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know your shopper

UNLOCKING LOYALTY

The Secrets Behind
America's Most
Powerful Grocery
Rewards Programs



UNLOCKING LOYALTY: THE SECRETS BEHIND AMERICA'S MOST POWERFUL GROCERY REWARDS PROGRAMS

Executive Summary

Unlocking Loyalty: The Secrets Behind America's Most Powerful Grocery Rewards Programs presents our comprehensive analysis of 43 leading U.S. grocery loyalty programs and draws on insights from nearly 20,000 shopper interviews.

The report identifies the top five performers and explores the key factors that set these programs apart. Success is driven by immediate, tangible value (such as fuel and grocery savings), seamless digital integration, personalized offers and clear, simple mechanics.

The research also examines common pitfalls among lower-performing programs, including lack of instant value, poor digital experiences and limited personalization. Our findings highlight that the most effective loyalty programs are those that blend technology, customer-centric design, and consistent value delivery, resulting in higher shopper engagement, retention and ROI. For retailers, the message is clear: investing in digital innovation and customer insight is critical to building loyalty programs that drive business growth in a highly competitive market.

Who should read this report?

This report is essential reading for grocery retail executives; loyalty program managers and marketing leaders seeking to benchmark and enhance their loyalty strategies. It will also benefit data analytics professionals, digital transformation teams and anyone involved in designing or managing customer engagement initiatives. Whether you are aiming to optimize an existing program or build a new one from the ground up, the insights in this report provide actionable guidance on what drives shopper loyalty and how to avoid common pitfalls. Suppliers and partners who collaborate with grocers on loyalty or promotional activities will also gain valuable perspective on what makes programs effective and how to align their efforts for maximum impact.



Introduction

In 2025, the U.S. grocery retail sector stands as a dynamic battleground, shaped by intense competition and accelerated digital innovation. With annual sales surpassing \$1.6 trillion, the industry commands both scale and strategic significance. Amid this landscape, retailers increasingly recognize that sustained success hinges on deepening their understanding of consumer preferences and behaviors. As a result, loyalty programs have become a linchpin of competitive strategy amongst retailers empowering brands to not just attract but, more crucially, retain shoppers in an ever-changing marketplace.

Our recent deep dive into the sector analyzed 43 of the nation's leading grocery retailers, benchmarking their loyalty programs on value, innovation, customer engagement, and technology. The top five **Food City, Kroger, Costco, Price Chopper, Giant Eagle** emerged as clear leaders, setting the pace for the industry. For loyalty managers and CEOs alike, understanding what makes these programs so powerful is crucial for building future-ready strategies that drive loyalty and business results.

About our research and methodology

To establish the best performing loyalty programs we interviewed nearly 20,000 randomly selected U.S. shoppers aged 18 to 70 to understand how they perceive and engage with the grocery loyalty programs on offer in the US.

From the data we gathered we were able to analyze and benchmark the performance of 43 different loyalty programs. Each program was scored based on its ability to **influence customer behavior, how well shoppers felt their grocers knew them, how easy the programs are to understand, perceived value of rewards and frequency of engagement.**

The leading programs stand out for the ability to drive repeat visits, increase average spend, and foster lasting customer relationships.



Program ranking

We ranked every grocer with at least 30 valid responses against five benchmark scores, then combined these ranks to create a single composite rank. This shows how impactful the programs are holistically.

Areas covered under this rank are:



