

Customer Loyalty Manager (C.L.M.)

Manual for Version 1.0 – Preview/Freeware edition

Release Date: June 2004.

Please note that this manual is not complete. For now it explains how to install and configure the application, and essentially how the program works. The rest of the application should be intuitive enough to use without help but I will complete the manual over the next couple of weeks.

Forward:

Thank you very much for downloading C.L.M. This release is intended as a preview only although the core functionality does work without restriction. Your feedback and support will be greatly appreciated. By learning what you do and don't like I will be able to improve the application significantly. If you have something on your mind, or if you're just bored, please email me. My email address is: andy@andychapman.net

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Application Description:

Customer Loyalty Manager (C.L.M.) is an electronic loyalty management program that runs on PalmOne (palm OS) devices. The idea behind a loyalty program is that business owners should reward their customers for coming back and using their services repeatedly. This act of 'rewarding loyalty' should increase both customer retention and customer satisfaction.

C.L.M. records customers, products (or services) and day to day sales transactions. By using this information in conjunction with some basic configuration, the application determines when customers are entitled to something for free.

C.L.M is highly configurable and you can use either a 'points' or 'money' based loyalty system. It also supports both dollar and pound based currencies and US/UK regions.

Installation:

Installation of the application on a palm device is very easy. Here are the steps you need to follow:

- 1) Make a new directory anywhere on your computer called 'CLM' (or another name of your choice).
- 2) Unzip the file you downloaded into this new folder.

- 3) Find the file CLMInstaller.prc and install it on your PDA. If you're running Windows, locate the file CLMInstaller.prc in the CLM folder and double click on it. This will schedule the file to be sent to your palm when you next perform a 'hotsync'. Now, hotsync your PDA.
- 4) Once you have the application installer on your PDA, locate its icon on the device and click on it. You will then be asked to agree with the license terms and proceed with the installation.

Running the application:



Figure 1: The CLM application icon

To start C.L.M., find the application icon on your device and click on it. The screen shot above shows you what it looks like.

Configuring the application:

When you run the application you will see the splash screen. Click the 'next' button. You will then see the main menu off the application, as shown below:



Figure 2: The main menu

Your first job is to configure the application. Click on the first big button, 'Configure'.

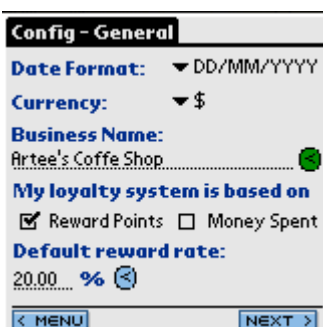


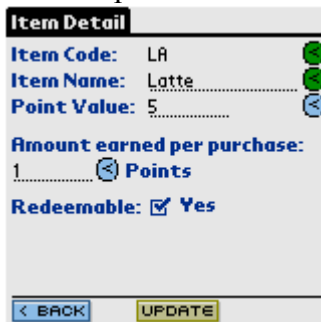
Figure 3: General Configuration

From this screen you can set your currency (dollar or pound based), date format (USA or UK format) and your business name.

You can also change the loyalty system model from using 'Reward Points' or 'Money Spent'. What's the difference? Here's a quick description of the mechanics of each system:

The Reward Points Model

The 'reward points' model is very similar to an airlines frequent flyer points. The idea is that for each product or service you sell, you assign a number of points that is awarded to the customer for each purchase. You also assign a number of points that is required to get the product for free.



The screenshot shows the 'Item Detail' configuration screen for a product named 'Latte'. The 'Item Code' is 'LA'. The 'Point Value' is set to 5. The 'Amount earned per purchase' is set to 1 point. The 'Redeemable' checkbox is checked, indicating the item can be redeemed with points. There are 'BACK' and 'UPDATE' buttons at the bottom.

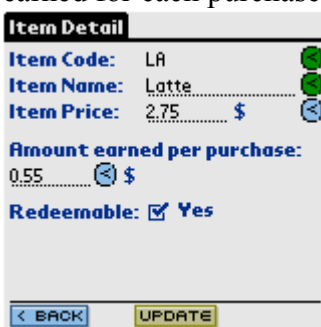
Item Detail	
Item Code:	LA
Item Name:	Latte
Point Value:	5
Amount earned per purchase:	
1	Points
Redeemable: <input checked="" type="checkbox"/> Yes	
<input type="button" value="BACK"/> <input type="button" value="UPDATE"/>	

Figure 4: Points based product configuration

If you take a close look at figure 4 above, you will see that each product/item has a 'point value' (the amount of points that a customer needs to redeem a free item) and an amount of points earned per purchase. In the above example, a customer would need to buy 5 Latte's (thereby earning 5 x 1 points = 5 points) before they could redeem a free Latte (Point value = 5). Once the customer has earned enough points to purchase the product you will see an '*' beside the product name in the product list during a sales transaction.

The Money Spent Model

The money spent model is very simple. You define a unit price for each product and an amount earned for each purchase.



The screenshot shows the 'Item Detail' configuration screen for a product named 'Latte'. The 'Item Price' is set to 2.75. The 'Amount earned per purchase' is set to 0.55. The 'Redeemable' checkbox is checked, indicating the item can be redeemed with money. There are 'BACK' and 'UPDATE' buttons at the bottom.

Item Detail	
Item Code:	LA
Item Name:	Latte
Item Price:	2.75 \$
Amount earned per purchase:	
0.55	\$
Redeemable: <input checked="" type="checkbox"/> Yes	
<input type="button" value="BACK"/> <input type="button" value="UPDATE"/>	

Figure 5: Money Spent based product configuration

As the customer builds their loyalty cash over time you can choose to redeem that amount during a purchase, thereby deducting that amount from the total transaction amount.

