

Loyalty is the new growth

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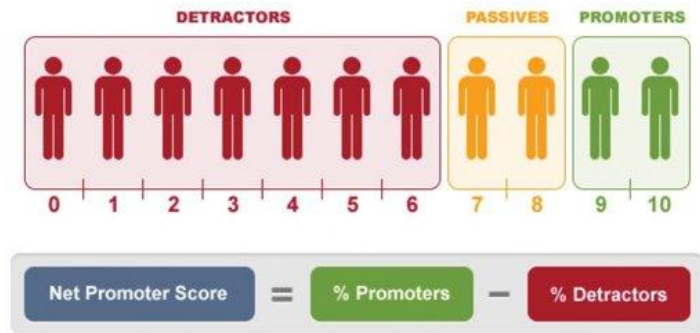
 **loyalty point**
powered by OX





***„People are not coming
back.
We need to **apologize** to
them”***





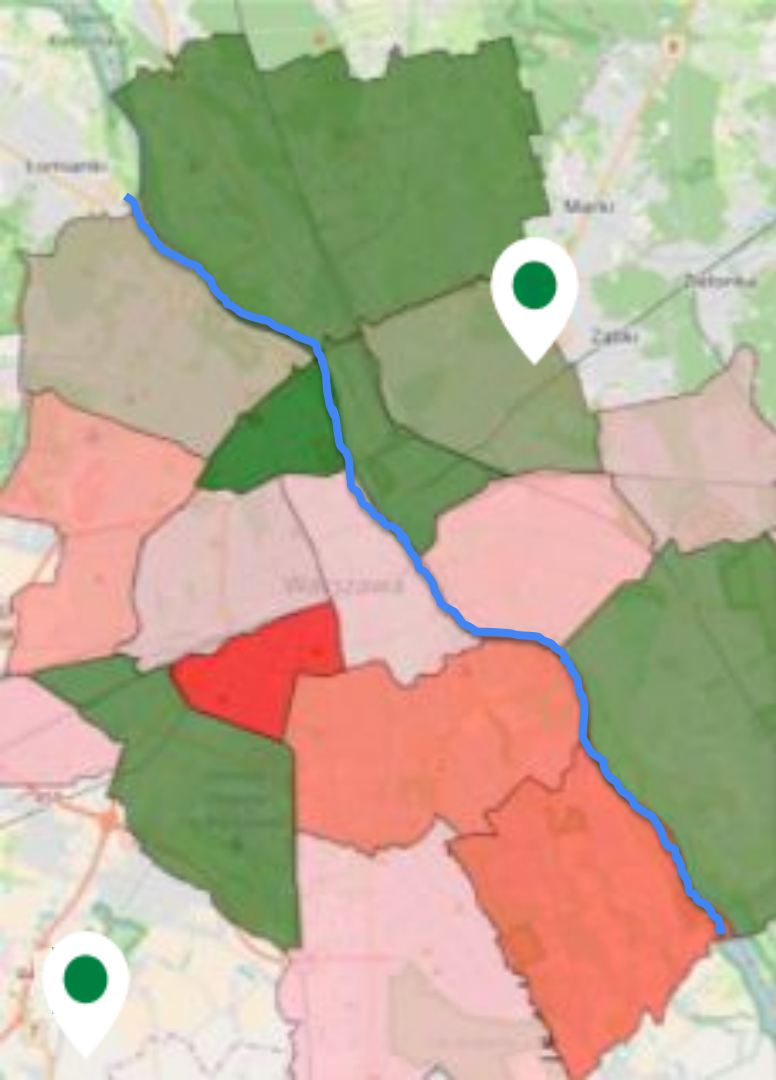
NPS? Flat.





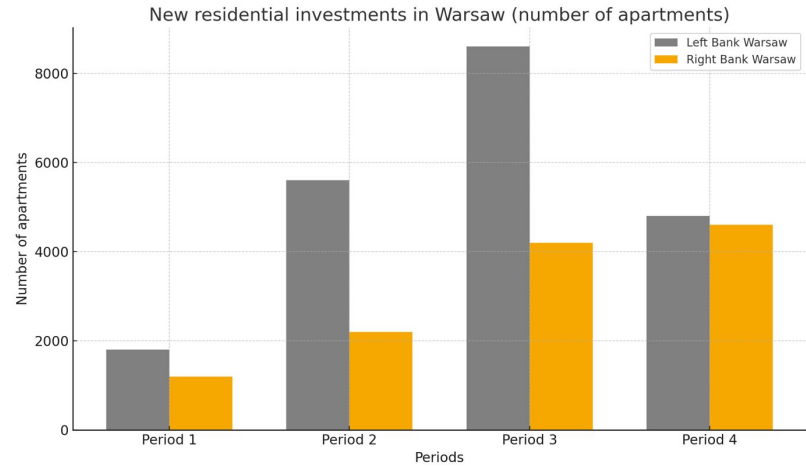
Return
patterns?





