

# Increasing Renewal Likelihood of 0-3 Members for BRAND

## About this Report

BRAND selected Emotive Technologies Inc. and its Apex Solution to provide prescriptive business intelligence services and executive guidance for the achievement of one its primary objectives: increasing the renewal likelihood of members in years 0-3 of their membership.

As a membership-based organization, BRAND's long-term revenue sustainability depends on member retention. While acquiring new members is essential for growth, the real financial strength of the organization lies in its ability to retain those members beyond their early years, maximizing lifetime value and reinforcing brand loyalty. Its own research suggests that the highest risk of churn occurs within the first three years of membership, making this an inflection point that can determine the overall success of Brand's retention strategy.

This report leverages Emotive Technologies' Apex Solution to identify the **key drivers of early renewals, uncover the motivational factors that influence member loyalty**, and **provide a strategic framework** for BRAND to improve retention in this critical segment. Through predictive analytics and behavioral insights, we aim to equip BRAND with actionable intelligence to enhance member engagement, optimize service offerings, and ultimately increase renewal rates in the 0-3 year membership window.



**IMPORTANT:** The motivations and supporting data used to perform the analysis was designed and tailored for BRAND and its regional market. Apex is not recommending that the findings in this report be applied to other regional markets.

## About the Apex Solution

Apex provides **prescriptive business intelligence** services that prioritize organizational action, powered by proprietary behavioural-science-trained AI technologies and methodologies developed in collaboration with PhDs worldwide.

Apex integrates specialized motivational data with your existing data assets to provide predictive, decision-ready action plans—not just reports. By integrating the “why” behind customer and employee actions, Apex reverse-engineers the fastest path to meaningful business outcomes, making existing data more actionable and profitable.



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## Executive Summary

Apex's behavioral science-driven analysis has uncovered key opportunities for BRAND to enhance member retention, particularly among **0-2 year tenured members**—a refinement of the existing 0-3 year focus. Our findings indicate that members are most susceptible to engagement efforts within their first year, making early intervention critical to long-term retention.

One of the strongest predictors of renewal intent is how **Valuable** members perceive BRAND to be, which is assessed through the lens of benefit vs. price paid. Early simulations suggest that enhancing perceptions of value can drive significant improvements in retention. Two immediate priority areas of focus that were collaboratively identified as addressable by BRAND:



-  **Building Confidence Through Customer Service Excellence**  
– Particularly in addressing **wait time perceptions**.
-  **Offer Usage Frequency** – Increasing engagement with key partners such as McDonald's and Harvey's, where underutilized benefits exist.

Furthermore, **Joyful**, **Dependable**, and **Distinct** have been identified as the next most influential motivators for member engagement. To unlock these opportunities, Apex would perform a forensic deep dive into how BRAND can strategically invest in these motivators to strengthen member relationships and drive long-term loyalty.

This analysis represents the first step in an ongoing partnership to refine and optimize BRAND's approach to retention and its other business imperatives. Through continued collaboration, we will refine and expand these strategies, unlocking greater growth opportunities, mitigating risks, and ensure **sustained success** in member **acquisition, growth, and retention**.



## Methodology

Apex used an innovative, four-part methodology to analyze and project the value and timeliness of investments.

### Part 1: Deconstructing Assumptions

We undertook a forensic, myth-busting analysis digging beneath the headlines of business assumptions to uncover hidden patterns, confirm existing beliefs with even greater precision, and continue to apply our methodologies with a comprehensive understanding and clarity.

### Part 2: Motivation Modeling

We identified the **emotional** and **rational** motivators of customer behaviour: This process involves marrying bespoke motivational data to customer behaviour and transaction data, and running our analytical models to identify the strongest predictors of value-driving business outcomes.

### Part 3: Engineering a Critical Intervention Path

We investigated all of the major touch points, services, and products used by members, and identified which are most likely to motivate them to undertake desired behavior(s). We referenced findings with areas that BRAND is both able and willing to adjust to create actionable intervention plans.

