How Microsoft Turned CRM Into a Loyalty Engine – *No Points Required.*



Rob Pellow
Global Martech Strategy & Innovation — CRM
Bond



Karen Fields
SVP Client Solutions — Tech & Emerging
Bond



Danielle Yedinak
Digital Experiences Sr. Director
Microsoft

We're *the* customer intelligence-driven engagement company.





15+ years of being measured.
Another year named a Leader.

THE FORRESTER WAVE™: LOYALTY SERVICES, Q4 2026

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— Forrester



Access the complimentary report via Bond's licensed reprint.

Microsoft | bond.

Five *trends* emerging from program operators we talk to.

Meet the Moment

1 Desire to shift loyalty toward a connected customer growth engine, not just a marketing add-on or discount.

WHAT WE'VE HEARD

- Program growth has plateaued
- Loyalty teams are pressured to 'do more'
- Optimization and investment decisions are made in silos

WHAT WE KNOW

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79% say there's an internal interest to update, enhance or redo their loyalty offering

71% feel that this is caused by poor integration with the overall customer experience

Data source: Loyalty360 2026

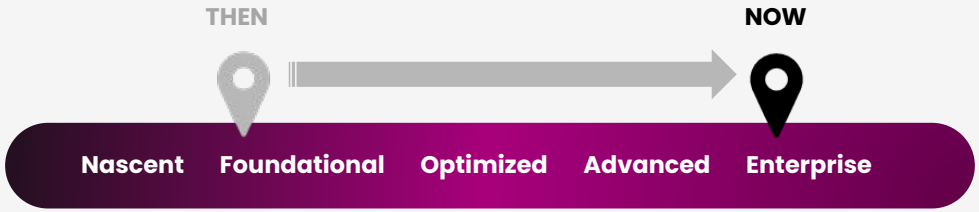
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Loyalty has matured. There is a shift in focus from program foundations to advanced outcomes.



- Program / Construct Design
- Business Case
- Technical Optimization
- Financial Measurement & Planning
- B2B/B2C Harmonization

- Operating Model & Enablement
- Advanced CRM
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- Experience Design
- CLO & Other Partnerships
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- Enterprise Objectives

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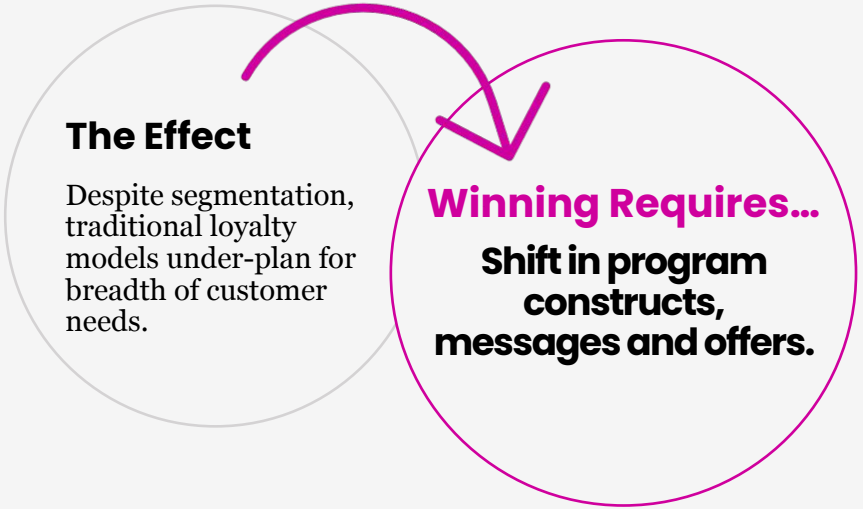
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Bond Loyalty Report



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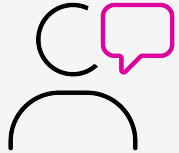
Meet the Moment

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Energy and pace applied to infusing AI practices into program operations more efficiently.



Complementary Agents



Optimizing Voice of Customer



Marketing Ops Tools



Expanded Data Value & Predictive models

Microsoft | bond.

Tech is transforming *personalization*.

And AI has raised the customer bar

For the first time, it is practically possible to deliver genuinely individual, brand-coherent experiences at scale - not just optimized for performance, but capable of building brand value over time.

The aspiration

CRM has always aimed for one-to-one relevance. The best programs got close - but doing it at scale required enormous manual effort.

What has changed?

AI makes it practical, for the first time, to decide the most relevant action for each individual and deliver it consistently at scale.

Why now?