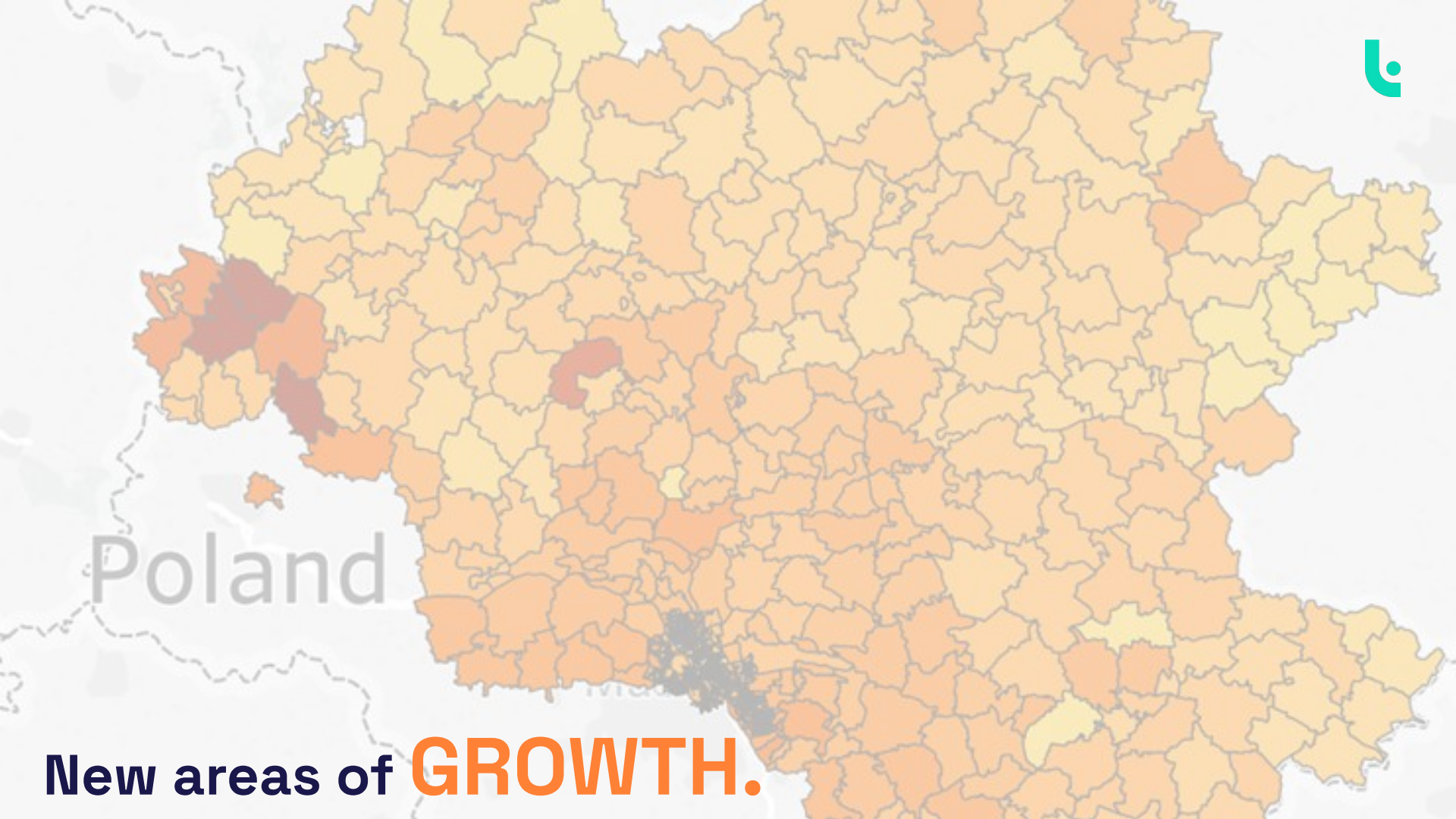
**New customers,
new Warsaw Ring,
new preferred store.**





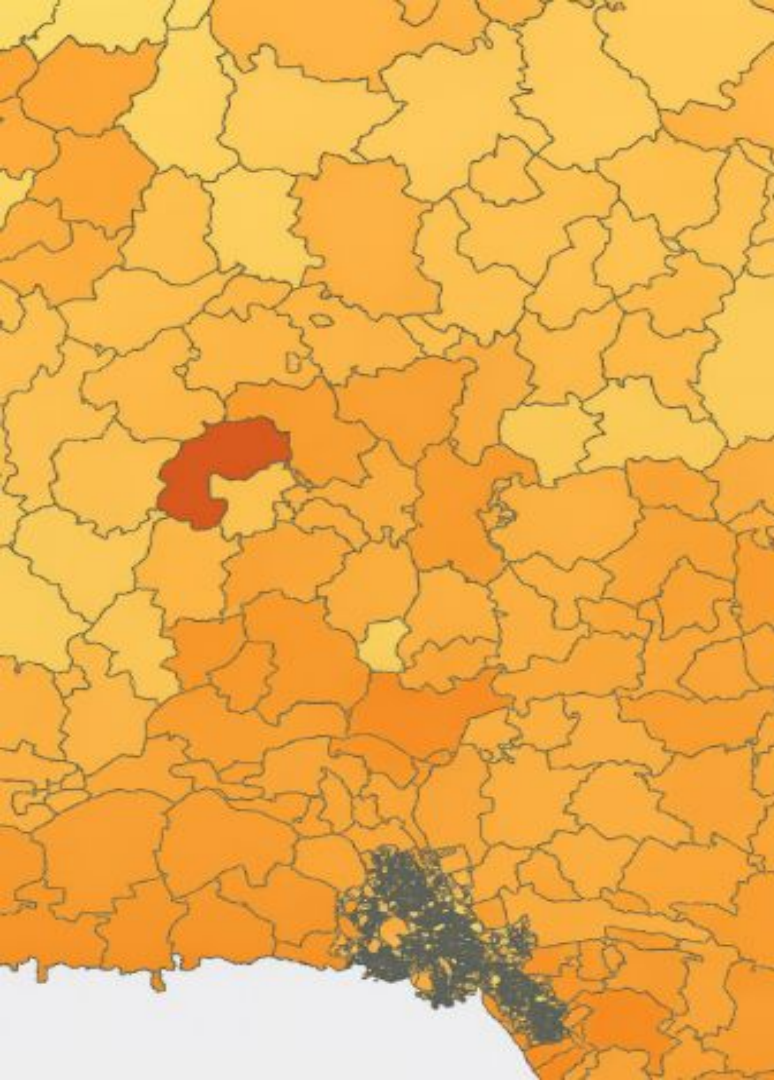
Plenty of new residential investments...
but on Warsaw's left bank





