

# Unified Reward System

Connecting **Buyers and Sellers**

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# Dissecting the



## Problem statement

### Scenario

Many apps and shops offer reward points to loyal customers. These points can only be used at those respective shops / apps. From the customer point of view, it would be beneficial to merge reward points or use them across sellers.

### What to do?

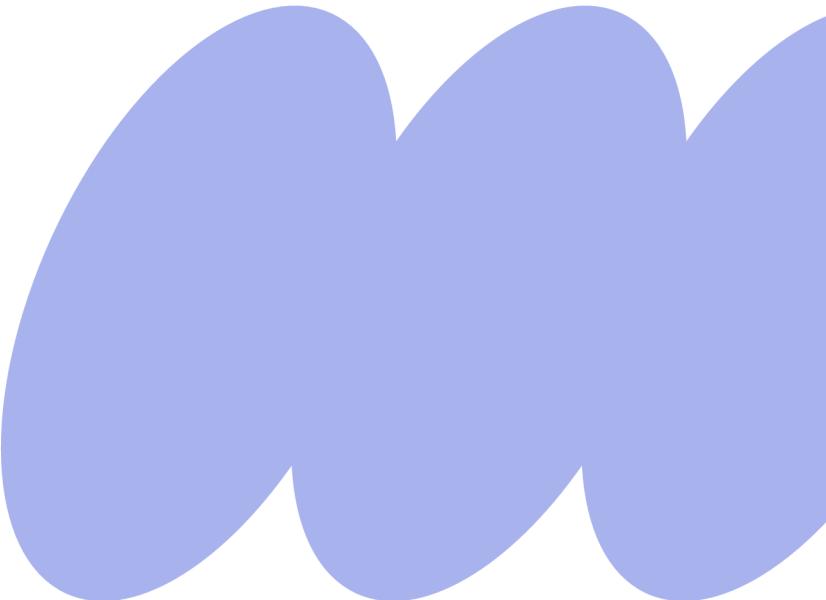
Design schemes which give incentives for the sellers to allow this too and describe how they will be implemented and integrated.



# About our Understanding

of the problem statement

Reward systems strengthen customer loyalty but often **limit flexibility by restricting points to specific sellers**, resulting in **unused rewards** and reduced satisfaction. **A Unified Reward System (URS) enables customers to combine and redeem points across vendors, enhancing value and satisfaction.** However, seller resistance may arise due to loyalty dilution and revenue impact concerns. For success, the URS must provide compelling seller incentives, drive customer engagement, ensure fair point exchange mechanisms, and seamlessly integrate with existing systems. By **balancing customer convenience with seller benefits**, the URS can establish a scalable, transparent ecosystem that benefits all stakeholders.



# Assumptions

for building URS

1. Once a reward is assigned to a user, it becomes their sole property, but the evaluation of the reward will still be decided by the company at any point in time.
2. Each company must define the equivalent valuation of their reward points in INR, which will be utilized by the URS authority during point exchanges.
3. All sellers trust the URS authority to maintain data integrity and ensure proper incentive allocation.



# Benefits to seller

when they get involved in the URS system

Increased customer interaction arises from the flexibility of converting loyalty points, offering users greater value and personalization. This motivates **customers to spend more with the seller**, as they **feel rewarded** and **empowered**. Such flexibility enhances the customer experience, builds trust, and strengthens long-term loyalty, driving repeat purchases.



# Benefits to seller

when they gets involved in the URS system

At the time of payment, the UI panel displays the user's available tokens from various sellers, **subtly reminding the user of those sellers**. This creates a **psychological connection, influencing the user's choice** when making future purchases—either from the same seller or a different one. As a result, sellers compete to appear at the top of the list to **maximize visibility** and **stay top of mind for customers**. This dynamic reshapes the ecosystem, prompting sellers to adapt the loyalty program to retain and attract customers more effectively.

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## Benefits to seller

when they gets involved in the URS system

The company can gain **additional incentives** from the point conversion system, which will be given by URS authority by **charging a small fee or cutting a percentage** when customers exchange their reward points. This fee, set by the URS authority, allows the company to **recover some costs** while still offering value to the customer. This system balances profitability with customer satisfaction.



