



How to make the most of your best customers.



LOYALTY

M A G I C

Relationship Marketing Solutions



EVERY STEP IN RELATIONSHIP MARKETING FROM CONSULTATION TO COMMUNICATION

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WE DELIVER RESULTS -

Loyalty Magic commenced in Melbourne, Australia with a software product that revolutionised customer management processes for business.

At last it was possible to track customers, know when they visited, what they spent, and gain valuable information that could be used to reward and recognise them and maximise loyalty.

Today we are providing Relationship Marketing solutions for some of Australia's largest and most successful organizations.

* All references on this brochure relate to functionality of Loyalty Magic software Version 9.0 and the services provided by Loyalty Magic ASP Centre.

WHY RELATIONSHIP MARKETING?

There are two often repeated maxims that have become even more relevant in today's market place: That 20% of your customers account for 80% of your business, and it's 5-7 times more profitable to sell to an existing customer than a new one. Relationship Marketing with Loyalty Magic can help you identify those key customers, achieve greater customer satisfaction and importantly, increase profits.

Loyalty Magic can help maximise loyalty to your business by gaining insight and understanding of individual customers and creating offers and communications that recognize and reward their loyalty to build further business. In other words, we help you to build business by making the most of your best customers.

SEVEN GOOD REASONS FOR CHOOSING LOYALTY MAGIC

1. We make it easy for you to instigate or improve your program by providing the Full Circle of services.
2. Free yourself to concentrate on your business and save on your software and IT investment by having our Application Service Provision centre manage parts or all aspects of your program.
3. You can improve your results and reduce costs with our unique combination of technology and services that cover the Full Circle of Relationship Marketing.
4. Tailor a program to suit your business, budget, strategy, and existing technology.
5. Improve accountability & cost effectiveness in communicating with your customers via traditional and new media channels.
6. Our experience and proven track record allows you to fast track the development and implementation of your Relationship Marketing program. We have continually demonstrated that we can deliver large-scale programs in a short period of time.
7. Our Full Circle solutions can help you lead your category in the area of Relationship Marketing.

WHO ARE OUR CLIENTS?

Loyalty Magic clients range in size from small companies to some of the largest and most successful corporations in the retail, service, wholesale, sporting, and hospitality industries. Talk to us about how we can provide a customised solution for your business.

Amcal uses the Loyalty Magic Application Service Provider (ASP) centre in approximately 400 pharmacies in Australia to run the Amcal Club loyalty program.

ABC SHOPS utilise the ASP centre to operate their program, which has over 20,000 members. Those members can shop in-store or online and they are rewarded and recognized continually. For example,

the ABC Shop's reward card program provides customers with a \$20 voucher every time they purchase \$200 worth of goods.

TABCORP has licensed Loyalty Magic software to run in 265 "Tabaret" venues. Loyalty Magic provided consultancy, project management and customised software to meet Tabcorp's specific needs.

Westpac have certified the Loyalty Magic software to run within Westpac EFTPOS terminals. Westpac is promoting the Loyalty Magic ASP centre to all 60,000 of its SME merchants.

Sky City Limited has licensed Loyalty Magic software to

implement a loyalty programme across all of its venues, including Sky City Casino. The loyalty operating system was integrated with point of Sale retail systems and marketing analysis system. The information of these systems represents a first for the Australasian gaming and entertainment market. The system allows for members to receive messages and tracked offers based on their behaviour and profile. The members may spend points and redeem promotional vouchers and coupons at the point of sale directly through the real-time interfaces.

Harness Racing Board has licensed Loyalty Magic software to run their membership tracking service.

FULL CIRCLE SOLUTIONS

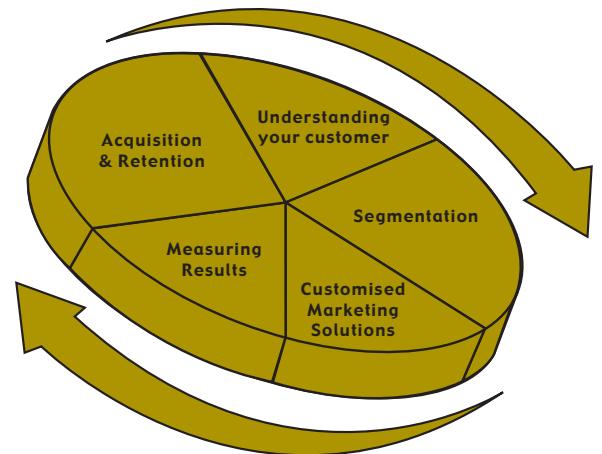
MAXIMISE YOUR PROFITS BY DEVELOPING A COMPLETE PROGRAM

Loyalty Magic shows the way in Relationship Marketing by providing your business with true Full Circle solutions.

