

Create Customer Loyalty with Conversational Text Messaging

Increasing customer loyalty by 5% with conversational text messaging can increase your business' profitability by 25% or more. ^[1] Return customers tend to buy more from you over time, around 10X the value of their initial purchase. They also become lower cost to serve over time. Even better? Loyal customers refer your business to other customers.

How do you create customer loyalty in the digital age, where internet shopping and price comparisons happen in an instant? Without discounting to the lowest possible price, that is.

One answer is to deliver loyalty programs through conversational text messaging.

By adding conversational text messaging to your marketing channels, you can begin and continue conversations that compel your customers to keep coming back and buying more.

How does a loyalty program work? It's simple. Customers sign up for your program and then are given discounts and special promotions to come back and buy more. The longer your conversation continues, the more you learn about your customers (thanks to well placed messaging surveys) and the deeper your loyalty can grow.

Six Steps to Customer Loyalty with Conversational Text Messaging

Here are the simple steps to use conversational text messaging to capture your customers' attention and loyalty.

1. **Invite customers to sign up.** Announce your program to current customers by sending them a text message inviting them to join.
2. **Promote your loyalty program.** Be sure to promote how easy it is to text to join your program at every customer touch point, from coupons on your website and social media postings to ads and promotions inside your business.

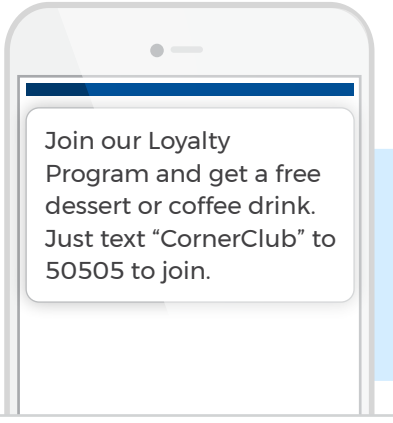
- 3. Capture mobile numbers at checkout.** Also, be sure to get their number so you can text them after first purchase, if they haven't opted-in ahead of that time.
- 4. Incent them to join.** Be sure you explain the value they will get from your loyalty program.
- 5. Be consistent.** Once a customer joins your program, continue to converse with them on a regular basis. Never sell, do have a conversation.
- 6. Continue to improve.** Use analytics in your advanced conversational text messaging system to track, measure, and improve your loyalty program. Use surveys and single question messages to capture further insights on what your customers want.

How Corner House Grew Revenues and Loyalty with Conversational Text Messaging

Corner House is a small restaurant in the downtown area of a large city. They serve breakfast and lunch 7 days a week and dinner Thursday through Sunday nights for local residents. Their business was good but not growing during the breakfast and lunch hours. The owner, Jan, wanted to increase her repeat business from all of the neighboring office buildings, since she knew that repeat customers were the key to growing her revenues and bottom lines.

Jan decided to start the Corner Club, a loyalty program that gave customers weekly discounts on specific offers, as well as points for purchases they can apply toward free food.

Jan had her graphics designer create a cool logo, a compelling program offer and a short code that a customer can use to easily text and join. She put this information in her advertisements, table mats, menus, and on cards and posters around the restaurant.

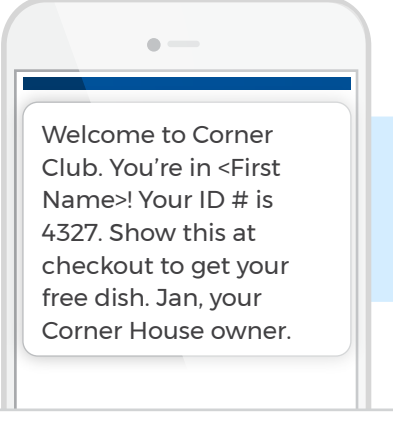


Join our Loyalty Program and get a free dessert or coffee drink. Just text "CornerClub" to 50505 to join.

As part of the promotion, customers were given the following offer. This offer was specifically designed to compel customers to join. Who can say "No," to a free dessert or coffee drink?

Welcome Campaign

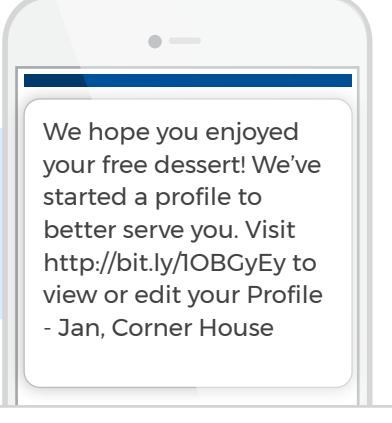
When customers send the keyword "CornerClub" to 50505, an automated multi-touch messaging welcome campaign was triggered to begin for that customer.



