COLLINSON

THE COLLINSON LOYALTY LANDSCAPE

2025 EDITION

Research insights from over 600 loyalty leaders

Discover how the loyalty landscape continues to shift and sharpen in line with evolving customer expectations and rapid innovation. Find out how programmes are performing, where loyalty operators are investing — and, for the first time, uncover the psychology powering loyalty.

EXECUTIVE SUMMARY

Our annual research provides invaluable insights for loyalty operators across the UK and Europe, especially those looking to launch, evolve or transform schemes and outcomes.

This year's survey — amongst over 600 loyalty leaders — looks at multiple aspects of loyalty, from programme design to performance and from investment priorities to psychology.

Three years ago, our research revealed market saturation, a lack of differentiation and customer fatigue. Last year's survey showed that these factors had intensified with loyalty leaders having to consider adoption of AI, the blockchain and NFTs too.

Loyalty is now firmly embedded within the commercial strategies of UK and European brands. Nearly 70% of programmes have been active for more than three years, signalling maturity, permanence and a clear recognition that loyalty drives meaningful retention and revenue outcomes. However, the story of 2025 is not simply one of maturity; it is one of acceleration. Customer expectations are becoming more sophisticated, personalisation demands are rising and technology is reshaping how value is delivered.

Our research reveals a sector that understands the importance of loyalty but is still navigating how to realise its full potential. Most brands acknowledge the power of emotional connection, yet only a third intentionally design for it.

AI and behavioural science are emerging as critical tools but adoption is inconsistent. Confidence in impact is strong but robust ROI measurement remains elusive for many operators. These gaps show that loyalty's evolution is well underway but far from complete.

At the same time, investment behaviours reveal a market balancing ambition with pragmatism. Budgets are steady rather than expansive, especially in the UK, where programmes tend to prioritise breadth over high-cost reward models. European operators are scaling more aggressively, supported by larger customer bases and cross-border ecosystems. Across both regions, the trend is clear: brands are shifting from transactional incentives towards data-driven, psychologically anchored engagement.

The future of loyalty will belong to the organisations that can turn data into insight, insight into personalisation and personalisation into long-term emotional affinity. To achieve this, brands must strengthen their measurement foundations, modernise their programme design and adopt technology that enables real-time, adaptive engagement. Loyalty is moving from programme to platform — becoming a central intelligence layer that informs the entire customer experience. This report explores how far the industry has progressed, where the gaps lie and what loyalty leaders must do to stay ahead.

2025 FAST FACTS

Loyalty is mainstream

Nearly **70% of UK and European programmes** have been active for over three years

NEW

Psychological intent

Psychological programme design principles are in evidence but **only a third of operators** design for emotional connection

Confidence is strong, but proof lags

Around **three-quarters** of respondents believe loyalty contributes to business success, **yet only two-thirds** are fully confident in ROI measurement

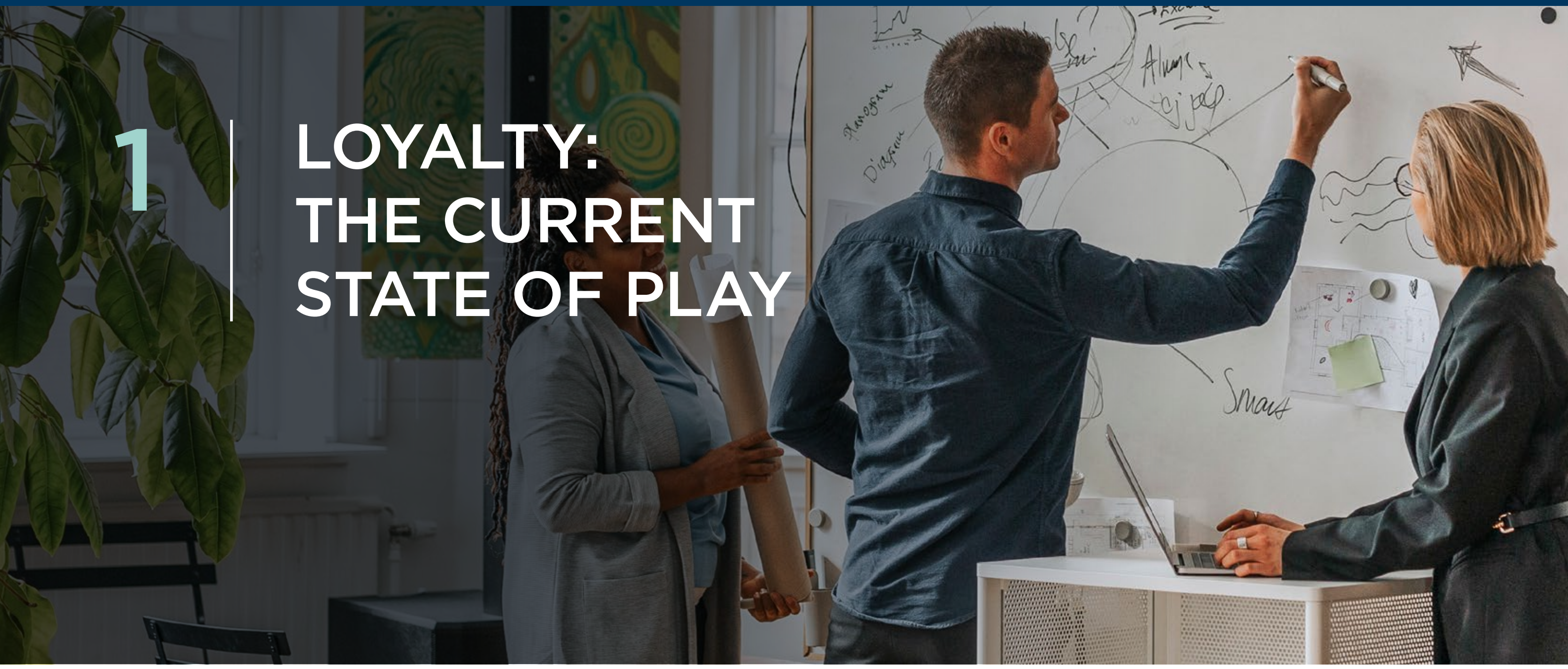
Budgets are steady, not soaring

Most UK brands **operate below £1M in spend**; Europe has higher averages (**£7.5M** for operations, **£5.1M** for rewards)

Optimism for the future

Over **85% of leaders expect engagement with loyalty to rise**, driven by personalisation, AI and customer expectations

KEY FINDINGS



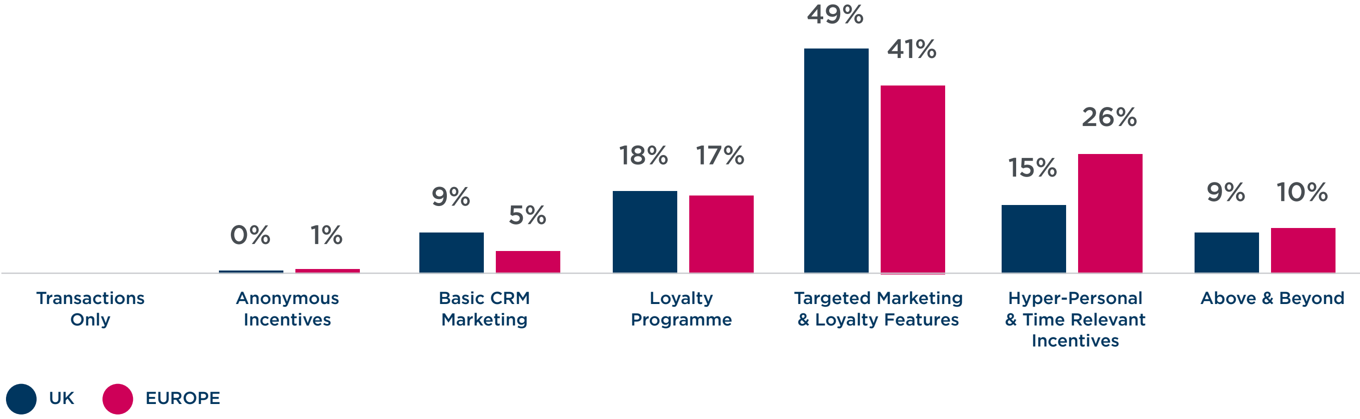
1 LOYALTY: THE CURRENT STATE OF PLAY

A maturing market focused on keeping customers

Our research reveals that loyalty is seen first and foremost as a customer retention engine, with respondents citing it twice as much as customer reward and recognition. Loyalty is prized for retention, reward and revenue in that order.

