



Lessons Learned About Customer Engagement and Card Linking

April 26, 2016
CardLinx Forum – New York City

Why does Microsoft care about loyalty?

What are we going to cover?

What is Microsoft doing with card linking?

What has Microsoft learned about card linking?

Independent Microsoft Businesses

independent
product
relationships



independent
customer
engagements



Surface
e



Xbox



Windows



Office



Skype



Bing



MSN

Integrated Holistic Businesses



Windows



Office



Xbox



Skype



Surface



MSN



Bing

holistic
product
relationships

holistic
customer
engagement

Inconsistent

Confusing

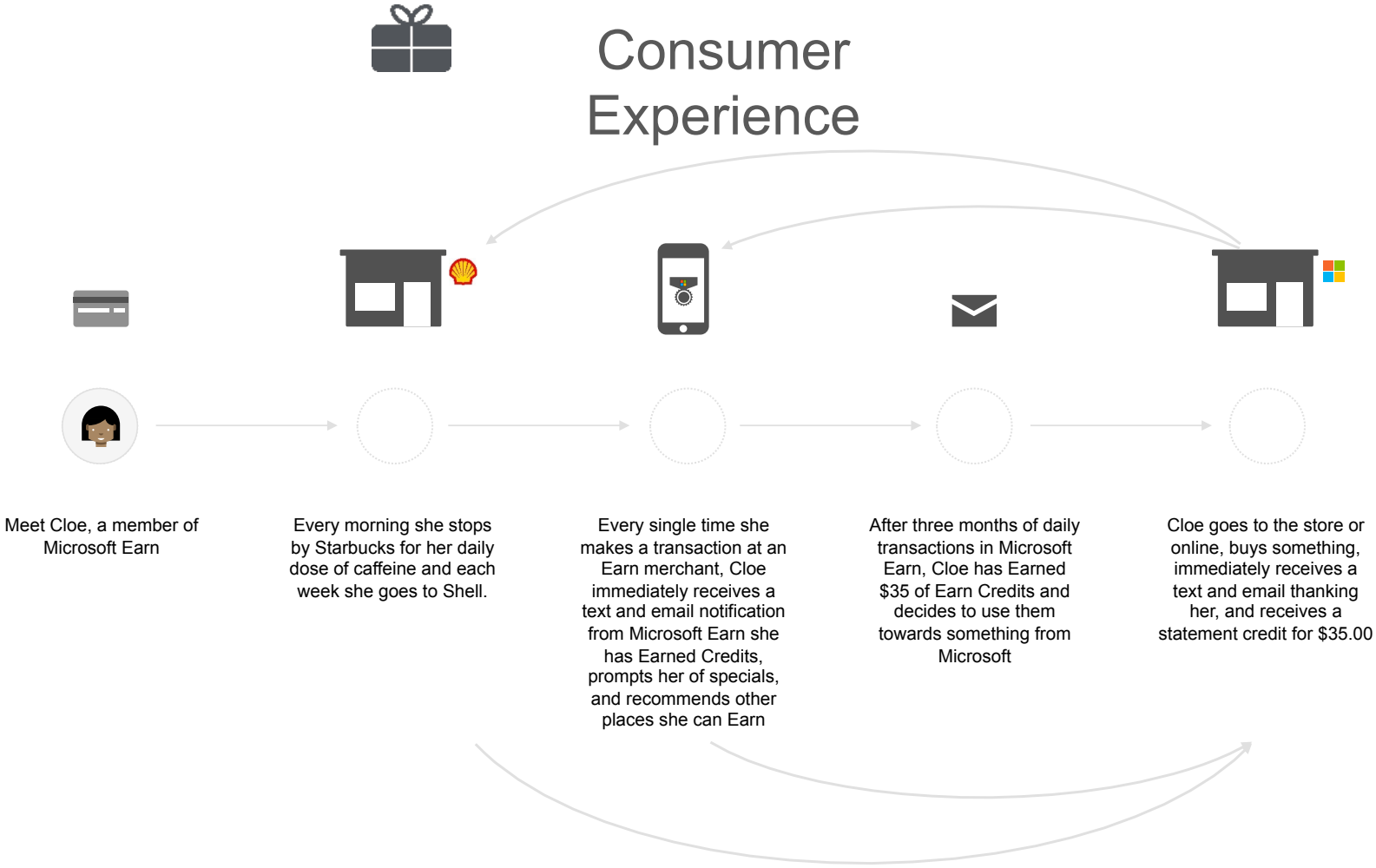
