

**Sub: Clarifications for Queries raised during Pre-Bid Meeting**

**Ref: RFP No. CO: Mktg./RFP/01/2017-18 dated 22.06.2017 – Implementation & Management of Bank's Loyalty Program**

Page No.	Clause No.	Point No.	Particulars from RFP	Remarks / Clarifications Sought	Indian Bank's Remarks
7	2.2	c.	Model of Bidding for this RFP	We are one among Tier I System Integrator and would like to bid for this RFP as the primary bidder. Our fully owned subsidiary has full fledged Loyalty Management and Campaign management solution to meet the RFP requirements. We request Indian Bank to accept joint credentials of our subsidiary organizations to qualify against this RFP	As per the RFP.
7	2.3		The Service Provider would be connected to Bank's Data Centre on dedicated leased line network with adequate backup/redundancy. It is Service Provider's responsibility to provide required leased lines to connect bank's Data Centre and DR Centre. Bank would be providing the data for processing to the Service Provider at mutually accepted format, frequency and security.	Please clarify whether the cost of the leased line connectivity has to be included in the admin fee quoted in commercial bid	Yes, the cost of the leased line connectivity has to be included in the admin fee sought under the commercial bid.
8	2.5	2	Bidder should have at least 2 years expertise and experience in Implementation and Management of Loyalty Program for at least 2 Scheduled Commercial Banks. If not for Bank, then for any company(in India)where they are carrying out complete loyalty program for cards and issuing at least Rs. 2 crores worth of points per year for past 2 years	We do not have loyalty solution deployments in India. Any reference provided will be for the international market. We request Indian Bank to consider the international references and qualify us against the same. We also request Indian Bank to make the appropriate changes in the evaluation criteria by accepting global credentials and not only restricting it to Indian scenario	As per the RFP.

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8	2.5	2	Bidder should have at least 2 years expertise and experience in Implementation and Management of Loyalty Program for at least 2 Scheduled Commercial Banks. If not for Bank, then for any company(in India)where they are carrying out complete loyalty program for cards and issuing at least Rs. 2 crores worth of points per year for past 2 years	Our loyalty deployments do not cover card transactions. Any reference provided will not be for the card channel. However, ours is an Omni channel framework and we have got the capability to design this for the card channel.	Reference from other channel(s) may be quoted provided the transactions handled therein are PCI-DSS confirmed.
8	2.5	5	Bidder should have both primary data center and DR center with full back up arrangement. The facilities should be ISO 27001 certified and recently audited.	Can the primary bidder work with third party Data Center service provider for DC and DR hosting who comply to the requirements of the RFP?	The arrangement is permissible subject to operations of the bidder being ISO 27001 certified.
8	2.5	6	Bidder should have a stable and scalable loyalty technology platform with access to source code, so that any changes required by the Bank can be carried over expressly.	The source code for the loyalty system is owned by bidder. Any customization requirements as closed in the scope can be performed by bidder. Please clarify that the source code needs to be with bidder and not with the bank.	The source code for the Loyalty program will remain with the Bidder.
9	2.5	7	Bidder should have provided, for at least 1 Commercial Bank/ Public Sector Bank/other company in India, a dedicated interactive SSL secure online website for loyalty program which enables customers to register, inquire loyalty points and request for redemptions.	We have currently deployed a mobile application that integrates with a secure web based interface. Can the bidder use App portal instead of web portal?	Both Web Portal and App Portal/ Interface is required.
9	2.5	12	Bidder should have the capability of providing accelerated point accruals on transactions at partner merchant outlets with an existing network of at least 2000 merchant outlets.	Our solution has the capability to open up a web interface for merchants to be able to log in to the loyalty management system. The system captures all points related to loyalty when the transactions are recorded centrally at the bank. Is this clause in reference to directly integrating with the merchant point of sales systems directly?	Please refer Clause 2.7.6 for details.