Program comprehension

Importance of rewards



Frequency of card scan

Shopping behavior



Shopper knowledge

Rank	Retailer	Composite Rank
1	FOOD CITY / KVAT Foods	45
2	Kroger	52
2	Costco Wholesale Corporation	52
4	Price Chopper	54
5	Giant Eagle	55
6	Shaws	60
7	Vons	61
7	Wholefoods	61
9	Food Lion LLC	62
10	Sam's Club	63
11	Ralphs Grocery Company	67
12	Target	70
13	ShopRite	72
14	Winn-Dixie Stores, Inc.	73
14	Tops Markets	73
16	Walmart	74
16	Big Y Foods	74
18	Hannaford Supermarkets	75
19	Fred Meyer Inc.	77
20	Harris Teeter Supermarkets	78
21	H-E-B, LP	79
22	Fry's Food and Drug	80
23	Meijer	84
24	Schnucks	86
25	Smith's Food & Drug Centers, Inc.	89
26	Brookshire Brothers	90
27	Hy-Vee	92
28	Stop & Shop	99
28	ALDI USA	99
28	Acme Markets	99
31	Jewel-Osco	100
32	Ingles Markets	103
32	Pick 'n Save	103
34	Albertsons	108
35	Safeway	112
36	King Soopers	116
36	Cub	116
38	Publix Super Markets, Inc.	117
39	Weis Markets, Inc.	124
40	Stater Bros. Markets	132
41	Piggly Wiggly, LLC	141
42	Wegmans	147
43	Sprouts.com	165

You can download the 2025 Loyalty Sentiment Report at www.11ants.com/loyaltysurvey

The power of knowing your shopper

Our research uncovered a clear link between shoppers' perceptions of how well their grocer understands them and their shopping frequency and spending. This suggests that loyalty programs offering deeper customer insights can significantly boost business results.

But simply collecting data on shopper behavior isn't enough. To truly unlock business value, grocers must be able to extract actionable insights from this data at scale

a challenge many organizations face. If you're struggling to identify valuable insights in your loyalty data and want to make a real impact, we can help, this is exactly what we specialize in.

Getting to the 'Why?'

Having established who is doing this best (and worst), the next logical question is to try and understand why one program can be so much more impactful than another. To answer this question, we took a deep dive into the best and the worst to see what was similar, what was different and what we can all learn.

To compare and contrast the programs we looked at:

- ▶ What they offer in the terms of rewards
- ▶ How much value they give back to the shopper in terms of rebate
- ▶ How the programs work – in terms of mechanics
- ▶ How they promote and use the program to engage customers

How they promote and use the program to engage customers

RETAILER	REWARDS OFFERED	REBATE	MECHANICS	PROMOTION
Food City	<ul style="list-style-type: none"> Fuel Bucks for every \$1 spent Special pricing for cardholders Digital coupons Sweepstakes & partner discounts 5% grocery discount (select stores) 	<ul style="list-style-type: none"> 15¢ off/gal fuel daily or 30¢/gal on Wed (up to 20 gal) 5% off groceries (up to \$100, select stores) 	<ul style="list-style-type: none"> Earn 1 Fuel Buck per \$1 spent Redeem Fuel Bucks for fuel or grocery discounts Digital coupons & events 	<ul style="list-style-type: none"> In-store signage Digital/email offers Community/school donations Sweepstakes & exclusive events
Kroger	<ul style="list-style-type: none"> 1 Fuel Point per \$1 spent Digital coupons Personalized offers Cash Back offers Paid Boost tier: 2x fuel points, free delivery, exclusive savings 	<ul style="list-style-type: none"> 10¢ off/gal per 100 points (up to \$1/gal, 35 gal max) Boost: up to \$1,000/year savings 	<ul style="list-style-type: none"> Free and paid (Boost) tiers Points for fuel or grocery savings App-based tracking & redemption Community donations 	<ul style="list-style-type: none"> App notifications Weekly digital ads Personalized offers Community rewards Paid tier incentives
Costco	<ul style="list-style-type: none"> 2% annual reward (Executive tier) Member-only pricing Exclusive product/service access Rotating treasure hunt deals 	<ul style="list-style-type: none"> Up to \$1,250/year (Exec tier) Bulk pricing savings High renewal rates (~90%) 	<ul style="list-style-type: none"> Paid membership: Gold Star/Executive Rewards paid annually No points; value via rebates & pricing 	<ul style="list-style-type: none"> In-store sampling/events Email/print promotions Mobile app for offers "Treasure hunt" product rotation
Price Chopper	<ul style="list-style-type: none"> AdvantEdge points on all purchases Redeemable for food, fuel, or special offers Digital coupons Bonus point events Community/school support 	<ul style="list-style-type: none"> 5¢ off/gal per 100 points (fuel) Food discounts vary by promo Bonus offers & sweepstakes 	<ul style="list-style-type: none"> Earn points per \$1 spent Redeem for groceries, fuel, or other rewards App-based management Flexible redemption 	<ul style="list-style-type: none"> App/email offers Bonus point events Community tie-ins (schools, student loans) Seasonal/sports promos
Giant Eagle	<ul style="list-style-type: none"> myPerks points for groceries, fuel, Rx, gift cards Redeem for fuel/grocery discounts Pro tier: 50% more perks Partner discounts (e.g., Booking.com) 	<ul style="list-style-type: none"> 10¢/gal off per 100 perks (up to 30 gal) 2% grocery discount per 150 perks (up to 20%) \$1 off per 50 perks 	<ul style="list-style-type: none"> Earn perks per \$1 spent (higher for Pro) Flexible redemption: fuel, groceries, cash Pro status via trips or perks App-based tracking 	<ul style="list-style-type: none"> App notifications Weekly digital offers Pro tier promotions Seasonal/partner events Social media engagement