### Part 4: Simulations & Value Projections

We employed Apex's simulation engine to quantify the impact of specific interventions and identify the individual customers most likely to respond to them. A summary of likely outcomes and addressable audiences is produced.



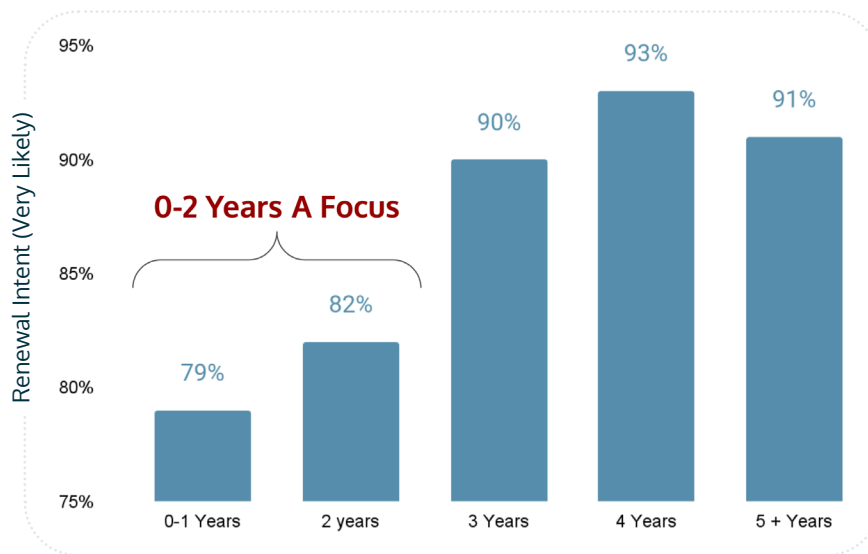
**The Biggest  
Opportunity is  
with the Newest  
Members.**



## Part 1: Deconstructing Assumptions

### Assumption 1: Early Tenure vs. Renewal Likelihood

Within BRAND, members with a tenure of 0-3 years were believed to have the **lowest likelihood** of renewing their membership. This assumption was validated, and further deconstructed to improve analysis precision and actionability.



The issue of lower renewal, especially in the initial years, is acute. Suggests early action will be important to influence renewal behaviours.

### Apex Deconstruction

When we analyzed renewal intent by tenure, we found that renewal gets increasingly reliable with each passing year, up to year 3 where it statistically aligns with the years that follow. **The core opportunity for renewal improvement is among members with a tenure from 0-2 years.**

Two demographic subgroups, those older than 65 and self-identified women, are statistically most likely to renew. They are under-represented in the 0-2 year tenure year group.

The implication is immediate. With the youngest-tenured members being the least attached, **interventions must quickly follow member sign-up** to give new members the best chance of renewing.

While from a practicality perspective, any interventions will need to be demographically agnostic, outcome simulations must be shown to significantly move the needle on younger men in the membership.



**is the primary  
scientific Motivator  
of Renewal Intent.**





## Part 2: Motivation Modeling

Apex revealed that the core motivation of **Valuable** was most highly implicated in driving renewal intent for members. Value is delivered to members in two distinct ways:

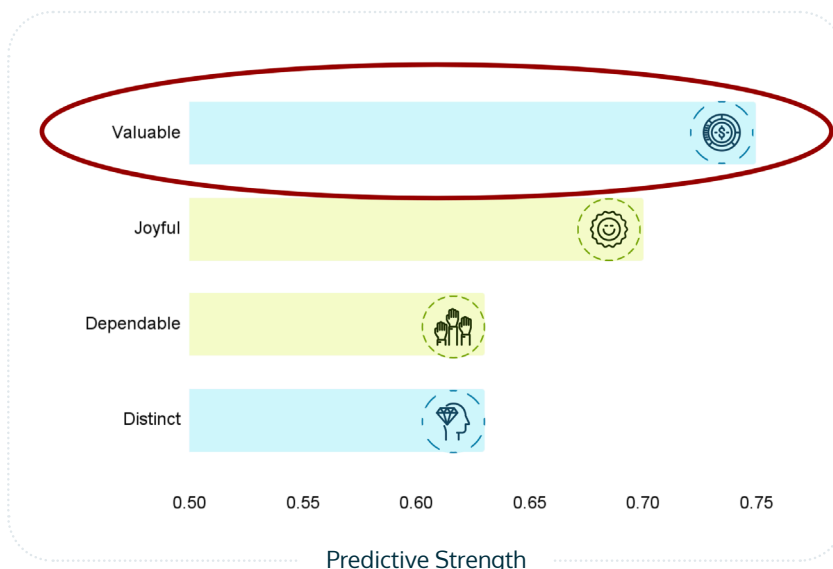
- 1 **Value for Money:** structurally, there is a high sensitivity among this member group to measuring all benefits against the price paid. This group is consistently doing the math in their heads to ensure that the value equation is always generating a favorable outcome for them.
- 2 **Feeling Valued:** Members are seeking to feel that they are truly valued by the organization, and that while WHAT BRAND delivers matters, HOW they deliver it matters at least as much.

After **Valuable**, the Motivators of greatest importance to members include

- **Joyful** Ensuring each interaction leaves members with a smile on their face
- **Dependable** Allowing each member to confidently feel that BRAND “has their back”
- **Distinct** Clearly demonstrating to members that BRAND is meaningfully different from other competing organizations.


Together, these concepts combine to form a picture of how BRAND most effectively delivers member value today and can be used to guide ongoing marketing, brand, and operational decisions.

**!** As the best single predictor of Renewal, the following analysis focuses on the primary motivator, **Valuable**. Other motivators considered opportunities for future data-driven strategy-building using Apex.



For both newer and longer-tenured members, the value BRAND delivers is the prime motivator of renewal intent.

Low **Valuable** ratings are also one of the strongest predictors of non-renewal.

**Customer Service  
Excellence and Partner  
Offer Usage are  
Priority Areas that will  
Increase  Valuable  
Perceptions and  
Improve Retention.**



## Part 3: Engineering a Critical Intervention Path

In this analysis, we focused models towards the strongest predictor of renewal intent:

the  **Valuable** motivator.

