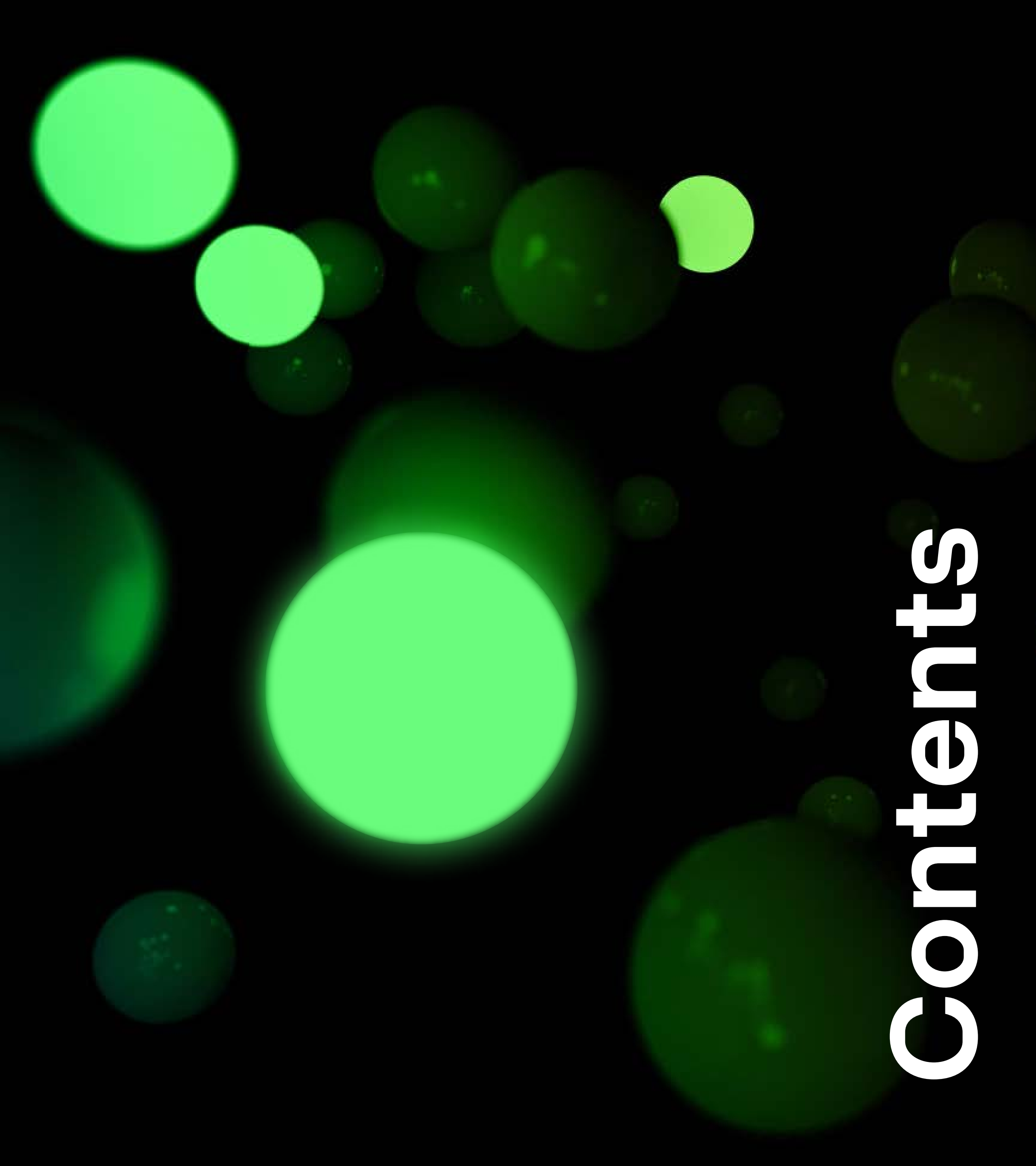


Where Loyalty Pays Off:

Why Smarter Rewards Deliver Bigger Returns





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Thriving vs. Surviving? Loyalty Is the Line

In a loyalty landscape shaped more by relevance than recession, the winners aren't those with the flashiest perks - but those who build real, repeatable connection. Flexible rewards aren't a nice-to-have. They're a growth strategy in disguise.

What the data makes clear:

- Acquiring a new customer costs **5 to 25 x** more than keeping one. But boosting retention by just **5%** can deliver profit jumps of 25% to 95%.
- **61%** of consumers would rather receive gift cards than discounts or promos—and they're voting with their wallets.
- Loyal customers spend up to **18%** more annually and power nearly two-thirds of total revenue.
- The odds of selling to a loyal customer? Up to **70%**. A new one? As low as 5%.

The takeaway: Loyalty isn't won with points and platitudes. It's earned through relevance, ease, and everyday value.



Runa Research

Inside the mindset of the modern loyalty member

We surveyed loyalty and rewards participants across the U.S., ages 18–60. The feedback was clear: while most feel good about the programs they're in, many feel they're still settling. They want rewards that flex with their life - not ones that force them to jump through hoops. And they're ready to shift their allegiance for that experience.



Key Themes and Insights

The research revealed these key insights about consumer preferences and behavior in the current climate. We'll look at each point more closely in the following pages.

The gift card wins - every time

Rigid incentives and brand-tied discounts are fading fast. Consumers crave optionality, and gift cards, especially flexible, neutral ones, consistently top the list.

Control isn't a perk. It's the expectation

Programs that let people redeem how, where, and when they want drive far more engagement. Consumers are done with blackout dates, friction-filled redemption, and irrelevant formats.

Personalization Is half-built

70% of consumers receive personalized offers. Yet many still feel unseen. Generic "personalization" isn't cutting it - customers want rewards that actually match how they live and spend.

Small shifts, big payoffs

Small gains in loyalty can create exponential financial returns—compounding over time, and quarter after quarter.

