

Product Requirements Document

✓ Title

Loyalty Program Feature

🚩 Intro & Goal

This feature allows sellers to create loyalty programs for their customers to retain and encourage them to purchase more by awarding them benefits. Our goal is to enable sellers to turn customers into loyalists, bring down marketing efforts, and increase sales.

🧐 Who is it for?

This is ideal for sellers who fall into the below categories:

1. **High Frequency / Medium AOV Sellers** - Businesses in this category are Kirana stores, fruits & vegetable stores, meat sellers
2. **Medium Frequency / High AOV Sellers** - Businesses in this category are fashion apparel stores, restaurants/bakeries, pharmacies, electronics stores.

🤔 Why build it?

1. Acquiring a new customer is hard than retaining existing customers
2. This will help sellers to build predictable revenue streams by turning infrequent customers into frequent customers
3. This will allow Dukaan to increase orders on the platform - as sellers lacking loyalty programs offline can ask their existing customers to purchase online to be a part of the program
4. Value add-on to Dukaan Premium sellers

🔥 Success Metrics

Leading indicators

- # of sellers using the feature
- % of repeat orders vs new orders

Lagging indicators

- % increase in AOV of repeat customers
- Order frequency of repeat customers in a month

Messaging (from seller POV)

- 10-15 sample marketing messages for loyalty program to be introduced in the Loyalty Plugin section. Sample of message below:
 - Reward your customers whenever they make a purchase from you and turn customers into fans.

User Stories

1. Kirana store owner sees an increase in orders

Mr. Sharma runs a Kirana store and he has a single biggest worry - business predictability. His sales for the store fluctuate often as he spends nothing on marketing his business and hardly any repeat customers.

He being a Dukaan seller, opts in for the Loyalty Program. He creates a program for his online store where he awards customers a point on every 1 rupee spend. Customers can accumulate these points and can avail points for discount coupons. He has seen a steady increase in the total orders as customers are sticking to his store to buy stuff with the promise of future rewards.

2. A quick-service restaurant sees an increase in order frequency

Ankit runs Tea & Toast, a quick-service restaurant where he serves different teas and snacks. He has recently started his business and also does home delivery to become a preferred choice among local customers. But his main concern is his repeat orders are less than 1% for a month, despite having good reviews from customers.

He uses Dukaan to enable his local commerce. He comes to know about the Loyalty Program feature and creates one for his store called - Loyal-Tea. He awards points to customers whenever they make a purchase which can be redeemed against FREE teas. He noticed that on average, his unique customer is now ordering 3 times a month and thus boosting his sales.

Features

- **Loyalty Program Name**

Sellers can name their loyalty programs to give them a personality

- **Money Spent & Points earned (calculation logic)**

Sellers can enter how many points a customer can earn after spending X amount.

- **Redemption**

Sellers here can specify:

1. How many points equal to how much rupees in discount
2. Min. points to be earned before redemption
3. Max. points to be spent in a single transaction
4. When would loyalty points be credited:
 - a. Immediately after delivery
 - b. After return period gets over

Future Ideas

- **Rewards on actions** - Reward customers when his referral makes a purchase
- **Rewards multiplier** - Customers can earn more rewards on every rupee spent as they level up by spending more
- **Distinct rewards** - Get gifts when you earn a certain amount or get privilege access (free shipping, prioritized delivery) when you've spent a certain amount

Go-to-Market

1. **Feature communication on Web & App**
 - a. Display a message to let customers know about the feature - bundle the page with a how-to video and a mock case study
2. **Push Notifications**
3. **YouTube video** - This will be a part of the feature communication (mentioned in 1st point)
4. **Video Case Studies** - to drive adoption

Q/A & Test Cases

1. Program Creation and Configuration:

- a. Test creating a loyalty program with a valid name - String to be 60 characters or less.
- b. Test creating a loyalty program with an empty name - Show error message "Please enter a name for your loyalty program"
- c. Test configuring the money spent and points earned calculation logic
 - i. To be done on buyer side and accurate tracking on seller side
- d. Test configuring redemption settings, including points to rupees conversion, minimum points for redemption, and maximum points for a single transaction.

2. Seller's Usage:

- a. Test whether a seller can successfully enable the Loyalty Program feature for their store.
- b. Test whether a seller can edit the program settings after creation.
- c. Test whether a seller can disable or delete a loyalty program. Error handling below
 - i. In this case, seller would get the message that "This would disable the loyalty program for your entire store, including for customers who currently have loyalty points. To know more, click here"
 1. On clicking here, the seller gets redirected to their loyalty dashboard where they can see number of customers with active loyalty points

3. Customer Usage:

- a. Test if customers can view and join the loyalty program.
- b. Test whether customers can earn points for their purchases according to the configured calculation logic.
- c. Test if customers can redeem their points for discounts according to the redemption settings.
- d. Test whether customers can see their points balance.

4. Success Metrics (Analytics team):

- a. Test if the number of sellers using the feature is accurately tracked.
- b. Test if the percentage of repeat orders vs. new orders is calculated correctly.
- c. Test if the average order value (AOV) of repeat customers increases as expected.
- d. Test if the order frequency of repeat customers in a month is accurate.

5. Messaging and Marketing:

- a. Test if the sample marketing messages for the loyalty program are displayed correctly in the Loyalty Plugin section.

- b. Test if sellers can create their custom marketing messages for the loyalty program.

6. Usability and User Interface:

- a. Test the overall user interface for ease of use and clarity as per final Figma by design team.
- b. Test whether the feature's communication is accessible and understandable to users.

7. Security and Privacy:

- a. Test the security of customer data, ensuring that sensitive information is protected when being displayed on buyer side for active loyalty points
- b. Test whether customers can access and use the loyalty program only for the stores they are associated with.

Wireframe

[File Link](#)