

Leveraging Your Brand

To create new value and future revenue through a loyalty program



November, 2016



100M

Monthly Visitors



**Home
Automation**



Security



**Consumer
Electronics**



**SMB
Services**



Health



**Personal
Finance**



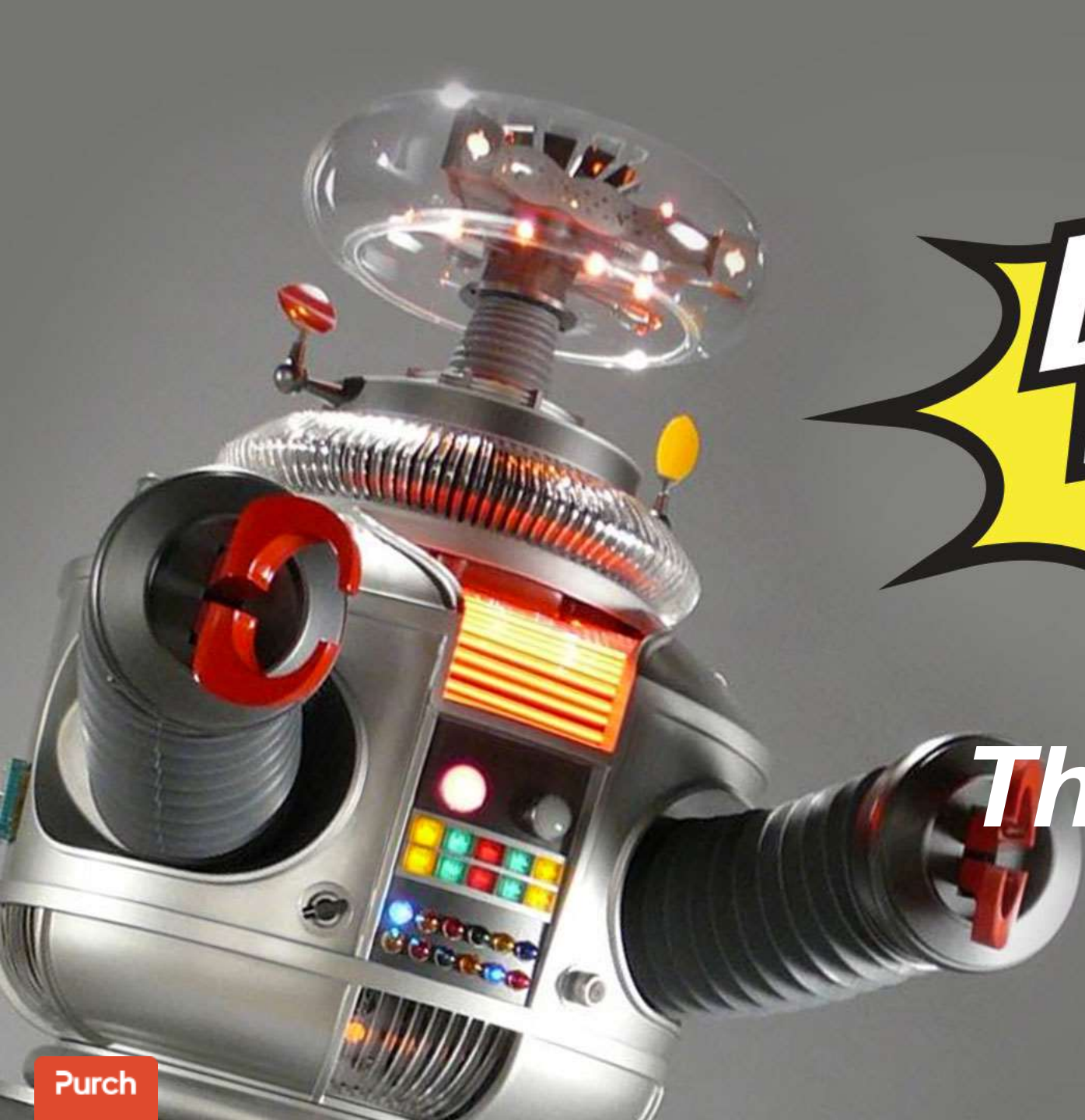
**Outdoor
Goods**





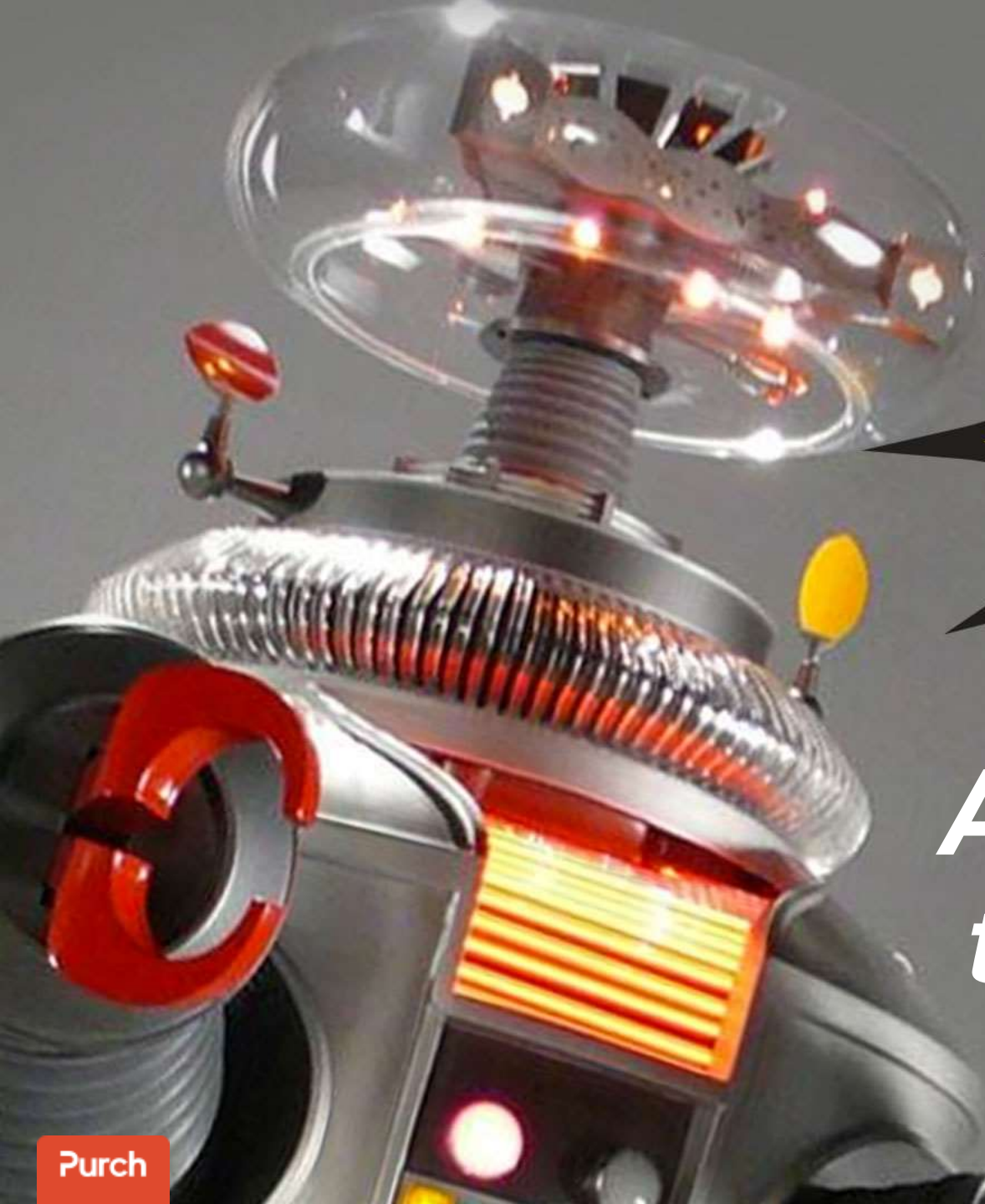
***DANGER,
WILL ROBINSON,
DANGER!***

***Most of our traffic
comes from SEO!***



**DANGER,
WILL ROBINSON,
DANGER!**

*The ad blockers
are rising!*



***DANGER,
WILL ROBINSON,
DANGER!***

*Audience migration
to mobile & social!*



TWELVE STEP RECOVERY

The First step is admitting you have a problem.

A close-up photograph of three dogs resting their heads together on a patterned surface. In the center is a light brown dog with its eyes closed. To its left is a black and tan dog, also resting. To its right is a brown dog with its eyes closed. The image conveys a sense of calm and companionship.

