How Restaurants are Leveraging Technology to Succeed During Covid

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During turbulent times, we tend to focus on the negative trends happening in a specific field, and the Covid pandemic has hit the restaurant industry particular hard. The restaurant industry is expected to lose $240 billion by the end of 2020, according to the National Restaurant Association. However, there are a few operators and brands that are succeeding and thriving during Covid. What all of these brand have in common is that they either fully embraced digital technology pre-Covid or quickly pivoted to upgraded their technology platforms amid the Covid crisis. This trend of operators embracing digital technology in the restaurant industry, had started pre-Covid, and appears to have been accelerated due to the Covid pandemic.

Here is how restaurants are leveraging technology to succeed:

Restaurants Going Contactless: From Reservations, Waiting, Ordering, and Paying.

With 80 percent of people saying they experience fear or anxiety walking into a store or restaurant during COVID, health and safety will be top of mind for anyone entering these spaces. The restaurant industry is rising to meet these expectations, shifting into the digital sphere with contactless payments, ordering, delivery and more. But the benefits don't stop with operators providing guests and staff with safe, simple, and contactless options. These technologies also enable operators to minimize front of house labor costs, while maximizing the frequency of orders, driving dollars to their bottom lines.

Imagine this scenario: a guest walks into a restaurant. They know they'll be seated immediately, because they were able to place themselves on a virtual waitlist from the comfort of their home, without crowding around a host stand jockeying for a table. Once they are seated by a server wearing gloves and a mask, they take out their phone and scan a NFC tag or QR code on the table. This pulls up a digital menu for them to peruse, and within seconds, they can place their order for drinks and appetizers. Once they've enjoyed their meal, they simply click a button, use their stored Apple Pay card to pay, and are out the door to enjoy a beautiful afternoon. No paper menus, no sharing pens or passing off a credit card or cash, minimal interaction, and a safe, seamless dining experience from start to finish.

Using data collected on the guest during an in-service interaction, restaurants will also be able to reach them at home—surfacing the right information, at the right time to encourage the customer to order delivery or takeout directly. The possibilities are endless when it comes to contactless offerings across the guest journey. This will not only be the new reality, it will be the new normal and expectation for guests.

Restaurant Technology Integration:

Operators need to review the current technology they are using and how they can connect their tech stack end-to-end to enable them to collect and leverage data across dine-in, delivery and

pick-up. Operators should analyze the ROI of doing away with third party delivery and reservation technology platforms that offer little access to data ownership. It might be worth the investment to bring that technology in-house and integrate it into your existing tech stack.

With a 360-degree view across every guest, operators can connect data across the entire guest journey, from when a guest books a reservation or orders delivery, to how they order and pay, to the types of marketing they receive as a result.

Restaurant Communication:

Being able to communicate with your customers during a crisis is essential. Operators already using end-to-end technology systems had the advantage in reaching their customers when Covid hit the U.S. and took the restaurant industry by surprise.   Being able to reach customers on multiple platforms, across all demographics is key: on a restaurant's website, via email, and on multiple social media platforms.

By not having to first figure out how to reach customers, restaurants could focus on what message to deliver:

- First and foremost, operators should explain to customers what the restaurant is doing to keep guests and employees safe.
- Allows operators to:
    - Promote new offerings/changes due to Covid, such as - menu changes, meal kits, online ordering, take-out, delivery, curbside pick-up options, etc.
    - Offer Loyalty Programs
    - Any changes to operating hours
- Communicate with customers more often, than not. As the situation continues, providing a proactive, compassionate, and strategic response to a crisis can portray a genuine message transmitted to customers with humility. Developing a protocol system for monitoring and sharing the latest information related to the crisis can provide customers with assurance and peace of mind when they order from your brand.
- Reach customers, in the event there is a case of Covid in your operation and the restaurant has to conduct contact tracing. Have a plan in place, communicate this plan and follow it. the public will be forgiving if an operator shows that they handled the situation properly, followed all protocols, and that the restaurant environment is safe to return to.

As of October 1st, we are now 7-8 months into the Covid pandemic. The "New Normal" is becoming normalized. Contactless ordering, paying, reservations, etc. will be crucial to the restaurant industry, both in the next several months and beyond. Customers will come to expect these once safety measures to become the new standard, and will find these conveniences they are unwilling to part with when this pandemic blows over. The Covid pandemic has speed up the digital technology trend in the restaurant industry and operators now must integrate their systems to their benefit.

4Q can provide restaurant consulting services to help you develop and implement these actions into your restaurant to guide you to success.

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