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Four Key Customer Experiences Drive Long-term Loyalty for Retailers Synchrony Financial Study Finds

STAMFORD, Conn.--(BUSINESS WIRE)-- When it comes to shopping behavior, price is always a key motivator. However, to sustain a customer's loyalty over the long term, retailers often find it valuable to focus on the customer experience, according to Synchrony Financial's 2015 Customer Experience and Impact Study.* Examining 27 elements of the shopping experience, Synchrony Financial (NYSE: [SYF](#)), a premier consumer financial services company with 80 years of retail heritage, identified the top four experiences that are most valued by customers and translate into greater spend and loyalty for retailers.

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<http://www.businesswire.com/news/home/20150916005825/en/>



A study sponsored by Synchrony Financial in May 2015 gathered shopper input on the most and least important elements of their experience, as well as factors that influence purchase decisions and loyalty. The study focused on apparel, department store and mass merchant retailers. Study participants included more than 1,000 consumers nationwide who make household financial decisions, have a credit card, and shopped at one of 35 retailers in the past 12 months.

More than half of shoppers say they would pay a higher price for the customer experiences they value most, and 77% of shoppers would be more loyal to stores that provide their personal top three customer experiences. Of the 27 retail elements studied, four emerged as most valuable to consumers and indicate the importance of simplifying and easing the shopping experience.

Four Key Customer Experiences Drive Long-term Loyalty for Retailers Synchrony Financial Study Finds (Photo: Business

Wire)

The top four elements include:

1. *Pick your own sale items* ranked highest in the survey, with 42% of customers finding this a valuable shopping feature.
2. *Hassle free returns* was noted by 41% of respondents as important, with favorite benefits such as no time limit, no need for a receipt and free postage on returns.
3. *No coupons needed to always get the sale price* is key for 40% of participants who automatically want the lowest price without having to clip or find discounts.
4. *Earn points to redeem for extra savings* is ranked by 33% of shoppers as an important benefit and may lead them to spend more with the retailer when rewards are easy to accumulate and redeem.

“Retailers that build lasting loyalty know their customer’s preferences and integrate these elements into the shopping experience,” said Toni White, chief marketing officer, Synchrony Financial. “This study reinforces the finding that purchase decisions are driven by positive, practical and personalized experiences, in addition to a compelling price/value equation.”

Retail Category Differences

In addition to the four elements that matter most to survey respondents, aspects that contribute to the “best in-store experience” as described by shoppers in each retail category include:

- **Apparel stores:** 73% will shop more often as a result of helpful, attentive associates; clothes they like and a variety of merchandise; and good value and prices.
- **Department stores:** 62% of shoppers will visit more if there are helpful, courteous associates; value, affordability and good sales; and clothes they like in their size.
- **Mass merchants:** 57% of customers want a one-stop shopping experience and good discounts, deals and prices; the merchandise they want; and to make one trip with products that are easy to find.

Shopper Segment Preferences

Certain experiences matter more than others to different shopper segments. The vast majority of millennials (89%) indicate they would be more loyal to retailers offering the benefits they want most. Millennials (69%) and Gen Xers (55%) are also more likely to pay more for the experiences they value.

The Synchrony Financial Market Research team studies trends and customer behavior to deliver key insights on areas that include consumer behavior, purchasing trends, the growing use of digital tools, and consumer shopping and payment preferences. Through the Synchrony Connect program, Synchrony Financial partners can connect with subject matter experts to gain knowledge and expertise beyond credit to help them grow, lead and operate their business. More information can be found at www.SynchronyFinancial.com.

About Synchrony Financial

Synchrony Financial (NYSE: [SYF](#)) is one of the nation's premier consumer financial services companies. Our roots in consumer finance trace back to 1932, and today we are the largest provider of private label credit cards in the United States based on purchase volume and receivables.** We provide a range of credit products through programs we have established with a diverse group of national and regional retailers, local merchants, manufacturers, buying groups, industry associations and healthcare service providers to help generate growth for our partners and offer financial flexibility to our customers. Through our partners' over 300,000 locations across the United States and Canada, and their websites and mobile applications, we offer our customers a variety of credit products to finance the purchase of goods and services. Synchrony Financial (formerly GE Capital Retail Finance) offers private label and co-branded Dual Card credit cards, promotional financing and installment lending, loyalty programs and FDIC-insured savings products through Synchrony Bank. More information can be found at www.synchronyfinancial.com and twitter.com/SYFNews.

Sources: *Synchrony Financial Customer Experience and Impact Study, May 2015. Research conducted by an independent, third-party firm, RTi Research, on behalf of Synchrony Financial.

**The Nilson Report (April, 2015, Issue # 1062) - based on 2014 data

Topics: Retail, credit cards, shopping, consumers, loyalty, insights

Editor Note: Graphic data representations available

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Synchrony Financial

855-791-8007

media.relations@synchronyfinancial.com

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