Pivot On Building & Nurturing Relationships

Creating real and direct relationships with our audiences will allow us to:

- Diversify revenue further away from traditional Ad Sales
- Create customer lifetime value that exceeds RPV
- Reduce our reliance on organic search traffic
- Further & deepen relationships with target marketers

We needed to change the way we did things to build value.

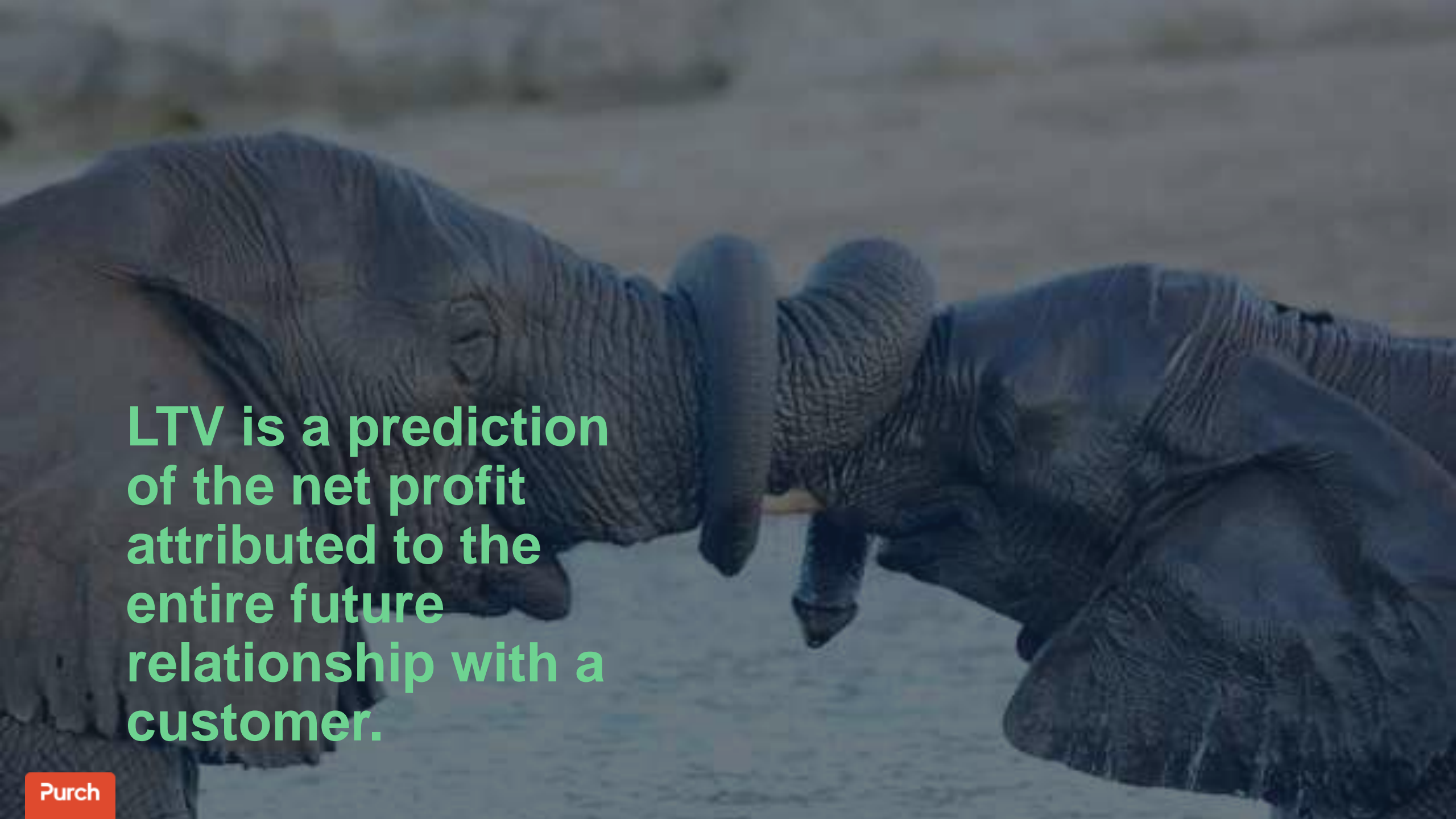
Before

- Focusing on creating page views, impressions and visitors
- Measured by RPV
- This allowed us to serve shopping

Now

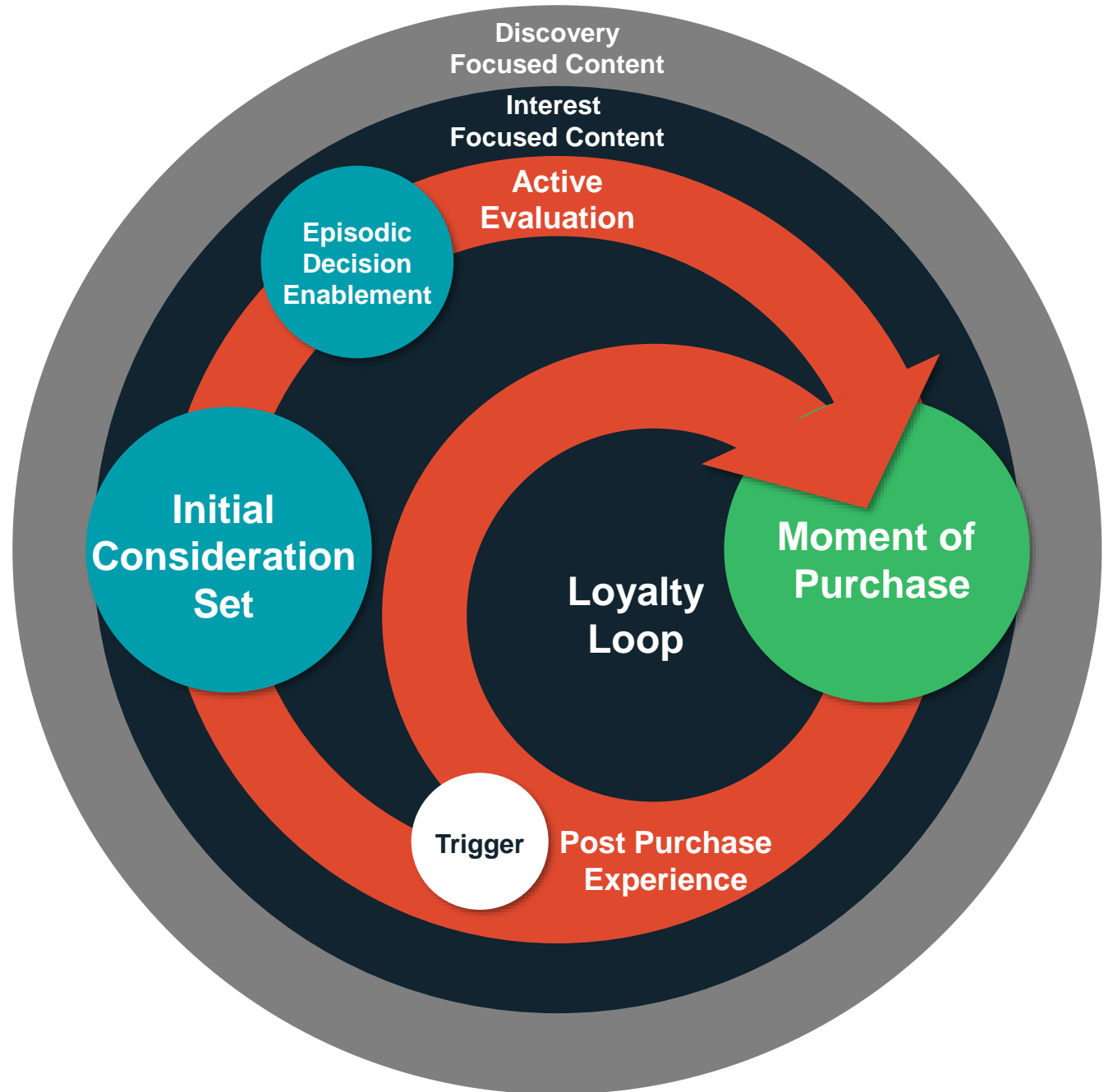
- Focus on converting visitors to members
- Measured by LTV
- This allows us to serve the shopper



A photograph of two elephants in a natural, dry environment. One elephant is on the left, facing right, with its trunk extended towards the other elephant. The second elephant is on the right, facing left, with its trunk also extended. They appear to be in a social interaction. The background is a blurred savanna landscape with dry grass and trees.

