PRODUCT DOCUMENT
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PART I

1. BUSINESS REQUIREMENTS

1.1 Needs Statement

A travel agency is planning to launch a ==loyalty program== to ==enhance customer engagement and group-based transactions==. The program will enable customers to:

1. Earn and burn rewards individually.
2. Invite family and friends to create a group.
3. Allow any group member to collectively redeem points from the group's pooled rewards during a transaction.

To ensure a seamless user experience and program efficiency, the process flow needs to include:

1. Registration of a customer
2. Creation of a group
3. Earning rewards by individual group members
4. Creating a group pool of points
5. Burning (redeeming) rewards from the group pool

Note: Defining the necessary validations and business rules for group creation and member management, including what is allowed and not allowed for group members.

1.2 Business Goals

By implementing an easy to use and transparent reward system, the agency seeks to retain existing customers, attract new customers through referrals, and boost overall transaction volume and revenue. Additionally, the program focuses on ensuring operational efficiency with clear processes, robust validations, and secure handling of rewards to build trust and satisfaction among users.

1.3 Key Objectives

1.3.1 **Enhance Customer Engagement:** Build long-term customer relationships by offering a seamless and rewarding loyalty experience.

1.3.2 **Promote Group-Based Transactions:** Encourage family and friend groups to pool and redeem points collectively, driving higher group spending.

1.3.3 **Increase Customer Acquisition and Retention:** Attract new customers through group invitations and retain existing ones with engaging reward benefits.

1.3.4 **Boost Transaction Volume and Revenue:** Drive incremental revenue by motivating customers to earn and redeem rewards more frequently.

1.3.5 **Ensure Operational Efficiency:** Implement clear processes, business rules, and secure systems to minimize misuse and ensure a smooth user experience.

1.4 Success Metrics

1.4.1 **Customer Engagement**
- Number of customers enrolled in the loyalty program.
- Monthly active users (MAU) utilizing rewards.
- Average number of transactions per user post program launch.

1.4.2 **Group Based Adoption**
- Number of groups created.
- Average group size (members per group).
- % of group transactions vs individual transactions.

1.4.3 **Customer Retention and Acquisition**
- Repeat Customer Rate (% of returning customers)
- Customer referral rate (new customers acquired via group invitations).
- Churn rate of loyalty program members.

1.4.4 **Revenue and Points Utilization**
- Increase in transaction volume post-loyalty program rollout.
- Percentage of points redeemed vs points earned.
- Average revenue per customer or per group.

1.4.5 **Operational Efficiency**
- System uptime and response time during reward redemption.
- Number of customer complaints/issues related to rewards.
- Percentage of fraudulent activities detected and prevented.

2. SCOPE & LIMITATIONS

2.1 Scope

2.1.1 Customers can create groups and pool rewards with family or friends.

2.1.2 Points can be redeemed collectively for travel-related services.

2.1.3 Admins can manage group membership and point pooling.

2.1.4 A rewards dashboard will track individual and group points.

2.1.5 Notifications for point activity will be sent to users.

2.2 Out of Scope

2.2.1 No advanced reward customization for individual preferences.

2.2.2 Loyalty points cannot be redeemed outside the agency's offerings.

2.2.3 Group creation is restricted to a single group per user.

2.2.4 No support for international point pooling or redemptions.

2.3 Stakeholders

Stakeholder Type	Stakeholder	Title	Role
Business	Business Clients	Product Owner / Business Lead	Sponsor
Technical	Developers	Software Developer	SME
Marketing	Marketing Team	Marketing Manager	Sponsor
Support	Customer Support	Customer Support Representative	Service
Design	UX/UI Designers	UI/UX Designer	SME
Data and Analytics	Data Analysts	Data Analyst	SME
Finance	Finance Team	Finance Manager	Sponsor
Legal	Legal and Compliance	Legal Counsel	SME
End Users	Customers	Individual / Group Members	User

