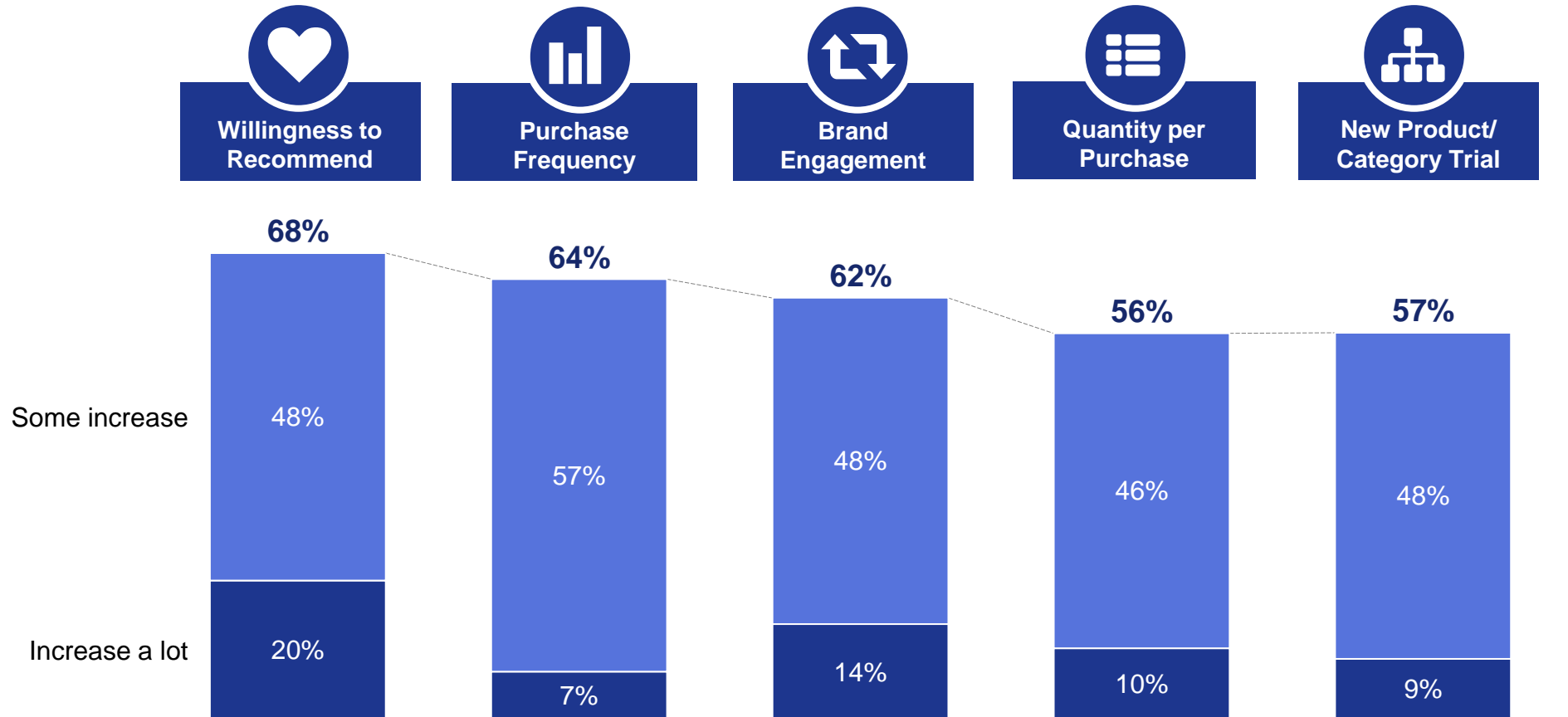
Source: OC&C China membership survey (2023), OC&C analysis



Customer advocacy of the brand increases substantially post sign-up

Impact of Favourite Programs: Consumer Behavior Change after Enrollment¹

% of Respondents, N = 1,500



1. Question: 'How did your behaviour or attitude change after joining the membership program [XX]?'

Source: OC&C China membership survey (2023), OC&C analysis



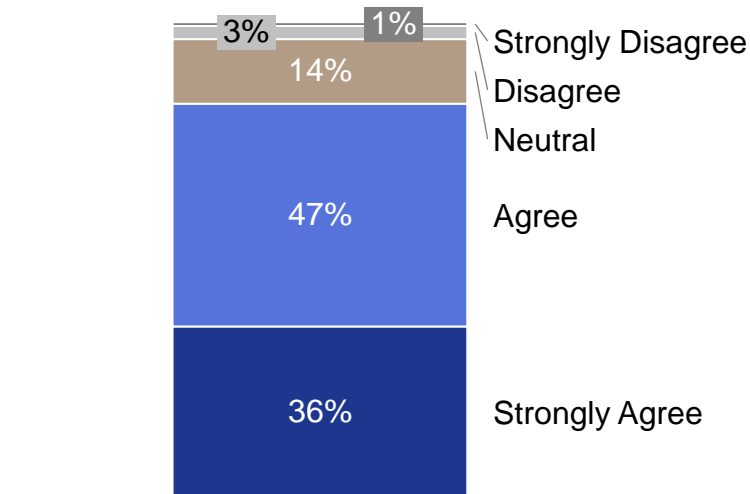
Chinese consumers are willing to pay to join loyalty programs – so long as the benefits justify the cost