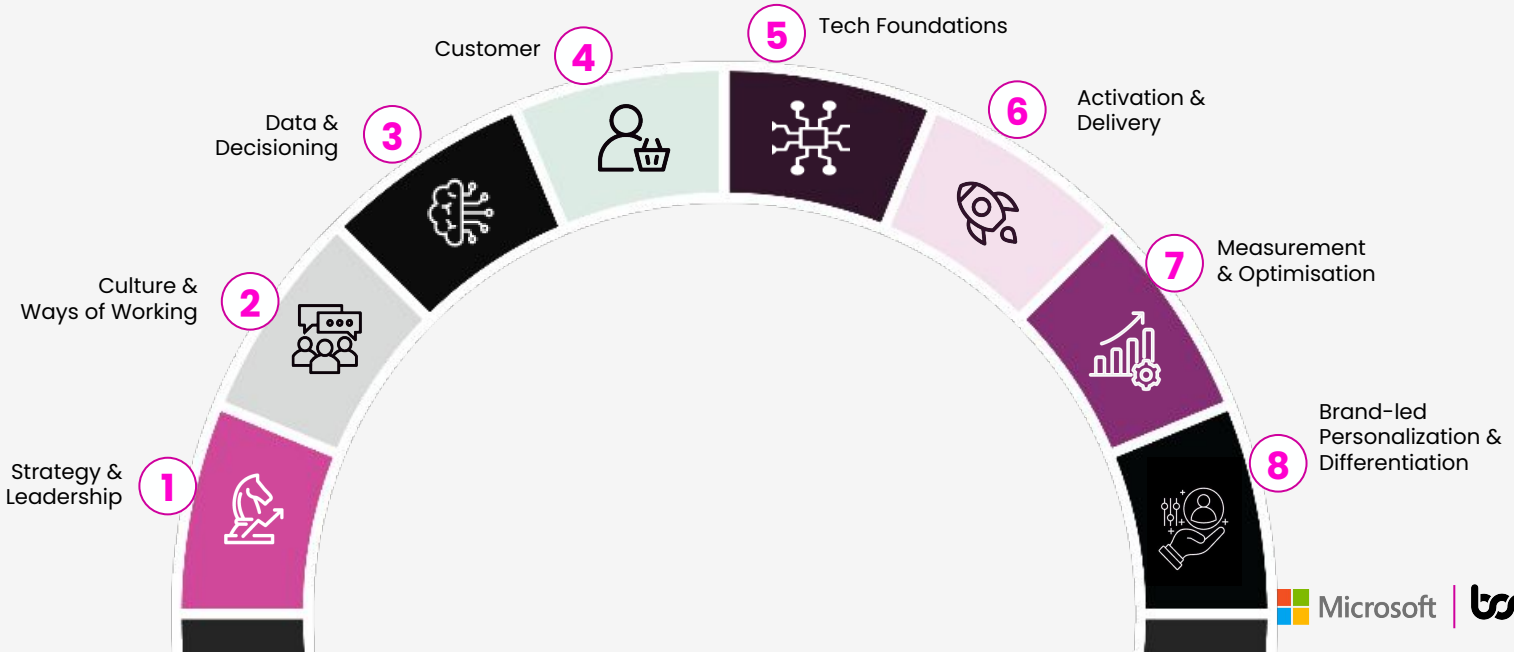
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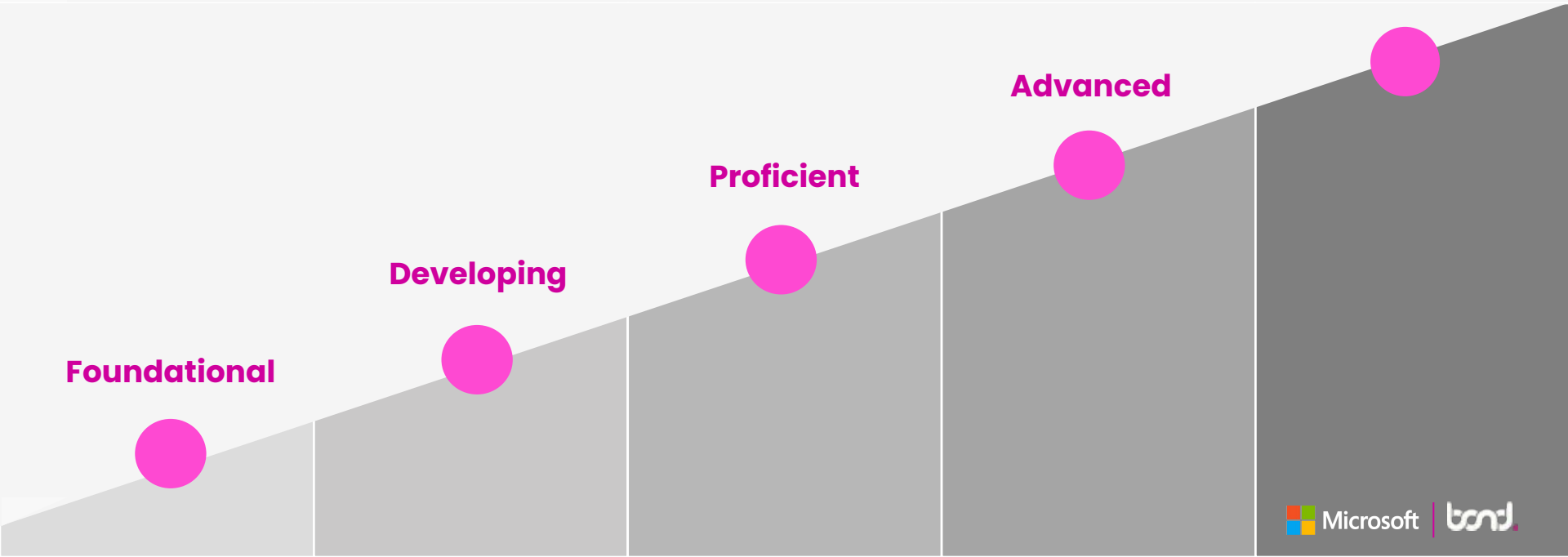


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Maturity runs from Foundational to Leading across five levels. AI has only just made genuine scaled personalisation practical — so the top tier is wide open, waiting to be claimed.



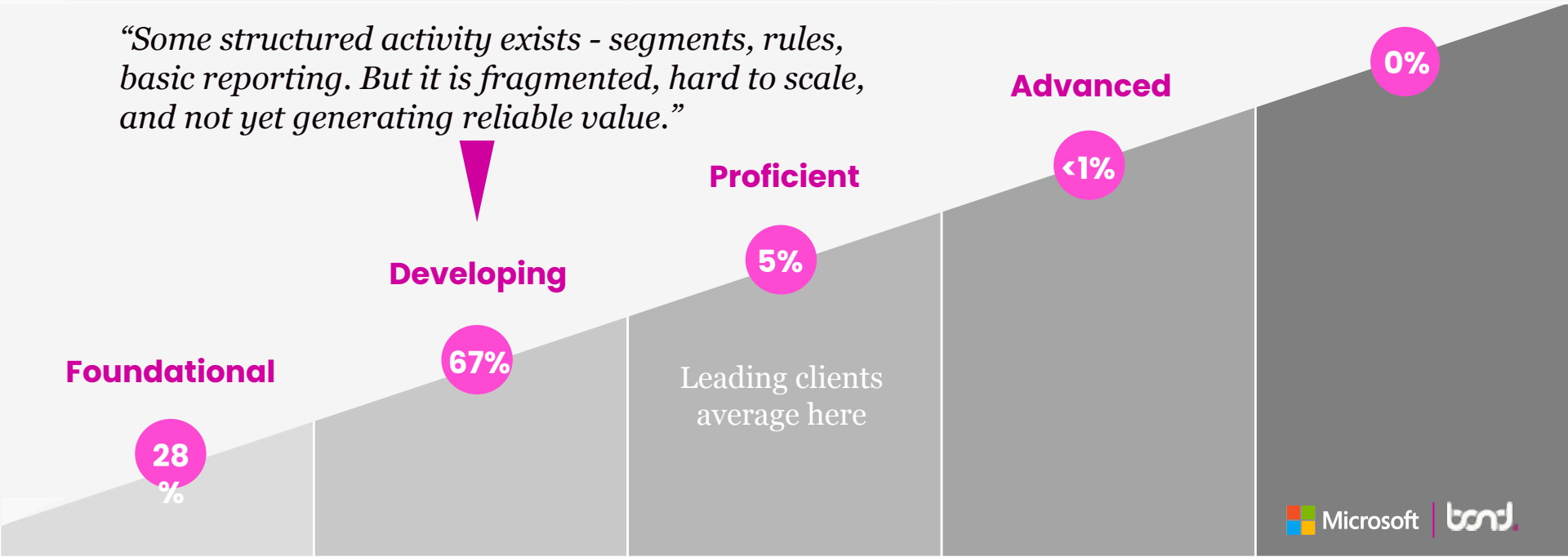
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The industry is at level 2.

