

SEVENROOMS

ON THE ROAD TO RECOVERY:

Driving Revenue
Throughout COVID-19





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EXECUTIVE SUMMARY



COVID-19 changed our world, seemingly overnight. It shut down restaurants and bars, obliterated hotel occupancy rates and decimated the global economy, fundamentally changing the way people interact with each other and within their communities. As the world looks toward the future, one thing is certain – the COVID-19 world has ushered in a new era of hospitality.

From the rise of delivery and pick-up and the need for contactless ordering and payment options, to new ways to eliminate crowded waiting areas, operators across the globe are thinking about how they will adapt to meet the expectations of a changed consumer.

We wrote this guide to help you think through how guests are changing and what that means for your business. Guests want to get back to dining out and it's up to us, collectively, to make it safe and welcoming for them to do so.

There are three parts in this guide:

1. Major themes emerging around how guest behaviors and expectations will change
2. A step-by-step look at how these new behaviors will create a new guest experience with recommended strategies for how to adapt operationally and how to engage your guests
3. The new technology landscape for restaurants, and how to determine if you have the right partner to successfully reopen and sustain your business

According to a recent study, 70% of consumers say that **dining out at restaurants will make them feel normal again.**¹

01 OUR NEW REALITY



MEET YOUR GUESTS WHERE THEY ARE

COVID-19 has fundamentally changed guest behavior and expectations.

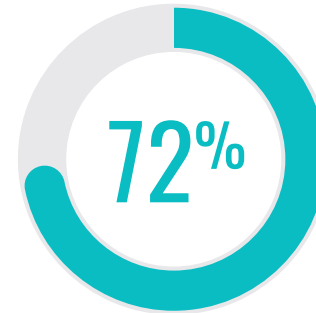
Consider this:



of consumers said they felt it's safer eating food from a grocery store or at home, versus in a restaurant.²



of consumers said they would avoid crowded waiting rooms in order to minimize the risk of dining out.³



of consumers don't trust others to act safely once businesses reopen.⁴



of consumers said eating out at restaurants will help them feel normal again.⁵



FOUR COVID GUEST MINDSETS

There will be varying consumer mindsets and comfort levels around interacting with restaurants. With this in mind, operators need to be flexible, meeting guests where they are and facilitating interactions around how they want to dine. With varying needs of guests, we've identified four key mindsets restaurants will need to cater to upon reopening.



Delivery or pickup diner who is still hesitant to dine out



Guest who wants to dine out, but with reservations or a virtual waitlist



Diner who wants to eat out, but in a safe, contactless way



Care-free guest ready to get back to normal

With the expectation to be able to meet the needs of each of these four mindsets, restaurateurs will experience a shift in the way they operate. Specifically, owners and operators must rethink the ways they interact with guests and make sure they have the functionality necessary to offer them a safe method for delivery and takeout,

digital reservations, virtual waitlists, on-premise ordering and payment and more. Across these touchpoints, the ability to own guest data, and the subsequent guest relationships, allows operators to personalize and automate marketing – resulting in higher revenue in the long run.

PRO TIP

Have access to a guest database with email addresses? Now is the perfect time to reach out and survey your guests to understand their needs and comfort levels going forward. The information you gather from the surveys can help inform your reopening strategy. It's easy to set up surveys through [Google Forms](#) or [SurveyMonkey](#).

SPREAD THE WORD

With state- and country-specific guidelines varying widely, it is critical to make a plan to address and meet varying guest needs. Once you've made these decisions and put processes in place, it's time to communicate what you'll be doing to your guests. Now is the time to over communicate at each step throughout the guest journey to make guests feel safe and comfortable.

You should ensure you can control your branding and message across channels and spread the word about your protocols via the following ways:



Emails



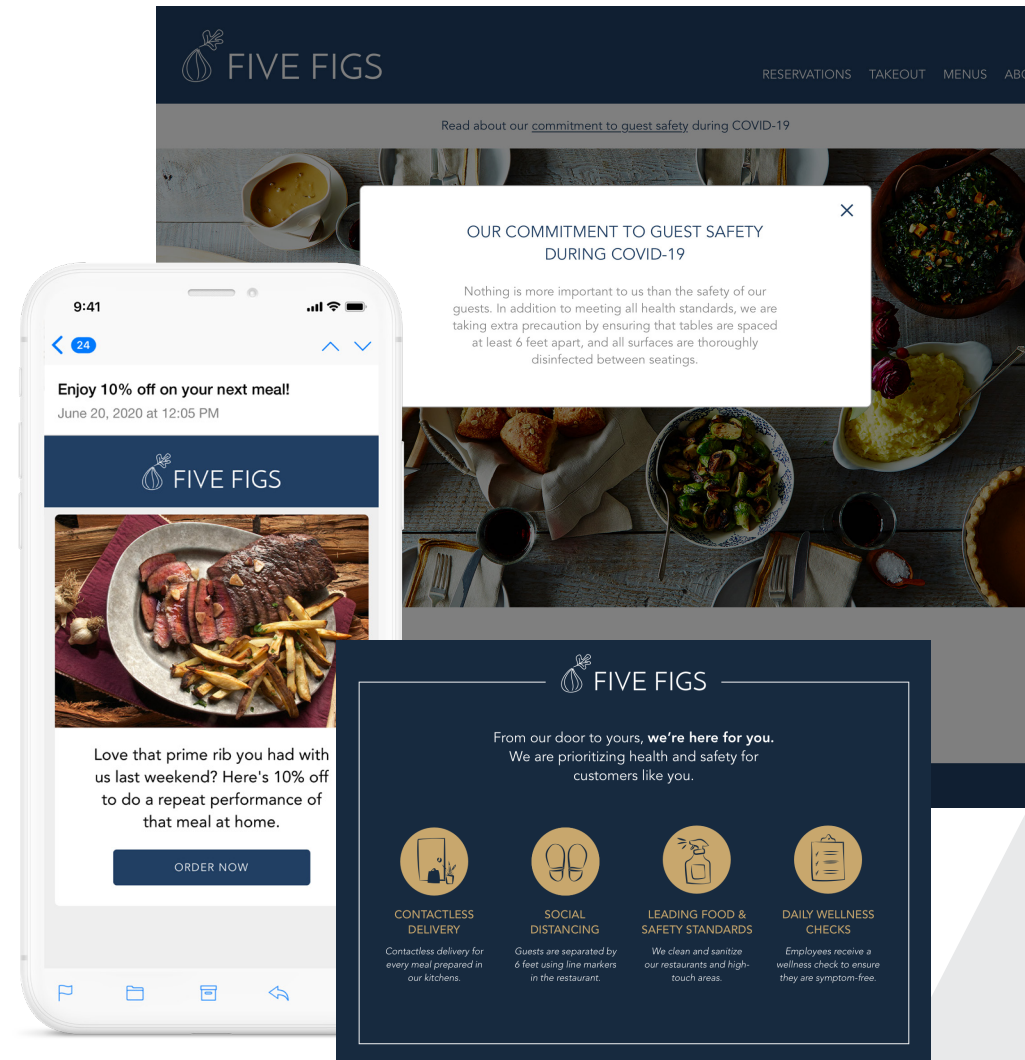
Website



Delivery inserts
and take-out bags



Social media
posts



02 THE NEW GUEST EXPERIENCE

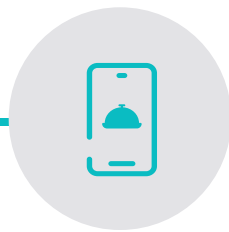


Operators must adapt across the entire guest journey to meet new regulations and the varying needs of their guests. At each step of the new guest journey, there is an opportunity to utilize technology to help.



