EVOLVING TO A LOYALTY EXPERIENCE

Customer loyalty is undergoing a major transition. More than ever before, customers are continually evaluating which brands are worthy of their scarce dollars and even scarcer "attention currency."

It's time for a shift

A shift *away from* programs based solely on **transactional loyalty.**

A shift *towards* programs that achieve **relational loyalty.**

That's what the Maritz full-service **Multi-Loyalty Solution** is all about.

The Shift from Loyalty Programs to Loyalty Experiences (LX)

At Maritz we help you build loyal relationships with your customers by delivering:

- An engagement strategy informed by loyalty industry expertise, best practices and deep insight into the science of human motivation

- A foundation of analytics and research that provides actionable insights into profitable customer behavior

- A world-class reward experience that is unique for each customer

- Flexible technology that brings your loyalty engagement strategy to life

What is LX?

To attract, engage and retain best customers, it's no longer enough to simply have the best offer.

Customer loyalty today goes beyond the transaction. It also go beyond your standard customer experience (CX).

The new model of loyalty leverages behavioral and decision sciences to enhance the full experience of your best customers.

This experience is not about simply meeting expectations. It's about earning attention, anticipating needs, creating memories, and fostering the experience of the tribe – all to reinforce an unshakeable relationship between the customer and your brand.

This is what it means to build a Loyalty Experience.

This is LX.

Multi-Loyalty Framework

Relational

True Loyalty
OPTIMIZE THE EXPERIENCE

"My connection to the brand goes beyond the offfer."

Cult Loyalty
OPTIMIZE THE TRIBE

"The brand reflects my personal identity."

Passive — — — Active

Inertia Loyalty
OPTIMIZE THE BARRIER TO EXIT

"I'm only here because it's too much trouble to go elsewhere."

Mercenary Loyalty
OPTIMIZE THE INCENTIVE

"I'm loyal because you pay me to be loyal."

Transactional

Choosing a Multi-Loyalty Strategy

How do you know if you're getting everything you can out of your loyalty program?

You could start with success metrics like:
- Improved customer retention
- Increased customer advocacy
- Increased customer lifetime value
- Incremental profitability

Just as important as deciding what results you want from your program is asking, *"What kind of loyalty am I building?"*

Five or ten years ago you could have counted on a program driven only by Inertia Loyalty or Mercenary Loyalty to retain and grow customers. Today's consumers are different. They are looking for a relationship. They are demanding a more relevant and engaging experience – one that connects with them on a personal level.

What does that look like? It starts with shifting your focus to two more powerful types of loyalty:

True Loyalty – connection to your brand that goes beyond price, discounts and special offers

Cult Loyalty – connection to your brand based on shared values, shared identity and the "tribe"

True and Cult Loyalty are achievable. We can help you get there.

Design That Ensures Success

An effective loyalty strategy starts with a great design based on a deep understanding of what motivates customers to commit to a brand. We will partner with your team to leverage our industry-recognized success in loyalty experience design to ensure your program will drive profitable and sustainable customer behavior.

Our loyalty professional services include:

STRATEGY AND DESIGN
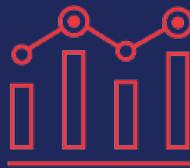
DECISION SCIENCES

CREATIVE SERVICES

A Science-Based Approach to Human Motivation

At Maritz, we are committed to tapping directly into the latest discoveries in the human sciences to create more engaging and effective loyalty programs. We partner with a network of scientists, academics, business leaders and practitioners focused on human motivation, all to bring learnings from neuroscience, psychology and behavioral economics to the design of better programs.

This starts with applying Harvard Business School's Four-Drive Model of motivation. We use this model to build program experiences that activate the core human drives of acquisition, defense, social connection and creative expression.

