

POWERED BY LOYALTY³⁶⁰

LOYALTY MANAGEMENT™

The true customer loyalty periodical

VOLUME 18 NUMBER 5 | OCTOBER ISSUE 2021

Hallmark

Longevity in Retail Rewards

Hallmark and Others Work to 'Future-Proof' their Programs

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TO THE PLAYERS IT'S JUST A GAME... BUT TO YOU IT'S A PLATFORM TO BUILD GREAT CUSTOMER EXPERIENCES

Find out how Evolving Systems can help you increase loyalty and build profitable digital relationships.



Only 30% of consumers say their loyalty program makes them feel connected to the brand.

What would your members say?



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Help Protect Your Customers from Fraudsters by Sharing the ABC's of Cyber Scams



Phishing? Ransomware? Social engineering? Today's digital dangers affect almost every individual across the globe; and yet, for most, putting a name to these threats can often prove challenging. It's no secret that knowledge is power, and the best way to protect yourself and your customers starts with education.

Don't know where to begin? Visit our website to brush up on your cyber knowledge – and get access to free scam assistance services and an identity risk assessment so you're better equipped to educate your customers on the risks of scams and identity fraud.

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Share the ABC's of cyber threats and scams with your customers today by visiting IrisIdentityProtection.com/ABCCyberScams

LOYALTY360

The Association focused on Customer Loyalty is Here for You

Loyalty360 is the association for customer loyalty. We bring together the best loyalty-focused professionals from technology and service suppliers and brands under one roof. Through Loyalty360, these professionals find invaluable resources, networking opportunities and guidance provided by internal thought leaders and brands/suppliers on the cutting edge of customer loyalty.

Our members are provided with the network and resources they need to continue their path to true customer centricity. Our membership options are focused on brand/marketers and suppliers - and are tailored to meet the specific needs of each.

As an association, our goal is arm our members with the insights, network and resources to advance their careers, build stronger brands and deepen relationships with their customers. We are here for our members and their brands as we work to transform the entire customer loyalty industry.

OUR MISSION

Our mission at Loyalty360, the association for customer loyalty, is to bring together professionals focused on all facets of the customer journey from initial engagement, through to brand loyalty. The association enhances the respective program efforts of our members and facilitates a deeper understanding of the customer via actionable best practices from peers who share a unique passion for and intellectual appetite around customer, channel, and brand loyalty.

OUR VISION

Through the Loyalty360 member-only initiatives, programs, and community driven insights, professionals in the customer loyalty community will find invaluable resources and networking opportunities aimed to help them and their peers across a variety of industries by a community of thought leaders, brands, and supplier partners that will assist them in addressing pertinent challenges, and making their programs and processes more effective and deepening their expertise.

OUR BRAND COMMUNITY

Loyalty360 brand only meetings allow members to actively engage in a trusted, peer-focused community. Brands can voice, in confidence, challenges and opportunities on their respective customer loyalty efforts, and via the community, derive insight needed to make their programs more effective, deepen their industry knowledge, and their jobs more rewarding.



OUR COMMITTEES

These committees meet regularly to exchange ideas and address current and future trends affecting customer loyalty. Together, members navigate the uncertainty now inherent with growing complexity in technology, strategy, and regulations. The community and industry thus work in unison to elevate their brand performance and their program performance. Committees work to:

- Determine relevant and needed research topics, data points, benchmarks, and standards for the industry.
- Provide a member-driven forum for feedback on current or potential solution providers, understand industry trends, and provide insight for those running programs to elevate their offerings.
- Suggest opportunities for community improvement, and discuss potential partnerships and growth opportunities within the community.
- Play an integral role in planning topics, recommending and vetting speakers, and suggesting enhancements for Loyalty360 conferences and virtual events.

PARTNERING WITH OUR VENDOR MEMBERS

Our vendor members receive valuable access to our analysts who have a wealth of experience with evaluating and guiding providers. We partner with vendor members, providing extensive opportunities to build their presence through publication of thought leadership content to our member-only content sections on Loyalty360.org, in our daily email newsletter, and via advertising and promotions on social media. Partners are also featured in our digital magazine, through podcasts and in video interviews addressing the biggest challenges marketers face today.

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Charlotte 2021

OCTOBER 25-27, 2021

SHERATON CHARLOTTE HOTEL

CHARLOTTE, NORTH CAROLINA

Presented by Loyalty360, Loyalty Expo will provide the knowledge and best practices necessary to guide your team and brand on your customer loyalty journey. Join the top event where attendees learn from the best-in-class brand leaders, technologists, and service providers you need in a rapidly evolving customer loyalty landscape.

Brands Attending Include:



sleep



number.

HAGERTY

Hertz

verizon✓

Tim Hortons



BANK OF AMERICA



Michael's
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BW | Best Western.
Hotels & Resorts

WYNDHAM
REWARDS

Getting Ready for the Loyalty Expo and Loyalty360 Awards

We are getting ever so close to the Loyalty Expo powered by Loyalty360, which takes place Oct. 25-27 in Charlotte. Last year's conference and Loyalty360 Awards were virtual, but we know there is plenty of pent-up energy and focus for the 2021 event that is geared to mid-to senior-level customer loyalty and experience professionals across all industries.

It's an event many in the industry wait for all year.

"I enjoy attending the Loyalty Expo because of the diverse opportunity to learn and engage with other brands from the sessions and discuss new challenges through great peer conversations," says Neil Norman, Director of Loyalty and CPG Marketing Partnerships at Food Lion. "Nowhere else will you find such a passion and energy specific to loyalty that spans from brands with tried and true programs to breakthrough innovative programs where insights are still evolving from."

"The Loyalty Expo is a fantastic forum, during which we connect with fellow market leaders on the latest loyalty trends and technologies," says Eliot Hamlich, EVP of Loyalty and Revenue Optimization for Wyndham Hotels & Resorts. "Every year, we garner new insights that serve as vital components to sustaining Wyndham Rewards, our award-winning program."

Loyalty Expo is also a great place for suppliers in the industry to get to know "who's who" in the loyalty and rewards industry.

"We enjoy Loyalty Expo so much that we've been an exhibitor for over five years running," says Kim Welther, Vice President, Marketing Strategy at Baesman. "As former brand-side marketers, we value the opportunity to meet with brands and talk about loyalty programs that are designed by marketers for marketers. We enjoy the upbeat atmosphere, the presentations, and the time we get to network with innovative brands."

We promise the Loyalty Expo will provide the knowledge and best practices necessary to guide your team and brand on your customer loyalty journey. In fact, there are four main components to the Loyalty Expo that will make it a must-see event:

Informational Sessions: the Loyalty Expo will feature sessions and workshops that capture critical elements of the customer loyalty journey. The presentations will focus on case studies, best practices, and actionable advice for brand marketers to build, drive, and sustain a holistic customer loyalty strategy. Topics that should be covered include:

- Customer Loyalty and Customer Experience
- Customer Engagement
- Customer Loyalty Programs and Strategies



Mark Johnson

CEO & CMO

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LOYALTY360
The association for customer loyalty

- Incentive and Reward Design
- Personalization
- Data and Analytics
- Customer Loyalty Platforms, Technologies, and Services
- CRM
- Mobile Engagement, Communications, and Payments
- Voice of the Customer
- Customer Advocacy
- Employee Engagement
- B2B Customer Loyalty
- Corporate Social Responsibility

View the conference agenda [here](#)

Loyalty360 Awards: The Loyalty360 Awards are the most coveted awards in customer loyalty. With an emphasis on objectivity, the Loyalty360 Awards recognize brands building lasting and profitable relationships with customers. During Loyalty Expo, brand finalists will deliver presentations, with attendees voting for winners in each category.

- View the full list of 2021 Loyalty360 Awards finalists [here](#)

Networking: Loyalty Expo brings together hundreds of marketers from all over the world. Our Loyalty Expo app, receptions, brand-only meetings, and off-site events throughout the conference allow attendees to connect with peers before and during the conference.

Technology and Service Providers: Attendees will have access to Loyalty Expo's exhibit hall and technology and service showcase sessions, featuring the latest technologies, platforms, and services from supplier partners that can support and complement your brand's loyalty efforts.

- View conference sponsors and exhibitors [here](#)
- Visit <https://loyaltyexpo.loyalty360.org/> to get more information today, and we hope to see you there!



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Wyndham Rewards. Earn and redeem *your points*
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you can get a **FREE NIGHT**
at thousands of properties¹.

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Get a **DISCOUNTED NIGHT** starting
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cash at participating properties¹.

go get 'em[®]

For every **QUALIFIED STAY**, earn
10 points per dollar or **1,000 points**,
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Now, members can earn and redeem *points* for tours
and activities, shopping, food delivery, gas and more.

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Signature
8

Howard Johnson

Travelodge

¹ GO FREE & GO FAST: Point redemption levels & cash payment amounts vary by property & in the case of points, can be as high as 30,000 points per bedroom. Member must have enough points for all bedrooms in desired accommodation to book. Resort & other fees may apply (even for Go Free nights); points can't be used to pay them. Most properties: Award applies to standard room rate only (Go Free: including taxes, Go Fast: excluding taxes). Awards subject to availability, blackout dates/dates & other restrictions; see WyndhamRewards.com/terms for more information. ² GO GET 'EM: At most properties, points are earned for dollars spent on the room rate only. Qualified stays must be booked through the websites or call centers of Wyndham Hotels & Resorts, or the Wyndham Hotels & Resorts App. See WyndhamRewards.com/terms for more information on qualified stays. © 2021 Wyndham Rewards, Inc. All Rights Reserved.

Del Taco Launches 'Del Yeah!' Rewards App

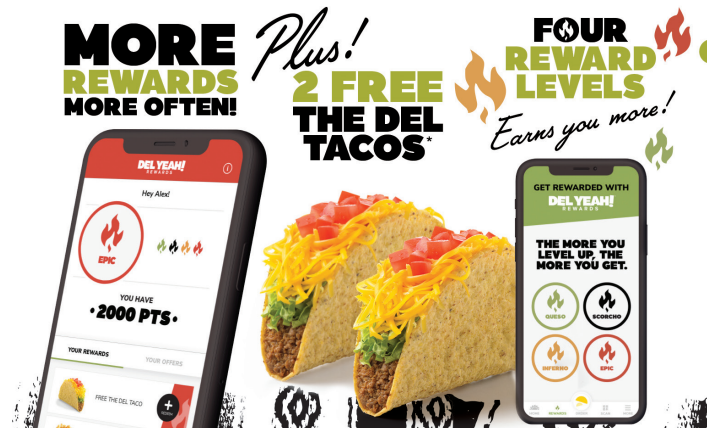
Mexican QSR+ Uses Advanced Consumer Focused Technology

Del Taco Restaurants, the nation's second largest Mexican quick service restaurant, has introduced its new loyalty app, Del Yeah! Rewards, in partnership with Cheetah Digital.

