RMH LOYALTY USER GUIDE

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Support is provided through the RMH support system: http://support.rrdisti.com/account/login.

RMH Product Website: www.rmhpos.com

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Retail Management Hero Loyalty

Glossary

Loyalty Points – A mechanism of collecting loyalty value. Depending on the collection, type may be awarded based on the purchased items price, quantity or on the transaction subtotal

Incentive Group – A group of items to which collection or redemption may apply. An incentive group may contain individual items, or entire departments and categories

Customer Group – A group of customers to which collection or redemption apply. Consists of individual customer accounts

Collection Schedule – A set of rules which determines how the points are collected

Redemption Schedule – A set of rules which determines how the points are redeemed

Accelerators – A mechanism for multiplying collected loyalty points

Loyalty Program – A combination of the Collection Schedule and Redemption Schedule with some optional parameters (such as effective dates)

Loyalty Batch – A complete set of the loyalty transactions - between the first instance of collecting the points, and redemption (full or partial)

Reward Transaction – A sales transaction in which the collected loyalty value is being redeemed

Concepts

RMH Loyalty is a customer loyalty extension for the Retail Management Hero (RMH) point-of-sale system. RMH Loyalty is a comprehensive solution allowing users to create flexible customer loyalty scenarios involving various types of loyalty points and rewards. RMH Loyalty has its foundation in two customer loyalty systems for Microsoft Dynamics RMS: Hero Points (http://www.retailhero.com/HeroPoints) and Q-Rewards (http://www.retailhero.com/QRewards). RMH Loyalty can be used by either a new RMH Customer or by upgrading Dynamics RMS users who also used Hero Points or Q-Rewards.

RMH Customers

The RMH Loyalty uses the rich Customers functionality in Retail Management Hero POS. This means that it is not necessary to implement any kind of a loyalty card or other type of the loyalty identification; all loyalty information is attached to a particular Customer account in RMH. To activate the loyalty functionality during the RMS POS transaction, select a customer or create a new one.

RMH POS can look up a customer account by various criteria, including the account number, name, address, phone number, email address, etc. It also allows using customer aliases (unique numbers alternatively designating the customer account). Therefore, if a retail store prefers using customer loyalty cards, the card number could be associated with the customer account as an alias, after which the card could simply be scanned or swiped during the POS transaction in order to add the account to the transaction.

Loyalty Programs

RMH Loyalty software allows retailers to create one or more **Loyalty Program**. There may be multiple loyalty programs active at the same time and applying to different item categories, customers, etc. A customer may be collecting and redeeming the loyalty value on multiple programs simultaneously. For example, in a pet supply store the customer is participating in three separate loyalty programs: collecting "quantity points" for two separate "buy 10 get 1 free" loyalty programs.

A Loyalty Program always consists of a mandatory Collection Schedule and Redemption Schedule, which define how to collect and redeem the loyalty value. It also has two optional rules: "effective date" and "require confirmation."

Mandatory parameters:

- A Collection Schedule: A set of collection rules that determines how the loyalty values are collected. For more info, see Collection Schedule
- A Redemption Schedule: A set of rules determining how the collected loyalty value may be redeemed. For more info, see Redemption Schedule

Optional parameters:

- Effective Date: Determines a time period during which the loyalty program is in effect. If not provided, the loyalty program is always in effect
- Require Confirmation: A flag that prompts the cashier to request explicit consent from the customer for participating in the loyalty program. Appears only once when a customer is first eligible for a loyalty value collection

A loyalty program uses the concept of a Loyalty Batch. A batch opens every time a new loyalty program starts. Whenever the customer receives a redemption, the current loyalty batch is closed and a new batch is opened with transfer of the remaining points balance.

Incentive groups

Incentive groups (alternatively called "Item Groups") is a mechanism to group the items together for the purpose of implementing unique collection and redemption settings for that group. Incentive groups may be used in both Collection and Redemption Schedules for either inclusion or restriction.

Using incentive groups is optional. If a collection or redemption schedule does not include the inclusive or restrictive incentive group, it means that the said collection or redemption schedule applies to all items indiscriminately.

An incentive group may contain individual items, or entire item departments and/or categories. There may be multiple incentive groups.

Although an item or department/category combination may belong to different incentive groups, such scenario should be used with caution – making sure that there's no clash of any sort between the loyalty programs that inherit these incentive groups from the respective collection and redemption schedules.

Customer Groups

Customer groups are used to create various customer communities for the purpose of loyalty points collecting or redeeming. Along with the incentive groups, the customer groups may be included as an optional rule into both collection and redemption schedules.

For example, it is possible to create several customer groups - "Loyalty Club Level" and assign them Silver, Gold and Platinum status. Each group would participate in collection schedules that define different point per dollar value.

Collection Schedule

A Collection schedule is a set of loyalty point collection rules. There may be more than one collection schedules in the system, each associated with a particular Loyalty Program. The same collection schedule may be used in multiple loyalty programs as long as their redemption schedules are different.

Collection types

There are three different types of collection schedules:

- Price Points (PP)
- Basket Points (BP)
- Quality Points (QP)

The collection type defines what the trigger for loyalty value accumulation is.

Price Points

For the Price Points the trigger is the item's purchase price. Ultimately, the number of collected loyalty points depends on how much money the customer spends at the store. The points are awarded based on the item's price. For example, for each $1 get 1 loyalty point.

Basket Points

The Basket Points (BP) collection type forces the loyalty program to look at the transaction subtotal. With this type of loyalty collection, the merchant awards the customer with a certain number of points only when the transaction subtotal ("basket size" – hence the name) reaches a certain value; otherwise the customer receives no points. By gradually raising the basket value over time, the merchant will encourage a higher average ticket. For example, spend $30 – get 10 points; spend less – get no points.

NOTE: Per-visit type of loyalty. BP collection type can also be used to award customers with points per visit. For example, create a collection schedule of the Basket Points type, and select $1 as the trigger to award 100 points. That means that each time the customer visits the stores and purchases almost anything, they will be awarded 100 points.

Quantity Points

With Quantity Points the loyalty points are awarded per item count, over a period of time. For example, buy 1 medium bag of Purina Dog Food – get 1 point.

Collection Rules

In addition to the collection type, there are also collection rules. Certain rules apply only to certain collection types, while others apply to all types. Some rules are mandatory, others are optional. In the following table the mandatory rules appear in **bold font**. Some rules may be repeated in the collection schedule (for example, include several Customer Groups), while others may appear only once (e.g. "Minimum Purchase" for PP).

Table 1. Collection Schedule Rules

Rule	Applicable type	Mandatory	Occurrence	Possible value	Default	Description
Include item incentive group(s)	All types	No	Multiple, no duplicates	An existing item incentive group		The item incentive group(s) that this collection schedule applies
Include customer group(s)	All types	No	Multiple, no duplicates	Any existing customer group		The customer groups that this collection schedule applies
Exclude item incentive group(s)	All types	No	Multiple, no duplicates	Any existing item incentive group		The item incentive group(s) that this collection schedule does not apply
Exclude customer group(s)	All types	No	Multiple, no duplicates	Any existing customer group		The customer groups that this collection schedule does not apply
Points per unit	**PP, QP**	**Yes**	**Single**	**Any positive decimal**	**1**	The number of points collected per unit (dollar for PP or quantity for QP). Ex: - 1 Point for $1 (PP) - 100 points for 1 purchased "1L Milk" (QP)
Points per Basket Value	**BP**	**Yes**	**Multiple**	**Pair <money, decimal>**	**$10, 1**	Ex: - 1 points for $10 basket - 2 points for $20 basket, etc.
Rounding	PP, BP	No	Single	Pick list: - No rounding - Nearest - Down - Up	Nearest	Determines how fractional points are rounded, e.g. 1.55 collected points will round up to 2.0 points with the "Nearest" or "Up" rounding
Minimum purchase	PP	No	Single	Any positive currency value	0	Determines that a necessary minimum subtotal is required to collect points

