

CLIENT: ICLP

The Heart of Loyalty Campaign

Getting To The HEART of LOYALTY

Not all relationships are created equal. Do you know what kind of relationships you have with your customers?

90% 81% ♡??!

Getting to the Heart of Loyalty...

Session 1
EMPTY RELATIONSHIP

Today we'll be speaking to Tom, who's from a fashion retailer, and Emily, who is a long-term customer. In the early days they had a close relationship, but after a couple of years the lines of communication seem to be closing.

Tom: Would you like to start?
Emily: I meant there.
Tom: Oh, I'm Tom, I represent a big high street fashion retailer. We have a number of stores in the country, as well as a popular online store.
Emily: I've known Emily here for about two years.
Tom: Actually, it's three years.
Emily: How have the last three years been?
Tom: Well, at first...
Emily: I just what I was looking for I take over.
Tom: Hmm...

INTRODUCTION

As a retailer, you will know that just as not all your friendships or romantic relationships are created equal, not are all of your customer relationships the same. The psychology behind 'Brand Love' may not be new to most of us, but understanding what it looks like in various customer relationships can be a challenge.

Our recent research has highlighted the similarities between what makes consumers loyal to brands and what makes them loyal to their friends or loved ones. Working with relationship psychologist Professor Ronald Rogge, we have created a model that uses Sternberg's Triangular Theory of Love in order to group brand relationships into six distinct types. These are Empty, Liking, Casual, Romantic, Companionate and Devoted.

We know that it can be difficult to identify exactly what's wrong with a customer relationship, so throughout this report we're taking brands and consumers to 'couples therapy' in order to better understand these different relationship types, and to find out why so many consumers would be prepared to cheat on their preferred brands.

FOREWORD
PROFESSOR RONALD ROGGE,
UNIVERSITY ROCHESTER

ICLP's recent study represents ground-breaking work in understanding the key components of brand loyalty. Our analyses suggested that the same basic types of relationships emerged for both brand and close relationships outside of family, such as friendships or romantic relationships. In fact, a majority of respondents approached their relationships with preferred brands in a very 'similar' manner to how they approached their close relationships. Therefore, developing a strong and devoted relationship with a brand might not be so different from developing a strong and caring bond with another person, suggesting that people might 'boy' with their hearts.

This is exciting work, as it not only allows us to better understand and track the various types of brand loyalty, but it will also provide retailers with critical insights into how to get the needs and desires of specific classes of consumers in order to promote greater loyalty.

THE 'EMPTY' RELATIONSHIP

Customers in 'empty' relationships have stopped buying all together, as shown by the fact that only 19% are interested in receiving information about products and special offers. They may keep coming back, but the lack of intimacy in the relationship is preventing you from growing their basket size or increasing the frequency of their purchases.

The key to increasing the intimacy in this relationship lies in making your communications with them as relevant as possible, and by demonstrating that you understand them and want to build the relationship back into the relationship. Using data on their past purchases or preferences to tailor your messages will capture their attention and give them a reason to look forward to hearing from you, changing their next purchase from a run-of-the-mill thing, into something that gets excited and tells their friends about.

They're not listening...

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They're getting complacent...

Customers in 'empty' relationships may show you commitment, but the lack of passion and intimacy puts the strength of the relationship at significant risk. Minimal engagement means that they are less likely to be collecting or redeeming the rewards associated with your loyalty programme, and as a result there is increasingly less incentive to keep up choosing to shop with you.

It could be that your customers either don't know about, or just don't understand the benefits of shopping with you over your competitors. Taking the time to remind them what you have to offer, and making it easy to participate in any programmes you are offering, whether they're shopping in-store, online or via their mobile, will go a long way towards helping more passion into this relationship. In turn, the more they participate the more you will learn about them, allowing you to build on the levels of intimacy required to strengthen the relationship.

They're not taking...

The limited passion in this type of relationship is impacting your ability to build a devoted and 'empty' customer relationship. However, 20% of consumers in 'empty' relationships state that they would spend more or shop more frequently if you were to reward them with a special offer.