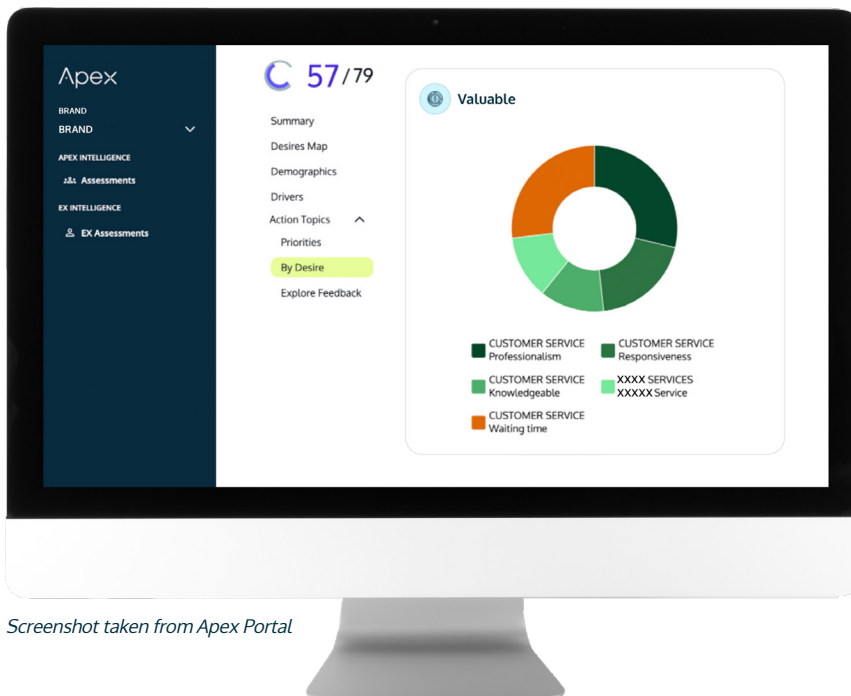
### Priority Areas to Explore

A number of key member experiences surfaced. Apex and BRAND executives collaborated to elevate two that were both impactful and addressable according to the BRAND team.

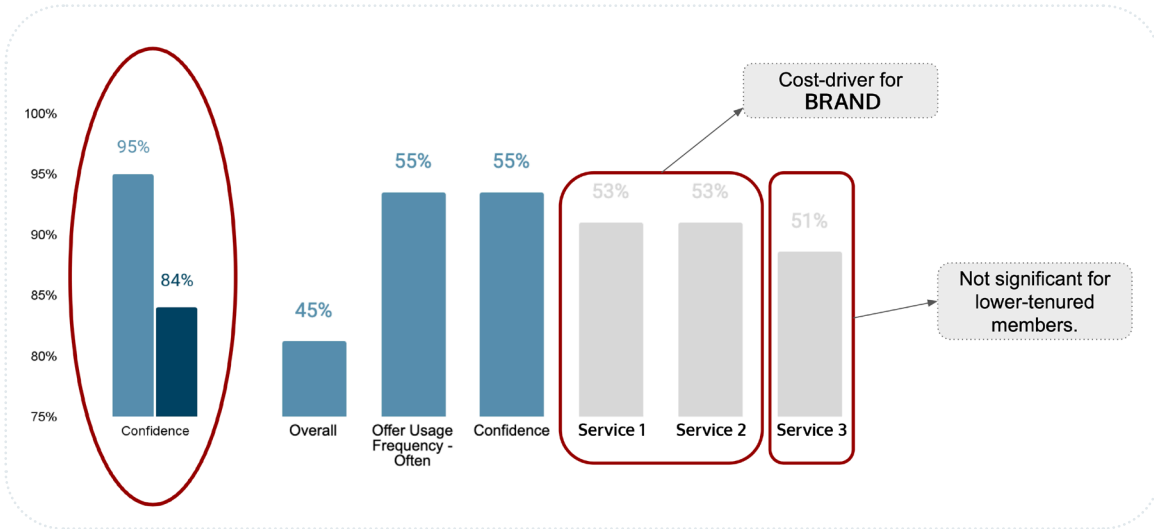
#### 1 Making Members feel Valued Through "Confidence-Building"

Members that feel the primary benefit they get from BRAND is "Confidence" are significantly more likely to rate Valuable perceptions highly (+22%) and are very likely to renew (95%). "Confidence" is highly correlated to customer service, including elements such as the speed, reliability, and helpfulness of the service they receive. **Undermining this concept today are perceptions around "waiting time"** with text data indicating that as much as it may be about the actual waiting times themselves, it is just as much about the way waiting times are communicated and proactively updated.

“ I was waiting for a XXXXX for over 2 hours - which was supposed to arrive 40 mins after the request. I called - they said i'm next in line. 20 mins later called again - i'm next! but no i'm not and the employee was just repeating lines when i asked why i haven't gotten an update then. Call #3!!! someone tells me i'm THIRD IN LINE. After 2 hours???



Screenshot taken from Apex Portal



Text data suggests that "Confidence" is about providing timely, reliable help, expert advice, and support, especially during high-stress moments.