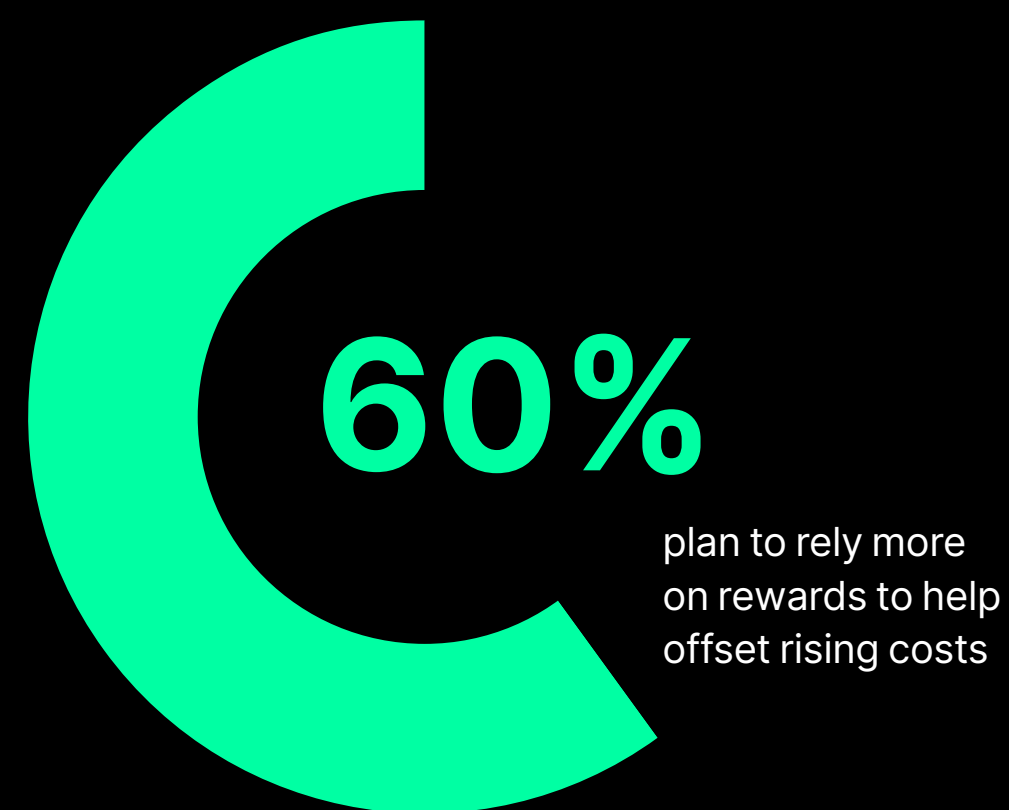


Detailed Findings

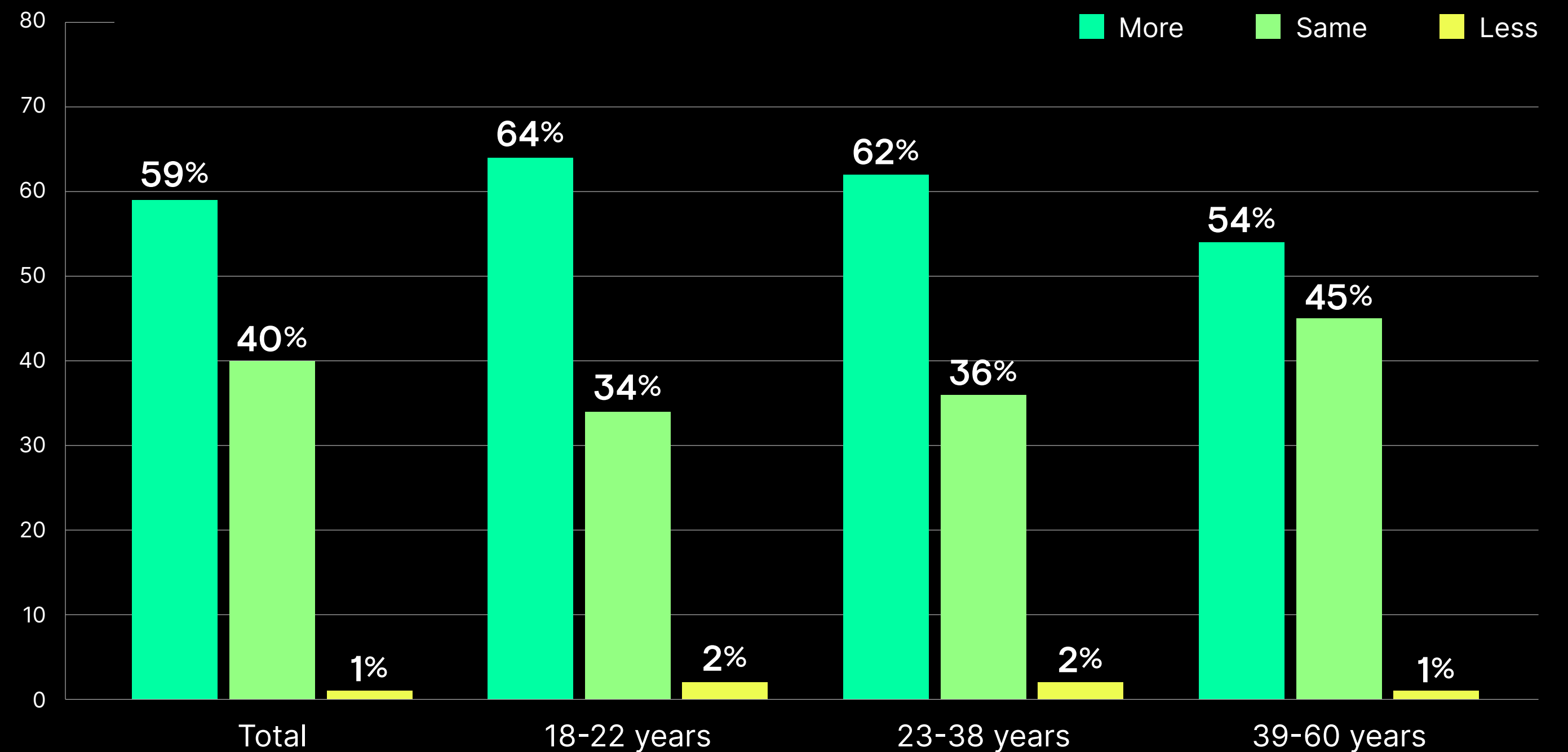
Consumers see loyalty and reward programs as playing a role in their response to the current economic climate.