How can you reward them? Consider offering them a special offer for their next purchase. For example, you could offer them a special offer for their next purchase. For example, you could offer them a special offer for their next purchase. For example, you could offer them a special offer for their next purchase.

Relationship advice:

'Empty' relationships are particularly challenging as they lack both intimacy and passion - in other words, there is no 'spark'. There is commitment, however repeat purchases are made out of force of habit and with little consideration. Who's to say that an exciting offer from a competitor won't make customers re-evaluate what has become a 'very ordinary' relationship? It's human nature to seek out excitement, and as our research demonstrates, if you have too many customers in 'empty' relationships with your brand, you run the risk that they will seek that excitement elsewhere.

Infographic



Getting To The HEART of LOYALTY

Are you successfully courting your customers or finding they'd rather keep things casual? Do you know how to take things to the next level? From friends to frenemies, long term loves to holiday flings, we have many relationships in life. But how do those relationships compare to the ones that you have with your customers? Our recent research is helping retailers to answer one all-important question:

HOW DEVOTED ARE YOUR CUSTOMERS?

HAVE YOU HEARD OF STERNBERG'S THEORY OF LOVE?

No? We hadn't either, but we came across it when we started investigating whether consumers approach relationships with their favourite retailers in the same way they approach their personal relationships. The triangular theory of love is developed by psychologist Robert Sternberg. It says that the most successful relationships have three pillars. These are intimacy, passion and commitment.

WHY SHOULD RETAILERS CARE ABOUT STERNBERG?

Our research shows that the relationships consumers have with retailers are very similar to those they have with friends or loved ones. But how do the three pillars from Sternberg's Theory of Love apply to brand relationships? Ask yourself these questions...

Intimacy...
Passion...
Commitment...

...are your customers sharing information with you?

...are your customers acting as advocates for your brand?

...are your customers likely to return to your store over others?

WHAT DOES THIS MEAN FOR YOUR BUSINESS?

Using Sternberg's Theory we've created a model that allows us to group consumer relationships into six types. Using these groups, you can understand not only where you stand with your customers, but how to grow the relationships you have with them into the ultimate type - devoted.

DO YOU KNOW HOW DEVOTED YOUR CUSTOMERS ARE?

In our upcoming report, we'll be taking brands and consumers to couples therapy in order to understand why 91% of consumers would cheat on their favourite retail brands. Stay tuned to discover how to make customers fall more deeply in love with you - whether for the first time or all over again.

About the research
Research conducted by Survey Sampling International across 2000 consumers in the UK between 12th April 2016 and 12th May 2016. Respondents were aged 18 to 75, 50% male and 50% female.

FOLLOW ICLP ON LINKEDIN OR TWITTER TO FIND OUT MORE AS WE GET TO THE HEART OF CUSTOMER LOYALTY.

Report

CLIENT: ICLP

Customer Devotion Campaign

THE STATE OF CUSTOMER DEVOTION IN RETAIL

RECOGNITION: ARE YOU FAILING TO RECOGNISE YOUR CUSTOMERS?

Customers want retailers to really understand their preferences so that they can receive relevant offers and communications. This will empower them to be able to make better purchasing decisions.

- 39% of general retailers are still failing to remember their customer's previous purchases
- 66% of department stores don't make relevant recommendations for products and services that interest their customers
- 77% of fashion retailers fail to recognise their long term customers

THE OBJECTIVE

We were intrigued to discover how customer's devotion to retailers is influenced by loyalty strategies.

THE METHODOLOGY

To discover more about devotion we conducted a survey of 7,291 retail consumers across 9 countries.

ABOUT THE RESEARCH: Research undertaken by Survey Sampling International across 7,291 consumers across 9 countries, on behalf of ICLP, July 2016. Random error on a sample of this size is +/- 2.2% at the 95% confidence level. If you would like us to present this work to you, then please contact us.

