Innovations in Loyalty Management: A Case of Asia Miles

Source: Pixabay (2025)

Background

Asia Miles is a loyalty and frequent-flyer program launched by Cathay Pacific in 1999, which allows members to earn mileage miles by making different purchases with co-branded credit cards or on partnered flights, hotels, dining, financial services, retail, and technology products Asia Miles is a loyalty and frequent-flyer program launched by Cathay Pacific in 1999, which allows members to earn miles by making various purchases with co-branded credit cards or on partnered flights, hotels, dining, financial services, retail, and technology products and services (Marketing-Interactive, 2024).

As part of its marketing strategy, the group introduced "The Asia Miles by Cathay" mobile application in 2018 (Cathay Pacific, 2018). Utilizing blockchain technology's fast and secure automated data transfer capabilities, loyalty members can see how many miles they have earned almost immediately after spending at partnered businesses (Enterprise Times, 2018). This not only helps members keep track of their miles-earning journey in a timely manner, but also improves business efficiency by minimizing back-office administration for both the airline and partnered merchants (Cathay Pacific, 2018).

Another feature of Cathay Pacific's loyalty program is its promotion of wellness among members. Through the Asia Miles mobile app, users can earn up to 2,555 miles per year by achieving their daily wellness goals, such as water intake, walking distance, and sleep duration (Cathay Pacific, n.d.). This special feature encourages customers to stay on top of their health while earning miles at the same time.

Challenges

Although the app helps Asia Miles members easily keep track of miles earned, real-time data transfer and tracking require efficient back-end systems from both the airline and merchants. Some merchants might not have the hardware or knowledge to run the blockchain system, thus limiting the number of shops and restaurants available for the airline's loyalty members to earn miles. Furthermore, Cathay Pacific currently hosts two mobile applications in the market: one for Asia Miles members and another for ticket sales and booking management. Some suggest that it would

be better for the airline to combine the two apps to offer a more seamless experience from sales to post-purchase.

Discussion Questions

1. What are the potential benefits and drawbacks of using Blockchain technology in loyalty programs like Asia Miles?

2. How effective are wellness incentives, like earning miles for achieving health goals, in engaging customers and promoting healthy lifestyles?

3. Apart from personal wellness, what additional features could be integrated into the Asia Miles app to enhance user engagement?

4. How does the Asia Miles program support Cathay Pacific's overall marketing strategy?

5. How might Cathay Pacific measure the success of the Asia Miles app?

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Keywords

- Airline
- Loyalty Program
- Wellness
- Blockchain Technology
- Mobile application
- Customer Experience