Nearly 60% of rewards participants said they plan to rely more on rewards to help offset rising costs and economic uncertainty during the next 12 months than they previously have.

This is especially true of younger respondents. Nearly two-thirds of Gen Z (64%) and 62% of Millennials said they will rely more on rewards.



PLANNED REWARDS USAGE IN NEXT 12 MONTHS DUE TO ECONOMIC UNCERTAINTY



Rewards program participants are generally satisfied with their programs. They feel appreciated and rewarded.

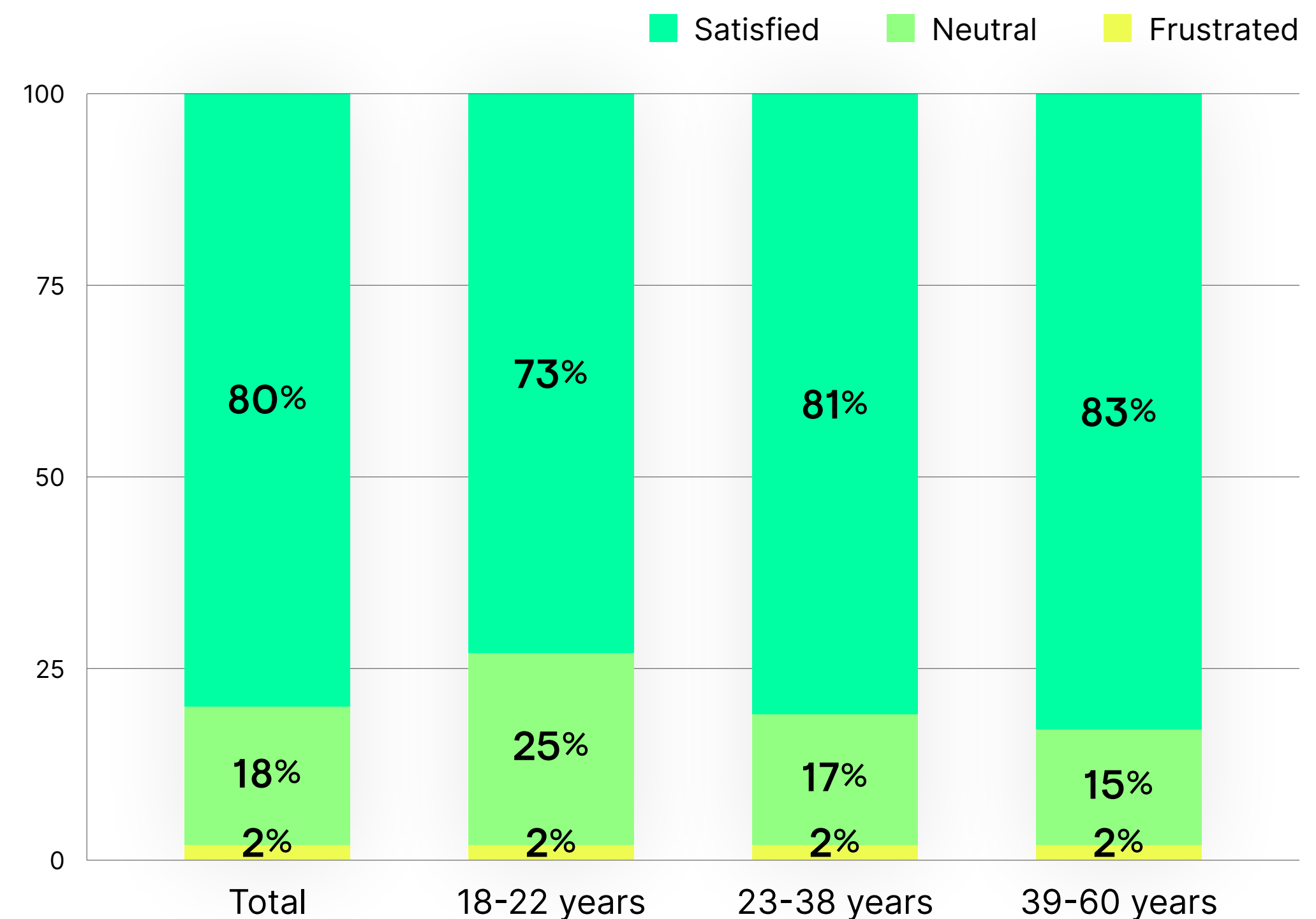
There's good news for marketers who manage loyalty and rewards programs: Survey respondents overwhelmingly said they feel satisfied with their programs.

When asked whether the programs made them feel appreciated and rewarded as loyal customers, 91% responded positively. And 90% agreed that participating in the programs enhances their overall experience as a customer.



said participating in rewards programs enhances their overall customer experience

