



Omni-Commerce Retail Update Focus on Loyalty

Ulf Bettinger SAP SE

CUSTOMER

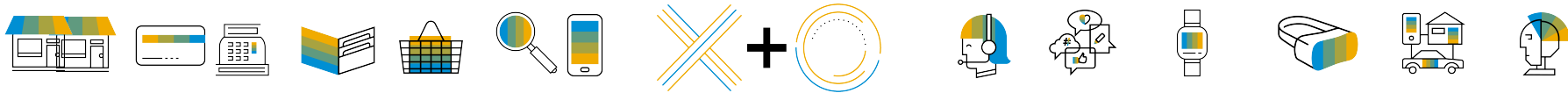


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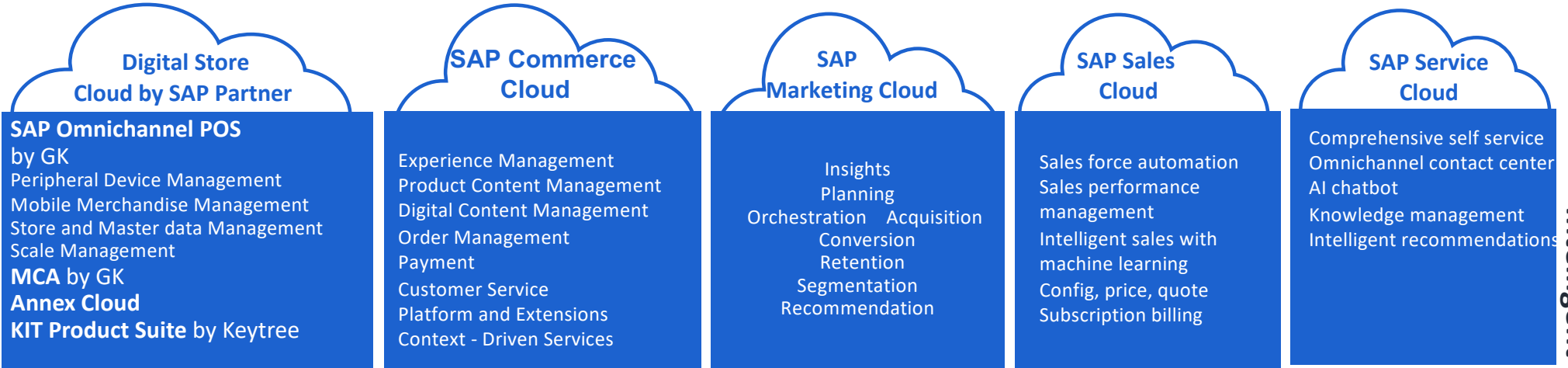
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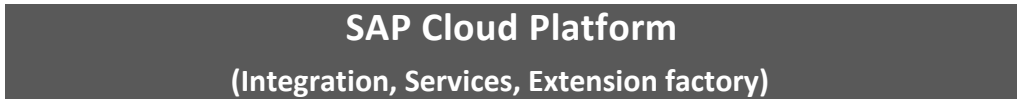
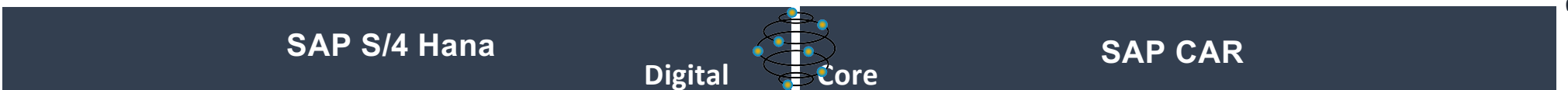
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C/4 HANA



