

Colegio Mayor de Nuestra Señora del Rosario



Customer Retention Program for
ABC - ProWork Company in Austria

Trabajo de grado para optar al título de
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Colaboración conjunta con la Universidad de
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For my family: my parents, my sister, my aunts and my grandmother, who were my support when I missed home the most. Every minute I spent away from you was to fulfill this project.

This is by and for you.

Declaration of originality and autonomy

I declare under oath that I have written the document entitled "Customer Retention Program for ABC – Company in Austria", in the option of a double degree and that therefore its content is original.

I declare that I have clearly and precisely indicated all direct and indirect sources of information and that this work has been handed over to another institution, the University of Applied Sciences of Upper Austria Campus Steyr for grading purposes.

Statement of Release of Liability

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Abstract

This report is written with the purpose of giving the findings, with an extensive explanation behind them, of a company project that the company ABC has embarked on over the last few months. It is a written record of all the processes that took place and gives a detailed and professional explanation of them.

As a small introduction, we will give a small overview as well of what ABC does and a timeline of the project development, as its span was over 5 months, in which multiple meetings took place as a way to ensure continuous progress from the team with its tasks and for the company to give their own feedback into what they thought in the shaping up of the project.

The report is divided into multiple sections, each belonging to different teams that were assigned to various roles and tasks through these past 5 months, where we dug deep into the project, which was the designing of a loyalty customer program for ABC, as a means of help them gain higher retention numbers of their already existing customers.

We will be giving a deep dive into the multiple teams and what they contributed to the whole build of the project. How their tasks progressed through the months and what their final results came to be. They are divided into Data, Social Media and the Customer Loyalty Program sections. Each one of them is also split into various small sections that delve deeper into certain aspects of what each group worked on.

Finally, after all of this, we will be giving our conclusions. To summarize the whole report into the most vital points. This will be used to convey everything in a simplified way.

Key words: loyalty program, non-profit company, tier-based program, benefits, customers rewards.

Resumen

Este informe se redacta con el propósito de dar los resultados, con una amplia explicación detrás, de un proyecto empresarial en el que la empresa ABC se ha embarcado en los últimos meses. Es un registro escrito de todos los procesos que tuvieron lugar y da una explicación detallada y profesional de los mismos.

A modo de pequeña introducción, daremos también una pequeña visión general de lo que hace ABC y una línea de tiempo del desarrollo del proyecto, ya que su duración fue de más de 5 meses, en las que se llevaron a cabo múltiples reuniones como una forma de garantizar el progreso continuo del equipo con sus tareas y para que la empresa diera su propia retroalimentación sobre lo que pensó en la configuración del proyecto.

El informe está dividido en varias secciones, cada una perteneciente a diferentes equipos a los que se les asignaron varios roles y tareas a lo largo de estos últimos 5 meses, donde profundizamos en el proyecto, que fue el diseño de un programa de fidelización de clientes para ABC, como un medio para ayudarles a obtener mayores números de retención de sus clientes ya existentes.

Profundizaremos en los múltiples equipos y en lo que contribuyeron a la construcción del proyecto. Cómo progresaron sus tareas a lo largo de los meses y cuáles fueron sus resultados finales. Se dividen en las secciones de Datos, Redes Sociales y Programa de Fidelización de Clientes. Cada uno de ellos, a su vez, se divide en varias pequeñas secciones que profundizan en ciertos aspectos de lo que trabajó cada grupo.

Finalmente, después de todo esto, iremos dando nuestras conclusiones. Para resumir todo el informe en los puntos más vitales. Esto se utilizará para transmitir todo de una manera simplificada.

Palabras clave: programa de fidelización, empresa sin fines de lucro, programa basado en niveles, beneficios, recompensas a los clientes

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1. Introduction

This section will give a dive into what the company, ABC, does and an overview of the project as well and what problem it was addressing. We will begin with a small introduction to what ABC does as a company and what their current position and outlook is.

ABC is a non-profit organization, who looks to create and nurture environments for success and long-term employment and integration into the workforce for individuals, through the process of qualification, employment counseling and care for them, as they are an organization that focuses on the people who have either social or physical ailments. The company employs 570 individuals with disabilities in regular employment contracts, making it the largest provider of sheltered work in Upper Austria. By integrating these employees into various industrial tasks, ABC ProWork not only supports social inclusion but also leverages a diverse workforce to meet the needs of their clients effectively. The company is based in Linz, Austria, specializing in providing comprehensive services to the industrial and commercial sectors.

The company offers a range of solutions, including CNC machining, metal cutting, bending, welding, and comprehensive packaging services. This ensures that their clients receive precise, efficient, and reliable solutions tailored to their specific needs, whether it involves intricate metal parts or complex assembly projects. With over 700 employees spread across six locations in Upper Austria, ABC ProWork has more than 56 years of experience, ensuring high standards of quality and customer orientation in all its operations.

The overall goal and problem that was wanted to be tackled with this project was that of building a strong Customer Loyalty Program for ABC. This was to make it so that their customer retention is more solid and that they can establish strong and reliable relationships with their customers.

The Customer loyalty program considers various criteria's as to how it works and can be used as a powerful tool to differentiate which of their customers are more suitable for said program, using various data sets and KPI's that have been integrated into the solution to quantify into which category of the Customer Loyalty Program they would fall into.

2. Project Timeline

○ **Kick-Off Meeting: 1st of March**

- It is the first official meeting in which the team members got familiar with the project's details and expectations.
- It was an opportunity for the company to get to know each of the individual members, understand where they come from and what they bring to the table.
- Used to answer questions from either side.

○ **Face to face meeting: 20th of March**

- Meeting held at the HQ of ABC.
- Opportunity for the members of the teams to get to know the members of ABC and what their facilities are like, give some more in-depth context when it comes to the company and its outlook.
- Questions from the team's side and ideas from both sides were exchanged.

○ **Data team meeting: 11th of April and 23rd of May**

- Members of the Data section team coordinated meetings with ABC to delve into data sets and make requests for their data, to gain insights into it.
- They looked over what data they needed and what data they didn't need.

- From all the data extracted and requested, the data section team made a comprehensive analysis of it and used it to give overviews of each client's current position.

- **Interim meeting: 6th of May**
 - Meeting with the objective of showing the advances of the work that had been done over the past month.
 - Show the research that has been done by the social media, Data and Customer Loyalty program teams to the company, with a detailed explanation of it.
 - Decision was made as to which type of Loyalty program would be best for the company.

- **Interim meeting: 6th of June**
 - Advancements of all teams were shown.
 - The Loyalty Program was chosen and given a more concrete form, 1st version of it.
 - A thorough explanation of what the Loyalty Program is like was given and an overview of the criteria needed for it.

- **Loyalty Program meeting: 20th of June**
 - Small meeting, arranged to discuss some of the aspects of the Loyalty Program.
 - Suggestions from both sides were given to shape up the criteria for the Loyalty Program and give suggestions about said criteria.

3. Data

3.1 Initial Performance Analysis for ABC

The first data information received from the company was related to the sales revenues they have had during the last two years (2022-2023). However, the team considered it was not enough to establish an initial panorama of the company for that reason we decide to take a five-year period to understand how the behavior of the customers has been. As a general overview, during the period, the company had a growth in sales revenues of 24%, a decrease in the number of orders of 22% and a 20% reduction in the number of clients. This led us to think that the company during these five years has had an extremely high increase in the value of the orders. According to their pricing strategy, they reformed the prices about 6 to 7 years ago because the relation cost benefit was affecting the company revenues and they used to have fixed prices from 40 years ago. The system they implemented calculates and adds an extra value to fix a minimum value of €150, although they do not always follow it. Due to the social objective the company targets they sometimes sacrifice some values for getting larger and more significant orders in the future.

Focusing at first sight on the sales revenues, we noticed the general percentages of participation do not represent significant clients, executing an ABC analysis was not worth doing

as individual customers. Nonetheless, we examined the top 5 clients for 2019 to 2023, as a result we noticed that they do not have meaningful change and the initial five are the same final five and during the years they go up and down but never leaving the top 10. When we sum up the sales revenues from these companies, we observed they represent approximately 34% of the total amount each year. And this percentage is distributed as the table shows:

Table 1

Distribution of sales revenue inside the 34% of the total amount per initial and final year

Sales Revenue Percentages		
Company	2019	2023
Nestlé Österreich	40%	42%
Rosenbauer International AG	20%	20%
STIWA Advanced Products GmbH	17%	12%
WFL Millturn Technologies	13%	10%
PC Electric Gesellschaft	10%	16%

Note: This tables comes from the analysis of the data provided by the company with the sales results from the previous years

We identified Nestlé Österreich as the main customer for ABC and Rosenbauer International AG as the second in line. Both have approximately over €1.600.000 in revenues for the whole period. The other customers shared values below this number, but still valuable contributions to the company. As an exemption, another customer not included in the table but with significant values is Plasser & Theurer during 2020-2022. We set this first overview of higher sales revenues participants to start segmenting clients for the loyalty program.