Attitude towards Paid Membership

83% *“I would like to pay for membership if the program looks attractive”*

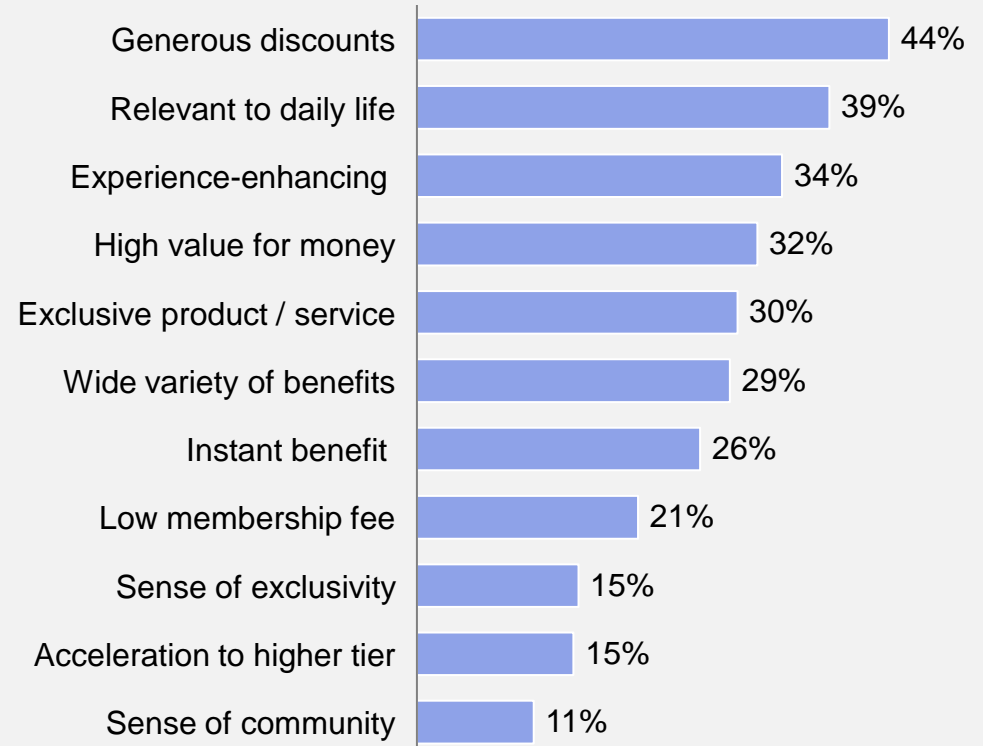
Willingness to Pay for Attractive Loyalty Programs

% of respondent, N = 1,500¹



Reason to Pay for Loyalty Programs

% of Respondents selecting as top 3 reasons, N = 1,500²



1. Q: On a scale of 1-5, to what extent do you agree with “I would like to pay for membership if the program looks attractive?”

2. Q: What are the top 3 reasons that make you decide to pay for the program?

Source: OC&C China membership survey (2023), OC&C analysis



We have outlined 6 key principles to developing a winning loyalty program in China

1 Start with the strategic objective

Loyalty programs must support and enhance business priorities, and have a clear customer focus

2 'Earning' must be simple and demonstrate tangible value

The best programs offer a simple, 'universal' way to earn, while encouraging additional engagement to earn faster / more

3 You want members to use their benefits!

Benefits should appeal broadly, celebrate the individual and offer choice to address specific target customer segments

4 The economics must be understood overall and by customer group

Monetising free / low-cost assets, minimising cannibalisation, and passing costs to partners / suppliers are critical levers to managing cost, and increasing ROI

5 Strike a balance between consistency and localisation

Loyalty programs must be tailored to local needs while remaining certain consistency

6 Maximising value requires integration across the business

Loyalty cannot stand alone – it is essential to integrate across customer facing touchpoints and across business operations



Start with the strategic objective

Loyalty programs must support and enhance business priorities, and have a clear customer focus

Questions to ask of your program

What **priorities** can loyalty support? Is loyalty the **best way**? Eg vs investment in price / marketing

Which **customer groups** are you attempting to reach through loyalty? Do you **understand how much each group is worth** and how much you're willing to invest?

Common objectives for loyalty programs

Increase preference and capture share of wallet

Retain customers / stimulate next purchase

Understand customers better

Expand repertoire / purchase higher margin products

Increase usage of **new / preferred channels**

Smooth demand / increase utilisation during off-peak

Monetise customer database

Common objectives across virtually all loyalty programs – essential to consider **which customer groups** you want to reach through loyalty – and their needs / value

Important for companies with store / offline interactions

Focus on these objectives varies by company – and by **customer group**. For example, capturing customer data (especially with marketing rights) is highly valued amongst lower frequency groups

1

Loyalty programs can be used for different objectives – influencing channel behaviours is increasingly important

Channel Objectives of Different Players

Channel Objectives

Recent Examples Include

Travel Operators

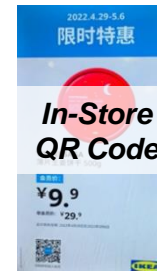
Encourage 'direct' bookings - maintaining / reclaiming volumes vs OTAs



Huazhu Members can choose their room – selecting eg rooms with great views, order room service, chat with front desk, quick check-in

Retail

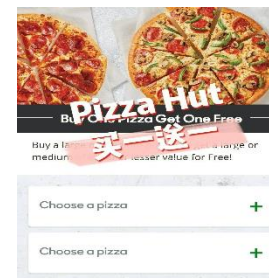
Encourage use of apps to enhance (and influence) store shopping experience



IKEA members can scan QR codes in-store through the IKEA app to enjoy flash sales and check product info

Hospitality

Encourage use of apps to streamline ordering (and reduce cost to serve) and maintain ownership of customer (vs 3rd party platforms)



Pizza Hut's loyalty programme requires ordering via the app to earn rewards

















KFC has launched highly targeted membership cards to serve the needs of different customer segments and missions



Case Study: KFC Paid Membership Program

With highly differentiated membership programs...

Membership Card	Targeted Customer	Price	Offerings
	 All Customers	Free	<ul style="list-style-type: none"> New joiner discount voucher Member exclusive discounts and vouchers on various products
	 Yum! Brands Lover	¥188 / Year	<ul style="list-style-type: none"> Various discounts/ coupons on five Yum! Brands (including KFC, Pizza Hut, etc.)
	 Frequent Customer	¥20 / Month	<ul style="list-style-type: none"> Basic discounts on breakfast, coffees, delivery fee Coupons from dual membership of iQiyi, QQ Music, JD Plus
	 Parents with Kids	¥68 / Year	<ul style="list-style-type: none"> Various discounts on KFC kid products Coupons and access to kid events
	 Delivery Lover	¥18 / Month	<ul style="list-style-type: none"> Only focus on delivery fee: Free delivery fee once an order hits 19 RMB; applicable two times a day
	 Coffee Lover	¥18 / Month	<ul style="list-style-type: none"> Only focus on coffee benefit: Reduced price of 1 RMB for 1 medium coffee per day
	 Frequent Breakfast Eater	¥18 / Month	<ul style="list-style-type: none"> Only focus on breakfast benefit: Regular discount on breakfast set

... KFC has been able to achieve...



330 Mn overall members and **1/3 paid members** by the end of 2021



62% of sales from overall members

vs. McDonalds (53%) and Burger King (40%)

‘Earning’ must be simple and demonstrate tangible value

Earning something is a powerful motivator. This must have a simple, mass-appeal mechanic

Questions to ask of your program

Can you describe the reason for customers to join in **one line**?

