Building loyalty programs using SAP Emarsys

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Maximize customer lifetime value

In today's competitive world, to successfully run a company and increase sales values, it is extremely important to have **loyal customers**, who stay with your company, use services, or buy products regularly, which can be obtained using loyalty programs. You can make even more out of the loyalty program, when you combine it with marketing activities in multiple channels, to build a holistic customer experience, and strengthen their loyalty.

Tailored to your needs

Companies using Emarsys have great freedom in creating loyalty programs. Such programs contain basic functionalities, like simple tiers division with discounts. For more demanding clients, it can offer much more sophisticated functions, like list of options on how the customers can spend their loyalty points or get exclusive VIP access for special deals.

Emarsys offers three types of Loyalty programs:

1. **Points & Redemption** – client gathers points for shopping and other activities (e.g. friend's referral). Gathered points can be used to redeem vouchers and bonuses (e.g. -10% voucher or free delivery bonus).
2. **Points & Benefits** – client gathers points for shopping and other activities. Point accumulation grants promotion to higher tiers. Every tier has its own set of benefits (e.g. -5% and early access to new product for Silver members).
   Note: client does NOT spend his points (although points can expire and inactive client can fall to lower tier).
3. **Spend & Benefits** – solely cashback program. Instead of points, the client can see the amount he has spent in your shop. They can achieve tiers and get cashback vouchers for his spending.

Best functionalities of Loyalty in Emarsys

Loyalty Wallet

By implementing Loyalty JavaScript commands, you can easily setup Loyalty Wallet on your website. Alternatively, the user can use Loyalty's API to build their own UI on the website.
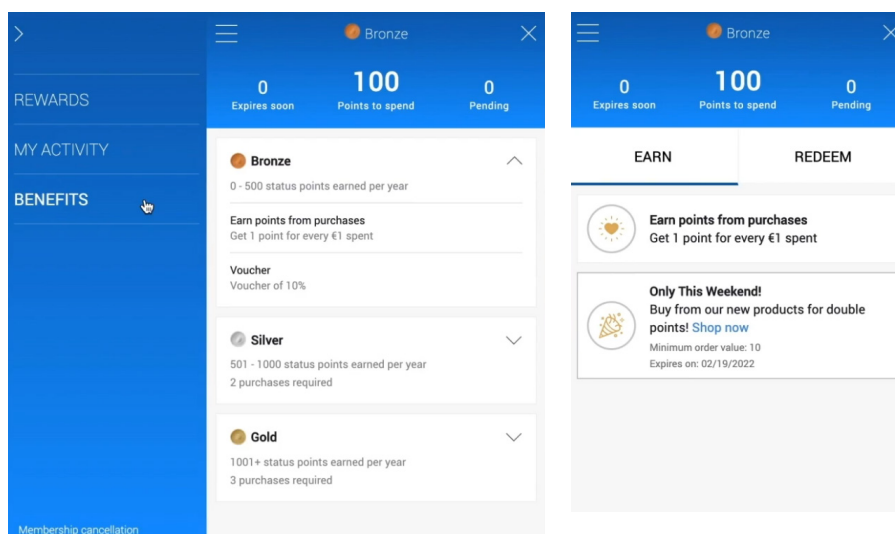
Loyalty Wallet is visible on the user's website, clients can easily expand it and register for the loyalty program or login in. With Loyalty Wallet, the client has a clear view of his current points, tier, actions to carry, and bonuses to redeem.

Wallet design can be edited by the user in terms of colors, icons, tier names, and credits naming convention (e.g., points/starts/coins). Nevertheless, the types of tabs, their order and the information shown cannot be altered. If the user wants his Wallet's logic/options to be different from the standard one, he can create his Wallet from scratch, using API.

The earn tab provides information about actions that can be taken by clients to receive bonus points or other bonuses. As in the screenshot above, the client is being tempted to make another purchase by being offered double points reward for purchases this weekend (with information, that the minimum order value is 10 euros).

