

[Sample: Article]



The Surprising New Frontier in Grocery Loyalty Programs

Companies make a fortune marketing to kids to help drive sales of their products. We see it everywhere – licensed merchandise, fast food restaurants, characters tie-ins with CPG brands, etc. Countless research studies show that kids play a role in many of the family’s purchase decisions. Studies also show that marketing to kids has such a strong influence on their preferences that food companies’ use of characters has been blamed for creating, or at least worsening, the childhood obesity epidemic. The good news about this is that it creates a great opportunity for savvy marketers to ***turn this around and use it in a positive way.***

One obvious place to do this is at the grocery retail level. To attract shoppers, stand out from the competition, and grow store sales, grocery stores should take a page out of their suppliers’ playbook and *get the kids on their side*. Supermarkets and hypermarkets in other parts of the world have been doing this successfully for over a decade. It’s about time the US grocery trade pays attention. At last, one has: Southeastern Grocers, parent company of over 750 grocery stores in the southeastern part of the US operating under the banners of BI-LO, Winn-Dixie, and Harvey’s. They recently launched an exclusive range of *collectible trading cards* called “Go Wild - Discover Animals Of America.”

Here’s how it works...

For eight weeks (March 9 – May 3), shoppers can complete their collection of 54 trading cards. For every \$20.00 they spend in the store, shoppers will receive a free pack with 4 cards. They also get a bonus pack when they purchase three participating items. To

encourage collecting, the stores are offering a free collector's poster, or shoppers can purchase a collector's album for \$4.00. Some packs will also include an instant win prize: a \$5,000 family vacation (three winners) or one of 900 black bear cub toys. There are plenty of other activities creating excitement and supporting the program -- in-store events, social media campaigns with other opportunities to win prizes, etc. As seen by the posts on the stores' Facebook pages, and the many videos kids are posting on Youtube, the program is a hit with shoppers. (Winn Dixie) Even celebrity zookeeper Jack Hanna has given it his stamp of approval! (Jack Hanna)

How will this increase loyalty and drive sales?

Any parent can tell you how challenging it is to take the kids grocery shopping. *But something magical happens* if you make the trip *about* them. A store full of colorful, kid-friendly signage, fun activities, and gives kids *a free* gift is a place where they want to go – often! Why? The store tapped into the kids' emotions ***and emotion creates connection.***

And kids are fanatics about collecting. Once they start, they are on a mission to complete their collections. Soon parents start to hear, “Mom – let's go back to the store that gives away the cards.” They'll ask grandma and grandpa to shop there. They'll even ask their neighbors to help them collect the cards. And the chance to win other free prizes will keep them wanting cards, even if they've already collected them all (remember the golden ticket in Willy Wonka & the Chocolate Factory?). Kids will start to talk about the cards at school and on the playground. They'll trade them with their friends. Others kids will want in on the fun and tell their parents they need to shop at that store, too. Pester power activated!

Shoppers involved in the program will focus their grocery dollars on that store, perhaps shopping there more often, so they can help little Johnny or little Sally complete their collection. The program will attract the shoppers *and, if it's designed* well, the store will see a meaningful increase in **sales.**

What will Moms think?

As the grocery retailer, you've just made the shopping trip a whole lot easier for parents, and *they will* love you for it. You've just given them power! They now have an incentive they can use to get kids involved in the shopping trip and to keep them in check (“If you nag me to buy that, there will be no trading cards for you!”). A very important part of these campaigns -- *Mom stays in control of what she puts in the shopping cart.* These programs are ***focused on how much is spent rather than on what items are*** bought. So mom can fill her basket with produce and still rock with her kids. Savvy marketer, you've just found a way to turn a problem around *and create a solution that's a win for the retailer, a win for Mom, and a win for her kids.* In the case of the “Go Wild” cards, there is also an educational aspect, which many parents will also find appealing.

Will the “Go Wild” program increase sales for Southeastern Grocers? It should if it’s designed well. In Europe and Asia these types of programs have been very successful in providing retailers with a lift in sales, differentiating them from the competition, and creating an event that excites their shoppers. But it's important to get it right and there is a lot more that goes into these types of programs than you may think. So if you want to get involved in the loyalty business, it's important you work with a company that has a proven track record in this area.

I’d love to hear what you think. Is this type of marketing to kids a good idea? Please share your feedback below.