

Assignment 1: Decision Framing
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Many organizations today face great challenges in decision making. One of the most common reasons why such companies struggle with their approach to problem-solving is that they fail to fully identify the decision to be made. Framing a decision requires more than simply asking what problem to solve; it involves mapping out that decision extensively to get a complete understanding of the steps required to implement it. A methodology developed by analytics professor Tom Davenport (2013) describes three important steps to developing an effective problem-solving strategy: framing the problem, solving the problem, and selling the results. My goal in this assignment is to implement the first step of this strategy towards solving a common operational decision faced by companies with customer loyalty programs. By framing the decision of how a company can effectively reward members of its loyalty program, I aim to provide a clear solution towards improving customer satisfaction with the program.

For this assignment, I chose to create a fictional organization (DSA, Inc.) to represent a general retail company. This company offers all customers the opportunity to enroll in its loyalty program, and it strives to ensure that its members feel a sense of value within the program. One of the company's primary objectives is to improve member satisfaction with the program by at least 30% within the next three months. To achieve this goal, however, it is important to offer the right rewards and benefits to each loyalty member. Therefore, the primary decision I am focusing on is what type of reward should be offered to each customer who qualifies for one. Though this is a common operational decision performed by many organizations, it is far from trivial and requires several subsidiary decisions to be made. These sub-decisions include determining if the customer is eligible for a reward, checking the customer's spending history, and checking the timing of available products. The first of these sub-decisions requires knowing if the customer is even a member of the loyalty program. Furthermore, the second sub-decision utilizes an analytic known as "product-based clustering," which will help to determine which reward to offer by grouping customers into categories based on their spending habits (AgilOne, n.d.). If business owners and marketing specialists can understand all of these processes, they will be able to help their businesses earn greater customer respect and increase long-term profit as a result. Thus, in the next few paragraphs I will break down each of these decisions and their requirements in order to frame the entire process.

The main decision, identifying which reward to offer, is guided by the goal of improving loyalty member satisfaction by 30% or more within the next three months. This decision requires two important data sources: the customer's information and the list of rewards offered by the company's loyalty program. These rewards can be financial, such as a discount on certain types of products. They can also be non-financial, such as granting opportunities to explore new products or offering increased personal recognition and social standing within the program. According to an article by Brashear-Alejandro, Kang, and Groza (2015), loyalty programs that only feature financial rewards are less likely to retain customers long-term because they fail to provide them with a sense of belonging and status in the program. It is important to treat customers as more than just a source of revenue, and therefore the concept of Customer-Company Identification becomes vital to this diagram. Brashear-Alejandro et al. (2015) describe Customer-Company Identification (CCID) as a term referring to the practice in which loyalty programs improve and maintain customer loyalty by focusing on relationship building. The authors claim that CCID is achieved by maintaining strong relationships with each customer and offering programs or services which help that customer feel a greater sense of value and self-worth. This can be done by building more personal recognition between customers and

employees, offering rewards or services that demonstrate respect for customers, and offering loyalty members the opportunity to explore new products or services (Brashear-Alejandro et al., 2015). As a result, the company aims to ensure that it rewards all of its customers based on the concept of CCID.

In addition to these, the main decision also requires a few more pieces of knowledge. Firstly, it depends on knowing Federal Trade Commission regulations to ensure that this company follows fair business practices. The FTC regulates marketing and advertising efforts to protect consumers and ensure that companies do not mislead their customers with false advertising (Federal Trade Commission [FTC], 2000). Therefore, this company is required to ensure that its products, rewards, and policies all have accurate descriptions. Secondly, the decision requires insight towards reward profitability in order to ensure that the rewards provided to each customer help the company make long-term profit. One of the company's goals is to increase profit from its rewards program by 15% within a three month period. But if a particular reward offers a customer too great of a reward and yet provides little to no incentive for return visits, then the reward will result in a loss of profit. Finally, the main decision requires three important subsidiary decisions to be made. The first of these decisions is to determine if a certain customer is eligible for a reward.