In the UK, most UK businesses have now moved well beyond basic CRM or transactional incentives, with nearly half (49%) sitting in the "Targeted Marketing & Loyalty Features" stage. This reflects a maturing market where data and segmentation are now central to engagement. However, only a small minority are operating at the "Above & Beyond" level, suggesting that true hyper-personalisation remains aspirational rather than mainstream. Loyalty is no longer just a bolt-on incentive system but an increasingly data-driven customer relationship tool. Yet, the limited number of players at the top end of the maturity scale highlights untapped potential for those ready to invest in next-gen experiences.

Across Europe, loyalty maturity mirrors the UK's, but with slightly fewer brands at the "Targeted Marketing & Loyalty Features" stage. Most European businesses are still transitioning from traditional CRM-led models to more data-driven loyalty strategies.



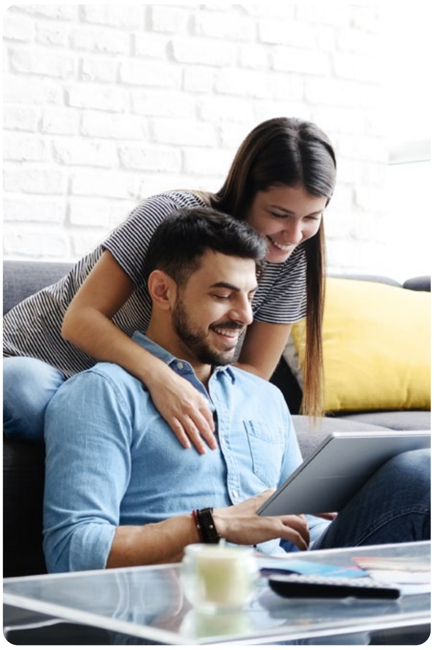
Loyalty builds growth and brand

51% of UK brands now see loyalty as a growth and brand-building tool. This dual-purpose mindset reflects the sector's shift from purely transactional models towards programmes that also reinforce brand trust and belonging. European brands see loyalty as both a commercial and brand asset, but the tilt remains towards performance. 40% view their programmes primarily as a growth or revenue driver, compared with 23% who see them as brand-building tools, while 37% believe they serve both roles equally.

Investment approaches

The average annual UK operations & management budget is £4.1M – a solid but cautious spend level. However, 56% of UK companies spend £1M or less — consistent with a mid-scale marketing function rather than a major business system. Only a small proportion allocate beyond £5M, marking the divide between brands treating loyalty as an operational cost and those seeing it as a core growth engine. European companies are investing more in loyalty programme operations and management than their UK peers, with an average annual budget of £7.5M. While 39% of European firms still spend under £1M, a significant 23% now allocate between £1–5M and a further 36% exceed that threshold — signalling a market that's scaling loyalty from pilot to enterprise level.

Looking at rewards budget, the UK average is £3.5m. This highlights a pragmatic, cost-conscious approach to member rewards. The relatively small proportion spending above £5M underscores a wider trend: UK loyalty is optimised for breadth, not extravagance. Programmes focus on sustaining engagement through structure and communication rather than escalating reward costs — a sign of a mature market balancing customer expectation with ROI discipline. Spending on rewards and benefits is also higher in Europe than in the UK, with an average annual budget of £5.1M versus £3.5M. Over half of European businesses (52%) still invest under £1M, but nearly half allocate beyond that —including 21% spending £500K–£1M and 19% investing £1–5M. This distribution suggests a more balanced and scalable approach to reward investment; loyalty here is being treated as a measurable asset.



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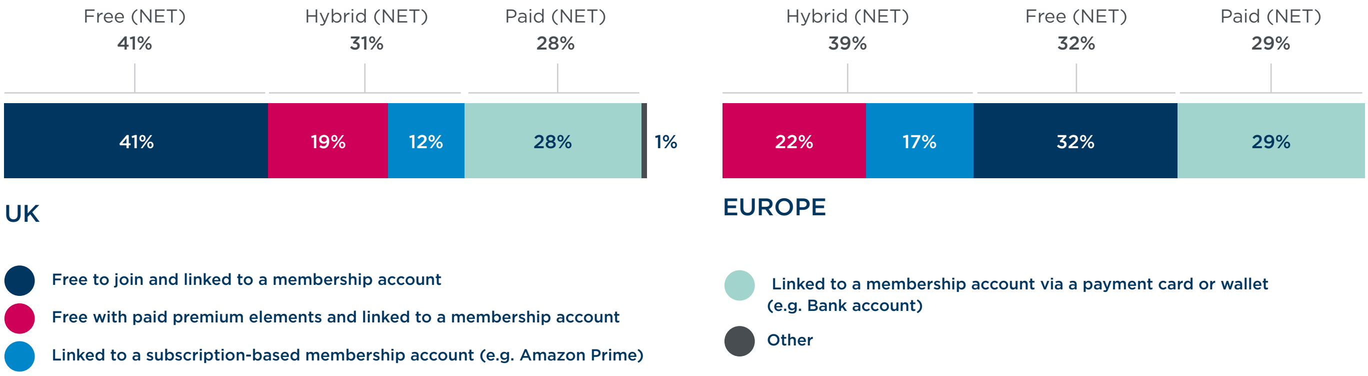
£3.5M

Is the average rewards budget in the UK. This highlights a pragmatic, cost-conscious approach to member rewards

Trends in programme types

Free-to-join models still dominate (41%) but hybrid (31%) and paid (28%) schemes are gaining meaningful ground — signalling diversification in how UK brands capture and monetise loyalty. The growing presence of paid and hybrid programmes suggests consumers are increasingly open to trading upfront fees for higher perceived value. This shift points to an evolving market psychology: loyalty is no longer something brands give; it's a mutual value exchange that consumers are willing to invest in.

European brands show a more diversified loyalty mix: 39% hybrid, 32% free and 29% paid programmes. The data here signals a faster European shift towards paid and hybrid propositions. Europe's loyalty landscape is more experimental and monetised, showing greater confidence in customers' willingness to pay for value.



Maturity and scale

UK loyalty programmes show a healthy level of maturity and a solid base of scale. Over two-thirds of programmes have been active for more than three years, with 37% in operation for 3–5 years and 26% running for over five years.

This level of maturity demonstrates that the market has moved beyond experimentation — loyalty is now an established part of the marketing and customer experience mix. Collinson's Loyalty Maturity Assessment is useful in this space – helping scheme operators to gauge their programmes' maturity against a number of variables.

Interestingly, the average number of registered programme members in the UK is now 1.6M and almost all schemes use some form of currency, with nearly half still using points.

European loyalty programmes show greater maturity and broader reach than those in the UK. Again, over two-thirds have been active for three years or more, with more programmes (44%) running for 3–5 years and 24% for over five years. This depth of experience indicates a market where loyalty is embedded as a strategic customer tool rather than a test initiative.

Scale is also more advanced in Europe where programmes report an average of 2.1 million members, compared to 1.6 million in the UK. A sizeable 31% manage between 1-5 million members, while another 12% exceed 5 million — double the UK proportion. This reflects the region's larger, cross-border customer bases and the maturity of multi-market loyalty ecosystems. Europe's loyalty market is both seasoned and scaled. Nearly half (47% of schemes use points) and 97% use a currency vs. UK schemes at 92%.

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2 PSYCHOLOGY & EMOTIONAL LOYALTY

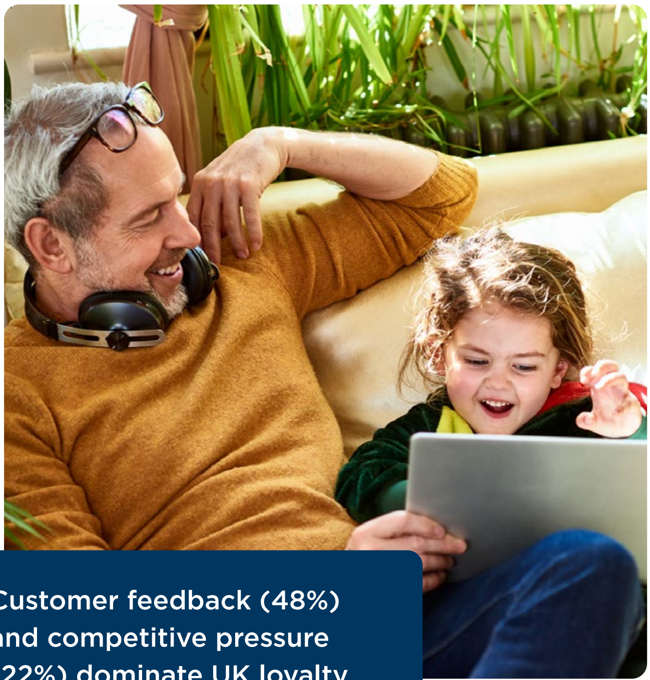
For the first time, our research looked at several psychological aspects of loyalty and results reveal that, while operators recognise its importance, there's still space here to steal a march on competitors.

