



LOYALTY PROGRAMS AND MOBILE TECHNOLOGY:

A Winning Recipe for Restaurants



HOW SMALL BUSINESSES AND RESTAURANTS CAN BOOST PROFITS WITH AN EFFECTIVE, CLOUD-BASED CUSTOMER REWARDS PROGRAM

From their origin, successful customer loyalty programs have spread throughout today's retail world. In addition to I.D. and credit cards, the average consumer's wallet likely holds multiple rewards cards. A recent study by Maritz Loyalty Marketing reveals the typical adult is already a member of an average of 7.4 loyalty programs, while 71% of respondents indicated they are receptive to signing up for more.¹

The main purpose of loyalty programs is to track buyer behavior and use perks to keep customer retention high. These programs are a great tool for keeping tabs on frequent patrons and motivating occasional customers to keep coming back. This information serves as a platform for spending analytics with a strong marketing component.

Over the past few years, loyalty programs have become an increasingly vital marketing tool for small businesses, including the ultra-competitive restaurant industry. While attracting new customers through advertising has always been a core element of the marketing mix, efforts to retain customers are equally important.

¹ The 2013 Maritz Loyalty Report, U.S. Edition, p. 2





Why Loyalty Programs Matter for Your Business

According to research conducted by the National Restaurant Association:

- 57 percent of surveyed adults indicated a restaurant's loyalty program played a role in their dining choices... yet less than one in three restaurants today offer such an incentive.²
- Of surveyed restaurants who did offer a customer loyalty program, an average of nine out of ten believed it gave them an edge over their competitors.³
- 77 percent of those restaurants believed their loyalty program helped sustain their business during the depths of the Great Recession.⁴

A RESTAURANT'S LONG-TERM SUCCESS HINGES ON ITS ABILITY TO GENERATE REPEAT BUSINESS.

Beyond great food, sterling service and attractive pricing, reward programs are an integral part of creating a returning customer.

A successful customer rewards program begins with the enthusiasm from servers and cashiers who serve as the front-line "ambassadors" — presenting the program's advantages to every customer at the point of sale. The program can utilize traditional scan-coded cards or take advantage of the latest mobile technology.

² National Restaurant Association Press Release, Operators, customers say loyalty programs expand business, March 5, 2012

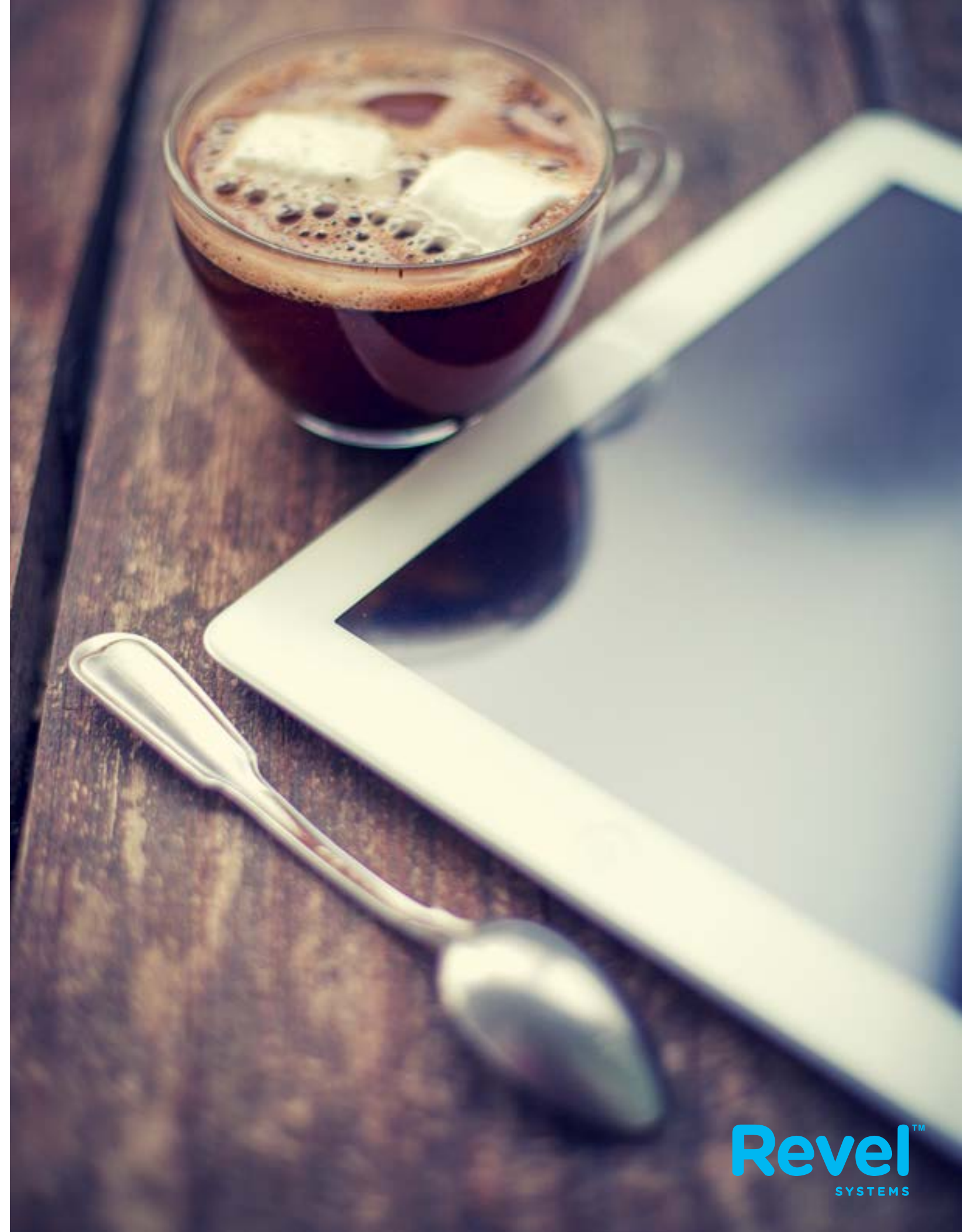
^{3,4} National Restaurant Association Press Release, New Research Finds that Customer Loyalty Programs Help Restaurants Weather the Economy, Gain Competitive Edge, August 10, 2010