It is meaningless to determine which reward to offer to a particular customer if that customer does not even qualify for a reward in the first place. This sub-decision requires several different components. First of all, it depends on knowledge of the customer loyalty program itself. The loyalty program would contain all of the terms and conditions regarding enrollment and membership as well as the rewards and benefits offered to its members. For the company in question, membership is free, voluntary, and open to any interested customers. This document would also be essential for knowing which conditions are required for a member to qualify for any particular reward. In addition to this knowledge source, this subsidiary decision requires a few sub-decisions of its own. One of these is whether or not the customer is a member of the loyalty program. Clearly, the customer must be enrolled in the program before any rewards can be offered. Customer enrollment is one of the company's focuses; it is currently aiming to increase its global membership by 5% within a six month period. The company hopes that increasing the satisfaction of its current members will lead them to refer the program to other customers. The second sub-decision is required directly by the main decision itself; it consists of evaluating the customer's spending history.

Assessing a customer's purchases is a necessary step to determining if the customer is eligible for a reward, as well as which specific reward to offer. By analyzing a customer's total expenditure, it is possible to see if they check off the requirements to qualify for any particular reward. The company's policy indicates that if the customer spends at least \$100 on a certain category of products, then he or she may become eligible for some of the program's rewards. At the same time, it is helpful to determine the category of products into which the customer has invested the most money. Doing so can offer insight towards what type of products the customer is most likely to purchase in the future. This information is critical towards determining what type of reward will most improve customer satisfaction with the program. This decision requires two data sources: the catalog of all of the company's products and services, and the list of orders made by the customer in question. Also—as mentioned earlier—this decision benefits greatly from an analytic known as product-based clustering. An article by data analytics company

AgilOne Inc. (n.d.) describes clustering models as a form of analytics in which algorithms analyze aspects of customer behavior and spending in order to categorize them into sections. Product-based clustering specifically analyzes the different categories of items that a customer buys from and groups that customer with others who have similar shopping preferences (AgilOne, n.d.). As a result, this analytic becomes invaluable towards determining what type of rewards best suit each applicable customer.

The last major subsidiary decision required to complete this model is to check the timing of available products. The reason that this is important to the main decision is that some of the rewards offered by the company's loyalty program depend on whether a certain product is available at its requested time. For instance, one of the company's non-financial rewards involves giving loyalty members the opportunity to explore some of the company's latest products or services. This reward's availability greatly depends on when the product in question is expected to arrive in the store's inventory. Thus, one key requirement for this decision is the information on store shipments. Some of the program's rewards will depend on the exact date (or estimated time of arrival) of shipments to the company's stores. Furthermore, this decision requires knowledge of the policies regulating shipping practices. The company must be aware of shipping industry practices in order to handle online customer purchases and reward offers. But at the same time, the company can handle shipping prices in a way to boost profit. In this case, this company currently pays shipping fees and offers free shipping to all customers who make orders of at least \$200. This is a practice known as threshold free shipping (TFS), in which the retailer pays for shipping only when a customer spends a certain amount of money on an order (Huang & Cheng, 2015). And according to a 2015 UPS study by ComScore (as cited in Huang & Cheng, 2015), up to 58% of surveyed online consumers were willing to spend more money on their orders so that they can qualify for free shipping. Therefore, this policy is very likely to help the company increase its overall profit.

This completes the breakdown of the decision requirements diagram for determining how to adequately reward customers. The approach that I have outlined in this model places a strong focus on improving customer opinion while balancing the need for financial growth as well. Overall, I believe that this model can be very helpful for companies looking for possible solutions to improve their loyalty programs. There are three particular areas in which this approach will most benefit organizations like mine. First of all, its rewards system is specifically designed to draw in customers and keep them invested in the company long-term. This is because it focuses on the concept of customer-company identification (CCID) by offering rewards which elevate each customer's feeling of respect and self-worth. By offering both financial and non-financial rewards that focus on appealing to a customer's value and identity, organizations can easily improve the satisfaction of their loyalty members and thus improve long-term profit as a result. Secondly, the structure of the loyalty program itself offers a way to balance customer happiness and financial revenue. Program enrollment is voluntary, but at the same time it is free and open for any interested customer to join. According to Breugelmans et al. (2015), voluntary enrollment increases member happiness more than automatic enrollment because it essentially gives a higher status to membership in the program. At the same time, keeping registration free and open to anyone leads to an increased enrollment rate and often results in higher profit when compared to exclusive membership limited to only certain types of customers (Breugelmans et al., 2015). As a result, this approach is likely to increase membership, customer happiness, and revenue. Lastly, the use of the product-based clustering

algorithm is of great use towards choosing an effective reward to offer a customer. This analytical method, which analyzes customers' spending history and groups them according to their product preferences, can heavily contribute towards improving customer satisfaction by ensuring that each reward is a perfect fit to their tastes.

