McLoone's leverages NCR Aloha marketing tools to build brand loyalty

An NCR Case Study

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– Tim McMahon, director of operations, McLoone Management

The customer

McLoone Management owns and operates six restaurants in New Jersey and Maryland, each a unique McLoone's concept and averaging $3 million in annual revenue. The restaurant group has developed a niche in its markets because of its commitment to value, high levels of customer service and unique loyalty and marketing programs.

Solution

After extensive research, McLoone's selected the NCR Aloha solution, including the loyalty and gift card marketing applications. McLoone's used the combination of these marketing tools to develop its Premier Club program, which charges guests $25 to join and comes with $20 pre-loaded on the card. "We want our customers to see value in joining the Premier Club and to get their money's worth of becoming a member," said Tim McMahon, director of operations at McLoone's Management. "We do not want to manage a database that has no value, like many restaurants that just give loyalty cards to anyone." Using NCR Aloha, McCloone's can support all of the perks offered to Premier Club members, such as half-priced bottles of wine, preferred seating, discounts off of retail purchases, and $40 rewards loaded back onto cards for every $500 spent at its restaurants. In addition to its Premier Club, McLoone's also combines the loyalty and stored value functionality of NCR Aloha to manage a dozen different local programs, such as co-branded residency cards for patrons living in large neighborhoods where restaurants are located. Other local businesses use McLoone's loyalty club cards as incentives for trying a new service. In addition, McLoone's is using loyalty cards as a way to give back to the community - a valuable tool for the restaurant group, as charitable giving is a large company priority.

Results

McLoone's restaurants currently have more than 5,000 Premier Club members, averaging 1,000 new members annually. "One of the key benefits of implementing this solution is the amount of ways to develop our loyalty programs that can all be supported by the application," said McMahon. "Using NCR Aloha Loyalty, our net revenue of purchases from Premier Club members has increased 8.8 percent annually for the past three years, and we are on track to have more than $1 million in revenue from loyalty club purchases this year." McLoone's has learned that restaurant patrons take pride in being a Premier Club member and often preface comments with reference to their membership. Customers see so much value in the program that they will often load up to $1,000 on their cards in order to receive a 20 percent rebate during select periods. In addition to its loyalty program, McLoone's markets its restaurants even further by selling gift cards at other retail sites, such as Sam's Club and Costco. In just eight weeks, the restaurant group sold more than $120,000 worth of gifts cards at just two Costco stores, increasing revenue and brand awareness for the company. McLoone Management has taken customer loyalty programs and restaurant marketing to a new height in its region, which in return has become a clear differentiator for the restaurant group. "We are able to do very impressive restaurant marketing at McLoone's with the support of the NCR Aloha solution," said McMahon. "We would not be able to do what we do without the outstanding support we receive from the teams at Advanced Hospitality Solutions and NCR."

McLoone's NCR Aloha Technology Solution:

- Point-of-sale software and hardware
- Loyalty and stored value applications
- Inventory and labor management functionality
- Site and systems management applications

Technology Partner:

- Advanced Hospitality Solutions

Benefits:

- Grows loyalty program an average of 1,000 members annually
- Increases revenues from loyalty program 8.8 percent annually
- Manages multiple loyalty programs and promotions from a single location
- Awards customers for loyalty with more than $12,000 given back in three years
- Earns recognition in local communities for Premiere Club program and commitment to customer service
- Sells thousands of dollars in gift card value at local retailers in addition to restaurant sites