



LIQUID
BARCODES **B**

The Convenience Retail Loyalty Playbook

Introduction

Marketers around the world are continually improving their loyalty strategies to ensure they are primed for success.

With that in mind, we have created this powerful “Playbook for Success”, which is designed to showcase global best-practice principles for loyalty in the digital world, as well as the operational approach you need to understand in order to create a loyalty programme that truly captivates customers.

This book is the result of the key strategic insights gathered from the Liquid Barcodes leadership team who have built some of the world’s most innovative loyalty programmes in convenience retail. Their learnings are combined for the first time with practical insights from our customer excellence team that supports our clients every day, in every country, and in every language they need.

We are incredibly proud that **Liquid Barcodes** remains the only digital platform exclusively built to create captivating loyalty programmes for convenience retailers and their customers, and we are excited to explain how our “**customer connection cycle**” framework and unique features can be applied to your business to help you achieve exceptional results.

This Playbook showcases the best of everything we believe in and we’re excited to share it with you. Our hope is that it becomes an exciting yet practical tool for your business, helping you to proudly operate a world-class marketing operation that truly captivates your customers for years to come.

– Mats Danielsen

Global Convenience Store Focus is pleased to continue to support Liquid Barcodes and has provided images of some of the most outstanding convenience store operators from around the World to help them showcase what they do. GCSF Managing Director Dan Munford is also Chairman of the Liquid Barcodes Advisory Board.

– Dan Munford



Mats Danielsen,
CEO
Liquid Barcodes



Paula Thomas,
Chief Content Officer
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Dan Munford
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Loyalty Articles & Resources



Scan with phone camera to open this link:

<http://www.liquidbarcodes.com/resources/>

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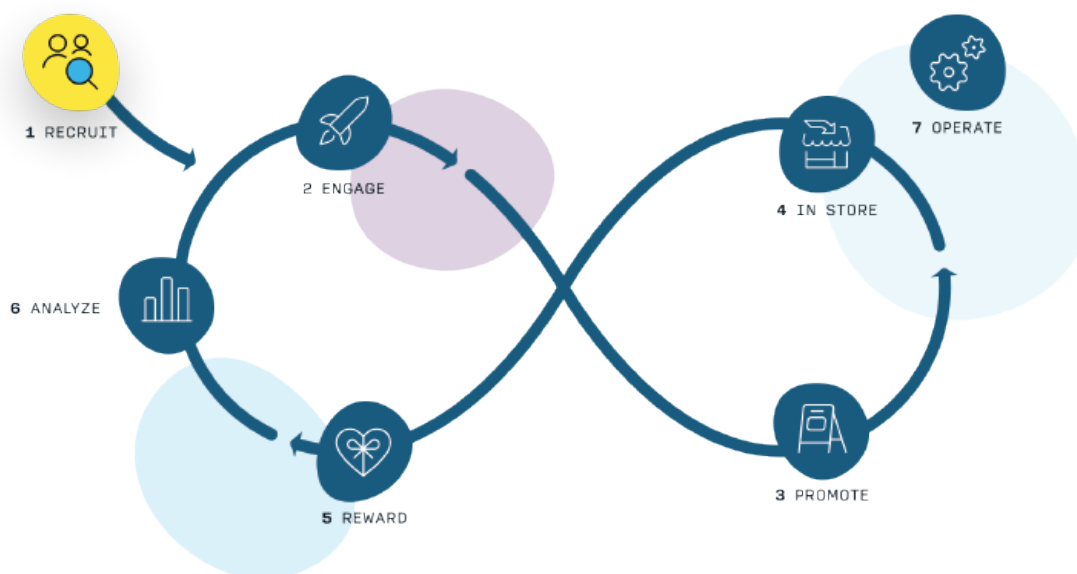
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Chapter One

The Convenience Retail Loyalty Playbook

Your Steps to Success

In this chapter, we showcase our seven steps to success - **Recruit, Engage, Promote, In Store, Reward, Analyse** and **Operate**, and throughout this book, we will discuss each one in detail, as well as a helpful checklist to implement each feature, step by step as your programme grows.



1) Recruiting Your Members

Connecting with customers requires two essential elements - firstly, permission from them that their purchases can be tracked and secondly, those customers share their contact details in order to receive your marketing communications.

In this chapter, we will discuss how to recruit your customers as members using all of the channels available to you - in store, by advertising your programme (online or offline) or alternatively be leveraging our "referral" feature to build your programme by asking existing members to recruit new ones.

2) Engage

The most important aspect of your loyalty programme design should focus on how you plan to engage your members. The Liquid Barcodes live loyalty platform uses the principles of gamification at its core, supported by a sophisticated loyalty engine that manages points, prizes, coupons and communications, as well as surveys and sharing features. Even when some of your customers are already loyal to your store, we believe that your relationships can be continually enhanced, so our platform ensures you have a powerful toolbox to engage them.

3) Promote

No matter how you structure your loyalty programme, your customers can only join and engage with you when they become aware of your proposition and take action. From automated campaigns for your standard promotions, to more agile communications designed to ensure relevance all year round, this chapter will teach you how to promote your programme effectively and efficiently.



Recruit, Engage and Promote - the first three steps to loyalty in convenience retail

4) In Store

In practical terms, the decisions you take on how members identify themselves in your stores will impact how easy it is to connect your customers and your programme, and therefore it affects your customers willingness to engage. Your loyalty programme should remove friction rather than add any delay or inconvenience for members. This chapter will discuss the latest innovations that are delighting customers including the optimum ways you benefit when your programme and your point of sale systems are integrated effectively.

5) Reward

Your entire loyalty proposition will determine whether your members feel valued. This chapter will discuss our extensive portfolio of reward features, as well as key insights to help you maintain a balance between instant rewards such as a free coffee for joining, as well as rewards that take time to earn so members have to save their rewards points to claim something special.

The chapter also discusses the appeal of points, games and tier status as well as the explosion of programmes enjoying "extreme loyalty" through the use of powerful subscription-based programmes which can offer your members unlimited benefits.

6) Analyse

Loyalty programme operators have access to an abundance of data, so this chapter discusses what KPI's we recommend and how our Liquid Barcodes platform dashboard displays programme performance in real time.

We will also discuss advanced communications concepts such as A/B testing which you can use to capture useful insights and continually optimise your programme.

7) Operate

This chapter discusses how to operate your programme efficiently, from the creation of your campaign templates in a useful library format, through to the design of personalised communications over the typical life cycle of a member.

We will explain which campaign elements can be automated and which are managed manually and why.

The goal of this chapter is to simplify the day to day operations of your programme, leaving your team free to create new and exciting concepts that your customers will love.



In closing, you can trust this playbook to become your handbook to success as you build, manage and optimise your relationships with your customers for years to come.

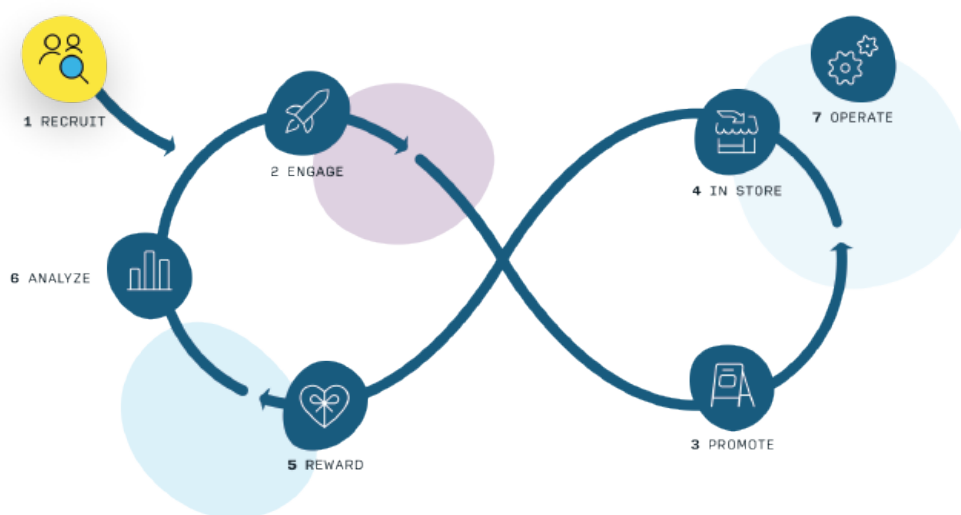
Chapter Two

Your Customer Connection Cycle

From a strategic perspective, our belief is that nothing is more powerful than truly connecting with your customers. Convenience retailers can no longer afford to allow anonymous customers to enter, shop and simply leave the store, so the "Customer Connection Cycle" we developed and discuss throughout this book is the perfect framework you need to manage your customer relationships in ways that will surprise and delight them.

Your retail sales executives are used to explaining to store sales staff the idea of getting customers in, trading them up and then getting them back, but we are taking an even more complete view. As you can see we use the INFINITY symbol to describe the sheer potential for your business when the "customer connection cycle" is applied, and our belief is that you can continually build this cycle as a virtuous circle.

Use the customer connection cycle to build your loyalty program



It begins by firstly doing everything you can to recruit anonymous customers in to your customer program using in-store campaigns and staff, print ads, social media, as well as the payment terminal and customers details you capture on wifi login etc.

The second stage is designed to start winning the hearts of your customers, with an intention to simply engage and entertain them, welcoming them onboard and perhaps letting them win something nice immediately such as their first stamp. Gamification plays a big role here but anything you can do to connect them to your brand will add momentum to your customer connection cycle.

Our third stage is to tempt them into your stores with promotions and fun. Of course, it takes a lot of determination to ensure your consumers take action, so alongside simple coupons, we offer a whole library of gamified promotional concepts.

Once in store, the cycle continues as we support frictionless and contactless purchases, and of course, we can help you build the customer's basket to ensure she has everything she needs.

With the customer engaged and shopping, the "moment of truth" arrives when you instantly reward your customer. This instant experience is so powerful, it's where you see the magic of your programme to delight your customers, and we know that this experience drive even more growth and future purchases. Customers trust you more, which drives their habits and frequency, and overall their long-term loyalty. This cycle, when operated effectively, will ensure you get the customer back sooner, over and over again for her habitual purchases.

Why is the Customer Connection Cycle Framework so Important?

Remember the Pareto Principle? Eighty percent of your revenue comes from just twenty percent of your customers and its easy to see how strong brands like Coca-Cola need just 12-15% of their customer base to sell 80% of their volumes. Identifying these top customers, then connecting with them both online and offline, is critical.

"Catalina Research" has shown that the frequency of your customer's visits is 2.4 times more important than basket size in identifying your most valuable customers, so once you know who these superstars are, your marketing efforts can focus on them, driving their lifetime value.

