

September 10th, 2019

BUSINESS REWARDS- FREQUENTLY ASKED QUESTIONS (FAQ)

ABOUT BUSINESS REWARDS

1) *What is Business Rewards?*

Business Rewards is a loyalty program, business intelligence and marketing system built by Dot Com Zambia to help you engage and retain customers, ultimately growing your revenue.

2) *How long has Dot Com Zambia/ Book Now Zambia been in business and what other systems have they built?*

Dot Com Zambia was established in 2009 and is considered one of the leading ICT companies in Zambia. Over the years, the company has won many accolades for its innovations, from institutions such as ZICTA and Harvard Business School. We have successfully implemented major projects in both the private sector and the public sector. *(Please ask for our company profile for more details)* The key to our success has been built on the fundamental philosophy of recognizing that the most important stakeholder is you, our client, thus ensuring our solutions add value to your business.

3) *Why Your Business Rewards Solutions?*

Rewards/Loyalty Programs are standard operating procedures for many businesses around the world. While the concept might be simple, the results are extremely powerful with many studies showing sales increasing an average of 46% after a business implements a rewards program. However, reward programs operated in other countries may not necessarily work here in Zambia. This solution was designed and built to world class standards by a Zambian company for Zambian Businesses. Furthermore, our Reward Solution comes with multiple value-added features, including your own branded rewards website and mobile application, that your members can use to access their rewards accounts, purchase the latest deals that you are offering and receive customer service.

4) *Why do you consider rewards a better marketing investment than social media campaigns?*

It is our opinion that Business Rewards is a more effective marketing investment with a better marketing ROI than social media campaigns, and is the most effective strategy for client engagement. We can use Facebook as an example, given its current popularity in Zambia.

- ❖ You make an investment to build a Facebook page with 100,000 followers.
- ❖ The immediate challenge is that not all the followers are clients of yours.
- ❖ In a very cluttered social media landscape, when you communicate a message to those followers, Facebook will only show your message to about 5% of your followers. More people will see that message organically, only if your content goes viral, which is very difficult.
- ❖ The more likely outcome is that Facebook will ask you to pay to BOOST your message. But again, those people that see your messages are not all your clients, hence the low ROI.

On the other hand, if you invest into building a reward membership of 100,000; you are already engaging your clients, and by making them feel special, you are increasing their brand loyalty and willingness to buy more from you:

- ❖ Furthermore, the reward cards and tokens you are giving your members are serving as advertising for your company, building a multiplier effect with your members serving as your brand ambassadors to attract new customers.
- ❖ Finally, when it is time to communicate with your members- you can communicate with ALL of them via a variety of methods. Some methods and content will be free (online, email mobile app), while others will come at a cost; like the Bulk SMS facility. However, unlike social media, you are speaking directly to all your reward members without restriction.

Therefore, Business Rewards may be used as your primary marketing method for engaging, retaining and maximizing sales from your existing customers, while other strategies are used to attract new customers.

5) *What type of reward campaigns can I run, and can I run more than one campaign?*

✓ **PP1- Points Program I- Points For A Prize**

This program allows you to create temporary reward campaigns, with a defined reward, over a selected duration based on points earned, which is determined by how much a member spends. Once that point threshold is achieved, the member becomes eligible for that reward. This is the most flexible type of campaign and can be used by all businesses that want to actively manage their reward campaigns over time.

✓ **PP2- Points Program II- Electronic Gift Card / Discount Coupon.**

This program allows you to issue a gift card/ discount coupon to all members, every time they accumulate the required number of points. An example would be awarding a K50 discount coupon, every time a customer spends K5000 or more. The discount coupon can only be spent at your business location before the expiration date. This is a simple long-term reward campaign that requires no active management, as such it is the most popular type of reward campaign to offer

✓ **BX1- Buy X, Get 1 Free**

Member receive a free item if they buy a certain number of items, make a certain number of visits or conduct a certain number of transactions. BX1 is mainly used by businesses:

- with defined or limited products in a similar price range, in order to avoid people buying the cheapest item- but redeeming a more expensive item.
- Where the free item represents the lowest costing product on offer- for example being a coffee shop and offering a small coffee as the free reward.

