

# High Level Requirements for Enterprise Promo Engine

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## Summary -

These are the high level requirements coming of the first discovery workshop for the Enterprise Promo Engine

## Offer Types

<https://confluence.safeway.com/pages/viewpage.action?spaceKey=Product&title=Offer+Types>

## Discount Type -

### Price Point -

- Item level
- Each
- Weight/Volume
- Uneven Split (3 for \$1) (Special Price Point)

Details -

If all conditions are met for Pricepoint offer when its set up as Each -

- Pricepoint only applied if earlier price of item is more than offer price (retail or due to other offer)
- When multiple pricepoint offers available on item, apply the best offer
- Will work for limits associated within the promotion
- Will work for multi use case
- Pricepoint offer should be greater than zero

If all conditions are met for Pricepoint offer when its set up as Wt/vol - (pounds/ gallons)

- Price point offer eg - Turkey at 5.99/ pound. (Retail price is 7.99/ pound)
- Pricepoint only applied if earlier price of item is more than offer price (retail or due to other offer)
- When multiple pricepoint offers available on item, apply the best offer
- Will work for limits associated within the promotion
- Will work for multi use case
- Pricepoint offer should be greater than zero
- For weighted offer - We cannot enter product within product group that gets sold by eaches
- Rounding in customers favor? Find current copient rules?
- Rounding at item/ offer level?

If all conditions are met for Pricepoint offer when its set up as Special Price Point -

- E.g Buy 3 for \$1
- Only applicable to counts and not by Wt/ volume
- Pricepoint only applied if earlier price of item is more than offer price (retail or due to other offer)
- When multiple pricepoint offers available on item, apply the best offer
- Will work for limits associated within the promotion
- Will work for multi use case
- Pricepoint offer should be greater than zero
- Discount in order of price of the product - Highest priced item gets the highest discount (additional penny)
- If the product price is lower than special pricing applied, then customer pays the product price

## Free -

- Item Level –
- Each (limit by dollar amount, count)
- Wt/ Volume (Upto \$ amount, weight, item limit)

### Details -

- Free offer - No other offer will stack on free offer - if there is another offer applicable on the item
- Will work for limits associated within the promotion
- Will work for multi use case
- For straight free offer -
- This offer should be distinguished from pricepoint offer so that when both are applicable on an item, only the free offer should be applied and pricepoint offer can be kept for another transaction or within the same transaction if user is buying another product qualifying for the price point
- For free offer that does not discount the full value of item
- Provide the offer/ offers that provides the highest discount

## Cents/ Dollars off

- Item Level-
  - Each -
    - Discount by items upto a certain limit
  - Weight/Volume -
    - Ability to do dollar off/ pound upto certain item limit and/ or dollar limit and/ or weight limit
- Basket Level -
  - WOD -
    - Discount will be prorated at item level based on all flags(snap/ wic/ tax/ points/ discountable etc)
    - The receipt will be displayed at WOD (so customer knows they received expected \$5 off) level even though we prorate discount at item level
  - POD -
    - Discount will be prorated at item level based on all flags(snap/ wic/ tax/ points/ discountable etc)
    - The receipt will be displayed at POD (so customer knows they received expected \$5 off) level even though we prorate discount at item level
  - Tiered -

### Details

1. Only WOD and POD will be allowed to go negative for dollars off offers
2. Manufacturer offers will always be allowed to go negative
3. Rest of the offers system default to flex discount to zero in case it goes negative
4. Will work for limits associated within the promotion
5. Will work for multi use case
6. Ability to repeat this offer vs offer

## Percent Off

- Item Level –
  - Each -
    - Item limit and dollar amount limit
- Weight/ Volume
  - Ability to do percent off/ pound upto certain item limit and/ or dollar limit and/ or weight limit
- Department Level
  - Discount will be prorated at item level based on all flags(snap/ wic/ tax/ points/ discountable etc)
  - The receipt will be displayed at Dept level (so customer knows they received expected for 10% off) level even though we prorate discount at item level
- Basket Level -
  - WOD -

- Discount will be prorated at item level based on all flags(snap/ wic/ tax/ points/ discountable etc)  
The receipt will be displayed at WOD (so customer knows they received expected 10% off) level even though we prorate discount at item level
- POD –
  - Discount will be prorated at item level based on all flags(snap/ wic/ tax/ points/ discountable etc)
  - The receipt will be displayed at POD (so customer knows they received expected 10% off) level even though we prorate discount at item level
- Tiered -

#### Details

1. Percent offer cant go negative if that's the last offer working on the transaction
2. Positive integer amount from 1 to 99
3. Discount always off Net
4. Will work for limits associated within the promotion
5. Will work for multi use case

## Tiered Offers

- Tiered offers can be created based on -
  - Customer Conditions
    - Different customer groups can get different discounts
- Product Conditions
  - Different product groups awarded at different pricepoint
  - Based on product qty/ wt/ volume
- Transaction amounts
  - Buy \$50 get \$5 off, buy 100 get \$10 off etc
  - But \$50, get 1 can free, Buy \$100, Get 2 cans free
- Points
  - Based on point amount you get discounts
  - 1 point gets you 10% off, 2 points gets you 15% off
  - Day/ Time? N/A
- Rewards -
  - Printed messages
  - Grant Membership
  - Stored Value
  - Points
  - Receipt Messaging

