 **Thank you for your loyalty!**  
You've unlocked a free gift.



# Quantifying customer loyalty's hidden drivers

Why emotional connection is a multiplier  
brands can't afford to ignore

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# What happens when loyalty programs start speaking to the heart?


For decades, brands have struggled to measure the strength and success of their loyalty programs, often relying on incomplete ROI calculations and hard-to-define lifetime value metrics. Now, brands face a hyper-competitive marketplace where customers have endless choices and limited attention spans. To stand out, brands must shift from competing for attention to cultivating something deeper. **Using emotion as a catalyst, brands can turn transactional relationships into deeply connected ones.**


Functional value (what members get from a loyalty program) continues to matter, and our [past research](#) confirms it's the basis of customer loyalty. But it's no longer enough on its own. To fully understand how emotional connection drives customer loyalty and its place in modern loyalty programs, phase 2 of our research found clear answers to questions every marketer faces.

## By the end of this study, you'll know:

- 

Why emotional connection is a critical factor in loyalty program success
- 

How emotion affects customer spend, visit frequency and long-term loyalty
- 

Which factors strengthen or undermine emotional connection
- 

How to apply a practical formula to build emotional connection within your loyalty program

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## Proof that connection fuels loyalty

Our latest research proves that emotional connection is a powerful driver for loyalty behavior.

**Customers who feel emotionally connected to the brand are:**

**4 times more likely to visit**

**4 times more likely to spend**

as compared to their disconnected peers. Brands that pair value and ease with emotional connection will capture sales and create advocates who drive enduring business success.

This study equips you with a deeper understanding of value and emotional connection, immediate practical recommendations, and forward-looking guidance to help you build a loyalty program that lasts.



### So what?

**Customers crave human connection. Brands that build it through loyalty programs unlock stronger relationships and surprising results.**

## TERM TO KNOW

### EMOTIONAL CONNECTION

More than a normal transaction, it's a sense of belonging, trust and personal relevance customers feel when they interact with the brand. With emotional connection, customers feel like more than just a number.



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# Brands included in the study

🍔 Quick-Service Restaurants (QSR)		🏪 Retail		
Buffalo Wild Wings	Chipotle	Bass Pro Shop	Burlington Coat Factory	Disney+
Firehouse Subs	Little Caesars Pizza	Old Navy	Claire's	Michaels
Shake Shack	Waffle House	Bath & Body Works	Lowe's	Ulta Beauty
California Pizza Kitchen	Domino's Pizza	H&M	Target	Dollar General
Jimmy John's	Pizza Hut	PetSmart	CVS	Nordstrom
Starbucks	Wendy's	Best Buy	Macy's	Walgreens
Chick-fil-A	Dunkin' Donuts	The Home Depot	Buckle	GAP
Krispy Kreme	Qdoba	Sephora	Maurices	Office Depot
Subway	Wingstop	Kohl's	TJ Maxx	Williams Sonoma
📞 Telecom		⛽ Gas		🏦 Finance
T-Mobile	Xfinity	Love's	Pilot/Flying J	Capital One
				Wells Fargo

## Methodology at a glance

### SAMPLE SIZE

5,000+ customer responses

### QUALIFICATION CRITERIA

U.S. residents, age 18+ and a member of at least one loyalty program included in the research

### SCOPE

50+ leading brands

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# Recap of our previous customer loyalty research

Members must feel that the loyalty program has a strong perceived benefit (created through perceptions of value and ease), or brands risk customers not engaging. In our [earlier research study](#), customers revealed that value is the single most important driver of a successful loyalty program.

**Customers who clearly see and feel value become powerful brand advocates who are:**

6 times more likely to spend

6 times more likely to visit

6 times more likely to give wallet share

And in our latest research, that relationship proved even stronger. **Customers who experience both perceived benefit and emotional connection are:**

8 times more likely to visit

8 times more likely to spend



While our research also uncovered the importance of ease, value is still three times more important than ease. Simply put, customers will make the effort if the benefit of being in a loyalty program feels worth it.

