

# How H&M India turned a broken payout process into a rewards program employees return to

One of the world's largest fashion retailers transforms employee recognition in India, replacing a cash-based payout model with a point-based marketplace that employees keep coming back to.

## COMPANY PROFILE

### INDUSTRY

Fashion & Retail

### USE CASE

Employee Rewards

### HEADQUARTERS

Stockholm, Sweden

### GEOGRAPHY

India

### HR PLATFORM

Internal proprietary system

## CAPABILITIES USED

### REWARDS & PAYOUTS

#### Xoxoday Plum Marketplace

Point-based rewards storefront with 189 products across 8 categories - gift cards, electronics, fashion, travel, and more - integrated with H&M's internal HR system.

### HR MANAGEMENT

#### H&M Internal HR Platform

Points earned and awarded inside H&M's proprietary HR system - across performance, tenure, peer, and manager award categories - redeemed on Xoxoday Plum.

## THE CHALLENGE

### Recognition built into the system - but a rewards experience that worked against employees

H&M India had built its own HR platform to manage recognition across a large, dispersed retail workforce. But when it came to actually delivering those rewards, the experience fell short.

- **Tax deductions at source** rewards were added to employees' monthly salaries as cash - a flat tax rate applied before the employee received anything, making every award worth less
- **Multi-team coordination overhead** each award required alignment across the HR business partner team, the salary processing team, and the recipient - a recurring operational

burden

- **Eroded value for on-site and overseas employees** currency conversion rates and applicable local taxes reduced award value further for internationally posted employees

#### THE SOLUTION

### A point-based marketplace that plugs into the existing HR system

H&M chose Xoxoday Plum to replace the cash disbursement model with a point-based rewards marketplace, integrated directly into their internal HR platform. When an employee earns an award - whether performance-based, a tenure milestone, a peer nomination, or a manager recognition - points are issued through H&M's system and redeemed on the Xoxoday Plum storefront. No salary processing step. No tax deduction on the reward value.

- **Point-based awards** across four categories: performance winners, tenure awards, manager awards, and peer-to-peer nominations
- **Tax-efficient redemption** employees receive and spend the full award value, with no flat-rate deduction at the payroll stage
- **Localized catalog for India** gift cards, electronics, fashion brands, travel options, and more, all relevant to the Indian market
- **Streamlined allocation** reward issuance reduced from a multi-team coordination process to a maximum of two steps
- **Multi-currency support** on-site and internationally posted employees can redeem in their local context without conversion loss

#### THE RESULTS

### A catalog employees return to - not just a one-time perk

A significant share of employees returned to redeem more than once, signalling that the catalog met real preferences rather than being used out of novelty alone. Fulfilment held at near-perfect rates throughout the program.

Consistent positive feedback on the Xoxoday rewards process, and direct employee responses citing ease of use and catalog choice, led to the program being continued and expanded.

**41%**

Employees who redeemed more than once

**99.9%**

Fulfilment success rate across all orders

**3.6x**

Average orders placed by repeat employees

**EXCEPTIONAL CUSTOMER SERVICE**

*"Our employees really like the Xoxoday rewarding process. The customer service that they offer is exceptional and commendable."*



**HR Business Partner**

H&M Hennes & Mauritz India Pvt. Ltd.

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**Plum by Xoxoday**

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