

Loyalty Points in ClubRunner

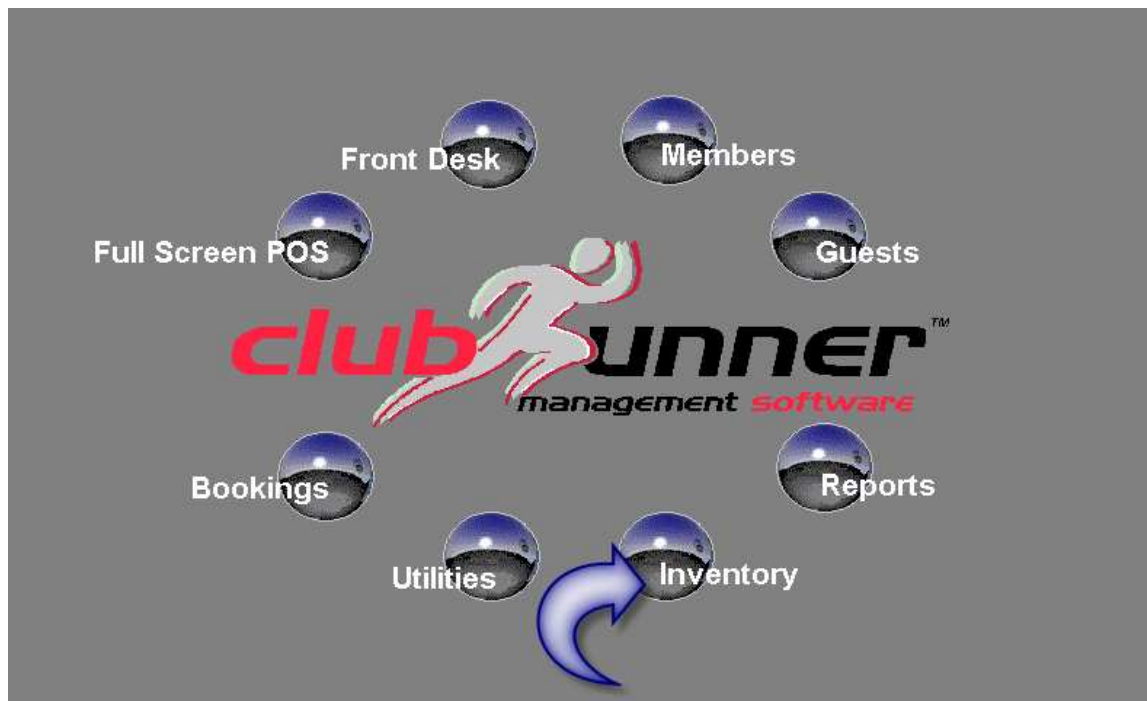
OVERVIEW

Loyalty Points in ClubRunner are an addendum to any item that you sell, or usage of your facility. Think of Loyalty Points as “Frequent Flyer Miles”. The concept being that when items are purchased, or members use your facility, Loyalty Points can be given to that member. Then those Loyalty Points can be redeemed to buy any item that has a Loyalty Points purchase value. Some basic rules that you need to know:

- 1) ***The purchase of a certain item does not have to generate Loyalty Points.*** Example 1: I use my airline Frequent Flyer miles to fly from Florida to California, round trip. I don't receive any Frequent Flyer miles for that, as I have used Frequent Flyer miles to purchase this flight. Example 2: I purchase a Personal Training Package of 10 sessions for \$500. That package may give me 50 Loyalty Points, but I cannot use my Loyalty Points to purchase that same package (but I can use the Loyalty Points to purchase other items).
- 2) ***There is a minimum quantity to purchase to receive Loyalty Points.*** Typically, this quantity is set to 1. However, you can require Loyalty Points to be given out when 2,3,4 etc are sold at the same time. Example: Buying 1 protein shake does not yield any Loyalty Points, but buying 2 or more at the same time generates 10 points.
- 3) ***Loyalty Points don't have to be for everyone, they can be restricted to certain Membership Types or Groups.*** Some facilities are charging an additional monthly or annual fee and offer Loyalty Points (as well as other “bundled” services) to only those members.

GETTING STARTED

From the Main Menu, enter into the ***Inventory Module***:



From the main Inventory screen, select *Search Items (F5)*:



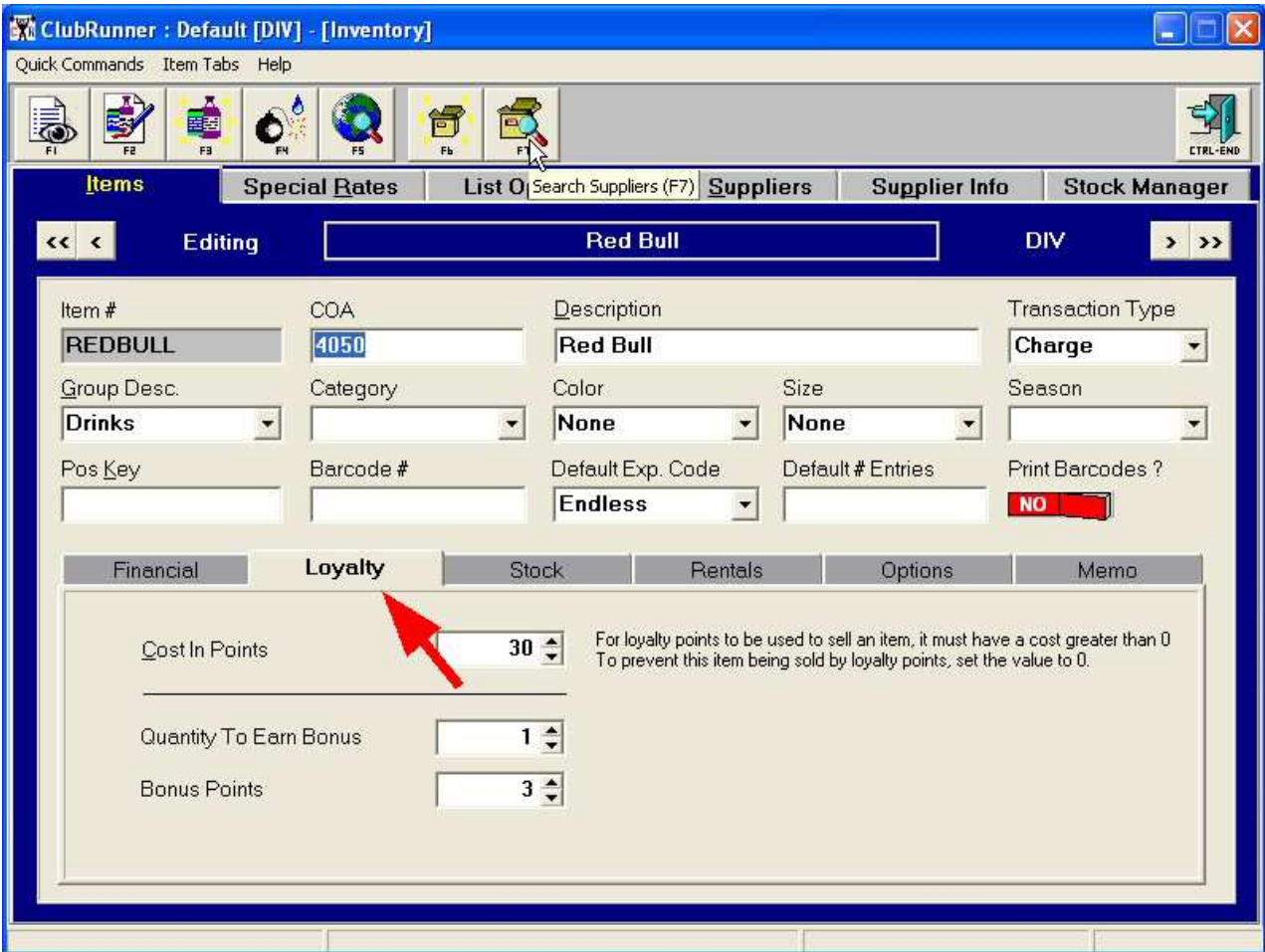
Find the item that you want to assign Loyalty Points to:



Select the item, and enter in to the *Edit mode* (F2):



Click on to the *Loyalty Tab*:



which will display...

The screenshot shows a software window with a blue border. At the top, there are several tabs: 'Financial', 'Loyalty' (which is selected), 'Stock', 'Rentals', 'Options', and 'Memo'. Below the tabs, there are three input fields with up/down arrows. The first field is labeled 'Cost In Points' and has the value '30'. The second field is labeled 'Quantity To Earn Bonus' and has the value '1'. The third field is labeled 'Bonus Points' and has the value '3'. A red rounded rectangle highlights these three fields. To the right of these fields, there is a text box containing the following text: 'For loyalty points to be used to sell an item, it must have a cost greater than 0. To prevent this item being sold by loyalty points, set the value to 0.'

In this example, we have already filled in the values for **Cost in Points**, **Quantity To Earn Bonus**, and **Bonus Points**.

The most difficult part of setting up any Loyalty Points system is determining:

- 1) Which items can be purchased with Loyalty Points (if not all).
- 2) The point scale used to determine how many points an item
 - a) generates when it is sold.
 - b) costs when purchased.

The following are some “concepts” to help you determine what is best for your facility. Remember, that the value of a Loyalty Point has no direct relationship the value of a dollar (\$1).

Simple, Basic Approach

Determine a formula that equates Loyalty Points to dollars spent in your facility. In the example above, we have decided that for every \$1 spent in our facility, the member receives a ten cent (\$0.10) credit. Another way to look at this is **Buy 10, get one free!**

Retail price:	\$2.45
Cost in Points:	30
Quantity To Earn Bonus:	1
Bonus Points:	3

Ten percent (10%) of \$2.45 is \$0.25 (25 cents rounding up). **You cannot assign “fractional” Loyalty Points, such as 25/100 or or ¼ of a point.** To resolve this, we chose to multiply our point scale by a factor of ten (10). This keeps everything simple, with the numbers for **Cost in Points always being evenly divisible by ten (10)**. Each dollar purchased roughly equates to one (1) point, and we chose to always round up. So, a \$2.45 sale yields **three (3) Bonus Points**.

