

# The Choice Privileges Program Relaunch

September 2016



# The Need to Embrace Cultural Change

## Cultural Truth:

Now more than ever, people expect immediacy. With the click of a button, we can place an order for laundry detergent or search Google for an answer to a question.

We live in a world of instant gratification. Brands and rewards programs who make us wait will quickly become outdated.

## The Challenge:

How do we relaunch Choice Privileges to enhance the Choice Hotels value proposition and improve guest satisfaction throughout the customer journey?

Then, how do we communicate the immediacy of the new Choice Privileges program, answering consumer frustration with the time it takes to get rewarded?

To be competitive and address customer's needs,  
we positioned our program differently...

## THE FASTER WAY TO REWARDS



### FLEXREWARDS

Free nights for fewer points at over 1,500 hotels.



### YOUR EXTRAS

Get extra rewards for midweek stays.



### DIGITAL GIFT CARDS

Redeem points for gift cards to use immediately.



### POINTS FOR STAYS

Earn 10 points per \$1 at over 5,500 Choice hotels.



### KEEP YOUR POINTS

Your points don't expire as long as you stay an active member.

...And introduced new benefits that  
bring this positioning to life for guests.

We tailored the messaging – with themes and iconography – to encompass existing benefits, too.

## THE FASTER WAY TO REWARDS

### The faster way to instant rewards.



Your Extras – A little extra at check-in for weekday stays, options include:



Digital Gift Cards – Redeem points for digital gift cards to use immediately at favorite retailers

### The faster way to free nights.



FlexRewards – Reward nights for fewer points



Points Plus Cash – Combine points with cash to redeem sooner



Reward nights starting at just 6,000 points

### The faster way to dream getaways.



Luxury Stays – Use Points Plus Cash for luxury stays at Preferred Hotel Group



Exciting Adventures – Redeem for adventures like skydiving



Reward nights around the globe

### The faster way to more points.



Keep Your Points – Your points don't expire as long as you're an active member



10 Points Per \$ – Earn 10 points per dollar at every Choice hotel

# Your Extras – Rewards on every midweek stay

## No other loyalty program:







1. Gives rewards in this way as early as day 1 of joining the program, right at check-in
2. Awards this gift on top of regular bonus points.

Guests can check in on a Monday, get their \$5 Starbucks credit delivered to their email instantly, then redeem for a free coffee.

**YOUR  
EXTRAS**

 CHOICE  
privileges™  
REWARDS



-  500 CP Bonus Points
-  100 Airline Miles
-  \$0.20 off/gallon
-  Free Drink (\$5 credit)
-  \$2.50 Credit
-  \$2.50 Credit

Choice of a reward – a little something extra – with any stay that has at least 1 midweek night (Sunday - Thursday)

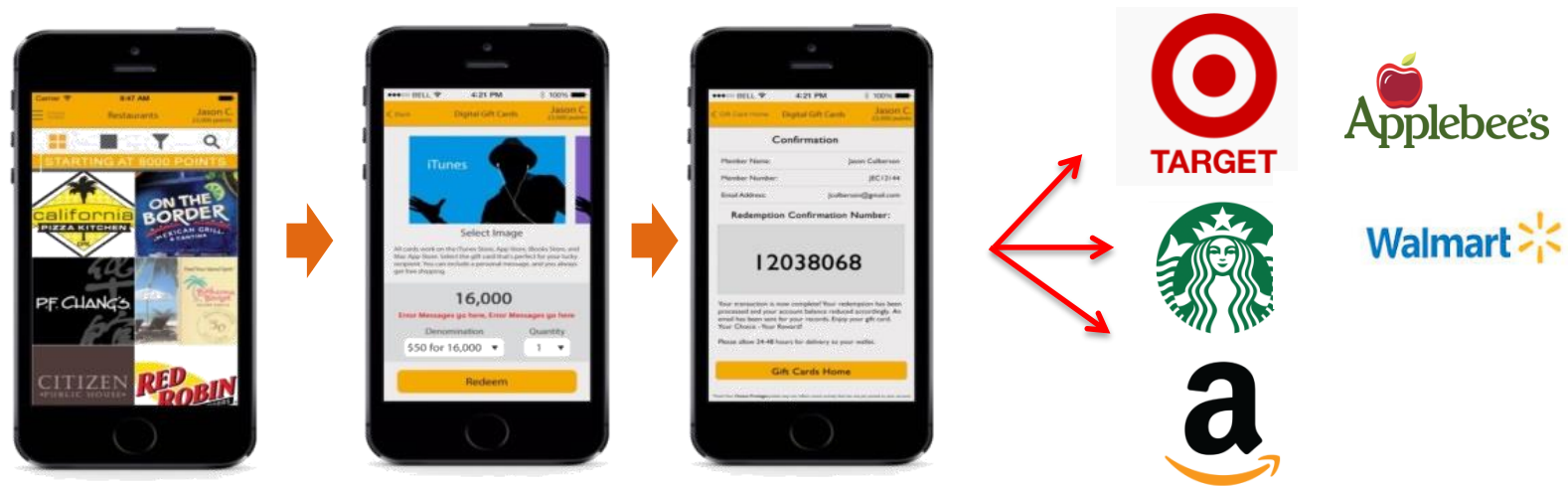
## How the Guest Can Participate:

1. Opt in and select preference via CH.com or our mobile app
2. Manage preferences and change reward as desired

# Digital Gift Cards – Redeem and use instantly

Past: Members received cards in mail (av. of 5-10 business days to receive)

Now: Instant download option – this meets the customer need of immediacy – allowing guests to redeem and use their reward instantly.



This benefit positions Choice Privileges as first hotel rewards program to offer the in-App instant download of gift cards. There are over 80 gift card partner options available for redemption at customer favorite retailers and restaurants.

# FlexRewards – Reward nights on sale

- Ability to customize point redemption levels by weekday/weekend:
  - Midweek: Su-Th
  - Weekend: Fr-Sa
- Industry Leader: Can tailor point levels to when a hotel needs business – this is a win/win for franchisees and members

**FLEX  
REWARDS**

## Current Reward Night Policy

**Su – Sa** }  
(7 days) } **10,000  
pts/night**


## Future Reward Night Policy

**Su – Th** }  
(5 days) } ~~10,000  
pts/night~~ **8,000  
pts/night**

**Fr – Sa** }  
(2 days) } **10,000  
pts/night**

Reward Night  
on Sale!

# All brands at 10pts/\$1 – Points add up faster

	<u>Current</u>	<u>Future</u>	<u>Customer Importance</u>
	10:1 at Midscale 5:1 at Economy 5:1 at Extended Stay	10:1 at all Choice Hotels	#6

## Point Forfeiture – Points never expire

### How Customers Stay Active:

- Qualifying stay; other point earn, redemption, or purchase; co-brand Visa® spend activity; and referring a friend\*\*

A customer needs at least one qualifying activity in an 18 month period to reset the forfeiture clock