Examples of organizations that could use the BX1 campaign, include car washes, bus companies, nightclubs, restaurants, cafes, bars, classes, beauty salons, spas and more...

Please note a variation of BX1 can be done using PP1, however, using value as the criteria for the free item, not the number of transactions. A restaurant, for example, may offer a free meal worth K50 or less, for every K5000 spent.

✓ **Member Only Benefits**

These are special privileges and benefits that are given to all, or a segment, of your registered reward members. This makes your rewards program a status symbol. Please note these

member benefits are not related to purchases or points accumulated. Examples of member only benefit include discounts on all purchases, access to special services, free gifts per transactions and first access to deals and special offer.

In addition to your member only benefits, you can only run one campaign at a time from the above options. Running multiple campaigns creates multiple rule that make your program more complex to administer and manage. Enterprise Account holders may request modifications to the rules or request their own custom reward programs (Charges will Apply)

6) *Instead of giving a defined reward to each member, I want to conduct a competition/lottery/sweepstake/raffle where my customers, who are reward members, get a chance to win something. Can I use my Business Rewards Account for this?*

Yes, you may. Business rewards is a much more efficient method of managing this type of promotion as opposed to making your clients fill out an application form, attach their receipt and place it in a promotional box. Both (PP1) Point Program 1 and (BX1) Buy X, Get 1 Free can be used for this type of promotional campaign.

- ✓ PP1- is value based and a chance to enter the competition is based on the member spending a defined amount. As an example, this could be 1 entry each time they spend K50 or more, or an entry for every K50 they spend, so that a member that spends K200 gets 4 entries into the competition. You may also decide in your reward settings if each member should only get 1 entry into the competition or multiple entries.
- ✓ BX1- is transaction based and to enter the competition, a member needs conduct a defined number of transactions to be eligible. This could be, 1 transaction = 1 entry, or you could set an upper limit such as Buy 4, Get 1 entry into the competition.

7) *I have conducted my competition and I now have 200,000 entries sitting in my business rewards account, Can the Business Rewards system conduct the draw to find a winner?*

No, the system cannot conduct the draw. Once your competition is finalized, your Business Rewards Account will have your final list of eligible entries – which can then be exported to Excel. You will then have to decide a transparent manner to pick a winner in accordance to your competition rules. This could include:

- Assigning a raffle number to each entry and drawing the winning numbers from a box
- Using the random value selector in excel to select a winner
- Use of a third-party application – you upload the entries, and it generates a winner.

8) *Instead of giving a defined reward to each member, I want to give prizes to my top members /buyers, Can I use my Business Rewards account for that?*

Yes, you may. The dashboard in your Business Rewards Account shows your top 20 members, by points and by number of transactions. In this case, you would use Points Program 1 (PP1) and establish a start date and finish date (be it weekly, monthly, quarterly or annually). At the end of the campaign you will see who the top members are and award them a prize.

9) *Do member points, and rewards, have an expiration period on them?*

Your business can decide when member points expire or when a reward campaign ends. You can also set an expiration date for any rewards you issue (for example 30, 60 or 90 days). The reward has to be claimed and used by the member before the expiration date.

BUSINESS REWARDS OPERATIONS

10) *How do we activate / register a member?*

If you are issuing NFC cards, or Tags, this is how you activate/register a member:

- You would order smartcards, for example 1000 units.
- We would then create your membership database with the serial numbers of the smartcards and the series of membership numbers you provide to be printed on the smartcards, such as ZB1000 to ZB2000
- At your location, your activation team or staff member would scan the card or token on their Mobi Go Device, Such as Card ZB1000
- They would then fill out the customer name, sex, DOB, phone number, email, employer, Location.
- Once they hit confirm- the record for ZB1000 in your database will then update with the client's full details. As an example, Grace Mwape, Female, Nov 28, 1978, 0977-123456, Dot Com Zambia, grace@abc.com, Lusaka, Roma Branch (*Roma Branch would be the outlet where the customer registered as a member*)
(Please note this process works without internet)



11) *How do we process points for a member?*

This is either done by a cashier during the sales process or by a rewards service member, if you have an area (like a service kiosk) where members go after finishing their shopping.