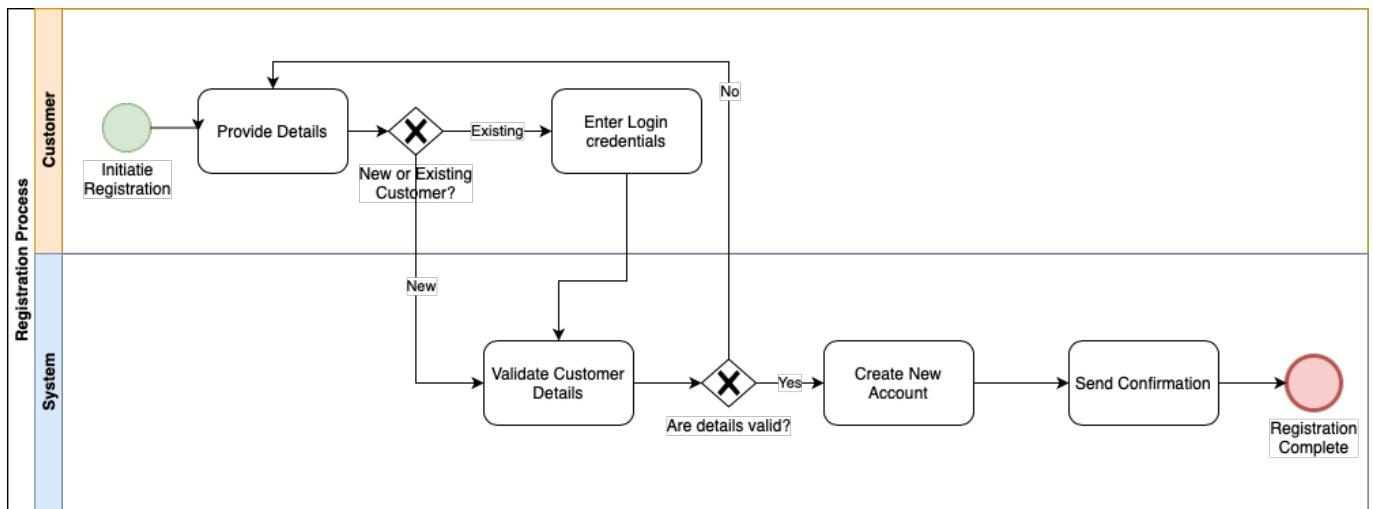### 2.4 Business Constraint

The loyalty program must adhere to budget and resource limitations for development and ongoing maintenance.
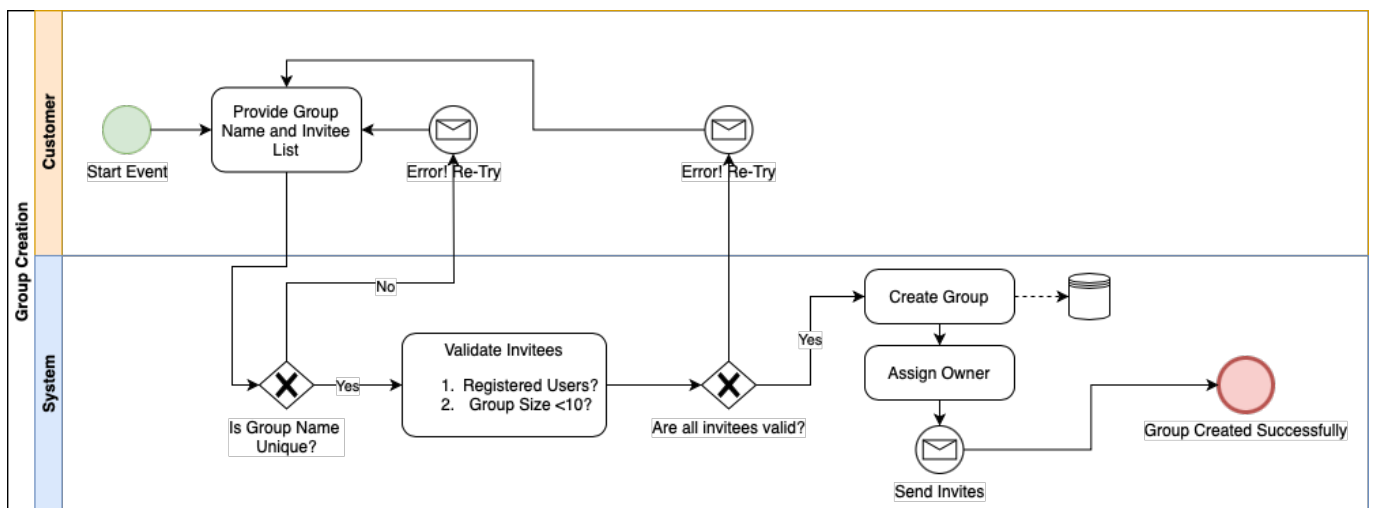
2.5 Assumptions

