WHITEPAPER

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5 KEYS FOR RESTAURANTS TO THRIVE IN THE NEW NORMAL

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Introduction

Covid-19's impact on the food and beverage industry was felt across the country, and it significantly affected the restaurant landscape.

Fortunately, as businesses have been reopening, and as customer preferences change, operators have been rising to the occasion and adapting to "the new normal" of food service — though it's the "digital savvy" operators who truly lead the way. It is no secret that digital-savvy chains are increasing profits and seeing higher returns, while their non-digital savvy competitors have been slower to adapt and find success.

During the pandemic, KFC, which recently launched online ordering for pickup and delivery, saw a 7% increase in sales in the U.S. Restaurant Brands International reported over 100% increase in drive-thru sales at Popeyes and 20% at Burger King, while digital channels drove incremental sales that grew over 120% year-over-year and more than 30% quarter-over-quarter across home markets.

All of these brands have embraced innovation, both in technology and operational models. With their lead, and with innovative providers like Appetize making the technology available to any operator, advances such as contactless payment, mobile web ordering, and the use of QR codes, which were all steadily gaining popularity pre-Covid, are now seeing widespread adoption and becoming commonplace. Diners are developing a new set of expectations for ordering and payment options that are destined to be standard even after social distancing relaxes.

To move forward and successfully thrive, restaurant operators need to embrace innovation by adopting these five key strategies.

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1. Be resourceful and think outside the box (literally and figuratively).

Restaurants have been looking outside their walls for forward-thinking ways to use real estate. One option where many see success is by transforming their parking lots into prime dining areas. This can be by claiming some of the space for outdoor dining, or by using innovative operational models like Virtual Drive-Thru, where signs with QR codes are placed at each parking spot and guests can order via mobile (without leaving their car). The additional space increases order volume, and guests can continue to comfortably social distance.

With indoor and on-premise dining revenue below pre-pandemic levels across the industry, restaurants also need to take advantage of every available sales channel to fully utilize their kitchen capacity and boost their revenue. While many operators have added takeout and third-party delivery options, innovative operators have further added ordering on their own websites and also deployed handhelds and mobile ordering on-site to be creative.

If you already have an outdoor space, like a patio or rooftop, you can continue to offer outdoor dining and turn outdoor areas into both ordering and waiting areas.

Don't be afraid to be innovative and try new creative things!

2. Focus on convenience, for your customers and your staff.

Successful innovators have been adding new technology with ordering and payment options for their guests, and they've also focused on making it convenient. With consumers beleaguered from social distancing rules, convenience has become king, and restaurants need to fully embrace this mantra. This starts with having well placed signage and instructions with accessible menus, whether it's part of the storefront signage or on digital menus. If guests can order using a QR code and mobile ordering, show them where and how. The ordering process with your staff should be effortless and fun for the customer. If guests are coming to pick up orders, have an organized, hassle-free system with clear signage that doesn't require them waiting long or in crowded spaces. They'll definitely be grateful, and will reward you with repeat business.

Staff should also have an easy-to-use system for taking and managing orders. Appetize continually upgrades software to make our Activate POS easier to use for even the most inexperienced front-line staff, and our kitchen display system is intuitive and convenient for managing orders from all your sales channels, physical or digital, in one spot. Our platforms are truly "cloud-based," meaning you can take a terminal anywhere you need to in order to serve your guests. Don't worry about staff going past the edges of your WiFi zone; our platform can operate fully offline or over an LTE connection.

Don't overlook your store management either. Between trials with new protocols, staffing challenges and local regulations, their job has never been more difficult. By having a single platform to manage all orders, you're giving them a single tool to balance and report on sales.

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3. Use the right technology.

Technology should be an enabler, not an obstacle. In the modern world of restaurants, being digitally savvy is essential.

The platform that you use to run your food, beverage, and retail sales operations needs to be robust enough to support continuous operations, but should also be flexible to let you adapt quickly to shifting service models—both for the known challenges today and for the unknown tomorrow.

Your commerce platform needs to support all of your sales channels easily, and let you add new ones—both physical and digital—without having to waste time on deployments and integrations. Devices should be easy to move and repurposed. For example, if you want to decrease counter terminals and add a drive-thru terminal, it should be as easy as switching service modes and not require complex support or reconfigurations. Omnichannel support, flexibility in deployment, and centralized control should be a priority when considering technology.

4. Experiment to determine what approach works best for your business.

Having the right technology is important, but the type of models and ordering concepts you offer is truly unique to your business. This is where you can really innovate and make your operations stand out.

Don't hesitate to experiment with new ordering models, changing the menu design and pricing, or finding creative ways to present QR code signage. You can also offer retail items and merchandise to boost sales. Across the country, more bars and restaurants have added retail with a market-style setup in their businesses, which has become a "new normal" in itself. Being able to add this retail mode functionality, along with a full-spectrum cloud POS, digital ordering, and enterprise management system, is a signature Appetize feature no other POS system can offer.

The key to experimenting is knowing what works and what doesn't...which brings us to the final rule.

5. Optimize everything!

Continuous improvement has been a rallying cry for many enterprise businesses and food service operators for some time. With the introduction of new sales channels and operational models, how do you know what is driving success?

It's become increasingly important to have centralized reporting to provide this visibility. Not only does it provide easy organization, it also helps give you insights into what your business excels at and what areas need improvement. Are your onlines sales through your own website increasing against 3rd party delivery apps? What percentage of your guests are using mobile ordering on-premise versus interacting with someone at the counter?

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In the end, it is knowing the answers to questions like these that will have the greatest impact on your bottom line. It is the restaurant operator who has this intelligence at their fingertips, and who embraces innovation by following these 5 rules, who will succeed in the market, both today and into tomorrow—whatever it may bring.

If you are interested in learning more about how Appetize cloud POS, digital ordering, and enterprise management platform can help your business thrive, please visit appetize.com.

Appetize®

Appetize is the modern Enterprise Cloud Point of Sale (POS) and management platform for food service and retail and trusted by many of the world's most well known and highest volume businesses, including sports and entertainment venues, theme parks and attractions, restaurants, retailers, education campuses, and business cafeterias. Appetize has simplified the order and transaction process to help businesses drive financial performance, improve the guest experience, and future-proof operations.

For more information, please visit appetize.com.

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