



# Earning Your Customer's Loyalty<sup>v7</sup>



# Agenda

- Dave/Heidi background
- Key terminology & benchmarks
- The world has changed
- Key metrics to understand
- Creating a loyalty strategy
- Do's and Don'ts
- Nsight Rewards – Case Study



# Dave's Background

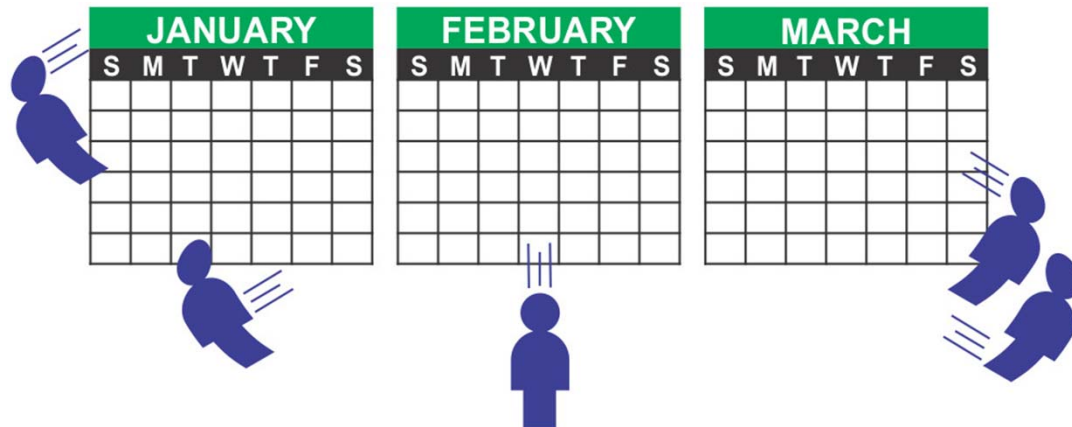


**MOTOROLA**



# Terminology and Benchmarks

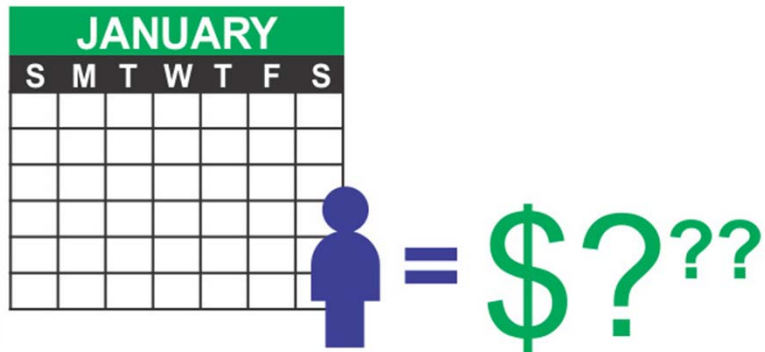
- **Churn**
- % of customers lost over a given period of time



- **Good monthly telecom bundle benchmark = 1%\***  
\* Customer Churn Reduction and Retention for Telecoms - Hughes

# Terminology and Benchmarks

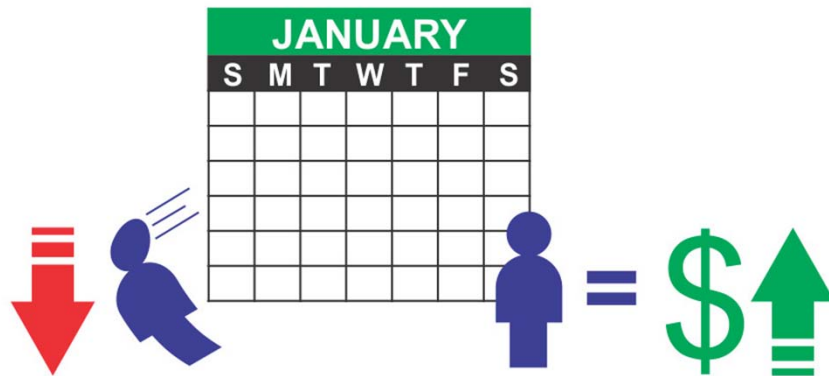
- **ARPU**
  - Average Revenue Per User
  - Competition is usually the primary driver



