
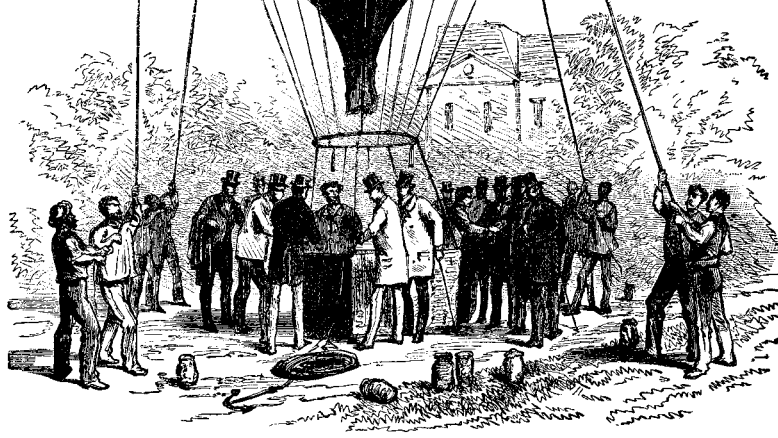


Loyalty Cards

rocery store 'loyalty cards,' besides having a creepy name, are a form of corporate abuse against customers. Card systems cost millions to introduce and maintain and, because there ain't no such thing as a free lunch, that cost is added directly to food costs so that 'reduced' food costs end up being about the same as the suggested retail price. In other words, the card 'sale' price is roughly equivalent to the pre-card regular price, and the new regular prices are higher than they used to be. Your total grocery bill, after card system deployment, is higher by several percent – which is a funny way to reward loyalty.

Grocery store chains know full well that they aren't actually buying or rewarding 'loyalty' – after all, most consumers carry multiple loyalty cards. And, after all costs are counted, they have a hard time actually making money from the systems. So why do they all use them? There are at least two reasons. First, they do it because all the other chains are doing it – as soon as one chain drank the Kool-Aid, all the others had to have a glass as well. But second, there is a very concrete benefit to the chains – they are able to gather detailed information on the buying patterns of their customers, and use that information to extract more money from them. This is done by a sinister marketing technology known as customer segmentation. Segmentation allows stores of all kinds to identify their most profitable customers, find out what they like to buy, and offer them more of it. So if you're wealthy, or if you have a large family and no time, you're likely to see more of the foods that you like to buy at your store, more of which will be on sale. And you may get special savings, such as a discounted tank of gas. The upshot is, about one third of a store's customers will get lower prices, while the majority of us who aren't in

large families, aren't wealthy, or aren't robotic consumer droids will pay higher prices.



But wait, it gets better! The information collected is not legally protected and can be made available on request to police agencies and other government bureaus. It can even be sold to other corporations who are interested in your buying habits. So you're not being paranoid, Big Brother is real... and he wants to sell you stuff.

So, if you're having trouble following along, here's how it stands. Grocery chains have installed so-called loyalty card systems that register us, spy on us, and financially screw most of us – and, in a stroke of evil genius, they make us pay for it all.

You should learn more about this racket by going to an excellent website, www.nocards.org.

Can you fight back? Of course you can. First of all, buy as direct and local as possible, and try to avoid the abusive system entirely. Second, raise heck. Tell the managers at your local store that you feel cheated and abused by the card system and ask for sale prices without having to use the card. Third, hayduke the system by trading cards with anyone willing. You *can* make a difference – some large chains have already dropped loyalty cards due to customer resistance.

And, for the record, I hereby declare myself willing to trade cards with anyone who asks.