## Grant Membership -

- Ability to associate a PLU scanned as paper coupon to an offer so that user can claim this offer indefinitely without having to scan this coupon again
- This is done with concept of clipping in digital offer/ for paper coupon we need ability to give

## Points Offers

- Fuel (Accumulation and Straight Reward) – (Can this be consolidated into 2 offers - Base and Bonus)
  - Awarded –
  - Bonus-
  - Decremental - These can be managed with HUB/ customer profile
  - Tiered (Reward Only)
  - Monopoly - Setup issue to be fixed within OMS
  - Footer Message

#### Details -

- Ability to create offer where customers can earn points based on all points applicable items within a transaction
- Ability to keep track points over multiple transaction per household ID
- Ability to show points and rewards on the receipt after a transaction in real time

- Ability to decrement earned points?
- Withhold points at fuel station? Confirmation?
- Alaska Airmiles – (Offer Platform will only have ability to create Bonus offers)
  - Base – N/A
  - Messaging – N/A
  - Decrement – N/A
  - Bonus – <https://logix.safeway.com/logix/CPEoffer-sum.aspx?OfferID=8078295>
  - Check with Joe? Is this program required?
  - Ability to add Alaska airmiles customer to an offer
  - Alaska airmiles are earned per dollar spent
  - Ability to add an attribute condition.
- Instant Win –
  - Randomizer for gift card offer
  - Ability to set up a day and time offer and set a limit for number of gift cards to be given in a particular duration at a given store group
  - Instant win can be set for Any Customer
  - Confirm legal requirements for store level instant win offer
  - Cashier will be shown a message that customer has a win for the setup offer
- Box Top –
  - Ability to set up a accumulation offer where users can earn points for bought products
  - HUB should be able to sent details to recipients of that information
  - Should box top count towards accumulation if there is other discount that gives me a free product?
  - Ability to display number of box tops donated by a household
- Fast Forward - ()
  - Rewards Base -
  - Rewards Decrement -
  - Fast Forward Reward -
  - Accumulation based offers with different points conversion
  - Tender condition is used to identify fast forward offers by the engine
- Grocery Reward offers -
  - Rewards Base -
  - Rewards Decrement -
  - Monthly Reward –
  - Ability to multclip
  - Ability to unclip a reward

## Messaging

- Scorecard
  - Monopoly –
  - Fuel –
  - Alaska Air –
  - Continuity

### Details-

- Datapoints to be shown to customer.
- Transaction level
- Points earned in transaction.
- Reward balance.
- Continuity offers - how many left to earn your free sandwich/ Congratulation on free sandwich
- Total discount amount per transaction
- Monopoly scorecard
- POS currently prints J4U savings.

## Notification

- Sandwiches/Coffee/Jamba
- Ability to send notification when satisfying customer conditions vs satisfying all conditions

## Receipt Messages

- Survey
- General messages
- ECREBO/ POS takes care of them

## Offer Types

### • Buy Item

- Ability to identify unique item?

### • BOGO

- Markdown on one item for now due to financial/ allocation/ supply chain etc. We do not prorate the discount amount
- Extended Scope - Figure out a way to divide markdown across products been bought. So we need to build it out with this scope in mind
- One offer for BOGO and one for specialized bogo - offer type form
- Flag at store level to override when specialized bogo has to be executed to satisfy legal requirements
- Best deals when multiple BOGO - Only apply the one that gives best deals
- Best deal within BOGO
- Discount will be given based on HIGO/LOGO flag, Legal flag for Specialized BOGO.
- When legal flag switched off - discount based on higo/ logo
- For stores where legal flag switched off - user able to create BOGO offer by both scenarios ( to follow specialized logic or to follow just the higo/ logo flag)

### • BXGY

- Similar to BOGO
- BXGY - X and Y are quantities
- Product list for both X and Y can be different (X list will be of same UOM and Y will be of same UOM - BUT X and Y UOM are mutually exclusive)
- Min purchase/ dollar limit/ can be imposed in this offer on buy side
- X cannot be by wt/ volume - It will always be eaches
- Y quantity can be discounted at cents off, percent off, free, pricepoint by eaches/ volume-weight/ and user can specify item limit , weight limit and dollar limit within reward

### • Must Buy

- Condition requirements for any other offer

### • Meal Deals

- Combined offer for multiple discounts
- Will only be pricepoint
- Sandwich, Coke and Cookie at \$10
- Users will set up specific price for each product within the combo deal
- There can be 2 or more products

### • Continuity

- Ability to do accumulation one or over multiple transactions.

