

# *Nation's Restaurant News*



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## **6 new and revamped loyalty and rewards programs that are shaking up the restaurant industry**

## *From Jimmy John's new gamification add-ons to Starbucks foray into the metaverse, loyalty programs are changing rapidly*

Joanna Fantozzi | Jan 18, 2023

Loyalty programs 1.0 were the simple punch cards of days-gone by: 10 visits get you a free entrée or drink. The second iteration of loyalty programs became popular in the years leading up to the pandemic as Starbucks popularized the digital loyalty program and made it easier and more customizable than ever before. Now, as customers become more discerning and omnichannel demands grow, loyalty and rewards programs have grown up with them.

We've noticed an uptick in the number of brands that are adding loyalty programs or upgrading and revamping existing rewards programs to add more features like personalization, customization, and gamification. Several are even venturing into the murky waters of the metaverse, with or without NFT programs and cryptocurrency.

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Here are seven restaurant brands that have added or changed their loyalty/rewards programs over the past several months:



## 1. Cha Cha Matcha enters the metaverse

Cha Cha Matcha — the New York City-based emerging matcha tea concept — announced Wednesday a partnership with Web3 membership platform, Hang, to launch a metaverse-based Cha Cha Matcha loyalty program. The program will start in March and offer customers both digital and in-person points and rewards.

The program will be subscription-based with both a free and paid option that offers access to exclusive menu items, events, raffles, and early access to new products. The paid version will offer an additional 15% discount on top of all of that. The program will also offer shared rewards perks with



other brands also on the Hang platform.

The Web3-enabled program will also forego the gatekeeping rules of previous metaverse forays, including the need for a VR headset and knowledge of cryptocurrency. Cha Cha Matcha's rewards can be added to users' Apple Wallets.

"The loyalty programs of the past were boring, transactional, and built on closed systems, whereas the loyalty programs of tomorrow will be exciting, community-driven and built on open systems," Hang CEO Matt Smolin said. "Cha Cha Matcha is the first brand to officially launch a successful Web3-powered loyalty program, showcasing unique capabilities like seamless brand partnerships and customer ownership that Hang's technology can power."



## 2. Chipotle offers free food opportunities to rewards

## members

Earlier this month, Chipotle announced a new feature in its rewards program called “Freepotle,” which allows members to earn free food throughout the year, in up to 10 free food drops in 2023. Non-members can score a free side or guac if they enroll by March 6.

CMO Chris Brandt said that the program is meant to serve as an alternative to subscription programs that have been cropping up, and in contrast, is free to join.

In addition to adding “surprise and delight” free food opportunities for rewards members, the fast-casual brand also added an element of a sweepstakes to the rewards program revamp, with the opportunity for 3,100 members to win free food for a year (representing each of the 3,100 locations).

These new features arrive on the heels of the gamification “Extras” feature, which was introduced in 2022.



### 3. Jimmy John's adds gamification to its loyalty program

Inspire Brands company Jimmy John's announced earlier this month the upgrade of its "Freaky Fast Rewards" loyalty program to include elements of gamification and personalization. The sandwich chain will slowly introduce new challenges for rewards members to complete by purchasing items at Jimmy John's, with the promise of unique merch and prizes as a reward.

One of the first achievements being rolled out is The Gauntlet, which a customer achieves when they purchase all 25 Jimmy John's sandwiches in a specific timeframe (anytime before March 15). Anyone who unlocks this achievement will receive a Jimmy Chips beanbag chair. Moving forward, the company will introduce achievements for fans of turkey, pickles, and even customers who eat at certain times of the day.

“Through our active and robust Freaky Fast Rewards membership, we know that our members value when brands know them on a more personal level,” Nathan Louer, vice president of brand marketing and activation at Jimmy John's told Nation's Restaurant News. “We see an important opportunity to drive frequency and loyalty with personalized offers and challenges.