- Conservative benchmark for triple play bundled services is \$100/month

# Terminology and Benchmarks

- **Lifetime revenue per customer**
  - **Keep churn down and ARPU up = Maximizes lifetime revenue per user**



- **Conservative benchmark 48 months customer life x \$100 ARPU = \$4,800 lifetime revenue per user**

# The World Has Changed

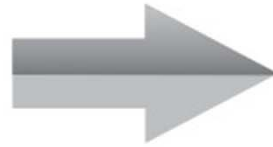


**Increased Churn**

# Loyalty Strategy 1: Listen to the Customer



Customer



Customer service, marketing,  
accounting, public relations,  
management

# Loyalty Strategy 2:



## What is your competition doing?



- Loyalty programs?
- Longer term contracts?
- Communicating with customers?

# Loyalty Strategy 3: **Your Plan**



1. Which customers are you going to target?
2. What is the desired behavior of participants?
  - Increase ARPU (add/upgrade Internet/TV service)
  - Decrease churn
  - Increase customer satisfaction
  - Increase referrals
  - Increase e-bill penetration
  - Increase social media participation
3. How does the system work – related processes?
4. Who is involved in each step?
5. What technology are you going to use?



# Loyalty Strategy 3: **Your Plan**



6. What rewards are going to be provided? How?
7. Develop your timeline (provide yourself slack time)
8. Coordinate regular meetings with key influencers.
9. Create your marketing materials
10. Launch
11. Be prepared to make adjustments in processes
12. Make adjustments to meet or complement customer needs



# Loyalty Program Process



# Do's and Don'ts

1) Don't confuse a discount program with a loyalty program



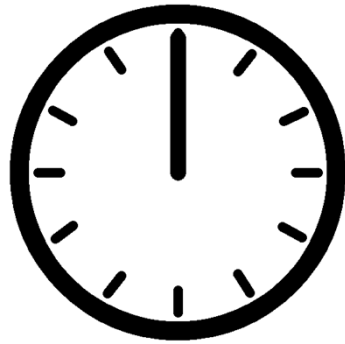
- Discounts do not build loyalty
- “If they buy on price they will leave on price”

2) Don't forget to include all necessary departments

- Customer service, Marketing, Billing etc.

# Do's and Don'ts

4) Don't underestimate the time involved (you and others)



5) Do allow slack time for process/program changes

6) Do hold regular meetings to plan and update

# Do's and Don'ts

6) Do realize that your loyalty programs will need to be modified over time (to meet customer needs and changing market)



# Do's and Don'ts

7) Do select rewards that will appeal to all customers



# My Nsight Rewards

## Why did they implement?



**1. Increase customer satisfaction**

**2. Decrease churn**

- Highly competitive market with Time Warner, Dish, DirectTV, Charter

**3. Motivate up-selling and cross-selling**

**4. Drive new sales**

# My Nsight Rewards


HOME SIGN UP REWARDS LOGIN CONTACT HELP

## My Nsight Rewards

xTreme TV + xTreme Internet + xTreme Phone

**Nsight** Act Now And Receive A  
**10% In-Store Discount!**  
Abrams and Fiske Locations Only, Limited Time Offer, Restrictions Apply

**Welcome to Nsight Telservices® My Nsight Rewards—**  
a program that lets you earn useful gift cards – automatically!



**Why Sign Up?**  
Creating an account requires NO credit card and no financial commitment. You can use your points for rewards from Visa®, Gander Mountain®, Target, Menard's®, Kohl's®, and more!

**SIGN UP NOW!**

**Nsight Telservices® Partners**

- McDonald's® Arch Card®
- Gander Mountain® Gift Card
- Menards® Gift Card
- Visa® Reward Card
- Target GiftCard

Every month when you pay your bill on time, we add points to your rewards account for each dollar you spend on Nsight® services. Since you already do business with us, you could be earning points toward rewards such as gift cards, merchandise, or a bill credit.

Membership in My Nsight Rewards is FREE and it's easy to start earning points right away. Click the button to get started!