What makes good great?

Across the top programs, the reward proposition is anchored in tangible, everyday value, typically in the form of fuel savings or grocery discounts. Notably, Kroger and Giant Eagle have adopted a flexible redemption model, allowing shoppers to choose between fuel or grocery benefits, while Food City and Price Chopper have opted to focus their loyalty economics more heavily on fuel.

The underlying value equation is clear: most programs tie rebates directly to spend, with fuel savings commonly accruing at a rate of 10 to 30 cents per gallon for every \$100 spent. Costco diverges from this model, instead offering Executive members a flat 2% annual rebate, which is both simple to understand and highly valued by its member base. For high-frequency or high-value shoppers, enhanced tiers such as Kroger's Boost and Giant Eagle's Pro deliver additional incremental value, reinforcing engagement among the most loyal segments.

From a program mechanics perspective, point-based systems remain the dominant architecture, with the exception of Costco. Digital coupons and app-based management have become standard, supporting both ease of use and operational efficiency. The introduction of paid tiers by some operators reflects a willingness to invest in differentiated benefits for those shoppers who are most engaged, although this comes at a cost to the end user. In terms of customer engagement, all leading programs have embraced digital and app-based channels, leveraging weekly offers and community partnerships to drive frequency and relevance. Costco's approach is differentiated by its 'treasure hunt' merchandising and industry-leading renewal rates, while other programs focus on local partnerships, bonus events and a high degree of personalized digital engagement to maintain shopper interest.

What emerges is a clear operational blueprint: the most effective loyalty programs are those that combine immediate, flexible value with digital convenience and a strong connection to the communities they serve. These programs are designed not only to reward frequent shoppers, but to ensure that value-driven customers find the proposition both accessible and compelling. For retailers, the lesson is clear: success in loyalty is a function of disciplined program design, ongoing investment in digital infrastructure, and a relentless focus on delivering measurable value to the customer.

These programs succeed by blending tangible value (fuel/grocery savings), digital convenience and community, tailoring their approach to both frequent and value-driven shoppers.



What role does scale play?

Three of the five programs in our top five come from the true giants of the industry, which begs the question whether scale makes any difference. Are they big because their programs are great or are their programs great because they are big?

In theory at least, scale shouldn't matter as any grocer can create an amazing loyalty program but the fact that three of the five are industry goliaths suggests something else is going on.

Do they leverage their scale to be more generous?

The leading programs consistently offer more immediate value than the average grocery loyalty scheme. For example, Target Circle and Whole Foods/Amazon Prime both deliver instant discounts at checkout, while Walmart+ and H-E-B layer on delivery savings and fuel discounts, which are perks that can add up fast for families. Kroger Plus Boost lets members save up to \$1,000 a year when you combine groceries, fuel, and delivery perks, which is well above what most regional or discount chains offer.

Do they invest more in program execution, because they can?

Yes, they do – and by deliberate design and good UX (user experience). All five programs are mobile-first and designed for simplicity – sign up, tracking offers, and redeeming rewards all done from your phone. Omnichannel integration means you get the same benefits whether you're shopping in-store, online or for delivery. No more juggling different accounts or missing out on rewards because you used the wrong channel.

Do they use their marketing might?