Furthermore, once we identified these clients, we analyzed their behavior more deeply. We made a comparison among the data for the number of orders and order size during the five years of these top clients, noticing that they have a significant variance. Meanwhile companies like Nestlé show high numbers in both variables, others like STIWA present a dwindling number of orders with a high order value. This establishes a difference among the customers and can be an opportunity for segmentation considering the type of company, its sector and how it has evolved during the five-year period.

3.2 First Segmentation Approach (RFM Analysis)

After we did the first overview of the company, we investigated about types of segmentation we can do to make it easy for the company to create the customer loyalty program using the information and data we collected from the beginning. The first approach we took was the RFM analysis is a marketing technique used to analyze customer value based on three factors: Recency (how recently a customer made a purchase), Frequency (how often they purchase), and Monetary value (how much they spend). By segmenting customers using these metrics, businesses can tailor marketing strategies to target specific groups, enhancing customer retention and increasing revenue. RFM is especially effective for personalized marketing campaigns, increasing customer lifetime value (CLTV), and optimizing marketing costs. This analysis can bring benefits such as, detailed customer segments, businesses can design more

effective marketing campaigns, ensuring that promotions and communications are relevant to the targeted audience, leading to higher engagement rates and better ROI on marketing spend.

RFM analysis helps in identifying high-value customers who contribute significantly to revenue, allowing companies to allocate more resources to retain these customers while devising strategies to engage the less active segments. Analyzing past purchasing behaviors through RFM can help predict future actions, enabling businesses to forecast which customers are likely to make purchases soon and tailor their strategies accordingly. RFM analysis offers actionable data that aids in making informed business decisions, from product development to marketing strategies, ensuring alignment with customer needs and behaviors. By regularly conducting RFM analysis, businesses can track the effectiveness of their marketing efforts and adjust strategies based on customer responses and changes in buying patterns. Identifying customers who have not made recent purchases allows businesses to implement targeted retention strategies, such as special discounts or personalized messages, to win back these customers.

The analysis can be simple yet powerful, suitable for both small and enterprise-level businesses. For ABC we decided to establish the variables of this analysis described as followed:

1. **Recency value:** This indicates the time elapsed since a customer's last interaction with a brand, such as a purchase, website visit, app usage, or social media engagement. It is crucial because recent interactions suggest a higher likelihood of responding to fresh marketing. Considering the data we gather this variable is going to be defined as the sales repurchasing trend, companies that during the last five years have been constantly ordering from ABC and how they have behaved.

2. **Frequency value:** This measures how often a customer interacts with a brand within a specific time limit. It is important as it reflects customer engagement and loyalty, with higher frequencies indicating stronger brand loyalty. This variable is going to be reflected in the average number of orders each company has placed with ABC during the period.
3. **Monetary value:** This assesses the total spending by a customer on a brand's products or services over a certain period. It is vital because customers who spend more are likely to continue spending. In this case, we are going to focus on the average order size to understand which customers purchase higher values in their projects with ABC.

Each RFM metric effectively predicts future customer behavior and boosts revenue. Customers who recently made a purchase are likely to buy again soon. Those who interact frequently with a brand tend to continue doing so. Additionally, customers who have spent the most in the past are expected to remain high spenders. RFM analysis allows businesses to tailor messages to match the customer's relationship with the brand. For instance, high-frequency and high-spending customers are more receptive to suggestions for expensive items. Conversely, customers who purchase frequently but in smaller amounts can be incentivized with loyalty rewards or referral promotions to enhance their value to the business.

Even though ABC is not a start-up or a small enterprise we consider this type of analysis can be a starting point for segmentation considering three aspects:

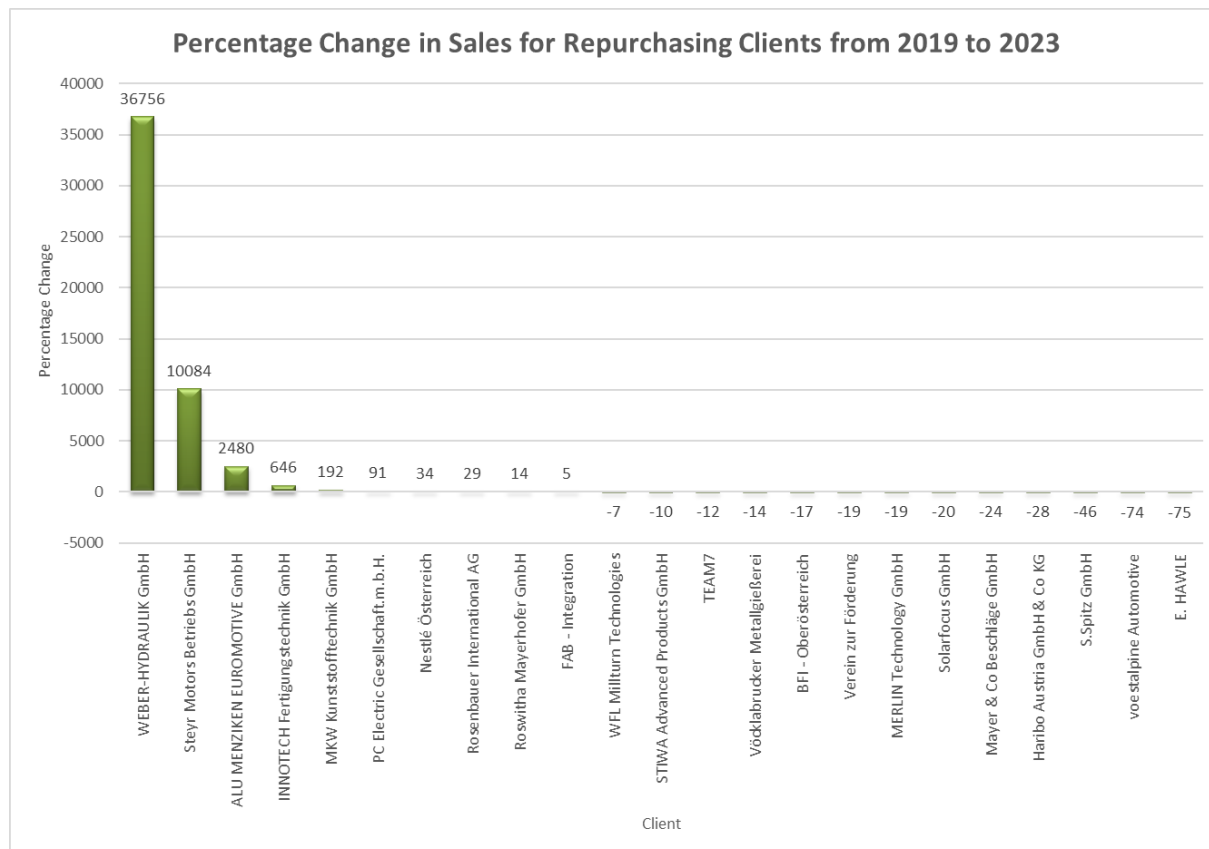
- **Simplicity**: It does not require complex tools or sophisticated analytical skills. The principles are easy to comprehend and the results easy to interpret and make decisions based on them.
- **Affordability**: Marketing professionals without advanced statistical or analytical training can perform RFM customer segmentation using just a standard spreadsheet. This approach allows them to categorize customers based on Recency, Frequency, and Monetary metrics, making it accessible for individuals with basic data handling skills.
- **Effectiveness in direct marketing**: The analysis, which originated from database and direct mail marketing, has proven effective with cost-efficient digital direct marketing strategies like email campaigns. This makes it accessible for smaller brands looking to engage in targeted marketing without significant expense.

Since we were able to get these three variables proposed in the RFM analysis, we analyzed them separately to obtain individual insights about customer behavior to provide better outputs for the customer loyalty program building process.

3.3 Sales Performance Analysis: Percentage Change in Sales for Repurchasing Clients (2019-2023)

Figure 1

Percentage Change in Sales for Repurchasing Clients from 2019 to 2023



Note. The graph was made calculating the percentage change in sales with the data provided by the company of sales from 2019-2023

This analysis provides a detailed examination of the sales performance for ABC's repurchasing clients from 2019 to 2023, measured in euros (EUR). The analysis of percentage change in sales is crucial for several reasons. It allows companies to evaluate the performance of their sales strategies over time. By comparing the percentage growth or decline in sales, businesses can determine if their marketing initiatives, promotions, and other efforts are having

the desired impact. Additionally, it helps identify short-term and long-term sales trends, as fluctuations in percentage change can indicate seasonal changes, variations in market demand, or the impact of external factors such as the economy or competition. In this particular case, clients are categorized based on their sales growth, from those with high growth to those with significant declines. The percentage change in sales was calculated using the formula:

Equation 1

Percentage Change Calculation

$$\text{Percentage change} = \frac{\text{Value in 2023} - \text{Value in 2019}}{\text{Value in 2019}} \times 100$$

Note. Basic equation for percentage change

Below, we outlined performance across various segments to identify trends and highlighted areas for potential improvement.