Redeem tab, gathers all available options to spend points on. This can be vouchers, gifts, free delivery, early access, etc.

Tiers and benefits

Tiers incorporate an element of gamification; clients are encouraged to achieve higher tiers and get more benefits. Each tier has a minimum spending requirement, but we can also set the minimum number of purchases required. Besides regular tiers, we can create "invitation only" tiers, these tiers cannot be acquired by regular clients, but we choose which clients would be granted this special tier. It can be used, for example, to grant extraordinary benefits to VIP clients or create a subscription model, where clients pay for this tier to get great deals.
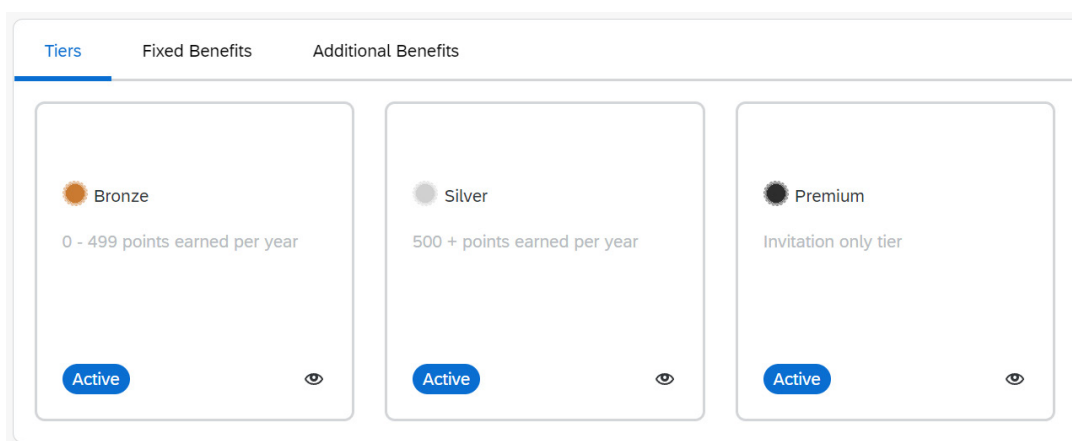
Each tier has its own set of fixed benefits. Each customer reaching a given tier receives benefits set by the user.

	Tiers	Fixed Benefits	Additional Benefits

Here you create and assign fixed benefits to tiers. Point values and purchase requirements are defined in the Tier settings.

Create New Benefit

Benefit	Bronze 0 - 499 Points	Silver 500 + Points	Premium	
Points from purchases	1 Point = €1 spent	2 Points = €1 spent	5 Points = €1 spent	
Additional Points	-	-	-	
Birthday gift	included	included	included	✎ 🗑
Surprise rewards & benefits	included	included	included	✎ 🗑
Exclusive products access	-	access products no one else can	access products no one else can	✎ 🗑
VIP customer service	-	-	included	✎ 🗑
15% off always	-	-	included	✎ 🗑

Apart from fixed benefits, users can create and manage additional benefits, these can be single benefits or a bundle (e.g., discount voucher, free shipping, gift). These benefits can be distributed among clients via Loyalty API. The user is free to choose, under what conditions he grants his clients these benefits.

Vouchers and Exclusive Access

Vouchers can be provided in three ways:

- As a reward, e.g., when a client meets criteria like "make at least 5 purchases this month to receive a voucher".
- Redeemed for points, e.g., client spends 500 points to get a voucher.
- Vouchers given for free, to encourage clients to make a purchase.

Vouchers As Rewards	Vouchers For Points	Vouchers For Free

ⓘ Vouchers for points are managed in pools that are connected to the Loyalty wallet to support your redemption offers.