Design drivers

Customer feedback (48%) and competitive pressure (22%) dominate UK loyalty design decisions, revealing that most programmes evolve reactively rather than strategically. European respondents cite the same design drivers.

In the UK, budget constraints (15%) and behavioural science (9%) play smaller roles, despite their long-term value potential. The reliance on customer and competitor signals suggests brands are listening — but not always leading.

As technology and behavioural insight advance, data-informed design could replace reactive iteration with proactive innovation.



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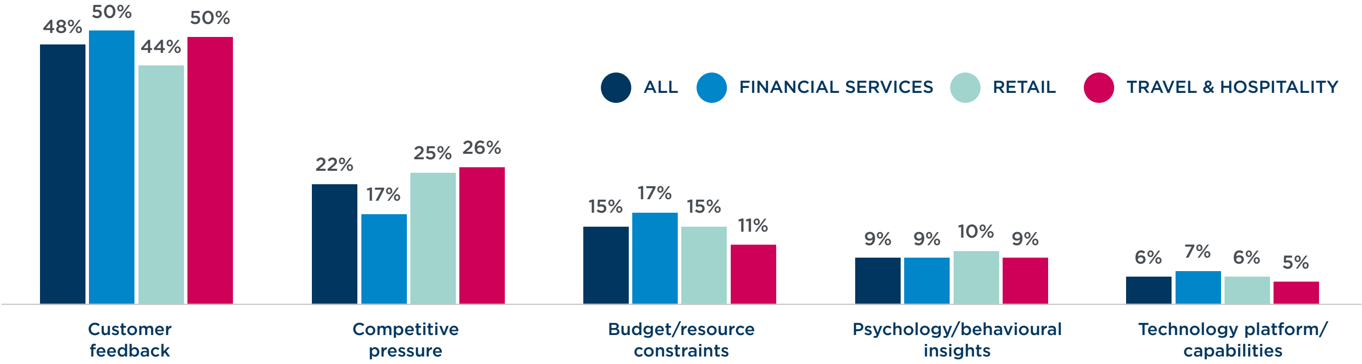


Psychological intent

Across the UK, social proof (47%) and reciprocity (45%) are the most widely embedded behavioural principles in loyalty design. Scarcity (41%) and loss aversion (30%) are used less frequently, while status and habit formation (24%) remain under-utilised. European loyalty programmes integrate social proof and reciprocity, just like the UK, but to an even greater extent. This reflects a more deliberate approach to emotional engagement — European programmes increasingly aim to make loyalty felt, not just rewarded.

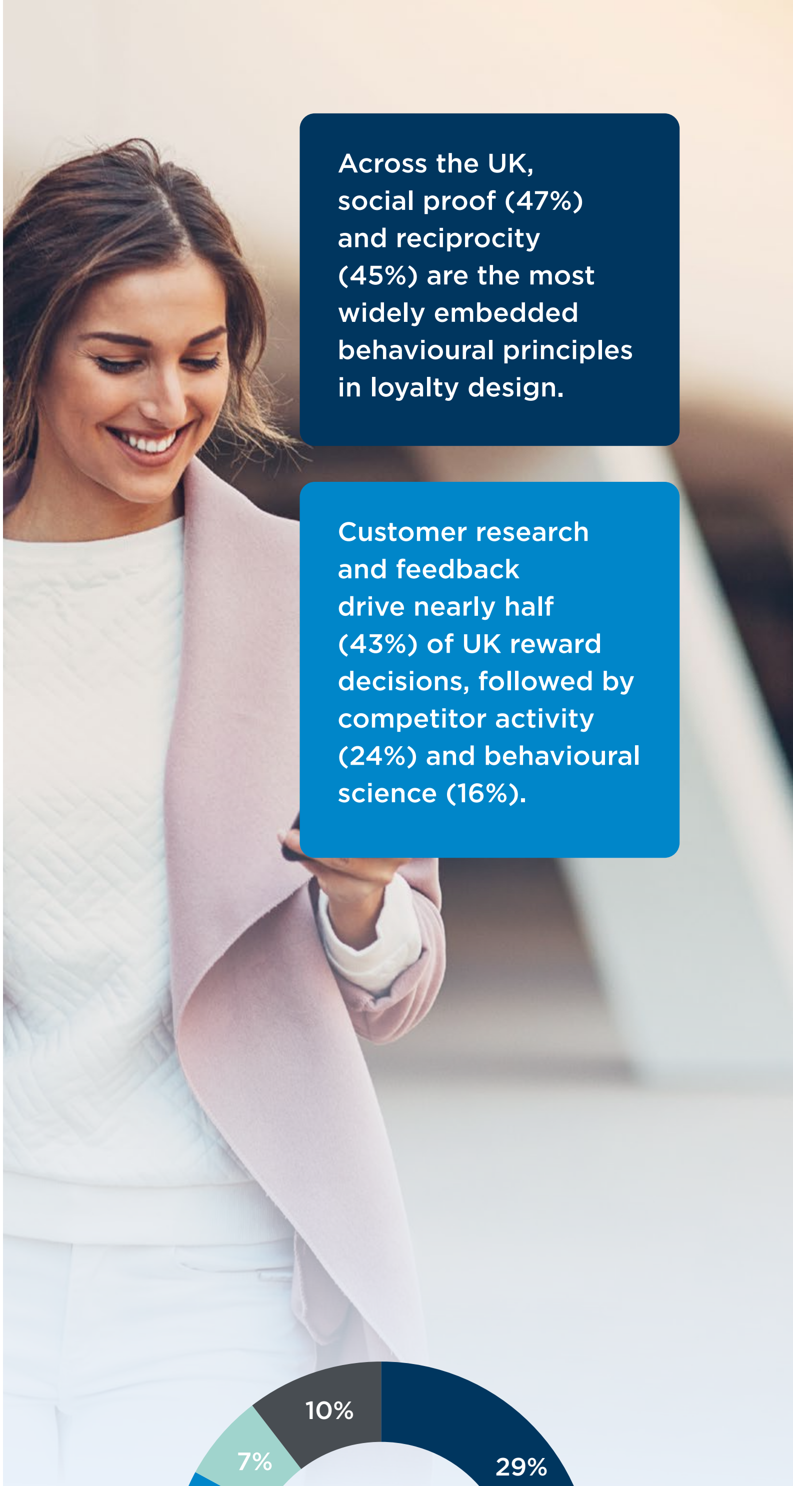
Reward strategy

Customer research and feedback drive nearly half (43%) of UK reward decisions, followed by competitor activity (24%) and behavioural science (16%). Internal intuition (14%) still plays a role, while partner input remains minimal (2%). This hierarchy shows that while most brands are data-aware, few are truly data-led. The best-performing loyalty innovators combine research with experimentation — turning customer feedback from a mirror into a roadmap. European brands rely equally on customer research/ feedback and competitor activity. Notably, they are more likely than UK peers to include partner input and industry benchmarking in shaping rewards.

Behavioural testing

UK brands are actively experimenting with behavioural levers to strengthen engagement, with random acts of value or surprises (29%) emerging as the most effective approach. Tier gating or progress bars (27%) and social or peer driven incentives (27%) follow closely. Only 10% of UK brands report not having tested behavioural mechanics, underscoring that most are moving beyond transactional design toward more psychological and motivational engagement strategies that build lasting customer attachment.

Behavioural experiments are widely embraced across Europe, with social or peer-driven incentives (39%) identified as the most effective way to enhance programme performance. Tier-gating or progress bars (25%) and loss-framed rewards (16%) follow, reflecting a balance between motivation through community and clear progression mechanics. Only 5% of respondents report not having tested behavioural elements — evidence that European programmes are increasingly grounded in behavioural science and engagement psychology.



