COMARCH LOYALTY MANAGEMENT IMPLEMENTATION AT LONDON HEATHROW AIRPORT
HEATHROW AIRPORT

London Heathrow Airport as Britain’s only hub airport, is home to over 80 airlines, serving 184 destinations in 84 countries. On average, Heathrow handles over 191,000. It is the busiest airport in Europe and the third busiest airport in the world by passenger traffic. Heathrow has the highest retail sales of any airport in the world ahead of South Korea’s Incheon airport in second place. Gross retail sales at Heathrow increased in 2011 to £1.7 billion, while Net Retail Income per passenger increased by 4.4% to £5.82 in 2012. At Heathrow, there are over 400 different outlets and over 120 global brands with the World Duty Free as a second biggest partner, after British Airways.

BUSINESS CHALLENGES

Heathrow Airport manages over 70 million passengers a year through its terminals and that’s a huge number of people who could be receiving benefits and bonuses for using the airport. Heathrow was committed to make every journey better but to get this continuous improvement it required greater personalization of the journeys and client insight that it was missing out on. Heathrow recognized these changing needs from experience with a previous loyalty scheme and realized that greater one-to-one engagement and deeper knowledge about its passengers can reveal a vast untapped potential.

IN RE-LAUNCHING THE LOYALTY SCHEME HEATHROW SET A NUMBER OF KEY OBJECTIVES:

- to ensure world-class customer service
- to provide relevant and motivating rewards
- to adapt and expand to new technologies like Apple Passbook and mobile website to provide easiest access to information
- to improve and speed up the process for participating point-issuing partners
- to migrate quickly from the old platform to the new with minimum disruption to member base
- to ensure cost effective management and operational delivery of Heathrow Rewards

THE SOLUTION

Comarch provided a comprehensive loyalty solution enhanced with additional management and operational services.

The Loyalty Engine implemented on the basis of Comarch Loyalty Management for Airports platform consists of four flexible integrated modules:

- Business Administration - an application for back office users to configure rules, rewards, redemption parameters, and a set of reports (managed by Comarch on Heathrow’s behalf)
- Contact Center Application – an application used by Customer Service Agents to serve customer requests (used by Contact Center Partner)
- Web Portal – an application dedicated for Heathrow Rewards members to manage their accounts and activities (managed by Heathrow, used by program members)
- Mobile website – mobile version of desktop Heathrow Rewards site for Android and iOS

The system is hosted by Comarch Data Center and maintained by Comarch Support Team. Meeting Heathrow’s requirements regarding delivery of comprehensive services such as Member Helpdesk Service, Member Website Service, Service Level Maintenance,
Front-end integration, Comarch sub-contracts with two consortium partners:

- UK based Partner for the front end integration with merchants’ POS systems
- European Leader for a comprehensive Outsourcing Contact Center services

**WHAT IS HEATHROW REWARDS**

Originally launched in 1999 as WorldPoints, the programme was reinvigorated as Heathrow Rewards in May 2013, offering greater appeal to the modern, digital traveller. Heathrow Rewards targets and rewards two types of members: passengers and Heathrow staff for their frequent and loyal usage of all airport commercial offers.

To participate in the Heathrow Rewards programme, the member must obtain a Heathrow rewards card by:

- applying online and getting a card sent to a member
- picking up a card at the airport and registering it online
- joining by phone

Members can collect points from over 400 outlets and over 120 different brands. Heathrow offers three ways of collecting points:

- a loyalty card with a magnetic stripe and a 1D barcode on the back
- online by entering a card number on the booking form
- a virtual card on the phone downloaded from Passbook App or from a mobile website

So by spending on anything from sunglasses to sandwiches, from perfume to parking they earn:

- 1 point for £1 spent
- 1 point for £10 exchanged in Bureaux de Change

Members can earn points even faster with loyalty bonuses and a premium tier. Within one calendar year, when they earn:

- 250 standard points they can get 100 loyalty bonus points
- 500 standard points they can get double points on future transactions and reach premium tier which enables double points collection on all subsequent transactions

Members are able to redeem those points for airport L5 shopping vouchers, for discounts on Heathrow Express tickets and Heathrow official parking, instant redemption on World Duty Free products during the purchase. They can also transfer them into mileage in their favorite FFP programme such as British Airways Executive Club. Heathrow Rewards also offers their members the chance to win fabulous prizes by participation in competitions and prize draws as well as regular offers and promotions.

**IMPLEMENTATION**

The implementation of the Comarch Loyalty Management for Heathrow started in November 2012 and the comprehensive solution was launched in May 2013. Since then Comarch has continuously been developing existing and new functionalities according to client needs. Heathrow Rewards is an example of a project where Comarch provides comprehensive service starting from the implementation of the system and its maintenance. Since system Go Live, on behalf of Heathrow, Comarch has started to manage, administrate and configure Heathrow Rewards and provide Customer Insight Services. Finally, thanks to cooperation with Contact CenterPartner, Comarch serves the most valuable Heathrow passengers via multiple types of channels.
BENEFITS

The implementation of the new concept helped Heathrow to build highly successful airport loyalty programme that has become an integral part of Heathrow’s e-Business planning for the next years. Thanks to cooperation with Comarch, Heathrow:

- gained insight into the database with deep knowledge about client preferences and retail data in one place
- improved its offer for clients including a programme for new reward partners thanks to flexible partner management interface and EPOS and POS integration
- enriched portfolio of passengers rewards by including motivating rewards as electronic instant points redemption within World Duty Free outlets.
- improved the passenger experience by including mobile website, smartphone virtual membership cards, coupons via Apple Passbook and utilizing geo-location
- increased recognition across Heathrow websites gained integrated, high profile launch and acquisition marketing
- developed a new acquisition channel, which brings 70-80% of new registrations every day (Wi-Fi integration)
- improved targeting offers and actions to members based on client segments related to transaction history

2,5% 
OPEX REDUCTION 
DESPITE SIGNIFICANT MEMBER GROWTH

14% 
INCREASE IN ACTIVE MEMBERS

60% 
INCREASE IN NUMBER OF TRANSACTIONS

400% 
INCREASE IN MEMBERS NOW 1 500 000

150% 
INCREASE IN REDEMPTION

60% 
INCREASE IN SPEND PER VISIT £70 HIGHER THAN NON-MEMBERS

120 
GLOBAL BRANDS

POINTS ACCRUAL INTEGRATION WITH OVER
MIGRATION TO COMARCH LOYALTY PLATFORM DELIVERED IN
FROM CONTRACT SIGNATURE
6 months

ABOUT COMARCH

Comarch has over twenty years of experience in designing, implementing and integrating state-of-the-art IT solutions. The most important aspect offered to the largest enterprises is a comprehensive suite of IT solutions and professional services, which can help to build and manage loyalty programs, create rich consumer experiences and personalized interactions across multiple touch points, automate marketing processes and, finally, boost profits. Our software supports the entire loyalty value chain. Comarch has multi-industry experience, gained through work with over eighty clients, including FMCG companies, telecoms, financial institutions, travel companies and many more, such as JetBlue Airways, Heathrow Airport and BP. The offer also includes big data analytics and innovative customer engagement systems based on gamification, which increase profits and strengthen relationships between customers, partners and the brand.

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