Our [previous research](#) also established a simple formula for building successful loyalty programs. When programs deliver meaningful rewards with minimal friction, customers feel a genuine sense of benefit. **That perceived benefit drives advocacy. And loyalty program advocates are more likely to visit, spend and give wallet share.**



# The formula for emotional connection

Loyalty grows when program members feel both the value and ease of the loyalty program. When a program delivers meaningful rewards with little friction, customers perceive a genuine benefit. When customers feel that benefit, they're more likely to keep coming back and recommend the loyalty program and brand to others.

Building on that foundation, this phase of our study revealed a second, equally important formula: Feeling motivated and appreciated leads to emotional connection and, most importantly, advocacy.

**Motivation + Appreciation = EMOTIONAL CONNECTION**

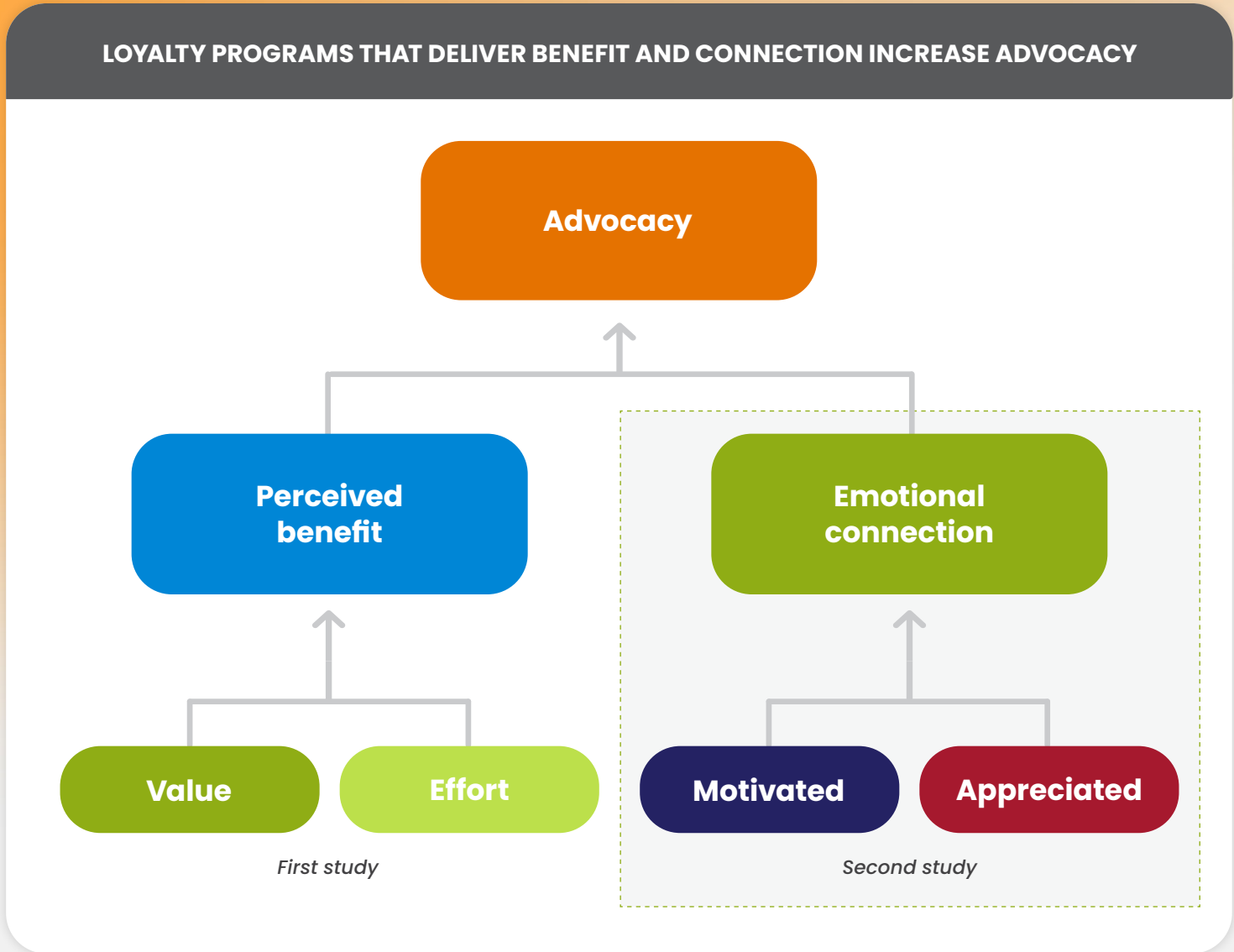
## TERMS TO KNOW

### MOTIVATED

Customers are actively engaged because the brand consistently meets them where they are. Clear calls to action, alignment with their personal values and repeated positive experiences keep them involved and participating. They don't just follow the program—they champion it, acting in ways that deepen loyalty, strengthen their relationship with the brand and generate meaningful value for both them and the company.

### APPRECIATED

These customers feel deeply recognized and valued. Personalization, thoughtful gestures and consistent acknowledgment create repeated positive experiences that reinforce their bond with the brand. Even without high activity, this sense of appreciation drives emotional loyalty, encouraging them to remain connected and advocate in subtle but meaningful ways.



### So what?

Loyalty programs uniting these two formulas, perceived benefit and emotional connection, create the most effective way for brands to deliver both.

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# The power of feeling both a perceived benefit and emotional connection

When customers experience both formulas at once, the impact is dramatic. **We found that customers are eight times more likely to visit, eight times more likely to spend and eight times more likely to give wallet share to the brand.**

The financial outcomes tell the same story: Benefited-only customers spend on average \$385 more annually, while connected-only customers spend on average \$390. These gains are meaningful, but fall short of the average combined effect of \$519 in annual spend.

Loyalty programs sit at the intersection of [these two formulas](#), making them the most effective tool brands have to deliver both perceived benefit and emotional connection. Through them, brands combine tangible value with the opportunity to make customers feel truly recognized. Loyalty programs are designed to make it easier for brands to reward effort while also nurturing appreciation, again bringing value and emotion together in one experience. This combination is what transforms loyalty from a transactional exchange into a lasting experience.

