

## Case Study: Launching a New Loyalty Program for a Leading Retailer



### Challenge

As one of America's leading retailers, our client knows the power of loyalty programs to build lasting customer relationships. For many years, our client had a very successful companywide rewards program. And as part of a strategic move, this client wanted to develop a rewards program for one of its specialty departments. The challenges of implementing this new program touched multiple channels, departments and workstreams across the company—from IT, marketing and sales to all the logistics of choosing, stocking and distributing free products given as rewards. Our client asked us to lead its new loyalty program to a successful launch.

### Clarity is key

We began by creating a structure to manage and govern the new rewards program. We built a Core Project Leadership Team along with a Business Management Team that served as a steering committee. We defined roles and responsibilities together with a critical path, schedule and companywide communications plan. We used a RACI approach (Responsible, Accountable, Consulted and Informed) to clarify responsibilities and manage dependencies across this large cross-functional initiative.

We gave our client proven tools and a simple operating structure to ensure effective, efficient management of the initiative. Our client appreciated that everyone quickly understood their roles, responsibilities and objectives—and that our approach helped them move forward without “stepping on anyone's toes.”

### Ownership trumps consensus

A loyalty program of this scale is built on hundreds of decisions across many departments and functions. The consensus-driven culture that serves our client well in most situations made it difficult to make decisions quickly and move forward with so many diverse stakeholders involved.

For everyone's sake, it was critical to establish that the Corporate Loyalty Team owned the program and was responsible for its success. We helped the loyalty team identify appropriate guidelines to provide

diplomatic yet firm direction rather than “sit back” and seek direction through consensus.

### Taking the risk out of rewards

Launching a new rewards program is a high-visibility effort that creates new touch points with thousands of customers. We drew on our expertise in risk analysis and mitigation to identify and raise awareness to a number of potential risks early on.

For instance, we assessed IT readiness to ensure that our client would have the functionality to fully support the new program at launch. We also assessed store readiness at all seven pilot locations. From IT systems to the sales floor, our recommendations helped eliminate avoidable pitfalls and ensured that all facets of the new program were ready to take care of customers from day one.

### Leading a larger strategy

Introducing the new specialty department rewards program is part of a larger customer loyalty strategy for our client. This department-level rewards program is the first step towards better understanding and engaging their customers through new information about buying behavior and preferences. Armed with this powerful information, our client can now make data-driven decisions, which ultimately enables it to exceed the expectations of its customers.

“Point B brought order to our chaos. They navigated our culture and sensitive stakeholder relationships so skillfully.”