Top Performers:

1. WEBER-HYDRAULIK GmbH

Percentage Change: +36,756%

Sales in 2019: €223.35

Sales in 2023: €82,317.54

Total Sales (2019-2023): €329,515.23

This client demonstrated extraordinary growth, likely driven by a significant increase in order volume or the successful introduction of new products.

2. Steyr Motors Betriebs GmbH

Percentage Change: +10,084%

Sales in 2019: €504.10

Sales in 2023: €51,335.09

Total Sales (2019-2023): €124,547.11

A substantial increase in sales marks this client as a key contributor to ABC's overall sales growth.

3. ALU MENZIKEN EUROMOTIVE GmbH

Percentage Change: +2,480%

Sales in 2019: €4,471

Sales in 2023: €115,345.78

Total Sales (2019-2023): €283,685.01

Significant growth indicates strong market demand and effective sales strategies.

Moderate Growth:

INNOTECH Fertigungstechnik GmbH and MKW Kunststofftechnik GmbH show growth percentages of 646% and 192%, respectively. These figures indicate a positive sales trend, highlighting continued demand for ABC's products

.

Stable Clients:

Clients such as Nestlé Österreich, Rosenbauer International AG, and Roswitha Mayerhofer GmbH have experienced moderate sales increases of 34%, 29%, and 14% respectively. Their purchasing patterns have remained relatively stable, suggesting a consistent market presence.

Declining Clients:

Notable declines were seen in WFL Millturn Technologies (-7%), STIWA Advanced Products GmbH (-10%), and TEAM7 (-12%). These reductions may reflect changes in their procurement strategies or a diminishing demand for ABC's products.

Significant Declines:

The most significant declines were recorded for S.Spitz GmbH (-46%), voestalpine Automotive (-74%), and E. HAWLE (-75%). These steep reductions could be due to various factors including market shifts, increased competition, or changes in the clients' operational strategies.

1. E. HAWLE

Percentage Change: -75%

Sales in 2019: €53,681.13

Sales in 2023: €13,195.62

Total Sales (2019-2023): €294,858.5

2. Voestalpine Automotive

Percentage Change: -74%

Sales in 2019: €171,889.80

Sales in 2023: €44,380.94

Total Sales (2019-2023): €399,534.23

3. S.Spitz GmbH

Percentage Change: -46%

Sales in 2019: €116,015.51

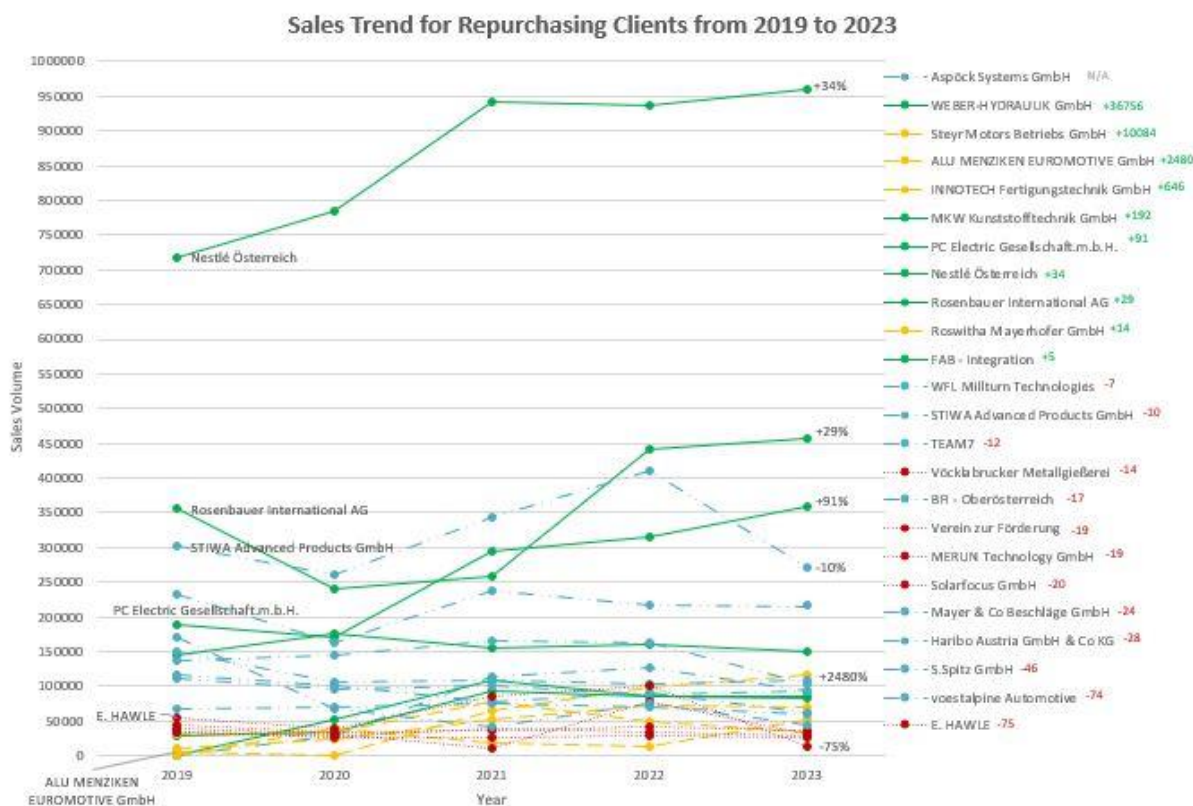
Sales in 2023: €62,950.87

Total Sales (2019-2023): €448,265.36

3.4 Sales Trend Analysis for Repurchasing Clients (2019-2023)

Figure 2

Sales Trend for Repurchasing Clients from 2019 to 2023



Note. This graph is based on the calculation through the total sales and percentage change classifying the companies by colors

This comprehensive analysis of the sales trends for repurchasing clients from 2019 to 2023 categorizes them based on total sales and percentage change in sales. Clients are segmented into four distinct groups: High Value, High Growth; High Value, Low Growth; Low Value, High Growth; and Low Value, Low Growth. This segmentation allows ABC to strategically allocate resources, tailor marketing strategies, and enhance customer engagement effectively by focusing on the most promising and challenging client segments.

3.5 Analysis of Client Segments

High Value, High Growth (Blue)

Clients in this segment have exceeded €300,000 in total sales with positive sales growth, contributing significantly to revenue while showing promising growth.

Key Clients:

- Nestlé Österreich: €4,342,667.06 in total sales with a 34% increase
- Rosenbauer International AG: €1,753,938.23 in total sales with a 29% increase
- PC Electric Gesellschaft m.b.H.: €1,326,703.34 in total sales with a 91% increase
- ABC – Integration: €788,887.53 in total sales with a 5% increase
- WEBER-HYDRAULIK GmbH: €329,515.23 in total sales with a 36,756% increase
- MKW Kunststofftechnik GmbH: €328,553.03 in total sales with a 192% increase

High Value, Low Growth (Green)

These clients have total sales above €300,000 but show stagnant or declining sales.

Key Clients:

- STIWA Advanced Products GmbH: -10% change, €1,589,613.35 in total sales
- WFL Millturn Technologies: -7% change, €1,067,300.72 in total sales
- Mayer & Co Beschläge GmbH: -24% change, €717,292.57 in total sales
- Haribo Austria GmbH & Co KG: -28% change, €575,644.85 in total sales
- BFI – Oberösterreich: -17% change, €488,624.28 in total sales
- S.Spitz GmbH: -46% change, €448,265.36 in total sales
- Voestalpine Automotive: -74% change, €399,534.23 in total sales
- Aspöck Systems GmbH: N/A change, €362,194.75 in total sales
- TEAM7: -12% change, €343,001.45 in total sales

Low Value, High Growth (Red)

Clients with total sales up to €300,000 showing positive growth, indicating potential for future development.

Key Clients:

- ALU MENZIKEN EUROMOTIVE GmbH: +2,480% change, €283,685.01 in total sales

- INNOTECH Fertigungstechnik GmbH: +646% change, €228,292.06 in total sales
- Roswitha Mayerhofer GmbH: +14% change, €225,930.73 in total sales
- Steyr Motors Betriebs GmbH: +10,084% change, €124,547.11 in total sales

Low Value, Low Growth (Yellow)

Clients with total sales up to €300,000 but experiencing stagnant or negative growth, indicating areas where strategic adjustments might be necessary.

