

Thermal Re-Write Loyalty & Card



What Are Rewritable Cards?

New sales promotion tools that realize various strategic ideas

Privileges for card members attract more consumers

More effective marketing with the utilization of personal purchase database

Invisible Data Recorded in a Magnetic Stripe or in an IC Chip

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Rewritable and Erasable Display Area

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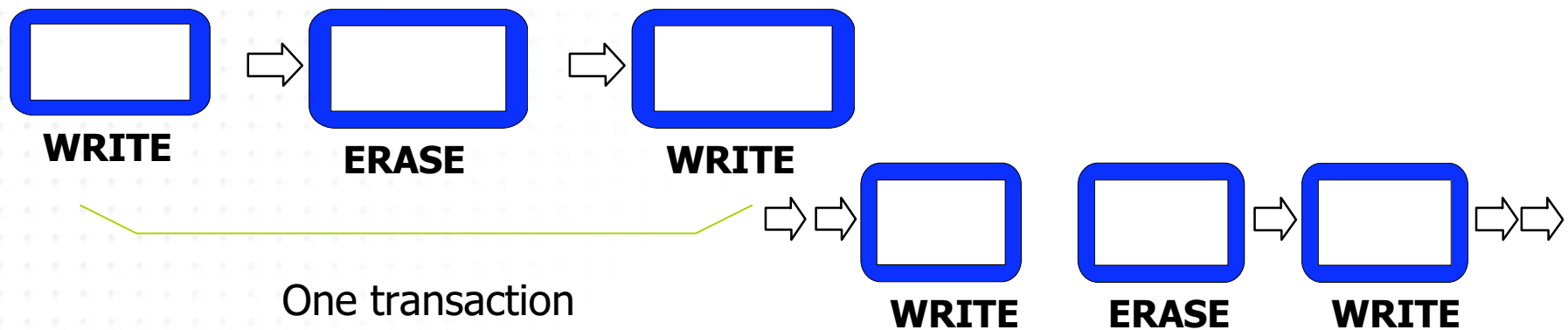
Variable Indication on a Card, Recorded data,
advertisements, personal messages.....



Rewritable Cards

Reversible change of thermal sensitive material by heat
 Opaque (writing) and transparent (erasing): Thermal Rewritable Card

Appropriate reading/writing devices (R/Ws) read/write data and write/erase indication on a card at the same time.



Features of Rewritable Cards



Thermal Rewritable Card

Polyester card (credit card size, 0.25 mm thick)
Convenient to carry

Front side: rewritable display layer
Written and erased by heat (Can be re-indicated by R/W in case accidentally erased by high temperature.)
Rewritable up to 500 times (laboratory test)

Back side: magnetic coating (User area 207 bytes)



How does the System work?

1. On-Line (Linked with Point-of-Sale Network)



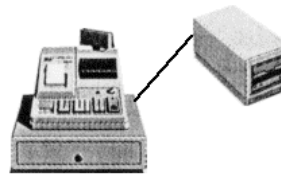
Customers

Point Card

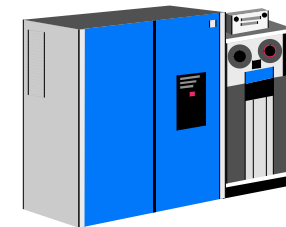
1) Receive a card and insert to the R/W

purchases

3) Eject and return the card



2) Add service points (Read/Write data, rewrite indication)



5) Sum up service points, data collection for customer/sales database

(1-3) The R/W works under the control of the POS register.

(4) Real time data transfer

(5) Apply the database for marketing (to select frequent customers, to draw up direct mailing lists)



2. Off-Line (Stand-Alone)



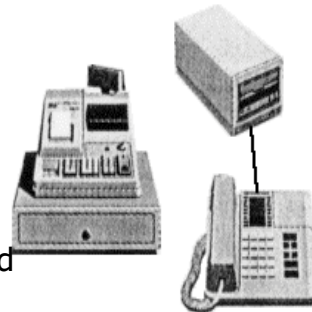
customers

Point Card

1) Receive a card and ins to the R/W

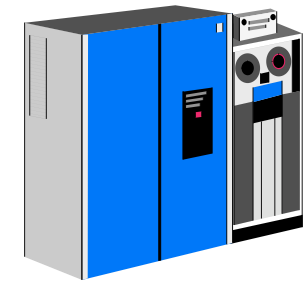


3) Eject and return the card



2) Add service points (Read/Write data, rewrite indication)