Simple

Complicated

Not scalable

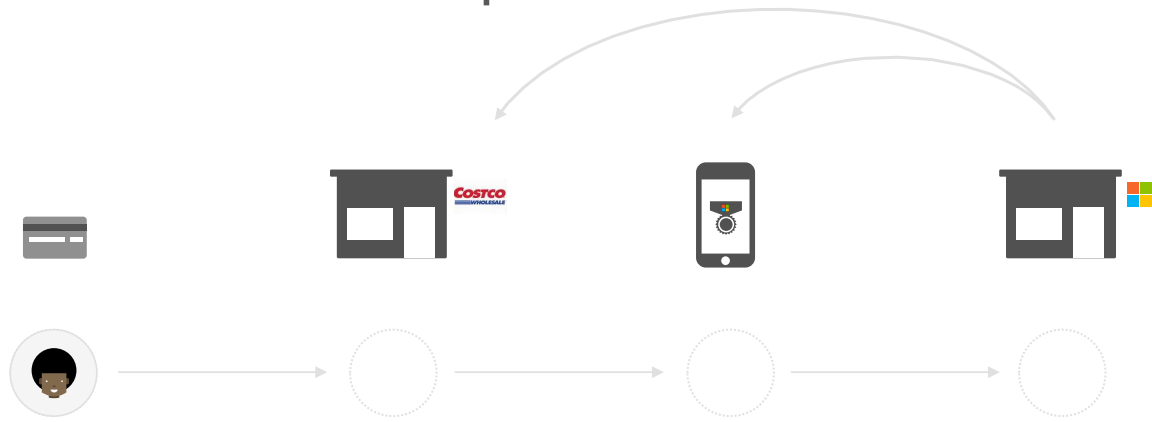


Consumer Experience





Consumer Experience



Meet Zoe, she's getting prepared for college and shopping for a new PC at Best Buy.

She goes to Best Buy and notices that if she chooses to go with a Surface Pro, she'll receive Earn Credits – so she buys a Surface Pro.

After her transaction, Zoe gets a notification from Microsoft rewarding her with \$30 in Earn Credits and suggesting her to use her credits towards a subscription of Office 365.

Zoe goes to the Microsoft store, subscribes to Office 365, and receives a statement credit for \$30

