

## Case Study | Fast Casual

# MOTIVATING HIGH VALUE BEHAVIORS WITH TARGETED INCENTIVES

### The Challenges

This industry-leading fast casual launched their first loyalty program; a three-tiered, summer-focused, three-month promotion program tied to the number of times a customer visited a location. By late July, the program had more than 3.6 million participants and accounted for 30 percent of transactions. Guests earned free meals after their fourth, eighth, and 11th visits each month, so if they bought 12 meals over three months, they were eligible for four free ones. But the 33 percent return rate was simply not a long-term play for the company's bottom line. Additionally, the company ended up forking out roughly \$20 million to more than 85,000 program members. While the program gave away plenty of meals, it didn't seem to help inspire actual loyalty and gave the fast casual very little insight into their customers. They could only connect transactions to customers who ordered through their mobile app. This lack of data left them with the inability to collect any information on customer preferences, behavior, and demographics, which prevented them from creating targeted messaging and campaigns engineered to increase customer spend. In order to drive true loyalty, measured by frequency and spend, the organization needed a solution to gather better data and allow their marketers to design a personalized loyalty program.

### The Solution

The Restaurant uses SessionM to power their points-based rewards program. The SessionM Customer Data and Engagement Platform combines all of the restaurant's customers' data into a centralized location to provide rich insights on individual behavior. With unified and actionable data at their disposal, the Restaurant leverages the Platform to build segmented audiences and provide personalized messaging through the Restaurant's email, SMS and push messaging channels.

The rewards program is integrated across the restaurant's website, mobile app and in-store channels. The program is constructed to reward customers based on how much they spend (\$1 = 1 point). Once the customer earns 1,250 points they're automatically rewarded with a free entrée. Customers can track their progress within the app, and also explore their points history.

The underlying magic of the SessionM Platform enables the Restaurant to incentivize a number of different customer behaviors. Certain rules are set up in the Platform to listen for and trigger messaging or rewards when a customer takes action or inaction. The Restaurant leverages SessionM to reward certain high value behaviors, such as gifting bonus points when customers purchase a new menu item, specific product combinations, or when they complete a desired number of purchases within a set time frame. Discounts are deployed to customers who haven't transacted over a specified time period, in order to improve retention and inspire a purchase.