The new app will offer an engaging reward platform where guests can earn more free food, experiences and more and level up in the app's new tiered system. The new Del Yeah! Rewards loyalty program features four tiers that unlock exciting offers, rewards and experiences, which increase along with usage of the app.

Upon joining Del Yeah! Rewards, fans will immediately receive an offer for two FREE Del Tacos and the ability to start earning points that can be used towards rewards. The more points that each guest earns, the faster they are able to unlock higher earning tiers. Depending on the rewards tier they are in, Del Yeah! Rewards members earn 8-12 points per dollar spent. Tiers consist of Queso, Scorcho, Inferno, and Epic, which are each designed with special rewards, challenges, badges, surprise & delights, exclusive events or experiences, and more.

Members of ALL tiers get free coffee with any purchase every day before 11 a.m., as well as a birthday reward. Additionally, Scorcho, Inferno, and Epic members can earn access to quarterly free food bonuses such as 3 Layer Queso Nachos, Chips & Guac or Chips & Queso, and Epic Burritos. These perks are enhanced as members



rise through the ranks. Guests can redeem Del Yeah! Rewards points for items ranging from small fries to an Epic Combo Meal, among a wide array of Del's signature Mexican favorites.

"Ensuring our customers leave our restaurants feeling satisfied and appreciated has always been a critical part of who we are as a brand, so it was essential for us to capture this in the design of the new Del Yeah! Rewards app," said Erin Levzow, Del Taco's Vice President of Marketing Technology.

Clarus Commerce Acquires Engagement Leader PrizeLogic

Clarus Commerce, a leading innovator and pioneer in building, managing and optimizing customizable premium loyalty programs for brands and retailers, announced its acquisition of PrizeLogic, a leader in digital engagement. The acquisition brings together significant core competencies and proprietary technology to complement both companies' current offerings.

Together, they will leverage comprehensive loyalty, rebate and promotion solutions to create a leading suite of technology and expertise. This will help brands drive engagement and influence behavior across the entire customer journey in any consumer spending category.

Clarus Commerce's recent data study revealed 68% of consumers believe their loyalty is more difficult to maintain than ever before, suggesting there's never been a more critical time for brands to deliver a unique, consistent experience across every touchpoint throughout the buying process. With PrizeLogic's diverse set of loyalty and promotion capabilities paired with Clarus Commerce's full suite of services and industry expertise, both companies will



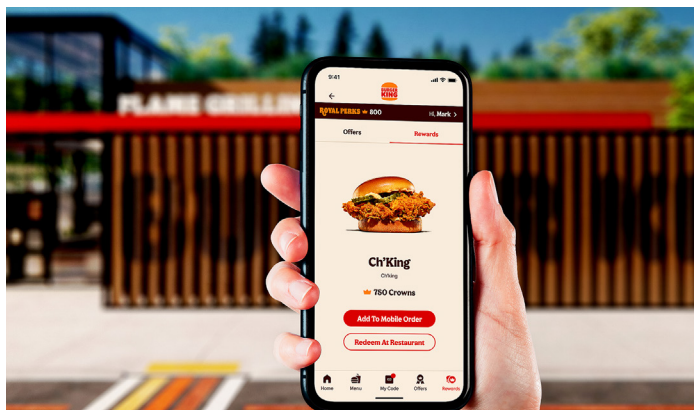
Tom Caporaso



provide the comprehensive end-to-end loyalty solution for clients to effectively meet customer needs and increase brand engagement.

"The acquisition of PrizeLogic represents an incredible opportunity to invest in proprietary technology that will allow us to offer a wider array of services, further deepen our domain expertise and continue to enhance the value proposition of our offering for our clients," said Tom Caporaso, CEO of Clarus Commerce.

"We are thrilled to announce our acquisition by Clarus, which brings together two highly experienced and respected loyalty and consumer engagement organizations," said Ryan LaMirand, CEO of PrizeLogic. "Our complementary technology, capabilities and customer-centric culture will create significant opportunities that should position us to continue to drive innovative solutions that further support the evolving demands of our clients."



Burger King Expands Royal Perks Loyalty Program

Burger King is scaling up its Royal Perks program to make it more accessible for guests nationwide to earn and redeem crowns on purchases made through the BK app, BK website and at participating restaurants.

Since they first introduced Royal Perks, more than 80% of members are likely to recommend the loyalty program.

"We've gone from testing Royal Perks digitally in three markets in Feb. to nationwide digital access, and are on track to have more than two thirds of our restaurants activated with loyalty capabilities in Sept.," said Ellie Doty, chief marketing officer of Burger King, North America. "We're excited for members to unlock a more personalized BK experience and access to rewards they can't get anywhere else, starting with a new Royal Perks deal later this month."



Ellie Doty

The journey has evolved from personalized offers and app features around mobile orders to payment and timed order release with our first-party delivery platform, as well as strategic partnerships to make it easier than ever to get your BK favorites.

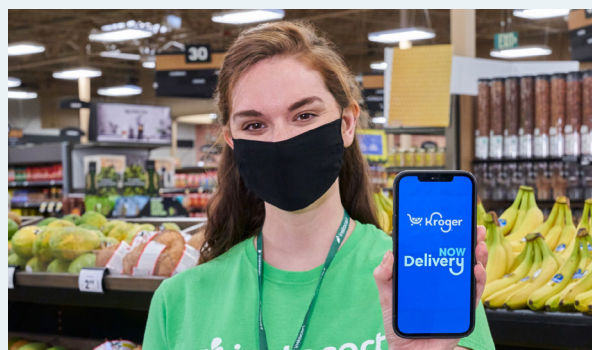
FedEx, Salesforce Partner on Fast and Easy Shipping

FedEx and Salesforce announced a new, multi-year partnership that integrates Salesforce Commerce Cloud and Salesforce Order Management with innovative capabilities from FedEx and ShopRunner, its e-commerce platform and subsidiary.



"We are in a world of commerce anytime and anywhere," said Lidiane Jones, EVP & GM, Salesforce Commerce Cloud. "Commerce Cloud and Order Management let companies sell wherever their customers shop and fulfill on any channel."

Kroger, Instacart Launch "Kroger Delivery Now"



The Kroger Co. and Instacart launched Kroger Delivery Now – a new service powered by a virtual convenience store that is fulfilled by the Kroger Family of Stores and provides customers the fresh groceries and household essentials, value, and experience they expect and love from Kroger in as fast as 30 minutes.

Kroger Delivery Now redefines convenience by being the only delivery service in America that doesn't require customers to make a trade-off on selection, quality, price, or speed. Kroger Delivery Now's comprehensive offering of 25,000 items combines customer favorites with quick and easy doorstep delivery – whether they're shopping for a meal, snack, last-minute ingredient, over-the-counter medication or diapers. Kroger Delivery Now is available to customers when it matters, unlocking access to unmatched selection and value from early in the morning to late at night.

"Kroger Delivery Now is a differentiated solution in the e-commerce industry, not just the grocery sector," said Rodney McMullen, Kroger's chairman and CEO. "Our new service provides customers with one more way to shop with us and addresses the importance of convenience and immediacy. Operationally, this service reaches up to 50 million households and it's an expansion of our thriving e-commerce model that demonstrates strategic interplay among our assets, expansive store network, supply chain, and dedicated fulfillment centers and fleet, joined by Instacart's unrivaled fulfillment model and last-mile technology to provide our customers with anything, anytime, anywhere without compromise.

Convenience continues to be one of the most popular categories on Instacart, with orders up more than 150% since May 2021. Demand for rapid delivery also continues to grow, with nearly 20% of customers selecting Priority Delivery at checkout today. By using Kroger's existing network of more than 2,700 stores, Kroger Delivery Now creates a first-of-its-kind virtual convenience experience that makes faster delivery possible from the Kroger Family of Stores, benefiting customers across the country who live near a store, including Kroger, Ralphs, Fred Meyer, King Soopers, Fry's, Mariano's, and Smith's locations.

Chipotle Loyalty Program Sees Record Sales

Chipotle Mexican Grill announced it is continuing to evolve its digital experience with enhancements to the Chipotle Rewards program, which has helped the business already surpass \$2 billion in digital sales this year. The Chipotle Rewards program now boasts 24 million members and remains among the fastest growing loyalty programs in the history of the restaurant industry.

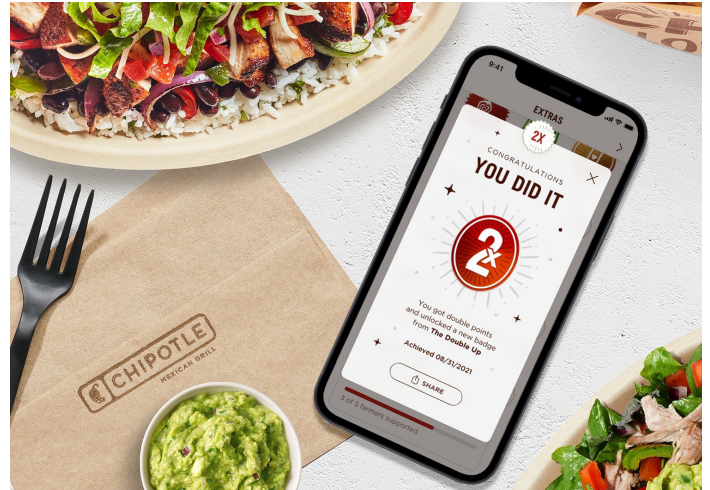


Chris Brandt

Chipotle is officially rolling out Extras, an exclusive feature for Chipotle Rewards members that unlocks access to extra points, helping members get to free Chipotle even faster.

Extras gamifies Chipotle Rewards with personalized challenges to earn extra points and collect achievement badges. Chipotle is the first national restaurant brand to launch badges as part of its loyalty program.

Chipotle Rewards members can access Extras by visiting their profile on the Chipotle app or Chipotle.com. Members can participate in Extras to earn extra points towards rewards, plus collect all-new achievement badges. Points can be redeemed for a variety of rewards in the Rewards Exchange for free menu items, and apparel.



"Offering new ways to engage with Chipotle is essential to the ongoing evolution of our digital business," said Chris Brandt, Chief Marketing Officer. "The new Extras feature gamifies Chipotle Rewards through special challenges and allows Rewards members to celebrate their achievements with special badges."

US News & World Report Names Wyndham Rewards the No. 1 Hotel Rewards Program

Wyndham Rewards announced it has been named the number one hotel loyalty program by U.S. News & World Report's annual ranking of the Best Travel Rewards Programs.

