

Case Study

# Spendgo Helps DRNK & QWENCH Launch Loyalty Program



## Summary

In need of a fresh marketing strategy, quick-service beverage company DRNK & QWENCH sought to create a successful customer rewards program.

Using Spendgo's POS system-agnostic in-store digital marketing solutions, DRNK & QWENCH was able to convert and retain more customers, boost sales, and grow their business.



## About DRNK + QWENCH

The DRNK & QWENCH organization is comprised of two quick-service beverage brands (DRNK coffee + tea and QWENCH juice bar), and currently operates 11 locations in the Los Angeles area.

Both brands serve speciality, house-made beverages and food, with an emphasis on fair trade and organic options.

# The Challenges

Customer loyalty rewards programs have the potential to bring in a lot of revenue, especially for quick-service cafés and coffee shops. However, traditional methods for keeping track of customer rewards can be less than ideal.



Some common issues with loyalty programs include:

- Punch cards are easy to lose and add extra time to the checkout process.
- It's irritating for customers to have to scroll through their email or text messages looking for discount codes, and it also adds checkout time.
- Asking customers to give their email address or phone number to cashiers adds extra time and confusion at checkout, particularly because email addresses can be lengthy and difficult to relay.
- Some people are reluctant to verbally give their email address or phone number to a stranger in public.
- Creating a branded app from scratch is too expensive and difficult for small brands.
- Many customer loyalty programs only track the number of visits a customer makes, rather than amount spent – so there's no motivation for customers to spend more on each transaction.

As industry veterans, the owners of DRNK & QWENCH had tried a variety of customer loyalty reward systems, but were dissatisfied with problematic rollouts, limited integrations, and lack of support. They wanted a fresh approach.

# The Solution

Quick, effective, and hassle-free, Spendgo was the ideal solution for launching and optimizing DRNK & QWENCH's rewards program.

With Spendgo, customers simply enter their phone number or email address on a tablet at checkout to earn and redeem rewards. This makes it easier to convert customers on the spot without spending any money on advertising.

“ I was really impressed with the support we received from the Spendgo team while we got everything up and running.

We had a lot of POS system projects going at the time, and Spendgo was with us every step of the way to make sure everything went smoothly.

— Hilario Torres, IT department

The technology is easy for both employees and customers to use, facilitating a smooth checkout process. In addition, the software on the tablet is integrated seamlessly with the POS system, eliminating a step for the cashier.

Spendgo also gives the organization and individual stores the ability to track engagement and retention metrics, so measuring success is as easy as logging into the Spendgo dashboard.

DRNK & QWENCH aren't locked in to any particular POS system, either. Spendgo

integrates with a number of POS solutions, which made it easy for the organization to evaluate other POS systems and continue with ongoing IT projects without interfering with the loyalty program.

# Results

By the end of 2018, the DRNK franchise had 84,000 members across 10 stores, and boasted the following stats after just two years with Spendgo:

- Loyalty members comprised 70% of transactions at top locations and 51% of transactions overall.
- 96% of rewards were redeemed.
- 91% of monthly loyalty program members were repeat customers.
- Up to 400 new members were added at each location each month.
- The average ticket for loyalty members grew 16% year over year (2017 to 2018).



96%

of rewards were redeemed

DRNK & QWENCH has also launched an online ordering app and website using Spendgo. Customers can log in, place orders ahead of time, and apply their rewards at checkout — no copy-pasted discount codes required. And, thanks to Spendgo’s integrated services and robust APIs, DRNK & QWENCH could choose the online ordering provider that worked best for them.

“**Spendgo has transformed customer engagement in DRNK & QWENCH stores.** The rewards are easy to access, so people are excited to come back and buy from us again.

— Amir Atighehchi, VP of Strategic Growth

**Spendgo's in-store digital marketing system did great things for DRNK & QWENCH. Want to see what it can do for your business?**

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