**LTV is a prediction
of the net profit
attributed to the
entire future
relationship with a
customer.**

Owning the Loyalty Loop



Our Starting Point

Maritz's 4 Dimensional Loyalty Framework





Our Opportunity

1. We already have audiences that have demonstrated true and cult loyalty behaviors. Adding a tiered reward component to the relationship will generate LTV and encourage those users to become advocates for our brands & build value for Purch
2. Many of our audiences are episodic and have little brand affinity or loyalty to us. Creating a value proposition that turns them from visitors to members can lead them to becoming true and cult loyal users

“Know what your customers want most and what your company does best – Focus on where those two meet”

- Kevin Stirtz, Marketing for Smart People

“ The first step to exceeding your customers expectations is to know those expectations.”

- Roy H. Williams

Key Inputs into Our Loyalty Program Design

“A more crucial fight is the challenge to turn those that do wander into your business a reason to come back.”

- Somebody really smart

“Loyalty programs increase the amount of customers spend each time they visit, as they try to unlock the rewards.”

-unknown

“Businesses with loyalty programs, on average, are 88% more profitable than competitors who do not.”

- Deloitte Retail Survey

Build, Buy or Partner?

Buy!



active junky



How it Works



JOIN



Become an Active Junky member for FREE

SHOP



Shop with Active Junky by clicking "Shop Now"

EARN



Earn cash back with every purchase

COLLECT

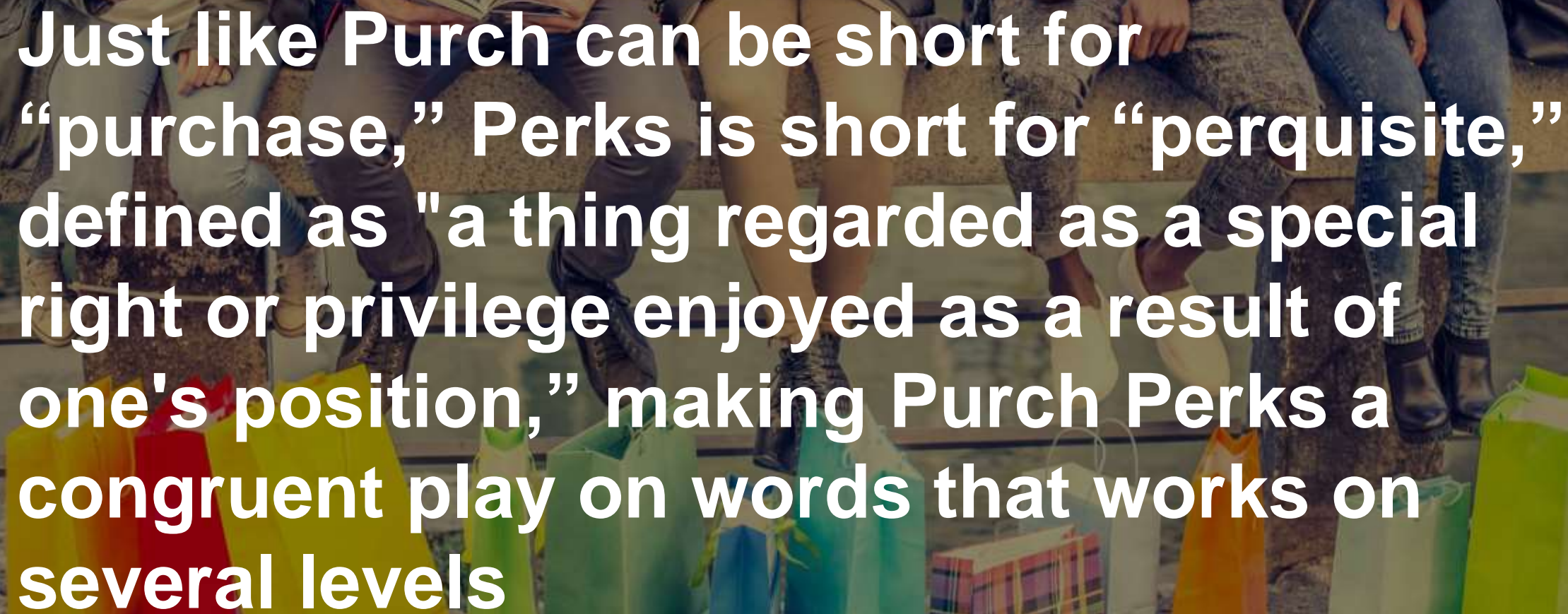


Every 90 days we will send you money

GET STARTED

MORE INFO

Purch
perks

A group of five people are sitting on a stone bench outdoors. They are dressed in casual winter clothing. The person on the far left is holding a red phone. The person next to them is holding an open book. The person in the center is holding a tablet. The person next to them is holding a small white card. The person on the far right is holding a small white card. In the foreground, there are several colorful shopping bags: two yellow, one red, one green, one blue, one teal, one plaid, one orange, one white, and one light green. The background is a blurred outdoor setting.

Just like Purch can be short for “purchase,” Perks is short for “perquisite,” defined as “a thing regarded as a special right or privilege enjoyed as a result of one's position,” making Purch Perks a congruent play on words that works on several levels




“Perks” widely used in connection with loyalty and rewards programs, therefore consumers’ easy recognition as to what the program is topically about



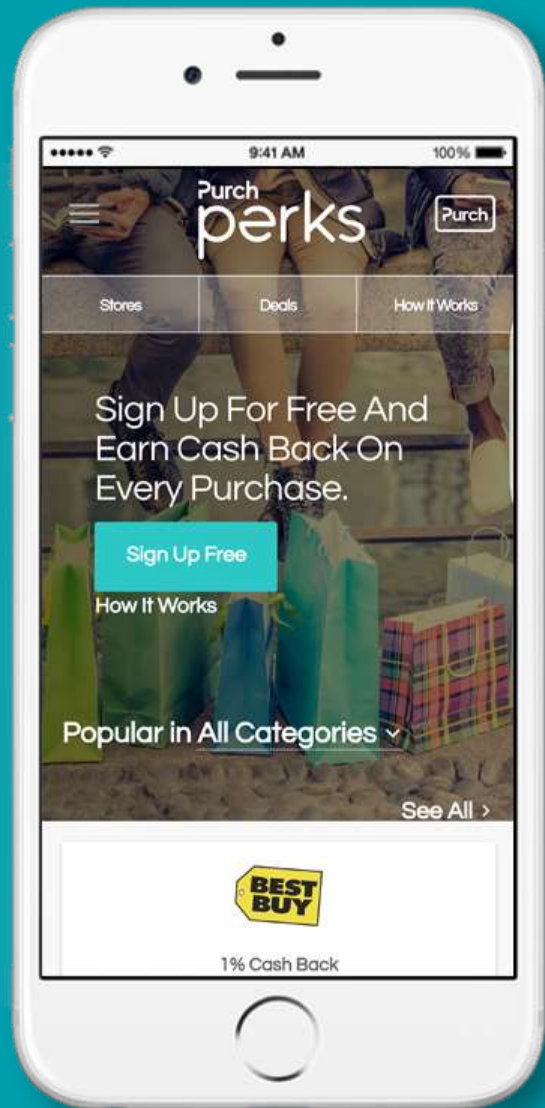
**General enough to continue being
relevant as we evolve our offerings
beyond cash back**



**As a company we've been
predominantly focused on helping
people decide what to buy and/or
what product is right for their
particular needs**



Purch Perks allows us to offer a service that helps consumers find the products they want at the best value



Perks is not just a cash back program – it's a membership program that includes cash back

Membership will also include:

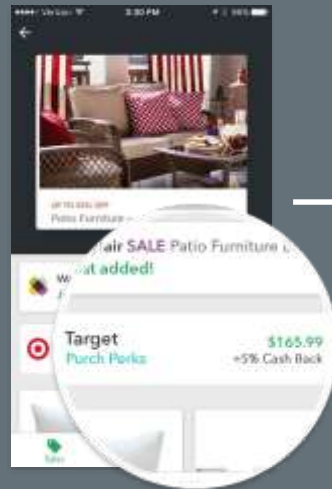
1. Exclusive deals & offers to members
2. Personalized newsletters by topic and brand
3. Integration of decision enablement content from our family of brands into the Perks experience
4. Reward tiers for our most active & loyal customers