- Ability to give reward when the redemption condition reached within a transaction or next transaction
- Ability to track dollar spend
- Ability to track items bought
- Ability to track weight/ volume
- Configurable ability to track spend/ weight/ by float
- Sandwich offers (Buy 5 get the 6th one free)
- Ability to set this up without a points program
- Ability to do an accumulation offer where offer will keep track of how many sandwiches are bought by user
- Once user buys the sixth one, that is given as free
- Count will restart for the user
- Is free items received via continuity offer - count towards accrual?
- Is free item received via another offer - Does that count towards accrual?
- Ability to define accrual degree of precision -
  - E.g - you only accrue reward/ offer/ discount every \$10.
- Basket level accumulation will be net of basket level

#### • **Mix and Match**

- Buy 4 for \$10. (Buy X for \$Value, )
- Buy min dollar amount get \$ off
- Buy 4 or more of variable type and get each at a pricepoint
  - Ability to get multiple products at a special pricepoint
    - Discount split equally across each product price based on net
    - Ability to markdown price
  - Ability to get percent off each product when customer buys X or more products
  - Ability to get cents off each product when customer buys X or more products

#### • **WOD**

- Ability to do WOD at percent off and cents off
- Applicable to basket level discounts only. No item level discount
- BASKET discount will always be off Net
- Spend \$ amount for Any Product and get some discount - Basket offer - Discount will always be evaluate base on basket net as default setting. Ability to change evaluation to basket gross spent.
- Spend \$ amount for list of products - Item level condition for basket offer
- Prorate basket discounts at item level for all discount eligible items

#### • **POD**

- Spend \$ amount for dept product list and get some discount - partial order offer - Discount will always be evaluate base on dept net as default setting.
- How will this be handled for sub departments? Scanned dept at POS? Do we have to create offers at sub dept offers?

#### • **Messaging/ Scorecard/ Points**

## **Alaska Air Mileage Plan Offers**

- Copient offers created using a sub engine right now
- Customer must have an Alaska Air Mileage Plan number.
- Customer must be registered on Just for You.
- Customer must enroll for Loyalty program via Just for You.
- Program is annual – customer must reenroll yearly to continue earning points towards miles.
- Enrolling in the Loyalty program will apply the US Airmile attribute to the household id.
- Only one club card per household can enroll in the program.
- Each eligible dollar = one dollar point
- 300 dollar points = 100 Alaska Air Mileage Plan mile
- Offers created for the program -
  - Scorecard offer – prints only when miles have been earned. Tracks earned miles.
  - Accumulation message offer – tracks accumulation points. Prints for each transaction including zero balances.
  - Spend offers (WOD) – awards miles when the minimum threshold and conditions are met.

- BASE Conversion offer – converts dollar points to miles.
- BONUS Conversion offer – converts dollar point to miles. Limited time offer.
- BASE/BONUS Decrement offer – decrements earned points.

## Additional OFFERS

- Redeeming offer over multiple transactions
  - Ability to do one time use over multiple transaction
  - Separate offer limit/ item limit and how increments are enforced
  - Ability to define how many times a particular offer is used within a transaction
  - Triggers -
    - Limit on discount
    - Limit on offer
    - Limit parameters on transaction ;
      - How many times per transaction?
      - Number of times over multiple transaction?
- Ability to create re-occurring offers so we can re-use existing sets to enable quicker turnaround on offer creation
  - OMS Requirement
- Triggered allocated offers
  - OMS Requirement
- Reward Accrual and Redemptions
  - Rewards HUB requirement
- Individual Customer Codes on Receipt
  - Random code generator
  - Use list of set codes
  - QR barcodes
    - This can be an Ecrebo requirement. May not need this?
- Stored Values
  - Ability to provide monetary value to customer which can be used by customer over future transaction
  - Ties into rolling expiry
  - Make good offers - can add monetary value into Stored Values
  - Stored value will be used as a condition - It can be set as dollar amount or points
  - Grant store value points/ dollars to users when customers reach a certain condition
- Buy Ahead Offers
  - Stored value example
- Rewards Donation
  - HUB
- Multi-Use Rewards (Limited Qty)
  - Multiclip
- Redeem rewards for free delivery
  - If delivery is coming as PLU that PLU can be discounted as part of reward redemption (Assumption)

## Offer condition

Offer conditions define what is required in order to qualify for the offer.

- Customer – This can be All Households or it can be a selected group of households known as a Customer Group. A condition can be a targeted customer group or it may exclude certain households in a customer group. Should be able to exclude
- Product – This consists of a Product Group which may contain 1 or many UPCs or PLUs. A user can add multiple Product Groups as a condition and use a Boolean Operator of and/or to state that the customer must purchase an item from Product Group X and Product Group Y OR the customer must purchase an item from Product Group X or Product Group Y to qualify. Should be able to exclude
- Product disqualifier – This consists of a Product Group which may contain 1 or many UPCs or PLUs. A product disqualifier means that a customer does NOT qualify if they purchase any of these UPCs/PLUs.
- Points – Points can be used as an offer condition. This means that the household must have a specified number of points in the defined points program in order to qualify for the offer.
- Day of week – This is the day of week in which the offer is active. Most offers are set up for Any Day of the Week. Example: Get \$1 off your Starbucks drink on Fridays.
- Time of day - This is the time of day in which the offer is active. Most offers are set up for 24 hours/day. Example: Get \$1 off your Starbucks drink between 8:00am to 10:00am.
- Tender - Discount based on tender? Shop by Amex/ Safeway credit card to get a particular discount per transaction (Is this required?)
- Global PLU - Scan a PLU once and make it work for tiered offers
- Trigger PLU - Works similar to PLU. (Hopefully this can take over PLU offer assignment). Trigger PLUs are not set up as items within SIMS
- Attribute - Ability to assign an attribute to a customer and then that is a condition when met for any customer condition then particular offer is given



## Offer reward

Offer rewards define what the household will receive when they qualify for the offer. It may or may not include a monetary reward.