New Customer Bonus Points	PP, BP	No	Single	Any positive decimal	0	Adds bonus points to any customer which never had points collected, on the first purchase
Include accelerator(s)	PP, BP	No	Multiple	Any points accelerator group		See Points Accelerators further below
Exclude for Discounted	PP, BP	No	Single	Boolean	Enabled	Excludes point collection for any item that is discounted
Exclude for Non-inventory	PP, BP	No	Single	Boolean	Enabled	Excludes point collection for non-inventory items
Exclude for Charges	PP, BP	No	Single	Boolean	Enabled	Excludes points collection for charge items
Exclude for not priced	PP, BP	No	Single	Boolean	Enabled	Excludes points collection for items that are not priced and the cashier manually provides the price
Exclude for vouchers	PP, BP	No	Single	Boolean	Enabled	Excludes points collection voucher item type
Exclude for Redemption	PP, BP	No	Single	Boolean	Enabled	Excludes point collection for a transaction which also contains points redemption
Exclude for layaways	PP, BP	No	Single	Boolean	Enabled	Excludes point collection for layaway transaction types
Exclude for backorders	PP, BP	No	Single	Boolean	Enabled	Excludes point collection for backorder transaction types
Exclude for work orders	PP, BP	No	Single	Boolean	Enabled	Excludes point collection for work orders transaction types
Exclude customers with Discounts	All types	No	Single	Boolean	Enabled	Excludes customers with pre-set discounts

Exclude customers with Price levels	All types	No	Single	Boolean	Enabled	Excludes customers with pre-set price levels
Exclude employees	All types	No	Single	Boolean	Enabled	Excludes customers that are marked as "employees"
Save collected points as item comment	PP	No	Single	Boolean	Enabled	Enables saving the collected points per each item in the line item comment field
Show collected points detail	All types	No	Single	Boolean	Enabled	Enables a popup at the end of the transaction to display the collected points detail

NOTE: Any optional Boolean rule (e.g., "Exclude Employees") is always enabled when added. If the rule is not to be enabled, simply do not add it to the collection schedule.

Accelerators

Point Accelerators are a sort of multiplier which is applied to collection schedules in order to introduce additional promotions. Their rule is to multiply the collected points if the accelerator condition is met.

Accelerator Types

There are four point accelerators types:

- Happy Hour (HH) – Day of the week, from - until hours. E.g., every Monday from 3pm till 6pm
- Promo (PRO) – A date/time span. E.g. from January 1, 9am until January 15th, 9pm
- Sales (SL) – The total of historical sales for a customer. E.g., the customers who spent life-time over $1,000
- Club (CL) – A selected group of customers

The accelerators must be unique for the accelerator type. E.g., you cannot have two HH accelerators "Monday from 3pm 'till 6pm". But you can have multiple non-duplicate accelerators of the same type. E.g. PRO: "Jan 1-Jan 15", "March 15 – April 30" etc.

Accelerator Rules

All accelerator rules are mandatory.

Rule	Applicable type	Mandatory	Occurrence	Possible values	Description
Happy Hour	HH	Yes	Multiple, no duplicates	Combination: - Day of the week - From time - Until time - Multiplier (decimal)	Applies a "happy hour" rule, e.g.: every Monday from 4:00PM to 6:00PM, x2 points

Promo	PRO	Yes	Multiple, no duplicates	Combination: - From date/time - Until date/time - Multiplier (decimal)	E.g., May 1 to May 31, from 14:00 to 16:00 (note that it is not "from date/time to date/time", but "from date to date, during time from - time to period of every day")
Sales	SL	Yes	Multiple, no duplicates	Pair: - Total sales (money) - Multiplier(decimal)	E.g.: - $1000: x2 - $2000: x3
Club	CL	Yes	Multiple, no duplicates	Pair: - Customer Group - Multiplier (decimal)	

Redemption Schedule

A Redemption Schedule determines how the accumulated loyalty value (points) is redeemed. There may be more than one redemption schedule in systems each participating in one or several loyalty programs as long as these loyalty programs use different collection schedules. The redemption schedule must be one of the following redemption types.

Redemption Types

A redemption type determines the method of loyalty value redemption. It is assigned when a redemption schedule is created and cannot be changed afterwards. The redemption types are:

- Dollar Discount ($D)
- Percent Discount (%D)
- Offset (O)
- Coupon ($C)
- Percent Coupon (%C)
- Offset Coupon (OC)
- Reward Item (RI)

Dollar Discount

The **Dollar Discount** ($D) reward type converts a certain number of loyalty points into a transaction discount that is applied on a customer's visit and purchase. For example, "$10 discount for 100 points", "$20 discount for 200 points" etc.

Normally this type of redemption is used in a loyalty program with the Price Points (PP) or Basket Points (BP) collection type.

NOTE: The $D reward type attempts to discount each individual item in the transaction proportionally to its price. If an item is marked as non-discountable, the reward cannot be applied to it. Therefore, this type of reward always calculates a "discountable subtotal" of the transaction, which may be less than the actual subtotal. Keep this in mind in order to avoid confusion when a transaction appears to have a sufficient subtotal for redemption, but the loyalty system does not prompt to apply the reward.

Percent Discount

The **Percent Discount** (%D) reward type converts a certain number of loyalty points into a percent discount which is applied to a future sale transaction. E.g. "10% discount for 100 points", "20% for 200 points" etc.

This redemption type is usually used with Price Points (PP) or Basket Points (BP) collection types.

NOTE: Just as the $D reward type, this redemption attempts to discount each individual item in the transaction. If an item is marked as non-discountable, the reward cannot be applied to it. Therefore, this type of reward always calculates a "discountable subtotal" of the transaction, which may be less than the actual subtotal. Keep this in mind in order to avoid confusion when a transaction appears to have a sufficient subtotal for redemption, but the loyalty system does not prompt to apply the reward.

Offset

The Offset reward type is used in the cases when the $D or %D type of reward cannot be used – e.g., when the items cannot be discounted. The offset method uses a negative price charge (in RMH, or a non-inventory item in RMS) which is added to the transaction, therefore discounting the subtotal without changing the item prices. For example: "$10 off for 100 points", "$20 off for 200 points" – in each of these cases a negative charge (non-inventory item) with the price of -$10 (negative 10) or -$20 (negative 20) will be added to the transaction as a sort of rebate, therefore offsetting the subtotal without changing the item prices.

This redemption type is usually used with the Price Points (PP) or Basket Points (BP) collection types.

Coupon

This reward type (C) works almost exactly as the $D reward, except instead of applying the discount to the reward transaction, the loyalty system issues a personal discount coupon (prints on the POS printer) which could be used in a future transaction. For example: "$10 coupon for 100 points", "$20 coupon for 200 points".

A reward coupon can be configured with validity time frame (valid "from" and "until") - which is great marketing tool to encourage the customers to visit more often and use the coupons before expiration date.

This redemption type is usually used with Price Points (PP) or Basket Points (BP) collection types.

Percentage Coupon

This reward type (%C) works almost exactly as the %D reward, except instead of applying the discount to the reward transaction, the loyalty system issues a personal discount coupon (prints on the POS printer) which could be used in a future transaction. For example: "10% coupon for 100 points", "20% coupon for 200 points".

A reward coupon can be configured with a validity time frame (valid "from" and "until"), which is a great marketing tool to encourage the customers to visit more often and use the coupons before the expiration date.

This redemption type is usually used with the Price Points (PP) or Basket Points (BP) collection types.

Offset Coupon

This reward type (OC) works almost exactly as the Offset reward, except instead of applying an offset reward to the transaction, the loyalty system issues a personal discount coupon (prints on the POS printer) which could be used in a future transaction. The difference between C and %C is the type of the coupon: this coupon will be applied not as a discount, but as an offset. For example: "10% coupon for 100 points", "20% coupon for 200 points".

A reward coupon can be configured with a validity time frame (valid "from" and "until"), which is a great marketing tool to encourage the customers to visit more often and use the coupons before the expiration date.

This redemption type is usually used with the Price Points (PP) or Basket Points (BP) collection types.

Reward Item

This reward type (RI) awards an actual item at a discount or free - as a redemption of the loyalty points. It implements the type of a retail loyalty system which traditionally is handled by stamp cards. For example: "Buy 5 large drinks, get one at 50% off", or "Buy 10 bags of dog dry food, get one free" (this particular program is widely known in the pet supply industry as "Frequent Buyer").