2

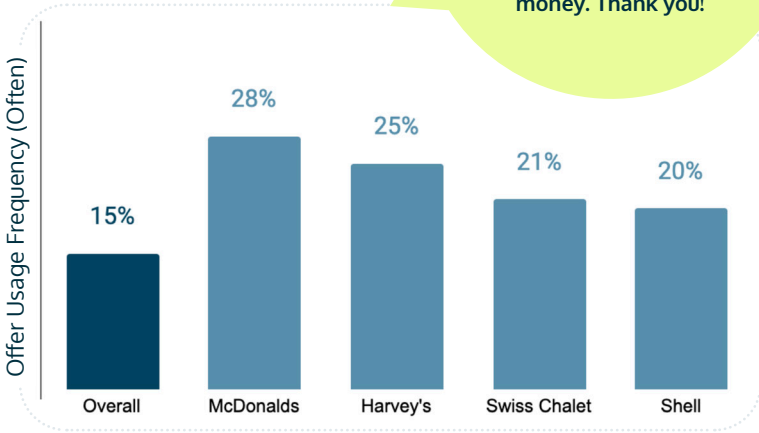
**Offer Usage Frequency** - this indicator is also strongly tied to the



**Valuable** Motivator and renewal, with rewards partner usage identified as a particularly strong influencer. The sooner members begin realizing the benefits of transacting with specific rewards partners (McDonalds and Harveys in particular) the more likely they are to see their BRAND membership as a valuable one.

“McDonald’s for breakfast. I didn’t realize they had a BRAND special. I was so happy to be able to use my BRAND card for something that I needed and to save money. Thank you!”

Members taking advantage of McDonald’s and Harvey’s rewards offers in particular are most likely to say they use BRAND offers “Often” - a key driver of **Valuable** and renewal.





## Part 4: Simulations & Value Projections

We conducted modelled simulations to explore the influence of improving key Motivators through intervention.



### Methods and Limitations

The modeled simulations in this report provide a forecast of how improving key Motivators could influence renewal likelihood, these predictions are inherently constrained by our current understanding of BRAND’s business operations and the broader implications of potential interventions.

At this stage, Apex simulations reflect directional insights rather than definitive outcomes, as they do not yet incorporate the full complexity of BRAND’s internal processes, member interactions, and operational execution.

Further collaboration will allow us to refine these models by integrating additional data, tailoring assumptions to real-world constraints, and conducting forensic deep dives into the ‘how’ behind effectively leveraging Motivators for maximum impact. The predictions presented here serve as a window into deeper, more sophisticated exercises that will be conducted over time—enhanced by longitudinal data, iterative analysis, and BRAND’s domain expertise.

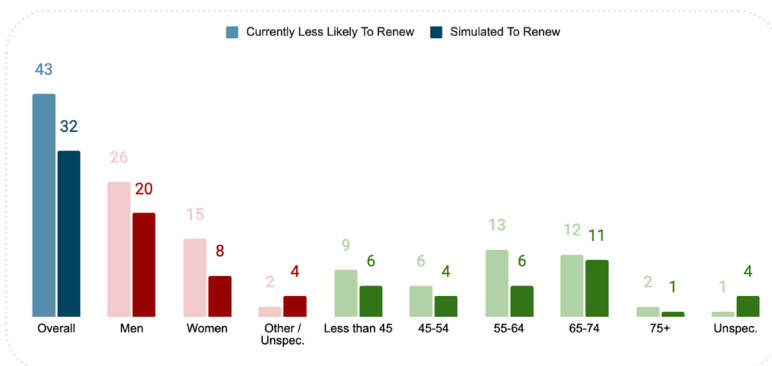
### Scenario 1: Improving Valuable by 30% Among the At-Risk Segment

The scenario simulated an increase in the  Valuable motivator of 30% among 0-3 members and its influence on retention. This represents each member increasing their rating of  Valuable by 1-point on the 7-point agreement scale.


Interventions to improve  Valuable include:

- 1 Improving service perceptions (particularly around wait times) and
- 2 Encouraging more frequent offer usage (particularly with partners such as **McDonalds and Harveys**), which Apex found to be directly connected to the Motivator.

