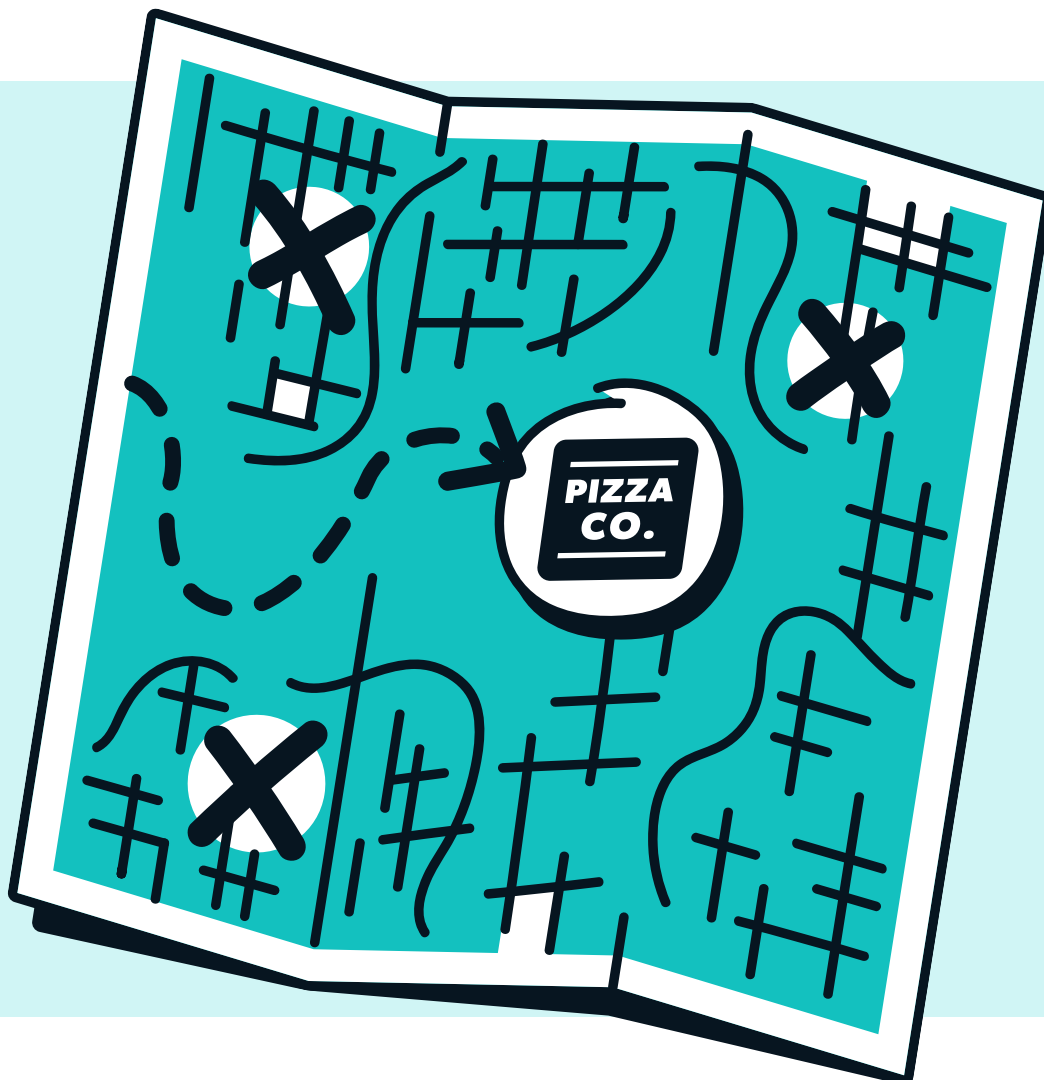


## PLAY 02

# Win the “first visit”

Get known customers to make their first in-store purchase when restrictions are lifted



# Approach

When the fog lifts from the COVID-19 crisis, we can expect customers to approach returning to restaurants with varying degrees of hesitation. Government regulations, medical advice, perceived risk, and the dynamics of work and home situations will factor heavily into consumers’ calculations. You, too, can influence this perception; standing out from a crowd of competitors vying for those first couple in-restaurant purchases requires personalization and targeted marketing.