MOBILE

ShopSavvy App



Product Pricing

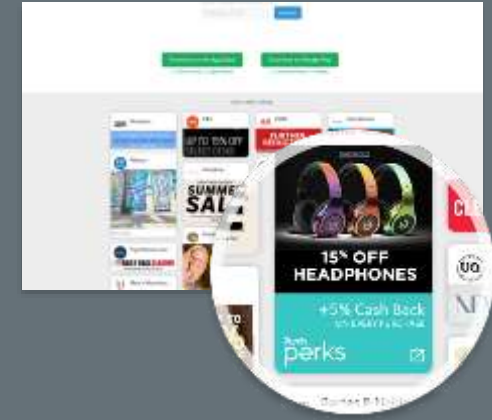


DESKTOP

Product Pricing



ShopSavvy Site



Join Perks



Retailer Site



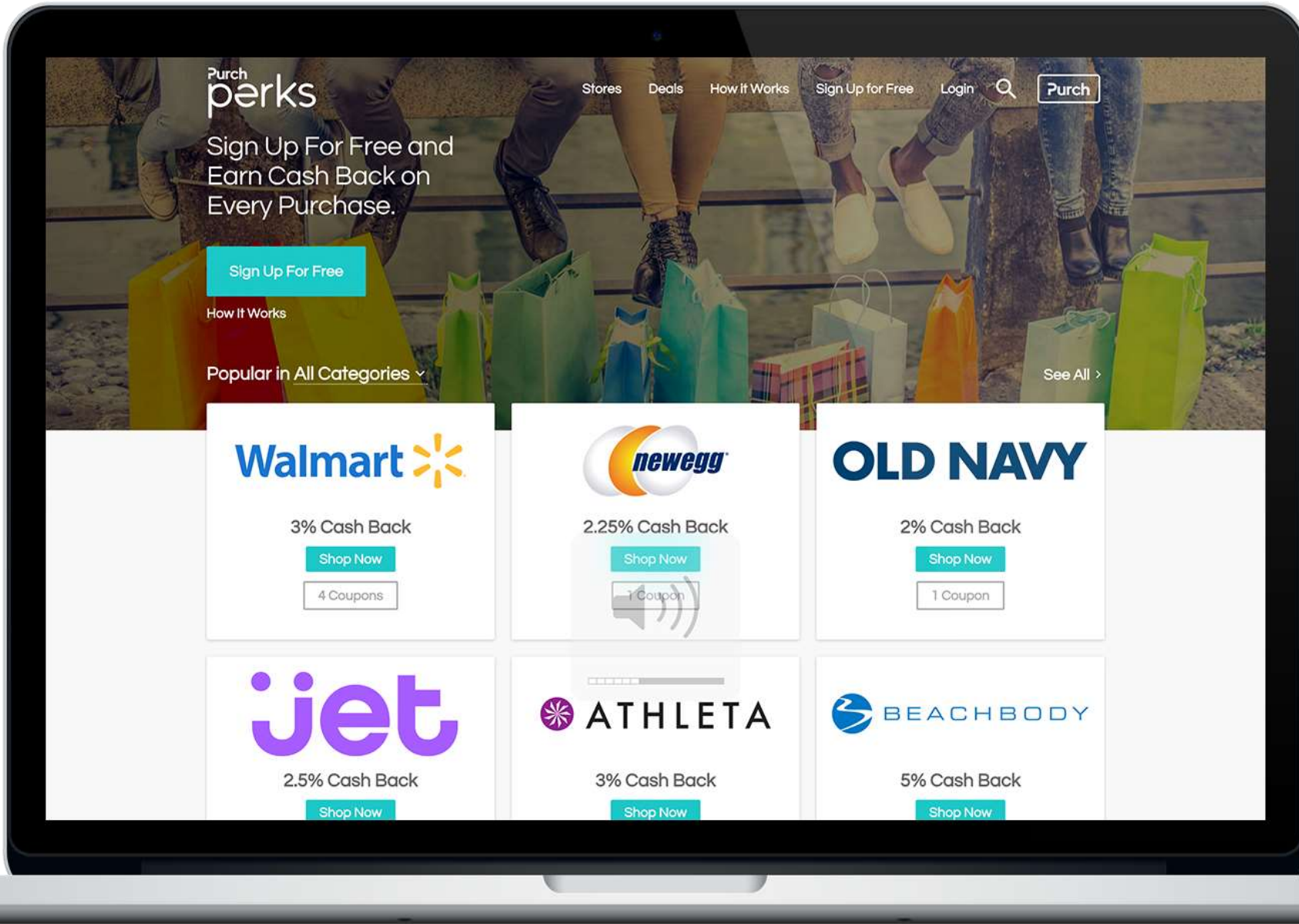
Confirmed Purchase

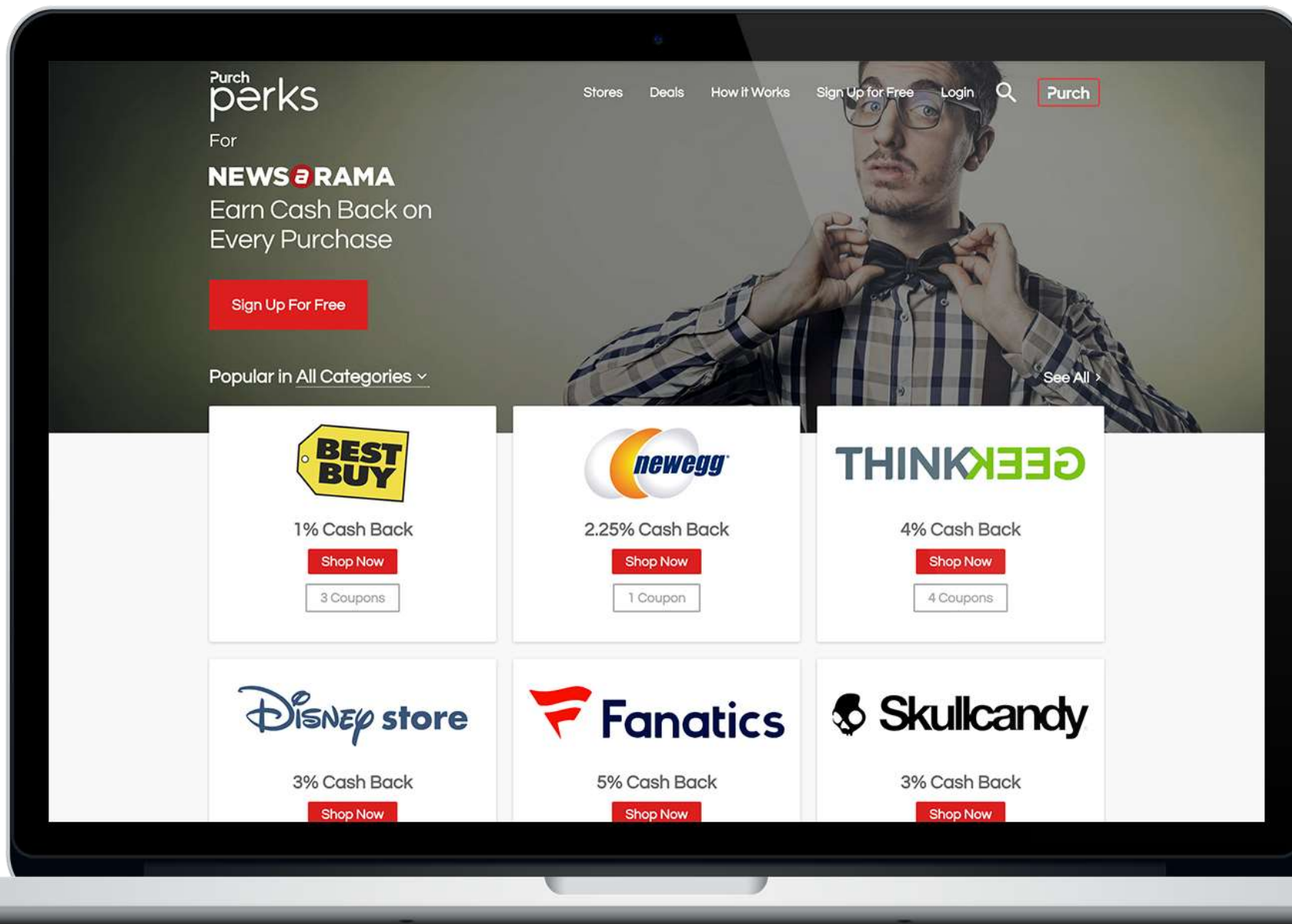


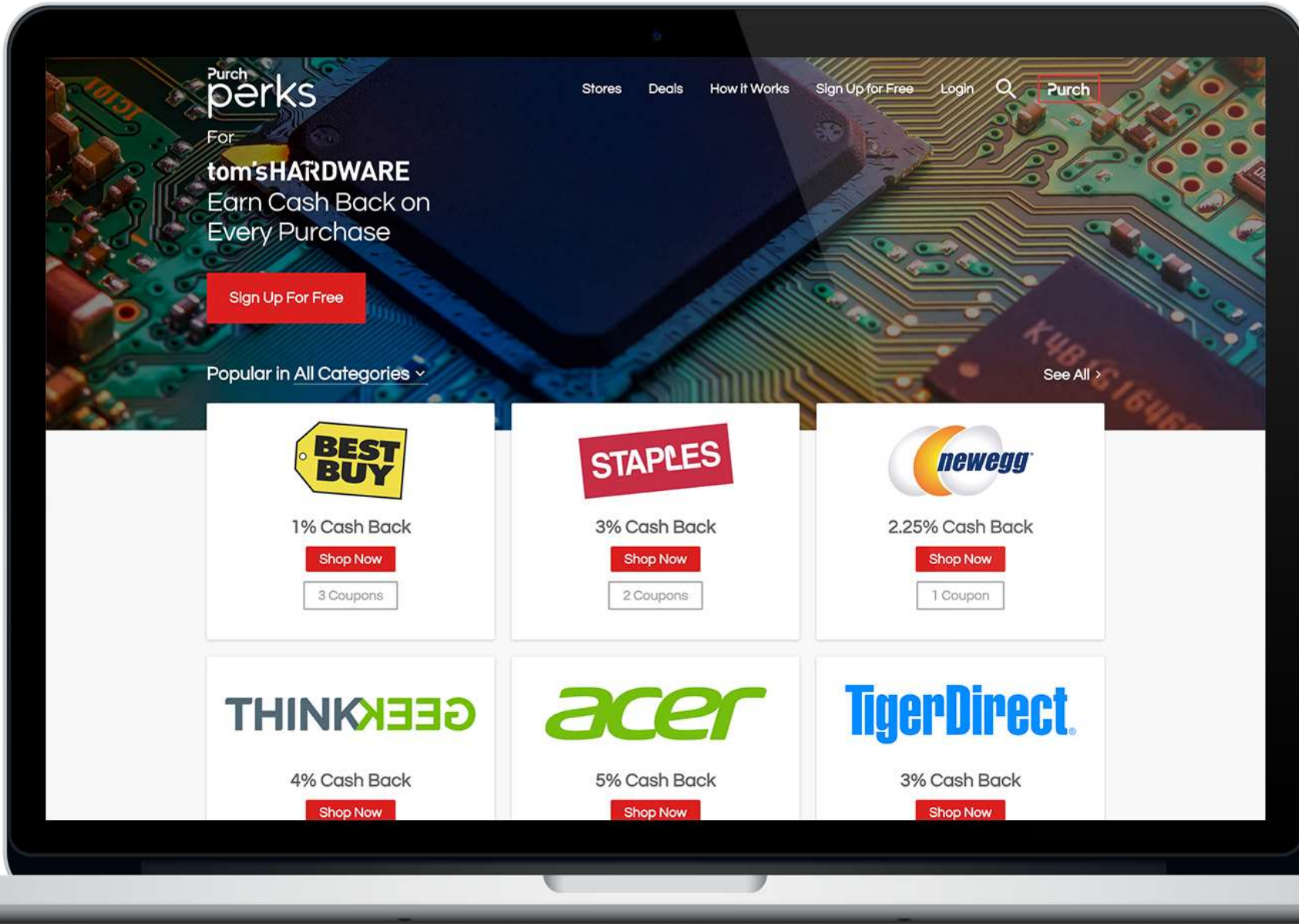
