

SOP: Discounts, Promotions, and Loyalty Program Application

This SOP details the processes for managing **discounts, promotions, and loyalty program application**, including the criteria for eligibility, methods of applying discounts at checkout, validation of promotional codes, tracking of loyalty points, and procedures for redeeming rewards. The purpose is to ensure accuracy, consistency, and customer satisfaction in offering and applying promotional incentives across all sales channels.

1. Purpose

To standardize processes for issuing, validating, and redeeming discounts and rewards, ensuring fairness and consistency across all customer interactions.

2. Scope

- All sales channels (in-store, online, phone orders, etc.)
- All staff responsible for sales and customer service
- Systems managing promotional codes and loyalty points

3. Definitions

Term	Definition
Discount	A reduction in the normal selling price (e.g., percent-off, fixed-amount off).
Promotion	Limited time offers or deals (e.g., buy-one-get-one, free gift with purchase).
Loyalty Program	A rewards system where customers accumulate points by purchasing, which can be redeemed for benefits or products.
Promo Code	A unique code that applies a specific discount or offer when entered at checkout.

4. Responsibilities

- **Sales/Support Staff:** Verify customer eligibility, correctly apply discounts/promotions, resolve customer inquiries.
- **Managers:** Oversee compliance, approve exceptions, monitor usage trends.
- **IT/Systems:** Maintain and update discount logic in the checkout platform.

5. Procedure

5.1 Discount and Promotion Eligibility

1. Verify if the customer meets the criteria for the specific discount or promotion (e.g., membership, minimum spend, valid dates).
2. Reference the current active offers list provided by marketing.
3. Document in the system each application of a discount or promotion.

5.2 Applying Discounts/Promotions

1. At checkout, request and/or input promo codes into the system.
2. System validates promo code authenticity and eligibility:

- If valid, automatically apply corresponding discount or offer.
 - If invalid, notify customer with error message and prompt for correction or alternative options.
3. For in-store, use POS system to select discount/promotion type and ensure it is reflected on the receipt.

5.3 Loyalty Program Management

1. Enroll customer in loyalty program as per sign-up procedure.
2. Ensure customer details are accurate and linked to their account.
3. Automatically track loyalty points with every qualifying purchase.
4. Inform customer of their current points balance on receipt and/or via digital channels.

5.4 Redemption of Loyalty Points/Rewards

1. Confirm points balance and reward eligibility.
2. Apply reward to current purchase as per program rules.
3. Deduct used points from customer's account and confirm redemption to customer.
4. Document reward redemption in system for reporting and auditing.

6. Validation and Audit

- Regularly review system logs for misuse or abuse of discounts/promotions.
- Spot-check transactions for compliance with SOP.
- Address discrepancies through corrective actions and additional training if needed.

7. Customer Communication

- Clearly notify customers of all active promotions and loyalty offers via marketing channels, receipts, and digital accounts.
- Provide written terms and conditions for each offer on the website and/or checkout area.
- Train staff to answer common questions regarding eligibility and application.

8. Records & Documentation

- Keep records of all issued and redeemed discounts/promotions/loyalty rewards for a minimum of 12 months.
- Ensure compliance with data privacy and security policies.

9. Revision History

Date	Author	Change Description
2024-06-01	Admin	Initial SOP draft