

Loyalty Program Solution

Loyalty programs can bring great value to your restaurant. By enticing guests to visit more often and to spend more with each visit, a loyalty program can deliver exceptional financial returns.

There are many different types of loyalty programs and several different loyalty programs may work for your restaurants. There are no absolute rules for success, particularly when each program can be shaped to fit the character of your restaurants. Your success depends on creating a loyalty program that offers relevant attainable rewards that fit your budget and operating model.

The table below describes the most common loyalty program types and highlights the key advantages.

If you would like to discuss creating loyalty programs in more detail, contact us.

Frequency Program

Frequency programs are a popular, proven way to increase guest visits and motivate loyalty.

The allure starts with simplicity. Frequency programs are readily understood by your guests and easily executed by your staff. A guest earns a point for each visit or for purchasing a specific product. When a designated threshold is met, the guest automatically receives a reward. After the reward has been received, the points are reset to zero and begin accruing again with the next purchase.

Buy-nine-get-one-free is a common example of a product frequency program. You decide which product(s) to feature, determine the required purchase frequency, and select a reward that will motivate your guests yet align with your financial goals.

Similarly, visit frequency programs award a point to guests each time they visit one of your locations. You define what constitutes a qualified visit. At a given threshold, the visit points automatically convert into a product reward, reward dollars, or a discount. For instance, after ten visits, a guest might receive five reward dollars to use toward a future purchase.

Another advantage of frequency programs: speed. Paytronix integrates with your POS system and enables you to track activity and issue rewards with a swipe of a card.

Plus, Paytronix protects you from fraud associated with paper-based programs.

Automatic Rewards Program

Automatic Rewards programs can be a great way to stimulate guest spending. The incentive is clear: the more a guest buys, the more quickly he earns a reward.

Typically, guests earn a point for each dollar spent. At a defined point threshold, the guests' accumulated points convert to a reward. Some programs have one reward level while other programs have a multi-rung ladder of increasingly valuable rewards. When the guest reaches to the top rung of the ladder, his points are reset to zero and he starts earning points again.

Typical rewards include product rewards or reward dollars.

Both can motivate guest spending. Depending on your guests' profile and your product mix, one may be more beneficial for your restaurants.

The challenge to successful programs is providing relevant rewards to your guests. Selecting universally appealing menu items will influence your guests' buying habits. Similarly, offering reward dollars may inspire an increase in guest spending. Your menu and guest profile will guide your reward decisions.

Bankable Points Program

Bankable Points programs can create extraordinary loyalty among your guests. By offering a full range of reward choices, bankable points programs hold broad appeal and can keep guests coming back for years.

Bankable points programs allow guests to accumulate points redeemable for rewards of their choosing. With every dollar spent, a guest earns points that are tracked and stored in her personal account. The points will continue to accumulate until she takes action to redeem the points for a reward she values.

Successful bankable points programs contain a mix of rewards that include menu items (e.g., free dessert, dinner for two) and aspirational events like a cooking lesson with your executive chef or a vacation to an attractive destination.

Pricing rewards at different levels broadens the appeal of the program. Rewards attained in just a few visits will attract your less frequent guests while the high-priced rewards will motivate loyalty among other guests who will patronize your restaurant for months (and years) to earn points toward these distinctive rewards.

The Paytronix Advantage

Paytronix enables a full range of automatic rewards solutions. Our technology gives you:

- Flexibility to define rewards that will best resonate with your guests.
- Power to define specific reward thresholds.

Empowering guests with the freedom to choose their own rewards creates an alluring loyalty program. However, it also creates challenges. You need a simple, convenient redemption process for guests and a cost-effective fulfillment process for your staff. Many restaurants are reluctant to launch bankable points programs in the face of these operational demands.

Paytronix removes these operational obstacles and puts this attractive program within reach. Our online “Reward Yourself” capability gives guests a fast, easy way to redeem their points for rewards – many of which can be transferred immediately onto their card for use that same day or even within the hour. And detailed fulfillment reports make it easy for you to deliver large reward requests.

Surprise and Delight Program

Surprise and Delight programs offer a unique, thrilling way to reward loyal guests.

A surprise and delight program gives you the ability to provide guest rewards at random. There are no set intervals or reward thresholds. Instead, serendipitous, unexpected rewards drive guest excitement and loyalty.

Surprise and delight programs introduce suspense and spontaneity into your guests’ visits. They never know when their lucky day might be. “Is today the day?” This element of surprise adds excitement to visiting your restaurants.

The challenge: ensuring your guests are delighted by the rewards. The rewards must correspond to their purchases and their buying patterns. Paytronix’s unique Rules and Wallets technology automatically matches the guests’ spending habits with an appropriate level of reward.