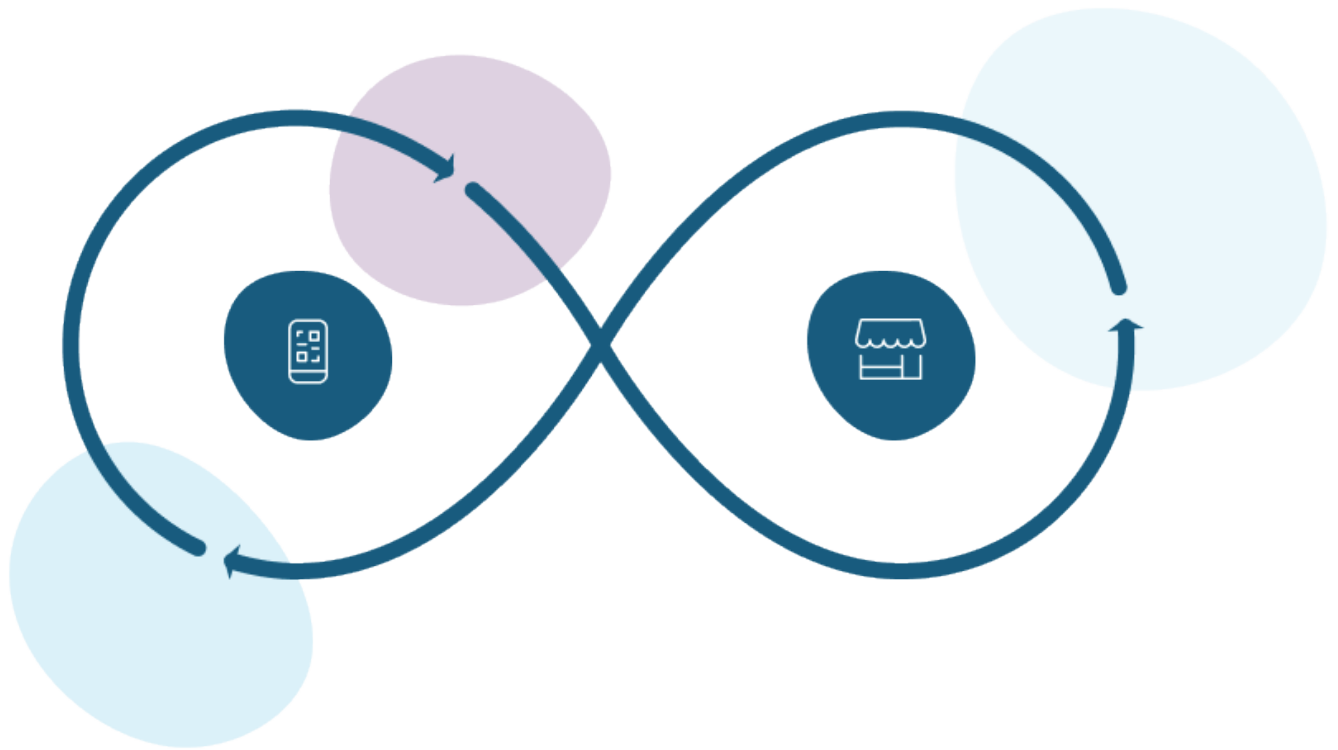
In Liquid Barcodes, we are in the business of driving profitable behaviour change, powered by our "customer connection cycle" framework. Our entire business is dedicated to helping you get more customers in, trading them up where possible, but most importantly getting them back in your stores sooner, and more often.

Your business deserves the very best, so throughout this book, we will explain how to get the most out of our platform with the Customer Connection Cycle framework.

O2O

We preach this one key message to everyone who will listen! Customers are no longer simply offline or online - they are both. When they are offline, your focus must be to connect with them online, and similarly, when they engage online, it's your chance to drive them in store - offline! Known in the industry as O2O, it's an essential evolution from passively running your store, to actively driving it forward.

For example, after every visit to your store, when your customer walks out, you have a golden opportunity to connect with her online with follow-up deals such as a tempting offer to get her second coffee that day at half price. Or why not issue physical codes to someone who bought a Coca Cola so they can scan with your app and play the Coca Cola game on the app. These games of course drive customers back in to your stores. It's a virtuous circle!

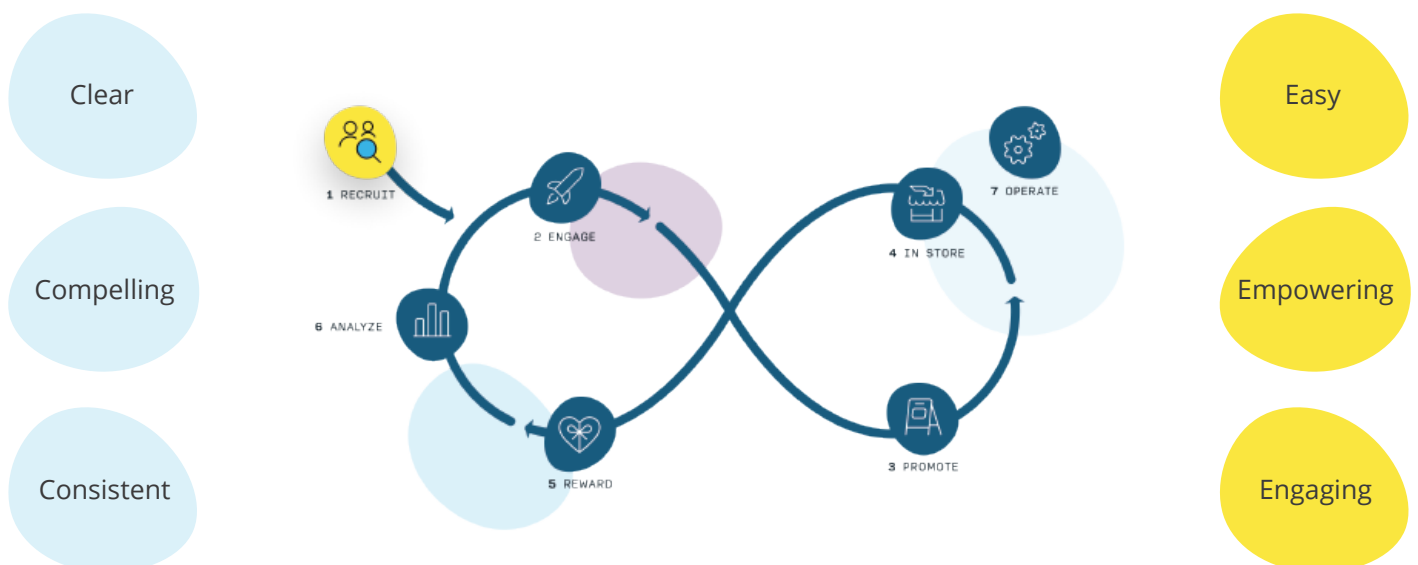


Commercially Compelling

As the only loyalty platform dedicated exclusively to the convenience retail industry, we have a deep understanding of the value drivers that drive your returns from this capital investment.

One powerful concept that can be used in combination with our platform is the ability to evaluate your loyalty strategy using the "RFM" model, which describes the recency, frequency and spend (or monetary value) of your customers. By capturing and analysing the RFM of your customers, you can measure, monitor and drive the lifetime value of your customer base.

Our next chapter will discuss the key principles that are essential for your programme to be successful throughout this entire cycle, however one theme cannot be overstated - the importance of EASY. Your programme **MUST** be easy to understand, easy to decide to join, easy to join, easy to earn and of course easy to redeem.



As our loyalty platform develops, we will also increasingly be able to identify potential high customer value segments, in particular as we enhance our AI and machine learning capabilities. The power of this layer of artificial intelligence on top of the "customer connection cycle" will allow you to operate with the highest levels of intelligence in the industry.

But no matter what capabilities artificial intelligence will bring, the "customer connection cycle" will remain central to the way we advise you to think about your loyalty program and the way we advise you to operate it. It's our proprietary approach, and we are delighted to share it with you to drive your success.



Chapter Three

How to Wow!

Defining your **customer loyalty strategy** is an essential step in building any successful business. Whether it's a formal loyalty programme based on points, prizes, stamps or partnerships, or simply a mindset based on delighting customers, there's no doubt that creating compelling customer relationships is more important than ever before. Given the daily challenges of running a store efficiently and profitably, this focus and mindset on loyalty can be lost, so in this chapter, we're reviewing both the basics and key principles on how to go that extra mile, to show you 'how to wow' in the increasingly competitive world of convenience retail.

Three 'C's for a Great Foundation:

While an overall marketing strategy is focused on applying the '**four P's**' as key marketing principles, in loyalty marketing programmes, the 'three C's' dominate. Without them, any loyalty programme will fail, as the entire purpose of a programme is create mutual value with customers, so each element is critical.

1 Clear

Although this is perhaps the most obvious principle, it's the one that most often fails. Simple ideas and genuine intentions are complicated by expectations that programmes will drive short-term profits but at the expense of long-term relationships. Loyalty is not a short-term campaign - it's a long-term lever. Programmes can become overly promotional in nature, with customer data being targeted for extensive sales activities. Or in other cases, customers are simply not aware that a programme has been created to win their hearts! If sales staff and marketing executives are tasked exclusively with revenue objectives, the goal of building a longer-term loyal customer base can often be lost along the way. As **Albert Einstein** said "**The definition of genius is taking the complex and making it simple.**". This first principle of a clear programme structure and benefit-led proposition **MUST** guide every campaign, otherwise your programme can become a concept that confuses rather than creates value.

2 Compelling

My favourite definition of loyalty is described by the Harvard Business Review as "**the willingness ...to make an investment or personal sacrifice in order to strengthen a relationship**" and this applies equally to merchants and customers. **ONLY** when a loyalty programme offers compelling benefits are customers willing to invest in the relationship. For brands, the challenge is to find the perfect balance of tangible and exciting rewards and recognition - equally important elements in the structure of a loyalty programme.

The best programmes offer both functional AND emotional benefits that customers understand and appreciate. With compelling reasons to join, customer's behaviour measurably changes and responds to our proposition.

3 Consistent

Another frequent mistake made by loyalty programmes is the lack of relevant communications sent to members. Campaigns can be designed to educate, sell, or 'surprise and delight' but sometimes the most effective communications are those that simply say thanks. Effective communications are sent **consistently** over the longterm, long after internal stakeholders lose the initial excitement that accompanies a programme launch. The campaigns sent out in the weeks, months and years after the programme launches must of course continue to be relevant and personalised, while remembering that just because a campaign has been sent doesn't mean it's been seen or heard. It's critical to engage consistently and respectfully across multiple channels if we expect to cut through our customer's busy lives and connect. **George Bernard Shaw** famously reminds us that the "single biggest problem with communication is the illusion that it has taken place" - this basic problem affects many loyalty programmes as they try to consistently maintain an effective and engaging frequency and format for their campaigns long-term.



Being Brilliant:

Beyond the basic principles above, our digital world means higher expectations in loyalty marketing. Here in Liquid Barcodes, we've coined the term 'live loyalty' to summarise the **three 'E's** that great programmes use to become truly a part of customers' daily lives. By clearly understanding each party's separate objectives in everyday terms, we have *gamified* the relationship between customers and convenience retailers in a way that also delights the C-Suite. We believe in setting a genuine intention for every programme to make a difference for its members, so here are our top three tips to keep in mind if you're setting your goal on 'being brilliant' at loyalty:

1 Easy

The original idea behind the convenience industry continues to dominate customer demands. Whether it's enabling pre-order or pre-payment, customers love when a loyalty programme makes their every day life easier. Can you eliminate the need to queue? The need to pay cash? The need to repeat yourself simply to enjoy your same order day in and day out? Customers love when you make their lives easy and your loyalty programme is the perfect tool to use.

2 Empowering

As customers demand more valuable experiences, 'live loyalty' programmes enable customers to create a connection with their friends and family by sharing every day moments as gifts or treats. Already successfully established in China, '**Say it with Starbucks**' has enabled **millions of Starbucks gifts** to be shared online over the past year by leveraging partnerships on both Alibaba and WeChat. Does your loyalty programme empower your customers to share and connect?

3 Engaging

Gamification is one of the most effective tools to drive consumer engagement, with over **ninety compelling case studies** quoted by the gamification expert **Yu-kai Chou**. Examples include Domino's pizza who have seen over 30% of orders now placed on mobile since they gamified the platform. It's also well known how effective the technique has proven to be in the fitness industry, with FitBit and Nike successfully using gamification to drive engagement in recent years. Nike alone quoted **over 5 million people** engaging! Gamification can be used for almost any marketing challenge in convenience retail, whether it's to drive footfall, reduce waste, stimulate trial of new products or share a moment with friends and family. Using fun is a clear differentiator in a world of loyalty programmes that can sometimes become very tired and dated.

There are plenty of detailed loyalty tactics and ideas available on our website, which simply need to be approached with a loyalty mindset. JC Penney is quoted as saying that **"Every great business is built on friendship"** and I'm sure you'll agree that every great friendship feels easy, empowering and engaging. Hopefully by using these principles, your loyalty programme will too!