PARTICIPANTS' FEELINGS ABOUT REWARDS PROGRAMS



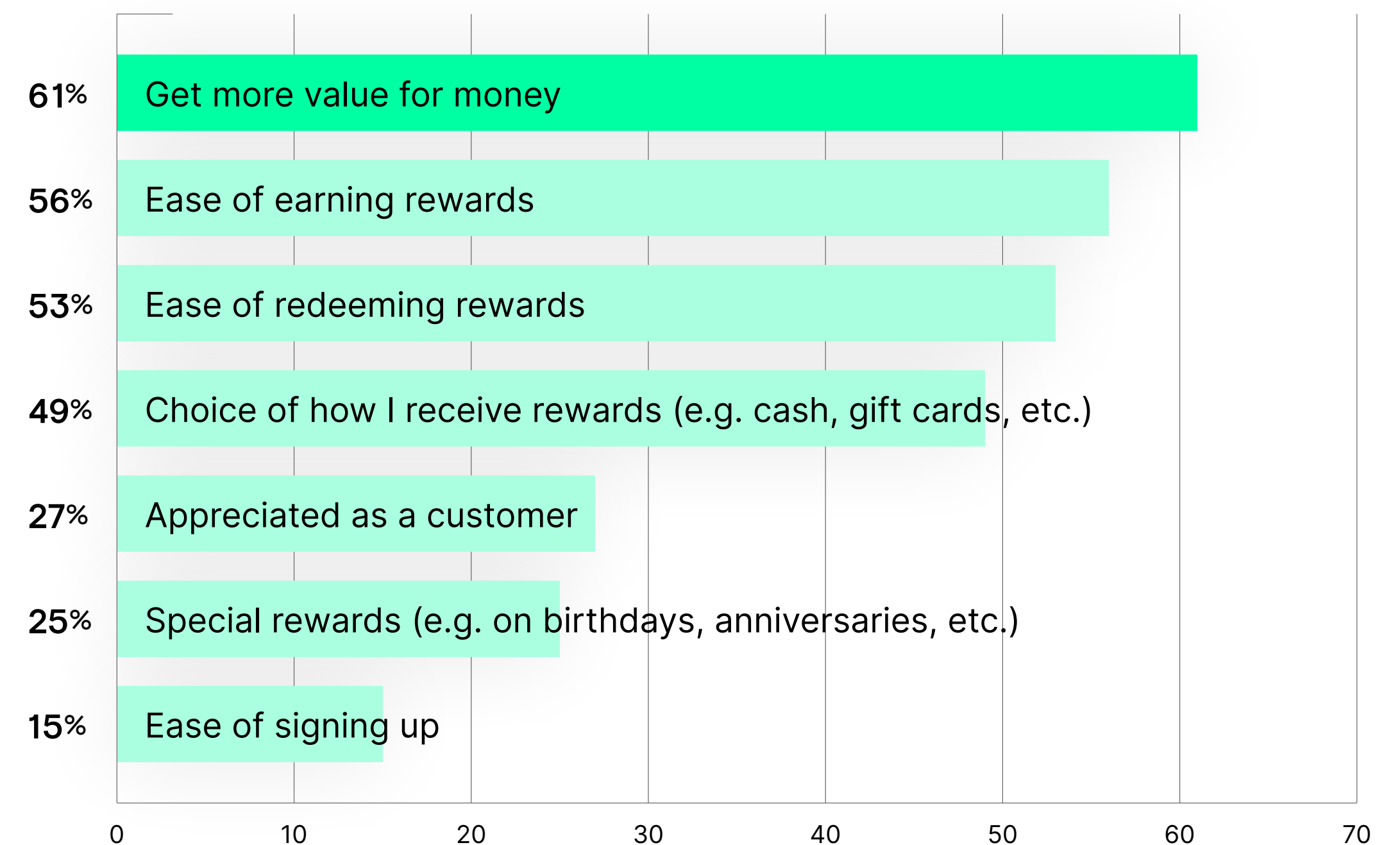
Participants attach the most importance to the value they get from their rewards and loyalty programs.

To keep satisfaction levels high, it's essential to understand the drivers behind them. So we asked what consumers see as most satisfying about rewards and loyalty programs.

The leading factor participants said made them happy about their rewards programs was the value these programs provide for their money (61%). Two reasons related to the program's ease of use – ease of earning and ease of redeeming rewards – were close behind.



REASONS FOR PARTICIPANT SATISFACTION WITH REWARDS PROGRAMS

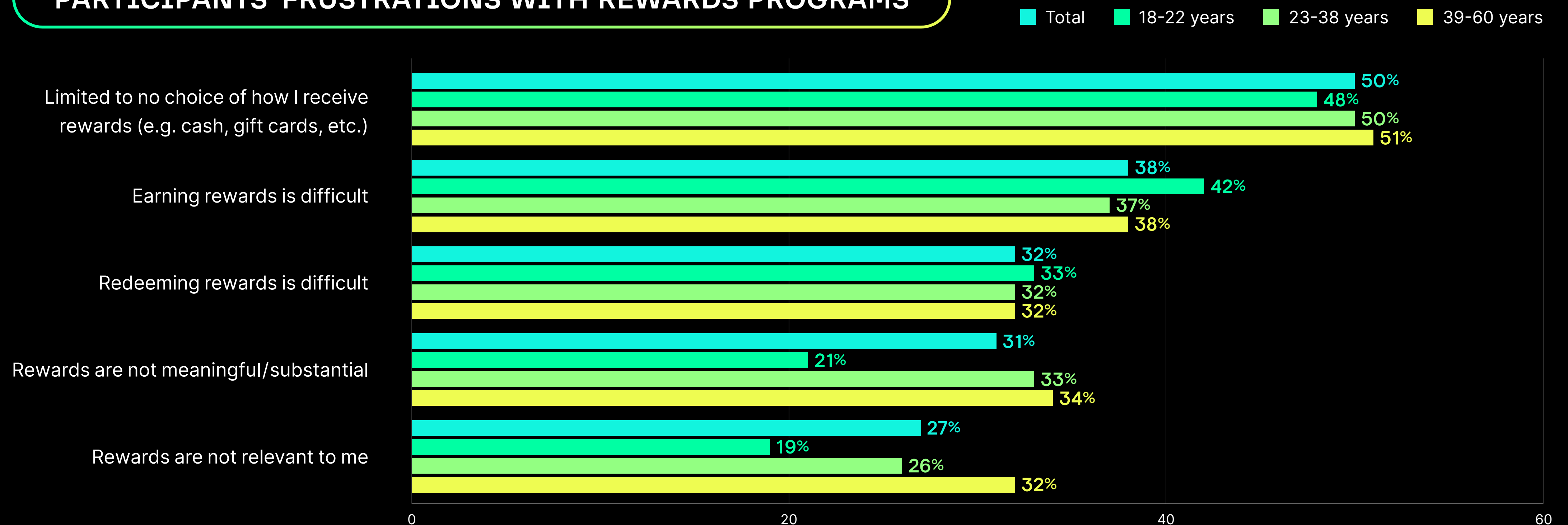


Program participants would like more choice in how they receive rewards.

Similarly, when asked to rank what frustrates them most about rewards programs, half of the survey participants chose limited to no choice in how they receive the rewards

(50%) as their top reason. Difficulty earning rewards (38%) was the second-most chosen reason.