Already have an account? [Sign-In](#)

Please add [email@mysightrewards.com](mailto:email@mysightrewards.com) to your safe sender list or address book. For instructions, please click [here](#).

# My Nsight Rewards










HOME SIGN UP REWARDS LOGIN CONTACT HELP

## My Nsight Rewards

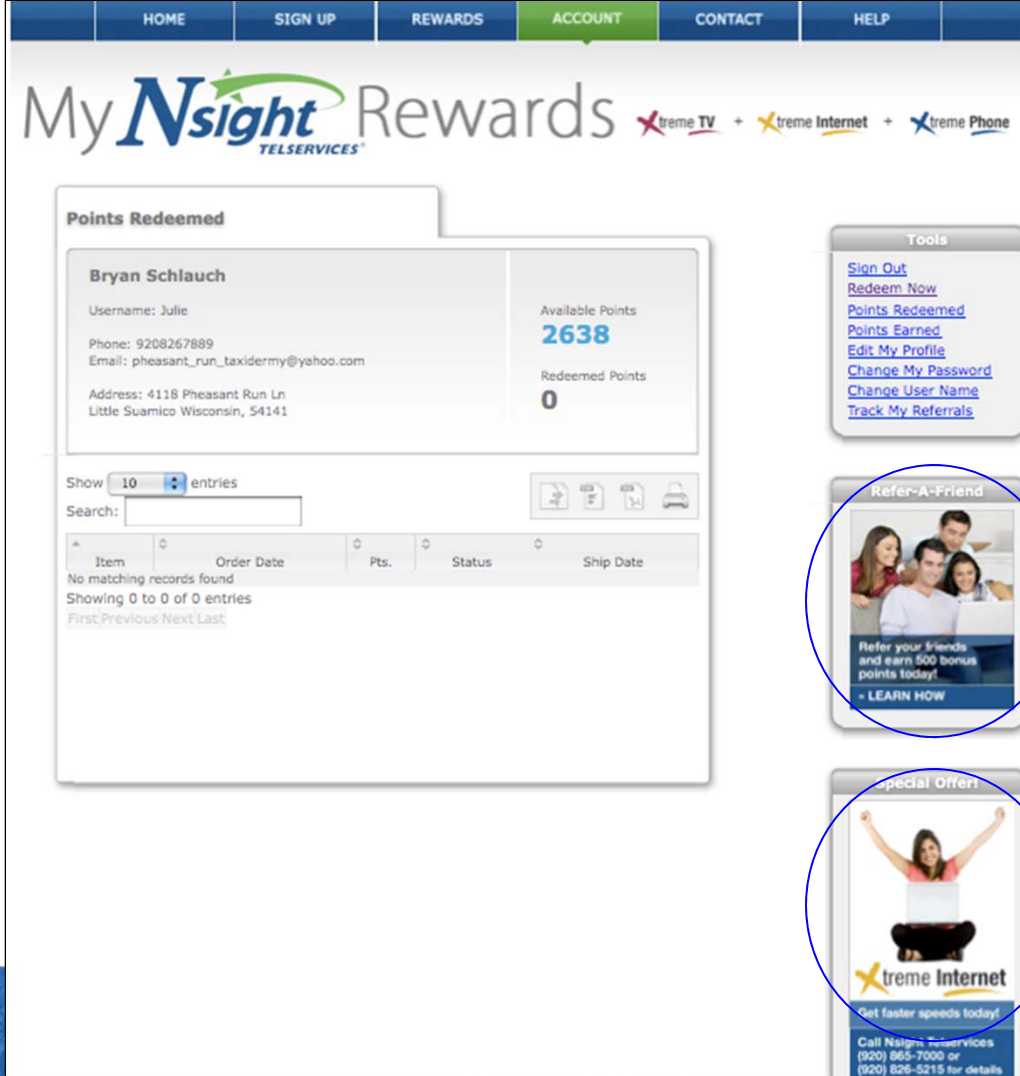
xTreme TV + xTreme Internet + xTreme Phone

### Rewards You Can Earn

You can earn a wide variety of great rewards just for buying the services you already know and love! Add on services and earn more while you save more money!

