

News in Brief

Black sun shines brightly

Loyalty publisher Black Sun has scooped top industry awards for its work with Sainsbury's Pet Club.

The Pet Club magazine recently picked up the Gold Award at the Direct Response Creative and Innovation Awards.

At the Precision Marketing Response Awards, judges gave the Pet Club its Best Retail Programme Award, and the Pet Club magazine became a finalist in the "Responsive Magazine Campaign" category of the awards.

"McShell" case continues

John Donovan is continuing his battle over the Shell Smart scheme (see page 3, *Loyalty June 1998*).

His company, sales promotion agency Don Marketing is claiming a first round victory against Shell UK in a libel case already being dubbed "McShell," because of its David and Goliath-style similarities to the "McLibel" case.

Shell UK had to pay costs for a preliminary hearing at the High Court which took place at the end of July. The libel case will be heard before a jury and Don Marketing will have the right to subpoena top Shell UK management to give evidence. Donovan has printed a full-page Legal Notice in industry magazine, *Forecourt Trader*, stating his company would "take legal action against any business infringing his right to the Smart consortium scheme."

Donovan has also issued a dossier entitled the "Don Marketing Saga" to MPs, and alleges Shell is using underhand tactics.

Loyalty will continue reporting developments.

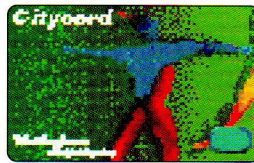
Nottingham gets touched by loyalty

A UK City Council is paving the way for smart card loyalty with a new scheme, "City Card."

Nottingham's multi-application card is set to be launched on October 16 and given to all residents, 76 per cent of whom said they will use the card. It takes over from the existing discount card called "Passport to Leisure."

Kevin Ellard, marketing manager of Touch, the company behind the card, said it will offer "a ten per cent discount off a range of leisure facilities," and a points based rewards scheme.

Holders will be able to collect points at a range of city retailers, who can set the level of points they offer, which can



then be used towards products at any participating retailer.

Terminals record transaction details, and retailers can opt to have access to this data.

Retailers rent terminals from the council and only have to shoulder marketing costs.

Ellard said this is the first scheme of its kind in Britain.

Touch has pitched the idea to 75 councils and is apparently in negotiations with some, as yet unnamed, councils.

Ellard said the scheme could expand to include a payment function, or to allow electronic benefit payments.

Walsh Simmons offers tickets for top sports and events

Sales promotion agency Walsh Simmons is behind a new cross-marketing initiative to increase crowds attending sports events.

Spectators are being offered special ticket concessions in return for loyalty, in the scheme (imaginatively) called "Sports Tickets".

Concessions

The scheme consists of a 40 page booklet full of participating venues and events, offering specially negotiated ticket concessions.

Company partner, Steve Walsh, explained: "Venues want to maximise traffic and our clients, including retailers, brand owners and financial institutions want a low cost, high value reward for customers. Sports Tickets can be used for a variety of applications in customer loyalty, direct marketing, sales promotion and incentives."

Walsh told *Loyalty* the



company is contracted to produce five million of the books in the first year.

The scheme already has the backing of 150 clubs, venues and events, including Blackburn Rovers, Northants County Cricket Club, Ascot Racecourse and Wembley Stadium.

Walsh is confident the scheme will soon attract more than 300 partners.

The scheme also offers concessions on a range of participation sports, such as free rounds of golf, and "adrenaline" sports such as bungee jumping.

More information: Walsh Simmons, tel: 0161 839 9337

IMC halts trading

IMC, the company behind the 'active branding' concept has gone into liquidation. Staff were told at the end of July. The company's clients include Channel 4, Boots The Chemist, and Bass Taverns. Problems are alleged to have arisen after the company lost its contract with daily newspaper, *The Express*, although no-one at the paper was available to comment. IMC was founded in 1978 and was a member of the SPCA and ISP.

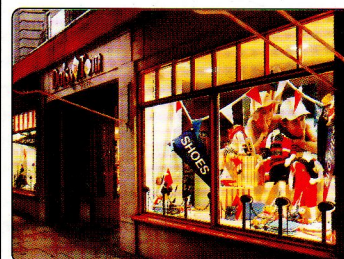
Daisy & Tom attracts boys & girls

The Daisy & Tom Club is a new points-based retail loyalty programme developed by retail marketers RMP on behalf of children's department store chain Daisy & Tom.

