

The age of **knowing**...



From premium rewards to
**intelligent relationship
recognition**

A new era in Loyalty - and it's a **whole new game**

Loyalty no longer runs on points and promotions alone. It now moves on data, signals and speed. In the GCC, loyalty is already mature, but competition has intensified, customer attention has fragmented and digital-first propositions have reshaped expectations.

At the same time, banks understand their customers more deeply than ever. A wide range of signals — from salary flows and spend patterns to travel, digital behaviour and life-stage shifts — can be turned into real insight. What has historically been invisible is suddenly actionable.

3 forces are shaping bank loyalty roadmaps:

RELATIONSHIPS



ECOSYSTEMS



INTELLIGENCE

We are at the beginning of **The Age of Knowing** - where customer engagement is **hyper-intentional and intelligent**.



FORCE ONE

Relationships

Loyalty has traditionally been built around relationship banking. Salary transfers, premium credit cards, and wealth relationships anchor the primary banking relationship. Rewards programs have focused on travel benefits, cashback, and lifestyle privileges. These models remain powerful, but they often recognise transactions rather than the full relationship.



FORCE TWO

Ecosystems

Banks have mastered ecosystem-driven loyalty through partnerships with airlines, hospitality groups, retail networks and lifestyle platforms. Cards earn airline miles, dining unlocks premium privileges, and retail purchases trigger targeted offers, embedding banks into customers' everyday lives. Yet while ecosystems expand where loyalty shows up, they do not always ensure timely, relevant engagement with individual customers.



FORCE THREE

Intelligence

The newest - and most transformative - force shaping loyalty is intelligence. Real-time, signal-driven engagement powered by technology, AI and automation. Signals across payments, deposits, lending and digital behaviour can now reveal intent the moment it happens. We are only at the beginning of understanding this force, but its potential is profound. As intelligence improves, loyalty moves from rewarding transactions to anticipating needs and recognising customers in the moments that matter.

Banks have never known **this much**

Banks have never known their customers better. Years of investment in core modernisation, digital banking platforms, data lakes, CDPs, and analytics have transformed visibility. In highly digital markets like the GCC, where customers bank through mobile apps, payments are increasingly digital, and governments have accelerated digital transformation, banks can now connect data across products, unify it

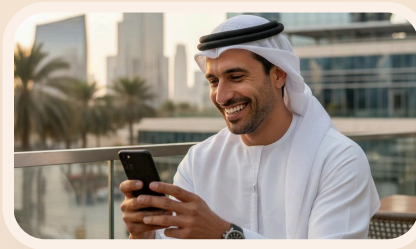
into customer profiles, and analyse behaviour in near real time. GCC banks possess some of the richest customer data in financial services but the challenge is turning that knowledge into timely engagement. Signals appear across systems every day, yet they remain fragmented across channels and platforms. Insights accumulate faster than they can be translated into action.

BANKS HARNESS AN EXTRAORDINARY BREADTH OF SIGNALS



Banking data

Salary transfers, deposit growth, credit card spend, and financing repayments.



Digital behaviour

App logins, wallet usage, cross-border payments, channel preferences.



