

# LIBERTY

## CREDIT CARD SOLUTIONS

One of the more interesting trends to take place in the payment industry has been the introduction of data and analytics to improve decision making of business owners. So what does this mean and what can it mean for your business? Let's walk through a simple example of a restaurant, which we'll call "Liberty's Kitchen", that has leveraged data to improve their process and profits.

Everyday Liberty's Kitchen served customers. They got some new customers, some of which returned for another meal. They ran their transactions through a Point of Sale (POS) system. Staff kept the place clean, they ordered supplies, and received the occasional, nice review, online. Every so often, Liberty's Kitchen ran a promotion to get more customers in the door. Everything was running smoothly....but it could be performing at a higher level.

It all starts with capturing data. Dave ordered the steak, left a nice tip for Susan his waitress, and later that day Dave posted a review online of his experience at Liberty's Kitchen. A scenario like this happens so many times which is why our process to collect these bits of information is automated. These bits of data, in isolation, have limited value because they might not suggest a course of action.

Therefore, once the data is captured it's curated for the owner of Liberty's Kitchen. What this means is putting the data into a format that is understandable and of value. Things like;

- what percent of the business is coming from new customers and repeat customers
- what are the most popular items on the menu
- what dishes are most likely to get a new customer to return for another meal
- what items from the menu are most likely to get good reviews online
- which waiters and waitresses turnover the most tables
- who gets the largest tips
- which tweet, that offered customers a special deal, got the best response rate, etc.

Now Liberty's Kitchen can take decisive action based upon the curated data which showed them the true value of its customers and each item on the menu, measured the effectiveness of its promotions and evaluated the performance of the staff. Liberty's Kitchen became geared towards pushing the items on its menu that increase the odds of a customer returning, running promotions that had the best return on investment, and had a happier staff because they earned more tips.

Knowing that first time customers who order the lamb chops are 20% more likely to come back, the staff recommends the lamb chops. Knowing that Dave posted a good review online about the steak, Liberty's Kitchen offered to buy him a beer to go with a steak if he comes in on Tuesday night for dinner. Seeing that Susan earned more tips than the other staff, she was put in charge of training all new staff.

Liberty's Kitchen decided to participate in Restaurant Week, and by doing so lowered their prices by 20%. With the right analytics it's easy to answer the questions if this brought in existing clients who are just enjoying receiving a discount, or driving new customers into the business. Looking at the data weeks or months removed from Restaurant Week, Liberty's Kitchen was able to determine that the discount did in fact bring in new customers, who enjoyed the experience enough to return and pay the standard prices. Taken one step further, by measuring the impact of this promotion, it was an easy decision to participate in next year's Restaurant Week.

The analytics helped Liberty's Kitchen derive more value from its marketing efforts. The guesswork was removed because there were measurements taken before and after. Liberty's Kitchen could in fact focus their promotions



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down to the individual client level (like offering repeat customer, Dave, a beer on the house if he comes in on Tuesday night and orders a steak). Our insights create a deeper, more meaningful relationship with each customer, and this helped Liberty's Kitchen sell smarter and faster.

As a result of these actions, Liberty's Kitchen ended up with more repeat business, more business on the quiet nights, staff earning more tips and turning more tables, and a quicker/better reply to social media comments. Liberty's Kitchen became more profitable. With the data presented in the right format, it's easy to identify areas where small changes can have a big impact.

What did Liberty's Kitchen pay for the insights that yielded more clients, drove more revenue, and earned them more profit? Usually Nothing. We simply match your merchant services/credit card rates, and you'll get all of the data from every source; POS transactions, social media, and promotions in a cohesive format that makes you stronger.

Obviously, the data would tell a different kind of story for a retailer, medical practice, or e-commerce website as compared to a restaurant, but the essence of the analytics would be the same. Raw data, becomes curated data, which uncovers opportunities to increase customer engagement, which can be acted upon, which yields more revenue, and a more profitable business.

Now that you have a basic understanding of what analytics did for Liberty's Kitchen, we'd love to hear from you to set-up an online demo and show you the power of what analytics can do for your business. You don't have to pay for the demo, AND again, you won't pay one penny more for our analytics. You have nothing to lose, and everything to gain.

Let's be sure to talk about which item is most likely to bring your customer back, how well do you know your 15th best customer, how you determine if your promotions are successful, or some other question you would like answered.

If you would like to discuss any particular restaurant or retail project, comment on this paper, or just say hi, please reach out to us.

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