

Subway

Case Study in FOOD SERVICE

TXT FRESH! for Great SUBWAY Values

Founded in 1965 when Dr. Peter Buck suggested to a family friend, Fred DeLuca, that they open a submarine sandwich shop as a way to pay for young Fred's college education - SUBWAY restaurants now number over 30,000 independently franchised stores in 87 countries. As the fastest-growing restaurant chain in America, they are consistently ranked the #1 franchise opportunity by Entrepreneur magazine's Franchise 500® ranking.

SUBWAY of Northern Michigan, a regional marketing cooperative for local franchises, sought a way to provide offers and coupons to loyal customers to help drive traffic during non-peak days and hours. In addition, the stores wanted an opportunity to experiment with emerging media and needed a solution that worked with their antiquated point of sale systems.

Cellit's Solution

In conjunction with the client, Cellit designed the TXT FRESH! mobile club. This customer-relationship-management (CRM) solution provided Subway with the ability to send out compelling offers on a semi-regular basis and tag those offers with a unique coupon code.

To enable SUBWAY stores to redeem the custom coupon codes in real time, Cellit deployed their Widgit®, an interface into the Cellit Studio platform that runs on Windows based point-of-sale (POS) systems. The Widgit® installs in under 5 minutes, runs in the background and is activated by a hotkey. This addressed the multitude of different POS systems used by member franchises and avoided a costly technical integration.



Quick Facts

- 10 stores in Northern Michigan territory
- 7 different offers sent out over 2 months
- Compelling offers: free foot-long, soup & cookies
- Over 13% redemption rate for coupons
- 67% conversation into the mobile club for customers invited by a friend



Results

The participating SUBWAY stores promoted the mobile club in-store, limiting exposure to existing clients. However, SUBWAY provided compelling offers that included a free foot-long sandwich on Halloween, buy-one-get-one free offers and free soup with purchase. To further extend the reach of the program, Cellit suggested they implement a forward-to-a-friend feature that allowed users to invite friends to join the club, and in return offer a free cookie for the referral.

SUBWAY experienced redemption rates of over 13% for their text offers, and an astonishing 67% conversion rate of people who were invited by a friend to join the club. The key ingredient to SUBWAY's success: valuable, compelling offers that kept people wanting more!

