Tech Talks @ Club Street

The Strategist's Guide to Loyalty:

Why Most Loyalty Programmes Don't Work

23 July 2026

5:30 PM - 8:00 PM

Vertis, 40 Club Street, Singapore

Organised by: vertis. INNOVATE. CREATE. ELEVATE.

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Agenda.

5:30 PM	Doors, Registration & Networking
5:50 PM	Why Most Loyalty Programmes Don't Work
6:15 PM	Audience Diagnostic & Discussion
6:30 PM	Designing for the Right Customer + Session 2 Teaser
7:00 PM	Networking, Food & Drinks



Download the full whitepaper here:

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ABOUT SPEAKER

Birendra Balakrishnan

Co-founder & Chief Revenue Officer, Vertis

Biren is the co-founder of Vertis, where he leads growth and digital strategy across enterprise and public-sector transformation projects.

With deep experience in customer experience design, technology implementation, and modern CMS platforms, he works closely with clients to build scalable, inclusive, and future-ready digital ecosystems.



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Everyone invests in loyalty.
Nobody gets loyalty.

19
loyalty memberships held by the average person

9
of those actually used — the rest are dead weight

90%+
of companies now run a loyalty programme

Sources: Queue-it loyalty statistics roundup, 2026

REALITY CHECK

The numbers are worse than executives think

71%

of established programmes fail to deliver value — many actively erode it

McKinsey

77%	of consumers say loyalty programmes do not make them loyal
2/3	of consumers retract loyalty faster than three years ago
90%	of programme owners plan a revamp within 3 years

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THE VALUE CONTRACT

A loyalty programme is a trade — audit both sides

WHAT CUSTOMERS GIVE

Data

Identity plus a running feed of every purchase

Attention

App installed, notifications on, inbox access

Behaviour change

Consolidated spend, detours, status runs

Lock-in

Points and status they would lose by leaving

WHAT MOST BRANDS TRADE BACK

A discount.

Typically 1–2% of spend. Delayed. Expiring. Wrapped in terms and conditions.

Only 21% of members feel recognised. Only 29% find the communications relevant.

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THE LOYALTY HIERARCHY

Transactional is the floor. Relational is the ceiling.

TRANSACTIONAL — THE FLOOR

Points, discounts, cashback, free shipping

Expected — a programme without it feels empty

Copied by any competitor by Tuesday

Trains loyalty to the deal, not to you

RELATIONAL — THE CEILING

Recognition — being known and remembered

Access — early, exclusive, members-first

Status, community, personalisation

Identity — part of how customers see themselves

Compounds with every interaction — hard to copy

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The gap between floor and ceiling is not subtle

306%

higher lifetime value from customers with an emotional connection to the brand

Motista

+ 25%

spend from members who actively redeem vs enrolled-but-inactive members

McKinsey

15 – 25%

annual revenue lift from top-performing loyalty programmes

McKinsey

Relational value isn't soft. It's the highest-yield asset in the programme.

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A QUESTION TO YOU

What does your programme ask customers to give up?

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THE VALUE CONTRACT

The Live Diagnostic.

Most programmes over-invest in economic value. The better lever is almost always friction or fairness — not a bigger offer.

Perceived Value – Friction – Unfairness = Participation

THE PROOF POINTS

The winners trade back more than margin

Starbucks Rewards

~ 60%

of US company-operated revenue comes from members (FY2025)

Trades back: ritual + convenience

Sephora Beauty Insider

80%

of total sales come from members

Trades back: community + status

AAdvantage (American)

$20B+

programme valuation — over 3x the airline itself

Trades back: status + aspiration

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CASE FILE 1 — SUCCESS

Starbucks Rewards: ritual as the product

THE STARS ARE ORDINARY. THE TRADE-BACK ISN'T.

1. **A faster morning**

   Mobile Order & Pay deletes the queue — the ritual improves with use

2. **Being known**

   The app remembers the order; offers are personalised

3. **Stored value**

   Members pre-pay to be loyal — billions in interest-free float

35M+

90-day active US members

~ 60%

of US company-operated revenue from members (FY2025)

Stress test: the 2016 stars-per-dollar switch angered low spenders — the programme grew anyway. The ritual, not the points, was the contract.

