



## EAT, TAP & WIN

Canadian developer tests NFC tool to back F&B tenants, gather data in three Toronto properties

What makes a professional shuffling along a busy downtown underground corridor stop at one shopping center over another? Oxford Properties Retail sought to find that out and more last month when it held the week long *Savour the Rewards* campaign at three of its hubs along Toronto's 18-mile PATH system: Metro Centre, Royal Bank Plaza and Richmond-Adelaide Centre. Now the company's marketers are busy analyzing data to better understand whom their coffee and lunch break customers were, and what they were buying. One thing they do already know is that shoppers were engaged.

On-site ambassadors and messaging encouraged shoppers to spend a minimum of \$5 at the centers' participating food court vendors to receive an NFC-enabled loyalty card. They could then use that card at any of seven nearby kiosks to register their name, e-mail address and unique code, as well as redeem instant prizes and enter to win a trip for two to the Fairmont destination of their choice within Canada. If they spent another \$5, they got another card and therefore better odds of winning. The simple nature of the scheme and the unmanned kiosks' high visibility drove shoppers to grab a total of 2,443 cards, boosting F&B sales by at least \$12,215—according to Eva Kanovich, Oxford's national retail asset marketing manager, the final sales report will be out in a few weeks. In exchange for that engagement, they won 294 various prizes, based on retailers' monthly promotions.

The campaign that The Mars Agency designed and which relied on Linkett's interactive technology platform was a pilot of sorts, and it could lead to other such activations, as Kanovich noted.

"We would definitely entertain running a similar type of promotion, but that would be inclusive of all retailers/tenants in the space, [not] just food court retailers."

In the meantime, the company is continuing to sustain those busy Toronto professionals' attention on the go via its websites by posting meal promotion details that can be shared on Facebook and Pinterest.

## THE IMPACT

- **Base traffic:** 82,000 pedestrians tracked within 100 feet of the campaign kiosk screens
- **Target customers:** 17,195 potential customers, or Walkers, tracked within eight feet of the kiosks
- **Walker to Looker conversion:** 53 percent (9,141 Lookers generated)
- **Looker to Tapper conversion:** 68 percent (6,283 Tappers generated, customers who tapped their cards against the kiosk screen to check if they'd won a prize)
- **Number of unique customers who registered with their name and e-mail address:** 1,394
- **Number of registered campaign loyalty cards:** 2,443, which indicates that some shoppers purchased more than one card



## RETAIL LOYALTY PROGRAM POPULARITY ON THE RISE, SURVEYS SHOW

There are few retail marketers who believe that they can secure exclusive consumer brand allegiance. But those who still deliver loyalty programs should stay the course. According to the 2013 Colloquy Loyalty Census, the overall number of loyalty program memberships has reached 2.65 billion in the U.S., a 26-percent jump up over the past two years. The retail sector was out in front making those big strides, particularly department, drug and specialty stores which recorded growth rates of 70, 45 and 26 percent, respectively. As Colloquy researchers noted, this underscores consumers' ongoing interest in building loyalty relationships with brands, especially if there are points and rewards to be earned.

"As the economy slowly breathes new life, loyalty programs have gained increased awareness," said report author Jeff Berry, Colloquy research director and senior director, Knowledge Development and Application, at parent company LoyaltyOne.

"We expect continued growth as increasingly sophisticated programs revitalize engagement with existing members and attract new participants."

Despite triggering that initial attraction, marketers seem to have their work cut out for them in terms of sustaining that shopper engagement. The census also revealed that while the average household held close to 22 loyalty program memberships, it was only active in less than half of them.

In Canada, shoppers are just as enamored with loyalty programs and brands have just as much work to do to deliver value.

"Canadian businesses may have earned the trust of their most loyal customers, but they can't rest on their laurels," Berry noted.

"Moving forward, it's crucial for businesses to ensure continued engagement by adapting to changing customer needs with innovative new programs, relevant communications and fresh thinking. ...Willing the loyalty of selective and savvy consumers will depend on ...how effectively they convert consumer insights into a more personalized and relevant experience."

Here are a few tips to do just that:

1. Keep your loyalty programs simple.
2. Use the data that you collect to match your program's point earning system to shoppers' needs. While it is common for marketers to use the system to alter consumer patterns (e.g., offer double the points Monday through Wednesday to boost traffic and sales on those days), another approach might be to observe shoppers' existing habits and maximize sales when customers are at the mall and the most open to buying.
3. Encourage customers to register for your online database with a username and password, or even just their phone number, so that they don't have to worry about carrying loyalty cards every time they go shopping.
4. Consider an app for your loyalty program, again to make things convenient for shoppers who might want to store all their info on their smartphone instead of carrying physical cards.
5. Track your customers' purchases to understand what they are buying and for whom. There is no point sending reminders about men's clothing deals and reward point earning opportunities to a female shopper who only ever buys clothes for herself.
6. Think of the psychology of numbers and objects when designing your reward schemes. It might be more effective to let shoppers know that they've earned \$5 to spend at your mall's coffee shop today than to update them on how many loyalty points they've earned. Stick to concrete rewards, things that shoppers can understand and instantly envision.
7. Consider giving each broad target demographic its own branded section on your loyalty program website, if you have one. Fashionistas want to be able to quickly see how close they are to buying their next pair of shoes, not a picture of a blender from the department store. You might even tie these pages to theme blogs and image galleries on Pinterest or Instagram. If your loyalty program site is a basic one, then at least present the rewards by retail category.