

Online | In Store | Go Racing

2014 Review 2015 Outlook



THE RANGE OF RETAILERS, **BOTH ONLINE AND** IN STORE, IS FANTASTIC

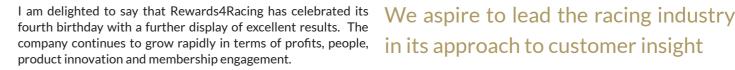
"The range of retailers, both online and in store, is fantastic. Rewards4Racing have teamed up with

retailers across the board and the system works fantastically well for me. From racecourse tickets, to computer supplies (Misco) and betting online (Coral), I have been steadily building a points tally to go towards Festival tickets at Cheltenham. Even my RacingUK subscription is rewarded!" **Andrew Beney Rewards4Racing Member** Photography in this document - © Dan Abraham

DOUBLED MEMBERSHIP SIZE DOUBLED SPEND WITH RETAILERS DOUBLED RACECOURSE VISITS

AT THE DOUBLE!

Josh Apiafi Founder and Director



In 2014 our members earned over 200 million R4R Points!

Throughout 2014 our members spent over £150 million with our retail, racecourse and betting partners, earning over 200 million R4R Points in the process, up by over 100% year on year. As has always been the case, 100 R4R Points equals £1, which can be spent on our members' racing experiences and tickets. In June. we reached a milestone of half a million members. In our four years of business, we have continued to see healthy acquisition numbers that took us to 618,000 members by year-end.

As the business continues to accelerate, with the sanction of The Jockey Club, we are working on plans to open up the programme to racecourses outside The Jockey Club group. Our vision is for ever more courses to be able to offer a world-class loyalty programme to their customers and members through Rewards4Racing.

Technology remains central to our success

Headcount has grown significantly over the year, with many of the departments based at our head office at Catton Hall, filling key positions in marketing, design and customer service.

Technology remains central to our success and we have opened a second office in Manchester which houses our expanding IT team. Recent upgrades have ensured that our loyalty platform is the most resilient and engaging in the sporting industry. The IT team have greatly enhanced our loyalty offer to our members: through a new web platform which is mobile and tablet-friendly, through our Points Booster toolbar and through our members' Points Calculator. This has led to a huge increase in site visits, making rewards4racing.com a vibrant and thriving marketplace for racing, betting and online shopping.

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in its approach to customer insight

As a business, we aspire to lead the racing industry in its approach to customer insight. The business has invested heavily in this area in the last year both through expanding the team and through introducing and working with software solutions such as SAS.

You will not be surprised that our plans for this year call for further significant growth. We are confident that as we enter our fifth year of operation, we have our greatest opportunities still ahead of us.

We welcome bet365 and Betfred as new bookmaker partners

In Q1 we have launched two further bookmaker partners on the programme in Betfred and bet365. They join the hugely successful partnership that we have with Coral. This was underlined by an award jointly won by Rewards4Racing and Coral for 'Affiliate Campaign of the Year' at the eGaming Review Awards in June for our work on The Cheltenham Festival. Throughout the week before and the week of the 2014 Festival we acquired 3,400 new customers for Coral and saw turnover in excess of £3,000,000 from our membership.

Once again, I am indebted to everyone who has worked at Rewards4Racing throughout the year. They are responsible for

our continued success and I would like to underline my sincerest thanks for all of their amazing efforts over the past 12 months. Together we are continuing to build an outstanding company.

has 500,000 members

Rewards4Racing now

THEVITALSTATISTICS

Bookmaker Partners

Official
Bookmakers

of bet stake on sports

in R4R Points when members open an account with one of our bookmaker partners

Membership Spend

OVER£150 MILLION

Membership spend with our Partners in 2014

£153 million

2014

£50 million £2 million £18 million 2011 2012 2013

Racing Partners

R4R Points when members join The Racegoers' Club

R4R Points when members take out or renew their **ROA** Membership

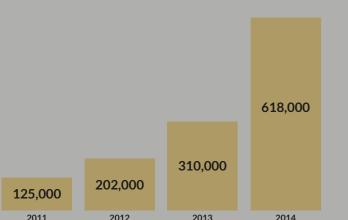
R4R Points per month with members' Racing Post Membership

R4R Points for every £1 spent every month on a RacingUK Anywhere subscription

R4R Points for every £1 invested in a racehorse with Crowd Racing

Membership

Over 600,000 Rewards 4 Racing Members



Rewards4Racing membership continues to grow at a healthy rate. Members join the programme for free directly on our website or through one of our key partners. At the end of 2014 we had 618,000 members.

of geographical spread, Rewards4Racing membership covers the majority of the UK, with the most densely populated areas of membership around our leading racecourses.

