SAVVY SHOPPING: Sense On and Cents Off

Every day, as you do your errands online or in your neighborhood, you share information about yourself.

When you use a loyalty card or an online coupon – and these days, most people do – you're usually sharing your name, physical address and electronic address with the retailer. The company is also recording what you're buying, how often you're buying it and tying this to your personal information. In return, you're getting rewards from the company like coupons, discounts, special offers, or points toward a gift certificate.

Many people think the benefits of a card or coupon are a good trade for the personal information they provide. They know they can maximize their return if they choose and use loyalty and coupon programs with companies they trust. But some people aren't so sure. They feel that the programs are an invasion of their privacy. It's a personal choice.

The companies that collect your buying information intend to make a profit. They want to encourage you to shop and they want you to be a satisfied – and loyal – customer. That's why they send you offers based on your preferences and shopping history. Some companies with loyalty programs use your information only for their own purposes. Others may sell it to marketing partners, groups of advertisers, and data brokers. These companies gather personal information from many sources, and sell the aggregated profile to marketers to send you offers they think may appeal to you, based on your past purchases. This is called personalized advertising.

The bottom line is that without the details about you and your shopping experiences, deals designed for you wouldn't exist.

Here are some tips when you are choosing and using loyalty and coupon programs:

- Most stores have loyalty and coupon programs. If you shop at a place routinely, **consider the rewards they offer.**

- **Decide on your priorities.** Free stuff, cash back or deep discounts are among the perks. Deals will vary with each store and your spending habits.

- **Understand when earned rewards expire** so you don't lose out on a benefit.

- **Check out the rules, terms and conditions of the program.** Details are often explained in the fine print. Look for information about what the merchant does with your data. Check their website if you didn't read the terms and conditions in the store. And remember, you can always opt-out after signing up if you find you don't like the results of participating in the program.

- **Decide how much information you're comfortable providing and don't sign up for loyalty programs that ask for information outside your comfort zone.** Loyalty and coupon programs often are free, but joining requires you to share personal information. How much you share usually determines how relevant the deals are that you get. But it is up to you to decide whether the benefits are worth the information exchange.

> Bonus Tip: Co-branded credit cards might offer a chance to double dip: they offer rewards for purchases and bonus rewards for using the card.