Research Final Draft for Scenario 1

What are important factors that any types of businesses have to focus on for reaching their terminal goals? According to the article “Does Technology Hold the Key to Diner Loyalty?” by Rudy Vidal, Vidal focuses on delivering a clear meaning of customer loyalty based on the two ideas that businesspeople usually misunderstand. It is too important to be neglected because it has potential possibility of affecting the future of a business. Commonly, many businesspeople believe that great customer satisfactions would directly influence in creating and managing their loyal customers. However, they actually have been functioning separately in substance. In detail, customer satisfactions are based on temporary responses in regards to specific products, and it has a direct relationship to providing products what customers really want from; on the other hand, customer loyalty is based on how customers think and why they love a certain business, and it is directly connected to what values that customers really get from specifically.

In order to solve the situation that a sandwich restaurant in Bloomington has experienced managing both existing and potential loyal customers, they have to analyze realistically the situation based on the reinterpreted meaning of customer loyalty in the article. If they had planned to create a synergy effect from customer satisfaction to managing loyal customers, it is the perfect time to analyze them separately and to continue their best efforts for catering to customers’ diversified values they want. In addition to its approach, they should consider
communicating regularly with customers in regard of preferences, tastes, and customer services because what they want or what values they look for are changing from moment to moment.

According to the patent “Enhanced customer-centric restaurant system” by Mark Toth, Toth focuses more on communicating with customers than any other considerations that a typical restaurant business usually establishes a priority. Simply, receiving orders and providing customers with foods are not great approaches for communicating and managing customers; on the other hand, focusing on functionality such as various payments, internet access for getting information and online ordering system, and human resource capability for keeping in touch with customers are more effective in customer-centered service than pursuing only on making a higher profit.

For a small sandwich restaurant in Bloomington, they should make specific future plans for managing both existing and potential customers while they are raising awareness and gaining popularity in a small town. In detail, differentiated customer services and communication with customers compared to competitors in the area could be the hidden card to survive in the competition. Additionally, providing various services on online ordering system to arouse customers’ interests such as special discounts, “buy one get one free” event, or holiday specials.

According to the CRM magazine, “Catching Up with Your Customers” written by Aqiuino and Judith (2012), more than 50% of adults find the restaurants’ information through the internet. While 98% of chain restaurants provide their menus on their website, less than 40% of independent restaurants are using the internet for online customers. The author claims that using the internet service is important to catch future customers. The author expresses that customers
are already talking about restaurants, and check their menus before they visit the restaurant these days. To gain many customers, it is important to use the internet, and provide information about their restaurants, or put on their title on search engines like Google, especially for independent restaurants.

The author contends that independent restaurants should use social media such as Twitter, and increase the number of followers. It can help them to improve their reputation and attract more customers. Finally, the author emphasizes his statement using Google reports, 62% of total Americans are using online services to looking up restaurants information. He recommends that independent restaurants have to build up their website and start to interact with future customers through the internet.

According to CRM magazine, over the half of adults use internet and find restaurants’ information (Aqiuno and Judith, 2012). Therefore, using internet to advertise restaurants is a good way to attract and interact with customers. Especially, online service is highly necessary to independent restaurants because advertising is one of the important things for them. To improve independent restaurants’ reputation, they should use social media such as Twitter or Facebook, and then try to have a conversation with customers (Aqiuno and Judith, 2012). In order to catch the future customers, using social media, or building up their website should be required.

Managing loyal customers is the key to the business growth. Generally, a customer loyalty program is a rewards program that simply repeating customers are rewarded with free merchandise, rewards, discounts, or coupons, and businesses increase their sales. Customer loyalty programs help businesspeople earn loyal and repeat customers, which could drive profitability and growth. According to a large corporation, Starbucks, states that their customer
loyalty program, My Starbucks Rewards, resulted in a 26 percent rise in profit and 11 percent rise in total revenue. One of the reasons Starbucks rewards program work best is their loyalty program make purchases faster and easier. Starbucks use technology that provide online services, such as mobile order and mobile payments on the Starbucks App, which make it so easy for customers to pay using their smartphones, which resulted in a 15 percent rise in profit all by itself (Thompson).

As loyalty programs have become a staple of business growth for large corporations, a well-designed loyalty program with unceasing efforts toward customers will also help small businesses to drive healthier business growth. According to the Manta’s and BIA/Kelsey’s joint report, “achieving big customer satisfaction and loyalty in a small business world reveals that for early adopters who already have a customer loyalty program in place, 64 percent of them report it is been effective”(William), meaning loyalty programs also drives growth and profitability in small business world. Loyalty rewards program provides various benefits, such as increasing sales, developing a stronger relationship with customers, and raising a business awareness.

According to the result of our group survey, over the 50% of respondents of IU students prefer to use mobile applications to order foods, and they are likely to use delivery services. 60% of respondents prefer delivery service, and all of respondents have used online ordering system at least one time a month, and 60% of them are using mobile applications 2 to 4 times a week. Also, the most important for online service users when they are using applications is detailed information with pictures, and they prefer free-delivery service if it is offered and special discounts only for college students with student ID for loyalty/rewards program. Finally, almost
50% of respondents deem that tastes and prices of foods are significant values for deciding to revisit a restaurant and they want the restaurant to contact customers by e-mail or online websites.

In order to improve a small sandwich restaurant, using online service is necessary to attract both existing and future customers. We could easily expect to see the result of our group survey. It shows that over the half of respondents prefer to use online applications to order and they often use online services. Therefore, using online apps or websites could be a great solution for catching up customers and interacting with them. Furthermore, utilizing rewards program also important to gain customers because usually most students want to eat food conveniently with low prices.
Works Cited


Thompson, Julie Hart. "HOW TO GET AND KEEP LOYAL CUSTOMERS FOR YOUR COFFEE SHOP?" LinkedIn. LinkedIn, 21 Oct. 2015. Web. 16 Nov. 2016.


