

Smashburger Embraces Omnichannel Marketing Platform, Leapfrogging the Competition



Challenges

- Influx of competition from new brands
- Oversaturation of restaurants vying for shared stomach and access points for food
- Lack of increased spend on food

Goals

- Drive brand awareness to acquire new customers
- Better understand current customer base
- Create better, more informed marketing campaigns to drive sales

Solution

- Punchh Loyalty with Coupons & Promotions
- Mobile app, web, & in-store channels
- Integration with online ordering and POS (NCR Aloha) system

Results

- 1M+ loyalty members within 16 months¹
- 8% average check lift for loyalty vs. non-loyalty guests²
- 22% average offer redemption rate by campaign¹

“Punchh was the best fit for our brand because we were at a point where we needed to leapfrog our competition. Punchh Marketing Cloud gives us real-time insights into what our loyalty guests are doing, and makes it easy for us to take action on those insights through personalized messages and offers. How else could our SmashClub membership have grown so quickly to include 1 million loyal customers?”

DAVID MARTINELLI
VP OF MARKETING

smashburger



1. From program launch in 3/17 to 8/18
2. 4/17 to 8/18

SMASHBURGER EMBRACES OMNICHANNEL MARKETING MARKETING PLATFORM, LEAPFROG THE COMPETITION

FINDING THE VALUE IN DIFFERENTIATION

Established in 1980 in Los Angeles, Denver-based Smashburger is an American fast-casual hamburger restaurant chain with 380 locations nationwide. Offering a level of menu variety unmatched by competitors, guests enjoy chicken, black bean, and turkey burgers that rival the tastiest of their traditional beef burgers. Yet despite their flair for burger diversity, the company's sales performance fell behind similar restaurants—signaling the need to change their approach to delighting their customers and driving increased same-store traffic and sales.

The big question on the mind of Smashburger's VP of Marketing, David Martinelli, was "How do we build that loyal customer base and continue to offer them a variety that will bring them back more frequently?" With consumers still spending five percent of their income on

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restaurant food—and with so many options in a crowded marketplace—Martinelli knew that placing robust customer loyalty program at the center of their marketing strategy was the answer.

The company had tested loyalty programs in the past: not only had a few franchisees experimented with store-specific loyalty platforms to little effect, but companywide attempts fell short and created system-wide fragmentation. "I thought it was critical for us to consolidate our efforts into one loyalty and CRM database," Martinelli says. After considering a few alternatives, "Punchh gave us the scalability to launch one solution across all of our locations," he says. "It was something we could grow with."

SERVING UP INSIGHTS IN REAL-TIME

Smashburger implemented Punchh's Loyalty with Coupons & Promotions, a cloud-based marketing platform offering all of the CRM, marketing and analytics tools Martinelli's

team needs to manage their points-based SmashClub loyalty program. Daily use of their intuitive Punchh administrative console provides real-time insights into customer behavior and preferences, enabling the team to "get a good read on customer behavior and engage and optimize any particular spend," Martinelli explains.

"It helps us understand how our loyal guests are using our brand so we can customize—actually personalize— messages and offers they're most likely to take advantage of," he continues. For instance, if a guest shows a preference for chicken menu items, their offers will feature chicken menu items. "We're able to differentiate for our different sandwiches and different customers, something our competitors aren't necessarily doing."

ACHIEVING A COMPETITIVE LEAPFROG MOMENT

Since implementing Punchh, Martinelli reports a rapid growth within the signups for loyalty, having reached one million members in 16 months. "Punchh has definitely changed the way we're looking at our data," he adds. "We've been able to see a growth of about two dollars within our average check for our loyal database—a pretty significant data point." What's more, loyalty members are redeeming offers at the incredible rate of 22%³.

Moving forward, Martinelli is exploring ways to use the Punchh platform to reach and engage "everyday" and eClub customers that aren't part of the SmashClub loyalty program. Gleaning data-backed insights from the non-loyalty segment will help continue growing their loyalty base while informing their larger marketing efforts to entice more people into their restaurants. "One of our goals was to surpass our competition," he says, "and we're well on our way." Introducing online ordering into their digital loyalty services is another important step in the right direction. Martinelli predicts: "It's going to be huge!"

"One of our goals was to surpass our competition, and with Punchh's help, we're well on our way." Introducing online ordering into our digital loyalty services is an important steps in the right direction, "and it's going to be huge!"

3. Average offer redemption rates range from 15% to 20%