Dashboard

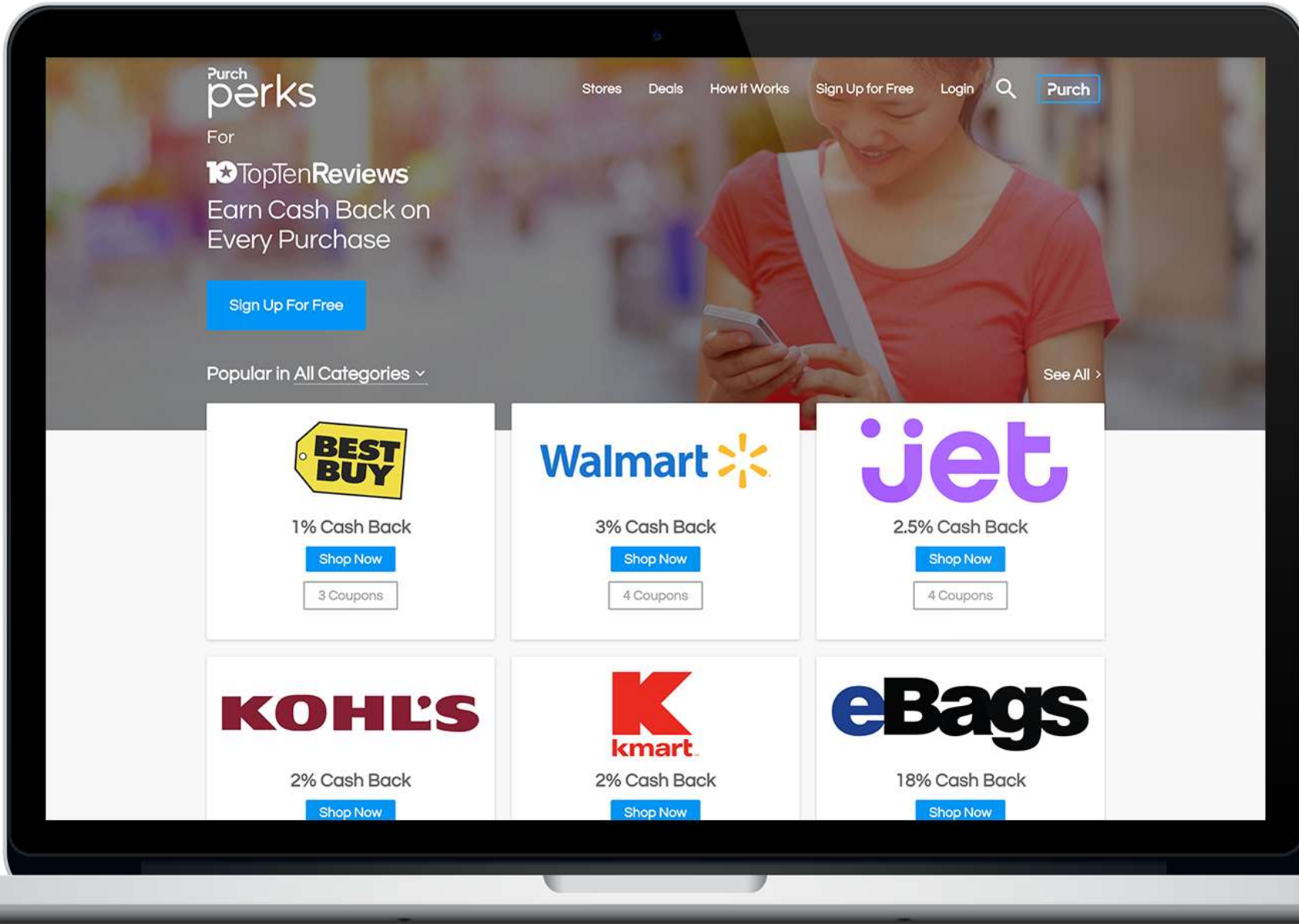


Purch Perks Demo









BEST BUY

1% Cash Back

[Shop Now](#)

[3 Coupons](#)

Walmart

3% Cash Back

[Shop Now](#)

[4 Coupons](#)

jet

2.5% Cash Back

[Shop Now](#)

[4 Coupons](#)

KOHL'S

2% Cash Back

[Shop Now](#)