Ticket Sales

£26 MILLION

spent by members on racecourse tickets across The Jockey Club's 15 courses over the last 12 months



of The Jockey
Club's advance ticketing transactions were by Rewards4Racing members using their R4R Points

Shopping



83,000

of our members spent in excess of

£11 MILLION earning themselves a phenomenal

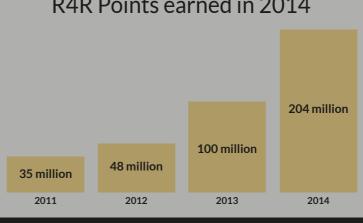
R4R Points from 'smart' shopping with their favourite retailers

There are over 4000+ online retailers and 30+ in-store retailers for members to earn R4R Points with, as well as 340 Jockey Club race meetings and 17 York Racecourse meetings for members to redeem points.

Points Generation

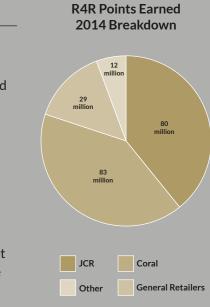
204 MILLION

R4R Points earned in 2014



The total R4R Points earned in the year increased by over 100% to 204 million.

Points earned through betting with Coral exceeded those earned from Jockey Club ticket purchases for the first time.







The Rewards4Racing Novices' Handicap Chase The Cheltenham Festival 11th March 2014

Winner Present View, trained by Jamie Snowden, ridden by Brendan Powell Jnr and owned by Lady Keswick





WELCOMING YORK RACECOURSE INDUSTRY EXPANSION ENHANCING LOYALTY ACROSS THE SPORT

THE JOCKEY CLUB EXPERIENCE



Paul Fisher Managing Director Jockey Club Racecourses

16% of advanced tickets were purchased for events at Jockey Club Racecourses using R4R Points

In 2014, 16% of advanced tickets were purchased for events at Jockey Club Racecourses using R4R Points. It is a fantastic statistic that shows more and more people understand about earning R4R Points through everyday shopping and betting spend, and redeeming them for benefits at our courses. It also meets our goal of driving more regular footfall to our courses through customer insight and CRM.

Expanding the award winning loyalty programme

Since the launch of the Rewards4Racing programme with Jockey Club Racecourses in January 2011, The Jockey Club has always believed it has long-term potential to develop into a wider industry programme. We recognised the importance of enhancing loyalty across the sport as part of our role as the leading commercial group in British racing, where every penny we make is reinvested back in line with our Royal Charter commitments. Therefore, I am delighted to welcome York Racecourse to join Rewards4Racing in an expansion of the programme. York's ethos is very similar to The Jockey Club, with its profits reinvested back into the sport and a commitment to staging quality racing.

All Rewards4Racing members will now be able to use their R4R Points to attend all 340 Jockey Club race meetings in 2015 and also York's 17 racedays this year, and beyond. We also welcome all of York's annual badge holders and supporters who will now earn R4R Points on all online ticket purchases from Yorkshire's leading course.

The Racecourse Bond becomes more than just a financial investment

The success of The Jockey Club's Racecourse Bond in 2013 was recognised by winning various awards last year.

As documented previously all bondholders receive cash interest and R4R Points on a quarterly basis. On top of this we wanted to make The Racecourse Bond an experiential investment as well as a financial one. Our Bondholder account managers are part of the Rewards4Racing team and in 2014 they hosted three exclusive events for Bondholders.