## Reward Types:

- Discount – A discount is a monetary reward. A discount can be item level (\$1 off Tide), department level (20% off the meat department), or basket level (10% off everything in your basket).
  - Discount Types
    - Fixed amount off - \$1 off Tide
    - Price Point – Tide for \$10.99 net price
    - Free – Get Tide free
    - % off – 10% off Tide
    - % off by Wt/ volume
    - Fixed amount off weight/volume – \$0.50 off per lb. on turkey
    - Price point weight/volume – Turkey at \$1.00 per lb.
- 2x20 notification – This is a cashier notification at the POS. It allows for 2 lines of 20 characters each. Use of this functionality is limited as it slows down the cashier productivity since they must clear through the 2x20 to move on in the transaction. The 2x20 reward can be issued at Total time (after the club card has been entered) or at the End of Sale (EOS). If the 2x20 is set up to be sent at EOS, then the 2x20 displays after tender time.
- Receipt messaging – Receipt messages can be used to inform a customer that they received something in that transaction or to notify them of their accumulation balance on an offer.
- Points – Points can be delivered as a reward. They may be used to store discounts – i.e. A customer who has 10 Power Pump points worth 10 cents/gallon each – or they may be used as a deliverable Example - A customer receives 1 point (a.k.a. air mile) for every \$20 they spend.
- Stored Value -
- Group Membership

## Product Groups

- This determines which products are part of offers
- A product group can be comprised of
  - UPC
  - Dept IDs
  - Manufacturer Family Codes
  - Catalog?
- Offer will be tied to a product group and will be triggered for all products part of the product group
- System will have ability to account for excluded product groups
- Excluded product groups can be created for Any Product as well as other product groups

## Store Groups

The user is able to determine which stores an offer is sent to and even which terminals that offer will be active in.

- Store Group – One or more store locations will be listed in a store group.
- Terminal – An offer must be sent to one or more terminals in a store. There is a terminal set up for every different lane type. There are some offers that are not sent to specific lanes because they can not be delivered in that lane.

## Reward distribution limits

This controls the frequency with which the offer is made available. The business typically uses Once per Transaction, Once per Offer, or Unlimited. The user is also able to set up custom limits such as 3 times per week,

## Treat as Tender -Yes/ No

## Best Deal Option - Yes/ No

- When an item in a transaction is eligible for 2 or more offers, the discount that will be applied is the one that is most favorable to the customer.
- This criteria will apply when there are competing best deal offers on an item
- This will also apply to BOGO and BXGY. When two or more offers qualify - Engine will figure what's the best deal on the item

## Continuity - Yes/ No

1. This determines accrual over multiple transactions or not

## HIGO/LOGO -

1. HiGo/LoGo is a configurable system option which applies across all offers . HiGo / LoGo logic is applied when an offer has an item level discount where the Product Group has items of different retail values. The logic is based on the gross (a.k.a. retail) amount of the item.
2. HiGo means that the discount should be applied to the item of the greatest retail value. LoGo means that the discount should be applied to the item of the lowest retail value.
1. Whether HiGo and Logo is an attribute at offer level is an open action item
1. Ability to set a flag at store level that determines if specialized bogo logic (MIGO) has to be applied or not

## Weighted Items:

1. When it comes to weighted items, the item which is discounted depends on the offer set up:
2. So within a LoGo setup -
  1. When the offer is discounted by the lb. (example Spend \$50, get turkey for \$0.79/lb), EPE will discount the lowest price per lb. turkey which may not necessarily be the turkey with the lowest total price. For example, if the customer has two turkeys – 10lb. @ \$1.29/lb (total price \$12.90) and 16lb. @ \$0.99/lb (total price \$15.84), the system will discount the 16lb turkey.
  2. When the turkey is discounted by the each (example Spend \$30, get 8-16lb turkey for \$7.99ea), the least expensive turkey overall will be discounted.

### Example of HiGo vs LoGo:

An offer is set up for 10% off Coke items, limit 1 item. The Coke product group has a large range of UPCs where Regular Coke retails \$4.59, Diet Coke retails \$4.99, Cherry Coke retails \$5.29.

### HiGo

If the system is set to HiGo and the customer purchases one of each types of Coke (3 total items), the discount from this offer would be applied against the Cherry Coke (\$5.29) effectively making the discount \$0.53.

### LoGo

If the system is set to LoGo and the customer purchases one of each types of Coke, the discount would be applied against the Regular Coke (\$4.59) effectively making the discount \$0.46.

Using the same example as above, if the Cherry Coke also had a separate discount of \$2 off, and the system is set to HiGo, the 10% off discount would still apply against the Cherry Coke since it has the highest retail value.