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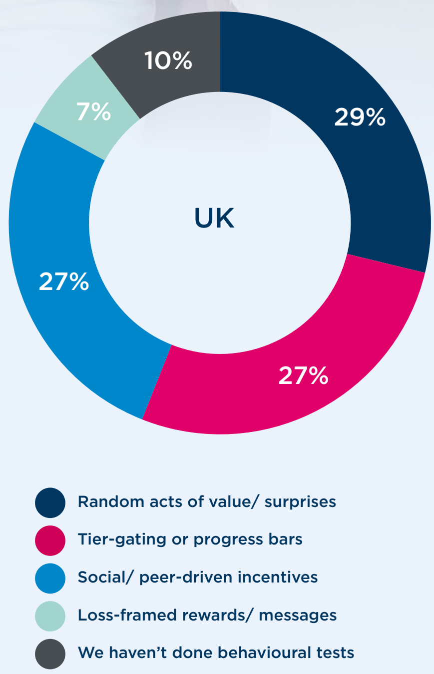
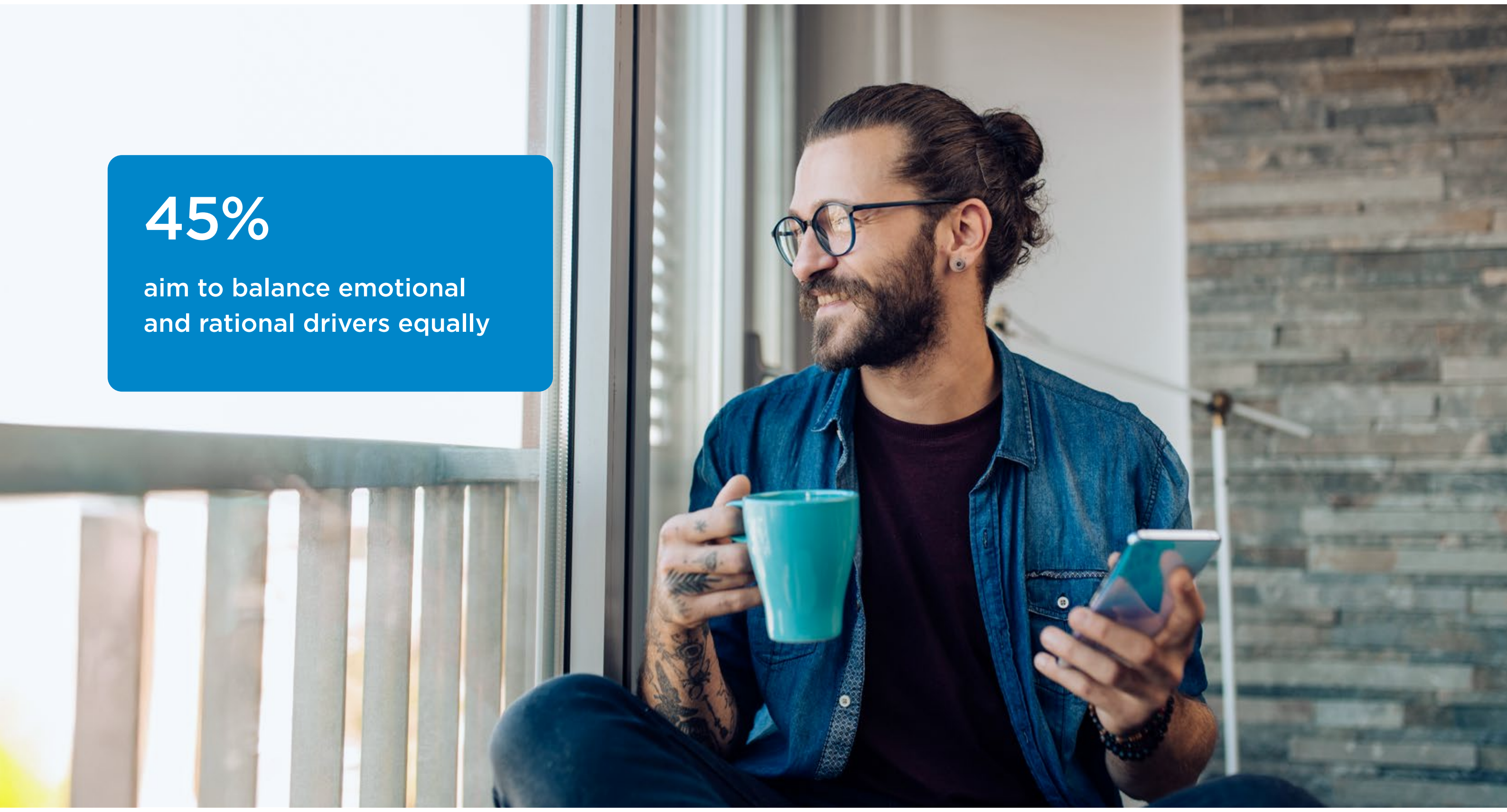


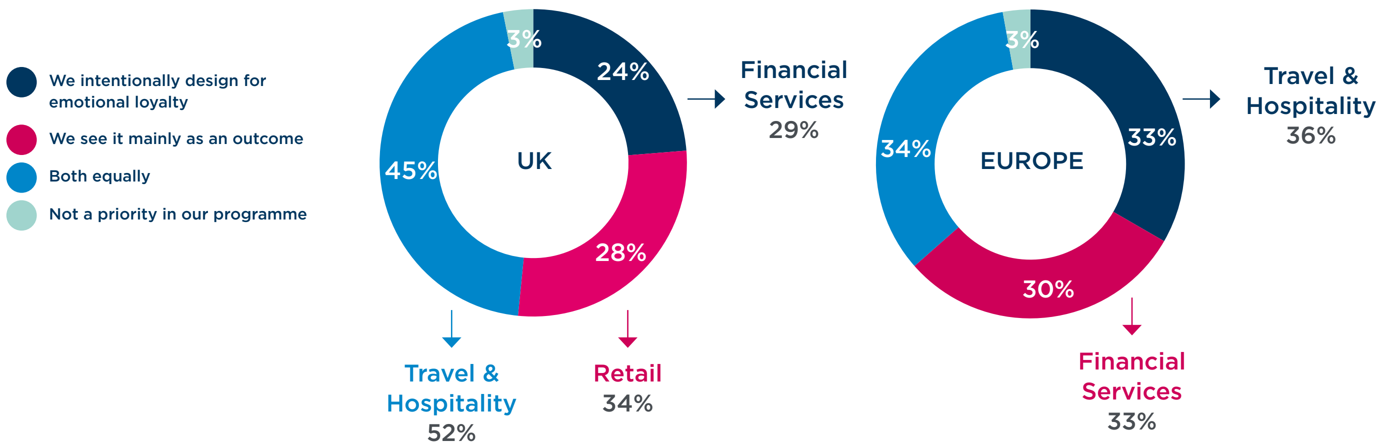
Emotional loyalty

Emotional loyalty is embedded in UK programmes — though not always by deliberate design. While 24% of brands intentionally design for it, a larger 45% aim to balance emotional and rational drivers equally. Another 28% see emotional loyalty as an outcome rather than a design principle, suggesting untapped potential for brands to build more intentional emotional frameworks. When asked how emotional loyalty is viewed within their organisations, 49% say it's given equal weight to rational loyalty, and 34% actively invest in it.

33% of European brands intentionally design for emotional loyalty, 34% aim to balance emotional and rational drivers equally and 30% see emotional loyalty mainly as an outcome; just 3% say it's not a priority. Psychology in loyalty is increasingly recognised and yet still presents an opportunity for differentiation and competitive edge.