THE LEVERS OF DEVOTION

The Seven Core Relationship Criteria

GLOBALLY, CUSTOMER EXPECTATIONS ARE CHANGING

Retailers must think beyond discounts and points to create memorable experiences relevant to their customers.

- 97% expect to feel valued (not just like every other customer)
- 96% expect their data to be protected
- 96% of customers expect retailers to put their needs first
- 94% expect their loyalty to be rewarded

RESPECT: DO YOUR CUSTOMERS RESPECT YOU?

Respect is hard to build as retailers need to have to have a strong position on what it stands for. The brand needs to project integrity and authenticity without compromising core values to make a sale.

- 47% of customers do not feel that department store brands stand for a set of values or ethos they admire
- 56% of customers do not feel that fashion retailers treat their personal data with respect
- 69% of customers believe that general retailers do not have their best interests at heart

Infographic

them for information that you already have?

86% of customers believe that general retailers do not have their best interests at heart

3/4 OF UK SHOPPERS SAY THEY GET NOTHING IN RETURN FOR SHARING THEIR PERSONAL DETAILS...

...and have little incentive to give consent ahead of the new GDPR laws coming into effect.

What does this mean for brands?

- Customers are more likely to unsubscribe from communications
- Customers are more likely to start listening to your competitors
- Customers are more likely to check out as guests

ARE YOU LEVERAGING YOUR CUSTOMER DATA?

- 69% say they do not receive personalised product recommendations
- 58% trust brands to treat their personal data with respect
- 63% say brands don't remember their payment and delivery preferences
- 38% say brands remember their previous purchases
- 86% say brands don't remember their birthday

IF YOU DIDN'T ANSWER YES TO THE QUESTIONS ABOVE, THEN TO CREATE A STRATEGY

- Brings true personalisation to the customer experience
- Creates a value exchange - offer something in return
- Makes every interaction matter, at every touchpoint

With GDPR coming into effect in May 2018, many brands face the challenge of re-signing up thousands of customers. Take charge of your customer data today and be known as a brand they can trust.

[Click here to learn more.](#)

About the Research: Research undertaken by Survey Sampling International across 7,291 consumers across 9 countries, on behalf of ICLP, July 2016. Random error on a sample of this size is +/- 2.2% at the 95% confidence level.

Slideshare

CLIENT: ICLP

One-to-one Campaign



ONE-TO-ONE WITH EVERYONE
TAILOR MADE LOYALTY SOLUTIONS FOR YOUR CUSTOMERS

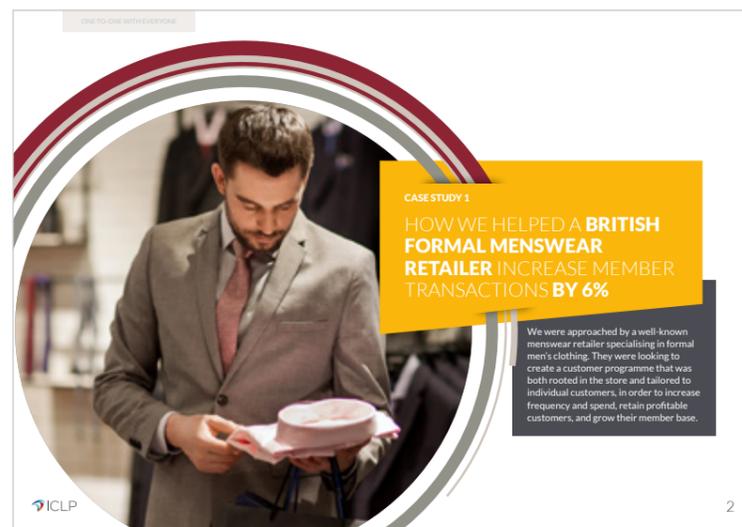
Two case studies to help you keep your customers coming back.



THE RESULTS

After a successful trial in the UK, the programme was rolled out across three other key European markets.