We deliver the total package including consulting on strategy planning, Application Service Provision (ASP) and unique combination of software (V9) and hardware.

By providing Full Circle

solutions, we make it easy to recognise and reward your customers whilst achieving your broader business objectives.



THE FIRST STEP – CONSULTING

NO NEED FOR LARGE INITIAL EXPENDITURE

Our consulting team with a wealth of experience in Relationship Marketing can save you time and money in finding the right solution for your business. We make sure that all the questions are answered:

WHY?

Understanding your needs and those of your customer

WHAT WILL IT DO?

Defining the program scope and providing an estimate cost

HOW WILL WE DO IT?

Program Design

HOW LONG WILL IT TAKE?

Project Plan Development

HOW MUCH?

Return On Investment

ON-GOING CONSULTATION

Our consultancy service doesn't end the moment your Implementation Plan is completed. It is an on-going service to maximise the benefits of your program, and can include:

- ▲ Training – for staff, management and other participants.
- ▲ Incentive and reward program study – ensuring they add incremental value.
- ▲ On-going program analysis and improvement – to keep it fresh and effective.
- ▲ Trigger development – to bring your relationship with your customers as close as possible to 1 on 1. ("Triggers" are set into your database to automate how and when you communicate with your customers).

APPLICATION SERVICE PROVISION

SAVE TIME AND MONEY WITH OUR ASP CENTRE

Our Application Service Provision centre can manage every aspect of your program, leaving you free to work on your business instead of working in it. And there's no need to invest in expensive software – just tap into ours (V9). It's really no different to the way you currently pay for electricity, gas or water.

Loyalty Magic's ASP gives you:

- ▲ Access to big business applications and expert knowledge.
- ▲ Savings in up-front investment.
- ▲ Faster application implementation.
- ▲ Freedom from the hassles of adding to your in-house IT expertise.
- ▲ Better use of your own internal IT resources.
- ▲ Specified Service levels.
- ▲ Contractual flexibility and portability.
- ▲ The choice of which ASP functions to use depending on your requirements.

THE FULL CIRCLE OF ASP SERVICES

MANAGEMENT AND ANALYSIS OF CUSTOMER INFORMATION

Our ASP can manage every aspect of your database – data entry, cleansing, review (format, fields, protocol and security), selection and purchase of lists if required, query tools and mining tools.

CAMPAIGN PLANNING

Our service includes defining your customer segments and profiles, developing promotions based on our data analysis, working with you or your communications agency on the creative requirements,

and supervising the budget.

CAMPAIGN EXECUTION

Our ASP can manage the execution of your campaign through any direct response medium, including managing the fulfilment of responses, rewards or incentives. Importantly, our ASP centre can ensure your Card Management, Multi-tier points management and Voucher and Coupon redemption systems provide maximum customer satisfaction, whilst maintaining profitability.

TRACKING RESULTS

Our software (V9) application keeps a real time record of

customer response to the campaign, enabling you to easily calculate return on your Relationship Marketing investment and make any adjustments if necessary for future communications.

This in-depth tracking and analysis of customer responses, enables you to determine exactly how much profit is generated on every dollar spent in marketing. Wasting your valuable marketing dollars is a thing of the past.



HOW WE PUT IT ALL TOGETHER

SIMPLIFY YOUR RELATIONSHIP MARKETING PROGRAM WITH OUR TECHNICAL PLATFORM

Loyalty Magic's technical platform also goes Full Circle - from the capture of the data, it's transfer and management, all the way through to the way it is used for communication. Once again, by providing the total solution, we make it easier for you to manage your Relationship Marketing program.

DATA CAPTURE

One of the reasons for Loyalty Magic's rapid success is our unique combination of software (V9), hardware and ASP services. It's capable of linking with a variety of existing systems enabling customer purchase transaction and event data to come from many different sources—accounting systems, point of sale, and your database. In fact, utilising our software (V9) and ASP, we can capture and manage data from any customer contact point – Eftpos terminals, email, kiosks, telephone and web.

DATABASE MANAGEMENT

Having captured customer information, Loyalty Magic software (V9) can generate personal one-to-one communications based on knowledge of the customer.