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9	2.5	12	Bidder should have the capability of providing accelerated point accruals on transactions at partner merchant outlets with an existing network of at least 2000 merchant outlets.	Whether the proof of the system capability for handling 2000 Merchant required or the proof of 2000 Merchant aggregated partnership is required?	The Bidder has to submit the proof for both, system capability as well as number of merchant outlets.
9	2.5	11	Bidder should have a turnover of Rs. 12 Crores or more per year with either (i) net profit during previous 2 financial years OR (ii) positive net worth during previous 2 financial years	We have not received audited balance sheet for FY 2016-17. In this case will audited balance sheet for FY 2015-16 and FY 2014-15 work	You may submit the latest audited balance sheets available with your firm.
10	2.6	a	Design, develop and customize complete infrastructure to enable a comprehensive loyalty program which can cater to multiple channels, varying customer segment and market driven campaigns on a hosted platform (where the complete infrastructure is installed and maintained at a secured premises of the bidder)	Does the requirement need a consultation on creation of loyalty program or the selected partner need to create this loyalty program themselves?	Consultation as well as Implementation of the loyalty program, with inputs from the Bank, is required. Refer Clause no. 2.3.
11	2.7.2	c	Tier structure	Tier Structure - does the requirement need customers to have multiple tier basis on the product they have enrolled in i.e. the tier for a customer A using credit card is "tier A" and for the same customer if he is using saving account "tier B" . Request details on the expected structure with examples. What is expected in user-definable tier structure?	Tier structure refers primarily to the movement of a customer within a product line, like debit card, and awarding of tier/s based on the transaction volume.
11	2.7.3	c	Intelligence (Technology structure)	Is the loyalty management solution expected to use a standard algorithm for the requirement or is bidder expected to develop a proprietary algorithm for this?	The bidder can use either.

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11	2.7.3	c	Intelligence (Technology structure)	Does the requirement need data science team to be supported by selected partner?	Data Science team is not necessary, but basic data analysis is to be provided.
11	2.7.3	e	Bidder should be able to provide loyalty reward points to Bank's customers for transactions on POS terminals and for e-commerce and any other channels as decided by the Bank	Will the POS and e-commerce network integrated directly with the selected partner infrastructure or an offline sharing of information will be done ?	Offline sharing of information/ data shall take place for rewarding of points.
12	2.7.4	e	Call Centre (Grievance Management is to be done by successful bidder)	Request Indian Bank to remove Grievance Management from the scope of the bidder	As per the RFP.
13	2.7.5	d	Features (Features such as Login, Logout, Data View, Detailed Print Statement, Forgot Password, History, Grievance Request Status etc. shall be available to member)	Request Indian Bank to remove Grievance Request Status from the scope of the bidder	As per the RFP.
13	2.7.5		Also, a rewards page on <a href="http://www.facebook.com">www.facebook.com</a> and <a href="http://www.twitter.com">www.twitter.com</a> should be created and managed.	Is Bidder expected to bear the cost for development and set up of mobile app, Facebook page and twitter handle and these need to be included in the admin fee to be included in commercial bid?	Yes, the bidder has to bear the cost and the same is to be included in the admin fee sought under the commercial bid.
14	2.7.6		Redemption	Redemption of loyalty points is dependent on the partnerships that Indian Bank forms with third party merchants. Is bidder expected to also provide a content management system or just develop the redemption framework?	Indian Bank shall not form any partnerships with third party merchants; the bidder is expected to do so. The bidder is to provide end-to-end solution for implementing and managing the loyalty programme. Refer Clause 2.3.

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14	2.7.6		<p>Redemption</p> <p>(Catalogue management, IVR call center, Conversion of loyalty to airline miles, Sourcing and shipping of redemption goods)</p>	<p>Request Indian Bank to restrict the scope to Technology setup, implementation and support and also to remove this from scope of work of the bidder as these are marketing activities and it will be prudent for Indian Bank to take care of this</p>	<p>As per the RFP.</p>
14	2.7.6		<p>Bidder should offer attractive redemption options to customers which could include the following (the list is not exhaustive but indicative and the Bidder may include more options; any addition or deletion of the redemption options should be done at Bank's discretion):</p> <ul style="list-style-type: none"> <li>• Gift Vouchers/ Gift Cards,</li> <li>• Merchandise Redemption for Real Time Movie Ticket</li> <li>• Redemption for Real Time Bus Ticket</li> <li>• Redemption for Real Time Mobile recharge</li> <li>• Redemption for Real Time DTH recharge</li> <li>• Redemption for Real Time in-store redemption</li> <li>• Redemption for Grocery</li> <li>• Redemption for Charity Products</li> <li>• Redemption for various subscriptions</li> </ul>	<p>For in store redemptions, please clarify if customer should be able to swipe his card and able to redeem his points instantaneously? If yes, should the cost of setting up infrastructure be included in the admin fee quoted in commercial bid?</p>	<p>All costs are to be included in the admin fee quoted in Commercial Bid.</p>