Poland

New areas of **GROWTH.**



New areas of growth.

Analysis of current sales penetration
in areas surrounding the store

White spots

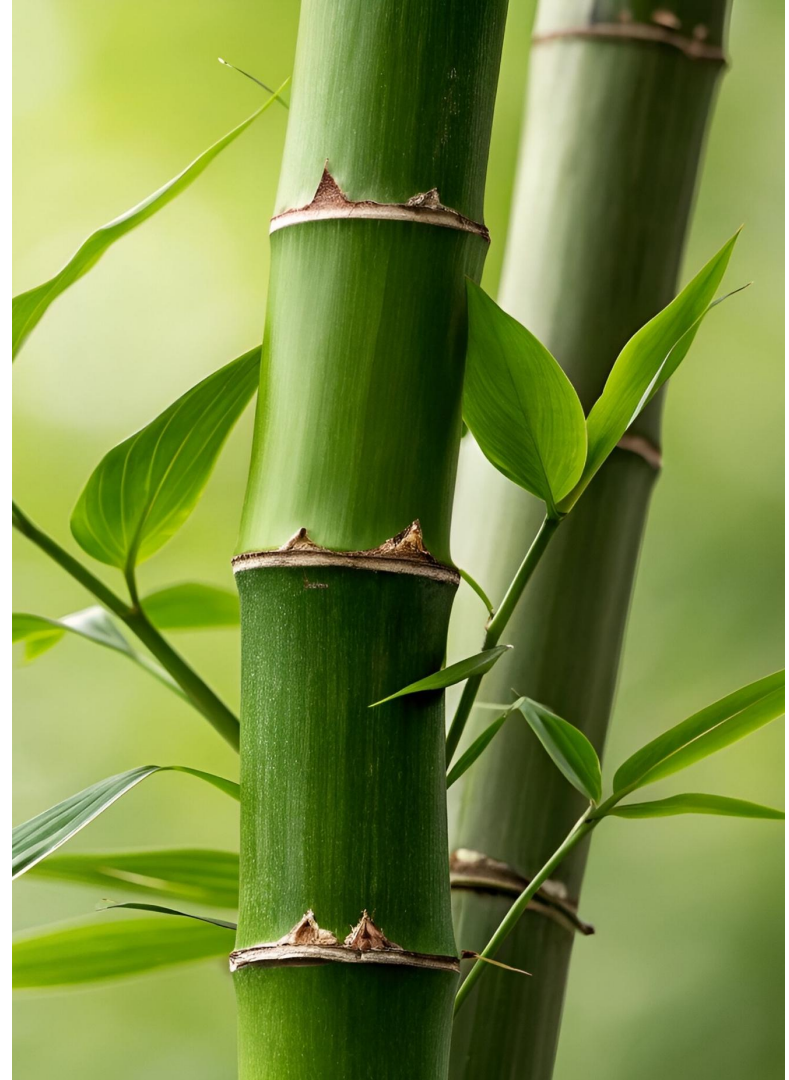
- Number of customers / members
- Number of residents
- Income
- Travel time
- Planned real estate investments