Chapter Four

Recruiting Your Members

The first objective for any loyalty programme is to recruit members. This step ensures you have both the permission and the power to communicate with customers even when they are not in your store. A effective recruitment strategy uses a range of tactics to connect with your customers whether they are online, offline or anywhere in between.

Key Principles for Successfully Recruiting Customers

No matter how much your customers like to spend their money in your store, it will never be their intention to join your loyalty programme unless it's easy, easy, easy.

And by that, we mean that it's your responsibility to create a programme that is:



This chapter discusses all of the features available within our loyalty marketing platform to help you recruit your members easily.

We believe if it's easy for you, it's easy for them too, so let's begin.

We'll start by explaining our top ten easy tactics to recruit members, some that you can action immediately and others you'll add over time as you continually develop your programme.

Top Ten Tips to Recruiting Your Members

1 Easy to Join – then Progressive Profiling

The best loyalty programmes know that converting customers to members requires simplicity and patience. The more data you ask for, the fewer people will join. Our recommendation is start by asking for JUST the mobile number. It's unique, easily remembered and immediately connects your brand to your customer's world. Over time, other personal details can be added to the customer's record - a process known as "progressive profiling". Truly we believe that patience is powerful and as customers begin to enjoy your programme, they will be happy to share more.

2 Instantly Reward

The "value exchange" has to be fair to the member so don't forget to incentivise them to join. A free coffee or ice-cream "just for signing up" makes the member feel instantly valued, or you can use points, stamps, coupons or prizes if you prefer - whatever currency your programme uses that will become familiar to your members.

3 Friends Trust Friends

As you recruit each member and nurture each relationship, you enjoy a unique opportunity to access their network of friends of family members IF they enjoy your programme and genuinely believe others will too. Research shows that we have an average of 40 friends each, so if you can convince each member to connect you with their network, your programme will soar. Remember to use the "refer-a-friend" feature in a prominent way that members understand and use - make it easy to share!

4 Reward Referrers

While some programmes simply hope that their loyal customers will suggest that others sign up too, the best programmes incentivise the "referring" member and the new "referred" member - ensuring they both feel good about sharing your brand. In return for a small incentive and set-up cost, you can enjoy a lifetime of value from each new member, while continually rewarding the member who invited them to join on your behalf, and for your ultimate benefit. We've also seen that new members who join your programme from a friend's referral are "stickier" and more valuable than members from advertising campaigns. For the referring member, we recommend that you tie the reward to the same currency and foundation as your program, but whether you decide to award them with points, prizes, products or promotions (the more compelling the better), any reward is better than none. Games can be particularly useful and fun for members, while also allowing you to control the probability of winning.

5 Reward the Friends Who Accept the Referral

While these new members inherently trust the person who referred them, they will need support, guidance and reasons to trust your brand. Having accepted the programme invitation, you have a short window of opportunity to convince them to engage with your programme.

For these members, we recommend an even richer reward than members who join from other channels, preferably using a tangible product they can enjoy even before they begin to understand your programme's value proposition and rewards.

6 Recruit In Store

Your programme communications should create a compelling concept that customers simply can't miss. Exclusive pricing that's clearly branded "**members only**" creates demand and a sense of exclusivity that give your customers a great reason to join. For example, these offers could be branded "WOW" with WOW tags on products in the app as well as on the products in the store. These products should be planned, merchandised and managed so that only your programme members can ever enjoy these exclusive WOW rebates. And don't forget to ensure your "refer a friend" concept is clearly seen in-store too e.g. remind your coffee customers every time they buy a coffee that they can just refer a friend to get a free one!

7 Recruit online

Social media platforms offer intelligent marketing solutions that can target customers who have not joined your programme. We recommend using Facebook and Firebase app software development kits to install ads on Google and Facebook for members in the relevant geographical area for your store.

8 Recruit on wifi

Everyone loves free wifi in stores, so set up a link to your app from your wifi login page or send the link to them by email after they've connected. Make it easier for members to use wifi in your stores.

9 Educate and equip your staff

Give them the tools to recruit for you by ensuring they know and like the programme and can explain its benefits to customers. They should then support customers by entering the mobile number on the payment terminal for any unknown card, and everyone wins.

10 Measure & monitor & share

Pay attention to the best recruitment performances by staff in different stores every day. Make sure each member is allocated to a local store so they know how many local members they have at all times. You can then benchmark stores against each other and run recruitment competitions to see which store's team can grow their membership base by the highest percentage each week and month. You can also benchmark what percentage of transactions are members and which still need to be converted.



Checklist for Recruiting Your Members

Our checklist below will help you focus on each element step by step so use this simple guide to ensure you're leveraging every possible tool to ensure you have a powerful audience to engage with, that is continually growing.

Top Ten Tips to Recruiting Your Members

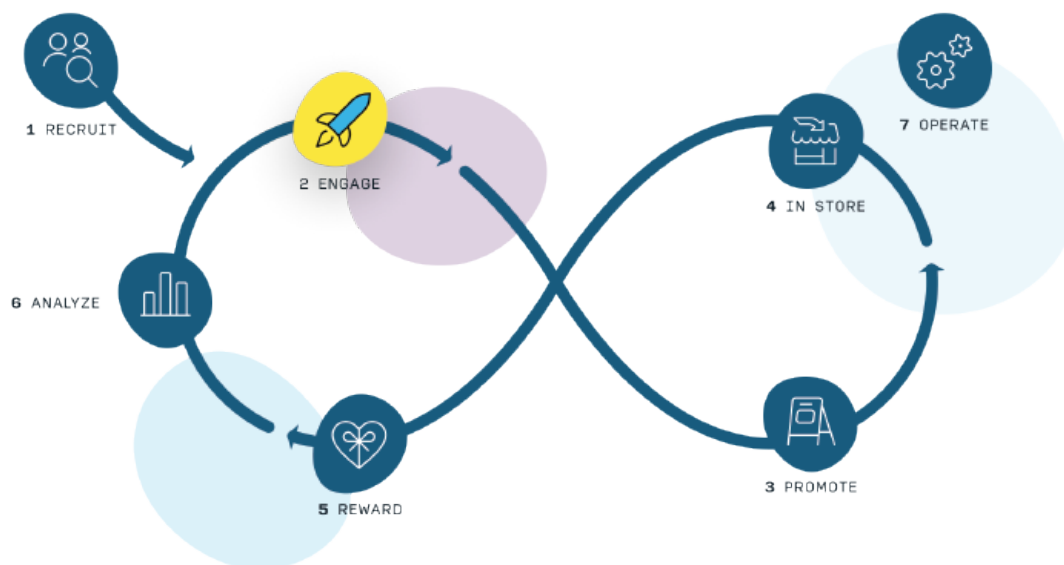
Live Later

- | | | |
|---|--------------------------|--------------------------|
| 1) Easy to join with mobile number only. | <input type="checkbox"/> | <input type="checkbox"/> |
| 2) Instantly reward everyone who joins. | <input type="checkbox"/> | <input type="checkbox"/> |
| 3) Refer a friend - create this as an "always-on" feature in the app. | <input type="checkbox"/> | <input type="checkbox"/> |
| 4) Reward Referrers with your program currency. | <input type="checkbox"/> | <input type="checkbox"/> |
| 5) Reward the Friends who accept the invitation quickly and with something tangible. | <input type="checkbox"/> | <input type="checkbox"/> |
| 6) Recruit in store - offering member-only pricing throughout the store and in the app. Also use clear signage in-store to remind coffee lovers that their drink will be free when they recruit a friend for you. | <input type="checkbox"/> | <input type="checkbox"/> |
| 7) Recruit online on social media: Use the powerful software solutions from these platforms to place your ads and attract new members. | <input type="checkbox"/> | <input type="checkbox"/> |
| 8) Recruit on wifi: Set up a link to your app from your wifi login page and make it easier for members to use wifi in your stores. | <input type="checkbox"/> | <input type="checkbox"/> |
| 9) Equip your staff with the tools to recruit on the payment terminal. | <input type="checkbox"/> | <input type="checkbox"/> |
| 10) Measure and monitor and share recruitment performances by staff in different stores every day. | <input type="checkbox"/> | <input type="checkbox"/> |

Chapter Five

Engaging Your Members

With a clear and effective recruitment strategy in place, the second priority for your new loyalty programme is to develop an equally powerful plan to engage with your members. As always, we've created a checklist of our top ten tips to successfully engaging, so simply follow this step-by-step plan to ensure you have a fully optimised programme.



Key Principles for Successfully Engaging Customers

Our best advice for any loyalty programme professional is to treat your customers the same way you'd like to be treated. While your commercial objectives are critical to the business and the reason for investing your time and money in a loyalty programme, the strategy has to be balanced with a genuine commitment to being loyal TO your customers before you can expect them to be loyal to you.

Your goal should centre on ensuring your members feel **welcome**, that the programme captures their **interest**, and is always **fun** and **relevant**. We also believe it's important to ensure your members feel seen and special, especially on key days like their birthday, while also enabling them to feel connected - both to your brand and to each other. Let's discuss how to achieve these goals, using the best features of our loyalty platform with your customer's interests at the heart of your strategy.



Top Ten Tips to Engaging Your Members

1 Welcome Your Member

As the first step to onboard your new member, we recommend simply saying "thank you and welcome". You can also introduce useful features on the app and behaviours that you want to encourage such as "Refer-a-friend".

2 First Day Fun

Let's immediately engage the new member in an apparent game of chance - but actually it's one that everyone wins! On day one, our advice is to give the member a prize in the same currency as your programme so they start to learn how it works, allowing them to win points, or perhaps a stamp on the stamp card of your choice. The prize can even be a voucher, so that by buying certain products, they get double stamps or even a massive multiplier like 10X points!

3 Create a Games Calendar

This is one of the most successful strategies we see. Members love to know there are games to play all year round, especially ones where they can play & win every day. We recommend themed game campaign periods throughout the year with a new chance to win every day, for example new games for each new season (so four times a year) and for two-three weeks each time. For maximum impact, we recommend a mix of prizes, sometimes offering free products, sometimes discount coupons, and sometimes simply using your programme currency such as stamps or bonus points. By combining these concepts, your members can enjoy a high probability of winning, while you control the total availability of prizes across the whole campaign period.

4 Plan Your Prize Strategy

It's important to ensure your programme is fully stocked with prizes all year round so your prize strategy must include two essential elements. Firstly, your game prizes must be based on the core foundation of program, whether its points, stamps, or even a surprise rebate if they are subscribing to a monthly spend on coffee or car wash. Remember, it's cheaper to use points or stamps as prizes rather than always free products. Our second recommendation is to work closely with your suppliers to allow them to reward your customers with their products at no cost to your budget. This can be negotiated by showcasing their products to your audience, keeping them top of mind all year round. Suppliers increasingly recognise the power that retailers now have as a media partner, driving interest in their products directly in your customer's hands, with their full permission. Let suppliers finance the game campaigns prizes which ensures sampling of their new products, as well as discount vouchers for more mature products. Some big suppliers even have valuable sponsorship assets and can source "money can't buy" prizes for your customers such as festival tickets, tickets to certain sports events etc. You can also include valuable rewards that you know customer's love, such as cinema tickets, Netflix codes etc.

5 Themes and Passions

Create stronger connections with customers by connecting with what they love. For example, national or international football games, Christmas countdowns, Halloween or simply summertime. Learn from the marketing experts like Coca Cola who are always creating excitement around upcoming events where they have great sponsorship assets such as the World Cup, Champions League etc. The same strategies you use in store work brilliantly through your loyalty programme, to help your members celebrate their passions and seasons like summer, Christmas etc.

6 Celebrate Birthdays

Everyone's birthday is a chance to celebrate them as a valued member of your community, and it's a unique opportunity for your brand to show your loyalty to your members and how much you appreciate them.