Intelligent Suite
Intelligent Enterprise





**DIGITAL
SHIFT**

SAP S/4HANA for Customer Management

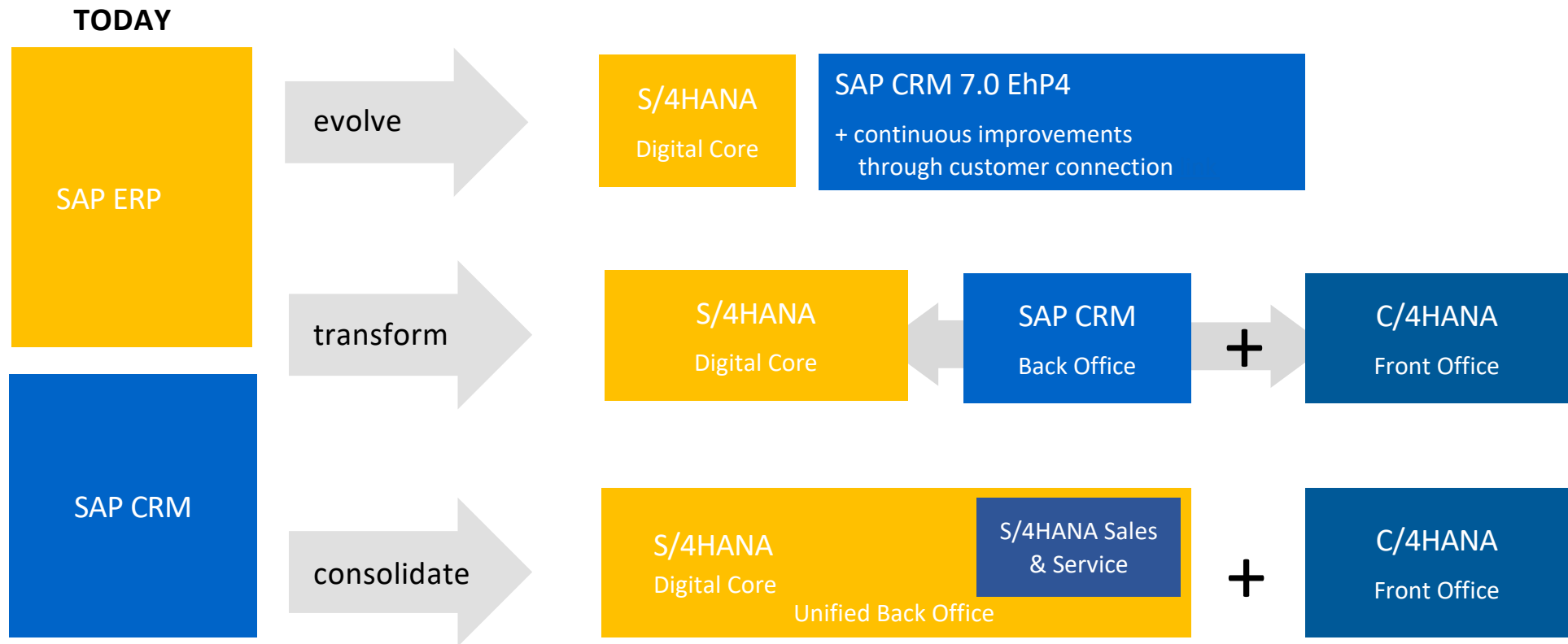
PRODUCT STRATEGY & DIRECTIONS

CUSTOMER



Road Ahead for SAP CRM Installed Base

Help SAP CRM customers to transform to a new C/4HANA front office and consolidate with S/4HANA – but: *“every customer journey is unique”*



A CRM fully Harmonized with S/4HANA

Elimination of Functional Redundancies and Data Replication

- “Best of both worlds”: identify functional redundancies and select most suitable object / engine / process
- Unify CRM and S/4HANA objects → unified objects share the same database representation, thus require **no middleware**



* Enhancements of CRM now available in S/4HANA

Readiness Check: SAP S/4HANA Sales & Service vs. SAP CRM

High level scope view based on SAP Help Portal L1 level, further details need to be considered

- **General**

- WebClient UI
- Master Data (as required)
- Basic Functions (as required)
- Analytics (now based on CDS technology)
- Data Exchange (now with oData / SOA)

- **Channels**

- Interaction Center
- ~~Field Service~~ [C/4HANA Field Service Management](#)
- ~~CRM Web Channel~~ [C/4HANA Commerce](#)

- **Industry Processes**

- Utilities
- BRIM
- (selected) Public Sector

- **Service**

- Full service scope (with variations & new scope)

- **Sales**

- Activity Management
- Opportunity Management
- ~~Pipeline Perf. Mgmt.~~ [C/4HANA Sales Cloud](#)
- ~~Sales Quotation and Order Mgmt~~ [S/4HANA SD](#)
- ~~Outline Agreements in Sales~~ [S/4HANA SD](#)
- ~~Taxes & Rebates~~ [S/4HANA SD](#)
- ~~Availability Check~~ [S/4HANA ATP](#)

- ~~Marketing~~ → [C/4HANA Marketing](#)

- Details in Simplification Item Catalog
<https://launchpad.support.sap.com/#/sic/overview>
(filter for “: CRM” to see all items for S/4HANA CM)