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CASE FILE 2 — SUCCESS

Sephora Beauty Insider: status you can wear

THE CURRENCY IS STATUS, NOT SAVINGS

1. **Tiers as identity**

   Insider → VIB → Rouge. “Rouge” ends up in bios — a badge worn in public

2. **Community**

   Members answer each other, post looks, spend time with the brand between purchases

3. **Experiential rewards**

   Points buy events, classes, and access — not just product

~ 34M

Beauty Insider members · of sales come from members — with barely any discounting

80%

of sales come from members — with barely any discounting

The moat: a competitor can copy the points structure in a quarter. Nobody can copy a decade of community and a status badge people brag about.

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CASE FILE 3 — FAILURE

GrabRewards: death by devaluation

Launch

Points on every ride and order, status tiers, KrisFlyer transfers — an airline-style programme for daily life. But 100% floor: the value was the rebate.

2016 — The cut

Earn rates down up to 60%, voucher prices up up to 39% — effective rebate falls below 1%. With no relational layer, the devaluation breaches the entire contract.

2020 — The rebrand

GrabRewards becomes GrabCoins. Legacy balances expire July 2026; new coins die in 6 months. Short-dated cashback — nobody calls it loyalty.

The vanish test, live: when it went, nobody rioted — thirty million users shrugged. The shrug is the failure.

THE TAKEAWAY TOOL

Diagnose it: the Value Exchange Audit

Four questions. No software. Repeat quarterly.

1. **What do customers actually give us?**

   List it honestly: data, attention, behaviour change, lock-in. It's longer than you think.

2. **What do we trade back — beyond margin?**

   Cross out everything that's really just money. If nothing is left, it's a pricing mechanism with a login.

3. **Would members miss it if it vanished tomorrow?**

   The vanish test. People would riot for Prime. Nobody riots for a points card.

4. **Do members behave differently because of it?**

   Incrementality. Measure redeemers, not sign-ups — breakage flatters dead programmes.

Customers are keeping their side of the trade. Most brands aren't.

Discussion: which programme would you actually miss — and what is it really giving you?

Part 2: from diagnosis to execution — designing relational value in, deliberately.

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We've diagnosed the problem.

Next session, Talon.One joins us to talk about what it actually takes to run this as a system.

SESSION 2 · TALK 2 OF 2

Loyalty as a System — with Talon.One

THURSDAY, 27 AUGUST 2026 , 5.30PM

SIGN UP HERE:

Thank you.

Let’s head downstairs for drinks and pizza. See you next month.

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Tech Talks @ Club Street

The Strategist's Guide to Loyalty:

Loyalty as a System

27 August 2026

5:30 PM - 8:00 PM

Vertis, 40 Club Street, Singapore

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Agenda.

5:30 PM	Doors, Registration & Networking
5:45 PM	Welcome + Recap of Session 1
5:55 PM	Loyalty as a System
6:15 PM	Talon.One Segment
6:25 PM	Proving It Works + The Two Expressions
6:45 PM	Close: What It Actually Takes + Open Discussion
7:00 PM	Networking, Food & Drinks



Download the full whitepaper here:

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THE STRATEGIST'S GUIDE TO LOYALTY · TALK 2 OF 2

Loyalty as a System.

Operations, proof, and real-world application.

27 AUGUST 2026

5:30 – 8:00 PM

40 CLUB STREET, SINGAPORE

ABOUT SPEAKER

Birendra Balakrishnan

Co-founder, Vertis

Birendra is the co-founder of Vertis, where he leads growth and digital strategy across enterprise and public-sector transformation projects.

With deep experience in customer experience design, technology implementation, and modern CMS platforms, he works closely with clients to build scalable, inclusive, and future-ready digital ecosystems.



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RECAP

Last time: the ceiling is relational value.

