

Loyalty Rewards System On Social Mobile Platform

Field of Invention

[001] The present invention relates to a loyalty rewards system that is operable on a social community network and mobile platform.

Background

[002] Many consumer businesses offer loyalty rewards hoping to retain customers and entice repeat purchases. These loyalty rewards are in the form of loyalty cards, stamps, coupons, vouchers and so on. Customers have to bring these loyalty cards issued by each merchant for dining/shopping to collect the stamps, coupons, etc. until they accumulate to a certain quantity to qualify for a reward or discount. However, customers often misplace these cards, stamps, coupons, etc. It is also not practical to carry a large number of loyalty cards for dining/shopping. Another setback of these known loyalty programs is that they operate independently of other merchants and each merchant targets its own pool of customers.

[003] It can thus be seen that there exists a need for another loyalty reward system that addresses the limitations of the existing prior art. The present invention seeks to provide a loyalty reward system which runs on both a social community network and a mobile platform.

Summary

[004] The following presents a simplified summary to provide a basic understanding of the present invention. This summary is not an extensive overview of the invention, and is not intended to identify key features of the invention. Rather, it is to present some of the inventive concepts of this invention in a generalised form as a prelude to the detailed description that is to follow.

[005] In one embodiment, the present invention provides a loyalty rewards system comprising: a server; a plurality of merchants participating with said loyalty reward system;

and a plurality of customers who frequent some of said plurality of merchants; wherein a loyalty stamp is issued by one of said plurality of merchants to one of said plurality of customers for making a transaction that qualifies for a reward or discount which is redeemable for a further transaction; and said server serves a social community of said plurality of customers and merchants.

[006] In another embodiment of the loyalty reward system, it comprises a database connected to the server, and the server is accessible by any one of said plurality of customers and/or merchants via a mobile device or computer having an internet connection. The loyalty reward system also includes an executable application for customers to initiate a “Trade” function to trade or exchange a loyalty stamp within said social community for another loyalty stamp issued by another merchant, or to give away one's loyalty stamp.

[007] In another embodiment, the present invention provides a method for operating a loyalty reward system comprising: installing a server to serve a social community network of customers and merchants; a merchant giving a loyalty reward stamp to a customer within said social community for making a transaction that qualifies for a reward or discount which is redeemable for a repeated patronage at said merchant; said customer initiating a “Trade” function on said social community network to trade, exchange or give away a loyalty stamp for another loyalty stamp from another merchant within said social community; and trading or exchanging of loyalty stamps between at least two customers or giving away of loyalty stamps thus allowing another customer to experience dining/shopping at said another merchant.

[008] In the above system or method, trading or exchanging of loyalty stamps is by way of mutual agreement or open bidding. To earn loyalty stamps, a customer launches an executable application on one's mobile device to generate a loyalty stamp QR code. To redeem, a number of loyalty stamps are converted to tokens according to a merchant's promotion, and during redemption, a redemption QR code is generated on the customer mobile device. The loyalty stamp and redemption QR codes carry the following information: a merchant identification code assigned to a merchant outlet; time of transaction, amount of transaction, personal profile of customer and geolocation of merchant.

Brief Description of the Drawings

[0009] This invention will be described by way of non-limiting embodiments of the present invention, with reference to the accompanying drawings, in which:

[0010] FIG. 1 illustrates a loyalty reward system according to an embodiment of the present invention;

[0011] FIG. 2 illustrates a process for registering and creating a customer account according to another embodiment of the present invention;

[0012] FIG. 3 illustrates a process for activating a merchant account according to another embodiment of the present invention;

[0013] FIG. 4A and 4B illustrate processes of earning loyalty stamps and redeeming tokens, respectively, at a merchant's outlet according to yet another embodiment of the present invention; and

[0014] FIGs. 5A-5D illustrate a process for trading of loyalty stamps between customers according to another embodiment of the present invention.

Detailed Description

[0015] One or more specific and alternative embodiments of the present invention will now be described with reference to the attached drawings. It shall be apparent to one skilled in the art, however, that this invention may be practised without such specific details. Some of the details may not be described at length so as not to obscure the invention. For ease of reference, common reference numerals or series of numerals will be used throughout the figures when referring to the same or similar features common to the figures. In the following description, shopping is not so restricted but it includes dining, traveling, entertaining and other activities of commerce, for personal consumption and spending.