Key Clients:

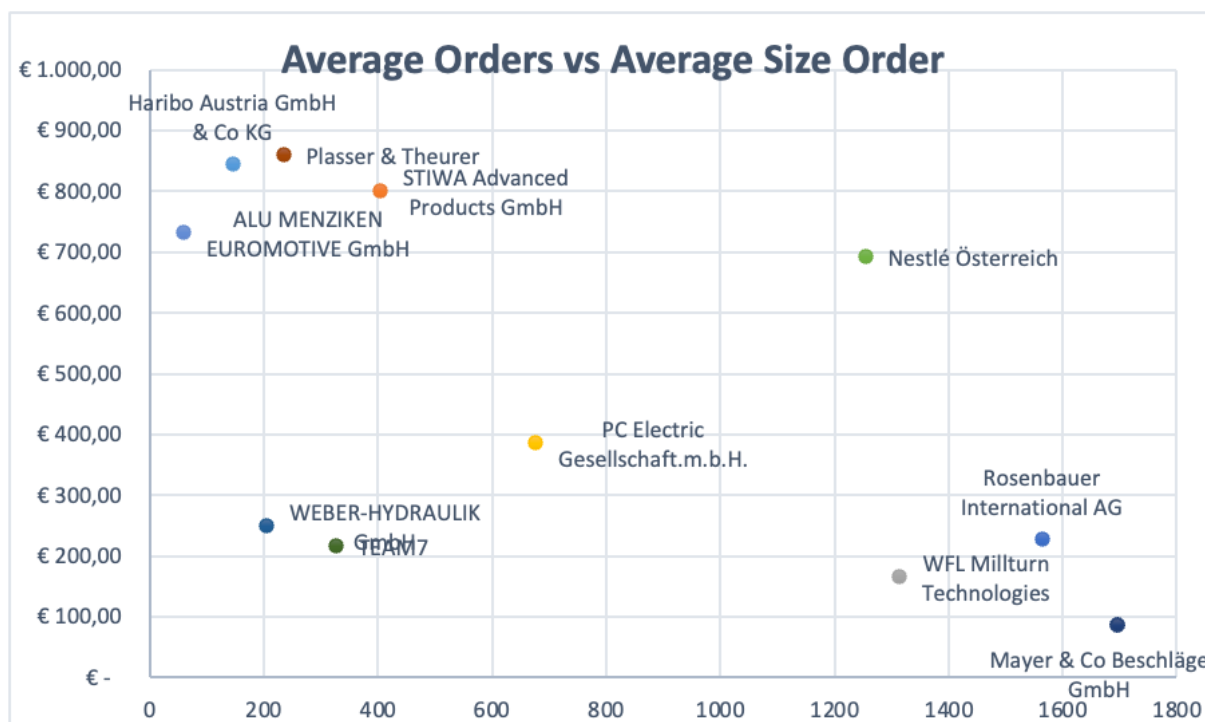
- Vöcklabrucker Metallgießerei: -14% change, €166,745.92 in total sales
- Verein zur Förderung: -19% change, €191,422.63 in total sales
- MERLIN Technology GmbH: -19% change, €141,264.55 in total sales
- Solar Focus GmbH: -20% change, €189,287.26 in total sales
- E. HAWLE: -75% change, €294,858.5 in total sales

3.6 Average Number of Orders and Average Value Order

Since the initial overview included the top five companies, we considered these variables into the analysis. After the first variable of the RFM approach, we narrowed the customers into 10 approximately to analyze the generalized trends they can have. In this case we included clients from the sales performance and repurchasing analysis to build a four-quadrant chart based on the results from the graph obtained by cross-referencing average number of orders followed by average value or order.

Figure 3

Average Number of Orders vs Average Order Size



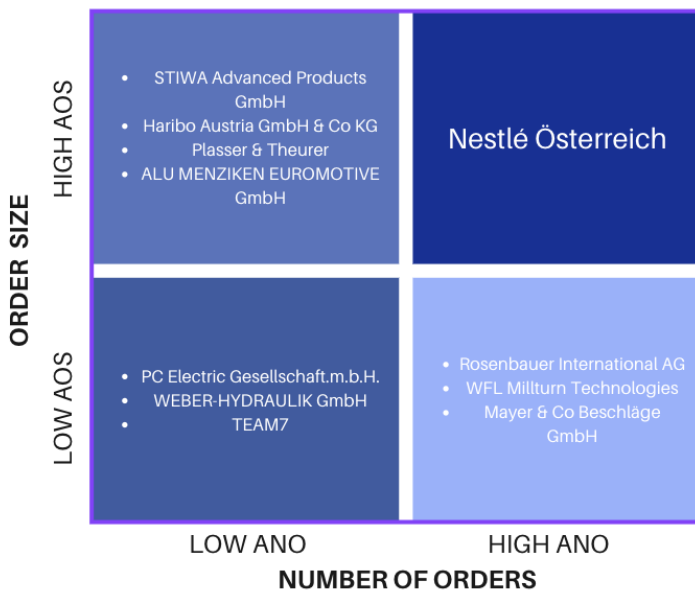
Note. This graph is made with the calculations done based on the data provided by the company with the sales results from 2019 - 2023

The four-quadrant chart is based on the standard average (ANO - Average Number of Orders & AOS – Average Order Size) for a company if we consider the actual behavior of the customer community. This means:

- High ANO, High AOS: It is achieved only by enterprises that have more than 900 orders for values above €450.
- High ANO, Low AOS: It is still above 900 orders but the value per order has decreased to below €450.
- Low ANO, High AOS: It is for customers with orders less than 900 and values above €450.
- Low ANO, Low AOS: Here companies are below 900 orders and €450.

Figure 4

Order Size vs Number of Orders



Note. This quadrant chart is the resume from the previous graph, it presents the companies located in each quadrant based on the results from the data base calculations

This classification might represent potential customers based on the score placed according to the RFM analysis. Nonetheless, since we are using averages, the complete progress done during the five years for some companies does not reflect the full potential they are capable and may require the usage of other variables that can be qualitative rather than quantitative. For example, Weber-Hydraulik GmbH in the analysis of sales trends showed that during the period it has increased around 36,756%. However, when we analyzed the averages ANO and AOS, we noticed it is in the third quadrant which means it has orders below 900 and for less than €450. If we checked this trend with the data for each year, we would notice that the company has been growing since it started working with ABC in 2019.

It is important to notice that segmenting through services or geographical area is not valuable for the company, considering that the production process they execute is given by thousands of various products because they adapt to clients' specifications. Consequently, they have a wide variety of product codes when each client generates a specific type of product with exact measures in the prototyping phase, this generates a great level of satisfaction as the salesforce do not have a manual for developing the product but only with a picture, they are able to do it. On the other hand, regarding the raw materials, there are some companies like Nestlé who hand in everything related to execute the service, then only the salesforce work is paid, and when they do stock refill for new orders, they usually decide to go by contracts due to the quantity they request.

3.7 Summary and Recommendations

This RFM analysis provides insights into the performance of repurchasing clients, helping ABC to:

1. Focus on high value, high growth clients for the sales trend analysis to maximize revenue. Centering on clients that already have high potential with the company in the loyalty program is ideal considering they bring the best revenues.
2. Develop strategies to reinvigorate growth for high value, low growth clients. Bringing incentives for loyalty into this segment of clients can transform the relationship and make them increase the number of projects with ABC. It is the case of companies like Haribo Austria.
3. Support and scale up low value, high growth clients for future development. This group represents potential customers and even if it is a small percentage they represent a significant possible future development for the company and including some type of prize for them would be a way to strengthen the relationship. It is the scenario for ALU MENZIKEN.
4. Identify and address issues with low value, low growth clients to improve overall sales performance. Companies like E.HAWLE which after the analysis presented a decrease in revenues, are the perfect fit to understand any kind of problem that may lead to a weak relationship with customers and build on some strategies to avoid it.

From the averages analysis, frequency of orders and the monetary size of those orders, we can conclude that considering these variables for future segmentation of the clients may not be the best option due to the evolution of the customers over time. This means, we cannot decide based

on the averages from a five-year period because companies that have been growing through the years would be allocated in the four-quadrant chart as low numbers for both frequency and monetary variables when they represent potential customers that deserve to be included in the loyalty program for good incentives. This is the reason why, for these two metrics we should analyze only the last year or two years, this is going to include the behavior for both as a more established trend with closer data to actual performance.

4. Customer Loyalty Program

4.1 Introduction

To begin with, this section discusses the three main elements of the customer loyalty program in the context of ABC. First, we outline the scientific evidence for such a program, discussing papers by Dulle et al. (2024), Taylor and Nelson (2005) together with two additional scientific publications that act as proof for our suggested program. Secondly, we will give an in-depth explanation of the calculation model which evaluates the respective tier-level of ABC customers, whilst considering both quantitative and qualitative criteria. Lastly, we will explain the three tier levels consisting of standard, silver and gold customers and the benefits related to them. Moreover, the evolution of these benefits over time will be argued. The customer loyalty program should help enhance customer retention at ABC.