Keep in mind that not all items need to be redeemable with Loyalty Points. Below is an example where when a Red Bull is purchased, it yields 3 points but Loyalty Points **CANNOT BE USED** to purchase a Red Bull.

Or, the opposite could be true, whereby an item may be purchased by Loyalty Points but does not generate any points upon it's sale...

The screenshot shows a software window with a blue border and a yellow background. At the top, there are tabs: 'Financial', 'Loyalty' (selected), 'Stock', 'Rentals', 'Options', and 'Memo'. Below the tabs, there are three input fields with up/down arrows: 'Cost In Points' (value 30), 'Quantity To Earn Bonus' (value 0), and 'Bonus Points' (value 0). A red arrow points from the 'Quantity To Earn Bonus' field to the 'Bonus Points' field. To the right of these fields, there is a text box that says: 'For loyalty points to be used to sell an item, it must have a cost greater than 0. To prevent this item being sold by loyalty points, set the value to 0.'

A more Complex Approach

Not all items you sell are “created equal”. Let's compare three (3) different items.

<u>Item</u>	<u>Retail Price</u>	<u>Cost in Points</u>	<u>Quantity To Earn Bonus</u>	<u>Bonus Points</u>	<u>Profit Margin</u>	<u>Profit in Dollars</u>
PT 1/2 Hour Group Level 5	\$44.00	440	1	44	Low	\$14.00
Red Bull	\$2.45	30	1	3	Medium	\$1.25
Protein Shake	\$5.95	60	1	6	High	\$4.00

The table is based upon our example using the “buy 10, get one free” premise. An adjusted table might look like this:

<u>Item</u>	<u>Retail Price</u>	<u>Cost in Points</u>	<u>Quantity To Earn Bonus</u>	<u>Bonus Points</u>	<u>Profit Margin</u>	<u>Profit in Dollars</u>
PT 1/2 Hour Group Level 5	\$44.00	880	1	44	Low	\$14.00
Red Bull	\$2.45	30	1	3	Medium	\$1.25
Protein Shake	\$5.95	50	1	8	High	\$4.00

You might want your members to use more points than the example “buy 10, get one free” rule to purchase those low Profit Margin items such as “PT 1/2 Hour Group Level 5”. Those types of items may yield a higher profit per sale in dollars, but your costs are greater (paying the trainer). To redeem Loyalty Points for that item now will be “buy 20, get one free”.

Opposite of that would be to encourage your members to redeem their Loyalty Points for those items that you make a high Profit Margin on. The “Protein Shake” now needs less points to purchase (buy 7, get one free). We did this by lowering the Cost in Points” as well as raising the Bonus Points. This type of high Profit Margin item is the type of item that most facilities usually want to encourage their members to purchase. If you have to give something away, it may as well be the items whose “hard” cost is the lowest.

Be Careful...

Using either of the examples above, if I purchased one (1) “PT 1/2 Hour Group Level 5” I would almost have enough points for a free shake. Not a bad incentive. And, the shake only costs your facility \$2.00 in ingredients /labor/other hard costs. That's because we've spent the time to think about the relationships between everything we sell.

If there's items that you want to “blow out”, raise the **Quantity To Earn Bonus** from one to two or three at a time.

Before you try this

One last step, we'll need to create two (2) new Inventory items, one to adjust a member's Loyalty Points upwards and the other to adjust their points downwards. Here's how:

From the Main Menu, enter into the ***Inventory Module***:



From the main Inventory screen, select ***Add Item (F3)***:

ClubRunner - [Inventory]

Quick Commands Item Tabs Help

F1 F2 F3 F4 F5 F6 F7 CTRL-END

Special Rates List Options Item Suppliers Supplier Info Stock Manager

Viewing

Item # COA Description Transaction Type

Group Desc. Category Color Size Season

Pos Key Barcode # Default Exp. Code Default # Entries Print Barcodes ?

Financial Loyalty Stock Rentals Options Memo

Cost Markup Markup % Retail

Tax Rate #1 Tax Rate #2 Min To Tax Min To Tax

Set Tax Rate to Default Value

Then select **Quick Add** in the drop down window:

ClubRunner - [Inventory]

