

Ref. №П-14-0037 dated 01.05.2014

To whom it may concern



### **Background information on the loyal bonus system "NEFTEGAZ CARD» ("NG-CARD")**

This document describes possible variants for the expression of loyalty to the customer, using functional online system "NG-CARD". The full description of the system is presented in the relevant technical documents.

It is well known, that the main task of the loyal bonus system is to attract new customers and retain the existing ones. When using loyalty as a marketing tool, as a rule, two problems that answer the following questions are solved at the same time:

- What can attract new customers?
- How to retain the existing ones?

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In this case this refers to a **constant expression of loyalty** to the Customers for them to remain loyal to the company providing services.

**In terms of the schemes of royalty expression «NG-CARD"** gives opportunity to create any number of loyalty schemes for different categories of Customers. For example, for the categories mentioned below:

- Individuals;
- Families;
- Taxi-drivers;
- Motor-vehicle pools;
- Clubs, organizations, etc.;
- New/old loyalty schemes;

All loyalty schemes can work simultaneously and be disconnected / connected at any time. Any card can be transferred from one loyalty scheme to another. Thus, we can introduce new loyalty scheme for existing customers. However, neither the Customer (the cardholder) does not need to come to office - everything happens instantly, after logging in the processing center "NG-CARD".

**Making up of customer loyalty schemes** implies that loyalty scheme can have any number of events defining "the variant of loyalty expression" to the Customer.

#### **Loyalty system can express the following types of loyalty:**

1. Discount price for a total purchase\*:

- a. Absolute discount in dollars (cents);
  - b. Percent discount;
2. Accumulating bonuses / points any number by any number of counters; payment for goods and services using the accumulated bonuses / points\*;
    - \* When multiple events occur simultaneously, discounts and bonuses can be added, subtracted, multiplied, the biggest or the least value can be chosen, as well as the action depending on the priority;
  3. Statistical data collection (on any number of counters), for the further analysis by the processing system "NG-CARD";
  4. Organizing the delivery of goods and services in exchange for accumulated points/bonuses;
  5. Receiving information about the accumulation of bonuses, special offers, events in the system via SMS messages to mobile phones or e-mail messages in "private office" of WEB-portal (special website of "NG-CARD");
  6. Getting special offers generated automatically or by manager depending on the profile of the received services (considering the past purchases);
  7. Online through WEB-portal: lost card lockout, order of a new card for one's group (family, subordinates and colleagues); review of the history of the purchases made.

**The loyalty system can provide various types of loyalty based on the following factors:**

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1. Fuel Type;
2. Type of goods and / or services;
3. Forthcoming Customer's momentous event (for example, Birthday); it is possible to set up additional setting – few days before..., few days after a momentous event;
4. Holidays (state, religious, etc.);
5. Holidays for a certain sex: 8 марта – for women, 23 февраля – for men;
6. Day of a week, part of a day;
7. Total volume of purchased fuel / product:
  - a. Total volume of fuel / product purchased for all the time of using "NG-CARD" system;
  - b. Total volume of fuel / product in the last month;
  - c. Total volume of fuel / product in the current month;
8. Total sum of money paid for all purchases:
  - a. Sum of all purchases for the time of use "NG-CARD";
  - b. Sum of all purchases in the last month;
  - c. Sum of all purchases in the current month;
9. Number of visits of petrol stations and shops made by Customer: total, this month, last month;
10. Amount of accumulated bonuses / points on the map customer: total, this month, last month;
11. Amount of accumulated bonuses / points at the first visit.

**Examples of the ways of loyalty expression to the Customer:** any of the options mentioned below can be combined with each other or modified in terms of specific marketing needs.

**Option 1.** Standard one. Discount relating to consumption. Depending on the amount of fuel consumed or depending on the money spent on online shopping.

- a. A value grid of values of volume/sums that determine the amount of loyalty – some discount or number/ coefficient of bonuses;
- b. A value grid of values of volume/sums is linked to types of fuels and products (for each category can be created its own value grid).

For example, use the percent discount depending on the total sum spent in our network:

- Total sum spent in our network is less than 1000 USD – 1% discount;
- Total sum spent in our network is from 1000 USD to 2000 USD – 2% discount;
- Total sum spent in our network is from 2000 USD to 3000 USD – 3% discount;
- Total sum spent in our network is from 3000 USD to 5000 USD – 4% discount;
- Total sum spent in our network is more than 5000 USD – 5% discount.