## So what?

**Brands that maximize the number of members who feel both the perceived benefit and emotional connection unlock the greatest loyalty and strongest financial returns.**



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# Why connection matters more than ever

Since product choices are endless and attention spans are shorter than ever, customers are seeking meaning. They crave brands that see them, understand them and make them feel valued. Psychology teaches us that we all want to belong to something bigger than a purchase—such as a community or identity we're proud to be part of.

**When brands use their loyalty programs to surprise their customers, make interactions memorable, and deliver reliability and trust, they retain customers.** Not just out of habit, but from real emotional attachment. It's a differentiator that can't easily be replicated because it's rooted in how customers feel, not just what they buy.

Belonging, appreciation, identity affirmation and exciting reward redemptions are foundational differentiators in a crowded market. That's why we see emotional connection as a catalyst for brands looking to maximize their loyalty programs. And as our findings show, it has a measurable advantage.

When asked what mattered most in loyalty programs, customers didn't just say "rewards." They wanted:

## CONNECTION

- > Personalized experiences
- > The brand going above and beyond to make me feel valued
- > The brand values align with my values
- > Puts the needs of the customers over profits
- > Generally makes me feel emotionally attached to the brand

## VALUE

- > Great savings
- > High quality, exclusive and experiential awards
- > More than just discounts

## EASE

- > Simple to enroll
- > Easy to understand
- > Rewards are easy to redeem
- > It feels personal

# Why emotional connection wins

Our 2025 research shows a clear truth. **Emotionally connected customers are better customers.** They're four times more likely to visit and four times more likely to spend than customers without that bond. This matters because every visit is time, effort and money your customers invest in a relationship with your brand.

**When brands build emotional connections, they achieve:**

Higher spend

Greater loyalty

Stronger business outcomes

Lasting relationships

Emotionally connected customers are

**4x** MORE LIKELY TO VISIT

**4x** MORE LIKELY TO SPEND

## Top 5 drivers of emotional connection for customers

Emotional connection doesn't happen by chance. In our study, customers highlighted five recurring touchpoints that helped create an emotional connection.