- Over 40,000 new members have signed up already
- The programme boasts an activation rate of 90%
- The penetration of member transactions has already increased from 22% to 28%, with higher value transactions up to over 60%
- Staff are now receiving training on recruiting members with lower value purchases, with the aim of achieving 80% penetration of all transactions



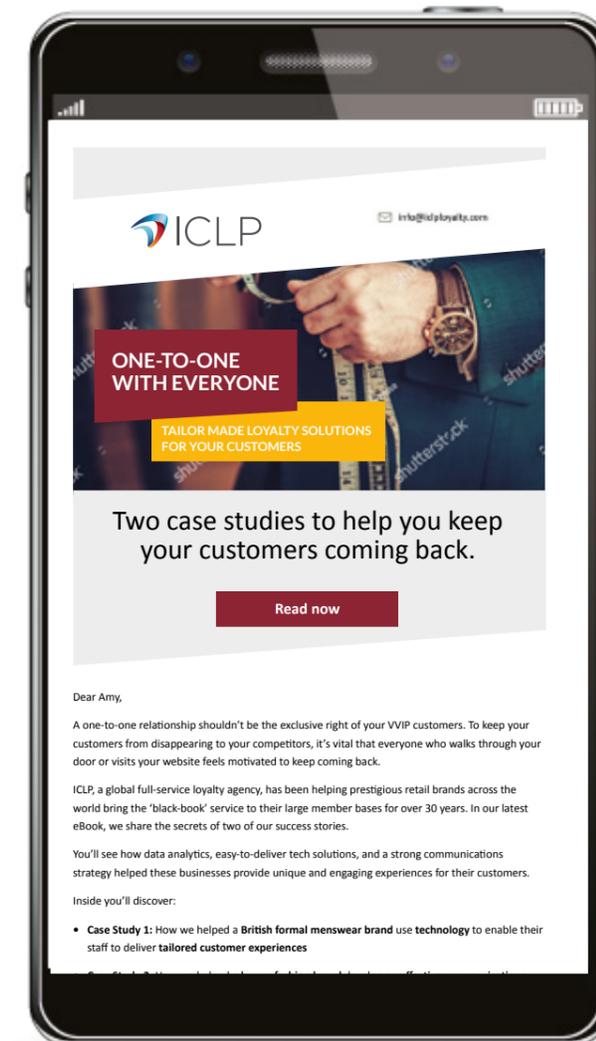
CASE STUDY 1
HOW WE HELPED A **BRITISH FORMAL MENSWEAR RETAILER** INCREASE MEMBER TRANSACTIONS BY **6%**

We were approached by a well-known menswear retailer specialising in formal men's clothing. They were looking to create a customer programme that was both rooted in the store and tailored to individual customers, in order to increase frequency and spend, retain profitable customers, and grow their member base.



CASE STUDY 2
HOW WE HELPED A **LUXURY FASHION BRAND** DOUBLE THEIR VIP-SEGMENT SALES IN **6 WEEKS**

We were approached by a well-known international luxury fashion brand. Whilst they had an existing CRM strategy in place, it had fallen short of the desired results. They wanted to develop a deeper understanding of their customers, and their customers' perceptions of the brand, to create a more effective marketing communications programme.



ICLP | info@iclp.com

ONE-TO-ONE WITH EVERYONE
TAILOR MADE LOYALTY SOLUTIONS FOR YOUR CUSTOMERS

Two case studies to help you keep your customers coming back.

[Read now](#)

Dear Amy,

A one-to-one relationship shouldn't be the exclusive right of your VVIP customers. To keep your customers from disappearing to your competitors, it's vital that everyone who walks through your door or visits your website feels motivated to keep coming back.

ICLP, a global full-service loyalty agency, has been helping prestigious retail brands across the world bring the 'black-book' service to their large member bases for over 30 years. In our latest eBook, we share the secrets of two of our success stories.

You'll see how data analytics, easy-to-deliver tech solutions, and a strong communications strategy helped these businesses provide unique and engaging experiences for their customers.

