

LoyaltyAdvisor

More value, better decisions,
faster results

Unlock the full potential of your loyalty data

Loyalty programs generate a tremendous amount of data with a potential treasure trove of insights that can fuel competitive advantage. Many loyalty programs already use predictive analytics to unlock value, but these are typically focused on marketing cases that explore short-term, discrete behaviors. These behaviors might include near-term lapse probabilities or conversion rates, or analytics to better understand customer wants and needs for more customized communications and offers. While these models are useful, ultimately, a longer prediction horizon for valuing the financial impact of customer's behavior change will offer you more potential options to drive value.

The Key: LoyaltyAdvisor™

WTW's LoyaltyAdvisor solution provides a combination of consultants who bring niche expertise and apply actuarial science to customer behavior data using robust predictive analytics and proprietary software. As a result, we assess your financial value of individual members on both sides of the balance sheet. Our unique service/software blend provides a common financial model for accounting, finance and marketing stakeholders to evaluate options, align business goals and make faster decisions.




Manage value drivers and financial risk to gain competitive advantage

As a value driver, loyalty programs are designed to help increase customer retention and engagement. Consumers love to collect and use their points as currency. Selling loyalty points to partners can also be a lucrative business. In fact, some of the world's largest loyalty programs realize more than a billion dollars of annual revenue from point sales.

However, loyalty programs can also pose a sizable financial risk for companies with the potential liability risk from unredeemed points ranging upward from hundreds of millions to several billion dollars. At this scale, loyalty liability becomes a very material item on a company's balance sheet. Reliable, timely information to monitor and manage both loyalty program risk and value drivers is essential.

We empower our clients to make business decisions based on a deeper understanding of their data and loyalty rewards program risks

Fast, forward-looking answers and insights for loyalty executives

Uncover more ways to drive value. 	With advanced models that predict uncertain future member behavior, we can help you uncover more opportunities to maximize customer lifetime value and drive revenue by targeting the right customers with the most potential for increasing loyalty program ROI.
Make better decisions. 	Our LoyaltyAdvisor solution can allow you to explore what-if scenarios with ease to assess the impact of potential program changes, new strategies and potential risks. It addresses the needs across your business: marketing can be more strategic; accounting can have more confidence in liability estimates and CFOs can know that business decisions about the loyalty program make financial sense.
Get faster, more actionable results. 	Once your models are calibrated, we can deliver results within a week of receiving your customized data. Your monthly, quarterly and annual accounting processes will run faster, so you'll have more time and energy for optimizing program strategy with information that's timely and actionable.

Making your data work for you on both sides of the balance sheet

Our experts manage your program data and apply predictive analytics to help you gain answers and insights

Loyalty Program Data Rich, transaction-level data <ul style="list-style-type: none">Member enrollment and profile dataPurchasesPoint earningPoint redemptionsPoint expirations	LoyaltyAdvisor services provide you with:		
	1. Data Management	2. Predictive Analytics	3. Answers and Insights
	Reliable, scalable, secure technology <ul style="list-style-type: none">Data collectionStoreScrub	For both sides of the balance sheet <ul style="list-style-type: none">Customer lifetime valueMember liability riskKey performance indicator dashboards, continuously updated	Fast, forward-looking, always up to date <ul style="list-style-type: none">Common financial framework for accounting, finance and marketingTest program changes and new strategiesManage liability risk more preciselyUncover opportunities to drive value

Why WTW

Proven experience

Clients tell us that our distinctive combination of expertise in three areas sets us apart:

- Our ability to forecast uncertain future events and explore what-if scenarios using **actuarial science**
- Our proficiency extracting actionable knowledge from vast data sets using advanced **data science** and effectively communicating the results of our technical analysis in easy-to-understand, actionable insights
- Over **twenty-five years of experience** working with the world's largest loyalty programs

Contact a WTW consultant for more information:

Manolis Bardis + 1 617 638 3807
Manolis.Bardis@wtwco.com