1

### PERSONALIZED EXPERIENCES

Customers feel valued when a brand recognizes them as individuals. The right loyalty platform tailors experiences and interactions in ways that feel personal and relevant.

2

### SURPRISE MOMENTS

Brands can create lasting impressions by weaving in surprise-and-delight moments. These unexpected touches show customers that brands care.

3

### MEANINGFUL CONNECTIONS

While strong products and services are the foundation, many customers also connect with brands that stand for something meaningful to them.

4

### CUSTOMER-FIRST APPROACH

Loyalty programs that deliver generous value, along with policies that support customers when issues arise, reinforce the sense that the brand cares about them.

5

### EMOTIONAL ATTACHMENT

Emotional connection is often the result of many of these experiences coming together. Loyalty programs can deepen the relationship between customers and the brand.

**Even though emotionally connected members rated brands more positively across the study, brands are typically underperforming in these five areas where connection matters the most.**

## So what?

**Brands that are brave and willing to invest in emotional connection have significant opportunity to differentiate and capture more visits and spend.**

# Brands underperform in the areas that matter most for driving emotional connection

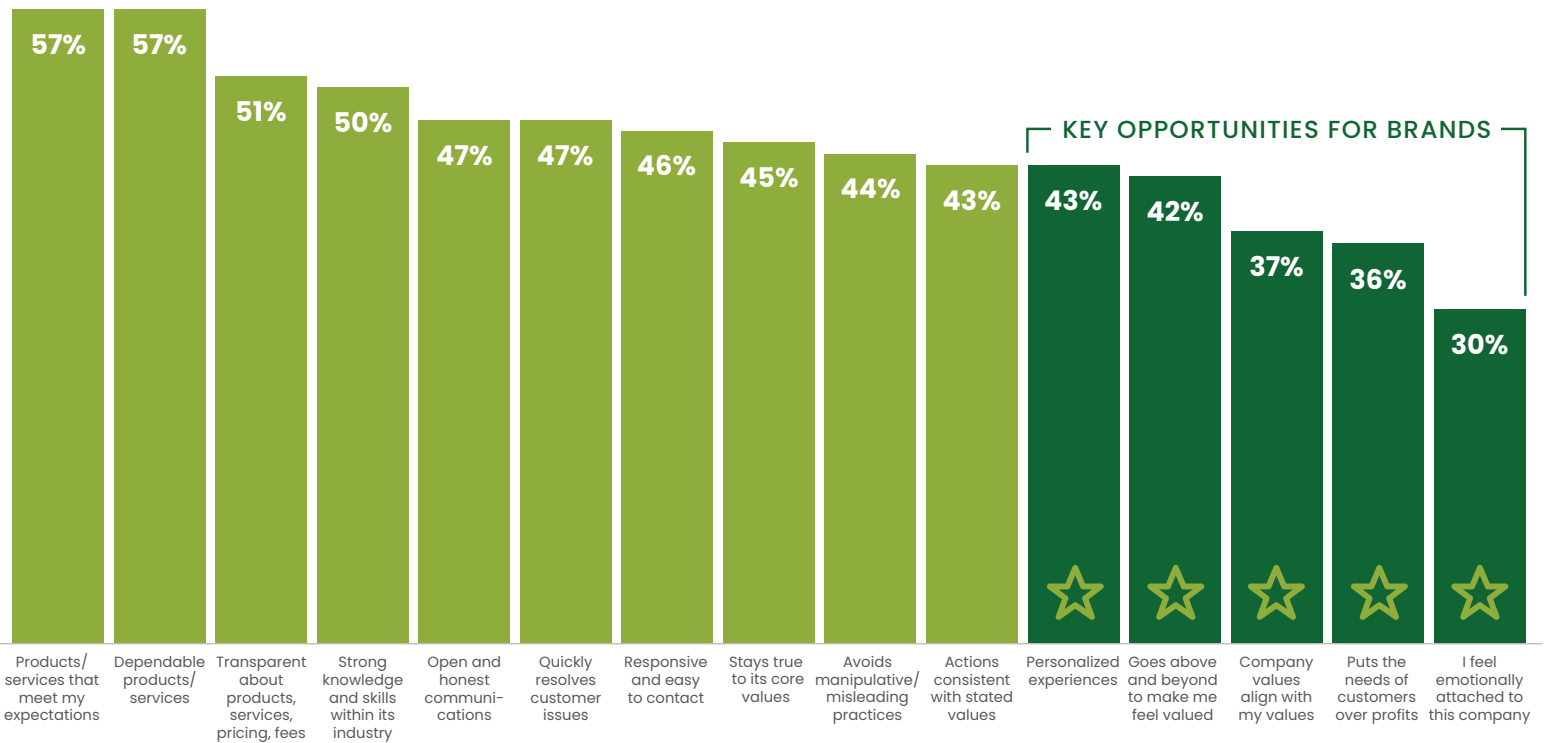
## Brand-level attributes

### EMOTIONALLY CONNECTED

+19 +18 +20 +20 +21 +21 +21 +22 +19 +21 +22 +23 +21 +21 +19

### EMOTIONALLY DISCONNECTED

-21 -20 -22 -23 -23 -23 -23 -24 -21 -24 -24 -26 -23 -23 -21



# Why emotional connection separates successful brands from the rest

If there's any doubt about the real impact of emotional connection, our research makes it clear that it's much more than a soft secondary benefit. Emotional connection directly shapes how customers interact with a brand and how satisfied they feel with their experiences.

## TERMS TO KNOW

### **BENEFITED CUSTOMERS**

These participants genuinely feel the loyalty program delivers value. As a result, they become more loyal and engaged, and create more wallet share.

### **BURDENED CUSTOMERS**

Some loyalty program members view the program as complicated, unhelpful or not worth the effort. Instead of deepening their connection to the brand, the program feels like a hurdle.

