LIFT & SHIFT™ INC.
Loyalty, Reward & Incentive Programs

2 STORE AUTO SERVICE SHOP

Leveraging the Reward Program

The 2-store auto service retailer launched their reward program in August 2014 using our selection of popular reward program currencies. The retailer offered customers a base reward of 1 Mile/Point for every $2 spent at their shop along with monthly bonuses focusing on specific products or services that they wanted to move. Promoting their rewards program in all facets of their communications mix – in-store signage, customer emails, social media and on their website the company saw immediate results.

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Analysis includes:

- 12,988 transactions made in the 11 months prior to program launch
- 16,027 transactions in the 11 months since program launch

Measuring Program Impact

We compared 11 months of pre and post reward program transaction data, analyzing the following groups:

1. Existing Non-Reward Customers (pre-launch customers who never joined the program)
2. Existing Reward Customers (pre-launch customers who joined the program once available)
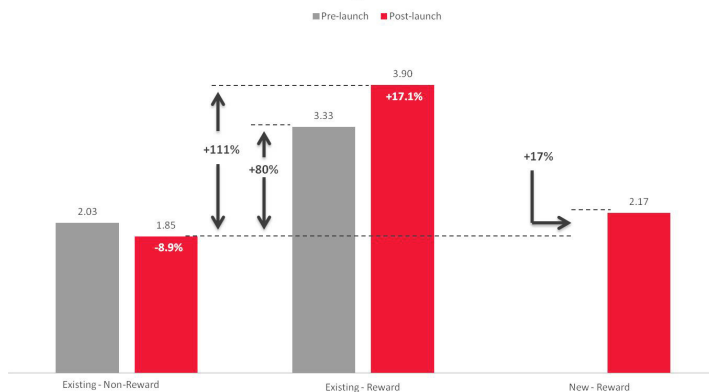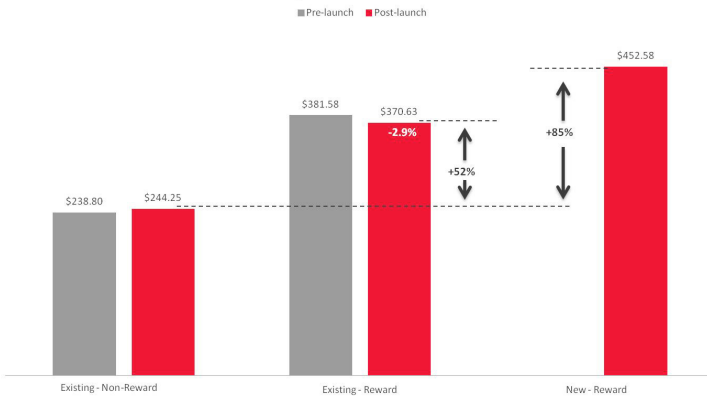3. New Reward Customers (who joined the reward program on first transaction)

Comparing reward earners with non-reward earners acts as filter; Helps ensure reward-earner activity changes are attributed to the program, not variable like weather, factory incentives, market conditions, etc.

Average # Visits
■ Pre-launch ■ Post-launch

	Pre-launch	Post-launch	
Existing - Non-Reward	2.03	1.85 (-8.9%)	
Existing - Reward	3.33	3.90 (+17.1%)	+111% / +80%
New - Reward		2.17	+17%

Visit Frequency

- Reward earners (existing & new) visited more often than non-reward customers: 111% and 17% more respectively.

- Existing customers who did not join the program (left columns) visited less frequently after program launch – 2.03 visits (pre-launch) vs. 1.85 visits (post-launch), a decrease of almost 9%.

- Existing customers who joined the reward program (middle columns) visited more frequently after the reward program launched – 3.9 visits (post-launch) vs. 3.33 visits (pre-launch), an increase of 17.1%.

- New Reward customers (right column) visited 2.17 times in the 11 month period – 17% more than non-reward customers.

Average Transaction Size

Average Transaction Size
■ Pre-launch ■ Post-launch

$452.58

$381.58
$370.63
-2.9%

$238.80 $244.25

+85%

+52%

Existing - Non-Reward   Existing - Reward   New - Reward

- Average transaction size dropped slightly (2.9%) for existing customers who began earning rewards, as they begin coming in more frequently for smaller/everyday repairs.

- Reward earners' (existing & new) average transactions were much larger than non-reward customers: +52% and +85% larger respectively.

Total Spend

Total Spend
■ Pre-launch ■ Post-launch

$1,444.17
+13.6%

$1,271.38

$981.87

$485.34 $451.44
-7%

+219%

+103.6%
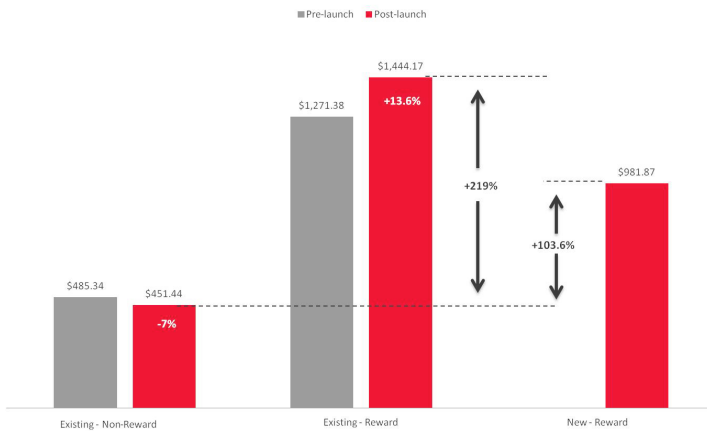
Existing - Non-Reward   Existing - Reward   New - Reward

- Reward earner's (existing & new) total spend was significantly more than non-reward customers: +219% and +103% respectively.

- Existing customers who did not join the program (left columns) spent less after launch - decreasing spending by about 7% or about $30 less than before the program launch.

- Existing customers who joined the reward program (middle columns) increased spending by over $170, an increase of 14%.

- New customers who came in for the first ever time and joined the reward program (right column) spent on average $981.87 - 103% more than non-reward customers (left columns) - a difference of over $530 per new reward customer!

Reward Earners

Reward Earners

33.7%

66.3%

■ Existing Customers
■ New Customers
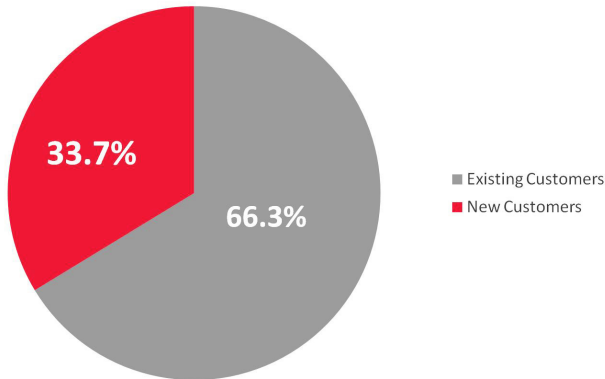
New Customers

- New customers made up 33.7% of the reward earners database, helped by the drawing power of popular reward currencies in the program.

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