#### **4. Just Salad launches new loyalty program**

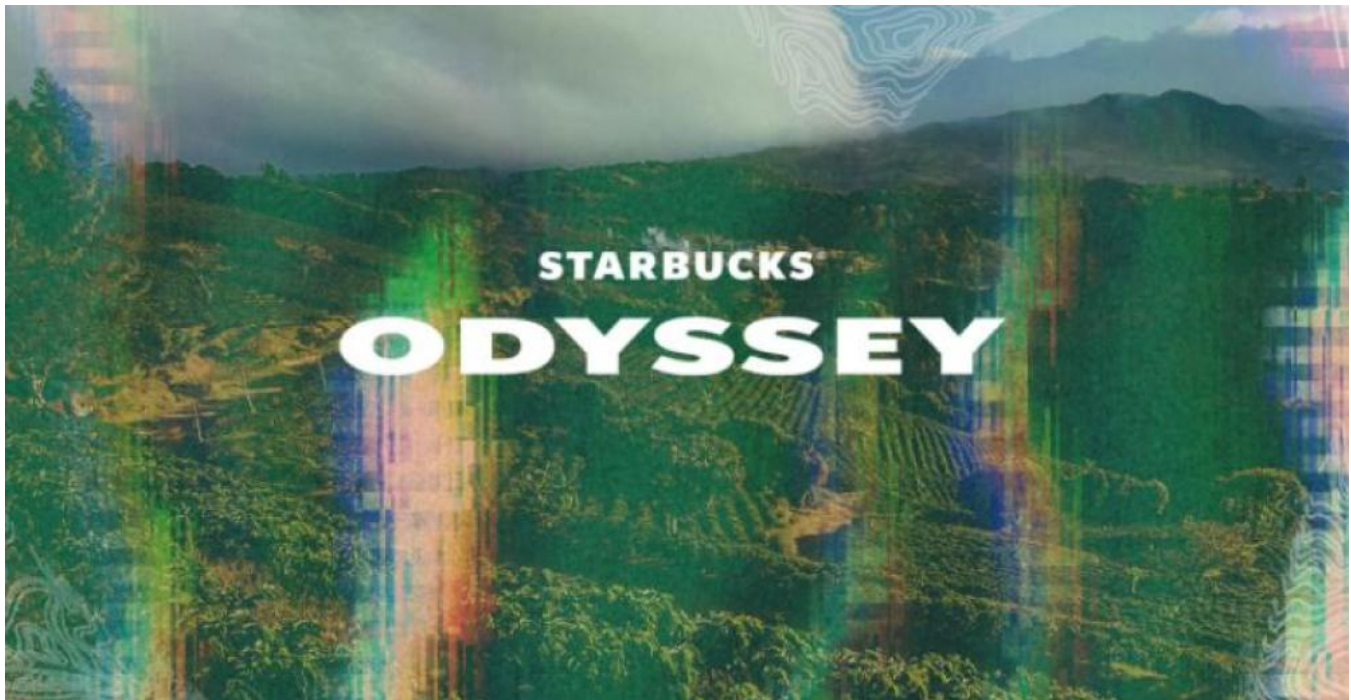
New York City-based chain Just Salad launched its new loyalty program



“Race to Rewards” in Nov. 2022, which adds free perks and gamification opportunities for members as customers earn “Salad Bucks.” Once customers join on the app, they can participate in a virtual monthly race, and after that’s complete, they will receive their “Salad Bucks” to spend on discounts, free items, and other perks.

The experience, like many of the new rewards programs out there, is customizable and tailored to customers’ purchasing behaviors and order frequency, so it doesn’t look the same for every Just Salad customer.

“With the launch of Race to Rewards, we look forward to strengthening relationships with our loyal customer base by offering them a new way to engage with the brand,” Jennifer Lally, vice president of marketing at Just Salad said in a statement. “This program will allow us to create a digitized, personalized customer journey and represents an important milestone in the advancement of our mobile app technology.”





## 5. Starbucks enters the metaverse with Starbucks Odyssey

After announcing its foray into the metaverse last September , Starbucks Odyssey web3 experience finally launched in Dec. 2022, where customers can earn, purchase and trade NFT-like “Journey Stamps,” which can be redeemed for in-store experiences like exclusive events, merchandise, or even trips to a Starbucks coffee farm: no crypto wallet needed.

“Leveraging Web3 technology will allow our members to access experiences and ownership that was not possible before,” Brady Brewer, Starbucks executive vice president and chief marketing officer said in a statement. “Starbucks Odyssey will transcend the foundational benefits that our Starbucks Rewards members have come to love, and unlock digital, physical and experiential benefits that are uniquely Starbucks. [...] Our vision is to create a place where our digital community can come together over coffee, engage in immersive experiences, and celebrate the heritage and future of Starbucks.”

In the Odyssey virtual universe, there will be three levels of benefits, reminiscent of the classic tiered rewards program, with smaller spenders trading in their Stamps and points for smaller rewards, and the top tier getting to go on that coffee-themed trip to Costa Rica.



## 6. Wow Bao now has an NFT membership rewards program

Though loyalty programs and subscription services have been trying to open the doors to all potential customers, some restaurant concepts believe that exclusivity is the key to unlocking the most loyal customers.

Fast-casual Asian concept Wow Bao announced in November a new tiered NFT membership program as an extension of its Bao Bucks program, which is officially launching this month . The Web3 technology-backed program allows members to buy their way into three levels of the program, which will unlock different virtual and physical prizes and rewards, like monthly giveaways and discounts. The ground floor would come with the purchase of the NFT and some discounts, the next level would double the points and the final tier would triple the points and rewards opportunities.

“If you’re a fan of Wow Bao and NFTs, you can join our community,”

Alexander said. “Our goal is not to alienate people [...] We want to reach people and don’t want to be this exclusive club that no one can be a part of.”

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