Approach to building emotional loyalty



3 THE PERFORMANCE REALITY

On average

61%

of members made a purchase in the last 12 months, generating 52% of total sales revenue in the UK

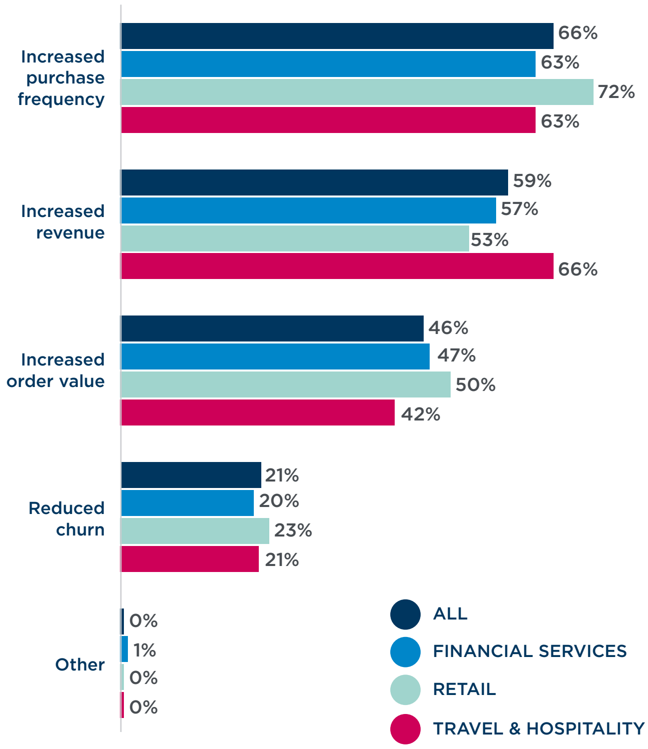
Commercial clout

On average, 61% of members made a purchase in the last 12 months, generating 52% of total sales revenue in the UK. The data validates loyalty's contribution to repeat business and revenue concentration. European programmes show strong commercial performance, mirroring the UK pattern. A majority of members make repeat purchases and account for a significant portion of total revenue — evidence that loyalty delivers measurable financial value.

Behaviour change

UK data shows loyalty works hardest on frequency and value. Two-thirds (66%) of brands report increased purchase frequency, while 59% see higher revenues per customer. Churn reduction (21%) lags behind, suggesting retention is being driven through engagement rather than attrition control. On a sector level in the UK, retail leads in driving purchase frequency (72%), while travel excels in revenue lift (66%), pointing to sectoral nuances in how loyalty changes behaviour.

Loyalty programmes in Europe are clearly driving tangible shifts in customer behaviour, with 67% of businesses attributing increased revenue to their schemes—the strongest overall impact across sectors. Purchase frequency (53%) and order value (51%) also rank highly, confirming that loyalty is not only retaining customers but motivating them to buy more, more often. Retail leads on increasing purchase frequency (56%) and increased order value (58%).

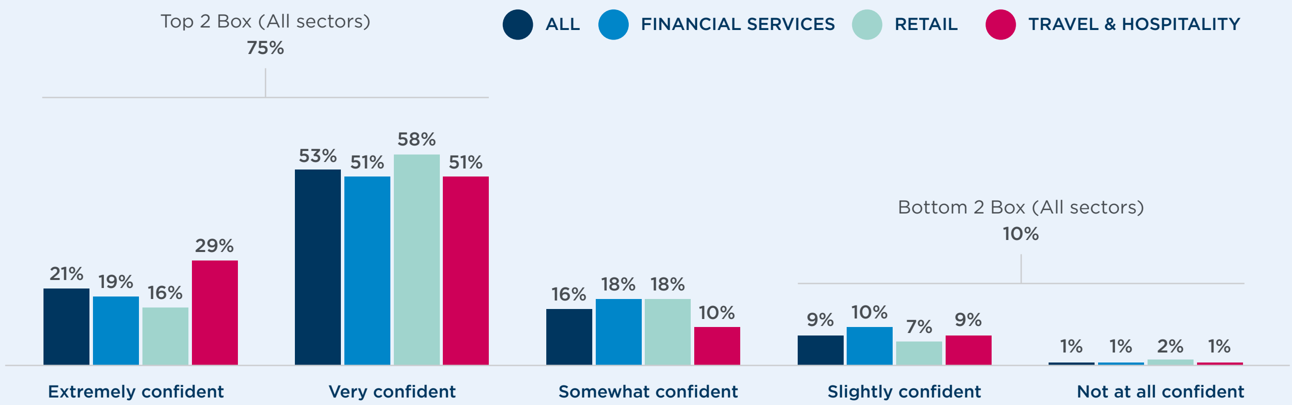


Confidence and ROI

Confidence in programme impact is strong but not universal. Three-quarters of UK leaders feel confident their scheme contributes positively to business success, while two-thirds are confident in its ROI. The slight drop between business impact and ROI confidence hints at a familiar issue — most know loyalty works, but fewer can prove exactly how well. Measurement remains the missing link between belief and evidence. In Europe, confidence in programmes' impact on business success remains high, though slightly below UK levels. Collinson advises extensively on measuring programme ROI - **find out more in the Value Vault**.

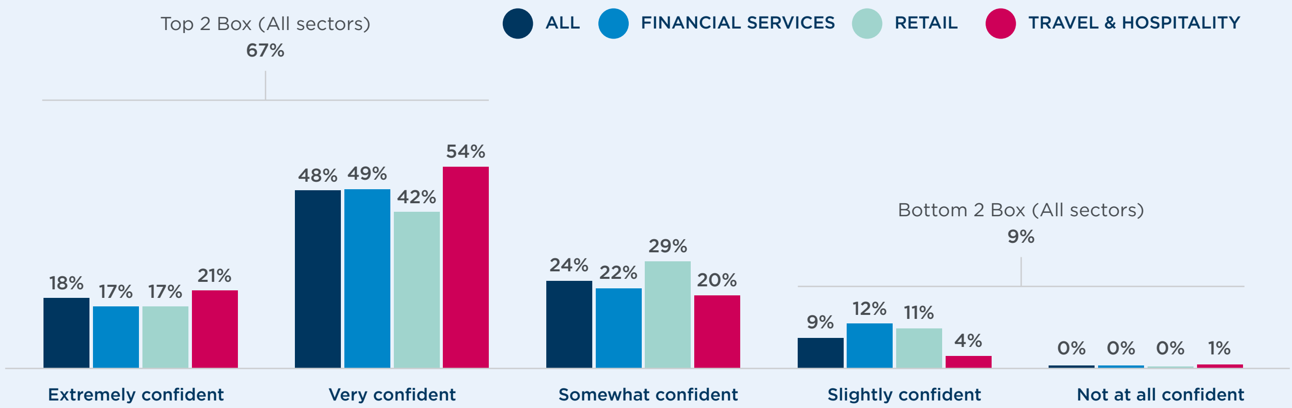
UK

Confidence in programme's contribution to business success



UK

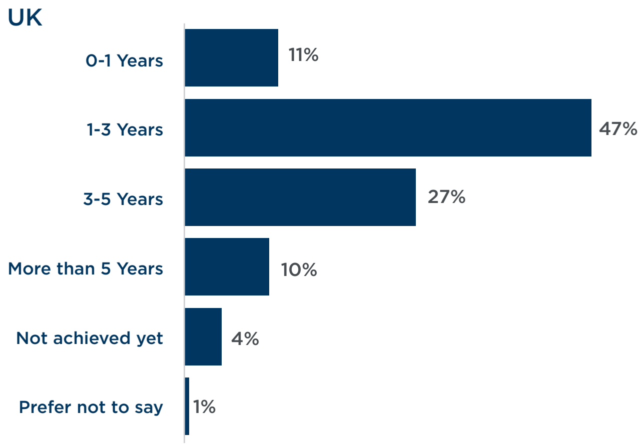
Confidence in the ROI the programme generates



Time to ROI

UK brands typically achieve payback within 2.7 years on average — a healthy sign that loyalty investments are maturing into sustainable assets rather than short-term campaigns. Most (47%) report reaching ROI within 1–3 years, while just 11% claim returns inside the first year. Retail is the standout performer (59% within 3 years).

For European companies, the average time to ROI is 2.8 years. 57% report achieving a positive ROI within three years and 85% within five years — a strong signal that well-designed programmes generate measurable value relatively quickly. European Financial Services tend to achieve returns fastest, with 50% breaking even within three years. Only 12% of organisations take more than five years to see returns and a very small 2% have yet to do so — reaffirming that loyalty investment pays off within a medium-term horizon and remains a reliable growth driver.



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Measurement obstacles

Only 38% of UK companies track incrementality consistently, with around 37% citing data quality as their top measurement challenge, followed by limited resources and attribution. In Europe, a strong 86% say they are able to track incrementality attributable to their programme, showing that measurement capability exists — but quality and robustness remain pain points. The biggest obstacle to accurate measurement on the continent is data quality (39%).