Customers will engage with the loyalty program and form groups, pooling rewards, based on the perceived value of shared benefits.
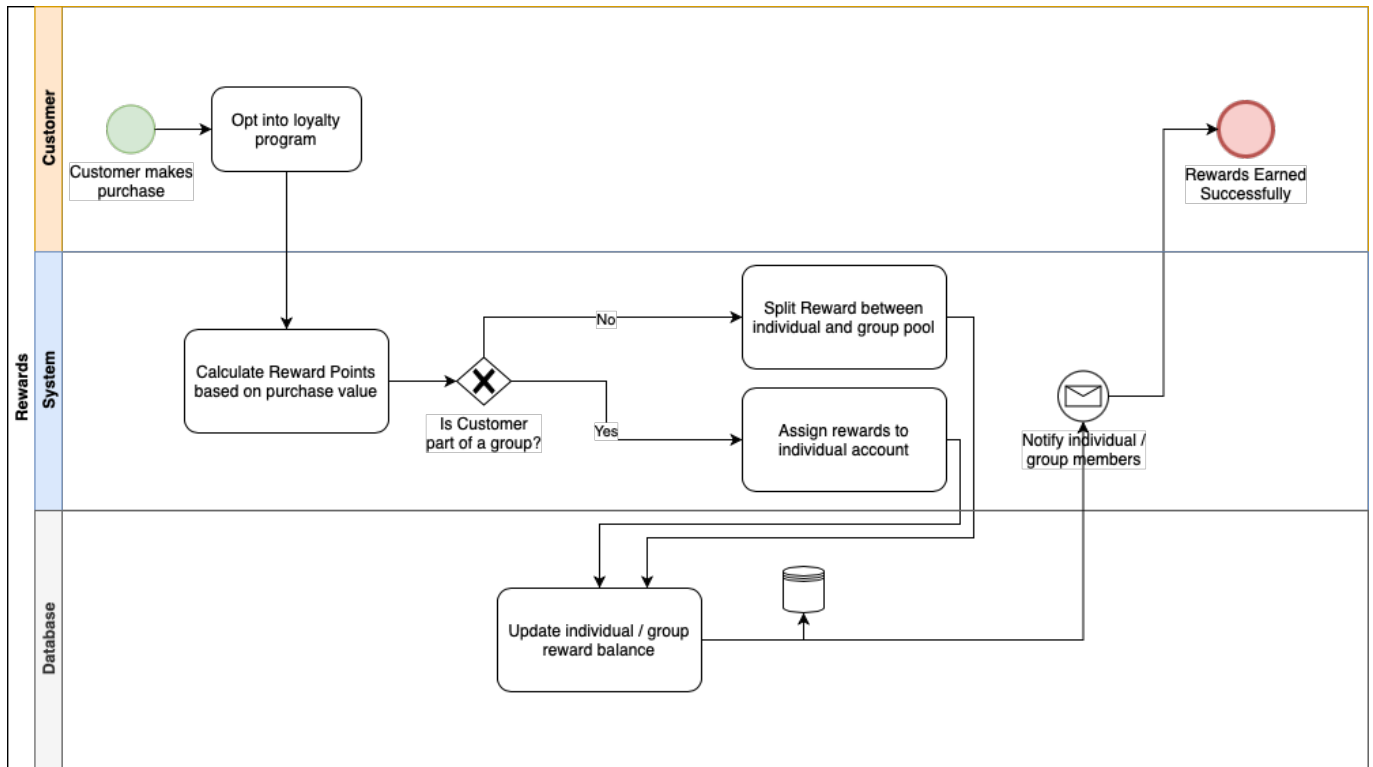
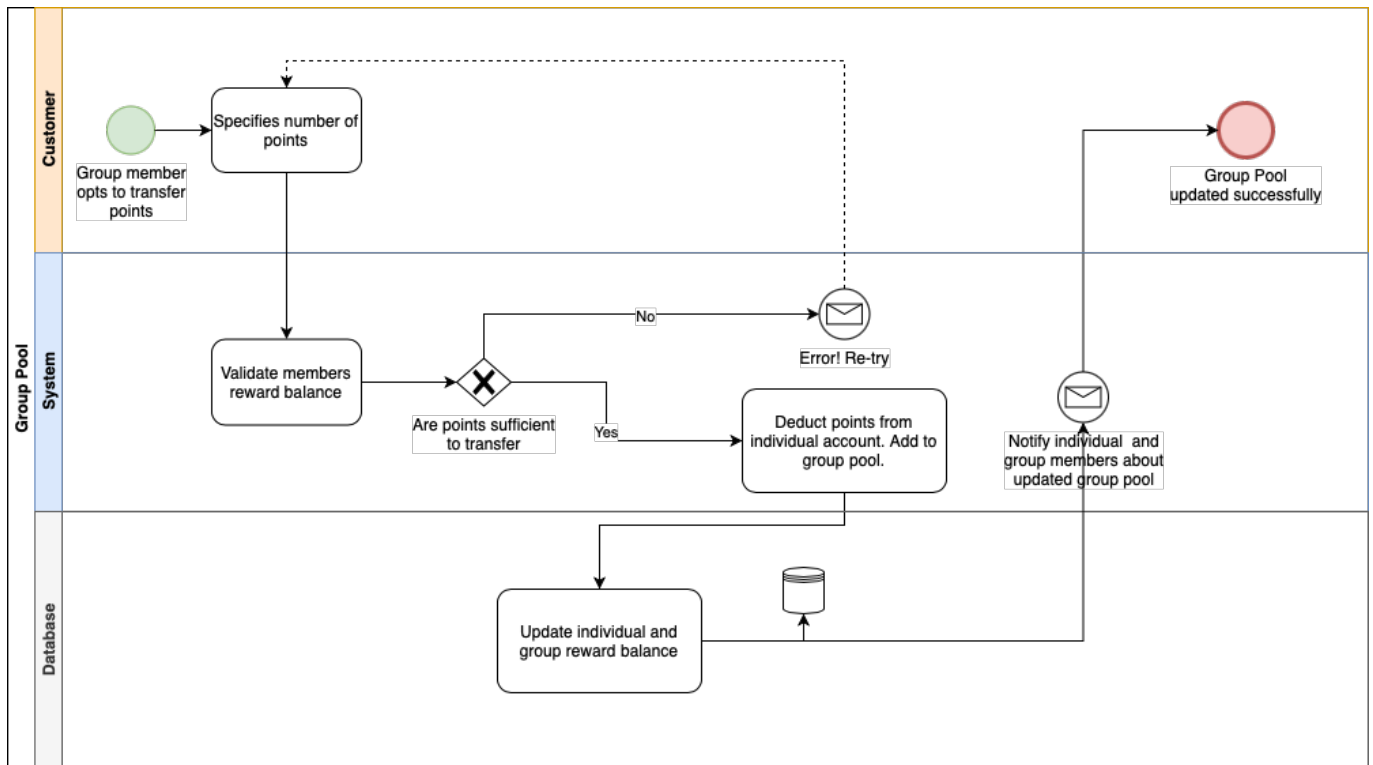# 3. PROCESS FLOW

