

Aimia Inc.

Aimia warns marketers to 'show restraint' with digital consumer communications

'Offer anarchy' is a very real threat to relationships with half of consumers feeling overwhelmed

TORONTO, June 25, 2013 /CNW/ - A new study from Aimia, a global leader in loyalty management, has found that marketers will alienate many customers fast if they don't show more restraint with digital communications.

"The possibilities for the future of customer loyalty are profound. The real challenge for the marketing and loyalty industries is to embrace the digital transition with both hands while showing enough restraint and respect for consumer's permissions and preferences," said Martin Hayward, Vice-President of Global Digital Strategy at Aimia.

The paper, *'The Four Futures'* written by Hayward, reveals that of the 86% of consumers who receive marketing emails, only 12% look forward to receiving them and 46% think they receive too many.

Despite this, consumers say they are still open to receiving targeted marketing communications. Of those surveyed, 70% are happy to receive voucher offers for products purchased regularly and 55% are happy to receive product recommendations based on their lifestyle data.

In an era of technological development and expanding communication channels, it is important that marketers avoid the temptation to adopt a short-term approach and overload consumers with communications. Marketing professionals should have a thorough understanding of what is best for customers, rather than what is possible.

"Building 'real relationships' with consumers provides the key to success and enlightened companies that understand how to effectively and responsibly use new data and new channels in the right way will have a significant competitive advantage in the future," added Hayward.

To help marketers navigate the digital transition, Aimia has assessed the possible outcomes that lie ahead and developed four futures:

Future 1: offer anarchy

The increasing volume of customer data created by digitalisation remains freely available and loosely controlled. Customers tend to be over-exploited by many vendors, leading to highly transactional, deal-based behaviours, limited loyalty and frustrated, over-messaged consumers.

Future 2: pay to play

A market where data is increasingly acknowledged to be valuable and powerful. Data begins to be controlled and traded as a valued commodity, requiring businesses to pay to access customers through increased rewards.

Future 3: the hunt for affinity

An environment where consumers and brands realise that it is possible to locate meaningful relationships that offer more relevance, value and affinity, which ultimately allows for long-term relationships to be built.

Future 4: real relationships

Winning companies build deep, trusting, long-term relationships with customers. A truly virtuous partnership to help consumers manage a complex environment and achieve value and satisfaction from their commercial relationships.

The ultimate future requires marketers to leverage data and build long-term customer loyalty while giving customers control over how, when and where their data is used. It is a future of 'real relationships' and one where everyone wins.

The full report can be viewed here:

www.aimia.com/files/doc_downloads/Aimia_Whitepaper_FourFutures_DigitalLoyaltySurvey.pdf

About Aimia

Aimia Inc. ("Aimia") is a global leader in loyalty management. Employing more than 4,000 people in over 20 countries worldwide, Aimia offers clients, partners and members proven expertise in launching and managing coalition loyalty programs, delivering proprietary loyalty services, creating value through loyalty analytics and driving innovation in the emerging digital, mobile and social communications spaces.

Aimia owns and operates Aeroplan, Canada's premier coalition loyalty program, Nectar, the United Kingdom's largest coalition loyalty program and Italy's Nectar Italia. In addition, Aimia owns stakes in Air Miles Middle East, Mexico's leading coalition loyalty program Club Premier, Brazil's Prisma Fidelidade, and i2c, a joint venture with Sainsbury's offering insight and data analytics services in the UK to retailers and suppliers. Aimia also holds a minority position in Cardlytics, a US-based private company operating in transaction-driven marketing for electronic banking. Aimia is listed on the Toronto Stock Exchange (TSX: AIM). For more information, visit us at www.aimia.com

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