Life signals

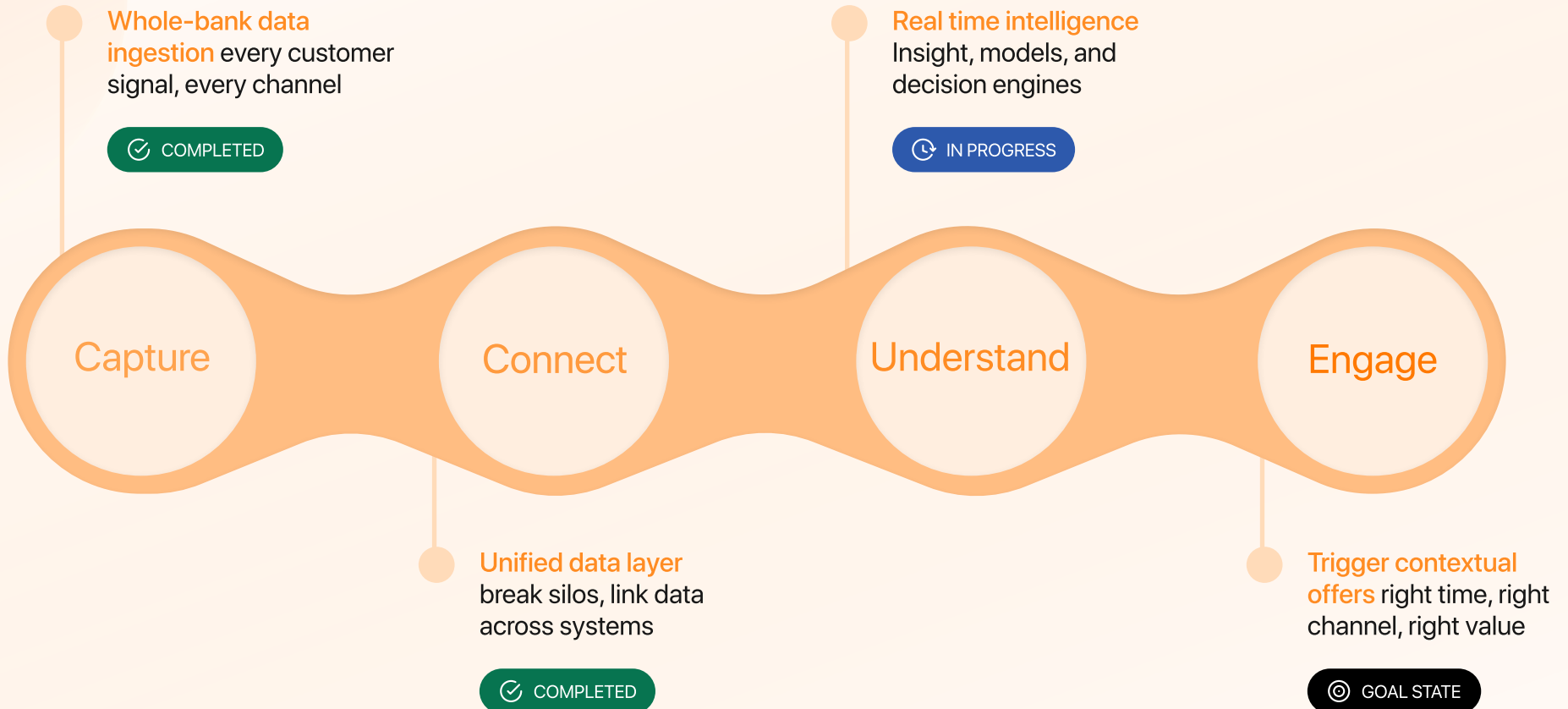
Salary increases, family milestones, property purchases, location triggers.



Intelligence outputs

Relationship scoring, churn risk, wealth propensity, next-best engagement.

Intelligence stack for driving behavioural change



The last mile of behavioural change: **engagement**

The real constraint in this Age of Knowing isn't information - it's execution. Analytical capability has accelerated, but engagement infrastructure hasn't kept pace. This next transformation isn't about collecting more data; it's about turning intelligence into timely and contextual experiences across every product and channel.