Plan a birthday gift and allow them to choose between different rewards, or give them enough points that allow them to spend on something they want. We recommend you are clear about how long this gift is available for - perhaps just on their birthday or for the week afterwards for a bit more flexibility. The generosity of the campaign means you can also use push notifications to offer the reward, and to remind them to use it too!

7 Use the Power of Push Notifications.

Perhaps the most powerful tool in any digital loyalty programme - push notifications can be used extensively all year round, particularly "rich" push messages that feature images and emojis. Members love them, particular when you send reminders to use rewards before expiry – as so many members forget! In our busy everyday lives, relevant and engaging messages can truly drive exceptional levels of engagement, so make sure you automate and leverage this tool for success.

8 Sharing and Sociable.

The most successful loyalty programmes are much more than the transactional programmes of the past. They also create emotional connections. We have developed delightful concepts that make your program more social, not just about the member herself.

For example, you can allow your members to **share** her points, stamps, coupons and rewards. This "share & care" concept means members are sent treats that they can't use themselves, instead they share with friends or family, creating a wonderful feeling of a shared community and driving word of mouth referrals too.

9 Ask for Feedback

What better way to let your members feel valued than to ask their feedback on products. Let customers rate your products, especially when you launch new ones, and you'll enjoy useful insights as well as another engaging conversation with members.

10 Measure What Matters

Our favourite KPI is asking your members whether they'd recommend you to a friend – giving you a "net promoter score". Use our platform to measure it, monitor it, and let it guide you.



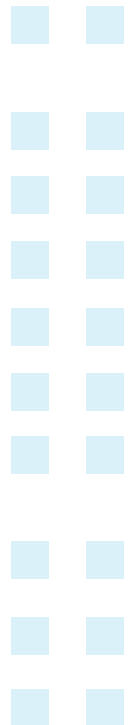
Checklist to Engaging Your Members

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Top Ten Tips to Engaging Your Members

Live Later

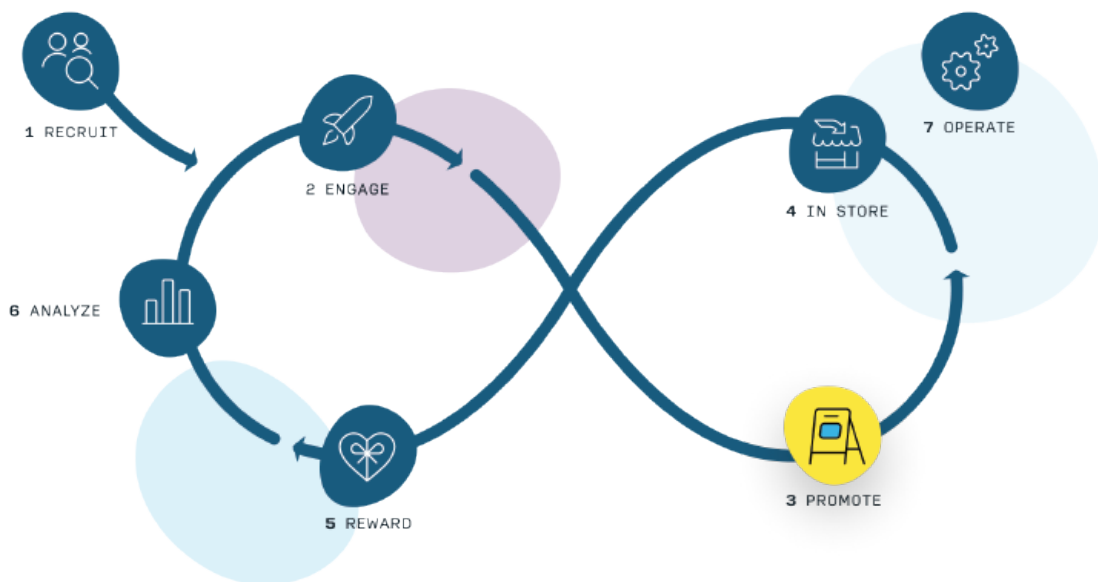
- 1) **Welcome Your Member.** To onboard your new member, simply say "thank you and welcome". You can also introduce useful features on the app.
- 2) **First Day Fun:** Immediately engage in a game of chance - one that everyone wins!
- 3) **Create a Games Calendar:** One of the most successful strategies we see.
- 4) **Plan Your Prize Strategy:** Keep it consistent and work with suppliers.
- 5) **Themes and Passions:** Connect with what your members love.
- 6) **Celebrate Birthdays:** Every member's time to feel special.
- 7) **Use the power of push notifications:** The most powerful communication tool you have.
- 8) **Sharing and Sociable:** Beyond transactional - create emotional loyalty too.
- 9) **Ask for Feedback:** Let your members feel heard.
- 10) **Measure What Matters:** Ask your members whether they'd recommend you to a friend.



Chapter Six

Powerful Promotions

With your engagement strategy in place, our next step is to ensure you create a compelling promotional plan to drive awareness, trial, purchase and repeat purchase of your key products. After all, the purpose of your loyalty programme is to drive profitable behaviour changes. As always, we've created a checklist of our top ten tips to successfully promote your products, so this chapter outlines out top ten tips to ensure you have a fully optimised promotional plan.



Key Principles for Powerful Promotions

Our experience shows that the best loyalty programmes balance their "always-on" concepts with more tactical and exciting campaigns that are relevant and personalised. Your promotional calendar needs to be simple enough to understand, yet dynamic enough to excite.

We also see an increasing importance in combining both transactional and emotional concepts - connecting with customers in ways that appeal to them on both a practical and on a human level. These top ten tips will explain how.

Top Ten Tips for Powerful Promotions

1 Create Consistent Concepts

that members learn to love and look forward to. The idea is to run simple campaign concepts that the customer learns. For example, if you create a campaign called 'Treats Tuesdays', members will realise that there is always a reason to open up the app on Tuesdays because there will be something new. The clear and consistent communication reduces the need for push notifications and you enjoy app openings by design. Other ideas such as "deal of the day, deal of the week" etc are strong winning concepts that are proven to be effective, so even your suppliers will want to join in.

2 Permanent Headline Promotion

As well as certain days and times for campaigns, a consistent value proposition such as "Always 50% off" is a headline that everyone can understand, anticipate and enjoy. With a permanent promotional section like this, you teach members that there is always something for ½ price, and suppliers can also plan to support your programme at key times of year.

3 Exclusive Member Pricing

Members love when products are available at preferential pricing no matter how many times they buy - just for being a member. It's particularly useful to focus on key categories that also build your brand - such as healthy eating. The longer term promotions on new or strategic products can take time for customers to try, but once they do, customers love to tell each other about them. We see great success using this approach for private label food products as well as suppliers who have agreed to become partners for your programme, for your mutual benefit.

4 Focus on Your Programme's Currency

Some programmes use points, some use coupons, and some use stamps. For simplicity, whatever base currency you use to reward your customers, you should also use for promotional purposes. The more consistency you create, the better your customers will learn and respond. If you use stamps, try double stamp coupons. If you prefer points, create double/triple points for specific products, categories or specific days. Linking your promotions to the core or foundation of your program is more strategic long-term, and also cheaper for you to operate. This avoids the need for deep discounts so the customer pays full price, but gets more stamps. You can also drive purchases of specific products with bonus points and stamps or even specific "double points days" to drive footfall at quieter times. We also recommend using your programme's core currency to incentivise cross-sell and product trials in new categories that customer's can explore.

5 Create Campaign Templates

that you can re-use to operate efficiently. We recommend designing at least ten templates for the most common campaigns you will do again and again. Lean loyalty program operations are key to any marketing team.

By creating one library of graphics and POS settings that are fully tested and working perfectly, you can then easily schedule the same campaign in new campaign periods over and over again. This also includes approvals from key strategic supplier partners who will always be keen to run new campaigns, so these templates should be valid for at least 12 months, and be ready to use for both new products and mature products.

6 Focus on Fun

Many of our promotional campaigns succeed because customers find them fun! We have created an entire library of games that tempt and tease your members in ways that they love. The true power of gamification is to drive urgency and exclusivity, while promoting your products in a way that really stands out. We use game concepts such as "hurry" or "chicken" or "how long do you dare to wait?" where the deals get better and better, but the richer the offer, the more likely that stock will run out! And not only do members love them, suppliers do too - any of our digital games can be used to drive sampling, brand awareness and engagement in a way that no other channel can offer.



7 Create Your Own Happy Hour

Customers readily understand the idea of a happy hour, so this feature is a clever way to allow coupons to run exactly between the times of your choice. You can focus on specific weekdays when your store is usually quiet, or a specific time of the day or a combination of both.

8 Sharing is Caring

One of the most appealing concepts within our loyalty platform is the ability to create a community connection between your members and their friends and family, using our "sharing" feature. It's good for new products, good for brands and great for you the retailer.

The idea is to create "share & care content" - promotions that can only be shared. The member cannot use it herself, but she can give it away to a friend. This creates word of mouth, collaboration, buzz and a real sense of community. What better way to create emotional loyalty, with people talking together about your brand, your app, your program and your products. The feature can be designed using free vouchers, rebate coupons, games or even points and stamps and when they have shared, the original "gifting" member herself can be rewarded for her generosity.

9 Personalise Content with the Power of Machine Learning.

Our machine learning model allows you to combine member insights such as demographics, purchase patterns and usage data alongside complementary insights such as day part, day of the week and weather data. The more campaigns you run, the more our machine learning algorithms can personalise your offers so that every user gets their preferred content first.

10 Use Push Notifications Cleverly and Consistently.

No matter how great your programme is, it can't succeed without consistent communications that capture your customer's attention. Every great relevant offer, every new game and every great "share and care" concept deserves a great "push notification" campaign to ensure a fantastic build up. And don't forget to build these in to the overall lifecycle of your programme, from welcome messages, to birthday messages, to new coupon announcements, as well as reminders on key campaigns, that are intelligently triggered and sent only to members who have not claimed a reward they are entitled to. Our experience shows that push notifications are the most powerful tool for any digital programme owner, so make sure you use them cleverly and consistently for optimum results.





Checklist to Powerful Promotions

This chapter's checklist as below will help you focus on creating powerful promotions. Use this simple guide to check that you are running great promotions that your members understand and enjoy.

