# A wholesale distributor revolutionized its market presence by implementing a point-based loyalty program, achieving a 37% sales increase.

### THE SCOPE

The client is a renowned wholesale distributor of residential and commercial plumbing supplies, with a \$1 billion financial footing. They aimed to capture a substantial incremental market share for their water heater division, amidst high-demand/low-inventory market conditions.

### THE CHALLENGE

In a crowded marketplace, carving out a unique identity was challenging for the client. In addition, the industry was grappling with regional supply chain issues, making it difficult for local competitors to secure enough water heaters from their manufacturing partners. The client sought to exploit this gap in the supply chain by introducing a loyalty program.

### THE SOLUTION

In collaboration with HMI (<u>now part of 360insights</u>), a points-based water heater <u>loyalty program</u> was implemented to motivate and reward contractors for directing more water heater business to the client. Contractors could earn points for their purchases, which they could then redeem through a curated catalog. The program incorporated personalized annual goals for total water heater purchase volume, with opportunities for double points for exceeding these targets.

Central to this strategy was audience segmentation, with different earning criteria established for separate contractor groups. To ensure the program's success, considerable investment was made, alongside a comprehensive programengagement and marketing communication campaign including a branded website, announcement video, and automated email campaign.

### THE RESULT

The program achieved significant results, including a sales increase of 37% during the campaign. The number of units sold rose by 3000, or 20% YoY, resulting in new business growth of \$6.9 million. The program was fully funded by vendor  $\underline{\text{Co-Op \& MDF}}$ , and it saw 65% of all targeted contractors enroll.



# 360 Case Study



### **COMPANY**

Plumbing Supply Distributor

## INDUSTRY

Plumbin

### **BUSINESS OUTCOMES**

- · Increase Sales
- · Increase Loyalty
- · Increase Mindshare & Market Share

### **PRODUCTS USED**

- · Incentives & Rewards
- Points-Based Rewards
- · Program Engagement

### THE SUCCESS

**37**%

sales increase

\$6.9M

in new business growth

3,000

additional units sold

The collaboration and creative insights helped us build a highly successful Rewards Program. This work will drive customer loyalty and success in our company for years to come.

Program Stakeholder