Is the proposition sufficiently strong to make the subscription a **no-brainer decision**?

Do your benefits have a **mass appeal** to your **targeted potential audience**?

3 characteristics a good earning mechanism should have...



Be Easy to Understand

A complicated earning mechanism might just turn most members away and become obsolete



Be Achievable

Program should set reasonable thresholds for members to feel motivated to participate



Be Engaging

The mechanism must be designed to engage members on a regular basis

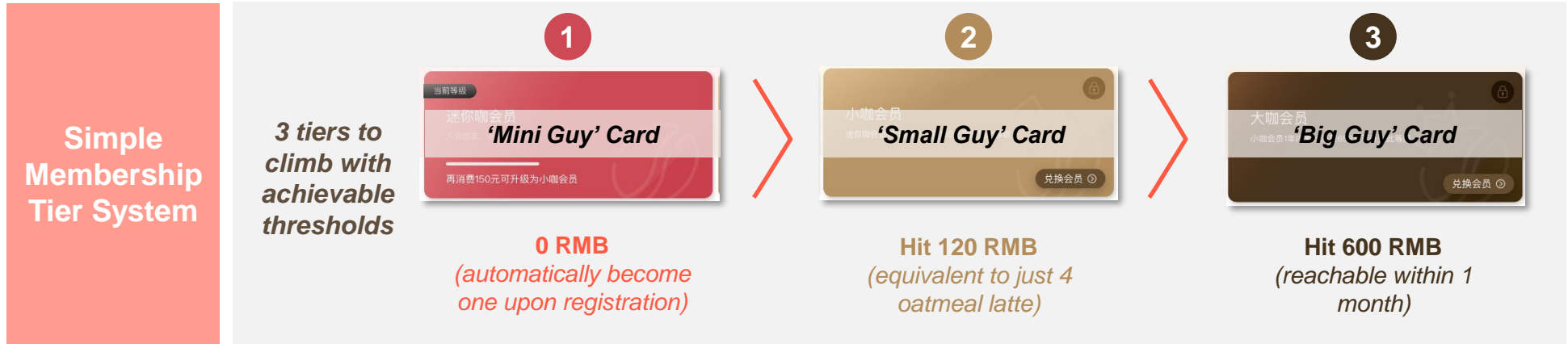
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Tim's keeps its customers motivated by setting achievable thresholds and engaging them with missions and special activities

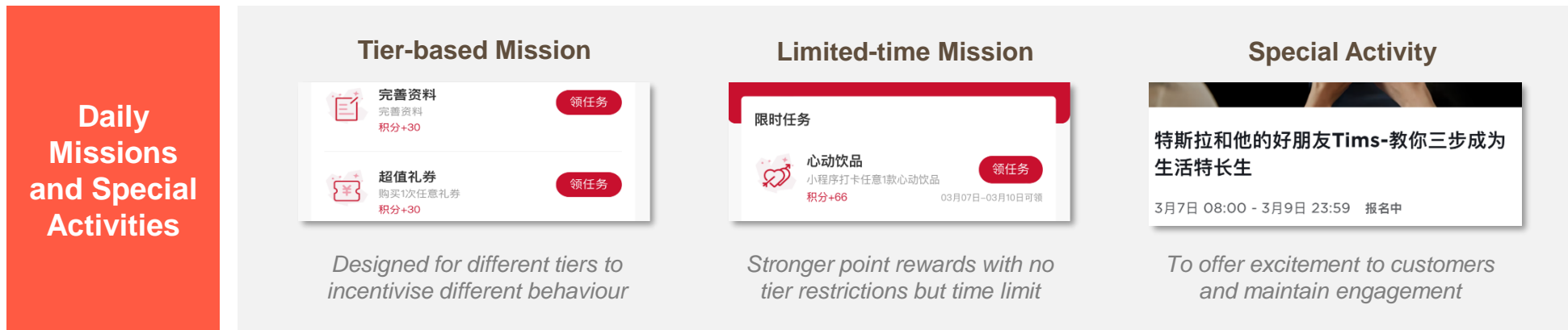
Tim Hortons

Case Study: Tims' Simple Tiering System

Customers kick start their membership journey with...



Members are constantly whipped by...



Source: Desk Research, OC&C analysis



Earning can encourage 'everyday' engagement – over half a billion members 'plant trees' in Alipay's Ant Forest

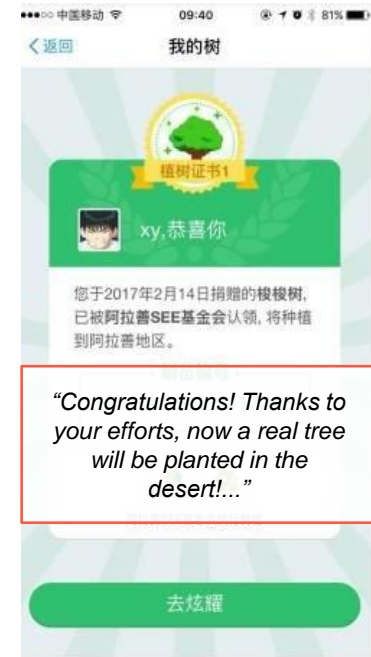
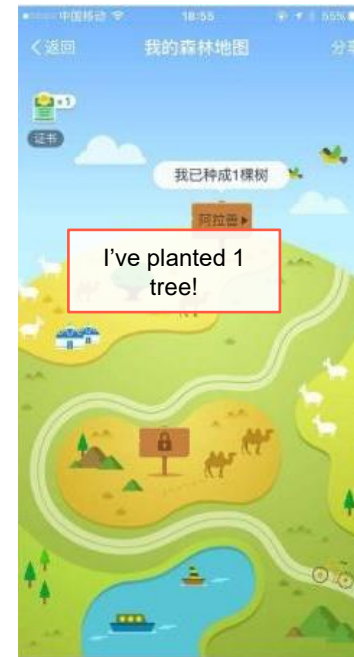


Case Study: Gamified Engagement of Alipay Ant Forest

Members of Alipay **earn 'green energy' from everyday activities** – eg walking instead of driving.

Alipay rewards members with virtual trees – planted in app based world...

...which supports Alipays commitment to the environment – **planting a real tree for each virtual tree**



300m+ trees planted

600m+ members participate



*You want members
to use their benefits!*

Benefits should appeal broadly, celebrate the individual and offer choice to address specific target customer segments

Questions to ask of your program

Are your members **regularly** using their **benefits**? Are these benefits valued?