Online Experience

Optimize Touch Points



On-Premise Experience

Offer Contactless



Guest Feedback

Build Relationships



Loyalty & Retention

Personalize and Target

ONLINE EXPERIENCE

Before a guest receives their order, there are multiple online touch points where they interact with your restaurant -- from making a reservation to placing an order for takeout. It is important that you are in the driver's seat of these interactions in how and what you are communicating as it relates to the options you are presenting to guests.

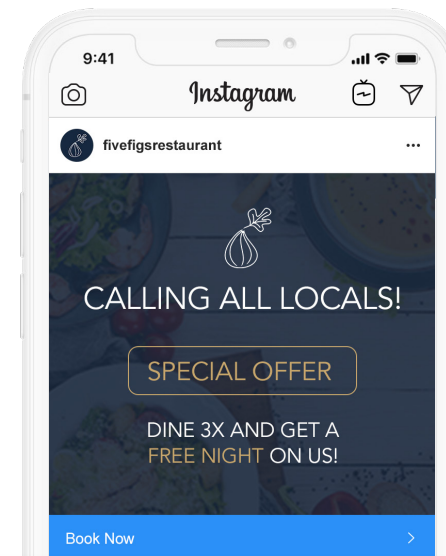
Search & Discovery

The first step in the journey is your guest finding your restaurant. Because trust in a brand is more important than ever before, guests will turn to the restaurants they know already.

Your online presence and message - You'll want to make sure you can connect directly across your owned channels with these guests. Take ownership of all your online listings and make sure there are direct links to book a reservation or place a delivery or take out order.

By owning these links, you will direct guests right to your website versus a third party site. In fact, relying on third parties for delivery, take out and reservations puts you in the same searches as your competitors -- and less likely to capture the attention and dollars of that customer.

Exclusive Offer Perks



PRO TIP

With guests choosing restaurants based on what they already know and trust (or what is a five minute walk or drive from home), this means your local guests or "regulars" can be the people you rely on to help build back your business. Invest in ways to make these guests feel special.

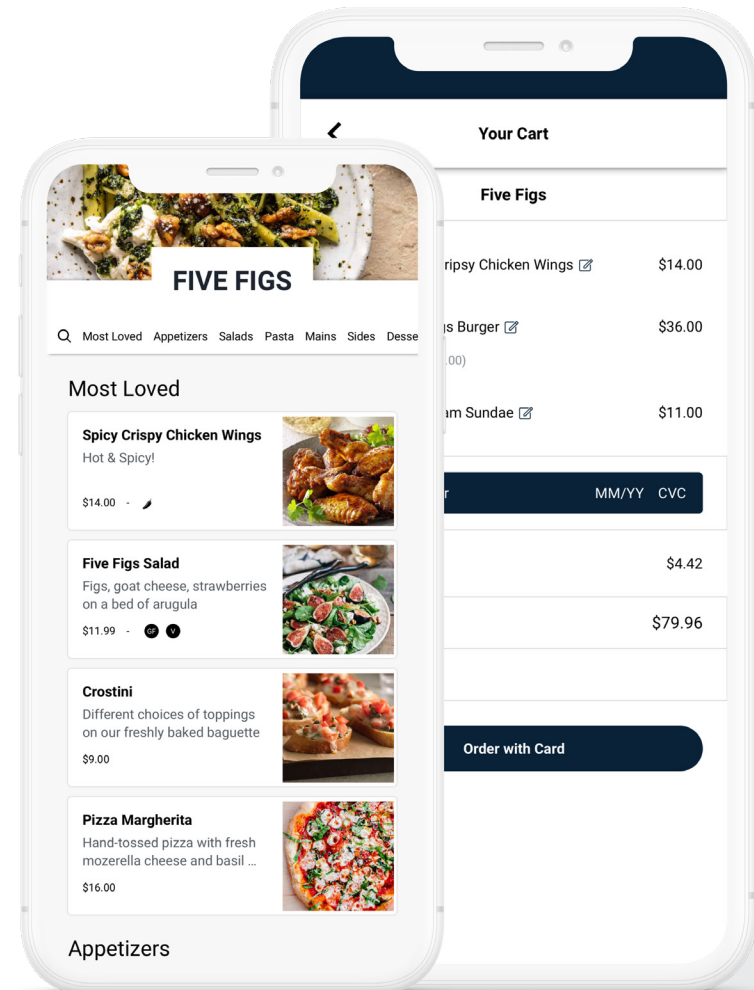
Offer perks that are exclusive to locals like a complimentary beverage or a "locals only" secret menu. Promote these offerings via your channels and redeem to those who have address proof. Keep in mind, once you learn someone is a local, it's important to record that data point in your CRM. This can help you market future local offerings to them directly, and helps your staff execute on this information the next time the guest orders delivery or dines in the restaurant.

ONLINE EXPERIENCE

Going Digital with Delivery & Takeout

With some guests feeling uneasy about dining in a restaurant, it is necessary to offer delivery and takeout, no matter the type of restaurant you are. Delivery is the fastest-growing segment in the industry. Delivery revenue is expected to show an annual growth rate of 5.1%, resulting in a market volume of US \$32,325M by 2024.⁶ Customers are, for the first time, spending more money off-premise than inside restaurants.

To get the most out of delivery, it is important to be connected directly to your guests. Direct delivery allows you to gain new customers, engage old ones, and drive revenue from customers who can't make it into your restaurant. There are many tech options to offer this functionality to your guests, but you'll want to choose the option that allows you to showcase your brand, communicate your messaging and own your guest data.



“Since we launched Direct Delivery, we have seen incredible results by tapping into our devoted customer base to drive significant revenue for our business. From family-sized BBQ Platters and charcuterie boards, to the launch of our Butcher and Pastry Shops, we’re able to continue serving the community that is the lifeblood of our business. Plus, with commission-free delivery, we’re making a profit that would not have been possible without a direct solution.”