Recognition, access, and service are what keeps customers who already trust you. But that ceiling only holds if it runs reliably everywhere — not just where it's convenient to build.

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PART 2

Loyalty as a System.

A programme that works on the app but fails at the POS is not a loyalty programme.

Channel Contracts.

Loyalty has to work everywhere — the same promise, kept at every touchpoint.

CHANNEL	MUST DO	WHERE IT BREAKS
Point of sale	Redeem value at checkout	*Customer has to explain who they are.*
Website / app	Browse member-only pricing	*Points visible but unredeemable.*
Email / push	One-click access to act	*Generic offers sent to VIPs.*
In-store clienteling	Surface recommendations	*Associate knows less than the email algorithm.*

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PART 4 · LOYALTY AS A SYSTEM

Governance: The Immune System.

Leaked universal code	*Redemption spikes overnight; code appears on social media.*	Unique per-customer codes. Monitor velocity daily.
Winback trap	*Reactivation rate looks healthy, but re-lapse within 60 days is high.*	Cap winback discount depth. Measure reactivation quality.
VIP discount spiral	*Top-tier retention holds, but gross margin is declining.*	Design top tier around access and service, not discounts.
Redemption failure	*Redemption rate falling; CS tickets rising.*	Track success rate weekly. Below 95% = product incident.

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QUESTION TO YOU

Where does your programme quietly break first?

POS, app, email, or in-store?

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GUEST SEGMENT

What This Looks Like in Practice.

Guillaume Reveillon — Talon.One

The value of an API-driven approach to promotions and loyalty, and what this means for Product, CX, and strategy teams.

ABOUT SPEAKER

Guillaume’s Reveillon

Strategic Account Director

Guillaume is a Strategic Account Director at Talon.One, helping enterprise brands across Southeast Asia modernize loyalty, promotions, and customer engagement.

With a background in consulting, product growth, and digital strategy, he bridges business and technology to build scalable solutions that drive growth and improve customer experiences.



Talon.One

Omnichannel Loyalty & Promotion Engine

August, 2026

Talon.One

Headquartered in Berlin with a global presence in the U.K., U.S. and Asia



300+
customers worldwide

+125M
API calls per day

+5.7bn
rule validations per day

99,99%
monthly uptime

Talon.One is the world's leading Loyalty & Promotion Engine purpose-built for enterprise retailers to deliver personalised, rule-based promotions, loyalty programmes, and engagement campaigns at massive scale.

Founded in 2015 in Berlin, Talon.One serves 300+ global brands including H&M, Adidas, CP Group, KFC, Burger King, across 50+ countries.

Promotion Engine
Rule-based engine handling coupons, discounts, loyalty points, referrals, giveaways, and bundles — all in one platform.

Loyalty & Tiers
Multi-tier loyalty with full earn/burn, partial payment, expiry, reversal, cross-brand attribution, and advanced redemption.

Gamification
Achievements, badges, missions, challenges, leaderboards, and referral programmes driving engagement.

API-First
Integration and Management APIs with <100ms. SDKs for web, mobile, and POS environments.

Talon.One

Powering incentives for 270+ of the world's best brands

BEAUTY

SEPHORA
ESTĒE LAUDER
e.l.f.
قولدن سنت GOLDEN SCENT
SCENTSY
BEAUTY PIE
Debenhams
LUSH
Boutiqaat

RETAIL & ECOMMERCE

CIRCLE K
adidas
SEPHORA
HUGO BOSS
NORDSTROM
LEGO
HARRY ROSEN
RiverIsland
asos
ADORE ME
asics
H&M
DECKERS BRANDS
ESTĒE LAUDER
REI co-op
IKEA
Vestiaire Collective
The RealReal
SALOMON
boohoo
FOOTASYLUM
LUSH
WORLD MARKET
SCENTSY
REI co-op
SSENSE
Thalia
EDDIE BAUER
my JEWELLERY
Otrium