Points **One-time use**

5% voucher / 5% voucher

49781 available vouchers
Pool expiration: 26.09.2022
Voucher validity: 21 days

Expired   ✎ 🗑

Points **One-time use**

Extended warranty / Extended warranty

50000 available vouchers
Pool expiration: 16.08.2021
Voucher validity: 1 month

Expired   ✎ 🗑

Points **One-time use**

Personal training session / Personal training session

49998 available vouchers
Pool expiration: 16.09.2021
Voucher validity: 3 months

Expired   ✎ 🗑

Exclusive Access allows the creation of exclusive pages on user's webpage. Access will be limited only to Loyalty members. It could be limited to clients who receive the reward of access, this can be predefined for a given tier or available for all Loyalty members. Exclusive Access is a great way to encourage client engagement as it is free to use and makes clients feel special. The acces may be permanently limited or just for a specific period. Setting Exclusive Access is easy, as the script is part of Loyalty Wallet JavaScript.

Loyalty actions and Loyalty segments

To make customers engaged, users can set actions at Loyalty. Actions are customer-side interactions. All actions have a set of rules when they activate and what has to be done by the client, so he/she can receive a reward. Actions are highly customizable, with the use of API, users can award their client for almost any behavior on the website. In the Action tab, actions are divided into 6 areas:

1. **Purchase** – this action drives purchase, this could be a special discount for the first and second purchases to turn clients into active customers.

2. **Promotions** – promote product catalog, sales, and events. Can be redeemed multiple times.

3. **Engagement** – evoked by the change of contact field or (with the use of API) by any activity registered on the user's account. This could be a point given for filling satisfaction survey or updating the profile with a mobile number.

4. **Events** – does not require customer activity. Triggered automatically, for example, birthday gifts, loyalty anniversary gifts, etc.

5. **Referral** – the client can find the referral link in his Wallet. Sharing invitations to his friends, the client receives bonus points if his friend makes a purchase. The client's friend is also encouraged to make a purchase with a discount voucher.

6. **Join Loyalty** – by default Join Loyalty action is always active. Besides this, users can set time-limited or channel-limited actions to join Loyalty. A client can receive extra points, vouchers, access to exclusive content or an immediate tier upgrade.

Combining all types of actions, the user can establish a rich loyalty experience, where he is rewarded for many activities, has high freedom of choice of his rewards, and can easily invite his friends to join Loyalty with mutual benefits. Of course, actions

should be aimed at the proper audience. At the start of the onboarding process, your Implementation Consultant creates eight segmentation templates for you, which can be used to create the relevant Loyalty segments. These segments can be used to aim at a specific group of clients: clients belonging (or not) to the Loyalty program, clients who have X points, clients who need at least X points to achieve the next tier etc.
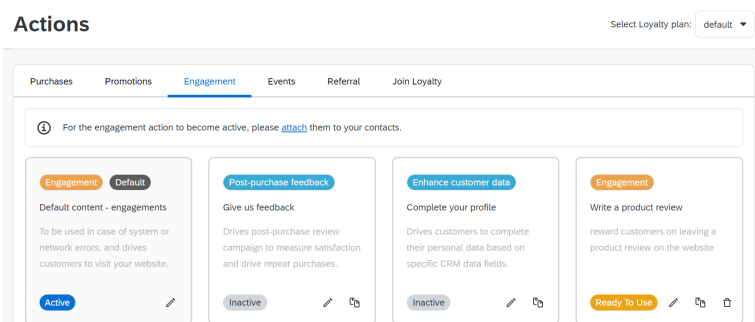
Loyalty reporting