4.2 Scientific Evidence

After consulting numerous papers on this subject, we have decided to base our loyalty program on four key concepts. The first comes from the study of Taylor and Nelson (2005), whose core idea is that successful loyalty programs lead to behavioral learning reinforcement, which means that a company should reward customer behavior that aligns with the company's goals, thus incentivizing the customer to continue behaving that way so that they can gain more and/or better rewards. In ABC's case, this would mean that the benefits provided by a lower tier level should ideally encourage a customer to order more from ABC with the intention of reaching a higher tier level. The next concept is more specific than the previous one, and it is one of the findings of the study of Dulle et al. (2024). This study focuses on email marketing and states that proper timing and content customization leads to the customer being more likely to actively seek a product or service. In the case of ABC, timing refers to the time when a customer receives the ABC newsletter. Ideally, the timing should maximize the chance of the newsletter being opened and viewed, so the newsletter should be sent during working hours or at another time deemed adequate. Content customization refers to tailoring the content of the specific interests of a company, which would require ABC to spend time and resources to get to know their customers better. Moreover, according to the study of Kopalle et al. (2007), status gain, or the feeling thereof, is also a key factor in a loyalty program.

In this context, status gain would mean that ABC would try to let their customers know just how valued they are and how much ABC cares about them. This concept is further explored in the benefits of the Gold-Tier level. Finally, we have the study of Kwiatek and Thanasi-Boçe (2019), which states that the frequency of rewards gained is far more important than the recency of said rewards or the rewards themselves. Thus, it is important to implement small but frequent

benefits in a loyalty program. All these concepts, aside from the second one, are rather broad, which is why all of them have been narrowed down and tailored for the needs of ABC.

4.3 Calculation Model

4.3.1 Introduction

The calculation model enabled us to transfer the theoretical framework we had in mind into an actual dynamic calculation model that automatically identifies which customers are eligible for which tier level.

4.3.2 Criteria Selection

The initial difficulty was to come up with a set of criteria that do not favor bigger companies over smaller ones. Therefore, following various iterations together with Mr. Katzelberger (ABC Representative), we decided on a combined approach of quantitative as well as qualitative criteria. This balanced approach tends to avoid bias in either direction.

4.3.3 Quantitative Criteria

Figure 5

Quantitative Criteria

Quantitative Criteria	
Average No. of Orders	No. of orders within 12 months
Average Value of Orders	Average value of orders of the last 12 months

Note. The figure describes the quantitative variables that are involved in the segmentation process.

The quantitative criteria focus on the financial metrics obtained through the data provided by ABC. Incorporated, one can find the two quantitative criteria “Average Number of Orders” and “Average Value of Orders”, both of which are measured over a 12-month period.

Generally, each order is accompanied by efforts from the selling company. Therefore, a high volume of low-value orders creates considerable workload, and time demands which should be avoided. Unsurprisingly, it is advisable for the selling company to not merely reward the frequency of transactions, which is often dominated by larger companies, but to also focus on the average value of transactions. This also reduces the bias towards companies of medium and small size.

By focusing on both the *average number of orders* together with the *average value of orders* within the last 12 months, one obtains a more holistic and comprehensive picture of the ABC customers’ performance and their overall contribution to ABC’s success.

4.3.4 Qualitative Criteria

Figure 6

Qualitative Criteria

Qualitative Criteria	
Market Influence	How many potential future projects are possible?
Workforce Impact	How good is the work for FAB employees?
Integration of Workforce	How many employees were integrated within the last 12 months?
CSR	How well developed CSR is at the customer?

Note. This figure describes the qualitative criteria selected for the segmentation process

The qualitative criteria underwent a careful selection before they were implemented to the calculation model. We ensured that ABC's values are represented in the qualitative set of criteria, despite its application to profit-driven companies. Notably, the qualitative criteria rely on a "gut feeling" of ABC employees, as they are not yet backed up by data sources. Its individualized selection will lead to a more accurate display of what the customer will be able to bring to ABC.

Market influence: Discusses how many potential projects are possible in the near future with the customer. Despite it sounding quantitative, it is still qualitative as it relies on the gut feeling. Moreover, there is no database currently available that considers this factor.

Workforce impact: Relates to how satisfied (handicapped) ABC employees are with the work provided by the customer. Points of discussion would be how many pre-qualifications a

staff member may need to conduct the work, how repetitive the work is, or how long training usually takes.

Integration of workforce: Understands how many employees from various projects or branches (e.g., ABC Pro Work, Immigrant Projects, Senior Quality Projects, Labor Foundation) were integrated by ABC's customer. However, this is difficult to achieve for most clients and therefore is only weighted with 5 % in the calculation model.

Corporate Social Responsibility: Encompasses how well-developed CSR is in the customer's organization. The figure below explains the respective levels of progress when it comes to CSR:

Figure 7

Corporate Social Responsibility Levels

Basic= occasional donations, volunteer days

Moderate= regular programs, partnerships with local NGOs

Significant= ongoing programs, partnerships with national NGOs, moderate investments

Extensive= company-wide policies, significant investments, strategic partnerships

Comprehensive= integrated into the business model, substantial and sustained investments, global partnerships

Note. Taken from the selected variables, decided inside the team meetings.

4.3.5 Calculation Model – Overview

Figure 8

Calculation Model Overview

Quantitative + Qualitative Criteria (0-100)								
FAB Customer	Average No. of Orders	Average Value of Orders	Market Influence	Workforce Impact	Integration of Workforce	CSR	Total Score	Tier
	20%	30%	20%	10%	5%	15%		
Nestlé Österreich	100	60	100	60	100	80	0,81	Gold >80
PC Electric Products GmbH	80	40	80	100	80	80	0,70	Silver >70
Mosburger GmbH	20	100	60	80	80	40	0,64	Standard Customer

Average No. of Orders (12 months)		Average Value of Orders (12 months)		Market Influence	
No. of Orders with FAB	Achievable Points	Value in EUR	Achievable Points	Potential Projects	Achievable Points
0-200	20	0-500	20	1	20
200-400	40	500-750	40	2 to 5	40
400-600	60	750-1000	60	6 to 10	60
600-799	80	1000-1249	80	11 to 20	80
800+	100	1250+	100	21+	100

Workforce Impact		Integration of Workforce (12 months)		CSR	
Impact	Achievable Points	No. of People Integrated	Achievable Points	Initiatives	Achievable Points
Very dissatisfied	20	1	20	Basic	20
Dissatisfied	40	2	40	Moderate	40
Neutral	60	3	60	Significant	60
Satisfied	80	4	80	Extensive	80
Very satisfied	100	5	100	Comprehensive*	100

Basic= occasional donations, volunteer days

Moderate= regular programs, partnerships with local NGOs

Significant= ongoing programs, partnerships with national NGOs, moderate investments

Extensive= company-wide policies, significant investments, strategic partnerships

Comprehensive= integrated into the business model, substantial and sustained investments, global partnerships

Note. Overview of the calculation model with the criteria chosen by the team.

The purpose of the calculation model is to enter 5 metrics per customer to automatically obtain the respective Customer-Tier level. Below you will find a step-by-step explanation of the individual components:

Customers of ABC: Customers of ABC are highlighted in light grey and can be found in the left outermost column.

Criteria and weighing: Quantitative criteria are shown in light blue, whereas qualitative criteria are in green color. Right beneath the criteria, you can find the weighing. All weightings together sum up to 100 %.

Total Score + Tier: The total score can theoretically range from 0-100.

Standard-Tier Customer: 0-69.9 percent

Silver-Tier Customer: 70-79.9 percent

Gold-Tier Customer: 80-100 percent

4.3.6 Calculation Model – Exemplified

Figure 9

Calculation Model Exemplified

Quantitative + Qualitative Criteria (0-100)									Total Score	Tier
FAB Customer	Average No. of Orders	Average Value of Orders	Market Influence	Workforce Impact	Integration of Workforce	CSR				
<i>weighing</i>	30%	30%	20%	10%	5%	15%				
Nestlé Österreich	100	60	100	60	100	80			0,81	Gold >80
PC Electric Products GmbH	80	40	80	100	80	80			0,70	Silver >70
Mosburger GmbH	20	100	60	80	80	40			0,64	Standard Customer

Note. Calculation model exemplified with three companies chosen by the team considering the variables to demonstrate the segmentation process.

This screenshot shows three of ABC's clients which each represent a different tier. The values for the quantitative criteria are data-based, whereas the qualitative criteria are fictional.

Nestle's total score equals 0.81 percent which means they would be eligible for the Gold-Tier level. PC Electric Products GmbH's total score amounts to 0.70 percent and subsequently enables them to join the Silver-Tier level. Unfortunately, Moosburger GmbH is not able to gain any additional status with a total score of 0.64 percent.