Paytronix makes execution easy, too. POS integration means cashiers get a pop-up notification message and guests receive a printed receipt detailing the reward.

Membership Program

Membership programs cultivate long-term loyalty.

In a membership program, a guest typically purchases a membership card that entitles her to benefits including bonus items, points, and discounts. These benefits may be available periodically (once a month) or earned when she accrues points.

By enrolling as a member, the guest has made a commitment to your restaurants. As memberships often last one year, your restaurants have many opportunities to serve and delight your guests -- and demonstrate the advantages of continued loyalty.

Success stems from finding a profitable balance between the level of benefits and the membership fee. Savvy restaurants structure reward scales to encourage use of the card right away. For example, giving a reward for multiple visits shortly after joining can help develop a new member's preference for your restaurants.

Paytronix allows you to develop reward structures that resonate with your guests and fit the unique character of your restaurants. We enable you to identify your guests, track their activity, and confer the appropriate rewards that will engage and keep them excited about coming to your restaurants. Our ability to manage complex reward structures gives you the freedom to create a membership program that builds profitable guest loyalty.

Affinity Program

Affinity programs develop guest loyalty through an affiliation with a notable charity. When buying from you also supports a cause they admire, guests feel a deep -- sometimes emotional -- tie to your restaurants.

Affinity programs donate a percentage of guest spending to a designated charity. This association can engender devoted loyalty among guests and make your restaurants a preferred destination. Guests feel good about choosing to dine with you because they know that they are also contributing to a respected charitable organization.

Launching a successful affinity program hinges on identifying the right charity, the one that resonates with your customer base. For example, an ice cream chain's support for a children's charity may mobilize its core guest segments. Identify the right match, and your guests will visit more often and pass your competitors on the way to your restaurants.

Paytronix's technology enables you to execute effective affinity programs. We ensure fast, easy transactions at the point of sale and accurately capture the data for tax and financial reporting.

Plus, Paytronix gives you the power to create unique affinity programs that will distinguish your restaurants. For example, you might want to give your guests a choice of charities or sweeten the incentive to visit by combining the charitable donation with a guest discount. Paytronix's solutions accommodate a range of options so you can create the program best suited to your goals.

Discount Program

A Discount program can give you an edge with competitive guest segments. When shrewdly applied, discounts provide an effective tool for boosting revenue.

Discount programs offer guests an immediate price reduction -- usually a set percentage -- on either some or all purchases. Discount programs can provide potent competitive leverage, particularly when you compete for price sensitive guest segments like senior citizens and families.

However, discount programs pose thorny challenges:

1. How do you present enticing discounts without devaluing your brand?
2. How do you offer attractive discounts that make financial sense?

Paytronix gives you the power to selectively apply discounts. Judicious use of discounting will encourage beneficial buying behaviors that reinforce your brand and deliver favorable financial returns.

For instance, Paytronix's solutions allow you to limit discounts to selected menu items (e.g., entrees) or to specific days or time periods (Tuesdays or on weekdays between 2-5pm). These solutions add to your bottom line by limiting discounts to higher margin items and by stimulating incremental visits.

Tiered discounts can also deliver a profitable, motivating incentive. For example, guests who visit frequently earn a discount on future purchases. The more they visit, the higher the discount.

Creative discount programs can give your restaurant exciting appeal while providing you a sound financial return.

Tiered Program

Adding multiple levels of rewards elevates the power of your loyalty programs and keeps guests engaged year after year.

Tiered rewards programs provide a graduated series of benefits for guests. As cumulative purchases build, guests earn greater rewards. Inviting guests to a new reward level renews excitement for your restaurants and for your loyalty programs.

Tiered programs offer an easy way to rejuvenate your existing loyalty program. Tiered rewards are flexible and can be added to virtually any loyalty program. Your core loyalty program remains the same, but by adding levels of rewards, you make the program more appealing to your guests.

Paytronix makes it easy to introduce tiered rewards. Our technology integrates with your POS system to track your guests' purchases and automatically match the level of spending to the

corresponding level of rewards. All with the swipe of a card - it's convenient for your guests and easy for your staff.

Adding multiple reward levels enhances the appeal of your loyalty programs and keeps your guests engaged and active.

Top Loyalty Promotions

A loyalty promotion is a campaign layered on top of your existing loyalty program. Promotions excite your guests, encourage their patronage, and build their loyalty to your restaurants. Some promotions are recurring events, like birthday campaigns. Others may be more situation-driven, like a promotion to stimulate visits during a typically slow time of year.