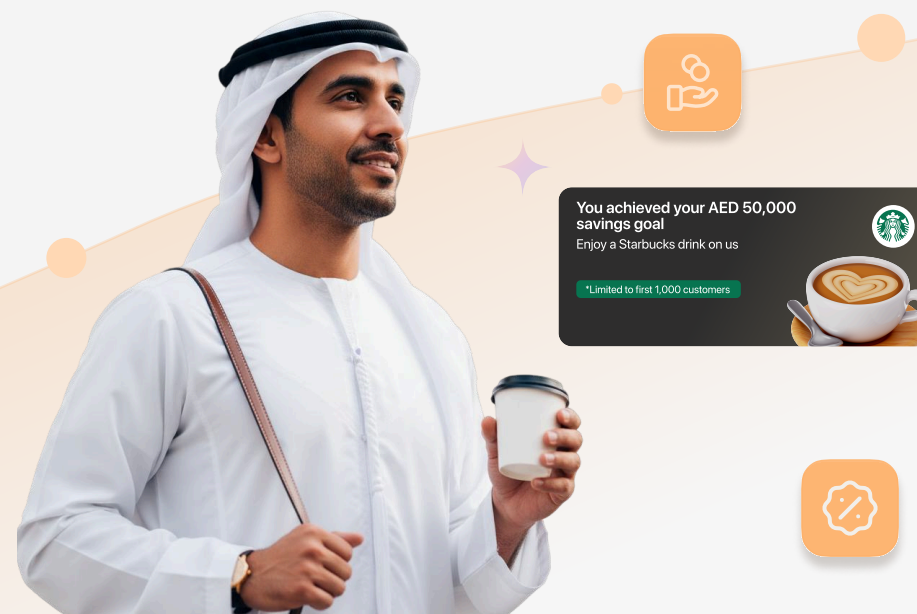
The result

Fragmented insights, siloed systems and engagement that arrives too late. Salary credits, subscription payments, savings milestones, or life events rarely make it into active journeys. Banks have the insight - but still can't respond in the moment that matters.

It's more than a technology issue, though technology is where it shows. Legacy systems reflect legacy thinking: loyalty as a fixed program, not a living relationship. Rewiring engagement around adaptive, real-time signals is the next competitive battleground for behavioural change.

Meanwhile, customer expectations are being shaped by digital ecosystems across the region that aren't winning by offering richer rewards, but smoother journeys. A ride booked through Careem that automatically earns rewards. Airline miles appear instantly after a purchase. Lifestyle subscriptions bundle delivery, entertainment and travel privileges. **Small nudges that become enduring choices.** These experiences are redefining what 'value' feels like.

Banks now have an opportunity to bring that same immediacy into financial relationships — recognising key moments such as salary credits, travel activity, savings milestones, or family spending.



The Age of Knowing: a new vision for **banking engagement**

The next era of banking will be defined not by how much data a bank holds, but by how intelligently it moves. In the Age of Knowing, the winners will be those that can translate knowledge into action, connecting signals to experiences, and decisions to outcomes, in real time.



WE SEE FOUR STRATEGIC CAPABILITIES DEFINING THIS SHIFT



Recognise me

(Customer-centricity)

Loyalty from customer PoV.

Personalised to lifestage, relationship depth, and intent.

Easy to understand, use, and track.

Emotional benefits of recognition and wellbeing.



Reward the relationship

(Breadth)

Cross product recognition.

Rewarding behaviour beyond spend.

Offering both financial and non-financial value.



Work as one

(Orchestrated systems)

Single view of customer.

Real-time event decisioning.

Omnichannel entitlements.



Win on value

(Commercially smart)

Outcome linked to retention, product holding, ARPU, NPS etc.


Sustainable economics and aligned with long-term profitability.

*By replacing legacy engagement platforms with a responsive intelligence layer, banks can finally **translate diverse customer signals into action**, seamlessly pivoting between workflows that match each signal's type, context, and goal.*

This isn't just a better rewards program. It's a new operating **model for relationship banking.**

We already know that behaviour-led loyalty improves retention, **boosts cross-sell, and lowers acquisition costs.** More importantly, it aligns recognition with real value. Rewarding the moments that drive both customer and bank outcomes.

It also creates **financial resilience.** Whether through merchant co-investment, subscription bundles, or **embedded partner ecosystems,** banks can fund engagement in ways that are sustainable, margin-enhancing, and built for the economics of tomorrow.