The ranking marks the sixth consecutive year that U.S. News has named Wyndham Rewards to one of its top spots and adds to a growing list of accolades secured by the program. Earlier this year, Wallethub named Wyndham Rewards its Best Hotel Rewards Program for a sixth consecutive year, highlighting the program's advantage of giving travelers back more in rewards for their spend than other comparable programs. In addition, for the past three years, USA TODAY readers have named Wyndham Rewards their number one hotel rewards program as part of the USA Today 10Best Readers' Choice Awards.

"Wyndham Rewards is about championing the everyday traveler and fulfilling Wyndham's mission of making hotel travel possible for all," said Lisa Checchio, chief marketing officer, Wyndham Hotels & Resorts. "We put our 89 million enrolled members at the heart of all that we do and are proud to have a program that continues to deliver more value, flexibility and redemption options than any other program in the travel industry. We're thrilled to see Wyndham Rewards recognized in this way and are incredibly grateful to our hotel owners and strategic travel partners, without whom, none of this would be possible."



U.S. News evaluated 15 of the most prominent hotel loyalty programs offering the most rewarding perks for everyday travelers. The publication selected the top rewards programs for everyday travelers using a methodology weighing five components: network size, property diversity, geographic coverage, added benefits and ease of earning a free night. This year, U.S. News also considered reward program flexibility for members in response to the coronavirus pandemic.

Choice Privileges Celebrates 50 Million Member

In celebration of Choice Privileges surpassing 50 million members, the award-winning loyalty program from Choice Hotels International, Inc. (NYSE: CHH) is giving away 50,000 Choice Privileges points to one lucky member each day for the next 50 days – through October 19, 2021. In addition, the 50 millionth member will also receive 50,000 Choice Privileges points.

"From bonus points that can be redeemed for free nights near national parks at Choice-branded hotels, stays at Penn National Gaming casino resorts and gift cards, to benefits like airline miles and credits at restaurants, retailers and more, Choice Privileges offers experiences and rewards that everyone can enjoy," said Jamie Russo, vice president, loyalty programs and customer engagement, Choice Hotels. "It's only fitting that we celebrate this 50 million member milestone by thanking our incredibly loyal guests with yet another opportunity to win more free rewards."



Jamie Russo

Launched in 1998, Choice Privileges has been named a top hotel loyalty program by USA Today's 10 Best Readers' Choice Awards, as well as U.S. News & World Report for the sixth year running. Membership is free, offering fast rewards, including bonus points, airline miles, or credits for premium coffee and shared rides through the exclusive, personalized, Your Extras benefit. Guests can also earn points for future stays at Choice-branded hotels and now at Penn National Gaming casino resorts. There are a multitude of ways Choice Privileges members can enjoy membership, from sipping Cambria Estate Winery's world-class wines in the heart of California



Wine Country at the Cambria Hotel Napa Valley, to experiencing the natural beauty of Lake George at the Quality Inn Lake George in New York.

Jersey Mike's Kicks Off Fox Sports College Football

Jersey Mike's Subs is teaming up with FOX Sports to celebrate by offering a College Football Trivia and Rose Bowl Stadium Sweepstakes when it hits the road this fall for the multi-city Jersey Mike's Tailgate Tour. After a year off due to the pandemic, the 14-week, 14-stop mobile tailgate tour is back.

Partnering with FanHub, Jersey Mike's will celebrate its return by releasing trivia games for 49 participating NCAA football schools, including five questions for each developed by team insiders. Fans can download Jersey Mike's app to play.



Upon completion of the trivia quiz, fans will be automatically entered in a sweepstakes for a chance to win a VIP trip for four to Rose Bowl Stadium to celebrate America's New Year's Celebration, which includes game tickets, round trip airfare, hotel, Rose Parade presented by Honda tickets, pre-game hospitality area and private tour of the FOX Studios in Los Angeles. In addition, trivia players will be rewarded with six Shore Rewards points to redeem in store, in-app or online.

Claire's Launches First UK, ROI Loyalty Program

Claire's Stores Inc., the global ear piercing specialist and leading retailer of fun, unique, fashionable jewelry and accessories, today announced the UK and ROI launch of its first loyalty program, Claire's Rewards. Customers can benefit from the brand new, free to join program, offering rewards for shopping and engaging with the brand.

"We are excited to begin the rollout of our Claire's rewards loyalty program in Europe with our initial launch this week in the United Kingdom and Republic of Ireland!" said Kristin Patrick, executive vice president, chief marketing officer (CMO). "We are always finding ways in which we can gratify our customers, and with the launch of the loyalty program we can offer many great benefits, giving them more engaging touch-points with the Claire's brand."

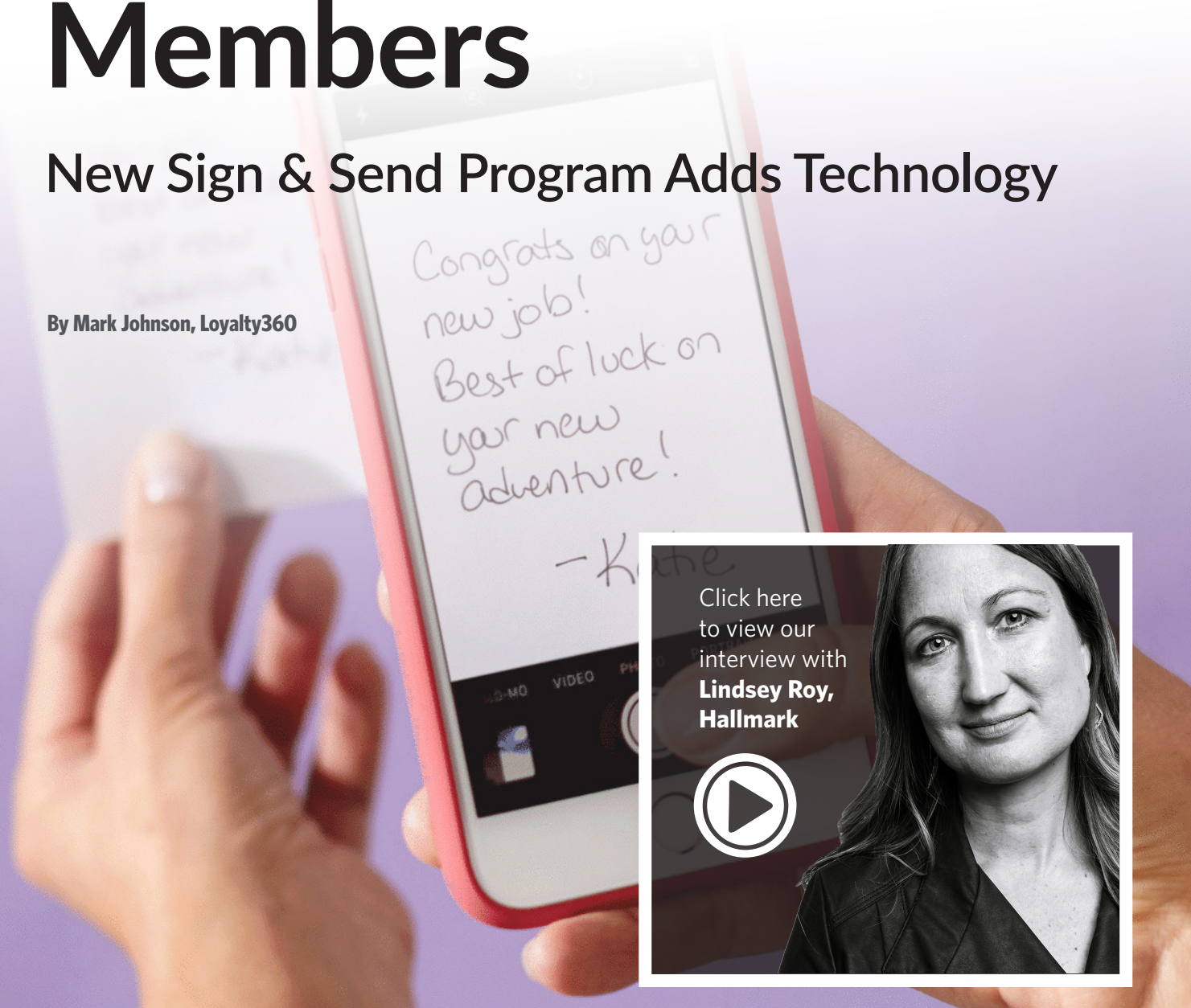
The new Claire's Rewards program embodies all that customers love about their favorite loyalty programs – cash rewards, discounts and special offers, many ways to earn and exclusive member privileges, such as free shipping and birthday surprises.



Crown Rewards Delivers Smiles to Members

New Sign & Send Program Adds Technology

By Mark Johnson, Loyalty360

A hand holds a smartphone with a red case. The screen shows a handwritten message in cursive: "Congrats on your new job! Best of luck on your new adventure! -Katie". The background is a soft purple gradient.

Congrats on your
new job!
Best of luck on
your new
adventure!

-Katie

Click here
to view our
interview with
Lindsey Roy,
Hallmark





Suffice to say, the year 2020 meant just about everyone needed to get a nice greeting card in the mail from a friend or family member from time to time.

At Hallmark, they ended up handing out over 7 million free cards over the last year or so in hopes of spreading a little more kindness in an often harsh world.

"It was just to try to put some love in the world," says Lindsey Roy, the Chief Marketing Officer at the Kansas City-based Hallmark, a \$3.5 billion company that operates a diversified portfolio of businesses, including greeting cards, gift wrap, and related products, as well as the Crayola brand and three cable channels.

Crown Rewards Loyalty Program

She also oversees the Crown Rewards loyalty program, which is where almost all of those millions of cards hailed from when current and new members signed up for the program.

"People got these packs of three cards in the mail, and they loved it," Roy says. "But from a loyalty perspective, it really helped us grow even more into Crown Rewards."

The program launched in 1993, and some might say it was one of the first loyalty programs, if not the first in the retail market. Crown Rewards has since grown by tens of millions of members, Roy says, including hundreds of thousands who

signed up when it began in 1993.

Members of Crown Rewards also get a coupon for a free card each month that they can pick up at a Hallmark store.

Retail-Based Trip Driving Initiative

"We do drive a trip to the store," Roy says. "That's always a good thing for the business. The free card program, of course, we did during the pandemic. We did mail those to people because — like a lot of places— we had stores that were closed and had challenges with people getting to retail during that time period. But our perennial free card monthly program is a retail-based trip driving initiative."

