

New CostShare Program Eligible Expense: Customer Loyalty Program Promotions

By Evan Mangino, Agricultural Counselor for Costa Rica & Nicaragua, USDA

By now, I hope everyone reading this knows all about the amazing benefits of the CostShare Program and how it can help you offset the costs of promoting your products in overseas markets. There are so many different ways that the CostShare Program can help – just take a look at the “eligible expenses” listed in the [CostShare Manual](#). If you’re sitting there scratching your head and wondering what all the CostShare Program hype is about, then start with this [short introductory video](#) before digging into all of the amazing resources on the [SUSTA website](#).



The reason for this particular blog is to introduce you to a totally new way to use the CostShare Program: Customer Loyalty Program Promotions.

Are you working in a market chock full of wildly popular customer loyalty programs? Looking for a cost-effective way to grab consumers’ attention using a tool that retailers and customers alike both trust and love? Well, the CostShare Program can be used to reimburse you for 50% of the cost of an eligible customer loyalty program promotion!

Customer loyalty programs open up a whole range of options to communicate with new customers and boost sales among returning customers, including mobile app push notifications, digital flyers on apps/websites/blast emails, co-branded in-store point-of-sale materials, and so much more. Access to a customer loyalty program can provide your product with instant credibility and unmatched visibility, giving you a leg up over other products in your category. Retailers generally invest a lot of money in their loyalty programs to gain an edge over other retailers, and they’re always looking for new products that will make their loyalty program stand out. This type of promotion is a classic win-win-win for the retailer, the consumer, and you!

USDA began funding customer loyalty programs in 2020 to reach consumers in Canada, where U.S. trade groups pioneered reimbursable uses of the tool to introduce the Cosmic Crisp apple and entice consumers to squeeze fresh OJ in the morning. Some customer loyalty programs may have a flat price for listing a product as well as a per point / per reward price that gets added into the total cost of the promotion. Some exporters have negotiated *in advance* caps on the total value of customer loyalty points awarded to make sure the cost of the promotion doesn’t explode when products start flying off the shelf.



200 points

For every \$1 spent on Cosmic Crisp Branded Apples

Utilizing the CostShare Program requires a lot of planning, forethought, and a little bit of paperwork. But while nothing in life is free, a 50% discount is usually too good a deal to pass

up. Talk to your SUSTA friends about using the CostShare Program for the first time or about adding customer loyalty program promotions to your current CostShare Program plans!

Before starting his post in Costa Rica, Evan Mangino spent four years as the FAS Attaché in Canada, where customer rewards programs are a key promotional strategy. Evan and his team worked with FAS to add these promotions to the list of eligible activities in fall 2021.