

MAN AND MACHINE:

**EFFECTIVE RECOGNITION THROUGH
HUMAN-CENTERED TECHNOLOGY**

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INSPIRING LOYALTY



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EFFECTIVE RECOGNITION THROUGH HUMAN-CENTERED TECHNOLOGY

We live in a complicated world, thanks in part to technology. Who hasn't been occasionally befuddled by the challenge of navigating the land mines of new products and services — whether it's the mobile device that has more features than your car, the operating system software that requires you to select "Start" before you can shut it down, or the infamous or the the functionalities of the DVR. Yet, every new device begins with the intention of simplifying your life. Where did we go wrong?

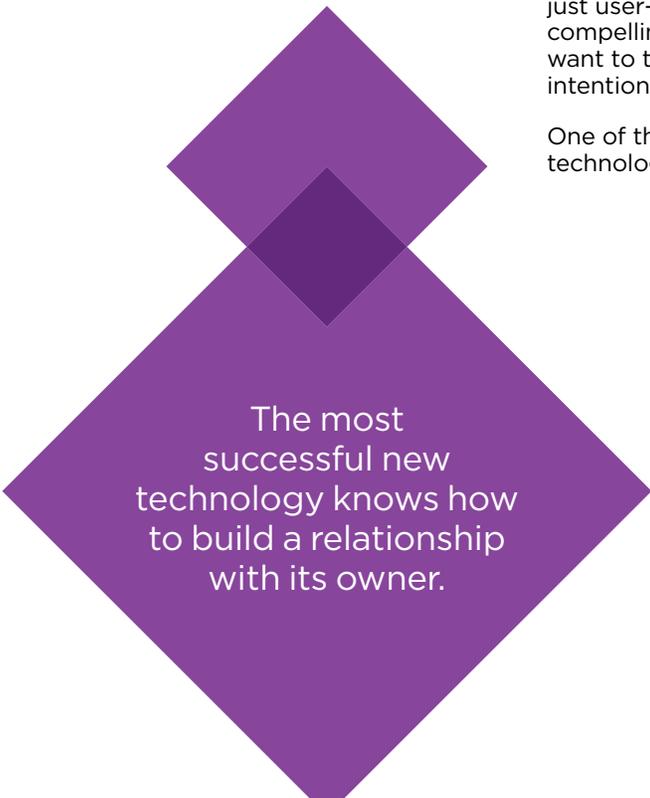
While the question may be rhetorical, there is truth in the observation that technology is often more complicated than it needs to be. And when these complications pose barriers to technology's full usage, then the benefits of the products or services aren't realized. Within the business environment, this translates into lost productivity as well as unnecessary costs.

The use of technology to help build a culture of recognition is no different. We know from both research and experience that organizations that actively find ways to acknowledge excellent performance — whether it's formal or informal, public or private, in-the-moment or after-the-fact — cultivate an environment that encourages goal achievement, high energy and success. A variety of software programs have been produced to encourage the growth of such an environment, but they are not always efficient or easy to navigate, meaning that they suffer from lack of use. It therefore pays to focus on making technology not just user-friendly, but downright compelling in its application if we want to take full advantage of the intentions behind the idea.

One of the best examples of technology that passes the

"user-friendly test" is the iPhone. Apple has a history of creating hardware and software that transcend other conventions in the marketplace. When asked what they attribute their design sensibility to, Apple has been known to say that its roots come from a course in ancient Sanskrit Steve Jobs took in college. Sanskrit, one of India's official languages, is described as being natural, sophisticated and well formed. Apple products bear all these qualities... to the delight of its users. By way of example, the iPhone feels comfortable in the hand, has an intuitive interface, and even the way programs open and close can be mesmerizing. There is much to be learned by studying Apple's approach to design.

But if you're not able to peek behind the highly secretive curtain that shields Apple from the public, how else might you ensure that your recognition program has a technology infrastructure that helps rather than hinders the managers and employees who use it? Consider some new thinking from social psychology, conveyed in the Technology Acceptance Model by Aimia, which is based on seminal works from academic researchers such as Dr. Fred Davis.



The most successful new technology knows how to build a relationship with its owner.

TECHNOLOGY ACCEPTANCE MODEL BY AIMIA

A key factor in the success of any hardware or software has less to do with the product itself, and more to do with the user. In other words, technology has no value until it's put into operation, and so its significance is tied directly to the behavior of the user: how often it's used, the range of features applied or even whether it's used at all. But at the same time, the technology itself can influence the actions of the user, so attention must be paid to not just what the product does, but how it interacts with the person using it. The most successful new technology knows how to build a relationship with its owner — a relationship that grows over time, almost as if it were a person.