K
kmart

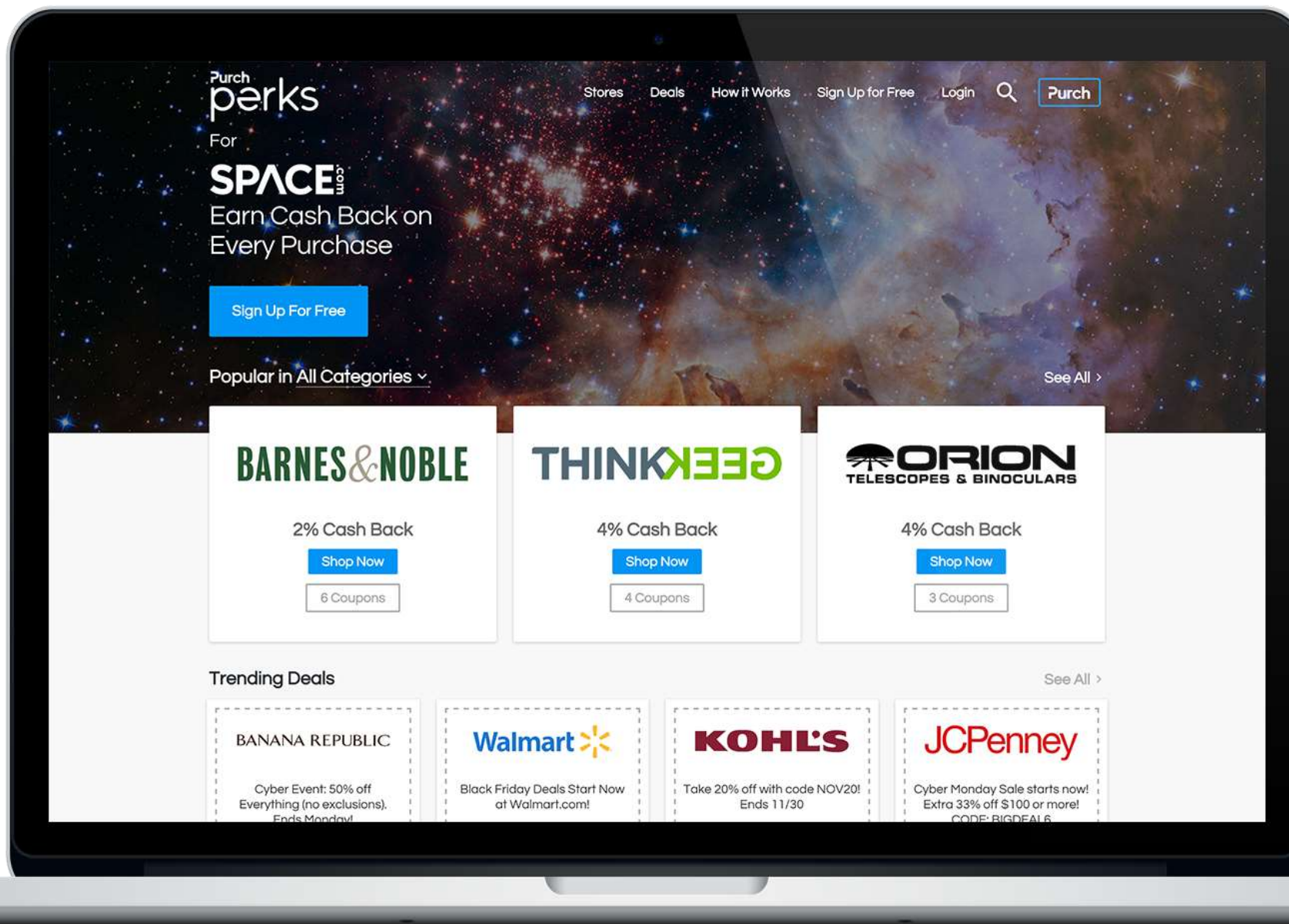
2% Cash Back

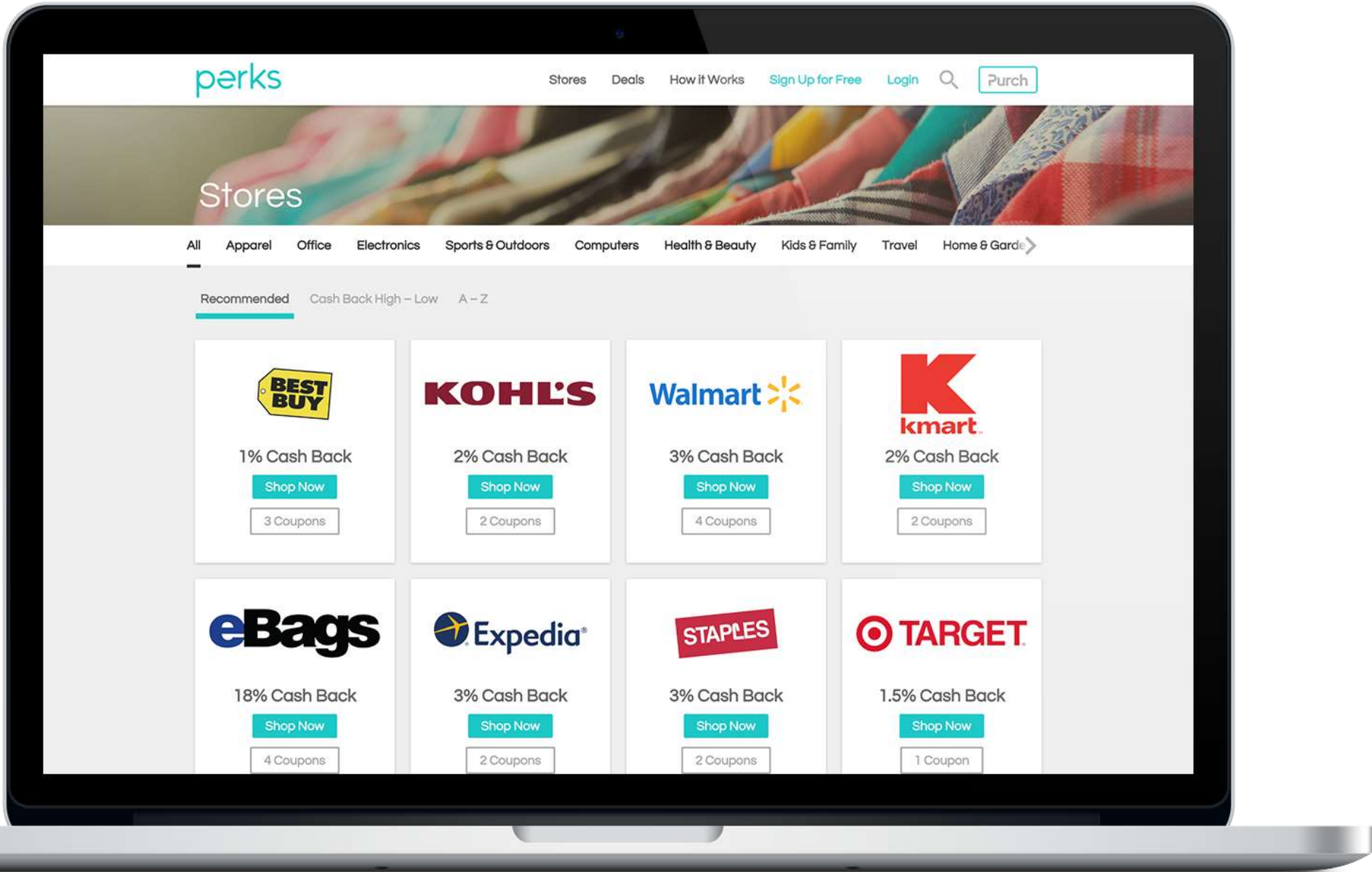
[Shop Now](#)