Inside you'll discover:

- **Case Study 1:** How we helped a **British formal menswear brand** use **technology** to enable their staff to deliver **tailored customer experiences**

Report

E-shot


BIG DATA

MAKING YOUR BUSINESS TRULY CUSTOMER CENTRIC

Making your business customer centric is critical for success in today's economy. Your customer expects not only to be able to interact with your brand wherever and whenever they wish, but also that your brand will recognise and reward them for their loyalty.

To do so you need to be making the most of your data. 84% of UK businesses that have invested in big data solutions have reported an increase in revenue. However, the sheer volume, complexity and variety of data being captured as well as the need for experienced data scientists to truly understand it, can mean that getting valuable insights from this data is often hard to do.

Our big data solution gives you easy to understand, actionable business insights from our agile and scalable platform, DecisionPlus.

RESULTS. LESS EFFORT.

Our team of data scientists will help you find the insight hidden within those data for you. Our team of data scientists will help you find the insight hidden within those data for you. Our team of data scientists will help you find the insight hidden within those data for you.

BETTER EXPERIENCE

Our communications, offers and even your pricing based on all of your customer's history to interact with them to make them most likely to buy and return to you. Our team of data scientists will help you find the insight hidden within those data for you.

COMPLEX ISSUES

Our team of data scientists will help you find the insight hidden within those data for you. Our team of data scientists will help you find the insight hidden within those data for you.



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ACCESS TO BEST IN CLASS TECHNOLOGY WITHOUT MAJOR INVESTMENT

Our platform, DecisionPlus, is a bespoke ecosystem that contains a full range of best of breed data and marketing technology in one place. Our secure cloud-based environment makes it much easier to deploy and deliver faster, cost effective, scalable solutions.

PUTTING YOUR CUSTOMER FIRST

Maximise your customers' overall experience by unlocking the knowledge currently held in your data sets. Our solution gives you the insight to give truly personalised offers and content; deliver the right services and offers at the right time or even allow customers to take advantage of the most competitive pricing.

ENHANCING YOUR BRAND

Engaging with our team of specialists at ICLP will put your company alongside those leading edge brands who are truly maximising their data and delivering what their customers need and expect, while keeping revenue high. Our experts will provide in-depth insights that will help you optimise your performance and maximise profitability.

CONTACT US

To find out more about how you can use your big data to deliver personalised communications which drive profitability and revenues, contact us at www.icloyalty.com/contact-us

About ICLP

ICLP is a leading end-to-end loyalty agency, driving customer devotion for clients and transforming customer relationships into personalised, profitable and emotional connections. Blending data analytics, strategy, technology and creative expertise, ICLP delivers customer-centric engagement strategies that help brands to drive repeat purchase and advocacy. ICLP has over 25 years of experience and 15 office locations across Europe, the Americas, Middle East, Asia and Australia.

icloyalty.com
A COLLINS & AICOM GROUP COMPANY





INTRODUCING THE ICLP PARTNER LOYALTY CUBE

A UNIQUE APPROACH TO MAXIMIZING YOUR CHANNEL REVENUE

How loyal are your channel partners?

Knowing exactly how loyal your partners are is a massive challenge faced by every channel leader. As the technology landscape continues to evolve, vendors have new challenges attracting and retaining the best channel partners. The traditional model of using volume or value-based program tiers to determine who is loyal or how to target channel investment is no longer valid. A new, more sophisticated model is called for.

A loyal partner = greater channel revenue potential

It's a simple equation: loyal partners buy and spend more with you and become advocates for your brand and products.

How loyal are your partners?

Perhaps they are complacent, viewing their relationship with you in an opportunistic fashion and demonstrating little or no loyalty to your brand. Maybe their loyalty is conditional; they'll stick with you to a point but are just as likely to align themselves with another vendor offering a more appealing incentive or reward. Or are they truly connected; strong brand advocates for your products and solutions who regard their relationship with you as an ongoing partnership?

Knowing which of your partners are connected is critical to driving success in your channel. Likewise, knowing which partners are not connected is equally as important, as these have the potential to be converted into loyal partners - and thus into a strong revenue stream for your channel.

Perception of relationship value and their emotional connection

HIGH

LOW



CONNECTED

True brand advocates!



