

How Fazoli's Leverages Loyalty to Deliver Exceptional Experiences & Results



RESTAURANT LOYALTY RESULTS

17%

loyalty sales increase

5x

online ordering sales increase

138%

YOY spend lift increase

10%

QOQ participation rate increase

Results: Jan. 2019 - Dec. 2020

RESTAURANT LOYALTY CHALLENGES

- Pandemic conditions changed guest behaviors & preferences
- Guests were unable to redeem rewards when ordering online or through the app
- Utilizing data to drive relevant customer journeys

RESTAURANT LOYALTY GOALS

- Deliver more customer value through menu innovations & personalized offers
- Provide seamless, contactless online ordering, curbside pick-up, drive-thru & delivery options
- Increase program profitability with greater member revenue & lower discounting

RESTAURANT LOYALTY SOLUTIONS

- Punchh Customer Loyalty Program
- Punchh developed mobile app
- Integrations with POS (Brink) and online ordering (Olo)

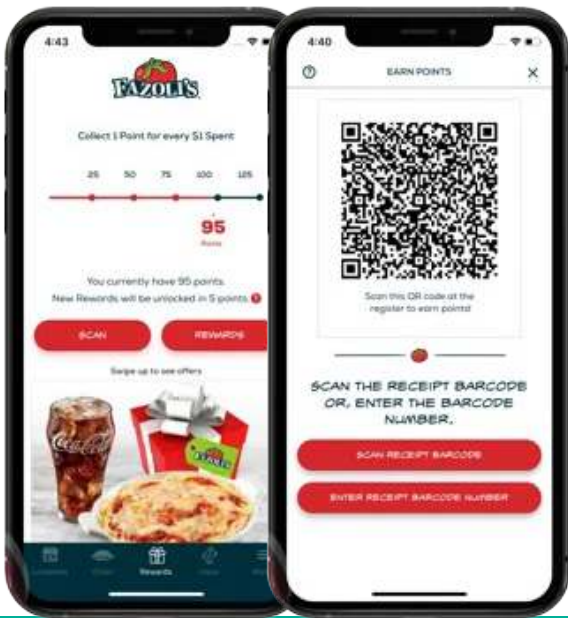
Founded in 1988 and headquartered in Lexington, KY, Fazoli's has grown to about 220 restaurants in 28 states. The fast-casual Italian eatery launched their Fazoli's Rewards program powered by the Punchh platform in 2017. Over the years, Fazoil's has grown loyalty membership, utilizing its program to compete with QSRs' short service times and to stay top-of-mind in a crowded marketplace. Their commitment to delivering a rewarding, omnichannel experience has helped increase sales by 15% and traffic by 14% from June through November 2020.

"Punchh data and analytics provided us valuable insights that drove our restructuring process to give customers more value and choices, while increasing program profitability through greater member revenue."

WILL HANRAHAN, FAZOLI'S DIGITAL MARKETING MANAGER

Leveraging loyalty data has been a key component to their success. With a better understanding of their guests' behaviors and preferences, Fazoli's restructured their rewards program in 2019. Program members can now unlock a reward in half the time and they have even more flexibility for redemption options. "Punchh data and analytics provided us valuable insights that drove our restructuring process to give customers more value

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"With Punchh, we lean into loyalty to impact our brand in multiple ways and deliver better value, convenience, and safety to our customers."

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and choices, while increasing program profitability through greater member revenue," said Will Hanrahan, Fazoli's Digital Marketing Manager.

Driving Omnichannel Success with Quick API Integrations

In 2019 Fazoli's also strengthened its digital commitment to their customers, creating a native online ordering experience to replace a third-party system. "Punchh and Olo worked together quickly and easily, and we experienced the value of having two really strong, industry-leading partners develop and integrate our online ordering system," explained Hanrahan.

Additionally, Punchh updated the Fazoli's Rewards loyalty mobile app giving customers the ability to redeem offers and promotions when ordering online, which they were previously unable to do. These improvements have helped Fazoli's increase loyalty sales by 17% from 2019 through 2020 and maintain a stellar 4.8 mobile app rating.

When the pandemic hit, Fazoli's earlier technology investments positioned them to quickly pivot and add curbside pickup, drive-thru pickup and delivery via Dispatch -- all through their mobile app. According to Hanrahan, within about two weeks, Punchh had these new capabilities up and running inside their app. Because Punchh integrated Fazoli's loyalty program with Olo's digital ordering platform and Brink's POS system, they had the right infrastructure in place to meet the new needs of their customers, who for most of 2020 were unable to come in for a visit. The Fazoli's team has been rewarded for their efforts with 5X higher online ordering sales through their app.

Creating Powerful Data-driven Campaign & Offers

Fazoli's loyalty program drives their marketing and communication initiatives across multiple channels. They leverage the Punchh platform to create data-driven campaigns and messaging that engages guests without using paid media. The brand also utilizes Fazoli's Rewards to support new product launches. Loyalty members receive promotions to try menu innovations and provide feedback that Fazoli's uses to make any needed refinements ahead of a national launch. They save time and resources by not having to employ the research services of a third-party.

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