

Move over Sandy, paper is passé

Canadian Tire testing plastic card, but fans say 'money' will stay

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The rumours of Sandy McTire's demise have been greatly exaggerated. The jaunty little Scotsman adorning Canadian Tire coupons is still rolling merrily along - and the corporate honchos plan to keep it that way.

A piece of plastic, however, is giving McTire a run for his money, which is fuelling those rumours of his imminent departure from the country's oldest customer rewards program.

A new loyalty card is one month into a test drive in Nova Scotia and, if initial reaction is anything, plastic will prove perilous for paper.

"We're very pleased with the response," says chief marketing officer Rob Shields. "We're getting very favourable reviews and enrolment is ahead schedule:" The card, called 'Money Advantage', does have advantages over their iconic coupons. It earns points at more than twice the rate, giving shoppers \$1 worth of rewards on a \$100 purchase. Customers opting for so-called "funny money get only 40 cents' worth.

And while coupon collectors are required to pay for their purchase with cash or debit, card holders earn points no matter how they pay.

Advantage members also earn extra points – three for every \$1 spent – when they pay with their Canadian Tire Options MasterCard.



Canadian Tire Roger Fox is a former president of the Canadian Tire Coupon Collectors Club.



As with the paper program, shoppers can redeem points on the spot whenever they want, and there's no expiry date. The open-ended pilot project, launched in Nova Scotia's 21 stores and eight gas bars on Feb. 24, gives the giant retailer an opportunity to collect feedback and fine-tune the program before rolling it out nationally, according to Shields.

The shiny new card - graced with another Canadian icon, the Muskoka chair - represents a leap forward into the electronic age for the loyalty program.

It was dreamed up in 1958 by Muriel Billes, wife of store co-founder Alfred Billes, to boost gas bar sales at a time when other companies were handing out free toasters.

With more than 90 per cent of Canadian Tire money making a return trip to the store to be spent, its popularity is unprecedented – one reason decision makers say its not going to die anytime soon. "We don't see a future without Canadian Tire money," says Shields.

Naysayers aren't so sure. "They already hinted a couple of years ago that they're re-evaluating the Canadian Tire money program. Now they've got this pilot program," industry observer Michael McLarney told the *Star* last month.

Not surprisingly, the Canadian Tire Coupon Collectors Club doesn't see an end to Canada's unofficial second currency. "They'd be absolutely silly to kill it. It's too iconic," says Doug Adams, first vice-president of the club, whose 900-plus members collect and trade the 425 different coupons produced over 5 ½ decades. Death rumours have been circulating for years, he says. "Yes, it's archaic, it's old, it's dinosauric. But any business school will tell you it's the highest-quality marketing material ever produced."

Collectors think the card and coupons can both get along. "It's a guess on my part but I think the two will co-exist for a while," says Roger Fox, 67, who has collected bills since he was a teenager. "It's probably a transition move."

As devoted as he is to paper, the oil company retiree will probably sign up for a plastic card when they're available in Ontario. Meanwhile, he's got his sights set on a new series of bills, which he says Canadian Tire has "hinted" will commemorate the company's 90th anniversary this year.

So will McTire ever retire? "Not unless no one's interested in it anymore," says Shields.