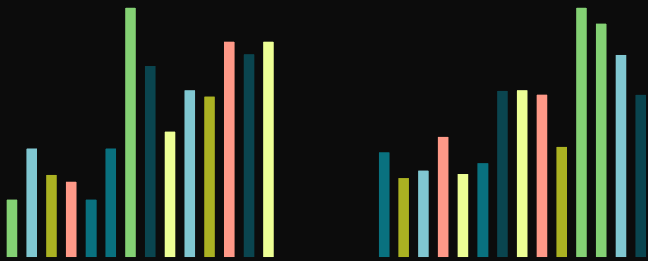
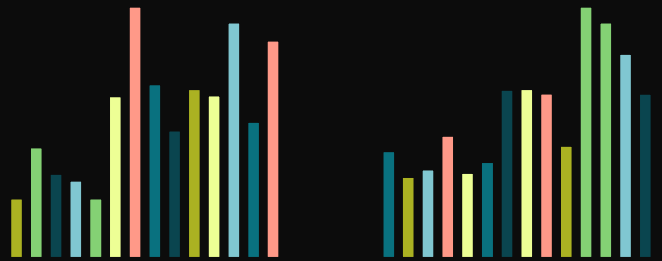
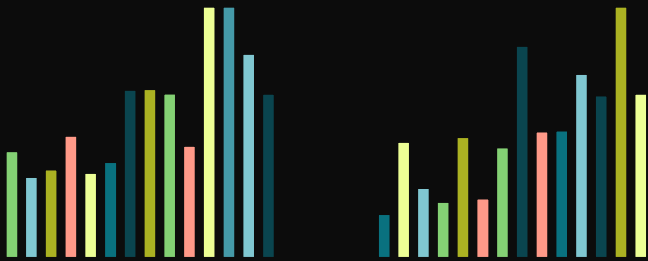
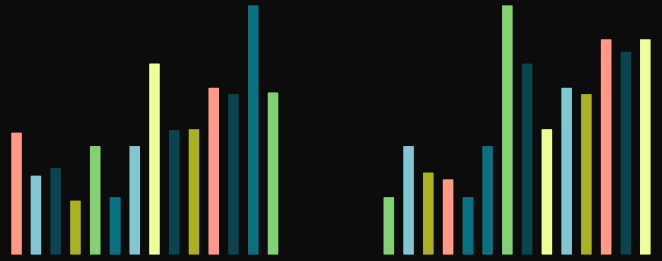
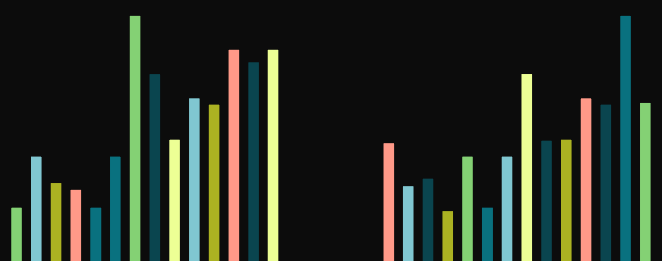
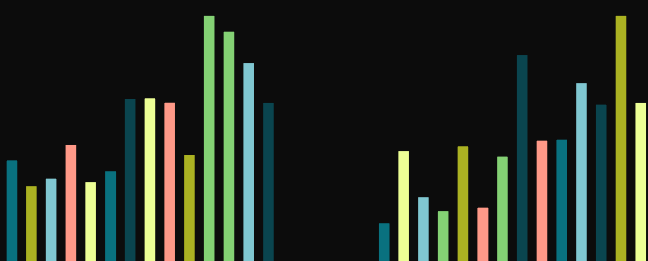
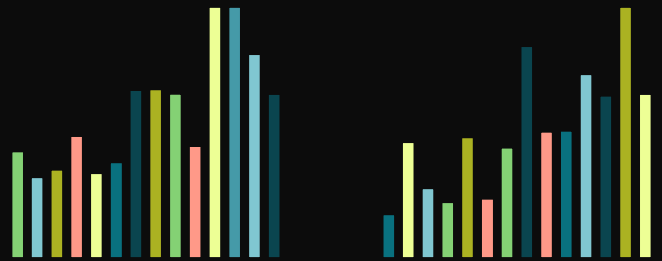
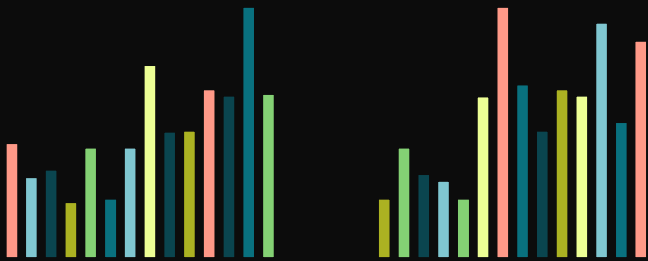