In fact, just 10 days after the nation began closing down in March 2020, Hallmark was already producing greeting cards that were related to the pandemic, such as ones that Roy says really focused on caring and connecting with friends, family, and neighbors.

"I had my grandmother in a senior living center, and I was thinking about how lonely that would be or neighbors that you couldn't see anymore," she says. "And so all the original ones were really about those connections with people you love. We followed it up with another couple of million cards that were really dedicated to frontline workers—leaving a card for your delivery person giving a card to your nurses and



next-door neighbor. So we had these different kinds of reasons, and we saw a ton of engagement and excitement and frankly just made us happy to hear and see all the stories of people who received those cards and how much it meant to them.”

A Better Understanding of the Rewards Program

While not only helping spread the love in 2020, the free cards and themed packages also helped spread the word about the Crown Rewards program even more.

“It kind of got people going again where they realized how meaningful cards are and how they are so useful in their kind of connecting toolbox,” Roy says. “And then — from a loyalty perspective — we got a lot of different people to see and understand our Crown Rewards program. And so now we continue to have a relationship with those people where we can, of course, remarket to them, talk to them about what we’re doing.”

One of the newest features that Hallmark has launched is a “Sign & Send” program that just launched in June. The new service available on Hallmark.com allows users to have their handwritten message printed on a real Hallmark card that they can send straight from their phone and have delivered to a recipient’s mailing address, with Hallmark covering the cost of postage.

Roy thinks the digital program will be a huge boost to Hallmark’s engagement efforts, especially as members provide more information in the profile.

“We’re going to learn a lot about people’s key dates to the degree they want to share those,” she says. “And so we can remind you and help you to make sure you don’t miss that birthday next year, or we can understand what kind of cards you like. We have a lot of knowledge over the years around different relationships, different card types, and what makes sense. And so, we have a custom algorithm that we work on as well.”

Personalization is Key to Hallmark’s Engagement

That personalization is key to Hallmark’s engagement with consumers, as the reminders of upcoming events based on their history will further deepen the relationship with the consumer.

“Personalization for us is all about your behavior, your interest, but as well as starting to get more to what are those key relationships and events in your life,” Roy says. “Because the more we know and begin a two-way conversation, the more we can be helpful and say, ‘Okay, this key person in your life’s birthday’s coming up, you better not miss this as an example. So we have a wide spectrum that we define as personalization.’”

Hallmark continually looks to its technology and programs to see where it can better connect and serve its customers. That includes also being open-minded about new trends and adjusting accordingly.

"We're always updating our technology stack," Roy says. "Everybody has to continue to look at what are the best options from consumer data, what are the best options from web development, and app development."

Bringing the Best Products and Services the Easiest Way Possible

She says Hallmark is always trying to bring the best products and services in the easiest way possible to consumers, which Roy says is something that she doesn't think will ever end.

"I think people will just constantly evolve," Roy says. "This new Sign & Send service has been around for six weeks, and we're leveraging technology that wouldn't have been possible five, 10 years ago. So I think there are benefits in it, but you do have to hustle every day, have the right partners, and have the right employees to kind of keep on top of it all."

Visit <https://www.hallmark.com/>



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Championing Cybersecurity & Data Protection Can Strengthen Brand Loyalty

By Paige Schaffer | Iris Identity & Cyber Protection powered by Generali

Last year was a tough pill to swallow, and unfortunately, 2021 hasn't provided much bright light at the end of the proverbial tunnel for many. The fallout from the pandemic has been incomparable, and the sharpness with which cyber threats and scams have spiked is just one example. Many other pandemic-related stressors have dragged on, ebbing and flowing to give just enough optimism for 2022.

But if there's one silver lining – okay, we'll admit, we've found many – it's that some brands' customer loyalty has intensified as consumers continue to weather the pandemic. Not all brands, of course – just the ones that are doing "it" right. (More on "it" later.)

It's no exaggeration when we say COVID-19 upended virtually everybody's lives. It happened seemingly overnight, and no one could have imagined all that was in store for humanity. Savvy companies realized that their customers needed a little extra care during this

time – that they needed to feel appreciated and valued by the brands they're supporting, and it's unlikely they'll settle for less once the pandemic is over. Those organizations that came to this realization and executed on it are the ones that have found success.

Just like consumers, brands have also had to adapt this past year. It's not too far-fetched to say that the way we conduct business has been irrevocably changed forever. Brands have had to innovate – and not just technologically. Many companies are looking for new ways to delight their customers, and partnerships may be just the ticket.

At Iris, we've zeroed in on a top consumer issue – one that's only been amplified by the pandemic and the vulnerabilities it exposed – to both protect customers from today's risks while also helping organizations elevate their customer relationship. The fraud landscape looked very different last year, and your customers surely

felt it. Data breaches, scams, and cyber threats all grew exponentially; our data has never felt so at risk.

Increased digital activity gave cybercriminals the edge they didn't need. With record-levels of online shopping, the hasty conversion to teleworking at most organizations, the rise of remote lending, and new financial relief opportunities, cybercriminals had a lot to capitalize on. Cyber threats exploded in the midst of rapid change and uncertainty. Around this time last year, the FBI reported that the number of complaints about cyberattacks to their Cyber Division was up to as many as 4,000 a day; this represents a 400% increase from what they were seeing pre-coronavirus. An article on cyberweekly.com stated, "Coronavirus may be the largest-ever global security threat."

And to top it all off, scammers took aim at consumers at levels we've simply never seen before. Javelin's 2021 Identity Fraud Study put a spotlight on scams and how they contributed to the fraud issue. The statistics are frightening: scams were the reason for the bulk of last year's identity fraud losses – \$43 billion of the \$56 billion total lost. The average scam victim lost \$1,100 per incident.

But, what does this have to do with customer loyalty? Now more than ever, data privacy/security is crucial to your customers' trust in your organization. And it goes without saying that trust is a key factor in how loyal your customers are. That's what "it" is: the companies that have come out on top amid the pandemic are the ones that have proactively invested in building their customers' trust and have placed that trust above all else. That means guarding your customers' data and even going the extra mile to ensure your customers also know about today's data risks – yes, even if you're not a tech company.

Every organization should feel it's their duty to educate both their employees and customers about today's digital dangers. And this should be particularly true for those that care deeply about the level of trust their customers place in their brand.

Falling victim to a scam or cyberattack can be downright devastating – don't you want to protect the people that make your business go round? Brands can position themselves as a trusted advisor by offering data protection resources and tools to better protect their customers from cyber threats and identity

fraud. These resources could include short educational videos highlighting common threats and scam tactics, offering product/services like comprehensive identity protection or scam research assistance, or championing key initiatives like Cybersecurity Awareness Month, which is led by the National Cybersecurity Alliance (NCSA) and the Cybersecurity and Infrastructure Security Agency (CISA).

Making cybersecurity a top priority at your organization doesn't have to break the bank. In fact, we've got a few tricks up our sleeve to help companies like yours get the ball rolling. As a champion of Cybersecurity Awareness Month, Iris will offer its ScamAssist® research service for free to all consumers during the month of October. Spread the word to your customers by sharing [this link](#) so they can take advantage of this special offer.

After submitting a suspect or unfamiliar solicitation, our expert ScamAssist Specialists will review it and provide your customers a case-by-case assessment on the likelihood of the solicitation being a scam within two business days. As another way to help arm your customers in their quest to stay cyber-secure, you can also share our [IDRiskIQ™ assessment tool](#). Your customers can find out their risk level and get actionable guidance to help lower their chances of becoming a victim of identity theft and fraud.

Iris will also share free educational resources throughout the month on social media (@IrisIDProtect) and to our email subscribers to help provide a few more tools consumers need to help them avoid becoming a victim of identity fraud and scams. Resources will include an interactive quiz, shareable social graphics, tips to avoid scams, and so much more! Along with these resources, we'll host a complimentary webinar on October 12 at 2pm ET, in which a panel of expert thought leaders will provide attendees with an in-depth analysis of the shifting landscape of identity fraud as well as guidance to help businesses strengthen customer loyalty.

Sign up at [IrisIdentityProtection.com/blog](https://www.irisidentityprotection.com/blog) to be notified when registration opens so you can reserve your spot! Lower your customers' risk while elevating your customer relationship today.

Learn more from <https://www.irisidentityprotection.com/>



Paige L. Schaffer | CEO

Paige Schaffer is CEO of Iris Identity and Cyber Protection powered by Generali. She has been with the company since 2007 and leverages her business acumen in the field to offer Iris solutions to organizations that can provide their customers with a service and experience that brings peace of mind. Ms. Schaffer serves as a voice for the industry advocating for the protection of customers and providing guidance on how to best protect their identities both physically and digitally. She also sits on the Sentinel Med board.



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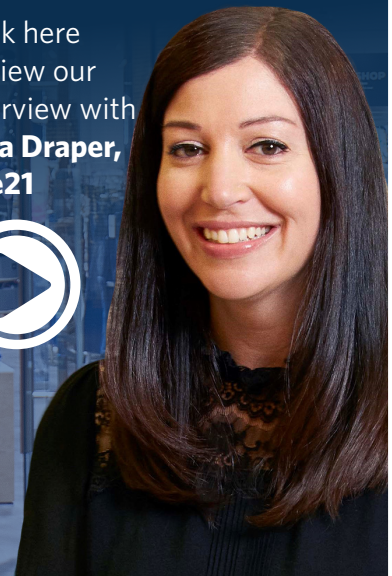
Diversifying Rewards and Loyalty Efforts

40% of rue21 customers are multicultural

By Mark Johnson, Loyalty360



Click here
to view our
interview with
Julia Draper,
Rue21





It is often difficult for a brand to be everything to everyone, but for rue21, that is the simple strategy that drives the chain of over 650 stores that focuses on trendy and affordable styles for ages 15 to 25.

And with about 40% of their customers from multicultural backgrounds, the brand says being inclusive and diverse is the name of the game.

"It's so important that we think through the lens of the customer," says Julia Draper, the Vice President of Marketing at rue21. "We always have to lead with empathy and the customer at the core of everything that we do. Data is important, but it's also necessary to get out there and talk to your customers."

Listening to Store Associates

Draper says many on the rue21 management team spend a considerable amount of time in stores. She says in-store staff engages customers frequently to gain insight into their wants and needs.

"We listen to our store associates, and we make sure we're gleaning insights from the voice of customers, surveys and anything that can help us better understand what makes our customers tick," Draper says. "Customers are always going to evolve and change in terms of what their desires are, and we have to evolve with them."

rue21 is seeing a resurgence in recent years and will open 15 new stores through the end of the year at strategically selected locations based on a data-driven model. The retailer, which serves the 15-25 Gen Z customers, became a pandemic-era anomaly when it experienced double-digit growth last year, enabling aggressive investment in its physical and digital footprints.

