



Understanding Your Customer Is Key to Loyalty

Kay Price, Superquinn

As CRM Manager at Superquinn, Kay Price's most important role to date has been to breathe new life into the supermarket's loyalty card programme, Reward Card. At the IDMA's 2011 Loyalty and Retention conference, she talked about the strategy that made Superquinn's customers fall in love with the brand all over again.

Know who your customers are and what they want.

Kay believes that the secret to any loyalty card programme is understanding your customers, their needs and what they want from your business. Superquinn's Reward Card programme had become tired. Customers had lost touch with the brand and the reasons they had started shopping at Superquinn in the first place. In some ways, the programme had become too complicated. It was time to get back to basics.

Kay re-launched the Reward Card programme, using direct mail to focus on the things that customers loved about the brand all along: fresh, locally sourced produce and personalised service from the store's experts such as bakers and fishmongers. After all, these were customers that had grown up with Superquinn. They had gone there with their parents and could identify with the brand. In all likelihood, they were now taking their own children to their local Superquinn.

All well and good, but can you get too close to your target audience? Is there a danger of making the customer feel as if their privacy has been compromised? Kay believes that depends on the brand. With Superquinn, nostalgia is part of what keeps customers coming back:

'You have to make sure that you keep it relevant. Traditionally, Superquinn customers are very loyal and they do have that nostalgia, so you can't be too personal with them. It was all about the little things that make a difference to the customer.'

Focus on your strengths.

The campaign consisted of a mailing that included money-off coupons to motivate customers into coming back to the store for the things they liked most about Superquinn, as well as encouraging spending in other departments too. It was a great success, but at a time when all the big supermarkets have a loyalty programme, how does Superquinn differentiate its Reward Card programme from that of the competition?

Kay says that the best loyalty programmes come from understanding your customer better and engaging them with the things they like about your brand. Every business is different and every customer has different needs and desires:

'In our case, we are experts in freshly baked bread or fresh fish, or having a cheesemonger on hand to advise about cheese. Regarding the points system, it's about finding new ways to give customers the opportunity to earn points and making sure they understand the value of those points.'

Stay up-to-date.

Clearly, it's important to differentiate your offering from your competitors, but it's important too to keep an eye on new developments and make sure you're still one step ahead. The loyalty card sector is still evolving and it is important to see what's new and how those developments can be adapted to fit in you're your own brand and communications strategy.

When it comes to choice of media, it seems that direct mail has been instrumental in giving the Reward Card a new lease of life. Kay agrees:

'In terms of the Reward Card, direct mail has definitely been our most important media. It's ideal for re-engaging customers. You can see straight away that customers react to the mailing. You can see them shopping, you can see them using the coupons. That's instant measurability. Of course, it's still important to support that with in-store POS, reminding customers to use their coupons during their visits.'

Toast to the future.

Superquinn's Reward Card is now enjoying renewed popularity, but where can it go from here? Kay believes there's plenty more to come. Superquinn's Wine Club, for example, is a separate initiative that could be integrated into the Reward Card at a later date.

'Linking your communications into resurging areas, whether it's wine, baby or household is another way of engaging different types of customers relevantly. But there is so much more going forward. The whole thing about loyalty and retention is that it never ends. You have to listen to your customers, you have to watch out for environmental changes, see what people are doing in different markets and see how people are adapting to those changes.'

There's no doubt that when it comes to loyalty and retention, a loyalty card programme can be an invaluable tool in keeping your customers with you. And direct mail is one of the best ways to bring that strategy to life. As Kay says, it's all about getting the basics right:

'Understand your customer, keep it simple, keep it relevant and remember to find ways to thank your customer.'