

Saying Thanks

Federal Realty Tries Shopper Loyalty Program at Santana Row

By William R. Wilburn, Editor

SANTANA ROW, FEDERAL REALTY INVESTMENT TRUST'S 1.5 MILLION-SQUARE-FOOT MIXED-USE DEVELOPMENT IN THE HEART OF SAN JOSE, CA, is rolling out a shopper loyalty program that aims to take maximum advantage of the Internet. "We're coming up on our 10th year anniversary in November," says Regional Marketing Manager Collette Navarrette. "Over the years we have developed wonderful relationships with our consumers. We wanted to reward them for consistently shopping and dining at Santana Row. We felt it was the perfect time to launch it."

Santana Row Rewards matches every dollar spent at its 70 retail shops, more than two dozen restaurants, 11 spas and salons, Hotel Valencia and six-screen CineArts Theatre with one reward point. Rewards include exclusive discounts; gifts and gift cards to shops, spas, salons, events and Hotel Valencia, and complimentary menu items at restaurants. The Santana Row loyalty program is free — customers simply sign up at SantanaRow.com to become a member and create an account.

They then pick up their personalized loyalty rewards membership card at the Santana Row concierge. To accumulate rewards, members take their receipts to the concierge, who loads points into their account. Members can access their account online to check points accrued, exclusive offers, double shopping point days and other special offers. The concierge team is available

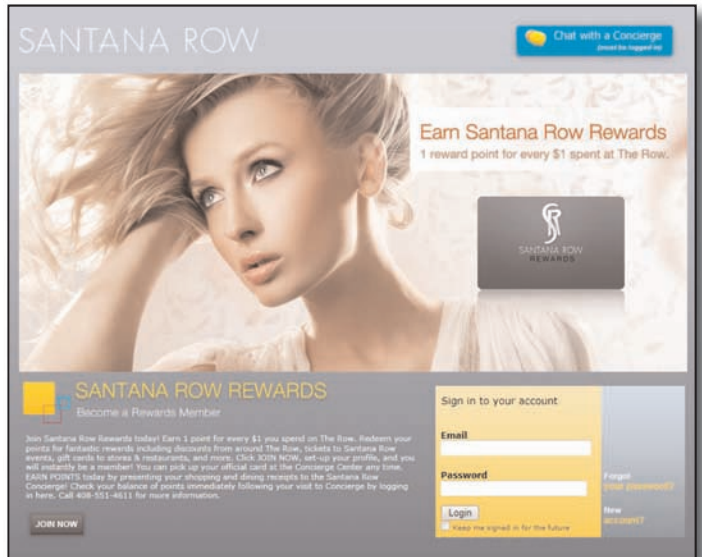
for live chats Monday through Saturday, 10 a.m. – 9 p.m. and Sunday, 11 a.m. – 7 p.m.

Easy to Redeem Points

Points are easy to redeem and never expire. Members log into their account, click on the item they want, and download and print the order form to present to the Santana Row concierge to obtain their reward voucher, at which time points are deducted from the member's account.

The program, which launched on April 10, is a first for Federal Realty Investment Trust, and they're still fine tuning it, according to Navarrette. By May 10, 30 merchants had provided rewards and 276 shoppers had signed up.

"That's good for the first month," she says. "We haven't done a lot of advertising around it because we wanted a soft launch." Since the launch, she says, several of the property's tenants have responded with



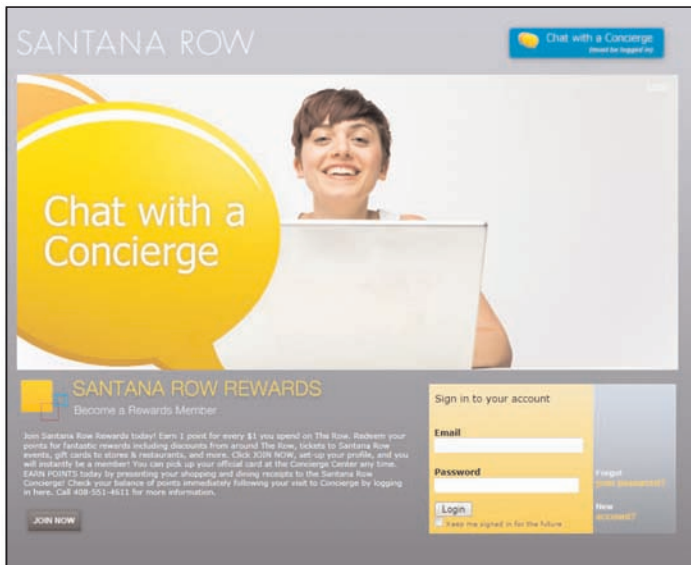
offers they would like to have featured.

While rewards program members accumulate points when they spend at any tenant at Santana Row, participating by making special offers is voluntary for merchants. Navarrette sees value in a rotating roster of participating merchants and offers. "We want it to change so people will go back to see what the new offer might be," she says. At present,

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the only offers from the property itself are tickets to their popular fashion shows.

The rewards program was designed to take maximum advantage of the Internet, which adds to convenience, reduces overhead and offers unique opportunities. Among them is a monthly eblast to rewards members, which will have a special offer above and

beyond what members get for redeeming their points

“We did our first email last week,” Navarrette says. “This month the offer was buy one, get one free fashion show tickets for rewards members. Next month, Lavande Nail Spa wants to be featured. I think they’re going to do 25% off any service or buy a manicure, get a free pedicure.”

Something Unique

The live chat feature with the concierge is another unique aspect of the program. One customer using it mentioned that it was the best customer service she had ever received. “It is something new we’re able to offer our rewards customers that’s unlike what’s available at any other shopping center,” Navarrette points out.

She adds that another goal of the program is to develop more cross-shopping by getting people to try new stores.

“The whole idea of our loyalty program is that we want to provide our customers the best customer service possible

so they will continue shopping and dining at Santana Row over anywhere else.”

Another advantage of the rewards program is that it lets the center see where members shop and how much they spend. “Hopefully in the next couple of months we’re going to have some really good data,” Navarrette says. “We’ll see where people are shopping, where they’re redeeming and hopefully, if it’s successful, we’ll be able to roll it out at other shopping centers. ■

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Editorial, Advertising, Circulation and
Mailing Lists:
800/546-9889 ■ 317/576-9889
Fax: 317/576-0441
E-mail: www@jonesreportplus.com
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Robert M. Jones
Founder (1945-1989)

William R. Wilburn
Publisher/Editor



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