

Loyalty rewards platform transforms the relationship between customer and retailer

Josh Graham is cofounder and CMO at Airtime Rewards, the loyalty rewards platform that allows members to earn rewards to reduce their mobile bills as they shop. He tells us about the journey to reaching 1.5M members.

Airtime Rewards is a loyalty rewards business changing the way that retailers incentivise customers to shop. Members earn by joining our mobile app and linking their Visa and Mastercard cards so we can seamlessly track and reward our members' card purchases.

Creating a niche by tapping into what younger generations want

As members shop, they earn a percentage back on every transaction they make across all of our retail partners and we convert that into our unique mobile currency. It all goes back against the cost of the customer's mobile phone bill: we're the only rewards programme that does this across all the major UK networks.

We've found our approach to be a powerful way of incentivising customers,

especially the younger audience that use their smartphones a lot, are cost conscious and love shopping, but don't want to carry a loyalty card or scan a QR code in a store.

They want a really slick customer experience with new age apps, where all the tech works in the background rather than you working harder for it.

Hitting the 1.5M member milestone

The three pillars in the business are members, retailers and mobile networks. Customers save money because they go shopping and they earn money back. Retailers get existing and new customers to shop with them more frequently and spend more per visit, and the networks are happy because their customers save money and are more loyal.

We really started growing in 2018 and then reached 1M members in mid-2020. We've now reached 1.5M members and with the current growth trajectory, we should reach 2M by the end of the year. A lot of that growth is driven by the mobile networks and a really strong referral channel.

When you start out, you think you can reach 1M members but you soon work out it's going to be difficult. It takes a lot to get to that tipping point and 'hockey stick' growth. We've been on a really healthy growth path for the past 18 months, so we knew we were going to get there, but it's always nice to finally get to that point.

Overcoming scaling hurdles and lessons learnt

Airtime Rewards is a B2B2C model, so we sit in the middle of a retailer and a customer. We've got to drive both ends of that: you can't get retailers without an audience, and you can't grow an audience without a strong set of retailers.

We have a scale business model, so it wouldn't work with just five retailers and

10,000 members: it's performance based, so you need volume of sales. We take a small commission from the retailer on each sale we incentivise, so we need big retailers and a sizeable audience for the business model to start cranking.

Having a great team is crucial to success. In the early days, the temptation is to be cautious, and try to do everything yourself, because you're conscious of costs. We didn't have a CTO straightaway: we developed our platform and apps by outsourcing it all, but we soon worked out that wasn't going to be sustainable.

Accelerating growth with the support of O2

In the first few years of the business, we started working with O2's marketing division to help create awareness for Airtime Rewards. Typically, a normal advertising partner would get a 1% click through rate, but we were getting over 5%, as an unknown brand! We were soon introduced to Wayra, Telefonica's investment vehicle: they invited us to apply, and we got investment from them in 2016.

Our relationship with O2 has accelerated our growth path and in turn, we have helped to increase their customer satisfaction and loyalty.

We've been able to grow really quickly over the last four years, with now 1.5M members and 1M of those being O2 customers. We work with some of the biggest retailers in the UK such as Boots, Argos, Greggs, Currys, Wilko, Primark, New Look and so on, both in-store and online. Brands use us to generate incremental sales from all different profiles of customer, whether that be new, loyal or lapse.

New launches coming soon

We're about to launch a new tool for our retailers, it will allow them to measure performance and gather a greater level of insight on their customers. It's been in the making for over a year, so brilliant to see it coming to life.

For our members, we're always looking for ways to help them to earn more. We have a number of features in the pipeline which will allow them to but I can't say too much more than that at the moment!

Maddyness UK is a media partner of Wayra.

Article by MADDYNESS, WITH WAYRA