BLAIZE PENNINGTON, MANAGER
URBAN GRUB

\$78

Average Spend Per Order

18

Average # of Orders Per

30X

Return on Investment

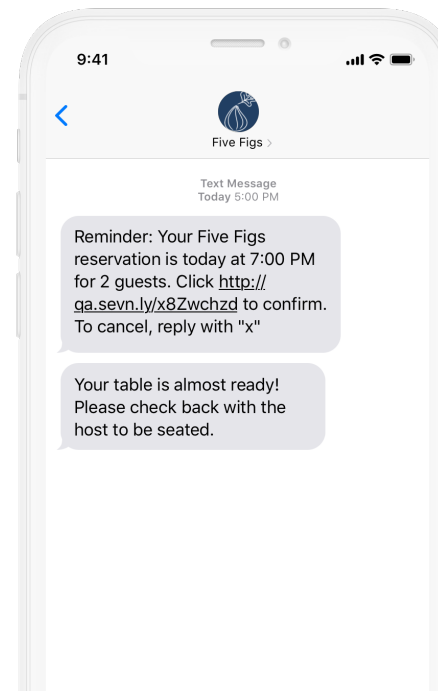
ONLINE EXPERIENCE

Online Reservations are Key

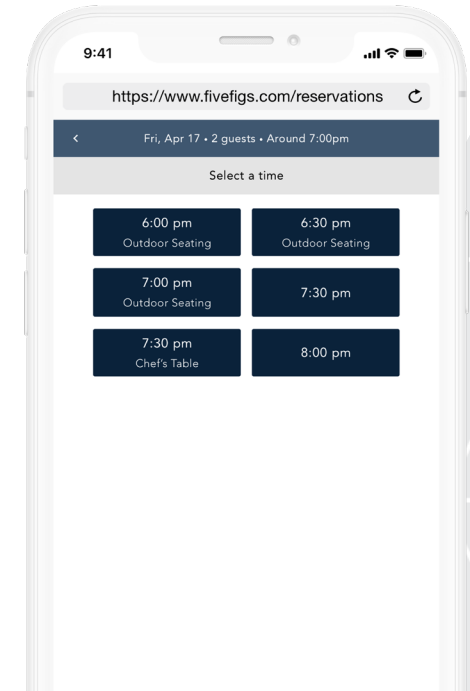
Whether you have always relied on online reservations or this is uncharted territory, a digital reservation platform will be crucial in helping you adjust to new regulations and your guests' expectations for safe dining. Here are a few ways to make reservations effective:

- Find a partner that allows you to communicate via SMS messaging. Guests can wait in their cars or nearby versus in the foyer and receive “Table-ready” texts.
- Place a greater emphasis on reservation-booking across your channels so guests feel confident that they’ll have a table available the moment they arrive on-site.
- Find a reservation management system with the ability to easily adjust your floor plan and reservation inventory to reflect any guidelines for reduced capacity and social distancing.

Table-Ready Texts



Seating Options



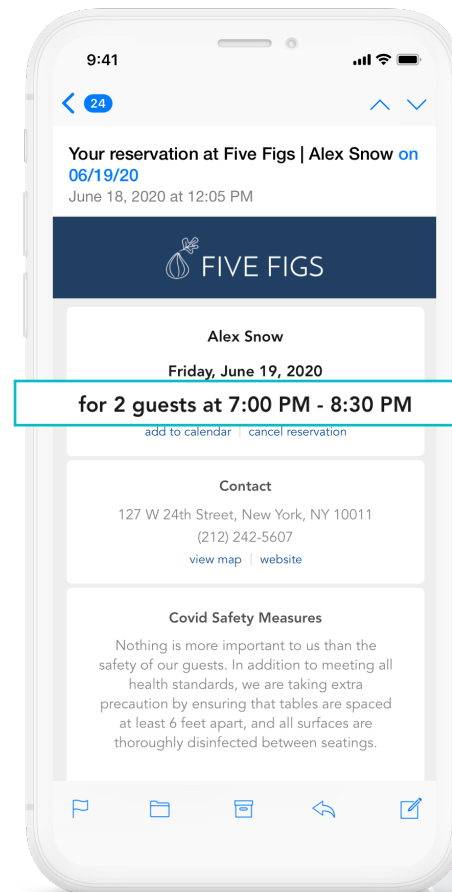
PRO TIP

Promote outdoor seating. With some guests only feeling comfortable dining where they know social distance can be kept, outdoor seating is a great option to meet this need. With the right technology partner, you can actually promote outdoor seating throughout the booking process to create more visibility for guests.

ONLINE EXPERIENCE

- Enforce reservation end times to ensure you have the allowed number of guests in the dining room at all times, especially while capacity restrictions are in place. Through your communications, you can inform guests of their allotted time to dine. This will allow you to maximize table turns and help streamline operations.
- Communicate your credit card policy for last-minute cancellations or no-shows throughout the reservation making process. Each reservation represents dollars to your business, so it's important that you are keeping your dining room full while having the ability to collect revenue if a guest cannot make it.

Reservation End Times



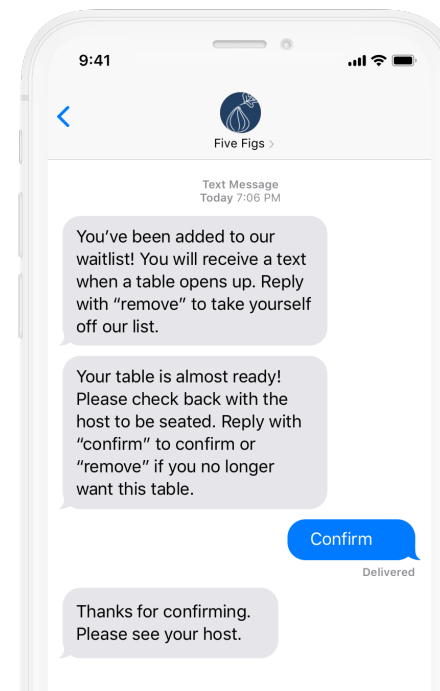
ONLINE EXPERIENCE

Virtual Waitlists Allow Distance & Reduce Labor

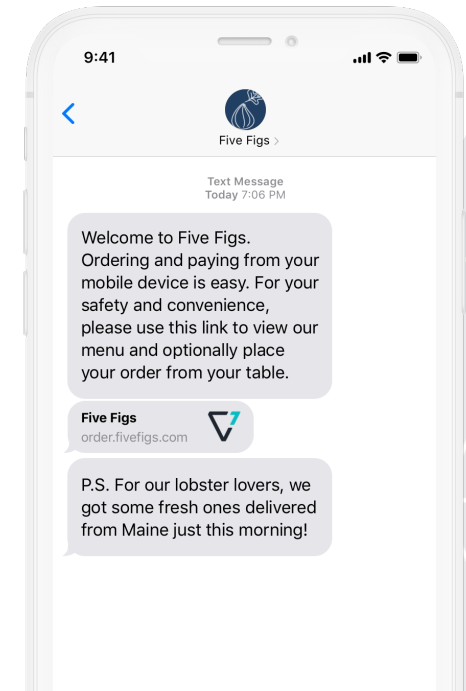
Similar to reservations, a virtual waitlist puts you in control of the number of patrons in your restaurant at any given time, helping guests to add themselves to the list safely online. Here are some ideas of how to use a virtual waitlist:

- Enable guests to sign-up for the waitlist at home online to avoid waiting and queueing at the restaurant.
- Similar to communicating with guests with reservations, it's easy to notify guests who added themselves to a waitlist when it's the appropriate time to come into the restaurant
- Operationally, a virtual waitlist also helps reduce the amount of time a host spends managing the waitlist so they can use their time to help in other ways, such as bringing curbside takeout orders to vehicles.

Waitlist Notification



Offer Pre-Ordering



PRO TIP

Whether through an email or text the day before a reservation or directly from a mobile device while waiting for a table, there are options to offer the ability to place an order in advance with payment. This helps eliminate the need for menus and interaction with staff, provides an upfront revenue commitment from guests to help reduce no-shows, and allows restaurants to turn tables faster.