Technology that is not put into motion becomes a liability due to the lost investment.

How is this done? Aimia has devised a strategy that it applies to all software development, and which was used in the recent redesign of its recognition system software. This Technology Acceptance Model defines four critical attributes in software design: social influence, perceived usefulness, perceived ease of use, and fun and enjoyment. Here are some highlights:

> Social Influence. Technology today is as much a social experience as an individual one. Technology connects people through email, texting and thousands of other programs, but our social networks also influence our interest and participation in accessing new software. For example, many older adults have been introduced to Skype — a free Internet telephone service — when their sons or daughters began study abroad programs in cities around the world. Relationships are powerful and the need to stay personally connected raises awareness and encourages people to become more adventurous in how they maintain contact.

But it's not just about the desire for connection that pushes us into new technological territory. Social networks also play a more fundamental role when it comes to adoption of new technology. As any marketer knows, word-of-mouth can be a powerful force for spreading the news about new products, and technology is no exception. When someone close to us talks positively about their new iPad, or pulls the latest BlackBerry out of their pocket, we're more inclined to see ourselves using these same tools.

> Perceived Usefulness. New technology represents a promise, and in the business world, it's a promise of efficiency and effectiveness. Investment decisions on new products and software are made at the organizational level; the question must be asked: can the application of new technologies decrease labor costs or enhance product or service quality? Yet, this same decision making takes place at the individual level. If a

person sees the introduction of new technology — and all the potential disruption this can bring — as an enhancement to their life, then adoption becomes much greater.

This suggests that the design of the solution itself must at a minimum solve problems at a personal level. However, it also requires clarity in advance communication and hands-on training where appropriate. The more people can see the link between new technology and personal improvement, the more likely they are to use it.

> Perceived Ease of Use. There's another dimension to the promise of technology's use, and that has to do with the reality of living with it. As the blinking clock on our DVD player reminds us, if it's not simple or even intuitive, we won't use it. And technology that is not put into motion becomes a liability due to the lost investment.

"Ease of use" is a critical concept at the design stage. The more engineers keep in mind the needs of novice users (as opposed to more sophisticated users like themselves), the better the solution will be. One example is to set up navigation that is task oriented. Buttons labeled with actions, such as "Send a recognition note," are more informational than a generic hierarchy that begins with "recognition notes." Even before that, being able to access the system through single sign on, meaning that sign on to the software is automatically linked to your intranet, will save the hassle of coming up with yet another password that can easily be forgotten.

In addition to the design of the program itself, the support system available once new technologies are launched is also critical. Communications, training, online wizards, help lines and more will encourage people to move through the early stages of adoption and overcome the challenges that typically are encountered when routines are disrupted. So it's about making it easy to begin with, but also about making it easy along the way.

TECHNOLOGY ACCEPTANCE MODEL BY AIMIA (CONT'D)

> **Fun and Enjoyment.** Just because it's about work doesn't mean that it can't be fun! More and more, the lines between work and play are blurred. Many of us are pursuing work that we feel passionate about; our colleagues are often our friends we spend time with during off hours as well as from 9 to 5. Technology is no different; if there's a way to thoughtfully add enjoyment to the experience, why not?

