Loyalty and Reward Programs

Rewards Program Categories

- Economic
- Hedonistic
- Social-relational
- Informational
- Functional

https://www.wsj.com/articles/SB12216002885724478 3

Types of Economic Loyalty Programs

- Additional discounts at register
  - Not a real loyalty program
- 1 free with every “n” items purchased
  - Easily copied, no customer database
- Rebates based on cumulative purchases
  - Customer maintains records
  - Can develop “heavy half” programs like Hilton
- Targeted offerings and mailing based on purchase history
  - Tesco example “Market research staff know more about my customers than board chairperson”

Motivate to Join

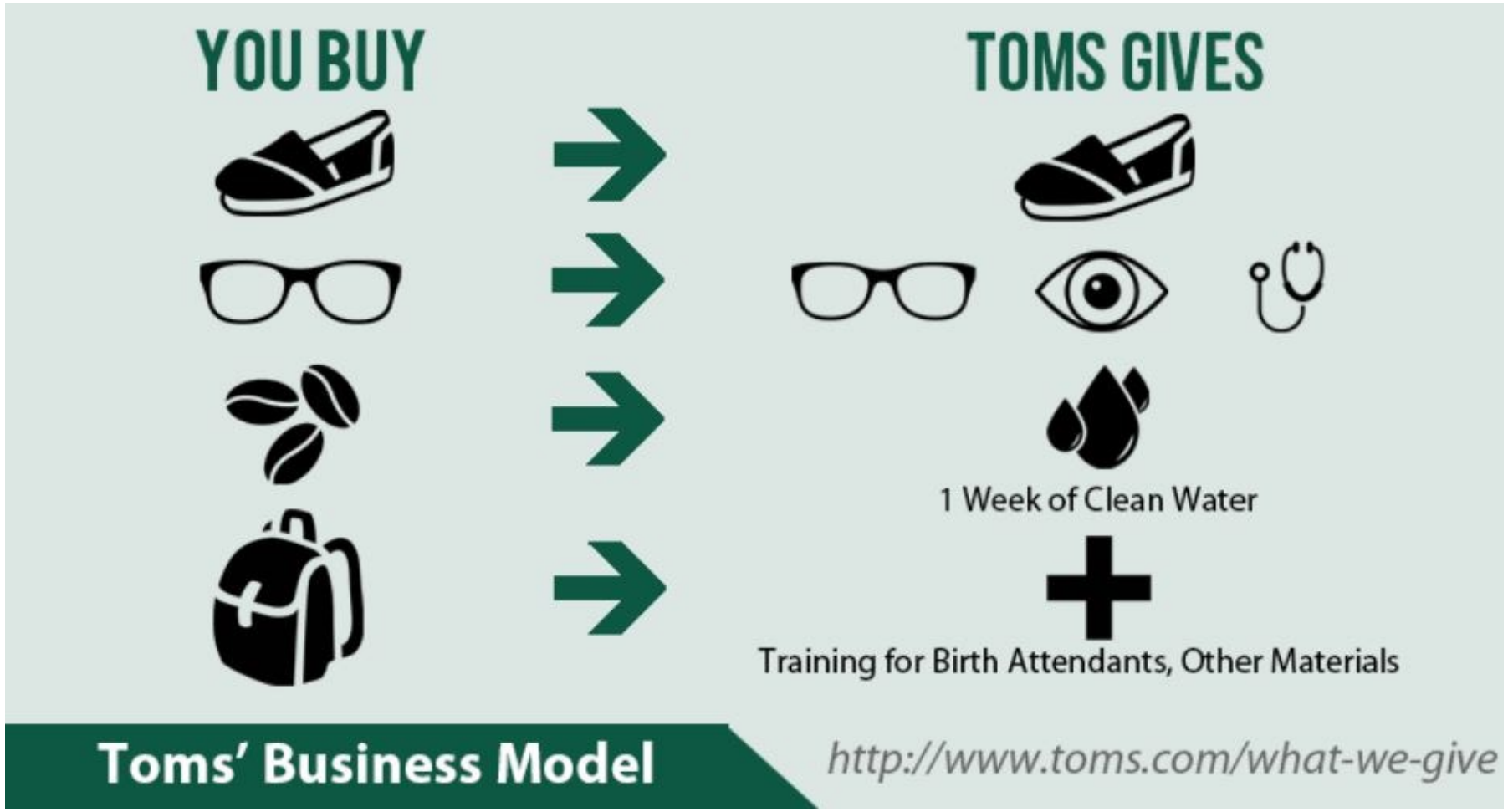


- CVS Extra Care Card
- Tracks purchase data
- Offers and free ExtraCash to subscribers

1 STAR	3 STAR	5 STAR	7 STAR
▸ 2 points per Rs.100	▸ 3% cashback as reward points	▸ 5% discount as points	▸ 7% discount as points
▸ No questions asked Exchange Policy*, valid for 90 days, bill not required	▸ No questions asked Exchange Policy*, valid for 90 days, bill not required	▸ No questions asked Exchange Policy*, valid for 90 days, bill not required	▸ No questions asked Exchange Policy*, valid for 90 days, bill not required
▸ Instant Redemption on next bill at cash counter	▸ Instant Redemption on next bill at cash counter	▸ Instant Redemption on next bill at cash counter	▸ Instant Redemption on next bill at cash counter
▸ Convenient Mobile based program	▸ Convenient Mobile based program	▸ Convenient Mobile based program	▸ Convenient Mobile based program
	▸ Exclusive VIP Sale Preview	▸ Exclusive VIP Sale Preview	▸ Exclusive VIP Sale Preview
	▸ Exclusive Billing Counters	▸ Exclusive Billing Counters	▸ Exclusive Billing Counters
		▸ Reimbursement of paper carry bags (as reward points)	▸ Reimbursement of paper carry bags (as reward points)

The value of 1 point is 25 paise

*Exchange available only on the products bought from the stores. Products bought online cannot be exchanged/replaced.


YOU BUY
TOMS GIVES
1 Week of Clean Water
Training for Birth Attendants, Other Materials
Toms' Business Model
http://www.toms.com/what-we-give


YOUR DIVIDEND
IS INSIDE!
REI
co-op
Before you hit the trail,
drop in to REI. We offer
great gear, expert advice
and where-to-go info
to set you up for your

Other Key Factors

- Reward for engagement
- Reward for all types of loyalty – repurchase, patronage and positive word of mouth
- Reward for data
- Reward personalization

Can you create a reward program from a book rental service which consists all the different types of rewards programs?

Thank You