



The loyalty landscape is a dynamic environment, as it should be. Even well-established programs need fresh ideas, new experiences, and innovations on a regular basis. Adding new ways to earn and redeem, relevant partner experiences, new perks and benefits, keeps a program valuable and compelling.

Let's take a look at two programs making a splash in the market: Subway's MVP Rewards and One Key Rewards, from Expedia, Hotels.com, and Vrbo. One is a new program, the other an evolution from Subway MyWay Rewards.

One Key is the latest tactic in the strategic competition between Online Travel Agents (OTAs) and the major airlines and hotel chains. Air carriers and hospitality companies have long had two advantages over the travel booking sites that challenge them: their loyalty programs and "lowest price guarantees" for booking directly on the hotel or airline site.

While the booking sites promise to find deals difficult for the average customer to access, they have struggled to field loyalty programs that gain traction.

Until now, maybe.

Supported by a major media campaign, One Key was created by Expedia Group to allow guests to earn a currency, OneKeyCash, when booking air travel on Expedia.com, and lodging through Hotels.com or Vrbo, and redeem it on future bookings through their sites. The consumer messaging is attractive: finally, a way to get the lowest rates and earn rewards at the same time, for all your travel needs booked on the three sites.

But looking under the hood, the program remains, in my view, inferior to major programs like Hilton Honors, Marriott Bonvoy, Choice Privileges, or American Airlines AAdvantage. Because the booking sites don't control the inventory – airline seats and

hotel rooms – the economics of One Key don't allow the program to provide rewards as valuable as hotel and airline programs. And while the program allows members to earn status that equates to elite-level perks at selected properties, One Key has little control over the guest experience at the thousands of properties on their sites.

Meanwhile, I've been pointing to the QSR sector for several years now, as leaders in loyalty innovation. Late to the loyalty game, McDonald's, Burger King and others waited until their technology reached the point where they could support mobile-app based programs, deliver great service to customers on the app, collect and use customer data to make offers in real time, and reward guests for doing it all in the app – thus providing service and rewards to guests while streamlining operations.

Subway just announced that MyWay Rewards is being replaced by MVP Rewards. They are following best practices by ensuring that members' reward tokens will automatically be converted to points in the new program.

The program leverages their ongoing sports-based media campaign, featuring stars like Steph Curry, Julie Ertz, and Patrick Mahomes, with status tiers from Pro, to Captain, to All-Star. My first thought on that is, three tiers may be a bit too complex a program for the QSR world. After all, it's just a sandwich.

The new program offers expanded, easier earnings, and more value and flexibility in reward redemption. That's all good.

Unlike most other loyalty efforts in the field, MVP members earn when they order in-restaurant, online, or on the app. Other QSRs require using the app to participate in the program, fostering widespread adoption of the app. On one hand, Subway may be missing an opportunity here; but maybe driving guests to the app isn't a priority for Subway right now. And from a CX point of view, it's generally best to allow customers to participate in a program across all channels and touchpoints.

We'll keep an eye on these programs. No matter the ultimate results, it's great to see major brands understand the imperative to constantly innovate in their loyalty efforts.

Your thoughts?

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