PARTICIPANTS' FRUSTRATIONS WITH REWARDS PROGRAMS



Consumers prefer flexible reward types that they can spend at their discretion.



When asked how often they could spend their rewards exactly where they wanted, fewer than half (42%) of respondents answered “always,” leaving room for improvement. However, only a tiny fraction (4%) replied “never.”

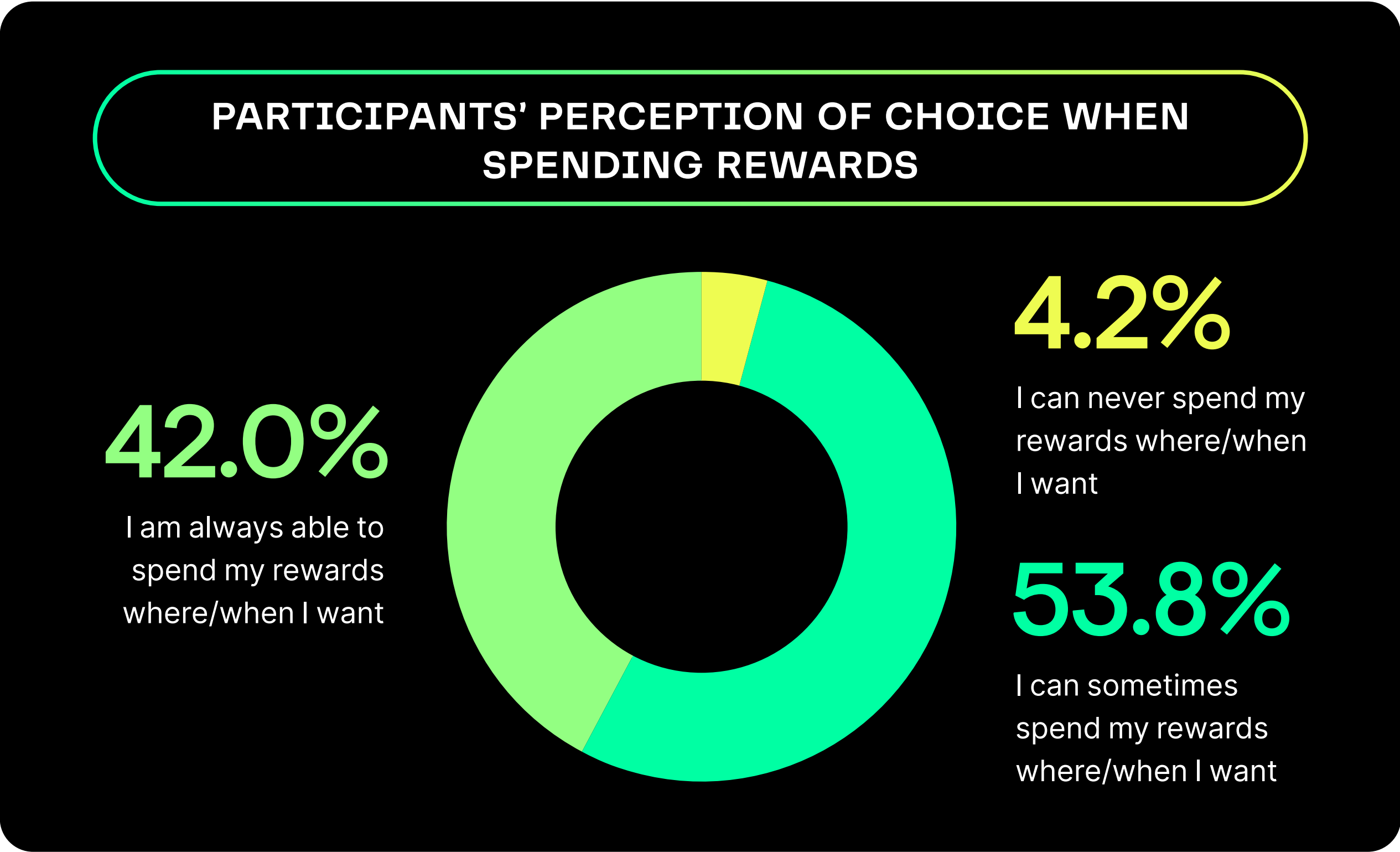
Again, survey participants said they prefer flexibility and the ability to make their own choices.

When asked for their favorite reward type, participants ranked cashback into a bank account highest, followed by

Rank*	Participants' Favorite Reward Types
1	Cashback into bank account
2	Cashback or points to be used on a vast selection of e-gift cards
3	Cashback or points rewards to be redeemed on a selection of physical goods
4	Discount/coupons

*Most picked reward type for each rank

cashback or points they could use toward a selection of e-gift cards as their second favorite reward type. Their least preferred option was discounts and coupons.