**The changes also influenced decisions
regarding the intensification of marketing
investments in new areas.**

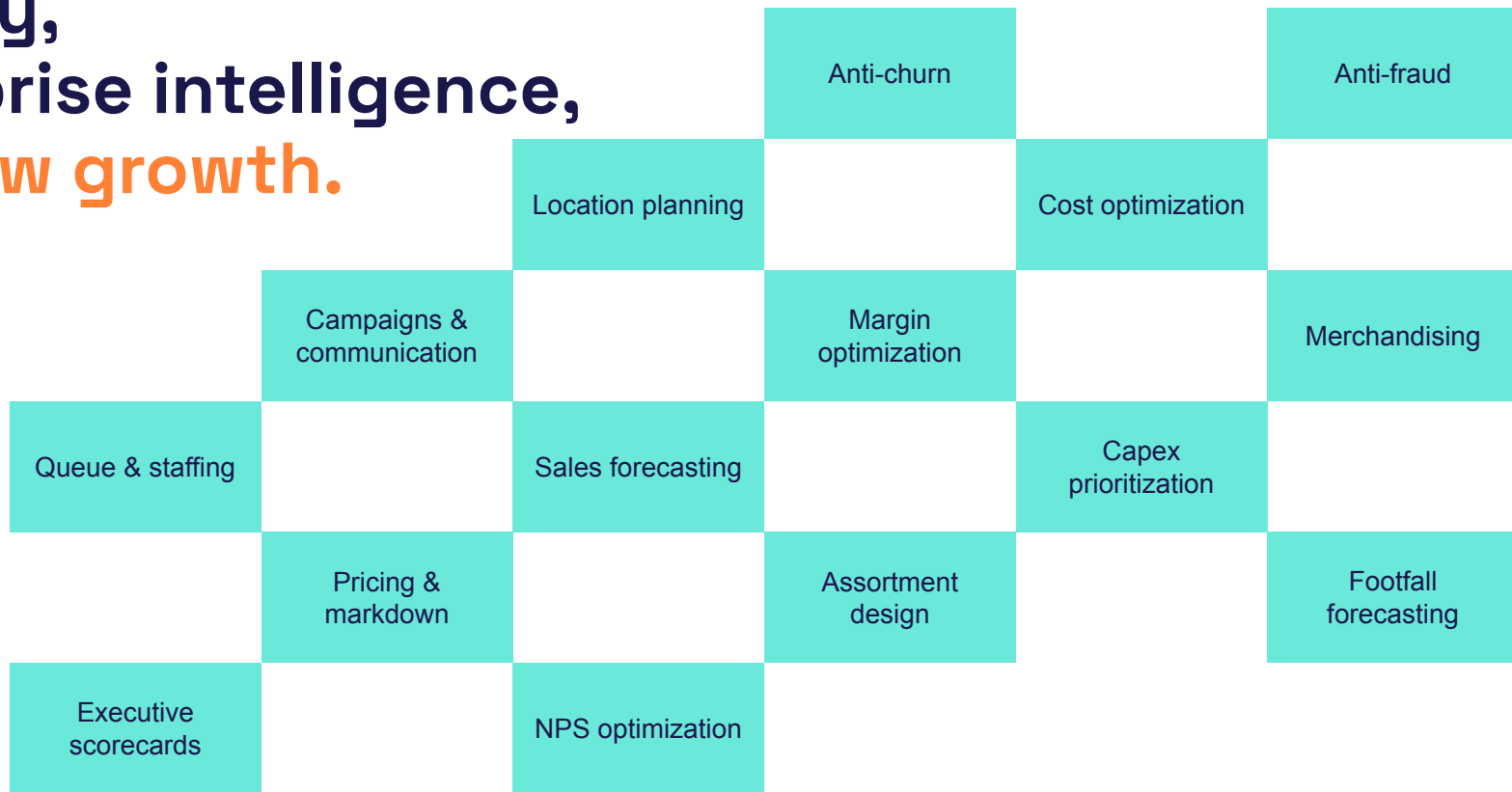


Effects – **stable** **growth.**

As a result of analysis and decisions made – record and stable Y/Y sales growth was achieved.



Loyalty, enterprise intelligence, the new growth.





**Well, okay, but we
don't have that
much cool data...**





"Poles buy glasses **every four years on average**,
so a traditional loyalty program doesn't
make sense.

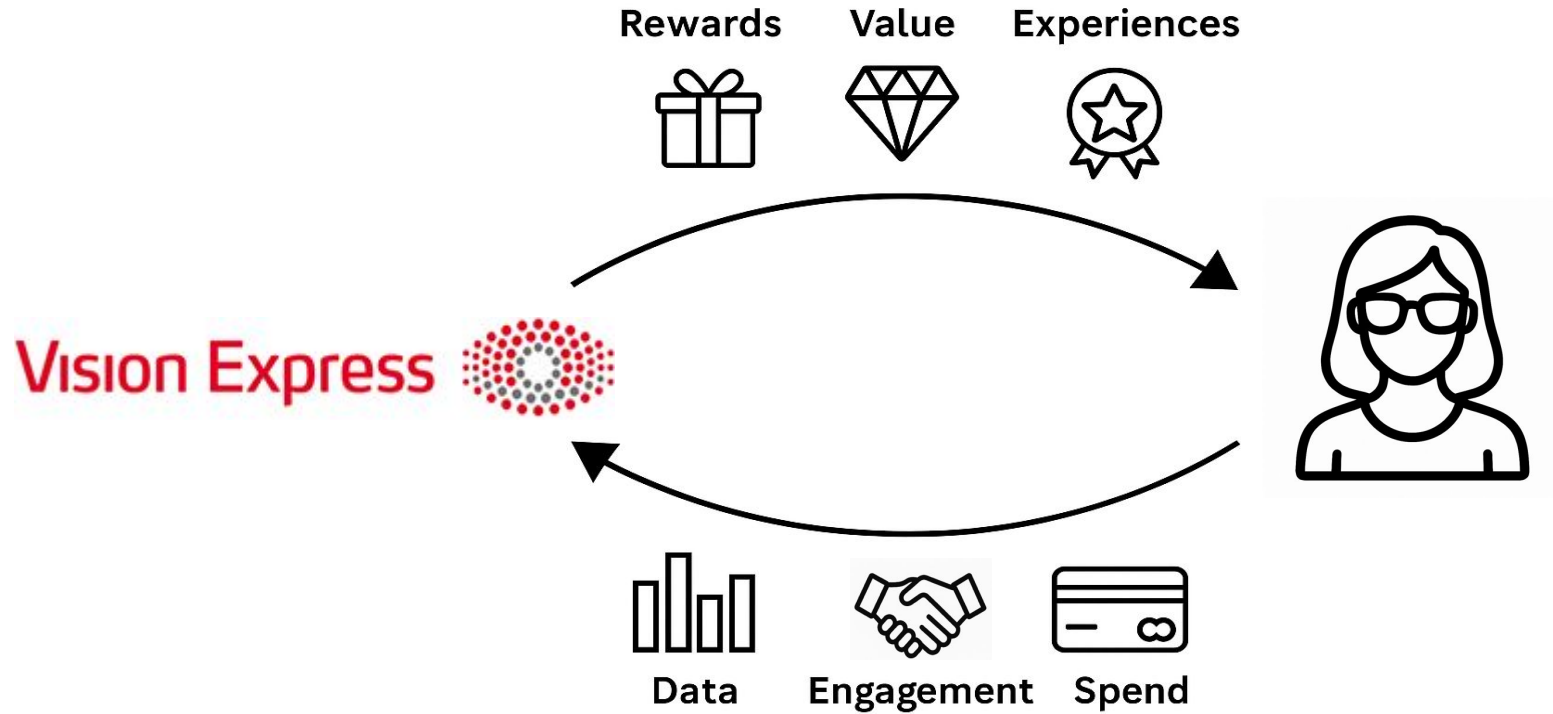
How can we build relationships with
customers and keep them **engaged in such
a long purchasing cycle?**