SETTING LOYALTY TRIGGERS TO BUILD BUSINESS

"Triggers" can be set up in the Loyalty Magic database that identify how and when you want to communicate with customers. They make it simple to automate

highly targeted and instantaneous customer communications. For example, as the customer reaches a spend level of \$200 she is automatically given a special offer of 15% off any item in the store if the purchase is made on the day.

The potential is amazing:

Recognise new customers: Loyalty Magic will automatically recognise and communicate with new customers.

Cross-sell: Loyalty Magic can identify those customers who are only utilising part of your business, and automatically inform them of other relevant products and services.

Re-activating Lost Customers: LM will reduce customer loss for your business by automatically communicating to those who stop buying and giving them an incentive to return.

Referrals: All you need to do is identify who referred a customer to you and LM will automatically print them a thank-you letter.

Whatever your message and medium, you can be sure it will cut-through the normal advertising clutter because it will be personalised and highly relevant. The target and parameters for the triggers can be easily changed, and cover any criteria, including:

- New customer
- Thank you
- Follow up
- Referrals
- Best customer
- Lost customer/re-activation
- Upgrade
- Cross sell
- Special occasion
- Service/warranty
- Quotes
- Complaints
- Payment
- New product
- Prospects
- Targeted offer
- Cyclical
- Special.

COMMUNICATIONS

Loyalty Magic's ASP completes the customer relationship circle by delivering personalized, relevant and cost effective communications because they are based on buying behaviour. As our software (V9) can reside in many customer touch point channels, your dialogue can commence from the very first transaction and use any one or more of these vehicles;

- internet • point of sale
- direct mail • email • kiosk.

KIOSKS

Some well-placed kiosks can free your staff while providing invaluable assistance and incentives for customers. They can be used to register new customers in your loyalty program, offer incentives, display point balances, print-out redemption vouchers, and even guide customers to promotional opportunities in the store.

INTERNET

Why settle for Internet loyalty software that only works for you on the Internet? Loyalty Magic will enable you to use the same platform to capture purchase data on your non-internet business, so that you can combine the information for one totally integrated communication strategy.



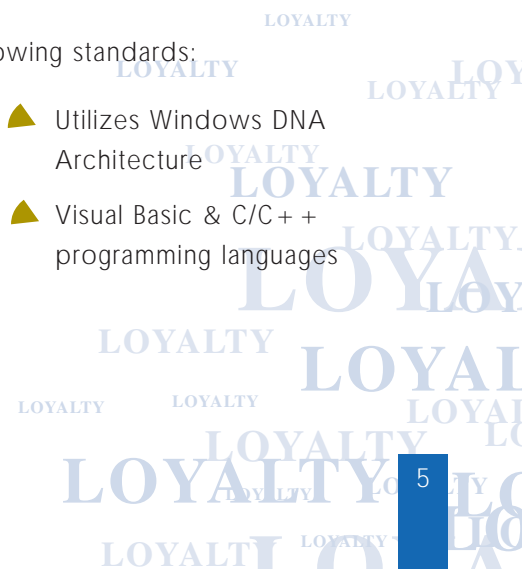
TERMINALS

Our terminal software turns your traditional Eftpos terminal into a powerful Relationship Marketing tool. Imagine how easy it is to get customers to spend more with you when they are rewarded with a carefully targeted offer at the instant they purchase...and it's being delivered at a fraction of the cost of mass media.

TECHNICAL SPECIFICATIONS

For the more technically minded, our Full Circle loyalty solutions use the following standards:

- ▲ Loyalty Magic (V9)
- ▲ Windows NT 95/98/NT
- ▲ Flexible Schema
- ▲ SQL Server V7
- ▲ Business Object Layer (utilising COM components)
- ▲ 3 Tier Architecture (MTS capable)
- ▲ ADO Data Access
- ▲ XML Interfaces capability
- ▲ Thin Client (HTML) access from kiosk and internet
- ▲ Utilizes Windows DNA Architecture
- ▲ Visual Basic & C/C++ programming languages



LOYALTY MAGIC VISION

Our vision is to be a world's best practice supplier of marketing solutions using advanced technology to create, in partnership with our clients, intellectual property, which will drive value added customer relationships.

LOYALTY MAGIC MISSION

Our mission is to partner with our clients in identifying and satisfying their needs to provide uncomplicated relationship marketing solutions. We accomplish this

through end-to-end service and advanced technology, which add value to our clients' relationships with their customers.

CONTACT US

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