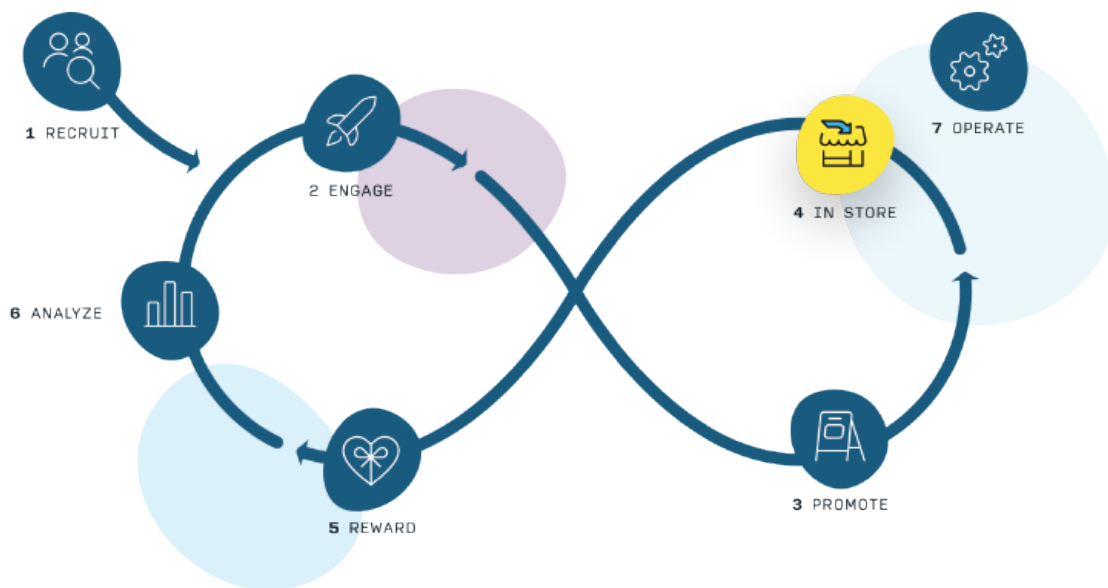
Top Ten Tips for Powerful Promotions

	Live	Later
1) Create consistent concepts that members learn to love and look forward to.	<input type="checkbox"/>	<input type="checkbox"/>
2) Build a permanent always-on headline promotion	<input type="checkbox"/>	<input type="checkbox"/>
3) Offer Exclusive Member Pricing: particularly for key food categories that support your brand positioning.	<input type="checkbox"/>	<input type="checkbox"/>
4) Focus on your programme's currency so that members learn how to easily use your programme and enjoy its benefits.	<input type="checkbox"/>	<input type="checkbox"/>
5) Create campaign templates that you can re-use to operate efficiently.	<input type="checkbox"/>	<input type="checkbox"/>
6) Focus on fun and the power of gamification to achieve multiple marketing objectives.	<input type="checkbox"/>	<input type="checkbox"/>
7) Create your own happy hour - a concept customers know and love. Perfect to drive footfall on off peak days and times.	<input type="checkbox"/>	<input type="checkbox"/>
8) Use our "sharing and care" concepts to create a sense of community and connection between your members and their friends and family.	<input type="checkbox"/>	<input type="checkbox"/>
9) Personalize content with the power of machine learning	<input type="checkbox"/>	<input type="checkbox"/>
10) Use push notifications cleverly and consistently - your secret weapon for success	<input type="checkbox"/>	<input type="checkbox"/>

Chapter Seven

In-Store Excellence

As we've discussed, your "customer connection cycle" allows you to plan the most engaging ways to stay relevant to your customers, so in this chapter, we explain the in-store options available. Clearly, our intention is to ensure that your customers continue to enjoy a quick and efficient shopping experience, with your loyalty strategy designed to add extra moments of surprise and delight.



Happy customers spend more, engage more, and recommend your store.

Top Ten Tips for In-Store Excellence

1 Only When Relevant:

With our laser focus on optimising your customer's experience, your loyalty programme in fact has a greater role to play outside of your store than inside, building your customer connections in ways you never had before. So our first tip is to only connect with your customers in-store if it adds value to THEM. What matters most for your customers in-store is that it is easy to earn and easy to redeem. It MUST be easy for them!

2 Payment-linked Loyalty:

This is perhaps the most powerful concept we've seen in recent years. By integrating your point of sale system with our loyalty marketing platform, your members can connect their payment card to their customer profile on our database, and then they earn and redeem their points and stamps effortlessly when they pay. Their payment card becomes their loyalty card so they don't even need to open the app! Truly effortless loyalty.

3 Eliminate Payments In-Store with Prepayments.

Our subscription-led loyalty programmes offer so many benefits to customers and are particularly popular for coffee and car wash customers. By subscribing and pre-paying, in-store your members simply check out on the app when they pick up their coffee or start the carwash - and both your staff and your customers enjoy the revolutionary benefit of never needing to wait in line to pay.

4 Personalise – carefully!

If your store has regular customers, it's sometimes really nice to greet them by name. We all love to see a familiar face but it can be hard for your staff to remember everyone's first name. Our loyalty platform can be set up to show the customer's name on the till so the cashier can say "Hello John" if it feels right! It can make the customer really feel welcome.

5 Acknowledge Top Customers.

One of the amazing benefits of a tiered loyalty programme is that new staff can immediately identify those customers who are the most loyal to you and deserve to be acknowledged differently. By showing the customer's tier status on the till, the cashier knows when they are serving a gold member, and by mentioning this, you can make the member feel happy and special.



6 Simplify Redemption and Let Members Pay with Points:

Customers love the moment of redemption - when they enjoy the rewards they've built up over time. We actively encourage all programme operators to remind their members to redeem - as this is the real "proof-point" that builds trust in your brand and ironically also increases the member's future spend in your store too! By allowing customers to burn their points at the time of a purchase transaction, their points finally feel like cash.

7 Plan Your Offline to Online Strategy:

We believe in closing the loop between the ONLINE world and the OFFLINE world and building a complete "O2O" strategy. In the offline world for example, by placing unique codes on certain products, you can invite your members to share their feedback with you. They simply scan the code and then they can "rate" the product in the app.

8 Plan Your Online to Offline Strategy:

Games are a perfect way to engage your members. Using our digital platform, you can print a game code on any receipt. The member can simply scan this code in the app to get unique content. For example, if they buy a Coca Cola, they can play the Coca Cola game with a fun chance to win a free Coca Cola voucher to redeem in your store!

9 Empower Store Managers.

In our experience, your programme is most likely to succeed when it's leveraged locally. You can empower your individual store managers with the ability to enjoy the full features of platform and set up local offers that are only valid in their store. Our customer excellence team can support you with the training they need to get started, and of course they can then take ownership of how their programme is performing using the programme as a powerful marketing tool.

10 Always Engage Employees.

There are two great reasons for creating exclusive deals for your employees in your digital loyalty programme. Firstly, it makes them feel more valued and loyal to your business, improving your chances of keeping them on your team. Secondly, when your employees become active customers themselves and enjoy your exclusive employee deals, they truly experience a new way to delight their customers. This practical perspective ensures they understand how the programme works for the customer at the point of sale, and they will be more likely to recommend the programme and make sure their customers don't miss out on the great deals you offer them. Truly a win-win approach.



Checklist for In-Store Excellence

Top Ten Tips for In-Store Excellence

Live Later

1. **Only When Relevant:** Our first tip is to only connect with your customers in-store if it adds value to THEM.
2. **Payment-linked Loyalty:** By connecting their payment card to their customer profile, their payment card becomes their loyalty card so they don't even need to open the app! Truly effortless loyalty.
3. **Eliminate Payments In-Store with Prepayments.** By subscribing and pre-paying, in store your members simply check out on the app and never again need to wait in line to pay
4. **Personalise - carefully!** If your store has regular customers, it's sometimes really nice to greet them by name. It can make the customer really feel welcome.
5. **Acknowledge Top Customers.** By showing the customer's tier status on the till, the cashier knows when they are serving a gold member and can make them feel extra happy and special.
6. **Simplify Redemption and Let Members Pay with Points:** By allowing customers to burn their points at the time of a purchase transaction, their points finally feel like cash.
7. **Plan Your Offline to Online Strategy:** In the offline world you can place unique codes on certain products, then your members can share their feedback with you in the app.
8. **Plan Your Online to Offline Strategy:** Games are a perfect way to engage your members online and connect them to the offline world with voucher prizes to redeem in-store.
9. **Empower Store Managers.** In our experience, your programme is most likely to succeed when it's leveraged locally. Your store managers can use the full features of platform and take ownership of how their programme performs.
10. **Always Engage Employees.** There are two great reasons for creating exclusive deals for your employees in your digital loyalty programme - it makes them feel more valued and loyal to your business, and the practical perspective ensures they will be more likely to recommend the programme to customers.

Chapter Eight

Rewarding With Stamps

One of the first decisions you will have to make when you decide to launch a retail loyalty programme is what mechanic - or format - you'd like to use to track your member's purchases, so that you can reward them when the time is right.

There are three common formats our loyalty marketing platform can support, and using "stamps" is perhaps the best loved and most familiar. We'll also discuss "points" and also a "subscription" loyalty programme format as two other concepts you can consider.

The history of stamp cards goes back to the 1930's with "[Green Stamps](#)" becoming the market leader worldwide, issuing three times as many stamps as the US Postal Service throughout the 1960's! Clearly the power of digital stamp cards has dramatically improved the performance of this type of programme compared to the old fashioned printed and paper based stamp cards so in this article, we'll share our learnings from launching digital stampbased loyalty programmes in multiple markets around the world, in particular the top ten stamps tactics you need to succeed.



Top Ten Tips for Rewarding With Stamps

1 Get every 10th coffee free.

That's simple. Everyone understands it and it has always been a popular mechanic in retail, but with a smart digital stamp card concept, your programme is ten times stronger! Firstly, you can decide if you want to do every 5th or every 10th coffee free so every customer is treated exactly the same. But the whole point of your loyalty programme is to drive consumer behaviour, so we recommend you use the smarter approach and set the rewards for different customers at different levels. For example, create various levels or tiers. With this approach, once the members moves up a tier - for example they become a "silver" member - they might earn a free coffee after buying just eight coffees instead of ten. Your "gold" members might then earn their reward coffee after just buying five. Customers love this increasingly generous approach, and truly feel like they are being "seen" and rewarded every time they buy. You can even choose how many "rounds" the customer needs to buy on each level before they progress up to the next tier.

2 Choose when they use it.

Some loyalty programmes insist that you "use it or lose it" so when you've earned your reward coffee, it's always served on the member's next visit. For more flexibility, we've built our digital stamp feature to allow you set up the reward as a separate reward, to be used at a time and day that they choose! This gives them the freedom to choose when to claim it - always of course within the time frame you define. You can choose a short time frame such as one day for example for their birthday (which drives urgency and is better for the business), or you can allow the member plenty of time such as twelve months to claim (better for the customer). With separate rewards it's also possible for the member to give the free coffee reward to a friend or family member.

3 Give Your Members More of What They Love.

When your customers use your stamp card, the first thing you immediately learn is what they like. And with that knowledge, you can help them form a habit of buying it from you more often. We've designed digital stamp cards programmes across many categories, from salads, to sandwiches, or cold drinks, ice cream or even washing their car. But coffee is always the most popular! So every time the customer buys a coffee full price (and collects a stamp), you can give her a coupon for a discount on the next coffee - e.g. a 25% or 50% off voucher or even a fixed lower price such as €2 instead of regular price €3. By giving customers more of what they love, you can drive the frequency of their purchases and visits, creating new opportunities to upsell. We know that frequency is the most important behaviour to drive - even more than driving a higher basket spend. Our platform lets you specify how many minutes after the purchase they receive this nice coupon - maybe 30 minutes later or even the following day if it's a less frequent category for purchase, such as a sandwich coupon.

Plan a birthday gift and allow them to choose between different rewards, or give them enough points that allow them to spend on something they want. We recommend you are clear about how long this gift is available for - perhaps just on their birthday or for the week afterwards for a bit more flexibility. The generosity of the campaign means you can also use push notifications to offer the reward, and to remind them to use it too!

4 Get Them Winning.

To get new members engaging, we recommend you set up your programme so that everyone is sent a game to play the first time they earn a stamp. And then everyone that plays the game, wins a second stamp on their card. Simple as that. This teaches them a little about how your programme works and takes them a little closer to their first free reward. With this fun and rewarding experience, they begin to trust you and look forward to their next purchase. There's no need to tell them about this in advance as it's better they learn by playing, and then they enjoy the benefit of the surprise & delight your programme offers. You can use this mechanic anytime you want to drive activity and boost engagement.

5 Surprise & Delight with Games of Varying Probability, Format and Frequency.

Any stamp can be set up to trigger a coupon, game or survey and there needs to be a "good" chance to win but don't worry, they do not need to be won every time. With our platform, you define the chance of winning, sometimes just 10% probability, sometimes 50% probability etc. For example, we recommend that at least with every 10 stamps, there is a 10% probability for users to play to win a free coffee and/or a stamp. And remember that you can run a different game every time, so make sure you try the Wheel of Fortune, Scratch & Win, Slot Machine or any other one to make it fun every time.

