

Tropical Smoothie Cafe® Loyalty Program Drives Valuable Acquisitions and Retention



With more than 1,200 locations and counting, Tropical Smoothie Cafe is a fast-casual brand known for its better-for-you-smoothies and food served with a tropical twist. Since September of 2020 Punchh has powered the Tropic Rewards® loyalty program and app to deliver Tropical Smoothie Cafe's digital strategy, which focuses on leveraging activations that reward members with targeted offers and promotions. They made the decision to switch to Punchh in order to continue attracting new customers with a more modern and engaging loyalty program and app.

Tropical Smoothie Cafe and Punchh worked together to ensure a smooth migration for existing loyalty and eClub members. The Tropical Smoothie Cafe marketing team created an offer to encourage members to download the app, sign into the new account and begin taking advantage of new features such as ordering ahead to eliminate standing in line. Jennifer Donley, Director of Loyalty, Tropical Smoothie Café, LLC believes the brand's continuous front-end communication to guests along with the Punchh executed back-end tech strategy led to a successful guest migration and strong conversion numbers.

"With Punchh we are able to provide a better experience as members have the capability to easily earn, redeem and pay online, in the cafe or in-app."

Jennifer Donley, Director of Loyalty, Tropical Smoothie Café, LLC

Today, Tropical Smoothie Cafe utilizes Punchh to help them take an integrated marketing approach to drive loyalty through omnichannel interactions. From the Punchh Platform they send important communication both nationally and at the local level to loyalty and eClub members and non-loyalty guests. Preset event triggered messages, along with email, push notifications and in-app promotions drive engagement, check-in and sales for the brand. Personalized messaging that reflects the brand along with in cafe POP materials and crew member communication keep Tropic Rewards® as the centerpiece of the brand's loyalty activities.



FAST CASUAL LOYALTY PROGRAM CHALLENGES

- Required a better guest engagement tool for offers & campaigns
- Lacked ability to manage marketing & loyalty activities in one place
- Needed to create an omnichannel mobile app experience

FAST CASUAL LOYALTY PROGRAM GOALS

- Deploy a robust branded mobile rewards app to increase digital sales mix
- Work from a single platform with integrated systems
- Deliver a more convenient and 1:1 guest experience at scale

FAST CASUAL LOYALTY PROGRAM SOLUTIONS

- Punchh Loyalty
- Punchh Promos & Coupon Codes
- Integrations with POS (Brink) & online ordering (Olo)

FAST CASUAL LOYALTY PROGRAM RESULTS

- 69% Increase in membership YoY
- 17.63% Participation rate YoY

Loyalty Campaigns Help Create Deeper Connections with Customers

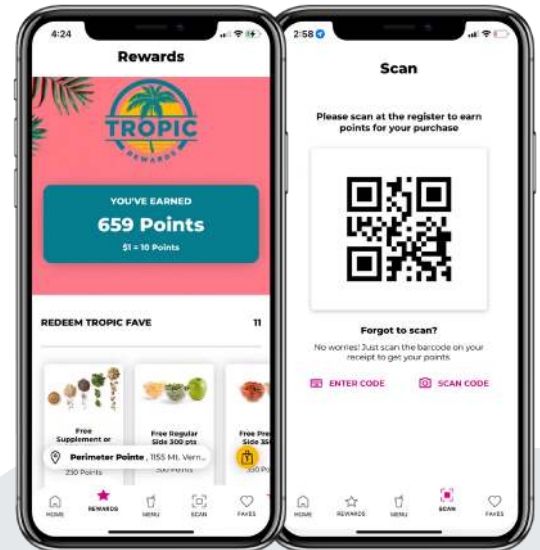
Testing, learning, and optimizing campaigns are a priority for the Tropical Smoothie Cafe team. They use post check-in campaigns with customers receiving bonus points to promote different LTOs throughout the year. Other successful campaigns include utilizing the Punchh derived rewards functionality. For example, this allows Tropical Smoothie Cafe to run a campaign that entices guests to visit on a certain weekend and then receive a surprise treat when they come back within the next seven days.

“Punchh is an important piece of our digital foundation. We can communicate to guests across a variety of channels to send reminders and personalized promotions that meet customers’ evolving needs.”

Jennifer Donley, Director of Loyalty, Tropical Smoothie Café, LLC

In 2022, Tropical Smoothie Cafe also created highly segmented new campaigns to drive acquisition, frequency, food trial and retention. During Tropic Fan Fest, their first-ever member appreciation week, members were rewarded with daily offers and Tropical Smoothie Cafe was rewarded with a 46% increase in loyalty transactions with 22% of guests trying a food item for the first time. Due to the initial success of Tropic Fan Fest, they brought it back in 2023, and achieved even better results.

Additionally, the Tropical Smoothie Cafe team relies on Punchh metrics for retention, frequency, loyalty sales and more to help inform them on how to continue moving the needle to get more guests to visit and how to create more strategic offers incrementally. This type of focus is intended to help drive profitability for their franchisees. Donley further explains that beyond looking at acquisition, check lift, and frequency, they measure loyalty by looking at sales penetration. They compare loyalty sales to total sales and work to constantly deliver a rewarding guest experience that drives continuous loyalty growth.



2022 Punchh Customer Award Winner: Campaign Hotshot

Tropical Smoothie Cafe Digital Campaign Highlights

National Smoothie Day -

A one day offer created to celebrate the holiday and drive brand awareness

Mass Offer Campaign

(reward loaded in rewards account) - Free smoothie with food purchase

- 2nd highest acquisition day for Loyalty
- 2nd highest sales volume ever for the brand