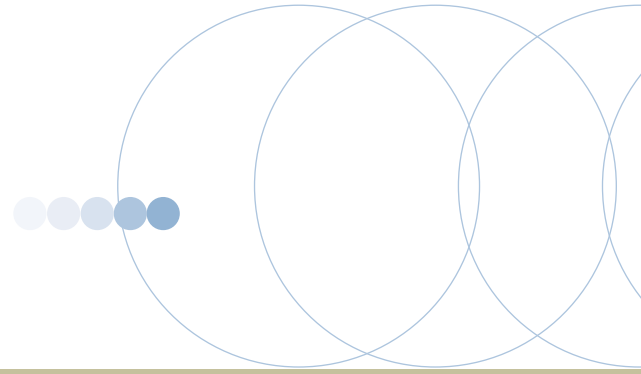


# CASE STUDY



*Affinium® Campaign™ and Affinium Plan™ significantly increase operational efficiencies*

## Building Loyalty by Transforming Marketing at Aeroplan

### OBJECTIVES

- Boost productivity within Marketing Services
- Increase flexibility, responsiveness and speed-to-market of campaigns
- Maintain financial and operational control over quickly changing marketing plans
- Maintain a high level of service to partners

### RESULTS

- Time to market reduced by 50%
- Response rates up 250%
- All partner and Aeroplan marketing plans centralized

### BACKGROUND

In the more than 20 years since its inception, Aeroplan has grown into Canada's premier loyalty marketing company. Aeroplan's millions of members earn Aeroplan Miles with its network of more than 60 partners, representing more than 100 brands in the financial, retail and travel sectors. They redeem those miles towards travel to more than 850 destinations worldwide or for a wide array of exclusive lifestyle rewards.

Together with its world-class partners, Aeroplan develops and executes innovative and appealing member-targeted marketing programs designed to engage the loyalty of this elite and prestigious segment of Canadian consumers.

### THE CHALLENGES

Marketing at Aeroplan is a complex process, in part due to the sheer volume of its business. In 2005, Aeroplan sold close to 62 billion miles to its loyalty program members and drove redemption of over 52 billion miles. Aeroplan also acquires tens of thousands of new members per month and has more than five million active members.

Aeroplan's growing internal Marketing Services team, headed by David Klein, General Manager, Marketing Planning, focuses on creating member and partner marketing plans and is charged with planning and executing all Aeroplan marketing and brand-related communication activities. His group creates marketing plans for each partner, and then designs, develops and executes hundreds of campaigns annually across a variety of channels including email, web, direct mail and online advertising.

For each campaign, Marketing Services must manage the involvement of many different stakeholders, both from within its own company and at partner companies. Marketing Services had been managing its work using manual processes based on spreadsheets, paper reports, email, etc., which required a lot of time and effort to ensure accuracy of its complex plans and campaign information.

***"Keeping up with the growing demands on our business is critical to our success. We needed to continue to evolve and improve our service in order to deliver exceptional value to our partners and members."***

**David Klein**  
General Manager,  
Marketing Planning, Aeroplan

In addition, Aeroplan was expecting a significant growth in the volume of its marketing communications, and these manual processes were starting to become a problem. Increased competition in the travel and hospitality industry was pushing Aeroplan and its partners to respond by more precisely targeting its members with customized communications (in part with the help of Unica® Corporation's Affinium Campaign<sup>1</sup> solution). At the same time, Aeroplan needed to increase its flexibility and responsiveness in order to react more quickly to swiftly changing market conditions and the demands of its partners. Greater precision and flexibility results in more versions of marketing plans, more changes to plans, greater volume of individualized communications – and simply more work for Marketing Services.

<sup>1</sup> See Unica's case study titled "Aeroplan Builds Loyalty with Unica Affinium" for more information pertaining to Aeroplan's use of Affinium.



To meet these demands, Marketing leadership decided that it needed first to improve its processes, to ensure that it was operating in the most efficient and flexible manner possible. Once it had done so, it would need to streamline and automate these processes, especially the repeatable, non-value-added tasks. Accomplishing this would increase the productive capacity and operational flexibility of Marketing Services, while still leaving room for the creativity that serves Aeroplan's partners so well.