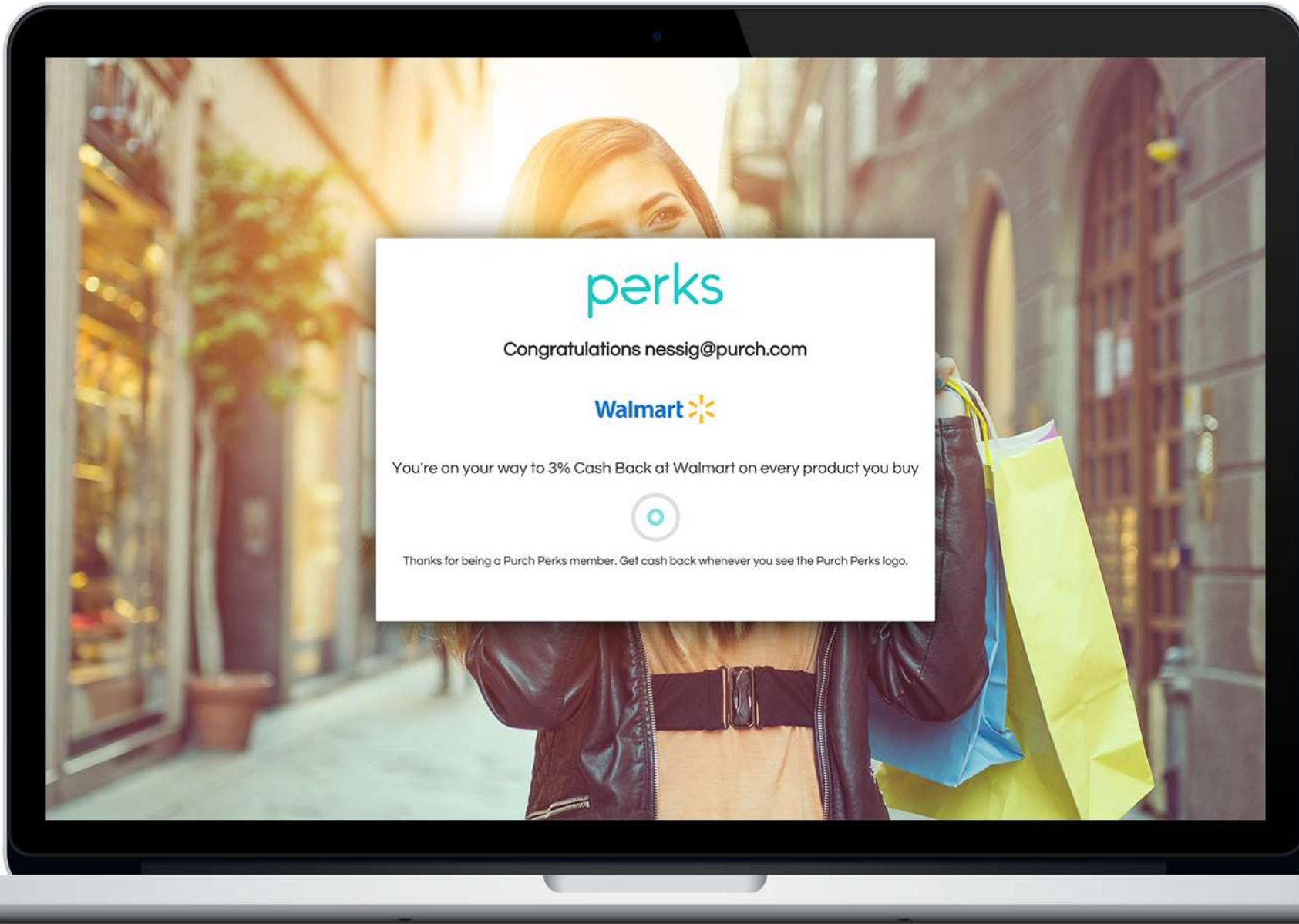
eBags

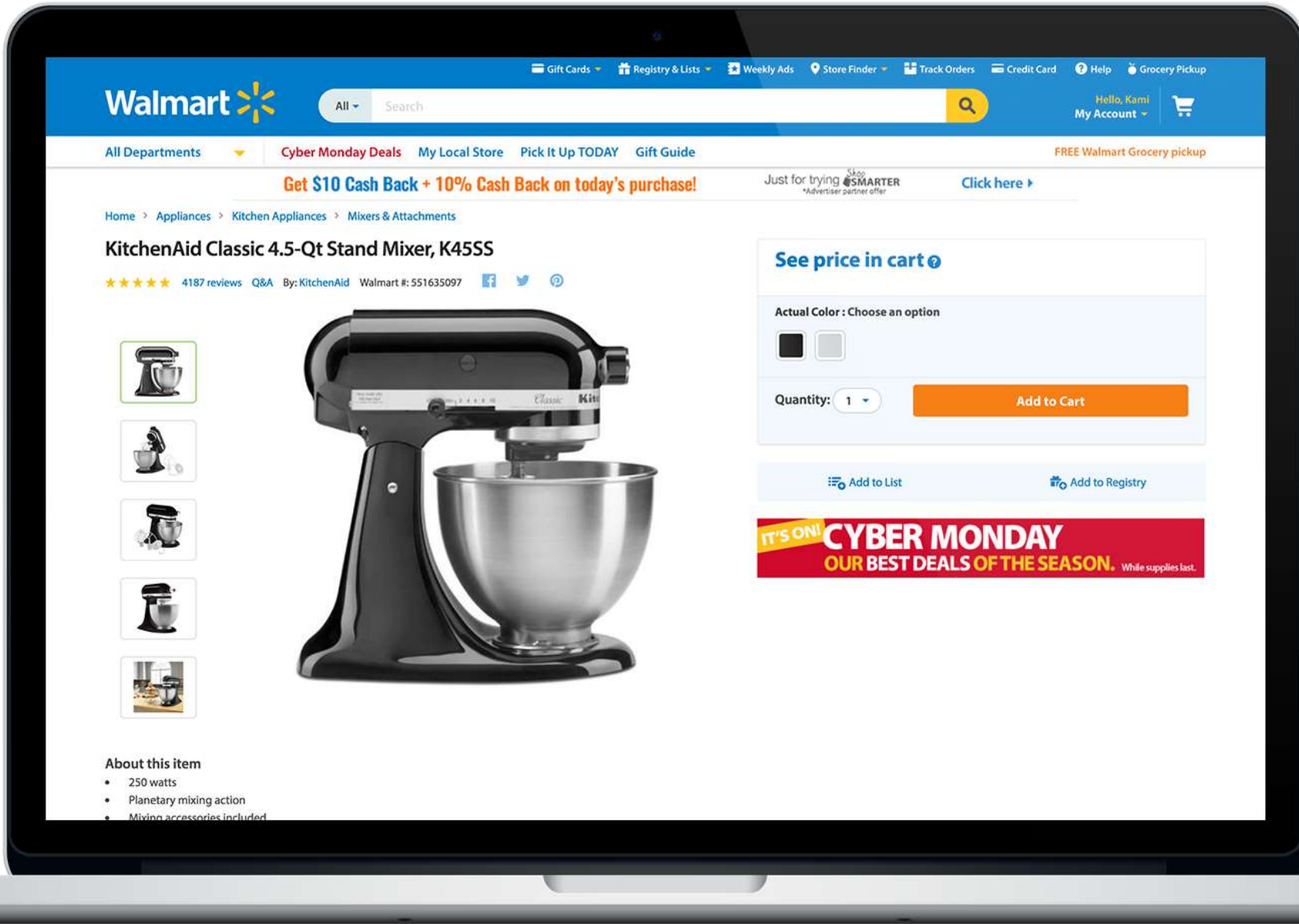
18% Cash Back

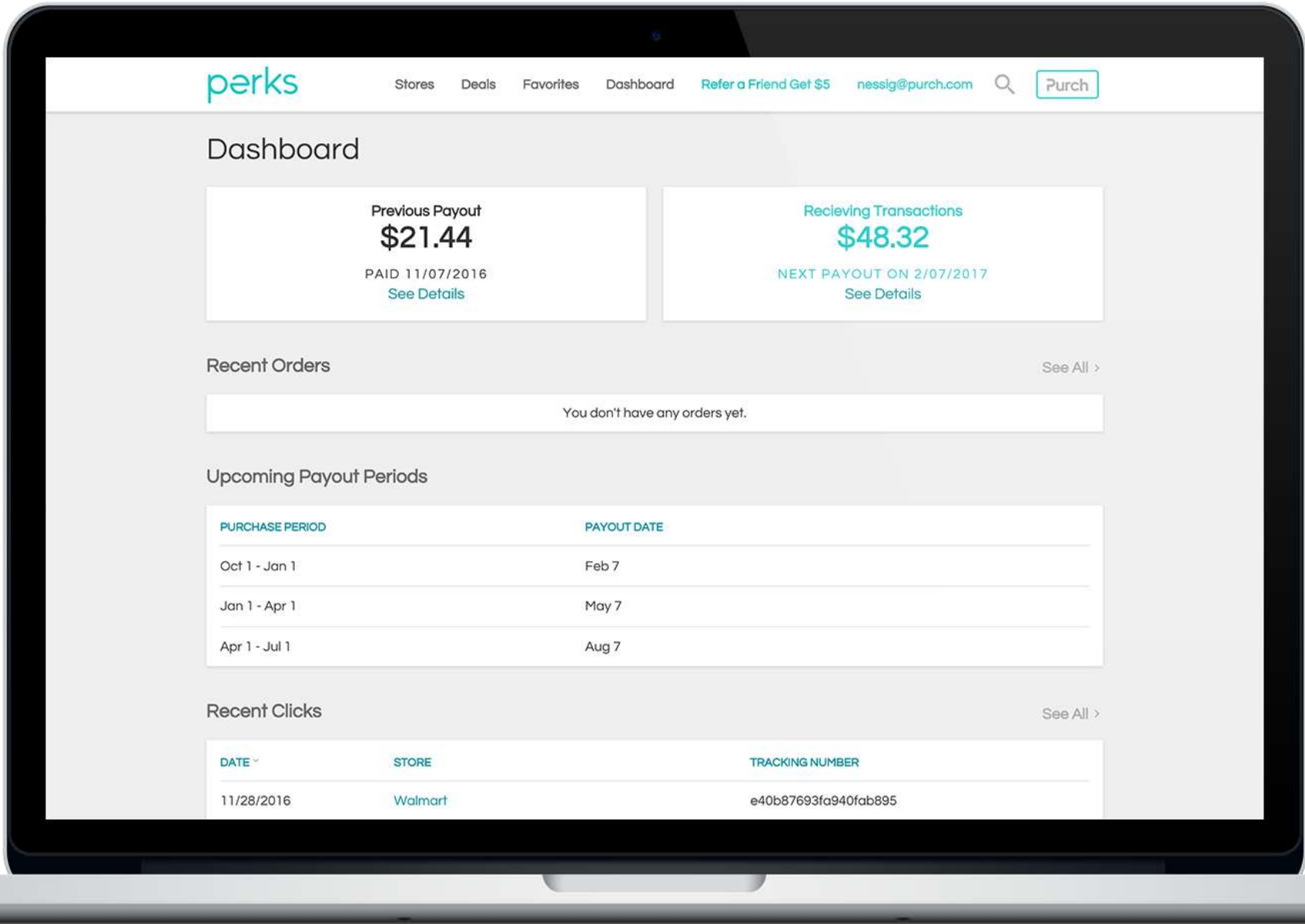
[Shop Now](#)

