

Card-Linked Offers vs. Online Shopping Rewards

What's Your Perfect Match?

In today's hyper-competitive market, customer retention is critical. To address challenges like rising acquisition costs, revenue growth, and improved user experiences, organizations turn to rewards programs to boost customer engagement and lifetime value. But which one is the best fit for your business?

	Card-Linked Offers (CLO) 	Online Shopping Rewards 
What Are They?	Consumers earn rewards on qualifying purchases at participating merchants	Consumers earn rewards by shopping with e-commerce sites through the program
Eligibility	Only merchants with offers in the program can deliver rewards	Almost every online purchase can offer rewards (50,000+ merchants)
Customer Experience	High friction. Log into account, activate offer, visit merchant, purchase before offer expires and with the linked card	Low friction. Install free browser extension once, see reward opportunities whenever shopping online
Availability	Cardholders	Any customer can freely access & use
Payment Options	Only linked card can be used to redeem offers	Any payment tender can be used to earn rewards
Merchant Types	Local stores, restaurants, and entertainment venues	E-commerce retailers

The two can coexist.
Each type of program delivers different benefits.

	Engagement	Only 2% of the customer base redeems CLO due to high friction. By contrast, 15% of customers participate in online shopping rewards programs thanks to their ease of use.*
	Location	CLO help consumers support local brick-and-mortar businesses. Shopping rewards programs deliver rewards for any consumer who shops online, at almost any store.
	Tender	CLO provide an incentive for consumers to swipe a certain card, and increase interchange transactions. Shopping rewards programs deliver revenue regardless of the payment tender.
	Revenue	With CLO, a business earns \$6.48 in annual revenue per user (ARPU) as interchange revenue grows. With shopping rewards programs, a business earns a percentage of almost all purchases, delivering \$66.24 ARPU.*

So which is best for you?

Card-linked offers are valuable for in-store consumers who actively seek them, but in the modern retail landscape, most shoppers prefer hassle-free rewards. Shopping rewards programs offer the lowest-friction way to capture the largest share of organic consumer spending.

Still, you must weigh the pros and cons of each type of reward program when evaluating your options, depending on your goals. Giving customers both may be beneficial as well.

*Sources: Wildfire client data, industry reports