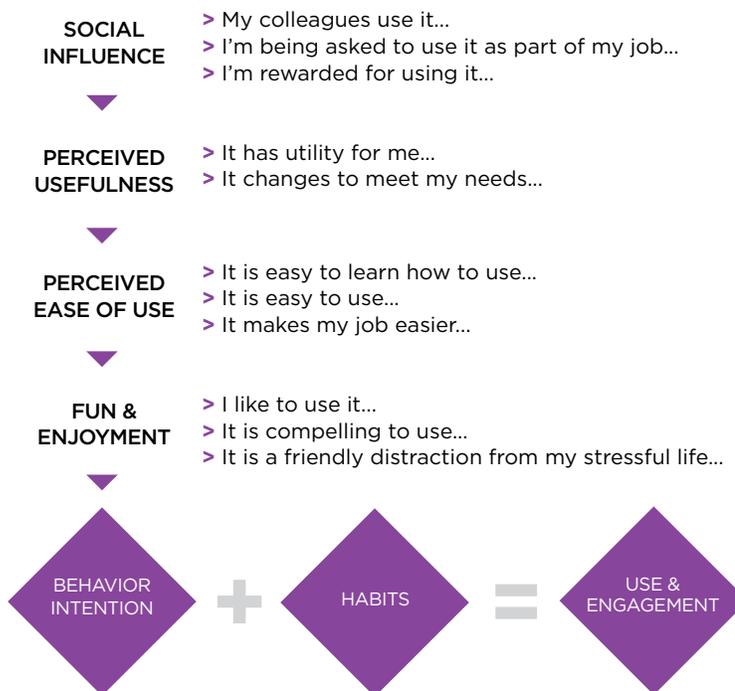
One way to make using technology fun is through the use of simple games. For example, if a goal is to encourage users to send more recognition notes, participants could receive free spins on a wheel for every note they send. Those landing on the winning number could receive gift cards or other items. New users might also be sent on a scavenger hunt in which they collect virtual tokens by visiting the various pages. Collecting every token earns participants a ticket for a drawing with prizes awarded to the selected ticket holders.

Once the technology has been designed with the user in mind — and in particular to encourage user acceptance — then the stage is set to create a system (or a habit) which leads to change. In fact, many of these elements of acceptance can be carried over beyond the technology and into the environment. For example, marketing campaigns that create a buzz of excitement will tap into social networks and set up advance perceptions in a positive way. This can be done by a well-crafted campaign, using email, Twitter, signage, lunch meetings and more. And don't forget the fun factor. Painting a picture that shows the value of the experience instead of the drudgery of change can ignite energy and get people excited about what's to come. All the initiatives surrounding the technology are equally important in encouraging adoption that leads to habitual use.

> **Write on the Wall.** If you're on Facebook, then you know there's

a feature called a Wall on which you can post short comments for the public to see. Well, with touch screen technology becoming so affordable and powerful, there are now plans to routinely develop entire walls within a room to serve as "living" walls. So similar to writing on a Facebook wall, you can use your phone to transmit a message that everyone can see. And with a public wall in a place like a lobby, you can let everyone know what a great job the customer service team did in solving yesterday's — or today's — unexpected problem.

When all is said and done, and as technology increasingly takes over our lives, it will be important to remember what takes precedence: it's about life, not about the technology. The more we can leverage what technology can do for us in ways that enhance our lives, the more value we'll gain from the endless potential it has to offer.



Previous satisfactory experience (stability)
 *Comprehensive Utility *Use=Habit=Use Cycle

THE FUTURE OF RECOGNITION TECHNOLOGY

Speaking of fun, a glimpse into the future suggests that there is far more potential in creating human-centered technology that can add even more fun and excitement to recognition programs. There are capabilities being explored in computer science labs across the country that will lend themselves to new ideas for supporting people in the workplace.

Consider the following ideas:

> **Networking the Network.** Why limit ourselves to sending notes of thanks to people within the closed system of our company... especially when our success comes from partners across our organization's enterprise? Sending recognition certificates through Facebook and LinkedIn allows us to extend our reach and let others know how much their efforts are appreciated.

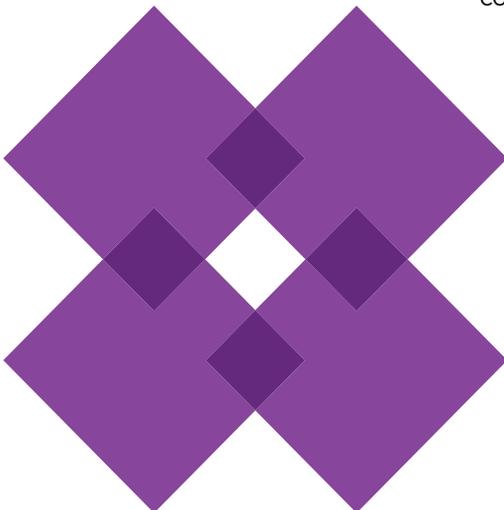
> **A Bird's Eye View of Recognition.** As our organizations become increasingly matrixed and less hierarchical, our ability to influence and get work done is a function of who we know as well as the quality of our relationships. And as leaders, it would be good to know from where the positive sources of relationships are evolving. Using network analysis software, we have the ability to map out connections — essentially, who knows who — in order to see how information flows and relationships form. Further, we can take the notes of recognition and map those too. Understanding the nature of communications and how people interact within our organization gives us a clearer picture of what's happening behind the scenes, allowing us to influence and harness this positive energy.