• Annex Cloud Loyalty / Marketing Platform

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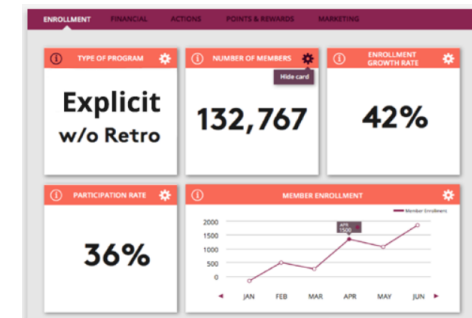
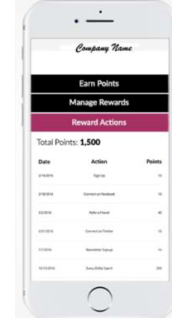
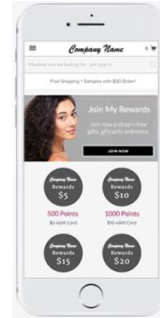
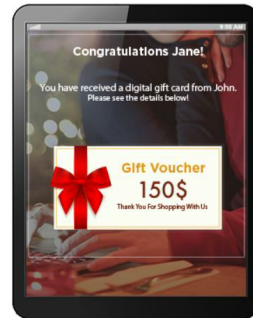
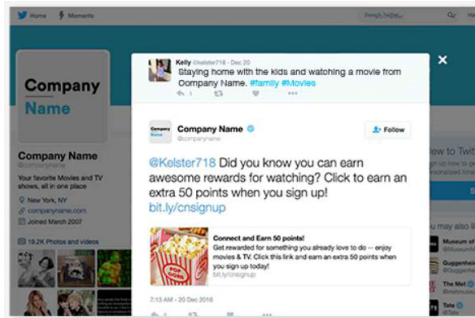
Annex Cloud - Customer Marketing Platform

Retail B2C, Consumer B2C/B2B, Manufacturing, Telecommunications



Retail

- In-Store Loyalty
- In-App Loyalty
- POS integration
- eCommerce integration
- Call Center integration
- 3rd Party integration



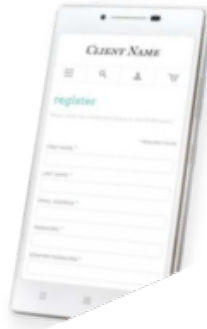
Annex Cloud - Customer Marketing Platform

How Annex Cloud 6-Step Customer Loyalty Programs Work

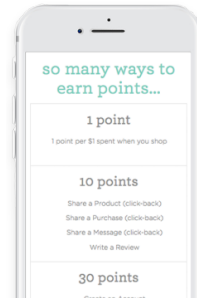
1
Loyalty
Program
Recruitment



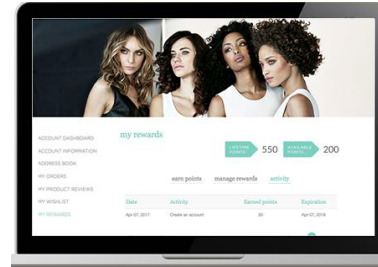
2
Customer
Loyalty
Registration



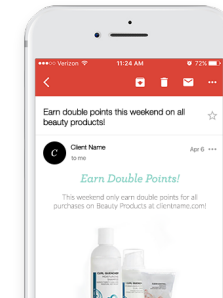
3
Comprehensive
Loyalty
Actions



4
Flexible Loyalty
Rewards
Redemption



5
Loyalty
Program
Marketing



6
Measure
and
Optimize



How does PMR and Annex Cloud collaborate with Loyalty Offer construction?

Loyalty Offers – Product-centric, Behavioral, Social Offers

- **PMR creates “Product Centric” Loyalty Offers**
- **Annex Cloud creates Loyalty “Behavioral and Social” Offers**
- **Annex Cloud Manages the Loyalty Programs for both**

Loyalty Offers - Product-centric, Behavioral & Social Offers [Promotions]

Product-centric Loyalty Offers

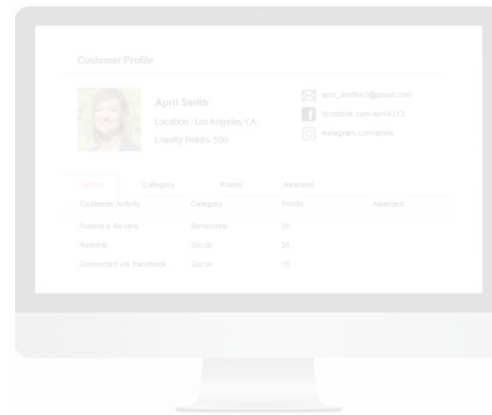
- Promotional Discount on specific Products
- Allows consumer to earn “extra-points”
- Can be combined with multiple Incentives
- Can be for Mass or Targeted Consumers
- Can “give points” or allow “Pay with points”
- Geographical and/or demographical
- Enables Offer conditions and restrictions
- Typically omni-channel in nature