Firstly, in August, we hosted a party at The Jockey Club Rooms, which despite the poor weather, was fantastically well attended and enjoyed by all. The Rooms offer a fascinating insight into the history of our great sport with a plethora of sporting works of art on display.

To celebrate the start of the new season at Cheltenham Racecourse, we organised a visit to Jackdaws Castle, home of legendary trainer Jonjo O'Neill. Bondholders were given a guided tour of the impressive facilities and gallops followed by breakfast in the owners' suite, after which they made their way to Cheltenham Racecourse for a guided tour of the Gold Cup course by Jockey Club Host and Desert Orchid's former partner, jockey Colin Brown. Colin provided a thrilling insight into the challenges a horse and jockey faces when racing at Cheltenham Racecourse.

We also invited Bondholders to a hospitality facility on the Sunday of Cheltenham's Open Meeting in November. From a personal point of view it was fantastic to hear the really positive feedback about the service Rewards4Racing and our Bondholder Team are providing and also to hear about the 'racing' memories their investment has given them over the last 18 months.

It has been fantastic to see such sizeable crowds at Cheltenham through the first stages of the development, with everyone enjoying top class and thrilling racing. The feedback about the redevelopment thus far has been very positive and we are delighted with the progress that has been made to date. Progress will continue throughout 2015 and be completed in preparation for The 2016 Festival.

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ENTRY WAS COMPLETELY FREE JUST BECAUSE I HAD EARNED THE POINTS!

"I had a day out at Epsom Downs racecourse taking a friend with me and entry was completely free, because I had earned R4R Points just from doing my normal Sainsbury's shopping. I would still have had to do the shopping anyway and would have spent the same amount of money but at the end of it, as a reward, I got two free tickets to the races! It's much nicer than having points on a store loyalty card, because although it's always a bonus to get a bit off your shopping it feels much more of a treat to get the reward in the form of a day out doing something fun."

Clare Cowen
Rewards4Racing Member

NO EXTRA PURCHASES OR WASTING MONEY. WHAT COULD BE EASIER!

"I have already amassed enough R4R Points to purchase my tickets for two days at the Cheltenham Festival next year just by going about my normal betting habits through Coral and shopping at Debenhams. I also gain R4R Points through my Sainsbury's gift card. So I'm in effect getting a couple of free tickets to something that I go to every year by registering my card and going about my everyday business. No extra purchases or wasting money to qualify like some reward schemes - what could be easier!"

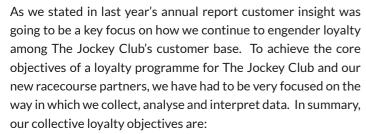
Kevin Norton
Rewards4Racing Member



REWARDING CUSTOMER INSIGHT REWARDING SOCIAL ENGAGEMENT INNOVATION AND INVESTMENT

DRIVING LOYALTY

Ian Lancaster Director



- To increase year on year spend by regular engaged racecourse customers
- To generate new revenue for racecourses by acquiring new
- To re-activate racecourse customers through targeted points based offers

Identifying trends and behaviours with a loyalty audit

Over the last 12 months, Rewards4Racing has been working hard with The Jockey Club to identify purchasing trends and customer buying behaviour among the various segments of its customer base - a loyalty audit, if you will! Through a combination of our statistical analysis in relation to the customer transactional data and our industry expertise, we have been able to create a series of reports that allow us to:

- identify key customer groups and trends
- target opportunities to incentivise customers to purchase through points based offers and messaging

The loyalty audit process has been instrumental in enabling us to formulate loyalty strategies (as part of their overall marketing plans) for our racecourse partners at The Jockey Club.

During 2014, we have also developed a series of loyalty dashboards for our racecourse partners enabling them to measure during 2015, from a loyalty perspective, the performance and relative success of their reward and loyalty campaigns as well as identifying where the next opportunities may lie.



Using rewards to measurably drive sales through Social Media

To date, our focus has mainly been on engaging customers and members through website and email campaigns. However, in 2015 we will be extending the 'reach' of the programme to engage with customers within Social Media too.