> **A Pocketful of Thank Yous.** Sometimes you're not near your computer and it's easy to forget

to recognize someone, especially given how fast-paced our world has become. With the power of smart phones, we can now replicate the recognition platform and send thank yous to people with just a few taps on the screen.

> **More Than a Name Badge.** Moving further out into the future, the technology embedded in name badges has the potential to permit the badges to "talk" to each other and thus collect information. Imagine kicking off a big client meeting of 50 people, and then wanting to send a personal thanks to each guest for their commitment and participation — how do you track who was there? By downloading the coded information on your own badge, you can see who was with you at one o'clock, and then quickly shoot off a quick note of appreciation.

> **Virtual Gold Stars.** These same badges are evolving to include their own mini-screens, providing a format for displaying information. Imagine that someone has just sent you a thank you note from their PDA or laptop. In addition to receiving a message, your badge lights up with a virtual gold star, signaling that you've been recognized today. For those who enjoy the special glow of public recognition, this becomes a great conversation starter and a way to spread words of appreciation across an enterprise.



ABOUT THE AUTHOR



Patty Saari, Vice President, Business Development

Patty Saari leads proposal development team for the US region. Her role includes the management of sales process and tools to support Aimia's growing product and service suite. Patty's expertise covers the spectrum of loyalty services including client strategy, program design and delivery.

Prior to this role, her history includes leading Aimia's employee engagement practice, serving as a primary subject matter expert in the reward and recognition market and building a market-leading prepaid card portfolio. She is a primary thought leader and strategist regarding the design and implementation of incentives and rewards in the employee, channel and consumer space.

Since Patty's start with the company in 1997, she has built an extensive list of client

experience that includes leading companies in the technology, pharmaceutical, telecommunications, travel and financial services industries. Patty led the Prepaid Card Services division with responsibility for all facets of business development, product development, program implementation and compliance.

Patty is a valued industry resource as a frequent speaker at incentive and loyalty events and contributor to trade publications including *Incentive*, *Paybefore* and *Sales and Marketing Strategies & News*. In 2013, she was named a B2B Power Player by *Paymagazine*.

She is a 2012 winner of Aimia's annual PASSION award for Inclusiveness, a 2008 recipient of Carlson Fellow achievement award and a 2007 graduate of the Carlson School of Management Executive Leadership Program. Patty received her Bachelor of Arts degree in business management from the College of St. Benedict in St. Joseph, Minnesota.



About Aimia

Aimia Inc. ("Aimia" or the "Corporation") is a global leader in loyalty management. Employing more than 4,000 people in over 20 countries worldwide, Aimia offers clients, partners and members proven expertise in launching and managing coalition loyalty programs, delivering proprietary loyalty services, creating value through loyalty analytics and driving innovation in the emerging digital, mobile and social communications spaces.

Aimia owns and operates Aeroplan, Canada's premier coalition loyalty program, Nectar, the United Kingdom's largest coalition loyalty program, Nectar Italia and Smart Button a leading provider of SaaS loyalty solutions. In addition, Aimia owns stakes in Air Miles Middle East, Mexico's leading coalition loyalty program Club Premier, Brazil's Prisma Fidelidade, China Rewards — the first coalition loyalty program in China that enables members to earn and redeem a common currency, and i2c, a joint venture with Sainsbury's offering insight and data analytics services in the UK to retailers and suppliers. Aimia also holds a minority position in Cardlytics, a US-based private company operating in card-linked marketing for electronic banking. Aimia is listed on the Toronto Stock Exchange (TSX: AIM).

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WE UNDERSTAND THE CONNECTION

between employees, channel partners, and customers.

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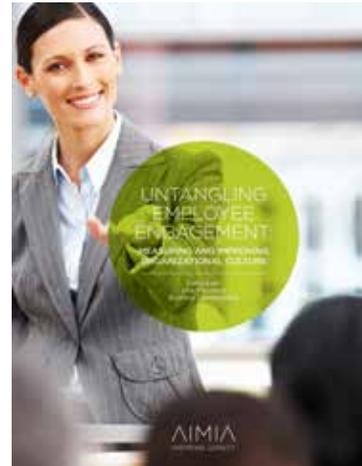
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Moving Beyond Spend Analysis and Satisfaction Metrics



Measuring and Improving Organizational Culture