- 1. Recognise behaviour beyond spend**
- 2. Act in the moment that matters**
- 3. Deliver meaningful lifestyle value**
- 4. Build trust and long-term loyalty**

Local playbooks for the Age of Knowing

The Age of Knowing will not look the same in every market. Across the GCC, loyalty has been shaped by relationship banking, premium lifestyle ecosystems and salary-anchored customer relationships. Winning the salary account often establishes the primary banking relationship in a highly competitive market where customers can freely choose different providers for cards, loans, payments and investments.

These foundations remain powerful, but banks are now being asked to deepen engagement beyond the initial salary relationship while maintaining trust, regulatory compliance and strong economics. Success in this next era will depend on how effectively banks translate these regional dynamics into scalable, intelligent engagement.

GCC market reality	Why it matters in the Age of Knowing	What leaders should prioritise
Salary transfer competition	Salary relationships anchor the primary banking relationship and long-term customer value	Recognise salary tenure, balance growth and financial milestones to reinforce the primary relationship
Product penetration drives growth	Banks compete to increase the number of products each customer holds across cards, lending, payments, and investments	Use lifecycle signals and contextual engagement to drive timely cross-sell and deepen relationships
Top-of-wallet matters	Customers often hold multiple cards and financial relationships across banks	Use behavioural signals and rewards to influence everyday usage and position the bank as the preferred payment choice
Affluent customers expect privileges	Travel, dining, lifestyle, and retail partnerships strongly shape loyalty expectations	Build lifestyle ecosystems and deliver contextual benefits tied to real behaviour and spending patterns
Regulatory focus on trust and responsible data use	Personalisation must operate within strict consent, privacy, and data governance frameworks	Design privacy-safe engagement models with transparent value exchange and customer control

Loyalty funding models: from rewards to **sustainable engagement**

Loyalty has historically been funded through card economics as well as card partnerships. However, as card fees compress, interchange faces pressure, and alternative payment ecosystems expand, banks are rethinking engagement funding.

As engagement becomes more personalised and real-time the way loyalty is funded is shifting from purely transaction-driven rewards toward broader relationship-based value creation.



FUNDING LEVERS

Smart pricing



(Dynamic incentive pricing)

AI allocates smaller incentives at high-propensity moments and stronger nudges where habits are weaker. This protects margins by spending only where it changes behaviour.

Reward depth



(Tiered recognition across the whole bank)

Status unlocks benefits such as fee waivers, rate boosts, priority services or travel privileges based on balances, tenure and product holding, recognising the full customer relationship rather than spend alone.

Partner pays



(Merchant-funded offers, card-linked & in-app)

Merchants fund targeted offers or privileges in exchange for attributable customer activity. This expands the value delivered to customers while sharing engagement costs across the merchant ecosystem.

Bundle benefits



(Subscription memberships & bundles)

Customers pay a recurring fee for curated benefit packages such as delivery perks, insurance, travel privileges, fee waivers or lifestyle rewards. This creates predictable revenue streams while encouraging deeper engagement.

Options include merchant-funded rewards, third-party offers, subscription-based bundles, and lifestyle services for which customers are willing to pay.



If your goal is...

Use

Because

Cautions

Defend salary relationships

Tiered relationship status

Rewards reflect balance and tenure, not just spend

Transparency in qualification

Grow deposits and wealth

Whole of bank and balance-linked rewards

Encourages long-term engagement

Avoid complexity

Create predictable revenue

Paid bundles/memberships

Converts perks into subscription value

Price testing, breakage modeling required

Drive card usage

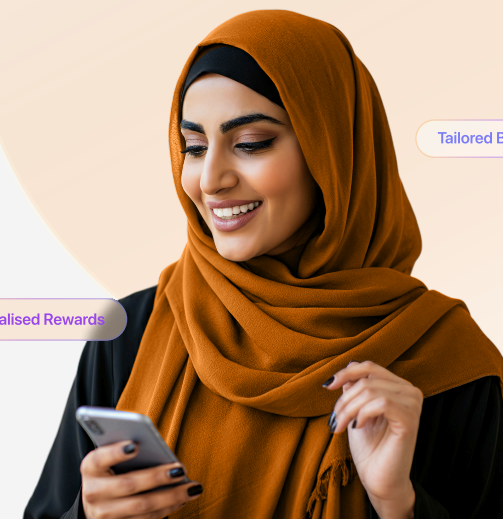
Partner-funded merchant offers

Improves ROI for both bank and merchant

Manage offer fatigue

The roadmap to intelligent engagement

Banks don't need to leap into the Age of Knowing all at once. The shift can be staged, progressively unlocking value while laying the foundations for whole of bank loyalty.