The Jockey Club has 16 official Facebook pages with a total of 190,000 fans as well as 16 Twitter accounts with around 225,000 followers. To ensure that The Jockey Club is able to engage with, incentivise and reward its customers wherever they interact with the brand, it is important that The Jockey Club is able to easily use its rewards and loyalty programme within its Social Media strategy. Rewards4Racing is investing in tools to assist with this process.

In 2014, the number of Rewards4Racing members that redeemed increased, year on year by 105%

During 2015, Rewards4Racing and The Jockey Club will also be investing in the integration of the loyalty message and incentives within the customer's raceday experience. This will initially be achieved through the work which The Jockey Club has already undertaken in relation to the deployment of wi-fi infrastructure at its courses.



OUR PARTNERS

16 RACECOURSE PARTNERS



HAYDOCK PARK

A Jockey Club Racecourse











EXETER











Jockey Club Racecourses

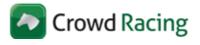
KEY PARTNERS



Since 1750











BETTING PARTNERS







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THE RETAIL NETWORK & CUSTOMER INSIGHT

Data analytics and customer insight remain at the forefront of everything we do. 2015 will be no different, although the focus will be on how the data we collect can be both enriched and then actioned. To deliver specific results, the data analysis needs to be not just insightful but also actionable.

The key to data insight is in how you enrich it and how you action it

As we know, loyalty is all about frequency. Through our customer insight, we know that even the most engaged racegoers attend race meetings on average around 4 times a year - probably not enough for them to collect a meaningful amount of loyalty points (and therefore be rewarded) just from racing alone. As we saw in 2014, this is where the Rewards4Racing retail network comes into its own, by providing racegoers with an easy and frequent mechanism to collect R4R Points to make their racing even more rewarding.

Relevant and personalised offers through customer insight

However, frequency can also sometimes be misleading in a loyalty context, particularly when it comes to loyalty marketing and communications. Through insight, we understand that these communications are more about relevancy for members rather than volume/frequency. Our communication strategy has certainly been influenced by this notion - members want relevant offers at relevant times.

This strategy has stood us in good stead in 2014 and in 2015 we will continue to work with both:

- our partner Quidco to better understand the retail sectors that are most relevant to members at which time of the year;
- our members through incentive-led surveys so that we know from them when they would like to be reminded about specific partner offers.

Over 10,000 unique members have told us when they will book their holiday in 2015

This kind of data will help Rewards4Racing and our racecourse partners in future conversations with key partners to deliver more relevant and rewarding offers to our members.

Improved customer insight and an increasing focus on this key driver of the programme has led to some impressive results in 2014. In the past twelve months, over 83,000 of our members spent in excess of £11m with our retail network, an increase of 120% year on year. The uplift continued into January 2015 where we saw a 34% increase in R4R Points earned when compared to January 2014.

Over 83,000 members spent in excess of £11 million

Following research, we realised that rather than increasing investment in the mobile journey for our members in 2014 as planned, it was more important to invest where they still make the majority of their online transactions - via a laptop or desktop.

Part of that investment included the development of our Points Booster toolbar which has already proved to be a very popular addition for members.

The Points Booster toolbar - ensuring that members never miss out on collecting R4R Points

However, we understand that researching and transacting via mobile devices is becoming ever more important to our members. Therefore, we also upgraded our website in 2014 to be mobile responsive. We are committed to investing in a mobile app in 2015, to enable our members to collect R4R Points easily wherever they decide to shop.







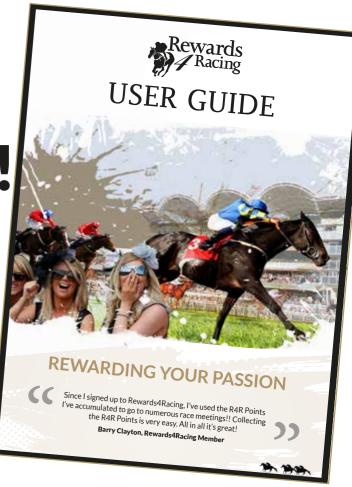




EDUCATION EDUCATION EDUCATION!