This reward type works best with the Quantity Points (QP) collection type which helps to implement the stamp card scenarios. Typically, in such scenarios there are multiple loyalty programs, each of which is dedicated to a particular incentive group (through the collection schedule) that contains items with similar attributes, such as the same price, size, brand but different flavor, or the same size and comparable price. For example: "all small hot drinks", "all large cold drinks" for a coffee shop, or "Nutro Dog Large 40lb", "Pedigree Dog Small 10lb" for a pet store. For every such incentive group the loyalty system will keep a separate count through the QP collection schedule, and the reward item will come out of the same incentive group (see the redemption rule "Same group as Collection Schedule" below).

But the Reward Item redemption can also be used with Price Points or Basket Points in the form of a free gift in exchange for a number of redemption points. E.g. "Free OPI Nail Polish for 100 points".

Collection and Redemption Compatibility Matrix

The following table illustrates the typical use of collection and redemption types in one loyalty system. The symbol "X" signifies a common scenario while "?" indicates that though such scenario is possible, it may be less frequently used.

For example, while collection points based on purchase price and redeem them as a discount (PP+ $D) is the typical scenario, awarding points for the quantity of specific purchased items and then rewarding them with a generic discount coupon (QP+$C) is less common.

Note that Percent reward types (%D and %C) are by nature prone to abuse (i.e., when a customer acquires points on smaller purchases but then applies the % reward to a large purchase), so they have to be used with caution.

In the same way, the coupons generally must be activated at some date in the future from the issuing date. Otherwise, the shoppers may be tempted to request immediate adjustment of the last transaction with their new coupon.

Table 2. Collection and redemption type compatibility matrix

	Price Points (PP)	Basket Points (BP)	Quantity Points (QP)
Dollar Discount ($D)	X	X	?
Percent Discount (%D)	?	?	?
Offset (O)	X	X	?
Coupon ($C)	X	X	?

Percent coupon (%C)	?	?	?
Offset Coupon (OC)	X	X	?
Reward Item	?	?	X

Redemption Rules

In the same way as the Collection, a Redemption Schedule must be fit not just with the type but with additional rules. Certain rules apply only to certain redemption types, while others apply to all types. Some rules are mandatory; others are optional. In the following table the mandatory rules appear in **bold font**. Some rules may be repeated in the redemption schedule (for example, include several Customer Groups), while others may appear only once (e.g. "Minimum Purchase" for PP).

Table 3. Redemption rules

Rule	Applicable type	Mandatory	Occurrence	Possible values	Default	Description
Reward value per point	**$D, O, $C**	**Yes**	**Multiple, no duplicates**	**Pair <# of points>/<reward value>**	**100/$10**	**Applies redemption schedule: e.g. $10 off for 100 points, $20 off for 200 points etc.**
Reward value per point	**%D, %C**	**Yes**	**Multiple, no duplicates**	**Pair <# of points>/<reward value (%)>**	**100/10%**	**E.g. 10% off for 100 points, 20% off for 200 points etc.**
Reward value per point	**RI**	**Yes**	**Multiple, no duplicates**	**Triplet <# of points>/<# of reward items>/<% discount>**	**10/1/100%**	**E.g., for 10 points, 1 reward item at 100% discount**
Reason code	**$D, %D, $C, %C**	**Yes**	**Single**	**Any RMH Discount Reason Code**		**A Discount reason code type, which is automatically applied to every discounted item. The reason code must not be used for any other discount**
Applies to the same incentive group as Collection	All types	No	Single	Boolean	Enabled	If selected, applies only to the same incentive groups as the collection schedule in the loyalty program
Include incentive group(s)	All types	No	Multiple, no duplicates	Any incentive item group		Applies the reward only to the items from the selected item groups

Exclude incentive group(s)	All types	No	Multiple, no duplicates	Any incentive item group		Does not apply the reward to the items in the selected item groups
Include customer group(s)	All types	No	Multiple, no duplicates	Any customer group		Applies the reward only to the customers from the selected customer groups
Exclude customer group(s)	All types	No	Multiple, no duplicates	Any customer item group		Does not apply the reward to the customers in the selected item groups
Redeem on Backorders	All types	No	Single	Boolean	Enabled	Specifies if the points can be redeemed on picking back orders
Redeem on Layaways	All types	No	Single	Boolean	Enabled	Specifies if the points can be redeemed on picking layaways
Redeem on Work Orders	All types	No	Single	Boolean	Enabled	Specifies if the points can be redeemed on picking work orders
Redeem on Refunds	All types	No	Single	Boolean	Enabled	Specifies if the points can be redeemed on transactions that contain returns or exchanges
Maximum discount	All types	No	Single	Percent	0%	A maximum reward discount that could be applied to the transaction. Calculated as percentage of the subtotal. %0 means no limit
Redeem in the same transaction	All types	No	Single	Boolean	Enabled	The option allows the ability to redeem the loyalty value in the same transaction in which it is collected
Coupon Time Limits	$C, %C, OC	No	Single	Pair<integer>/<integer>	1/30	Determines the coupon availability time frame: days before activation / days valid after activation

Offset Charge/NI Item code	O, OC	Yes	Single	Non-inventory Item or Charge lookup code		A non-inventory item (RMS) or a charge (RMH) is used instead of a discount – as a negative entry that offsets the transaction subtotal by the reward value

NOTE: Any optional Boolean rule (e.g., "Redeem for Work Orders") is always enabled when added. If the rule is not to be enabled, simply do not add it to the collection schedule.

Loyalty Batch

Loyalty batch is a set of loyalty transactions that is completed when a reward is received. If not all points are used for the reward, the remainder of the points is transferred to the new loyalty batch.

If a customer participates in one or more loyalty programs, they always have one open batch per loyalty program and a history of the closed batches. Each closed batch signifies that the customer has received a redemption for that loyalty program. The very first batch for a loyalty program is created when the customer has collected their first loyalty points in that program.

Prerequisites

RMH Loyalty software is an extension to Retail Management Hero POS, therefore apply the same prerequisites as for RMH itself. RMH Loyalty keeps all its data in the same database as RMH and is fully integrated with RMH POS. Therefore, in order to use RMH Loyalty, you must have installed and fully licensed RMH POS.

Getting started

The RMH Loyalty software must be installed on each POS register at the store that will participate in the customer loyalty system (in some cases not every POS needs to participate: for example, in the stores where there are POS registers for special orders, etc.).

Installing RMH Loyalty

1. Click the **Install RMH Loyalty** link in the main RMH Setup program, or run "setup.exe" if RMH Loyalty was downloaded separately.

2. Confirm the installation path. RMH Loyalty comes in two pieces: RMH Loyalty Manager and RMH Loyalty POS Extension. The typical installation paths (on 64-bit Windows OS) are:

   - RMH Loyalty Manager: **C:\Program Files (x86)\Retail Hero\RMH Loyalty**
   - RMH Loyalty POS extension: **C:\Program Files (x86)\Retail Hero\RMH POS\Extensions\RMH Loyalty**

   The location of the RMH Loyalty POS Extension is particularly important: it must be under the **\Extension** folder of the installed RMH POS application.

3. Continue the installation wizard until finished.

4. Repeat the process on each POS Register.

Configuring RMH Loyalty

The RMH Loyalty uses the same Database and Register configuration as RMH POS and Store Manager. To make any required changes, such as change database connection, use the RMH Store Administrator.

Creating Data Structures

Before launching any RMH POS that has RMH Loyalty installed, you must pre-configure RMH Loyalty by creating in the RMH Database all tables and other data structures that are required by RMH Loyalty.

The data upgrade process happens automatically when any RMH Loyalty Manager is launched for the first time and connected to the target RMH Database. Therefore, in order to avoid errors at the POS, after installing RMH Loyalty it is necessary to launch RMH Loyalty Manager on any POS at least once.

About RMH Loyalty Manager

RMH Loyalty Manager is launched using the shortcut on the user's desktop. The Loyalty Manager contains several tabs (organized vertically on the left-hand side of the window), the action ribbon menu and two data panels on each tab.

The upper panel contains the entities that are defined on that tab (e.g. Collection Schedules, Customer Groups). The lower panel contains the details - such as rules for the schedules, membership entries for the groups, etc.

The ribbon on the top contains three button groups: Entity, Details, and Save. Both entity and details button groups allow you to perform the Add and Delete function respective to the group designation. The Save button (only one item in the third button group) allows you to save the changes.

