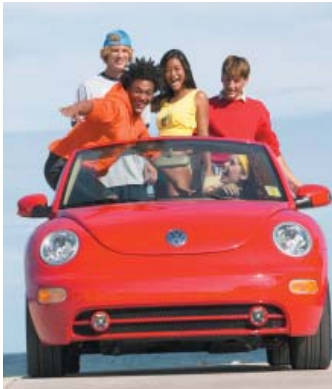


Customer Loyalty Program Fits Apparel Manufacturer To a Tee



The program has yielded a substantial customer database, *increased sales*, and has served as a powerful communications vehicle.

Summary

Client Profile

A leading manufacturer of casual activewear based in Manhattan.

Situation

The company needed to identify, communicate with and market to their end-customers—screen printers, embroiderers and retailers. Since they sold exclusively through distributors, they had no direct access; yet, they had to maintain those critical distributor relationships.

Solution

A comprehensive points-based customer loyalty program, involving multiple channels of communications and promotions, where customers submit qualified purchases to earn points that they can redeem from a choice of more than 4,000 reward options.

Results

The program has helped this national manufacturer to strengthen its brand and develop one-to-one relationships with thousands of their best end-user customers, while maintaining their all-important distributor relationships. Sales have increased and, more than four years later, the program continues to thrive.

Casual apparel is more popular than ever and this Manhattan-based manufacturer could not be happier about that. Their colorful, high quality activewear and accessories make a statement plain or used as a medium for personal expression and advertising messages.

After over 25 years in the highly competitive apparel business, the company had developed a strong distributor network and emerged as an industry leader. However, to significantly enhance their marketing efforts, they sought Loyaltyworks' guidance to help them gain direct access to their customers.

Because the manufacturer sold only through their distributors, compiling a comprehensive database of the screen printers, embroiderers and retailers who purchased their products was a tall order. Loyaltyworks provided a solution to help them identify, communicate with—and market to—their end-users, while maintaining their distributor relationships.

First In Their Class

Establishing a competitive edge in this business was crucial. Screen printers, embroiderers and retailers had a wide variety of options, and price often determined which brand they chose. Instead of relying strictly on discounting and other tricks of the trade, the company sought to establish one-to-one relationships with their customers and reward them for their business.

Loyaltyworks worked with the manufacturer to develop a points-based customer loyalty program—the first of its kind in the industry.

The program was comprehensive but simple. As customers purchased specified apparel, they earned points towards the travel and merchandise rewards in the program's catalog—

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...continued

which included a selection of over 4,000 options—from popular books, CDs and DVDs to the latest electronics to exotic vacations. Participants could spend their points quickly or accrue points over time to secure a more valuable reward.

Styled For Success

Once the program design was complete, it was time to generate excitement and start enrolling participants. Loyaltyworks and the manufacturer worked together to produce an eye-catching launch kit, containing an enrollment form, rewards catalog, tally sheets and additional program information. The company leveraged distributor open house events, trade shows and sales force contacts as channels to get these kits into the hands of their customers.

By submitting “tally” sheets (listing recent purchase information) through a streamlined process, enrolled customers received points that were deposited into their personal program accounts. Participants could view their program point status at any time as well through a personalized program Web site. Also through the site, they could shop the full catalog and redeem points for rewards 24/7.

Fashion Forward

Since the program was launched four years ago, thousands of the manufacturer’s customers have enrolled and are actively participating. The program has yielded a substantial customer database, increased sales, and has served as a powerful communications vehicle.

In addition to regular account statement mailings, the company utilizes direct mail, email and the Web site to keep the program top of mind. An annual catalog of new fashions highlights the program as well. Special promotions and additional point-earning opportunities are offered throughout the year. Participating customers even receive a “thank you” message from the president of the company every time they redeem their points for a reward.

Additionally, the company has added an alliance partner—another apparel manufacturer who shares the same customers, yet produces complementary, non-competing products. This allows program participants to accumulate points at a faster rate and helps offset program costs.

The manufacturer also has added an “elite” program level that provides their best and most active customers with access to additional rewards and earning opportunities. Loyaltyworks provides continuous measurement and analysis, offering insights on customer “movement” along the value chain to assist in the tiering strategy.

“The loyalty program has given the apparel manufacturer something invaluable--an ongoing dialog with their best customers.”

An Invaluable Customer Dialog

The loyalty program has given the apparel manufacturer something invaluable—an ongoing dialog with its best customers. Distributor relationships have remained strong and the company’s competitors are playing “catch-up” trying to launch their own programs. But the manufacturer has established a solid competitive advantage in the marketplace. And overall, the company is well-outfitted for long-term customer loyalty.

For more information on how we can deliver outstanding results for you, please call 1.800.844.5000 or e-mail us at info@loyaltyworks.com or visit www.loyaltyworks.com.