4.3.7 Calculation Model – Criteria Scaling

Figure 10*Calculation Model Criteria Scaling*

Average No. of Orders (12 months)		Average Value of Orders (12 months)		Market Influence	
No. of Orders with FAB	Achievable Points	Value in EUR	Achievable Points	Potential Projects	Achievable Points
0-200	20	0-500	20	1	20
200-400	40	500-750	40	2 to 5	40
400-600	60	750-1000	60	6 to 10	60
600-799	80	1000-1249	80	11 to 20	80
800+	100	1250+	100	21+	100

Workforce Impact		Integration of Workforce (12 months)		CSR	
Impact	Achievable Points	No. of People integrated	Achievable Points	Initiatives	Achievable Points
Very dissatisfied	20	1	20	Basic	20
Dissatisfied	40	2	40	Moderate	40
Neutral	60	3	60	Significant	60
Satisfied	80	4	80	Extensive	80
Very satisfied	100	5	100	Comprehensive*	100

Note. Criteria scaling for each variable decided by the team based on the data base results and the environment where the company develops the business idea.

4.4 Customer Loyalty Program Benefits**Table 2***Customer Loyalty Program Benefits per Tier Level*

Tier Level	Associated Benefits
Gold	<ul style="list-style-type: none"> • Priority Support (let customers know how good FAB is to them) • Flexible delivery times for local clients (Freier Werksverkehr) • Joint machine sharing (present as opportunity!) • Give ideas and inputs concerning diversity, equity and inclusion • Personalised newsletters
Silver	<ul style="list-style-type: none"> • Offer possibility of making Joint Success Videos for Social Media • Conduct Co-Hosted Events (examples) • Offer Workshops • Joint CSR campaign • Joint advertising
Standard Customer	<ul style="list-style-type: none"> • Offer customers Newsletter + Insights about FAB

All tiers: 4 % discount on employee workshops and/or other services within the BBRZ Group.

Note. This table is made from benefits proposed by the team and with the company of an ABC executive.

4.4.1 Introduction CLP-Benefits

At ABC there is a growing need for such a tier-based distinction, as most customers currently receive benefits depending on their urgency. During the on-site presentation we also found out that most customers are treated as Gold-Tier customers, which is something that requires tremendous efforts from ABC and does not provide a consistent message to the customer base.

4.4.2 Standard-Tier Customer

The standard customer (every company that has had business with ABC at least once) receives ABC's newsletter on a regular basis, as well as insights into ABC.

4.4.3 Silver-Tier Customer

Customers in this tier will benefit from the possibility of making joint success videos with ABC as a way of advertising their company and the possibility of co-hosting events like networking events, which involve bringing experts, customers, and stakeholders in one place and/or Fundraising events or charity events. Further, the employees of silver tier customers also have this opportunity to take part in workshops offered by ABC to hone their skills. Finally,

companies in silver tier can create joint CSR campaigns with ABC to put together their knowledge and experience to develop effective CSR models.

4.4.4 Gold-Tier Customer

The uppermost tier, namely Gold, will merely be accessible for the most loyal customer base of ABC. Currently, ABC offers Gold-Tier benefits randomly to its existing customer base, without the customer having the need to prove themselves. This will change through the proper guidelines offered here.

Priority support: A gold customer is entitled to receive assistance as soon as possible. This applies to delivery times, responding to emails or telephone calls.

Flexible delivery times (freier Werksverkehr): This concept may only be offered to the most loyal clients with physical proximity. This will lead to better contract negotiations with customers, as they will appreciate the service of swift deliveries with ABC's own trucks and carriers. Regular carriers such as DHL would be too expensive for a relatively low number of goods/pallets shipped.

Joint machine sharing: ABC must approach customers and present them with the opportunity to invest in machinery that is located at the premises of ABC. This will enhance dependency and will result in more long-term contracts with customers. It also decreases the financial investments of ABC, which formerly fully paid for the machinery upfront. This newly released capital can be invested into enhancing the customer loyalty program.

Insights on equity, diversity and inclusion: ABC might not be able to help their Gold-Tier customer base with insights from machining or woodworking, but ABC has knowledge about diversity, inclusion and equity. This creates a good opportunity, where a comparatively large corporation (such as Voest) can learn from ABC.

Personalized newsletters: Gold-Tier customers can select when to receive newsletters, on what topics, and in which format. This will greatly improve the number of actual readers among subscribers.

4.4.5 Discounts on adjacent services

In our various meetings with the ABC representative Mr. Katzelberger, we have understood the need for exchanging customer bases among the BBRZ-Group. Therefore, it is advisable to offer a four percent discount on employee workshops and adjacent services within the BBRZ-Group. It is also possible to introduce follow-up vouchers for adjacent services after having bought one service within the BBRZ-Group.

4.4.6 Evolution of Benefits

Notably, the suggested benefits associated to the different tier levels merely represent the status quo. Developing the benefits is a continuous process which requires input from all stakeholders. This will ensure that the benefit program truly provides value important to ABC customers.

5. Social Media

As part of our project, we also focused on the social media aspect to support our goal of enhancing customer retention. Analyzing social media performance is crucial for businesses to understand their audience and stay ahead of their competition. To achieve this, we conducted a detailed social media analysis of ABC's presence on Instagram, Facebook, LinkedIn, and YouTube. This analysis aims to leverage social media as a valuable tool to promote the new customer loyalty program and increase overall brand visibility, especially for ProWork. Additionally, a strong social media presence can even help ABC to attract new staff, particularly through LinkedIn. By understanding and optimizing ABC's performance on social media, we can effectively highlight the company's ProWork initiative and other key offerings, ensuring a comprehensive approach to customer engagement and brand growth.

5.1 Steps to Analyze Social Media Performance

In order to effectively analyze the social media performance for ABC, several critical steps must be taken. Each of these steps contributes to a comprehensive understanding of how ABC's social media strategies are performing and provides valuable insights for improvement.

5.1.1 Step 1: Identify Key Metrics

The first step in this process is to identify the most relevant metrics to achieve ABC's goals. To analyze ABC's social media performance, I defined the key metrics: likes, followers, engagement rate and impressions. Likes and followers provide a basic measure of popularity and audience size, while engagement rates (the ratio of likes to the number of followers) offer a deeper insight into how well the content resonates with the audience. Reach and impressions measure the visibility of posts, with reach indicating the number of individual users who see the content and impressions counting the total number of times the content is viewed.

5.1.2 Step 2: Collect Data

Next, I chose to look at the last ten posts of each of ABC's social media channels, as this provides a representative snapshot of ABC's online performance. I collected this data using Excel, which provided a clear and organized overview. In Excel, I calculated the average number of likes, followers and engagement rate for these posts. This method ensures a detailed and consistent examination of the performance of different types of content over time and provides valuable insight into the effectiveness of ABC's social media. Using tools such as Facebook Insights, Instagram Analytics and Twitter Analytics can also simplify this process.

5.1.3 Step 3: Benchmark Against Competitors

To gain a comprehensive understanding of ABC's social media performance, I conducted a competitive analysis comparing two of its strongest competitors: Fokus Mensch and ProMente with ABC. This analysis is important because it helps to identify best practices, strengths and areas for improvement by examining the strategies of successful competitors. By understanding how Fokus Mensch and ProMente engage their audiences and promote their services, we can gain valuable insight into how ABC can improve its own social media strategy. This comparative approach will ensure that ABC remains competitive in the market, utilizes effective tactics and addresses any gaps in its current social media efforts.

5.1.4 Step 4: Analyze Content

A thorough content analysis is necessary to understand what types of content are most effective. This involves looking at the kinds of content posted (such as images, videos, or stories), how often they are posted, and how much engagement each type generates. Identifying which posts receive the most likes, comments, and shares can guide future content strategies, ensuring that ABC focuses on producing material that resonates with its audience.

5.1.5 Step 5: Evaluate Consistency

Finally, evaluate the consistency of your social media activity. Consistency in posting schedules will help maintain audience engagement and improve visibility. Assess whether ABC is posting regularly and at optimal times, and check that all content has a consistent brand voice

and style. Ensure that ABC responds to comments and messages as quick as possible to foster a strong connection with the community.