6 Power Your Programme with Push Notifications.

Our powerful push notification feature can be automated for every stage of the life cycle, leaving you free to focus on other campaigns. We recommend that you send push notifications when users are close to a reward and only need one more purchase to claim a free one! You decide the frequency of these alerts when you configure the automation rule, so they can be re-sent after any number of days you prefer. The same automation can be used to power push messages for rewards themselves. Simply set up reminders before expiry, for example one week or 3 days before expiry, and again on the day of expiry. These reminders are cleverly only sent to customers who haven't used their reward so there is no risk of over-communicating or irrelevant messages.

7 Reward Frequent Customers with Bonus Stamps.

We have seen how important it is to drive frequent footfall, so we've developed the ability for you to automatically award bonus stamps for these customers. For example, you can set an automated business rule to award double (or triple) stamps to users who earn three coffee stamps in five days. This ongoing rule captures these most-frequent customers who deserve extra stamps and of course you have full flexibility to set any number of stamps and the time-frame for them too.

8 Plan Promotional Periods Year Round.

While your members will earn stamps all year round on their purchases, we recommend adding in a full calendar of promotional campaigns for two weeks, every second month. These promotional periods should feature games that invite members to play every day, with a chance to win single stamps and double stamp coupons.



9 Run an “Ultimate Power Week” Twice a Year.

This is an essential tool to win the hearts of your customers, many who could easily be tempted in to your competitor's stores unless you keep taking care of them in powerful ways they value. During the “ultimate power week” customers get double stamps, even in high season, in fact especially in high season when there is more competition. Members will learn that these great promotions are worth earning, and you keep building emotional loyalty with your members.

10 Short Campaigns with Stamp Sharing.

As well as the annual calendar of game-led promotions, you can also run promotional campaigns to support new products which are funded by suppliers. Simply add a new stamp card on a newly launched energy drinks range etc. and this card can be valid for a couple of months instead of just a couple of weeks, ensuring you always have new and exciting content and concepts. In these shorter campaigns, it's particularly useful to allow your members to share their stamps with each other, so they can't win alone, but they can win together! Friends love to support each other and these campaigns trigger buzz, word of mouth, and great community engagement!



Checklist for Rewarding With Stamps

As one of the simplest tools in the world of loyalty marketing, we believe that digital stamp cards also offer incredible flexibility and fun. Make sure to use our checklist below to ensure every tactic is scheduled and that you're set up for stamp card success.

Top Ten Tips for Rewarding With Stamps

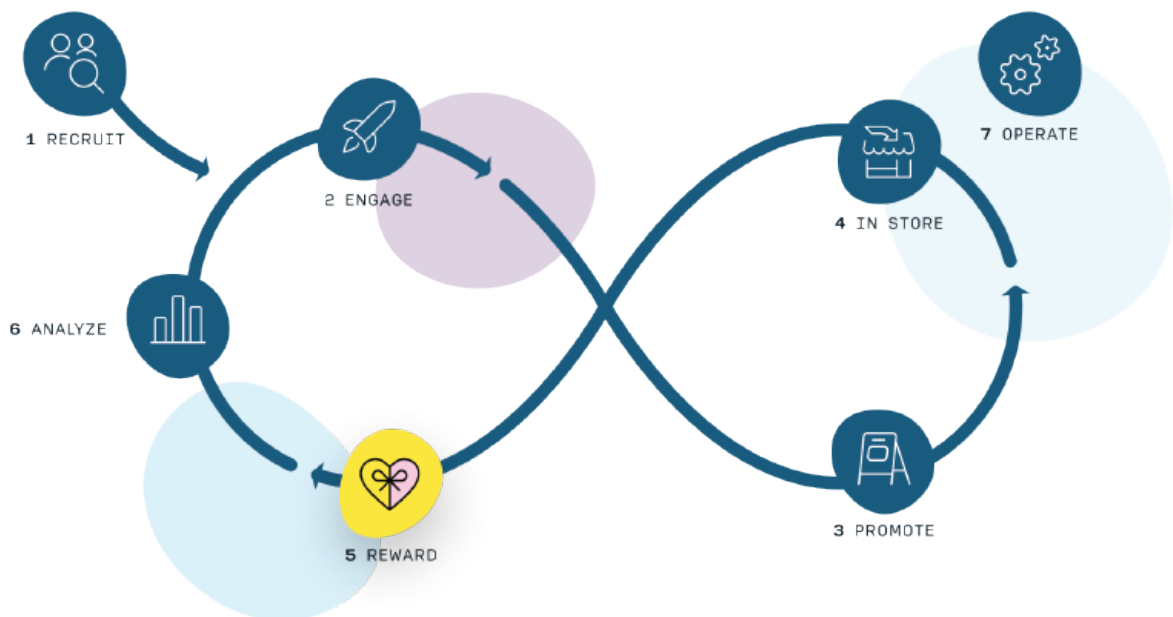
	Live	Later
1) Digital stamp cards with flexible tiers to drive increasing frequency as customers earn their stamps over time.	<input type="checkbox"/>	<input type="checkbox"/>
2) Allow the members to choose when they use their rewards.	<input type="checkbox"/>	<input type="checkbox"/>
3) Give Your Members More of What They Love. Reward coffee customers with coffee vouchers and they'll probably buy more when they come back in store!	<input type="checkbox"/>	<input type="checkbox"/>
4) Get Them Winning. Send new members a simple game and make sure they get a free stamp. A simple and fun way to get them engaging.	<input type="checkbox"/>	<input type="checkbox"/>
5) Surprise & Delight with Games of varying Probability, Format and Frequency.	<input type="checkbox"/>	<input type="checkbox"/>
6) Power Your Programme with Push Notifications. These can be automated to ensure your programme operates efficiently and automatically.	<input type="checkbox"/>	<input type="checkbox"/>
7) Reward Frequent Customers with Bonus Stamps.	<input type="checkbox"/>	<input type="checkbox"/>
8) Plan Promotional Periods Year Round. Let your members play to win with fun promotions every second month. Games and prizes will be a welcome bonus to the "always-on" stamps for purchases.	<input type="checkbox"/>	<input type="checkbox"/>
9) Run an "Ultimate Power Week" Twice a year.	<input type="checkbox"/>	<input type="checkbox"/>
10) Schedule Short Campaigns with Stamp Sharing.	<input type="checkbox"/>	<input type="checkbox"/>

Chapter Nine

Rewarding With Points

Another popular mechanic for loyalty programmes worldwide is to use "points" as a currency instead of stamps. As well as being well understood by consumers, points give you complete flexibility to recognise and reward in different ways, depending how much different customers are spending with you.

However points programmes are sometimes seen as less exciting than other loyalty models, so it's important to build an exciting calendar of promotions to keep your members engaged. This chapter includes all of our favourite ideas and points tactics to help you get the best results from your points programme all year round.



Your loyalty programme needs both scale and engagement to be successful commercially.

Top Ten Tips for Rewarding with Points

1 Award base points across the whole store:

In order to reward customers in a way they can easily understand, and to be relevant to everyone, it's important to award points consistently across all of their purchases. We recommend that your programme rewards purchases of fuel, convenience store products, carwash and other services, and that you include both online and offline purchases.

It's also important to allow your members both "earn" and "burn" their points on every category for maximum appeal, of course with the exception of products that are prohibited by law. In most countries around the world, this includes tobacco, alcohol and lottery cards. Our points platform has been designed to allow you complete flexibility, so you can independently manage the points allocation on each category to reflect the margin you have available and the way different products are sold, so you can reward fuel purchases per litre, and other purchases based on the purchase value in local currency, so base points can be set per euro, per \$ etc.

2 Award Points on the Amount Spent.

While many points programmes in the past awarded points based on customer visits, this has declined dramatically. With an objective of leveraging your loyalty programme to drive customer life time value, awarding points based on visits often caused delays at the point of sale, with members attempting to earn multiple points for a single visit by paying for items separately. By awarding points based on spend, you can recognise and prioritise those customers who spend more with you. It's fairer to them and a better business strategy for you.

3 Reward Other Great Behaviours that Build Your Business.

Alongside the transactions your customers make with you, there are ways they can support your business and these are important to incentivise, track and reward too. As well as their purchases, you can use points to reward them when they sign-up to your programme, refer a friend to join or shop with you, share more of their profile with you, answer surveys, as prizes in your games or even when they share your content. Their birthday is also a great time to award extra points to a member as a small unexpected gift and independent of their transactions. With this strategy, you can effectively build advocacy and encourage your members to become an ambassador for your brand, and reward them for their non-transactional behaviours.

4 Create Customer Tiers.

While every customer deserves to be rewarded and recognised, it's nonetheless essential to know your top customers and treat them even better. By creating different tiers, your staff can automatically recognise both good and great customers, and you can treat them in different ways too. For example, you can show better offers to your higher tier customers that others cannot see. Secondly, tiers can also create an emotional connection with your most valuable members who realise that they are being included in a smaller, exclusive community. By showing these members that you value them more, they become even more loyal to you in return.

5 Award Higher Base Points for Your Priority Members:

A key benefit for both your customer and your business is the ability for you to award higher "base points" to your higher tier customers. By giving valuable "always-on" benefits such as double points for silver or gold members, you ensure your members aspire to move to higher tiers, and are even more determined to stay there too.

6 Build in Generous Bonus Periods:

Whether it's a new product, new season or simply to drive year-round engagement, make sure you plan a full calendar that features key campaigns when members earn double or triple the normal "base points" they typically earn.

This drives increased footfall at key times of year, as well as compelling communications with members, who are always keen to know "what's in it for them".

7 Create Compelling Points Campaigns on Categories and Products.

As well as awarding bonus points at certain times of year, you can award bonus points on specific products or categories. These smaller campaigns can easily be financed by suppliers because of the power and potential to drive increased sales and brand awareness for them.

8 Ensure Rewards are Accessible and Exciting:

Once loyalty programme members successfully redeem a reward by burning points they've earned over time, they then start to spend more, trust you more and even recommend you more. In the past, some programme owners discouraged rewards redemption to minimise their costs, but successful programme operators now realise it's the reward that drives future profitable behaviour and an increase in your customer lifetime value. Our points-burning feature allows you to set specific conversion rates for rewards in different categories, so you can highlight hero products that have a greater margin as more "affordable" and easy for members to claim. Make sure your members realise that your points are valuable as a currency, just like cash.

9 Better Burn Rates for Better Customers.

Another way to build exclusive benefits for higher tier members is to make rewards "cheaper". You have full flexibility to show your gold customers a lower level of points, and you can set up better conversion rates on specific products if you choose to. For example you can set preferential rewards rates in your shop, but maintain consistency for all members on your fuel rewards.

10 Allow Your Customers to See Better Benefits to be Unlocked.

It's worth showing all of your members the benefits of achieving your top tier, so why not show how much easier it is to earn their rewards at higher tiers. It's a great way to increase your share of your customer's wallet. By shopping with you more, they benefit more, and they will be inspired to achieve silver or gold status when they can see that there's a benefit waiting to be unlocked and enjoyed.



A Points Programme Can Truly Delight Your Customer When Used Effectively

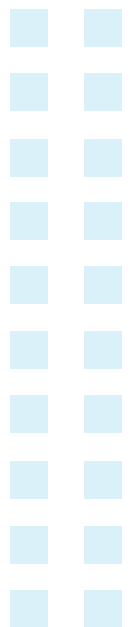
Checklist for Rewarding With Points

As another simple and powerful tool in the world of loyalty marketing, we believe that points offer you incredible flexibility and fun. Make sure to use our checklist below to ensure every points tactic is included in your plans and that you're set up for success.

Top Ten Tips for Rewarding With Points

Live Later

- 1) Award base points across the whole store.
- 2) Award Points on the Amount Spent.
- 3) Reward Other Great Behaviours that Build Your Business.
- 4) Create Customer Tiers.
- 5) Award Higher Base Points for Your Priority Members.
- 6) Build in Generous Bonus Periods.
- 7) Create Compelling Points Campaigns on Categories and Products.
- 8) Ensure Rewards are Accessible and exciting.
- 9) Better Burn Rates for Better Customers.
- 10) Allow Your Customers to See Better Benefits to be Unlocked.