A marketing strategy based on past customer behavior will help you differentiate without breaking the bank. **Your known customers are certainly the most captive and cost-effective audience you have.** CRM data can help drive post-crisis “trial” with personalized messaging that stands out from the crowd.

# Implementation

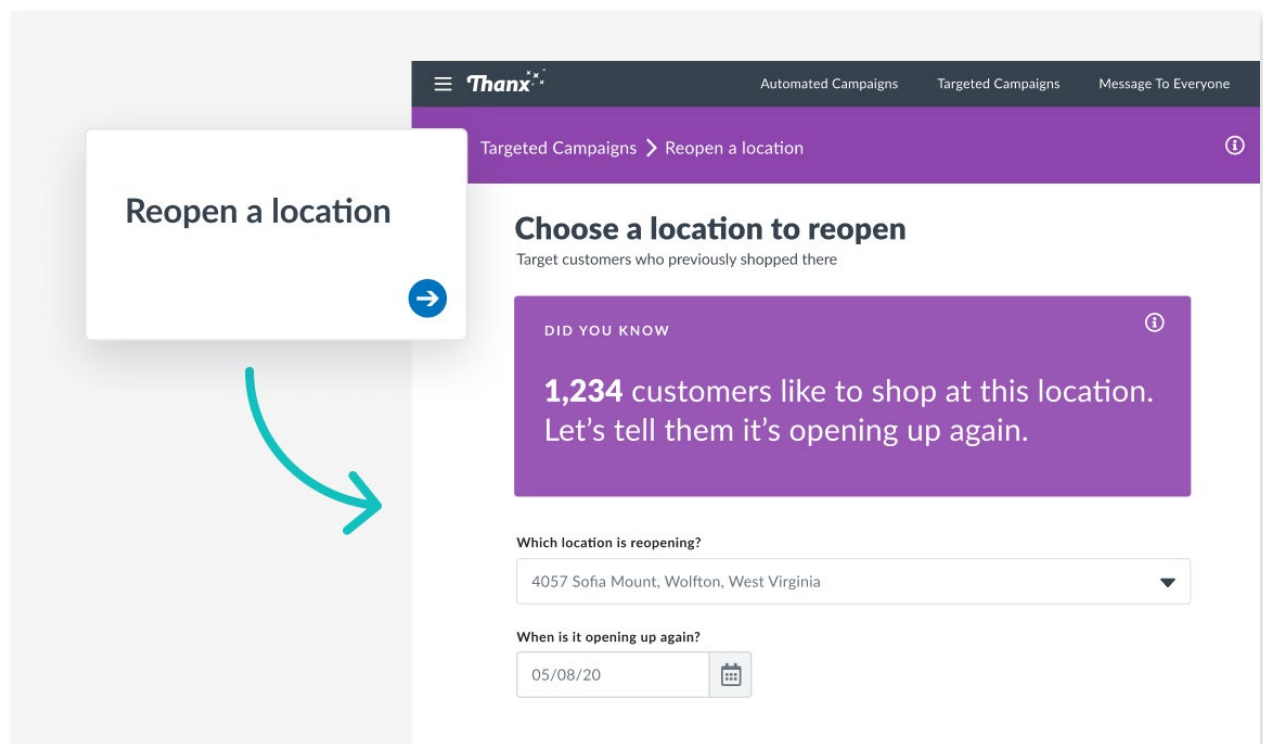
Steps to “win the first visit”:

1. Let customers know when your stores will reopen
2. Give customers a personalized reason to choose YOU
3. Maximize results by following up with customers who don’t return

**STEP 1.**

## Let customers know when your stores will reopen

Once a date has been identified for reopening a dining room, or group of dining rooms, the next step is to let customers know the exciting news by sharing it with those who care. We recommend location-based campaigns, which automatically identify customers’ preferred locations, ensuring you’re only messaging customers about the locations relevant to them (especially given significant local regulations and guidance which could result in markedly different strategies by store).



