## Loyalty Management

Jul 31 2013 | Loyalty Management: Articles Type

# From CMO to CPO (Chief Professor Officer) -

# Loyalty 360 Interview with Simon Uwins

Loyalty360 - Mark Johnson

Simon Uwins is currently an adjunct lecturer at the University of Southern California, and his website promotes the following taglines: "Visionary and Inspirational Marketing Leader" and "Creating Loyalty in a Connected World." Uwins holds a very unique perspective that he brings to the classroom – anyone would be most fortunate to learn from him.

Uwins enjoyed detailed and extensive marketing

success as Chief Marketing Officer at Fresh & Easy Neighborhood Market and was the U.K. Marketing Director for Tesco. He has now transferred those invaluable insights to classroom, yet still sees great opportunities for brands to create true loyalty.

A pioneer of Tesco's Clubcard loyalty program and former director of Dunnhumby, Uwins trained his loyalty philosophy on a couple of crucial ideas: thanking customers and the realization that brands are defined by their experiences. He found out how to make rewards personal and use data to transform the customer shopping experience.

He recently developed and launched *Friends* card, a 21st Century version of Clubcard, for Fresh & Easy. Uwins built the Fresh & East Neighborhood Market from scratch with consumers on the West Coast using a healthy dose of digital and social media and a realization that a multi-touch point loyalty "process" was needed to create true customer-centricity.

Uwins is also a popular keynote speaker at industry conferences and has developed a simple approach to building loyalty in today's everevolving connected world.

Uwins participated in a fascinating interview with Loyalty 360 CEO and Chief Marketing Officer Mark Johnson and shared his insights on the biggest CMO challenge, his "light bulb" moment at Tesco, and the debate on targeting new or existing customers.

#### **Biggest CMO Challenge?**

Simon Uwins: The shift to brands being tied with customer experience rather than creating some external image through marketing. What drives customer experience has to do with behavior behind the brand. Customer experience is such a multi-dimensional thing. While you can manage customer experience, in truth, the bigger communication is the body language, which is driven by the behavior of the business. As a customer interacts with you in many different ways, you get a sense of what the business is like behind you.

#### "Light bulb moment" at Tesco

Uwins: The company invested a lot of money in reducing prices over a number of years, but customers didn't think they'd done that at all. When we explored it, it turned out that customers

knew about the reduced prices, but they said the company was just trying to get them to spend more – rather than helping them save money - - therefore the perception hadn't shifted.

#### **Changing Company Body Language**

Uwins: In the next six months Tesco re-educated the business around this point, changed policies, and steered promotions away from price-cutting. Tesco connected pricing to a customer objective of "helping you spend less." Tesco followed this up by explaining the philosophy to every employee and permeated the fabric of the

shopping experience and external media with the "helping you spend less" theme.

After six months of doing this suddenly customers' perception of price started to close for the first time. By bringing together the behaviors and the fabric of the brand around a price philosophy at the core of the business, the body language of the shopping experience had changed.

### Comes Down to Customer ExperienceUwins: Hilton spends half its budget on internal marketing

Hilton spends half its budget on internal marketing of the customer experience. For most brands, it

comes down to that experience rather than what they might see through advertising.

#### **Being Customer-Centric and Transparent**

Uwins: You have to persuade the whole business to be customer-centric. My background was trying to impact the culture of a business to align it behind customers and what customers wanted. That's exactly where they need to be. It's a great opportunity for CMOs.

What's really important today is what you stand for, what' you're going to do, and why you're going to do it. Explain something to somebody. There's great value in that. You've got to be open these days. That basic approach of being transparent is the only real option going forward.

#### **Do We Target Existing or New Customers?**

Uwins: The thing that always struck me about the debate about existing customers versus new customers is if you do a really good job with your loyal customers, they become your customer acquisition approach. The idea of focusing on existing customers is what will eventually get you to where you need to be.

#### Giving People Back Their Data to Help Them

Uwins: Brands are using data that customers let them have in order to create more value for the customers. Customers will give you data. Get the data, be clear why you want it, and how you're going to use it and create more value for them.

Ask yourself how you maximize value out of loyal customers because loyalty programs give you data. Know your customers and use the data they give you. That's very difficult to do without some form of a loyalty program. Brands that have those relationships with customers seem to be in a much, much stronger place.

**About the Author:** *Mark Johnson* Mark is CEO & CMO of Loyalty360. He has significant experience in selling, designing and administering prepaid, loyalty/CRM programs, as well as datadriven marketing communication programs.