

# Rewards on Reload and/ or Rewards on Purchase

Create customer loyalty and encourage loading and reloading funds onto the StoreCard with the Rewards feature. You determine the reward amount and whether the reward is loaded upon purchase, reload, or both. Every time customers use their StoreCard at your business or reloads their card, they receive cash back loaded directly onto their StoreCard.

## How to technically implement the feature

First, let's make sure we understand how the Rewards feature works:

### Rewards on Reload:

- Example: If you select 10% rewards on Reload, a \$10 load or reload of the customer's StoreCard results in a \$1 reward added to the customer's StoreCard in addition to the loaded amount. The customer's StoreCard would have \$11.
- The \$1 reward is not taken from your bank account. It is just like if you issued \$1 on a promotional card and gave it away. The \$1 Reward behaves more like a discount of \$1 off of a future purchase instead of customer purchased gift card value.

### Rewards on Purchase:

- Example: If you select 10% rewards on purchase, a \$10 purchase results in a \$1 reward added back to the customer's StoreCard. If the customer had a \$20 balance on their card before the transaction, they would now have an \$11 balance ( $\$20 - \$10 = \$10 + \$1 \text{ Reward} = \$11$ )
- The \$1 reward is not taken from your bank account. It is just like if you issued \$1 on a promotional card and gave it away. The \$1 Reward behaves more like a discount of \$1 off of a future purchase instead of customer purchased gift card value.

### Rewards on Purchase AND Reload

- Example: If you select 10% rewards on Purchase and Reload, a \$10 load or reload of the customer's StoreCard results in a \$1 reward added to the customer's StoreCard in addition to the loaded amount. The customer would have added \$11 for \$10. Let's say that the customer already had \$20 on the card. Now they have \$31 on the card. Then the customer makes a \$30 purchase. This would result in a 10% Reward or \$3 back on the card. Now the customer has \$4 in reloads to spend at your store next time. The customer has \$4 more on their card to incentivize them to return instead \$0 encouraging them to return. ( $\$20 + \$10 \text{ load} + \$1 \text{ reward} = \$31 - \$30 \text{ purchase} = \$1 + \$3 \text{ reload} = \$4 \text{ remaining}$ )
- The \$4 reward is not taken from your bank account. It is just like if you issued \$4 on a promotional card and gave it away. The \$4 Reward behaves more like a discount of \$4 off of a future purchase instead of customer purchased gift card value.

## How to make Rewards work for your business

Now, let's understand how we can use this to our advantage to affect your consumer's behavior.

### Rewards on Reload:

From our example above, you can see how your customers are incentivized to load their card. This is the most important reward for your business. Customers who have value on their card obviously are incentivized by their own action to spend the money on the card. The money on their card is doing them no good until they spend it. The money is already in use by your business and out of their bank account. Because of this same consumer logic, the reload is the hardest part to get for your business. The reward on reload incentivizes your customers to remove the funds from their account and put them on their card, otherwise known as in your bank account. Cash flow!

### Rewards on Purchase:

Once the money is on the card, your customers will want to spend that money down. Rewards on Purchase simply encourage them to spend the money on their StoreCard faster in order to earn their rewards.

### Rewards on Purchase AND Reload

If you are incentivizing reloads with Rewards on Reload, then hopefully those cards are being reloaded more often. The next step is to incentivize based on purchase. Your customers will want to spend the money on their cards simply because that money is only worth something to them once converted into goods at your store. When you also Reward on Purchase, now you are incentivizing them to spend their balance faster to earn more Rewards dollars. This should become a wonderful cycle for you of faster time to card reload and faster time to card depletion resulting in another reload.

## Tips

- Train your staff to talk to your customers about your rewards offering and how to get signed up.
- Your own experience with StoreCard and your help in getting your staff trained will really start to pay dividends as you begin to get your customers signed up for your rewards program and start to increase your reloads and reduce the time between customer visits.
- With cash back rewards, your customers will never have a zero balance. There is always a reason, even if it's a small one to make a purchase at your store.
- In order to keep your line moving efficiently and to maximize the efficiency for your customers to earn rewards on their StoreCard, you will want to offer Reload or Auto-Reload capabilities through StoreCard Manager. The ability to Reload the card as a customer will help keep card balances in a purchase ready state so that your lines do not become bogged down with customers loading their card and then executing their purchase in order to earn their rewards.