Users should be able to go to Admin tab and configure LoGo or HiGo settings by Stores/ Banners/ Divisions

## **Flex Negative/Allow to go Negative/ Neither -**

1. Flex Negative and Allow Negative are mutually exclusive for each offer, so an offer's discount can only be set to Flex Negative, Allow Negative, or neither.
2. If Flex Negative is set for an offer and its offer's discount is great enough to take the price of an item below \$0, then the promotion engine will reduce the discount amount so the final item price is \$0.
3. If Allow Negative is set for an offer and its offer's discount is great enough to take the price of an item below \$0, then engine will give full discount amount no matter how much it takes the item's price below \$0.
4. If Flex Neg/Allow Neg are both off for an offer and its offer's discount is great enough to take the price of an item below \$0, then no discount is provided for that offer

Example: I have a \$2.00 Coke item which is eligible for a \$3.00 fixed amount off discount

1. If Flex Negative is ON: The engine will reduce the discount to \$2.00 so the Coke item is given away for free, and send this \$2.00 discount to the POS.
2. If Allow Negative is ON: The engine will send the POS a \$3.00 item-level discount for the \$2.00 Coke item, which means ABSCo would effectively be paying the customer an additional \$1.00 for purchasing the Coke item
3. If both Flex Negative and Allow Negative are OFF: Although the customer qualified for the \$3.00 discount, no discount is sent to the POS

## **Points Apply and Discountable Flags**

The Points Apply and Discountable flags are set on the item record in SIMS

### **TAX Flag**

1. Item should know the tax flag associated with the item in the basket
2. Dept and WOD - The prorated tax will be calculated correctly based on taxable items available within the basket

### **SNAP Flag**

1. Item should know the SNAP item associated with the item in the basket
2. Dept and WOD - The prorated tax will be calculated correctly based on taxable items available within the basket

### **WIC flag**

1. Item should know the SNAP item associated with the item in the basket
2. Dept and WOD - The prorated tax will be calculated correctly based on taxable items available within the basket

### **Points Apply**

1. The Enterprise Promotion Engine uses the Points Apply flag on the item record to determine whether or not the item counts toward an Any Product offer condition. If the Points Apply flag is set to NO (or OFF), then the item will NOT count toward the Any Product condition.
2. If you want an item with a Points Apply flag set to NO to count toward accumulation or spend, it must be included in a Product Group for that offer. If the Points Apply flag is set to YES (or ON), then the item is counted toward the Any Product condition.
3. If a customer purchases \$50 in liquor items and nothing else, this purchase will NOT count toward fuel dollar points because the Points Apply flag on liquor items is NO.
4. Items which have a Points Apply flag set to OFF -
  1. Fluid Dairy and Dairy substitutes in most divisions
  2. Liquor
  3. Gift Cards
  4. Fuel
  5. Tobacco products
  6. Miscellaneous items (e.g. BART tickets, ski lift passes, stamps, money orders)

## Discountable Flag

1. The Discountable flag determine whether or not a basket level OR department level discount should be applied against that item.
2. If the Discountable flag is set to NO, then the items will NOT be counted toward the basket/dept. level discount. From the perspective of the discount amount, this really only comes into play when the discount is a percent (%) off. If you want an item with a Discountable flag set to NO to count toward accumulation or spend, it must be included in a Product Group for that offer and the offer must be an item level discount and dept level discount
3. If a customer has an offer for Spend \$50, get 10% off your basket, and they buy \$50 in liquor items and nothing else, this purchase will NOT count toward fuel dollar points because the Points Apply flag on liquor items is NO.
4. Items which have a Discountable flag set to OFF:
  1. Dairy in most divisions
  2. Liquor
  3. Gift Cards
  4. Tobacco products
  5. Miscellaneous items (e.g. BART tickets, ski lift passes, stamps, money orders)

EXAMPLE: Looking at different settings on the milk flags

A customer purchases milk (retail at \$5) and \$95 worth of groceries (where the \$95 worth of grocery items ALL have their Points Apply flag set to YES and their Discountable flag set to YES). There is a promotion running that says, "Spend \$100, get 10% off your basket."

Points Apply	Discountable	Does customer qualify for 10%	Is milk discounted in 10%	Final Discount
Y	Y	Y	Y	10
Y	N	Y	N	9.5
N	Y	N	N/A	N/A
N	N	N	N/A	N/A

## Minimum SPEND/ Purchase

The Minimum Purchase is used as a qualifying trigger by the promotion engine. Until the customer meets the Minimum Purchase, the engine will not look at the rest of the offer conditions.

EXAMPLE 1: Spend \$75, get \$25 off.

IF Offer Limit = Once per Transaction

- Customer spends \$70, gets no discount.
- Customer spends \$80, gets \$25 off.

## **Multiples discount without tiers**

EXAMPLE 1: Spend \$75, get \$25 off.

IF Offer Limit = Unlimited

- Customer spends \$70, gets no discount.
- Customer spends \$75, gets \$25 off.
- Customer spends \$150, gets \$50 off.

