

Loyalty Proposal



Agenda

- Executive Summary
- | Recommendations
- Pro Bono Assistance
- | Competitive Analysis







"I want to know when there are specials. I will visit more often if I knew what was happening."

-customer

Executive Summary

- Research shows that the most requested feature among shoppers is real-time SMS
 notifications about special sales and events. Frequent shoppers value
 surprise-and-delight offers alongside regular store specials.
- 2. Casual shoppers prefer **incentives** with lower spending thresholds, making rewards accessible. A **competitive offer**, such as **\$5 off \$50**, would align with market trends.
- 3. LNFY's primary loyalty **competitors** use a **points-based system** where shoppers earn discounts and special offers, *including \$5 off \$25 for joining.*
- 4. Once a solid loyalty foundation is in place, larger incentives tied to higher spending minimums can help move high-ticket items and attract power shoppers.
- **5.** Additionally, a simple **hard-copy coupon** donation rewards program (e.g., \$5 off \$50) could drive both **donations** and **store traffic**.
- 6. Interest in app-based points tracking is minimal, as usage frequency does not justify investment in that feature at this time.



Objectives

Objective 1

Engage

Sign up new customers on arrival or with community and social promotions

Objective 2

Retain

Drive return shopper behavior with affordable, attainable, and motivating offers and events Objective 3

Volume

Incentives for high ticket and high volume shoppers. Consider percentage offers

According to Harvard Business Review, **acquiring** a new customer can cost **5 to 25 times more** than **keeping** an **existing** customer.





Incentive Recommendations

Join Offer 20%

\$5 off \$25

Sign up new customers on arrival or with community and social promotions

Ongoing Offer 10%

\$5 off \$50

Drive return shopper behavior with affordable, attainable, and motivating offers and events Volume Offer* 10%

10% off \$100

Incentives for high ticket and high volume shoppers. Consider percentage offers

About 16–18% of Americans shop at thrift stores in a given year, according to the Association of Resale Professionals (NARTS).



Benefits



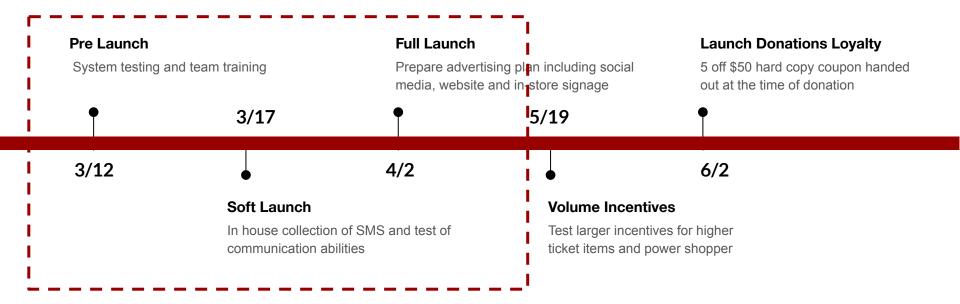




"The biggest complaint we get is about price and selection. People want a discount."

-employee

Roll-Out





Pre Launch Checklist

Process Preparations

- ☐ Test System
 - Sample test group (staff)
 - Send test offer
- Review multi offer capabilities
- Team Training
- Messaging:
 - Join: Be the first to know
 - ☐ Get a special offer at launch

Soft Launch

- Prepare media plan
- Design marketing assets
 - ☐ In-store signs
 - 22"x28"
 - **a** 8.5/11
 - Banner
 - Website update
 - Social media plan







Launch

- Set open date
- Execute in-store materials
- Execute social launch day
- Additional Staff training
- Launch Offers
 - \$5 off \$25 SMS top early joins
 - \$5 off \$25 join *limited* time only
- ☐ ? Launch with GWP?

Post Launch Analysis

- ☐ (AOV) Average Order Value
- ☐ (UPT) Units per Transaction
- Incremental transactions



SMS Marketing Opportunity

Engagement

Campaigns

Leverage the Clover SMS capabilities with ongoing event and promotions

According to industry reports, the average SMS marketing conversion rate falls between 21% and 32%...