The average personalization maturity score is 2.2 out of 5

Average score: 2.2

"Some structured activity exists - segments, rules, basic reporting. But it is fragmented, hard to scale, and not yet generating reliable value."



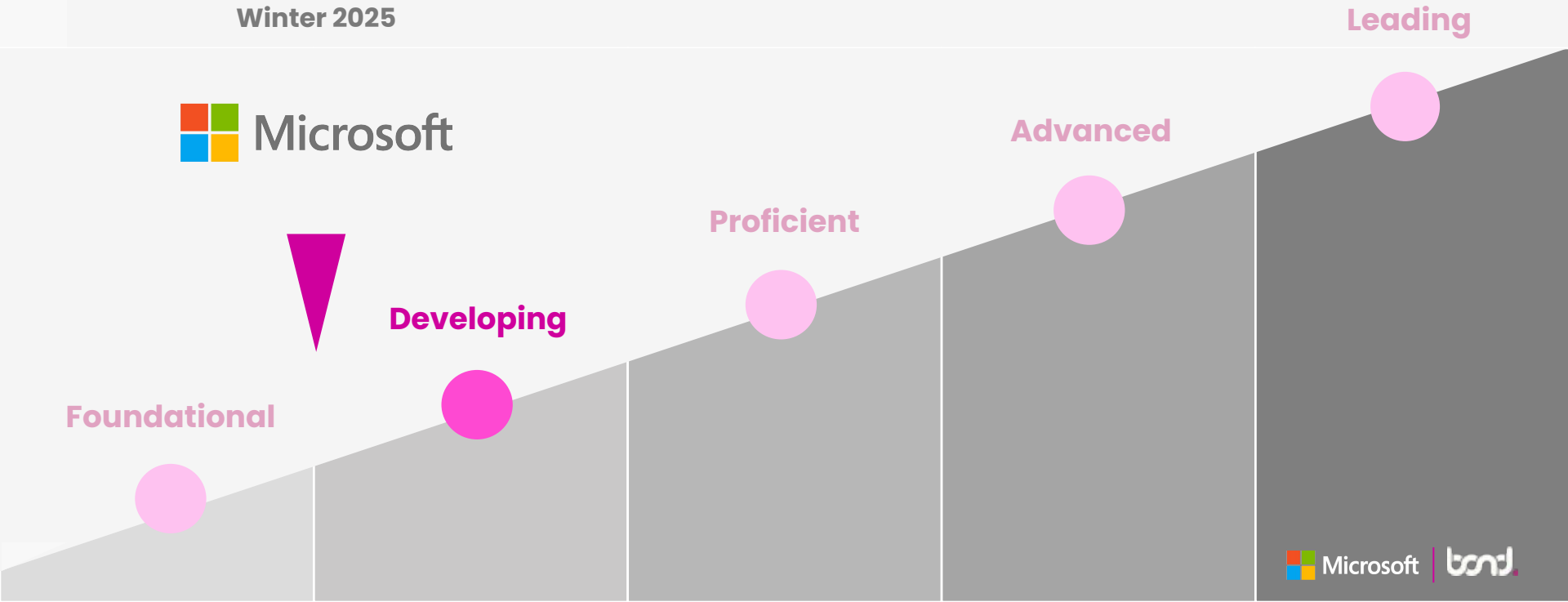
One client's journey from theory to momentum

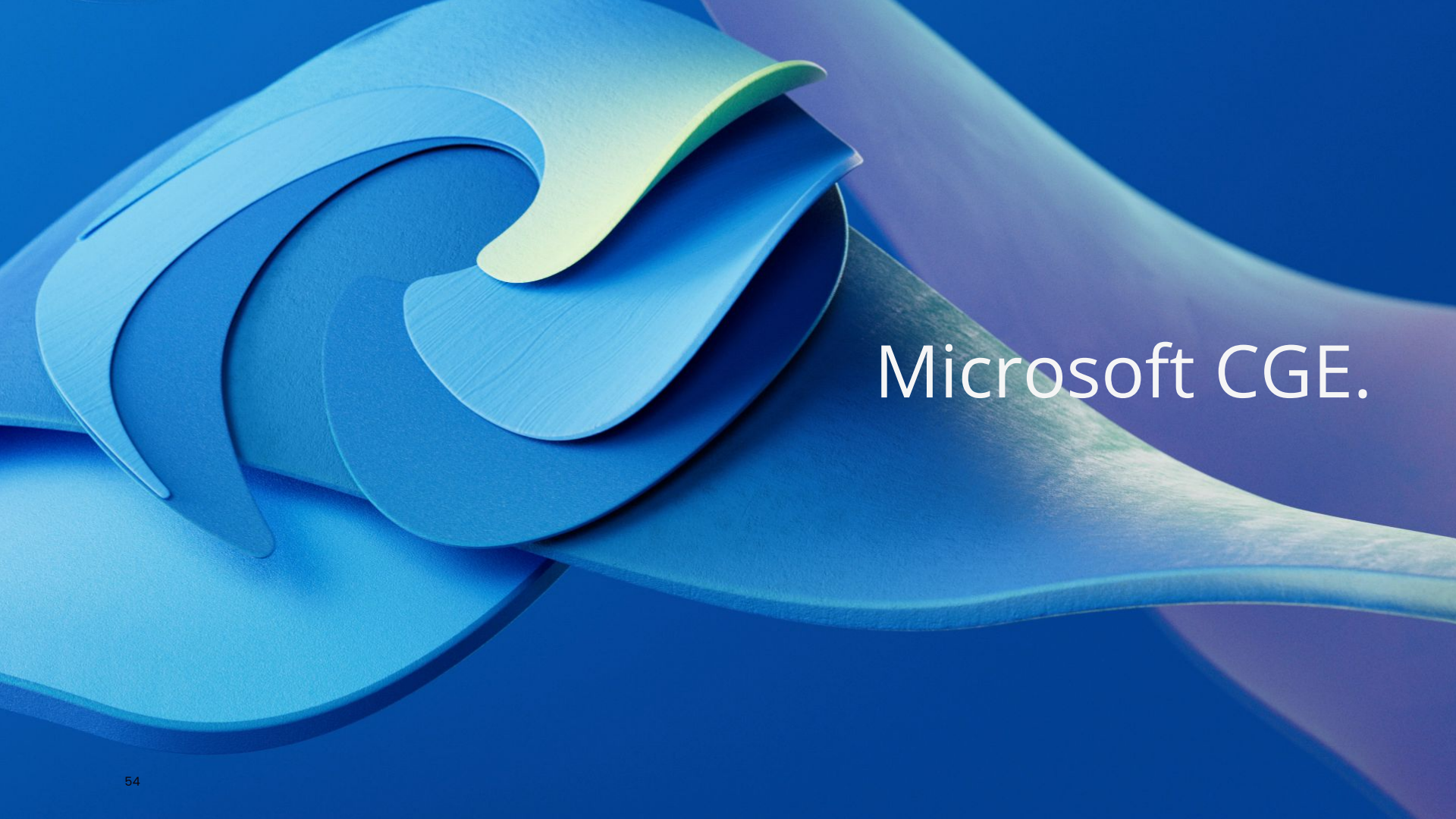


Microsoft | bsnl.

