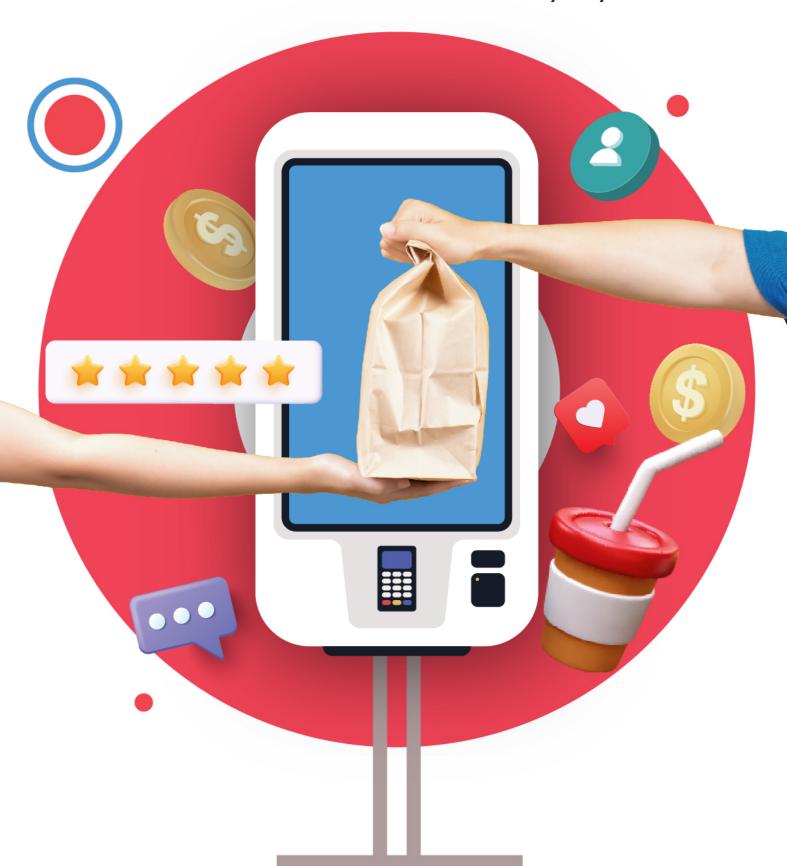
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# The QSR Trifecta:

Win Customers and Drive Success Through Personalization, Customization and Loyalty





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Rising food costs. Increased competition. Shifting consumer behaviors. Quick-service restaurants (QSRs) face several challenges that are pushing the industry to adapt. In this environment, old methods of attracting and retaining customers simply aren't enough.

To truly thrive, QSRs must embrace a new strategy centered on personalization, customization and loyalty. This QSR trifecta can reshape customer relationships and drive long-term success.

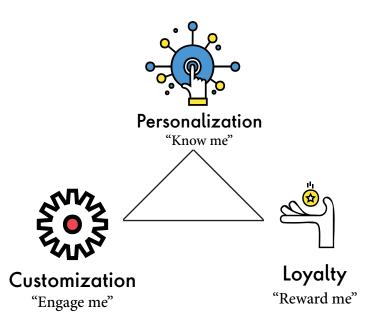
# Navigating economic pressures

The inflationary environment of the last several years has driven food costs to unprecedented levels. According to the United States Department of Labor, fast-food prices in March 2024 were 33 percent higher than they were in 2019.

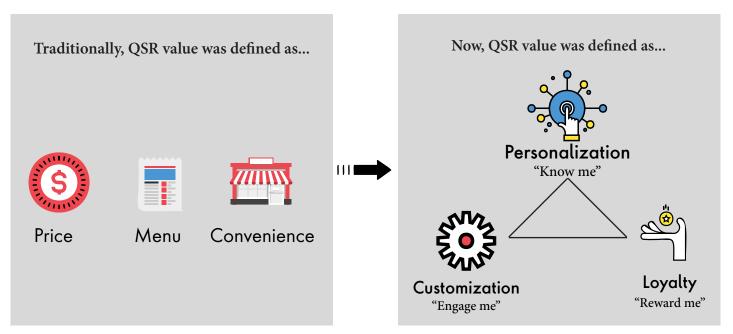
This has created a difficult economic landscape for businesses and customers alike. Inflation has led to higher borrowing costs for businesses. Faced with sky-high prices, consumers are reducing their spending on dining out, which in turn has led to more competition between restaurants.

In this challenging environment, the traditional formula of focusing on price, menu variety and convenience fails to entice customers, who have a variety of dining options available to them and new expectations for engagement. Today's consumers are more discerning and expect a higher level of engagement and value from the brands they choose to patronize.

