

OUR PROGRAMS ARE DESIGNED TO DELIVER



CREATING COHESIVE PROGRAM DESIGN THROUGH DEEP DISCOVERY

SITUATION

A Fortune 500 industrial supply company, sold a wide variety of products from its catalog, from motors to lighting, plumbing to painting. The company ran its incentive program for businesses who purchased its supplies to use in their company, but there was a lack of clarity to the impact and the company wanted to partner to create larger impacts.

THE GOAL

Identify the possibilities for a new program to drive B2B business and develop commercial loyalty.

SOLUTION

To understand the existing landscape for loyalty within the company and its business customers, the company consulted with Maritz Motivation experts in the loyalty and channel solutions. During the Discovery Phase, our teams pulled in experts in user experience, analytics and behavioral science to clarify the landscape set by existing programs, understand the mindset of the company's team members and get deeper insight into a key demographic that the company wanted to target.

PERSUASIVE DESIGN LAB

To kick off the engagement, Maritz Motivation recommended a Persuasive Design Lab. A Persuasive Design Lab is an interactive workshop that develops a shared understanding of ways to use behavioral science, neuroscience, and game science to change customer behavior and attitudes through incentive programs.

Over the course of 2 half-day workshops, stakeholders from across the company joined with our experts in experience design techniques such as rapid prototyping and empathy mapping. This gave company leaderships a change to align under a shared understanding of what commercial loyalty programs can and should do for their business.

For this company, this exercise identified that key benefits the target customer would want the program to deliver, as well as the customer's mindset that would need to be considered in the design of the program and communications. The workshop identified the power of behavior strategies like tiers that could convey status as well as different rewards to create a program that is not one-size-fits-all. Simplicity was a critical idea: this program would have to be simple to meet the needs of the target customers.

The company stakeholders also articulated some deeply-seeded internal perspectives – like the emphasis on only reward incremental behavior and the need to focus on delivering value to customer employees while not encouraging them to work against the interest of their employer.

STAKEHOLDER INTERVIEWS

A key part of a successful incentive program requires it to work for the company running it. To ensure that program design would meet the needs of the company's teams, over 20 interviews were conducted with company stakeholders to understand their existing marketing, customer engagement and touchpoint insights for their targeted population – both historically and future projected. These interviews also covered how individuals fit within the existing program transition and what part they would need to play to have a loyalty program seem successful internally. Several separate interviews gathered information on the existing loyalty initiatives and the results of those.

Stakeholder interviews reiterated that previous efforts to engage the targeted customers had seen limited to no success. It covered the existing tactics and strategies used, which would ensure the Maritz solution would not be reinventing an unsuccessful attempt. The interviews also covered how previous efforts had been (over) complicated and that was a contributing factor to their withering success. The program would need to be simple for the program members and the client company to ensure its success. These interviews also identified the need for refined segmentation that ensured the program would be thoughtfully tailored to the customer's value and engagement levels.

ETHNOGRAPHIC INTERVIEWS

No program can be successful without understanding the perspective of the targeted customers, and qualitative research techniques are a powerful tool to validate or refine existing thoughts about the customer and their relationship with the brand. For this discovery, ethnographic interviews were used where a user experience expert immersed themselves with the customer to observe their interactions and conducted one-on-one interviews with the customers. They were conducted on-site at a branch

for the company, and interviews with conducted with several customers as the branch manager.

This ethnographic research identified existing strong connections to the brand, with some customers having a social relationship with 'favorite' sales team members. A different segment of customers picking up will-call items needed quick transactions without the deep connection. Customers interviewed in the ethnographic interviews had goodwill toward the company, but turned to competition to meet their own client demands for same-day service. The lack of on-site parts immediately available frustrated some target customers.

BETTER SEGMENTATION THROUGH MACHINE LEARNING ANALYSIS

Hidden within vast quantities of data can be a rich story still invisible from traditional analytics techniques. The Maritz Decision Sciences team combined a deep understanding of behavior science to a wealth of analytics knowledge to use machine learning to create a behavior-based refined segmentation strategy. An "importance matrix" identified the greatest drivers of customer value, and cluster modeling distinguished new segments out of the existing data along the lines of these key variables – specifically identifying groups whose behavior in the most important variables were similar, and who could be incented to change and drive significant financial impact.

*The design principles highlighted are just some of the behavior-based strategies Maritz Motivation has created through the application of decades of academic research to the incentive industry. Maritz Motivation takes these strategies and designs more effective programs for your business goals and your program members' wants and needs.