So *ubiquitous* that
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Where Microsoft was




Microsoft CGE.

What do we do?

Our main goal is to drive **conversion** and **consumption** through data-informed targeting and personalized messaging delivered at the most impactful moments in the customer journey.

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Craft customer journeys for hero scenarios

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Expand customer relationships for greater ecosystem share

Nurture existing customers, deepening engagement, and expanding through strategic upsell, cross-sell, and sales partnerships.

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Drive consumption

Accelerate consumption of high-priority products through targeted Growth Campaigns and connected marketing and sales campaigns.

Microsoft | bond.

Customer Understanding Powers Lifecycle Growth

Customer insights guide where we invest, how we engage, and what we learn.

Lifecycle Growth System

1

Understand the Customer

Need states, motivations, behaviors, and signals

2

Define Growth Opportunity

Customer Value + Business Impact

3

Design the Next Best Action

Deliver the right value at the right moment

4

Orchestrate the Journey

Connected touchpoints across channels

5

Learn and Optimize

Improve journeys through measurement and insights

Customer moments become the organizing principle for planning, investment, and measurement.

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Our Ambition & Strategic Approach

CGE Customer Ambition

Build lifelong customer relationships by helping customers discover, realize, and deepen value throughout their Microsoft journey

Impact

Customer: Help customers achieve more with Microsoft products

Business: Increase customer engagement, consumption, retention, and lifetime value

Customer Value

Discover Value:
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Realize Value:
Customers activate and get meaningful value from products they own

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Deepen Value:
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Strategic Approach →

Build connected lifecycle journeys

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Consumption-led planning anchored in customer behavior

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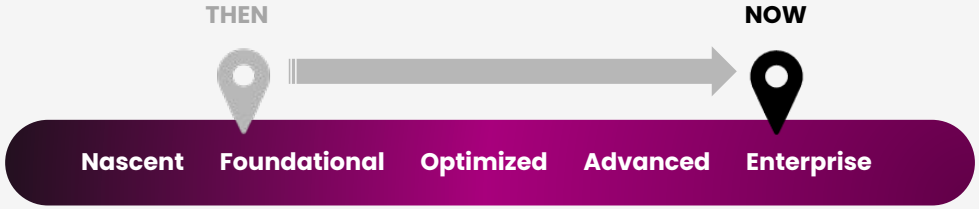
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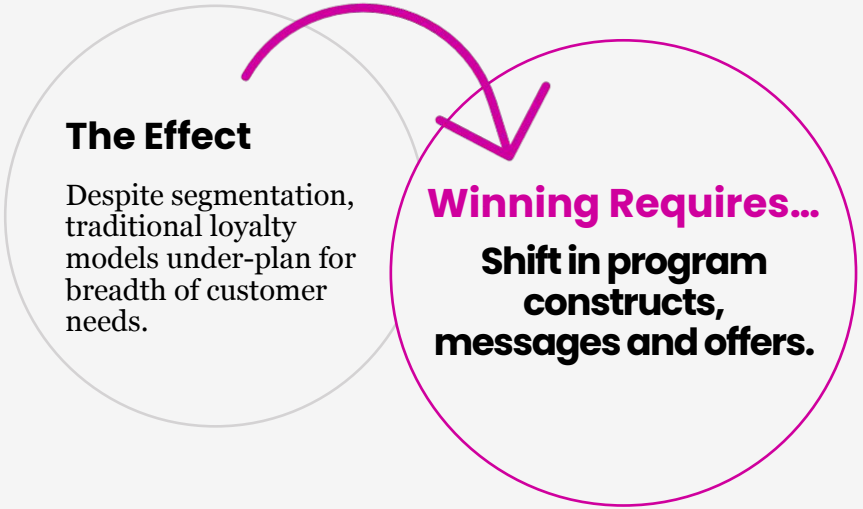
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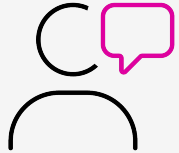
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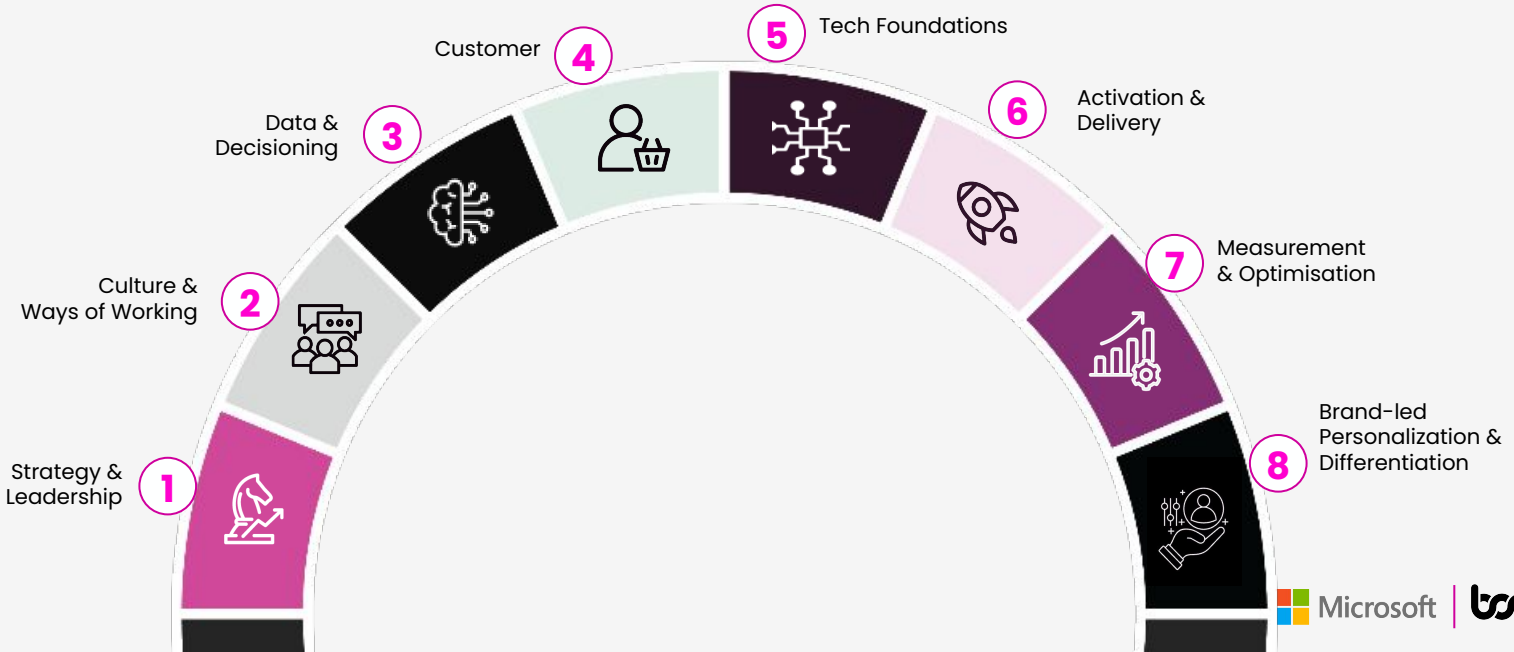
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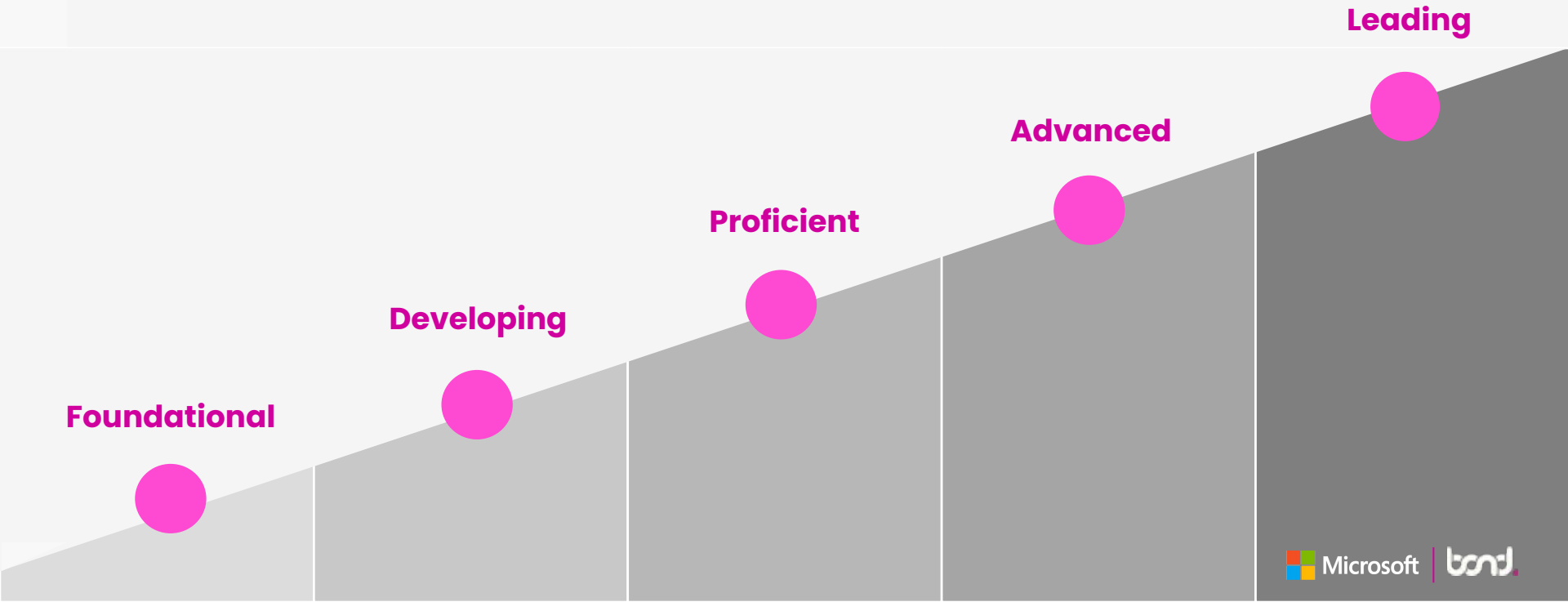