[0016] FIG. 1 shows a loyalty reward system 100 according to an embodiment of the present invention. As shown in FIG. 1, the loyalty reward system 100 includes a server 110 and a social community network 101 of customers 140, 140a, 140b, 140c, etc. and merchants 150, 150a, 150b, etc. In one embodiment, the server 110 is accessible through the internet 160, whilst the customers 140a, 140b, etc. and merchants 150a, 150b, etc. are connected with one another through their respective mobile devices via wireless access (or WiFi) or a mobile communication (such as 3G) network 130. As shown in FIG. 1, the server 110 is supported by a database 120. The customers 140, 140a, 140b, 140c, etc. and merchants 150, 150a, 150b, etc. are registered users of the social community network 101. After downloading an executable application software 142 into customers' mobile devices 144, the loyalty reward system allows the customers 140a, 140b, etc. to be connected through the internet 160 via wireless access (WiFi) or the mobile network 130 to the merchants 150a, 150b, etc.. On the other hand, a merchant 150 accesses a merchant administrator module 151 on a Squiryl website to set up its own account or accounts for different outlets in the loyalty reward system 100 (trade name "Squiryl").

[0017] This loyalty reward system 100 is different from known reward systems in that the social community network includes many merchants 150, 150a, 150b, etc. who will mutually benefit from one another. This allows merchants 150, 150a, 150b, etc. to serve a large pool of customers 140, 140a, 140b, etc. in the entire social community 101. For example, merchants 150 may offer respective promotions and customers 140 can log in to the social community network 101 and find out more about current promotions. In another way, merchants 150 can increase their business activities by tapping on the entire social community network 101 and attract new customers. Customers of different merchants can also interact with one another by recommending different merchants' products and services to their peers. Another distinguishing feature of this loyalty reward system 100 is that it facilitates customers 140a, 140b, etc. to exchange, trade or give away loyalty stamps.

[0018] FIG. 2 shows a process 200 for registering and creating a customer account with the loyalty reward system 100 according to the present invention. As shown in FIG. 2, the process 200 starts with a customer 140 coming to learn of this loyalty reward system 100 and, in step 210, downloading the executable application software 142 into one's mobile

device 144. This customer Squiryl application software 142, operable on Apple, Blackberry, Android, etc. mobile phone, is made available from an application store. In one embodiment, the mobile device 144 is a smartphone. The customer 140 continues the process 200, in step 220, by launching the Squiryl application 142. Each customer 140 is then prompted to create a username and password. Continuing with the process 200, the Squiryl application 142 prompts the customer 140, in step 230, to enter his/her profile, such as, name, gender, birth date, email address and so on. The customer's account and personal profile are sent to the server 110 and are then stored in the database 120 before ending the process 200.

[0019] Alternatively, as shown in FIG. 2, when a customer 140 already has a Facebook account, the customer uses the Facebook Connect, in step 222, to launch the Squiryl application 142 quickly instead of having to create a username/password and entering his/her personal profile again before ending the process 200.

[0020] FIG. 3 shows a process 300 for activating a merchant account with the loyalty reward system 100 according to the present invention. As shown in FIG. 3, the process 300 starts with a merchant 150 joining or being invited to participate in the loyalty reward system 100. By agreeing, the merchant 150, in step 310, accesses the merchant administrator module 151 on the Squiryl website to receive a user name and password. The merchant, such as an administrator, then continues the process 300, in step 320, by creating a merchant account or separate merchant accounts for different merchant locations or outlets. Each merchant administrator assigns a unique identification code 156 and password to each merchant account; each merchant account is then designated to enable real-time dispensing of loyalty stamps after a customer has paid for goods/service and for later redemption of loyalty stamps (in the form of tokens). The administrator module 151 also provides access control of staff identifications and passwords, promotional mechanics, location of outlets, company profile, and so on. In step 330, the administrator passes on the newly created accounts to their respective outlets before ending the activation process 300. At each merchant location/outlet, a respective store or outlet manager can then log in to the loyalty reward system 100 of the present invention with the designated unique identification code 156 and password through their mobile devices 154. The mobile device 154 has WiFi

access and a camera function; the mobile device 154 is not limited to a smartphone and may be an iPod Touch, for example.

[0021] After a customer 140 has launched the Squiryl application 142, his/her own mobile device 144 is then ready for use. To use the loyalty reward system 100, as shown in FIG. 4A, a customer 140 begins, in step 410, by searching merchants' promotions with the Squiryl application 142. After selecting to dine/shop at a particular merchant's outlet 150, the customer 140, in step 420, goes to the merchant outlet, pays for goods/service and clicks a "Get Acorns" icon on one's mobile device 144 to earn a number of loyalty stamps according to the selected promotion. Activation of the "Get Acorns" icon generates a dynamic loyalty stamp QR (or Quick Response) code. On the merchant's mobile device 154, after it is logged in to the loyalty reward system 100, the merchant 150, in step 430, scans the dynamic loyalty stamp QR code displayed on the customer's mobile device 144 and enters the transaction amount before confirming the entry. Upon confirmation, the loyalty stamps are then awarded to the customer 140 in real time; the customer's account in the database 120 is then updated, in step 440, to reflect a new balance of earned loyalty stamps before ending the process 400a. A reader will realise that the loyalty stamp QR codes are validated in real-time by the server 110, with the merchant's unique identification code 156, time-stamp, transaction amount, merchant's geolocation and customer's profile, that is, the earned loyalty stamp QR codes are sent to the server 110 and updated in the database 120.

