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## Case Study

# Designing an integrated, multi-channel Loyalty program for Krispy Kreme UK

Krispy Kreme has been serving hand-crafted doughnuts and fresh coffee to UK shoppers since 2003, with over 118 standalone stores and 1,000 cabinets with retail partners.

Krispy Kreme UK has a loyal fanbase, ranging from daily shoppers popping in for a coffee and a doughnut, to the business buyers treating their office to a dozen (or two).



## The Challenge: Siloed channels & discount dependance

The former loyalty program, Friends of Krispy Kreme, was no longer engaging these loyal customers or creating value for the business.

In fact, at the beginning of the year, program members had a lower average transaction value (ATV) than Non-members.

One issue was the abundance of free items on offer — almost everything was rewarded with a free doughnut, from anniversaries to referrals to repeat purchases. There was little incentive for customers to spend more or engage with the brand outside of their normal shopping habits.

Additionally, rewards could only be earned or redeemed at Krispy Kreme stores — despite the fact that for many loyal members, the nearest and most convenient purchase channel was their local supermarket. Krispy Kreme needed to make a change.

They needed a new loyalty strategy, one that could support more channels, greater personalisation and fewer freebies — and they needed a new technology platform that was able to support it and provide the foundations to evolve even further.



## The Solution: A personalised, multi-channel program

HTK Horizon was selected by the team at Krispy Kreme to provide a platform for the loyalty program, as well as the customer intelligence needed to personalise the program across multiple channels.

The revamped Krispy Kreme Rewards is based on points — called Smiles — which customers can earn on purchases at all Krispy Kreme stores, in supermarkets, online and even at some local service stations.

In the first phase of replatforming, HTK and Krispy Kreme chose to keep the focus on points mechanics and integration across offline and online channels.

Alongside the program relaunch, Krispy Kreme also upgraded their ecommerce platform and mobile app.

HTK was able to integrate seamlessly with these new platforms, as well as Krispy Kreme's existing POS provider, Flooid (formerly PCMS).

Using Horizon's APIs, data for each member — including their points balance and available rewards — can be displayed within each of these channels, creating a consistent experience.

HTK's Client Services team has also taken on the management of Krispy Kreme's marketing comms, using email as the primary channel to promote the latest offers, new flavours and program benefits, as well as providing transactional emails related to the loyalty program itself. Using customer data — including previous purchases — these emails are tailored to key customer segments.

In future iterations of the program, Krispy Kreme will be making use of HTK's newest features, using advanced machine learning to optimise marketing comms and deliver targeted reward recommendations.



**Sammy Jackson**

Head of Digital, Krispy Kreme



*"Horizon has been a key piece of the puzzle as we move towards a more 1-to-1 approach to our marketing comms. With the Horizon Suite, creating and overlaying customer segments is so much faster, meaning we can get personalised messages to our members far more easily."*

*The HTK Client Services team have also been so helpful as we transition to a more personalised approach."*

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# Customer service meets loyalty

Great customer service matters — especially when those customers are your most loyal members. Krispy Kreme relies on customer contact centre Ventrica to provide excellent service to its members.

The Ventrica team uses Horizon for Customer Service to provide support to loyalty members. Ahead of launch, the HTK team provided Ventrica agents with personalised playbooks to get them up and running.

The Ventrica team took to Horizon quickly and was using the Customer Service add-on with confidence in just three days. James Telfer, Team Manager at Ventrica, said: "Getting up and running with Horizon was really easy."

The playbooks HTK provided had clear instructions and just the right amount of detail, enabling our agents to quickly get comfortable with the platform and be ready to support Krispy Kreme customers throughout the launch."

## The Results: Member spend on the rise

Although the program is still in its early days, Krispy Kreme is already seeing the key metrics trending in the right direction.

Member spend across channels is now higher than non-member spend, with an increase of 37% since the re-launch of the program.

*"The HTK team has been instrumental throughout this project, not only in terms of the technical implementation of the new program but also in terms of their advice on the overarching strategy."*

*"We're really pleased with the results of the launch so far and are looking forward to future innovations, particularly around machine learning and one-to-one marketing."* - **Sammy Jackson**



Get in touch today to schedule a live online demo, or discuss the challenges you're looking to solve.

Just send us a message at

**hello@htk.co.uk.**