



Notes and Domino motivate Hinda to bring incentive programs online

Ah, the lure of incentives! You're probably familiar with the glossy catalogs, the point systems, and the awards that arrive at your doorstep or office. But you may not realize what it takes to administer such incentive programs, from catalog printing and distribution to order tracking, delivery, and point bank administration.

"We were looking for a way to provide more value to our customers. The immediacy of the new online, interactive system increases participant involvement, and that increases motivation and maximizes results."

—Julie Acciardo, Director of Marketing and Creative Services, Hinda Incentives

Hinda Incentives does. A \$32 million full-service incentive specialist headquartered in Chicago, Hinda provides clients with customized, cost-effective incentive programs to help their businesses reach their corporate objectives—motivating employees, cultivating customer loyalty, and improving distributor relationships. It is a leading incentives company because it goes the extra mile, for example, carrying its own stock and shipping directly to program participants. But Hinda is

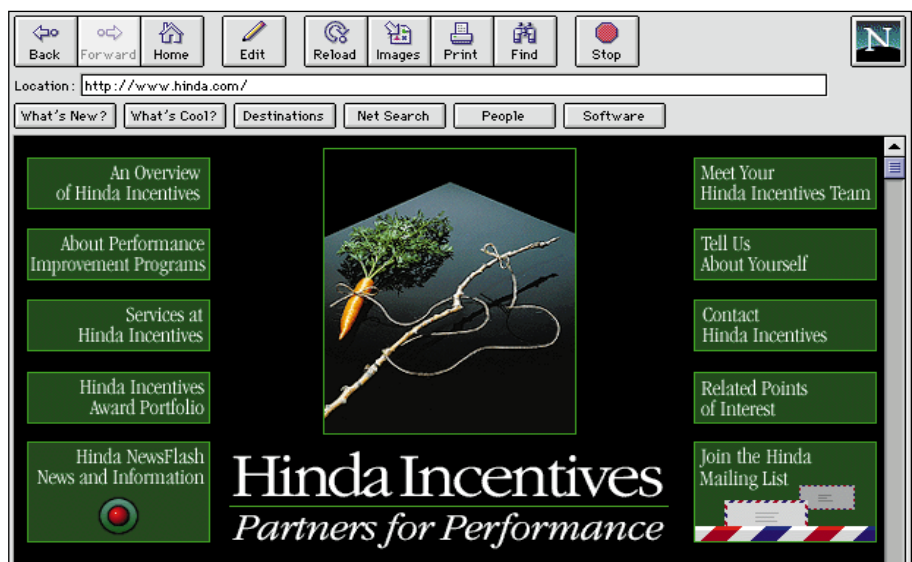
also successful because it keeps an eye on the bottom line.

Incentives to use the Web
Hinda management noticed two problems that were adversely affecting its bottom line—the merchandise award catalogs cost \$350,000 to produce, which eroded the company's profit margins, and because the catalogs took so long to produce they were chronically outdated.

The Web offered an attractive alternative. Hinda realized that it would be faster to publish incentive catalogs on the Web, and easier to update and customize them. The Web site or intranet could also serve as a vehicle for communicating with clients through newsletters and e-mail feedback. And through the Web, Hinda could give clients more direct access to their own accounts.

Application	Online interactive catalog
Business Benefits	Reduced printing and transaction costs, ability to offer more customized services
Software	Lotus® Notes® Lotus Domino™

Hinda wanted a Web site with more security and manageability than its Java™ and HTML prototypes alone could provide, so it partnered with XLConnect, a Chicago-based professional services organization and an IBM BESTeam® member. Using Lotus Notes and Lotus Domino, they created *Incentive Exchange*, an electronic catalog for online incentive programs. Through *Incentive Exchange* users



Using Lotus Notes and Domino, Hinda brings "Incentive Exchange" to the Web, and reduces Hinda administrative costs by a 13 to 1 margin.

can browse merchandise award catalogs, check their point status, and order products, either over the Internet using a Web browser, or over their corporate intranet using Lotus Notes client software.

Lower costs, better customer service

Hinda has minimized its need to print catalogs and mail monthly account balance statements, which can significantly reduce its administrative and production costs. Before *Incentive Exchange*, customers needed one or two people just to administer the program within their organization. With *Incentive Exchange*, they can put these resources to use elsewhere in the company. According to Julie Acciardo, Hinda's director of marketing and creative services, "*Incentive Exchange* has reduced administrative costs not only for us, but for our customers as well—the average cost of a single transaction has reduced from \$13 to just one dollar."

Putting an incentive program online has also given participants more control. They can check their account balances anytime, anywhere—from their computers. The application makes use of a number of Notes security features, including the *readers* field, to ensure that users can only access their own accounts. According to Acciardo, it all adds up to better customer service. "We were looking for a way to provide more value to our customers," she says. "The immediacy of the new online, interactive system increases participant involvement, and that increases motivation and maximizes results."

Lotus Domino serves up the goods

In building the infrastructure for *Incentive Exchange*, XLConnect used Lotus Notes as the catalog database and Lotus Domino as a dynamic Web page creation tool, which serves up the database contents to the Notes clients or Web browsers. XLConnect recommended the Notes/Domino solution for several reasons. "Notes authentication is enforced in Domino applications to ensure secure Internet access," explains Carlos Vasquez, manager of business consulting services at XLConnect. That security is crucial, because each corporate incentive program contains the name and address information, and a database of points accumulated, for each participant (their *point banks*). The integrity of the program depends on knowing that an individual's point bank cannot be altered.

According to Vasquez, Domino makes the catalog easy to maintain and customize, allowing Hinda to take complete ownership of the application. Taking advantage of the role functionality in Notes Access Control, Domino enables Hinda to easily add or delete specific items from a catalog to provide customized programs for customers. And Domino's replication engine enables real-time updates to the catalog for removing items that are no longer available and adding new ones.

Incentive Exchange integrates all the dimensions of an incentive program into a comprehensive, electronic information management system, comprised of three components:

- *Incentive Exchange's* front end displays program themes, posts news, and outlines program rules.
- The catalogs themselves are stored in Lotus Notes databases on a Windows NT server. Participants use an electronic *shopping cart* to order merchandise awards online. Lotus Domino maintains a point bank for each program participant, which the shopping cart function uses to verify that the participant has enough points to complete the transaction.
- A Notes *shipments and orders* database stores the order information.

The next step: phase out film and printing

In addition to the reduction in transaction costs, Hinda's printing and mailing costs will decrease with the increasing use of *Incentive Exchange*. With a Lotus Notes template designed by XLConnect, Hinda can create a new customized online catalog in two to five days with as few as two to three people. Producing a print catalog could take as many as ten staffers four to six months. Soon, Hinda will begin using digital cameras to shoot product images, reducing annual film costs from more than \$100,000 to approximately \$20,000.

Incentive Exchange went live in January, 1997. Several customers are already achieving great results with the electronic program, and Hinda and XLConnect look forward to bringing more companies online. Acciardo expects a full 50 percent of the program sponsors to deliver online catalogs to their participants.

For more information please contact your IBM Marketing Representative or IBM Business Partner.

Visit our Web sites at
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For a closer look at *Incentive Exchange* visit
www.hinda.com or
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