2014 saw us launch an education campaign surrounding the Rewards4Racing brand. A four page pullout was produced for the Racing Post and also an info-graphic/advert, both explaining how each aspect of Rewards4Racing works.

The pull out was well received by members and prospective members and created a real sense of excitement and buzz about racing's award winning loyalty programme. As well as being promoted in the Racing Post, the advert is also being aired on Racing UK and on the 'big screens' at all our racecourses.







with our exclusive bookmaker partner Coral, and it's been another outstanding year for betting and gaming.

Rewards4Racing members who join Coral collect £20 in R4R Points when they open an account and place their first bet, plus 1% of their stakes back in points on every sports bet and 0.5% of their stakes back on their casino spend.

13,500 Rewards4Racing members joined Coral in 2014

We've worked hard to develop our communication strategy around betting and gaming, the focus being to provide relevant, engaging content in a timely fashion. Capitalising on multiple touch points with members, from the time they book their ticket to the day they attend the racecourse, player activity has continued to increase.

Rewards4Racing members have staked over £40m on bets placed through their sportsbook and over £70m on casino play in 2014

Similarly, acquisition numbers have also been impressive, with over 13,500 Rewards4Racing members joining Coral in 2014. Over 3,400 of these came during the Cheltenham Festival,

Rewards4Racing launched into 2014 with a new agreement which saw us win an eGaming Review Award for Affiliate Campaign of the Year.

> Looking ahead to 2015, we'll have some exciting developments to announce. The Rewards4Racing slot machine, Legends of Racing, is set to launch in Q2 2015, marking a significant step forward in our product offering in the gaming space.

We are also delighted to announce the addition of two new bookmakers, bet365 and Betfred, to the programme. Members will now be able to earn R4R Points when they bet with three of the biggest and most popular online bookmakers in the UK. Members will also be able to take advantage of exclusive competitions and offers from our bookmaker partners - only available through their Rewards4Racing membership.

eGaming Review Award winners of Affiliate Campaign of the Year

We're looking forward to another hugely successful year, delivering new players and revenue for our gaming partners. In 2015, we will be aiming to give Rewards4Racing members the best possible customer experience through their betting activity.

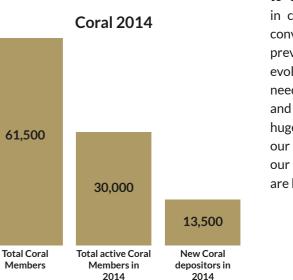


Delivering engaging, relevant content at an appropriate time

Our weekly betting preview emails are a key tool for driving acquisition, retention and re-activation for our bookmaker partners and as such, a crucial tool for maximising revenues from the gaming arm of the business. Over the past two years, led by customer feedback as well as key performance metrics, the format and design of the email has changed substantially. With 600,000 keen racegoers, the focus has been on delivering engaging, relevant content at an appropriate time.

A fantastic development in the past 12 months has been the expansion of our creative team and the introduction of responsive design across all of our digital assets. Analysis on our betting and gaming email and marketing activity revealed that over 50% of our email opens were coming through mobile devices. This coupled with responsive emails and a new website, led

> to a significant increase in clicks and subsequent conversions. Our betting previews are constantly evolving as we react to the needs of our members, and even though we made huge strides in 2014 with our gaming proposition, our ambitions for 2015 are bigger than ever.



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WINNERS

of the

eGaming Review Award for

Affiliate Campaign of the Year

The campaign ran the week before and the week of the Cheltenham Festival 2014 and delivered over 3,400 new depositing accounts, 10,000 active players and stakes of over £3m from members in the Rewards4Racing database.



Josh Apiafi, Founder of Rewards4Racing and Matt Prevost, CMO Coral Interactive, accepting their Affiliate Campaign of the Year Award at the eGaming Review Marketing and Innovation Awards.



Eleven thousand Rewards4Racing members staked £2.7 million in bets at this year's Cheltenham Festival

Rewards4Racing and Coral are top

REWARDS4RACING, the Jockey Club's loyalty programme, and Coral were named the winners of the Affiliate Campaign of the Year at the eGaming Review Awards at the Tower of London last week, writes Bill Barber.