A service kiosk for rewards is usually done at high traffic retail outlets, so that there is minimal disruption during the actual check out process.

- The staff member would scan the card or token on their Mobi Go Device, for example Card ZB1000. That will then generate a form with 2 fields. Amount Spent (mandatory) and Receipt Number (optional)
- Once they hit confirm- a record will be created for that customer and points assigned to their account.
- (*Please note this process can also function without internet, but if a member does not have their card/token- their account can only be pulled up by phone number- which does require internet*)

12) *I am using PP2- Point Program II- Do I have to issue physical gift cards to my members?*

These are digital gift cards/ coupons that can only be used at your business. A digital gift card is issued in the system stating the amount and the reward reference number. The customer service module can then be used to retrieve and process the amount of that gift card against the member's order.

13) *If I issue a gift card for K50 and the member buys an item for K30, Does the system give change?*

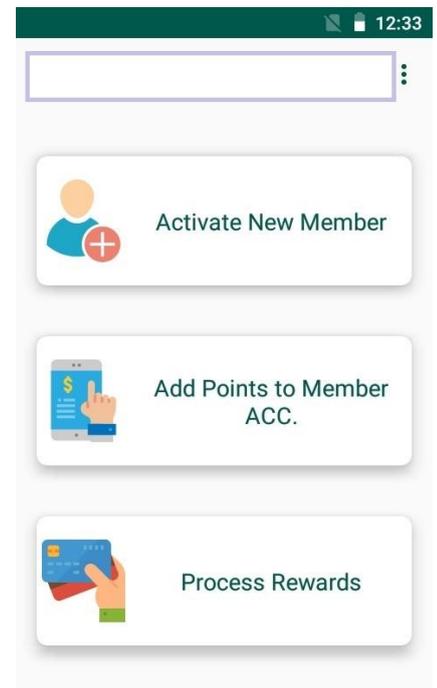
The system itself will not issue change for a partially used gift card. The reward system will redeem the entire amount. In this scenario, you may opt to give the member K20 change in cash, However, most businesses, in their terms and conditions, have a standard practice of requiring their members to use the exact amount of their gift card or higher.

14) Are rewards automatically processed or do members have to claim the points by filling out forms etc.?

Once a member hits the required level to attain a reward level. It is automatically processed in the system, and the member is notified via SMS. If they have the reward mobile app or access to their online account, it can be viewed there. Rewards follow a T+1 schedule, so if a member qualifies for the reward on Monday, they can redeem that reward from Tuesday onwards. That transaction then sits in the system and can be processed by your staff, using the customer service module, when your member visits your business to redeem their reward.

The accounting and reporting system in your rewards administration account for rewards has 4 levels

- ✓ Issued Rewards – with a value attached to each reward (this is the master report of all rewards ever issued)
- ✓ Open Rewards – Rewards that are still outstanding, but are yet to be redeemed (liability)
- ✓ Redeemed Rewards – a report showing all rewards processed and their value (expense)
- ✓ Expired Rewards – reward issued, but never redeemed. (liability credit)



15) Do we have to make changes to our POS system?

This depends on your operations and the type of reward campaign you have created.

- If the reward is a free item such as a T-shirt, meal, bus ticket or car wash, the customer service module on your device can process those rewards. The reward transaction for the redemption, including the stated accounting value, can be obtained from your Business Rewards Administration Account. No change is needed to your POS system.
- If you are giving away gift cards- which are a form of payment used to give a member a discount on their next purchase- you will need to amend your POS options or sales process to capture gift cards/ reward cards. if it does not have that feature already.