We do not recommend including an incentive with this initial campaign since it’s a generic “informational” blast. Save those discounts for the more personalized messages still to come ([see Step #2](#)) so that you can give bigger incentives to higher-value guests.

**PRO TIP:** This is the right time to let everyone know about any new dine-in precautions you are taking; focus on actions/advantages unique to your brand. Every restaurant will be talking about wiping down surfaces and sharing new hand washing protocols — focus on what makes your brand unique, where possible. For example, one restaurant that offers pre-packed, individually-portioned lunches for quick pick-up, is emphasizing customers can be in and out of the store in 30 seconds.

YOU CAN  
CLICK THESE



**HOW TO GUIDE:**  
Create a location-based campaign

**HEADS UP:** Thanx customers, to group locations and run a campaign to multiple locations at the same time, reach out to our merchant success team.

## STEP 2.

# Give customers a personalized reason to choose YOU

The next step is to engage your existing customers, knowing **they are the most captive and cost-effective audience**. Personalized marketing can be time-intensive; this play makes it easier. We’ve analyzed customer data across millions of Thanx customers and found the following criteria most effective:



### Higher engagement:

Customers who have been active more recently are far easier and cheaper to win back compared to those who are dormant.



### Higher lifetime value:

Not all customers are the same. Target the 25% of top customers who drive the majority of revenue.

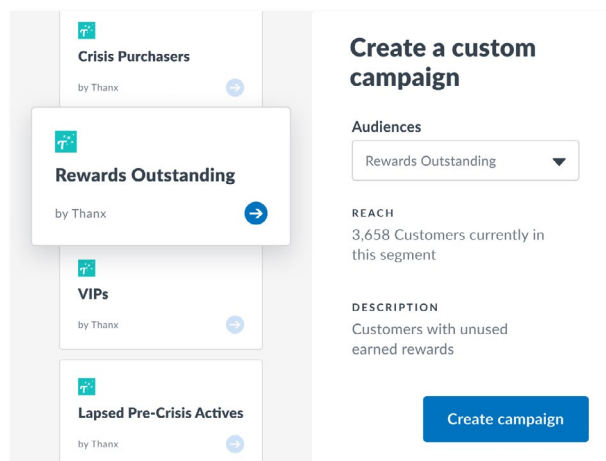


## Uniqueness of message:

CRM purchase data tells you things about a customer that your competitors don't know — use it to stand out from the crowd.

Instead of generic “Send to Everyone” messages, leverage Thanx-built one-click customer segments with the highest propensity to engage — we view the following as NO-BRAINER segments for any post-COVID relaunch strategy.

**HEADS UP:** For Thanx Merchants, the following “Big 4” segments have already been created in your Thanx dashboard.



## The “Big 4” NO-BRAINER segments for any “Emerge Stronger” relaunch:

**1. “Rewards Outstanding”** – Customers with unused earned rewards.

**Why?**

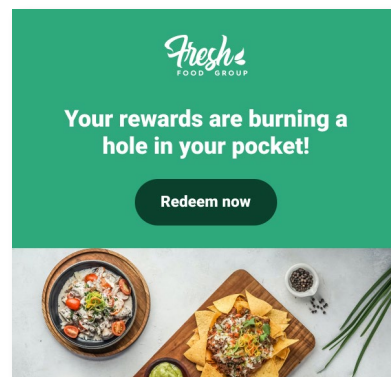
**High Engagement and Low Cost:** These customers already have an incentive so don't need another.

**Incentive:**

**None**

**Message:**

Remind customers to come back and use their reward.



“Your rewards are burning a hole in your pocket!”

## 2. “Crisis Purchasers” – Customers with at least one purchase during COVID<sup>6</sup>.

### Why?

**High Engagement:** Your known customers who have made a purchase since the start of the crisis are the most likely to make another purchase — get a head-start on “locking them in.”

### Incentive:

**Medium:** It may not take much, but you certainly want to reward them for their loyalty.

### Message:

Thank them for their support in such a turbulent period; express gratitude with a moderate reward.