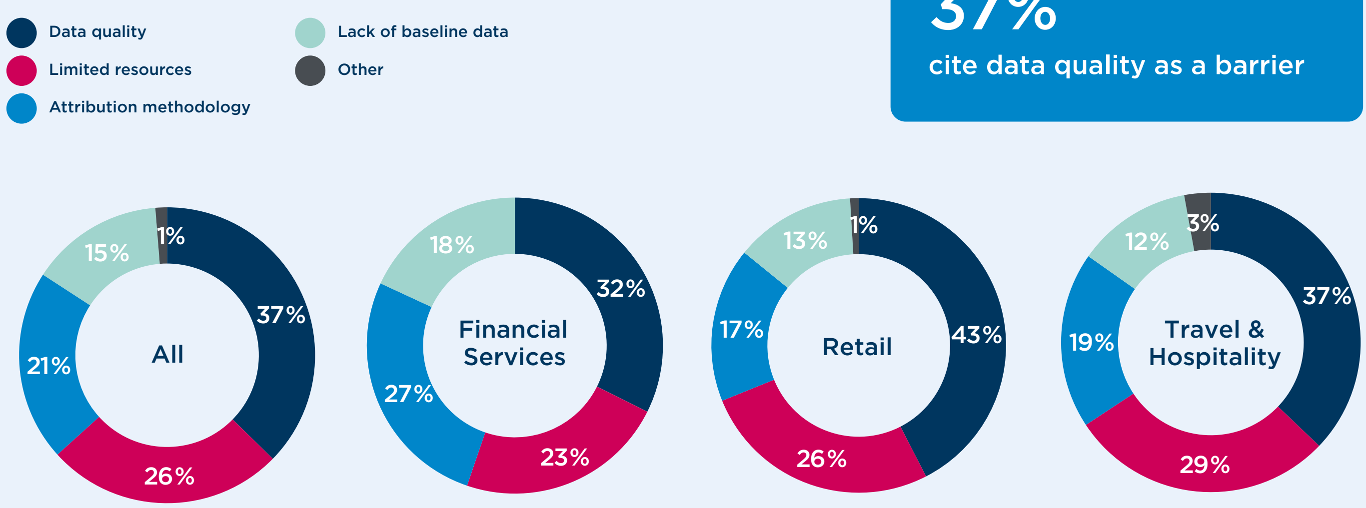
Find out more on tracking incrementality in Collinson's Value Vault.

Robust ROI?

When asked what would most improve ROI confidence, most UK decision-makers point to better test/ control design and additional analytics tools (34% and 27%, respectively). These answers underscore that the issue isn't belief in loyalty's value — it's clarity of evidence. As loyalty grows more digital and dynamic, investments in analytics and unified measurement will likely deliver as much strategic value as new customer rewards. European loyalty leaders say their top priorities for boosting ROI confidence are better test/control design (32%) and additional analytics tools (27%).

Biggest obstacle to measuring scheme effectiveness

37%
cite data quality as a barrier



Evaluation of programme performance

Most UK brands evaluate their loyalty programmes through hard commercial metrics first and foremost. Around two-thirds track spend-based KPIs such as revenue or order value, followed by retention (56%) and engagement (49%). Satisfaction metrics come last at 38%, revealing a gap between what businesses measure and what customers feel. This skew toward transactional metrics suggests loyalty is still viewed primarily as a financial engine rather than a holistic customer relationship asset.

When it comes to assessing success, European brands lean towards financial outcomes. 65% evaluate programme performance on spend metrics such as revenue and order value, while over half look at retention indicators like repeat rate and churn. A further 46% measure engagement metrics and 43% track satisfaction scores. This balance shows a sophisticated understanding of loyalty's dual role: driving immediate value while deepening long-term engagement.

Customer cohorts

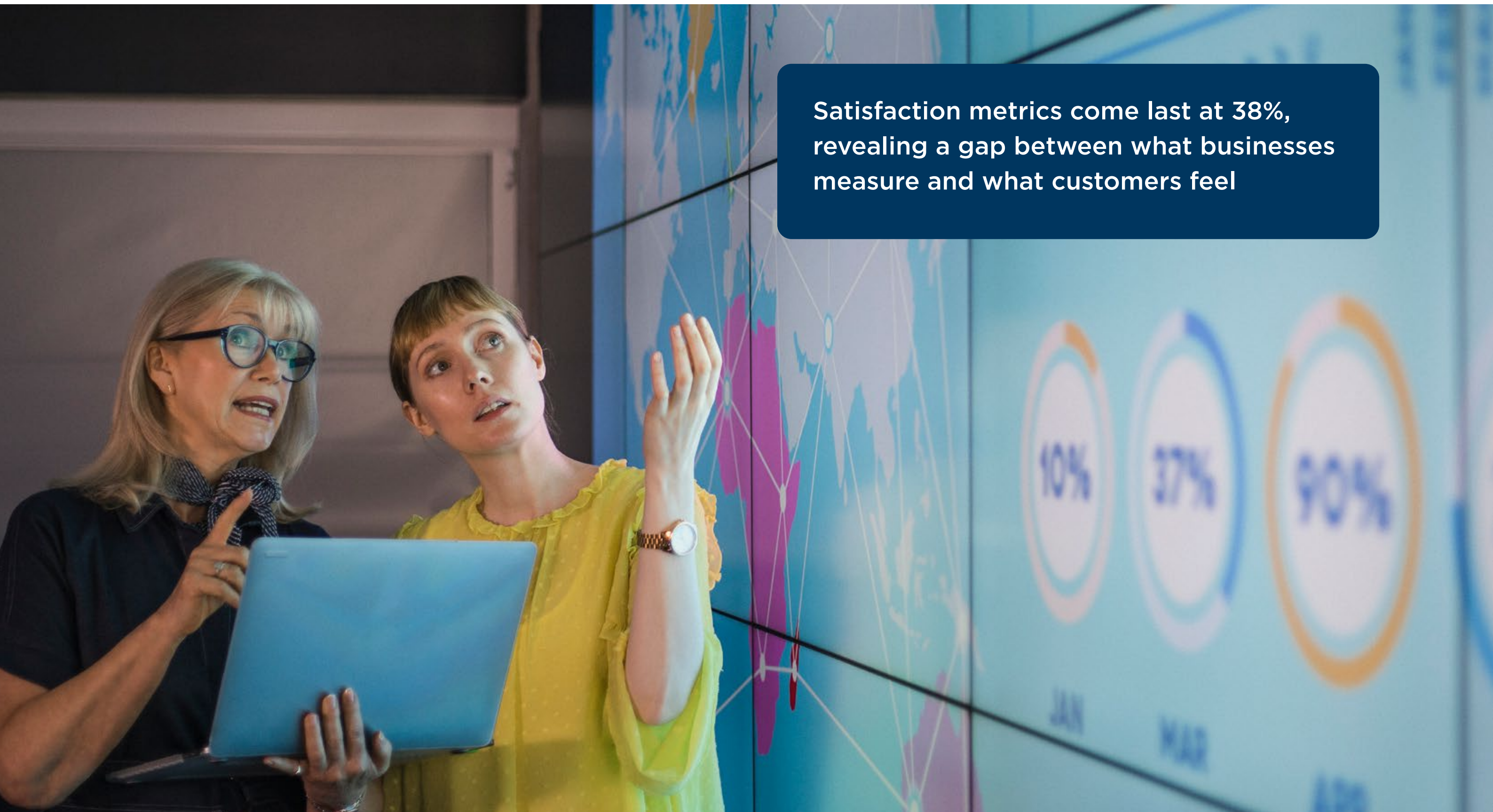
UK loyalty efforts are heavily concentrated on high-value and frequent buyers (59% and 58% respectively), which makes commercial sense but may risk neglecting the potential of medium-value or lapsed customers. Only 13% focus primarily on reactivating lapsed members, despite their proven profitability when re-engaged.

Travel operators, in particular, show the strongest skew toward frequent buyers, while Financial Services schemes lean slightly more towards high-value guests. The story here is one of efficiency over expansion — most schemes are optimising spend on the loyal core, not broadening reach.

European loyalty programmes primarily target their most profitable and loyal segments — 65% focus on high-value customers, while 51% target frequent buyers. Mid-value customers follow at 49%, showing that continental brands are also nurturing the middle of the value pyramid.

Programme power

In the UK, on average 39% of members are expected to change their behaviour if a programme disappears, indicating schemes have clear influence over purchase decisions. European loyalty programmes demonstrate a higher level of customer dependency than those in the UK, with brands estimating that an average of 45% of members would change their behaviour if the programme disappeared. This shows that loyalty schemes in Europe have become more embedded in the customer relationship — not just influencing decisions but actively shaping purchase habits and brand preference.



4 PROGRAMME DESIGN & STRATEGY

Favoured features

When asked the top programme features for driving customer value, the results point firmly towards immediacy and tangibility. Cashback takes the top spot, followed by programme benefits and third party rewards — highlighting that UK customers prioritise flexibility and direct financial return over abstract value. European leaders also clearly favour cash equivalents and clear, easy-to-grasp benefits.