Phase	Modernise foundations	Activate smart experiences	Drive whole of bank loyalty
Strategic focus	From data collection to real-time action.	Deliver relevant engagement across channels.	Deepen relationships and embed whole of bank engagement.
Key question	Are we capturing and acting on behavioral data?	Can we engage in real time, across products and journeys?	Are we recognising customers not just for what they spend, but for how they engage with us across life stages?
Enablers	Unified profiles, CDPs, event triggers, integration of diverse data signals across banking, digital, and external sources.	Reward engines, ML segmentation, omnichannel orchestration, workflows that pivot automatically based on signal type, context, and goal.	Cross-product design, life-event triggers, flexible reward architecture, alignment of enterprise AI models with loyalty engagement.

Who's already moving: intelligent loyalty in GCC



Incumbent-led digital challenger

LIV. BY EMIRATES NBD

A digital lifestyle banking proposition built around app-first engagement, card rewards and merchant offers. It reflects how leading GCC incumbents are using neo-banking models to compete on everyday relevance, not just products.



Whole of bank leader

ADCB – TOUCHPOINTS

One of the clearest regional examples of bank-wide loyalty. TouchPoints from ADCB rewards customers across a broad set of products and services, reflecting and reinforcing the full banking relationship rather than by through card spend alone.



Regional telco ecosystem

e& – SMILES

A telco-led rewards super app spanning shopping, dining, grocery, travel and services. It shows how loyalty in the region is expanding beyond financial products into everyday digital ecosystems.



Rewards + relationship model

FAB — FAB REWARDS

First youth banking with merchant rewards. A mobile-native bank using cashback, discounts and lifestyle offers to drive daily engagement, especially around card usage and allowance-linked behaviour.



Regional subscription ecosystem

CAREEM — CAREEM PLUS

A bundling model for mobility, food, grocery, dining and other everyday benefits. Proving subscription value can create habitual engagement beyond traditional points programmes.

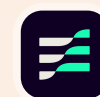


Global incoming fintech player

REVOLUT

Subscription-led banking that combines everyday money management, premium tiers and partner benefits in one experience. With in-principle approval for UAE payments licences, it is a credible incoming challenger that will raise expectations for digital-first engagement in the region.

Across the GCC, loyalty is evolving beyond standalone card rewards. Leading banks are extending recognition across broader customer relationships, while digital challengers and regional ecosystems are embedding value into everyday payments, shopping, mobility and app usage. The direction is clear: **loyalty is moving toward relationship-wide, ecosystem-connected engagement.**