## 3. “VIPs” – Top 25% of customers based on spending.

### Why?

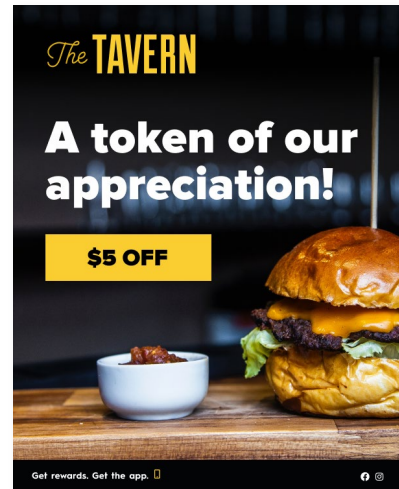
**High LTV:** 25% of your customers contribute the majority of your revenue. It’s critical that you don’t lose a single one.

### Incentive:

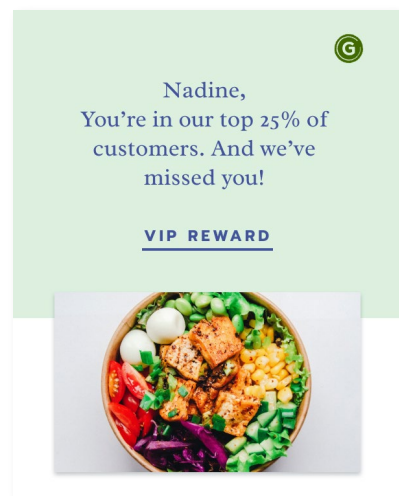
**Large:** Give them your best incentive. VIPs who return to their historical spending will justify the extra love in no time.

### Message:

Tailor your message to recognize that they are your most important customers.



“A token of our appreciation!”



“You’re in our top 25% of customers. And we’ve missed you!”

<sup>6</sup> March 11th was the tipping point date for restaurants, according to Restaurant 365: [2020 State of the Restaurant Industry Amid COVID – 19](#), April 2020.

#### 4. “Lapsed Pre-Crisis Actives” – Customers with at least two pre-crisis purchases in the 6 months leading up to the crisis who haven’t returned.

##### Why?

**High Engagement:** It’s easier to get previously active customers in, even if they lost contact during the crisis vs those inactive for longer. Convert them back into regulars.

##### Incentive:

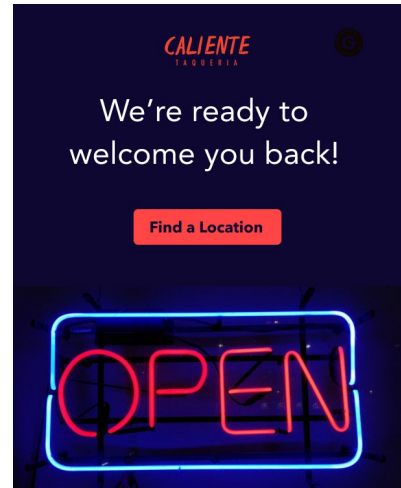
**Medium:** These are still high-value customers but they may be nervous to try restaurants again.

##### Message:

Let them know that you’re open for business and looking forward to seeing them again.

For most brands, these four segments only represent 20-40% of your customers. But if the time you have to spend on marketing is limited, a single generic message will have to do for the remainder, or as we like to call them “Everyone Else.”

Since your non-targeted outreach will be to your least engaged and least valuable audience, we recommend a small incentive or no incentive at all to save on costs. If you can, skip the “Everyone Else” step entirely and read on to activate “Expert Mode” to further personalize the rest of your marketing.



“We’re ready to welcome you back!”

