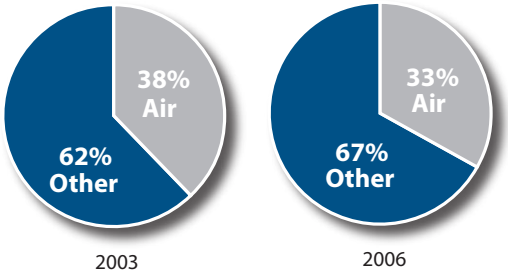
How Can I Better Manage Reward Costs, Without Decreasing My Program's Consumer Appeal?

IMPACT OF ACTIVE PROGRAM MANAGEMENT ON REWARD COSTS

19%

Gross cost per point redeemed across programs managed by ALG has declined by 19% since 2003.

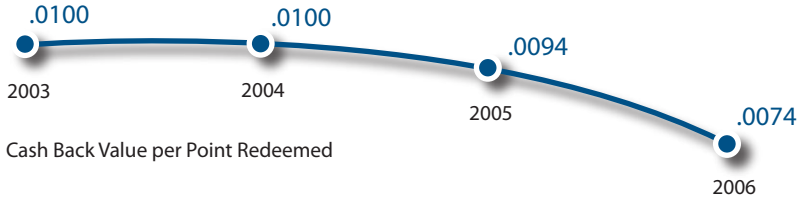
5% of total points redeemed have shifted away from airline tickets to other options since 2003, due in part to the promotion of lower-cost items like merchandise & gift cards.



Continually introducing new lower-cost redemption options encourages further shift away from airline tickets.

Overall cost per point for airline tickets has decreased by 11% since 2003, due in part to ALG's introduction of flexible new offers like Dollars Off and Variable Redemption Matrices.

As marketplace standards shift, corresponding changes to the redemption value in certain reward categories can be made.



Cash Back Value per Point Redeemed

ALG can help.

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