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## Benefits to seller

when they gets involved in the URS system

Sellers would be willing to join the URS circle because it offers **access to the competitor's customer base**, drives repeat business, and enhances brand loyalty. For example, if a retailer joins the URS platform, their customers can earn and redeem points across various participating sellers. This encourages customers to spend more, knowing they can earn and use points at multiple locations. As a result, the **retailer gains more foot traffic**, increases sales, and benefits from cross-promotions with other brands, all while reducing marketing costs by tapping into the shared customer pool.



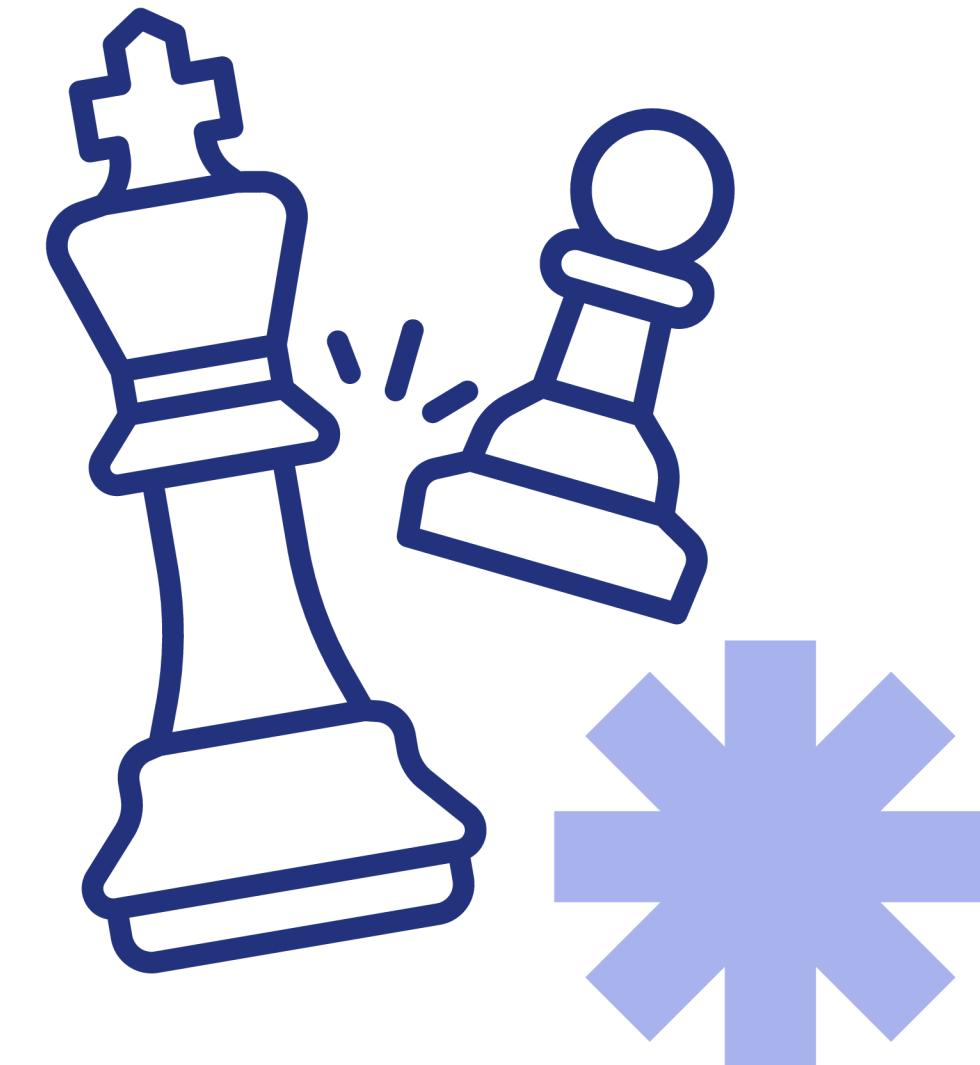
# Scenario example



In a competitive landscape

Company **A** and Company **B** are selling the same product.

