

The Digital Consumer Journey



How the right technology—and the right support—
can boost your restaurant's competitive advantage.

Revel
SYSTEMS



To Stay Competitive, Stay Ahead of the Tech Curve

When it comes to technology, today's consumers want it all — an elevated experience that's faster, more in tune with their own preferences and available to them whenever, and in whichever channels they desire.

These channels include: mobile and web apps, kiosks, tablets for on-the-go orders, voice ordering applications, and many others. Together, these technologies create a complete digital journey for consumers.

The digital journey is more critical than ever before as COVID-19 has changed the restaurant industry. In fact, it may change consumer behavior and expectations permanently.

In 2020 and beyond, the digital experience is about far more than efficiency. It's now about meeting consumer expectations. Keeping pace with those expectations can be challenging as new technology emerges. However, it is critical

to ongoing, long-term success in a rapidly evolving market.

In this whitepaper, we share specific ideas on how to make the most of the digital consumer experience, including ways to use it to set you apart from the competition during a pandemic and beyond.

And though the rapidly-evolving technology landscape can be overwhelming, with the right support teams in place, you don't have to navigate it alone. Read on to learn about the technological tools available to you and the support systems to watch for so you can focus on your business while key partners help you simplify, then maximize these changing tech tools.



Rapidly Evolving Consumer Expectations

Today's consumers are savvier, more connected, and have higher expectations than any other generation of consumers. The ubiquitous penetration of the smartphone has aided in furthering on-demand expectations.



Research shows that 81% of Americans now have a mobile phone. Thanks to apps that are intuitive, fun, and effective for giving people what they want, consumers see their phones as remote controls for the world.

This expectation extends into the merchants they frequent, the food they select, and the interactions they have — or decline to have — with people. Fail in any of these areas, and the consumer will vanish, moving on to the next available option.

However, restaurants that reward and recognize the consumer, speed up the consumer journey, and deliver products and services the way the consumer wants are on the right track to gaining and retaining consumer loyalty.

How can you manage these expectations and deliver the technology consumers crave in a realistic way? The first step is to understand the makeup of the technology landscape.





Implement Technology to Meet Consumer Demand

With so much game-changing technology designed to meet consumer demands, it is a challenge to keep up with what's available in the marketplace. However, simply waiting to implement new technology isn't a viable option. Diners expect businesses to deliver an outstanding consumer experience.

The National Restaurant Association's 2019 State of the Restaurant Industry Report, found that a majority of consumers would like to see restaurants incorporate more technology into their businesses. The report cites the following rationale for this consumer demand: improved consumer service, easier ordering and payment processes, and more convenient takeout and delivery options.

Some of the options that businesses can leverage include:

- Self-service kiosks
- Digital menu boards
- Geofencing technology
- Location intelligence
- Various drive thru technologies
- Loyalty apps

With technology available to touch on every element of the digital consumer journey, from online ordering to voice apps, deciding what to implement can be challenging.

It's important to understand which areas will get the most traction for your digital consumer journey, which starts with looking at the bigger picture of what matters most to consumers.

The Technology Solution Disconnect

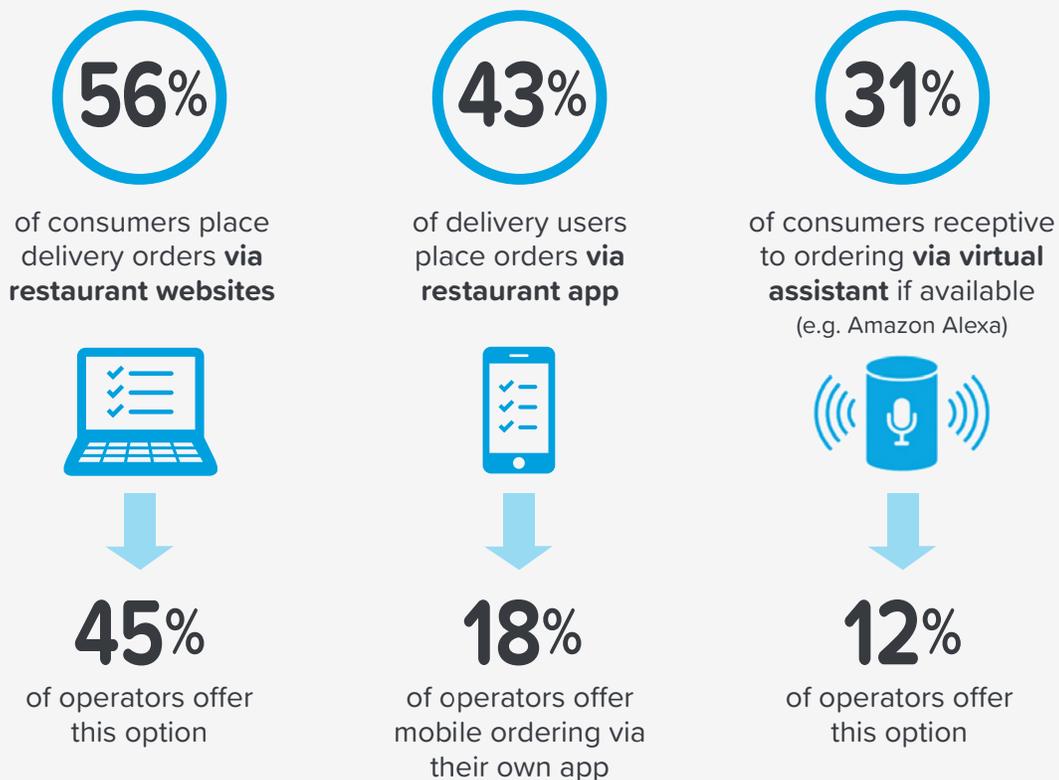
A **whitepaper** published by the National Restaurant Association and Technomic shows that consumers seek brands that offer the technology solutions they want at the cost of those lagging behind:

- **56% of consumers** place delivery orders via restaurant websites, whereas only 45% offer this option.
- **43% of delivery users** place orders via a restaurant app, but only 18% of operators offer mobile ordering via their own app.
- **31% of consumers** are receptive to ordering via virtual assistant, but only 12% of operators offer this option.