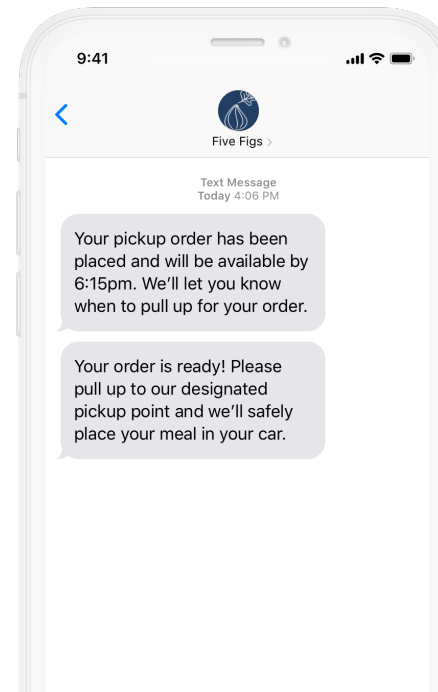
GO CONTACTLESS ACROSS ON AND OFF-PREMISE EXPERIENCES

Once your guest has found your restaurant to place a takeout order, make a reservation, or add themselves to the waitlist, the next step in the journey is actually delivering on the food and experience – whether that happens in the dining room or at the customer’s home. In the post COVID-19 world, being able to offer easy, contactless service during this step will matter. Here are a few ways to incorporate contactless practices.

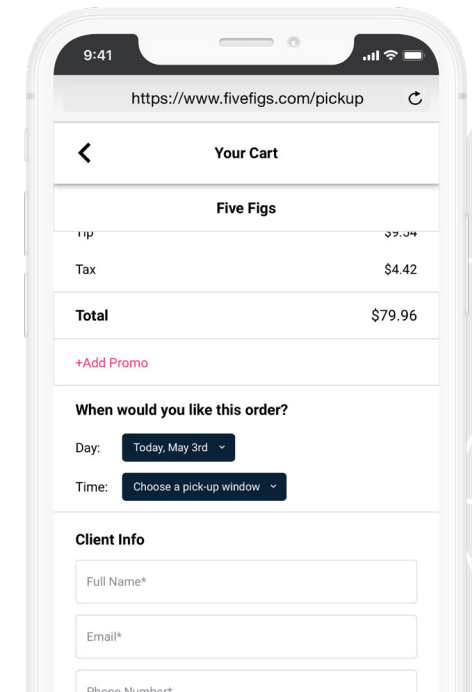
Curbside Pick Up

When a guest arrives to pick up an order, there is no need to have them waiting in the foyer. Instead, rely on technology to communicate with guests. Choose a delivery and takeout partner that allows you to SMS message with your guests. When the order is ready, automatically send an “order ready” text to customers in the parking lot to let them know it’s time to pull up for their order.

Order Ready Prompt



Car Model & Color Info



PRO TIP

Ask guests to provide information about their car model and color to help your staff quickly locate their vehicle and deliver the food.



GO CONTACTLESS ACROSS ON AND OFF-PREMISE EXPERIENCES

Outdoor Signage to Promote Contactless

To help capture consumers that are passing by your restaurant or are hesitant to enter, utilize outdoor signage to invite them to take action. The signage should have a QR code that can be easily scanned to invite the guest to join a waitlist, order takeout, or make a reservation.

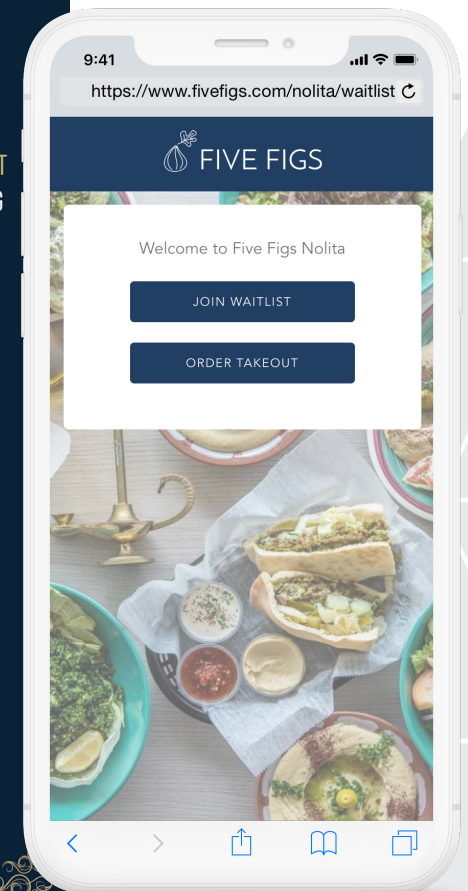
PRO TIP

When you have guests signing up for a virtual waitlist, think about all the guest data you'll be collecting before a guest even enters the door. You can enforce email address collection with every sign-up, as well as request marketing opt-in.

Outdoor Signage



Landing Page



GO CONTACTLESS ACROSS ON AND OFF-PREMISE EXPERIENCES

Order & Pay at Table



Mobile ordering and payment, executed from the guest's own device, helps eliminate unnecessary touching of tabletop tablets, menus, check holders, credit cards, cash, and receipts.

It's the BYOD (Bring Your Own Device) model and here is how it works:

1. Diners access your menu from their own device via a text from table management technology or QR code.
2. They're automatically connected to your branded ordering experience.
3. Guests select their menu items, hit check out, and pay via a credit card or mobile wallet (like Google or Apple Pay).
4. Voila! Their order is sent to the kitchen instantly.



TABLE 1

ORDER + PAY ON YOUR PHONE

VISIT WWW.FIVEFIGS.ME



OR SCAN THE QR CODE

GO CONTACTLESS ACROSS ON AND OFF-PREMISE EXPERIENCES

Most mobile ordering solutions are powered by location markers to identify which table the order is coming from, making it easy to get the food delivered in a timely fashion. This gives servers more time to focus on other things as they are no longer order takers. Instead, they can focus on upselling, providing hospitality and even health and safety processes.

The best part of mobile order and pay is the ability to collect data on guests and store it on their profile:



Email and phone



Marketing opt-in



Preferences and allergies



Order details and total



GUEST FEEDBACK - BUILD RELATIONSHIPS

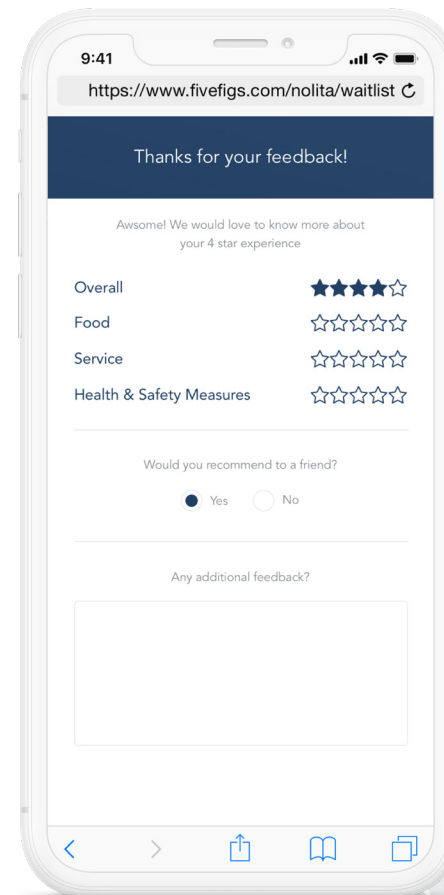
After a guest has received their order or dined in the restaurant, the next step is receiving their feedback. During these uncertain times, it is more important than ever to have a constant pulse on your guest experience.

When connected directly with your guests for on- and off-premise dining, you have the ability to send surveys to your guests to understand whether your restaurant met their expectations. Specifically, it is important to ask them about the health and safety measures they experienced. Based on this feedback, you can appropriately respond to your guests and even send a follow up note inviting them to dine with your restaurant again.

