

Using Promotions to Find Winning Menu Introductions

Loyalty Improvement Series

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The Challenge

A growing, national quick serve restaurant wanted to test the appeal of new menu items and then refresh their menu with the high performing selections.

The Program

The restaurant launched a two-week double points promotion designed to encourage customers to try the new sandwich selections. Loyalty program members earned two sandwich points with the purchase of a featured sandwich. Members receive a free sandwich after accumulating ten points.

Paytronix enabled this promotion in several ways. Specifically, Paytronix:

1. Identified and segmented the restaurant's registered, opt-in customers.
2. Fixed a 'control group' of registered customers to measure promotion effectiveness.
3. Gathered pre-promotion data to establish baseline visit and spending behaviors.
4. Delivered the promotion via email to targeted customers.
5. Integrated redemption with the POS system to enable fast processing in the restaurants and to provide tracking information on purchases.
6. Provided reporting for performance analysis.

The Results

The double points offer proved to be an effective incentive. One-of-every-nine sandwiches purchased by the target group during the promotional period were from the new sandwich options -- twice the historical average adoption rate of new menu items. With integrated POS data, the restaurant very quickly identified which new sandwiches were winners and should be permanently added to their menu.

Even after the promotion, the purchase rate among the target group out paced the control group by a two-to-one margin.

Importantly, the restaurant established a readily repeatable way to test new menu items. Built on the flexible Paytronix platform, the marketing team now rolls out new tests -- usually in less than a week -- to quickly assess the impact of new selections. This capability helps identify popular seasonal offerings and keeps their menu fresh.

Quickly Find Winning New Menu Items



To learn how to use promotions to keep your menu fresh, contact us.

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