Daisy & Tom is a new retail concept from Waterstones founder, Tim Waterstone, creating a single store to cater for all children's shopping needs.

Currently, there are only two stores (in London and Manchester), with RMP using direct mail and door drops to test the responsiveness of nearby postal sectors to develop the database strategy.

RMP director John Phillips said: "There is a great opportunity to build closer relationships with regular customers. We are working with Daisy & Tom to profile their core customers and learn more about their shopping habits in order to develop further marketing opportunities. The aim is to communicate throughout the lifetime of the child."



Thinking out of the box

ICL and Waitrose have taken loyalty to the next level with their shopping@work programme (see page 7). Rather than bribing customers for information, which, it could be argued, is what card based schemes are all about, this is an attempt at seeing life from a customer's point of view.

Finding time to shop in a busy day where work, home and social life all have to be juggled is a headache, especially for commuters. Facing the tube with dripping ice cream cartons and reproducing bacteria, because lunchtime was the only free time to shop, is not to be recommended.

For employers to offer staff the opportunity to order from their desks, with delivery at the end of the working day is a service made in heaven. The potential loyalty benefit for companies is staff who are less stressed, more focussed on work and better organised.

Now let's widen the services offered to customers. Why not ordering at the pub or in a restaurant, on an aeroplane or in a traffic jam? Why not ordering from wherever, with delivery at home?

On many a wish list is garages that make it easy to get the car serviced, rather than giving up their tiny courtesy vehicle with bad grace. (While looking disapprovingly as you try to squash three children and the dog in for the school run).

Why don't hotels have sitting down check-ins? Waiting in a long queue with jet lag is horrible. Why don't more restaurants let you order what you fancy rather than what they want to cook?

Complaints are rising against answerphone call centres which give you so many options you forget what your question was. That's if they are even relevant to your problem. And why not ostracise telephone companies whose charges are so complicated it is impossible to compare prices?

Anyone who thinks loyalty has reached the limit of its usefulness needs to consider these and the many other options for improving the life of customers, and don't forget, that means us! The limits of its applications are just the imagination and the technology. The benefit is customers who are loyal to the service, not simply to the reward.

NEWS:

4 Up-to-the-minute loyalty news including:

Crowd boosting ticket loyalty from **Walsh Simmons Daisy & Tom** thank heaven for little boys and girls. **IMC halts trading McShell** case latest. **Pet Club** industry award.

5 Generic loyalty launched by Belfast **ACT Tesco** last orders for pub loyalty. **Royal Mail** claims direct mail companies are boring. Rest of the news in brief.

6 BPS's Elite card, launched with **NatWest** offers an 'adult alternative' to vouchers. **Apple** falls from its number one loyalty spot.

7 **Waitrose** goes to work on employee loyalty. **Asda** launches various home shopping channels and revamps petrol card. **Tesco** to become internet service provider with points.

8 International news: **Israel** profile on proliferating consumer card clubs.

9 **Burger King** tests loyalty on stored value cards. Danish system seeks UK partners.

FEATURES:

10 Special report on: **Travel & Leisure** The leisure industries have

Front Page Card Images and photograph of 'Chip Wafer' courtesy of MOTOROLA.

few wide ranging loyalty schemes. Loyalty asks why, and examines those schemes that are lighting the way.

13 **Page and Moy** has spent 35 years in the business as a travel agent, tour operator, incentive travel and promotions specialist. **Claire Harrold**, account manager comments on the industry.

14 Telephone cards: have been described as the new high-tech marketing tool. **Louise Craig** talks loyalty with some of the card providers.



18 Smart Cards are becoming increasingly common, but can loyalty pay its way on these little slices of silicon? **Will Rankin** reports on the facts, the figures and the schemes.

24 ICLP profile - **David Littlejohns** talks to **Loyalty**.

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30 People, events and reviews

31 **Gossip:** a disrespectful look at loyalty issues.

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