

Only split-spenders should regret their behaviour

The Wise Marketer Wednesday April 20, 2005

Loyalty has its rewards. Disloyalty has its regrets. Most of us in the loyalty marketing arena have focused on the former rather than the latter, because of the difficulty of devising disincentives for disloyalty. Lately, a more simple, fair, transparent and customer-accepted kind of loyalty programme has been making an appearance, and accomplishing both of these elements.

Based upon successful results of a programme begun last year by Spokane, WA-based retailer *Tidyman's* in conjunction with its points-provider, *S&H Solutions*, a fourth pricing strategy for marketing mavens has emerged. In recent articles, retail loyalty guru Brian Woolf writes about this strategy (dubbed *Access Pricing*), which enables cardholders to buy selected items all year round at incredibly low prices (actually named *Crazy Prices!* in the Tidyman's programme).

Points are the key

Its key lies in using points as the currency to provide access to these extreme values (low prices). Consequently, the more a customer shops, the more currency (points) they earn and the more they can buy of the lowest-priced items in the store.

As Woolf points out, regret comes only to those customers who split their shopping between different retailers. In fact, the more they split their spend, the more they will regret their actions because they won't qualify for the low price items that other consumers around them are getting.

Proven formula

The formula looks powerful and now it's proven. It's one *The Wise Marketer* thinks we'll all be reading and hearing more about in the coming months and years.

Brian Woolf's two latest articles address Access Pricing in a clear and concise way, explaining how it works, how Tidyman's adopted it, and the benefits to both the consumer and to the retailer's bottom line. Both articles can be read at Brian Woolf's web site, or in *The Wise Marketer's* Feature Articles section:

Part 1: Crazy Pricing ... and more

■ Get it from *The Wise Marketer* or *Brian Woolf*

Part 2: Access Pricing - the fourth way

■ Get it from *The Wise Marketer* or *Brian Woolf*

For additional information:

- Visit Tidyman's at <http://www.tidymans.com>
- Visit S&H Solutions at <http://www.shsolutions.com>
- Brian Woolf's articles: <http://www.brianwoolf.com/articles>
- More loyalty articles: <http://www.thewisemarketer.com/features>