Quick Commands Item Tabs Help

F1 F2 F3 F4 F5 F6 F7 CTRL-END

Items Quick Add Inventory Wizard Clone Item

Special Rates List Options Item Suppliers Supplier Info Stock Manager

Viewing

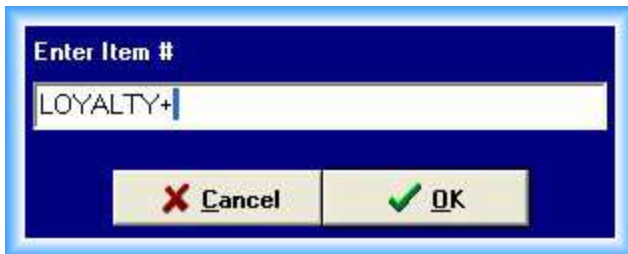
Item # COA Description Transaction Type

Group Desc. Category Color Size Season

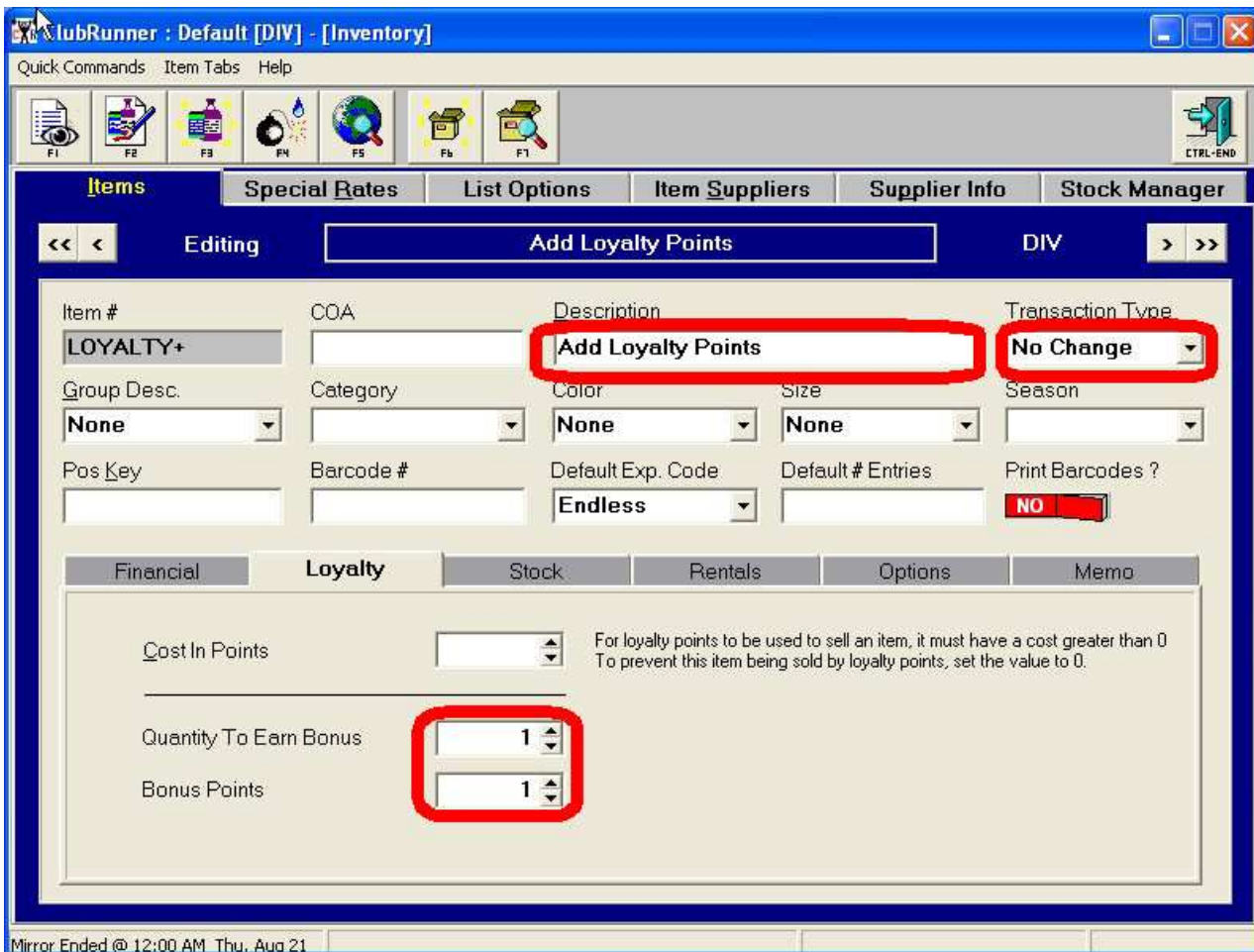
Pos Key Barcode # Default Exp. Code Default # Entries Print Barcodes ?

NO

Work your way to the **Item #** Screen:



The item # entered is just a suggestion. Item numbers can be up to 10 digits, any characters. Try not to use spaces when entering an item number, as spaces will make that item more difficult to find when searching. This item number “LOYALTY+” we’ll use to credit a member Loyalty Points. We’ll do this by setting up the Loyalty Tab like this:



We gave our new item a full Description. Also, we made the Transaction Type a *No Change*. That means that this transaction has no effect on the member's balance. We also set the *Quantity To Earn Bonus* and *Bonus Points* to one (1). So, if we wanted to “give” a member 50 Loyalty Points we would just post this item to their account with a quantity of 50.

Lastly, we need to set the Options tab.