**HOW TO GUIDE:**  
Create a targeted campaign

**Overwhelmed? To make it easy for you, we’ve created a campaign planner.**

## Campaign Planner

Thanx				
Goal	Segment	Number of Messages	Size of Incentive	Strategy
We've broken each of the campaigns down based on the high level goal they are achieving.	Choose which segments you want to engage with. We've pre-filled these based on our Playbook recommendations but you can add your own custom ones in the blank rows provided.	Decide whether you're going to create a <u>one-time</u> campaign OR follow-up with customers that didn't convert the first time around. We recommend choosing a follow-up campaign for high value segments.	Decide what size incentive you're going to give to each group. We recommend basing this on the value of the segment. You can always start with something small and work your way up to something bigger using follow-up campaigns.	Decide how you're going to market to each group of customers in order to... <i>By sending a [one-time / automated campaign] to [segment] and [marketing channel].</i>
1. Let customers know when your stores will reopen	shop at a specific location	Single	No Incentive	Be sending a campaign to customers who shop at locations that are re-opening, to increase awareness around our store availability.
	VIPs	Multiple	Large Incentive	By sending a one-time campaign to VIPs and making them feel special with a unique offer. We'll follow up with customers that don't return, giving them better or different offers.
	have an unused reward	Single	No Incentive	By sending a one-time campaign to customers with an unused loyalty reward, and encourage them to use it without giving them an incentive.
	active	Multiple	Small Incentive	By sending a one-time campaign to customers who continued to visit during the crisis, encourage them to come again with little effort.
2. Give customers a personalized reason to choose YOU	lapsed repeat	Multiple	Medium Incentive	By sending a one-time campaign to customers who were active before the crisis back, we can give them a better reward knowing that they are worth more than a new customer.
	Your custom segment e.g. families	Choose an option	Choose an option	By sending a one-time campaign to families and giving them a 'kids eat free' offer, we can encourage more families to visit.

[View the Campaign Planner](#)

With the campaign planner, you can determine the right campaign strategy for your business, explore new segments, manage your content calendar and measure results.

## EXPERT MODE

It goes without saying, the more relevant the message, the more effective the campaign. In addition to our pre-packaged COVID segments, we recommend selecting a few highly-unique segments based on your business and all your powerful CRM data. Some examples of the countless ways you can segment customers further include:



- ✓ Online only
- ✓ Upcoming reservations
- ✓ Families
- ✓ Purchase category
- ✓ Silver Tier
- ✓ Afternoon shoppers
- ✓ New members
- ✓ VIPs
- ✓ Gold Tier
- And hundreds more!**
- ✓ Promoters
- ✓ City
- ✓ Weekend shoppers
- ✓ Custom segments
- ✓ Bronze Tier

Our segmentation quiz is designed to help determine which segments are right for your business according to a few key dimensions:

## Relevancy

Every business is unique and, as such, segments highly-valued by other merchants might not be useful to you. For instance, if you have an e-commerce site, customers who haven't made an online purchase are a highly relevant segment to target...however, if you don't, it's not useful.

## Personalization

Is there value treating these customers differently from everyone else? For instance, just because you can target customers based on what day of the week they shop, doesn't mean you would necessarily change how you market to them. However, if you could differentiate your new moms, you'd absolutely change the messaging and featured items.

## Size

How many customers fall into this segment? While size alone shouldn't determine which customers to target (a small targeted segment is more effective than a large untargeted one), it can help you identify which are most advantageous.

Customizing your segmentation strategy will increase purchase volume by increasing the relevancy and reach of your marketing.

Take the segmentation quiz to answer these questions for your business:

**EXPERT MODE:**  
Take the segmentation quiz

Here are your results!		
Segment Name	Segment Description	Value Score
Automatically pulls through an ordered list of the segments most valuable to you	Automatically pulls through the description for each segment	Automatically scores each segment based on your answers. The higher the score, the more valuable the segment is for your business
Haven't made an online order	Customers who have made at least one in-store purchase but haven't made an online purchase.	9
Families	Customers who have purchased something from the kids menu	9
Catering	Customers who have purchased an item from the catering menu	9
In-Store Only	Customers who exclusively shop in-store	7
Least reservations	Customers who have made a reservation before	7

**HEADS UP:** If you're worried about overlapping segments and duplicate discounts/incentives, don't be! You can easily exclude customers who have already received an incentive to ensure that each individual only gets one reward and/or message.