## **Thresholds and Limits**

- Threshold -
- Ability to define threshold within a transaction (Max 2 within a transaction)
- Ability to define threshold through the length of offer (Offer limit) (Total limit ) (item limit)

Extendability - 10% off each when user buys 2 Cheerios

## **Default Household ID**

The default HHID is a household ID that is not actually assigned to a Club Card. The default HHID is seen in a transaction when 1) either the Club Card is brand new and this is the first time it has been seen by the POS, or 2) the Club Card lookup system is offline

## **Product Disqualifier**

Product Disqualifiers will only be used for Print Super Coupons that will have a Digital version on the site.

## **Print Version**

This is built as a regular Print Coupon with a PLU

## Web Version

This is built as a normal Web Coupon with one addition.

Product Disqualifier has to be manually added in the Product Condition

## Accounting Process - (Link Numbers)

1. System needs to know whether its Item Level/ Dept Level or WOD level discount
2. define what type of offer was redeemed and how that discount should be accounted for.
3. Whole Order Discount (WOD): A discount that is set up as a basket level discount and is charged back to whole order discount. The chargeback is accounted for by prorating the discounted amount across all items in the basket. Example: Buy 10 deli sandwiches, get \$2 off your
4. Partial Order Discount (POD): A discount that is set up as a basket level discount, but should be charged back to a single department. Example: Buy 10 deli sandwiches, get \$2 off your entire basket. Chargeback department has been set up to 309 Deli in Logix.
5. Link codes not required for offer execution by EPE

## BizDev Requirements -

1. We want Grocery Rewards to have multi-clip functionality (ie. if customer has several rewards, we can let customer redeem that offer several times). We also want to be able to resurface the same offer more than 1X/mth.
2. Rewards expiration – can we request that we be able to segment out a group of HHs and choose not to expire their Rewards at the same frequency. This is an idea that lives within our tiered Top Shopper program concept. Alternatively, we may expire the Rewards and cash them out for the customer in an automated way. (governed by tier of customer)
3. Ability to award dollar to points reward by tiers (governed by tier of customer)
4. Tiering on points and tiering on rewards
5. Rolling expiration (offer and reward)
6. After you reach a certain criteria - you earn a particular discount (offer) that customer can claim in the next 2 weeks.
  1. Able to configure individual offers to work in this manner
  2. Earning period - an offer allocated to customer for redeeming in a set period. No matter when customer reaches earn condition they will always get a set period to burn that offer
  3. The earned offer will not have to be clipped
  4. Probable Solution -
    1. Digital wallet with a list of multiple award offers
    2. The earn offer will associate the customer to one of the offers within the wallet
    3. The duration of offer will be set to a particular pre-determined period once that offer gets allocated to the user
    4. This way every customer can get to redeem that offer for the exact same period.

## Basket (Taxes/ Proration)

1. SNAP items need to be identified within a basket
2. WIC items need to be identified within a basket
3. Points applicable flag needs to be identified
4. Discountable items need to be identified
5. Proration - Proration needs to be done correctly
  1. Tax flags need to be set correctly for prorated items and tax calculated correctly only on products that it needs to be calculated on
  2. Prorate WIC and SNAP items correctly
  3. Find conditions when we don't have to prorate?
  4. How will proration affect receipt? The discount will be shown at item level. Today we show single line item for POD and WOD at end of receipt
6. How MF coupons are honored at store that do not get set up in the system?
7. Rewards earned in a transaction - Does this apply to next or current transaction?
8. Cascading Offers
9. Point to Point conversion to Hub
10. Quantity to dollar reward get balance from Hub and do processing in discount engine
11. Customer to offer will be in promotion engine

12. Find points programs that cannot be managed via accumulation/ continuity programs

1. Points program used to keep track of spend or item quantity purchase over multiple transaction. Reward can be in transaction or next (Calculation of end of transaction for next - Defer to end of sale checked for particular offer (Redeem in transaction or save for next transaction))
2. Removing points when you hit the earn (limit quantity or
3. Sweepstakes - Buy 10 items get a point - When 10 points get \$5. When you buy 49 enter a sweepstakes etc
4. Messaging is governed by different points program

## Stacking Logic

Stacking Logic will be determined by discounts and conditions within the Enterprise Promo Engine

- Discount Type - (Item or Dept or Basket)
- Condition - (Item or Dept or Basket)

Reward Offers - There is no separate priority for reward offers right now. Free offers work correctly as they are set up as best deal for item level so customers always get that. Cents off item GR offers are not set to Best Deal which means other offers can be triggered before this for that particular item

Applying Net Price of Items/Depts to Accumulation/Threshold totals

The net price of the item/dept is to be used in accrual towards a specified threshold or an accumulation program.

(E.g. If the gross price of eggs is \$2.50, and Item discount of \$.50 is applied – the net price of the eggs is \$2.00. The \$2.00 should be used in evaluating whether a transaction has met a specified threshold or accrued towards any eligible accumulation program.)