6 Million Members in First Year

Draper says the rue rewards loyalty program that launched in 2020 is focused on converting new, in-store customers to omnichannel customers. More than 6 million active members participate in the loyalty program.

"We launched it in April of 2020, and as you can imagine, that was at the very peak of the pandemic and stores were closed," she says. "We launched online, and then we rolled it out to stores as they reopened. The program has been live for a little bit over a year. We're incredibly excited about the engagement that we've seen within our customer base."

Working on New Benefits and Intangibles

The rue rewards program is points-based, where customers can earn points for each dollar they spend, and then you get rewards that you can redeem. Draper says what is unique about rue rewards is that they are constantly looking at the program and working on new benefits and intangibles that they feel their customers crave.

"For us, loyalty is so much more than a program," Draper says. "It's a philosophy that we infuse into how we approach our go-to-market every day. It's about creating meaningful relationships with our customers and increasing lifetime value."

The focus has shifted from purely enrolling people to thinking about how rue21 can use the program as a vehicle to create that meaningful connection.



"It's thinking about things like early access to product, exclusive content and other special perks that celebrate and provide our members with a reason for continuing to connect and engage with the brand," Draper says.

The Eyes and Ears of Customers

The biggest success of the rue21 program has been having the in-store associates serve what Draper says are "the eyes and ears of our customers," and they are an incredible aspect of the brand's ecosystem.

"As we think about driving customer acquisition, we really have leaned on our store channel and, in particular, our loyalty channel for driving that acquisition opportunity," she says. "Our store channel provides the opportunity for customers to touch the product and engage with store associates. They can have that real life, physical experience with the brand."

That's when Draper says they utilize the rue rewards loyalty program to create an ongoing connection, and they work to get customers to shop digital and to continue to be an omnichannel shopper. She says that rue rewards is driving that second trip to the physical store for that incremental trip.

"We absolutely are seeing our customers respond to that," Draper says. "We feel really excited about their engagement there. zWe're also getting a lot of great customer feedback

through our loyalty program, through the voice of the customer, through what we're hearing from our store associates that enables us to create a better experience overall."

Adding rue Plus Section Drives Growth

One of those changes was continuing to expand the plus footprint in stores. That came about after studies found that even though 70% of women are size 14 or higher, only 20% of the merchandise at most clothing stores is in those higher sizes.

Aside from different multicultural backgrounds, Draper says the full-size inclusivity provides options for all of their customers who want to engage with the brand and who want to shop with them.

"As we've continued to expand our plus assortment and our plus offerings from a brick-and-mortar perspective, we also incorporate our plus sizes online," she says. "It really allows our customers to shop in the channel of their choice and to engage with the brand how they want to. From a loyalty perspective, we are continuing to think about what ways we can connect loyalty to plus as well. And ensure that all of our customers, regardless of gender, size or style feel welcome at rue21 and develop that authentic connection to the brand."

Visit <https://www.rue21.com/store/>

Zero-party Data:

An Optimal Path to Personalization

This white paper reveals poll results from marketers on their attitudes and readiness plans for a personalized world. As third-party data and cookies become less viable, we explore the use cases for zero-party data.

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A video discussion about the current state of loyalty, the need for more authentic human connections, and why the value exchange needs a reboot.

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Why Loyalty Programs Fail

Here is What Experts Say Brands Should Not Do

By The Loyalty360 Team

The simple premise of most loyalty programs is to acquire more customers to help drive engagement to increase the bottom line. But some customer loyalty and reward programs don't move the needle enough for brands, or they seem to bring in flat results that are less than what the company expected.

While there are numerous suggestions and research that lay out clearly what brands should focus on in order to make their loyalty and reward programs successful, not much is spoken about what brands should try to avoid in order to make their program a success and to ensure growth.

Various Reasons for Low Success

[Joe Pino, Vice President of Strategy and Solutions at Clutch](#), says the most limiting factor for a loyalty program is almost always the technology.

"When brands choose a platform that is limited to the current need rather than one that is built to adapt and grow, the program will be stagnant, and engagement will suffer," Pino says.

Just like any marketing strategy, the demand for different experiences drives new tactics.

"But because changing a loyalty program provider is both expensive and time-intensive, the initial platform can remain in place at the expense of a successful program," Pino says.

[Brendan Boerbaitz, a Senior Manager at Monitor Deloitte who helps lead the firm's Loyalty Offering](#), says the most common issue they see with brands and retailers experiencing stagnant or declining program performance is a lack of clarity in the customer behaviors they want the program to drive and how that behavior translates to tangible business value.

"Over time, brands that don't answer core strategy questions with specificity—which often means saying "no" to potential opportunities—tend to overpack programs with generic features, copycat promotions, or offerings from best-in-class programs that aren't relevant in their market context," Boerbaitz says. "It erodes recognition and adoption with their most valuable consumers and diminishes the ability to rally internal support for future investments."

Steps to Revise a Sluggish Loyalty Programs

When designing a new or refreshed program, Boerbaitz says Deloitte partners with clients to clearly define and align upon the business goals, value drivers, and success metrics that will be driven through loyalty.

"Answering that first question of why you need a loyalty program is key," he says. "Upon that foundation, we then identify target customer segments and behaviors to be influenced."

Boerbaitz says only then do they then get to the work of designing a program's value proposition, features, and go-to-market approach to incentivize those behaviors.

"Our experience has shown that clients which take the time to work through this strategic exercise end up with sustainable, differentiated programs that resonate with customers and lead in their competitive sets," he says.

Pino says a loyalty and reward program refresh should start by looking at the behaviors of the brand's best customers — this means both loyalty members and non-members.

"Regardless of status, the role of the program is to find and retain more great customers," he says. "Understanding what causes desirable behaviors can pave the way for tactics that increase engagement and drive loyalty both in and out of the program." Pino adds that sometimes fresh eyes and a new perspective can go a long way. He says involving an agency or strategic partner can help a brand understand what can be done to revitalize your program.

"Go to them with a clear objective and be open to new ideas," he says, adding that brands should also think beyond their own industry.

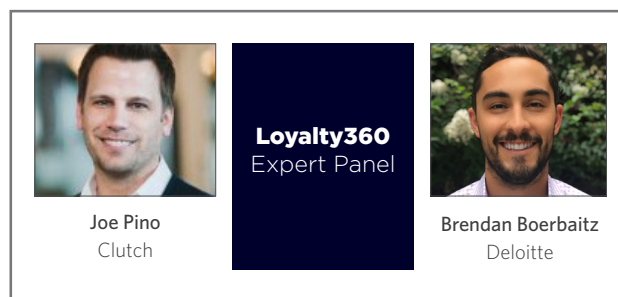
"Don't just look at your competitors, but look at the best brands in the world," Pino says. "How are they engaging with their customers? What is the experience of being part of their program like? How can you emulate some of that type of personalization in your program? Take this vision and ideas to your program provider and see what's possible."

Best Practices to Achieve Greater Success in Loyalty Programs

Pino says the overall success of a loyalty program is about personalization to all customers. An important best practice is to leverage data and insights from the loyalty program to personalize the customer experience across all other customer initiatives.

"Think about emails, the ecommerce experience, e-receipts, mobile programs, mobile pay, wifi sign-in, streamlined coupons, or offer redemption," Pino says. "These are all ways to identify and personalize the customer experience to increase customer loyalty and amplify business intelligence."

Boerbaitz says Deloitte has seen successful brands adopt a range of actions to maximize the value of their programs throughout their lifecycles, from upfront design to ongoing measurement and evolution.



"A key stage that's often overlooked until it's too late is launching a new program or offering in the marketplace, the 'first impression' with most customers, employees, and partners," he says. "We find successful practices to include developing a phased communication strategy to gradually prime customers and stakeholders for change, preparing employees to effectively represent and evangelize the new program's value proposition through internal campaigns, training, and 'win-win' incentives."

Boerbaitz says that by doing that, it aligns with the metrics that will demonstrate early success.

"Finally, thoroughly assessing and converting program touchpoints — such as point-of-sale with old brand language — will avoid points of friction or confusion," he says.

Thank You to our Expert Panel:

Joe Pino, Vice President of Strategy and Solutions at Clutch
Learn more at clutch.com

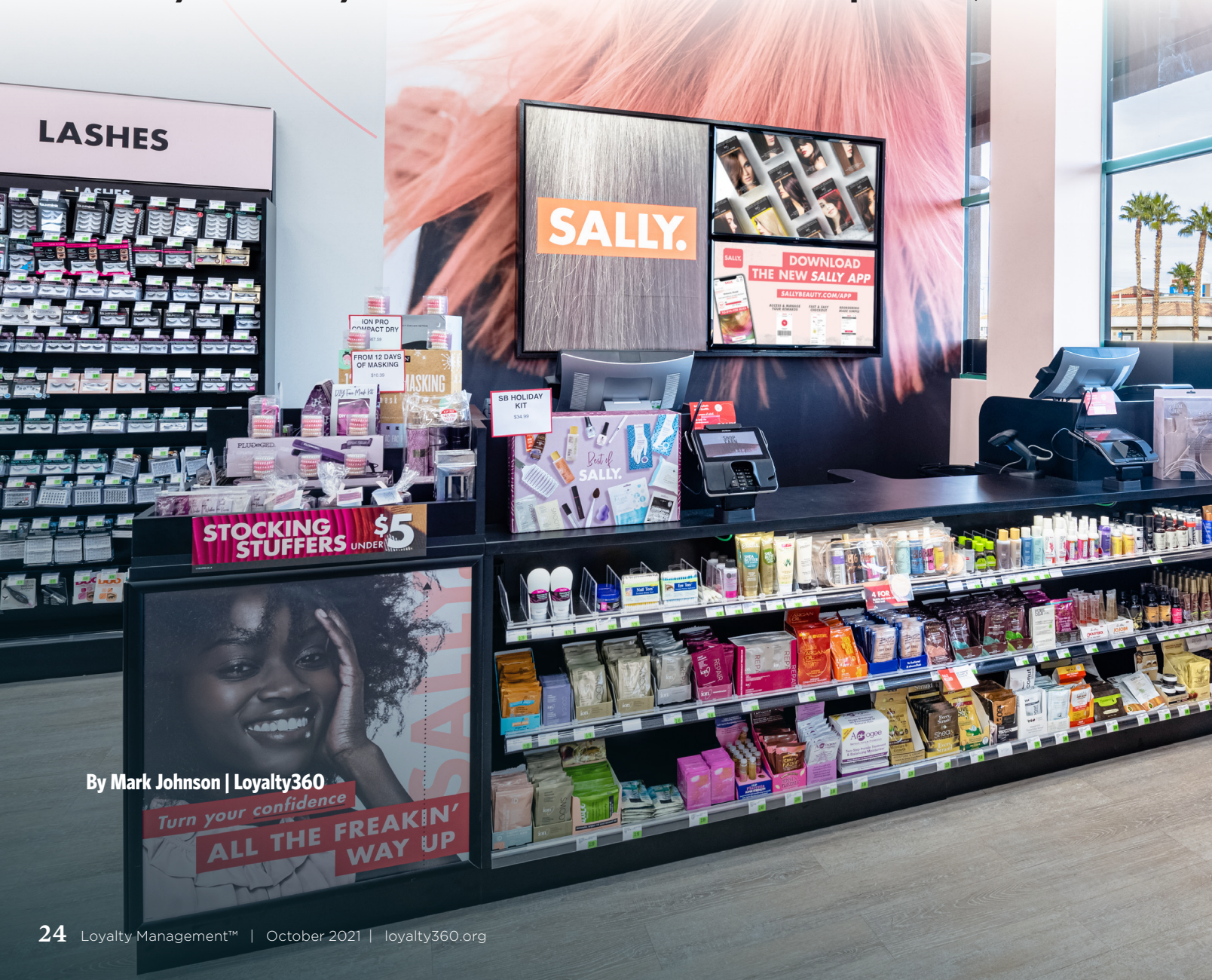
Brendan Boerbaitz, a Senior Manager at Monitor Deloitte
Explore at deloitte.com



SALLYBEAUTY.

