Credit-Point

Instructions: Read the following exercise and answer the questions as if you are in the role described, **not** from the perspective of your current role or experiences.

Overview
You have just taken a senior analyst role at "*Credit-Point*," a rewards program that allows customers to earn reward points for shopping at select retail stores, grocery stores, and gas stations. Credit-Point is the fourth largest rewards program in the United States, measured through number of members.

Credit-Point currently has a membership base of 4,000,000 members. Points are earned at the rate of one point / $1 USD spent at participating locations and can be redeemed for a variety of rewards including electronics, gift cards, toys and sporting goods. Credit-Point currently has the most diverse set of rewards in the market place.

Organizational Structure
Credit-Point currently has a full team of employees managing all aspects of the program. The employees are divided between several groups:

Group	Responsibilities
Executive	Program management and strategy
Rewards	Manage reward set offered through the program
Sponsorship	Identify / manage relationship with providers of points
Experience	Managing web site design and marketing
Fulfillment	Ensure customers get their rewards after redeeming points
Service	Manage customer relationships and service through web and call center
Branding	Manage brand consistency in market and PR strategy
Technology	Manage all aspects of information technology

Web analytics responsibilities currently fall within the Technology group.

Points Redemptions
Credit-Point only generates revenue when a customer redeems points, and there are costs associated with setting up each customer whether they use the web site or not. Customers can redeem points on the Credit-Point web site or through the call center. 75% of customer's redemptions occur online. Redemptions online cost $1.00 on average, while redemptions through the call center cost Credit-Point $3.50 on average.

The Credit-Point Web site
CreditPoint.com is the primary way that customers interact with the program. The site allows people to learn about the program, register to get a point card, browse rewards, redeem for a reward, and get contact information to talk to someone at Credit-Point. 60% of Credit-Point's customer base use CreditPoint.com at least once a month.

Current Website Measurement

CreditPoint.com currently reports on nine key performance indicators. Automated reports on these nine metrics are emailed from the analytics package directly to all Credit-Point employees on the first of each month.

Their current metrics tracked by Credit-Point are:

Unique Visitors	Number of Registrations	Visits to "Contact Us"
Unique Visitors Logging in	Number of Statement Views	First Time Redemptions
Number of Redemptions	Page Views	Number of Searches

All employees have access to the Credit-Point analytics package. Their tool provider facilitates weekly, non-mandatory telephone education courses. A few employees have attended these sessions, but most employees have never used the tool before.

Customer surveys indicate the web site is difficult to navigate for those who do not have experience with it, and the best customers – the ones who redeem the most often or for the highest point levels – indicate the site lacks functionality they would like to have.

Credit-Point is starting to rethink their investment in an enterprise analytics package because of the lack of value they see from the data. They are also now wondering if they chose the right analytics package because of the low usage. In general Credit-Point believes they could be getting significantly more value from their analytics practice, but are unsure what to do next. Your new role leaves you responsible for championing web analytics at Credit-Point.

When you were hired, the executive level made it clear that their primary concern was driving higher profitability but they did not want to be involved with the minutia of web operations. They first want to make sure they are tracking the right metrics, then have someone tell them what they should do with the site and why.

Questions:

1. **Given the information in the case, which of the following departments would be optimal for you to report to?**
   a. Executive
   b. Technology
   c. Experience
   d. Branding

2. **What is the biggest challenge with the current metrics used by Credit-Point?**
   a. Employees are not able to calculate important ratios
   b. Metrics are not aligned with business goals
   c. Reporting is not customized to the needs of each department
   d. Focus is on technical needs and not the customer experience

3. **Which of the following is the most important metric for Credit-Point to measure in terms of improving revenue generation?**
   a. Percent Registered Customers Redeeming
   b. Percent Visitors Logging-In
   c. Home Page Bounce Rate
   d. Gross Redemptions

4. **What could be a problem with the report distribution frequency, if anything?**
   a. There is nothing wrong with the frequency of report distribution
   b. Reports should be sent more often to all employees
   c. Reports are being sent at the beginning of the month, not the end of the month
   d. Some employees may need to receive information more often or less often

5. **What is the first thing you should do to improve the metrics discipline at Credit-Point?**
   a. Recommend a new set of actionable key performance indicators
   b. Institute an online tracking program for ad-hoc analytics requests
   c. Identify and interview key stakeholders to assess their needs
   d. Stop distributing the current monthly report

Answers:

1. c	4. d
2. b	5. c
3. a	