Smarter Loyalty: Leveraging AI, Membership, and Discount Programs to Enhance Customer Satisfaction and Retention

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Abstract

In today's competitive market landscape, companies and institutions strive to offer the highest quality of services to attract new customers and retain existing ones. Many have discovered that customer data gathered through loyalty and discount programs can significantly enhance long-term customer acquisition efforts.

This paper will investigate and discuss the topic with a focus on major supermarkets, such as the Cooperative Societies in the United Arab Emirates, which offer a wide range of products—numbering in the thousands—to a diverse customer base.

However, the mere accumulation of big data is not sufficient. The effective utilization of such data requires continuous and systematic analysis, a process that often exceeds the capabilities of traditional analytical tools. As a result, the integration of artificial intelligence (AI) has become essential for meeting customer needs, increasing acquisition, and improving service quality.

This academic paper will explore the primary objectives of loyalty and discount programs, the strategic use of big data collected from Union Cooperative customer records, and how AI can be employed for data analysis and prediction to boost customer retention and enhance service offerings.