How can redemption be used to **stimulate** incremental purchases?

3 qualities of a *winning benefit design*...



Rich in Variety

...so that benefit could appeal broadly



Relevant to Customer

... to relevant customers' daily life and easily usable



Behaviour Changing

...able to drive target behavioural changes

3

Ctrip offers a set of benefits beyond travel to convey value and ensure relevance to customers



Case Study: Ctrip Member Benefits

	Sub-category	Example
 Travel	 Flight / Transport	Lounge / VIP early access to ticket / Fast pass in airport security check
	 Hotel	Room upgrade / Free breakfast / Late check-out
	 Travel Necessity	Local car rental discount / Wi-fi rental discount / FX handling fee discount
	 Local Attraction	Tourist attraction entry fee discount / Tour guide booking discount
 Non-travel	 Shopping	Discounts with different retailers e.g. JD Plus Card, Starbucks special rights (e.g. 10% off coffee), Sunrise Duty Free coupons
	 Access to Other Apps	Free 1-month pass for one of 8 selected lifestyle apps e.g. QQ music (<i>Music</i>), Mango TV (<i>Streaming</i>), Keep (<i>Fitness</i>), Ele Me (<i>Delivery</i>), Zuoyebang (<i>Education</i>)
	 Healthcare	Healthcare discount annual pass for black diamonds (highest tier) members
	 Gifts	Godiva chocolate gift box for black diamonds (highest tier) members

Source: Desk Research, OC&C analysis



3

NIO's multiple ways to burn points, addresses diverse customer needs and target specific changes in behaviour



Case Study: Point-based Benefits of NIO



NIO Points

NIO point, which provides tangible benefits, is a tool to guide users to conduct good behaviors in the NIO community.
-- NIO app

Ways to Burn Points	Examples of Benefits	Target Behavior Change	
1 Use as In-app Social Currency	<ul style="list-style-type: none"> 积分红包 交流感情, 红包飞起 积分打赏 看到好的内容, 积分点赞 	<ul style="list-style-type: none"> Send digital red envelopes to other users Tip high-quality contents in NIO app 	Create more user interactions on NIO app
2 Redeem for In-store Experience	<ul style="list-style-type: none"> NIO Flavor 一城一味, 等你品尝 共享空间 头脑风暴、办公会议 专属于你的蔚来空间 	<ul style="list-style-type: none"> Redeem for special drinks in NIO House Redeem for co-working space access in NIO House 	Encourage offline channel engagement
3 Redeem for Products	<ul style="list-style-type: none"> 精品兑换 众多精美礼品等你带回家 车商城消费 众多配件等你来选购 	<ul style="list-style-type: none"> Redeem for NIO Life products in NIO Life mall Redeem for car accessories in NIO Car mall 	Drive visits to NIO malls and trial of new product
4 Redeem for Service	<ul style="list-style-type: none"> 目的地出行 选准目的地 做一个心灵自由的旅行家 蔚来驾享 你的专属出行管家 	<ul style="list-style-type: none"> Redeem for NIO car rental service in travel occasions Redeem for NIO driver service 	Trigger trial of new service

Source: Desk Research, OC&C analysis



The economics must be understood overall and by customer group

Monetising free / low-cost assets, minimising cannibalisation, and passing costs to partners / suppliers are critical levers to managing cost, and increasing ROI

Questions to ask of your program

Do you understand the cost / benefit overall and at customer segment level of your loyalty programme?

Do you understand how dialling up / down specific benefits can influence customer behaviour – and programme economics?

3 approaches are commonly used to support loyalty program economics

**Monetise
'Free' Assets**

- Most loyalty programs create value from monetising assets which are otherwise given away – eg priority access, or have very marginal cost to deliver – eg enhanced service / product