Let us take for example a member with a K50 gift card purchasing items worth K600. This is how the sale process would work:

- A. Cashier would ring up the products and Till POS would show K600 as the amount due.
 - B. Cashier would go to tender and select Gift Card/ Reward Card and enter the amount K50.
 - C. The System would ask for the reward reference number (which is obtained from the customer service module).
 - D. The total on the POS would then update to show K550 as the balance, after which cashier follows their normal standard operating procedure for the balance payment.
 - E. The reward must also be marked as redeemed in the customer service module.
- ✓ If this is handled by a cashier- this would be a dual process for the cashier. *Please note this dual process is common at many retail outlets especially when processing Bank Card SWIPE payments. The cashier does the SWIPE transactions and enters details from the bank POS into their main POS system as the second record. (Auditor and Accounting compare both records)*
 - ✓ If this is handled by a reward service member, they would communicate the reference number to the cashier and then update the record in the device as redeemed.

16) Can we integrate the rewards system with our (ERP/POS/ Accounting) systems, and can the system track the products each member is buying?

This depends on the type of system you are using, if that system allows for customizations and external integrations. If it can, then the answer is YES if you are an **Enterprise Account** Holder.

- **Yes- Level 1 (Simple):** This will come down to the agreed level of integration. At a simpler level - your POS system would have a field where a member number is added to the transaction (or scanned). This means it is your POS database that would have the product purchase records attached to a reward member. we can then feed that data to the rewards system and create product level intelligence reports for you from that data.
- **Yes - Level 2 (Complex):** The more challenging integration is making rewards part of your POS system- this means your cashier, can do everything rewards related right on their terminal.

A full integration (as described at level 2) comes with a certain level of operating risk. It would be our recommendation to always start with a Level 1 integration, with a view to do a full integration at least 6 to 12 months after you start running your rewards program, if at all. This ensures your standard operating procedures for rewards are well established, and enough time has been established for the IT build and integration to be done correctly. (Charges do apply)

17) Dot Com Zambia has a POS system called mPOS- if my business starts using that system. Can that integrate into the rewards system and can that system track the products each member is buying?

Yes, it can.

18) How much internet connectivity is required to operate business rewards & can it work offline?

You need internet to access any web-based aspects of business rewards. Business Rewards operations and customer service can be conducted on the MobiGo Device or any android device of your choice. Member Registration, Member Points Processing and Reward Redemption can function without internet for a temporary period, to ensure business continuation. If there is device failure, until that is fixed, you may switch to another device with internet access to your administrative portal or use a manual paper process until you can enter those transactions into your administrative portal.

PRICING

19) What are the costs involved?

There are 4 primary costs involved to operate Rewards. Only the set up fee and monthly subscription fee is mandatory.

- Account Set Up Fee / Monthly Subscription Fee – which is based on the number of members in your reward programs and if you wish to offer the mobile application to your members. *Please note once established there is no set up fee to move from starter to starter plus or professional to enterprise, but a fee may apply to move from starter plus to professional.*
- Smart Cards/ Tokens (That range from K10 to K80 per unit)
- Hardware, such as the MobiGO device to operate the customer service module. You have the option to use your own devices or desktop/ laptop computers.
- Bulk SMS Units – These are required to send SMS notifications to your members and range from K0.20 to K0.30 depending on how many units purchased.

20) Can I use rewards without smart cards/ tokens?

Yes, you may and those rewards member would access their points and reward status via your rewards website and/or mobile application. Please note card-less rewards works best for:

- Businesses that have a relatively small group of members that can be identified without the use of an identifying Tag.

- Businesses that never interact directly with their clients
- Businesses that have already registered their clients and record their transactions electronically (Service Businesses, eCommerce, Digital Businesses, Insurance, Banks, Companies using eBilling systems to manage customer accounts)

21) *Can I import my existing list of known clients into business rewards and their transactions?*

Business Rewards has a bulk import feature that allows you to prepare a client list and/or their transactions in a CSV format and import them into your rewards account.