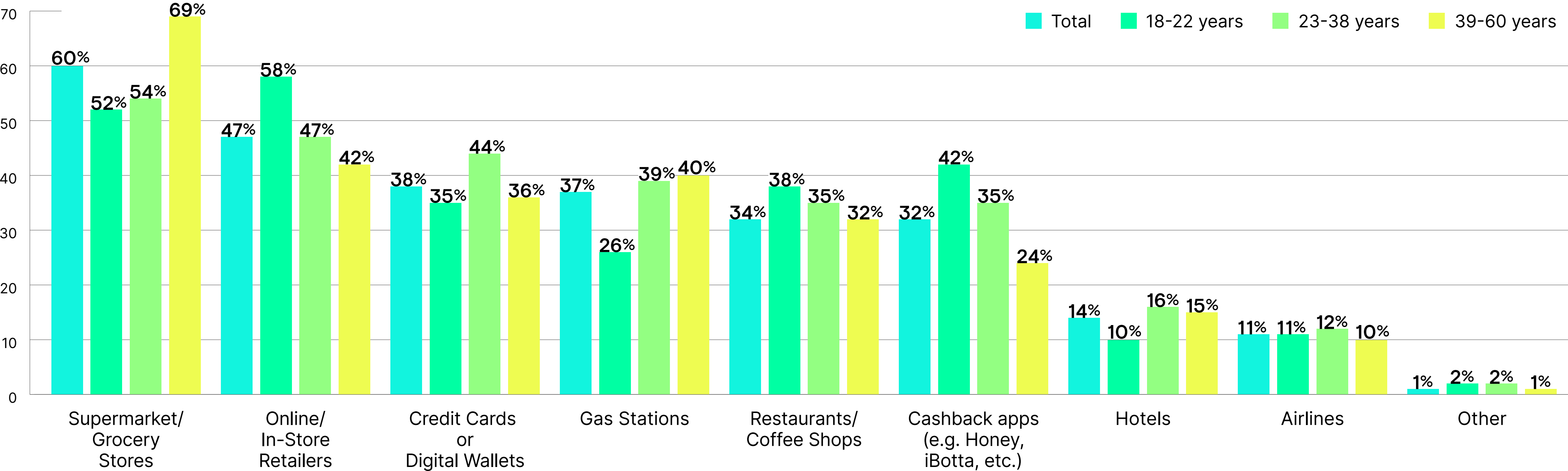


Consumers prefer to earn – and use – rewards at the places where they spend money most often.

Grocery stores (60%) were respondents' favorite place to earn rewards, and restaurants (52%) are where they would like to use their rewards. When asked where they most

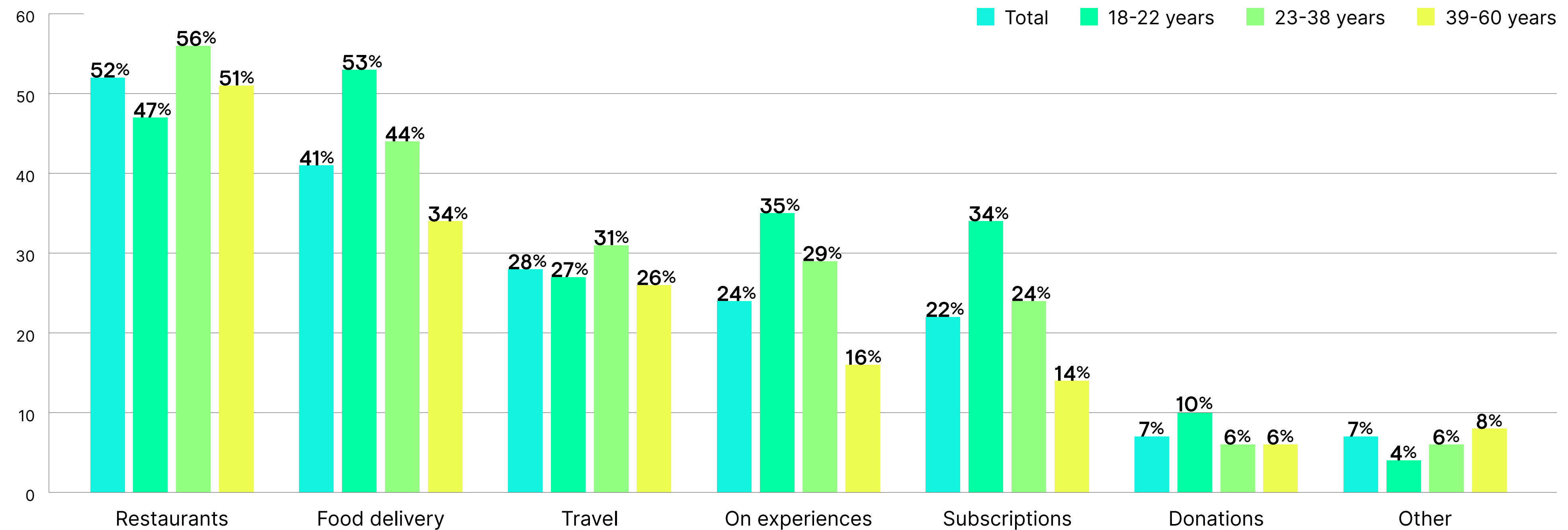
often want to spend their rewards, most respondents chose restaurants, then food delivery, followed by travel and experiences.

PARTICIPANTS' FAVORITE PLACES TO EARN REWARDS



Consumers prefer to redeem rewards on food – whether at restaurants or food delivery.

