

An overhead photograph of a restaurant dining area with a wooden floor and white tables. A large blue semi-transparent overlay covers the top half of the image. In the top right corner, the 'rewards network' logo is displayed in white, with a small 'n' above the 'w'.

rewards
networkSM

Find Your Most Valuable Customer: Building Your Restaurant Marketing Plan

Who's Your Most Valuable Customer?

The Secret of a Great Restaurant Marketing Plan



Who do you value more as a customer? **New or repeat?**

84% of surveyed restaurants believe repeat customers are more valuable than new.

[But how does actual consumer behavior add up for your business?]

We wanted to know: **Who is the ideal customer?**

We've tracked millions of transactions and over two million surveys for frequent diners nationwide.



High Income
Earners



Big Spenders On
Travel and Dining Out



Eager
Rewards-seekers



Influencers For Millions of
Other Diners With Their
Recommendations

Why do customers choose your restaurant?

Rewards Network surveys frequent diners on their decision process every time they dine and asks about their motivation for choosing a restaurant.



Taste



Occasion



Location

All of these attributes have an effect on both the new and repeat customer decision, but the only one that can be measured precisely is **rewards**.



Budget



Reputation



Rewards

Rewards drive repeat visits.

Based on over **600,000** verified diner surveys and actual dining behavior, customers that initially chose a restaurant based on their participation in a Rewards Network program are **twice as likely to return** to that same restaurant than diners who chose their visit for another reason.

Occasion still matters.

Customers rated their likelihood of return higher at lunch than those who visited for dinner. **Customers are more forgiving of service hiccups at lunch time than dinner.**



Expectations for quality service are raised when customers visit during dinner hours or on special occasions. Getting dinner service right is critical, especially in fine dining restaurants, as **63% of customers typically visit during dinner hours.**

But how do new and repeat customers differ?



New Customers
Simply Spend
MORE \$\$\$\$

Percentage more spent by new customers than repeat customers at all restaurants.

Why do new customers spend more than repeat?



Novelty

First-time customers are more likely to try a variety of dishes, add an appetizer or dessert to their order, or try a tasting menu.



Special Occasion

Customers tend to choose new locations to celebrate birthdays, anniversaries, accomplishments, or reunions, with fine dining establishments seeing **47% more new customers than returning on average.**



Open to Suggestion

First-time customers are more persuadable through upselling and less familiar with your menu than repeat customers. Repeat customers may “stick with what they know.”

What can I do to increase spend?

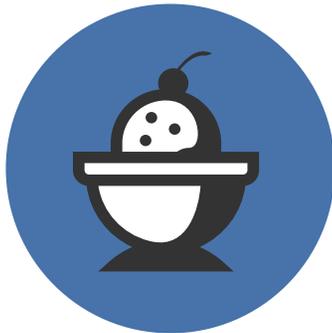
On site visit:



Give customers a sense of what makes your establishment special or explain “how it works.”



Point out popular items or make recommendations of your own “favorites.”



Suggest trying an appetizer when they order drinks or dessert when they've finished their entrees.



Let them know about upcoming events, special offers, or reasons to return.

The good news on repeat customers?

When they do come back, they are more
loyal and more appreciative:



Likelihood to Recommend Increases

Family and friends are still the most trustworthy form of advertising available to businesses, and **46% of our members cite “word of mouth” as their primary method of finding a restaurant.**



Likelihood to Return Increases

Existing customers are always less expensive to attract and retain than new customers unfamiliar with your brand. And the results are cumulative: **return customers are 11% more likely to return after their second visit than after their first.**

The good news on repeat customers? (Cont.)

When they do come back, they are more loyal and more appreciative:



Party Size
Increases

Inevitably, loyal customers bring new customers through your doors when they dine in larger parties — and the more expensive the restaurant, the larger the average party size.



Service Rating
Increases

In fact, customers that claim quality service as the reason behind their visit are **99% likely to return AND recommend** your restaurant to friends and family. They also give higher ratings across the board on food, cleanliness, value, service, and overall experience.

Service is one key to your repeat customer experience.

Consumer expectations have shifted. In our report last year, we surmised overall experience drove repeat visits. One year later, that has condensed down to **service** driving repeat visits more than food, atmosphere, location, and price.

The highest ratings for service across all restaurant segments came from parties of 2. The lowest? From parties of 5 or more. Why? Because quality service is harder for your servers and chefs to maintain as the complexity of ticket rises.

Reason for visit
Service



Likely to return

Atmosphere



Likely to return

Price



Likely to return

Food



Likely to return

Location



Likely to return

What can I do to increase spend?

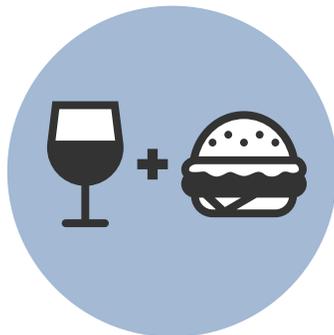
As they repeat:



Welcome them back. A smile and friendly greeting can go a long way.



Highlight limited time offers and new menu items.



Suggest pairings: entree + wine, entree + side, appetizer + entree.

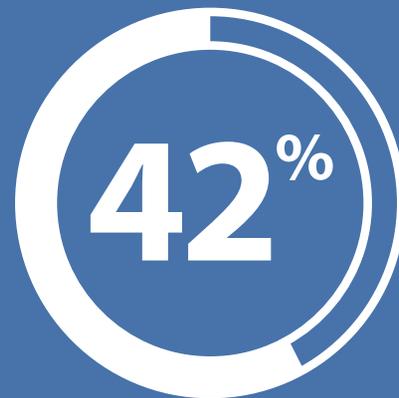


Alert customers to your rewards program.

Rewards also drive customer satisfaction.



50% of repeat customers return to Rewards Network program restaurants because of the opportunity to earn rewards of choice.



42% more spent by Rewards Network members than non-members on their initial visit to a restaurant.



25% more spent by Rewards Network members overall on all visits, new or repeat.

... **Because loyalty matters.** ...

How does Rewards Network drive our members to dine at your restaurant?



Increase in incremental spend with a bonus targeted to select members, driving more dollars toward your bottom line.



Multiple Touchpoints

Websites, emails, mobile, social media, and more. Our Marketing Services program reaches our over 6 million members with geographic targeting to ensure the right customer sees your restaurant every time.



Dining Rewards

Because of our ability to directly monitor spending levels, Rewards Network is able to drive more customers to you with special incentives, offering additional rewards at no cost to our clients.



Member Reviews

Rewards Network exclusively hosts verified diner reviews. As a restaurant owner or customer, you can be sure that the comments you read are from people who actually dined at an establishment.

Want to learn more about how Rewards Network
can help your restaurant grow?

Contact us today:

restaurants@rewardsnetwork.com
or visit **RewardsNetwork.com**

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