Figure 1. RMH Loyalty Manager
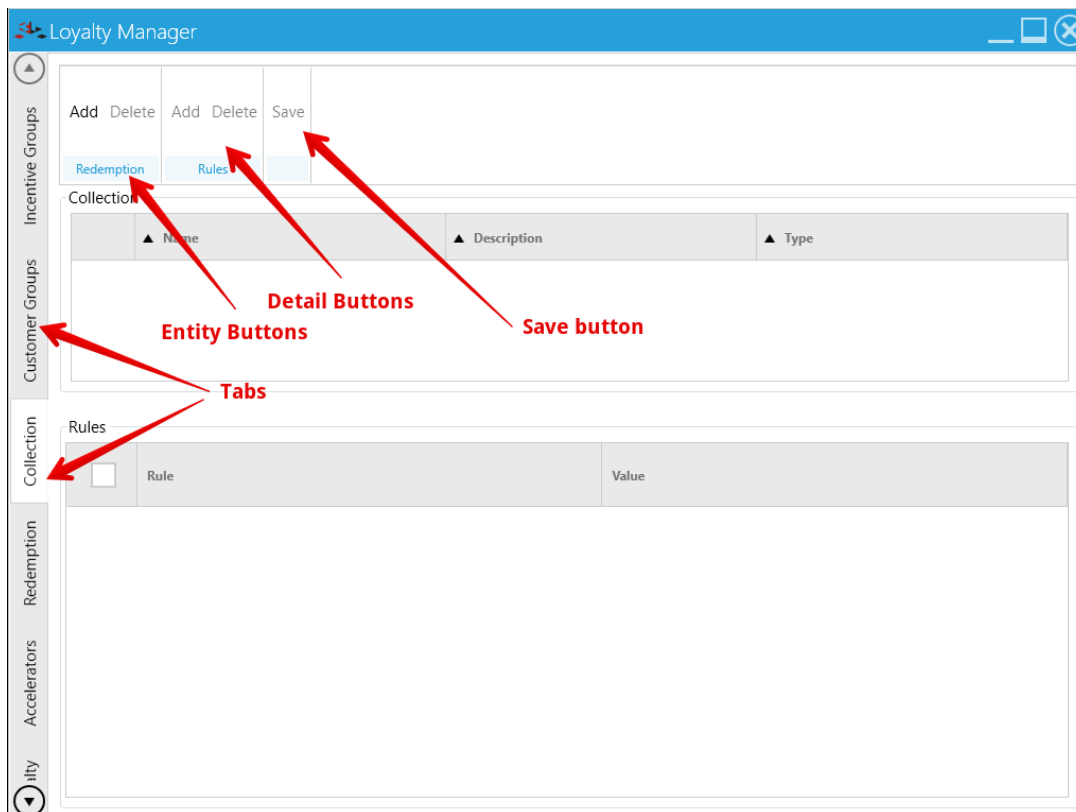
Configuring Customer Loyalty Program(s)
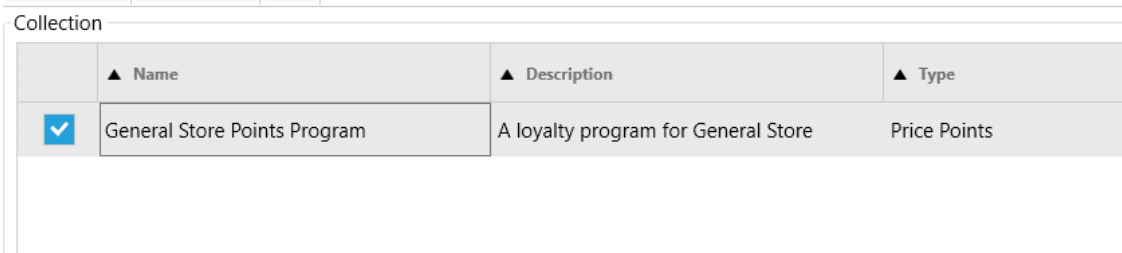
In order to be functional, the RMH Loyalty system needs at least one active loyalty program. As explained previously, a loyalty program requires at least one collection and one redemption schedule. These components determine how the points are collected and redeemed.

The following example shows how to create a most basic loyalty program.

Creating Collection Schedule

1. Switch to the **Collection** tab.

2. Click **Add** in the Collection section.

3. Enter the program **Name** and **Description**, and then select "Price Points" as the collection **Type**.
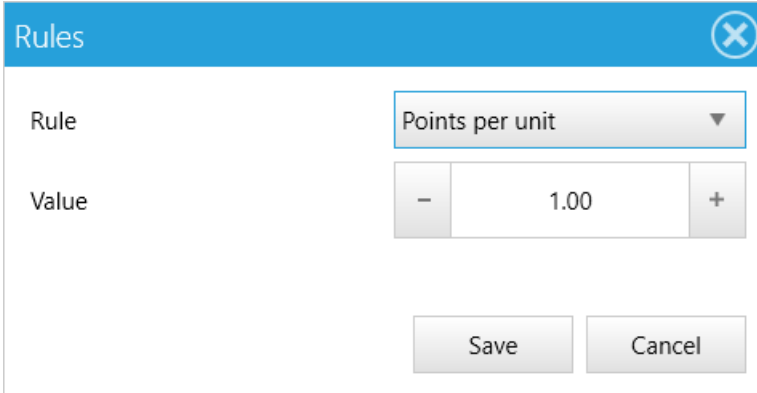
   Figure 2. Adding a Price Points Collection Schedule

	▲ Name	▲ Description	▲ Type
☑	General Store Points Program	A loyalty program for General Store	Price Points

4. Add mandatory rules by clicking **Add** in the Rules section.

5. For the PP collection type, the mandatory **Rule** is "Points per unit". In the **Value** field, select the default "1" (means, each price unit - $ dollar, will generate 1 point).

   Figure 3. Adding Points per Unit rule

   Rules

Rule	Points per unit ▼
Value	− 1.00 +

   Save   Cancel

6. Optionally you may add other PP rules such as "Minimum Purchase", "Save Collected Points in item comment", "Show Collected Points Detail", etc. For description of the optional rules, see the Table 1. Collection Schedule Rules. As an example we added some of the optional rules. For example, because we don't want our points to be fractional, we add a "Round Up" rule so that the points number is always whole.

   IMPORTANT NOTE: If you want to limit the scope of collecting the points, you may include into the collection schedule one or more Incentive (item) group(s), and Customer group(s). If you do so, only those items and customers defined in the included groups will generate/collect points. If you don't

limit the scope, it means that all items and all customers will generate/collect loyalty points in every transaction.