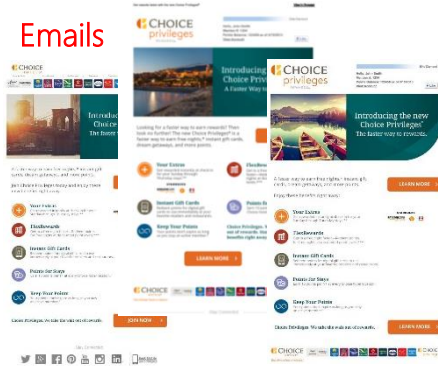


# Relaunch Campaign Ecosystem

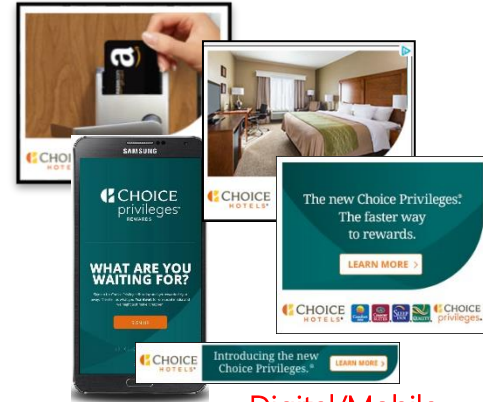
Print



Emails



High-Impact Units



Digital/Mobile

Social



On Property



Gas Station TV



ChoiceHotels.com



# Activating on Property

Table tents for Breakfast room tables

Lobby pop-up screen

Cardboard bar coasters

Mystery Rewards Card Game

Staff buttons

# In Media

Frame 1



Frame 2



Frame 3



Frame 4



**Animation**

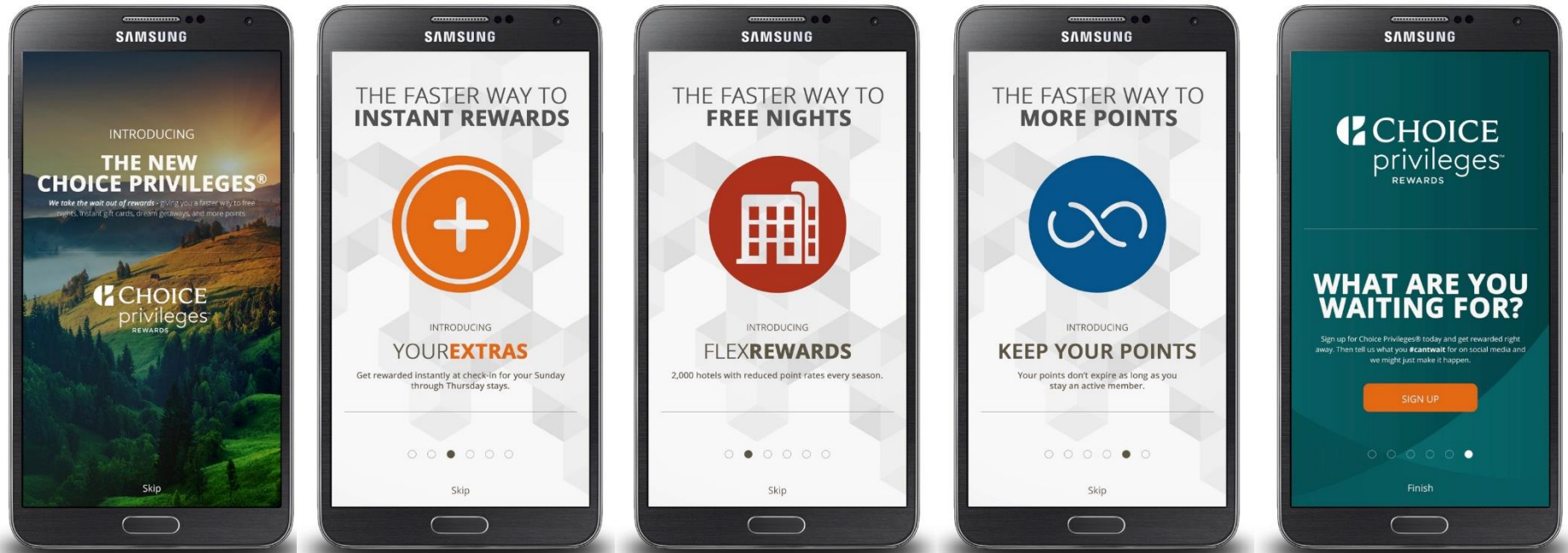
Room card instantly changes to gift card.

Frame 5



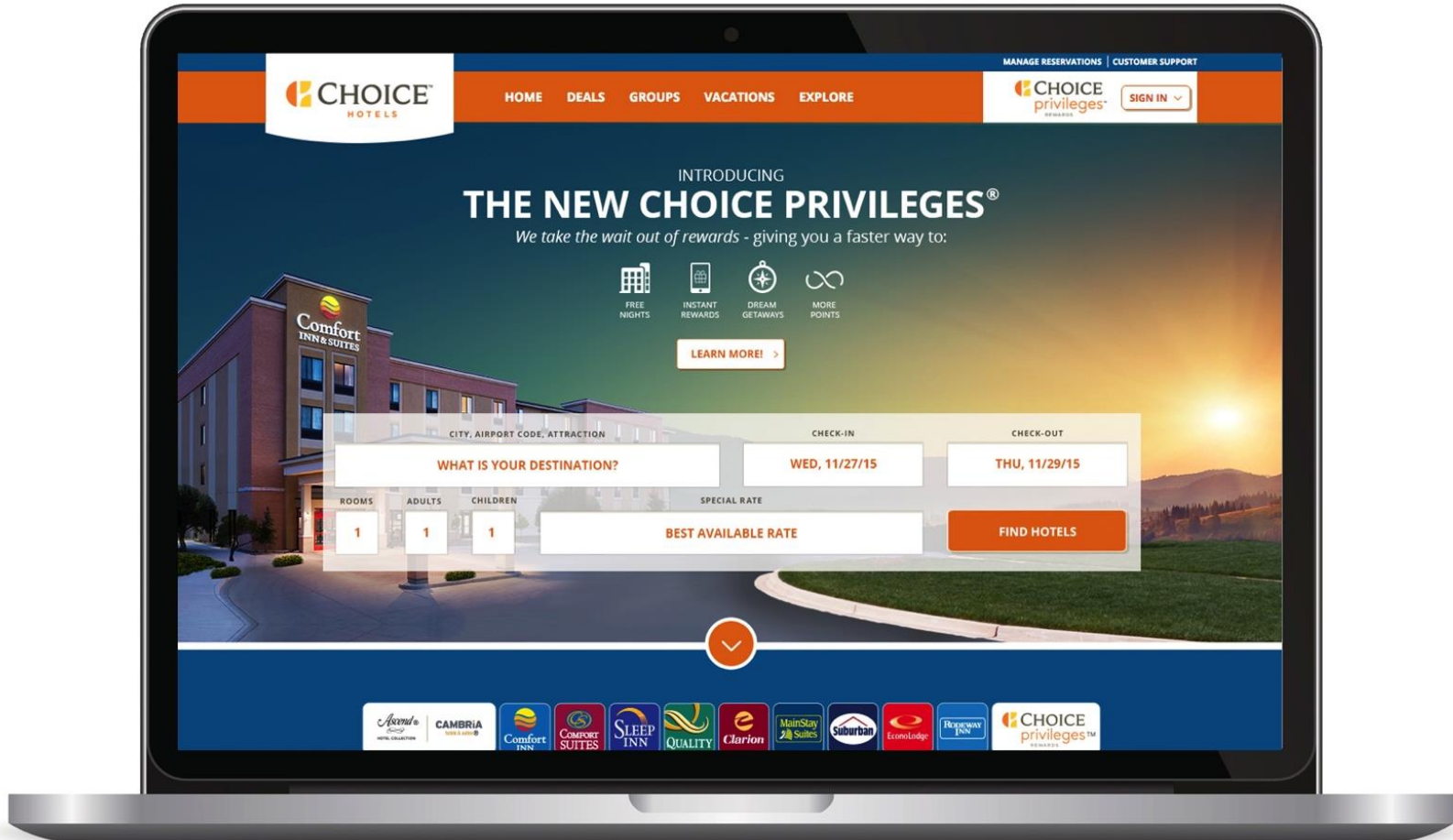
Display advertising appealed to customer's desire for earning rewards faster.

