

## **Encouraging Repeat Business through *Loyal Rewards*: More Smart Marketing Strategies for Local Restaurant Owners**

*-Jay Siff*

There are few things restaurateurs find more satisfying than watching their tables fill up with familiar faces. Repeat customers, the kind that keep coming back for birthdays, anniversaries, or just to grab a quick bite on a Friday night, are crucial for the success of any restaurant. According to global management experts Bain & Co., repeat customers spend 67% more than do new customers. Thus, it is not only personally satisfying to see familiar faces return to your restaurant, but financially rewarding as well.

But how do you turn a new customer into a repeat one? While ensuring that your customers receive the highest level of service and the best food possible are crucial elements to encouraging repeat business, there are strategies that can help you to proactively build relationships with customers and increase the likelihood that new customers will become regular ones.

Previously, I discussed how smart marketing campaigns that target new movers can help restaurateurs to expand their customer base by reaching out to new residents. While inviting a new resident into your business is always a step forward, getting them to return should be your ultimate goal. Here's how you can do just that:

1. Restaurant owners should encourage their employees to approach each interaction with a new customer as a job interview. Hosts and servers should be friendly, well-dressed, and helpful. Explain to your employees that this type of behavior not only increases the chance that the customer will leave a good tip, but also that the individual will return to tip again in the future. Each time a new customer enters your establishment you are *auditioning* for their business in the future—and the effects of a negative first impression are very hard to break.
2. After the customer has finished his meal and is waiting for the check, ask that he provide an email address for future correspondence. Explain that your restaurant occasionally offers specials and free meals to its most valued customers, and that you would like to include his email on the restaurant's list. Most likely he and other customers will provide their email addresses, allowing you to create a database of information about your customers.
3. Use this database to distribute special offers to past customers and drive business to your front door on slower days. For example, if your restaurant is booming on the weekends but typically sees little business Tuesday nights, send out an email on Tuesday morning to your customers inviting them to redeem a gift certificate for a free appetizer or entrée. Explain that the offer is only valid for that Tuesday evening, and encourage your customers to stop by and redeem the gift. Suddenly, your restaurant will begin to fill up with customers who might have previously had dinner at home on a Tuesday night. With a few simple emails, you have turned a slow night into a busy one by reaching out to your customers and giving them a reason to visit you again.

The goal of the above strategy, which I call a *Loyal Rewards* program, is to create “top of mind awareness”—to keep your business clearly positioned in the forefront of your customers’ minds. While you, as a restaurant owner, may forlornly pine after your customers during slow business nights, your customers will likely not think of you or your business unless prompted by an email, advertisement, or special occasion. In fact, they may always think of your restaurant as their “Friday night” bistro, for example, unless you give them a reason—a *Loyal Reward*—to visit you Tuesday night *as well* as on Friday. Thus, you should make it your goal as a successful entrepreneur to casually remind them of the great time they had the last time they visited your establishment, and invite them to repeat the experience with a special offer. By doing so, you are encouraging repeat business by reaching out to customers who you *know* already enjoy your services.

The bottom line is this: *Loyal Rewards* programs work both ways. Your customers are rewarded by showing their loyalty to you, and your business reaps the benefits of staying loyal to its past customers. It’s a win-win situation!