**Company A allows this exchange program**, while company **B** does not. As a user, I will be willing to spend my money with company **A** as it will give me points on some purchases that I can use across other platforms. In this way, **A will have more customer retention and expansion**. Thus, it will **motivate Company B** to come under this system to retain its customers and expand.



# Validity of the solution

Unified Reward System

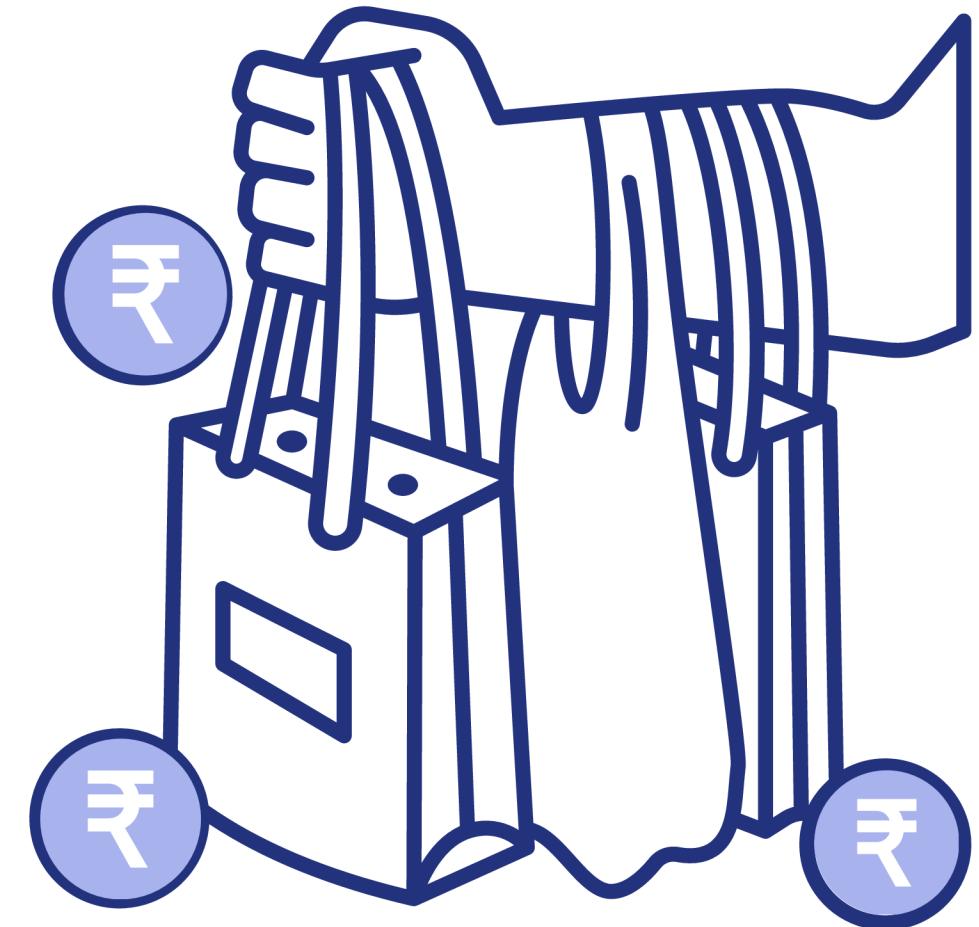


# From the User's Perspective

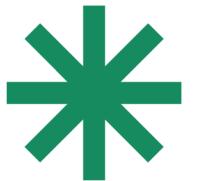


## Validation of our solution

The user is happy because they can earn and redeem points across multiple sellers, enhancing the value of their purchases. The flexibility of converting points into rewards, discounts, or products adds convenience and personalization, making them feel appreciated. This seamless experience strengthens their loyalty to the brand, encourage repetitive visits and increased satisfaction.



# From the Seller's Perspective



## Validation of our solution

The seller will generate a secondary source of income which the URS authority will give him as per the points that will be exchanged. Along with it, The seller benefits from increased foot traffic and repeat customers due to the URS system. Additionally, the data from point exchanges helps optimize product offerings, improving marketing strategies and product listing.