7. Click the **Save** button. Your collection schedule will look similar to the following:
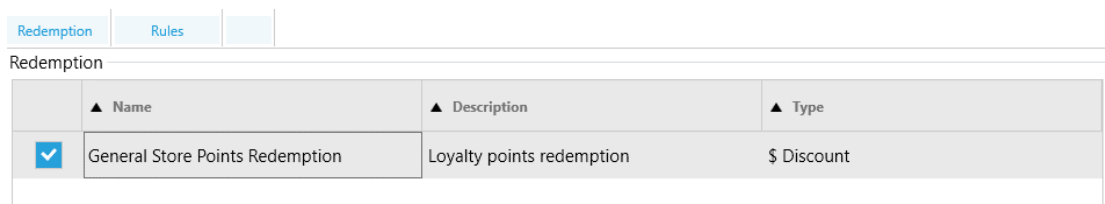
Figure 4. Price Points Collection Schedule Example
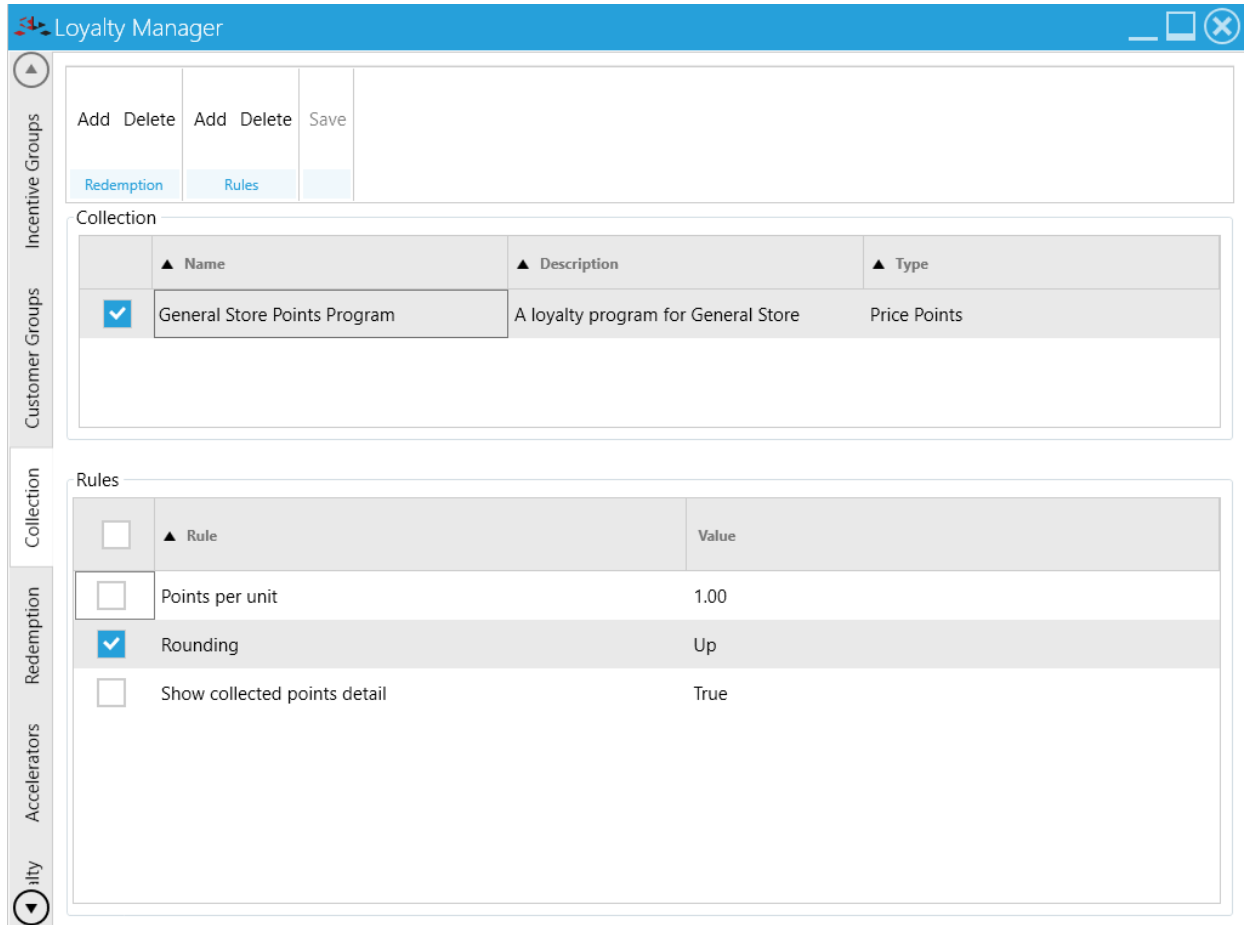
Creating Redemption Schedule

1. Switch to the **Redemption** tab.

2. Click **Add (Redemption)**.

3. Enter the **Name** and **Description**. In the **Type** field, select "$ Discount". This type of redemption will apply a fixed amount discount to the reward transaction.

Figure 5. Adding a Dollar Discount Redemption Schedule

4. Add the mandatory rules by clicking **Add** in the Rules section:

   a. Add several "Reward value per point" (at least one is required):

- $10 for 100 points
- $20 for 200 points
- $30 for 300 points

b. Add a mandatory reason code.

NOTE: The loyalty reason code is a standard Discount Reason Code, defined in RMH Manager. However, it is highly recommended that the Loyalty uses a unique reason code which is not used manually for any other purpose. The purpose of the reason code is to flag the loyalty discounts in the reporting and distinguish them from other discount types.

5. Click **Save**. The Redemption Schedule should look like the following:

Figure 6. Dollar Discount Redemption Schedule Example
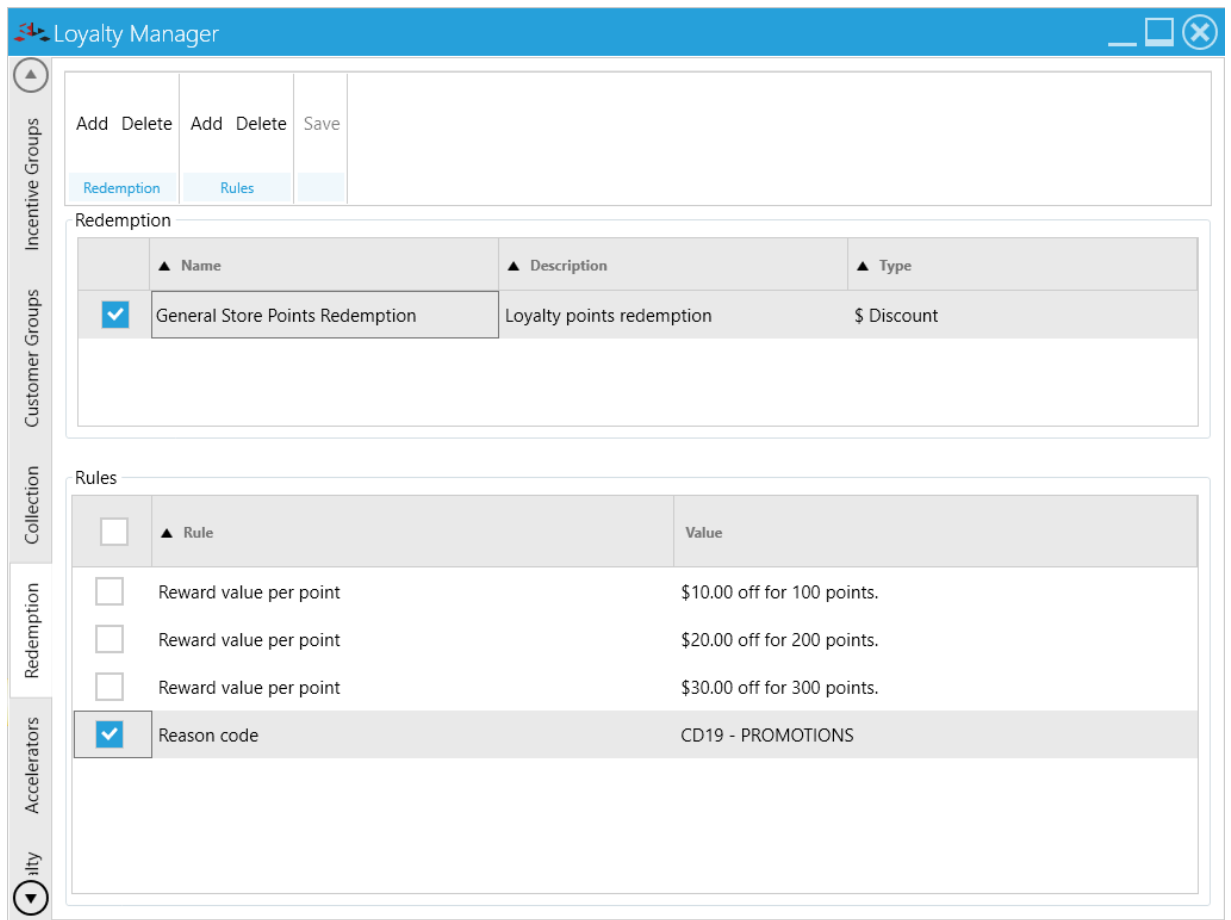
Creating the Loyalty Program

1. Switch to the **Loyalty** tab.

2. In the Loyalty section, click **Add**, and then enter the **Name** and **Description**.

3. Add the mandatory collection and redemption schedules.

   a. In the Loyalty Entry section, click **Add**. Add **Collection Schedule**, select the previously created schedule, and click **Save**.

   b. In the similar way, add the previously created redemption schedule.

4. If desired, add optional rules: **Effective Date** and/or **Require Confirmation**. The first rule defines when the loyalty system will come into effect (if not provided, then immediately). The second rule will require the cashier to confirm the customer participation when they are about to collect their first loyalty points.