### **EMOTIONALLY CONNECTED CUSTOMERS**

These advocates feel both appreciated, motivated and valued. They are active, loyal and likely to participate, driving both emotional and behavioral engagement.

### **DISCONNECTED CUSTOMERS**

Some loyalty program members feel confused, receive misaligned messaging or perceive a lack of recognition, making participation feel like a chore. Without meaningful interactions, their connection to the brand is weak.

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In fact, surveyed customers who were emotionally connected were significantly happier with their loyalty program features than disconnected customers.

**We found that 64% of benefited and connected customers self-identify as advocates of their brand's loyalty program compared to only 4% of disconnected and burdened members.**

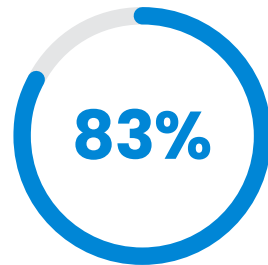
We now know that customers who feel benefited and connected are eight times more likely to visit and spend. That means brands that aren't focused on creating more benefited and connected customers are ignoring significant revenue potential.

**Value is the foundation of a loyalty program. For functional benefits, redemption drives value perception. For emotional benefits, appreciation drives value perception. In both cases, guiding customers toward value delivers meaningful gains for brands.**



## Emotional connection and reward redemption

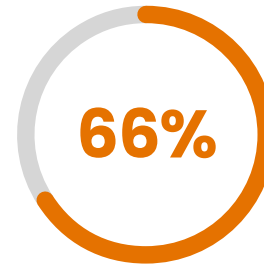
Redeeming rewards in a loyalty program is consistently the most important factor for emotional connection. Redemption drives connection and feeling benefited. The sooner a brand can get a customer to redeem something from the loyalty program, the sooner the customer starts feeling benefited, connected and appreciated.



**of benefited and connected customers surveyed have redeemed rewards**



**of benefited-only customers have redeemed rewards**



**of connected-only customers have redeemed rewards**



**of disconnected and burdened customers have redeemed rewards**

### So what?

When redemption stalls, create moments that inspire customers, like sending a thoughtful gift. Proactively facilitating redemption helps maximize value and strengthen customer connection.



