

## Case Study

Driving Customer Loyalty and Increasing Profits with

# Predictive Analytics

For the Travel, Entertainment, and Hospitality industry, retaining customers is just as important as acquiring new ones. In fact, it's five times more cost-effective to keep an existing customer than to win a new one. The impact of a well-executed loyalty program cannot be overstated.

When one of our clients was looking to drive more members to their loyalty program, we rose to the occasion with actionable insights to win back their valued customers and fuel revenue growth.

## Challenges

The client had a member loyalty program for Small/Medium Business (SMB) accounts. They wanted to increase adoption while improving win-back rates for members who hadn't used the program for over six months. Alorica had a three-phase approach that was poised to exceed the client's expectations with truly transformative results.

## Solutions

**Phase one** utilized Alorica IQ, our in-house digital foundry, to build an effective sales coverage plan and digital sales strategy. A resulting welcome program (scoring model), comprised of targeted acquisitions and customer prospect/ profiling, was soon followed.

**Phase two** implemented our proprietary, customized scoring model to win back existing loyalty program members.

**Phase three** saw Alorica providing full account management of the client's loyalty program accounts with a focus on maintaining and increasing the client's profitability. Meanwhile, a sales CRM system and digital sales strategy intelligently evaluated existing customer accounts using predictive analytics.

And Alorica IQ came through in the clutch, delivering actionable insights and a comprehensive view of the end customer, resulting in an optimal contact strategy, increased positive customer experiences, and higher revenues.

## Results

The revised Welcome Program and win-back strategy delivered on the client's goals far beyond their wildest expectations, increasing activations and usage, and generating significant profits.

- **\$10M** generated in profits
- **30%** profit goal exceeded
- **37%** win-back rate
- **19%** sales increase over the client's internal team
- **20%** increase in loyalty activations



Increased loyalty activations by **20%**, and annual transactions by **17%**



The program generated a profit of **\$10 million**



The full solution improved sales results **more than 25%** over the control group, and **19% over** the client's internal sales team

Real-World Results