Financial	Loyalty	Stock	Rentals	Options	Memo
<input type="checkbox"/> Add-On		<input type="checkbox"/> Pop Cash Drawer		<input type="checkbox"/> Track Time	
<input type="checkbox"/> Auto Renew		<input type="checkbox"/> Print Receipt		(Minutes Per Entry)	
<input type="checkbox"/> Commissionable		<input type="checkbox"/> Print Secondary Receipt		<input type="text" value="0"/>	
<input type="checkbox"/> Com Port		<input type="checkbox"/> Reduce Stock			
<input type="checkbox"/> Disc Below Cost		<input type="checkbox"/> Rental		<input type="checkbox"/> Vending	
<input type="checkbox"/> Disc By Mem Type		<input type="checkbox"/> Schedule Item		(Units to vend)	
<input type="checkbox"/> Gate Access Groups		<input type="checkbox"/> Series Item		<input type="text" value=""/>	
<input checked="" type="checkbox"/> Hide From Point of Sale		<input type="checkbox"/> Track To Account			
<input type="checkbox"/> Open Ticket		<input type="checkbox"/> Track To Consultant			

Hide From Point of Sale is on because we don't want our front desk staff "selling" this item. Since those items can only be sold from the POS in the Members section, it is not necessary to turn on Track To Account.

Setting up a debit of Loyalty Points is almost identical...

ClubRunner : Default [DIV] - [Inventory]

Quick Commands Item Tabs Help

F1 F2 F3 F4 F5 F6 F7 CTRL-END

Items Special Rates List Options Item Suppliers Supplier Info Stock Manager

<< < Cloning Subtract Loyalty Points DIV > >>

Item #	COA	Description	Transaction Type	
LOYALTY-		Subtract Loyalty Points	No Change	
Group Desc.	Category	Color	Size	Season
None		None	None	
Pos Key	Barcode #	Default Exp. Code	Default # Entries	Print Barcodes ?
		Endless		NO

Financial Loyalty Stock Rentals Options Memo

Cost In Points For loyalty points to be used to sell an item, it must have a cost greater than 0 To prevent this item being sold by loyalty points, set the value to 0.

Quantity To Earn Bonus

Bonus Points

Don't forget to setup the Options Tab.

The CR.INI file needs to be updated

The **CR.INI** file controls various features in ClubRunner. One of those features is what payment methods you accept in Front Desk POS, Full Screen POS, Bookings POS and Members POS. At a minimum, you'll need to add **Loyalty Points** to the Front Desk POS. Please contact ClubRunner and we will gladly do this for you. *If the Front Desk POS buttons are not modified, you won't be able to use Loyalty Points to purchase items.*

Putting it all together

First, we'll sell an item using the standard POS (Loyalty Points work in all ClubRunner POS systems). We're also using the "Basic" Loyalty Points setup described previously (buy 10, get one free).

The screenshot shows the ClubRunner P.O.S. interface. On the left, a vertical label reads "P.O.S.". The main area contains a table with the following data:

Description	Qty	Amount	Extend
Red Bull	1	2.45	2.45

Below this table is another table listing items and their amounts:

Item #	Description	Amount
PRENATAL	Prenatal Yoga	\$75.00
PROTSHA	Protein Shake	\$4.55
REDBULL	Red Bull	\$2.45
RENEW1Y	1 Year Renewal	\$708.00

To the right of the item list, a summary section shows:

- Discount: \$0.00
- Gratuity: \$0.00
- Tax: \$0.17
- TOTAL: \$2.62**
- Discount: 0.00 %
- Gratuity: 0.00 %

On the far right, there is a "Charge To Account" section with buttons for "Cash", "Check", "Credit Card", "Credit Card", "More...", "Void", and "Close".

We'll buy our Red Bull using "cash" and eventually we'll see this screen:

An "Information" dialog box with a blue header and a red close button. It contains an information icon and the text: "Some items in the POS need to track to a member. Please select member". At the bottom is an "OK" button.

You'll need to identify the member making the purchase to credit the Loyalty Points. When the sale is consummated, the member's info in the Front Desk might look like this:

The screenshot shows the ClubRunner member information screen. On the left, a vertical label reads "INFORMATION". The main area is divided into two sections: "General" and "Miscellaneous".

General Section:

- Home Club: DIV
- Name: Steve Smith
- Address: 1 Main Street / #201
- City, St. & Zip: Jupiter, FL 33477
- Type: Monthly
- Member #: 0
- Home Ph. #: 561-111-2222
- Work Ph. #: 561-999-8888
- Cell/Beeper #: 561-123-4567
- E-Mail: steve@aol.com

Miscellaneous Section:

- Entries: 2
- Last Entry Date / Time: 08/21/2008 9:33:23 PM
- Guest Passes: 0
- Loyalty Points: 3** (highlighted with a red box)
- Current Balance: \$0.00
- Credit Available: \$0.00
- Cash Out: \$324.50
- Next Billing Fee: \$29.50
- Renewal Fee: \$0.00
- Renewal Date: 11/18/2074

At the bottom, there is a green checkmark icon and an "OK" button.

Now we're going to purchase three (3) PT ½ Group Level 5 training sessions and a Protein Shake:

P.O.S.