ACQUIRE
Driven to acquire stuff, status, resources

DEFEND
Driven to defend status, stuff, ideas and realtionships

CHOICE

BOND
Driven to fit in, engage, share, connect to the community

CREATE
Driven to learn, understand, expresss, "create" impact

*Based on the work of Paul Lawrence and Nitin Nohria at Harvard Business School

Technology that Powers Your Program

An effective loyalty program requires a foundation of flexible and proven loyalty-specific technology.

The Technology platform provides that foundation through:

- The **Progress Engine** tracks customer behavior and manages the rules for earning

- The **Member Interface** that enables members to experience program benefits and redeem their points

- The **Engagement Layer** that manages program communications that drive ongoing member participation

The Progress Engine is particularly critical in helping your customers shift into "habit mode" around your brand and their interactions with it. Points are the most proven engagement mechanic for incenting long-term and profitable customer loyalty and have been the basis of almost every successful legacy loyalty program.

Points power habit. Managing the intricacies of points, earning rules and security is at the core of our technology program.

PROGRESS ENGINE

- Program migration
- Insights and reporting
- Progress management
- Business and program rules
- Administrative functionality

MEMBER INTERFACE

- Segmentation and analysis features
- Website framework and functionality
- User profiles and preferences
- Service center staffing and training
- Rewards and fulfillment

ENGAGEMENT LAYER

- Optimal engagement touchpoints
- Targeted, timed and relevant messaging
- Turnkey marketing tools
- Actionable lifecycle analytics
- Messaging and campaign results
- Strategic and creative support

STEP 3:

Rewards That Excite Your Members

Our rewards platform delivers a unique and dynamically displayed reward experience based on an individual's profile, preferences, shopping behaviors, previous reward redemptions and amount of points available. With our people-centric approach and powerful platform, we're revolutionizing the reward experience.

This approach allows you to easily segment your audience and create targeted communications and campaigns that are relevant – driving response, engagement and desired behaviors to even higher levels.

ADAVANCED SITE ANALYTICS
- Real-Time Web Analytics
- Powerful Segmentation and Analysis Features

MERCHANDISING SUPPORT
- Items Added/Promotions Refreshed
- Special Offers/Seasonal Campaigns/Promotional Codes

REDEMPTION CALL CENTER SUPPORT
- Branded Toll-Free Phone Number
- Trained Customer Service Personnel Supporting:
  - General Program Information
  - Redemption/Reward Ordering Support

RETAIL-LIKE SHOPPING EXPERIENCE
- Personalized Content
- Robust Gift Choices
- Advanced Browse/Search
- Item Detail/Dynamic Imaging
- Shopping Cart/Wish List
- Ratings & Reviews
- Enhanced Supplemental Pay *(optional)*

Unmatched Fulfillment & Superior Service

We make member rewards an exceptional experience, every step of the way.

10.5
MILLION ITEMS
SHIPPED PER YEAR

99.5%
REWARD FULFILLMENT ACCURACY

99.9985%
MEMBER CALL CENTER
SATISFACTION RATING

NO QUESTIONS ASKED
RETURN POLICY

5.4 MILLION
ORDERS FILLED

90%
SHIPPED IN 2 DAYS

Continual Communications and Engagement

Loyalty isn't just marketing. It's a relationship – one between your brand and its best and high-potential customers – and that means it's critical to communicate with those members in a meaningful, timely and relevant way.

The good news is that this relationship follows a predictable life cycle. By understanding that, knowing what behaviors should happen when and connecting with them at the right time, you will develop loyal customers.