4) Batch processing



5) Sum up service points, data collection for customer/sales database

(1-3) Need to input to the R/W as well as the cash register

(4) Data transfer at specific time or days, or collect in memory cards

(5) Apply the database for marketing (to select frequent customers, to draw up direct mailing lists)



Recommended Applications

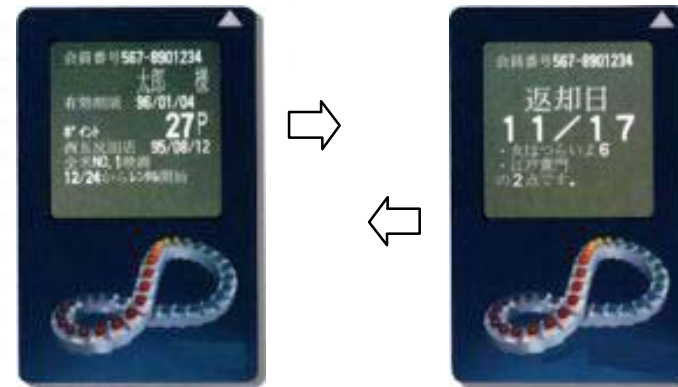
Example 1. Driving School



Out of school:
membership ID +
appointment

In school:
training car No.,
messages.....

Example 2. Video Rental



No video rented:
membership ID
+
service point

Videos rented:
return date, list of
rented videos.....



Case Study

1. Auto Supplies Retailer (Thermal Rewritable Card)

Outline: Started in 1993, 8 million cards issued, 463 shops in operation, linked with POS cash registers, point service/maintenance service/membership ID

Goals: Attract customers, enhance service, maintain marketing database

Effect: Increase of card members and sales per person

Indication on cards: Membership ID No., expiration date, current points, added points, car type.....

Operation Type A: Point service only (1 point for \$500, 500 points can be exchanged to a \$500 coupon.)



2. Home Electrical Appliance Retailer

Outline: Started in 1995, 2.4 million cards issued, 18 shops in operation, linked with POS cash registers, point service/cash back service

Goals: Provide incentive to customers, enhance service beyond price competition, reduce direct mail cost (notice on expiry date of old non-rewritable membership cards)

Effect: Increase of sales, anti-tampering of points, easier operation at the shopping counters

Indication on cards: Card type, membership ID No., current points, previous shopping date.....

Operation Type A: Point service only (5% of purchase amount, discount of \$1 per 1 point for next shopping)

Type B: Cash back service available (5% cash back service on the spot, \$1,000 admission fee is charged.)



3. Shopping Mall (Visual Card)

Outline: Started in 1996, 30,000 cards issued, 52 shops in operation, linked with telephone terminals

Indication on cards: current points

Operation

Operation center sells to shops at \$1.5 per 1 point.

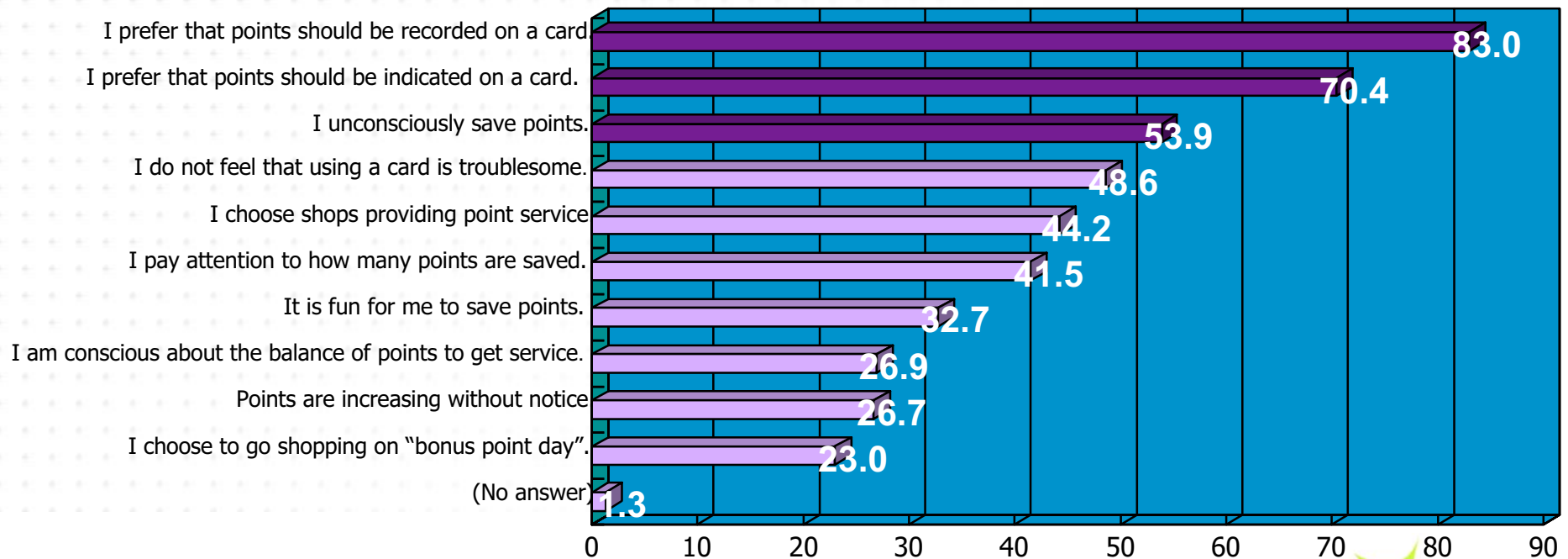
Shops provide customers 1 point per \$100 purchase amount. (\$1 discount per 1 point)