Member.. <None>

Description	Qty	Amount	Extend
Protein Shake	1	4.55	4.55
1/2 Hour Group Level 5	3	22.50	67.50

Item #	Description	Amount
PRENATA	Prenatal Yoga	\$75.00
PROTSHA	Protein Shake	\$4.55
PT1S.5HG	1/2 Hour Group Level 5	\$22.50
REDBULL	Red Bull	\$2.45

Discount \$0.00

Gratuity \$0.00

Tax \$0.00

TOTAL \$72.05

Discount 0.00 %

Gratuity 0.00 %

Charge To Account

Cash

Check

Credit Card

Credit Card

More...

Void

Close

Once the sale is completed (for Steve Smith), a quick check of the member's info reveals:

INFORMATION

General

Miscellaneous

Contracts

Home Club

Name

Address

City, St. & Zip

Type

Member #

Home Ph. #

Work Ph. #

Cell/Beeper #

E-Mail

DIV

Steve Smith

1 Main Street / #201

Jupiter, FL 33477

Monthly

0

561-111-2222

561-999-8888

561-123-4567

steve@aol.com

OK

Entries

Last Entry Date / Time

Guest Passes

Loyalty Points

Current Balance

Credit Available

Cash Out

Next Billing Fee

Renewal Fee

Renewal Date

To Date

Remaining

2

N/A

08/21/2008 9:33:23 PM

0

141

\$0.00

\$0.00

\$324.50

\$29.50

\$0.00

11/18/2074

Steve's very thirsty, and he's going to purchase another Red Bull. He also wants to show you what his printed receipt looks like:

ClubRunner Fitness
561-746-3392

August 21, 2008 10:23:37 pm
Steve Smith
Acct #349
Member #0

=====

Item #REDBULL
1 Red Bull
=====

Subtotal: \$2.45

Tax: \$0.17

TOTAL: \$2.62

Paid by: Cash

Paid: \$2.62
Change: \$0.00

Receipt number : 8301

Loyalty Points Total : 144

Thank You

Using Loyalty Points to purchase an item

Start a sale, and select the member that is redeeming points. Use the “**More...**” button to navigate your way to the **Loyalty Points** button. Finish the sale.

P.O.S.

Member.. <None>

Loyalty Points

Series Item
Split Payment
Gift Certificate
Voucher
More...
Void
Close

Description	Qty	Amount	Extend
Red Bull	1	2.45	2.45

Item #	Description	Amount
PT1S.5HG5	1/2 Hour Group Level 5	\$22.50
REDBULL	Red Bull	\$2.45
RENEW1Y	1 Year Renewal	\$708.00
RESERVE	Reservation Fee- Cancel/Change	\$25.00

Discount \$0.00
Gratuity \$0.00
Tax \$0.17
TOTAL \$2.62
Discount 0.00 %
Gratuity 0.00 %

Now Steve Smith's info page looks like:

INFORMATION

General

Miscellaneous

Contracts

Home Club

DIV

Name

Steve Smith

Address

1 Main Street / #201

City, St. & Zip

Jupiter, FL 33477

Type

Monthly

Member #

0

Home Ph. #

561-111-2222

Work Ph. #

561-999-8888

Cell/Beeper #

561-123-4567

E-Mail

steve@aol.com

Entries

To Date

2

Remaining

N/A

Last Entry Date / Time

08/21/2008 9:33:23 PM

Guest Passes

0

Loyalty Points

84

Current Balance

\$0.00

Credit Available

\$0.00

Cash Out

\$324.50

Next Billing Fee

\$29.50

Renewal Fee

\$0.00

Renewal Date

11/18/2074

OK

The receipt would look like this:

ClubRunner Fitness

561-746-3392

August 21, 2008 10:52:28 pm

Steve Smith

Acct #349

Member #0

Item #PROTSHAKE

1 Protein Shake

\$0.00

Subtotal:

\$0.00

TOTAL:

\$0.00

Paid by: Loyalty Points

Receipt number : 8307

Loyalty Points Total : 84

Thank You

What's going on in the Member's Module?

Let's look at Steve Smith's *Financial tab* first:

ClubRunner : Default [DIV] - [Members]

