

Loyalty Case Study

In 2011, pharmacy brand CVS wanted to reach their loyal customers more effectively, drive foot traffic to its stores, and create more reasons for their customers to shop.

CVS needed a mobile application to make life easier for customers by offering useful yet sophisticated functionality, and ultimately drive active engagement and conversions with both new and loyal users in their Rewards program. CVS' loyalty program, Extra Care, has been running for 15 years, and is currently the largest retail and savings reward program. To more effectively cater to ExtraCare's 70 million active users, the loyalty program would be a prominent feature of the CVS mobile experience.

In partnership with Usablenet, CVS developed a high-performing, easy-to-use mobile app that used the smartphone's native capabilities to create location-based promotions, and it has driven huge gains in mobile revenue since its launch. ExtraBucks Rewards and special offers are available through the CVS Pharmacy app and mobile site, allowing customers to be rewarded for their loyalty to the brand, access CVS services on-the-go, and never miss out on opportunities to save.

The CVS mobile experience makes it easy for customers to manage their prescriptions, shop, save, find and use promotions, and manage their member rewards. The mobile Coupon Center, available on mobile web and Android and iOS app, is a robust loyalty feature that gives users easy access to their ExtraCare Card and members-only loyalty benefits. Mobile app and web users can scan their ExtraCare card and mobile rewards and savings, among other features, on their mobile device. Key functionality available in the coupon center – accessible only to ExtraCare members – include exclusive deals, coupons for users' favorite products, ExtraBucks rewards, and a price checker. Users can also send coupons received via email directly to their mobile Coupon Center, by selecting the "Send to Card" button next to each offer, and redeem via their mobile device.

Continuing its investment in customer-centric digital experiences, CVS will launch new functionality this year as a new option for ExtraCare Rewards members. Customers wanted an option to make more processes, such as receiving coupons, paperless. With digital receipts soon-to-launch, customers will have the opportunity to opt-out, with a one-time process in-store, of receiving paper receipts for all in-store purchases, as well as receive digital versions of their coupons and rewards.

In the first year following the launch of their mobile app, CVS saw a 1579% increase in unique visitors, 94% improvement in conversion rates, and a 363% increase in transaction volume. In 2012, the app was downloaded more than 2.5 million times. To date, mobile app downloads have demonstrated an impressive 150% year-over-year growth rate. In the last year alone, CVS ExtraCare accounted for 70% of all non-pharmacy transactions, and 60% of users, on average, redeemed ExtraCare coupon emails on mobile.

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