

Case Study

**Revitalisation of a Loyalty Programme of
a Global Coffee Chain**



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About the Client



- The client is a global coffee company with more than 6 million members, with 80,000 new members joining each week
- Its annual sales is about \$3 billion

Client Objectives / Goals



- The company wanted RocSearch to conduct an in-depth research on the OPEX reduction strategies on a global scale
- The client also asked the team to focus on the cost reduction strategies of a UK-based fixed line operator
- It had concerns regarding the effectiveness of its loyalty programme and whether the rewards were successful in increasing customer engagement

Approach and Methodology



- The team developed a business understanding of the existing loyalty programme by interacting with the stakeholders
- We also analysed the behaviour of customers through exploratory analysis
- We designed a solution, comprising hybrid clustering for customer segmentation
- We conducted market basket analysis to understand the product association for customers
- The team created dashboards that offered the client stakeholders actionable insights through better analysis of customer behaviour
- The programme was rolled out in phases to assess the impact of the change

Sample Output



Results / Value-add



Tailored campaign offers

(different from loyalty rewards) were created for specific customer segments

A detailed cross-sell suggestion matrix was developed for each customer segment

The findings helped the client generate savings in excess of **\$1mn** on freebies and increased marketing ROI by **22.7%**