[0022] FIG. 4B shows a process 400b of redeeming earned loyalty stamps. As shown in FIG. 4B, before a customer 140 decides to redeem one's loyalty stamps at a merchant's location/outlet at which the loyalty stamps are issued, one has, in step 450, to convert the required number of stamps to tokens on the Squiryl application 142, for example, by activating a "Redeem" function. Conversion of loyalty stamps into tokens can be done whilst the customer 140 is not at the merchant outlet. In step 460, the customer 140 then patronises the merchant 150 outlet and proceeds to use the tokens for goods/service by clicking on a "Use" icon. Activation of the "Use" icon generates a dynamic redemption QR code, which is displayed on the customer's mobile device 144. Customers 140 can also access the Squiryl website to convert loyalty stamps to tokens in their own leisure time,

without interacting with the respective merchants 150. This feature allows the customers 140 the ease of maximising customer loyalty to the respective merchants.

[0023] To allow the customer 140 to use tokens, the merchant 150 uses its mobile device 154, in step 470, to scan the redemption QR code on the customer's mobile device 144. Information, such as the merchant's unique identification code 156, selected token, time stamp, customer personal profile and merchant geolocation embedded in the scanned redemption QR code, is sent to the server 110 for validation. Once validation is done, the redemption process 400b proceeds to step 480 and the token in the customer's account is deducted accordingly; the customer's account in the database 120 is then updated before the process 400b ends. The new balance of the customer's tokens is also displayed on the customer's mobile device 144 in real time.

[0024] FIGs. 5A-5D show pictorially the manner loyalty stamps are traded, exchanged or given away. For example, in FIG. 5A, a customer 140a spends \$16.50 at merchant 150a. At the payment counter, the customer 140a selects the merchant 150a on one's Squiryl application 142, clicks the "Get Acorns" icon and the mobile device 144 generates a loyalty stamp QR code to earn loyalty stamps. In one embodiment, the merchant 150a uses its mobile device 154 to scan the loyalty stamp QR code displayed on the customer's mobile device 144 and the customer 140a then receives 3 stamps A from merchant 150a, given that one stamp A is issued for every \$5 spent. In another embodiment, the customer 140a places his/her mobile device 144 with the generated dynamic loyalty stamp QR code facing the merchant's mobile device 154, which activates its camera to scan the loyalty stamp QR code on the customer mobile device 144. After the loyalty stamp QR code is validated, the customer 140a then electronically receives 3 stamps A.

[0025] In FIG. 5B, a customer 140b spends \$19 at a merchant 150b and receives 6 stamps B from merchant 150b (for example, one stamp B being issued for every \$3 spent). In FIG. 5C, the Squiryl application 142 allows the customer 140a to initiate a trade via a "Trade" function on the social community network 101 that he/she has 3 merchant 150a stamps A to trade/exchange for merchant 150b B stamps. The customer 140b replies positively and the customers 140a, 140b then agree to trade/exchange 2 merchant 150a stamps A for 5 merchant 150b stamps B, for example, by trading/exchanging stamps with each other via

the Squiryl application 142. As shown in FIG. 5D, after trading/exchanging, the customer 140a now has one merchant 150a stamp A and five merchant 150b stamps B whilst the customer 140b has two merchant 150a stamps A and one merchant 150b stamp B.

[0026] In the above description, customers 140a, 140b, 140c exchange or trade loyalty stamps by mutual agreement. In another embodiment, a customer initiates the “Trade” function by asking for an open bid before exchanging or trading loyalty stamps. This means that the initiator will only specify the loyalty stamps that he/she possesses and willing to give up. In response, any other willing customers may suggest exchanging for other merchant’s loyalty stamps. Once the initiator agrees to a respondent customer’s bid, the initiator accepts the bid and the trade/exchange goes through, with the desired respective loyalty stamps being received by each party. In yet another embodiment, a customer initiates the “Trade” function to give away loyalty stamps. Exchanging, trading or giving away of loyalty stamps gives customers a new experience of dining/shopping flexibility that is distinct from other known loyalty programs. For example, the customer 140a who has not patronised merchant 150b will now be enticed to experience patronage at merchant 150b; in this way, merchant 150b stands to gain a new customer.

