

CASE STUDY

Hopdoddy

How Hopdoddy drives 300+ sign-ups per month per location with modern loyalty and data-driven marketing from Thanx.

Industry:
Fast Casual

Locations:
46

Launched with Thanx:
Jan 2021

Transitioned from:
Paytronix

“When we partnered with Thanx, our program enrollment skyrocketed and we more than doubled our active membership. We've also seen remarkable outcomes with Thanx's marketing automation - their lifecycle marketing and A/B testing features are incredibly user-friendly, and the reporting makes it easy to gauge the effectiveness of our campaigns and program adjustments.”

Jennifer Faren, VP of Marketing



Founded in 2010 in Austin, Texas, Hopdoddy Burger Bar swiftly rose as a standout in the gourmet burger realm. With almost 50 locations across the United States, Hopdoddy embodies innovation, community, and culinary excellence. The brand pioneered the better burger space, most recently showcased with their official launch of the “Save the Earth... One. Burger. At. A. Time” movement, introducing menu options centered around regenerative agriculture, a farming practice immensely beneficial for consumers, the planet, and animals.

On the loyalty and digital front, it was also critical for Hopdoddy to differentiate themselves. Amidst a backdrop of the increasingly competitive burger space, Hopdoddy recognized early on the importance of adopting more personalized and data-driven marketing strategies to not only attract customers but also to nurture and expand their existing “cult-like” fan base.

The Challenge

Before they transitioned to Thanx, Hopdoddy struggled to drive engagement with their existing email club, powered by Paytronix. The program had approximately 75,000 members but only about a third were active and the program was failing to drive measurable results. Despite their sophistication, the marketing team is small – they needed a technology partner capable of facilitating advanced data-driven marketing without extensive resources, emphasizing ease of use in their evaluation.

They were also eager to engage their existing guests and acquire new ones as they expanded without diluting their hard-earned “cult-like” brand equity, seeking to avoid a heavy reliance on discounts. In short, Hopdoddy wanted a modern loyalty and digital user experience on mobile and web that enabled targeted communications and actionable insights, and could seamlessly scale with their rapid expansion.

Results

Since launching with Thanx:



5X

increase in membership since transitioning to Thanx



+300

sign-ups per location per month, three years in the program across nearly 50 locations



+30%

A single automated campaign saw 30% higher frequency and 57% more redemptions of 60-day engaged guests



The Solution

"As a nimble marketing team, our focus is on driving results without unnecessary effort. Leveraging targeted campaigns, marketing automation, and A/B testing through Thanx, we prioritize data over intuition. For instance, when introducing new products or marketing strategies like our 'Burger of the Month,' we rely on insights rather than guesswork. By concentrating on activities that yield valuable insights or tangible outcomes, we expedite our impact. This approach not only encourages trial and cultivates loyalty but also yields valuable insights into customer preferences, enhancing marketing efficiency and ROI."

Jennifer Faren, VP of Marketing

Hopdoddy transitioned from a basic engagement program with Paytronix to an advanced loyalty program and guest engagement strategy with Thanx, resulting in a significant uptick in active membership, campaign ROI, and loyalty program engagement. Since the program launched, Hopdoddy has grown its customer database 5x and more than doubled its active membership. To this day, Hopdoddy sees ~300 sign-ups per location per month three years into their program tenure. Hopdoddy attributes this success, in large part, to Thanx's seamless ordering experiences & unique card-linked loyalty that accelerates enrollment and data capture.

When crafting the loyalty program, Hopdoddy opted for a tiered benefits system designed to reward and delight their regulars. The program offers escalating rewards and exclusive perks to customers based on their level of interaction and spending. The tiers branding amplifies its brand's unique rock and roll roots, with levels including the Headliner (the Sometimer) and Rockstar (The Regular). Their highest tier, Legend, receives exciting non-discount perks such as early access to Hopdoddy's burger of the month and secret menu items.



Hopdoddy's loyal fanbase, who lines up around the block to get standouts like the Buffalo Bill, the Double Bacon Jam, and the gluten-free Goodnight/Good Cause, is a big part of why Hopdoddy has been so successful. As they have expanded outside their origins in Austin, cultivating and nurturing that audience as they open up new markets requires going beyond discounts and leaning into access, exclusivity, and personalization to mimic that differentiated experience at home. In addition to early access to the burger of the month, Hopdoddy offers special surprise and delight perks to loyalty program members, such as early access to "Tuned In" tickets, a platform that amplifies local musicians by giving career-changing grants. These novel perks offered only to their best customers, are designed to delight their Hopdoddy fans and foster a sense of community.

Campaign Outcomes

Hopdoddy's savvy, yet bandwidth-constrained marketing team knew that if they were going to create more personalized and data-driven marketing strategies and improve campaign outcomes, they needed a marketing automation tool that was simple to use and would allow them to do more with less. They wanted the ability to set up custom campaigns to targeted audiences that would automatically run when a guest met specific criteria. They also wanted to run campaign tests to learn which subject lines, rewards, campaign designs, and messaging worked best to unlock customer lifetime value.