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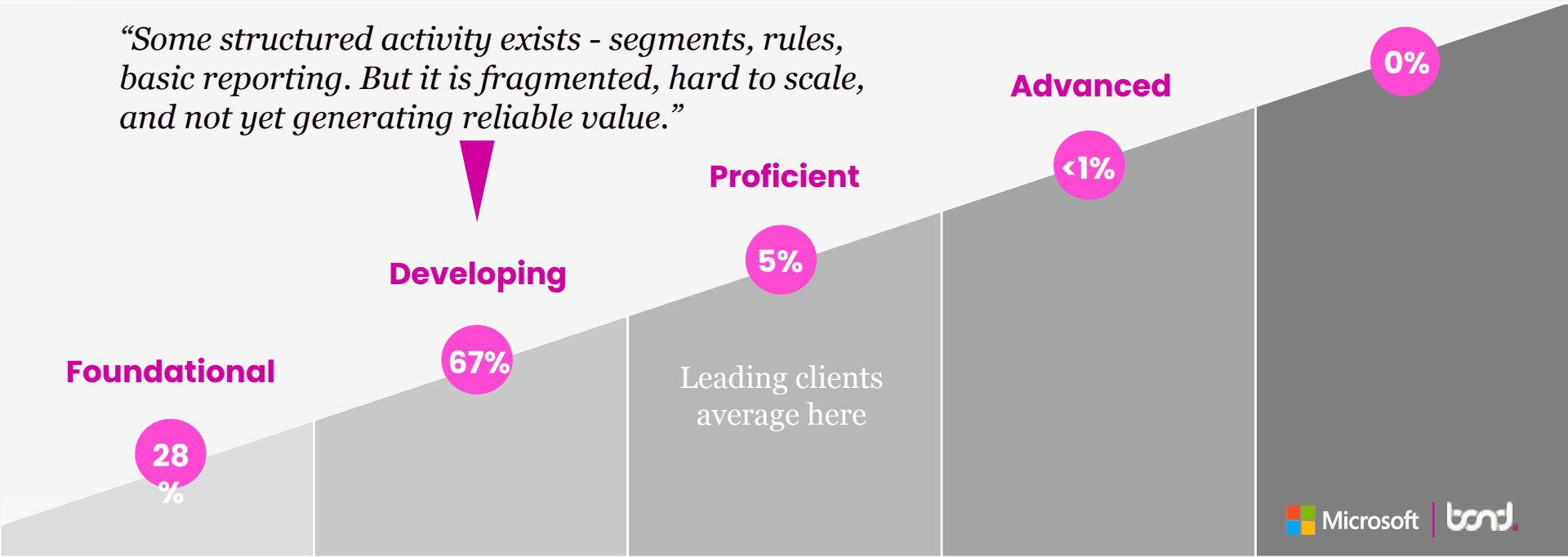
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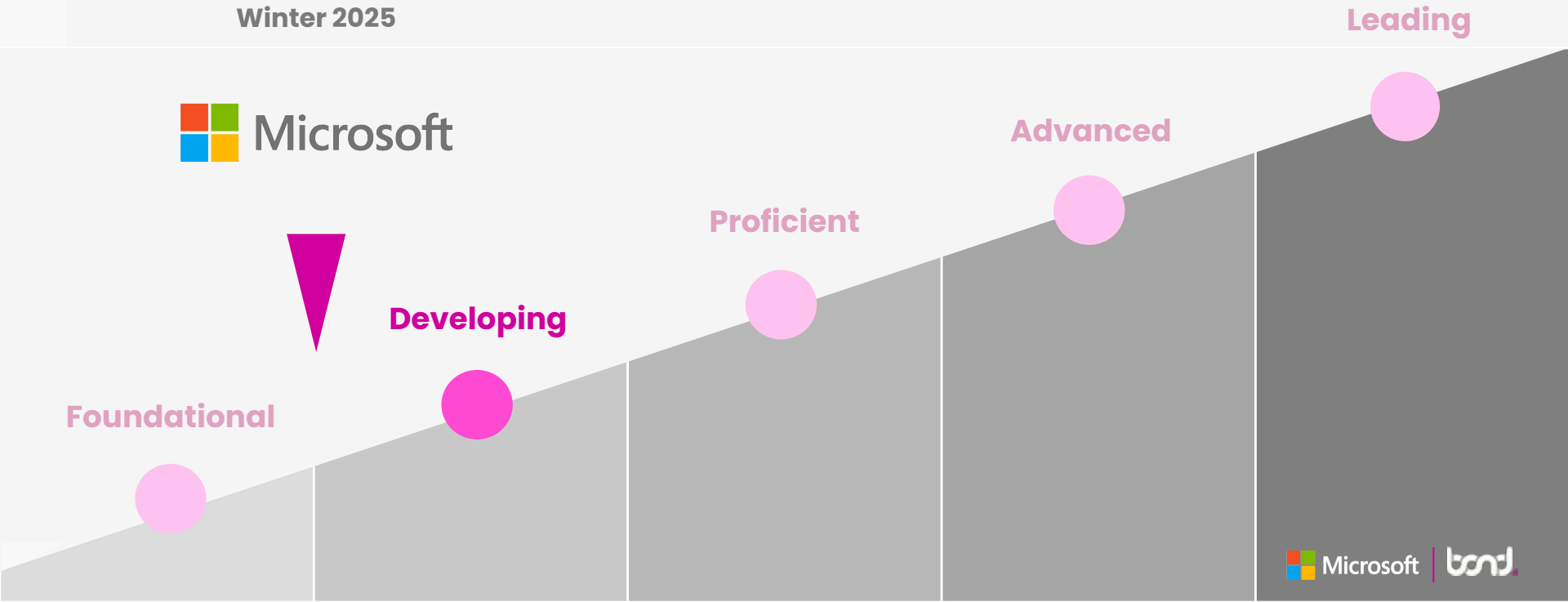
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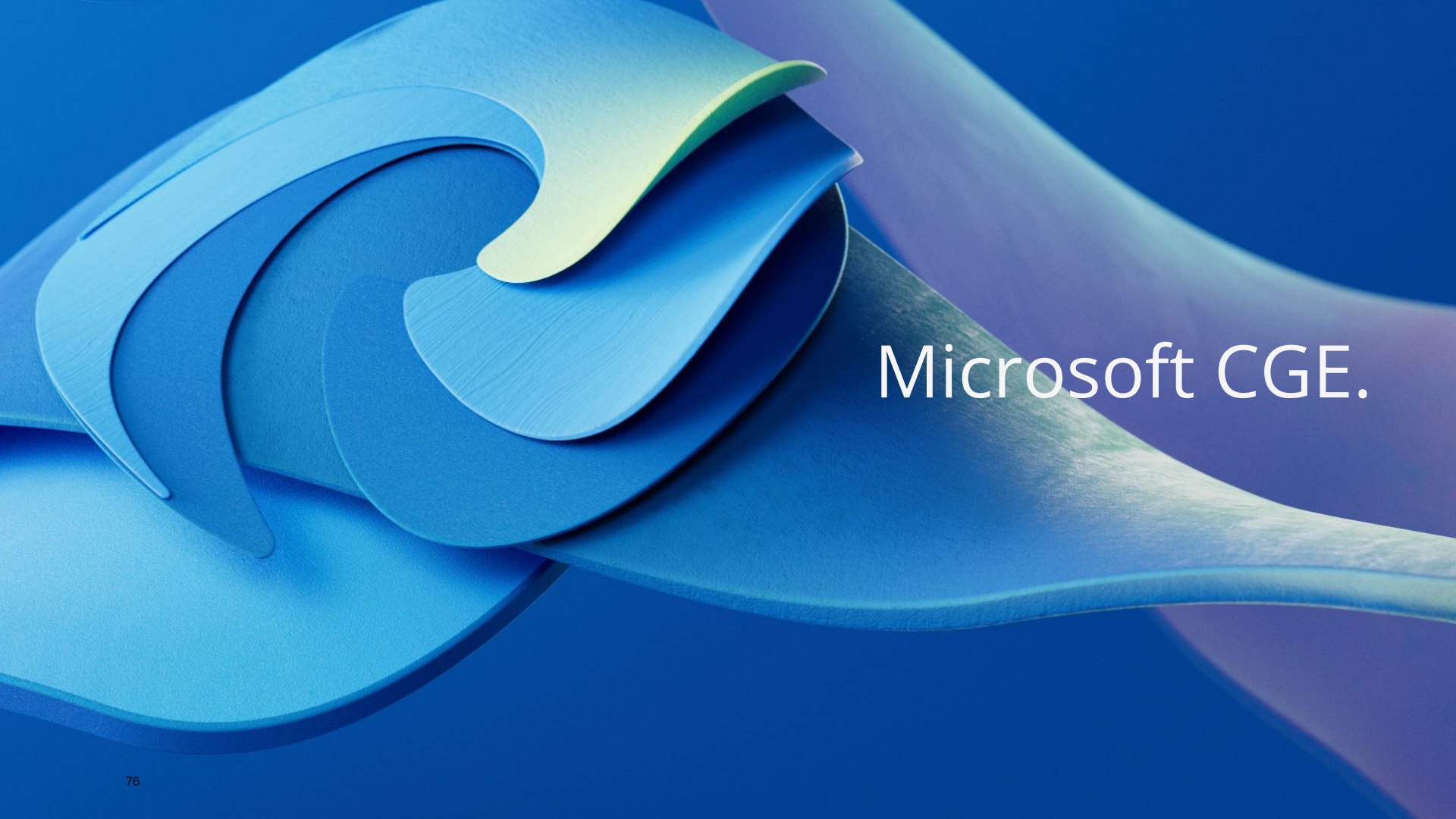