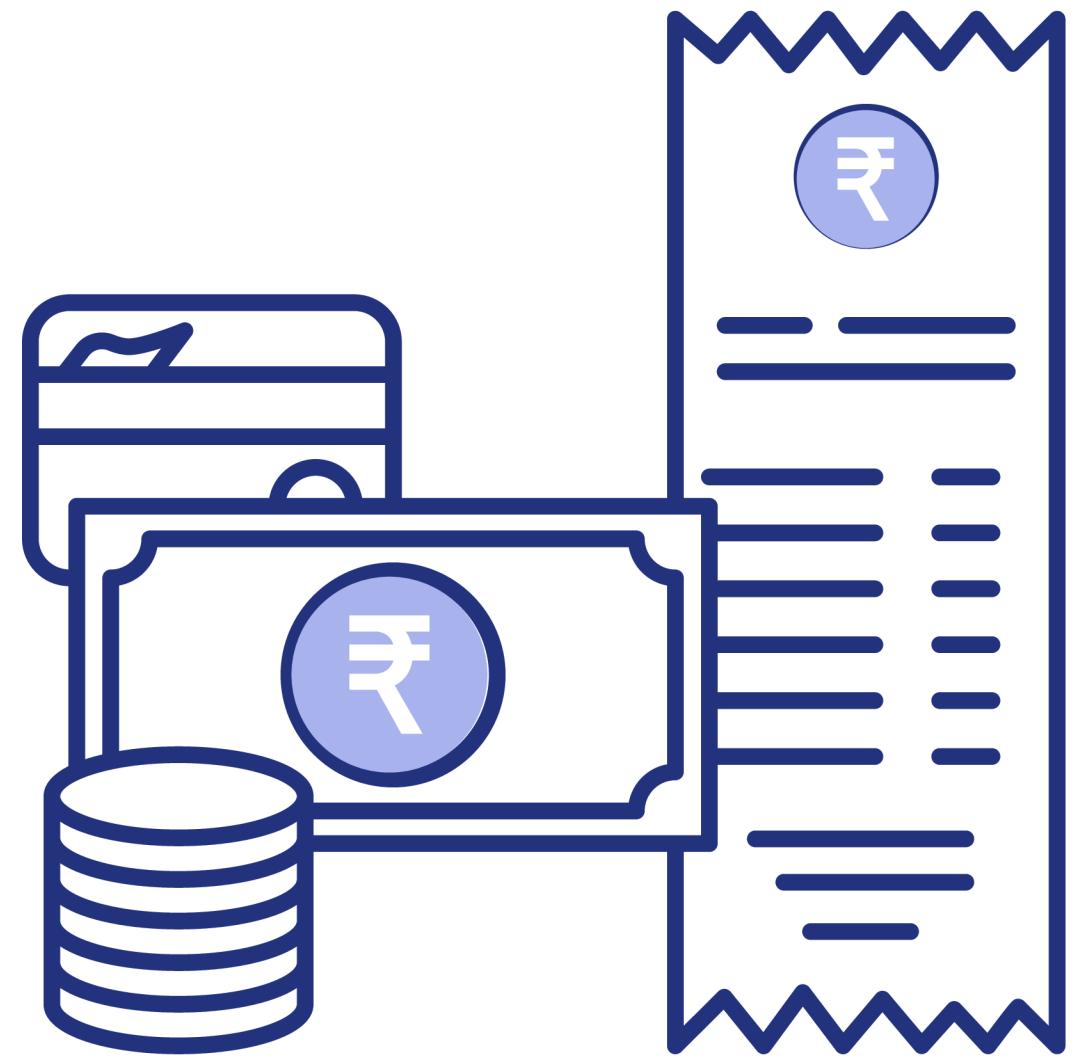


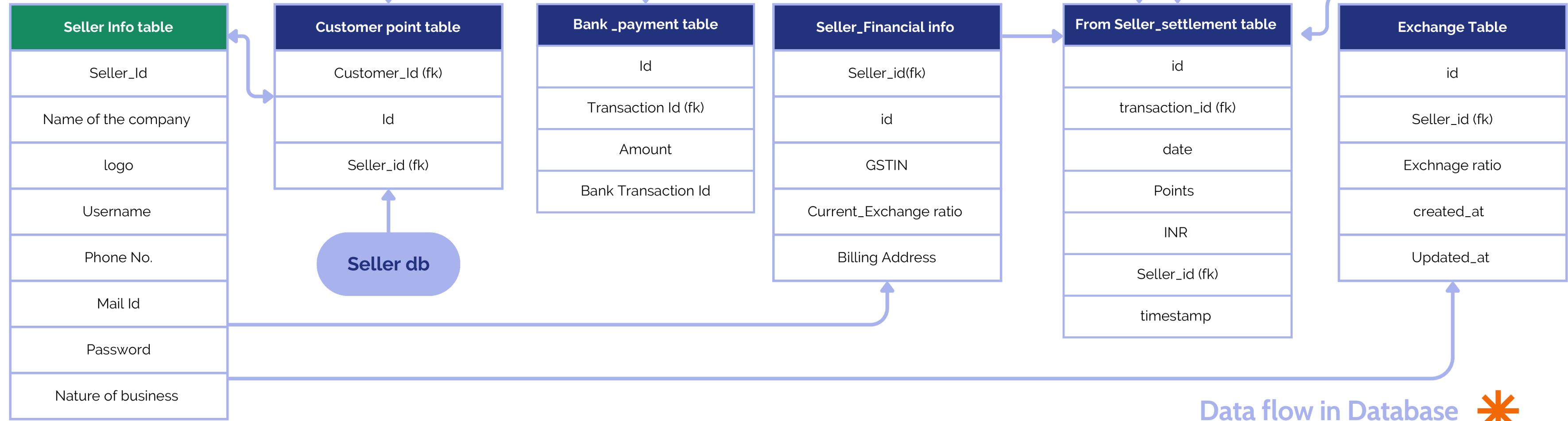