PRO TIP

Find a partner that automates the sending of surveys, once a delivery order arrives or a guest leaves your restaurant, directly from your CRM.

Capture Safety Feedback



9:41

<https://www.fivefigs.com/nolita/waitlist>

Thanks for your feedback!




Awsome! We would love to know more about your 4 star experience

Overall	★★★★☆
Food	☆☆☆☆☆
Service	☆☆☆☆☆
Health & Safety Measures	☆☆☆☆☆

Would you recommend to a friend?

☒ Yes ☐ No

Any additional feedback?

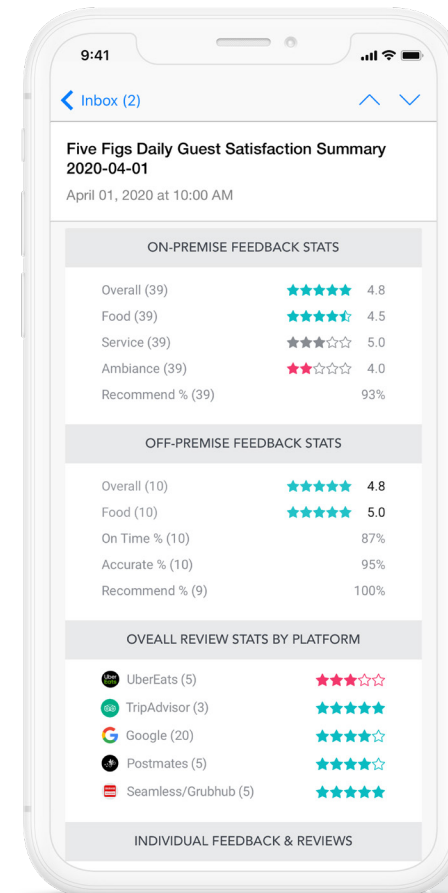
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GUEST FEEDBACK - BUILD RELATIONSHIPS

To get a full picture of your restaurant's performance, it's also important to look at feedback guests are submitting via third party platforms like Google, TripAdvisor, UberEats, and Grubhub.

When you are collecting feedback from all of your guests across multiple channels, you'll be able to aggregate the results to see how the restaurant is performing. You can even segment the reviews by on-premise dining and off-premise delivery or pickup to understand how the experiences differ. There are technology partners that help you track this information and provide you with dashboards and daily emails summarizing your guest satisfaction.

Track Aggregated Reviews

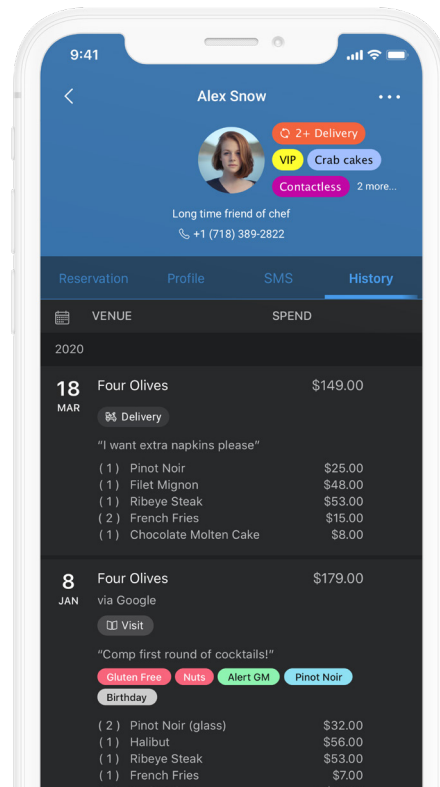




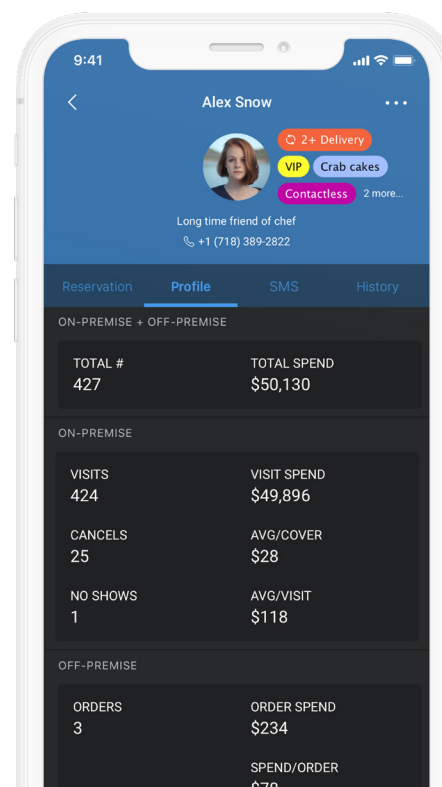
LOYALTY & RETENTION - PERSONALIZE AND TARGET YOUR MARKETING

The final step of the guest journey is turning a guest into a repeat customer and continuing to build loyalty with your regulars. When utilizing systems that connect you directly to your guests, you have all the data you need across the lifecycle both on- and off-premise to strategically market and personalize your messaging.

Order History



Spending Patterns



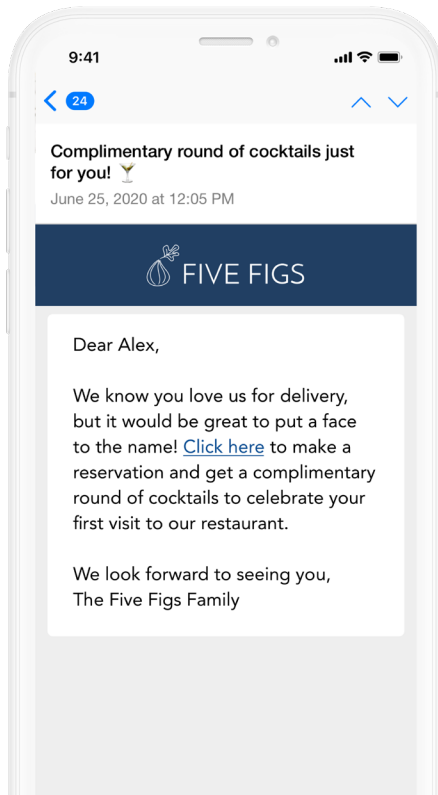
LOYALTY & RETENTION - PERSONALIZE AND TARGET YOUR MARKETING

Cross Promote

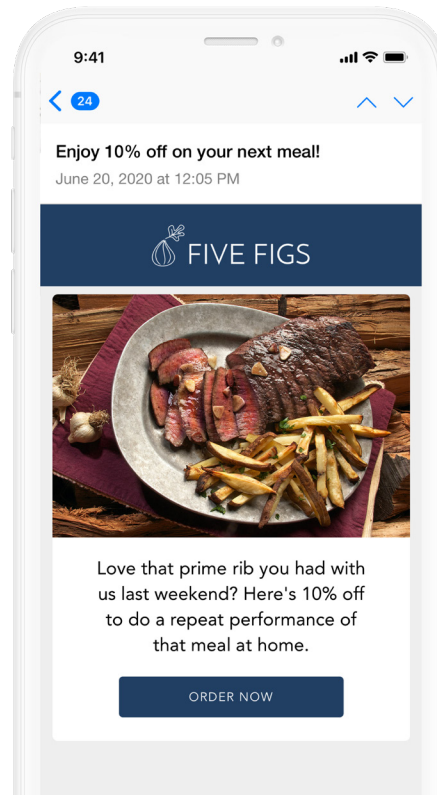
You can easily identify how guests have interacted with your restaurant which allows you to tailor marketing messages to promote new behaviors.