## What affects Stacking?

1. Treat as Tender (MF)
2. Best Deal
3. Continuity
4. Higo/ Logo/ Sp Bogo (legal)
5. Allow/ flex negative/ neither
6. Conditions and Discounts

Order in which the discounts are applied. (Both conditions and discounts will be taken into account)

1. Item level discount
2. Department level discount
3. Whole order discount

## Offer Conditions Stacking Logic -

1. Item Level -
  1. Non Best Deal
    1. Free
    2. PricePoint
    3. Cents off
    4. Percent Off (Accumulation/ Earn)
    5. BXGY
  2. Best Deal
    1. Free
    2. Price Point
    3. Cents Off
    4. Percent Off (Accumulation Earn)
    5. BXGY
2. Department Level
  1. Non Best Deal
    1. Free
    2. PricePoint
    3. Cents off
    4. Percent Off
    5. BXGY
  2. Best Deal
    1. Free

2. Price Point
3. Cents Off
4. Percent Off
5. BXGY
3. Basket Level
  1. Non Best Deal
    1. Free
    2. PricePoint
    3. Cents off
    4. Percent Off
    5. BXGY
  2. Best Deal
    1. Free
    2. Price Point
    3. Cents Off
    4. Percent Off
    5. BXGY

## Offer Discounts Stacking Logic -

1. Item Level -
  1. Non Best Deal
    1. Free
    2. PricePoint
    3. Cents off
    4. Percent Off (Accumulation/ Earn)
    5. BXGY
  2. Best Deal
    1. Free
    2. Price Point
    3. Cents Off
    4. Percent Off (Accumulation Earn)
    5. BXGY
2. Department Level
  1. Non Best Deal
    1. Free
    2. PricePoint
    3. Cents off
    4. Percent Off
    5. BXGY
  2. Best Deal
    1. Free
    2. Price Point
    3. Cents Off
    4. Percent Off
    5. BXGY
3. Basket Level
  1. Non Best Deal
    1. Free
    2. PricePoint
    3. Cents off
    4. Percent Off
    5. BXGY
  2. Best Deal
    1. Free
    2. Price Point
    3. Cents Off
    4. Percent Off
    5. BXGY

## Within Item level Discount -

- Non Best Deals -
  - Free - No other offer gets applied
  - Pricepoint first then Cents off first and then % off



- Cents off applies until there is value left (Flex negative)
    - When allow to go negative (cents off applies even when item total goes negative)
  - % off applies until there is value left (Flex negative)
    - Percent off offer wont be set to allow to go negative (Confirm?)
  - BXGY
  - Cents off and % off net off of each other
  - Offer will always net on earlier offer been discounted
- 
- Best Deals -
    - Free - No other offer gets applied
    - Pricepoint first then Cents off first and then % off
    - Cents off applies until there is value left (Flex negative)
      - When allow to go negative (cents off applies even when item total goes negative)
    - % off applies until there is value left (Flex negative)
      - Percent off offer wont be set to allow to go negative (Confirm?)
    - BXGY
    - Cents off and % off net off of each other
    - Offer will always net on earlier offer been discounted

EXAMPLE: ITEM vs DEPT vs WOD

· Offer 1: \$1 off Chicken

· Offer 2: 50% off the Meat Dept.

· Offer 3: 25% off WOD

$\$5.00 - 1.00 \$4.00 - 2.00 \$2.00 - 0.50 = \$1.50$

Offer 1 - item discount applied SUBTOTAL Offer 2 Dept discount applied on net ( $\$4 \times 50\% = \$2$  discount) SUBTOTAL Offer 3 WOD discount applied on net ( $\$2 \times 25\% = \$0.50$  discount) TOTAL PAID FOR CHEERIOS

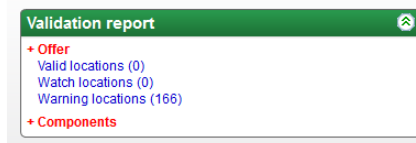
## Not Discussed -

### • Requirements from Promo Ops (12/3 Email from Wendy Duran)

- Scalability: need to define expected volume - some of this work was done by the Loyalty team for 21x21 but need to incorporate future CMS and Ecom volume
- 100% execution of all offers and elements/attributes to the store
  - Real-time monitoring to ensure execution
- 100% execution of offers at the checkout in store and fuel station
  - Real-time monitoring for performance or errors
- Clip times current SLA or better
  - Real-time monitoring...
- Integration
  - POS systems (including Fuel and other peripheral points)
  - Loyalty systems
  - Rewards
  - CCA
  - Teradata / Snowflake
  - Other TBD
- All offer types Copient currently supports (Samarpit's doc attached)
- Accurate evaluation of offers
  - Stacking logic
  - Basket and Dept level offers
    - Proration
  - Tax and SNAP flags
  - Coupon PLUs
  - Mfr Offers
  - Other TBD
- All Data necessary to run the business
  - Stakeholders
    - Finance / Allowance Billing

- Supply Chain
- Loyalty
- Shelf tag (Vestcom and in-store tag printing)
- Call Center
- Analytics groups
- JewelOsco
  - Cashier message in middle of order. Right now the cashier messages are only at the end of the order, so once the total button has been pressed. Would like the option to have the cashier message pop up once the validating UPC has been scanned. So for example if we were doing a gift card reward transaction where the customer can buy something and earn a gift card, we could build the promo to show the cashier message of “activate \$x gift card” when that qualifying UPC is scanned, rather than at the end of the transaction when the total button has been pressed – at which point it’s too late.
- Safeway
  - Best deal should take BlueZone CMS promotions into consideration as it does today in Logix
  - Cents off offers stacking (should be limited by best deal option)
  - Coupon Types and QA triggers – i.e. When an coupon offer is built, do not allow deployment unless PLU is included
- Acme Markets

Wendy: Thank you for considering our input. Under the old Supervalu Logix system the validation report was helpful. We could see the progress and time line of offers being deployed to the stores. It also told us if there was issues with the stores controllers.