Apex simulations revealed that with this improvement, BRAND could **retain 74% of 0-3 year members** currently at risk of attrition (representing nearly **6500** members). Notably, those retained would over-index among the younger men in the membership that are most at risk of churn.



Among all 4+ year tenured, “Very Likely” renewal intent is currently 91%.

Rate among 0-3 tenure, with improvements to  Valuable projected at 94%.

# Apex Value Proposition: Prescriptive Intelligence that Moves Business Forward

Your ability to drive **customer acquisition, retention, and growth** is contingent on leveraging intelligence, not just analytics. While traditional analytics tools provide descriptive insights into past performance, they rarely answer the fundamental question: what should we do next?

Apex delivers Prescriptive Intelligence—the missing and elusive capability in enterprise decision-making. **Powered by behavioral-science-trained AI and a proprietary methodology**, Apex integrates motivation-based insights with existing data assets, giving organizations instant access to a strategic lens that even the most data-mature enterprises don't have out of the box.

## The Power Behind Apex: Codified Behavioral Science

Apex is the product of years of collaboration with the world's leading behavioral scientists and in-market application across industries. We have worked alongside researchers from Harvard, Columbia University, the University of Western Australia, and other leading institutions to codify **decades of behavioral science and decision-making research** into an accessible and scalable intelligence solution.

This expertise is embedded directly into our platform, meaning organizations don't need to build their own behavioral science practice, hire specialized teams, or spend years developing this capability in-house.

## Why Apex? A New Standard for Business Intelligence

### 1. Codified Human Decision-Making at Scale

- Most AI and BI platforms process observed behaviors but lack the ability to understand **why people make the choices** they do.
- Apex has systematized decades of academic research into codified motivational models, allowing businesses to anticipate and influence customer and employee behavior with unmatched precision.

### 2. Prescriptive, Not Just Predictive

- Traditional BI platforms report past performance. Predictive models estimate future trends. Apex prescribes the specific actions that will drive revenue, retention, and growth with confidence.
- We reverse-engineer success, identifying the fastest, **highest-impact path to achieving business goals**.

### 3. A Competitive Edge That Cannot Be Replicated

- Even data-mature enterprises struggle to embed behavioral science at the scale and depth Apex provides.
- Our unique intelligence layer allows organizations to see **patterns, opportunities, and risks** that conventional analytics miss.

### 4. Continuous, Adaptive Intelligence

- Unlike static market research or siloed analytics, Apex evolves in real time, keeping decision-making proactive, not reactive.
- As market dynamics shift, Apex ensures strategies remain optimized.

## The Apex Difference: A Future-Ready Intelligence Solution

Where other solutions provide data, Apex provides direction. Where others offer analysis, Apex delivers action.

No other solution brings together predictive AI, prescriptive intelligence, and human decision-making insights at this scale.

For organizations that want to make smarter decisions faster and more confidently than ever before, Apex is the catalyst that turns data into strategic dominance.





## Leading with Apex as Your Partner

With Apex, BRAND can **elevate beyond traditional analytics and into Prescriptive Intelligence**—where insights direct high-confidence actions with measurable impact. Apex's data services, combined with our proprietary lens into the motivations of BRAND's customers, create a competitive advantage no other company can match, accelerating and amplifying existing efforts already underway. Key opportunities include:

### Branding, Marketing & Customer Engagement

- ▶ **Unlocking What Truly Moves the Brand Forward** – Apex reveals the deeper emotional and psychological triggers that drive engagement, advocacy, and long-term loyalty—insights traditional brand tracking and analytics simply don't capture.
- ▶ **Accelerating & Enhancing Marketing Initiatives** – By aligning Apex's prescriptive intelligence with BRAND's internal marketing strategies, we ensure every campaign, offer, and initiative is targeted with precision, reducing guesswork and increasing ROI.
- ▶ **Continuous Validation of Strategic Intuition** – The best marketing leaders trust their instincts—Apex brings real-time intelligence that validates (or challenges) internal hypotheses with data-backed confidence, ensuring resources are deployed where they will have the greatest impact.
- ▶ **Brand Tracking Over Time** – Traditional brand health measures show trends; Apex explains the 'why' behind shifts in perception and prescribes strategic actions to reinforce strengths and correct misalignments before they impact growth.
- ▶ **Competitive Differentiation Intelligence** – Apex identifies the precise ways BRAND's brand can stand apart—both in messaging and in the actual member experience—creating a unique position that resonates on a deeper, emotional level.

### Member Acquisition, Growth, Retention & ROI-Driven Engagement

- ▶ **Prescriptive ROI Modeling** – Integrate member-value and intervention investment assumptions into the model to quantify ROI before action is taken, ensuring optimal resource allocation.
- ▶ **Cross-Business Line Intelligence** – Identify frictionless ways to increase the usage of BRAND's full suite of services and products, deepening member engagement and lifetime value.
- ▶ **Predictive Churn Prevention** – Detect at-risk members before they disengage and implement precise, motivation-based interventions to preserve memberships.
- ▶ **High-Value Member Acquisition** – Use Apex's predictive intelligence to prioritize acquisition channels that deliver members with the highest lifetime value and engagement potential.
- ▶ **Solving Emerging Business Challenges** – Apex provides ongoing, on-demand intelligence to address new priorities and uncertainties as they arise—delivering timely, decision-ready answers to evolving business questions.



## Why This Matters for BRAND

With Apex as a strategic partner, BRAND can bypass the slow, incremental path to data-driven maturity and instead leapfrog to a forward-thinking, intelligence-powered organization—making decisions with speed, precision, and measurable confidence.

By combining Apex's prescriptive intelligence, brand tracking capabilities, and unique understanding of customer motivations, BRAND gains an advantage that ensures every move they make is not only strategically sound but also deeply resonant with the people they serve.

This is how BRAND leads.

## Technical Notes

### Data Sources and Collection

The analysis integrates data from multiple sources. No personally identifiable data (PII) was used in the analysis.

#### Apex Provisioned

- Motivational model training survey (co-developed with BRAND), n=632
- Supporting Industry-level motivational data

#### BRAND Provisioned

- Anonymized data containing service line, interaction, and transaction data on household basis.

The data sources were merged using a household ID provided by BRAND.







## Apex Use of AI

Our proprietary technologies and methodologies intentionally apply a combination of AI and machine learning capabilities with human expertise to enhance speed, accuracy, and confidence in our work products ensuring superior outcomes for you. Apex combines the best of human expertise and assistive AI.

### Machine Learning for Predictive Intelligence

- a. Apex uses proprietary, ML-driven algorithms to correlate, quantify, bin, and perform predictive analytics based on datasets that include bespoke motivational drivers relevant to a target audience.

### Extended Text Analysis AI

- a. Apex applies familiar text and feedback aggregation models for sentiment analysis, topic analysis, and contextual relevance.
- b. Apex extends these familiar capabilities by mathematically linking these text analysis outputs to motivational datasets, filtering out noise and prioritizing high-impact insights.

### AI-Powered Data Processing & Automation

- a. AI automates labor-intensive tasks, such as data transformation, cleansing, and filtering, allowing for faster, cleaner analysis.
- b. Apex ensures security and compliance through AI-powered data governance tools.
- c. AI helps remove subjectivity from data-driven recommendations, allowing human expertise to focus on strategic creativity rather than manual tasks.

### Generative AI for Industry Research & Strategic Planning

- a. Generative AI is used in the final stages of Apex's methodologies to inspire executive strategy-building.
- b. AI-assisted research aids market trend analysis and can support the creation of collaborative executive action plans.



# Dig in Further by Logging Into Your Apex Portal