Yet regardless of these benefits, no diagram is perfect. It is likely that the implementation of my proposed solution will face resistance in certain organizations. Since my model focuses extensively on promoting an effective rewards system, there are those who may prefer to focus on the wider body of customers in an effort to maximize profit. One of the shortcomings to using my approach is that improving the company's rewards program will do little to increase profit if member participation is low. According to Breugelmans et al. (2015), measuring member participation is an effective way to determine the performance of a loyalty program. The authors claim that if customers neglect the benefits of their loyalty programs, their companies tend to suffer a decline in performance. As a result, some might think that the risks from focusing on loyalty programs may outweigh the potential for long-term gains if the program is successful. Furthermore, another source of contention may occur with regards to the structuring of the loyalty program itself. Though my model utilizes voluntary enrollment, others may prefer using automatic enrollment. This is because automatic enrollment is more convenient for the company and it can lead to increased membership, greater profits, and raised awareness of the program's benefits; however, this occurs at the cost of reduced member satisfaction (Breugelmans et al., 2015). On the opposite end of the spectrum, there may be resistance from those who prefer more exclusivity in their loyalty programs. Some may argue that placing membership restrictions will cause current members to feel even greater value, thus increasing long-term customer profit. But by focusing too much on loyalty members, a company can run the risk of isolating the majority of its customers and limit its overall revenue.

In the end, it is difficult to say whether one of these methods is truly more effective than the other. There are many possible ways to optimize business performance, regardless of whether a company focuses on its loyalty program or not. Overall, I believe that my diagram offers a clear and reasonable way to balance customer happiness and revenue when operating a customer loyalty program. The insights regarding my model show that although it is not perfect, it would still provide strong benefits towards both customers and the company if implemented correctly. Ultimately, this decision framing exercise shows the complexity and the amount of thought that goes into mapping an important decision. If companies can understand these diagrams and frame decisions according to this process, it will allow them to find success much more easily when implementing their solutions.

References:

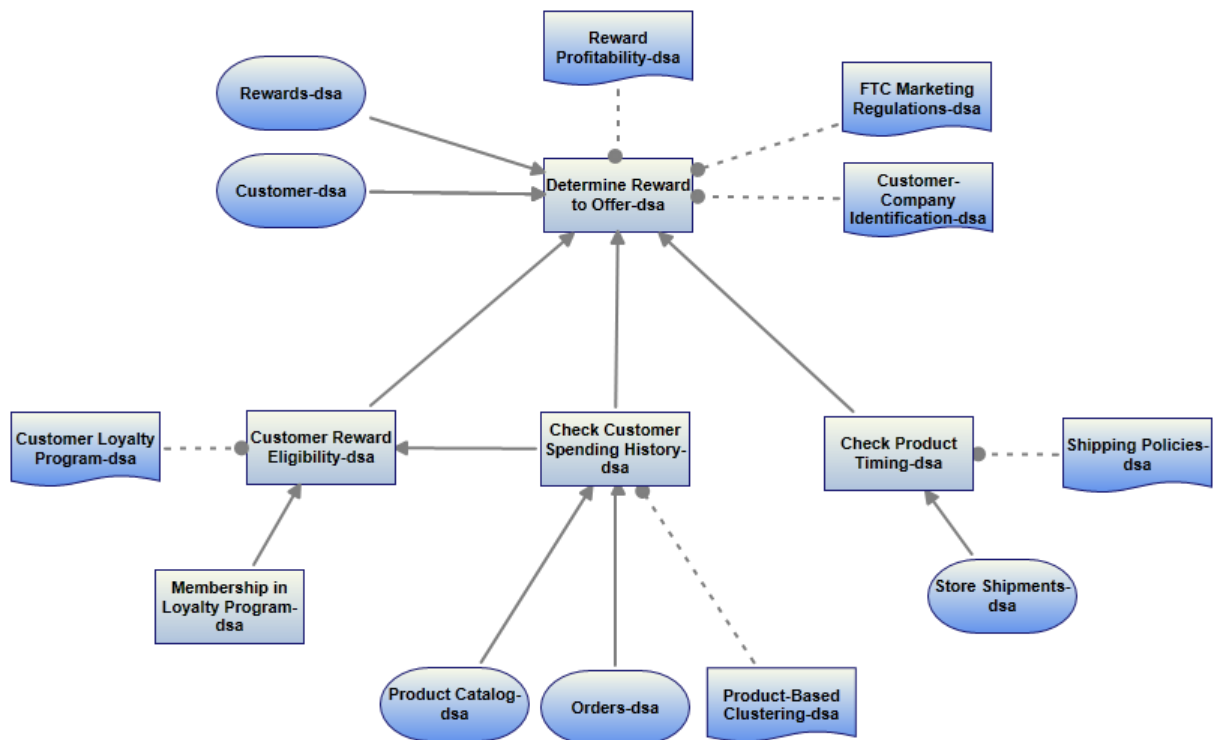
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Appendix A