# Loyalty



*Frameworks & Approaches for*  
Leveling Up Your  
Loyalty Program with a  
Customer Data Platform



# Contents

1. CDP and the benefits of loyalty	pg. 4
2. Data-driven framework	pg. 7
3. Ideas to transform your loyalty program	pg. 10
4. Questions to ask	pg. 14
5. CDP capabilities	pg. 16
6. Loyalty in action — case studies	pg. 18

# The economic benefits of loyalty in consumer business can't be ignored:

**+10x**

Customers in leading loyalty programs are worth up to 10x more than unenrolled customers

**7x**

The most successful loyalty programs drive as much as 7x the business impact compared to average ones

**50%**

The top 5% of a brand's customers account for up to 50% of their revenue

**5x**

Keeping an existing customer can be 5x more cost effective than acquiring a new customer

Beyond economics, the best loyalty programs give people a sense of connection and belonging, making it more likely that they will engage with your brand again and again. Loyalty programs create a positive feedback loop of growth and retention for the business.

But not all loyalty programs are created equal.

It's not enough to build a program with great benefits and incentives. Creating a truly thriving loyalty program requires a focus on both expanding membership and nurturing members toward greater participation.

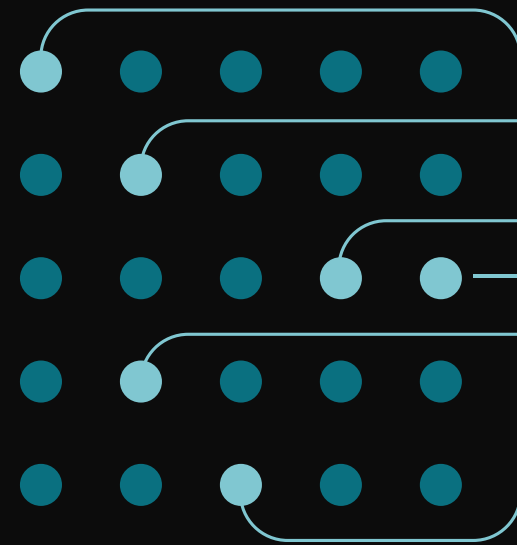
This is where a Customer Data Platform (CDP) can make all the difference.

Whether a program runs on points, perks, rewards, subscriptions, or referrals, it needs to provide members with both value and a seamless experience. And the best way to do that is to use what you know about customers — your first-party customer data — to identify likely new members and tailor the experience to them.

In this guide we'll cover the approach to using a CDP to power up your loyalty program and outline the fundamental capabilities needed to make this possible.

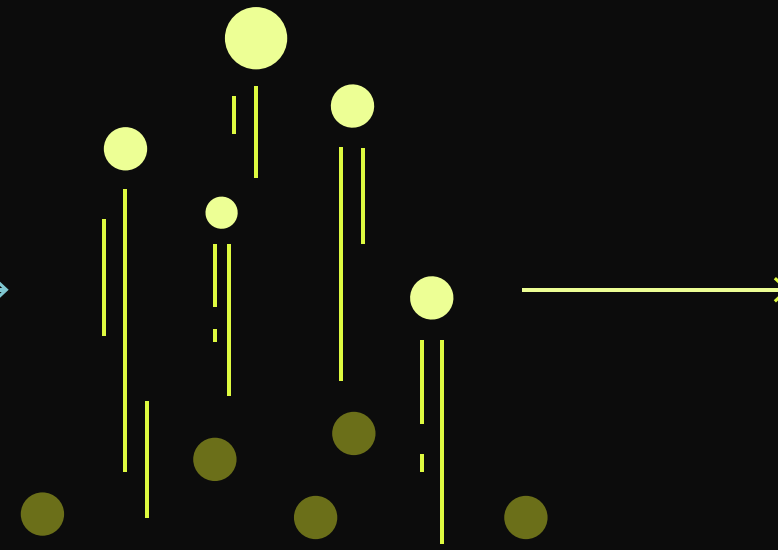
# Customer data-driven framework to transform loyalty performance

There are three key dimensions of loyalty programs that effective use of customer data can improve: Enrollment, Activation, and Growth & Retention.