Next-gen youth banking

WEYAYDIGITAL

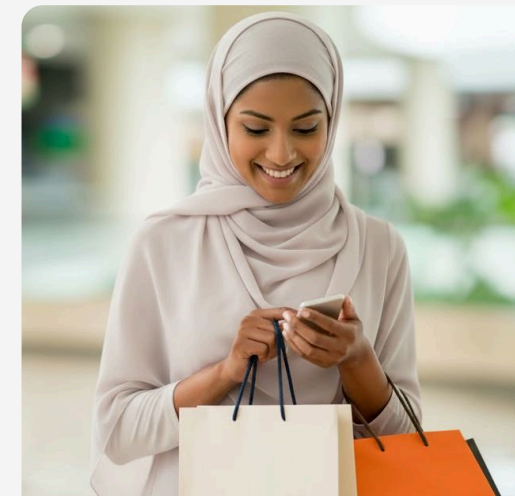
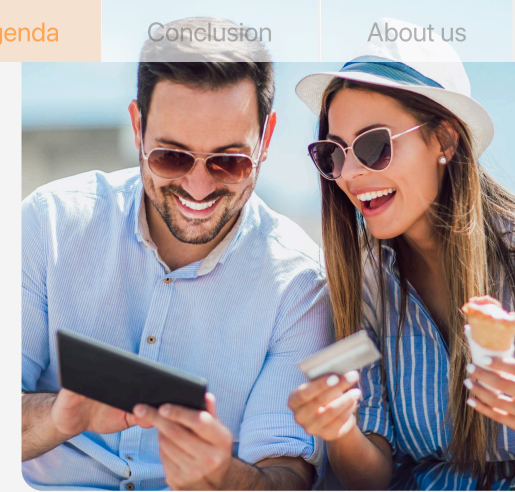
First youth banking with merchant rewards A mobile-native bank using cashback, discounts and lifestyle offers to drive daily engagement, especially around card usage and allowance-linked behaviour.

The boardroom agenda: six priorities to set now

To lead in the Age of Knowing, banks must design loyalty not as a program, but as an enterprise capability. One that connects data, decisioning, and delivery across every channel.

- ✓ **Make loyalty an enterprise capability:** Redesign loyalty as a strategic lever, not just a program.
- ✓ **Break silos between retail, wealth and digital with agile squads:** Blend product, data, marketing, and tech talent.
- ✓ **Measure relationship value, not redemptions:** Align KPIs with depth, tenure, and profitability.
- ✓ **Recognise diverse signals, not just spend:** See customers across products, channels, and life events.
- ✓ **Partner with lifestyle ecosystems for scale:** Embed rewards from both merchants and internal divisions.
- ✓ **Fund smarter, not bigger:** Move beyond points toward meaningful benefits, partner ecosystems, and embedded offers.

These banks will stop trying to compete by giving away cashback or points. They'll compete on **relevance, trust, and personalisation at scale.**