What can QSRs do to earn and engage customers? They need to listen, understand and overdeliver—and they need a new strategy that helps them do this. To succeed today and tomorrow, QSRs should elevate customer experiences by prioritizing the QSR trifecta:



# Today's QSR need a compelling, new strategy for building customer relationship



Together, these capabilities represent a paradigm shift in how value is perceived and delivered. By investing in them, QSRs can drive long-term value for customers while also enhancing revenue.



# Personalization: Understand customers as individuals

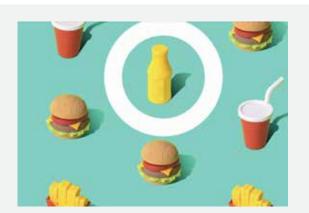
Customers are people, not data points. Each carries their own constellation of experiences, values, expectations and preferences. Businesses shouldn't just acknowledge this reality; they should lean into it by offering richly personalized experiences that speak to each customer's wants and needs.

Indeed, today's consumers crave personalized experiences. By understanding individual customer preferences and behaviors, and by using the right tools, QSRs can create tailored experiences that resonate deeply with their audience.

# Collect data for deeper insights

Customers may not be data points, but data is a crucial tool that helps businesses understand their customers. Data collected through digital channels helps QSRs identify and engage with previously unknown customers. By understanding who their customers are, QSRs can lay the foundation for targeted marketing and loyalty initiatives.

Gathering data on customer interactions and preferences allows QSRs to craft personalized experiences that foster deeper connections.



Publicis Sapient worked with a large QSR to develop a customer data and analytics solution that ingested, stored, processed and analyzed customer data. It used these insights to predict behavior, target the right customers and reduce churn.





#### Establish a 360-degree customer view

To understand customers, QSRs need to understand their preferences, behaviors and needs. They can capture all of this in a 360-degree view of the customers that allows QSRs to hone in on actionable insights, tailor brand messaging and offer relevant promotions to the right customer at the right time and place.

This comprehensive approach also benefits customers by helping them feel seen and appreciated. When QSRs can anticipate customer needs and preferences, they can deliver experiences that exceed expectations and build lasting loyalty.

## Build a data-driven audience strategy

To make the most out of data and deliver personalized experiences, QSRs need an audience strategy that ties together different channels and campaigns. This approach fosters deeper engagement and loyalty, as customers receive experiences that resonate with their individual preferences. A data-driven strategy enables QSRs to make informed decisions, optimizing marketing efforts and enhancing customer satisfaction.

The personalization that customers expect can only come with a sound strategy built on collecting, analyzing and deploying data. This data equips QSRs to better understand their customers and how to engage them.

QSRs can **personalize at scale** with the help of artificial intelligence (AI). By targeting with precision, generating compelling content at scale, orchestrating optimized experiences, scaling measurement and executing strategy across teams, AI has the potential to make personalization at scale easier than it's ever been before.







# Customization: Engage customers through tailored experiences

Want to deliver the right promotion to the right customer, enhance speed of service and give customers a mobile-optimized experience? Customization is at the heart of it all.

Customization goes beyond personalization to offer tailored experiences that engage customers on a deeper level. Ultimately, these experiences enable QSRs to create stronger emotional connections with their customers.

#### Architect customizable menus

By customizing menus, offers and pricing to customer segments, QSRs can increase value for customers—and drive incrementality for themselves. This approach also increases customer satisfaction and loyalty.

## **Enhance digital in-store experiences**

An increasingly digitally savvy customer pool demands an increasingly digital in-store experience. Digitally optimized menu boards can serve as quick wins for QSRs since they can improve service speed while driving down costs and enhancing customer satisfaction.

### Deploy an omnichannel strategy

Customers have more channels available to them than ever before. This complex landscape means that QSRs have the challenge of making sure that every channel and every touchpoint provides a good experience and moves customers along their journey. QSRs need to build a strategy that ensures journeys are seamless and omnichannel to provide a unified, cohesive customer journey.

### Use AI to elevate experiences

The AI revolution promises to transform ways of doing business for virtually every industry and sector, and QSRs are no exception.

Organizations should develop use cases for AI that will enhance customer engagement and operations. AI can help customers by answering questions, expediting orders and even resolving issues. AI-enabled interactions help streamline the customer journey, making it more intuitive and responsive to individual needs.

By prioritizing customization, QSRs can give customers seamless experiences, personalized choices and services at the speed of life. Enhanced customization leads to enhanced experiences—and these enhanced experiences drive loyalty by helping customers derive new value from their relationship with QSRs.