For example:

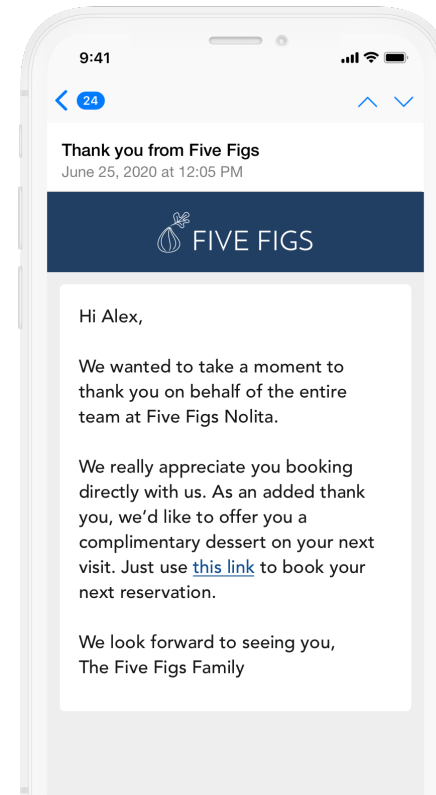
Delivery to On-Premise



On-Premise to Delivery



Third Party to Direct



LOYALTY & RETENTION - PERSONALIZE AND TARGET YOUR MARKETING

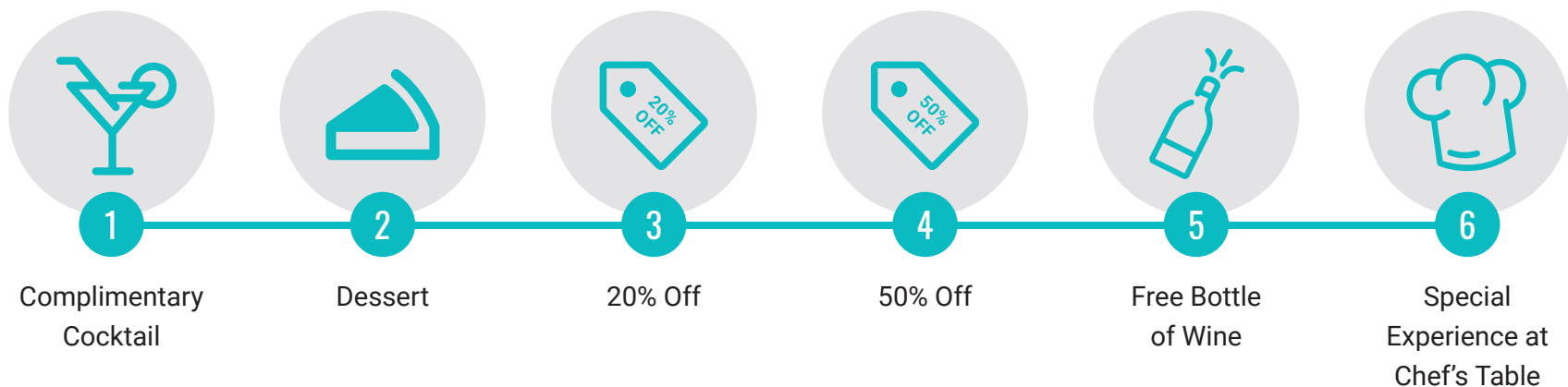
To further incentivize guests, you can offer perks to guests in the emails and include direct links to take the actions you are inviting them to try.

Reward Guest Behavior

As guests react to your marketing and start taking the actions you requested, it's important to have a way to continue to reward them. This is especially true if you are trying to reduce or eliminate third parties as the middleman for reservations and delivery.

Consider setting up a loyalty program that rewards direct behavior at each dining experience with the value of the reward increasing each time. For example, the first direct order could result in a complimentary cocktail while the fifth direct order could offer a free bottle of wine.

Optimizing for 6+ visits within 12 months – Only for Booking or Ordering Direct



02 THE NEW GUEST EXPERIENCE

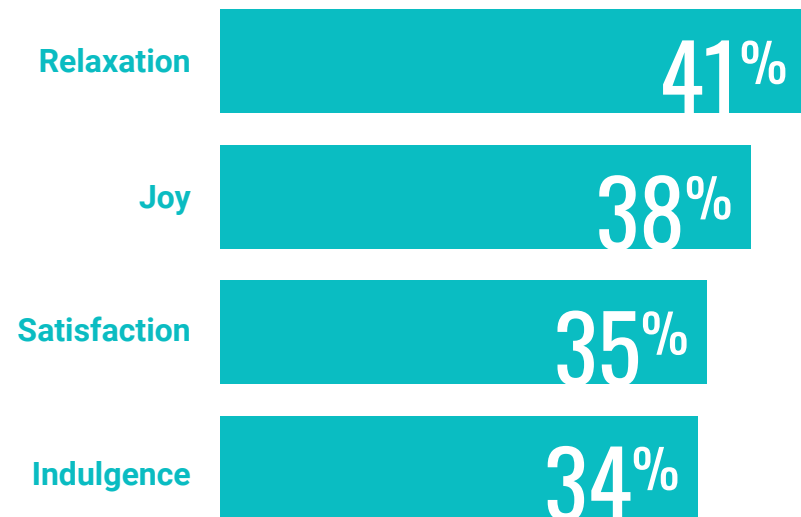
GUEST DATA IS YOUR MOST VALUABLE ASSET

As we've noted many times in this guide, the key to success for any restaurant operating through this pandemic is access to guest data. The businesses thriving right now are the ones that are leveraging their vast guest databases to drive delivery and takeout orders and to continue to maintain guest relationships.

Without having direct access to guest data, you miss the opportunity to build an initial relationship with a guest, capture their data, re-market to them, and turn them into a loyal customer.. When you own your guest data, you unlock the potential to personalize every guest experience, which is now more crucial than ever. With guests currently more hesitant to order from a restaurant versus cooking at home, each interaction with your restaurant must be consistent and meaningful.

