

Two different offers from one service provider

I was away for a few days and had to wade through a pile of mail on my return. Among the “important” mail that I received, were two envelopes from the Automobile Association of America (AAA). One was a co-op with USAirways (with which I have frequent flyer miles) and the other was a garden-variety membership solicitation.

I used to be an AAA member but had let my membership lapse years ago when I discovered my car insurance company provides roadside assistance as part of my fee. What I like about AAA is that you can usually get good deals on hotels, so I read the I started reading the USAirways/AAA offer first.

The USAir/AAA offer included “free enrollment” (\$15 initiation fee was waived), free second membership, free extra month and 750 miles. To find the total cost for the year, I had to read through it twice. It was hidden in the billing certificate. **The total cost would be \$65.50.**

The offer from just AAA is the following: Free enrollment, free second membership, a savings of \$25 on membership and a savings of \$5 on automatic renewals. Again, it was hard to find the **total cost of \$40.50.**

Basically, I would save money just having a regular AAA membership. Why would USAirways agree to send out an offer that when compared to the regular offer is more expensive? Remember, miles do not cost the airline anything and you can’t get anywhere with 750 miles. Why would you, the consumer, pay \$25 for 750 miles? Remember, the actual service is being provided by AAA. The toll-free number for both offers is the general AAA number.

And, why make the total cost so hard to find? As I wrote about

a few days ago, it is a bad idea to hide crucial information. Consumers need to make decisions with the facts in front of them.

I am not sure where to point the blame here: at AAA for not de-duping their mailing lists? at USAir for agreeing to have an offer sent out that is more than AAA's own offer, with similar timing? at AAA for thinking customers don't care about details?

My bottom line: if you are going to have different offers, make sure that one is not cannibalizing the other.

Your thoughts?