TGI Fridays UK Modernizes In-Store and Digital Experiences to Increase Loyalty Revenue by 66% in Just 4 Weeks

Challenges

- Highly competitive casual dining marketplace
- Highly discount-led approach from competitors in the market
- Striving to get true insight into customer preferences and behaviors

Goals

- Modernize brand's digital presence and update in-store experience
- Increase guest engagement and influence purchasing behavior
- Communicate with existing and potential guests at the time and place of choice

Solution

- Punchh Loyalty
- Mobile, web, & in-store channels
- Integration with POS (Micros) system, Mastercard Qkr!

Results*

- 66% growth in loyalty revenue
- 60% increase in loyalty visits
- 300% increase in referred users with a verified visit
- 30% increase in loyalty program signups
- 51% increase in unique guest visits

*Within 4 weeks of program launch on July 4, 2018

"Investing in loyalty and growing a loyal guest base was absolutely key for us. Discounting can deliver short-term benefits but it isn't a sustainable long-term strategy. How could we bring technology into a restaurant environment to enhance the guest experience—to make it part of what they do, not intrusive to what they do? Punchh helped us discover 'what's next' for loyalty and how we could evolve it."

STEVE FLANAGAN
CMO

TGI FRIDAYS UK MODERNIZES IN-STORE AND DIGITAL EXPERIENCES TO INCREASE LOYALTY REVENUE BY 66% IN JUST 4 WEEKS

COMMITTED TO DELIVERING A GREAT GUEST EXPERIENCE, END-TO-END

With over 80 restaurants in the United Kingdom, TGI Fridays UK operates in the increasingly competitive, 5-billion-pound casual dining market. But under the leadership of industry veteran and CMO Steve Flanagan, the restaurant chain is positioned to increase its share. As part of a massive branding initiative emphasizing guests' digital and in-store experiences, Flanagan prioritized a transformation of the restaurant's loyalty program to drive growth and increased same-store sales.

"Some other restaurants are fairly aggressive with promotional discounts," notes Flanagan, "but that's not the route we wanted to go down to achieve sustainable growth." The better strategy for TGIF UK, he says, was to implement a rewarding loyalty program that impacts the customer's experience end-to-end, from placing orders to paying the bill—and beyond.

REDEFINING "LOYALTY PROGRAM" FOR LONG-TERM RESULTS

Having already partnered with Punchh on acquisition and loyalty initiatives, Flanagan's team set out to replace their scratch-and-win probability-based guest engagement approach with a spend-based loyalty program allowing guests to earn points they can use to unlock different reward options. "We wanted a program that had the ability to affect a guest's behavior," Flanagan stresses, "whether we want them to visit more often or spend a little more with us or influence what they're purchasing right now."

> "We wanted a loyalty program that had the ability to affect a guest's behavior."

Punchh created a new loyalty program that took gamification—and guest engagement—to the next level. With the new program, Flanagan says, "Guests can make their way through different reward tier levels, or work on a 'challenge' module to earn double points by purchasing certain menu items." This enables Flanagan and his team to assess the behaviors of single-visit versus frequent customers and learn what's indicative of more loyal behavior. "We look at how many people redeem rewards at tier one," explains Flanagan, "and how many save their points to earn a higher reward." With these insights, they can move forward with higher-performing offers.

ENJOYING SIMPLICITY AND SPEEDY RESULTS

With Punchh, Flanagan found the agility and simplicity he needed in a solution—and the ability to deliver a program that works for TGI Friday UK and their customer base. "I was impressed with Punchh's flexibility and speed to get things done," he reports. "Thanks to Punchh, we've recruited a whole heap of new guests on to the app who are more engaged—and we're now seeing the visits and their behavior in a better way than we ever have done before!"

> "I was impressed with Punchh's flexibility and speed to get things done. Thanks to Punchh, we've recruited a whole heap of new guests on to the app who are more engaged—and we're now seeing the visits and their behavior in a better way than we ever have done before."

In just four weeks, loyalty visits increased by over 60% and loyalty revenue went up by 66%. What's more, loyalty program signups increased by 30%, the share of unique guests visiting restaurants increased by over 51%, and referred users with a verified visit went up 300%. "All of the metrics are tracking in the right direction," Flanagan boasts, "and we're looking forward to figuring out how we'll engage with our guests moving forward!"