Marketing Decision Framing 2-dsa

Decision Requirements Diagram

This Decision Requirements Diagram focuses on an important operational decision made by companies with customer loyalty programs. The primary decision is to determine which reward to offer to an eligible member of the company's loyalty program. This decision is important to our company's goal of improving our member satisfaction by 30% over the next three months. We plan to offer the right rewards and benefits to each of our members so that they feel valued by our company.



Nodes		Description
Decision	Customer Reward Eligibility-dsa	This decision determines whether or not this customer currently qualifies for a certain reward as part of this company's loyalty program.
Decision	Membership in Loyalty Program-dsa	Find out whether or not this particular customer is a member of the company's loyalty program.

Nodes		Description
Decision	Check Customer Spending History-dsa	Evaluate the customer's spending history in order to determine which product(s) he or she is most likely to purchase in the future. By spending at least \$100 on a certain category of products, the customer may become eligible for one of our rewards.
Decision	Determine Reward to Offer-dsa	Identify what type of reward to offer to a member of the company's loyalty program who currently qualifies for a reward.
Decision	Check Product Timing-dsa	Some of the rewards offered by our company, such as allowing customers to explore our new products, depend on the timing of when a certain product will arrive in our inventory.
Data Source	Customer-dsa	This contains all of the customer's information.
Data Source	Rewards-dsa	All of the rewards offered by the company's loyalty program. These can be financial, such as a discount on certain products. They can also be non-financial, such as granting opportunities to explore new products or offering increased personal recognition and social standing.
Data Source	Product Catalog-dsa	This catalog is a database of all of the products offered by our company, each with their respective prices.

Nodes		Description
Data Source	Orders-dsa	This is a list of all of the products purchased by this particular customer along with their corresponding price.
Data Source	Store Shipments-dsa	This piece of information contains all of the company's shipping records for all products to our store.
Know How	Customer Loyalty Program-dsa	This knowledge source contains all of the terms and requirements for membership in the program, as well as all of the immediate benefits available for members. Membership is voluntary and open to all customers, and no registration fee is required.
Know How	Product-Based Clustering-dsa	An analytical model designed to categorize this customer based on his or her preferred products. Grouping customers into segments based on their shopping preferences makes it easier to determine what type of reward to offer them.

Nodes		Description
Know How	Customer-Company Identification-dsa	Customer-Company Identification (CCID) is a term referring to the practice of allowing loyalty programs to improve and maintain customer loyalty. It means that customers are more likely to identify with the company if the company maintains a strong relationship with that customer. It involves the company offering programs or services which help the customer feel a greater sense of value and self-worth rather than feeling like just a source of income.
Know How	FTC Marketing Regulations-dsa	The Federal Trade Commission (FTC) regulates all practices of marketing and advertising to ensure that businesses do not mislead customers into buying products. Our company is committed by law to follow these regulations in every aspect of our business, including our rewards program.
Know How	Shipping Policies-dsa	These policies regulate shipping to and from customers. One of the company's policies is threshold free shipping, in which we allow customers free shipping for all orders of at least \$200.

Nodes		Description
Know How	Reward Profitability-dsa	Need insight into whether or not offering this reward will lead to long-term profit. If a reward offers too great of a discount without any incentive to keep the customer returning, then the reward will result in lost profits.

Customer Reward Eligibility-dsa

Operational Decision

This decision determines whether or not this customer currently qualifies for a certain reward as part of this company's loyalty program.

Question: Does this customer qualify for a reward offered by our program?