They received the reward following a joint campaign over the Cheltenham Festival, which produced industry-leading results in terms of acquisition, retention and turnover for Coral.

During the festival 11,000 members staked bets worth £2.7million while Rewards4-Racing, whose partners include the Racing Post, recently reported more than 40 per cent of points are now generated from betting and

from betting and gaming following following the extension and expansion of their agreement with Coral.

The programme's founder Josh Apiafi said: "The achievement in winning this award is down to the strategic planning and insight between Coral and Rewards4Racing.

"Over 80 per cent of racegoers bet while attending a race meeting, so using Rewards4-Racing's customer insight, Coral have maximised the opportunity to market at a relevant and opportune time to our members, which now number over 500,000."

Rewards4Racing members are awarded R4R points for every bet or casino wager staked with Coral. They also receive a bounty of £20 in R4R points on joining Coral.

All R4R points are redeemed for tickets, memberships, hospitality and merchandise with the Jockey Club's 15 racecourses websites.

> Josh Apiafi: founder of the loyalty programme

Racing Post 24th June 2014



25,000
DAYS OF RACING
EARNED BY
OUR MEMBERS
BETTING WITH



Start today and collect 1 point for every £1 staked on the Coral Welsh Grand National at Chepstow today.



An example of one of our Racing Post adverts

I RECENTLY GOT A GOOD **DEAL ON MY AIRPORT** PARKING AND EARNED **MORE R4R POINTS!**

"I've been using Rewards4Racing for quite a while now. I've collected points for opening and using a Coral account, buying racing tickets and shopping at Halfords. I recently got a good deal on both airport parking and my holiday money along with earning more R4R Points! I'm planning on using the points for tickets to this year's King George at Kempton."

Jody White



CONTINUING TO REWARD RACEGOERS CONTINUING TO INVEST IN BRITISH RACING **CONTINUING TO GROW**

OUTLOOK FOR 2015

Tom Cowgill Director



Rewards4Racing & The Jockey Club continue to invest in British racing

When Rewards4Racing launched in 2011, The Jockey Club took the bold step of investing for the future. In recognising the importance of engendering loyalty and establishing the framework for loyal customers to be rewarded, The Jockey Club must be applauded.

Now in our 5th year and with over 600,000 racegoers able to enjoy the benefits of the Rewards4Racing programme, The Jockey Club and Rewards4Racing have agreed to take the next bold step and open up the programme to new racecourse partners. This process has not been simple, or indeed particularly quick; however, with a compelling and proven loyalty model we wanted to make sure that we took our time to roll the programme out to the wider industry.

We welcome York Racecourse to the programme

With York Racecourse now signed up to Rewards4Racing and with other racecourses soon to follow, we believe that we now have the formula both to offer our members even greater redemption opportunities as well as support our racecourse partners with their loyalty proposition.

Rewards4Racing's partnership with Coral has been a stand out success in 2014. This was borne out by our joint success in June as winners of the eGaming Review Award for Affiliate Campaign of the Year in relation to our marketing campaigns around The Cheltenham Festival. However, the most pleasing aspect of our partnership with Coral has been the impact that the relationship has had on our core objective - to increase

attendances at JCR tracks. In 2014, we saw over 25,000 members use R4R Points, earned through their betting activity, to go racing. A fantastic achievement.

Coral, bet365 and Betfred will enable Rewards4Racing to drive even more race attendances in 2015

That is why Rewards4Racing is delighted to welcome two additional bookmaker partners to the programme in 2015 bet365 and Betfred. With betting providing such an easy and relevant way for members to earn points, we are really pleased to be able to give our racegoers ever more opportunities to save money on their racedays which can only mean more customers going racing in 2015!

Rewarding racegoers where they want to be rewarded

In 2015, Rewards4Racing will continue to work with partners to deliver tools that allow us to reward racegoers where they want to be rewarded. For example, as well as providing superb rewards for advance ticket purchasers, this year we will be developing functionality to reward racegoers at the tracks themselves as well as for their Social Media activity.

2015 is set to be another exciting year for everyone involved at Rewards4Racing.



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