Our loyalty life-cycle-based Engagement Engine solution gives us the ability to segment and strategically target your program members, based on predetermined member lifecycles, with triggered communications and campaigns including:
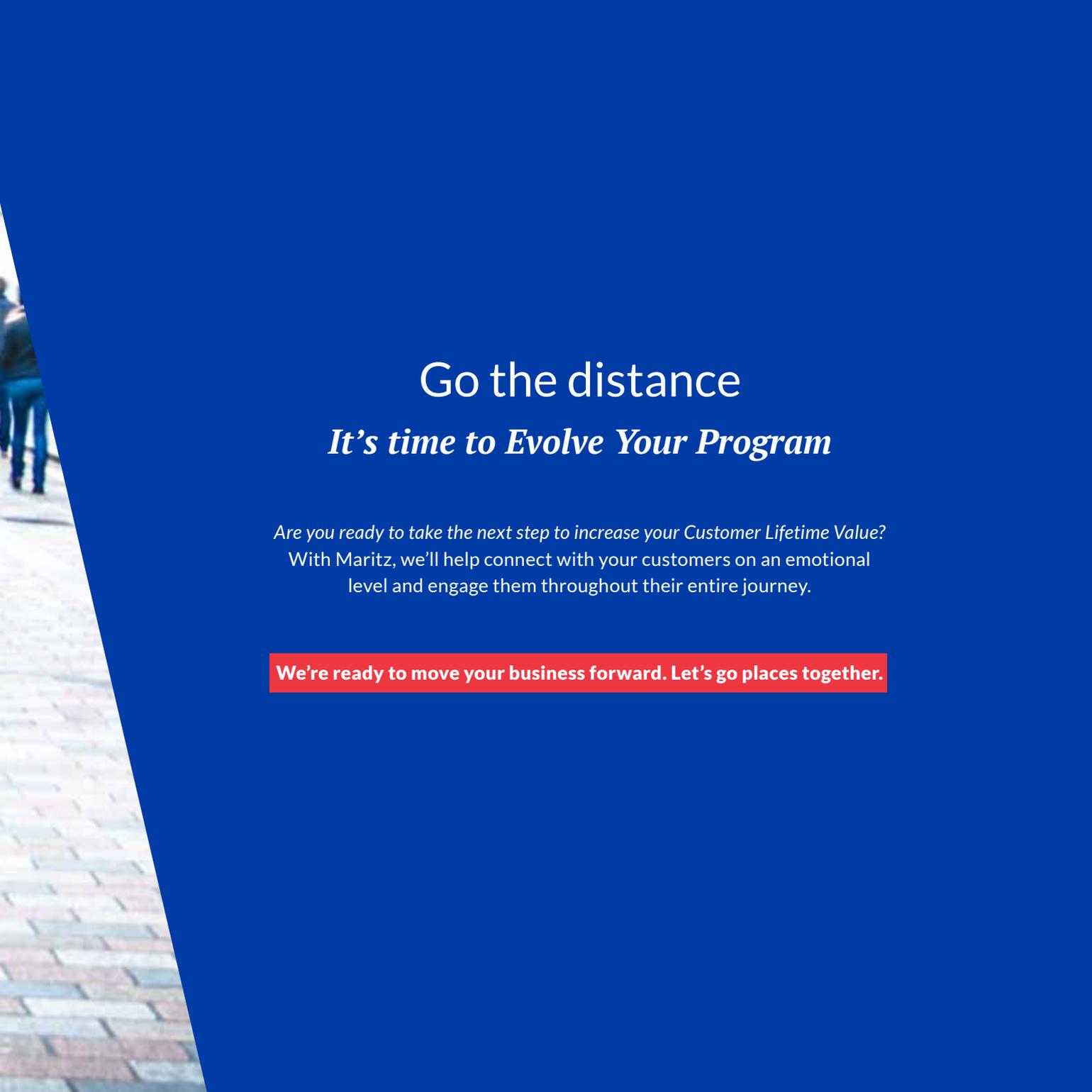
Baseline Communications – messaging delivered to all program members

Triggered Communications – messaging delivered only as the result of a specific member action, or lack of an action

Ad Hoc – periodic message to various segments to support seasonality or specialized campaigns

It's time for a

Fresh Start

in 2018

Hydrate in Style

Master Meal Prep

Go the distance

It's time to Evolve Your Program

Are you ready to take the next step to increase your Customer Lifetime Value? With Maritz, we'll help connect with your customers on an emotional level and engage them throughout their entire journey.

We're ready to move your business forward. Let's go places together.