

UNDERSTANDING THE VALUE OF LOYALTY MARKETING INVESTMENTS

4 July 2017

Ellipsis, the specialists in customer experience management, have today launched Return on Loyalty®, a new data-led consulting offering that allows clients to accurately measure the return on their loyalty and customer retention initiatives. Every year Australian businesses spend an estimated \$5 billion dollars on loyalty program investments alone; total investments in customer marketing exceed that considerably with few reliable and repeatable tools to measure the impact on their results. Adding to this challenge is the continued arrival of foreign disrupters that further cloud decision making in how best to target investments in customer retention and loyalty.

With Return on Loyalty®, businesses will be able to clearly see the impact of retention, loyalty and customer marketing investments in the wider market. By taking the guess-work out of the effectiveness of loyalty initiatives, companies can prioritise areas of investment that are providing tangible benefits to the business.

Ellipsis have developed Return on Loyalty® using anonymous, aggregated transaction-level data from Westpac Banking Corporation, securely exchanged via the Data Republic platform. Return on Loyalty® allows marketers to clearly measure and improve ROI by understanding impacts to category share of wallet, customer segment profitability and loyalty program performance.

The data product is flexible, modular and is relevant to all consumer facing businesses, regardless of their maturity levels in customer marketing and data. Return on Loyalty® is just as relevant for companies with no customer data as it is for more mature companies with large investments in retention and loyalty programs.

Ellipsis Managing Partner, David Parsons said that the Return on Loyalty® product is the first data product to be developed by their team using data exchanged via Data Republic.

“Return on Loyalty® is a powerful new way of gaining richer and more reliable insight into the behaviour of your customers, helping brands make more informed strategic decisions about how they cut customer churn, increase customer lifetime value and deliver better ROI on their marketing spend. We’re concerned at the lack of certainty with both current measurement approaches and the impact of investments in the wider market. By analysing a broad selection of data on banking transactions and spending habits via the Data Republic platform, we are able to provide a clear picture of how consumers are engaging with loyalty marketing campaigns and the return companies can derive.”

Steve Millward, Chief Analytics Officer of Data Republic welcomed Ellipsis’ Return on Loyalty® data product.

“Understanding the impact of major strategic investments, like loyalty programs, has always been difficult because businesses could not access the required transactional data to close the loop on reporting. Ellipsis

are absolute experts when it comes to customer success and loyalty insights, so we're very proud to be enabling them to bring this data product to market."

Visit <http://www.returnonloyalty.com.au/> for more information.

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Notes to editors

- Data is non-personally identifiable and delivered at an aggregate level.
- Data is exchanged and analysis is conducted within Data Republic's secure platform.

ABOUT ELLIPSIS

Ellipsis specialise in Customer Experience Management and Loyalty. We help our clients become customer centric, because we believe getting this right is crucial to creating value. We use Customer Science® to build and improve your customer facing programs and activities with data-driven insights. We use a combination of consulting and best-in-class technology to deliver an exceptional end-to-end service.

ABOUT DATA REPUBLIC

Data Republic is a data exchange technology platform and marketplace where organisations can list, exchange and collaborate on data projects in a secure environment. Exchanges are conducted on The Open Data Marketplace, a central governance platform and secure marketplace for Data Republic's Contributors and users to discover, request and effectively govern data exchange projects with authorised parties.

No customer personal information (PII) is available on the platform and all exchanges are strictly governed on legal and ethical bases and subject to Data Republic's Legal Participation Agreement. Find out more about Data Republic here: <https://www.datapublic.com>

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