Scalability

Simplicity



Consistency

Friction free



Iconic National Retailers

Microsoft Earn



Thousands of Local Restaurants



Hundreds of Gift Cards



Iconic National Retailers

partner friendly

no integration



business alignment

communications channel



Thousands of Local Restaurants



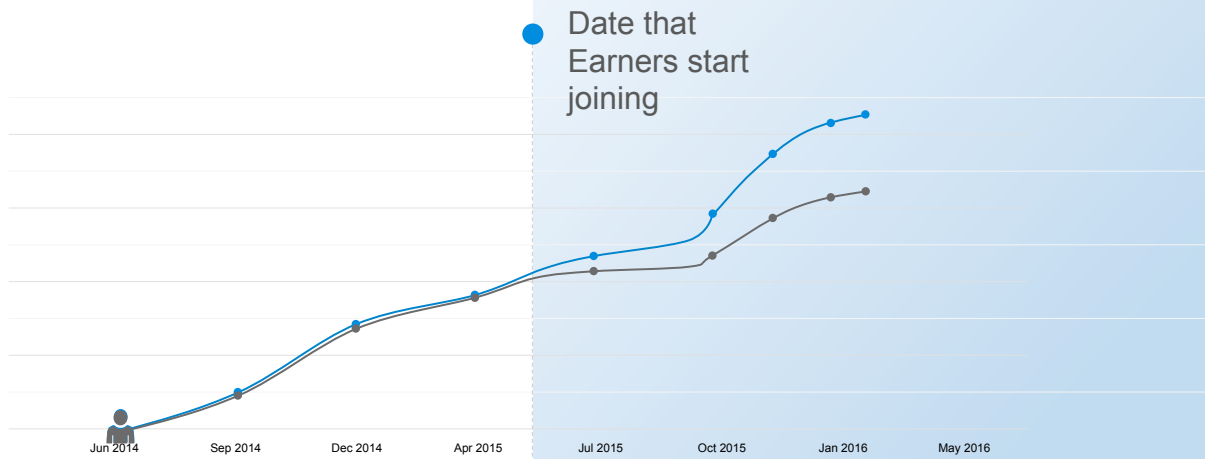
Hundreds of Gift Cards

Results


Incrementality for Microsoft

Incrementality for Microsoft

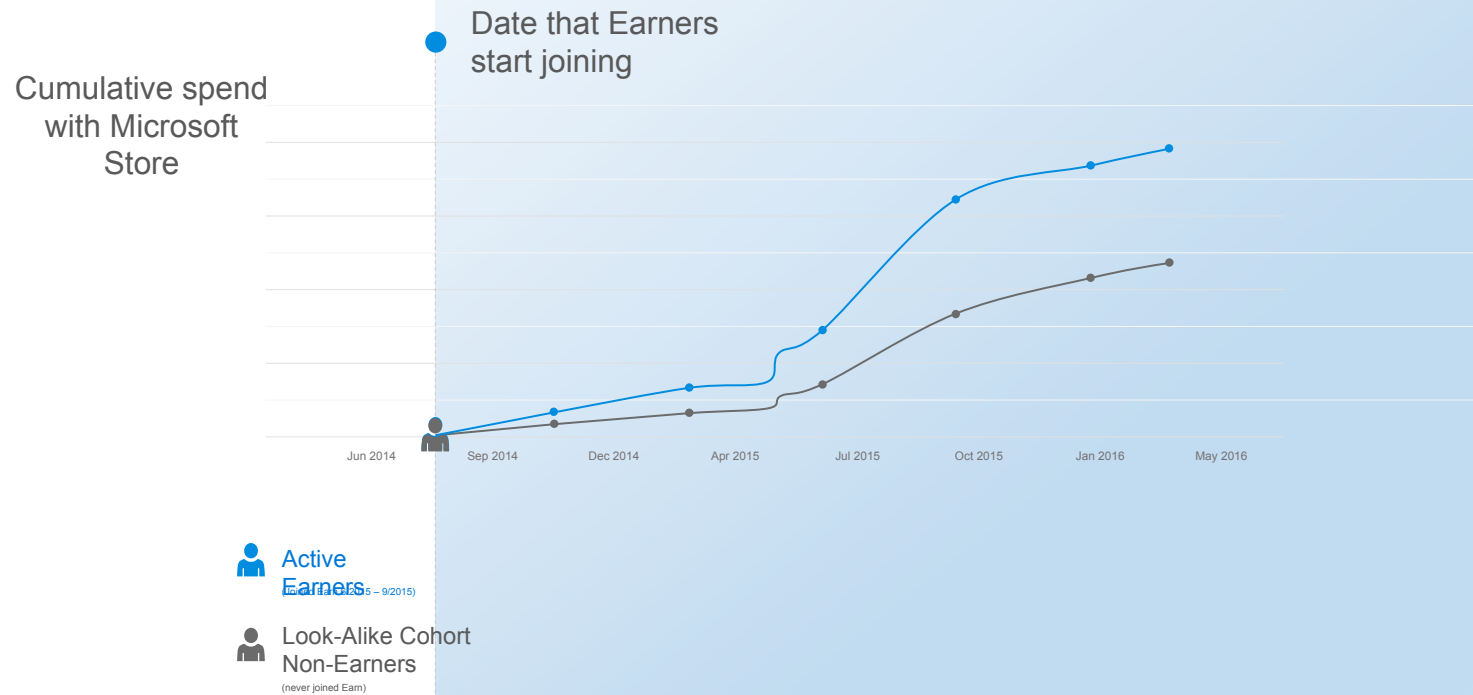
Cumulative spend
Microsoft Store



 Active Earners
(Jun 2014 - 9/2015)

