



FRESH BREW

DUNKIN' DONUTS
ADDS NEW INCENTIVES
TO DD PERKS



Dunkin' Donuts is offering a new incentive program for its loyal customers who run on Dunkin'. The incentives spark active participation from existing loyalty program members, as well as encourage enrollment from new members.

Through DD Perks Rewards, guests can now earn points towards free beverages by purchasing Dunkin' Donuts menu items. Once a member accrues 200 points, he or she receives a coupon for a free medium beverage of their choice.

The new program began rolling out in November in four markets: Dallas, TX; Orlando, FL; Portland, ME; and Wilkes Barre-Scranton, PA. Plans call for a national rollout early next year.

DD Perks is the latest enhancement to Dunkin' Donuts' popular DD UpDDate program, which provides members exclusive in-store and on-line offers, previews on new menu items, updates on new restaurant openings, localized offers, and other special perks. —PATRICIA ODELL

SOLID GOLD

TOP FACTORS FOR CREATING LASTING
CUSTOMER RELATIONSHIPS

Marketers can provide all the incentives they want to encourage consumers to connect ... and connect ... and connect again. But to be worthy of a customer's time and engagement there are critical factors that need to be in play to build a solid and lasting foundation with customers.

Here's what people across the globe said they truly value in their brand relationships, according to a new study from Havas Worldwide.

- Social brands win
- The value of "local" is tied more to actions than provenance
- It's no longer acceptable to operate solely in pursuit of profit
- Consumers want to partner with brands to drive positive social and environmental change
- Transparency is essential to trust
- An authentic brand history is a valuable reputation boost
- Employees can be a brand's best advocates—or its most damaging detractors
- Mobile consumers want seamless digital interaction

PURCHASE INCENTIVES = RETAIL LOYALTY

It's no surprise—purchase incentives create customer loyalty. The results of a new study from Nielsen confirm this fact yet again: 60% of respondents said they encountered loyalty programs with incentives at retail—and 84% of those shoppers said they were more likely to visit those incentivizing businesses.

"Particularly in developed loyalty markets, retailers and manufacturers need to work together to offer exclusive incentives that cut through the clutter," notes Julie Currie, senior vice president, Global Loyalty, Nielsen. "New and innovative concepts that connect with how consumers want to shop are proving to be most effective, especially in the online space."

The survey also found:

- 75% of respondents cited discounted or free products as the most valuable loyalty program benefit.
- Enhanced customer service and free shipping incentives were important to 44% and 42% of global respondents, respectively.
- 40% of global consumers said they were not loyal and likely to switch brands in the alcoholic beverages (43%), snacks (39%), carbonated beverages (38%) and cereal (37%) categories.

"In markets where loyalty programs are long established, customers tend to be savvy about copy-cat promotional offerings that don't offer unique advantages," Currie says. "Particularly in developed loyalty markets, retailers and manufacturers need to work together to offer exclusive awards that cut through the clutter." —PO





KEEP THE \$\$\$

STUDY PROVES POPULARITY OF NON-CASH INCENTIVES

A new study has confirmed that incentive travel, merchandise, and gift cards are popular tools for firms seeking to reward and recognize their employees, sales teams, channel, and customers. Key findings from the study include:

- 74% of U.S. businesses use non-cash rewards to recognize and reward key audiences in the form of incentive travel, merchandise, or gift cards. That percent of non-cash programs increases with company size.
- U.S. businesses spend \$76.9 billion per year on incentive travel, merchandise, and gift cards
- 98% of businesses running non-cash programs include merchandise or gift cards as a reward, spending \$54.4 billion each year
- 46% of businesses running non-cash programs include incentive travel as an award, spending \$22.5 billion per year
- Smaller firms account for half of the market based on the sheer number of these companies

The Incentive Federation, in partnership with Aspect Market Intelligence, collected data from a national sample of business executives to estimate the size of the non-cash incentives marketplace. A total of 1,952 business people responded to the survey. —PO



AWARD WINNING CAMPAIGN

This year's Silver PRO Award for Best Incentive Promotion went to Subway Subprize by Jack Morton Worldwide for Subway.

The sandwich chain wanted to celebrate its 48th anniversary with a big party. But this particular birthday brand didn't want to receive presents—it wanted to give them. That's what made the month-long celebration not just a party but also a Subprize party.

Every day Subway gave away a different grand prize, as well as additional smaller gifts. It offered clues about the next day's prize on its Facebook page via a series of videos; the guesses became valuable social chatter. Agency Jack Morton Worldwide's efforts included helping Subway partner with companies such as Jeep and Radio Shack so that it could offer nearly \$1 million worth of prizes throughout the campaign.

Proving that just about everyone likes a good party (and great gifts), the promotion was deemed Subway's most successful in five years. The average order value increased 1.5%, generating more than \$20 million in incremental sales. —PO



SANTA'S TOP HIT

Gift cards once again landed in the top wish-list spot for the seventh year in a row. Six in 10 (59.4%) of Americans said they'd most like to receive gift cards, according to a National Retail Federation survey.

After a few years on the backburner, clothing and clothing accessories will again fill wish lists with more than half (51.2%) requesting these items, up from 49.1% last year and the highest amount seen since 2006. More than one-third (36.1%) want electronics, one-quarter (23.3%) want jewelry and 20.8% want home decor or home-related furnishings.