GCC & APAC

BonusLink
Aladin
BSI BANK SYARIAH INDONESIA
bank saqu
nana نعناع
COSTA COFFEE
JOE & THE JUICE
BANK JASA JAKARTA
KFC
Locate لوكيت
GOtyme bank
HEINEKEN
PICKUP COFFEE
MONEYSMART
Metcash
MoneyHero Group
PalawanPay
clip
cashrewards
amaysim
ESDlife
PropertyGuru
C.P. GROUP
MONEY SUPER MARKET
ANGKAS
MDL BEAST
THE ICONIC
Airtasker
DAVID JONES

Talon.One

Personalised offers and rewards in real-time



The promo hunter

AI Agents

PLP

- Strikethrough pricing
- Member pricing
- SKU level offers

PDP

- Bundles
- Points to earn
- Discount
- BOGO
- User pricing
- GWP

CHECK-OUT

- Free Delivery
- Coupons
- Bundles
- Points

PROFILE

- Gamification
- Referral code
- Reserved Coupons
- Points
- Cashback

POS

- Earn & Burn
- Discounting
- Coupons

TALON.ONE Customer Incentive Platform



The promo hunter

Promotions

Easily create discounts, bundles, coupons, GWP, and any promo mechanics

Gamification

Create specific steps to unlock a reward

Price

Update prices in real-time at audience level

Loyalty

Reward any triggers and transactions with tiers, points, cashback, gifts etc

Referral

Build profitable multi steps multi rewards referral programs

Before Talon.One

Lack of Speed

launching new campaigns takes weeks

Lack of Flexibility

not able to combine loyalty & promotions to personalise incentives at user level

Lack of Scalability

Latency, errors and customer success requirements at peak traffic

Lack of ROI

Incentives are a cost centers instead of a revenue generator

Proprietary and confidential
Talon.One

ABOUT SPEAKER

Jaslyn Tan

Project Manager, Vertis

Jaslyn is a Project Manager at Vertis, shaped by a background in Marketing and Experience Design. It's a combination that lets her hold three perspectives at once: what the business is asking for, what the build can realistically carry, and what the customer actually feels on the other end.

That same design instinct is what she brings into her work on loyalty, not just managing the project, but questioning how it should feel.



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PART 5

Proving It Works.

Executives don't distrust loyalty because they dislike loyalty. They distrust it because loyalty teams report the wrong metrics.

Three Questions Finance Asks.

01

Causality

Did incentives cause incremental revenue and retention, or merely correlate with it?

02

Profitability

Was the programme net-positive after all incentive and operational costs?

