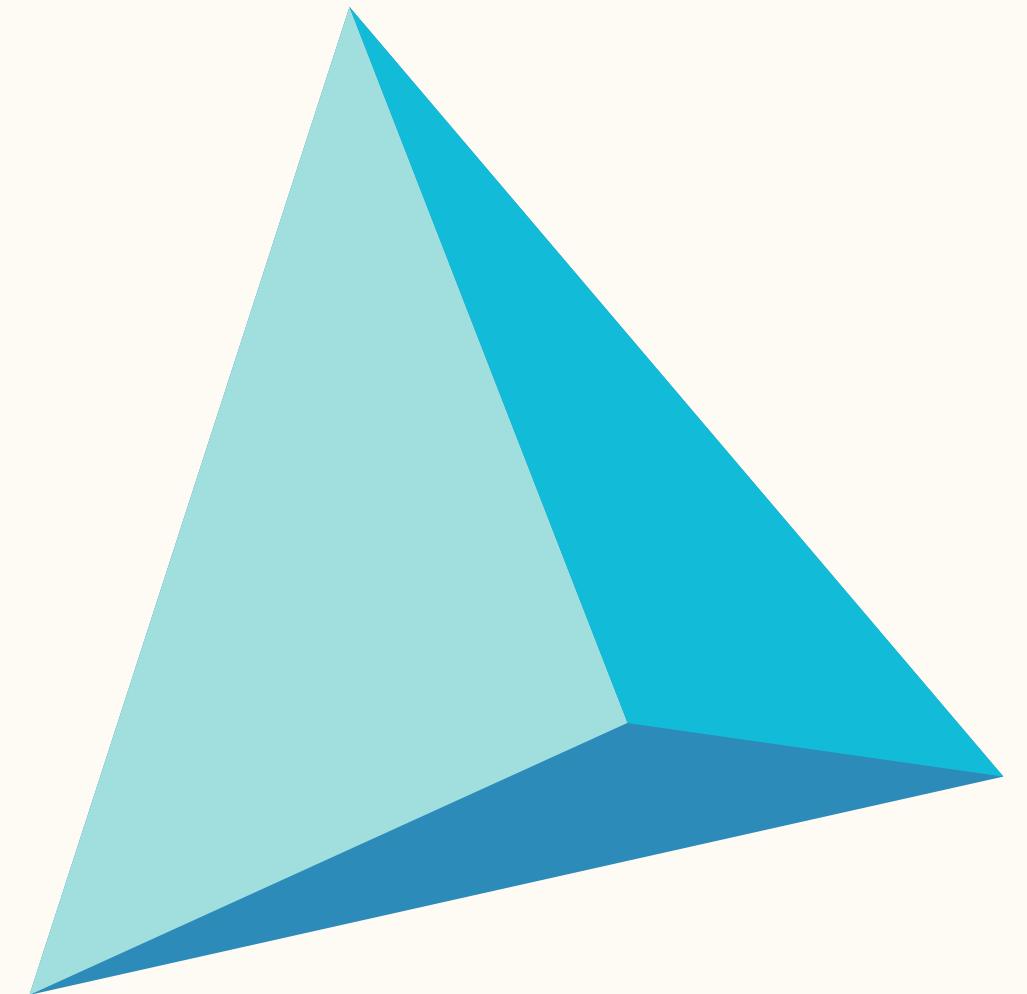# Prism's Loyalty Scheme: A Look Into Prism+

By: Remy Tran

Executive Summary

Average transaction count increased 30% for Prism+, but average revenue was 19% lower compared to Non-Prism+

- Lower revenue was due to high average discount value of £17 for Prism+ compared to £7.
- Prism+ pilot cost £178K.

Re-design the current discount based system to a points and reward based loyalty program

- £1 spent = 1 point.
- Keep the tiers: Platinum, Gold, Silver, Bronze

New points system and Next-Day Delivery

- Higher thresholds between different tiers.
- Freemium tier

Agenda

Why have a loyalty scheme for Prism?

Why is Prism+ not doing so well?

Why change?

Why?