What solutions can increase loyalty without
relying on the classic model of points and
discounts?

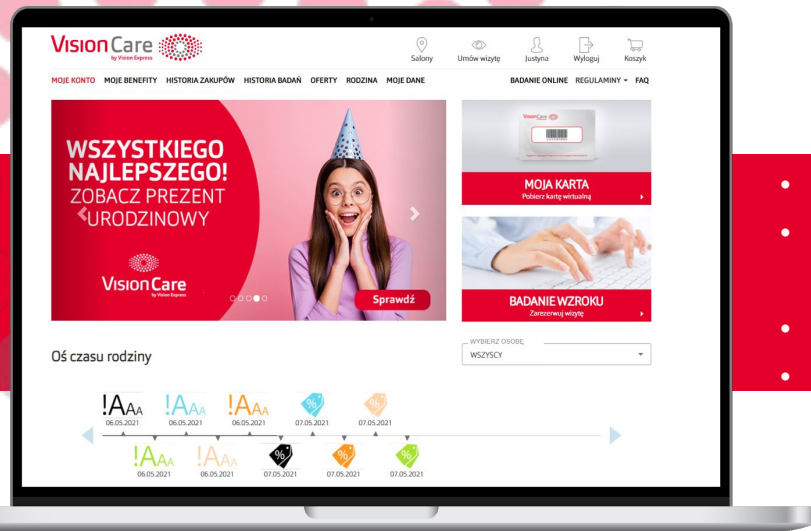


Andrzej Dalkowski
Marketing Manager
at Vision Express





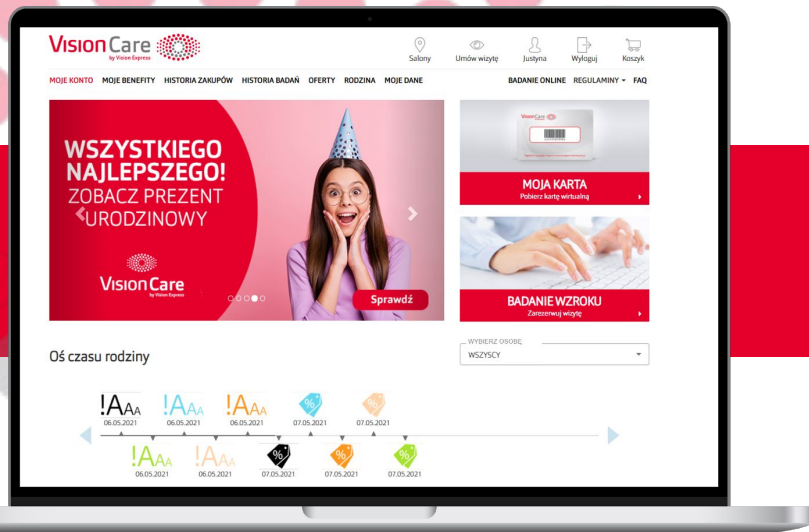
Values VE offers its customers



- VE guarantees free, top-quality service for their glasses
- Vision Express reminds customers to have regular eye examinations (available at VE locations for €2)
- VE offers preferential purchasing terms
- Vision Care website with family medical documentation



Loyalty as platform for customers and VE personnel



COMMUNICATION PLATFORM

Loyalty not as a points program, but as continuous, conscious and justified contact based on value exchange and data



Every day, VE looks after the eyesight of more than 600,000 club members and their families

Huge improvement in database communicability

10x

Tenfold increase in the number of records with consent obtained for email communication

High-quality traffic generated

40%

>6% of qualified users undergo an eye exam, with over

40% making a purchase after the test

Increase in conversion from

2.3x

vs. previously implemented VE activities

Conversion to purchase vs. control

4

in groups communicated using scoring models: INDEX >400%





**Well, are we going
in the right direction...**



Opening Report

Designing & implementing the best possible loyalty program feasible and profitable for the given

organization

#1 Audit Workshops

Business
IT
Data

#3 Audit Report

Key insights
Analyses
Recommendations

Market
Resources and Processes
Communications
Transactions data
Customer Segmentation

#2 Audit Analyses

Mechanics Development
Business Model
Creative Concept
Communications
Implementation Plan

#4 Strategy

#5 Implementation & management





"After many years of participating in a multi-brand program, we feel that this is not the most effective path for us.

