

# Leveraging Loyalty Databases and Affinity Merchandising

20 November 2008



ANCILLARY REVENUE AIRLINE CONFERENCE  
BUDAPEST, HUNGARY 19/20 NOVEMBER 2008

# Topics

- Who is DBG?
- Affinity Marketing Programs
- Database Marketing Programs
- Database Marketing Execution
- Affinity Opportunities
- Benefits of Partnerships



# The DataBase Group

- Solutions Since 1993
- Service Bureau Background
- Development of Data Enabled Systems for the web
- Some Clients:
  - American Airlines, Bank of America, Marriott, Intercontinental Hotels, Delta Airlines
- Industries:
  - Travel & Hospitality, Financial, High-Tech



# DBG Programs

- *DBG powered* <sup>SM</sup> – the quiet brand running the programs
- Programs that can access over 120MM consumers
- Market penetration into over 65% of US households and 35% of UK households
- Loyalty Shopping<sup>SM</sup>
- Loyalty Support Systems
- Database Marketing Systems



# Intercontinental Hotels Group Priority Club Shopping UK

The screenshot shows the Priority Club Rewards Shopping website in a Windows Internet Explorer browser window. The browser's address bar displays the URL <https://pcrukshopping.dbgloyalty.com/>. The website's header features the Priority Club Rewards Shopping logo and the text "It's easy to earn Priority Club® points with every purchase!". Below the header, there are navigation links for "Priority Club® Rewards Home Page", "Priority Club® Rewards Enrolment", and "Priority Club® Rewards Member Services". The main content area includes a "Bonus Offers" section with a "Find Categories" dropdown menu (set to "Home Page") and a "Find Retailers" dropdown menu (set to "Select Retailer"). Several retailer offers are displayed, including Charles Tyrwhitt (SALE - Shirts from £19, 13 Points Per £1 Spent), Ancestry.co.uk (24 Points Per £1 Spent), Healthy Direct (30 Points Per £1 Spent), and Thomas Cook (1 Point Per £1 Spent). A welcome message for "Mitch Merrill" is also visible, along with a "Buy online" button and a "for the best" banner. The Windows taskbar at the bottom shows the Start button, several application icons, and the system tray with the time 7:21 AM.



# American Express Bonus Points Mall

The screenshot shows the American Express Bonus Points Mall website. The browser title is "American Express Bonus Points Mall - Windows Internet Explorer" and the address bar shows "https://www.bonuspointsmall.com/". The page features a green header with the "BONUS POINTS MALL" logo and the "MEMBERSHIP REWARDS PROGRAM" text. On the left, there is a "BONUS POINTS CATEGORIES" sidebar listing various shopping categories like Apparel, Books, Electronics, etc. The main content area includes a "Welcome to the Bonus Points Mall!" message, instructions on how to earn points, and a list of participating retailers such as Home Depot, Bose, Barnes & Noble, Best Buy, and Staples. A "CLICK HERE TO SHOP NOW" button is prominently displayed. The Windows taskbar at the bottom shows the Start button, several open applications, and the system clock at 8:21 PM.



# American Airlines AAAdvantage eShopping<sup>SM</sup>

The screenshot shows the AAAdvantage eShopping website. At the top, the browser address bar displays "AAAdvantage eShopping(SM) program". The website header includes the "AAAdvantage eShopping" logo and a "Product Search" field with a "GO" button. A navigation menu on the left lists: Home, View Account, Bonus Offers, Coupons & Promotions, Customer Service, See All Shopping Categories, and See All Merchants. A central text block greets the user with "Hello, Welcome to the AAAdvantage eShopping mall where you earn miles for every purchase." and provides instructions on how to shop. Below this, a "Happy Shopping." message is displayed. A promotional banner on the left offers "Earn 25,000 bonus miles<sup>1,2</sup> NO ANNUAL FEE for 12 months<sup>3</sup> APPLY NOW". The main content area features a grid of merchant tiles: Dell Home (1 Miles Per \$1 Spent), 1-800-flowers.com (10 Miles Per \$1 Spent), Macy's (3 Miles Per \$1 Spent), Sears (2 Miles Per \$1 Spent), Lands' End (3 Miles Per \$1 Spent), and Lumber Liquidators (2 Miles Per \$1 Spent). At the bottom, a row of logos for participating merchants is shown: Buy.com, SHOEbuy.com, Chadwick's, SOLUTIONS, and Office DEPOT.



# Database Marketing

- Controls on Database Marketing
  - Frequency of contact
  - Type of Contact
  - Partner Selection
- Management of Database Programme
  - In-house Resources
  - Third Party List Brokerages
  - Choosing a Data Management Center
  - Creating the centralized view of the touch points



# Database Revenue

- Advertising Revenue
  - Partner Needs - ROI
  - Third Party (non-partner) Access
- List Brokerage Revenue
  - List Value Management
  - Third Party Fees
  - Compiled List Integration



# Database Marketing Execution

- Selection of a fulfillment source
- Suppression Maintenance
- Managing Return Post
- Updating Master Databases
- Frequency Management
- Programme adjustments



# Affinity Opportunities

- Merchant Funded Programs
- Manufacturer Programs
- Direct or Aggregators
- Partnerships
  - Build Brand Awareness
  - Build strategic relationships within community
  - Provide a Program not a Package



# Affinity Brands



*Boden*



# Benefits of Partnerships

- Cost effective way to expand your program
- Increase access to your program to 100's or 1000's of locations/channels
- Increase the value of the brand
- Immerse your brand into everyday activities.



# Questions?

Contact:

Mitch Merrill

001-541-317-5771 Direct

[mitch@dbg.com](mailto:mitch@dbg.com)