PARTICIPANTS' PREFERRED WAYS TO SPEND REWARDS

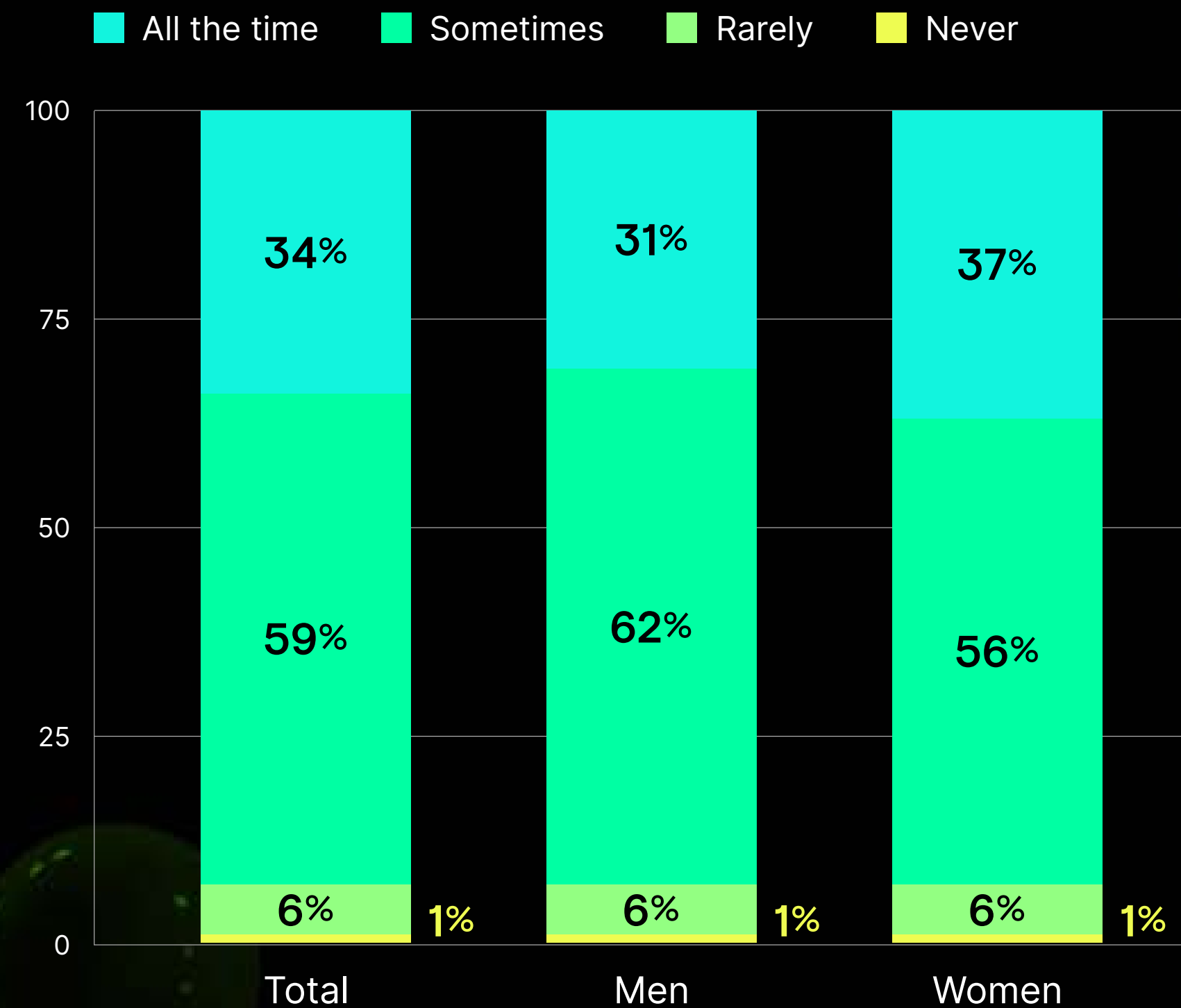


Participants use rewards toward purchases often and spend relatively frequently, in smaller amounts.

A third of respondents (34%) said they use rewards “all the time” to make purchases. More than half (52%) collect \$25 or less before spending their rewards on purchases. Only 5% save their rewards until they have \$100 or more.

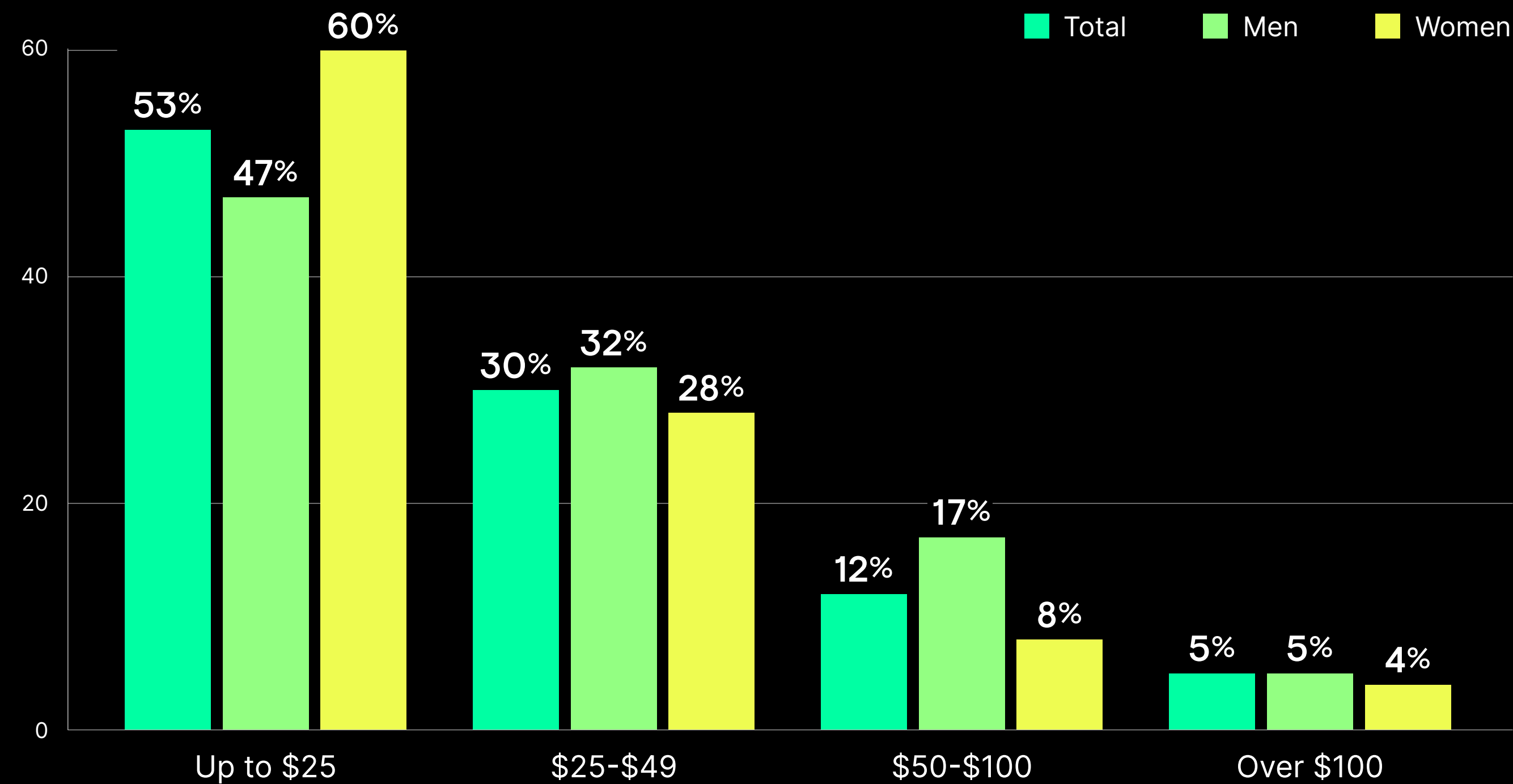
More women than men use rewards when making purchases. Almost 40% of the women respondents said they use rewards toward purchases all the time, while another 56% said they use them sometimes. Women also prefer to cash out their rewards in smaller amounts than men, with 60% cashing out for \$25 or less.