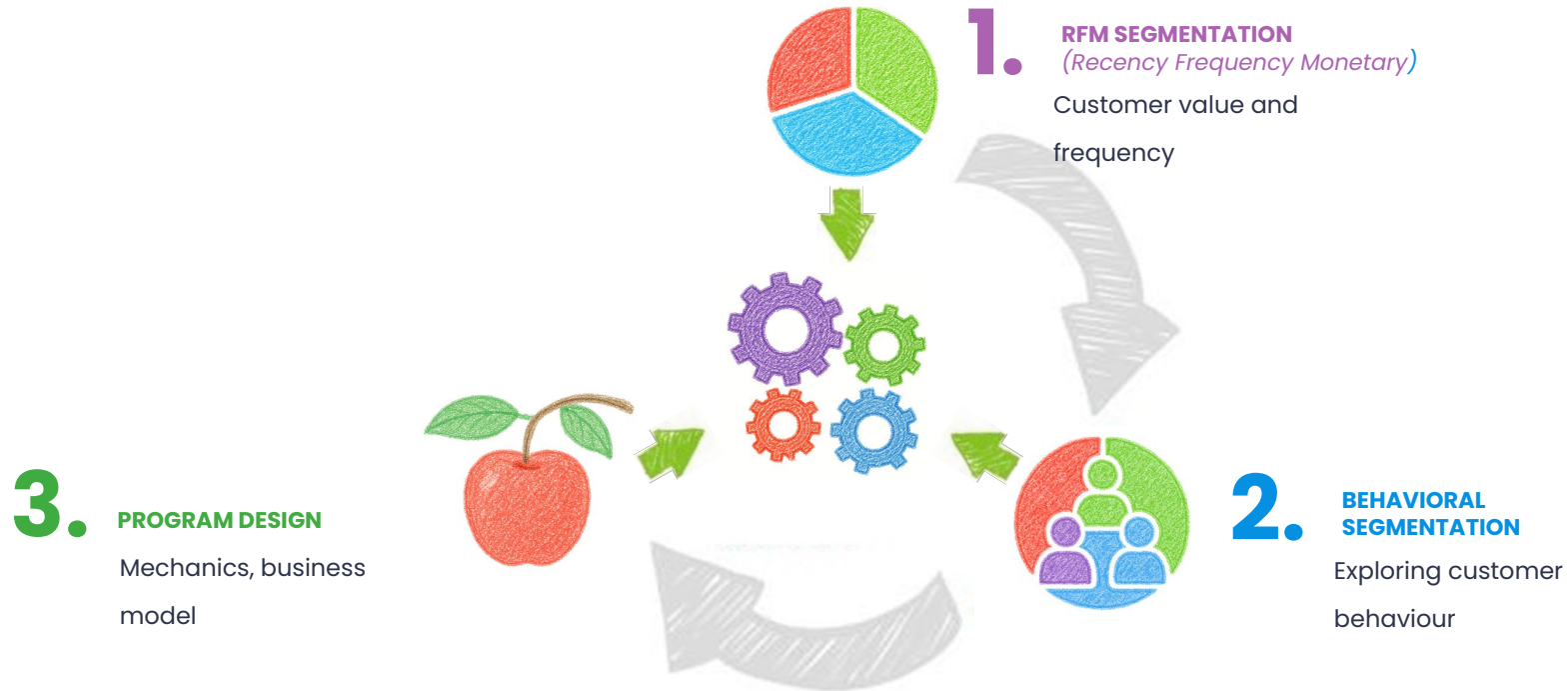
We are considering launching our own program, but we are uncertain how to develop a mix of offers and mechanics that would make the program **attractive to consumers** while also **driving growth for the organization.**"



Magdalena Dąbska
Marketing & PR Director
at SMYK



Segmentation approach to program design



Discovering potential and motivators

RFM SEGMENTATION

**How do consumers buy
and where is the potential for growth?**

Segmentation differentiates customers by spend level and the drivers behind it.

It lets us estimate **how much to give and to whom to promote specific behaviours at an acceptable cost** relative to the benefits.

BEHAVIORAL SEGMENTATION

**What are the drivers, motivators
and habits of consumers?**

Using an AI engine, we cluster customers into homogeneous cohorts based on what they buy, how often and how much they buy, where they buy, and when they buy.

It guides the **design of the benefits mix and narrative**, so the program resonates with selected groups of customers.