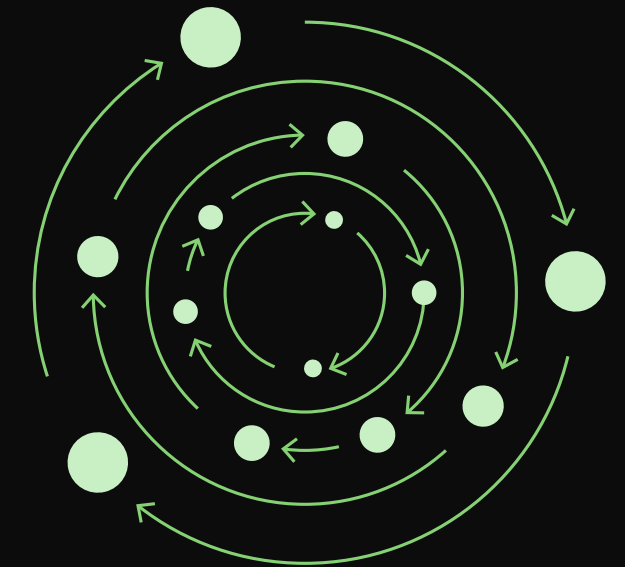
## Enrollment

Identifying and converting non-loyalty members into your loyalty program



## Activation

Re-engaging lapsed loyalty members and activating new ones



## Growth & Retention

Driving ongoing adoption and retention of the loyalty program and benefits

## The opportunity

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A CDP can help with identifying potential new members, bringing them in, and personalizing the engagements with the loyalty program, from initial adoption to ongoing interactions. It's easy to make the mistake of focusing solely on optimizing the perks and rewards of the loyalty program as a way to attract new members. With proper analysis of customer data, you can augment your membership expansion efforts significantly by identifying potential new members and marketing to them with personalized messaging and experience. Once you have customers enrolled and activated in the program, you have a golden chance to nurture them over time with hyper-personalized loyalty journeys and turn them from new members into loyalty champions.

## The challenge

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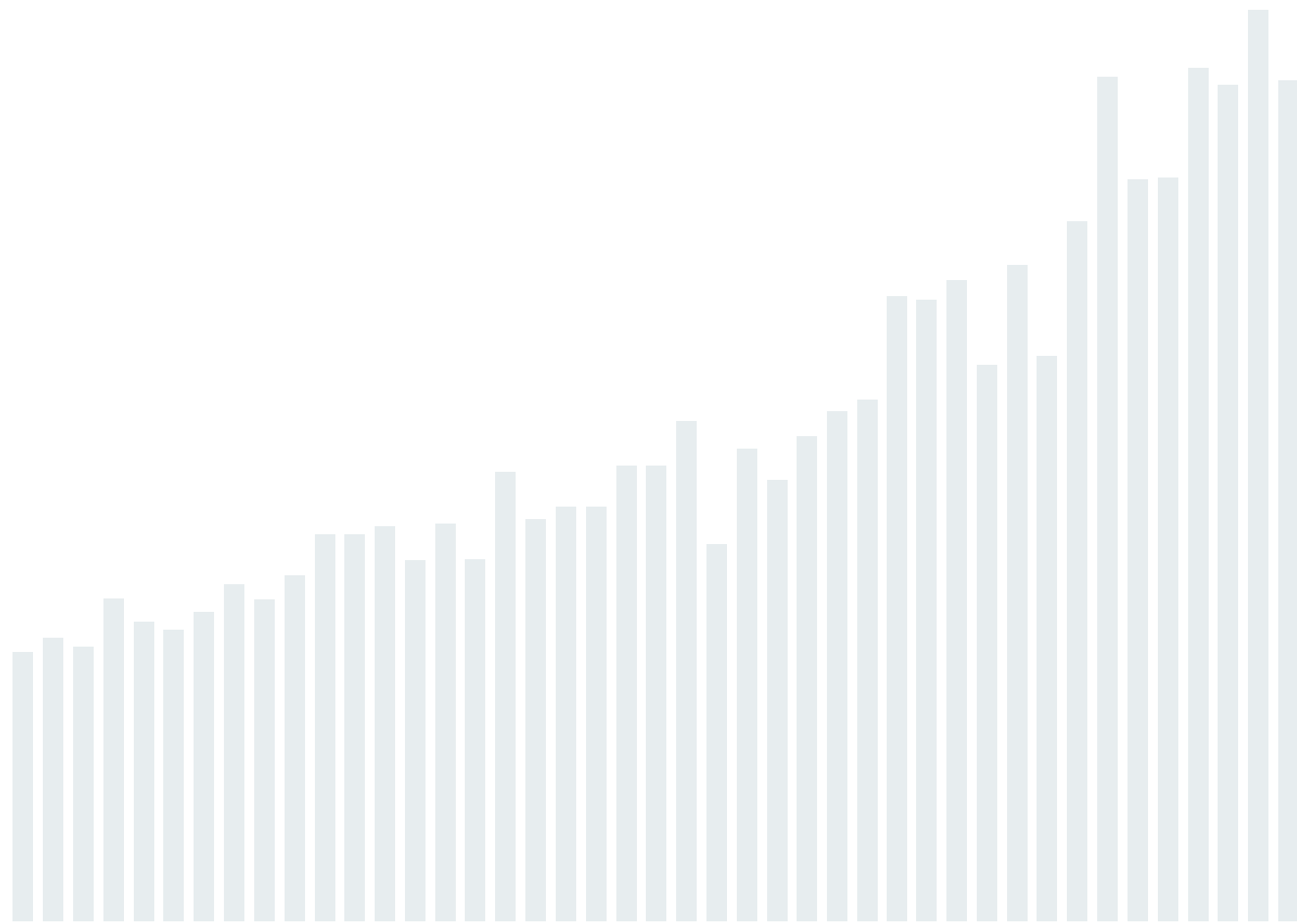
To use customer data to personalize enrollment pitches and experiences for members, brands need to be able to organize vast datasets, generate insights, and take action on them. As the loyalty program gains new members and engagement data keeps rolling in, there's even more to wrangle.