Answer Type Yes / No

Answers

Default Answer: Yes

**Supporting
Information:**

Requirements Network

Requires		Description
Knowledge Source	Customer Loyalty Program-dsa	This knowledge source contains all of the terms and requirements for membership in the program, as well as all of the immediate benefits available for members. Membership is voluntary and open to all customers, and no registration fee is required.
Decision	Membership in Loyalty Program-dsa	Find out whether or not this particular customer is a member of the company's loyalty program.

Requires		Description
Decision	Check Customer Spending History-dsa	Evaluate the customer's spending history in order to determine which product(s) he or she is most likely to purchase in the future. By spending at least \$100 on a certain category of products, the customer may become eligible for one of our rewards.

Required by		Description
Decision	Determine Reward to Offer-dsa	Identify what type of reward to offer to a member of the company's loyalty program who currently qualifies for a reward.

Properties

Name	Value	Description
Complexity	Low	
Variability	Medium	
Volume	Medium	
Repeatability	High	
Measurability	Medium	
Time to outcome	Short	
Decision Value Decay		

Organizations

Owned by
DSA, Inc.-dsa
Made By
Customer Support-dsa

Relationships

Used by Processes
Process Reward-dsa

Membership in Loyalty Program-dsa

Operational Decision

Find out whether or not this particular customer is a member of the company's loyalty program.

Question: Is this customer registered as a member of our company's loyalty program?

Answer Type Yes / No

Answers

Default Answer: No

**Supporting
Information:**

Requirements Network

Required by		Description
Decision	Customer Reward Eligibility-dsa	This decision determines whether or not this customer currently qualifies for a certain reward as part of this company's loyalty program.

Properties

Name	Value	Description
Complexity	Low	
Variability	Medium	
Volume	High	
Measurability	High	
Repeatability	High	
Time to outcome	Short	
Decision Value Decay		

Objectives

Influences Objectives	Impact	Notes
Increase Program Membership-dsa		

Organizations

Owned by
DSA, Inc.-dsa
Made By
Customer Support-dsa

Check Customer Spending History-dsa

Operational Decision

Evaluate the customer's spending history in order to determine which product(s) he or she is most likely to purchase in the future. By spending at least \$100 on a certain category of products, the customer may become eligible for one of our rewards.

Question: From which category of products is this customer most likely to purchase from?

Answer Type Value from explicit list

Answers --Select a category--, Software, Hardware, Wireless, Digital Media, Appliances, Misc. Electronics, Other

Default Answer: --Select a category--

Supporting Information: Select multiple categories if necessary.

Requirements Network

Requires		Description
Input Data	Product Catalog-dsa	This catalog is a database of all of the products offered by our company, each with their respective prices.
Input Data	Orders-dsa	This is a list of all of the products purchased by this particular customer along with their corresponding price.
Knowledge Source	Product-Based Clustering-dsa	An analytical model designed to categorize this customer based on his or her preferred products. Grouping customers into segments based on their shopping preferences makes it easier to determine what type of reward to offer them.

Required by		Description
Decision	Customer Reward Eligibility-dsa	This decision determines whether or not this customer currently qualifies for a certain reward as part of this company's loyalty program.
Decision	Determine Reward to Offer-dsa	Identify what type of reward to offer to a member of the company's loyalty program who currently qualifies for a reward.

Properties

Name	Value	Description
Volume	High	
Variability	High	
Complexity	Low	

Name	Value	Description
Repeatability	High	
Measurability	High	
Time to outcome	Short	
Decision Value Decay		

Organizations

Owned by
DSA, Inc.-dsa
Made By
Sales Department-dsa

Relationships

Used by Processes
Process Reward-dsa

Determine Reward to Offer-dsa

Operational Decision

Identify what type of reward to offer to a member of the company's loyalty program who currently qualifies for a reward.

Question: Which type of reward should be offered to this customer?

Answer Type Value from explicit list

Answers --Select a reward--, Software reward, Tier 1, Software reward, Tier 2, Hardware reward, Tier 1, Hardware reward, Tier 2, Wireless reward, Digital media reward, Tier 1, Digital media reward, Tier 2, Appliances reward, Misc. electronics reward, Tier 1, Misc. electronics reward, Tier 2, Other financial reward, Tier 1, Other financial reward, Tier 2, Non-financial reward, Tier 1, Non-financial reward, Tier 2

Default Answer: --Select a reward--

Supporting Information: The amount of customer spending can determine from which tier of rewards a customer is eligible for. By spending more, the customer becomes eligible for higher tier rewards.

