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## **Social Reform**

*The Melting Pot and Mellow Mushroom leverage virtual tools to build real relationships.*

Social media contests may be all fun and games for consumers, but they have proved to be serious business strategies for The Melting Pot and Mellow Mushroom.

When fondue favorite The Melting Pot changed the pricing structure on its menu after more than three decades, it was a big deal that called for a big promotion. But without a big advertising budget, the company had to get creative to build excitement and incent engagement with the new menu. Its secret sauce turned out to be social media.

## **Mad for Fondue Fun**

Last summer, The Melting Pot latched onto a “Mad Libs” theme and launched a Web-based contest offering \$20 gift cards to 500 consumers who played a fill-in-the-blank game called “The Chronicles of the Fondue Adventurer.” Consumers shared their entries on Facebook, Twitter, or Pinterest, and the game also included a tab where visitors could easily make a reservation at their local Melting Pot.

During the five-week sweepstakes period, the game generated hundreds of shares on social media, says Sandy D’Elosua, national director of marketing and communications for Front Burner Brands, the Tampa, Florida-based management company for The Melting Pot.

“We far exceeded our goal of 50,000 entries,” D’Elosua notes. “We also got over 1,000 reservations through the sweepstakes website and signed up nearly 16,000 new members for our Club Fondue email database, all without spending any money to promote the sweepstakes.”

Club Fondue currently has over 2 million members in its database, and franchisees are encouraged to use these contacts for local promotions, while the corporate office does system-wide email blasts once or twice a year.

Earlier last year, The Melting Pot also ran campaigns specifically on Pinterest and Instagram. The Pinterest campaign generated more than 5,800 pins and the Instagram campaign yielded 850 photos.

Campaigns generally run two to five weeks, because as D’Elosua explains: “They need some time to seed and pick up steam.”

The Melting Pot has been steadily building its social marketing presence since 2009, when it started with just 4,000 Facebook fans and absolutely no presence on Twitter. Now, Facebook followers number around 700,000, including corporate and franchisee Facebook page followers, and the chain’s Twitter feed touts some 40,000 followers.

At first, the foray into social media was a defensive strategy, designed to seek out and recover guests who posted about unsatisfactory experiences. But today, the brand uses social media for one-to-one engagement of current and prospective customers.

The corporate office has a team of three professionals who handle social media. In addition to the corporate Facebook account, franchisees are encouraged to manage their own Facebook pages to keep the dialogue going strong in every market.

Having all of that activity across social-media channels requires prodigious monitoring to make sure the brand's messaging remains consistent and images are being used correctly. In the beginning, D'Elosua and her team would manually track conversations at the local level. But, she says: "It would take up to three weeks to go through the entire system. We're a small company in terms of budget and we can't afford big tools."

Working with a software developer, The Melting Pot designed a proprietary compliance tool that allows the company to take a snapshot of franchisee and guest interactions across multiple social-media platforms (primarily Facebook and Twitter at the local level) and—in a few seconds with a few keystrokes—see everything that is being posted. "It has saved us a ton of man-hours," she notes.

Since implementing the compliance tool, the company's social-media compliance level among franchise locations has improved from just 35 percent, in October 2011, to an impressive 94 percent, in December 2012.

By monitoring the messaging produced at the local level, the franchisor can provide one-on-one coaching to franchisees with individualized strategies to increase customer engagement. The Melting Pot's communications team also uses the customer feedback gleaned from social media to prepare reports for corporate operations and other departments on a monthly basis.

"People are freer with their comments on social media than they would be in an old-school survey, so we learn a lot more," she says. "Their comments help us to identify what we're doing right as well as what we should go back to the drawing board to fix."

### **Upward Mobility**

Over the past year, Mellow Mushroom Pizza Bakers has made mobile marketing a priority and—since that strategic shift—mobile website visits rose from 39 percent to 50 percent of all Web traffic for the brand.

Within its Facebook promotions, roughly two-thirds of all entries come in via mobile. And based on these current mobile trends, the brand anticipates a further 18 percent growth in mobile interaction over the next 12 to 24 months, says Annica Kreider, vice president of brand development for the Atlanta-based, 157-unit, full-service pizza chain.

"Mobile is how our target demographic gets its information," continues Kreider.

"Social media makes up 60 percent of our marketing focus," she explains. "And in the coming year, between 50 percent and 75 percent of social media efforts will be mobile-based."

Last summer, Mellow Mushroom participated in a mobile campaign in conjunction with Coca-Cola's "Share Happiness" campaign along with digital, mobile, and social-engagement provider, ePrize. The program integrated soft-drink sales and customer engagement—with Mellow Mushroom guests receiving a scratch card whenever they purchased a soft drink.

The guest was prompted to text or scan a QR (quick-response) code for a chance to win a trip to the American Music Awards and a shot at some 6,000 instant-win prizes.

There were more than 66,000 unique registrants for the trip and other prizes; 70 percent registered via SMS (short-messaging service that allows phone users to send and receive texts). Twenty percent registered via QR code.

“We didn’t think the QR codes would be used that widely,” Kreider says. “Now, we see that it is a good strategy and we’ll be using them more in future promotions.”

Earlier last year, Mellow Mushroom also launched an in-store photo contest called “Cinco de Mellow,” hosted in conjunction with Dos Equis beer. Guests were invited to upload their photos and enter the contest on either Instagram or via an online landing page. Almost 80 percent of the entries came through Instagram (Kreider says the company was surprised at this high number), and over 70 percent were submitted via mobile.

“People had a lot of fun engaging with our brand, and that’s what we wanted from this contest,” she notes.

Most registrants also provided an email address—information that can be put to good use in email promotions. Kreider says the company is also working toward launching a mobile-loyalty solution.