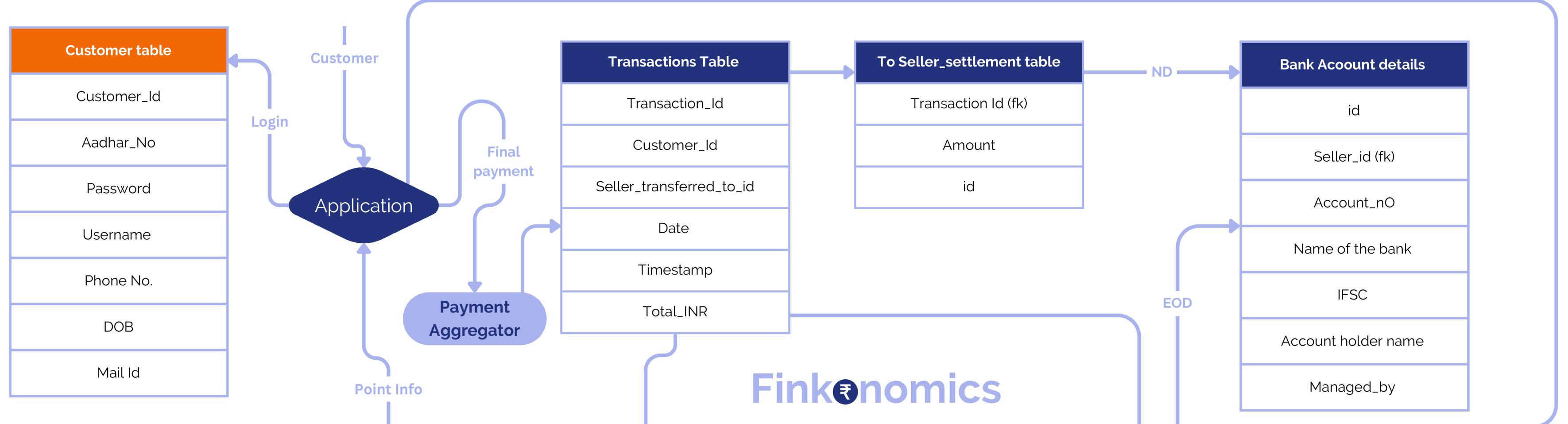
# URS Authority's Perspective