With Thanx, Hopdoddy has been able to reduce effort spent on broad-based marketing reallocating time to more impactful A/B/C/D testing of automated and targeted campaigns. And despite their small team, Hopdoddy operates like a much larger one through the ease of use of Thanx's campaign center. In fact, in 2023 alone, Hopdoddy implemented more than 185 campaigns with more than a third containing A/B/C/D variants, allowing them to get smarter and more efficient with their marketing as they learn what works and what doesn't.

Measurable revenue results, minimal effort

Hopdoddy wanted to identify the best campaign messaging and incentive to drive redemptions, revenue, and cost savings with guests who come in regularly. They created a multi-channel campaign (email, push, SMS) with two variants and a control group. The first variant (A) teased a free shake while the second variant (B) offered free fries. They targeted an audience of existing members who have visited once in past 60 days. The campaign automatically sent to members once they met the criteria specified. The goal of the campaign was to identify which campaign and incentive was more likely to drive redemptions, attributable revenue, and whether an expensive discount (free shake) was necessary.



Hopdoddy's marketing team found that the free fries variant (B) resulted in **33% more attributable revenue** and **57% more reward redemptions** despite the reward having a lower cost to the business. In fact, the free fries winning variant had a **2% effective discount** rate vs. a 5% with the free shake. And, the free fries **increased frequency more than 30%** over the control. A win-win!

In just six weeks after automating the winning variant, Hopdoddy generated \$19.4k more in attributable revenue, and saved more than \$1.9k in unnecessary discounts. In a year, the campaign will save Hopdoddy \$16.5k in discounts and generate more than \$168k in attributable revenue. Best of all, these results will be generated ongoing from a set-it-and-forget-it campaign that hereafter will require zero effort from Hopdoddy's team to maintain.

Summary of results:

30% increase in frequency

The winning B variant was redeemed 57% more often than variant A and drove a 30% increase in frequency over the control group.

\$168k more revenue

In one year, Hopdoddy will generate \$168k more attributed revenue (33% higher than other variant, 52% more than control group).

\$16.5k in discounts saved

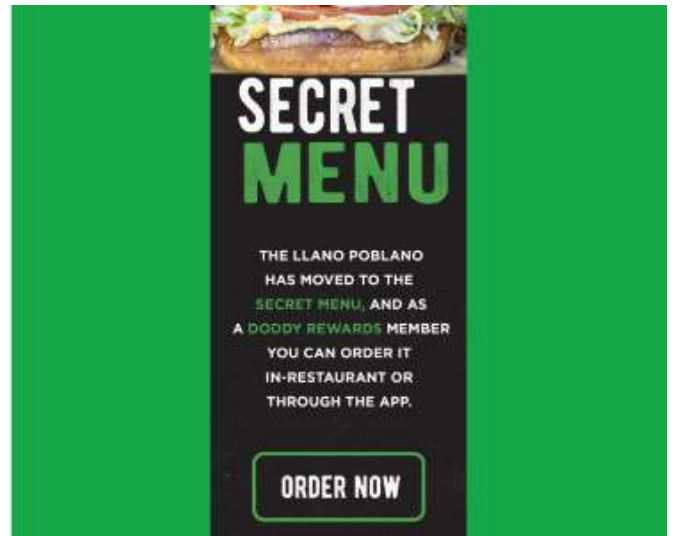
In one year, Hopdoddy will save \$16.5k in unnecessary discounts (free fries resulted in 2% effective discount rate vs. free shake at 5% effective discount rate).

A few more examples of the many Hopdoddy campaigns that have delivered outsized results recently include:



29% increase in revenue after A/B testing a frequency challenge campaign. Hopdoddy delights guests with a free shake offer when guests visit four times in thirty days. By testing this against an alternative campaign, Hopdoddy saw 29% more revenue attributed to the campaign.

Compared the revenue generated from variant A (\$24,685) vs variant B (\$19,071) to determine incremental revenue attributed to the campaign.



54% open rate on the Secret Burger of the Month program, 5% purchase rate with \$22k in attributable revenue in six days. High engagement in the "Burger of the Month" program, demonstrating the effectiveness of special access campaigns.



Partner Spotlight:



Hopdoddy integrates Thanx with its modern POS solution, Revel, leveraging data analytics to deepen customer connections and foster loyalty. Through the Revel and Thanx partnership, Hopdoddy can create advanced menu-based customer segmentation resulting in highly personalized outreach and increased customer engagement. Example fun segments include “Guests w/ No Shareable Fries Purchase”, “Guests never purchased the Roadie”, and “Have not tried Reuben Farewell”.

Conclusion

Hopdoddy's journey with Thanx underscores the potential of technology and data-driven marketing. The success of targeted campaigns, A/B testing, and lifecycle automations sets the stage for further exploration in menu innovation and customer engagement strategies, promising new avenues for growth and reinforcing Hopdoddy's leadership in the industry.

Want to grow your database and improve marketing ROI?

Talk to the loyalty experts at Thanx.

[Schedule a demo](#)