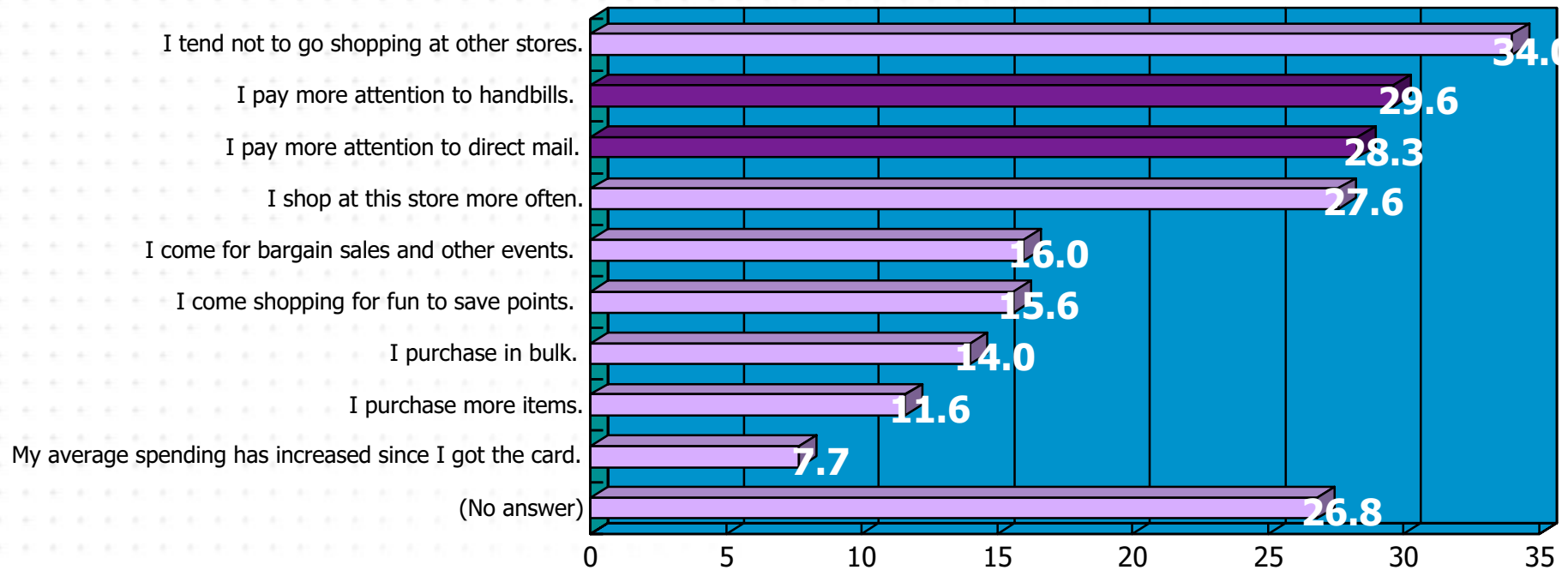
Benefits for Customers

From a survey in a company which introduced the rewritable card system

1. Customers' Opinion of Point Card Service



2. Customers' Opinion of Rewritable Card System



Customers come shopping more often, pay more attention to handbills and direct mail.
Higher market penetration, more effective sales promotion and advertisement



Card holders increased drastically in a year after Rewritable cards are introduced.

Sales per person also increased by 40% over non-members in a year.