Chapter Ten

Success With Subscriptions

Having discussed the benefits of both stamp-card and points-based loyalty programmes in the two previous chapters, here we present the power of the **subscription** model as the foundation for your loyalty programme.

By combining powerful features like "unlimited" products each month and the potential to "skip the queue" in store, convenience retailers can, for the first time, offer their customers the same compelling benefits and "extreme loyalty" that programmes like Amazon Prime have offered them for many years.

Your subscribers will love the simplicity of the programme, and provided your benefits are clear, consistent and compelling, together you and your subscribers can enjoy the mutual benefits of a loyal relationship for many years.

This chapter features our top ten tips for subscription success, learned from powering loyalty programmes for some of the world's best known convenience and car wash brands.



Top Ten Tips for Success With Subscriptions

1 Effortless and Unlimited:

A prepaid subscription programme gives you the extraordinary potential for recurring revenue while also offering your customers "ultimate convenience" and the opportunity to "skip the line, convenience style". This incredibly powerful option is proving increasingly popular for both car wash retailers and coffee retailers, and customers love the speed and simplicity it offers. By prepaying, you eliminate the need to take payment in store, so your subscribers simply need to "validate" their eligibility while collecting the product before leaving the store. This can be done with a QR code or barcode at a suitable location where it can be scanned without the need for direct contact. The second key benefit of a subscription programme is the potential to offer "unlimited" coffee or car washes, or "almost unlimited" to ensure members can't share one subscription with multiple users without your permission.

2 Reward and Recognise New Subscribers:

Convincing customers to sign up and subscribe for a recurring payment requires a clear incentive, so we recommend you use a "plan rebate" for your subscription programme. For example, you can offer the first month's subscription at a 50% discount or give them the second month totally free! This ensures that your new subscribers have plenty of time to fully enjoy the satisfaction of your unlimited benefits before the full monthly payment is applied. Of course, we have built in a "quarantine period" to prevent members leaving and returning in the hope of using your joining offer more than once! We also recommend including a generous but unexpected bonus offer for your subscribers after the first few months, and before they are at risk of cancelling. This strategy is entirely focused on exciting prospects to take action and sign up to try your subscription programme.

3 Create Promo Codes for Social Media or Local Distribution.

Promo codes are a powerful tool within any digital loyalty programme and these can be shared in a few different ways. Once you create them, your local store manager or marketing activation team can hand them out in stores to potential subscribers, ensuring they clearly explain the deal on offer if they activate the code. Of course your deal will be inspiring (eg first month free) and will only be available for a limited period of time, designed to excite people to sign up immediately. Many of our customers also distribute promo codes to larger companies in the neighbourhood, ensuring their staff get a better deal than any individual customers could. Finally, as well as physical distribution, your promo codes can be shared and distributed on social media platforms in ad format, targeted at non-members within any demographic or segment of customers that is likely to be a good prospect for your business.

4 Create a simple, automated payment solution that operates seamlessly.

Whether your customers prefer to pay by credit card or with a globally respected online payment solution like Paypal, your subscription programme should silently auto-renew every 30 days. Choose an approach that customers trust in order to maximise your conversion and completion rates. By designing a beautiful experience that does not require the user to take action after the initial set-up, you will enjoy the highest possible retention rates.



Trial is key to build trust, so incentivise trials to maximise the life time value of your subscribers.

5 Upsell & Delight Your Customers Even More.

Your existing subscribers are your best prospects for higher tiers too, and your subscription programme can drive behaviours that delight both the business and your members. By allowing your users to upgrade their plan, they enjoy even more of the benefits they clearly already love! For example, offer your Silver car wash subscribers a compelling offer, like just \$5 to upgrade to Gold. If the benefits are clear, they will be happy to upgrade and invest in your best product.

6 Refer a Friend to Win a Free Month.

This strategy uses three of our favourite tools - games, referrals and reinforcing the core awareness of your product. With any consumer programme, referrals are a powerful tool, however it can be expensive to reward both parties with free products especially your programme is an "unlimited" concept. By using games with free subscription months as prizes instead, you build engagement, while reminding the subscriber how much their loyalty is worth.

7 Proactively Prevent Churn:

As your programme matures, you will learn some key consumer patterns so you can take preventive action in advance. For example, certain months of the year may experience higher cancellation rates, so we recommend you set up seasonal rebates, offer lower prices for limited periods and keep more of your subscribers subscribing.

8 Listen and Learn:

Even if you lose a customer, make sure you don't lose any lessons they can share. By asking any customer who's leaving to complete an exit survey, you gain insight on their reason for leaving, and also your "re-start" option remains clear and compelling. Your win-back activity is most powerful while they still have their plan active (so if they've opted to cancel but are still enjoying the product's remaining days). Make sure the **restart** button is easily available at all times and pay close attention to the lessons they share. Then by addressing the key concerns arising, your churn rate should continually decrease.

9 Sell Multi-User Subscription Plans:

Once again, by taking care of your members in their natural groups and communities, they become more loyal. Our favourite subscription programmes offer friends and family packages for personal use, and business plans for professional use. Our natural tendency to be sociable will ensure ongoing stickiness for your subscription programme, so make sure your subscribers can become part of something greater than just themselves.

10 Protect Yourself from Subscription Fraud:

While people will sometimes change their phone and can have multiple devices, you should limit the total number of devices that can access any one subscription programme using the same mobile number. There should never be possibility of ten people logging in to the app with the same phone number and secretly sharing one subscription plan, but the risk is that some people will try this, so make sure you control the most likely fraud scenarios. Limiting to two devices per phone number in any 6 month period for example is one way to protect yourself from risk.





Checklist for Rewarding With Subscription

Top Ten Tips for Success With Subscriptions

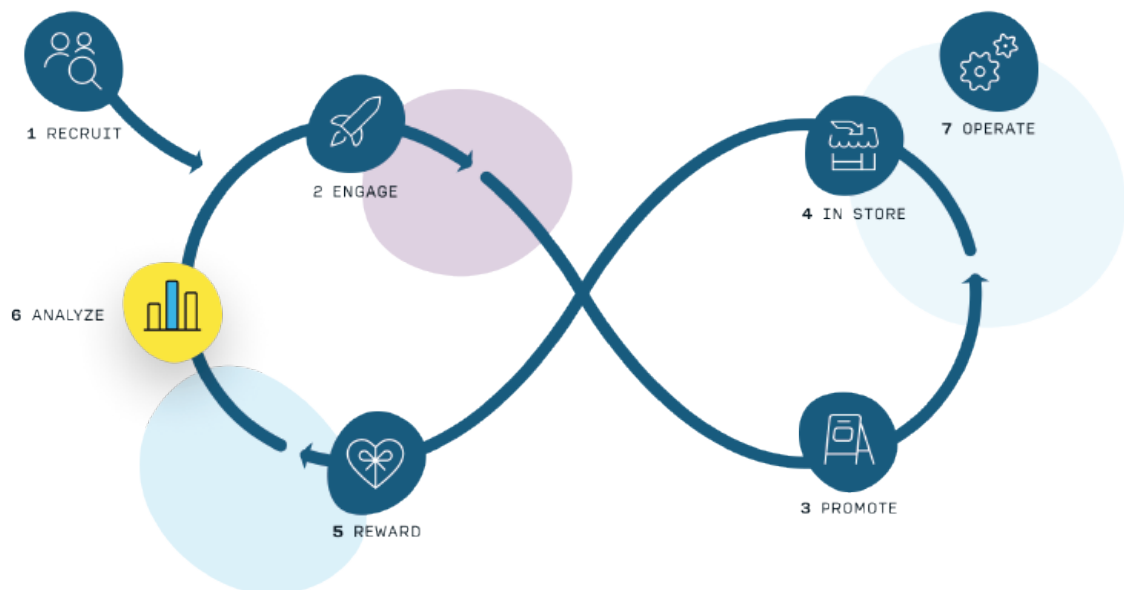
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- 1) **Effortless and Unlimited:** As subscribers, customers love having the ability to skip the line and enjoy unlimited or almost unlimited products
- 2) **Reward and Recognise New Subscribers** – thereby exciting prospects to take action and sign up to try your subscription programme.
- 3) **Create Promo Codes.** Then share these on social media or in store with potential subscribers.
- 4) **Create a simple, automated payment solution that operates seamlessly.** Ensure you design a beautiful experience that does not require the user to take action after the initial set-up in order to maximise your renewal and retention rates.
- 5) **Upsell & Delight Your Customers Even More.** By allowing your users to upgrade their plan for a great rate, they enjoy even more of the benefits they clearly already love!
- 6) **Refer a Friend to Win a Free Month.** Combine the power of games, referrals and the core benefits of your product.
- 7) **Proactively Prevent Churn:** Use seasonal rebates in challenging periods to keep more of your subscribers subscribing.
- 8) **Listen and Learn:** Use exit surveys to learn why people leave - and keep your re-subscribe button clear for them to easily re-join at any time.
- 9) **Sell Multi-User Subscription Plans for a Stickier Programme:** Create friends and family subscription packages for personal use, and business subscription plans for professional use.
- 10) **Protect Yourself from Subscription Fraud:** By limiting the number of devices per phone number per period for example, you can protect yourself from subscription abuse.

Chapter Eleven

Effectively Analyse Your Loyalty Programme

Given the level of time, money and attention that your loyalty programme will 'enjoy' both internally and externally, it's critical to constantly assess how it's performing. Our extensive experience has given us a clear idea of what KPI's to monitor from a commercial perspective, to ensure your team are proud of the project and its performance over time.



Top Ten Tips to Effectively Analyse Your Loyalty Programme

1 Measure, Monitor and Learn.

Daily, weekly, monthly, quarterly and annually. There is no such thing as too much reporting - of course by the right people, to the right people, and for the right reason! We recommend at a minimum that key programme indicators are shared with your management team each week.

2 Closely Monitor Membership:

Keep a close eye on how many new members are being recruited at store level every 30 days, and how their total member base is tracking. You can't have an effective loyalty programme until you have recruited a sizeable base that represents a significant percentage of your customers.



Are your customers happy to promote your store?
If not, why not?

3 Define and Monitor Engagement:

In our industry, we recommend monitoring what percentage of your user base has been active in the most recent quarter. It is therefore useful to analyse and report the average number of active app sessions in the last ninety days.

4 NPS Analysis:

We recommend that you capture and monitor your "net promoter score" across demographic (age and gender) and by segments such as students. We know that companies that suffer from low "net promoter" scores are likely to lose market share as soon as customers find attractive alternatives, so make sure to closely analyse your scores and ensure they are representative of your customer base too.

5 Loyalty Share:

It's important to set targets for the percentage of your transactions that should come from "known customers" - so simply, what percentage of total transactions come from members versus anonymous customers. Clearly this figure should grow over time, and our customer excellence team can help set expectations around realistic, and stretch, targets to set internally for the first quarter, first year etc.

6 Compare Basket Spend by Segment:

It's insightful for your senior management team to have an understanding of the average basket size (spend) for your members versus nonmembers. While the inevitably higher values can't be fully attributed to your programme, it does provide a great understanding of the potential growth available for your stores with the existing customers you serve, as well as new customers you may attract.

7 Monitor the Recency and Frequency of your Members.

This comes from measuring the average number of transactions by active users in the last ninety day period.

8 Build Profile Data Continuously:

Make sure to measure what percentage of your members have shared their gender and date of birth - giving you the data you need to create powerful campaigns. While the quickest way to connect with customers is simply to capture their contact number, it's also important to ensure that you continually build your insights and understanding of who your customers are, and what they need.

