

CASE STUDY:

Keith's Superstores



**In less than a year
Keith's enrolled
25,000 customers in
its Tecmark loyalty
program.**

If you want to define what a successful C-store loyalty program looks like, you don't have to look further than Keith's Superstores, a chain of 39 C-stores in southern Mississippi. For Keith's, it's about employee engagement, meeting customer needs, and getting an edge on the competition.

A little more than a year ago, Brian Lee, director of operations at Keith's, began investigating the possibility of instituting a loyalty program for customers. The reason? R.J. Reynolds and other tobacco companies were offering incentives to stores that promoted their products via loyalty programs. Since tobacco sales account for some 30% of Keith's business, Lee couldn't let that advantage go to his competition. So he started looking for a loyalty program that would be right for Keith's.

He chose Tecmark.

"It seemed to me that they weren't too large to give us the personalized program we wanted," Lee said. "Others I talked to have a template for their programs, but with Tecmark, we could customize it to fit our needs."

One example of the customization Tecmark was able to provide to Keith's was the design of the app itself. Instead of a cookie-cutter app, Tecmark designed it to meet Keith's specifications.

"Tecmark really helped in the design of the app look and the arrangement of the various tabs available to us," Lee said. "I guess the best way of explaining it is they offered us options instead of a standard template that we had to work within."

Choice and simplicity: Powerful tools for customer buy-in

One thing that was important to Lee was giving his customers a choice for enrolling, with either a card and a paper application, enrollment via text or downloading the app. His main concern? It had to be easy.

Keith's program itself is simple — it involves special promotions that aren't available to non-loyalty members. That's one reason his customers like it.

"There's no catch, no gotcha," he said. "All they have to do is shop in our stores to take advantage of the savings."

Keith's corporate office got behind the new program in a big way, Lee

explained, and went all out to promote it to customers. That was one key to its success.

"At all of our locations, we set up tents outside of the stores to let customers know about the program," he said.

Customers got on board quickly. "It was great because we had customers just handing over their phones, our employees would download the app, and boom, they were enrolled."

Employees were the key

Keith's employees were instrumental in getting customers excited about joining the program.

"Our people are unique," Lee said. "Our employees will get behind programs that are important to the company. Once they saw the attention corporate was giving to the loyalty program, they got behind it and really started promoting it to our customers. Our cashiers were instrumental."

The sheer numbers tell the story. In less than a year, more than 25,000 customers in 39 stores have enrolled in Keith's loyalty program.

It's all the more incredible to note that Keith's does not incentivize employees for enrolling customers in the program. They're just doing it on their own to support the company's goals.

Lee explained that they learned through trial and error the right cadence of promotional offers.

"When we started, we were offering seven or eight deals right off the bat, but that was too much," he said. "Now, we have a quarterly promotional calendar."

Results

The loyalty program is working out great for Keith's. Lee reports that, because of the Tecmark loyalty program, they've seen a 20-to-25% increase in cigarette and tobacco sales per location. The fact that tobacco sales was the reason he investigated loyalty programs in the first place is not lost on Lee, and the impact of the program appears to be reaching beyond just tobacco.

"Our overall sales are up over the prior year," Lee said. "One measurable that does stand out to me is that over 60% of the enrolled members use the loyalty program in any given month, and average 53 transactions per member per year."

With the loyalty program, Keith's has seen a 20-to-25% increase in tobacco sales per location.

At Tecmark, we specialize in loyalty programs for convenience stores.

Contact us to find out more.

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