At any point, the user can check members of a loyalty plan, and get detailed information about all activities of a specific contact. All the data can be downloaded for reporting purposes.
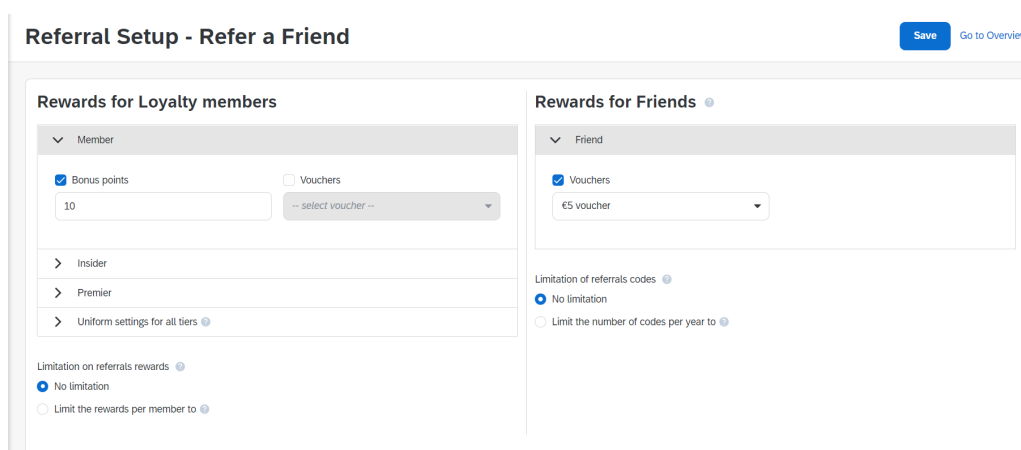

The overall data regarding Loyalty can be scrutinized on Loyalty Dashboard. Users can observe the total number of loyalty members over time and the number of last enrollments. The Reward Analytics tab provides information about points. How many were recently: accumulated, redeemed, pending, and, if applicable, how many expired. With the Average Order Value statistic, the user can see what percentage of sales, can be attributed to the Loyalty program.
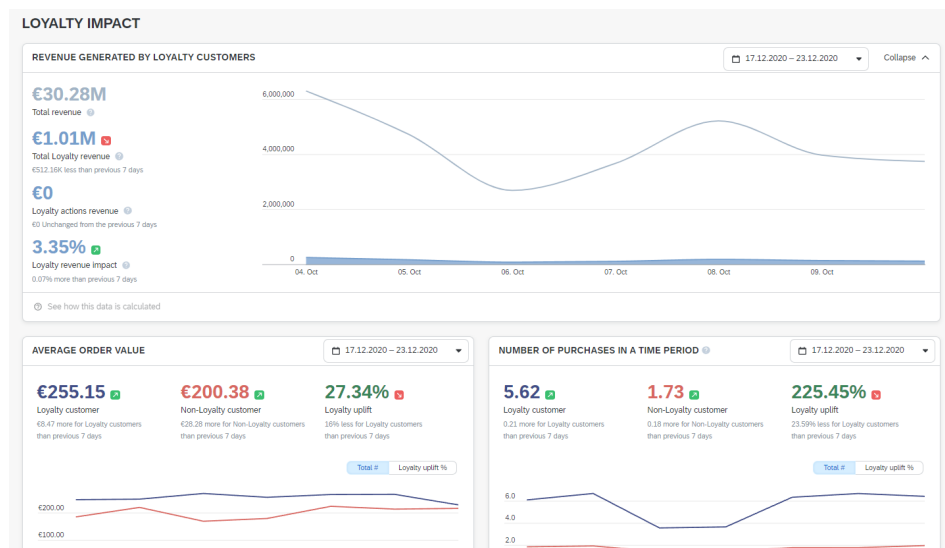
Users can also track interest in the referral programs. At the Actions tab, each referral program has a bar graph icon that opens statistics. Users can see, how many referral codes were exposed, how many were used, and what the ROI is in referrals.

Referral program in loyalty

In Emarsys loyalty, we can set up a referral program for your customers. With this feature, each of your customers will be encouraged to invite other people to your shop through rewards in the loyalty program. This highly effective marketing strategy will increase the number of customers in your shop while strengthening affection for your brand for current users.