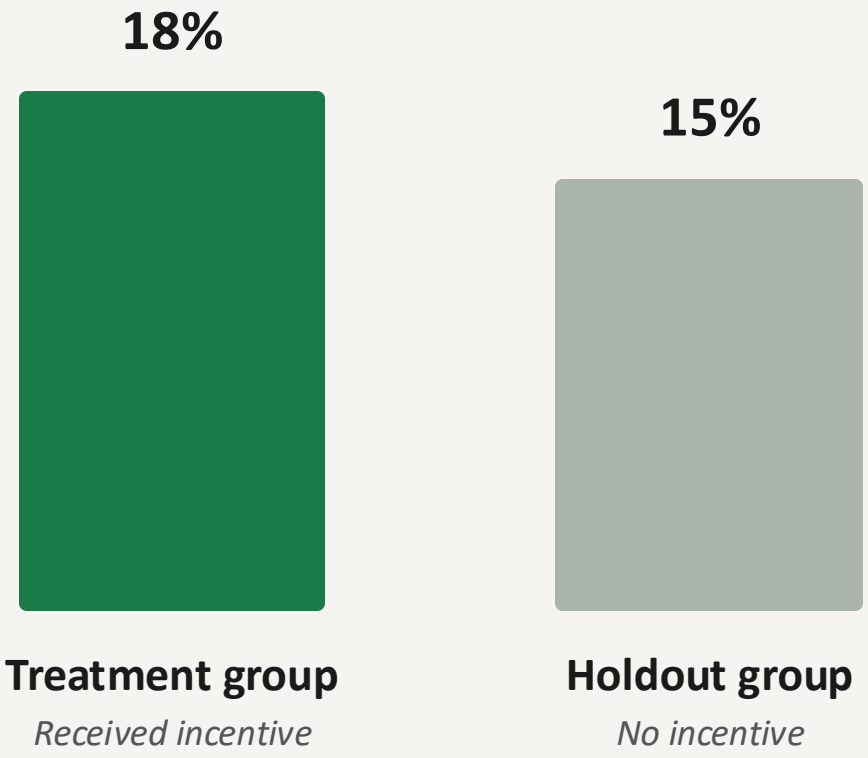
03

Repeatability

Can it run again without margin decay or damage to customer trust?

Incrementality: The Measurement That Matters to Finance.

The gold standard: a small holdout group receives no incentive. Compare outcomes to the treatment group. Even a 5–10% holdout makes reporting defensible.



INCREMENTAL LIFT

3pp

The programme's actual contribution — 18% minus 15%.

The Executive Scorecard.

Six metrics. The first two are financial signals. The last four are operational health.

METRIC	WHAT IT ANSWERS	TARGET
Incremental revenue	*Did the programme cause growth?*	**Positive vs holdout**
Incremental net margin	*Was it profitable?*	**Positive within period**
Payback period	*How long to recoup investment?*	**Reviewed quarterly**
Repeat rate lift vs holdout	*Is it building retention?*	**+20–30pp at 12mo**
Redemption success rate	*Is it operationally reliable?*	**≥95% at all times**
Trust signals	*Is customer trust intact?*	**Flat or declining QoQ**

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PART 6

The Same Framework, Two Expressions.

The logic is identical. The mechanics are different. That is the point.

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PART 6 · TWO EXPRESSIONS

B2C Luxury Retail vs. B2B Professional.

B2C · LUXURY RETAIL

Tier entry through recognition of existing behaviour, not enrolment campaigns. Service entitlements replace discounts. Household accounts. One member record across countries and channels.

"I am not a VIP. I am just not a stranger anymore."

B2B · PROFESSIONAL

Productivity tools embedded in the portal — proposal generators, specification libraries. Attribution closed-loop from spec to order. Tier progression at firm level. CPD event access. Learn and earn.

"This is not something I log into. It's part of how I run my practice."

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CLOSE

What It Actually Takes.

What makes it real is the organisational conditions that allow a programme to be built and *sustained*.

1 **One champion**

A single person who owns the programme — not a committee. Authority to decide, proximity to the brand's intent.

2 **Honest alignment**

Every service entitlement has a real cost. Agree what the brand will genuinely deliver at each tier before the build.

3 **Start in one place**

Launch in a single store or market with a defined group of existing customers, and learn before scaling.

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OPEN DISCUSSION

Over to you.

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STRATEGY AND SYSTEMS, TOGETHER

Vertis holds both.

Strategy

What loyalty should mean for your brand — what it should cost, earn, and feel like at every tier.

Design

The mechanics, value exchange, and service model that turns strategy into something customers notice.

Systems

The technology, governance, and measurement infrastructure that makes it work every day.

Want to talk about your loyalty programme?

Scan the code, or visit vertis.digital

info@vertis.digital


June 2026
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The Strategist's Guide to Loyalty.
Recognition · Access · Programmes That Actually Work
The Strategist's Guide to Loyalty · Vertis 01
vertis.
– Incentive Cost – Operational Cost
95%
Redemption success rate minimum. Track weekly by channel. Below this, the programme is leaking trust.
ard
signals. The last four are operational health.
what it answers
Target
id the programme cause growth
Positive vs holdout baseline
Was it profitable?
Positive within programme period
ow long to recoup the vestment?
Defined at launch; reviewed quarterly
it building retention?
+20–30pp at 12 months
the programme operationally eliable?
≥95% at all times
customer trust intact?
Flat or declining QoQ
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Thank you.

Let’s head downstairs for drinks and pizza. See you next month.

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