# Choice Mobile App



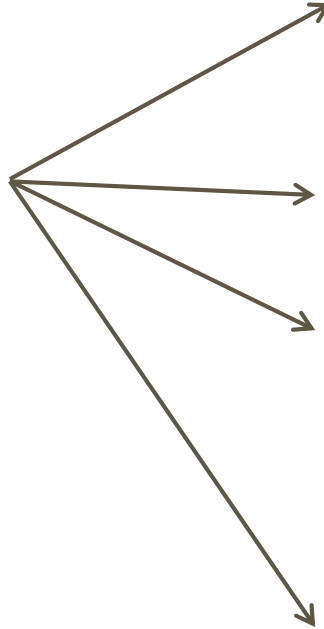
A 'themed wizard' greeted customers who opened or downloaded the app – with information on the new benefits and a message to either 'learn more' (existing members) or 'sign up' (new members).

# Homepage Takeover



# Main Hub Page

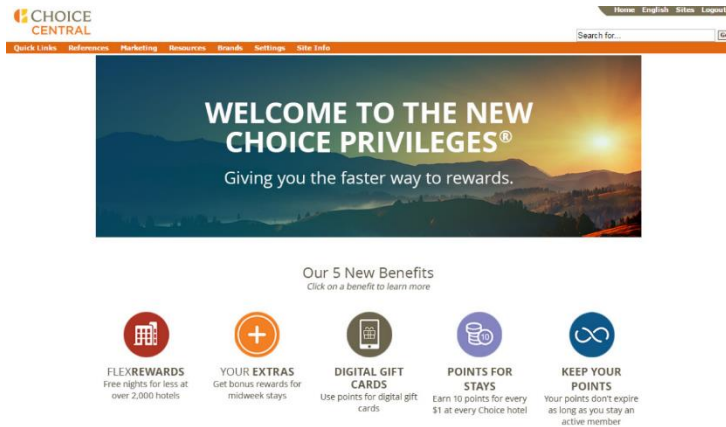
All benefits were grouped into the four campaign themes



# Franchisee Support

## Choice Central:

New franchisee support website hub with need-to-know info –training, FAQs, best practices, incentive information, and on-property marketing materials



## Choice University:

We created a new module to train front desk staff and GMs.

## In-Hotel Collateral:

1 page resource to keep within reach at the front desk and a training checklist



*....Plus internal franchisee support teams were trained to be ready for guest and hotel questions.*

People are joining the program at record pace while tenured customers are more engaged than ever.

We hit 28M global members in September!!

We have enrolled more members this year to-date than we did in any full year EVER!

The percentage of active members has grown more than in any time since the program began tracking the metric.

Member Satisfaction has seen strong increases. But, most importantly, members who are aware of and are using the new benefits are significantly more satisfied than other members.