 Look-Alike Cohort Non-Earners
(never joined Earn)

Incrementality for Microsoft



Earn enrollment rates

Earn marketing conversion rates

Earn cost to incremental Microsoft revenue

Earn ARPU (avg revenue per user)

Data driven learnings

Earn incremental revenue percentage

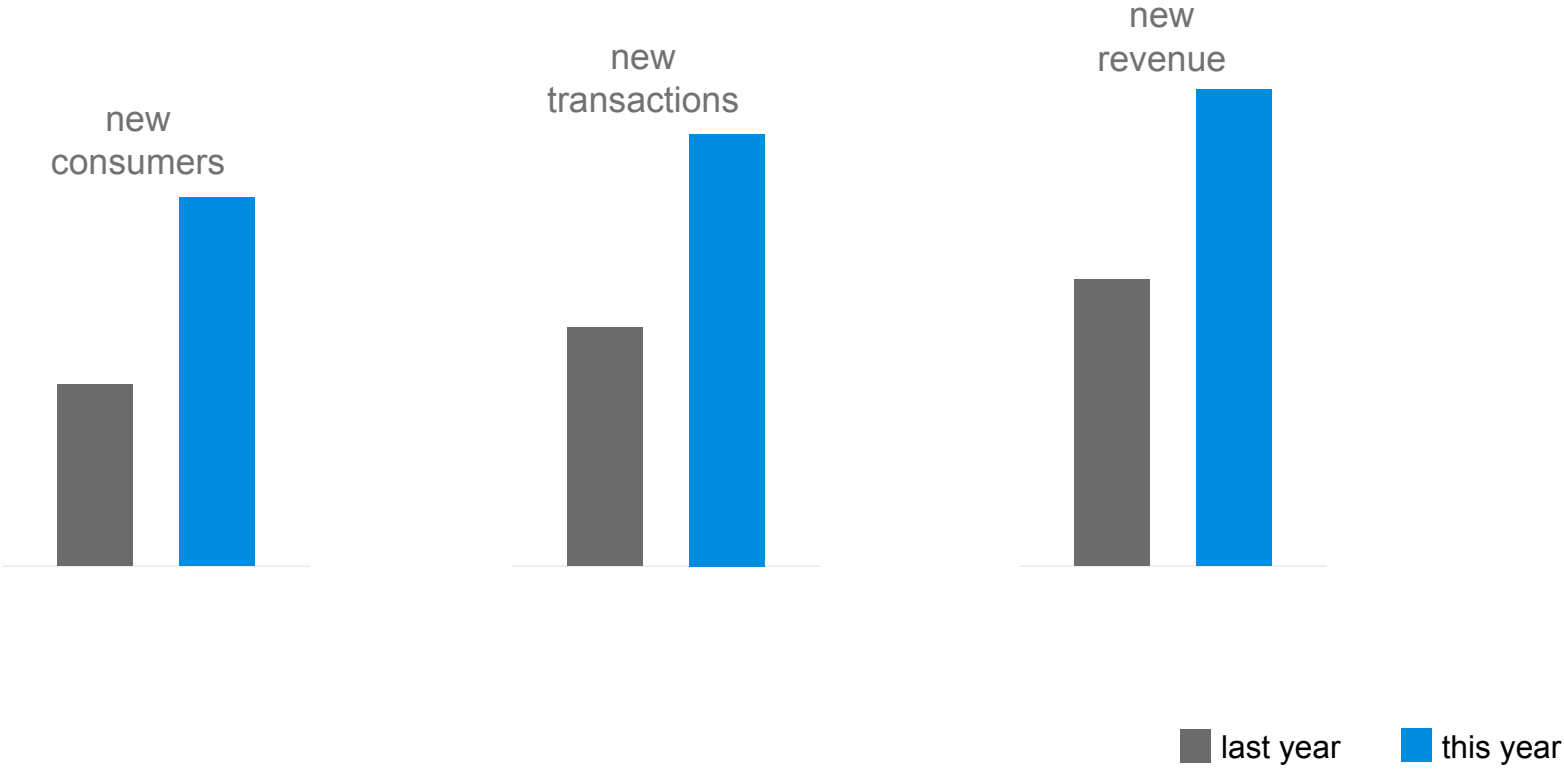
Earn cost to Microsoft gross revenue

Earn engagement rates

Cross merchant promotion

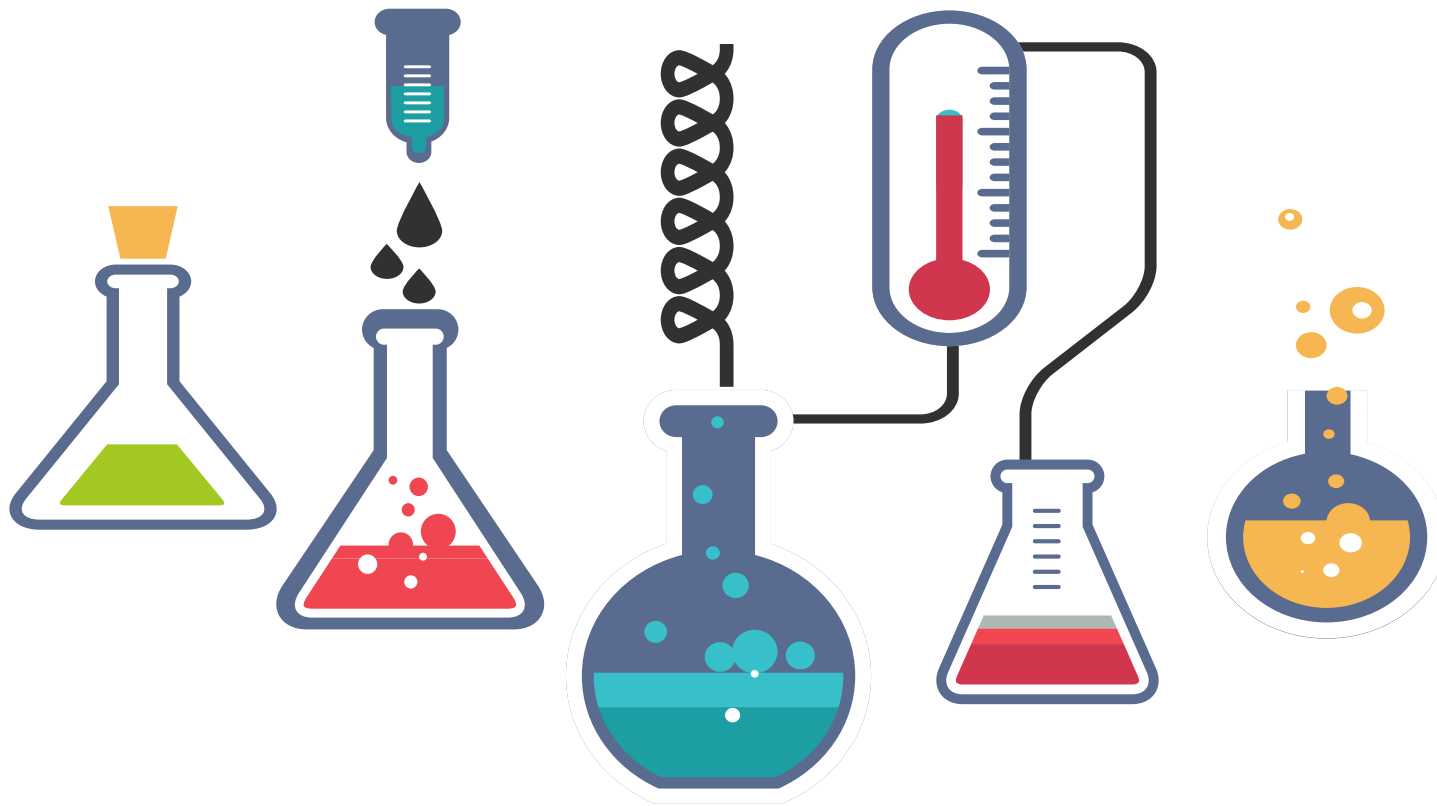