Current state of Prism+

- Introduced in 2022, a 1-year pilot loyalty scheme divided into 4 tiers: Platinum, Gold Silver, and Bronze.
- Aim to increase incremental sales and incremental revenue for Prism.

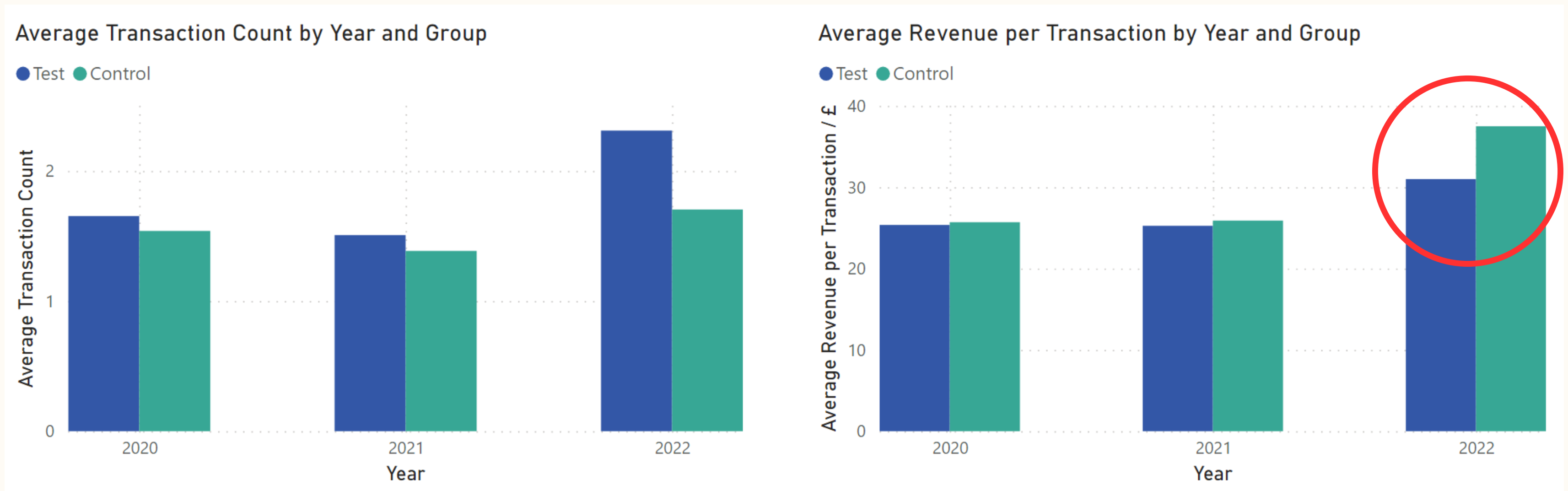| Prism+ Tier	Number of Users
Platinum	1012
Gold	874
Silver	2307
Bronze	7549

~~Why have a loyalty scheme for Prism?~~

Why is Prism+ not doing so well?

Why change?

Why?