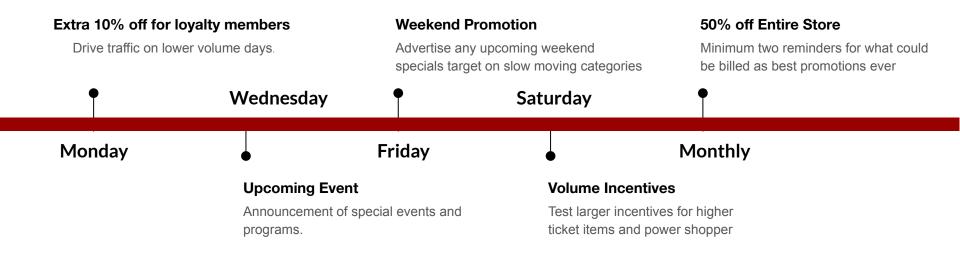
Benefits of SMS

- Drive traffic back to the store
- Promote relevant and profitable discounts
- Improve conversion with targeted offers
- Flexible to business needs and can be turned on and off as needed
- Opportunity to provide non discount surprise and delight campaigns.
- Reduces cannibalism with existing discount program and loyalty offers
- Promote donation drives
- Announce LNFY events and programs





SMS Campaign - example*



*Calendar shown is for illustrative example only. Frequency, message and offer would need additional research and testing.







"I spend a lot of money here and would like to have bigger discounts because I am a regular shopper."

-customer

KPI metrics for development

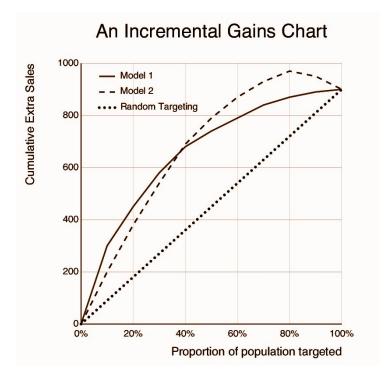
01 Average AOV

02 | Loyalty AOV

03 | Conversion Rate

04 | Incrementality

05 | Operating Profit





Pro Bono Assistance

This proposal aims to assess system capabilities for running multiple discounts concurrently, though findings are based on incomplete information. A thorough evaluation will be required to ensure seamless execution.

key performance indicators (KPIs) will be developed to measure current and projected average order value (AOV) and the impact on purchase frequency. These metrics will guide strategic adjustments to optimize program effectiveness

To support program adoption, a consistent "join" pitch will be created for staff, alongside the design and production of large-format signage with loyalty details. Training will need to be conducted to ensure staff proficiency in both program benefits and Clover system functionalities.

Develop and delegate the, process for writing, preparing, and **executing SMS deployments**, determining a sustainable cadence based on available resources in both the near and long term.





"I don't want to have to keep up with points or have another app"

-shopper

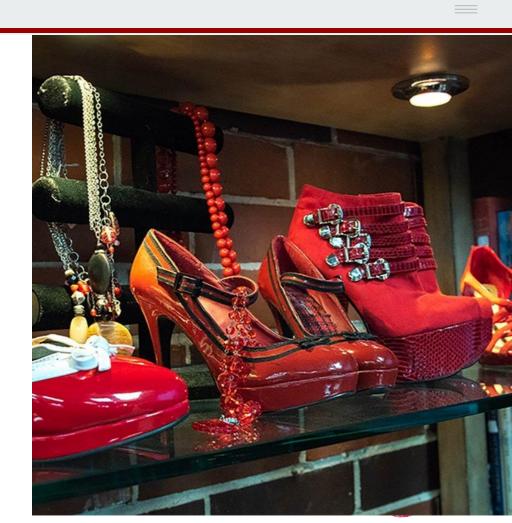
Competitive Analysis

Out of the Closet

02 | Americas Thrift

03 Value Village

04 | Goodwill



Competitive Set



Earn Every Time You Shop!

Join now to start earning rewards.

Join Now →

1 POINT FOR EVERY \$1

Provide the cashier with the phone number associated with your rewards account each time you check out. Earn 1 point for every \$1 you spend. Accrue 250 points or more and earn \$5 off a future transaction at 250 points.

SPECIAL OFFERS

Enjoy special offers exclusive to rewards members, like 2x points weekends, 20% off, and more! Opt-in to electronic communication from us when you sign up to receive reminders of special offers.

