Exchange Solutions provides IBM® Tealeaf® customers with Smarter Loyalty capabilities

Exchange Solutions is a certified IBM Business Partner and has achieved Ready for Smarter Commerce validation, with synergies on an array of IBM products, including IBM Tealeaf. These synergies enhance the IBM product offering to include Smarter Loyalty capabilities. The IBM Tealeaf and Exchange Solutions integration enables IBM clients to capitalize on their technology investments. Specifically, users are able to tap into the rich customer data captured by Tealeaf to identify their customers' "behavior gaps" (ie. valuable behaviors that they are not performing) and deliver individualized incentives to close those gaps.

Whether leveraging an existing loyalty program, or creating a new set of incentives, Exchange Solutions' Smarter Loyalty capabilities enable Tealeaf users to maximize their profitability, one customer at a time.

Smarter Loyalty — The Key to Driving Deeper, More Profitable Customer Relationships

Smarter Loyalty is an innovative, technology-based marketing approach that helps Retail / E-commerce companies drive higher lifetime value, retention and profitability from their customers. It is based on the principle that, regardless of how valuable any one customer is to a company today, they have behavior gaps which, if closed, can increase the profitability of that company's business tomorrow.

Exchange Solutions helps companies to identify and value these key customer behavior gaps, then use individualized incentives to drive the behavior change necessary to close those gaps, one customer at a time. Intelligent Rules ensure that this is done in an economically-rational way to drive profitability and positive ROI.

This approach is predicated on an organization's ability to use customer intelligence and a deep understanding of how customers interact with the company's website, mobile apps, products and / or services as the basis to build customer engagement and profitability. The Exchange Solutions add-on enables IBM clients to tap into their Tealeaf data, turning it into actionable intelligence that drives incremental customer profitability.

Addressing the Needs of Retail / E-commerce Businesses

Exchange Solutions' Smarter Loyalty add-on for Tealeaf addresses key pain points by helping Retail / E-commerce companies:

- Reduce the cost of service delivery (e.g., drive customers to switch communication or transactional channels from offline to online)
- Deepen customer engagement (e.g., create online profiles, write reviews, like, share)
- Reduce the cost of customer acquisition
- Increase average customer spend (e.g., increase basket size, drive frequency of purchase, incent the purchase of higher margin product or services)
- Drive spend across product and service categories
- Reduce customer attrition

The challenges Retailers face are often compounded by the number of channels used by customers to interact and transact with their company of choice. Customers want to be treated uniquely and expect a seamless and cohesive customer experience across all their preferred channels. That's why our solution is designed to optimize every customer interaction, to do so in real-time, and across all channels.

How it Works

Our cloud-based, managed services platform and supporting processes / analytics enable Retailers to drive true one-to-one engagement with their customers, delivering quicker results, better ROI, and deeper customer engagement than traditional engagement or loyalty programs. This is achieved through a 3-step process:

IDENTIFY	TARGET	ENGAGE
Uncover existing customer behavior gaps and value the profitability potential	Create Intelligent Rules to close those behavior gaps with targeted, economically rational incentives	Engage one-to-one with customers, offering them a choice of incentives, in order to drive incremental behavior change

Step 1: IDENTIFY Customer Behavior Gaps

The first step is the collection and analysis of customer data to uncover each customer's behavior gaps. Understanding these gaps provides insight into each customer's profit potential and allows Retail / E-commerce companies to prioritize specific behaviors that they want to drive. Our seamless integration with Tealeaf's customer data capture capabilities enables us to gather this insight quickly, with no additional investment in technology resources.

Step 2: TARGET Using Intelligent Rules

Based on a customer's behavior gaps (and associated revenue opportunity), Intelligent Rules are created to ensure each customer is presented with the right targeted incentives to drive the right incremental behavior (i.e., doesn't incent for behaviors that would have been performed anyway). Another key differentiator of our solution is that the incentives used to drive each behavior are always economically rational. This means the incentives offered to each customer are set at the right value — based on the incremental profitability each customer is able to drive for the business — which guarantees a profitable outcome. Incentives can be in the form of cash, points, merchandise, free shipping etc.

Step 3: ENGAGE In Real-Time & Multi-Channel to Close Gaps

Customers are engaged, on an individual basis, in real-time, at any point of interaction (e.g., online, mobile, email etc.) with a choice of targeted incentives in exchange for performing their "gap" behaviors. Once the customer completes their incremental behavior(s), the incentive is automatically awarded and the customer's remaining behavior gaps and Intelligent Rules are updated for future interactions. This ensures the Intelligent Rules are continuously optimized and adapted based on in-market results and program economics in order to maximize ROI.

By helping users tap into their Tealeaf data in this way, our solution turns this insightful data into actionable insights and helps companies drive more profitable customer behaviors.

In-Market Example

An implementation of the Exchange Solutions capability by a large international business was piloted in 2013 with the objective of increasing engagement and profitability across 4 key behaviors for the business: Membership renewals, buying products / services, referring friends, writing reviews. Pilot results were a 10% increase in the customer behaviors, leading to a full roll-out of the program to its 2MM+ customers.

Today, Exchange Solutions' Smarter Loyalty program is driving 10%+ more activities at a 25% lower cost per activity than the client's business-as-usual marketing. On an annualized fully-scaled basis, the solution is creating $25MM+ more enterprise value per year. Continuous learning and improvement have enhanced the results for each behavior and have opened the door for additional customer behaviors to be added to the program over time.

Check Out Our Quick Start Program

In just 4 weeks our Customer Engagement Roadmap can provide you detailed analysis and metrics to help you identify your customers' behavior gaps, quantify the profitability you are missing and show you how to tap into that profitability.

4 WEEKS

Implementation Process

Exchange Solutions' Smarter Loyalty programs are deployed via our cloud-based platform as a "managed service", and are seamlessly integrated with Tealeaf, allowing clients to launch quickly and avoid a large technology burden and development lead-time. What's more, Exchange Solutions programs can be implemented on a performance basis, operating under terms whereby program costs are directly tied to the incremental profitable customer behaviors we are able to drive for our clients.

By structuring agreements with a performance-based component, Exchange Solutions shows it is willing to stand behind its unique approach to delivering Smarter Loyalty programs which result in better ROI than traditional loyalty programs.

About Exchange Solutions

Exchange Solutions is a certified IBM Business Partner and has achieved Ready for Smarter Commerce validation, with synergies on an array of IBM products, including IBM Tealeaf. Exchange Solutions designs, builds and operates intelligent customer engagement programs that improve customer lifetime value, retention and profitability. From offices in Boston and Toronto, Exchange Solutions has been helping leading retailers, financial institutions and online businesses create sustainable and profitable communities of engaged customers since 1996.

Contact us to learn more

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