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*Capgemini was chosen for the SAP implementation because from the beginning it was clear that Capgemini was not only performing as a supplier but also acting and performing as a partner to reach our goals and objectives. We did a great job to implement systems in the given timelines and with good quality and within the budget we agreed upon at the start of the project.”*

**Erik van Essen,**  
Managing Director,  
Loyalty Management Netherlands



Van kleine wens tot grote droom. **Air Miles**

# Loyalty Management Netherlands Transforms Its Air Miles Program

**Capgemini  
implements a new  
technology  
landscape for  
Holland's leading  
consumer loyalty  
program to increase  
speed of transaction  
and improve  
flexibility and cost  
effectiveness**

## The Situation

Loyalty Management Netherlands (LMN) has run its Air Miles consumer loyalty program since 1994. Air Miles is the largest savings program in Holland, with millions of members who earn and redeem points for products they purchase. Air Miles operates with the slogan: “Van kleine wens tot grote droom” (“from small wishes to big dreams”). The six primary brands participating in the program are Albert Heijn, Shell, V&D, Praxis, Gall & Gall and Etos.

LMN had long taken a custom approach to its systems landscape. However, the company wanted a faster, more flexible and cost-effective solution, which would help it achieve its strategic objectives of increasing membership and expanding activity among current members.

**People matter, results count.**



## The Solution

LMN chose a standardized, packaged loyalty management solution from SAP and selected Capgemini to implement the new system and provide support and maintenance over a five-year period. The project involved replacing the company's entire technology landscape – software and hardware – including the migration of 1 billion transactions and the customer database, as well as the implementation of partner connectivity, CRM system, reporting applications, Air Miles website and all interfaces.

## The Result

Air Miles is by far the biggest loyalty program in the Netherlands and is growing: Last year the number of members increased from 3.3 million to 3.7 million. The new system enables LMN to speed up customer transactions, which are now completed in less than one second, and to provide a more user-friendly website.

Implementing SAP by Capgemini is part of a strong improvement program. For example, improved flexibility makes it easier to add and upgrade features and functionality, such as mobile apps and social media. The new solution also enables LMN to run a greater number of personalized campaigns to help drive new membership and increased activity among current members.

## How LMN and Capgemini Worked Together

LMN had decided to replace its existing custom software technology with a standardized, packaged SAP loyalty management solution. However, the company had struggled to find a partner that could provide the necessary implementation, support and maintenance capabilities. LMN approached Capgemini to assist in the transformation program.

During the five-month proposal phase, Capgemini and LMN worked closely together to develop the trust that would be required for a successful implementation. The process included workshops, visualizations, mock-ups and demos of the solution to take into account a range of potential scenarios and to alleviate concerns.

Open communication and a clearly defined step-by-step process were essential to ensure success during the course of the project. The process consisted of five steps:

1. **Define:** What are we planning to do?
2. **Ask:** What are the requirements?
3. **Listen:** Understand the company's requirements
4. **Validate:** Don't presume anything
5. **Sign-off:** Gain approval before beginning any phase of the project

This approach was critical given the scope of the project and the number of parties involved. The solution spanned the company's entire technology landscape, including 40 interfaces. In addition to implementing the solution, Capgemini was responsible for managing the network, which included SAP, the participating brands and a team of external, temporary people with specific expertise who were brought in for the project.

At the same time, LMN launched a strategic project focused on increasing Air Miles membership and sales activity among existing members. The technology project needed to be well aligned with these strategic objectives.

The biggest challenges faced by the project team were ensuring that the system would meet the performance requirements, particularly regarding speed of transaction, and migrating and loading the 1 billion transactions into the CRM system. The team successfully met both challenges: Transaction speed is now less than one second and the migration was achieved in time for the system go-live date.

A significant test of the new system occurred during an annual price promotion held by V&D (Vroom & Dreesmann), a leading Dutch department store chain and one of the participating Air Miles brands. During the three-hour event, LMN successfully handled 200 times as many Air Miles transactions as the average.

The new system has expanded LMN's ability to run campaigns with its 3.7 million Air Miles members in order to help meet its strategic objectives, and has made it easier for consumers to save and redeem points. The improved flexibility makes the solution a "system for the future." Changes can be made more easily, and features and functionality can be added and upgraded without needing to build anything new. In addition, the new standardized web platform can be used by any of the participating brands to ensure a consistent customer interface.

Capgemini continues to provide support and maintenance of the system for a five-year period.

For more information on this project, please contact:  
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## About Capgemini

With more than 125,000 people in 44 countries, Capgemini is one of the world's foremost providers of consulting, technology and outsourcing services. The Group reported 2012 global revenues of EUR 10.3 billion.

Together with its clients, Capgemini creates and delivers business and technology solutions that fit their needs and drive the results they want. A deeply multicultural organization, Capgemini has developed its own way of working, the Collaborative Business Experience™, and draws on Rightshore®, its worldwide delivery model.

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## About LMN

LMN b.v. (Loyalty Management Netherlands) has successfully run the Dutch Air Miles program for 19 years. Air Miles is the biggest and most popular loyalty scheme in the Netherlands. Nearly half of Dutch households join Air Miles. Shareholders and main partners of Air Miles are Albert Heijn, Shell, V&D, Praxis, Etos, Gall & Gall. Redemption partners of Air Miles are for example: Dixons, Landal GreenParks, Hotelspecials, Telegraaftickets, De Efteling, etc.

More information is available at:  
[www.airmiles.nl](http://www.airmiles.nl)