Confidence in the current feature mix is solid, with 84% of UK respondents and 77% of Europeans feeling at least “somewhat confident” they know which features to retain if forced to cut half.

1. Cashback
2. Programme benefits
3. 3rd party rewards
4. Rewards tied to your business
5. Personalised offers
6. Points
7. Experiences/events
8. Tier/status levels
9. Other earn structure

Engagement and competitive edge

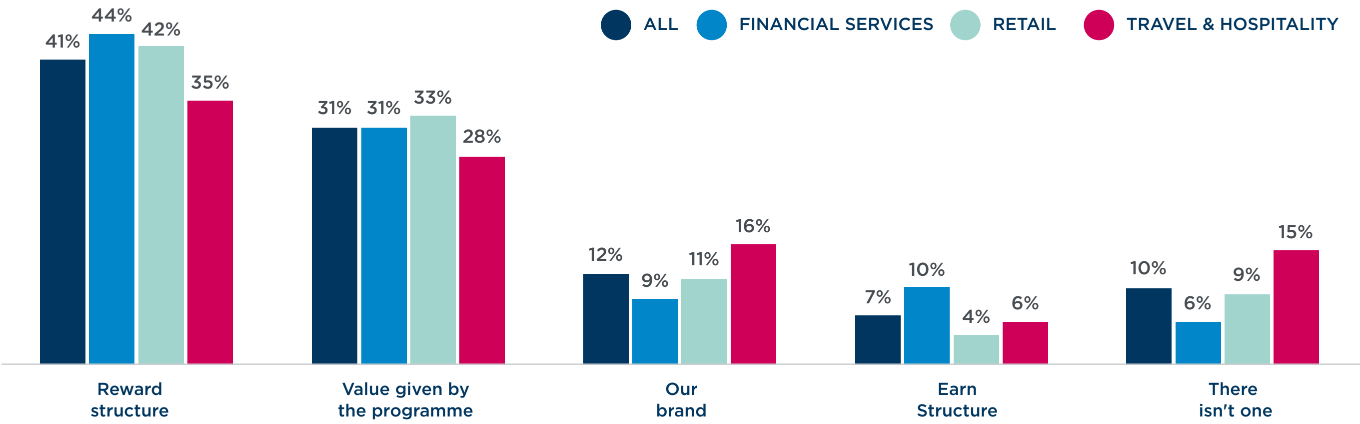
Engagement remains strong; on average, 61% of registered UK loyalty members have made a purchase in the last 12 months, while 52% actively use programme features. The rates for Europe are very similar.

UK brands see their competitive differentiation in loyalty as largely rational and structural. Reward structure (41%) and value delivered (31%) dominate responses, while softer factors like brand (12%) or ease of earn (7%) trail far behind. This tells a clear story: most programmes are still competing on mechanics, not meaning.

61%

of registered UK loyalty members have made a purchase in the last 12 months

As parity grows around points and perks, emotional and brand-led differentiation will be the next frontier for real advantage. European brands see value delivery (39%) and reward structure (32%) as their strongest differentiators, so are fairly closely aligned with UK patterns.



Change as a constant

Change is constant in UK loyalty: around a third of respondents have added new features or benefits in the past two years, while 28% have overhauled reward types or values. Change continues to define the European loyalty landscape. Around a third of companies (34%) have added new features or benefits in the past two years and 71% report higher engagement levels compared to previously. Paid schemes (38%) lead in innovation, while free schemes (35%) are more likely to have refreshed their rewards mix. Sectors like travel (77%) and brands with budgets above £5 million report the greatest engagement uplift — showing that investment and innovation go hand in hand. Overall, Europe's loyalty ecosystem is evolving rapidly, with brands actively refining both technology and rewards to keep pace with consumer expectations.

Pain points

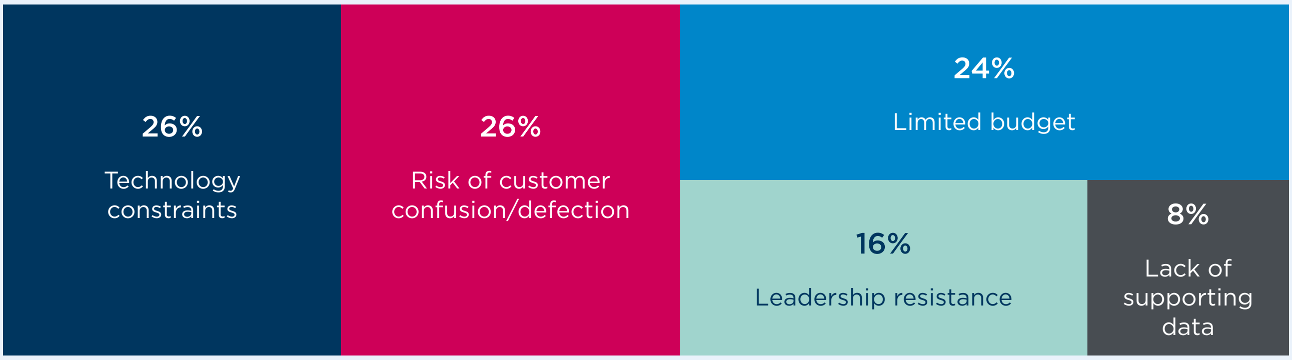
For UK brands, the leading loyalty programme frustration is measurement (31%), followed closely by cost and ROI pressures (30%) — revealing a dual challenge of quantifying and justifying investment. For European brands, the biggest frustration with loyalty programmes remains cost and ROI, cited by 37% overall — highlighting the ongoing pressure to prove financial value. Measurement challenges (22%) and programme complexity (18%) follow, suggesting that many brands struggle to balance sophistication with simplicity. For more on methodologies proving financial value, **visit Collinson's Value Vault**.

Barriers to change

Technology and customer risk sit neck and neck as the leading blockers to UK programme evolution (both 26%). Limited budgets (24%) and leadership resistance (16%) add further inertia, while lack of supporting data (8%) lingers as a quieter constraint. Interestingly, the biggest budgets (£25 million+) cite risk aversion rather than funding as the main barrier — suggesting that the challenge is now organisational courage, not financial capability.

Europe's main barriers to change are technology constraints (27%) and limited budgets (25%). While customer confusion or defection risks remain moderate (20%), it's larger firms (particularly those with £25 million+ budgets) that show the most inertia. Smaller and mid-sized businesses are more agile, adapting their programmes faster to shifting customer expectations.

UK

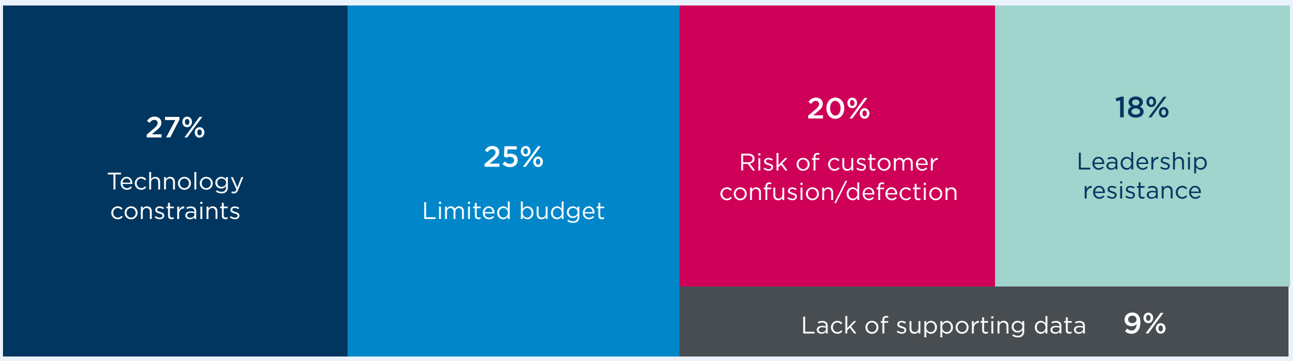


Operating budget
£10-25M
60%

Operating budget
£25M+
53%

Note on sample sizes:
Insights by operating budget are directional only for segments under n=50 (particularly for £5M+ groups in both markets). They are included to highlight emerging patterns but should not be interpreted as statistically representative.

EUROPE



Operating budget
£10-25M
37%

Operating budget
£25M+
37%

Note on sample sizes:
Insights by operating budget are directional only for segments under n=50 (particularly for £5M+ groups in both markets). They are included to highlight emerging patterns but should not be interpreted as statistically representative.