5. Click **Save**. Your completed loyalty program will look similar to the following:
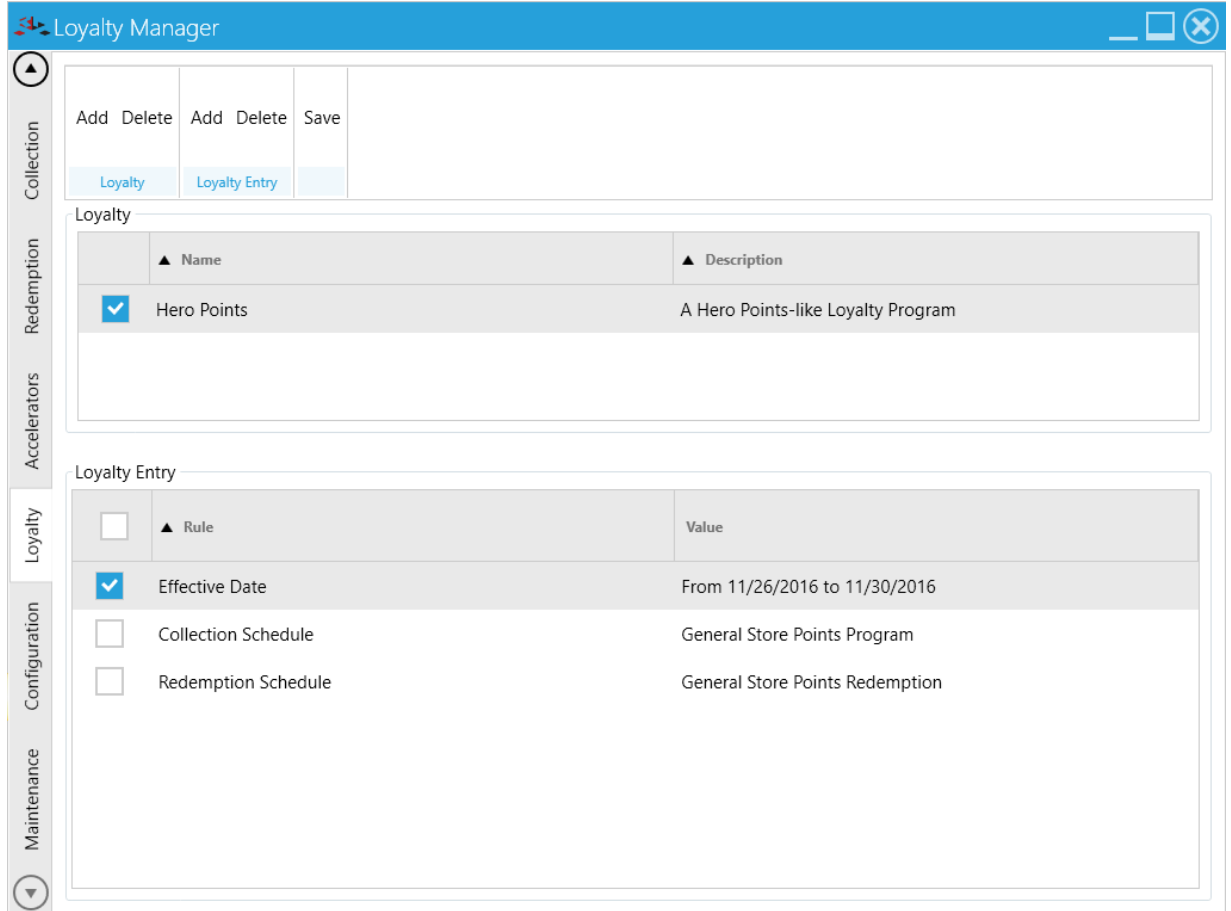
Configuring the POS Receipt

Optionally, the RMH Loyalty system can print various customer loyalty information on the transaction receipt. Also, the Coupon redemption types require a coupon to be printed as a part of the receipt. For these reasons RMH Loyalty supplies a customized 40 columns (no full page!) receipt template which must be configured in RMH Manager before using at the POS.

IMPORTANT NOTE: Some payment integrations and other RMH POS extensions may use their own receipt templates. Installing RMH Loyalty may disrupt the information these extensions may need to print on the receipt, such as credit card payment confirmation. Please contact support@rrdisit.com for a customized receipt template that can work with both RMH Loyalty and your RMH POS extension.

Follow these steps to configure the RMH Loyalty receipt template:

1. Launch **RMH Store Manager.**

2. In the menu, select **Setup-** > **Hardware** -> **Receipt Formats**.

3. Click **New**, and then enter the **Title** and **Description**.

4. Click the magnifying glass button next to Sales. That will launch the File Open dialog.

5. In the dialog, navigate to the \ReceiptTemplates\ subfolder under the POS installation path.

   NOTE: The dialog opens in the \ReceiptTemplates folder of the RMH Store Manager, but you need to go to the POS installation folder because it is where the Loyalty receipt template resides. Go two levels up, select \RMH POS folder, then \ReceiptTemplates underneath of that.

6. Select the receipt template HeroPoints40.Receipt.xml.

   Figure 7. Selecting the RMH Loyalty receipt template
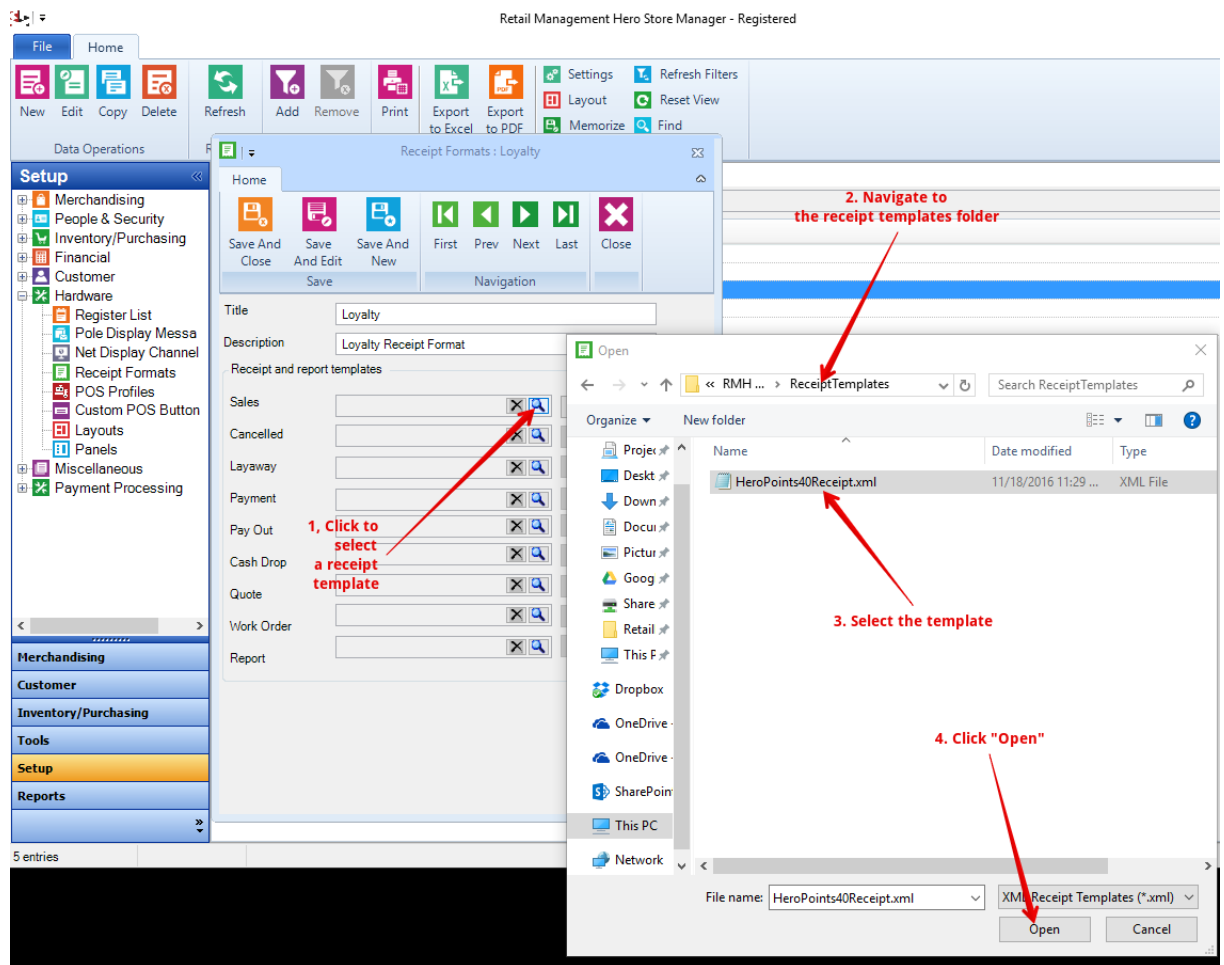
7. When prompted, "Would you like to update all transaction types..?", answer **Yes**. This will effectively apply the receipt templates to all transaction types, except for the X/Z Report.