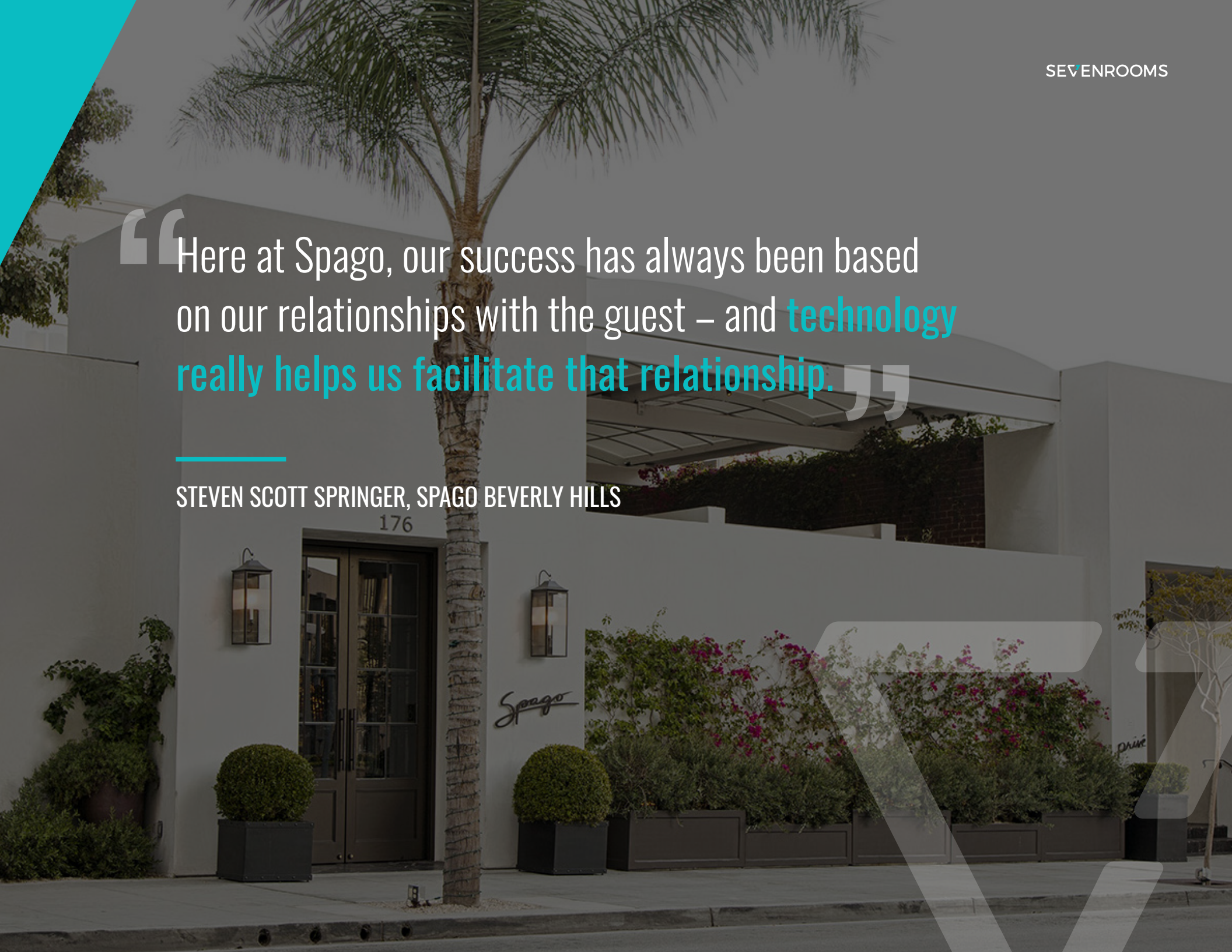
A recent study revealed that the top four ways guests hope restaurants can boost their morale are through **relaxation, joy, satisfaction, and a sense of indulgence.**⁷

If restaurants can meet these needs, there are great opportunities to turn guests into regulars, however, you need the ability to capture and store the data to achieve this. Throughout this guide, we've highlighted the many opportunities available across the guest journey to collect data when you are directly connected to your guests.



“Here at Spago, our success has always been based on our relationships with the guest – and **technology really helps us facilitate that relationship.**”

STEVEN SCOTT SPRINGER, SPAGO BEVERLY HILLS



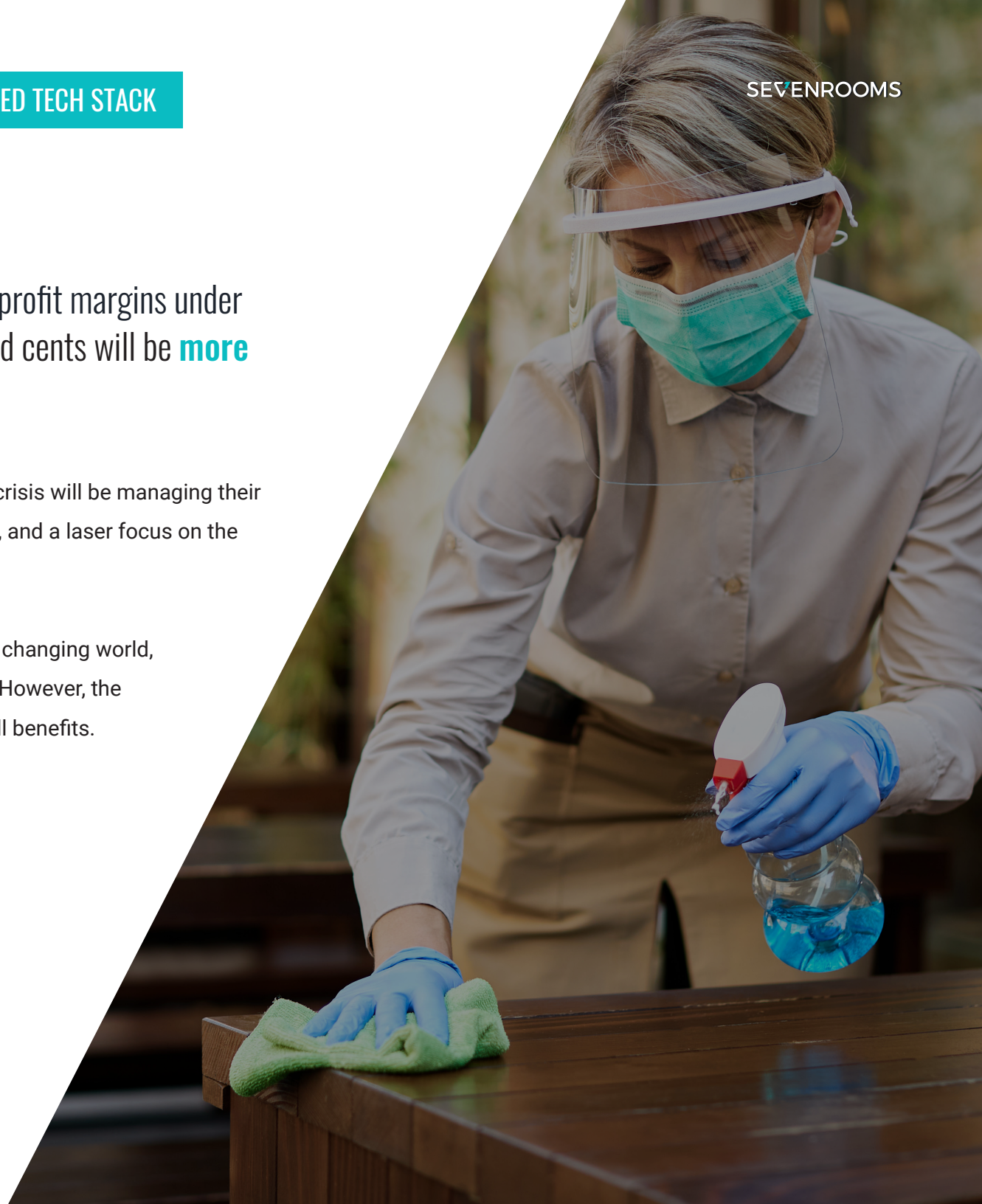


03 EMBRACE A NEW DATA-DRIVEN & CONNECTED TECH STACK

With 71% of operators saying they had profit margins under 10 in 2019 alone⁸, a focus on dollars and cents will be **more crucial than ever post-pandemic.**

Those that come out the other end of this health crisis will be managing their restaurants with less staff, higher overhead costs, and a laser focus on the health and safety of their guests and staff.

To be able to accomplish this and evolve with the changing world, operators need to turn to technology for support. However, the right tech stack must be in place to receive the full benefits.