# Loyalty: Reward customers by giving them added value

Fostering customer loyalty is no longer just about punch cards, discounts and freebies. It's about creating memorable experiences and rewarding purchases in meaningful ways.

And in an era when consumers are increasingly fickle, it's more important than ever for businesses to lean into new ways to encourage loyalty. In a Publicis Sapient survey, only 23 percent of respondents in the United States identified themselves as "very or extremely loyal" to brands, compared to 60 percent who identified as "not at all or slightly loyal."

The same survey revealed that 86 percent of consumers indicated they are always open to new brands, suggesting that they don't tie themselves down to a specific company and are interested in experimenting with new brands.

Fostering loyalty thus remains a challenge. Today's consumers seek value beyond monetary incentives, looking for unique and engaging experiences. By evolving loyalty programs and deepening the emotional connections with customers, QSRs can foster long-term loyalty.

### Identify customers to incentivize

Traditional discount-based loyalty programs must evolve to offer selective rewards based on customer behavior. After all, not every customer requires a discount in order to make a purchase. QSRs can leverage data and insights to target offers to specific customers based on their habits and incentivize them in creative ways. This approach ensures that loyalty programs drive real value for both the customer and the brand. Offering personalized rewards based on individual preferences makes customers feel valued and appreciated while improving margins.

## Drive experiential loyalty

Discount and loyalty programs have long been the bread and butter of retailers and QSRs. But pure discount programs don't always guarantee long-term brand loyalty. Instead, QSRs should consider experiential loyalty initiatives that drive engagement, lead to more purchases and increase customer value.

Experiential programs build deeper connections by offering compelling ways to engage and entertain customers through everything from gamification to limited-time offerings. These initiatives also empower QSRs to differentiate themselves from competitors while building a loyal customer base.

Loyalty programs continue to be an important tool QSRs can use to foster loyalty. But rewarding customers for loyalty involves more than simply offering the same discount to every person in the program. Instead, rewards should be targeted, personalized and experiential to drive loyalty and deliver the most value to customers.



# The right technology empowers the QSR trifecta

QSRs can unlock the full advantages of personalization, customization and loyalty with the right technology and digital tools. By leveraging cutting-edge solutions, QSRs can enhance the customer experience and drive operational efficiencies:

### Voice ordering linked to loyalty programs:

Personalized voice interactions can create a seamless and engaging ordering experience. By recognizing returning customers and offering personalized recommendations, QSRs can enhance the convenience and enjoyment of the ordering process. Voice-connected ordering makes interactions more intuitive and personalized, improving customer satisfaction. appreciated while improving margins.

### Digital Personalized digital ordering:

Tailoring digital orders based on past preferences and behaviors can enhance customer satisfaction. By leveraging customer data, QSRs can create a more intuitive and personalized digital ordering experience by giving customers recommendations and offers that are relevant to their preferences.

# Dynamic and responsive digital menu boards:

Menu boards that react in real time to weather, time of day and customer preferences can drive sales and improve the customer experience. This dynamic customization ensures that customers receive menu options that predict and address their needs.

## Predictive media based on preferences:

Connecting content to customer preferences through predictive media can create personalized and engaging interactions. By anticipating customer needs and preferences, QSRs can deliver targeted and timely content that enhances the overall experience. Predictive media helps QSRs deliver relevant and engaging content that resonates with customers.

#### Adaptable content:

Developing content that is flexible and agile to different platforms ensures a seamless and engaging brand experience. By creating content that can be easily updated and tailored to different customer segments, QSRs can maintain a fresh and relevant presence. Agile content creation allows QSRs to respond quickly to changing customer preferences and market trends.

# Intelligent and responsive employee scheduling:

Utilizing intelligent, adaptive scheduling systems can optimize staff allocation and improve operational efficiency. By optimizing employee coverage and shifts, QSRs can enhance service quality and speed. Intelligent scheduling helps QSRs manage their workforce more effectively, leading to better customer service.





# Thrive with the QSR trifecta

In an era of economic uncertainty and shifting consumer preferences, QSRs must rethink their approach to customer engagement. The QSR trifecta—personalization, customization and loyalty—offers a proven strategy for winning customers and driving long-term success. By leveraging advanced digital technologies and adopting a customer-centric mindset, QSR brands can create meaningful connections, enhance customer satisfaction and build long-lasting loyalty.

For QSRs ready to embrace this approach, the journey starts with understanding and implementing the QSR trifecta. By doing so, they can unlock maximum customer value and navigate the challenges of today's market with confidence.

As a transformation partner, Publicis Sapient's decades-long industry and digital expertise has helped some of the world's top QSRs digitally transform to stay ahead.

Reach out to learn more about how Publicis Sapient enables QSR success