8. To print an X/Z report, configure it separately as described in the *RMH Store Manager User Guide*.

9. Change the loyalty program title in the receipt template properties:

   a. Click **Properties**.
   b. Scroll down the list of variables
   c. Change the value of the "Loyalty Program Title" from the default ("Hero Points") to your store's loyalty program name, e.g. "General Loyalty".

Figure 8. Changing the loyalty program title in the receipt
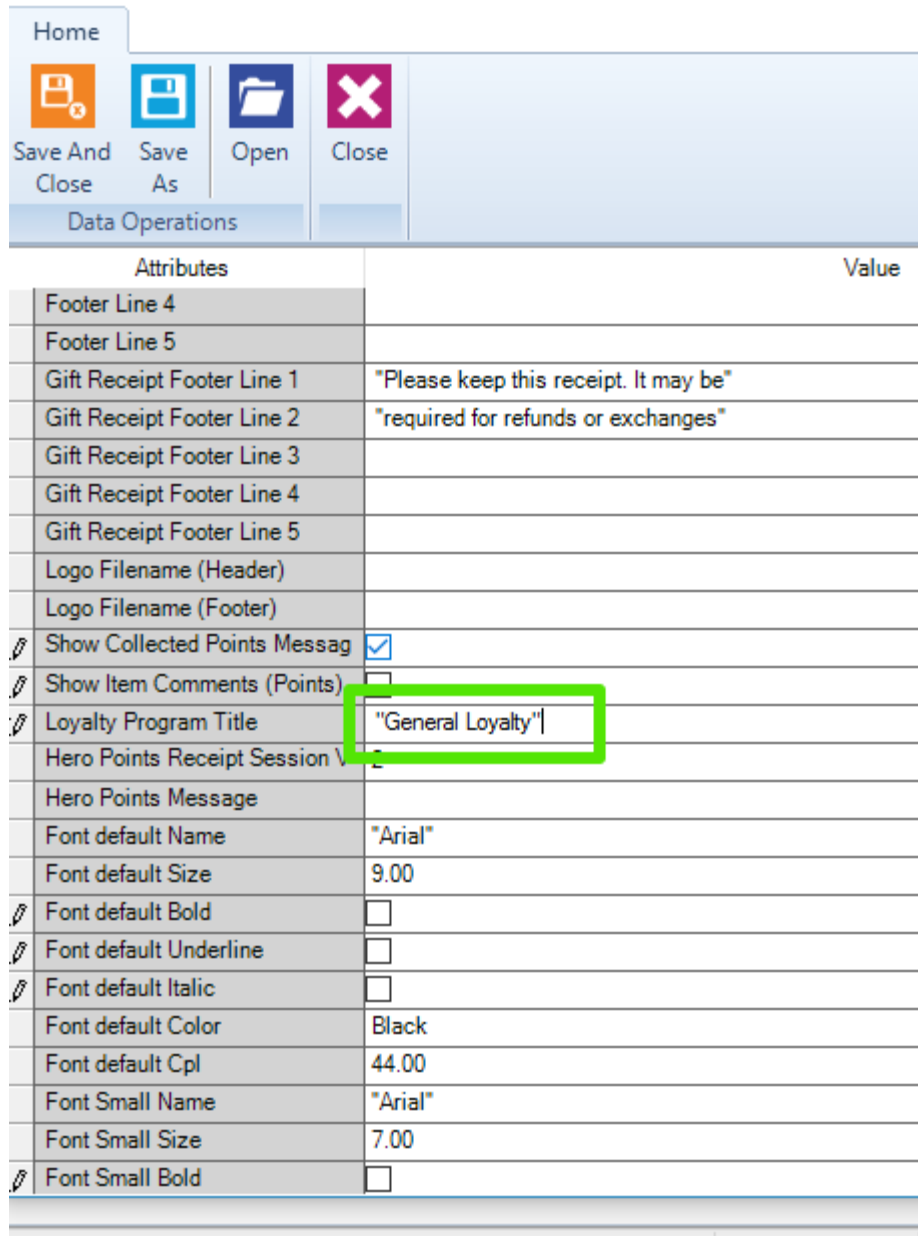
10. Click **Save** in the receipt properties, and then click **Save and Close** in the Receipt Format window. Now your receipt format is ready for use.

11. To assign the new template to the registers the will use it, perform the following steps:

    a. In the **Navigation**, select **Setup** -> **Hardware** -> **Register List.**
    b. Select the register the needs to use the loyalty receipt format.
    c. Switch to either the **Printer 1** or **Printer 2** tab (depending on which printer you need to use that template).
    d. Check the '**Journal receipts from this printer'** box (unless you don't want the receipt journaled).
    e. Click the magnifying glass button next to the receipt format.

Figure 9. Assigning the Loyalty receipt template to a POS register
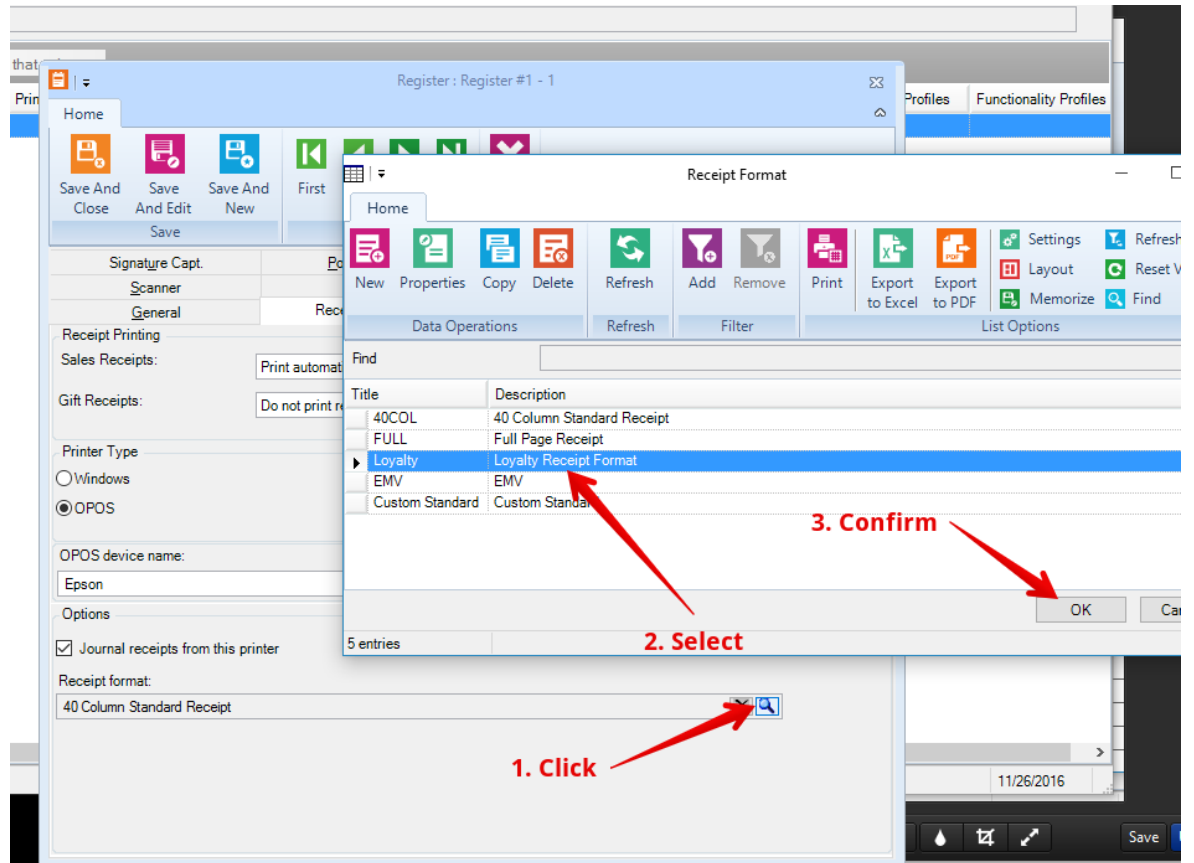
12. **Save and Close** the Register settings.