Harnessing Today's Mobile World

Loyalty programs have grown far beyond the “buy nine, get the tenth free” paper punch card, thanks to today’s mobile culture. As mobile devices increase in popularity every day, we’ve seen how they’re now virtually inseparable for the many users who stay “connected” to the 24/7 digital world. This becomes a highly viable channel for customized app-based loyalty programs. Customers can quickly and conveniently download the app and enroll into loyalty programs by using their smartphones in exchange for their personal information.

Mobile apps bring elements of interactivity to a loyalty program. 90 percent of program participants indicate they look forward to receiving regular updates from the program, via text messages or email.⁵ Also, a common view among mobile marketing experts is that loyalty apps offer a unique appeal they’ve coined “gamification” — users enjoy regularly logging-in and tracking their accumulated point totals. As with online games, higher point totals can “unlock” new levels of rewards, such as exclusive discounts, free items or other desirable incentives. Loyalty apps can do more than deliver post-purchase rewards. They can also proactively entice each customer with custom-tailored special offers based upon their spending patterns.

⁵ Moritz Loyalty Report, p. 5





An Instant CRM Window

Large enterprises rely upon Customer Relationship Management (CRM) tools to define their demographics as well as maximize sales opportunities from every customer. An important side benefit of a smaller scale, electronically-based loyalty program is the ability to provide valuable analytics to track a customer's spending habits and "incentivize" increased sales.

Text messages and emails can be targeted toward individual customers with enticing offers not available to the general public.

- Customers who have only visited for lunch or dinner can receive a special discount for the other mealtime.
- A mobile loyalty app may be configured as a portal to social media, with bonus points awarded for frequent "check-ins" on Facebook as well as comments left on popular review sites like Yelp.
- A restaurant customer who never orders "add-ons" such as an appetizer or dessert can receive a free trial.
- Through smartphone technology, offers can be geo-targeted within a specific radius of the restaurant's location. For example, a downtown restaurant can deliver a same-day promotion for lunch or happy hour—ensuring a sizeable turnout for either.
- When data indicates a customer hasn't visited recently, they can receive a personalized reminder—coupled with a special discount offer.

The benefits of a customer loyalty program are clear—and mobile technology adds a powerful new dimension. Setting up and managing a loyalty program can be simple and easy. Yet many restaurants and small businesses are still reluctant to add a program to their marketing strategy.

The Revel Advantage

Revel Systems has incorporated flexible, scalable loyalty program capabilities within their leading iPad Point of Sale solutions. With Revel's brand loyalty program and through partnerships with leading providers of loyalty-related services, including Loyal Tree and Synergy, Revel Systems can tailor a cost-effective program for any business. Loyalty partners can create full mobile apps and custom-printed, logo membership cards to reap maximum profits from customers. To learn more about creating a customized loyalty program solution which integrates perfectly with Revel's Point of Sale system, visit revelsystems.com/features/loyalty-program or call us at **844-399-9960**.

About Revel Systems

Revel Systems iPad POS was founded in 2010 in San Francisco, CA with the goal of changing the Point of Sale market. Founders Lisa Falzone and Chris Ciabarra developed a quick, intuitive and secure iOS-based Point of Sale system by combining cloud-based technology and the mobility of the iPad. Revel Systems software offers a feature-rich POS solution for restaurant, retail and grocery establishments with integrated payroll, inventory tracking, customer relationship management and more. With the introduction of the Revel Marketplace, Revel iPad POS users can now integrate directly into third-party enhancements, including mobile payments, online ordering, gift or reward cards and advanced financial software suites.

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