FREQUENCY OF REWARD REDEMPTION



Consumers prefer to redeem rewards in smaller denominations.

AVERAGE AMOUNT OF PARTICIPANT REWARD REDEMPTION



The loyalty playbook has changed. Are you still playing by the old rules?

Strong loyalty programs aren't just sticky. They're strategic. They prioritize usefulness over gimmicks, and flexibility over force. When you meet people where they are—offering rewards that make everyday spending better - you do more than retain. You grow.

Retention isn't just a cost-saver. It's the quiet engine of sustainable profit. And it's time loyalty programs caught up. The next era isn't about adding more rewards. It's about making them matter more.

Users want to have more choice

in how they redeem their rewards. They value options that give them that choice, whether that means cashback options, a wide selection of gift cards, or both.

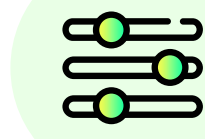


Runa Recommendations

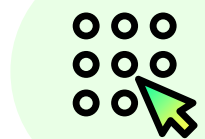
Design loyalty
for the way people
actually live



Reward real life: Offer a spectrum - digital gift cards, prepaid cards, cashback, experiences.



Kill the complexity: Make rewards as easy to earn, track, and redeem as checking a text.



Follow the spend: Align rewards with where people already shop, travel, and unwind.



Personalize with purpose: Go beyond demographics - use behavior to drive resonance.



Measure what matters: Track retention, repeat spend, referrals - then iterate with intent.

Want to learn more? CONTACT the experts at Runa to discover ways to build or optimize your rewards or loyalty program to help you retain and attract users.

About Runa

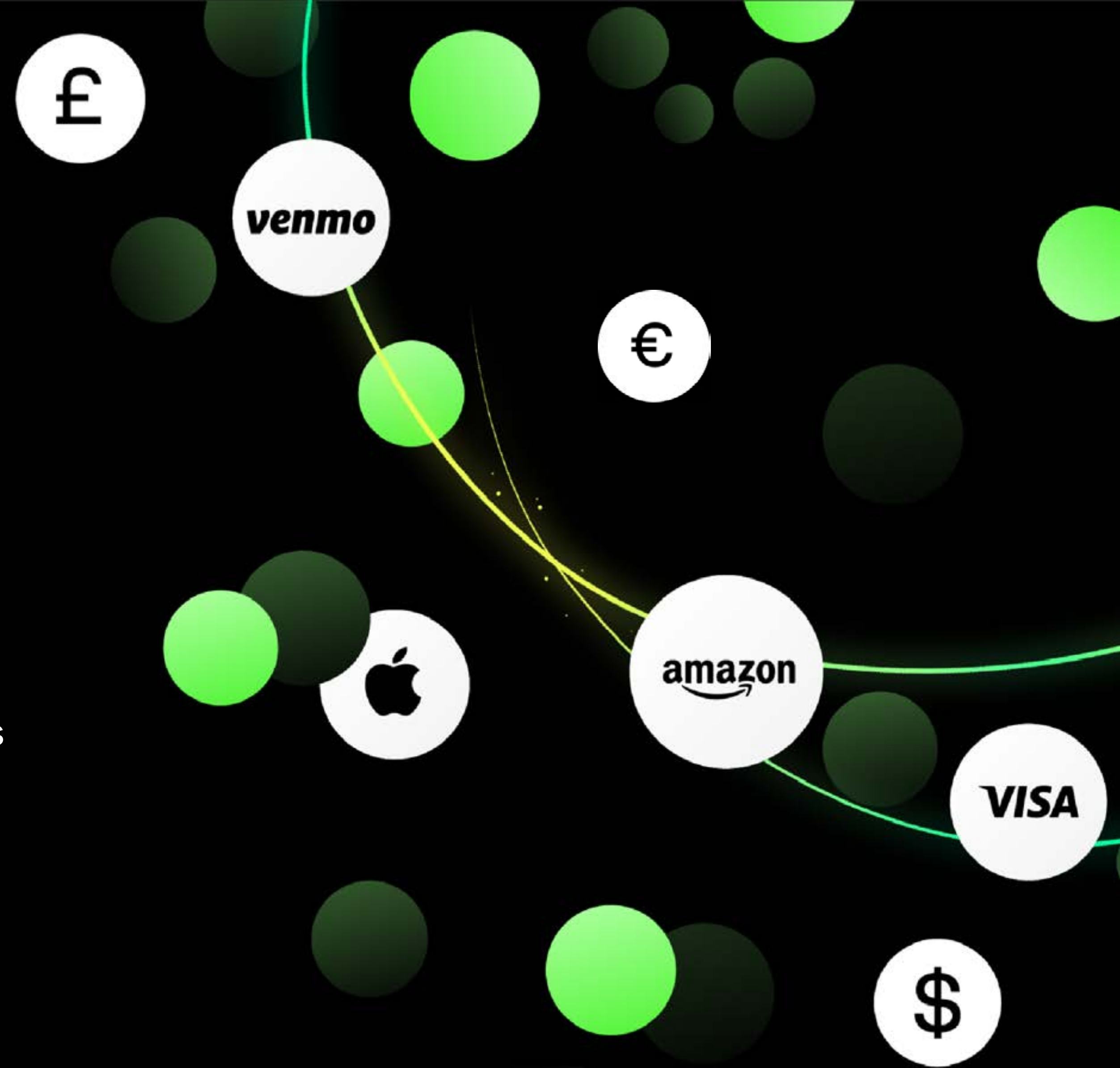
Runa is rewriting the rules of payouts and building what comes next.

We're the global fintech powering seamless value exchange, giving businesses the tools to grow faster, reach further, and turn every payout into something more.

With a single API, Runa unlocks instant access to over 5 billion consumers in 190 countries. Cards, wallets, bank accounts, digital rewards—you name it the funds flow fast, friction-free, and fully embedded into any experience. No borders. No friction. Just possibilities unlocked.

Based in London and New York with a global team at the helm, Runa is backed by investors like Element Ventures, CommerzVentures, Clocktower Ventures, Volution Capital, 13Books Capital, and SAP.

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