3.1 Registration Process
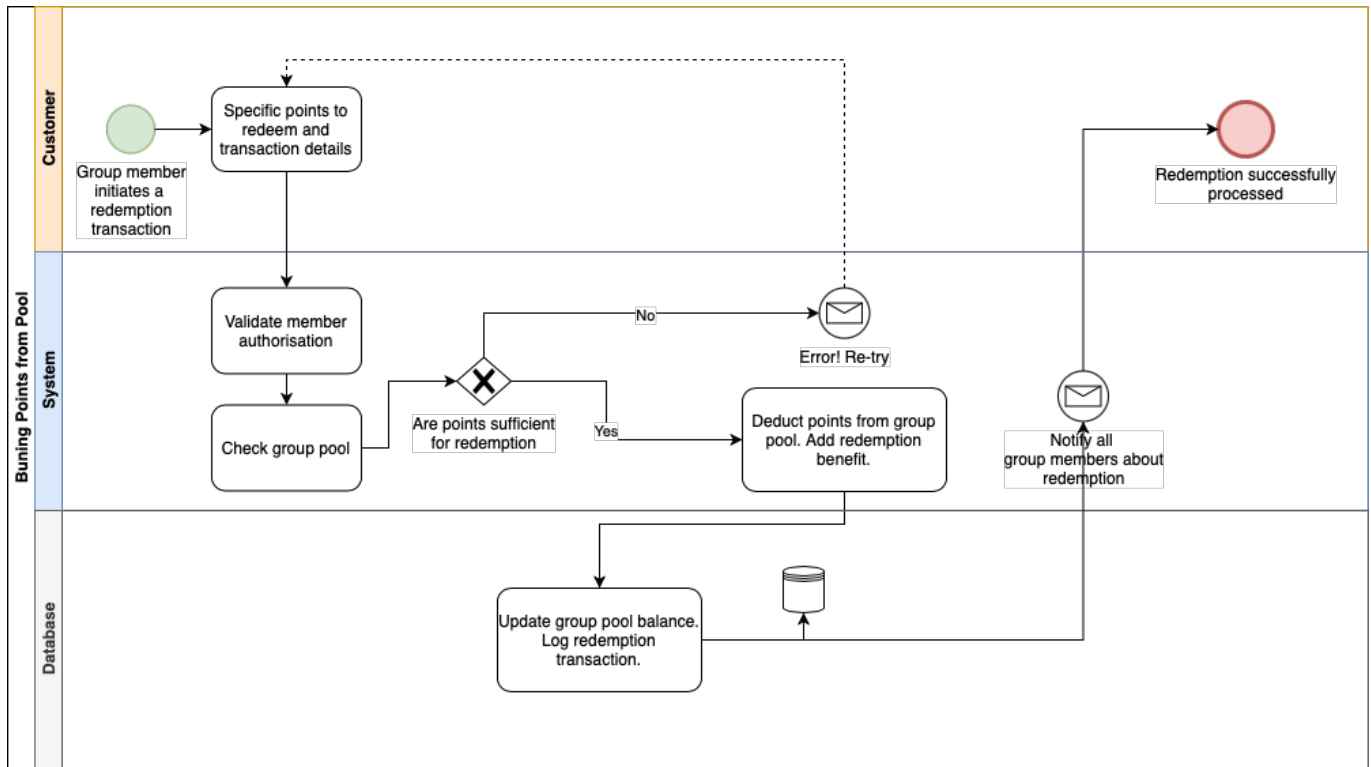

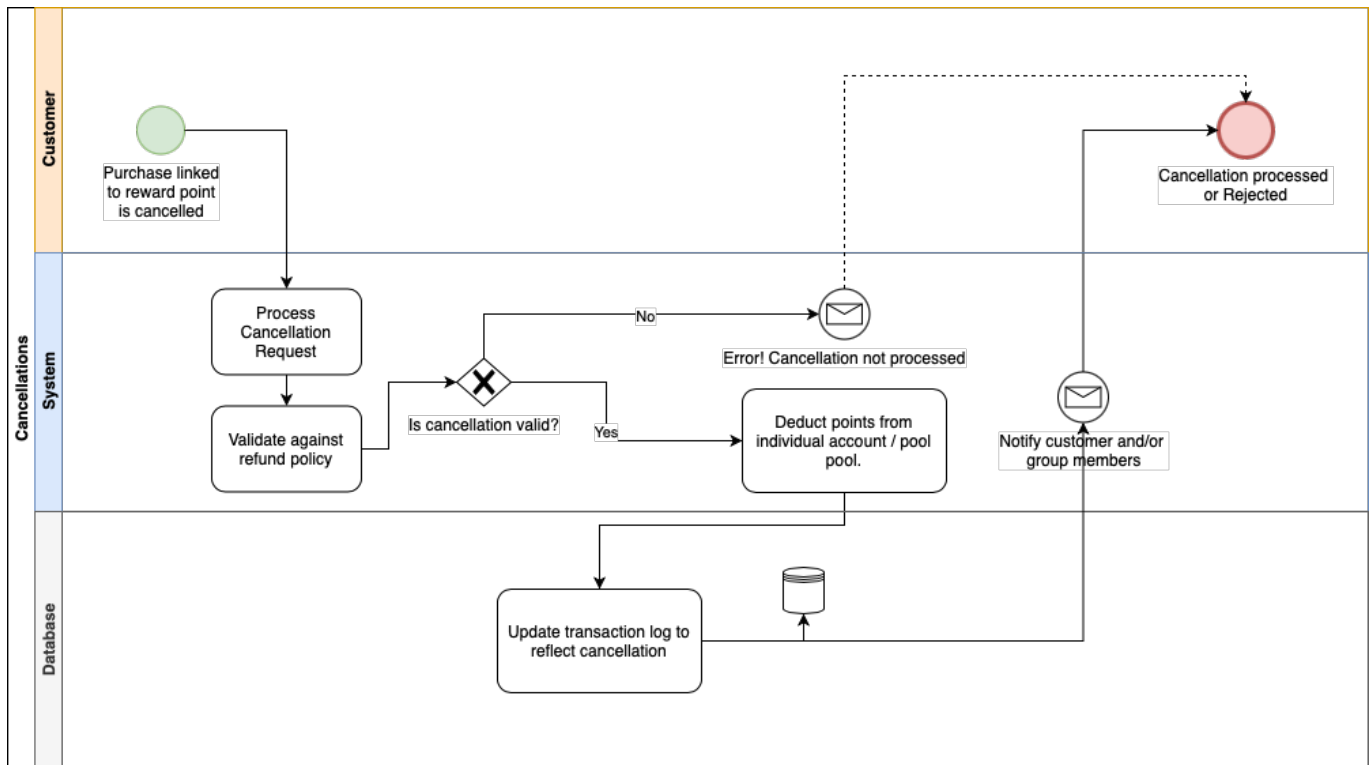### 3.2 Creation of Groups

3.3 Earning Rewards

3.4 Group Pool of Points

3.5 Burning rewards from pool

Buring Points from Pool

Customer

Group member initiates a redemption transaction

Specific points to redeem and transaction details

Redemption successfully processed

System

Validate member authorisation

Check group pool

Are points sufficient for redemption

No

Error! Re-try

Yes

Deduct points from group pool. Add redemption benefit.

Notify all group members about redemption

Database

Update group pool balance. Log redemption transaction.

3.6 Handling Cancellations

Cancellations

Customer

Purchase linked to reward point is cancelled

Cancellation processed or Rejected

System

Process Cancellation Request

Validate against refund policy

Is cancellation valid?

No

Error! Cancellation not processed

Yes

Deduct points from individual account / pool pool.

Notify customer and/or group members

Database

Update transaction log to reflect cancellation

PART II

Competitive analysis of two loyalty programs available in the Indian market. Teardown of available features and functionalities for each product and the features can benefit the brands.

In today's competitive e-commerce landscape, loyalty programs play a crucial role in attracting and retaining customers. Both ==Flipkart Plus== and ==Amazon Pay== are two of the leading loyalty programs in India, offered by two of the largest e-commerce giants in the country. These programs are designed to enhance the shopping experience by providing exclusive rewards, discounts, and perks to users.

While both programs share the goal of increasing customer engagement and loyalty, they cater to slightly different needs and preferences. Flipkart Plus focuses on delivering value through benefits like free delivery, early access to sales, and exclusive discounts for frequent shoppers on Flipkart. On the other hand, Amazon Pay emphasizes cashback rewards, convenience, and flexible payment options, particularly for those who use the Amazon ecosystem for various purchases.

This comparison delves into the key features, benefits, and market positioning of Flipkart Plus and Amazon Pay, helping you understand which program is best suited for your shopping habits and needs.

Flipkart Plus Loyalty Program
What is Flipkart Plus?
Flipkart Plus is a free membership program that offers benefits like free delivery, exclusive early access to sales, and special discounts for frequent shoppers on Flipkart.

How It Works:
1. Free delivery on all orders.
2. Early access to sales events.
3. Earn Plus Coins on purchases, redeemable for benefits.

