THE BLOCKCHAIN SESSION:
Everything you were afraid to ask about blockchain, as well as its potential implication for Co-Brands

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Would somebody please define Blockchain?
But what’s it good for?
Fundamentals:

• Transactions
  • Smart Contracts

• Wallets

• Nodes

• Ledgers
Distributed Ledger Explained
Today’s Loyalty Challenges

“Loyalty programs are ripe for some kind of disruptive innovation that would make them easier to use”

-- HBR, Oct 2017
Reward Card / Loyalty Program Objectives

1. Increase Partner Value \textit{(immediate)}
   - Onboarding / management
   - Reconciliation & Settlement
   - Data Sharing

2. Enhance Marketing Capabilities \textit{(near real-time)}
   - Multi-program/behavior promotion
   - Broader insight into Member behaviors
   - More precise targeting

3. Manage Program Liability \textit{(long term)}
   - True cost sharing possible
   - Track program currency through entire lifecycle
Most Loyalty Infrastructure Today
Most Partner Integrations Today
The Promise of Blockchain-based Marketing Automation
You’ll never know your customer as well as they know theirs:

amazon
It’s Can Be More Than One Ledger

Typical Transaction Record
- <Unique Tx ID>
- <Obfuscated Program UUID>
- <Obfuscated Member ID>
- Date/Time Stamp
- Transaction Value
- Member Balance (if applicable)

Example Corresponding Transaction Data
- <Unique Tx ID>
- Member Name, ID#
- Membership Status tier, start date
- Event Date (i.e. flight taken)
- Event Class (defined by Client)
- Custom Metadata
  - Flight Number
  - Departure / Destination airports
  - Fare Class, Seat
- Et cetera
Corresponding Transaction Ledger

Example Transaction Data:  | Sharing Permissions:
--- | ---
• <Unique Tx ID> | ●
• Member Name | ●
• Member ID | ●
• Member Status Tier, start date | ●
• Event Date (i.e. flight taken) | ●
• Event Class (defined by Client) | ●
• Custom Metadata | ●
  • Flight Number | ●
  • Departure / Arrival | ●
  • Seat | ●
• Et cetera

4th Co-Brand Americas, 21st – 23rd May 2018
Appeal for Co-Brand Cards

• Easier to integrate, and and more liquidity

• **Real-time** promotion targeting
  • Based on behavior data stored on chain

• Create additional value and new products from hybrid datasets

• Track a unit of Loyalty through it’s entire lifespan
KEEP CALM AND COMPLY WITH GDPR
How Immutable is Immutable?
The Internet of Loyalty®

BENEFITS

A global permissioned network of program operator and redemption clients.

Blockchain benefits all operators and partners, multiplied by a network effect, yielding a paradigm shift for the loyalty industry.

Built on IBM HyperLedger Fabric distributed ledger technology.
Thank You

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