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**This intersection allows us to develop
a set of mechanics and 1:1 communication**



Identifying key segments to address



% of RFM segment		RFM segment	Behavioural segments				
			Segment A	Segment B	Segment C	Segment D	Segment E
	liczba klientów						
RFM	NEW						
	HIGH FREQUENCY LOW VALUE	Regular					
	LOW FREQUENCY LOW VALUE	Occasional					
	LONG TERM INACTIVE						

90% Gift buyers



Loyalty program concept

FAMILY & FRIENDS

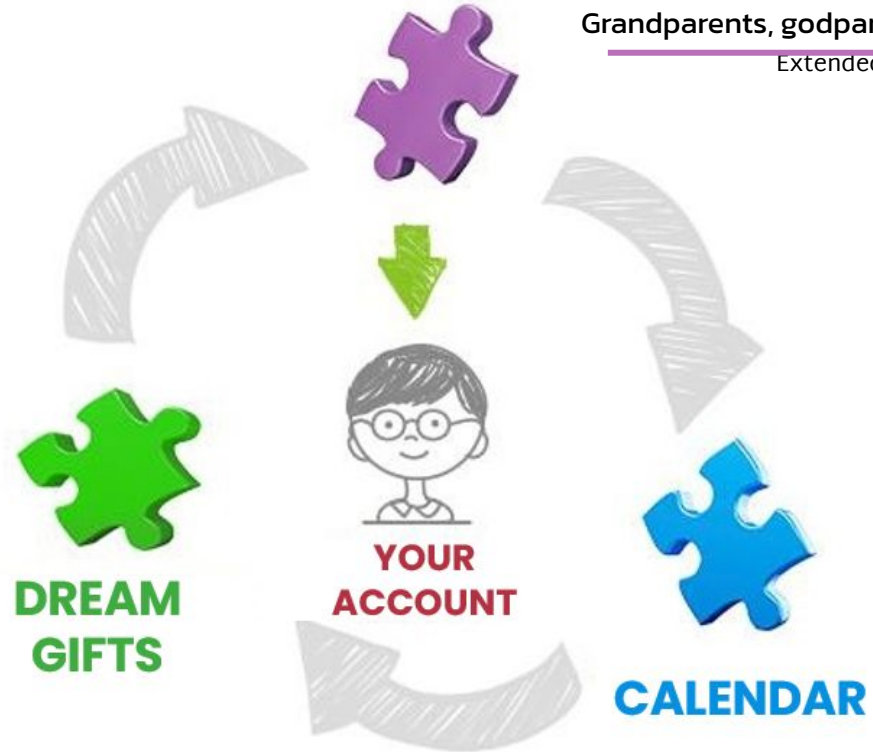
Grandparents, godparents, relatives
Extended circle of buyers

CHILD AT THE CENTER

The main beneficiary of the program

PARENTS

Decision-makers and account
administrators





Twoje PUZZLE

200 z 333



Posiadasz

200 PUZZLI
oraz 100 PUZZLI
tymczasowych.*



Do kolejnego bonu
potrzebujesz jeszcze:

133 PUZZLI
lub 33 PUZZLI, jeśli wszystkie
PUZZLE tymczasowe zostaną
aktywowane.

historia >>

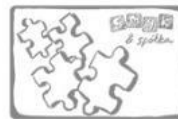
*te PUZZLE aktywują się w ciągu 30 dni od zakupu, o ile nie zwrócisz
zakupionych produktów. regulamin

Twoje KARTY

Karta główna

XXX XXX XXX XXX X

Pobierz wirtualną kartę programu.



Zobacz lub dodaj karty dla siebie i innych osób
w drzewie rodzinnym.

Drzewo rodzinne

Twoje BONY

Posiadasz obecnie:

2 aktywne BONY
o łącznej wartości 40zł.



Więcej

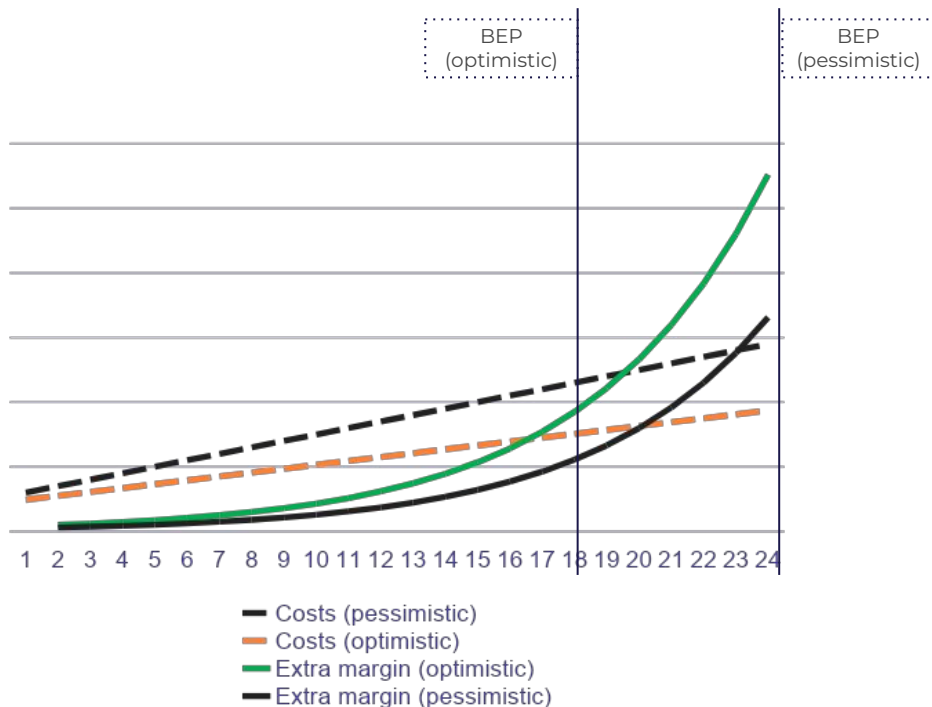
Drzewo rodzinne

Wydarzenia



Business model verifying the concept

- Customer segments and their parameters
- Expected recruitment and its pace
- Forecasted baseline and assisted sales
- Change in the behaviour of customers recruited through program
- Change in the share of loyalty transactions in turnover
- Profit margin level
- Level of fixed and variable costs
- Positive margin balance periodically and incrementally
- Break-even point