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15	2.7.7		Partner Network Management	Request Indian Bank to restrict the scope to Technology setup, implementation and support and also to remove this from scope of work of the bidder as these are marketing activities and it will be prudent for Indian Bank to take care of this	As per the RFP.
16	2.7.9	b	Designing, printing & dispatch of publicity material like poster, leaflet etc. to help the Bank carry out promotions with Loyalty program feature. The creative's should be provided to the Bank so that they can advertise the same on their own website and/or print and digital media. All the creative's to be designed in spirit with Bank's brand philosophy and target audiences and approved by Bank.	Request Indian Bank to restrict the scope to Technology setup, implementation and support and also to remove this from scope of work of the bidder as these are marketing activities and it will be prudent for Indian Bank to take care of this.	As per the RFP.
16	2.7.9	b	Designing, printing & dispatch of publicity material like poster leaflet etc. to help the Bank carry out promotions with Loyalty program feature. The creative's should be provided to the Bank so that they can advertise the same on their own website and/or print and digital media. All the creative's to be designed in spirit with Bank's brand philosophy and target audiences and approved by Bank.	<ul style="list-style-type: none"> <li>- Will the marketing collaterals like posters and Leaflets be circulated across all branches and ATMs or selective locations-Please specify.</li> <li>- Also, what will be the frequency and volume of such marketing communications?</li> <li>- Should the cost of designing and printing these collaterals be included in the admin fee quoted in the commercial bid?</li> </ul>	<p>The bidder is expected to generate the content and share the soft copies of the same with the Bank. Selective branches or ATMs might be zeroed in for receiving hard copies too; however, the same is not mandatory.</p> <p>The frequency of dispatch, if undertaken, shall be monthly. However, some seasonal communication might also be undertaken.</p> <p>All costs are to be included in the admin fee as sought under the Commercial Bid.</p>

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16	2.7.9	c	All design and print of catalogues for campaigns should be managed by the Bidder.	Request Indian Bank to restrict the scope to Technology setup, implementation and support and also to remove this from scope of work of the bidder as these are marketing activities and it will be prudent for Indian Bank to take care of this.	As per the RFP.
16	2.7.9	f	Digital Marketing of the program – Deploys regular email and SMS communications to the identified customers to create awareness, timely offers, redemption, Bank Reward points statement etc.	Request Indian Bank to restrict the scope to Technology setup, implementation and support and also to remove this from scope of work of the bidder as these are marketing activities and it will be prudent for Indian Bank to take care of this	As per the RFP.
16	2.7.9	f	Digital Marketing of the program – Deploys regular email and SMS communications to the identified customers to create awareness, timely offers, redemption, Bank Reward points statement etc.	- Out of the total customer base quoted at 4.40 Crores, please specify the contactable base for SMS/ email communications - What is the desired frequency of SMS/email communications to bank's base?	Contactable base would be approximately 1.50 crores at present.  The promotion SMSes shall vary from 3-5 every month.
17	2.7.10	a	Migration (Existing reward point's data of the Bank if any, to be migrated to the proposed solution. The migration activity will be sole responsibility of the Successful Bidder)	- Please specify the volume of data that would needed to be migrated to the new loyalty platform - Is the bidder expected to bear the cost of migration? If yes, should this be included in the admin fee quoted in the commercial bid?	Existing reward points data of the Bank if any, to be migrated to the proposed solution, as and when deemed fit by the bank. The migration activity will be sole responsibility of the Successful Bidder. At present, about 1.50 lakh records of Credit Card holders are available that might be considered for migration at a future date. All costs to be included in the admin fee sought under Commercial Bid.
17	2.7.10		Database	Is the bidder expected to set up a mirror database of the points posted against the respective bank customers at Bank's end. If yes, whether the cost of the same has to be built in the admin fee quoted in commercial bid.	The bidder need not set up a mirror database. However, the Bidder is expected to share with the Bank, the data on a daily basis.