CONDITIONAL

"What's in it for me?" attitude



COMPLACENT

Opportunistic relationship

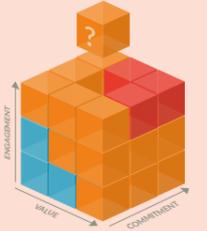
Priceless analytics - without the high cost

We've been managing loyalty programs for global brands for over 25 years, and all of that experience and expertise has been utilised in the development of the Partner Loyalty Cube. Specifically aimed at the B2B channel, this unique analysis solution scrutinises your partners' data across three distinct dimensions - Engagement, Value and Commitment - to unlock insights that are not readily available to the majority of channel organisations.

How can I track loyalty and measure it over time?

How do my loyal partners align against my partner tiers?

How can I predict the stars of tomorrow?



Engagement

Value

Commitment

With 27 segments, each containing a distinct partner set, channel teams are able to tailor their sales and marketing activities to suit each particular segment (or group segments).

The Partner Loyalty Cube can be implemented as a single project to give you a one-time loyalty assessment of your partners, or as a quarterly exercise to chart ongoing trends within your channel ecosystem.

This invaluable solution has been developed "as-a-service," with none of the high costs generally associated with big data projects.

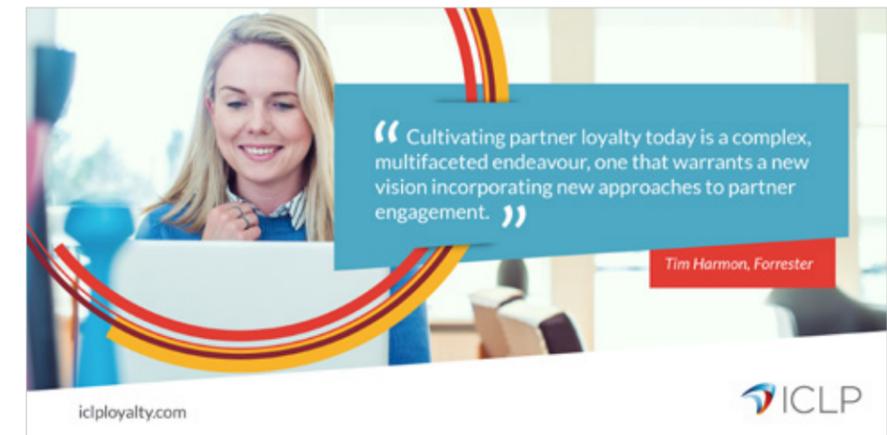
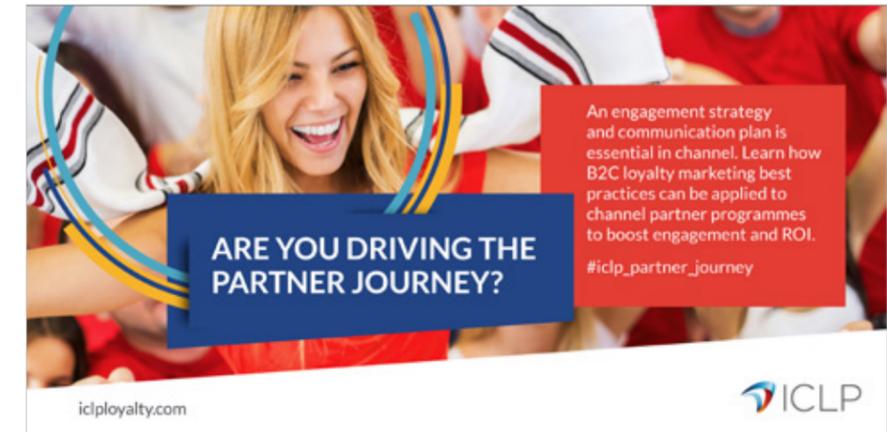
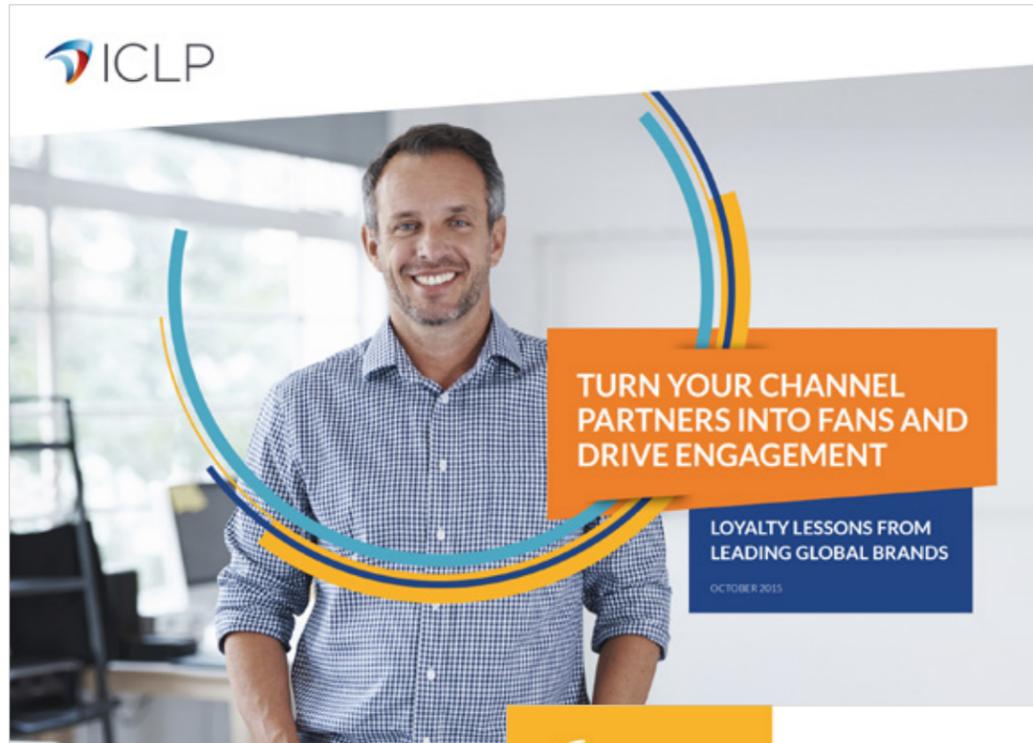
CONTACT US