Results delivered

Transforming a single customer into a circle of loyal buyers

50%

From individual purchases to a family shopping ecosystem
– half of all transactions are loyalty transactions

Tens of millions of EUR in extra turnover

XXM

Additional turnover generated from loyalty mechanics
and communication with the acquired base

Reduction in communication costs

30%

thanks to scoring models based on data from the
program
vs. mass communication to the database with a
similar margin level from communication



This is not just an ordinary program

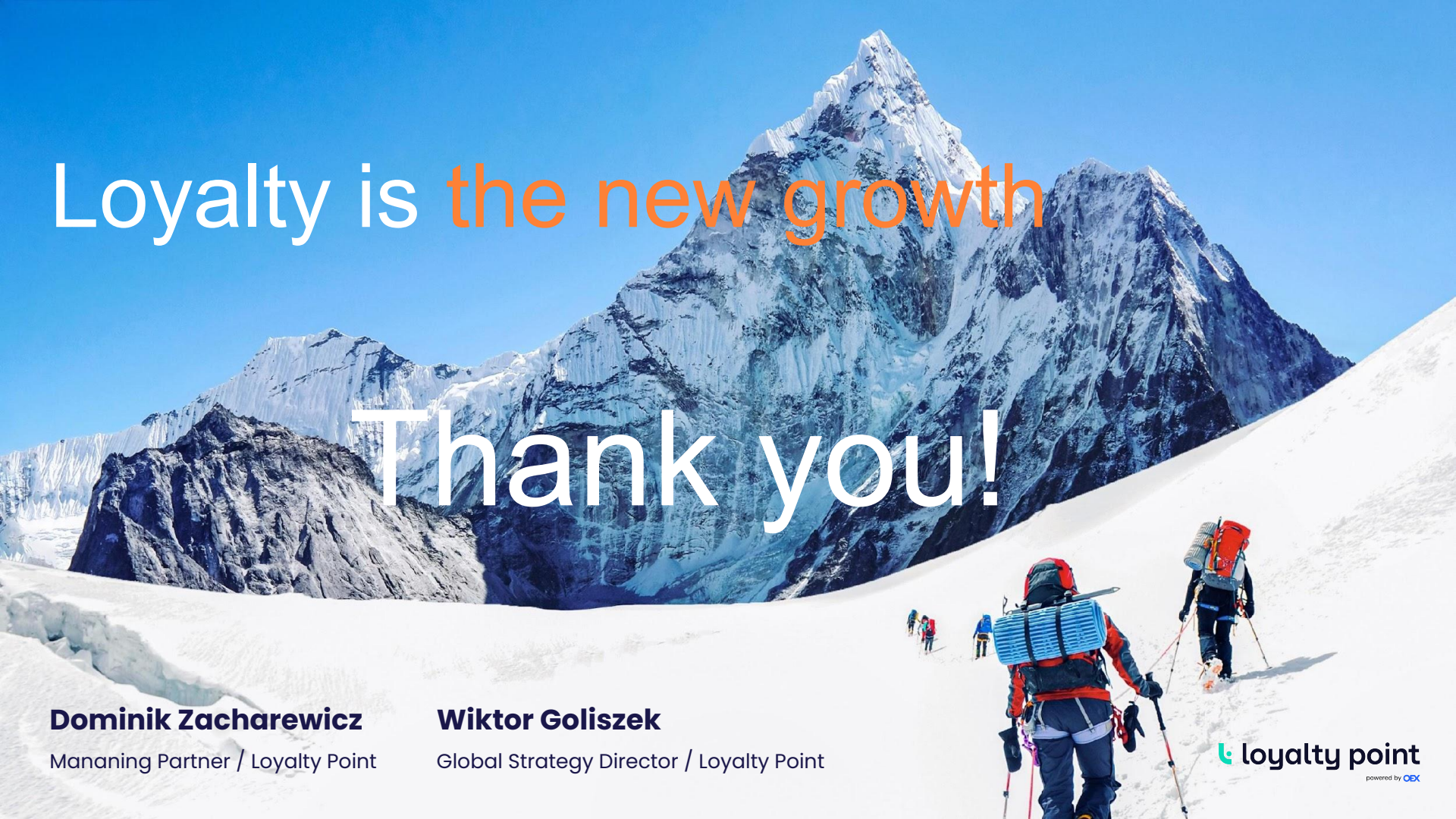
it's an idea on how to use the natural ecosystem around the child and turn it into loyalty. The family buys together, keeps track of the child's needs, and the brand becomes a platform that supports this. Growth does not come from discounts – it comes from bonds.

**Use loyalty to make
bigger decisions better**

**Loyalty as a booster
for consents**

**Restart with data
and process**





Loyalty is the new growth

Thank you!

Dominik Zacharewicz

Managing Partner / Loyalty Point

Wiktor Goliszek

Global Strategy Director / Loyalty Point

 **loyalty point**
powered by OEX