

Hi

It's my son's 5th birthday today and when Zac gets home from school he'll be opening his presents.

This year we bought him a Nintendo Wii - it's a video game console with wireless controllers that are motion sensitive - so you can control the game using gestures rather than pushing buttons. But what amazed me is just how hard it was to get hold of the console.

I can understand before Christmas that they might be in short supply, but I would have thought 2 weeks after Christmas there would be loads. Yet I've had to hunt high and low for one.

Nintendo supposedly manufacture 1.3 million units worldwide per month and up to last year shipped 17 million - way outstripping the competitors.

I heard from a reliable source (my brother in law) that the shortfall in units is some kind of marketing strategy to keep customers hungry. Technically, there's absolutely no reason why they can't increase supply - I am reliably told that the actual electronic components are relatively easy to produce - especially for a huge company like Nintendo.

OK, so I don't know all the ins and outs of supply chain management, but it sounds more like Nintendo is playing the scarcity card a bit too much.

Interesting tip: I heard that there plentiful supply if you go to the German or French Amazon!

Anyway, talking of birthdays . . .

I used to love getting book tokens as a kid - it was that wonderful sense of freedom to be able to choose ANY book!

Book tokens first appeared 75 years ago. Today, the amount spent on gift tokens totals a whopping £3.2 billion per year - half are used by companies for employee perks. The other half is high street shoppers buying them for friends and family.

The retailers love them as people often 'top up' the token amount to get their desired purchase. But did you know there's another reason why retailers love tokens?

LAZINESS!

You see, I just read a report that revealed 7% of all gift tokens annually go unredeemed - that's £225 million worth!

Now, retailers don't want to be lumbered with an open-ended liability with people discovering tokens 5 years later, so they put an expiry date on them. That way they know that once the period has expired (and unredeemed) that becomes pure profit for them.

And that got me thinking . . .

If you have a business that would lend itself to offering gift tokens, then you should definitely consider offering them to your customers. It may increase sales with top up purchases AND you get a potential 7% built in profit!

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Did you get a digital camera for Christmas?

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Fancy making some extra cash? Then this is for you . . .

Discover how cats, rubbish and ice cream could pour over £600 a week into your bank account!

Click on the link below and see how a total "oops-I-cut-his-head-off" amateur snapper could make a tidy side-income by sending 'boring' pictures to online photo libraries:

[Click here](#)

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Pandora Closed

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One of my favourite websites is <http://www.pandora.com/> - it's an automated music recommendation and Internet radio service created by The Music Genome Project. Users enter a song or artist that they enjoy, and the service responds by playing selections that are musically similar. Users provide feedback on the individual songs-- like or dislike -- which Pandora takes into account for future selections.

How do they make money? Well while listening, users are offered the ability to buy the songs or albums at [Amazon.com](http://Amazon.com) or iTunes Store. So it's essentially an affiliate site. However I heard yesterday that it is to stop streaming music to UK users from 15 January after failing to reach agreement with record companies.

I just can't understand why record companies are still finding it so difficult to change their mindset on how music is accessed in the digital age. I mean you can only listen on Pandora - you can't download or share. I have bought dozens of CDs as a direct result of hearing them on the site. So you would think that the record companies would be actively encouraging this 'listen before you buy' resource.

The result of their backward thinking will inevitably see an increase in illegal file sharing - not by me of course! ;-)

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January issue drops tomorrow . . .

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The latest What Really Makes Money hard copy newsletter is out tomorrow and I must say it's a bit of a humdinger! Inside you'll read:

- How to buy property at 15-25% below market value with no money down! This is a cracking blueprint from a successful property developer - a must read, especially with the rise in repossessions this year!

