

Uchumi hunts for loyal customers



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Uchumi, a Kampala supermarket, has unveiled the first retail shopping club in a bid to attract and retain its customers. The supermarket launched the U-Club, a customer loyalty initiative, which comes with a U-Club Card.



"We want our customers to have a reason to come here and not the other stores. We want to make them loyal to Uchumi," Erick Korir the manager of Uchumui Supermarkets Uganda said.

He added that membership to the club is also a token of appreciation to its customers, who will be rewarded for spending at Uchumi. "With the U-Club Card, every time a customer comes to shop, we will give him or her shopping points. For every UGX100, one spends; he or she is given one point which is worth UGX1. When a customer hits the UGX2,000 mark, he or she can redeem the points by coming to claim a voucher which he can use to shop for more items from our store," Korir explained.

In the past, supermarkets have wooed customers with promotions where cars have been staked as well as occasional price cuts but no loyalty has been sought.

Korir said more interest has been shown of late in the club, with more membership registration. By close of 22 September, the supermarket had registered 3,500 members. He was however not able to assess the impact of the U-Club, at that stage, but predicted a surge in the numbers in the coming weeks.

"So far we haven't assessed the impact of the card on our business because we have just introduced it this month but, from the customer point of view, many are glad and some are saying the service was long overdue," he said.

Uchumi's U-Club system was first implemented in 2007 in Kenya where the company originates. The supermarket's Uganda business started in 2003 but has not expanded. New and indigenous chains however, like Quality Supermarket and Payless have emerged and are opening more stores across Kampala.

Korir however, revealed that Uchumi was planning to open three more supermarkets within Kampala beginning in the first quarter of 2009. Uchumi's second supermarket is likely to open at the same time as Nakumatt Holdings'.

ABOUT WALTER WAFULA

Walter Wafula is a seasoned journalist who has reported for the *Daily Monitor* new spaper in Kampala-Uganda. He is also a contributor on Bizcommunity.comwebsite. Email Walter at wafwalt@yahoo.comand connect on LinkedIn.

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