ttec

The New Look of Loyalty: Understanding What Matters Most to Customers

April 16, 2015

Latest Issue of TeleTech's Customer Strategist Journal Explores the New World of Customer Engagement and the Steps Needed for Brands to Deliver on Customer Expectations

DENVER, April 16, 2015 /PRNewswire/ -- <u>TeleTech</u> Holdings, Inc. (NASDAQ: TTEC) - Customer loyalty is a holy grail for many companies. In recent years, loyalty programs that reward customers for remaining faithful to the brand have grown steadily. Between 2008 and 2012, U.S. loyalty memberships jumped by 10 percent per year, expanding to more than 23 memberships per household, according to McKinsey & Company.

Despite their growth and popularity, <u>loyalty programs don't automatically pay off</u> for businesses. Analysis by McKinsey of 55 publicly traded U.S. and European companies revealed that since 2002 organizations that either spent more on loyalty or had highly visible loyalty programs also had 10 percent lower EBITDA (earnings before interest, taxes, depreciation and amortization) than companies that didn't. A key discovery was that some of these companies were not investing in their most loyal or best customers.

Each quarter, TeleTech publishes its latest thinking in its executive journal, <u>*Customer Strategist*</u>, where consultants and analysts bring their thought leadership to a wider audience. The firm's global work with leading companies in telecommunications, financial services, healthcare, retail, and government sectors is the basis for the articles in this recent issue. These pieces reflect on how clients are differentiating their companies through customer experience innovation.

"In our latest issue of *Customer Strategist*, we explore the current state of customer loyalty in business. New technology and data analytics are creating amazing ways to engage with customers as never before. These tools are enabling brands to better understand what sparks an emotional, lasting connection with their customers across industries and customer touch points," said Keith Gallacher, EVP of Global Markets and Industries, TeleTech. "Our stories this quarter reflect the breadth of the topic with pieces on retail, healthcare, airlines, financial services, technology, sales and marketing. And as always, we focus on the financial impact to the business with research on the ROI of loyalty done right."

Pop the Bubble Surrounding Your Sales Team Research reveals the isolated and unclear nature of sales organizations as they emerge from the Great Recession.

From Loyalty to Engagement Telecom operator Proximus marries the old with the new to optimize its loyalty program.

Gamifying Customer Engagement to Drive Growth The 7 E's of next-generation loyalty strategy.

Healthcare's Loyalty Landscape Here's what it takes to drive engagement and retain members.

Other articles include a look at the <u>nine leadership behaviors</u> that help create environments where customer loyalty can easily grow, how <u>technology</u> <u>decisions</u> can influence the type of experience created for customers, and review of <u>airline loyalty programs</u> today compared to when they were introduced more than 30 years ago.

<u>Available online</u>, in print or mobile device, *Customer Strategist* is published quarterly and provides executives with insights that lead to innovative strategies for building more profitable customer relationships. It facilitates learning and action by presenting the most progressive thought leadership and providing access to the proprietary methodologies of Peppers & Rogers Group and TeleTech.

ABOUT TELETECH

TeleTech is a leading global provider of customer experience, engagement and growth solutions. Founded in 1982, the Company helps its clients acquire, retain and grow profitable customer relationships. Using customer-centric strategy, technology, processes and operations, TeleTech partners with business leadership across marketing, sales and customer care to design and deliver a simple, more human customer experience across every interaction channel. Servicing over 80 countries, TeleTech's 46,000 employees live by a set of customer focused values that guide relationships with clients, their customers, and each other. To learn more about how TeleTech is bringing humanity to the customer experience visit TeleTech.com.

Investor ContactMedia ContactPaul MillerElizabeth Grice303.397.8641303.397.8507

Logo - http://photos.prnewswire.com/prnh/20140717/127860

To view the original version on PR Newswire, visit: http://www.prnewswire.com/news-releases/the-new-look-of-loyalty-understanding-what-mattersmost-to-customers-300067539.html

SOURCE TeleTech Holdings, Inc.