Why It's Good for Customers:
1. Free delivery on all orders.
2. Early access to sales for better deals.
3. Personalized discounts based on shopping habits.

Why It's Good for Brands:
1. Boosts customer loyalty, encouraging more purchases.
2. Increases sales through early access to exclusive offers.
3. Keeps customers engaged with free delivery and special deals.

Amazon Pay Loyalty Program

What is Amazon Pay?

Amazon Pay is a digital wallet offering cashback on purchases, the ability to buy now and pay later, and integration with Amazon Prime for additional perks.

How It Works:

1. Earn cashback on all purchases using Amazon Pay.
2. Use Pay Later to buy now and pay later.
3. Refer new users and earn rewards.
4. Prime members get extra benefits like faster shipping.

Why It's Good for Customers:

1. Cashback rewards on purchases.
2. Easy one-tap payments for quicker checkout.
3. Flexible payment with Amazon Pay Later.
4. Additional perks for Prime members like faster delivery.

Why It's Good for Brands:

1. Encourages frequent transactions with cashback.
2. Retains customers through integration with Amazon Prime.
3. Expands the customer base with the referral program.
4. Attracts customers who prefer flexible payment options.

Feature Comparison is as follows:

Feature	Flipkart Plus	Amazon Pay
Membership Fee	Free for customers who earn Plus Coins through purchases	Free
Free Delivery	Yes – Free delivery on all orders for Plus members	No – Available for Amazon Prime members
Cashback	No – Exclusive discounts and offers	Yes – Cashback on all purchases using Amazon Pay
Early Access to Sales	Yes – Early access to Flipkart's big sale events	No – Amazon Pay does not offer early access to sales
Referral Program	No – No direct referral rewards	Yes – Earn rewards by referring others to Amazon Pay
Exclusive Offers	Yes – Special offers and discounts for Plus members	Yes – Exclusive offers for Amazon Pay users, especially Prime members
Flexible Payment Options	No – No "buy now, pay later" option	Yes – Amazon Pay Later available for deferred payments
Integration with Prime	Available for Prime members (extra perks)	Integrated with Amazon Prime (faster delivery, exclusive deals)

Personalized Deals	Yes – Based on shopping habits	Yes – Offers based on past purchasing behavior
App/Website Integration	Integrated with Flipkart's shopping app/website	Integrated with Amazon's website and app for quick payment
Plus Coins	Earned through purchases and redeemed for benefits	Not applicable

Functionality Comparison is as follows:

Functionality	Flipkart Plus	Amazon Pay
Points-Based System	Yes – Earn Plus Coins for purchases	No – Cashback system
Cashback and Rewards	No – Discounts and offers, but no cashback	Yes – Cashback on all Amazon and partner purchases
Payment Flexibility	No – Requires full payment upfront	Yes – Pay Later option for deferred payments
Exclusive Discounts	Yes – Available during Flipkart sales	Yes – Special offers and exclusive Prime member deals
Customer Support	Priority customer support for Plus members	Dedicated customer support, especially for Pay Later users
Cross-Platform Benefits	Limited to Flipkart platform only	Available across Amazon and partner merchants

Benefits for Flipkart:

1. Free delivery and early access to sales encourage repeat business.
2. Plus Coins and exclusive discounts drive larger and more frequent purchases.
3. Personalized offers increase conversion rates.
4. Membership creates exclusivity, fostering long-term loyalty.

Benefits for Amazon:

1. Cashback and Pay Later drive more frequent purchases.
2. Referral program attracts new customers.
3. Amazon Prime integration strengthens loyalty with extra perks.
4. Personalized offers boost sales across Amazon and partner merchants.

In conclusion, both Flipkart Plus and Amazon Pay offer compelling loyalty programs, but cater to different customer preferences. Flipkart Plus stands out for its exclusive membership benefits, such as free delivery and early access to sales, making it ideal for frequent Flipkart shoppers. On the other hand, Amazon Pay shines with its cashback rewards, flexible payment options like Amazon Pay Later, and integration with Amazon Prime, appealing to customers who value convenience and savings across a broader range of merchants. Ultimately, the choice between the two depends on whether a customer prioritizes exclusive shopping perks or cashback and flexible payments, with both programs providing significant value to their respective user bases.