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FY27 Strategic Investments

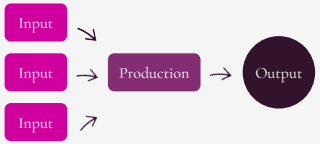
Four investments accelerate our shift from campaign execution to customer lifecycle growth.

Customer **Understanding**

Build a Customer Understanding Engine

EFM Program | Insights Engine | Zero-Party-Data

Build a richer understanding of customer needs, motivations, preferences, and behaviors so experiences adapt to the customer.



Customer **Planning**

Establish Customer Lifecycle Journeys

M365 | Copilot | OneDrive | Windows | Surface

Create a connected customer journey model, organizing work around lifecycle moments instead of individual product asks or channel campaigns.

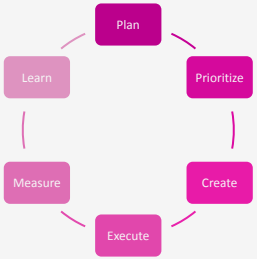


Organizational Scale

Build the Lifecycle Growth Operating System

Prioritization | Editorial Calendar | EIC

Build the repeatable planning, governance, measurement, and execution systems required to scale lifecycle growth.



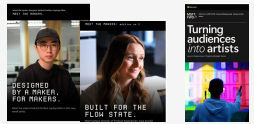
Customer **Connection**

Create Distinctive Customer Experience

MSFT:FWD | Meet the Makers | Project Wonder

Use relevant and authentic editorial storytelling and visual craft to make Microsoft value tangible through people, real-world use cases, and high-quality experiences.





Microsoft | bond.

Microsoft

9:41

Meet Kevin Sill, lead industrial designer of the Surface Laptop Ultra

Microsoft Surface

MEET THE MAKERS_edition no.2



9:41

Becoming the art.

Microsoft

MSFT: FWD

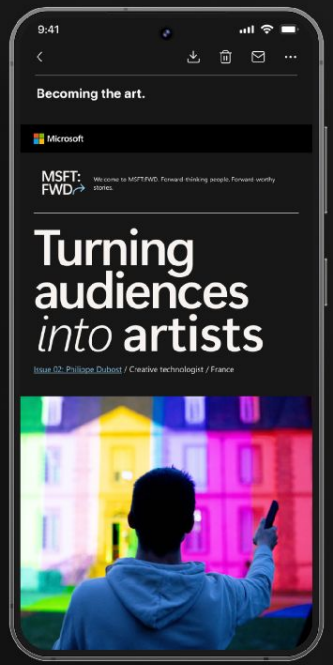
Welcome to MSFT:FWD. Forward-thinking people. Forward-worthy stories.

Turning audiences *into* artists

Issue 02: Philippe Dubost / Creative technologist / France



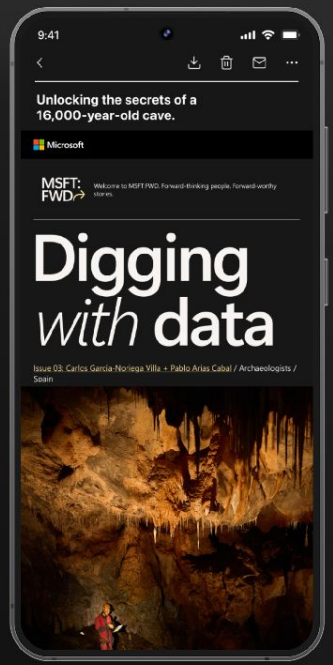
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Turning audiences into artists
Issue 02: Philipse Dubost / Creative technologist / France


Becoming the art.
Microsoft
MSFT: FWD
Turning audiences into artists
Philipse Dubost turns spectators into creators
We're the first character guys on the facials, people say, 'Wow, I belong to this. I'm part of this show.'
A new canvas for creativity


9:41
One researcher. A curious mind. Endless innovation.
Microsoft
MSFT: FWD
Welcome to MSFT:FWD. Forward-thinking people. Forward-worthy stories.
Art with teeth
Issue 01: Natalie Donato / Shark Researcher / Digital Artist / Oregon USA


One researcher. A curious mind. Endless innovation.
Art with teeth
Shark Research Reimagined Through Art and Technology
Sharks are complex animals navigating an intricate ecosystem. Bringing these ideas to the forefront can spark curiosity, other than fear, inspiring people to ask questions and learn more.


9:41
Unlocking the secrets of a 16,000-year-old cave.
Microsoft
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Digging with data
Issue 03: Carlos García-Noriega Villa + Pablo Arias Cabal / Archaeologists / Spain


Unlocking the secrets of a 16,000-year-old cave.
Digging with data
New discoveries on prehistoric human life thanks to Surface Pro
We have done more in the last three years than in the 30 years before.

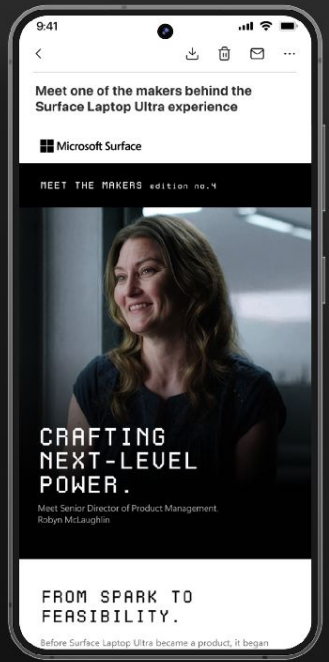
MEET THE MAKERS.













AI Innovations Accelerating Our FY27 Strategy

Four applied AI capabilities are already helping us understand customers, scale journeys, strengthen experiences, and operationalize quality.

Customer **Understanding**

1 CGE Insight Engine

INSIGHT AGENT | VALIDATION | REPOSITORY

Turns fragmented channel data, performance signals, and team learnings into structured, validated insights that can inform strategy and action.

FROM DATA → ACTIONABLE CUSTOMER INSIGHT

Customer **Planning**

2 Localization Agent

EMAIL | IN-PRODUCT | 50+ MARKETS

Adapts approved copy for each channel and market with built-in quality, brand, compliance, and character-limit checks.

FROM ONE JOURNEY → SCALABLE GLOBAL JOURNEYS

Customer **Connection**

3 Synthetic Research Panel

RESEARCH-GROUNDED PERSONAS | RAPID TESTING

Uses a Copilot-powered panel to pressure-test stories, email, and creative earlier through differentiated audience perspectives.