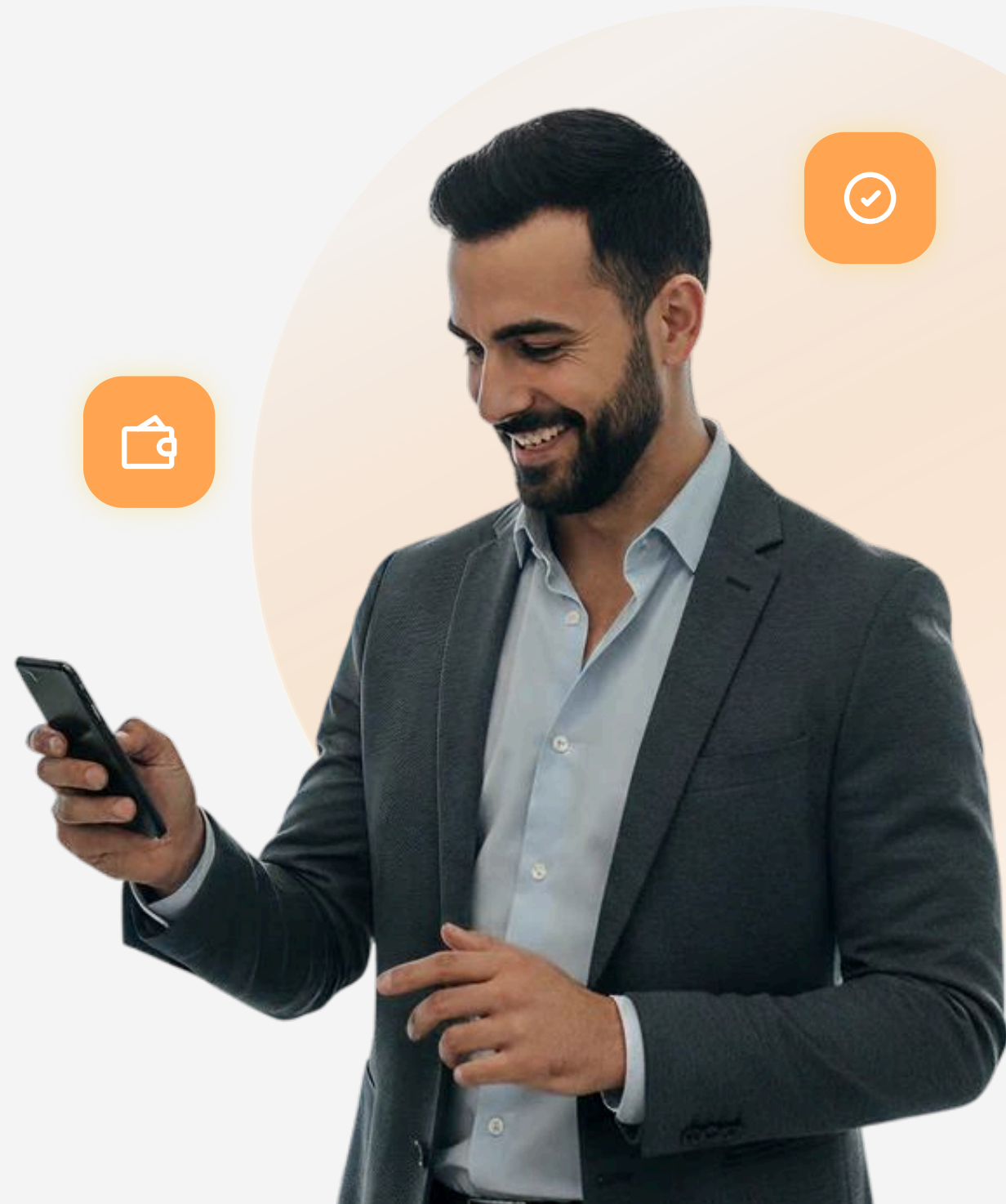
Conclusion

The Age of Knowing is not about giving away more rewards. It is about recognising the full financial relationship.

Banks that succeed will understand their customers deeply — across deposits, lending, wealth and lifestyle — and respond in real time when moments matter.

In the GCC, where trust, service and long-term relationships define banking, intelligent engagement offers a powerful opportunity to deepen loyalty and grow share of wallet.

In the Age of Knowing, the winners won't be those who reward more; they'll be those who understand more, and act fast in the moments that matter.



About Pulse iD

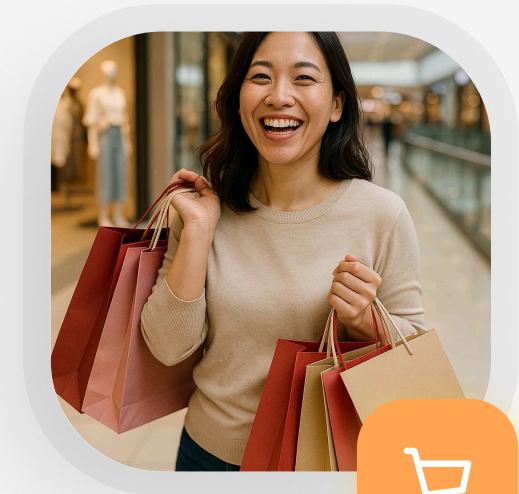


Multi-award-winning, Pulse iD powers intelligent engagement for the world's leading banks and payment networks, helping institutions globally move beyond static rewards programs to real-time, whole-bank relationship recognition.

As a whole of bank loyalty and engagement layer, Pulse iD supports products across cards, deposits, and lending, combining technology with merchant-funded partnerships to deliver personalised engagement.

Hyper-personalised and modular, Pulse iD can be deployed on-premise, in private cloud or hybrid environments with bank-grade security backed by PCI, SOC, ISO and other globally recognised certifications.

If you're ready to move to real-time, whole of bank loyalty, we're ready to help.



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