At one time we could assign a priority level to promotions.  
PLU 92323 #11211900559

Description:	
Folders:	None
Category:	002-Store Coupon (paper)
Priority:	Medium
Tiers:	1
Impression reporting:	Disabled
Redemption reporting:	Available
Created by:	Tim Collier
Last updated by:	Tim Collier

At one time we could review redemptions in real time. This helped when we received emails from stores saying the offer wasn’t working. That way we could determine if it was global or local:

Redemption reporting: Available  
Created by: Tim Collier

For multiple free items in one offer we have to build separate offers for each free item. In the logix world in the reward category we could add as many as needed.

10657751	CPE	acme 19 - 39 Knorr Free SS Veggies	11/15/2019	11/21/2019
10657750	CPE	acme 19 - 39 Knorr Free Campbells Gravy	11/15/2019	11/21/2019
10657747	CPE	acme 19 - 39 Knorr Free OS Cranberry	11/15/2019	11/21/2019
10657746	CPE	acme 19 - 39 Knorr Free College Inn	11/15/2019	11/21/2019
10657743	CPE	acme 19 - 39 Knorr Free Stove Top	11/15/2019	11/21/2019

## • Reporting Requirements

- Track for missed redemptions - Customer reaches all conditions to receive an offer but is unable to redeem
- Phonehome reports
- Clips not reaching local
- Offers integrity between local and central
- Store Performance
- Offer Health and performance by stores/ divisions/ banners
- Missed discounts

- Clip delays
- Coupon timeout in the store
- Phone home timeout
- Reward delays

## • Rounding Rules

- Maintain offer integrity within central and local
- Offer Data sync to Datalake

## • Manufacturer Coupons

### • MF Stacking Logic

- Ability to scan an PLU and give discounts per offer/ redemption - Bring over capability of trigger PLUs?

## • Central to Local data sync

## • Local to central sync

- **Local to POS data sync**
- **POS to local data sync**
- **Stacking Logic Deepdive**
- **Mass Offer Creation**
  - Load large product groups
  - Load large HH groups (millions)
- Configurations within the tool -
  - Add Terminals
  - Add vendors
  - Scorecards
  - Managing Store Hierarchy
  - Managing Product Hierarchy
  - Roles
  - Departments
  - Etc.
- **Other functionality**
  - Minimum purchase accurate and consistent calculation
  - Utilize mix/match code - CMS offers (liquor discounts)
  - Uneven multiples calculated correctly (  $3/\$1 = .34, 33., .33$  )
  - Correct tax calculation
  - Correct WIC behavior
  - Correct SNAP behavior
  - Consistent behavior regardless of sequence in transaction (e.g. Club Card entered 1st, middle, last, should have same outcome)
  - Custom Limit -
    - We want to say discounts given
    - We want to limit it in a transaction (one time use)
    - We want to limit for whole offer

## **CMS System -**

- We need multi-pricing in the new system (3/10 vs 3.99) – this is a big issue for tag management right now and if we make this the CMS replacement, the business is not going to want to go to single price points
- Scale Labels – if this is the CMS replacement, we are going to need to solve for this, because Copient presently does not feed into scale labels. The business will need that functionality available within the new system going forward
- If a CMS replacement, we are going to need to figure out tier'd/split offers – right now we have a CMS link and whatever eligible copient is there, we are going to need to figure out which is which
- Ability to better distinguish in the system offer types – digital vs coupon etc.
- Overall system stability (including store servers). We frequently have server issues in the stores. If Copient was the single pricing engine nothing would scan on sale vs just select offers as is today
- 4 different pricing systems (APEX, CMS, Copient, Adplan) but there is a lot of opportunity to streamline our processes through better system integration.

## **Release Order -**

- Can start with a banner/ division that does not do J4U? Maybe Haagen
- Get a personnel from Haagen who can draft requirements and make decisions on whether Haagen can be the first rollout

## **Customer Service Requirements -**

- Ability to look at all coupons associated with a household
- Ability to look at all rewards associated with a household, rewards claimed and when they were claimed
- Ability to check points program an household is part of
- Ability to clip a user into an offer
- Ability to create a make good offer
- Ability to update points within a points program for a household
- Ability to trigger a reward offer for a user

## **Support Requirements -**

- Monitoring requirements
- Define SLAs that will trigger incidents

- Clips
- Offer Integrity
- Server Usage
- pipeline issues
- Phonehome spikes
- Coupon timeouts in store
- etc

## **Non Functional Requirements -**