Leaders in the loyalty game tend to work their programs harder than those further down the list. Again, whether this is a function of the fact they've got more resources and can work their programs harder or whether it's an active choice is unknown. Likely a bit of both. The interesting insight relates to perception and the effect that active marketing can have on the perceived value of the program. The harder you work the program as a grocer, the more value people perceive and that in turn drives shopper preference and behavior.

What's happening at the other end of the spectrum?

While the top five set the gold standard, the bottom-performing programs (Weis Markets, Stater Brothers Markets, Piggly Wiggly, Wegmans and Sprouts), which are often regional or legacy chains, lag behind due to several common shortcomings:

- ▶ **Lack of Immediate Value:** Programs that rely on complex point systems or delayed rewards fail to deliver the instant savings shoppers crave. If rewards feel out of reach or too complicated, members quickly disengage.
- ▶ **Poor Digital Integration:** Outdated or clunky apps, lack of mobile support and inconsistent omnichannel experiences frustrate users. Shoppers expect to manage their loyalty benefits from their phones anywhere and anytime.
- ▶ **Limited Personalization:** Generic offers and mass promotions don't resonate. Programs that don't leverage customer data to tailor rewards and communications lose relevance and fail to build deeper loyalty.
- ▶ **Complexity and Confusion:** Overly complicated rules, unclear benefits, or hard-to-redeem rewards discourage participation. Simplicity and transparency are essential for engagement.
- ▶ **Failure to Innovate:** Stagnant programs that don't evolve with consumer expectations, such as integrating delivery, fuel savings, or experiential rewards, risk being left behind as competitors raise the bar.

As any grocer knows all too well, grocery margins are tight and loyalty programs are costly to maintain. When a program loses steam or fails to deliver, replacing it requires a substantial investment of both time and money. This challenge is magnified because senior leaders, who may have experienced previous setbacks, can be hesitant to reinvest in something that didn't work before. Too often, the easiest option is to do nothing, leaving the business saddled with the costs of a loyalty program but none of the benefits.



Why does all this matter?

The best loyalty programs don't just reward frequency; they make everyday life easier and cheaper for their shoppers.

The top five programs win because they combine technology and scale with a relentless focus on customer value. They're generous (with instant savings and perks), easy to use (mobile-first, seamless across channels), and smart (using data to personalize offers without making things feel creepy or complicated).

People want to feel known but not overwhelmed. While shoppers appreciate personalized offers, what really drives loyalty is the sense that their grocer 'gets them' and offers the right deals, at the right time, without making things complicated. Most shoppers belong to multiple programs, but they're loyal to the ones that deliver real, tangible value. If a program is too complex or the rewards feel out of reach, people simply won't bother.

"In the first year of its paid membership program, Boost by Kroger Plus, members saved more than \$115 million. Boost by Kroger Plus is making grocery delivery accessible to more customers through the industry's most affordable membership program. Combined with our industry-leading fuel points program, customers are saving big on groceries and fuel unlike ever before."

Stuart Aitken, Senior Vice President and Chief Merchant and Marketing Officer, Kroger

Positioned just outside of the top 5 performing programs, My H-E-B app and loyalty programs saw significant growth, with app usage up 15% and digital coupon redemptions up 22% in 2024. H-E-B states: Loyalty programs are crucial; in 2024, customer loyalty spend was \$1.1 billion.



What does the ultimate program look like?

If you're designing or refining a loyalty program, keep it **simple** and **generous**. Use technology to know your customers but never lose sight of what matters most to them: saving money, feeling valued, and having a hassle-free experience every time they shop. The top five grocers show that when you get this balance right, loyalty becomes a true competitive advantage.

Based on our analysis of 42 U.S. grocery loyalty programs the optimal loyalty program combines immediate value, hyper-personalization and experiential engagement, which contribute to maximizing ROI, customer retention and repeat visits.

1. Immediate, Tangible Value that Reduces the Cost of Living

▶ Fuel Savings:

- *Food City, Kroger, Price Chopper, and Giant Eagle* all offer fuel discounts (typically 5–30¢/gal per \$50–\$100 spent), which research shows is a top motivator for frequent grocery shoppers.
- *Giant Eagle and Kroger* let shoppers choose between fuel or grocery savings, maximizing perceived value and flexibility.