Created in CAR/PMR

Behavioral Loyalty Offers

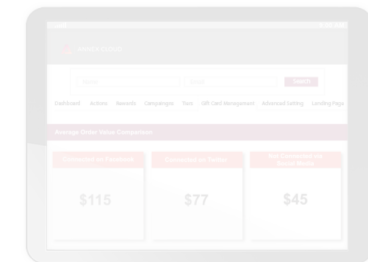
- Writing Reviews
- Answering Fellow Customers’ Questions
- Creating an Account
- Signing Up for Your Newsletter
- Filling out Account Profile Data
- Attending Events
- Customer Behaviors Tailored to Your Business



Created in Annex Cloud

Social Loyalty Offers

- Referring Friends
- Sharing Your Brand or Products with Friends
- Mentioning Your Brand on Social Media with Hashtags or @tags
- Signing in Through Your Social Login
- Connecting via Social Media



Created in Annex Cloud

PMR (Fiori) Offer UI

- PMR has access to the Target Groups results of SAP Marketing Cloud's Customer Segmentation.
- One or more Target Groups can be associated to an Offer.
- When completed and in "Released" status, the Offer's parameters and content attributes are made available to SAP Marketing Cloud where the Offer can be distributed to the Target Group members.
- PMR also makes available via S4 or OPP, the Offer's Buy, Get, Reward information to POS, Web and other Purchase channels.

The screenshot shows the SAP Fiori Offer UI for 'Coffee Specials - Loyalty Customers' (ID: 3285). The interface is divided into several sections:

- Properties:** Includes fields for Offer Name, Description, Status (In Process), Reference Event, Marketing Area, and Packaging options (Packaged Offer, Regular Price Only).
- Location Hierarchy Node:** Set to 'RETAIL FORECAST' with 4 locations.
- Validity:** Start date 06.10.2019, End date 12.10.2019, with an 'All day offer' checkbox checked.
- Tactics (3):** A table listing distribution channels and their validity periods.
- Target Groups (1):** A table showing the associated target group 'Group A Loyalty Card Holders' with 4956 members and a 100% redeem rate.

At the bottom, there are buttons for 'Save', 'Cancel', 'Assign Content', 'Calculate Financials', 'Forecast', and 'Collision Detection'.

Tactic Type	Validity Date From	Validity Time From	Validity Date To	Validity Time To
Web/Web	06.10.2019	00:00:00	12.10.2019	23:59:59
E-Mail/E-Mail	06.10.2019	00:00:00	12.10.2019	23:59:59
Electronic/Mobile	06.10.2019	00:00:00	12.10.2019	23:59:59

Name	Description	Members	Redeem %	Projected Members
Group A Loyalty Card Holders	The members of this target group are determined based on segment "Order Date: Last 12 Months, Reference Date Today" of segmentation model "Group A Loyalty Card Holders (ID: 31)"	4956	100,0	4956

PMR (Fiori) Offer UI

- In the PMR Term Construction section the Offer has a configurable BUY and GET “Term Area construction”
- Each BUY and GET can have one or more Terms.
- In this example a BUY from a Group of Coffee Products has been configured
- In the GET or Reward construction there are two rewards provided:
 - 10% Discount and an Incentive reward

The screenshot displays the SAP Fiori PMR Offer UI for 'Coffee Specials - Loyalty Customers'. The interface is divided into several sections:

- Term Style:** Freestyle Term, Enforce Multiple / Limit: Yes, 0.
- Buy:** All (dropdown).
- Term 1:**
 - Dimension: Product Group
 - Product Group: COFFEE GROUP SPECI... (Coffee Group Specials)
 - Quantity / Unit Of Measure: 1, EAC
 - Minimum Amount: 0,0
 - User Projection: 12000
- Get:**
 - Reward 1: For Term 1 (dropdown)
 - Discount Type: Discount Percent Off
 - Discount: 10,0 %
 - Discount Assignment: All Products
 - Discount Variety: Any Products
 - Reward 2: For Offer (dropdown)
 - Product at a Discount
 - Get Reward
 - Get Points
 - Deferred Payments
 - Flexpay
 - Free Shipping
- Financials: Standard * (dropdown)**
 - For Reward 1:
 - Regular Price / Regular Margin %: 17,74 USD / 54,7%
 - Purchase Price: 9,68 USD
 - POS Price / POS Margin %: 15,97 USD / 60,1%
 - POS Price VAT: 17,09 USD
- Product Details (4) Bruce View (dropdown) View: All Terms (dropdown)**