FREE BIRTHDAY REWARD

Get 20 bonus points when you visit within 7 days of your birthday! Make sure to enter your birthday when you complete your profile to get your birthday reward.

24 HOUR ACCESS

Manage your rewards account through the member portal at americasthrift.com/rewards. View your points.

americasthrift.com/rewards. View your points balance, transaction history, and rewards.

AVAILABLE AT ALL STORES

Our rewards program is now available at all of our locations! Visit

americasthrift.com/locations to find your nearest America's Thrift Store.

FAQs

Frequently Asked Questions

Terms and Conditions







Perks of the Super Savers Club®

Points

Earn points towards savings! One point is earned for every eligible dollar spent in our stores.

Rewards

100 points = one reward. Each reward is good for 20% off a future purchase of up to \$100 and is valid for 90 days.

Email offers

Special offers make it easy to save. Members with a valid email address on file will receive special promotions and exclusive coupon offers.

Birthday coupon

Big savings for your big day. Club members with a valid email address and birthdate on file will receive a birthday coupon via email for 20% off a single purchase of up to \$50.







Competitive Set* Goodwill





Become a True Blue Rewards member today and receive \$5 off your next purchase of \$25 or more!

When you join you will receive offers all year, such as: surprise rewards, BOGOs, special rewards days, advance notice of sales, birthday and anniversary gifts! See below for more details.



THANK YOU REWARD

Receive a \$5 off \$25 offer when you complete your online profile.



SURPRISE AND DELIGHT

Surprise offers could include special sale days, BOGOs, cash rewards and more!



EARLY **NOTIFICATIONS**

Advance notice of sales and events to help you save more.



ANNUAL BONUS

A special thank you every year on the date vou joined True Blue Rewards.



EXTRA FOR EMAIL

Extra rewards for email subscribers. Be sure to opt-in when you complete your profile!



BIRTHDAY **GIFT**

A birthday "gift" from us to you!



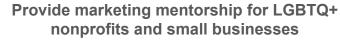


Wade "Nash" Jones

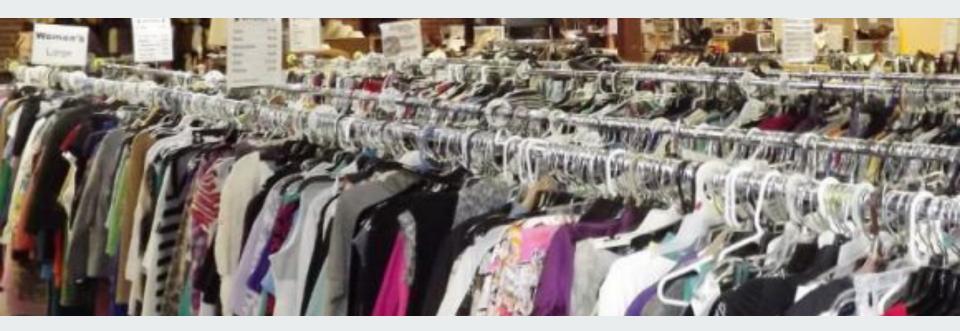
Over 20 years of strategic experience forging integrated customer relationships for retailers and brands. Passionate focus on growing profitable utilizing journey-based lifecycle and loyalty marketing. Adept at generating actionable data-based analysis in an agile environment. Dedicated to building high-performance, results-driven teams that pivot with changing needs.











Thank you.



Initial Offers

Acquisition

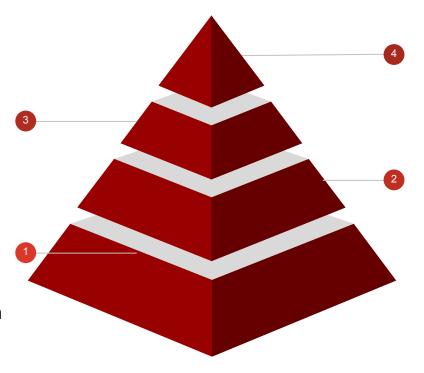
Engage and convert new shoppers

\$5 off \$25.

Retention phase 1

Loyalty launch

\$5 off \$50.



Volume Shoppers

High ticker and power shoppers

10% > \$100

Retention phase 2

Retain existing customers

Special Offers