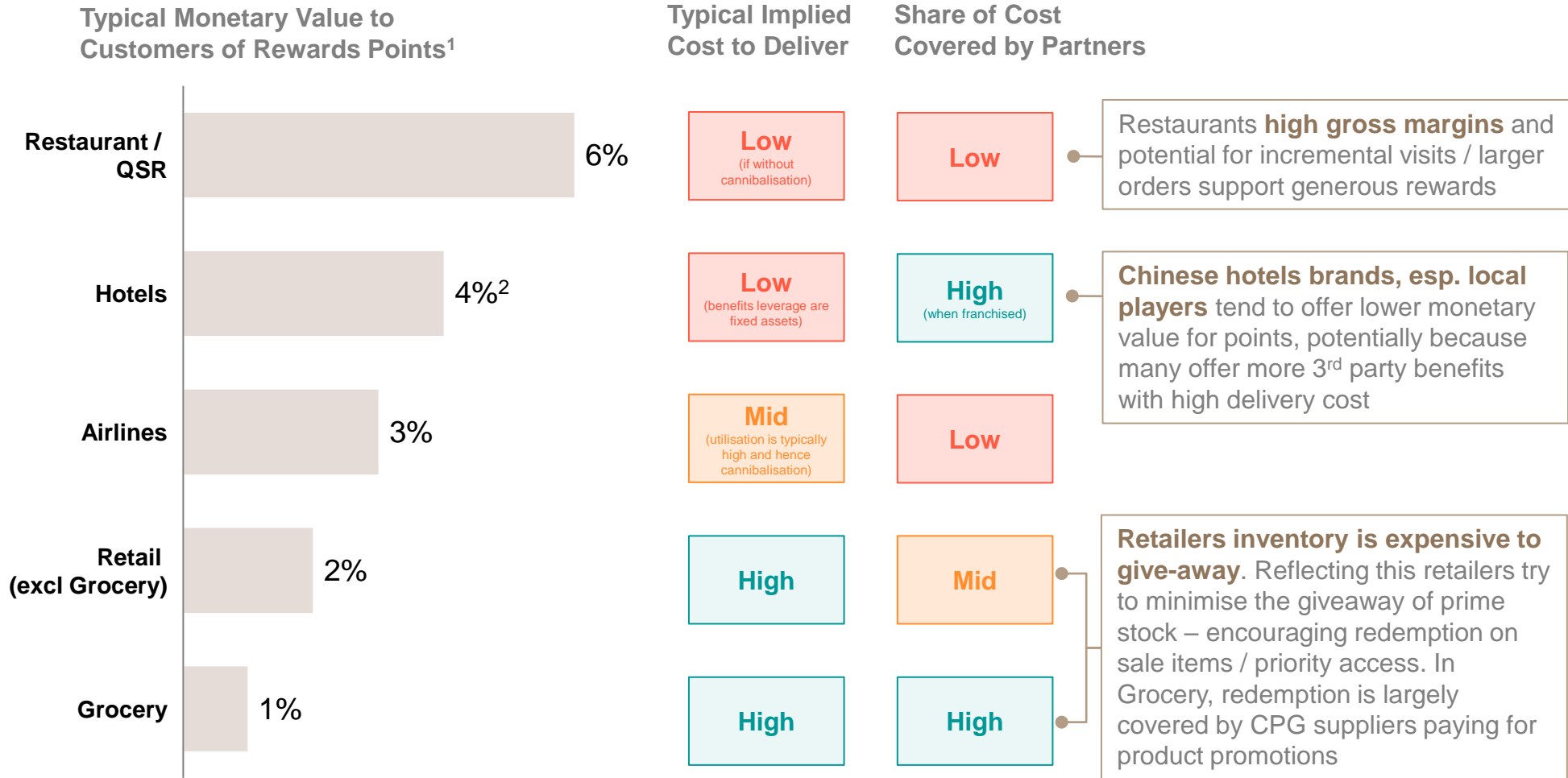
**Minimise
Cannibalisation**

- Making the economics work requires minimising cannibalisation of existing super-user spend (eg limited redemption on high demand lines / dates), while investing just enough to change behaviours of lower frequency customers

**Pass on Costs
to Suppliers &
Partners**

- Customer access is the most valuable asset of any rewards scheme – programs need to understand the value of a customer to a specific supplier / partner and charge accordingly

Loyalty programs of high gross margin businesses (eg restaurant) can be more 'generous', while retailers must work harder to create value



1. Figures of leading industry players as illustration

2. Difference exists across different players - Local brands typically c.1% ; foreign brands typically c. 4%

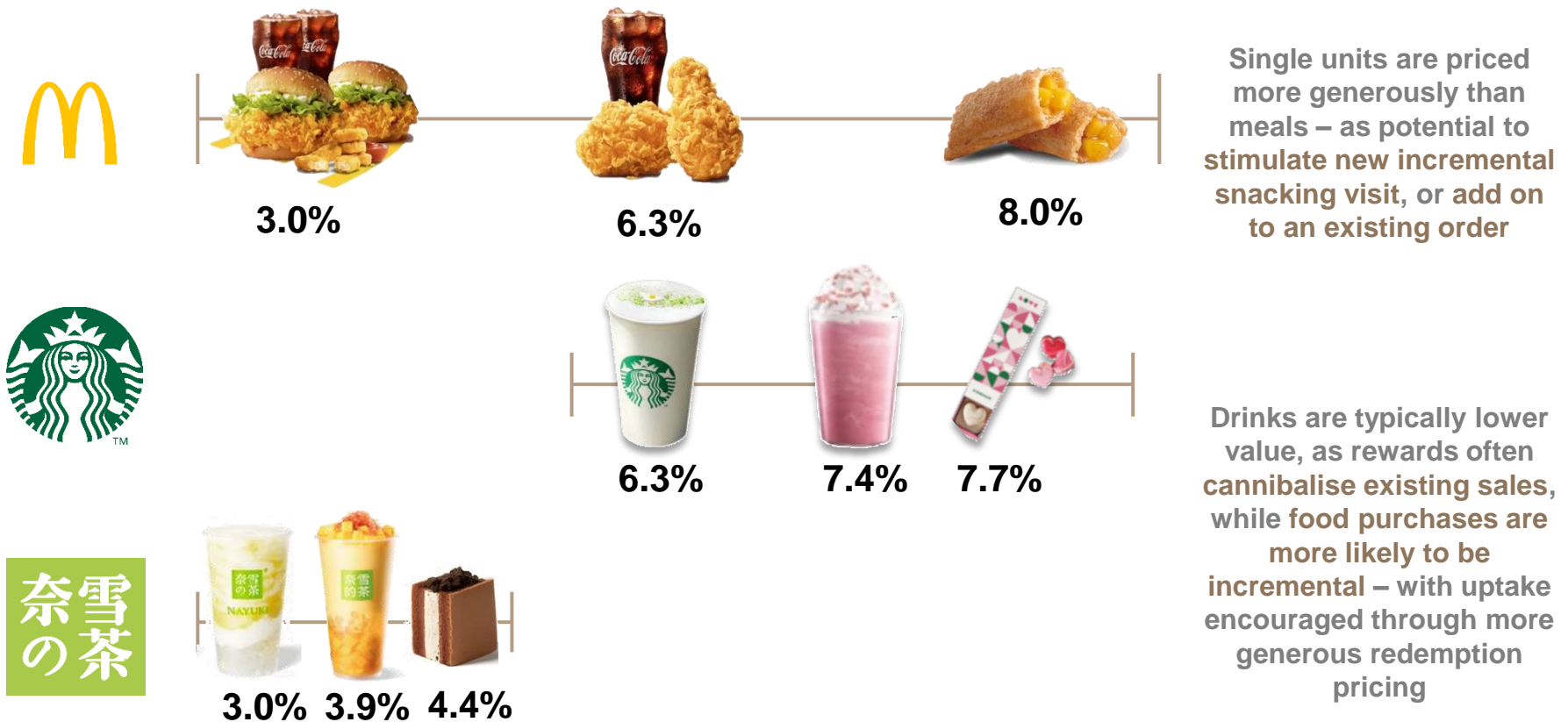
Source: Desk Research, OC&C analysis



The specific high restaurant margins support generous redemption rates – a wide range is common to encourage specific purchase behaviour

Range of implied value from points redemption across menu items

Effective Cash Back Rate¹ on Spend with...



1. Menu pricing shown on official App and mini program
Source: Desk Research, OC&C analysis

Accor launched a new membership card with high customer perceived value but minimised delivery cost

Case Study: Accor Paid Membership Program

While Accor launched a China paid program “ZhenXiang” with a long list of benefits...



Category	Example (non-exhaustive)
 Free Night Award	1 complimentary night
 Room Rate Discount	<ul style="list-style-type: none"> • 50% off coupon x1 • 30% off coupon x1 • Extra 1 50% off coupon x1
 F&B & SPA Voucher	<ul style="list-style-type: none"> • 50% off buffet x5 • 50% off afternoon tea x2 • 30% off SPA x 1
 Experiential Benefit	<ul style="list-style-type: none"> • Late checkout x 2 • Free laundry x 5 • Free wine & cake

... it still manages to keep the economics workable by...