Product	Description	Terms	Discount ...	Discount	POS Price VAT	POS M	Regular Margin...	Purchase Price	User Projection	P
MR311279	100% Colombian	Term 1	Discount Percent Off	10,0	8,72	58,2%	9,69	59,2%	5,09	3000
MR311281	Black Silk	Term 1	Discount Percent Off	10,0	11,69	52,4%	12,99	55,4%	6,13	3000
MR311300	French Roast	Term 1	Discount Percent Off	10,0	14,39	54,7%	15,99	56,7%	7,88	3000
MR311303	Italian Bold	Term 1	Discount Percent Off	10,0	17,09	56,6%	18,99	57,6%	9,68	3000

Buttons at the bottom: Save, Cancel, Assign Content, Calculate Financials, Forecast, Collision Detection

PMR (Fiori) Offer UI

- One possible option for the Incentive is Loyalty Points.
- This example (in this demo system) has three possible options.
- In the Incentive framework multiple options can be configured.
- For example: here you see “Double points” as an option.
- Typical options are:
 - Double or 2x
 - 3x
 - 4x, or
 - Specific number of points.
- In this example, “Double points will be selected.
- This will reward Double points on the final discount amount of the Coffee Product(s) purchased.

The screenshot displays the SAP Fiori Offer UI for 'Coffee Specials - Loyalty Customers'. The interface is divided into several sections:

- Term Style:** Set to 'Freestyle Term'. 'Enforce Multiple / Limit' is set to 'Yes' with a limit of '0'.
- Buy:** Set to 'All'. 'Term 1' is configured with 'Dimension: Product Group' (COFFEE GROUP SPECI...), 'Quantity / Unit Of Measure: 1', and 'Minimum Amount: 0,0'.
- Get:** 'Reward 1' is 'For Term 1' with a 'Discount Type: Discount Percent Off' of '10,0%'. 'Reward 2' is 'For Offer'. The 'Get Points' dropdown menu is open, showing 'Air Miles', 'Double Points', and 'Points'.
- Financials:** 'Standard *'. 'For Reward 1' shows 'Regular Price / Regular Margin %: 17,74 USD / 100,0%', 'Purchase Price: 9,68 USD', 'POS Price / POS Margin %: 15,97 USD / 100,0%', and 'POS Price VAT: 17,09 USD'.
- Product Details (4) Bruce View:** A table listing products with their descriptions, terms, discounts, and prices.

Product	Description	Terms	Discount ...	Discount	POS Price VAT	POS Margin %	Regular Price V...	Regular Margin...	Purchase Price	User Projection	P
MR311279	100% Colombian	Term 1	Discount Percent Off	10,0	8,72	58,2%	9,69	59,2%	5,09	3000	
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Annex Cloud Full Customer Engagement - Live retailer UI example

[Volcom | Skate, Swimwear, Snowboarding Clothes & More](#)

Behavioral Loyalty Offers for Actions

- Writing Reviews
- Answering Fellow Customers' Questions
- Creating an Account
- Signing Up for Your Newsletter
- Filling out Account Profile Data
- Attending Events
- Customer Behaviors Tailored to Your Business

Social Loyalty Offers for Actions

- Referring Friends
- Sharing Your Brand or Products with Friends
- Mentioning Your Brand on Social Media with Hashtags or @tags
- Signing in Through Your Social Login
- Connecting via Social Media

EARN

ACTION	ACTION	POINTS
Write a Review	Points will be added upon approval.	15 points Limit: 5x/year
Create an Account	COMPLETED	15 points Limit: once
Purchase	SHOP NOW	1 point per \$ spent Limit: no limit
Connect on Facebook	f	5 points Limit: once
Connect on Instagram	@	5 points Limit: once
Connect on Twitter	t	5 points Limit: once
Refer a Friend to Volcom.com	SHARE	5 points Limit: 5x/year
Enter Birthday	COMPLETED	10 points Limit: once
Birthday Reward	Enter birthday above.	100 points Limit: 1x/year
Refer a Friend to Purchase	REFER A FRIEND	100 points Limit: no limit
Purchase More than 3x per year	SHOP NOW	100 points Limit: One Time