



Practical experience: Case Study Aral

The company known today as Aral AG was founded in 1898 as "Westdeutsche Benzol-Verkaufsvereinigung". The name Aral was coined in 1924 after a new fuel.

Aral has been run by Deutsche BP Aktiengesellschaft since 1 February 2002. BP is the market leader in the petrol station sector in Germany with a total of 2,646 Aral roadside stations and 91 motorway stations.

Milestones for the PAYBACK card at Aral

Up to 2006: Before the introduction of the customer card, Aral customers could collect points with bonus booklets and then convert these into rewards. With the bonus booklets and similar campaigns, Aral was already collecting customer data online and offline and storing it in a central database even before the introduction of the customer card programme.

May 2006: Aral becomes a partner in the PAYBACK multi-partner programme. The bonus booklets are replaced by the customer card.

Multi-partner or stand-alone?

Aral chose PAYBACK primarily because collecting points within a multi-partner programme is more attractive for customers. A customer card within a multi-partner programme also provides the perfect tool for winning new customers. In the case of PAYBACK, the card is already carried by a broad customer base, which makes the potential for winning new customers particularly large. Customers also have the opportunity to collect points in various spheres of everyday life and to exchange these points for attractive rewards.

Scope of functions and integration in customer management

Evaluation and use of customer data

The classic customer master data is collected using the application form for self-acquired card customers. The transaction data for Aral is also recorded and evaluated by an external service provider. This evaluation of data is used e.g. for customer segmentation into behaviour-based clusters and classic ABC customer analysis.

Up until now, customer loyalty has been secured with the PAYBACK card largely through direct use of the card, i.e. customers can collect points when they fill up their cars with petrol and convert these points into rewards. The card therefore offers an incentive to choose Aral as your preferred provider every time you fill up your car. In future, the collected data and the clusters derived from this are to be used even more intensively as part of a customer management strategy.

The introduction of the customer card at Aral is therefore taking place in two stages. During the first stage, the focus is on the goals of securing customer loyalty and winning new customers through the partner structure of the PAYBACK customer card programme and through monetary added value in the form of rewards for customers. The customer cards are also intended to increase up-selling (encouraging the customer to move up to higher-value products e.g. to buy premium fuels) and conversion rate, i.e. the proportion of shop customers who become fuel customers and vice versa. The data is already being used for direct mailings.

The precise strategy for the second stage is still in development. However, Aral has already identified the considerable opportunities offered by the customer card programme. For example, the collected data is currently being segmented into homogeneous, behaviour-based target groups. Further use of this data within an analytical customer management system is planned. The results are then to be used as a basis for optimising different areas (e.g. in the pipeline are: churn prevention, winning back customers, space planning, supplier collaboration etc.). One of the measures to be introduced at the Point of Sale (POS) is "ticketing a till". The till printer prints out specific offers based on the customer's wishes or, more probably, on previous purchases. Attractive offers for product bundles can also be identified. This range of functions is currently still in the planning stage, but the potential in this area has already been recognised by Aral.



Derivative uses

There is also potential for derivative use of the card programme at Aral, particularly with regard to optimising the POS with the help of customer data. For example, conclusions could be drawn from the customer data, if applicable, about possible further sites and about product range selection, and this information could then be used for optimisation.

Benefits for the customer

The customer management system is customer-oriented. All campaigns relating to this are therefore also geared towards benefits for the customer.

The rewards and redeemable coupons have a monetary value for the card customers. The special offers for specific product bundles can also provide monetary benefits for customers. Opening times oriented to the purchasing behaviour of customers represent a further theoretical benefit for customers. Aral has run offers like these in the past, but the customer card makes it possible for the first time to adapt these offers to target groups known by name.

Success of the customer card

Aral has won market share from its direct competitors by introducing the PAYBACK programme. The benefit of the bonus programme as perceived by customers (perceived value) is considerable. When you offset this perceived value for customers and the acquired market share against the relative costs of the customer card programme, this indicates that the customer card is a highly successful move for Aral.

According to information from the company itself, the PAYBACK card is already very widespread. Almost every second customer buying fuel is collecting points. The market share of Aral has also risen by half a percent to around 23 percent since the introduction of the customer card.

Source: Kundenkartenprogramme im Customer Relationship Management, Institut of Electronic Business, Berlin, Januar 2008
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Loyalty Partner GmbH

Loyalty Partner GmbH has built up unrivalled know-how through the successful development and operation of PAYBACK, the biggest bonus programme in Europe. The experts in customer management now serve numerous companies through three subsidiaries – PAYBACK, emnos and Loyalty Partner Solutions. The chief focus of the highly individualised customer management solutions is maximum customer orientation. Using this basis, all operational and communicative activities can be tailored precisely to the needs of customers. This increases customer satisfaction and the company's profitability in the long term.

Loyalty Partner was founded in 1998 by Alexander Rittweger. Together with Martin Hollenhorst (CFO) he is today in charge of a company with offices in Munich, Dusseldorf, London and Paris and a workforce of 500.

More information: www.loyaltypartner.com