▶ Cash Back/Annual Rebates:

- *Costco* stands out with a 2% annual rebate for Executive members (up to \$1,250/year), driving high renewal and spend rates.

2. Flexible, Multi-Channel Rewards

▶ Points for Multiple Categories:

- *Kroger, Price Chopper, and Giant Eagle* award points for groceries, pharmacy, gift cards, and fuel, redeemable for fuel, food or even cash back.

▶ Tiered/Status Options:

- *Giant Eagle's Pro tier* and *Kroger Boost* reward frequent/high-value shoppers with 50% more perks or 2x fuel points and exclusive benefits, increasing both spend and engagement

3. Personalization and Digital Integration

▶ Digital Coupons and Offers:

- All five programs use digital coupons and personalized deals, with *Kroger and Giant Eagle* leveraging advanced analytics for highly targeted offers, boosting redemption rates and basket size.

▶ Mobile App Engagement:

- Each program offers app-based tracking, digital coupons, and easy redemption, making rewards visible and actionable.

4. Community and Experiential Engagement

▶ Local Partnerships and Donations:

- *Food City and Price Chopper* integrate school/community donations and local event tie-ins, deepening emotional loyalty.

▶ Bonus Events and Gamification:

- *Giant Eagle and Price Chopper* run bonus point events and sweepstakes, driving spikes in engagement and shopping trips.

5. Simplicity and Transparency

▶ Clear Earning/Redemption Rules:

- The best programs (notably *Costco and Food City*) keep earning and redemption straightforward, avoiding confusion and maximizing perceived value.

Conclusion: The Optimal Loyalty Program for ROI and Retention

For **Food City, Kroger, Costco, Price Chopper, and Giant Eagle**, the most successful loyalty programs blend:

- ▶ **Immediate, flexible value** (fuel or grocery savings, annual rebates)
- ▶ **Personalized, digital engagement** (app-based offers, targeted coupons)
- ▶ **Tiered or status incentives** for big spenders
- ▶ **Community and experiential elements** (local donations, bonus events)
- ▶ **Simple, transparent mechanics** (easy to understand and redeem)

Retailers who execute this formula, like Kroger and Giant Eagle, see the highest ROI, retention, and customer advocacy. The key is balancing everyday savings with digital convenience and emotional engagement, ensuring shoppers always feel the program is rewarding, relevant, and easy to use.

"Our customers tell us they like the program and these AdvantEdge Rewards users are our best customers. They make more frequent trips and spend more per basket than those who do not engage. Furthermore, those using the platform have shown a considerable sales increase year over year versus our baseline customers."

Sean Weiss, Director of Loyalty Marketing & Analytics at Price Chopper/Market

"Boost has already saved members millions on fuel, groceries and delivery fees, and now we are thrilled to celebrate our members with more discounts, free items and the opportunity to join or lock in another year of savings with half-off annual memberships."

Tom Duncan, Vice President of Marketing, on Boost by Kroger Plus

CONCLUSION

Our research across 43 leading U.S. grocery retailers highlights a clear trend: the most successful loyalty programs are those that combine digital innovation, and a relentless focus on customer value.

The top five programs, Food City, Kroger, Costco, Price Chopper and Giant Eagle, excel by delivering instant savings, personalized offers, and seamless omnichannel experiences. They continually invest in technology, data analytics, and mobile platforms to anticipate shopper needs, drive engagement, and differentiate themselves in a crowded market.

For loyalty managers and CEOs, these findings underscore the importance of moving beyond traditional points-based systems. The future belongs to programs that offer real, immediate value, harness data for deep personalization, and engage customers across every touchpoint—digital and physical. Investing in these areas not only drives retention and higher spend but also builds true brand advocacy, making loyalty a genuine competitive advantage in the evolving grocery landscape.

Underpinning the best loyalty programs is an analytics engine that allows anyone and everyone inside the organization to understand customer behavior that enables them to shape the loyalty program so that it's compelling and profitable. 11Ants is the leading provider of shopper insights and is used by some of the largest grocers in the world to underpin their loyalty programs.

Sources

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