☒ Exclude customers that received an offer in the past 14 days

### STEP 3.

## Maximize revenue by following-up with customers who don't return

The reality is that most customers won't engage with your first marketing message even if it's personalized. More commonly, guests will require multiple touches

before they open an email, let alone make a purchase. Especially when restrictions lift and stores reopen, customers will be bombarded with messages from their favorite brands so follow-up will be necessary. Rather than blasting the same message over and over again, we recommend understanding what didn't work and adjusting.

Common Problems:



### **Low open rate:**

Open rates are all about subject lines and preview text. If you saw a low open rate, try again with a different leading message. Your campaign was either (1) irrelevant for the audience (try sending a more targeted campaign) OR (2) the subject line was unappealing (test a new one or A/B test).



### **High open rate, low purchase or redemption rate:**

It's quite possible that your message wasn't engaging enough or felt generic even though you attempted to personalize it. Make sure that your email is beautifully designed and the content is relevant — if it's something you could have sent to anyone, or worse, something any restaurant could have sent, it's not tailored enough. If you're confident in the message, then you may need to test a different incentive.

## **EXPERT MODE**

There is a fine balance between thoughtful follow up and spam — re-blasting the same message over and over leads to customers unsubscribing. Below are three strategies that can ensure your follow-up messages are not only received well, but result in additional purchases.

1. **Offer progressively better incentives:** It's always a good idea to start with a small incentive to ensure you're not giving away unnecessary rewards. However, some of your customers, especially those with higher spend, might require a more substantial incentive. We recommend identifying the maximum you would pay to get that customer to make a purchase and slowly increasing the offer value until you reach that limit. This helps you maximize purchases and minimize costs.
2. **Test different incentives:** Let's say you're trying to get a low-value segment of customers back (like infrequent purchasing email subscribers) and can't justify an escalating incentive. Another approach is to switch up the (low value) incentives so the consumer still feels they are getting a new offer, but your costs remain low. You will also learn more about individual preferences which you can use in future targeting. Examples of this are:
  - 20% off your next purchase
  - \$2 off delivery fees
  - Any side dish of your choice
3. **Change up your approach:** Last but not least, make sure each communication feels different enough to show the effort you are putting in. Some bare minimums:
  - Change up subject lines
  - Replace images with alternate versions
  - Send the message at a different time of day

Use the [campaign planner](#) to see how many customers returned and decide what you need to change in order to get them to make a purchase. Once you have found the right incentive for that segment, automate that campaign (more on this in [Play #3](#)).

## Summary

With so many unknowns, preparing for store reopenings may feel completely overwhelming. Not to fear! The activities can be summarized with just a few steps.

To recap:

### 01 Let customers know when your stores will reopen

1. Define a campaign strategy and documenting your approach in our campaign planner:

[View the Campaign Planner](#)

2. Notify the relevant customers about your reopening. Do not include an incentive in this outreach.

**HOW TO GUIDE:**  
[Create a location-based campaign](#)

### 02 Give customers a personalized reason to choose YOU

1. Define a segmented approach to winning the first post-crisis visit.
  - Start with the “big 4” segments.

- Refine by making adjustments to the “Big 4” and adding new segments as needed.

**EXPERT MODE:**  
[Take the segmentation quiz](#)

2. Identify the appropriate incentives for each campaign.

**HOW TO GUIDE:**  
[Available incentives](#)

3. Set-up and execute the initial campaigns. For help, check out these “How-to Guides”:

**HOW TO GUIDE:**  
Create a targeted campaign

## 03 Maximize results by following-up with customers who don't return

**HEADS UP:** Before you send your first campaign, be sure you have a Bounceback campaign (details can be found in [Play #3: Lock in LTV](#)) setup to encourage anyone who makes a first purchase to return for a second time.