- 1 Monetise unutilised room capacity**
Benefits redeemed on inventory – few hotels are 100% full, allowing assets to be monetised at marginal cost
- 2 Minimise cannibalisation of popular nights**
Black-out dates to prevent redemption on peak seasons / high-occupancy nights
- 3 Pass on costs to hotel owners (franchisees)**
Franchisees cover the cost of on-property benefits, in exchange for incremental room revenue

Strike a balance between consistency and localisation

Loyalty programs must be tailored to local customers while remaining an extent of consistency overall speaking

Questions to ask of your program

Is your loyalty program localized enough to be **compelling to local customers** and meet their needs?

Is your loyalty program consistent with the global or national program on the most important dimensions so as to ensure coherence?



Starbucks tailored its membership structure and offering to increase appeal amongst Chinese consumers



Case Study: Starbucks Rewards Program



Points-Based Free Membership Program

Points-based rewards program with simple mechanism 'Earn Stars, get Rewards'

Get your favorites for free

25★ 100★ 200★ 300★ 400★

Handcrafted drink (Cold Brew, lattes and more) or hot breakfast

Turn good mornings great with a delicious handcrafted drink of your choice, breakfast sandwich or oatmeal on us.

In markets where customers prefer 'simplicity', Starbucks' membership program is designed to be **simple and readily understandable**

Source: OC&C analysis



Tiers-Based Free Membership Program + Paid Membership

3 tiered free membership system, each tier with different threshold and sets of benefits

Prepaid membership card offers vouchers and 'direct to Green tier'

Tier	Stars	Requirements
Silver	1★	注册星享俱乐部帐户即成为银星级会员可开始消费积星星
Green	4★	累积4颗星升级至五星级会员
Gold	20★	五星级再累积16颗星升级至金星级会员

积星升级 丰富会员好礼享不停

星享俱乐部会员星礼包

- 50% Off: 饮品半价 (含精选) 券 × 2
- 1+1: 饮品 (含精选) 买一赠一券 × 2
- ¥10: 饮品食品 (含精选) 满60减10元券 × 3
- ¥30: 指定商品 (含精选) 满160元减30元 × 1 购买会员星礼包30天内绑定星帐户可获得

Membership program was **customized to digital savvy Chinese customers** who are **accustomed to sophisticated tier-base membership mechanism** and **attracted by tangible benefits**

Sephora's loyalty program in China has inherited the spirit of its global program, but tailors its tier, benefit, campaign, and channel to be more locally relevant

Case Study: Sephora Loyalty Localization Strategy



Global Consistency



Local Relevancy

Tier



Consistent tier naming as global – White / Black / Gold Card are widely used across countries¹



- **1 additional local tier** – Pink, where member can upgrade from Pink to White with any purchase amount
- **Lower bar to level up** vs. US to incentivize spending & tier climbing

Benefit



Consistent structure and similar types of benefits – “Saving + Experience + Sample” as the key components



- **Keep the most relevant and appealing benefits** – Trimmed down the list (11 items) vs. US (14 items)
- **China-specific perk to give instant gratification**, e.g. new member coupon

Campaign



Consistent member-exclusive promotion campaign – Flat 10-20% off everything for different member tiers



- **Launch the similar campaign format at different frequency & time points** to keep pace with local promotional seasons

Channel



Consistent loyalty program touchpoints – Sephora app and Sephora.com to align with global channels



- **Leverage local touchpoints** (e.g. WeChat mini-program, Tmall) to better engage with Chinese members
- **Seamless integration of channels**

1. In some countries new naming (Insider / VIB / rouge) has been adopted
Source: Desk Research, OC&C analysis



Localization should also be considered within a market – Club Marriott' comprises of both universal and hotel-specific benefits



Case Study: Universal and Local Benefits of Club Marriott

clubMARRIOTT™

A premium paid program providing exclusive dining and accommodation benefits

- **Program mechanism:** Customer selects a hotel to enrol in Marriott Club, and enjoys **1) universal discount** applicable to all participating hotels, as well as **2) localized hotel-specific offers** applicable to hotel the member enrolled in
- **Price:** 2,000-4,000 RMB per year
- **Participating Hotels:** Over 300 hotels & resorts in APAC



Universal Benefits

Applicable to all participating hotels

Club Marriott offers a set of universally applicable discount to ensure mass appeal and consistency proposition across programs...

A

F&B Discount: Up to 20% off at over 1,000 restaurants and bars in Asia Pacific



B

Stay Discount: Up to 20% off the Best Available Rate for rooms in all participating hotels



Localized Hotel-Specific Benefits

Applicable to 1 selected local hotel member enrolled in

...and the program allows individual hotels to offer localized part of the benefits, which ensures local relevancy and operational viability

Examples of Single-Hotel Benefits

C

Other Stay Benefits: Such as complimentary nights, room upgrade vouchers, etc. – offerings differ by hotels



D

Other Add-On Benefits: Such as gym pass, free buffet vouchers, free cake / wine vouchers, higher stay / F&B discounts, etc. – offerings differ by hotels