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17	2.7.11	b	Bidder should have automated fraud detection alerts, reports and triggers driving consequential actions.	Is bidder expected to develop a proprietary algorithm for Indian Bank for fraud detection or will it be based on rules and business logic provided by Indian Bank?	Basically, it should be based on the rules framed in the fraud detection system of the service provider based on their experience in the field. Bank will also inform any specific requirements and service provider needs to configure rules accordingly in the fraud detection system.
23	3.9	a	Bidder shall furnish a non interest earning Earnest Money Deposit (EMD) of Rs. 25,00,000/- (Rupees Twenty-five Lakhs only) by way of Bank Guarantee drawn on any Scheduled Commercial Bank other than Indian Bank in favor of Indian Bank, payable at Chennai. The Bank Guarantee should be kept along with the Part A.	Earlier versions required an EMD of Rs 10 lacs, while the current version mandates for 25 lacs. Can this amount be moderated?	As per the RFP.
27	4.4	1	Scoring Criteria: 20 marks: Equal to or more than 4 major commercial entities in India with nationwide presence and minimum customer base of 1 crore for regular reward distribution	Shouldn't this be at least Indian Bank's customer base of 4.40 Cr?	As per the RFP.
29	4.4	10	Technical Bid Evaluation Criteria (Ability to manage redemption using points as well as other payment options)	- Is bidder expected to bear the cost of payment gateway charges when pay by card functionality is used by customer or will bank bear these charges?	The charges are to be borne by the bidder.
63	Annexure 13		Commercial Bid - Bill of Material Admin Fee per Point	We will not get approvals for this opex model pricing as the bidder needs to make huge investments on Loyalty Management system Software Licenses, Implementation, Hardware, other system software, DC/DR hosting charges, Call center operations, etc. We request Indian Bank to change this model to Capex model and pay the successful bidder for the respective components as per the delivery milestones.	As per the RFP.



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63	Annexure 13		Commercial Bid – Bill of Material	<p>- Please clarify to start with, which banking channels will be incentivized under Reward program</p> <p>-Also indicate the volume of transaction of the banking channels which will be included under the program</p>	<p>- Initially, the bidder shall implement the loyalty programme for debit cards, mobile banking and internet banking channels.</p> <p>- Volume of transaction shall be discussed with successful bidder.</p>
				As stated over call we are a Paytm invested company. As an organization our strategic focus is only on customer loyalty management on our m'loyal loyalty platform. Will request to send a confirmation from your side for an OK to participate.	Bidder is expected to implement end-to-end Loyalty program as per RFP clause 2.3, for mobile and web platforms. Any existing loyalty platform of bidder that fulfills the requirements shall be acceptable.
			Infrastructure & Security	<p>- At this point in time we are not sure of the Bank's infrastructure mandate and security policy for handling data and running loyalty program. Thus, kindly clarify on the following points which shall have a monetary impact</p> <p>1) Is 10 gig based network infrastructure required? If yes, is the bidder expected to include the cost for the same in the admin fee?</p> <p><u>Description</u> - 10 gig based network infrastructure will be capable of handling 1000 fold transactions, if occurred in future, and facilitating smooth bandwidth between all the network attached components of the Data Centre</p> <p><u>Components involved</u> - L3 layer 10 gig network switches, L2 layer 10 gig network switches both in redundancy to ensure High Availability 10 gig perimeter firewall, 10 gig internal (L2 layer) firewall both in redundancy to ensure High Availability</p>	<p>The bidder has to comply with Infrastructure &amp; Security requirements specified in the eligibility criteria and other parts of the RFP.</p> <p>The points raised in this clarification are related to granular implementation of infrastructure and security which need to be handled by the bidder, so as to comply with the requirements of the bid.</p>

				<p>2) Is SAN Storage with Easy tearing required? If yes, is the bidder expected to include the cost for the same in the admin fee?</p> <p><u>Description</u> – Typically most Data Centers use NLSAS or SAS based SAN / NAS storage which is capable of giving standard amount of IOPS and are not capable of handling higher load. With use of SAN Storage with Easy Tearing we get a mix of NLSAS, SAS, SSD in defined proportions. This enables storage to handle heavy workloads on a regular basis.</p> <p>2) Are Infrastructure Security Monitoring tools like SIEM, Central Syslog, FIM required? If yes, is the bidder expected to include the cost for the same in the admin fee?</p> <p><u>Description</u> – Keeping security in mind having updated antivirus or standard firewall is not enough these days so it's mandatory to have tools like SIEM, Central Syslog, FIM to have high precision monitoring of entire infrastructure)</p>	
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