A Loyalty Program Make-Over

Sally Beauty Rewards Gets Fresh Update, Look



By Mark Johnson | Loyalty360

Turn your confidence

ALL THE FREAKIN' WAY UP



Gabriel Trujillo is Vice President of Customer Marketing at Sally Beauty, which sells and distributes professional beauty supplies globally through its Sally Beauty Supply and Beauty Systems Group businesses.



Gabriel Trujillo

The company operates approximately 5,000 stores, including 142 franchised locations. Loyalty360 recently asked Trujillo about Sally Beauty Rewards program, and its digital enhancements it has launched to assist its customers. Recently, Sally Beauty partnered with Heather Chelan for its latest campaign, "YOU by Sally."

Give us a short history of Sally Beauty and all that you offer.

Sally Beauty has been in business for over 50 years and leads the category with the largest selection of professional hair color. Currently, Sally Beauty stores offer up to 8,000 products for hair color, hair care, skin care, and nails through proprietary brands such as Ion®, Generic Value Products®, Beyond the Zone® and Silk Elements® as well as professional lines such

as Wella®, Clairol®, OPI®, Conair®, and Hot Shot Tools®. Headquartered in Denton, Texas, the company employs 27,000 full-time and part-time employees working in 12 countries with over 2,800 stores in the US, Canada, and Puerto Rico. Sally Beauty has a strong focus on education, running programs like DIY University which is centered around educational content for the at-home DIYer, and the Cultivate accelerator program, which empowers female entrepreneurs and provides them with the tools needed to grow their businesses within the beauty community.

Can you tell us about your Sally Beauty Rewards program, and how it works?

Sally Beauty Rewards is our revamped, no-fee loyalty program. It's free and easy for customers to join by providing an email address. With this new program, customers can redeem rewards on almost anything in-store. Only gift cards are excluded.

What changes or additions have you recently made to your rewards program, and what plans do you have to improve it moving forward?

Sally Beauty knows its customers want a personalized



experience with more bonuses and exclusive perks. Through Sally Beauty Rewards, we deliver on this. The robust new program gives consumers enhanced offers and valuable certificates they can use like cash on products at Sally Beauty. New Features to Rewards from Beauty Club

- There is no annual membership fee, and new members receive a \$5 reward certificate just for joining!
- Members earn 10 points for every \$1 spent at Sally Beauty or SallyBeauty.com.
- Members receive a \$5 reward certificate for every 500 points (\$50 spent), which can be used like cash on products at Sally Beauty.
- There is an Elite Membership, a top tier where members earn 25 percent more with every dollar they spend, and each Elite member receives free shipping on SallyBeauty.com orders. Members achieve Elite status after spending \$200 in a year.
- Sally Beauty Rewards members receive double points during their birthday month and other personalized deals and offers throughout the year.

Can you define what customer loyalty means to you and to your organization?

Customer loyalty is being recognized for the largest assortment of professional hair color, educational resources, accessibility, top and exclusive brands, and quality products, all in one place. We are focused on strengthening our bond with customers to innovate and build trust so they continue to see Sally Beauty as a one-stop-shop for their DIY hair color, care, and nail needs.

How has your loyalty/CX strategy evolved beyond a sole focus on transactions? What other methods do you use to engage or reward customers?

We've amplified our focus on providing additional resources for our DIY customers. We want to give everyone quality products along with the educational tools to unleash their (Pro)tential with Sally Beauty. To accomplish this, we launched DIY University by Sally Beauty with an emphasis on providing hands-on education for all aspiring and experienced DIYers with topics ranging from the latest trends in textured hair, hair styling, nails, and of course, hair color. Education is provided via free virtual classes, video content, social media, and the DIY University Podcast. All content and tips are created by the Sally

Crew, a team of inspiring DIY beauty experts and influencers, as well as brand partners and professionals like Iroiro, Gabrielle Union, and Larry Sims of Flawless by Gabrielle Union, and Monica Stevens of MoKnowsHair. In addition to DIY University by Sally Beauty, we offer extensive tutorials and demos on DIY hair color via YouTube and Instagram for customers to check out when diving into DIY hair color for the first time, or for experienced DIYers looking to learn new techniques.

What are the challenges or opportunities you see for personalization? Is your brand working to improve personalization efforts?

We are constantly working to improve our personalization and be even more relevant to our customers by working with great technology partners and expanding our data capabilities. We're now implementing predictive science, research, and applying AI modeling to better target customers with the right messages at the right time. We are continuously pushing the limits of our technology to automate our targeted marketing. Our analytics and research teams have expanded significantly over the past year to help us expand our understanding of our customer's needs.

There is a lot of talk about customers changing. How do you feel customers are changing, and how are you adapting to that change?

Our customers are changing how they shop so we continue to optimize our omni-channel improvements to provide ease and

shopping convenience by offering many ways to shop at Sally Beauty, including Buy Online, Pick Up In-Store (BOPIS) orders that are ready in 2 hours, mobile app ordering, and e-commerce ship-from-store capabilities. Our customers have also learned to do more from home and experiment with self-expression through bright, vivid hair colors. To meet their needs Sally Beauty added hands-on educational resources through DIY University and expanded its product assortment to include over 1200 hair color shades, 250 of which are bright, vivid colors.

How is your brand different from your competitors? Do you see the same sort of efforts from the competitive set? What are you doing differently?

Standing apart from its competition, Sally Beauty is the largest omni-channel hair color retailer leading the category with over 1200 shade options. Customers can choose from over 250 vibrant, bright shades and over 950 gray coverage shades in-store and online. Sally Beauty is a one stop shop for all at-home hair color needs from top brands and exclusive brands. On top of that, we offer a competitive rewards program where customers receive \$5 off for every \$50 spent, and a welcome reward just for joining. This program combined with our leading hair color assortment, quality products, and hands-on education has set Sally Beauty up to lead the professional hair color category.

Visit <http://www.sallybeauty.com/>

All Peer, No Pressure

Join dozens of your brand peers in Loyalty360's Roundtables, where brand marketers and loyalty managers talk securely about issues and items of matter. It's a chance to meet others in the same job, but with the same challenges.

Loyalty360 Brand Member Roundtable - Next Generation Customer Loyalty - Program Features, Considerations, and Interests
10AM ET. • October 5

Loyalty360 Brand Member Roundtable - Best Practices of Personalization, Segmentation and Cadence Management
2PM ET. • October 12

Loyalty360 Brand Member Roundtable - Emerging Technology Considerations for Customer Loyalty Platforms
2PM ET. • October 7

LOYALTY360™
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Brand Loyalist or Brand Loyalty?

The Difference is Real

By Rachel Iannarino | Baesman

By now, many retailers have included brand loyalty into their marketing mix. Today's retailers develop programs that not only acquire, retain, and reactivate consumers, they go a step further to build brand-specific loyalty programs aspiring to increase repeat purchases and the life-time value of their customers. Through rewards, promotions, special offers, events, and more retail marketers are investing heavily in brand loyalty programs. But are they reaping the rewards? It depends.

More than 90% of companies today have some type of loyalty program, however, 65% of consumers engage with less than half of the loyalty programs to which they belong. In fact, the average consumer belongs to 15 loyalty programs and is only active in 7 of them. We discuss this phenomenon with our clients often.

Why would someone sign up to be a member of a loyalty program, yet not interact with it like a true perceived brand loyalist? It's because often times we, as well-intentioned marketers,

confuse brand loyalists with brand loyalty programs. A brand loyalist, by definition, is connected to your brand on a deeply personal level. A brand loyalty member may really appreciate your brand, but their behaviors are driven more by rewards and special offers. This doesn't imply they don't connect with your brand too, but there is a significant difference. Marketers can't simply implement a brand loyalty program and expect to create a wave of brand loyalists. If only it were that simple.

The truth is real brand loyalists are dedicated to and have a strong emotional bond with a brand. They enjoy the experience of interacting with a brand's messaging, products, and services regardless of competitors products and services, price, or even convenience. The harsh reality is a strong loyalty program may not factor into their purchase decision at all. Loyalists simply love a brand for the products, experiences, and what the brand represents to them. No loyalty program alone is going to supersede that level of devotion.

Take, for instance, Patagonia's eco-friendly messaging and products. Built upon a mission to make the smallest carbon footprint possible while making high-performance outdoor clothing,

Patagonia has found it's niche and continued to successfully grow their base of customers. Their clothing has become inseparable from their environmental advocacy. Their customers simply won't settle for less. Patagonia famously launched a "Do Not Buy This Jacket" campaign right before the Christmas holiday to encourage people to think about the effect of consumerism on the environment. By telling people only to buy what they really need, especially during a high revenue generating holiday season, they proved they cared more about their environmental mission than dollars. When a customer trusts that a brand stands for something greater than making money, they are much more likely to support it. This is loyalty beyond points. It's the true definition of a brand loyalist.

Are we saying that brand loyalty programs simply don't work? Absolutely not! It's quite the opposite, but we must understand that a loyalty program's goal is not to create brand loyalists. Goals should be focused on KPI's like member acquisition, repeat purchases, and reactivation. Not all brands have a cause or mission that drives their products, messages, and services in the manner that Patagonia's does. Rather we as marketers need to manage our expectations around what brand loyalty programs can and can't achieve. Brand loyalty programs may not drive that emotional connection where a customer is never going to buy another brand's product or service, but it can have extremely positive impacts on your bottom line when done correctly.