Merchant engagement rates

Incrementality for National Retail Partners

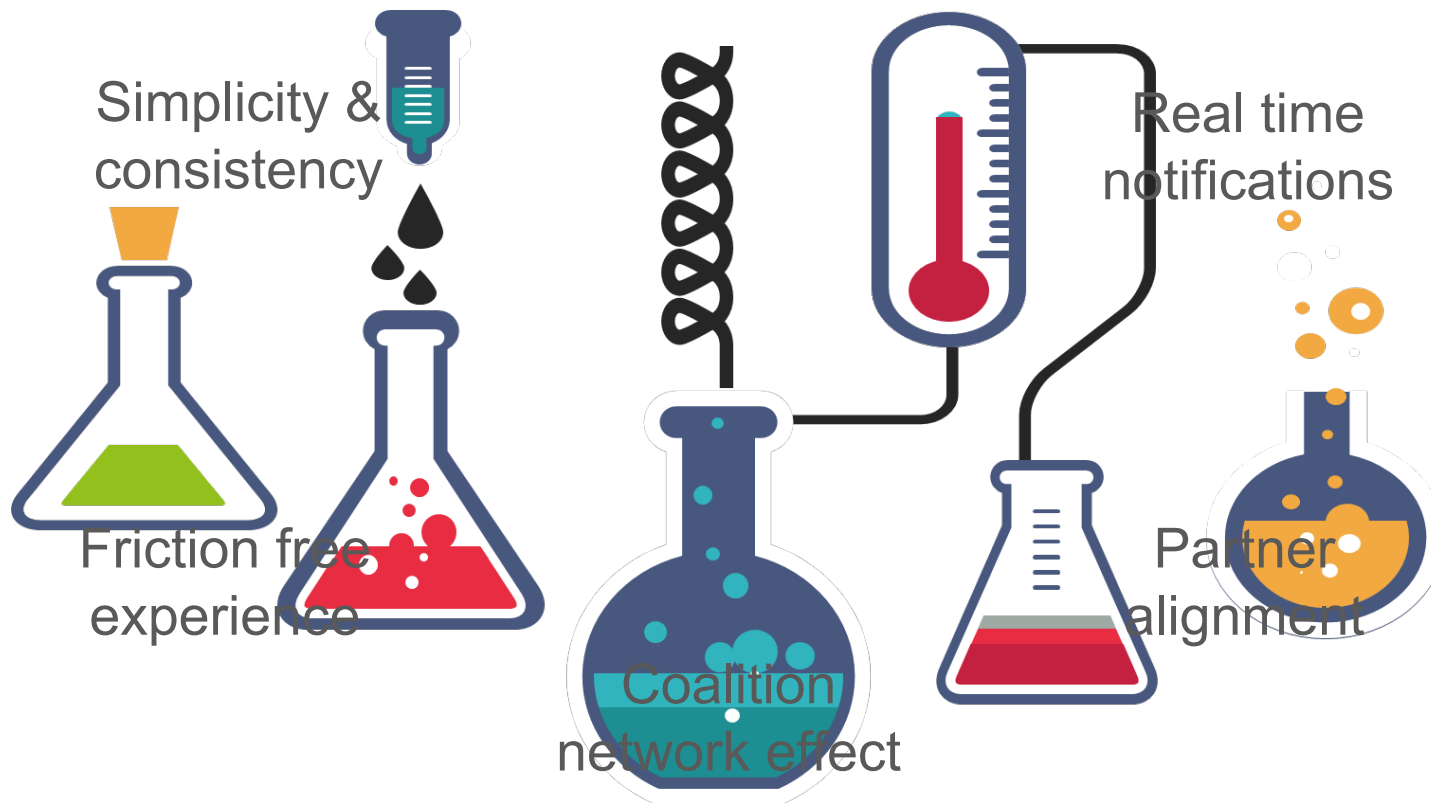


Source: Visa Analytics

Scalable & Flexible Platform



Scalable & Flexible Platform





Thank you