[0027] From the above description and as seen in FIG. 1, the server 110 and Squiryl application 142 allow a customer 140 to access one's account via the mobile device 144. In addition, a customer 140 can also access one's account via a computer and internet connection, for example, to view balances of loyalty stamps/tokens or to trade/exchange/give away loyalty stamps. The Squiryl applications for a mobile device and computer are on different platforms and they do not have identical functionalities; for example, the merchant administrator module 151 is accessed via the loyalty reward system 100 or Squiryl website for only administrative functions, ie., merchant accounts accessed via the Squiryl website will not allow customers 140 to earn loyalty stamps and redeem tokens; earning of loyalty stamps and redeeming of tokens can only be done at merchant outlets via the merchant mobile devices 154. In another example, the Squiryl application 142 includes a “Message” or “Rate” function. The message or rate function allows a customer to post a dining/shopping review/rating or recommendation to the entire social community 101 after encountering a favourable dining/shopping experience. In the Squiryl application 142, it also includes a “Chatter” function. The chatter function displays all current/historical

information of each customer's behaviour, where customer's earned loyalty stamps/ redeemed tokens at the respective merchants are recorded and shared with friends within the social community 101.

[0028] The merchant Squiryl administrator module 151 and server 110 allow merchants 150 to enter merchant information and promotions in the loyalty reward system 100, individually or jointly, via a computer and internet connection, to attract more customers 140. Merchants will then be able to showcase their profiles and to pull in a larger following of customers within the social community 101. Merchants can also extract customers' behaviour at each outlet, via an analytic function.

[0029] There are some concerns to merchants which are addressed by the loyalty reward system 100 of the present invention. Loyalty cards and stamps cannot be lost as they are now contained in one Squiryl application 142 in a customer's mobile device 144. Users now do not have to carry many loyalty cards from every merchant they patronise. In the event that a customer misplaces one's mobile device, his/her earned loyalty stamps and tokens are still stored in the customer account in the database 120. Information is retrieved when a customer logs on to his/her Squiryl account on a new mobile device using one's username and password. In addition, one can check details of his/her own account by logging into one's account via an internet connection either through their mobile Squiryl applications or via the Squiryl website.

[0030] Issues on fraud and abuse are addressed with the following preventive measures:

i) Merchants use only designated accounts from which they issue loyalty stamps and redemptions. The merchant's unique identification code 156 assigned to the respective outlet helps to minimise unauthorised use and fraud; and

ii) The issuing of loyalty stamps and redeeming of tokens can only be done at the merchant outlet that the unique identification code 156 is tied to. This is made possible by validating the unique identification codes 156 on the merchant mobile device 154 and the geolocation of the merchant's mobile device 154 during the processing of earning loyalty stamps and redeeming of tokens. Moreover, after the QR codes (loyalty stamps or redemption) are generated, they expire after about 30 seconds. In this way, the customers

140 and the merchant 150 will only be able to earn/redeem/award loyalty stamps/tokens in a legitimate manner.

[0031] Unlike known loyalty programs, the loyalty system of the present invention does not require merchants to make significant investments on hardware (POS system, card scanners, etc.) nor offer deep discounts in order to attract new customers. Merchants also do not have to commit resources to maintaining the database 120. The merchants 150 need only to commit the costs of customer rewards and the mobile devices 154 for scanning the loyalty stamp and redemption QR codes.

[0032] With known loyalty programs that are linked to POS systems, merchants are reluctant to join and share databases. The database 120 of the present invention does not carry sensitive sales information of merchants. Competing merchants can be part of the social community according to the present invention and there is a shared goal of growing their customer bases. In addition, merchants can complement each other businesses, for example, fast food restaurants and cinema operators can win new customers from each other respective pools of customers.

[0033] From the above description, a reader will appreciate that each loyalty stamp is traceable by 4 Ws, namely, “w”here and “w”hen it was issued to, “w”ho owns it and “w”hat type of redemption rewards. As earning loyalty stamps and redeeming of tokens are conducted through real time, useful business analytics can be extracted on customer behaviour from the Squiryl customer registration system 200. Information on customer behaviour useful for the participating merchants 150 may be:

- i) frequency of earning loyalty stamps for each target group of customers at each merchant outlet;
- ii) frequency of redeeming tokens at each merchant outlet;
- iii) period of a day in which most customers spend or redeem;
- iv) periods or seasons in which most customers spend or redeem;
- v) type of redemption rewards according to their popularity; and so on.