# Connection and reward redemption power the loyalty cycle

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## Customers describe connection from brands getting it right

In our survey, certain brands stood out for the way their loyalty programs combined perceived benefit and emotional connection, making customers feel rewarded, appreciated and delighted.



### Starbucks

Customers love the ease of earning and redeeming stars, birthday rewards and personalized offers. They describe feeling **connected**, **valued** and **excited**.



### Chick-fil-A

The emotional connection is rooted in experience and quality. Customers mentioned the food, service and frequent rewards. Their words? **Appreciated** and **valued**.



### PetSmart

Customers tie their emotional connection to caring for their pets: ***I love getting treats for my dog*** and ***It warms my heart***.

This is an excellent example of a benefit wrapped in emotional connection.



### Capital One

Customers felt Capital One offered **superior perks**, with better cashback, travel benefits and extras than other programs.

# What gets in the way of emotional connection?

Even the strongest loyalty strategy can experience issues if key barriers get in the way of emotional connection. **Here are three that commonly stand between a program and the deeper loyalty it's designed to create.**

# 1

## Low reward redemption

Customers must redeem rewards to feel the program's benefit. Without redemption, they don't experience real value. And without value, the emotional bond never forms.

# 2

## Weak frontline empowerment

Customers' first impressions of a loyalty program often come from the frontline. When employees aren't clear, confident or able to explain the program, customers miss the nudge and information they need to engage.

# 3

## Overlooking key drivers of connection

Our research identified **five core drivers** of emotional connection. Customers said these are critical activators of loyalty, yet brands often fail to deliver on them. If these drivers aren't being addressed, even a well-designed program risks feeling generic.

# Ways to turn barriers into opportunities

## 1

### Activate redemption early and often

Redemption is the moment where customers truly feel the program's benefit. Yet our research showed that 50% of disconnected and burdened customers have never redeemed a reward. If more than 10% of your loyalty program members haven't redeemed, we recommend launching an immediate redemption campaign (first check if anything else could be influencing members). Get disengaged customers over their initial objections, because once they redeem, they start to experience value.

## 2

### Simplify and strengthen frontline empowerment

Your frontline team is often the first and only ambassador of your loyalty program. A knowledgeable introduction can enhance the visit, build trust and set the cycle of connection in motion. When your frontline staff is properly equipped, they create the spark to keep customers engaged.

## 3

### Revisit the drivers of emotional connection

Customers have already told us these are the **five areas that matter most to them**, yet few loyalty programs deliver on them consistently. Check yours against these drivers to uncover gaps most brands are leaving wide open, then take advantage of that untapped opportunity.



The best loyalty programs **bring all three together.**

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# Emotional connection = competitive advantage

Our research proves that emotional connection is a powerful driver of customer behavior. Customers who feel emotionally connected are four times more likely to visit and four times more likely to spend than their disconnected peers. Emotional connection on its own is transformative, but when coupled with perceived benefit, it's a loyalty multiplier. **Customers who experience both perceived benefit and emotional connection are eight times more likely to visit, spend and give wallet share.**

The impact is clear. Brands that create opportunities for both sides of the advocacy equation have an established edge over their competitors. And loyalty programs are the best tool to make that happen.

A truly great program can energize your customers around your brand, shifting behavior, overcoming objections, extending retention and reactivating those who might otherwise choose a competitor.



**In fact, 71% of customers who feel both benefited and connected say they're energized by loyalty programs, compared to just 2% of disconnected and burdened members.**

## So what?

**Brands that deliver both perceived benefit and emotional connection are the ones customers return to again and again.**