Brands often fall down or miss out because of the technological hurdles to organizing and activating the new customer information.



# Ideas to **enroll** new members, **activate** existing members, and **grow** the loyalty program using customer data



## What are the basic steps to using a CDP to expand loyalty membership?

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- Identify customers not currently in your loyalty program, then run analysis to segment them into target audiences with a tailored approach for each.
- Build a source-of-truth profile of your best loyalty customers and identify non-loyalty customers who share common characteristics, e.g. high spend propensity, mobile app users, order frequency, etc., in order to build lookalike audiences.
- Engage prospective loyalty members at the right points of their journey with the perfect value proposition — for example, if your customer cares about timeliness, emphasize your brand’s focus on quick deliveries; if they respond to exclusive offers, base your outreach on limited access promotions or experiences.
- Boost the quality of your loyalty program by offering exclusive benefits, discounts, and products based on identified customer preferences.

## What do leading loyalty programs do that differentiates them from their competitors?

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- Orchestrate personalized journeys to activate and measure impact across the customer lifecycle.  
  
Identify the moments that matter (the interactions that solidify a customer's feelings about your brand), for example, placing a gift order or having an excellent experience with a customer service rep; then use that knowledge to send a personalized nudge to join the loyalty program.
- Market across channels — bringing the best of the loyalty program to your customers' preferred channels will drive the best results.

## How can brands keep evolving?

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- Test and Learn: Loyalty customers make great cohorts for testing and experimentation. Work within your loyalty customer base to drive growth for new products and services, and remember to always include a hold-out group to measure incremental revenue.
- Evolve your loyalty program from points to an experience: The best loyalty programs offer captivating experiences that redefine the way customers interact with a brand. Think exclusive product drops, premium services and support, and next-level incentives that go beyond points and cash back. This evolution doesn't happen overnight, but when you break out loyalty programs from an initiative to a growth strategy, you'll find that it's a no-brainer for your customers to use your loyalty program to get what they want from your brand.
- Find other brands to partner with for privacy-compliant second-party data collaboration, to identify shared customers you might offer loyalty membership to expand your program pool.

# Questions to ask

## Enroll

- ↳ Do you **know who** your loyalty and non-loyalty members are?
- ↳ What is the **incremental value** of each new loyalty member?

## Activate

- ↳ Are you **reaching out** to loyalty members who have stopped transacting?
- ↳ How are you using first-party, second, and third-party data to improve the performance of your loyalty program throughout the **customer lifecycle**?

## Grow

- ↳ Which **messages** or promotions are most effective for different customers?
- ↳ Which benefits are most appealing? How do they differ **across segments**?



# CDP capabilities to enable using customer data for loyalty

To personalize offers and find new candidates for your loyalty program, you need to have mastery over your customer data. The more in-depth and accurate the profile of the customer, the more effectively you can personalize their journey, helping to add new members to the program and retain existing members.