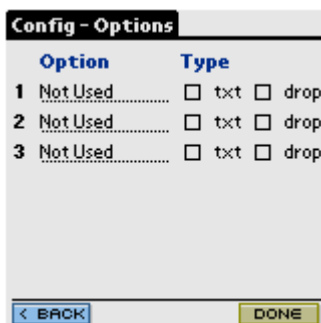
The essential difference between the two models is that using a points based system a customer can only benefit once they have acquired enough points to purchase an item completely. Using the money spent model, the business owner can choose to redeem the loyalty earned at any time, even if that amount is not enough to cover the purchase.

Default Reward Rate

Also on the configuration screen is something called the 'default reward rate'. This is a percentage value that is used to automatically calculate the loyalty value of a new product. If for example you set this to 5% and you then added a new product with a value of \$10, the 'amount earned per purchase' would be automatically set to 0.50 (50 cents, which is 5% of \$10) for this product. You can of course override this automatic calculation on an item by item basis.

Customer Options – The 2nd configuration screen

One of the harder to understand but nonetheless useful features of C.L.M. is customer options. Please note that you do not have to use this at all – it's just there if you want it. When you hit the 'next' button from the general configuration screen, you will see something like this:

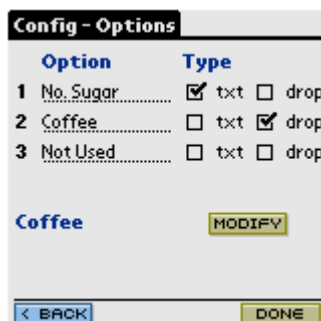


Option	Type
1 Not Used	<input type="checkbox"/> txt <input type="checkbox"/> drop
2 Not Used	<input type="checkbox"/> txt <input type="checkbox"/> drop
3 Not Used	<input type="checkbox"/> txt <input type="checkbox"/> drop

< BACK DONE

Figure 6: Customer Options

Depending on what your business does it may be useful for you to record some key information about each customer. If we take a café for example, the owner may wish to know what kind of coffee a customer likes and how many spoons of sugar they usually have. To tell C.L.M. that we want to record this information, we could set up this screen like so:



Option	Type
1 No. Sugar	<input checked="" type="checkbox"/> txt <input type="checkbox"/> drop
2 Coffee	<input type="checkbox"/> txt <input checked="" type="checkbox"/> drop
3 Not Used	<input type="checkbox"/> txt <input type="checkbox"/> drop

Coffee MODIFY

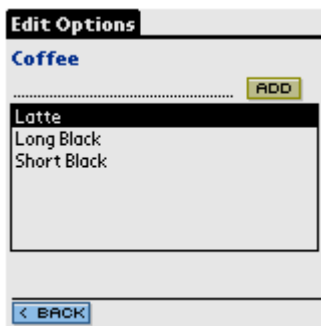
< BACK DONE

Figure 7: Setting Customer Options

As you can see above, we have defined two different options 'No. Sugar' and 'Coffee'. Where this gets confusing is the 'type', where you can choose between 'txt' (stands for text), and 'drop' (stands for drop list, or select list). To determine which type to use, ask yourself this question: Does this information have an absolute (or limited) set of possibilities, or are there a very large or infinite number of possibilities? If there is a small and limited set, you should use a 'drop' type, if not, use a 'txt'. You're probably still confused so let's look at the example above.

Coffee: We want to record what kind of coffee each customer likes. Our café sells only 3 different kinds of coffee: latte, short black, long black. In this case, there is a limited set, so we can safely use a 'drop' type. Once we have selected the 'drop' check box, the option will appear on the lower

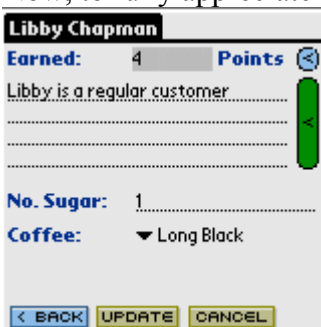
half of the screen with a button labelled 'Modify' beside it. If we click on this button, we can enter the option set for this item:



The screenshot shows a mobile application interface titled 'Edit Options'. Below the title is a section labeled 'Coffee'. To the right of this section is a yellow 'ADD' button. Below the 'Coffee' section is a list of coffee types: 'Latte', 'Long Black', and 'Short Black'. At the bottom of the screen is a blue '< BACK' button.

Figure 8: Entering in our coffee types.

Now, to fully appreciate what all of this does, let's take a quick look at the customer detail screen:



The screenshot shows a mobile application interface for a customer named 'Libby Chapman'. It displays 'Earned: 4 Points' with a blue circular icon next to 'Points'. Below this is a green vertical bar with a white arrow pointing up. The text 'Libby is a regular customer' is followed by three dotted lines. Below this is a section labeled 'No. Sugar:' with a value of '1'. Below that is a section labeled 'Coffee:' with a dropdown menu showing 'Long Black'. At the bottom are three buttons: '< BACK' (blue), 'UPDATE' (yellow), and 'CANCEL' (yellow).

Figure 9: Viewing customer options

When you view the details of a customer, you can enter the options that you defined at configuration time. In this case, we can say that our customer takes 1 sugar and likes to drink 'Long Blacks'. So when the customer enters your store, you can look this up before you chat to them and ask if they want their 'usual' coffee :-)