



THE GEMINI EFFECT – REVISITED

by Colin Samson

Veteran B2B loyalty marketers know that the redemption experience in any program is often governed by a strange two-headed phenomenon commonly referred to as **The Gemini Effect**. I don't know who first coined the phrase, but I do recall the first time I saw it in print. It was in COLLOQUY in the late 1990's in an article written by loyalty industry pioneer Rick Barlow. Our parent firm, Incentive Solutions Ltd in New Zealand, subsequently joined the COLLOQUY Network of global loyalty companies because we knew exactly what Rick was talking about when he labeled the effect "Gemini."

As specialists in the B2B loyalty space we knew that "members" of any loyalty program had two distinct personalities. An individual signed up the business as a member of the program given the potential for reward and recognition based on the transactional and behavioral relationship the business maintained with the sponsor. But it was the individual who was the authorized member – an owner, general manager, accountant, etc. – and would therefore make decisions about the effectiveness of the program, the level of satisfaction obtained by belonging and ultimately what rewards would be redeemed.

We knew this two-headed phenomenon was especially prevalent in the programs we ran for large manufacturers, distributors and service providers who sold to SMB enterprises. I am talking about classic B2B loyalty programs serving maintenance, repair and construction trades, dentists, farmers, vets, landscapers, dry cleaners, independent restaurants and retailers or a myriad of other vertical markets where the SMB still held a significant share of the total sales volume for the sponsoring company. The business was the member and earned benefits in the program; the individual was the member who would trigger the realization of those benefits. Gemini presented some complications and challenges that still exist today and appear to be growing even more challenging.

B2B Rewards catalogs have long been filled with merchandise as a redemption option. Some programs just offered the merchandise in a "consumer" context – a big screen TV "to watch the game" or a laptop/desktop PC for "the family" as examples. Copy often stressed "you've earned this" in the redemption brochures, e-mails or web sites. But smart programs knew that Gemini was critical in both the selection of the reward items and the communication about the rewards. Why not show how that TV or computer could benefit the business? As the business grows, so does the relationship with the sponsor.

Or, how about a simple restaurant voucher (virtual or not) good for a free meal with the offer of "take a customer to lunch." Or the same for a sporting event or cultural experience where the customer of the member business is the beneficiary of a free ticket. The "business" can't enjoy reward travel, but "businesspeople" certainly can. The sales force or account people can hit the road free of cost, once again benefitting the business. The list goes on and on – petrol, office supplies, end user software and services, cleaning services, catering – you name it!

As you examine this list, or create your own, keep Gemini in mind. Every one of these rewards can carry a pro-business positioning, i.e. the sponsor is helping member companies to grow, prosper, reduce cost. Yet each one can carry an attractive motive for the individual. We will never know if the business took a customer to lunch or gave the voucher to the employee of the month or used it to take her best friend out for conversation over a free lunch! We don't care. The reward was earned for specific behaviors; the reward attaches the sponsor to the business; the reward gives options to the business.

And Gemini positioning certainly helps those inclined to reject SMB reward programs on the grounds of "we don't bribe our customers." In some industries the whole rewards concept gets chewed up in policies and procedures and confusion regarding the use of personal gifts. These aren't personal gifts. These are tangible, beneficial, redemption options for the business as reward and recognition for past patronage, advocacy, referral, collaboration, engagement, or anything else the program's objectives call for.

B2B loyalty programs, especially those serving classic SMB audiences, must constantly remember the consumer inside of each individual redeeming on behalf of the business. This is the same consumer who shops at Amazon; redeems at American Express; gets special member pricing at the grocery store and knows they can use points plus cash to redeem in most of their favorite programs. This is the same person who is on Facebook or eBay; who streams entertainment into their home with the push of a button; who sees customization and personalized service developing everywhere.

Fair or not, these current realities serve as a backdrop for today's B2B loyalty programs. If you reject them - thinking that they don't apply because you're B2B – you will miss out on one of the core principles of successful B2B loyalty and reward programs. While each of these factors create new challenges for B2B marketers, Gemini can help you understand what rewards will work and why. Are you ready?

Colin Samson is Chief Executive of Reward Paths, a B2B loyalty specialist serving clients in the US, Canada and Caribbean markets. Colin also serves as CEO for parent company, Incentive Solutions Ltd of Auckland, New Zealand. Reader response is invited to info@rewardpaths.com.

