

# Background & Some Loyalty Options



*A 2010 update on thinking.  
Finding the Sweet spot*

By Chris Windridge

25 Feb 2010

Chris Windridge & Associates Ltd

## Background & Some Loyalty Options

### ***Different Options***

- Passports
- Tokens
- ID/ Membership Cards
- Promotions
- Web site
- Town marketing



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# A Year Ago....Feb 09

## Town Business meeting to decide approach



Simple promotions



Membership card & web site



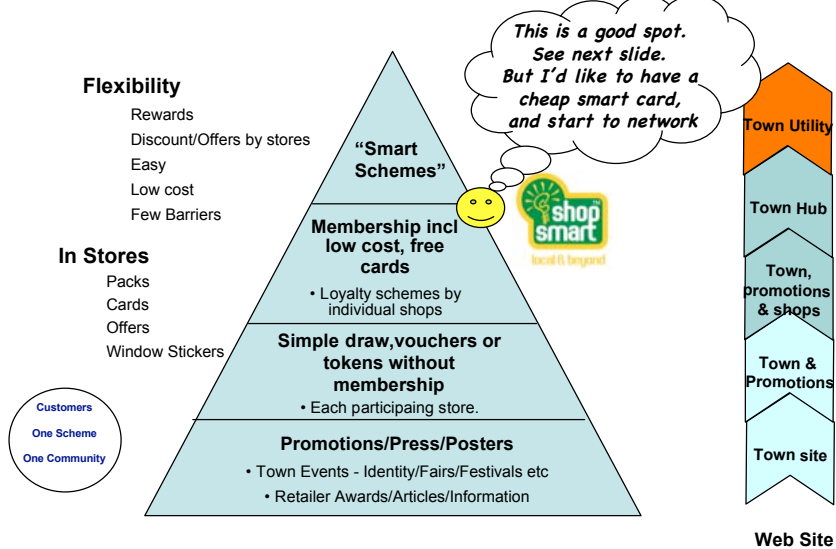
Smart Card like Halsemere



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# Loyalty Options considered



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# Who's it for?



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# How many Outlets is that?



**274 shops**

**32 empty (=2007)**

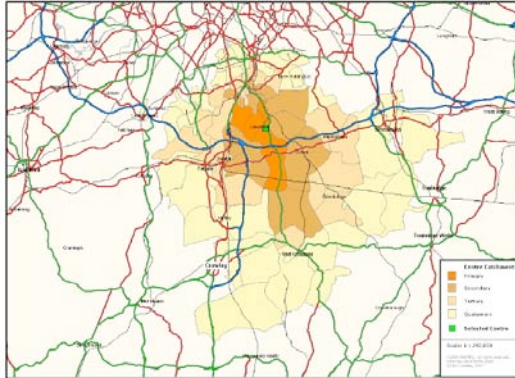
- Valley
- Hill
- Westway
- Chaldon Rd
- Village



# How many Customers?



Figure 2.3 Catchment Area for Caterham



50% from 40,000 pop  
17,000 houses

75% from 120,000 pop  
48,000 houses

90% from 260,000 pop  
105,000 houses

Overall  
100% from 625,000 pop  
260,000 houses

Source: CACI Retail Footprint

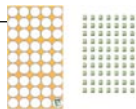


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## A. Simple option



### Caterham Shop/Business



- Simple paper based loyalty card and folded directory
- £100 month Prize Draw. One for Hill and one for Valley
- Promote winners and retailers
- Town Guide funded by advertising
- Optional discounts and offers by outlet
- Budget:** £5K setup, + £5K yr to run.
- Example:** High Peaks. 5 towns. 8,000 cards.
- From 13 empty units to 0. Increased shopper satisfaction.
- Cons:** Don't know who the customers are, or location.

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## B. Members option



### Caterham Shop/Business



Simple numbered plastic loyalty card/holder incl basic directory

Registration needed but can be managed simply.

Site by site offers of discount/ money off/ vouchers/ points

Town Guide funded by advertising. Eg Dorking

Can communicate and promote. Typically via web & mail.

**Budget:** £8K setup ( incl £1K for cards) + £4K yr to run.  
Example Forest of Dean. 4 towns. 140 retailers, 10,000 cards  
>20% increase in footfall.

**Cons:** Registration and membership

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## C. Smart option



### Caterham Shop/Business



**+SMART = 48 cards in one**

Memory & numbered plastic loyalty card/holder incl basic directory

Sell and register in shop. Cost £2.50, Sell £5.00. Funds scanners

**Site by site offers of discount/ money off/ vouchers/ points/ loyalty scheme. Could customise card designs by outlet.**

Otherwise same as B.

**Budget:** £6K setup , + £4K yr to run?. Scanners £1 day.  
Strength: Flexible & Medium effort. Tracks cards & purchases.  
Examples: Haslemere. 1 town. 7,500 cards, 50 retail  
& ?% increase in footfall in 3 yrs.

**Cons:** More complex and 2-3 years commitment

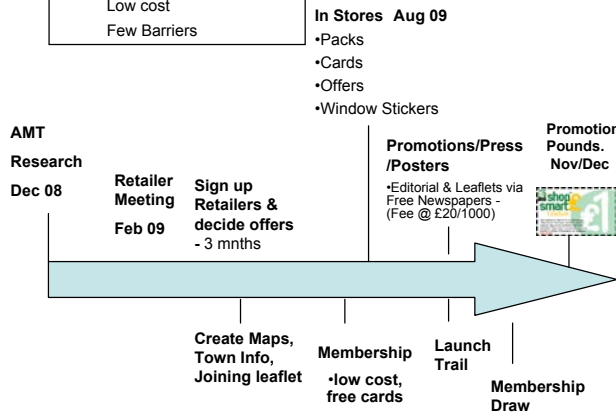
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# Caterham Project

## Goals: Flexibility

- Rewards
- Discount/Offer by stores
- Easy
- Low cost
- Few Barriers



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## 2010

### Shop Smart Wants



- Leaflet 2. Outside Town
- Extension to All Town's businesses
- Training Business Link & Partners
- News partner
- Recruiting Drive Jan/Feb

### Web Site

## Feb 10

### Town Business meeting to discuss expansion



Expand to other businesses & add vouchers



Link to other towns & food



Keep an eye on cheap "Oyster" technology



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