**Option 2.** Family one. Getting discounts on several cards - the accumulation of bonuses on one main card. Alternatively, some part of bonuses is accumulated on all cards, and some bonuses are calculated on the main card. It makes possible to provoke interest of a head of a family / a director of a taxi company or a car fleet.

For example: for every liter of fuel the customer will get 1 bonus on his Customer's card, 0.1 bonus on his main card; for every 10 USD, spent in the store network (not on fuel) 1 bonus on the card and 0.1 bonus on the main card.

**Option 3.** Holidays and events. In addition to other schemes. Here are the examples of conditions when using this scheme:

- a. on the 23d of February - an additional discount of 2% or bonuses are doubled;
- b. on the 8<sup>th</sup> of March - an additional discount of 2% or bonuses are doubled;
- c. on Birthday - disposable discount of 5% or accumulated bonuses are multiplied by N (N – any number conceived by administration of a chain of stores).

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**Option 4.** Touting. Is used if it is necessary to organize preferable visit by customers of relevant petrol stations (shops). Here are the examples of conditions of using this scheme:

- a. It is possible to get a bigger discount (more bonuses) at certain petrol stations;
- b. It is possible to get a bigger discount percentage (more bonuses) at a certain time;
- c. It is possible to get a bigger discount percentage (more bonuses) at a certain time, at certain petrol stations;

**Additional features of "NG-CARD":** when carrying out loyalty scheme it is possible to print the following messages on a customer's receipt:

- Random message with wishes jokes, forecasts, news;
- Print depending on the type of triggered factors;
- Direct printing of all allowed data applied by loyalty scheme.

The control system of loyal schemes implementation of complex "NG-CARD" can be supplied with function of SMS sending. For example, customers, who filled more than 50 liters of fuel "premium", can be sent a motivational message ("Thank you for choosing our petrol stations network!").

**Additional features of "NG-CARD" system:** successful marketing, draw games.

Draw game is the best way to attract new customers. Properly conducted Prize drawing program will certainly increase the number of new customers.

Prize drawing program itself is a marketing tool. It can be used for PR (public relations)/advertisement (individually). In other words instead of trade chain the Prize drawing program is advertised:

- **«GET FUEL FOR FUEL!»**
- **«GET PRIZES ON THE SPOT!»**
- **«A CAR IN A TANK?! ASK AN OPERATOR – HOW? »**
- **«HOW TO WIN A FLAT? YOU DON'T TO PLAY – YOU NEED TO FILL UP THE TANK!»**

Loyalty system "NG-CARD" allows carrying out draws of any amount and type of prizes. Participants of the drawing can be customers that follow certain requirements of the system ("events control in the system").

For example, everyone who filled up his tank with more than 30 liters of fuel is involved in a draw. The terms of drawing determine who of the participants and what wins (information on win is printed on the check):

- Each 100<sup>th</sup> customer (in the whole network or in a chosen petrol station) - wins 10 liters of fuel;
- Each 500<sup>th</sup> customer wins 20 liters of fuel;
- Each 1000<sup>th</sup> customer wins 30 liters of fuel;
- Each 777<sup>th</sup> customer wins a ticket inviting him to participate in a draw of super-prize (that takes part in a company's office).

Means of "NG-CARD" system make possible to carry out several draws at the same time. The Customer itself can participate in several drawings at the same time. For example, you can create the following prize draw programs:

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- Local, not big prizes at a certain petrol station (in the morning from 7:00 till 10:00 when filling 10 liters of fuel every 5<sup>th</sup> customer wins some coffee / tea / donut, etc.);
- The draw of regional, medium prizes is carried out at a network of petrol stations (each 100<sup>th</sup> customer who fills up in the region wins 10 liters);
- Global, big prizes in the whole network (the 777777-th participant of a draw gets a car).

It is possible to set the date / time and the end of each draw, to monitor the progress of the meeting, set the number of individual prizes drawn daily / weekly / monthly / in general. And, of course, it is possible to carry out a full analysis of what is happening through magazines and sales analysis reports.

"NG-CARD" system is completely open for getting out a specialized data. If necessary, connecting an external accounting system for additional analytics is VERY easy! The specialists of the company-developer of "NG-CARD" system will issue data of interest in form of operational online tables.