To find out more about how you can use your big data to deliver personalised communications which drive profitability and revenues, contact us at www.icloyalty.com/contact-us



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e-books and social media banners



5 WAYS TO MAXIMIZE SALES BY REWARDING ENGAGEMENT THIS HOLIDAY SEASON

BUILDING THE BUSINESS CASE FOR A LOYALTY PROGRAM

JULY 2013

Know your customer

Using periods to boost the intelligence you hold on your customers, from their brand journey and optimize it to turn each user from a number to a name. Turn any data you have into the behaviors you want to motivate that will drive engagement.

Using insight to motivate sales

- Understand who your customer segments are, not just the top 20%. The behaviors and personality of the other 80% can give you vast amounts of additional data and behavior of analysis - use this to define strategies to maximize engagement and sales with all segments.
- Treat customers as individuals - using shoppers are used to receiving a higher level of personalization both in your communications and program offering. Your program will allow you to have the ability to serve the right audience, rewards and content at the right time in the right place to the right shopper to increase sales.
- Build comprehensive customer profiles - using an interactive data platform to design starting with simple email address segmentation or at least of you restricted to a take one card number, will allow customers to collect and redeem points immediately further incentivizing them to complete their full profile formation.
- Analyze behaviors and contextual performance - research your customer's loyalty drivers and their buying behaviors and build your program design and metrics around these.

Consumers will share personal information in exchange for tangible rewards.

Your program will enable you to serve the right rewards, rewards and content at the right time to the right shopper.