Quick Commands Help

F1 F2 F3 F4 F5 F6 F7 F8 F9 F10 F11 CTRL-END

Personal Info Extended Info **Financial** Summary Contact FD Messages Notes

Acct #349 Mem #0 Steve Smith

<< < Editing Last Entered : 08/21/2008 9:33 pm DIV > >>

Payment : Responsibility
This Member

Methods
EFT Checking

Next Billing
Date 09/04/2008
Cycle SemiMonthly
Fee \$29.50

Alternate Billing
Date
Cycles
Fees \$0.00
☐ Draft Amount Only

Cycles : Remaining 11
Payment : Initial \$129.50
Total (Contract Bal.) \$0.00

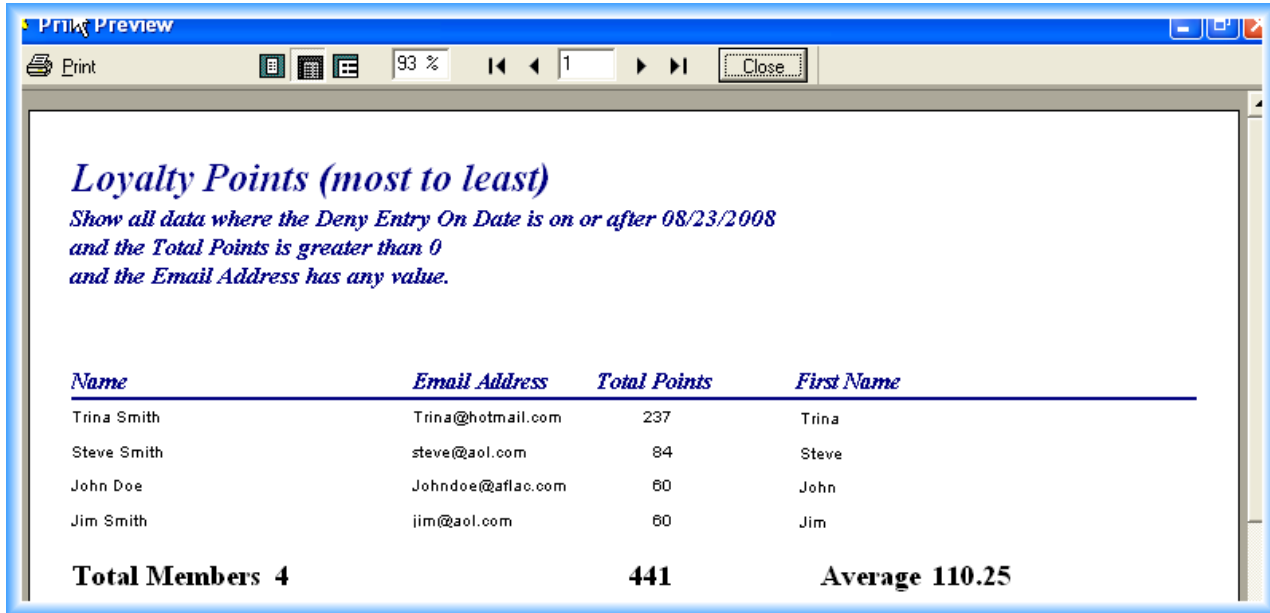
Month to Month ->
Fees : Enrollment \$100.00 1st Dues \$29.50 Add'l Dues \$0.00
Membership \$0.00 Renewal \$0.00 Actual Billing \$29.50

Locker : Number Fee \$0.00 Renewal Date

Credit : Limit \$0.00 Loyalty 84

What's left to do?

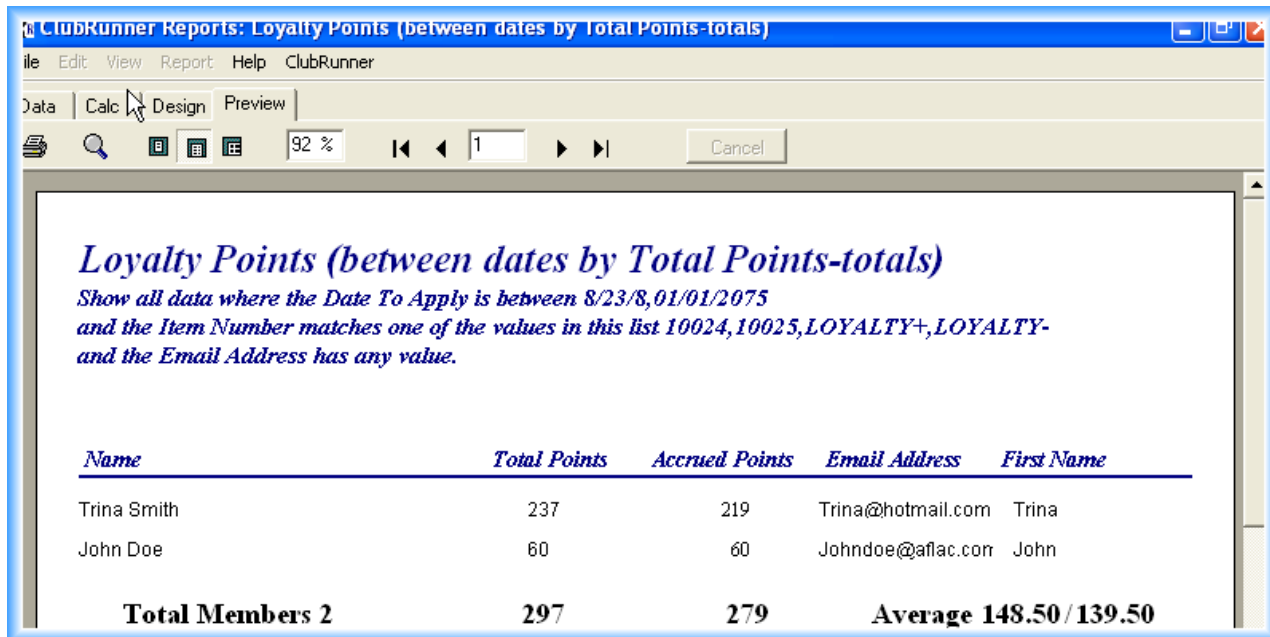
Not much, just start rewarding your members with Loyalty Points. Here are some examples of reports that you generate:



Loyalty Points (most to least)
*Show all data where the Deny Entry On Date is on or after 08/23/2008
and the Total Points is greater than 0
and the Email Address has any value.*

<i>Name</i>	<i>Email Address</i>	<i>Total Points</i>	<i>First Name</i>
Trina Smith	Trina@hotmail.com	237	Trina
Steve Smith	steve@aol.com	84	Steve
John Doe	Johndoe@aflac.com	60	John
Jim Smith	jim@aol.com	60	Jim

Total Members 4 **441** **Average 110.25**



ClubRunner Reports: Loyalty Points (between dates by Total Points-totals)
*Show all data where the Date To Apply is between 8/23/8,01/01/2075
and the Item Number matches one of the values in this list 10024,10025,LOYALTY+,LOYALTY-
and the Email Address has any value.*

<i>Name</i>	<i>Total Points</i>	<i>Accrued Points</i>	<i>Email Address</i>	<i>First Name</i>
Trina Smith	237	219	Trina@hotmail.com	Trina
John Doe	60	60	Johndoe@aflac.com	John

Total Members 2 **297** **279** **Average 148.50/139.50**

ClubRunner Reports: Loyalty Points (redeemed between dates-details)						
File Edit View Report Help ClubRunner						
Data Calc Design Preview						
92 % 1 Cancel						
<p>Loyalty Points (redeemed between dates-details)</p> <p>Show all data where the Date To Apply is between 8/21/8,01/01/2075 and the Payment Method 1 is equal to Loyalty Points and the Item Number is equal to 10025 and the Email Address has any value.</p>						
Name	Qty	Description	Receipt#	Total Points	Points Used	Email Address First Name
Steve Smith				84		steve@aol.com Steve
08/21/08 10:52:28 PM	1	Dec Points	8307		-60	
08/21/08 10:52:28 PM	1	Protein Shake	8307		0	
					-60	
Trina Smith				237		Trina@hotmail.com Trina
08/23/08 03:18:07 PM	1	Dec Points	8320		-60	
08/23/08 03:18:07 PM	2	Red Bull	8320		0	
					-60	
Total Members 2				321	-120	Average 160.50/-60

Print Preview

Print 93 % 1 Close

Loyalty Points (redeemed between dates-totals)

Show all data where the Date To Apply is between 8/21/8,01/01/2075
and the Payment Method 1 is equal to Loyalty Points
and the Item Number is equal to 10025
and the Email Address has any value.

Name	Total Points	Points Used	Email Address	First Name
Steve Smith	84	-60	steve@aol.com	Steve
Trina Smith	237	-60	Trina@hotmail.com	Trina
Total Members 2	321	-120	Average 160.50/-60	

Notes:

- Loyalty Points can be given only to certain designated Membership Types or Groups. For example, maybe only the “VIP” membership type can accrue Loyalty Points. This is similar to certain credit cards rewarding points, whereas others do not. Some facilities that implement this “selective” Loyalty Points, charge those membership types a monthly fee for this “privilege”. They may bundle this with other services. Example:

For an additional \$20 more per month on top of their normal dues, the “VIP” membership includes:

- Loyalty Points
- Towel Service
- 10% discount on certain purchases
- 1 group training session

- Loyalty Points can also be disbursed based upon attendance during a period of time. This is set up in the Utilities section of ClubRunner:

The screenshot shows the ClubRunner software interface. The title bar reads "ClubRunner : Default [DIV] - [Utilities]". The menu bar includes "Quick Commands" and "Help". The toolbar contains icons for various functions, labeled F1 through F12, and a "CTRL-END" button. The main window is divided into two panes. The left pane, titled "Name", contains a list of membership types: CSU Golf Team, Child, Employee, First Georgia, Healthways (highlighted), Main Street Employee, Monthly, Non Member, Paid In Full, Tipperary Tenant, and Vitamin Shoppe. The right pane, titled "General Config" and "Extended Options", contains two sections: "Access Options" and "Loyalty Options". The "Access Options" section has a checked checkbox for "Gate Access". The "Loyalty Options" section has several fields: "Loyalty Points Per Visit" (set to 1), "Attendance bonus points" (set to 10), "For 'X' Number of visit(s)" (set to 16), "Over Period" (set to 1 Month), and "Fixed Period" (set to NO). At the bottom of the window are buttons for "View Add-Ons", "Save", "Cancel", "Delete", and "Add".

You must be EXTREMELY CAUTIOUS if you implement this type of reward system. The “concept” is a good one, however, it really is to add extra incentive to your new members or those members that you really want to motivate. Activating this option can/will have the added effect of disbursing Loyalty Points to your regular members, who don't need incentive to come to your facility!