In fact, research shows us that 72% of customers say they are more likely to recommend brands with good loyalty programs, while 78% state that these programs make them more likely to shop with a brand. The key differentiator here is "good" loyalty programs. What makes a good loyalty program? The answer is knowing your customers on a personal level and understanding what drives them.

Let's look at Kohl's. Their brand has a long history of loyalty. Most customers have likely heard of Kohl's Cash and Yes2You Rewards. However, in 2020, during a year of a highly competitive landscape and economic uncertainty Kohl's decided to try to right a wrong they felt they had created by letting their program become overly complicated and impersonal. While the brand had over 30 million members, department stores were still closing, and customers didn't feel they had a valued relationship with Kohls.

Enter "Kohls Rewards". This is their latest program showing the brand's determination to do loyalty right. It's a streamlined loyalty program approach that simplifies Kohls Cash and Rewards reinforcing ease and unity between the two. Perhaps the most significant change will be their increased efforts to send out targeted, deeply personalized communications digitally, via direct mail, and at the register. It appears to show that Kohl's knows they need to reach their customers in a personalized manner via all channels when the customer wants it and in an easy-to-understand manner. Time will tell if this new brand loyalty approach improves loyalty member usage, however, it seems they are on their way to getting brand loyalty right.

As we can see, brand loyalty and brand loyalists are both important in reaching brands' goals. Patagonia relies on loyalists and Kohl's emphasizes a loyalty program. Both brands are correct in their approach, however, they are two distinct strategies that can be easily confused. It's important to know which one is right for your brand. Most importantly, when marketers do invest in a loyalty program it's important to make sure it's right for their customers so customers who enroll remain active within the program.

For more information please visit baesman.com



Rachel Iannarino | VP, Marketing & Client Experience

Rachel is the VP of Marketing and Client Experience at Baesman. As a marketing professional she has led and built marketing teams in pharmaceutical, woman's apparel, political, non-profit, and interior design and construction industries with a focus on inbound marketing and digital strategies. Her work has been recognized by MARCOM and Marketing Sherpa. She's passionate about helping her clients achieve more than they thought possible with their marketing strategies.

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Salesforce Helps Brands with Consumer Expectations in Omni Channel and Personalization

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Loyalty Live interview with
Natasha Janic, Salesforce



**LOYALTY
LIVE**



Natasha Janic, Product Marketing Manager at Salesforce, says consumer expectations around omnichannel and personalization are really nothing new, but what the last year did was accelerate efforts to improve the customer experience.

And Janic says that could be both a good and bad thing for brand marketers.

"As we shifted completely to digital, it became easier than ever to interact with a customer," she says. "But it also became easier than ever for customers to try new brands."

This transformation is now requiring brands to differentiate themselves now, and Janic says a lot of that is going to have to come from improving the customer experience across every touchpoint. In this interview with Loyalty360 CEO Mark Johnson, Janic says that Salesforce works diligently to communicate and demonstrate to its customers the importance of their own customers to make sure that they are focusing on delivering exceptional customer experiences that enhance customer loyalty.

"To us, the customer experience is everything," Janic says. "It's across marketing, sales, service, commerce, loyalty, and that's applicable to every industry."

Salesforce's goal is to empower its customers with the tools they need to better engage their customers and to optimize how they run their business, so the customer experience isn't a single point in time, but it is a collection of interactions that take place with any department.

"We really want to focus on giving businesses the tools they need to make sure that each of those interactions is having a positive impact on the entire customer experience," Janic says. Technology will be a big challenge for some brands to pull this off as they automate their personalized, real-time messaging. But Janic suggests that they leverage the technology to make sure that they are on the right channel to deliver these memorable experiences.

"I think first and foremost we all need to give ourselves a little bit of grace," she says. "Coming out of a once-in-a-lifetime pandemic, we really don't know how much things are going to go back to normal and how many changes from the last 18 months are really here to stay."

And because no one has a crystal ball, Janic says Salesforce is trying to help its customers react and respond to some of the changes in consumer demands with agility. That will require technology that allows the brand the flexibility to test, learn, and iterate on whatever it is they are doing, whether it is improving the service experience, optimizing a loyalty program, or increasing the efficacy of their marketing campaigns.

"It's all about capturing that customer data in real-time and being able to assess it and make changes quickly," Janic says. "I think that is going to be the underpinning of brand success over the next year or two as we continue to learn more about what's going to become the permanent shift in consumer behavior."

Learn more at salesforce.com

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Ensuring Longevity in Retail Loyalty to Future-Proof Your Program

By The Loyalty360 Team

Studies have shown that new consumer habits form in 90 days or fewer, meaning consumers are always looking for different ways to spend their time and money.

During the pandemic, consumers' habits changed even quicker. A recent Wells Fargo survey showed that the pandemic prompted two-thirds (63%) of credit card-holding consumers to initiate "pandemic purges": three-quarters (72%) decluttered their closets, one-third (29%) purged their friends on social media, and another one-third (33%) simplified and decluttered their finances.

With those changes occurring at warp speed, retail brands need to make sure that their engagement programs can withstand consumer purges by maintaining relevancy and value in order to "future proof" their loyalty with the customer.

[Kate Atty, the Vice President of Marketing of Clutch](#), says most data-driven decisions about the future are based on data from the past — sometimes even the very recent past. She says marketing teams change content, audience targeting, even product features and prices based on historical data.

"But as consumers change behaviors with increasing speed, the past is a much less reliable indicator of the future than it used to be," Atty says.

So what can be done to increase the odds of predicting the future and adapting strategies to fit? Atty says machine learning algorithms are increasingly embedded in technology platforms to help marketers make more informed decisions about the future and reduce the time they spend analyzing information in order to do so.

Using Intelligence to Trigger Changes

"Often with hundreds of predictive models running all at once, ML technology can run thousands of scenarios simultaneously to determine the most probable outcome — a task that would take a human year to complete," she says. "When this intelligence is applied to a loyalty or engagement strategy, it can be used to trigger changes to the content someone sees, the channel they view it on, the time of day, even the price or product feature shown. All in an instant."

The data systems and delivery mechanisms used by many retailers are manual, time-intensive, and difficult to automate.

"They will not stand the test of time when matched against consumer expectations for speed, relevancy, and immediacy," Atty says. "Rather, they will incur more cost in human resources, missed opportunities for engagement and churning customers."

[Tracy Dart, Executive Director of Partnership Marketing and Account Management for Synapse Group](#), suggests that offering customers meaningful value is something that will never go out of style.

"After a year of so much uncertainty, many consumers remain hesitant to resume discretionary spending and are now prioritizing value and savings over all else," Dart says. "With recent studies suggesting these behaviors are here to stay, retailers need to prioritize increasing the perceived value of their benefits as they plot out their loyalty strategies in the months and years ahead."

She says offering customers immediate value — particularly at sign-up — will increase customers' likelihood of purchasing from your business within as little as one week while also making a lasting impression.

Leveraging Loyalty And CX Initiatives to Increase Perceived Value

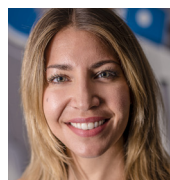
Dart adds that brands can leverage their loyalty and CX initiatives to increase perceived value with their broader customer base and "nudge" them toward a longer-term, more resilient relationship with the brand?

"Personalization is key to any great customer experience, and the same goes for customer loyalty programs," Dart says. "Even simple things like referring to a customer by name or sending occasional 'special' offers can go a long way toward encouraging brand loyalty."

Taking it a step further, she says retailers must also optimize their programs for use across all sales channels by creating a frictionless, customer-friendly loyalty program that members can take advantage of in both physical and online settings.

"Businesses that can seamlessly weave those personal touches throughout a unified loyalty experience will be more likely to retain and grow their programs," Dart says.

Loyalty360 Expert Panel



Kate Atty
Clutch



Tracy Dart
Synapse



Rachel Iannarino
Baesman

Bad Habits that Retail Brands Should Avoid

[Rachel Iannarino, Vice President of Marketing and Client Experience at Baesman](#), says that sometimes brands forget to take the time to think about the customer experience from the customer's point of view.

"For instance, great advertising oftentimes doesn't match up to the actual customer experience," she says. "Delivering on your brand promise is critical for your loyalty program."

Baesman also cautioned brands not to let customer acquisition trump customer retention.

"One of the biggest challenges we see brands face is winning back customers who have left due to poor experiences or a better-perceived value from other brands," Iannarino says. "At times brands are so focused on acquiring new consumers that they overlook the need to reward and incentivize existing consumers."

Dart says that if a retailer is going to put their efforts toward a loyalty plan that will increase the stickiness of customers, it is going to be important to make sure rewards are understandable and attainable.

"Think of the local coffee shop that gives customers their 10th cup for free," she says. "This easy-to-understand system keeps customers coming back by offering an enjoyable reward they can earn in a matter of days. The same holds true for any loyalty program: offer straightforward rewards that will keep customers engaged and coming back for more."

Thank You to Our Expert Panel:

Kate Atty, the Vice President of Marketing of Clutch. Learn more at clutch.com

Tracy Dart, Executive Director of Partnership Marketing and Account Management for Synapse Group. Learn more at bizrate.com

Rachel Iannarino, Vice President of Marketing and Client Experience at Baesman. Learn more at baesman.com



Building a Digital Relationship

Giant Flexible Rewards Adjusts to Changing Customer Habits



By Mark Johnson | Loyalty360

Click here to view
our interview with
**Ryan Draude and
Melanie Butler,**
Giant Food





If the past year was all about brands being flexible in how they engaged and rewarded their customers, then Giant Food hit their nail square on the hit when it came to launching an upgraded loyalty program in 2020.

The grocer actually named the program Giant Flexible Rewards but did so before COVID forced many retailers to think again about how they adjusted to changing customer shopping habits and practices.

"We really want to live up to the name of this idea that whatever our customers needed, there's a benefit that we can bring that makes sense," says Ryan Draude, Head of Loyalty and Digital at Giant Food, a retailer in the Washington DC, Virginia, Maryland, and Delaware area with over 160 stores.

"It was really trying to think of their drive to the store, and while they're at the store, their drive home, whether they're engaging with us or not, how do we add value to their day-to-day life?" he says. "And so, bringing the value back into our store was mission-critical."

