Every Transaction Speaks Volumes: How Payment Data Can Turbocharge Your Loyalty Program

PayiQ

PROCESSING INNOVATION

Payments Intelligence for Restaurants

Technology has dramatically evolved over the last 30 years, leading to seismic shifts in the way people shop and communicate with one another. For starters, the Internet fundamentally changed the way consumers search for information about brands and purchase many products. Social media became a prominent advertising and purchasing channel with multiple platforms. Finally, the explosion in smartphones brought consumers a hand-held computer that enabled the purchase of goods and services anywhere, anytime.

The result: 70% of the modern customer journey from initial interest to purchase now takes place online—with businesses shifting customer communications to online channels like websites, social media, online reviews, and others. This

through the clutter and capture buyer attention while determining which messages and channels are most effective.

Bottom line: The digital revolution has transformed the way customers shop, how they communicate, and what they expect from a business. To succeed in this environment, it's imperative to create and maintain a direct and meaningful relationship with the customer.

And that word—relationship—is key because it's what consumers are looking for in a brand. Customers want a more meaningful connection with the brands they choose to do business with. Nearly 85% of customers say that being treated like a person, not a number, is very important to winning—and keeping—their business.

The average US consumer is exposed to between 6,000 – 10,000 marketing messages each day.

translates into the average American consumer receiving somewhere between 6,000 and 10,000 marketing messages each day. This inundation with marketing messages has led many to tune out as the average attention span has decreased to only 8-seconds!

Consumers attention span has decreased over the last 20 years.
2000: 12 seconds
2022: 8 seconds

Relationships Matter Most

It also means that your business isn't just trying to go head-to-head with direct competitors or local options, but with everyone—competing for attention and the ability to attract and engage customers. This new media landscape has changed the game for marketers who now must figure out how to cut

The Blind Spot

Despite the shift to digital marketing and economic forces that have pushed more consumers to online commerce, more than 86% of all sales still take place in a traditional physical store or restaurant. So how does a restaurant adapt its loyalty program to break through in this new hybrid landscape?

Restaurants have long relied on loyalty programs to increase customer engagement, provide valuable insights into customer behaviors, capture chainwide data patterns, and ultimately drive long-term allegiance to the brand.

A good loyalty program can help attract new customers while retaining existing customers. The fiscal appeal of loyalty for restaurants is compelling: It's 9-11 times more expensive to recruit a new customer than retain an existing one, and a loyalty boost of even 7% can increase lifetime profits per customer by 85%. Plus, restaurant loyalty members spend an average of 29% more per visit. Even better, just a 3% jump in customer engagement is comparable to a 10% reduction in operating expenses.

Customer Cost: New vs. Existing

It's 9-11-times more expensive to recruit a new customer than retain an existing one

New customer

Cost = $$$$$
$$$$$

Existing customer

Cost = $

Advantages of Appreciating Loyal Customers

A loyalty boost of even 7% can increase lifetime profits per customer by 85%

C-store loyalty members spend an average of 29% more per visit

A 3% jump in customer engagement is comparable to a 10% reduction in operating expenses

Yet while more than 60% of restaurants offer a loyalty program, less than 42% of their customers belong to one. That means that restaurants are unable to track the behaviors and purchasing preferences of nearly 60% of their customers—and most loyalty members are already your best and most frequent customers.

As a result, you may be unintentionally discounting and losing margin on your highest volume customers. That lack of engagement also creates a blind spot in the customer data set used to drive loyalty—which can manifest as a misalignment between a chain's marketing programs and business objectives.

Inability to target all of your customers

Wrong customers are targeted

Incorrect promotion measurement

Revenue lost

Lost margin

Lower sales

Every Transaction Speaks Volumes

What if there was a way that could allow you to transform everyday payment transactions into personalized engagement between your restaurants and each and every one of your customers?

PayiQ's Payments Intelligence® solution eliminates the blind spot in a restaurant's loyalty program. Payments Intelligence® securely and anonymously

captures SKU-level detail on every card-based transaction by every customer in all channels—extracting rich, individualized purchasing data that brick-and-mortar restaurants have never been able to link together in a scientifically accurate way.

There's no enrollment or app or identifier needed, all line-item detail is seamlessly linked to each card in real time with every visit. This allows restaurants to engage with every customer who comes through the door, not only those who are enrolled in a loyalty program. Best of all, it requires no behavioral change on the part of the customer or your employee. Payments Intelligence® operates seamlessly in the background.

PayiQ has developed an entirely new way of extracting personal data from every payment transaction right down to the line-item details of every menu item purchased.

The ability to deliver highly personalized promotions in real time creates a dialogue with the customer and helps change the restaurant experience. It offers operators a new level of engagement with customers, making them feel known and valued which is at the heart of any customer's loyalty to a business.
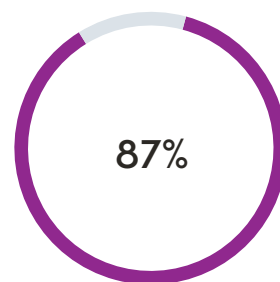
Best of all, Payments Intelligence® is completely agnostic. It can work as a standalone or with any existing processor or loyalty program. It's a solution that seamlessly drives engagement, loyalty, and revenue at scale in an entirely new way.

84%
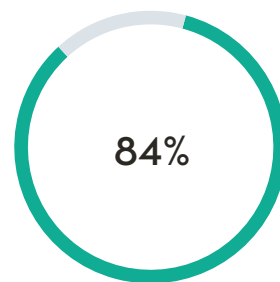
84% of customers say that say being treated like a person, not a number, is very important to winning their business

52%
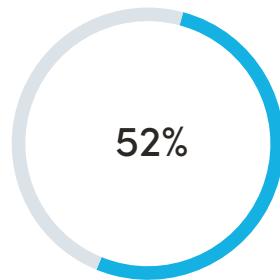
52% of customers now expect any offer they get should always be personalized

Payments Intelligence® captures all cardholder purchase data and automatically creates profiles based on a customer's actual historical and real-time behaviors that grow and evolve over time. Restaurants can then leverage this data to segment customers, create and generate highly relevant marketing and promotional offers, and deliver those offers in real time. This allows operators to create the ideal promotions—delivering them to the customers while they're still in the restaurant. This can be offered on the receipt, the POS display, via a prompt on the cashier's display, or on a phone for loyalty program enrollees.

87%

87% of customers are comfortable with having their buying habits tracked if it's used to personalize offers

PayiQ

For more information on how Payments Intelligence® can engage 100% of your customers and turbocharge your loyalty program, please visit: www.pay-iq.com