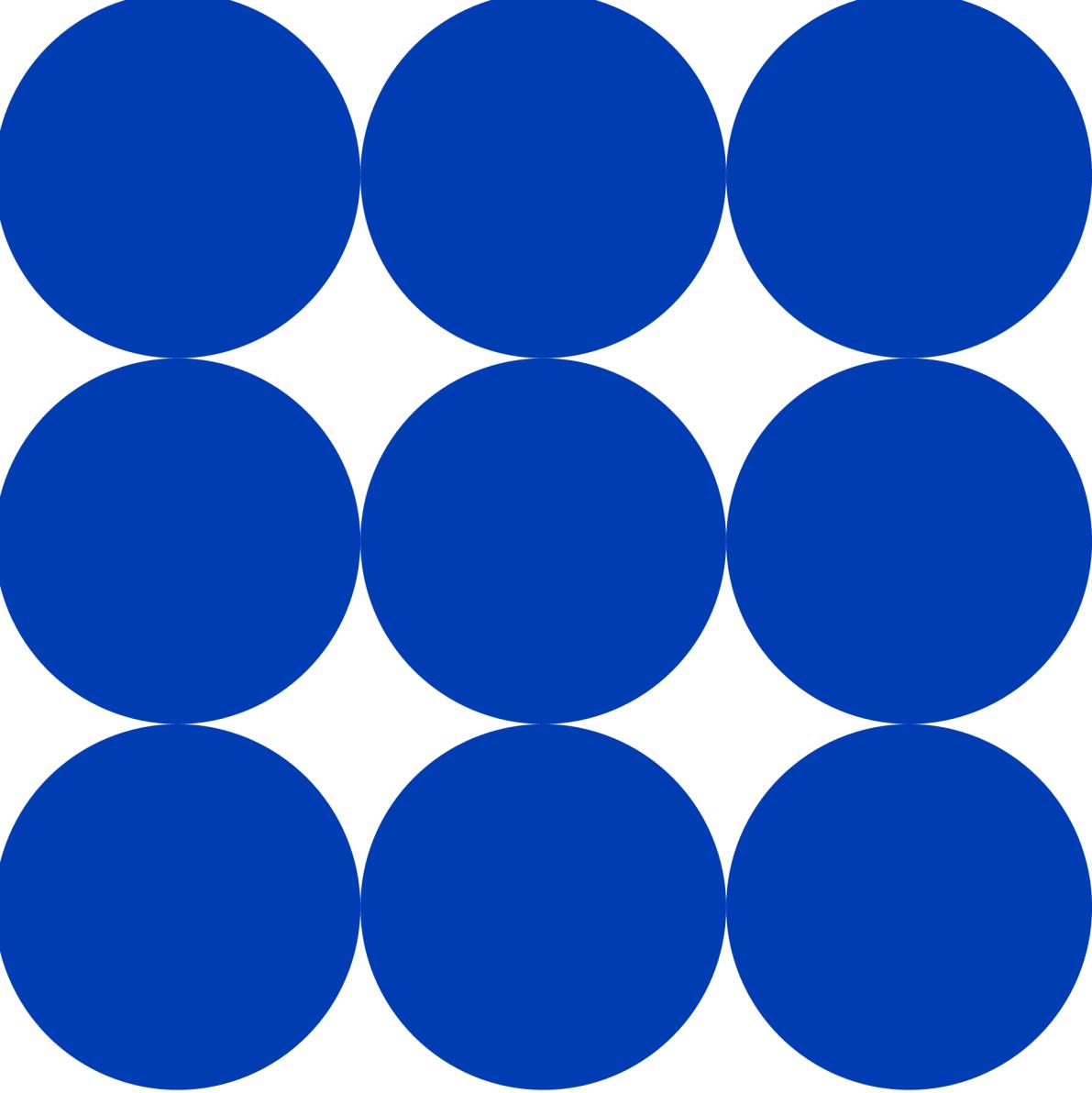
## Validation of our solution

The URS authority gains by fostering a collaborative ecosystem where multiple sellers participate, increasing the platform's reach and usage. They benefit from transaction fees or a small percentage of points exchanges, which generates consistent revenue. The authority's role in managing the system ensures smooth operations and provides valuable insights to sellers, helping them improve their loyalty programs and customer experiences.





# Thank you!



## Contribution

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