By engaging your guests with creative promotions, you renew their enthusiasm for your restaurants. Promotions like visit challenges, contests, and limited time offers can significantly boost your business during slow periods and keep guests coming back again and again.

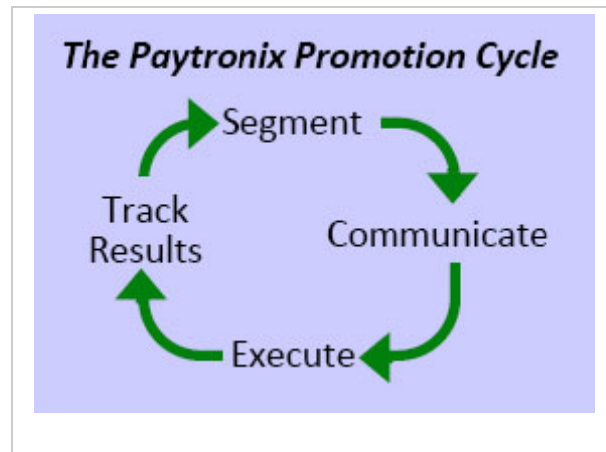
The best campaigns excite your guests and produce superior financial results.

Paytronix offers a full range of card-based loyalty promotion solutions that are flexible, quick to implement, and easy to manage.

Our solutions help you increase sales by creating targeted campaigns that leverage Paytronix's industry-leading innovations to stimulate incremental guest spending and improve customer satisfaction.

Plus, our easy-to-use reporting features enable you to readily track your program results. You gain timely insights into your guests' behaviors so you can continually improve the success rate of your campaigns.

The table below highlights a few successful types of promotions. Of course, each promotion should be tailored to fit the character of your restaurants. Paytronix helps you create and execute successful promotions with our Campaign Tool and Email capabilities.



Limited Time Offers

Limited Time Offers are great promotions for introducing new menu selections or to increase guest frequency by offering a free item or a special discount. Because of their nature (special offers available for a limited time only) guests have an incentive to act quickly to reap the benefits of the promotion.

Notification of the special offer is best done through email to registered, opt-in guests. Email gives you the power to quickly reach your target audience with timely offers and reminders.

Double Points

Double Points promotions are designed to spur visits during slower times (e.g., Tuesdays, Summer). Double points are easy to communicate to guests. These promotions work well with any points programs (bankable or automatic rewards) and with both types frequency programs (product and visit frequency).

Double points promotions that run for a specific day (“Two for Tuesday”) or time of day (“Happy Hour”) can run indefinitely to fit the goals of your restaurant and the behaviors of your customer base.

Plus, double points promotions can produce effective short-term results. To maximize the return on the promotion, keep a broad-based double points promotion brief.

Visit Challenge

Visit challenges offer bonus rewards for guests who visit a certain number of times during a set time period. Visit challenges create an incentive for your guests to increase their visit rate from, say, twice a month to four times during the coming month. If the guest meets the challenge, they earn a reward. At the same time, your restaurant earns a reward as well -- by gaining two additional visits!

The key to successful visit challenge promotions hinges on challenging the right guests. You do not want to offer the incentive to guests who already visit four or more times each month; you would be giving away more than you need. The Paytronix Campaign Tool enables you to segment your customers and identify the targeted guest segments that will make your visit challenge a success.

We Miss You

We Miss You promotions enable you to reach out to guests who haven't visited in a while. You can recapture their interest and remind them of why they enjoyed coming to your restaurants in the past.

Successful promotions offer an enticing reward for coming back. Getting the guest back into your restaurant will restore their enthusiasm and foster a renewed burst of activity.

Birthday/Anniversary

Birthday and Anniversary (wedding anniversary) promotions offer restaurants an ideal opportunity to recognize a guest's special day and become a part of their celebration. By presenting the guest with an offer for an enticing indulgence, you create a wonderful, enduring association with your restaurant.

The Paytronix Campaign Management Schedule makes it easy to develop birthday and anniversary promotions. You simply define a set of parameters -- the offer (e.g., free dessert), how long the offer will be available (e.g., one month) -- and nothing more needs to be done. Paytronix runs the promotion on a recurring schedule and ensures that the offers are sent and expire at the appropriate time.

Contests

Contests generate a burst of enthusiasm for your restaurants. Perfect to announce a new store opening, contests create excitement for the new location and the awards can be used to prompt a stream of guest visits.

For instance, contest prizes can include a year of free "soup" or various incentives for repeat purchases. Contest may also involve the chance of winning each time a guest comes in.

Contests are a great way to express the personality of your restaurants and to win new guests.

If you would like to discuss creating loyalty programs and/or promotions in more detail, contact us.