Now your POS is ready to use the RMH Loyalty system.

RMH Loyalty at the POS

RMH Loyalty installs as an extension into RMH POS and adds some new screens and functionality into the transaction flow. Also, RMH Loyalty uses RMH Customers and will not work if a customer account is not added to the transaction.

The following steps describe the workings of RMH Loyalty at the POS:

1. Launch **RMH POS** and log into the system.

2. Select a customer. As the customer details display in the Info panel, notice that there's available a new vertical tab called "Loyalty". Refer to the following figure:

Use Up/Down
arrow buttons
to scroll through
the tabs

3. Switch to the **Loyalty** tab in the Info panel. Currently it only repeats some customer detail, but has no customer loyalty info yet.

4. Add items to the transaction.

5. Tender the transaction as usual.

   After finishing tendering, a pop-up displays to inform the cashier of how many points have been collected in this transaction.

6. Review the receipt. If you have configured the RMH Loyalty receipt, you will notice an additional section at the bottom of the receipt.

Figure 10. Loyalty info on the receipt

When you have recalled the same customer for the next transaction, you will notice that now the Loyalty info tab shows the total of collected customer points.

NOTE: If the customer participates in more than one loyalty program, all programs and the current running total will be listed in that Loyalty tab.

Figure 11. Loyalty info tab

The customer now has 264 points and is eligible for a reward. As you may remember, we have 3 levels of the rewards: $10 for 100 points, $20 for 200 points and $30 for 300 points. Because the customer has only 264 points, they will be offered only $10 or $20 reward.

7. Add an item that has a sufficient price to be discounted.

8. Tender the transaction. Now you see a new dialog offering you to select one of two available rewards. Select the first entry ($10 discount) and click the **Select** button.

Figure 12. Applying a redemption

NOTE: If the customer has got more than one loyalty program available for redemption, the selection will present all options, but only one redemption can be used at a time.

You will notice now that before the tender screen appears, the selected discount was applied to the transaction.

9. Tender the transaction normally and review the receipt. The discount was applied with the specific loyalty reason code, the 100 points have been subtracted and, according to the discounted item price, new points have been added.

RMH Loyalty Best Practices

Although RMH Loyalty is very flexible and allows a lot of interesting scenarios, there are some more typical scenarios to consider.

RMH Loyalty Ideas

Please consider the following common sense ideas about a retail loyalty program:

- The simpler the loyalty program is, the more effective it is. When the customers do not understand the rules and red tape, they do not feel the loyalty program benefits them.

- Do not restrict but reward. For example, instead of limiting certain groups of customers from collecting loyalty points, reward the most frequent customers with additional perks, such as Sales accelerators (e.g., all customers who historically spent more than $2,000, get double points).

- Create tiers of loyalty by using either Customer Groups, or the Club Accelerator. Add the most loyal customers to the top tier, but do not deny participating in the loyalty collection to the new customers

- Encourage new customers by adding "New Customer Bonus" points.

- Be generous and make your rewards sizeable. In general, the customer should get about 10% or higher discounts for participating in the loyalty program. A program which rewards the customer with 1-5% discount is not enticing.

- Use Coupon redemption type and set the time limits on the coupon as way to encourage the customers to visit more often. Remember that lowering your margin by implementing a loyalty discount, will be offset many times over by the item and customer turn generated by the loyalty program.

- Although RMH Loyalty does not require customer cards, it may be a good idea to have such. Design and order from your local supplier sequentially numbered loyalty cards and/or key tags (with barcode or mag-stripe) and distribute among your customers. On the first visit, add the card number to the customer's Aliases list. At subsequent visits, simply scan the card into the POS "Scan" entry field and the customer's account will be automatically found and attached to the transaction.

RMH Loyalty Typical Scenarios

Hero Points

A sample scenario from the legacy Hero Points 3.X for Dynamics RMS. This scenario is designed to reward a customer with 10% loyalty discount.

- Collection:
    - Type: Price Points
    - Point per Unit: 1 point per $1 spent

- o Rounding: Up
- o Show collected points detail: Yes
- o New customer bonus points: 100
- o Limitations:
  - Exclude employees
  - Exclude customers with discounts
  - Exclude customers with price levels
  - Exclude for vouchers
- Redemption:
  - o Type: $ Discount
  - o Reward value per point: 3 or more levels, e.g., $10 for 100 points, $20 for 200 points, $30 for 300 points, etc.
  - o Reason code: a dedicated loyalty reason code

Such program may be made more granular by including or excluding certain incentives (item groups). Without those the collection schedule applies to any item in the inventory (except for those sorted out by the item type). When using incentive groups, you may limit which items do or don't collect the loyalty points.

Moreover, with incentive groups it is possible to create different collection schedules that will allow you to collect a different loyalty value on different product groups. For example, instead of putting slow-moving items on sale, you can award higher collected loyalty value on these items.

Using customer groups you also can create different collection schedules with different accumulated loyalty value. This way, you create various "loyalty tiers" for your customers.

Q-Rewards

The following is a sample scenario from the legacy Q-Rewards for Dynamics RMS. This scenario is designed to reward a customer with a _free item_ at the end of the collection cycle. The program only makes sense with an incentive (item) group, which includes the items of similar attributes: type, price, manufacturer, etc.

There may be more than one such loyalty program. For example, a coffee shop may have only few such incentive groups, e.g.

- "Small hot regular beverages"
- "Large hot regular beverages"
- "Small hot premium beverages"
- "Large hot premium beverages"

But a pet supply store that runs a "frequent buyer" program may include hundreds of these incentive groups, congregating the products by type, size, price and manufacturer. E.g.:

- "Canidae Dog Small 4lb food bags"
- "Canidae Dog Large 20lb food bags"
- "Pedigree Premium Cat Small 4lb food bags"
- "Pedigree Dog Small 4lb food bags"
- Etc. …

A quantity points scenario:

- Collection:
  - o Collection type: Quantity Points
  - o Include incentive group: "Canidae Dog Large"
  - o Points per unit: 1 (one points per each purchased item)

- o Show collected points detail: Yes
- o Limitations:
  - ▪ Exclude Employees
- • Redemption:
  - o Reward per point: for 10 points - 1 item at 100% discount
  - o Applies to the same incentive group as Collection: Yes

This loyalty program will collect 1 point for each purchased item from the "Canidae Dog Large" incentive group, and reward the customer with the free 11th item from the same incentive group (essentially, it will apply a 100% discount to the 11th item).

NOTE: Multiple collection schedules (one per each incentive group) can use the same redemption schedule, as long as "Reward per Point" stays the same and the rule to apply to the same incentive group as the collection, is turned on.

Basket Points

A following is a sample scenario from the legacy Hero Points 3.X for Dynamics RMS. This Basket Points scenario awards the customer with points only if a certain subtotal value (basket size) is reached, and rewards with a coupon discount.

- • Collection:
  - o Type: Basket Points
  - o Points per basket value: 100 points for $30 basket
  - o Limitations:
    - ▪ Exclude Employees: Yes
- • Collection
  - o Type: $ coupon
  - o Reason Code: Dedicated loyalty discount reason code
  - o Reward value per point: $3
  - o Coupon time limits: Activate after 7 days, valid for 30 days after activation

This configuration will award 100 points every time the customer spends at least $30 (before tax) and as a redemption issues a $3 coupon which activates in 7 days after issuing and is valid for 30 days thereafter.

Support

Limited support is provided by Retail Realm®. Please visit http://support.rrdisti.com or contact your RMH Reseller for more information.