



Love Thy Customers.

THE BENEFITS OF LOYALTY...

Top Story

Systems Technology Group POS Loyalty Programs

Hospitality Loyalty

Aloha Loyalty allows your organization to quickly design, roll out and manage effective restaurant loyalty programs that will not only attract new customers, but also turn your existing customer base into "ideal customers" who have the purchasing habits that will drive top line growth for your restaurant.

Key features and benefits of Aloha Loyalty include:

- Variety of plan types include item based, dollar based, points based, frequency based or random – offer unique and unlimited bonus plans
- Flexible rewards: instant discounts, gift card credit and “bounce-back vouchers” -Increase customer satisfaction
- Easy set-up at both POS site and corporate level – streamline administration process
- Rich enterprise reporting options including customer history and management alerts - mold customers into profit-yielding members

Retail Loyalty

Retail Pro tracks the movement of items to customers, revealing valuable information about the preferences of your particular customers and how well the products you offer reflect those preferences.

Seeing the relationships between product sales and customer profiles can help you:

- Provide better customer service and increase customer satisfaction
- Generate strong sales revenues
- Discover, attract and retain new customers
- Cross sell/up sell products more effectively through suggestive selling of linked items or services
- Simplifies target marketing and enhances the selling process
- Retail Pro incorporates each transaction into a customer history file, creating a complete purchase history for that customer. The customer relationship management features of the system allow you to give your customers the personal attention they deserve that builds upon customer loyalty.

STG NEWS...

STG Appreciation Day Highlights

Did you know that Aloha gift cards become Loyalty Cards when they're used to generate repeat business? When a customer gives a gift card (from your place of business) to another person, your business is ahead in the loyalty game! About 30% of gift cards are never even used, so this puts your business ahead right off the bat. Let's just overlook the fact that you may have lost future sales with a new customer, but it's not a total loss- any gift card purchases made that are not redeemed are pure profit to you

[Learn More ▶](#)

OTHER NEWS...

Popular Holiday Blogs

<http://customerloyaltyprogram.blogspot.com/2009/07/multi-tender-loyalty-programs-key-to.html>

Interesting Hospitality Holiday Articles

<http://www.foodservicewarehouse.com/education/restaurant-marketing/loyalty-programs.aspx>

Interesting Retail Holiday Articles

<http://www.democratandchronicle.com/article/20100107/BUSINESS/1070324/1001>

Interesting School Articles

http://www.creatingloyalty.com/story.cfm?article_id=304

HEADS UP!

Important Site Links

Hospitality Links-

<http://www.localfoodservice.com>

Retail Links-

www.retailcouncilnys.com/index.php

[Learn More ▶](#)

ARTICLES AROUND THE NET...

What's Hot Out There

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.... Customer Loyalty Strategize And Plan

.... Cafeteria Lines (brand loyalty)



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STG News



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STG NEWS...

STG Aloha Gift Cards and Loyalty

Did you know that Aloha gift cards become Loyalty Cards when they're used to generate repeat business? When a customer gives a gift card (from your place of business) to another person, your business is ahead in the loyalty game! About 30% of gift cards are never even used, so this puts your business ahead right off the bat. Let's just overlook the fact that you may have lost future sales with a new customer, but it's not a total loss- any gift card purchases made that are not redeemed are pure profit to you without the loss of inventory. On the other hand, when a person decides to make a purchase with a gift card-you've just gained business and they have the potential to become a long loyal customer to your business! When the customer uses the gift card to purchase the item(s), swipe the card and change it into a club card. Just changing the gift card into a club card creates the possibility of that customer coming back to your establishment a second time. Instead of throwing away more plastic, your saving the "green" of the Earth and setting up your business' future "green" in sales. Let that customer keep that card in their wallet and most likely they are going to use that card again.

Good Reasons to Use Gift Cards:

Increase Sales

By displaying your gift cards at your Register (Point Of Sale or POS) you will increase your gift sales. This has been proven to increase impulse buys at the POS. Also, your gift cards have no value until they are activated. Therefore, theft is not an issue.

Return Revenue

Issue store credit on a gift card and you will always keep customers coming back to spend more. You will never again have to lose money by refunding your customer. You can simply present your customer with a Gift Card that has the same value as their return.

Reduce Cost

By using electronic gift cards, you will reduce the cost of the back office reconciliation that is involved with paper gift certificates. With real time reporting you and your customer can look up individual card balances. You will have all the information that you need to balance your books when you switch to an electronic gift card system.

Straight Profit

Statistics show that up to 15% of the cards will never be redeemed. This means that if you sell \$100,000 in gift cards, that you will profit \$15,000 as a result of cards that are never redeemed. This is one reason that many business have switched to a plastic Gift Card that can be displayed at the POS.

HEADS UP!