22) *We intend to sign up a large number of members? Can we have a bulk member fee?*

If your member list exceeds 100,000, You would receive a lower price per member thereafter

BUSINESS REWARDS SET UP

23) *How long does it take to set up our rewards system?*

If you have no customizations, it is 3 to 4 weeks to set up your account, in addition to receiving your bulk orders of cards or tokens- so some inventory management is required to ensure you do not have a period where members cannot be registered.

24) *How long does it take to set up our rewards system if I don't need smartcards/ tokens or if I am a small business that needs a small batch of cards (100 or less)*

7 to 14 days weeks to set up your account and print your cards locally in our Lusaka office

25) *Can you help me design my reward cards, if I don't have my own graphic designer?*

Our marketing team can help design your card at no additional cost.

26) *Does Business Rewards integrate with platforms like Mailchimp or Google ads?*

Business Rewards does not offer direct integrations to third party applications at this time, however you always have access to your data in an exportable format.

27) *Do I have to use the client portal and client mobile application?*

The reward website/ mobile application are optional features that you decide to use based on factors such as type of business and your client profiles (if they have access to internet or mobile devices)

28) *I need help running my rewards campaign, can you assist me?*

We cannot manage your reward program on your behalf. There are marketing consultants and marketing/ advertising companies that can assist you with your rewards program based on the type of business you have and your marketing budget. Please ask us for a referral.

29) *Do we have to sign a contract to use Business Rewards?*

There are no contracts to use Business Rewards; only terms of use. This means, you can start and stop using the program by cancelling your monthly subscription, whenever you want. Please note, your customer data is always yours to keep.

**Contracts may only apply to Enterprise Accounts that request custom features.

OTHER QUESTIONS

30) *Who do I contact for support?*

You may contact your relationship manager for assistance. You service staff who operate the rewards system may contact our support department by phone, Whatsapp or email, whenever they have questions or need assistance.

31) *My members need help, can we refer them to Dot Com Zambia?*

No, you cannot. Our support line supports your business and your staff members operating rewards. If there is a situation your staff cannot handle, they may contact us to assist them to resolve the query.

32) *If a client's member card is lost or stolen what do I do?*

You may use the customer service module to reassign a new card/ token to the customer, immediately deactivating the lost card, or you may contact Dot Com Zambia support for assistance. Please note a lost card represents very little financial risk to the owner. It is highly unlikely a lost or stolen card will then be used to add more points to a members account and highly unlikely that a lost or stolen card will be used to redeem a reward.

33) *Are there legal issues and risks associated with using the bulk SMS feature and other media to communicate with members?*

Legal issues usually surround sending unsolicited bulk SMS messages. The data you collect for your rewards program is your data, given to you by your clients with consent to communicate with them. Reward programs are optional programs that clients opt into. By choosing to join your rewards program- they are accepting the terms and conditions of your program which includes receiving communications from you.

34) *Is your system safe?*

Our system uses state of the art technology, from SSL protocols to our own proprietary smartcard encryption keys, to ensure the system and your data is secure from any type of intrusion. Furthermore, we have multiple fail safes to ensure your rewards operations never goes offline. It must be noted, for your due diligence purposes, that Business Rewards is not a financial product and does not carry the same level of financial risk to your organization.

35) *I am a manufacturer and I only sell to wholesalers, can I use Business Rewards?*

If you have customers – even if they are not traditional retail shoppers, you may create a rewards program for them.

36) *I am a manufacturer and my products are sold to the end customer using retailers? Can I use Business Rewards?*

At this time, the advised option would be to partner with a selected retail partner (s) and run your reward program through them. You would be processing points for members who buy your product via that retailer.

A manufacturer version of Business Rewards is currently being developed, for manufacturers that advertise and market to the general public. Please contact us if this is of interest to you – so that we can use your input during the development process.

37) *I wish to use Business Rewards to only record my customers transactions, is that possible?*

Business Rewards consists of many modules from target marketing systems to reward campaigns to transaction capture systems. Once you have an account, you may use one or more of the modules as you see fit. However, the core competency of Dot Com Zambia is building revenue collection and business intelligence system, therefore please contact us to discuss additional solutions available.