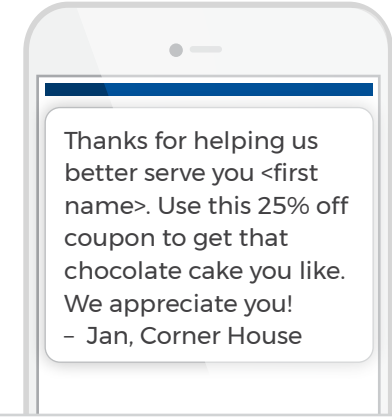
Welcome to Corner Club. You're in <First Name>! Your ID # is 4327. Show this at checkout to get your free dish. Jan, your Corner House owner.

First, a confirmation of their program membership was sent via text.

Then, when the customer uses their personal ID to get their free dish, the following message is triggered to be sent the next day.



We hope you enjoyed your free dessert! We've started a profile to better serve you. Visit <http://bit.ly/1OBGyEy> to view or edit your Profile - Jan, Corner House



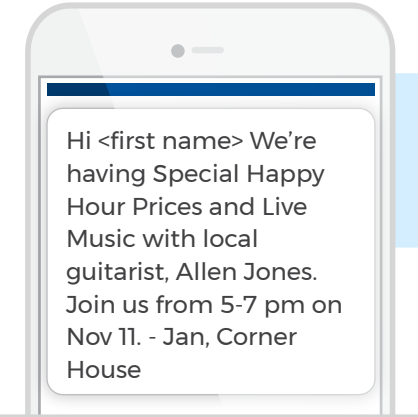
Thanks for helping us better serve you <first name>. Use this 25% off coupon to get that chocolate cake you like. We appreciate you!
- Jan, Corner House

When a customer visits their profile and updates certain required fields, they trigger a personalized offer based on one of their selected preferences. For example, the following message is sent when someone selects chocolate cake as their favorite item on Corner House's menu. If this customer had selected Waffles, the system would have automatically triggered that offer.

Ongoing Loyalty Engagement

Corner House also created an ongoing loyalty campaign for their Corner Club members. Messages that are regularly sent out include the following.

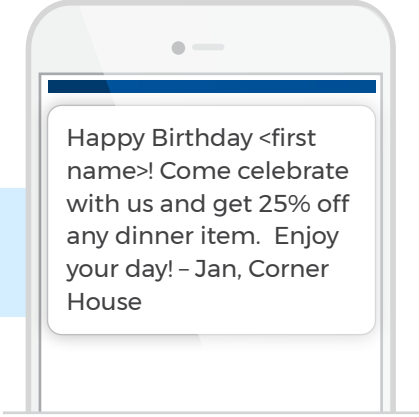
Monthly offers as well as ad hoc special events are announced to customers via text messages. For example:



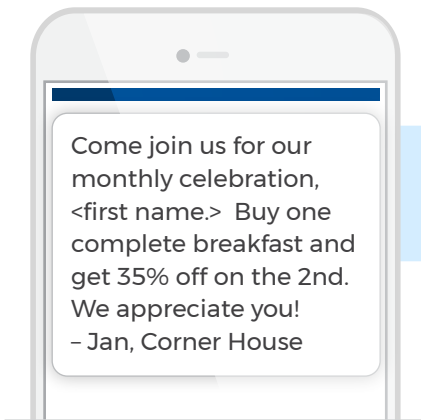
Hi <first name> We're having Special Happy Hour Prices and Live Music with local guitarist, Allen Jones. Join us from 5-7 pm on Nov 11. - Jan, Corner House

Jan wanted to increase her business from the local crowd during happy hours and weekend dinners. Messages like this one did just that.

For important personal dates, messages like this are automatically sent to customers.

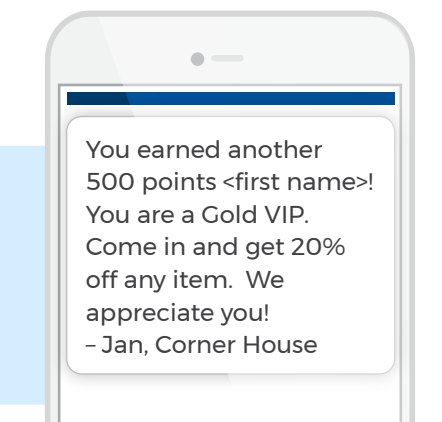


Happy Birthday <first name>! Come celebrate with us and get 25% off any dinner item. Enjoy your day! - Jan, Corner House



Monthly reward specials are sent to each customer like the following text message.

Anytime a customer dines at the restaurant, they're automatically sent a text message with an update to their Loyalty Program points. When a customer gets enough points for a reward, they are messaged as well.



The Bottom Line

Jan's Loyalty Program worked even better than expected. Since she used conversational text messaging to reach out to her customers, people responded. That meant she began 6x the conversations she would have if she'd used email.

As customers joined her Loyalty Program, they liked it so much they brought their friends along. Her breakfast and lunch business is booming and Corner House dinners have increased by 25%. Happy Hours are packed and more and more revelers are staying for dinner, too.

With a bit of attention and caring, Jan's business now gets repeat customers every single day. Thanks to a few well-orchestrated text messages.