## THE SOLUTION

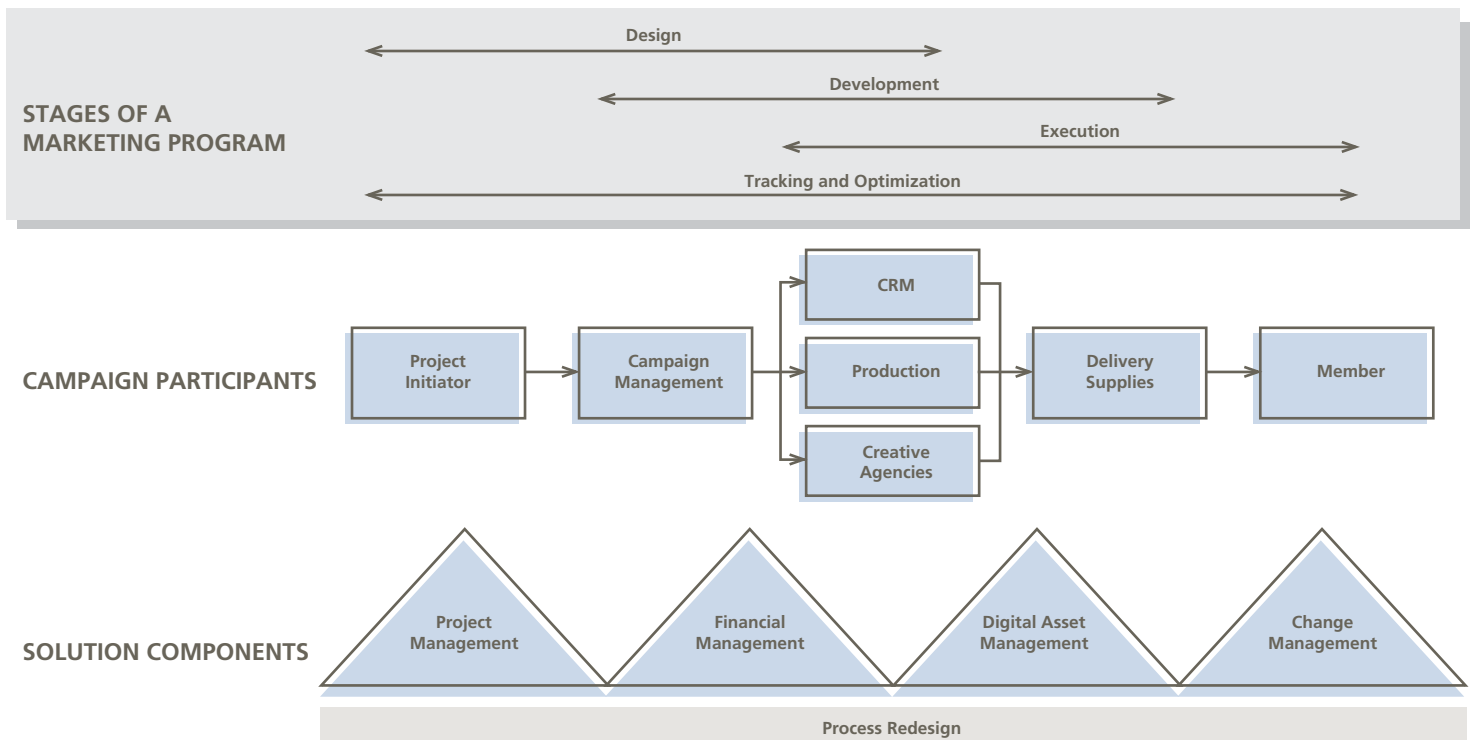
Klein said, "We knew that transforming marketing at Aeroplan was going to be a two-pronged effort. We needed a combination of process redesign and software automation." Aeroplan began looking for marketing consultants who were experts in complex, multi-media marketing campaign production, and also a world-class software solution to support the process changes that would be made. Aeroplan found exactly what it was looking for in Bridges Horizon and Unica Corporation.

Bridges Horizon led the redesign of Aeroplan's marketing processes by leveraging their consultants' end-to-end understanding of marketing campaign production. By combining a strong marketing team and a seasoned group of IT experts, Bridges Horizon led Aeroplan's process redesign, technology implementation and change management efforts. As a result, Aeroplan took

the steps required to evolve their team into a highly effective and leading-edge one-to-one marketing shop.