Evolving Their Loyalty Program

Giant Food is part of the Ahold Delhaize entity that also owns Food Lion, The Giant Company, Hannaford, and Stop & Shop, major grocery retailers up and down the Eastern Seaboard. Giant Food is the mid-Atlantic's leading grocery retailer.

In March of 2020, Giant Food evolved its loyalty program in order to provide a wider range of more compelling benefits to its shoppers and associates. Melanie Butler, the Manager of CSM Loyalty Strategy, says the move was made to reinforce the goals of driving incremental spend and overall retention of spend in the highly competitive Mid-Atlantic area grocery market. The new Flexible Rewards program has expanded shopper rewards opportunities beyond the legacy Gas Rewards program, providing Giant Food members with more (and faster) ways to earn and attractive methods to redeem these points across digital and traditional channels.

"Gas Rewards drove our customers to shop more and to gain incentives through their purchase behaviors in-store," Butler says. "This is something that the legacy Ahold companies all were utilizing and then — as we were really looking to progress our loyalty benefits — it was a very big opportunity, especially within our market because we have such a different and diverse set of shoppers."

Because Giant's stores are more often located in urban areas, Butler says their customers can be more transitory and are afforded more public transportation options, so gas rewards weren't as relevant for them.

"What Giant Flexible Rewards really did was it allowed customers to use their points on what made the most sense for their lifestyle," she says. "Now we are offering not only fuel rewards, but we're also offering customers the opportunity to use their points on savings on groceries and free grocery products in our stores. It's kind of closing that loyalty loop and driving customers back into our stores and providing that additional benefit for them."

Increased Engagement From Primary Shoppers

With the legacy Gas Rewards program, Giant Food noticed that the most increased engagement was delivered from their primary shoppers (80% of that segment engaged with the program), who Butler says exhibited superior sales/household, visit, and breadth of categories shopped. While this is promising participation, she says they saw that drop significantly for less engaged carded customers, coming in under 40%, and obviously a group requiring more expansive loyalty benefits to reflect their shopping levels with Giant.

With this insight, the Giant Food team determined there was a significant opportunity to update their loyalty offering to provide increased (and often near real-time) earn options to their customers based on prior purchasing



behavior in their market areas and to set the standard for a digital relationship through the requirement of an online account, which could allow a more regular sharing of updates, offers, and rewards.

Draude says personalization is going to be the key to the Giant Food Flexible Rewards program.

“You could look at personalization in terms of offer personalization and in terms of content personalization,” he says. “Grocery is quite strong on the offer side of personalization by nature of that loyalty relationship and data that is captured. There’s such an ocean of analytics that really support how, when, where you shop, the number of categories shopped, the frequency of it, how that changes, whether you go online or brick or mortar.”

Draude says Giant Food (and other grocers) have the ability to come back and look at that data in terms of content personalization and present a unique relationship platform on the site or in the App that can enrich members’ shopping experience through content catered to their recipe, nutrition needs and interests which moves beyond pitching offers toward being a trusted advisor with each member.

“It blows my mind just with how deep that the analytic firepower is behind understanding and predicting spend moving forward and the type of engagement experience that could be tailored to go along with it,” he says.

Leveraging Lessons Learned from Legacy Program

The value proposition for the new Giant Flexible Rewards program is that it leverages what they have learned from

their Gas Rewards program but now offers their customers additional ways to earn points just by shopping at Giant. Most important, Butler says, is it offers shoppers the flexibility to redeem those points on discounts that make the most sense for their lifestyle on a 100% digital platform. While gas reward benefits are still offered in the program, she says the new digital platform focuses on driving members back into Giant stores to close the loyalty loop with Giant through new savings on in-store and online grocery orders, as well as grocery items redeemable for points as well as a healthy compliment against fuel benefits

“The legacy gas program was more of a passive program,” Butler says. “You would just earn the points, go directly to the pump. The Flexible Rewards program does require that online engagement where you can choose how you use your points, but you’re also getting an additional benefit of earning more points through Flexible Rewards with personalized offers and additional mass offers that are in the ad and online every week that the legacy gas program did not offer, and which get you to rewards that must faster.”

Draude says Giant Food continues to use a three-pillar approach to its loyalty and rewards program: acquire, activate, and engage.

“I think where the most opportunity is probably within that second and the third,” he says. “It’s the activate and the engage pillars because, honestly, the model is changing. So much more of our market is going online to have that digital relationship and that is where we can truly engage and build the long-term relationship that is the hallmark of a healthy rewards program.”

Visit www.giantfood.com



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Adapt to Changing Customer FunnelClick here to view our
Loyalty Live interview with
Chris Bosco , SMGLOYALTY
LIVE

The “customer funnel” is broken as we know it, says Chris Bosco, Vice President and General Manager of Digital at SMG.

“I think the greatest evolution that I’ve been finding in customer experience is the fact that it’s always on now,” Bosco says. “When we were all back in college, we learned that the marketing funnel was very fixed: you took the customer through the journey, and you defined what that journey was. You said literally, ‘I’m going to take you through learning, acquisition, and buying,’ and all those steps of the funnel that we all knew and could repeat rote.”

Times have changed, Bosco says in this interview with Loyalty360 CEO Mark Johnson. He believes the customer funnel is all over the place, and the tables have turned: it’s now whatever the customer wants to do, when they want to do it, and how they want to do it. He advises that brands in 2021 and beyond need to be prepared for that. And they can no longer take for granted the idea of what a typical customer is going to do.

“It is the segmentations, the variations, the time of day, and the product,” Bosco says. “All of these take into such an account that the

customer experience just evolved. What really needs to happen is brands need to be aware of how the customer thinks about you. They are the ones that are driving that experience, and you’ve got to be prepared to work the way they want to work, and not the way that you want them to work.”

A lot of brand marketers forget that they are shoppers, too. They are browsers and service users, and they need to start thinking like it.

“Don’t just think about it how your company is providing customer experiences,” Bosco says. “It should be about how you expect other companies to deal with you, which is probably the same as what your customers are expecting of you as well.”

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Tim Hortons

Boosting Digital Sales

Tim Hortons New Loyalty Program 30% Bump

By Mark Johnson, Loyalty360



Click here to view
our interview with

Matt Moore,
Tim Hortons





When 80% of the country comes to your brand every month — as is the case for Tim Hortons in Canada — areas for improvement aren't obvious.

"That means effectively all Canadians are coming," says Matt Moore, Vice President of Digital and Loyalty at Canada's largest restaurant chain known for its coffee and donuts.

In fact, Tim Hortons sells over 5 million cups of coffee every day, with these 80% of Canadians visiting one of nearly 4,000 Tim Hortons in Canada at least once a month.

Premium Coffee, Hot and Cold Specialty Drinks, Fresh Baked Goods, and More

Tim Hortons is owned by Restaurant Brands International, which also owns Popeyes and Burger King. In March, RBI announced an \$80 million (Canada) corporate investment in Canada for 2021 to supercharge advertising expenses, highlight menu improvements in product quality, and support continued enhancements in the digital guest experience, including the Tims Rewards program.

Tim Hortons also launched three new quality upgrades to its menu as part of its Back to Basics plan, including a new dark roast coffee, Craveables lunch sandwiches, and freshly cracked Canadian eggs in breakfast sandwiches.

The chain was founded with a single location in Canada in 1964 by the namesake, who was a professional hockey player. Tim Hortons appeals to a broad range of guest tastes, with a menu that includes premium coffee, hot and cold specialty drinks — including lattes, cappuccinos, and espresso shots — specialty teas and fruit smoothies, fresh baked goods, grilled Panini and classic sandwiches, wraps, soups, prepared foods, and other food products.

Aside from the almost 4,000 restaurants located in Canada, Tim Hortons has almost 1,000 more in the United States and internationally.

Launching Tims Rewards in 2019

"We have a restaurant for every 90,000 Canadians," Moore says. "That's probably about three times higher penetration than McDonald's in the U.S., so it's pretty impressive to see the scale that the brand has grown to in Canada."

That doesn't mean Moore and his team don't want to not make the trip a Tim Hortons any less fun and engaging. In March 2019, they launched Tims Rewards to better engage and learn about their faithful customers.

In two years, Tims Rewards has grown to a base of nearly 6 million registered users and 3.5 million monthly active users. Moore says when they first launched the program, it



was effectively a digital punch card where customers pick up a plastic card with a barcode and scanned it seven times to get a free coffee.

"It was pretty easy, and you didn't have to do anything online," Moore says. "You had the option to go online and link it to the app, but weren't forced to at the beginning."

That was the key to the program's success, Moore says, the simplicity of the program helped it grow.

Evolving the Digital Platform

"The program was really easy for our guests to understand, and it was really easy for our in restaurant team members to explain," he says.

"Our guests are already extremely loyal and love the brand," Moore says. "And we launched Tims Rewards as a way to thank them. There is really good value for our guests in terms of what we are offering them."

A year later in March of 2020, Tim Hortons made some big changes to its Tims Rewards program. It evolved from a visits based program to a points based program.

"Instead of just 7 visits for a free coffee, maybe you want a breakfast sandwich for 180 points," he says. "We may have added a little bit of complexity, but we added a pretty clear value statement — or value proposition — for our guests, which was no longer just a visits based coffee program. Guests can now redeem for anything they want."

Layering the Program with Games and Contests

Moore says they are also continuing to layer the program with games and contests.

"We had a very conscious plan to continue to add other avenues of value for our guests along the way," he says. "the key was to not try to do it all at the beginning of our digital evolution. We acquired many of our loyalty guests — at least into the more analog program — at launch. And then, once they were in, we brought them on the journey to a more digital experience in the second year of the program."

For example, Tim Hortons' "Roll Up The Rim" campaign has been an iconic annual tradition for Canadians since 1986, but the pandemic really changed that. In 2021, the marketing campaign went fully digital as the brand shifted from prizes via printed messages under rolled-up coffee rims to digital rolls earned by scanning a mobile or plastic loyalty card.

Sales Linked to Digital Platforms at 30%

"We knew that this was the right move for the business going forward. We knew we could have an amazing digital game," Moore says. "And an important change we made is removing 'Please play again.' We were able to design the program in a way that guests win every time. Now it might be a car, it might be a couple of loyalty points, but every guest is going to win something every time they roll"

Prior to the launch of Tims Reward program in 2019, only 1% of their sales were linked to digital platforms. That number now is well over 30%.

"We've had pretty exceptional growth, a lot of that underpinned by the performance of our loyalty program," Moore says, who adds that Tim Hortons' COO Mike Hancock and their operations team are focused on working with their franchise partners on incorporating digital elements throughout restaurant operations

"We can make ordering a little bit more efficient for our guests," he says. "We can provide new experiences on a digital platform that didn't exist before while providing additional value through the Tims Rewards program."

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