

Reshaping loyalty programs for sustainable and healthy diets through omnichannel marketing

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Abstract

With technologies embedded throughout much of business and society, new pathways are opening to address mounting externalities like climate change. Today, there is an opportunity to leverage ICTs to address sustainability issues head-on through digital marketing and other business activities that go beyond traditional corporate social responsibility (CSR). Across four studies, we instigated how mobile promotions administered via retail loyalty programs impacted the consumption of sustainable products. Multi-level mixed-effect Tobit regression models were used. Data were included for weekly purchases of 21 brands of plant-based beverages made across 242 stores located in Quebec, Canada between 2015 and 2016. Overall, mobile promotions had a positive direct impact on demand ($B=0.232$, $p<0.0001$) but increased their price sensitivity ($B=-0.898$, $p<0.0001$). Mobile promotions that awarded loyalty points were the most effective at generating demand directly. Advertisements with everyday low pricing increased price sensitivities the most ($B=-0.702$, $p<0.0001$). Implications for theory and practice are discussed [Social Sciences and Humanities Research Council (SSHRC) grant number 767-2021-2688, 2021-2024].

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