



“Offering Prepaid Order Discounts To Grow Your Business”

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Staying in contact with your customers is critical. You need to keep “in front of them” in some way so that they do not forget about you and go to your competition. You can use traditional US mail, but you are not limited to this methods of staying in contact with your customers to increase the frequency of their orders. Here is an idea that lets you lock in the customer and increase the order frequency: Offer discounted rates for prepaid volume orders.

Many companies take advantage of this approach to increase order frequency. Consider your local drive-up coffee shop. If you buy a card in advance, you can usually get several coffee drinks free. They give you a card and every morning when you come in to get your coffee, they punch the card. All the money changes hands in advance and an entire month of sales takes place.

There are many benefits to this. First, it locks the customer in—they will not be buying coffee from your competitors because after they purchase the card they will be doing business with you.

Second, it allows the business to operate more smoothly over the next month because the customer does not bring money and the transaction is peaceful because it is easier to punch a card than make change. Third, if all the customers are paying in advance, they are effectively giving your business a loan and this loan is interest free—if you have 300 customers who buy a \$20 prepaid coffee ticket, that’s \$600 of capital for the business.