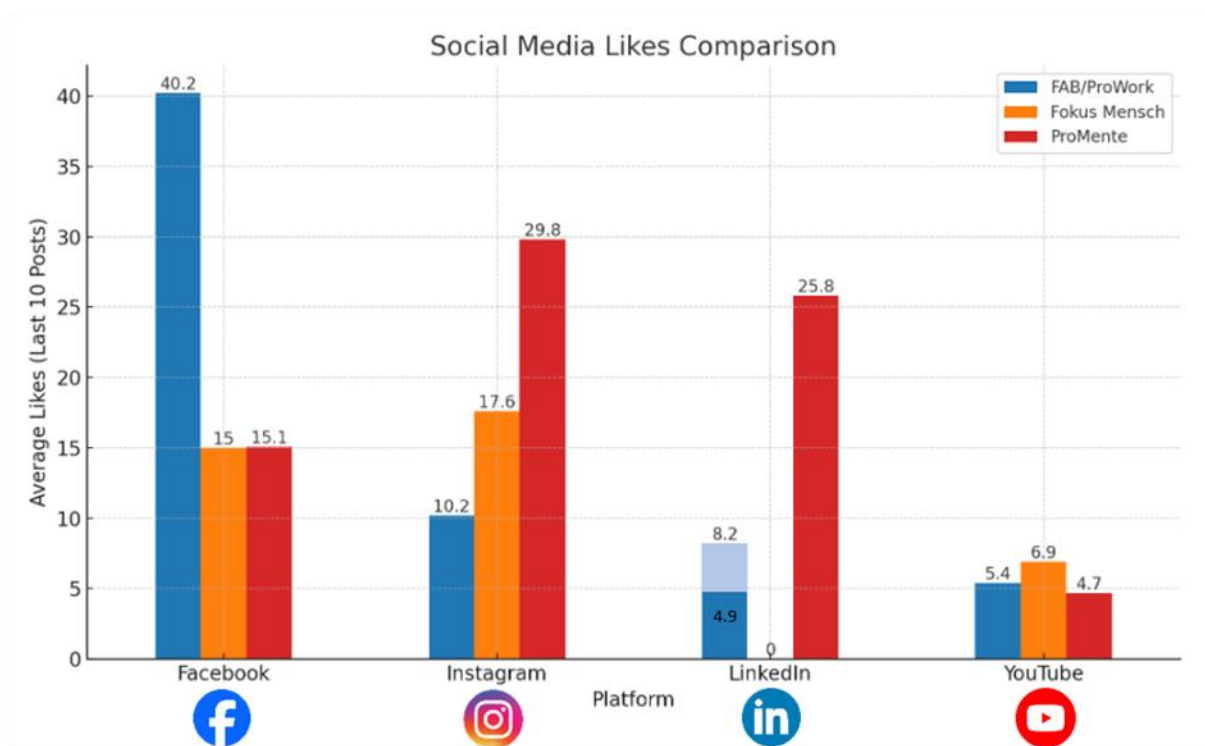
In summary, by systematically identifying key metrics, gathering relevant data, benchmarking against competitors, analyzing content and assessing consistency, ABC can gain a comprehensive understanding of its performance on social media. This structured approach enables the development of data-driven strategies that improve social media presence, effectiveness and ultimately contribute to the success of ABC.

5.2 Competitive Social Media Benchmarking

The following provided graphs highlight the average likes, followers and the engagement rate for the last ten posts across different social media platforms (Facebook, Instagram, LinkedIn, and YouTube) for ABC/ProWork and its two biggest competitors Fokus Mensch and ProMente. This data offers valuable insights into the social media performance and engagement levels of these companies.

Figure 11

Social Media Likes Comparison



Note. This graph is made based on the data collected from the social media networks described.

Facebook

On Facebook, ABC significantly outperforms its competitors, with an average of 40.2 likes per post. This high engagement can be attributed to their consistent and active posting schedule, which keeps their audience engaged and interested. In contrast, Fokus Mensch and ProMente average 15 and 15.1 likes per post. This suggests that while they maintain a presence on Facebook, their engagement levels are not as high as ABC's. The data indicates that ABC's strategy of regular posting is highly effective on Facebook, which leads to greater audience interaction and engagement.

Instagram

On Instagram, the situation is quite different. ABC receives an average of 10.2 likes per post, which is significantly lower than their competitors. Fokus Mensch achieves 17.6 likes on average, and ProMente leads with 29.8 likes per post. The lower engagement for ABC on Instagram may be due to their infrequent posting, which only occurs once a month or every two months. This infrequency fails to maintain audience interest and engagement. In contrast, the higher amount of likes for Fokus Mensch and ProMente on Instagram can likely be attributed to their consistent and engaging content. Increasing their posting frequency and enhancing content quality could help ABC to improve their Instagram engagement.

LinkedIn

LinkedIn presents another area where ABC/ProWork shows low engagement. ABC averages 8.2 likes per post, while ProWork achieves only 4.9 likes per post. ProMente, however, dominates with 25.8 likes on average. The low engagement for ABC and ProWork on LinkedIn may be due to irregular posting schedules, with some posts being months apart. ProMente's high engagement is likely a result of frequent updates and relevant content. Notably, Fokus Mensch has zero posts on LinkedIn, indicating they do not utilize this platform at all. ABC/ProWork should aim for a more active presence on LinkedIn by regularly posting industry insights and company updates.

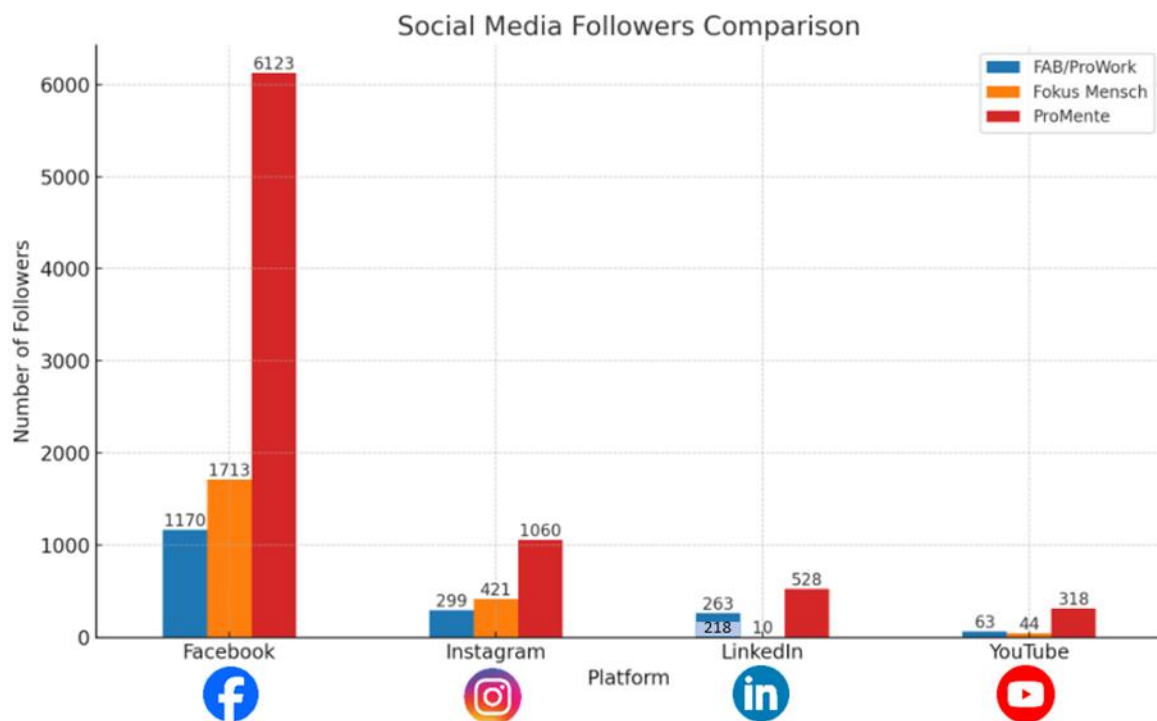
YouTube

On YouTube, the engagement levels are relatively low across the board. ABC/ProWork averages 5.4 likes per post, Fokus Mensch receives 6.9 likes per post and ProMente averages 4.7

likes. While the engagement is generally low, increasing the frequency of high-quality video content could improve likes and views.

Figure 12

Social Media Followers Comparison



Note. This graph is made based on the data collected from the social media networks described.

Facebook

On Facebook, ProMente has a substantial lead with 6,123 followers, which indicates a strong presence and potential reach on this platform. Fokus Mensch follows with 1,713 followers, while ABC has the least number of followers with several 1,170. Although ABC has

fewer followers, the higher engagement rate on Facebook indicates that their content is more engaging to their audience compared to their competitors.

Instagram

A similar trend can be seen on Instagram where ProMente leads with 1,060 followers, followed by Fokus Mensch with 421 followers and ABC with only 299 followers. ABC's lower number of followers could be since they do not post as frequently, meaning that more consistent and engaging content would definitely help them gain more followers. After all, ABC's competitors post several times a week on Instagram while ABC only posts once a month or every two months.