ICLP 5

KEY CONSIDERATIONS FOR IMPROVING LOYALTY IN THE RETAIL SECTOR

NOVEMBER 2013

Customer engagement and brand journey

While the end goal for any brand is to deliver truly personalized experiences which are consistent and provide continuity across interaction points, this can be overwhelming and an unrealistic jump for many based on their current situation. On a more practical level, this needs to start with establishing sophisticated communications in the areas which matter most to US consumers.

Personalized communications

61% more positive

More responsive

56%

More likely to purchase

53%

ICLP 6

INCREASE REVENUE BY INFLUENCING KEY CHANNEL PARTNER ROLES

AN ICLP RESEARCH REPORT IN ASSOCIATION WITH CRN AND UBM CHANNEL RESEARCH

FEBRUARY 2012

Leads are perceived as the most valued benefit for those in a marketing role.

Valued benefits and rewards

Respondents in a marketing role recognize they currently receive pre sales support, education and Marketing Development Funds (MDF). However, according to the research findings, the benefits actually valued by marketing personnel are leads, MDFs and deal registration. A MDF was the only benefit that was both currently received and valued.

With regards to the benefits received, leads are perceived as the most valued benefit for those in a marketing role whereas they did not feature highly with sales roles.

Figure 3: Benefits most valuable to marketing roles

Benefit	Percentage
Sales leads	35%
Customers with their experience	25%
MDFs	20%
24/7 Tech support	15%
Finance	10%
Education	5%
Consultation and time resources	5%
Pre sales support	5%
Post sales support	5%
Training and education	5%

ICLP 7

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Event flyer and stand graphics

ICLP

GIVE ME MORE FOR BEING LOYAL
REWARDING CUSTOMER
ENGAGEMENT TO INCREASE SALES

**TURN YOUR SHOPPERS INTO
LOYAL ADVOCATES**

We understand what your customers want and the experience they expect, you to deliver to turn them from shoppers into advocates. We also recognize you want to address those needs in a way that meets your commercial objectives and transforms those relationships into profit.

We put your customer at the heart of what we do to give them compelling reasons to engage, spend more and become loyal advocates of your brand. We work to understand your objectives to ensure we deliver the commercial results you are looking for and that will make a difference to your business.

- From identifying who your customers are and where they are in their journey today, to delivering a rewarding experience that makes them change their behavior and become more loyal
- We can help you to win the hearts and minds of your customers to increase engagement and sales.

WE ARE EXPERTS AT:

Loyalty strategy and programs Create compelling customer relationship propositions and model program ROI.	Reward and recognition platforms Access proprietary technology to reward customer behavior and encourage redemption.
Insight and analytics Derive understanding and insight from customer data and report on performance.	Engaging communications Develop creative marketing communications and revenue generating campaigns.

Advocates

ICLP builds loyalty and creates devotion, to engage, spend more and become loyal advocates for your business.

From profiling a new customer base, to rewarding individual customer behavior. Every customer relationship is made up of a series of steps, experiences and changes in behavior. Wherever you are in your journey to capturing their commitment and loyalty, we can help you with your next step in turning your shoppers into advocates and relationships into profit.

Loyalty and rewards platform
Our points-based system with its motivating rewards will help you create an exciting and engaging program for your shoppers that drives revenue and sales.

Fast to implement and deliver
With our teams of experts guiding you through the process, you can have a new customer rewards program with member website and mobile app within 60 days.

Talk to us

To discover how we create rewarding customer relationships and deliver commercial results, visit our sponsor conversation lounge or contact our US team on:

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iclployalty.com

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**GET CUSTOMERS TO ENGAGE,
SPEND MORE AND BECOME ADVOCATES,
WHILST DRIVING COMMERCIAL RESULTS
FOR YOUR BUSINESS**

**KEEP ME
INTERESTED
WHENEVER YOU
TALK TO ME**

**DELIVER A MORE PERSONALISED
CUSTOMER EXPERIENCE**

We're experts at:

- Creative, design & customer journey mapping
- Proposition development & individual customer experiences
- Loyalty programme design and management
- Dynamic & tailored marketing communications
- Customer insight, business intelligence & analytics

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