Requirements Network

Requires		Description
Decision	Customer Reward Eligibility-dsa	This decision determines whether or not this customer currently qualifies for a certain reward as part of this company's loyalty program.

Requires		Description
Input Data	Customer-dsa	This contains all of the customer's information.
Input Data	Rewards-dsa	All of the rewards offered by the company's loyalty program. These can be financial, such as a discount on certain products. They can also be non-financial, such as granting opportunities to explore new products or offering increased personal recognition and social standing.
Decision	Check Customer Spending History-dsa	Evaluate the customer's spending history in order to determine which product(s) he or she is most likely to purchase in the future. By spending at least \$100 on a certain category of products, the customer may become eligible for one of our rewards.
Knowledge Source	Customer-Company Identification-dsa	Customer-Company Identification (CCID) is a term referring to the practice of allowing loyalty programs to improve and maintain customer loyalty. It means that customers are more likely to identify with the company if the company maintains a strong relationship with that customer. It involves the company offering programs or services which help the customer feel a greater sense of value and self-worth rather than feeling like just a source of income.

Requires		Description
Decision	Check Product Timing-dsa	Some of the rewards offered by our company, such as allowing customers to explore our new products, depend on the timing of when a certain product will arrive in our inventory.
Knowledge Source	FTC Marketing Regulations-dsa	The Federal Trade Commission (FTC) regulates all practices of marketing and advertising to ensure that businesses do not mislead customers into buying products. Our company is committed by law to follow these regulations in every aspect of our business, including our rewards program.
Knowledge Source	Reward Profitability-dsa	Need insight into whether or not offering this reward will lead to long-term profit. If a reward offers too great of a discount without any incentive to keep the customer returning, then the reward will result in lost profits.

Properties

Name	Value	Description
Variability	High	
Complexity	High	
Volume	Medium	
Measurability	Medium	
Time to outcome	Medium	
Repeatability	Medium	
Decision Value Decay		

Objectives

Influences Objectives	Impact	Notes
Customer Satisfaction Goal-dsa		

Influences Objectives	Impact	Notes
Increase Reward Profitability-dsa		

Organizations

Owned by
DSA, Inc.-dsa
Marketing Department-dsa
Made By
Sales Department-dsa
Impacts
DSA, Inc.-dsa
Shipping-dsa

Relationships

Used by Processes
Process Reward-dsa

Check Product Timing-dsa

Operational Decision

Some of the rewards offered by our company, such as allowing customers to explore our new products, depend on the timing of when a certain product will arrive in our inventory.

Question: Is the product of interest currently available? If not, when is its expected time of arrival?

Answer Type Other

Answers Available now, Select date on calendar, A certain month on calendar, A certain season (fall, winter etc.), TBA, Discontinued

Default Answer: Available now

Supporting Information:

Requirements Network

Requires		Description
Input Data	Store Shipments-dsa	This piece of information contains all of the company's shipping records for all products to our store.

Requires		Description
Knowledge Source	Shipping Policies-dsa	These policies regulate shipping to and from customers. One of the company's policies is threshold free shipping, in which we allow customers free shipping for all orders of at least \$200.

Required by		Description
Decision	Determine Reward to Offer-dsa	Identify what type of reward to offer to a member of the company's loyalty program who currently qualifies for a reward.

Properties

Name	Value	Description
Volume	High	
Variability	High	
Complexity	Medium	
Repeatability	High	
Measurability	High	
Time to outcome	Short	
Decision Value Decay		

Organizations

Owned by
DSA, Inc.-dsa
Made By
Shipping-dsa
Sales Department-dsa
Impacts
Shipping-dsa

Relationships

Used by Processes
Process Reward-dsa
Triggered by Events
New Product-dsa

Customer-dsa

Internal, Semi-structured Input Data

This contains all of the customer's information.

Requirements Network

Required by		Description
Decision	Determine Reward to Offer-dsa	Identify what type of reward to offer to a member of the company's loyalty program who currently qualifies for a reward.

Rewards-dsa

Internal, Unstructured Input Data

All of the rewards offered by the company's loyalty program. These can be financial, such as a discount on certain products. They can also be non-financial, such as granting opportunities to explore new products or offering increased personal recognition and social standing.