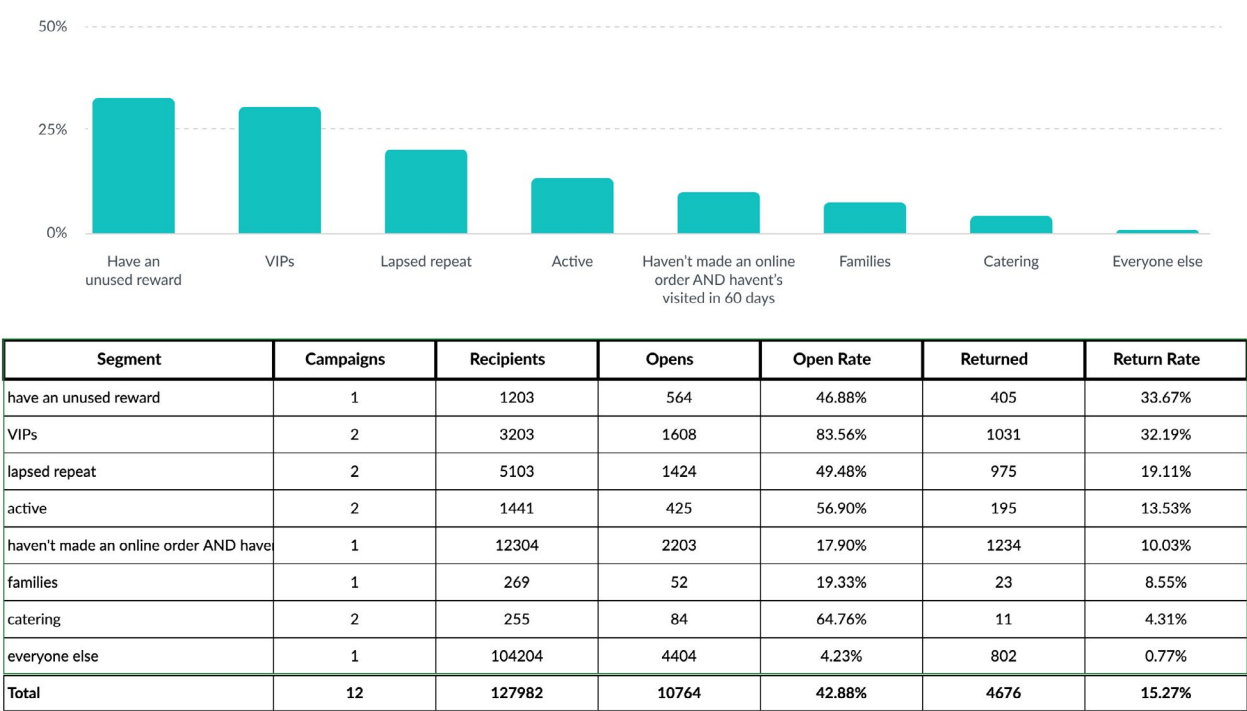
# Measure your success

As the name of the play suggests, the measure of success is how many customers make a “first” purchase. In that regard, this approach shares many similarities with a new location opening — but, in this case, you already know all of the people most likely to return. As mentioned, not all customers are created equal, so it's important to consider the unique value of each segment in assessing the results. Here are some questions to consider:

- What percentage of customers responded to your initial outreach?
- What percentage of VIPs responded to your initial outreach? What percentage of your active customers responded? How about other segments?
- What was the return on investment (ROI) of the outreach (in other words, how much did the campaign cost you in incentives vs. what revenue did those discounts generate)?
- What percentage of customers responded to your secondary and tertiary outreach (Note: this is often a declining number)?
- And finally, what percentage of customers responded overall and how does this match expectations?

With the campaign planner you can measure your results by segment, and refine as needed.

Measure how many customers returned



Expect a “slow and steady” cadence of return visits rather than a “tidal wave.” With that said, getting your VIPs back is essential. For this group in particular, we recommend doing whatever you can to get them back on track – call them if you need to! If they still don’t engage after three to four touches, we recommend personalizing your outreach further (for example, ask for their address and mail them a special gift).

Send out surveys to gather more information about why they are not coming back – perhaps there are other structural challenges to overcome. In short, any good recovery (especially a cost-effective one) starts with these VIPs. If you do only one thing, get them back in and ensure they have an exceptional experience ([see Play #3 here](#)).