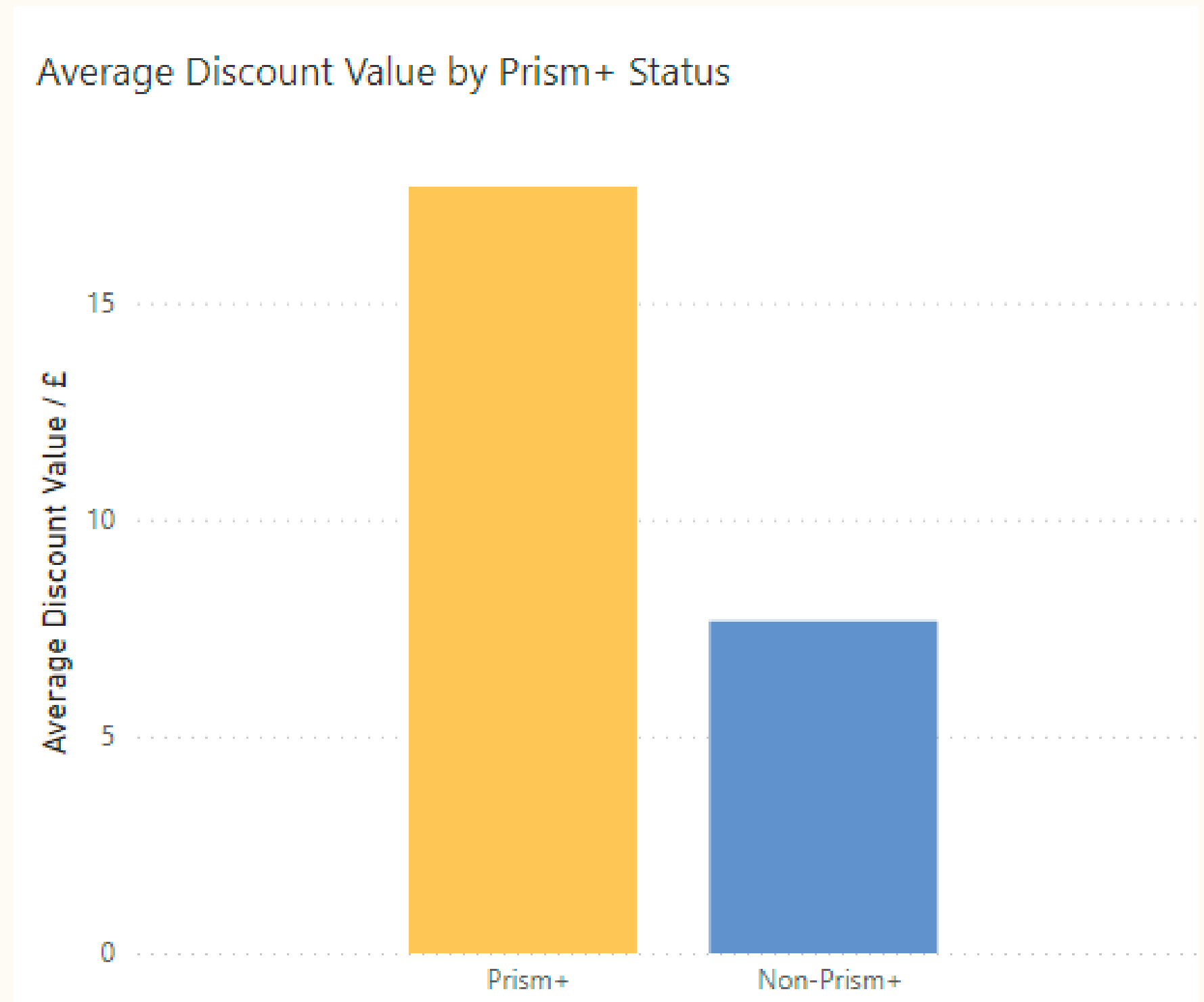# Average transactions up by 30% but average revenue down by 19%

- Prism+ encourages members to buy more, but at the expense of revenue.

Prism+ discount usage cost Prism £178K

And 19% revenue loss on average

- Prism+ members buy more, but they use more discounts.
- The average discount value for Prism+ is **£17** compared to **£7** for Non-Prism+.

Average Discount Value by Prism+ Status

Why have a loyalty scheme for Prism?

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Why change?

Why?

New Prism+ proposal

Bronze (Create Account)	Silver (200)	Gold (500)	Platinum (1000)
% off first order	**% off every order**		
5%	5%	12%	15%
1 point per £1			
☑	☑	☑	☑
Early Access			
	☑	☑	☑
Next Day Delivery			
		☑	☑
Birthday Gift			
			☑

Sample rewards

£10 off full-price items
100 points

£50 off full-price items
300 points

£20 off full-price items
150 points

£70 off full-price items
350 points

Why have a loyalty scheme for Prism?

Why is Prism+ not doing so well?

Why change?

Why?

Impact

- Incentivise people to return to Prism with a stronger loyalty scheme proposition.
- Greater control of loyalty scheme costs.

Conclusion

1. Prism+ has been successful in increasing transactions (NSM), but doing so at the expense of revenue. Not sustainable in the long-term.
2. Re-invent Prism+ to move to a points and reward-based scheme.
3. Aim to increase returning customers through the new loyalty scheme.

Questions