Collect data and create accurate profiles	Accurate identity resolution allows you to assemble complete prospect and customer profiles and identify your non-members for acquisition targeting and engagement
Discover surface insights and leverage predictive analytics to inform loyalty strategy	A comprehensive Customer 360 built on reliable customer identity generates key insights and predictions that drive enrollment and adoption
Activate and deliver compelling and personalized omnichannel loyalty journeys	Omnichannel activation meets customers where they are with relevant touchpoints, campaigns, and journeys that increase adoption of loyalty offers and rewards

# Loyalty in action

Stories from Amperity users

# WYNDHAM

HOTELS & RESORTS

CASE STUDY

Amperity &

## Challenge

Wyndham Hotels and Resorts is the world's largest hotel franchising company. Made up of 9,000 hotels globally and 20 brands, their large size made it difficult to compile, visualize, and analyze data from multiple siloed systems. While they had a lot of information about the guests in their loyalty program, they struggled to understand those who weren't enrolled, making it hard to grow the size of the program.

## Solution

Amperity's patented, AI-driven Customer 360 gave them a complete view of all of their guests, helping Wyndham unlock insights that allowed them to become timelier and more effective when engaging with their customers.

## Results

Within weeks, Wyndham Hotels and Resorts had set up marketing destinations, created segments, and pushed them out to activation channels. They saw significant increases in audience size, which gave them more powerful lookalike and suppression audiences and led to growing their loyalty program membership.

"We saw results literally overnight with double-digit increases in ROAS, click-through rate, and [loyalty] conversion rate. Amperity's platform does what it says it does, which in itself is impressive. There is a lot of over-promising and under-delivering in the tech space, and in our experience, Amperity does everything it says it does. It's fast, it's flexible, and it's very powerful."

### Danielle Harvey

VP of Digital and Customer Intelligence  
at Wyndham Hotels and Resorts



## Challenge

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DICK's Sporting Goods wanted to create customer segments and personalize messaging to expand loyalty membership, but had to do the work manually with murky data.

## Solution

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Amperity's proprietary machine learning algorithms, designed and trained to accurately match customer records, helped them find the hidden connections in their data and build accurate customer profiles.

## Results

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Dick's Sporting Goods was able to identify and separate family members from household accounts, leading to a larger customer audience without any additional acquisition budget, and the discovery of 100k more gold-tier loyalty members.

"Before Amperity, our legacy merge process was rule-based and led to us merging family members. Now, we have the ability to separate [them], and we uncovered 100k more gold-tier loyalty members. What we've been able to see in the data is how much more intelligent and advanced the Amperity stitch process is versus the traditional merging process. This allows us to see when someone fits with a new customer audience."

**Shannon Maple**

Personalization Lead at DICK's Sporting Goods



CASE STUDY

Amperity &

## Challenge

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The pandemic heavily affected travel, and Alaska Airlines faced declining customer engagement. People were not earning or redeeming miles, and business travelers — usually the primary customer when it comes to loyalty — were stuck at home.

## Solution

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With Amperity, Alaska Airlines was able to use centralized customer data, accurate customer profiles, and predictive customer insights to meet travelers where they were. They focused messaging and benefits to be more in line with the wants and needs of leisure travelers, who were willing to spend more on travel to make up for the last year.

## Results

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Loyalty program messaging to guests with upcoming trips became much more effective, with a 61.1% increase in open rates, 22.5% increase in click through rates, and 198% increase in conversion rate for sign ups.

"This past year has taught us that loyalty can't function in a silo. Along with our partnership with Amperity, the airline's loyalty, marketing, storytelling, and revenue management sides of the business have really come together to holistically look at the customer data and insights at different stages of the funnel to stimulate demand and drive engagement."

**Elliott Pesut**

Director of Marketing at Alaska Airlines

# Amperity &

Amperity is the only CDP that takes a comprehensive approach to helping you use data to serve your customers.

Our suite of enterprise-grade products addresses the full spectrum of customer data challenges, from identity resolution to assembling and accessing the elusive customer 360 to uncovering and activating the customer intelligence that matters. Amperity puts you on a fast-track to customer-centricity, builds trust, and enables true customer-centric alignment and collaboration. Give us 30 days to show how customer data can change your business.

Our platform enables organizations to take control of their customer data, systematically improve customer relationships, and foster brand loyalty. We provide the power, flexibility, trust, and expertise to overcome the most daunting roadblocks on the path to customer-centricity at scale.

Amperity works with 100+ leading global brands across industries:

patagonia

Kroger  
FRESH FOR EVERYONE™

Michaels  
Made by you™

EVERY SEASON STARTS AT  
**DICK'S**  
SPORTING GOODS

WYNDHAM  
HOTELS & RESORTS

Alaska

LUCKY \* BRAND

**CROCS**™

SERVCO

KUIU

BROOKS

BEICU

  
KENDRA SCOTT

DECKERS  
— BRANDS —

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To see if our platform might be the right choice for your brand,  
contact us at [hello@amperity.com](mailto:hello@amperity.com).