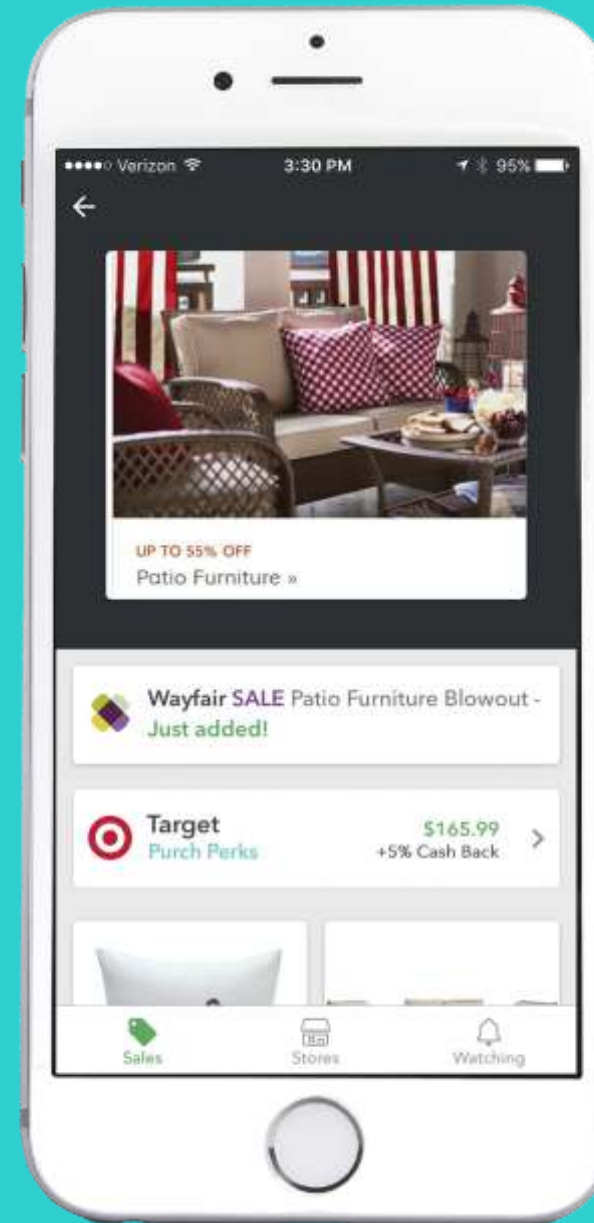
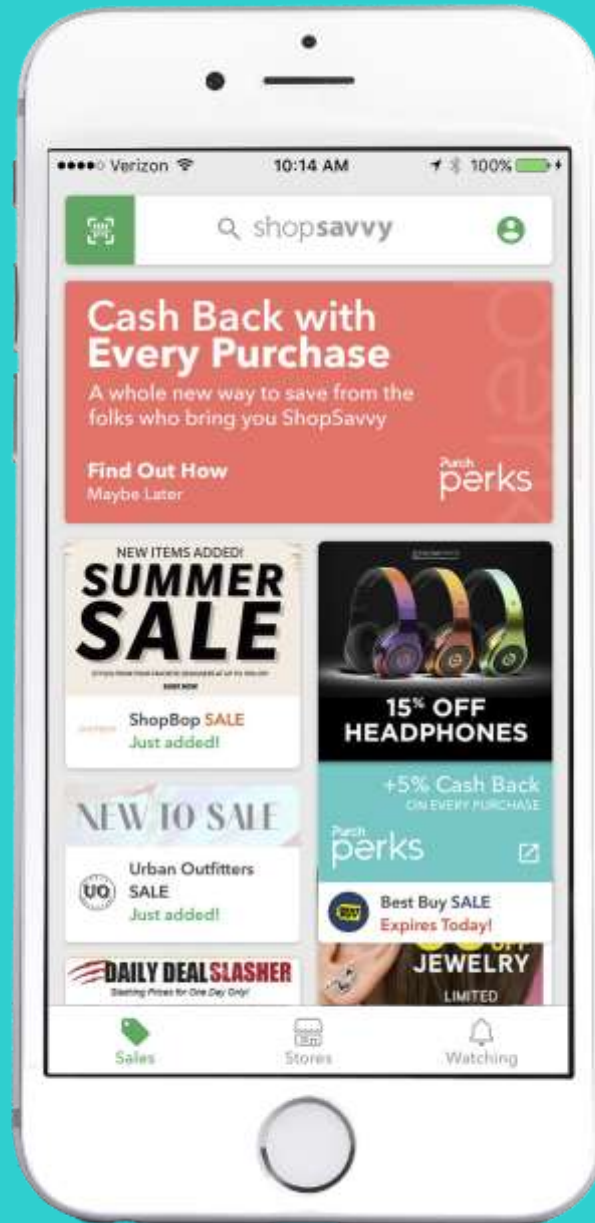












Results Since Launch

We've far exceeded expectations already in terms of new members, engagement metrics and LTV KPIs

60% of new ShopSavvy users have registered for Purch Perks

Averaging 4x Active Junky in new members with ShopSavvy alone. We'll exceed total AJ membership in about six months

We are already creating enormous future value for Purch through expected LTV from our new members

Popular stores so far:

- Newegg
- Expedia
- Staples
- Walmart
- Best Buy
- Home Depot
- Dell
- Macy's
- JC Penney
- Old Navy

What's next?

- 
1. Progressively integrate & personalize Purch Perks with our entire family of brands
 2. Continue to build the program & enhance the user value proposition so that we can increase future LTV

A Multi-Phase Loyalty Program



A multi-stage and phased approach will allow our programs to evolve over time as program KPIs prove opportunity with each of our unique audiences

Some of our brands have elements of each but aren't yet connected in a program that fully recognizes & rewards our customers

Over time we will connect all the dots with Purch Perks

1

Mercenary Loyalty

Optimize Your Incentives

Points, Levels, Rewards

- Cash back
- Tiered cash back based on spend
- Added value on re-spend of cash back within coalition network
- Coupons
- Deals
- Sales
- Special offers
- Gift Cards



2

True Loyalty

Optimize Your Experience

*Personalization, Gamification,
Surprise and Delight*

- Leaderboards
- Badges
- Invitations to special events
- Giveaways
- Single Sign-on across all Properties
- Mobile App personalization based on ID
- Points as currency



3

Cult Loyalty

Optimize Your Tribe

*Values Expression, Rituals,
Social Connection*

- Dedicated communities and forums
- Exclusive member events
- Exclusive benefits



In Summary

1. Purch Perks is a horizontal service layer that allows us to establish direct relationship with our visitors
2. Focusing on LTV vs. RPV allows us to optimize for the relationship long term vs. page yield now
3. Reduces dependency on search engines
4. Reduces dependency on traditional Ad Revenue sources
5. You can re-engage your new “members” outside your traditional site
6. We’re Leveraging the power of our brands to create new revenue streams while presenting real value to our audience



Phil Barrett

SVP, Marketing

*Connect with me @phryl,
follow us @purch
and become a member at
purchperks.com*