Ideal re-design

If starting from scratch, UK and European brands overall would focus on data and analytics (32%) and reward flexibility (29%), signalling a move from transactional mechanics towards insight-driven personalisation and from expansion to optimisation.

In the UK, redesign priorities shift with programme scale. Smaller budgets (under £1 million) focus on simplifying design (26%) and strengthening data capabilities (33%) to improve efficiency. Mid-tier budgets (£1–£10 million) prioritise analytics (33–40%) and personalisation (up to 15%), as brands mature their programmes for greater competitive edge.

At the top end, large-scale programmes (over £10 million) balance analytics (40%) with streamlined design (27%), showing that even advanced operators are refining rather than rebuilding. UK loyalty leaders are moving toward precision, not proliferation — using data and simplicity as the foundations for future growth.

5 FUTURE OUTLOOK AND INVESTMENT PRIORITIES

Investment focus

UK loyalty leaders are investing most heavily in the member experience and personalisation, cited by 35% as their top priority for the year ahead. Data and analytics improvement follows at 18%, while technology upgrades and AI integration sit mid-pack. Cost reduction comes last, signalling that brands see loyalty as a growth play, not a trimming exercise. Notably, companies with £10–25 million budgets are the most ambitious investors in personalisation (47%), showing that scale is finally meeting sophistication. The market is moving from collecting data to truly using it — turning insight into intimacy.

European brands' top investment priorities mirror the UK's — personalisation and member experience — but with much greater focus on AI integration (20% in Europe vs. 12% in the UK). Higher-budget operators (£25 million+) are leading this charge. The direction is clear – Europe is investing to scale and connect, turning loyalty platforms into central engines of customer intelligence and engagement.

Operating budget £10-25M **47%**

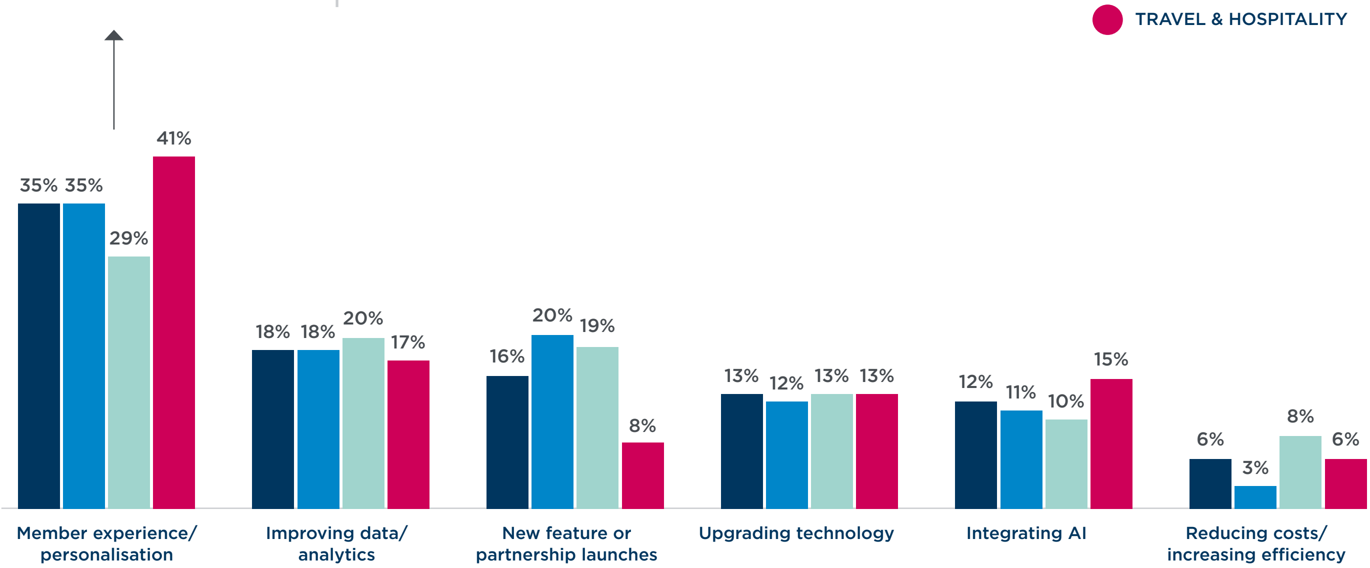
Operating budget £25M+ **40%**

Note on sample sizes:

Insights by operating budget are directional only for segments under n=50 (particularly for £5M+ groups in both markets). They are included to highlight emerging patterns but should not be interpreted as statistically representative.

UK

- ALL
- FINANCIAL SERVICES
- RETAIL
- TRAVEL & HOSPITALITY



Capability gaps

Asked what capabilities they wish they had, UK brands point squarely to AI-driven personalisation tools (39%) and real-time analytics dashboards (25%). These top two wishes reveal an industry eager for smarter, faster decision-making. Europe's biggest capability wish-list item is also AI-driven personalisation.

AI is rapidly becoming a central force in loyalty strategy, with strong demand for AI-driven personalisation across both the UK and Europe. In the UK, 39% of leaders identify AI-led personalisation as their biggest capability gap, rising to 43% in Financial Services. In Europe the appetite is even greater. Over half of Retail brands (56%) see AI-enabled personalisation as their most significant missing capability and this increases to nearly 70% among large loyalty programmes with budgets above £25 million. This level of demand shows that while brands clearly understand the value AI can deliver, many do not yet have the tools or infrastructure to deploy it effectively.

Investment priorities highlight a similar trend. Although AI is not the top priority in the UK, it is increasingly present in future plans. In Europe it sits much higher on the agenda, with 20% citing AI integration as their main investment focus for the year ahead. Larger European operators are leading this charge as they seek to build more intelligent, scalable loyalty platforms. At the same time, technology is shaping future strategy across both regions. In the UK, 29% of leaders say that advancements in technology including AI are influencing their plans.

In Europe, technology is the single strongest external factor, cited by 46% of respondents and rising to 54% in Financial Services.

The message is clear. AI is moving from a theoretical opportunity to a practical capability that will reshape how loyalty programmes operate. As it matures, AI promises more precise personalisation, real-time decision-making and greater emotional relevance. To capture this value, brands will need stronger data foundations, clarity in measurement and the confidence to embed AI into core programme design. Those who move early will be best placed to deliver smarter, more adaptive and more engaging loyalty experiences.

External forces

The most powerful external forces shaping UK loyalty strategy are evolving customer expectations (37%) and technology advancements such as AI and mobile (29%). Competitive innovation (21%) also plays a strong role, while economic pressure and data privacy rank lower. Interestingly, free and hybrid schemes feel these pressures most — suggesting that brands with less differentiated propositions are more exposed to shifting consumer and tech trends. The market is being pulled forward by customer sophistication as much as by innovation itself.

Technology continues to shape the future of loyalty across Europe, cited by 46% of brands as the top external influence. Evolving customer expectations (27%) and competitor innovation (19%) follow, as a result of digital transformation and rising experience standards.

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CONCLUSION

Loyalty has become a critical contributor to commercial performance across the UK and Europe, yet the findings show that the sector is still only part-way through its transformation. Programmes are mature, engagement levels are high and confidence in impact is strong, but gaps remain in ROI measurement, emotional design and the effective application of advanced technologies. The most progressive brands are already moving beyond transactional value towards personalisation, behavioural science and AI-enabled experiences.

The opportunity now is to elevate loyalty from a standalone programme to a connected customer platform. This requires the integration of data, technology and psychology to create meaningful and measurable outcomes. Success will depend on strengthening measurement foundations, designing intentionally for emotional connection and investing in capabilities that allow more adaptive and insight-led engagement.

The loyalty landscape is evolving quickly and customer expectations are rising even faster. Brands that modernise their approach today will be best placed to build deeper relationships, unlock greater commercial value and create clear differentiation in an increasingly competitive market. Loyalty is no longer just a mechanism for retention. It is becoming the engine that shapes the entire customer experience.

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SOURCES

For our previous Loyalty Landscape research, please click here
See Appendix for methodology and participant profile

APPENDIX

Research methodology and respondent profile

This report is based on an online quantitative survey commissioned by Collinson in October 2025. There were 663 Senior Marketing, Loyalty & CX decision-maker respondents from across the UK, France, DACH (DE, CH, AT) and NL, working in Financial Services, Retail and Travel & Hospitality.

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