IBM ILOG promotions and loyalty solutions

Highlights

- Effectively manage promotions with business rules

- Enable greater personalization and multichannel interactions

- Help marketers personalize offers and deploy them quickly to selected locations

- Quickly check client eligibility and develop customer profiles

New challenges

After urging your customers to earn points through a loyalty program, how do you get them to spend the points? How do your customers react when they realize they did not use the right coupon to get the best price in a transaction? Are they satisfied when they cannot take advantage of a special promotion because their loyalty accounts are not up to date?

Difficult to manage

A simple software engine based on hard-coded rules for managing points or promotions cannot handle these challenges. What you need is a solution able to clearly identify and independently manage the rules that:

- Create an offer (rebates, product selection, sales conditions…)
- Check client eligibility (customer profile, history of shopping activities…)
- Execute a variety of offers (exclusive, seasonal…)

In short, today's promotional programs require an entirely new form of management.

The solution

Only a business rule management system (BRMS) can offer a truly effective way to manage promotions. With a unique system for declaring rules, it empowers marketing personnel to run campaigns directly, while its deployment system lets IT quickly make new offers available through stores and various other sales channels and limit their duration and the areas they cover. Finally, its high-performance BRMS rule engines allow offers to be customized in real time, either autonomously by machine or centrally through a service-oriented architecture (SOA). This enables:

- Real-time personalization
- A choice of various sales scenarios, with contextual next best offer(s)
- Coherent multichannel interactions
- The ability to evaluate and track a campaign's effectiveness

"With more than 30 million customers around the world and a wide range of promotional offers which change twice a month, Yves Rocher needed to provide its business users with a reliable, flexible and integrated solution. Every day, IBM WebSphere ILOG JRules allows thousands of beauty advisers in our stores to offer at the point of sale the right price, product and promotion to the right customer for higher customer satisfaction and retention."

— *Alain Grosse,*
Market IT Director,
Yves Rocher

Some of the advantages

Distributors, telecom operators, retail banks, tour operators and suppliers of loyalty programs have already benefited from using IBM® WebSphere® ILOG BRMS in the following areas:

Managing commercial offers:

- Flexible management of bundles and sets
- Proposing promotions based on the contents of shopping baskets
- Explaining promotions to customers and sales people

Managing loyalty programs:

- Assign point systems according to customer profiles
- Correlation and qualification of customer events
- Personalized recommendations for using points

Managing the convergence of loyalty and promotion programs:

- Offer the choice of a rebate or a gift
- Verify opportunities for additional sales
- Focus programs on the more profitable customers

Create more personalized offers faster

To make offers more attractive, marketing departments have to implement highly granular rules that may result in complex statements. With WebSphere ILOG BRMS, marketing personnel define simple to complex offers in their preferred natural language (English, for example) with guidance from rule wizards, and run simulations to test and validate offers. Commercial partners can also be given limited access to certain rules.

Determine eligibility for offers at the point of purchase

To make offers more attractive, customer eligibility has to be determined in real time at the cash register—or the Web browser. With WebSphere ILOG BRMS, several hundred rules can be executed just before the sales ticket is rendered. The customer can receive personalized messages (for example, the number of accumulated points or announcements for new promotions) on the receipt or another medium.

Deploy promotions to specific stores or sales channels

To further ensure the effectiveness of special offers, a retailer needs to be able to limit certain offers to specific groups of stores, test them at certain stores or limit them to particular sales channels. With WebSphere ILOG BRMS, the IT department can control the automated deployment of rules. They can be easily limited to specific outlets or made widely accessible to applications throughout the enterprise, including those based on the Internet.

Evaluate campaign efficiency

WebSphere ILOG BRMS generates reports that can be used to evaluate the effectiveness of campaigns. Marketing personnel can track applied offers, never used offers and eligible but never used offers. They can gauge the impact of a campaign and gain insights into customers' preferences and shopping habits.

WebSphere ILOG BRMS: product of experience

IBM offers a choice of WebSphere ILOG BRMS products that easily integrate with existing retail systems (transaction, Web, back office, store and more). These products support leading platforms, including Java™, .NET and COBOL and are backed by a proven development methodology—IBM ILOG ISIS—to help users quickly and efficiently define and implement a competitive BRMS solution. IBM also gives users access to a network of partner integrators who use IBM software to create fast, accurate systems for processing data.

For more information

For more information on IBM ILOG promotions and loyalty solutions, contact an IBM ILOG Sales Representative near you or visit www.ilog.com/industries/retail.