-  **\$5 McDonald's® Arch Card®**  
Just 500 Rewards Points!  
[Sign up](#) or [Sign in](#) to start receiving your Rewards today!
-  **\$10 Nsight Telservices® Bill Credit**  
Just 1000 Rewards Points!  
[Sign up](#) or [Sign in](#) to start receiving your Rewards today!
-  **\$10 McDonald's® Arch Card®**  
Just 1000 Rewards Points!  
[Sign up](#) or [Sign in](#) to start receiving your Rewards today!
-  **\$15 McDonald's® Arch Card®**  
Just 1500 Rewards Points!  
[Sign up](#) or [Sign in](#) to start receiving your Rewards today!
-  **\$15 Nsight Telservices® Bill Credit**  
Just 1500 Rewards Points!  
[Sign up](#) or [Sign in](#) to start receiving your Rewards today!
-  **\$15 Kohl's® Gift Card**  
Just 1500 Rewards Points!  
[Sign up](#) or [Sign in](#) to start receiving your Rewards today!
-  **\$15 Menards® Gift Card**  
Just 1500 Rewards Points!  
[Sign up](#) or [Sign in](#) to start receiving your Rewards today!

# My Nsight Rewards



HOME SIGN UP REWARDS ACCOUNT CONTACT HELP

## My Nsight Rewards

xreme TV + xreme Internet + xreme Phone

**Points Redeemed**

**Bryan Schlauch**

Username: Julie

Phone: 9208267889

Email: pheasant\_run\_taxidermy@yahoo.com

Address: 4118 Pheasant Run Ln  
Little Suamico Wisconsin, 54141

Available Points **2638**

Redeemed Points **0**

Show 10 entries

Search:

Item	Order Date	Pts.	Status	Ship Date
No matching records found				
Showing 0 to 0 of 0 entries				
<a href="#">First</a> <a href="#">Previous</a> <a href="#">Next</a> <a href="#">Last</a>				

**Tools**

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- [Points Redeemed](#)
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- [Edit My Profile](#)
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- [Change User Name](#)
- [Track My Referrals](#)

**Refer-A-Friend**

Refer your friends and earn 500 bonus points today!

[LEARN HOW](#)

**Special Offer**

**xreme Internet**

Get faster speeds today!

Call Nsight Teleservices (920) 865-7000 or (920) 826-5215 for details

# My Nsight Rewards



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**My Nsight Rewards**
TELSEVICES™
xTreme TV + xTreme Internet + xTreme Phone

### Admin Privileges

	Sysadmin	Admin	Basic Admin
Dash Links	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
View Users	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Edit Users	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Create Users	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
View Admins	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Create Admin	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Edit Admin	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Search Users	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Search Admin	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
View Refer-A-Friend	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Manage Referrals	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Award Points	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
View Rewards	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Create Rewards	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Edit Rewards	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
View Orders	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Edit Orders	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
View Order Listing	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
View Reports	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Output Reports	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Edit Admin Privileges	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

NOTE TO ADMINISTRATORS: All changes saved in this form are PERMANENT!!!  
 Once you click save, your previous settings are rewritten and are no longer easily retrievable. Please be sure you wish to save the changes you have made BEFORE you save them!

TOOLS

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[Content Settings](#)  
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[Edit Privacy Policy](#)  
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Help Files:

[Help File 1](#)



# Metrics

Measures of Success:

1. Participation rate
2. ARPU increase (registered vs. unregistered)
3. Churn reduction (registered vs. unregistered users)
4. Increase in sales/up-sell & cross-sell
5. Referrals
6. Return on Investment
7. Redemption amount/rate
8. Outstanding rewards

# Metrics



Measures of Success:

9. Time on site
10. Page views
11. Bounce rates
12. Click through rate
13. Loyalty program satisfaction
14. Email subscribes/un-subscribes
15. Social media - Follows/Likes



# Loyalty Questions?

Dave Gee

- Talk – 800.287.7198
- Write – [david.gee@salesherpas.com](mailto:david.gee@salesherpas.com)
- Learn More – [www.bungeeloyaltyprograms.com](http://www.bungeeloyaltyprograms.com)