Important Site Links

Informational & Partner Site Links-

<http://www.pcisecuritystandards.org>

<http://www.ibm.com>

<http://www.hp.com>

<http://www.shift4.com>

<http://www.microsoft.com>

<http://www.radiantsystems.com>

Hospitality Links-

<http://www.localfoodservice.com>

<http://www.nysra.org>

<http://www.alohapos.com>

Retail Links-

<http://www.thewisemarketer.com/features/read.asp?id=13>

<http://www.retailpro.com>

Around The Net

Around The Net

Customer Loyalty- Key to Success

In today's competitive marketplace, one of the biggest concerns of tableservice-restaurant operators is winning customer loyalty. Pleasing patrons enough to make them want to return to the establishment again and again. With the number of foodservice locations in the United States approaching 800,000, operators should focus not only on attracting first-time consumers but also on building a solid base of repeat customers.

According to the National Restaurant Association's Tableservice Operator Survey, repeat customers mean big business for tableservice restaurants. Many operators derive a large portion of their revenue from those loyal patrons. Tableservice operators with an average check size of less than \$8 report that repeat business accounts for roughly 80 percent of their annual sales. Operators of restaurants with an average check size of \$25 or more are only slightly less dependent on those frequent diners, reporting that repeat customers contribute 60 percent of their total revenue. This reliance on repeat customers was confirmed in a recent Association report, The Frequent Dinner Customer, which declared that purchasing dinners prepared by a restaurant has become a way of life for some consumers. Although virtually all adults purchase meals away from home at least occasionally, frequent dinner customers are responsible for an overwhelming 74 percent of all dinner occasions when the meal is purchased outside the home.

The Value Of Value

Recognizing that repeat customers are a major source of revenue, restaurant operators are trying to make those repeat visits as simple and satisfying as possible. One way to keep customers coming back is to maximize the value they receive for the price they pay. Consequently, restaurant operators are placing great emphasis on delivering more value for the dollar. Roughly half of all table service operators report that their customers are more value-conscious today than they were two years ago, while less than 5 percent indicate that their patrons are less value-conscious. Customers of higher-priced table service restaurants display a strong sense of value satisfaction, with 71 percent of them indicating that the value they received for the price they paid met or exceeded their expectations. However, patrons at the more upscale eateries are also twice as likely to report that the value they received fell below their expectations. In general, diners' perceptions of value at tableservice restaurants have remained relatively steady over the last year.

Building Loyalty Is No Easy Task

Customers may seem generally satisfied with restaurants now, but keeping them that way — and keeping them coming back for more — is a significant challenge, at least in the eyes of tableservice-restaurant operators. Despite the high level of customer satisfaction, the industry remains an extremely competitive arena. When asked to identify the most significant challenges their businesses are likely to face, roughly one out of five tableservice operators cited competition and maintaining the volume of business.

Customer Loyalty

Strategize And Plan For Loyalty-Streetwise Business Tips

Do you even have a specific plan for building customer loyalty?

I bet you haven't given it as much thought as you should- because to tell the truth I need to give it more effort also. If you currently retain 70 % of your customers and you start a program to improve that to 80 percent, you'll add an additional 10 percent to your growth rate. Particularly because of the high cost of landing new customers versus the high profitability of a loyal customer base, you might want to reflect upon your current business strategy.

These four factors will greatly affect your ability to build a loyal customer base:

- 1- Products that are highly differentiated from those of the competition.
- 2- Higher-end products where price is not the primary buying factor.
- 3- Products with a high service component.
- 4- Multiple products for the same customer.

Market To Your Own Customers!

Giving a lot of thought to your marketing programs aimed at current customers is one aspect of building customer loyalty. When you buy a new car, many dealers will within minutes try to sell you an extended warranty, an alarm system, and maybe rust proofing. It's often a very easy sale and costs the dealer almost nothing to make. Are there additional products or services you can sell your customers?

Three years ago my house was painted, and it's now due for another coat. Why hasn't the painter called or at least sent a card? It would be a lot less expensive than getting new customers through his newspaper ad, and since I was happy with his work I won't get four competing bids this time. Keep all the information you can on your customers and don't hesitate to ask for the next sale.

Use Complaints To Build Business!

When customers aren't happy with your business they usually won't complain to you - instead, they'll probably complain to just about everyone else they know - and take their business to your competition next time. That's why an increasing number of businesses are making follow-up calls or mailing satisfaction questionnaires after the sale is made. They find that if they promptly follow up and resolve a customer's complaint, the customer might be even more likely to do business than the average customer who didn't have a complaint.

In many business situations, the customer will have many more interactions after the sale with technical, service, or customer support people than they did with the sales people. So if you're serious about retaining customers or getting referrals, these interactions are the ones that are really going to matter. They really should be handled with the same attention and focus that sales calls get because in a way they are sales calls for repeat business.

Reach Out To Your Customers!

Contact . . . contact . . . contact with current customers is a good way to build their loyalty. The more the customer sees someone from your firm, the more likely you'll get the next order. Send Christmas cards, see them at trade shows, stop by to make sure everything's okay. Send a simple newsletter to your customers-tell them about the great things that are happening at your firm and include some useful information for them. Send them copies of any media clippings about your firm. Invite them to free seminars. The more they know about you, the more they see you as someone out to help them, the more they know about your accomplishments-the more loyal a customer they will be.