FROM ASSUMPTION → CUSTOMER-INFORMED CRAFT

Organizational Scale

4 AI-Enabled Editor in Chief

TRIAGE | COPY COACHING | REVIEW AUTOMATION

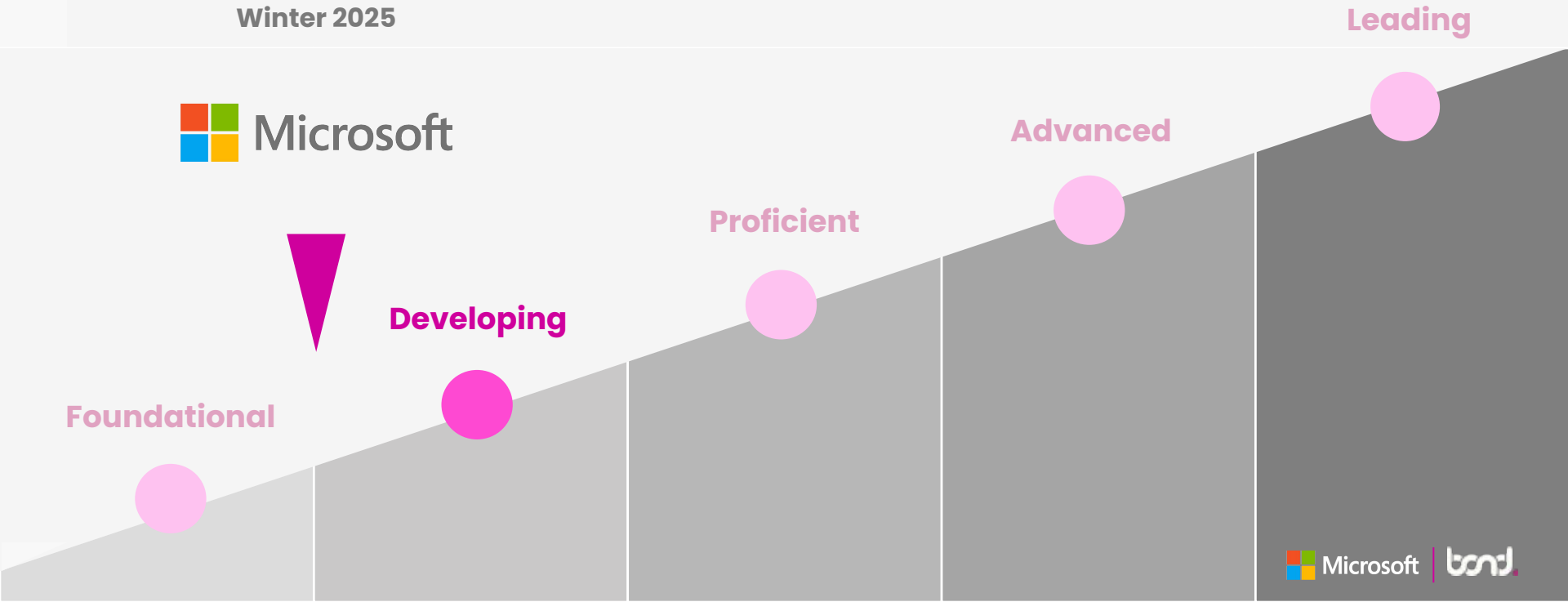
Infuses AI across intake, campaign visualization, guidance, scheduling, naming, and workflow automation while preserving human editorial judgment.

FROM MANUAL REVIEW → SCALABLE QUALITY SYSTEM

AI is becoming connective tissue across the growth system, not a standalone workstream.

Microsoft | bond.

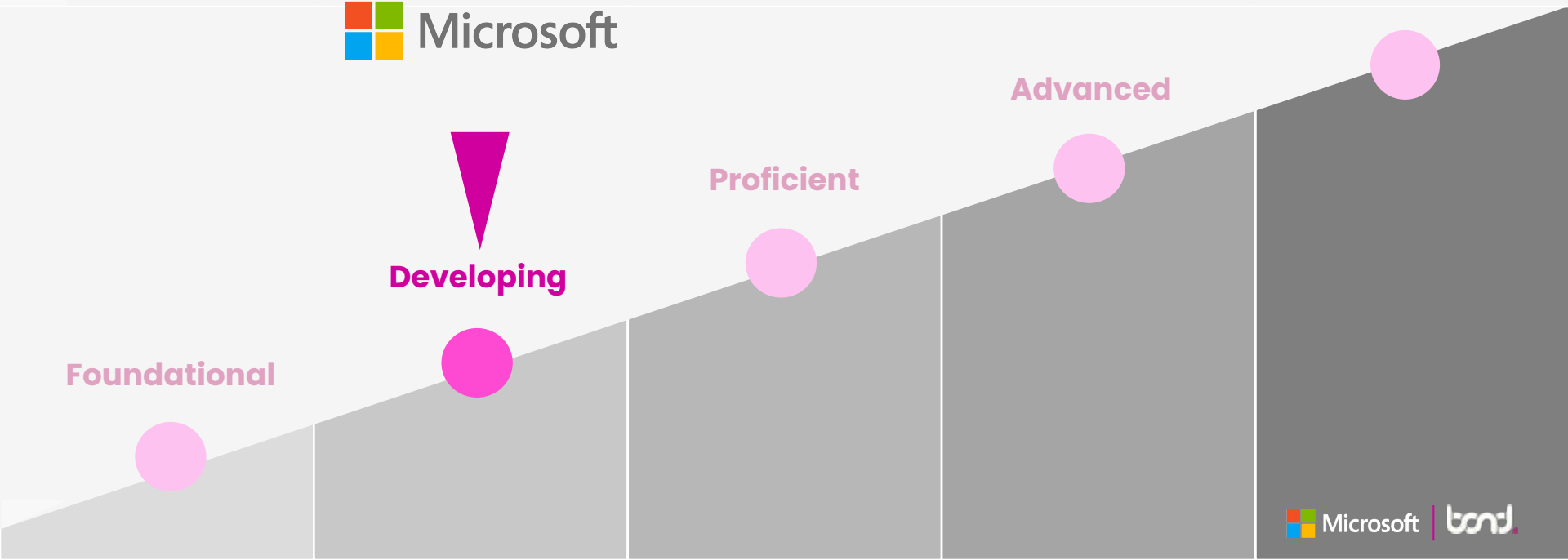
Where Microsoft was



From below average… to above average.

Fall 2026

Microsoft



Microsoft | bond.

Key takeaways:

1. No-one has it nailed yet – the industry is still adapting to pace of change. Identify focus areas and progress them as a priority.

2. Loyalty has never had a broader definition, nor been more vital to brands success.

3. Loyalty can solve complex issues beyond driving the next transaction – how could it deepen customers relationship with what your brand offers?

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