**Maximising value
requires integration
across the business**

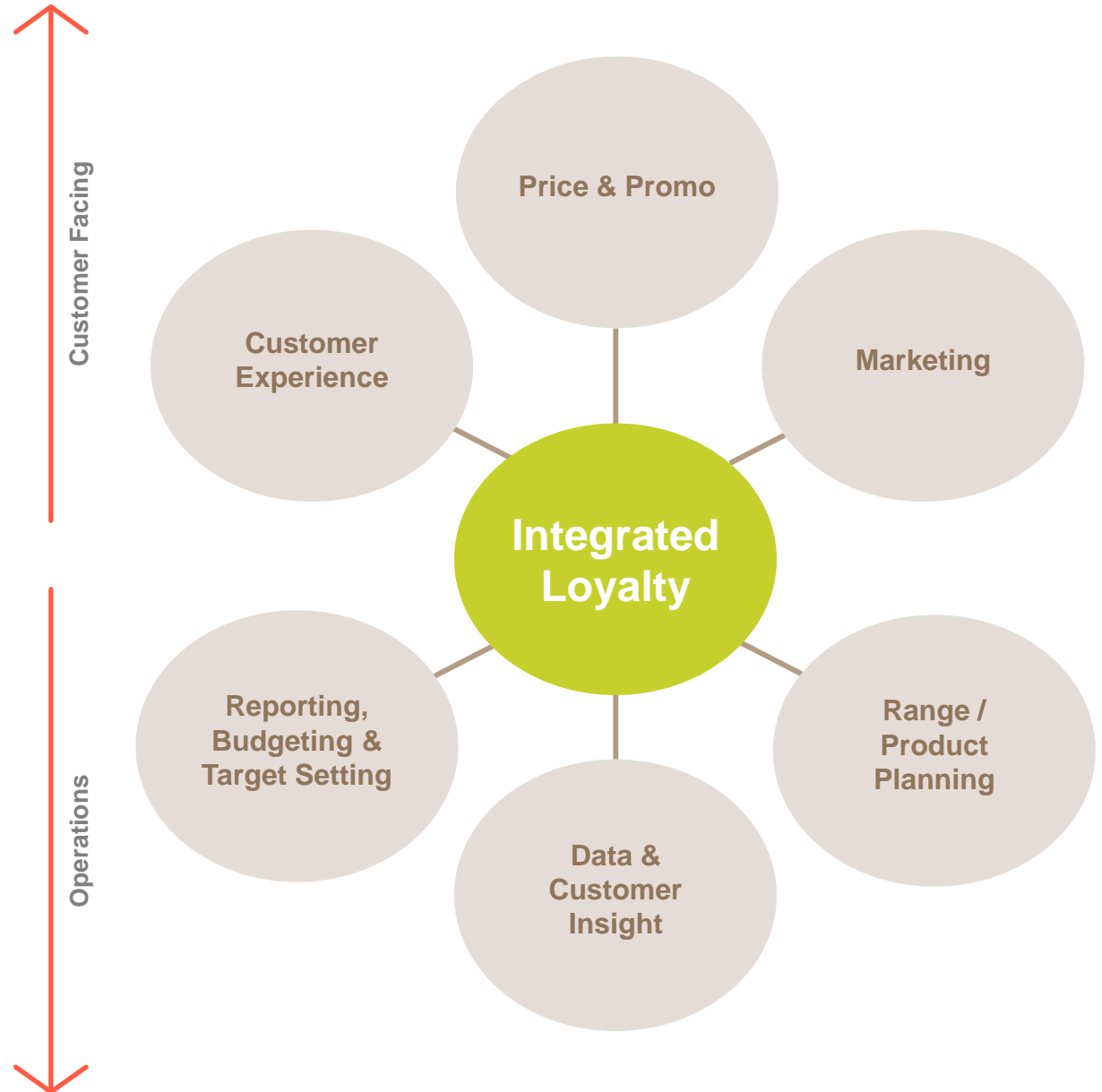
**Loyalty cannot stand
alone – it is essential to
integrate across
customer facing
touchpoints and across
business operations**

Questions to ask of your program

Are investments in loyalty considered alongside other price and promo decisions?

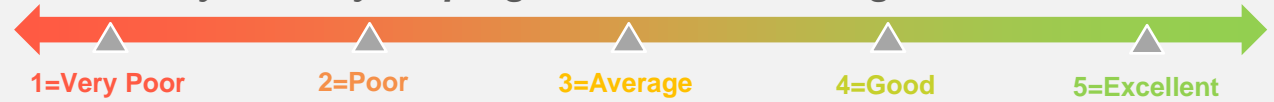
How is enhanced customer knowledge being used to improve user experience?

Are you willing to 'hold-back' your best proposition for loyalty members? Eg member only pricing



How does your loyalty program match up to the best practices?

How would you rate your program on the following dimensions from 1-5?



	Design Principles	Diagnostic Dimensions	Score
1	Start with strategic objective	1. Your loyalty program has a clear objective	<input type="text"/>
		2. Your loyalty program has a well-defined target segment	<input type="text"/>
		3. Your program supports and enhances business priorities	<input type="text"/>
2	'Earning' must be simple and demonstrate tangible value	4. Your earning mechanism is easy to understand and intuitive	<input type="text"/>
		5. Your program milestones are reasonable to achieve	<input type="text"/>
		6. Contribution of active users among all members is high (e.g. >80%)	<input type="text"/>
3	You want members to use their benefits!	7. Many of your customers are using loyalty programs (e.g. >80%)	<input type="text"/>
		8. Your members engage with the program and use benefits frequently	<input type="text"/>
		9. Your benefits are successful in stimulating behaviour change	<input type="text"/>
4	The economics must be understood overall and by customer group	10. Your loyalty program is leveraging various low-cost resources to convey value to customers	<input type="text"/>
		11. Your loyalty program has a health and highly profitable economics	<input type="text"/>
5	Strike a balance between global consistency and local relevancy	12. Your loyalty program caters for the nuanced needs of local customers	<input type="text"/>
		13. Your local loyalty program is consistent on the most important dimensions with the global / regional program	<input type="text"/>
6	Maximising value requires integration across the business	14. Your loyalty program has not seen any major conflicts with areas of business operations	<input type="text"/>
		15. Your loyalty program has been extensively leveraged to optimise other areas of the business	<input type="text"/>

Appendix

Loyalty Program Rankings



Backup: List of loyalty programs in Grocers & Malls sector



Grocers & Malls Loyalty Program List

	Brand	Program Name	Free or Paid?	% of Respondents Selected as Top 5 Favourite ¹
1	 永辉超市 YONGHUI SUPERSTORES	Yonghui Member	Free	20%
2	 大润发 RT-Mart	RT-Mart Member	Free	17%
3	 Sam's Club	Sam's Club Member	Paid	15%
4	 盒马	Freshippo Free Member	Free	10%
5	 华润	China Resources Member (China Resources Pass)	Free	8%
6	 Carrefour	Carrefour Free Member	Free	8%
7	 盒马	Freshippo Paid Member (Freshippo X Member)	Paid	8%
8	 叮咚买菜	Dingdong Paid Member (Green Card Member)	Paid	8%
9	 Carrefour	Carrefour Paid Member (CC Member)	Paid	5%
10	 麦德龙	Metro Paid Member (PLUS Member)	Paid	5%

1. Among the respondents whose favourite programs include a category, the % of respondents that select the particular program as overall top 5