Loyal Customers and Loyal Workforces

Building customer loyalty will be a lot easier if you have a loyal workforce-not at all a given these days. It is especially important for you to retain those employees who interact with customers such as sales people, technical support, and customer service people. Many companies give a lot of attention to retaining sales people but little to support people.

I've been fortunate to have the same great people in customer service for years-and

the compliments from customers make it clear that they really appreciate specific people in our service function.

The increasing trend today is to send customer-service and technical-support calls into queue for the next available person. This builds no personal loyalty and probably less loyalty for the firm. Before you go this route, be sure this is what your customers prefer. Otherwise I'd assign a specific support person to every significant customer. One last thing-don't tell your customers your 800 line phone number is for orders only!

Cafeteria Lines

Betsy Spethmann

Those ladies in hairnets are getting elbowed out by beverage marketers eager to boost brand loyalty among schoolkids. Coca-Cola, Dairy Management Inc. (DMI), and the National Dairy Council and MilkPEP tap the cafeteria crowd this fall with in-school promos and, for Coke, a pilot loyalty card program that could eventually go national. The campaigns come as some school districts aggressively court corporate sponsorships to supplement shrinking budgets. That's got watchdog groups anxiously protecting schools as non-commercial zones. San Francisco's school board this spring banned textbooks that gratuitously mention brand names, exclusive contracts with soft drink and snack marketers, and sale of products made by tobacco company subsidiaries such as Kraft Foods (owned by Philip Morris). The National Association of Elementary School Principals (NAESP) urges its 28,000 members to weigh educational benefits against blatant commercialism. The Alexandria, VA-based association "firmly supports" partnerships between private-sector business and public schools, but urges principals to "use extreme caution . . . in maintaining a distinct separation between commercial advertising . . . and learning programs in their schools."

"There's a captive audience out there, and principals need to serve as gatekeepers," says NAESP executive director Vincent Ferrandino. He suggests school districts develop guidelines that reflect the community's tolerance for marketing. "It's a local question," Ferrandino says. "Some schools need funding help. There shouldn't be a federal ban on corporate sponsorships."

States are beginning to step in as marketers get more aggressive and local school districts weather controversy. There are no statewide or federal restrictions on in-school marketing (see sidebar). The U.S. Senate is considering a bill introduced in May by Sen. Patrick Leahy (D-VT) to ban soft drink giveaways in schools. The Better Nutrition for School Children Act, now in committee, would close the loophole that lets companies donate foods "of minimum nutritional value" that can't be sold during meals.

Existing nutrition law prohibits schools from selling soft drinks during lunch, but marketers have stepped up free sampling, even paying schools for boosting student consumption. Cafeterias are more tightly regulated than school halls, because federal nutrition guidelines limit what can be served. Coca-Cola Bottling Hawaii has pegged its pilot loyalty program to juice and bottled water. The program, set to begin in at least one private high school by March, gives kids points for buying lunch - and Coke products - in the cafeteria. Points are stored on a smart card, then redeemed at local businesses. The bottling group is negotiating with two video arcades, a local fast-food chain, and a surf store to redeem points. Pathways Group, Woodinville, WA, handles the program.

A year-long elementary school test proved the kids were too young to handle the cards. Teachers passed them out right before lunch, then collected them right after - a waste of smart-card technology, says Joe Schuler, Pathways senior VP-sales and marketing. Public high schools hesitated to admit the program, so Coca-Cola turned to private schools. "At first, some parents were concerned we'd be selling kids Coke," Schuler says. Also, some schools were considering contracts with Pepsi as it battles Coke for exclusive school deals. That pushed back the smart card launch.

Top of the Food Pyramid

Cafeteria promos are open to fewer players, but they can be tied to consumption. School lunches are a \$15 billion business, and cafeteria promos can help suppliers grab a bigger bite of that.

The "Milk Mustache" folks at MilkPEP (run by the International Dairy Foods Association) and the National Dairy Council teamed for an October-November drink-a-thon, the fourth annual Cartons for Computers campaign. Two schools nationally with the biggest increase in milk consumption (over the previous month) win \$10,000 worth of computer equipment and \$2,000 in foodservice gear. Contests in 25 regions award \$2,000 in computers and \$500 in foodservice goods. Every school that increases consumption by at least 10 percent gets a one-year subscription to an educational magazine.

MilkPEP and the Dairy Council leave in-school promotion up to kids, offering \$1,000 in computers to the school that promotes the contest most creatively. Last year, kids built flying machines from milk cartons and held cow-kissing contests. MilkPEP taps local dairy council reps to sell the promo to foodservice directors. (Local councils act primarily as marketing groups; schools buy milk from processors, not councils.) Foodservice directors get a promotion kit with posters and guidelines for executing the campaign. At least 5,000 schools participated, more than double last year. BSMG Worldwide, the Chicago-based P.R. arm of MilkPEP's ad agency Bozell, New York City, handles the in-school campaign.