LinkedIn

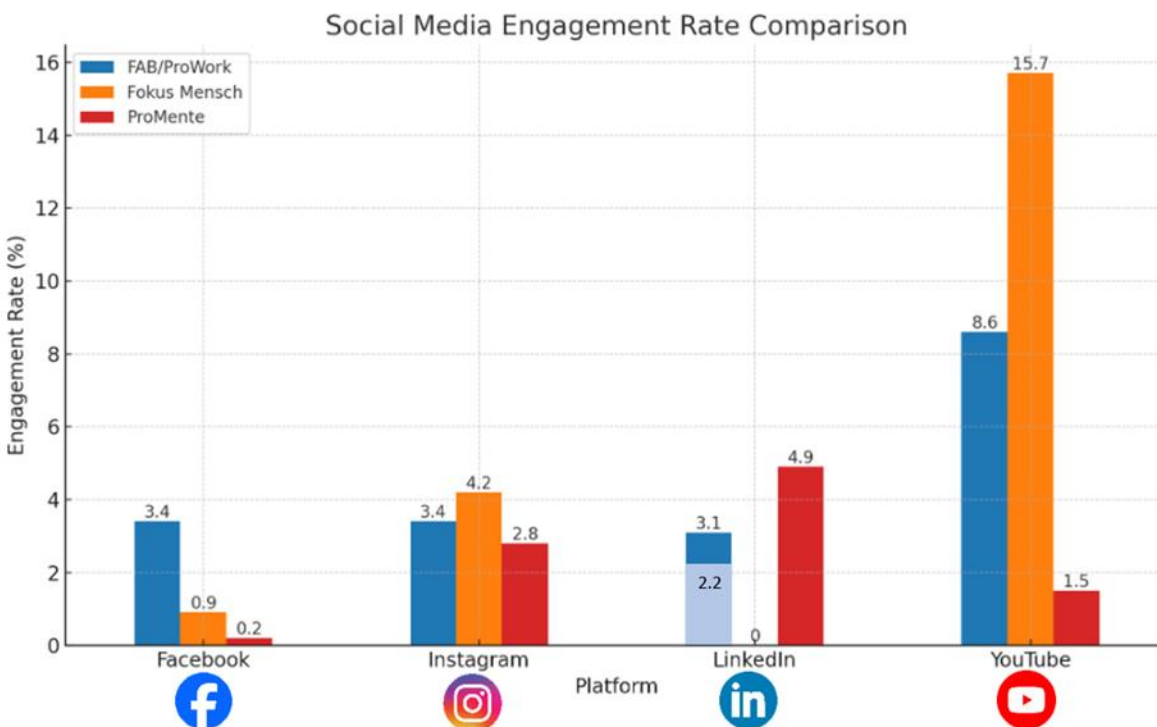
On LinkedIn, ProMente again leads with 528 followers, showcasing a strong professional network presence. The general LinkedIn account of ABC has 263 followers while the ProWork account has 218 followers. Fokus Mensch has a negligible presence with only 10 followers and zero posts, which indicates that Fokus Mensch is not leveraging LinkedIn. ABC's posts on LinkedIn are sometimes a few months apart, indicating inconsistency in their posting schedule. Given that ABC has highlighted finding new workforce as an issue, LinkedIn could be the most important platform for them. By actively using LinkedIn, ABC can showcase the various offerings of ProWork, which other companies might not be aware of. This strategy can help attract potential employees and increase professional engagement.

YouTube

YouTube follows a different pattern with ProMente having 318 followers, which indicates a strong video content strategy. ProMente has posted 100 videos on YouTube, while ABC has only 13 videos, which might explain why ProMente has the most followers. ABC has 63 followers, while Fokus Mensch has 44 followers. Despite having fewer followers, ABC's higher engagement rate on YouTube suggests that their content resonates well with their audience but increasing their follower base could further increase their reach and impact.

Figure 13

Social Media Engagement Rate Comparison



Note. This graph is made based on the data collected from the social media networks described.

Facebook

On Facebook, ABC achieves an engagement rate of 3.4%, significantly higher than Fokus Mensch with 0.9% and ProMente with 0.2%. This high engagement rate underlines the earlier observation that ABC's consistent posting strategy is effective in attracting audience interest. The much lower engagement rates of Fokus Mensch and ProMente suggest that despite their presence on Facebook, their content does not resonate as much with their audiences.

Instagram

On Instagram, ABC has an engagement rate of 3.4%, closely followed by Fokus Mensch with 4.2% and ProMente with 2.8%. Although ABC's engagement rate is competitive, it could be further improved by increasing the frequency and quality of posts, as mentioned above. Fokus Mensch and ProMente's higher engagement rates are an indicator of their more active and engaged presence on Instagram.

LinkedIn

On LinkedIn, the ABC account has an engagement rate of 3.1%, while the ProWork account has a lower rate of 2.2%. ProMente, on the other hand, excels with an engagement rate of 4.9%. Fokus Mensch's minimal presence and poor engagement rate on LinkedIn show that the company has missed the opportunity to utilize this platform. ABC and ProWork's relatively low engagement rates could improve with a more active posting schedule and content tailored to the professional audience on LinkedIn.

YouTube

A different scenario can be seen on YouTube, where ABC shows an engagement rate of 8.6%. Fokus Mensch outperforms this with a remarkable 15.7%, while ProMente lags behind with only 1.5%. This suggests that while ABC performs well, Fokus Mensch's content on YouTube is particularly engaging, which is likely due to the quality and type of videos they produce.

5.3 Suggestions for Social Media Growth

5.3.1 Increasing Engagement with Followers

Engaging with followers can be challenging with barely any comments, but ABC can encourage interaction by getting followers to actively comment and engage. Techniques such as ending posts with questions or using polls on Instagram Stories, Facebook, and LinkedIn can generate conversations. Additionally, they could even benefit from using polls to ask about customers' preferences and find out more about their customers. This engagement not only boosts metrics such as likes and comments, but also encourages a sense of community around the ABC brand. By responding to comments and engaging in discussions, ABC can build

relationships with its followers, increase brand loyalty and potentially convert followers into customers.

5.3.2 AI-Based Platforms for Content Creation

With limited resources in the marketing department, the use of AI tools such as Copy.ai, Hootsuite or ChatGPT can greatly improve ABC's content creation capabilities. These tools help with generating ideas, creating compelling texts and even designing visuals. By automating repetitive tasks and providing creative suggestions, AI platforms allow ABC's marketing team to focus more on strategy and engagement than day-to-day content production. This efficiency not only saves time, but also ensures that ABC maintains a consistent and high-quality social media presence, which is essential for attracting and retaining followers.

5.3.3 Using Hashtags (especially for Instagram)

While ABC currently uses branded hashtags such as #ABCChatsinn effectively, expanding to trending or industry-specific hashtags such as #CNCManufacturing or #PackagingSolutions can significantly increase reach. These hashtags connect ABC with a relevant target audience that is actively searching for information or services in their industry. By appearing in hashtag feeds, ABC increases its visibility beyond its immediate follower base and gains new followers and potential customers. The strategic use of hashtags also improves discoverability and engagement metrics, contributing to overall social media success.

5.3.4 Optimization of Posting Times

By analyzing the analytics in each platform to determine when audiences are most active, ABC can effectively optimize posting times. By scheduling content at the times of highest activity, ABC ensures that their posts reach the maximum number of followers when they are most likely to be online. This strategic timing increases the likelihood of likes, comments and shares and increases the organic reach of the content. In addition, consistent analysis and adjustment of posting times based on audience behavior helps to refine ABC's social media strategy over time and ensure continuous optimization and effectiveness.

5.3.5 Improvement of Posting Consistency

Developing a content calendar using tools like Google Calendar, Buffer or Hootsuite is crucial for ABC to maintain a regular posting schedule. Buffer and Hootsuite even offer a free version with limited features, while Google Calendar is completely for free. The consistency of posts ensures that the audience is engaged through predictable content updates. In addition, consistency increases brand visibility, as frequent posting signals activity and relevance to algorithms and it makes ABC a reliable source of information in their industry. With a structured calendar, ABC can plan ahead, align its content with marketing objectives and ensure that each post strategically contributes to their overall social media goals.

5.3.6 Regular Performance Analysis

Using analytics tools provided by platforms such as Buffer and Hootsuite, or simply using the free analytics features of each social media platform, is essential for ABC to measure the success of its social media activity. Regularly analyzing metrics such as engagement rates, reach and follower growth helps ABC understand what content resonates best with their audience. By identifying performance trends, ABC can replicate successful strategies, refine content that is underperforming and continuously improve its social media presence. This data-driven approach ensures that ABC's social media efforts align with the company's marketing goals.

6. Conclusion

After extensive months of research and working extensively on the Customer Loyalty Program, these are the final conclusions that have been reached after 5 months of work:

- The best fitting type of Customer Loyalty Program that would fit well into ABC's ecosystem as an organization, would be that of a Tier-Based Loyalty Program, as it would help segment their customers depending on the value that they provide and to strengthen said relationship.
- The data used for segmenting the clients can be divided into qualitative and quantitative variables considering the social form of the company as well as the already collected data they handle. This gives the loyalty program a wide range of view to include customers into the tier segments.
- The Tiered- based program that has been given is only a base for it, this means that said program can be adjusted in a way that the company can apply to different regions, changing some of the metric values for its different regions and customers.
- A suggestion for boosting the effectiveness and reach of the program, would be to become more proactive in social media platforms, as they can become a powerful resource when it comes to letting customers know about the loyalty program, what perks they give, and the requirements needed for it. Currently, the social media channels are dormant, but with the right approach, they can be taken to their utmost potential.

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