Source: OC&C China membership survey (2023), OC&C analysis



Backup: List of loyalty programs in Food Service sector



Food Service Loyalty Program List

	Brand	Program Name	Free or Paid?	% of Respondents Selected as Top 5 Favourite ¹
1	 海底捞	Haidilao Member	Free	19%
2		KFC Free Member (WOW Member)	Free	17%
3		McDonald's Free Member	Free	15%
4		KFC Paid Card	Paid	10%
5		Starbucks Paid Member (Gift Card, Reward Card)	Paid	10%
6		Pizza Hut Free Member	Free	9%
7		Starbucks Free Member (Star Reward Club)	Free	7%
8		McDonald's Paid Member (O McGold Member)	Paid	7%
9	 HEYTEA 喜茶	HEYTEA Free Member (HEYTEA VIP VIP)	Free	6%
10		PizzaHut Paid Member (Exclusive Card)	Paid	6%

1. Among the respondents whose favourite programs include a category, the % of respondents that select the particular program as overall top 5

Source: OC&C China membership survey (2023), OC&C analysis



Backup: List of loyalty programs in Travel sector



Travel Loyalty Program List

	Brand	Program Name	Free or Paid?	% of Respondents Selected as Top 5 Favourite ¹
1		Ctrip Free Member	Free	17%
2		Fliggy Free Member	Free	10%
3		Ctrip Paid Member (Ctrip Super Member)	Paid	9%
4		Tongcheng Free Member	Free	7%
5		China Southern Free Member (China Southern Sky Pearl Club)	Free	6%
6		Qunar Free Member	Free	6%
7		Fliggy Paid Member (Fliggy Money Saving Card)	Paid	6%
8		Air China Free Member (Phoenix Miles Members)	Free	5%
9		Air China Paid Member	Paid	4%
10		Tongcheng Paid Member (Black Whale Member)	Paid	4%

1. Among the respondents whose favourite programs include a category, the % of respondents that select the particular program as overall top 5

Source: OC&C China membership survey (2023), OC&C analysis



Backup: List of loyalty programs in E-commerce sector



E-commerce Loyalty Program List

	Brand	Program Name	Free or Paid?	% of Respondents Selected as Top 5 Favourite ¹
1	京东	JD Paid Member (JD PLUS)	<i>Paid</i>	33%
2	天猫 TMALL.COM	Tmall Paid Member (88VIP)	<i>Paid</i>	29%
3	拼多多	PDD Paid Member (Money-saving Monthly Card)	<i>Paid</i>	13%
4	京东	JD Free Member	<i>Free</i>	12%
5	天猫 TMALL.COM	Tmall Free Member	<i>Free</i>	12%
6	唯品会 vip.com	Vipshop Paid Member (Super VIP)	<i>Paid</i>	9%
7	拼多多	PDD Free Member (¥10 Billion Subsidized Member)	<i>Free</i>	6%
8	苏宁易购 suning.com	Suning Paid Member (Super Member)	<i>Paid</i>	6%
9	唯品会 vip.com	Vipshop Free Member	<i>Free</i>	5%
10	苏宁易购 suning.com	Suning Free Member	<i>Free</i>	3%

1. Among the respondents whose favourite programs include a category, the % of respondents that select the particular program as overall top 5

Source: OC&C China membership survey (2023), OC&C analysis



Backup: List of loyalty programs in Luxury sector



Luxury Loyalty Program List

	Brand	Program Name	Free or Paid?	% of Respondents Selected as Top 5 Favourite ¹
1	 CHANEL	Chanel Fashion Member	Free	17%
2	 HERMÈS PARIS	Hermès Member	Free	13%
3	Dior	Christian Dior Fashion Member	Free	12%
4		Gucci Member	Free	11%
5	 LONGINES	Longines Member	Free	10%
6	 LV LOUIS VUITTON	Louis Vuitton Member	Free	10%
7	<i>Cartier</i>	Cartier Member	Free	9%
8	 COACH N. L.V. YORK	Coach Member	Free	8%
9	BURBERRY	Burberry Member	Free	8%
10	 ROLEX	Rolex Member	Free	7%

1. Among the respondents whose favourite programs include a category, the % of respondents that select the particular program as overall top 5

Source: OC&C China membership survey (2023), OC&C analysis



Backup: List of loyalty programs in Footwear & Apparel sector



Footwear & Apparel Loyalty Program List

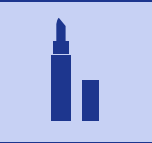
	Brand	Program Name	Free or Paid?	% of Respondents Selected as Top 5 Favourite ¹
1		Nike Member	Free	22%
2		Li-Ning Member (Li-Ning CLUB)	Free	22%
3		Anta Member	Free	20%
4		Adidas Member (adi CLUB)	Free	17%
5		HLA Member	Free	10%
6		Xtep Member	Free	9%
7		361° Member	Free	8%
8		Bosideng Member	Free	7%
9		Sketchers Member	Free	6%
10		Zara Member	Free	4%

1. Among the respondents whose favourite programs include a category, the % of respondents that select the particular program as overall top 5

Source: OC&C China membership survey (2023), OC&C analysis



Backup: List of loyalty programs in Cosmetics & Beauty sector



Cosmetics & Beauty Loyalty Program List

	Brand	Program Name	Free or Paid?	% of Respondents Selected as Top 5 Favourite ¹
1		Estee Lauder Member (Estee Lauder Luxury Club)	Free	18%
2		Lancôme Member	Free	13%
3		Watsons Paid Member	Paid	11%
4		L'Oréal Member (L'Oreal Members Club)	Free	10%
5		SK-II Member (NOW Member)	Free	9%
6		Perfect Diary Member	Free	9%
7		Pechoin Member	Free	8%
8		Shiseido Member	Free	8%
9		Chando Member (Chando Club)	Free	7%
10		Chanel Beauty & Cosmetics Member	Free	7%

1. Among the respondents whose favourite programs include a category, the % of respondents that select the particular program as overall top 5

Source: OC&C China membership survey (2023), OC&C analysis



Backup: List of loyalty programs in Food & Beverage sector



Food & Beverage Loyalty Program List

	Brand	Program Name	Free or Paid?	% of Respondents Selected as Top 5 Favourite ¹
1		Three Squirrels Member	Free	25%
2		BESTORE Member	Free	25%
3		Coca Cola Member	Free	12%
4		Pepsi Member	Free	9%
5		Want Want Member (Want Want Club)	Free	7%
6		Maotai Free Member (iMaotai)	Free	7%
7		Tsingtao Beer Member	Free	7%
8		Maotai Paid Member (Moutai Hui)	Paid	7%
9		Budweiser Member	Free	6%
10		Snowflake Member (Snowflake Club)	Free	5%

1. Among the respondents whose favourite programs include a category, the % of respondents that select the particular program as overall top 5

Source: OC&C China membership survey (2023), OC&C analysis



Thank you!



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