9 Build Store Preferences:

Similar to the incredible power of the progressive profiling of your customers, it's important to continually ask your members with identify their local store so you can target them with local offers. Another useful metric is to measure the share of members that are also subscribers.

10 Consistently Run A/B Tests.

One of the most powerful tools in the digital marketers toolkit, our A/B testing functionality should be leveraged as a part of every campaign. By isolating campaign variables and analysing the results and which performs better, you can quickly learn how to design winning campaigns that really resonate with your members.

Data is the new oil - so make sure you capture and analyse it.





Checklist to Effectively Analyze Your Loyalty Programme

Top Ten Tips to Effectively Analyse Your Loyalty Programme

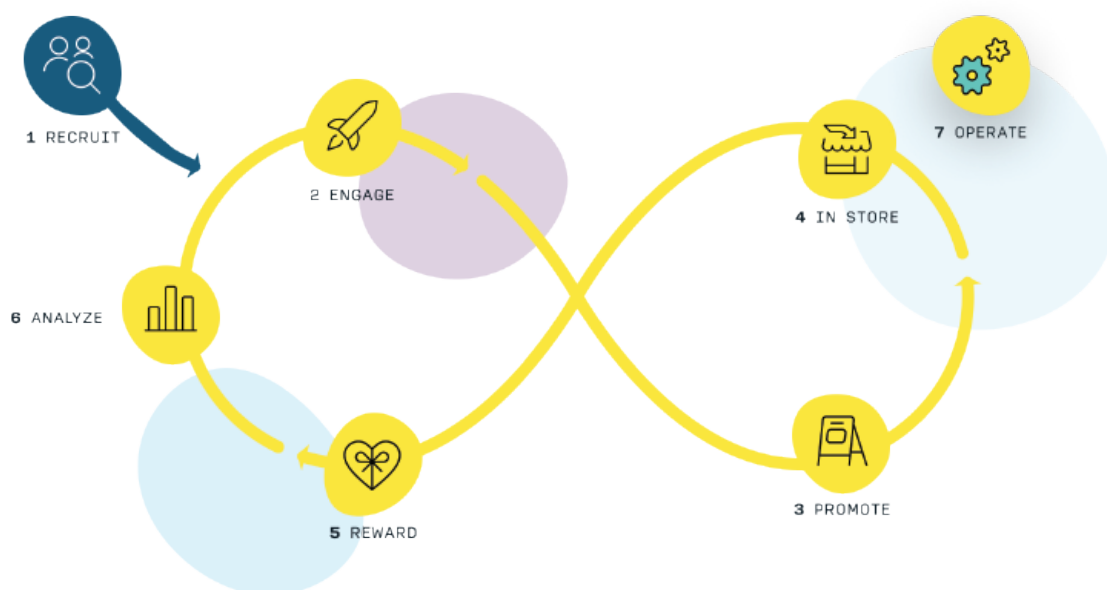
Live Later

- | | | |
|---|--------------------------|--------------------------|
| 1) Measure, Monitor and Learn. We recommend at a minimum that key programme indicators are shared with your management team each week. | <input type="checkbox"/> | <input type="checkbox"/> |
| 2) Closely Monitor Membership: You can't have an effective loyalty programme until you have recruited a sizeable base.. | <input type="checkbox"/> | <input type="checkbox"/> |
| 3) Define and Monitor Engagement: In our industry, we recommend monitoring what percentage of your user base has been active in the last ninety days. | <input type="checkbox"/> | <input type="checkbox"/> |
| 4) NPS Analysis: We recommend that you capture and monitor your "net promoter score" across demographic (age and gender) and by segments such as students. | <input type="checkbox"/> | <input type="checkbox"/> |
| 5) Loyalty Share: It's important to set targets for the percentage of your transactions that come from "known customers". | <input type="checkbox"/> | <input type="checkbox"/> |
| 6) Compare Basket Spend by Segment: To understand the average basket size (spend) for your members versus non-members. | <input type="checkbox"/> | <input type="checkbox"/> |
| 7) Monitor the Recency and Frequency of your Members. | <input type="checkbox"/> | <input type="checkbox"/> |
| 8) Build Profile Data Continuously: Make sure to continually encourage members to give you the data you need to create powerful campaigns. | <input type="checkbox"/> | <input type="checkbox"/> |
| 9) Build Store Preferences: Know your members with identify their local store so you can target them with local offers. | <input type="checkbox"/> | <input type="checkbox"/> |
| 10) Consistently Run A/B Tests. To identify campaign variables and learn which campaign elements really resonate with your members. | <input type="checkbox"/> | <input type="checkbox"/> |

Chapter Twelve

Operate Your Loyalty Programme Successfully

We pride ourselves on developing, delivering and continually improving the most powerful loyalty marketing platform in the convenience retail industry. Our intention is to identify effective and efficient features that allow you to build your connections with customers in meaningful ways, and this chapter summarises our top tips to operate a world class loyalty programme that truly helps you build an increasingly profitable business.



Operating a successful loyalty programme requires a clear vision supported by operational excellence.

Top Ten Tips to Operate Your Loyalty Programme Successfully

1 Build the Basics.

Our campaign templates allow your team to run exciting marketing campaigns on the same products over and over again. Customers actually look forward to relevant offers when they are well-executed, so make sure to build a basic toolkit that supports your operational efficiency from the start.



Remember to balance your commercial objectives with your members needs.

2 Automatically Welcome New Members:

The very first step in your digital relationship with your customers is to welcome them as a member of your programme. This first communication cycle sets the tone for your connection with your members, so build it once and then simply let it operate efficiently every single day from the moment they join.

3 Identify and Target Your Least Active Members.

Your campaign operations team will inevitably identify certain segments of customers that only engage occasionally. With our automation tools, you can build specific campaigns to energise these members with low activity levels, which should be designed to educate and inspire action with relevant, new & interesting offers.

4 Identify and Target Inactive Members.

Our automation rules can also plan and prepare for those members who become in-active over time. These campaigns can help members understand your goal of being relevant and invite feedback and engagement rather than allowing these members to lapse completely.

5 Remember to Say Thanks:

While your loyalty programme can drive powerful behaviour change with customers, always remember the importance of your brand being loyal TO your member, before you can expect loyal behaviour FROM them. The best loyalty programmes treat their members like family or friends, with specific noncommercial communications that ensure your members feel appreciated. We recommend that you include a "thank-you" campaign within your life-cycle plan, that celebrates the connection you've build so far with each member.

6 Automatically Identify Your Best Customers.

Communicate clearly that you appreciate their support as top members and supporters of your store, and where possible, include some extra exclusive benefits for this most-valuable segment.

7 Build Business Partnerships:

Many convenience store brands miss the massive opportunity to leverage their loyalty programme to support local businesses and their staff. By inviting these businesses to introduce and promote your store to their staff, they can enjoy exclusive offers in return. Truly a win-win opportunity, powered by your loyalty programme.

8 Create a Coupon Shop.

An effortless solution to easily reward segments of customers and give them an every-day relevant reward or unexpected treat. Our coupon shop feature is a unique way to scale your B2B program with no effort - a great way to include a powerful "surprise and delight" pillar to your loyalty strategy.

9 Support Local Campaigns.

As well as your centrally-designed campaigns, we recommend you allow your stores create local templates that you approve. This allows your merchants to run additional campaigns for their own local needs, but they will always be executed within your corporate guidelines. This ensures you have a consistent approach and your programme can be driven locally yet with the help of expertise from your central marketing colleagues.

10 Fraud Controls:

Our final suggestion as best practice is to implement systematic controls to monitor and prevent loyalty fraud. Our platform allows you to define an acceptable number of transactions per hour, as well as limits on how many points can be earned. We also recommend creating a "misuse report" that alerts you if there is an unusually high number of redemptions within a defined timeframe that requires your attention.





Checklist for Operating Excellence

Top Ten Tips for Operating Excellence

Live Later

- 1) **Build the Basics.** Our campaign templates allow your team to build a basic toolkit that supports your operational efficiency from the start.
- 2) **Automatically Welcome New Members:** The very first step in your digital relationship sets the tone for your connection with your members.
- 3) **Identify and Target Your Least Active Members.** With our automation tools, you can build specific campaigns to energise members with low activity levels.
- 4) **Identify and Target Inactive Members.** Our automation rules can invite feedback and engagement rather than allowing these members to lapse completely.
- 5) **Remember to Say Thanks:** Remember the importance of being loyal TO your member, before you can expect loyal behaviour FROM them. The best loyalty programmes treat their members like family or friends.
- 6) **Automatically identify Your Best Customers.** Communicate clearly that you appreciate their support as top members.
- 7) **Build Business Partnerships:** Many convenience store brands miss the massive opportunity to leverage their loyalty programme to support local businesses and their staff.
- 8) **Create a Coupon Shop.** Our coupon shop feature is a great way to include a powerful "surprise and delight" pillar to your loyalty strategy.
- 9) **Support Local Campaigns.** As well as your centrally-designed campaigns, we recommend you allow your stores create local templates & run additional campaigns for their own local needs.
- 10) **Fraud Controls:** Our final suggestion as best practice is to implement systematic controls to monitor and prevent loyalty fraud. Our platform allows you to define an acceptable number of transactions.

About Us

Put a rocket under your loyalty program:

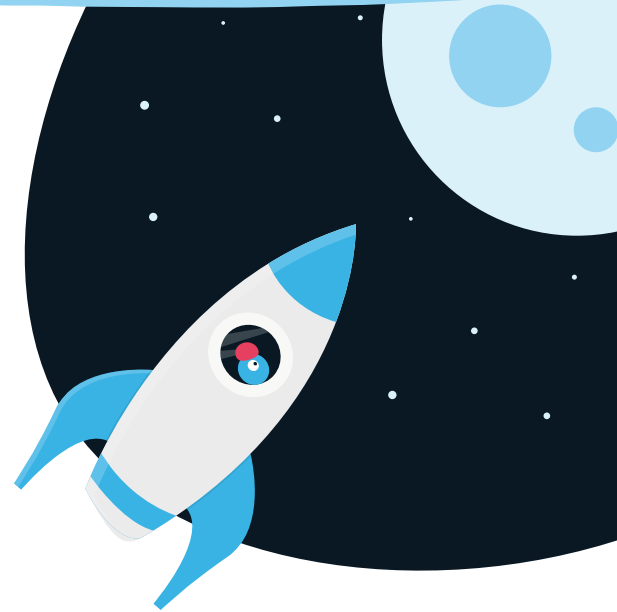
With our loyalty platform, we help design and operate world-class, tailor-made subscription and reward programs that make sure your customers always come back.

Your customers will be over the moon:

Our goal is to bring your customers into a future of loyalty that is more engaging, convenient, fun and intelligent.

Feel like a rocket scientist:

We give you the building blocks you need to create the ultimate rocket ship that will launch you into the future of loyalty. Our loyalty platform is easy-to-use and designed specifically for the convenience retail industry.



Who we are

"Our people are among the world's foremost experts in engaging and retaining convenience retail customers, and we are passionate about the future of loyalty."

About the Author



Paula Thomas,
Chief Content Officer,
Liquid Barcodes &
Host of "Let's Talk
Loyalty" Podcast

With over twenty-five years blue-chip marketing experience, Paula is now an award-winning podcaster, hosting weekly interviews for her show "Let's Talk Loyalty", the world's first podcast for loyalty marketing professionals.

In addition to working with Liquid Barcodes, her clients have included Telefonica O2 Priority, Three Mobile, Electric Ireland, Allied Irish Bank and The Entertainer Group (UAE), as well as Avios – the global points currency for some of the world's top airlines. She is also a former judge for the "Loyalty Magazine Awards".



We bring you the future of loyalty.

Whether the consumer wants the ultimate convenience with subscriptions or to earn stamps or points, our loyalty platform makes sure they keep coming back to your convenience stores. Our tailor-made products make building loyalty a breeze for you - and fun and easy for your customers.