THREE KEY TECH INGREDIENTS TO EVOLVE

Own Consumer Touchpoints

As noted in this guide, there are many points along the guest journey where you have the opportunity to interact with the guest. It's important to be in control of these touchpoints with the ability to connect all of them together under one system.

Not only do you want to have that direct connection to the guest at each touchpoint, but you want the flexibility to make changes that work best for your business as there is nothing in the restaurant industry that is one size fits all. When restaurants outsource the entire guest journey to a third party, it is impossible to control the experience guests are receiving and to make changes that are best for the individual business.

Own Guest Data

As evident across the strategies shared in this guide, guest data should be collected at each step of the journey and used to personalize service, help fuel your marketing efforts and make decisions for your business. All your guest data should be readily available for use for your entire staff.

Online and Offline Connectivity

For most restaurateurs, it is not uncommon to have many disconnected systems to help them run their business that cover both online and offline channels. For example, you might have one system for delivery, one for reservations, and another for your CRM and marketing capabilities. In most cases, this means there is no connection between the systems, resulting in operators not having comprehensive views of their guests, plus many lost hours trying to manage multiple systems.







It's important to find technology partners that offer you multiple functions from one platform. When you are using one system across the entire guest journey, you get a 360-degree view of the value of your guests and can make better data-driven decisions for your business.



REVISIT YOUR TECHNOLOGY PARTNERS

As you put your strategy for success during COVID into place, it's a good time to step back and revisit your technology partners to ensure each system makes sense for the business.

Here's a list of questions to ask yourself about each partner as you evaluate:

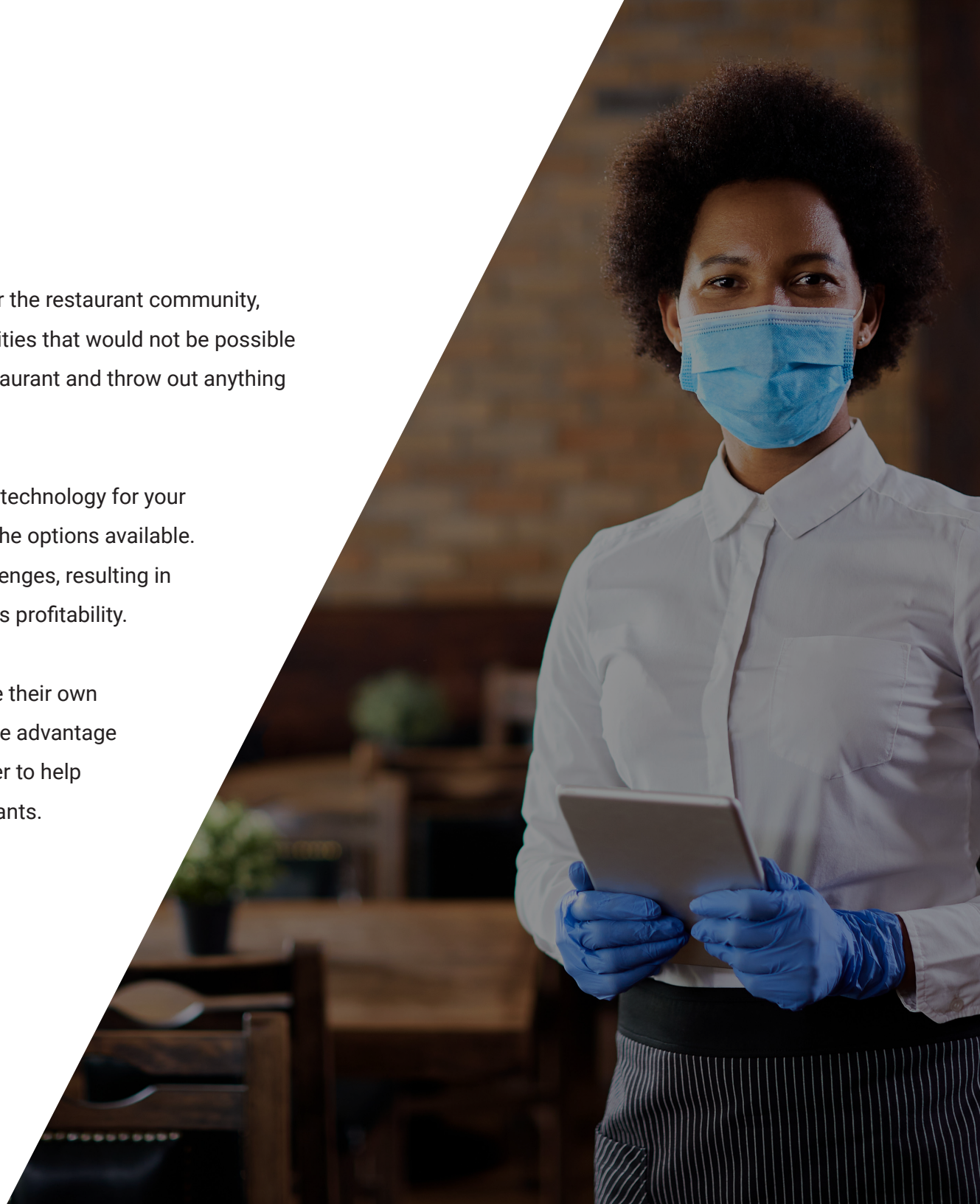
-  What's the pricing structure? Are there any hidden fees or upcharges?
-  Can the system integrate with your other tools?
-  Is it your brand or the partner's brand that is represented to your guests?
-  Does their business model align with yours?
-  Do you get to access and own your guest data?
-  Do you have 24/7 support?

THE SILVER LINING

While COVID-19's impact has been devastating for the restaurant community, operators are now being presented with opportunities that would not be possible otherwise. This is the chance to reinvent your restaurant and throw out anything from the past that was not working.

While you may have been hesitant to take on new technology for your business in the past, now is the time to embrace the options available. With the right partner, you can solve existing challenges, resulting in meaningful long-term benefits for your restaurant's profitability.

It's a new era of hospitality. Restaurants can make their own rules, change processes, update systems, and take advantage of a time where guests are tuned in more than ever to help reshape the relationship guests have with restaurants.



SOURCES

- 1 <https://www.qsrmagazine.com/consumer-trends/what-customers-think-about-restaurants-and-coronavirus>
- 2, 3, 4, 5 <https://datassential.com/wp-content/uploads/2020/05/Datassential-Coronavirus-Report-16.pdf>
- 6 <https://www.statista.com/outlook/374/109/online-food-delivery/united-states>
- 7 <https://datassential.com/wp-content/uploads/2020/05/Datassential-Coronavirus-Report-16.pdf>
- 8 https://jbf-media.s3.amazonaws.com/production/pressreleases/041620_SURVEY_MEMO_R2.pdf

READY TO TRANSFORM YOUR GUEST EXPERIENCE? LET'S TALK.

While every restaurant is going to have unique needs in the post COVID-19 world, it is important to have a partner that can adapt to those needs and offer you multiple solutions to help meet your guests where they are in this changing environment. SevenRooms' guest experience platform combines operations, marketing and guest engagement into one solution. The all-in-one platform helps restaurants reopen safely and fully supports the new post-COVID guest journey across reservations and waitlist management, direct delivery & pick-up, contactless order and pay, reputation management and marketing automation.

Learn more at sevenrooms.com or contact sales@sevenrooms.com.