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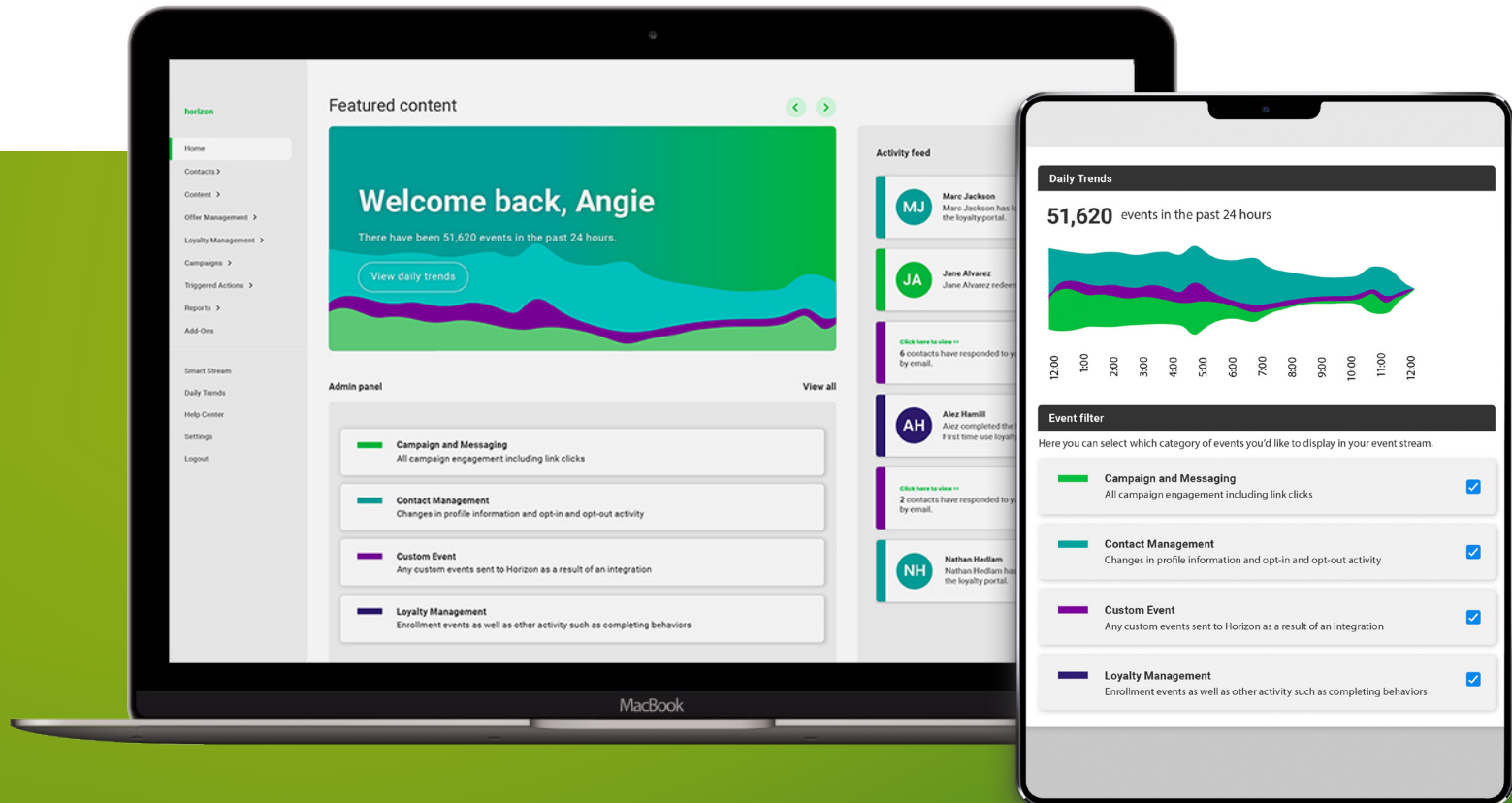
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# Build the loyalty connection that lasts

This newest round of research reveals what drives loyalty—and ITA Group turns those insights into action. **Through our Horizon platform and end-to-end partnership, we help brands like yours create loyalty programs that combine perceived benefit and emotional connection to drive measurable growth.**

From strategy to technology to activation, our team of experts helps you meet customers where they are, identify loyalty gaps and design experiences that inspire stronger relationships, retention and long-term advocacy.



# Do you really know what drives your customers' loyalty?

We'd love to share more! Our findings can pinpoint specific opportunities for building deeper loyalty and stronger business results.

**Let's talk—[itagroup.com](https://itagroup.com)**

