

Generating a Stream of New Guests

Loyalty Improvement Series

PAYTRONIX
systems, inc.

The Challenge

A national casual restaurant chain sought to grow its customer base in a metropolitan area where it had multiple locations.

The Program

The restaurant created a direct mail program to encourage new guest trial and email registration. The restaurant wanted to explore the balance between increasing new guest visits and obtaining registration information. They created three different offers to test and measure the efficacy of each. Each mailer contained a magnetic stripe card with one of three offers:

- \$10 off, registration encouraged
- \$5 off plus an additional \$5 off after registration
- \$10 off after required registration

Paytronix enabled this marketing program in multiple ways:

- Obtained the targeted mailing list, printed the mailers and cards, and managed delivery.
- Pre-populated the registration system to simplify the guest registration process.
- Configured the rules engine to recognize the offers and ensure smooth redemption.
- As expiration neared, sent reminders to guests who had registered but had not visited.
- Provided reporting capabilities to track the promotion results.

The Results

The program delivered a great response. The promotion **generated a 19% redemption rate** that introduced a host of new guests to the restaurants. The new guests steadily redeemed the offer during the nine-week period – adding volume but not overwhelming the staff.

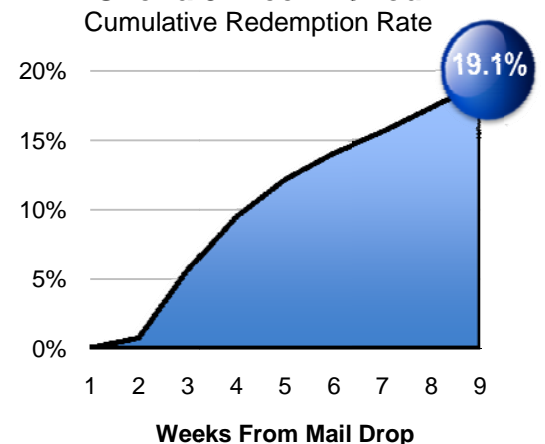
As the expiration deadline approached, Paytronix sent a reminder message to guests who had registered but had not visited the restaurant. This gesture extended already strong redemption rates and created valuable goodwill among the restaurant's newest guests.

The restaurant **attained a 14% registration rate** – an outstanding achievement for a direct mail promotion. Including a physical plastic magnetic stripe card in the mailing helped lift the response rate. While twice as expensive as a paper coupon, a card lends credibility and boosts the perceived value of the offer, which typically improves response rates by three to four times.

In fact, each of the offers performed well and generated registrations at virtually the same rate. The offer requiring registration drew a 16% registration rate (highest) while the freely redeemable card still garnered a strong 13% registration rate.

To learn more about creating customer acquisition promotions for your restaurants, contact us.

The Program Generated a Steady Stream of New Guests Over a 9-Week Period



PAYTRONIX
systems, inc.

307 Waverly Oaks Road, Suite 309, Waltham, MA 02452
Phone: (617) 649-3300 eMail: Solutions@Paytronix.com

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