[0034] While specific embodiments have been described and illustrated, it is understood that many changes, modifications, variations and combinations thereof could be made to the present invention without departing from the scope of the present invention.

CLAIMS:

1. A loyalty reward system comprising:
a server;
a plurality of merchants participating with said loyalty reward system; and
a plurality of customers who frequent some of said plurality of merchants;
wherein a loyalty stamp is issued by one of said plurality of merchants to one of said plurality of customers for making a transaction that qualifies for a reward or discount which is redeemable for a further transaction; and said server serves a social community of said plurality of customers and merchants.
2. A system according to claim 1, further comprising a database connected to said server.
3. A system according to claim 1 or 2, wherein said server is accessible by any one of said plurality of customers and/or merchants via a mobile device or computer having an internet connection.
4. A system according to any one of the preceding claims, further comprising an executable application for said customers.
5. A system according to claim 4, wherein said executable application for said customers allows at least one of said plurality of customers to initiate a "Trade" function to trade or exchange a loyalty stamp within said social community for another loyalty stamp issued by another merchant, or to give away one's loyalty stamp.
6. A system according to claim 5, wherein said trading or exchanging of loyalty stamps is carried out by mutual agreement.
7. A system according to claim 5, wherein said trading or exchanging of loyalty stamps is carried out by open bidding.

8. A system according to any one of claims 4-7, wherein said customer executable application generates a loyalty stamp QR (or Quick Response) code before earning loyalty stamps.
9. A system according to claim 8, wherein a predetermined number of earned loyalty stamps are converted to tokens before redemption.
10. A system according to claim 9, wherein said customer executable application generates a redemption QR (or Quick Response) code before redeeming tokens.
11. A system according to claim 8 or 10, wherein said loyalty stamp QR or redemption QR code carries the following information: a merchant identification code assigned to a merchant outlet, time of transaction, amount of transaction, profile of customer and geolocation of said merchant.
12. A system according to any one of the preceding claims, wherein each of said plurality of merchants sets up its own merchant account, which allows each to post a promotion within said social community.
13. A method of operating a loyalty reward program, said method comprises:
 - installing a server to serve a social community network of customers and merchants;
 - a merchant giving a loyalty reward stamp to a customer within said social community for making a transaction that qualifies for a reward or discount which is redeemable for a repeated patronage at said merchant;
 - said customer initiating a "Trade" function on said social community network to trade, exchange or give away a loyalty stamp for another loyalty stamp from another merchant within said social community; and
 - trading or exchanging of loyalty stamps between at least two customers or giving away of loyalty stamps thus allowing another customer to experience dining/shopping at said another merchant.
14. The method according to claim 13, wherein said trading or exchanging of loyalty stamps is carried out by mutual agreement between said customers.

15. A method according to claim 13, wherein said trading or exchanging of loyalty stamps is carried out by open bidding.
16. A method according to claim 13, further comprises said customer executing a customer executable application to generate a loyalty stamp QR code before earning loyalty stamps.
17. A method according to claim 16, further comprises converting a predetermined number of loyalty stamps into tokens before redemption.
18. A method according to claim 17, further comprises said customer executing said customer executable application to generate a redemption QR code before redeeming said tokens.
19. A method according to claim 16 or 18, wherein said executable application allowing a customer to post a rating/review or a recommendation within said social community after encountering a favourable experience.
20. A method according to claim 13, further comprises said merchant setting up its own account, thereby allowing said merchant to post a promotion within said social community.
21. A method according to claim 13, further comprises generating customer behaviour analytics, which include frequency of earning loyalty stamps for each target group at each merchant outlet; frequency of redeeming tokens at each merchant outlet; period of a day in which most customers spend or redeem; periods or seasons in which most customers spend or redeem; and types of redemption rewards according to their popularity.

Loyalty Rewards System On Social Mobile Platform

Abstract

[0035] The present invention describes a loyalty rewards system (100) within a social community network (101). The loyalty rewards system (100) is operable on a WiFi or mobile telephone 3G network which is accessible via an internet connection. The system (100) also includes a database (120) that stores at least a list of participating merchants (150, 150a, 150b, etc), a community of customers (140, 140a, 140b, etc.), merchant promotions, loyalty stamps earned and tokens accumulated by each customer (140, 140a, etc). The social networking feature allows customers (140, 140a, etc.) to trade, exchange or give loyalty stamps and post a shopping/dining rating/review whilst merchants (150, 150a, etc.) can post a promotion independently or jointly with other merchants.

[0036] FIG. 1 for publication.