Aeroplan selected Unica Corporation's Affinium suite because of its integrated and complete approach to enterprise marketing management (EMM). Aeroplan uses several products from the Affinium suite in various parts of the organization, but the Corporate Marketing Services group has primarily implemented Affinium Plan, Unica's marketing resource management (MRM) solution. Affinium Plan is a software platform that marketers use to plan and budget marketing activities, manage their day-to-day execution and track their performance. Separate modules are available for: defining plans, managing project workflows and capturing results (Operations Management); tracking budgets and expenses (Financial Management); and storing all marketing assets in a secure, central location (Digital Asset Management).

The solution encompassed Process Reengineering and Marketing Automation across four key Management areas, including: Project, Financial, Digital Asset and Change. Starting with the re-definition of the marketing department's business processes, the team at Bridges Horizon mapped out the interaction between the database marketing group (CRM), outside creative agencies, printing, email and web production suppliers and internal customers to provide Aeroplan with a seamless end-to-end marketing management system.



### **Marketing Project Management (End-to-End Controls and Views)**

Originally, each person in Campaign Management had their own unique, undocumented process. Roles and responsibilities were not clearly defined and clients had little view on their project's status and progress through the campaign development cycle. A unique approach to process reengineering designed specifically for marketers by Bridges Horizon helped implement a more structured way of managing each stage of the marketing program, from design and development through to execution and tracking. Affinium Plan's operational module helped standardize Aeroplan's approach to program delivery toward optimized process and improved collaboration, while maintaining flexibility and ease of work.

At the front end of the process, an online brief was developed to centralize and standardize all program specifications, allowing for the evolution of the document by multiple authors and users. Different project templates were developed to address both the content development and media allocation sides of business across channels. Affinium Plan's easy to use, customizable workflows provided a standardized process, transparent to all stakeholders, driving timely project completion through task notification and alerts.

### **Financial Management**

Previously, Aeroplan managed its marketing budgets and expenses using large spreadsheets, spending hours each week simply reconciling data with the Finance department. This made it very difficult to gain real-time visibility into the status of marketing budgets, and there were often cost overruns or extra budget available without anyone knowing.

Using Affinium Plan's financial module, Aeroplan transformed the way they manage and track their marketing investment from a manual process to a centralized and streamlined budget allocation, forecasting and invoicing process. The financial module helped improve cost forecasting and tracking down to the project level. While the capability to capture key metrics to produce media estimates and link to partner billing helped enhance Aeroplan's ability to track and manage the media revenue side of the business.

### **Digital Asset Management**

Digital asset management provided a way to centralize digital assets such as logos and images, as well as content like copy and creative, as it evolves through the production cycle. Prior to implementing Affinium Plan's digital asset module, employees could spend countless hours trying to track down the latest version of a partner logo or image.

The creative approval process was one of the biggest "pain points" for the Marketing Services group. Multiple rounds of approvals being faxed to various managers both internally and

externally in partner organizations and their agencies created the largest bottleneck in the campaign delivery process. Online approvals linked to digital assets in the library increased Aeroplan's ability to reduce cycle times and approval loops, while providing an audit trail for a formal review of the creative approval process.

### **Change Management**

"We knew that acceptance of the new process and technology would take time and careful planning," said Natalie Chaurette, Director, Campaign Management. "A key to the successful adoption has been the execution of a change management and communication plan, along with extensive training and a phased-in approach to implementation. By effectively matching their marketing experts with our own internal Marketing Services team, Bridges Horizon was instrumental in helping us achieve this revolutionary cultural change."

## **THE RESULTS**

As a result of Bridges Horizon's work, and the automation enabled by Unica's Affinium Plan, Aeroplan is now able to effectively communicate with members, balance partner needs, deliver on partner agreements and measure program results. More importantly, the dialogue-based marketing communications are relevant, timely and highly targeted.

"It feels like a completely different operation — like a well-run machine," said David Klein. "Standard processes are now in place for designing, tracking, executing and measuring all partner programs. All member communications are managed in one central location, providing Aeroplan with visibility across programs and partners. The Marketing Services staff is more efficient, creating higher-quality work in less time and at lower cost."

Prior to implementing Affinium, quarterly media planning — involving over 125 campaigns, 150 offers and audience assignment — for partner and Aeroplan communications, took one month. It now takes two weeks. As a result, time to market has been reduced by over 50%, enabling Aeroplan to spend more time developing targeted offer strategies for each brand and demonstrating value to partners. On average, response rates are trending upward at a two-and-a-half times improvement rate.

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