Requirements Network

Required by		Description
Decision	Determine Reward to Offer-dsa	Identify what type of reward to offer to a member of the company's loyalty program who currently qualifies for a reward.

Product Catalog-dsa

Internal, Structured Input Data

This catalog is a database of all of the products offered by our company, each with their respective prices.

Requirements Network

Required by		Description
Decision	Check Customer Spending History-dsa	Evaluate the customer's spending history in order to determine which product(s) he or she is most likely to purchase in the future. By spending at least \$100 on a certain category of products, the customer may become eligible for one of our rewards.

Orders-dsa

Internal, Structured Input Data

This is a list of all of the products purchased by this particular customer along with their corresponding price.

Requirements Network

Required by		Description
Decision	Check Customer Spending History-dsa	Evaluate the customer's spending history in order to determine which product(s) he or she is most likely to purchase in the future. By spending at least \$100 on a certain category of products, the customer may become eligible for one of our rewards.

Store Shipments-dsa

Internal, Structured Input Data

This piece of information contains all of the company's shipping records for all products to our store.

Requirements Network

Required by		Description
Decision	Check Product Timing-dsa	Some of the rewards offered by our company, such as allowing customers to explore our new products, depend on the timing of when a certain product will arrive in our inventory.

Customer Loyalty Program-dsa

Know how– Policy

This knowledge source contains all of the terms and requirements for membership in the program, as well as all of the immediate benefits available for members. Membership is voluntary and open to all customers, and no registration fee is required.

Requirements Network

Required by		Description
Decision	Customer Reward Eligibility-dsa	This decision determines whether or not this customer currently qualifies for a certain reward as part of this company's loyalty program.

Required by		Description
Decision	Determine Cloud-based vendor	The cloud based vendor will provide an approved Service-Level agreement which addresses the security requirements.

Product-Based Clustering-dsa

Know how– Analytic Insight

An analytical model designed to categorize this customer based on his or her preferred products. Grouping customers into segments based on their shopping preferences makes it easier to determine what type of reward to offer them.

URL: <http://www.agilone.com/academy/the-definitive-guide-to-predictive-analytics-models-for-marketing/>

Requirements Network

Required by		Description
Decision	Check Customer Spending History-dsa	Evaluate the customer's spending history in order to determine which product(s) he or she is most likely to purchase in the future. By spending at least \$100 on a certain category of products, the customer may become eligible for one of our rewards.

Customer-Company Identification-dsa

Know how– Expertise

Customer-Company Identification (CCID) is a term referring to the practice of allowing loyalty programs to improve and maintain customer loyalty. It means that customers are more likely to identify with the company if the company maintains a strong relationship with that customer. It involves the company offering programs or services which help the customer feel a greater sense of value and self-worth rather than feeling like just a source of income.

Requirements Network

Required by	Description
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Required by		Description
Decision	Determine Reward to Offer-dsa	Identify what type of reward to offer to a member of the company's loyalty program who currently qualifies for a reward.

FTC Marketing Regulations-dsa

Know how– Regulation

The Federal Trade Commission (FTC) regulates all practices of marketing and advertising to ensure that businesses do not mislead customers into buying products. Our company is committed by law to follow these regulations in every aspect of our business, including our rewards program.

URL: <https://www.ftc.gov/tips-advice/business-center/guidance/advertising-marketing-internet-rules-road>

Requirements Network

Required by		Description
Decision	Determine Reward to Offer-dsa	Identify what type of reward to offer to a member of the company's loyalty program who currently qualifies for a reward.

Shipping Policies-dsa

Know how– Policy

These policies regulate shipping to and from customers. One of the company's policies is threshold free shipping, in which we allow customers free shipping for all orders of at least \$200.

Requirements Network

Required by		Description
Decision	Check Product Timing-dsa	Some of the rewards offered by our company, such as allowing customers to explore our new products, depend on the timing of when a certain product will arrive in our inventory.

Reward Profitability-dsa

Know how– Best Practice

Need insight into whether or not offering this reward will lead to long-term profit. If a reward offers too great of a discount without any incentive to keep the customer returning, then the reward will result in lost profits.

Requirements Network

Required by		Description
Decision	Determine Reward to Offer-dsa	Identify what type of reward to offer to a member of the company's loyalty program who currently qualifies for a reward.