

# Valutec *Loyalty* CARD MARKETING



Valutec<sup>®</sup>

Repeat customers  
are at the heart of every  
successful business

# Loyalty Card Programs

Research shows that it costs up to eight times more to acquire a new customer, than to keep an existing customer coming back. Yet many merchants continue to over-spend on campaigns to attract new business and under-spend on securing and building value with the customers they already have.



- Reward cards boost shopping frequency
- Customers earn points towards merchandise, service and/or dollar value rewards
- Places merchant's brand in customer's wallet
- Identifies merchant's best customers
- Increasingly feature-rich programs allow small merchants to track purchase frequency, dollars spent and customer demographic information that may be mined to create a variety of targeted marketing campaigns

## Points for Purchases

The first step towards creating a Loyalty Program is deciding what point value to assign to customer purchases.

**\$1 = 1 point (recommended)**

**\$1 = 10 points (or other amount)**

**1 purchase = 50 points (or other amount)**



## Award Levels & Redemptions

The next step is to decide what reward(s) to give your customers when a specific point level is reached. Rewards may be:

**Products, services, discounts, or dollar value added to the card.**



# AUTO REWARDS

A simple, customer-friendly reward program. A single point level triggers an automatic dollar value reward added to the card.

**\$1 = 1 point, 50 points = \$5 reward**  
(equivalent to a 10% discount for repeat customers)

With Auto Rewards, customers are continuously motivated to return because they have dollars or points (or both) on their cards at all times.

The program prevents clerks from accidentally adding dollars to the card instead of points.

Values may be changed at any time and will immediately apply to all active and inactive cards.

## OPEN REWARDS

The main feature of this program is that there are no preset reward levels at all.

Points are added to the card or redeemed in any amount.

Allows rewards and reward levels to be continuously flexible without making changes in the host system.

Most appropriate for loyalty programs where rewards and point values are frequently changed to keep customers engaged and motivated.

## MULTIPLE LEVEL REWARDS

Merchants may create several different rewards of increasing value that customers may receive by accumulating sufficient points.

The system can accommodate up to 6 (six) Award Levels.

Each time an Award Level is reached, the terminal prints a message that the cardholder is eligible to redeem an award at that time.

The cardholder has the option to not redeem an award and continue accumulating points towards a higher-level award.

# PREPAID VALUE CARDS

Instead of a points-based offer, many merchants are successful using a prepaid approach to their loyalty programs.



- ★ The merchant simply loads extra value on the card or provides a discount incentive when customers prepay.
- ★ A drycleaner, coffee shop or carwash may offer to load \$55 on the card when the customer prepays for \$50 worth of products or services.
- ★ Offer a continuous 10% discount on all purchases made using the prepaid card.
- ★ Send out preloaded cards with a set discount amount off a minimum significant purchase.

Compared to the cost of acquiring a new customer, providing a discount for prepayment is highly cost effective.

## The Loyalty Receipt

The terminal prints a receipt which shows:

- the amount of the customer's purchase
- the current point balance
- the dollar value available for future purchases



To eliminate confusion, no previous award redemptions are shown on the printed receipt.

## Reports

A variety of program reports are provided that present total loyalty points earned, redemptions, voids, balance inquiries, and all other transaction activity.

## Customer Data Mining

Customer demographic information (name, address, etc.) may be stored in the host database and tied to specific card numbers.

Reports may be generated and used to target certain customers with specific marketing offers based on card usage.

Our loyalty card hanger includes a tear-off information card where the merchant may collect their customers information

Valutec has a simple pop-up web form that allows customer information to be entered. The form may be easily added to a merchant website allowing cardholders to “register” their cards themselves.



Valutec Customer Application Center - Windows Internet Explorer  
https://www.valutec.net/Customer/CardRegistration/...  
Valutec Card Solutions | Valutec Customer Support | Valutec News | Contact Us | Home  
Card Registration:  
Card No.:   
Name:   
Address:   
City State Zip:     
City State Zip:        
Phone:   
Email:   
Date of Birth (MM/DD/YYYY):   
View/Edit Record Submit Cancel  
 Reveal Card Balance After Registration

# The value proposition

Creating specific programs that generate repeat business

# IDEAS!

A reward card for seniors with unique benefits such as:

- double reward points on a specific day
- extra discounts on all purchases for senior cardholders—even a small additional discount can lock a customer in for future purchases
- automatic dollar reward on card when 100 points are earned

Unique card designs should be used for each specific card program to eliminate confusion for clerks at the point of sale.





*We've reduced our marketing costs and bonded our customers to us. We wanted it to be valuable to us, and to our customer. Valutec has helped us do that.*

**—Gino Pitera, Gerten's**