



☰ CASE STUDY

Cattlemens' conversion to gift cards increases sales by 20 percent.



Cattlemens is a casual, western-themed steak house chain. Founded in 1968 by a father and son team with decades of experience in the cattle business, Cattlemens has eight locations throughout California.

Cattlemens' paper-based gift certificates: simple yet costly

Several years ago, Cattlemens Restaurants had a system of issuing handwritten paper gift certificates. Although the number of gift certificates being issued was growing each year, the growth was causing headaches. The paper system was theoretically simple, but administering, running and tracking it was problematic. Moreover, the blank gift certificates were difficult to promote around the restaurant beyond the cashier's desk because of the potential for theft and fraud. Another drawback presented itself when cash had to be issued back when the redemption fell short of the full amount. Cash refunds essentially meant losing the full value of the original sale and a loss of high-margin revenue.

In 2000, Cattlemens began investigating alternative ways to manage gift certificates, including the use of electronic gift cards. After researching some gift card suppliers, Cattlemens received a positive reference for Opticard. Cattlemens discovered that Opticard's service was established in several restaurants. Among many other things, Cattlemens also liked Opticard's straightforward pricing model, which allows organizations to easily forecast and match expenses to revenues. Opticard met all of Cattlemens' criteria, and the restaurant chain ultimately selected Opticard to be its gift card program partner.

Cattlemens puts the gift card service to practice

The Opticard staff provided an immediate implementation plan that moved first from stand-beside terminals to integration with Cattlemens' Micros® POS system. The service was up and running in a very short period of time.

"The Opticard gift card service has been very successful for us," said John Frenzel, Marketing Director for Cattlemens Restaurants. "We've solved all of the problems we had with the paper certificates, and we've been able to market the gift cards aggressively, which has increased our sales."

Today, Cattlemens has much more control over its gift program. Since the gift cards have no value until they are swiped at a terminal, Cattlemens can place promotional displays featuring the gift cards. The cards also allow Cattlemens to get creative.

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Paper might be cheaper on a per certificate basis, but it doesn't bring in the revenues like gift cards, and now we keep every dollar issued on the card. The Opticard service has made a significant financial impact on our operation.

John Frenzel
Marketing Director
Cattlemens Restaurants



In business since 1995, Opticard is an industry leader in implementing and managing a variety of gift and loyalty card-based programs. Opticard processes more than 20 million transactions a year at over 50,000 installed POS locations, representing billions in transaction volume annually. Based in Scottsdale, AZ, Opticard is a wholly owned subsidiary of Planet Group, Inc.

For instance, the Cattlemens gift cards have been used as Christmas ornaments, worn by the staff as name badges, fashioned into necklaces and placed on signage throughout each restaurant. "We have staff contests for the most creative ways to promote and sell the gift cards," said Frenzel. "People really get into it."

With Opticard, Cattlemens can now sell gift cards on its Web site, which has allowed the restaurant chain to market to customers it had previously been unable to target. "We are based in Western states, but since we started selling gift cards on the Web, we have had people from across the country buying cards," said Frenzel. Opticard also offers Web-based reporting tools that provide real-time data and analysis, which is available to managers and corporate staff throughout the organization.

Opticard's web reporting tools also provide immediate breakouts of gift card sales categorized by location, POS devices and even by each staff person authorized to issue the cards. Additional features such as tracking and reporting on the point of sale, issuance, usage and duration of gift cards has made Cattlemens' administration of the program much easier; even as it has grown year over year.

Opticard provides true value

Opticard is the global and industry leader in stored-value/gift and loyalty card programs. We can help you improve customer satisfaction and retention so that your business lasts and thrives. Our promise is to make it easy for you to build customized programs that offer rewards and convenience to your regular customers, encouraging them to return more often and spend more each time.

We offer unmatched flexibility, support and services, and have the expertise and experience to meet the unique needs of your business. Whether you're looking for a loyalty or gift card program, or you want to offer your reloadable stored-value cards or promotion cards, Opticard has that right solution for you, your business and its customers.

Opticard processes more than 20 million transactions a year at over 50,000 point-of-sale locations, representing billions of dollars in transaction volume.

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