During the setup of the referral program, we need to decide how to reward customers. New customers will receive vouchers for our shop. On the other side, loyalty members can be rewarded with points or vouchers depending on their current tier.

Setting up Loyalty at Emarsys

As mentioned before, setting up Loyalty is easy, the whole process is supervised by our implementation consultant. Firstly, the user has to decide how he wants his loyalty plan configured (naming convention, tier division, etc.). When sales and product data imports are set, the user activates the Loyalty add-on. In the next phase, the user activates Loyalty on his website, this can be done by copying premade JavaScript or setting API. Subsequently, the user prepares a launch plan: tiers, default actions, basic loyalty segments, and automation programs. The final step is to test our Loyalty and if everything is fine, go live!

Keep in mind, that multiple loyalty plans can be run simultaneously, for example, users can have different loyalty plans for B2C clients and B2B clients.

Note! Data from your legacy loyalty program can be uploaded to Emarsys so your clients keep their tiers, points, and voucher codes.

Integrations

eCommerce

SAP Emarsys provides native integrations to 4 major e-commerce platforms:

SAP Commerce Cloud	**Magento**	**Shopify Plus**	**Salesforce Commerce Cloud**
• Customer sync • Consent sync • Real-time Event sync • 8 SAP CX Tactics • Product sync	• Contact sync • Opt-in sync • Web-extend data • Web recommender framework • Magento events as triggers • Export data to smart insight	• Creating, updating, and deleting contacts • Triggering events • Synchronizing orders • Upload of customer data in near real-time • Opt-in data sync • SMS Opt-in data sync	• Newsletter • Product data • Smart insight data • Opt-in data

It is also possible to use any other eCommerce platform together with Emarsys, it can be easily done using prebuilt APIs provided by Emarsys.

Third-party Database integration

In SAP Emarsys, you can use Relational data service. With this feature, it's possible to integrate your business-specific databases with marketing solutions. Using relational databases allows one to easily combine different data sources. There are two options for hosting databases:

• **Client-hosted** – hosted by the customer, it can use Amazon Redshift, PostgreSQL, Google BigQuery, Microsoft SQL, MySQL, Azure SQL, Snowflake, SAP HANA Cloud, SAP HANA On-Premise.
• **Emarsys-hosted** – hosted by SAP Emarsys, it always uses MySQL.

Use case: „End-to-end process of rewarding a customer after a purchase"

Singing up to the loyalty program
While shopping online on a website, customer can access his loyalty wallet. He's immediately introduced to a loyalty program and encouraged to join. To do so, he needs to accept the terms and conditions and click on the "Join now" button. Depending on the configuration, he can earn starting bonus.

Making a purchase
After a purchase user is rewarded with loyalty points.

Sending a discount
Customers can receive points or vouchers for participation in different actions. For example, you can configure double points for some products or a special voucher for his birthday.

Spending points
In a Loyalty Wallet, the customer can decide to spend points on vouchers, special sales, or discounts.

Licenses

Emarsys offers enhancement and adds new functionalities for the core system.
It can be done in two ways:

- Packages
- Add-ons

It offers three different packages based on the functionalities offered:

- Essential
- Advanced
- Max-AI

Emarsys Loyalty is offered as a paid Add-on, which can be added to the Advanced or MAX-AI package of SAP Emarsys.

Summary

SAP Emarsys Loyalty is a solution easy to implement and to work on, which allows you to combine its functionalities with the whole Emarsys marketing platform, for better management of customer loyalty. As an experienced partner, Apollogic can help you enhance your marketing strategy with SAP Emarsys.

Let`s build loyalty of your customers together! Our team of experts will help you with:

- Building a successful marketing strategy to increase, conversion, order value, and customer satisfaction.
- Emarsys platform implementation and onboarding.
- Configuring Emarsys to communicate with eCommerce platforms.
- Enablement and trainings with Emarsys users, building marketing activities according to your needs.

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