However, 29% of operators say they're lagging the industry when it comes to technology at their establishment. The reasons cited for not adopting new technology include high costs, not enough consumer demand and not recognizing it as a priority.

With so many technology options to sift through, business operators must find the right solutions to satisfy the behavioral shift their consumers are experiencing. To help you decide on what to focus on, let's look at three key areas that can positively impact the digital consumer journey.

Disconnect Between Consumers and Operators:





1

Enhance the Consumer Experience with Online Ordering

The rise of mobile technology aligns with an increase in out-of-restaurant sales. Delivery, takeout and curbside pickup have grown in popularity as aggregatory solutions are making the process easier for consumers to navigate.

In fact, the National Restaurant Association's whitepaper Harnessing Technology to Drive Off-Premises Sales found that 90% of consumers say they order takeout at least once a month (29% more than a year ago) and 79% use restaurant delivery. Plus, 53% use third-party delivery services, which is up 34% from last year.

COVID-19 has accelerated these trends as more consumers turn to takeout as an alternative to going out while restaurants are closed or operating at reduced capacity.

While the numbers are not yet in, the effects of the Coronavirus are clear. Consumers are trying third-party delivery services for the first time and many are ordering more takeout than they did prior to the pandemic.

This is noteworthy, as ticket size increases when food is ordered online versus in-house. PWC's report, The Growth Menu & How the U.S Restaurant Industry is Negotiating a Challenging Environment, determined that mobile orders are typically higher than in-store orders. It cites Taco Bell as a brand that reports 30% higher average order values on mobile compared with in-store orders. The report also notes that Starbucks' Mobile Order & Pay offering makes up 10% of all transactions at the chain's high-volume locations.

Knowing online and mobile orders are a growth area, restaurant operators not yet utilizing takeout or delivery are in a good position to decide how to provide this offering.

According to Mark Harris, senior product manager at Revel Systems, there are two choices for restaurant operators to consider: going with an aggregator solution, such as Uber Eats, Grubhub, or DoorDash, or developing your own merchant solution. While third-party aggregators can provide a frictionless experience for consumers, they also charge 20-30% for every delivery made. Therefore, it is important to have your own native online ordering site, and to direct your loyal consumers there so that the majority of your online business avoids heavy fees.

Maple Street Biscuit Company, a Revel client operating in locations across the southeast, was thankful to have Revel's online ordering solution up and running in a matter of days

when COVID-19 took the restaurant industry by storm. The team leveraged online ordering to temporarily operate as a general store in response to closing their doors, and even added a philanthropic component to their offering through their Biscuits for Heroes initiative.

"We realized we had a [online ordering] tool that could be modified and updated on a regular basis across our 33 locations, and could build it in a way that guests could easily experience new ways to market," said Scott Moore, CEO of Maple Street Biscuit company. "We went from being a restaurant, to a grocery store, to a charity vehicle, and everyday we were changing what that looked like. It became a powerful communication tool for us."

In total, 98% of the nearly 8,000 Biscuits for Heroes purchases were made through their in-house online ordering solution.

The Upside of Merchant Solutions

Due to the high additional costs associated with third party aggregators, adopting a merchant solution can offer countless advantages.

A National Restaurant Association study found that 91% of consumers placed orders using a restaurant's app or website in the last 12 months. Meanwhile, only 60% used a third-party delivery service's app. It's clear that consumers prefer using a branded app. Running your own merchant solution provides the power to offer promotions or discounts, such as real-time geo-located couponing.

“

Choosing to go with your own merchant solution comes with a lot of upside. You can get more information about your consumers, which is often held back through the aggregator solutions. You obviously get more revenue because they're not taking the significant cut. You can also brand your solution (versus a generic directory index) and drive through your own loyalty programs.”

— Mark Harris, senior product manager at Revel Systems

2

Speed Up Service with Kiosks

The restaurant industry increasingly serves consumers who are true digital natives. Generation Z is today's most technology-forward generation, and the cohort expects to use it for absolutely everything. In many ways, this generation — among others — prefers interacting with devices to people. They want interfaces to be intuitive, efficient, and cut straight to the chase. Mobile apps can meet this need off-premise, but in store, kiosks are the digital answer.

In 2018, QSR giant McDonald's embarked on upgrading over 1,000 locations per quarter with self-service kiosks. Consumers who choose to go into a location can place their order, pay through credit or debit, and then pick up their order at the front counter.

In its State of the Restaurant Industry report, the National Restaurant Association found that service-enhancing items, such as tablets at the table and self-service

“

The kiosk can be a replacement for a traditional register. They can be a line buster. Many places are completely gutting all their point of sale (POS) systems and just replacing them with kiosks. It depends on the model of the business, as some work better than others.”

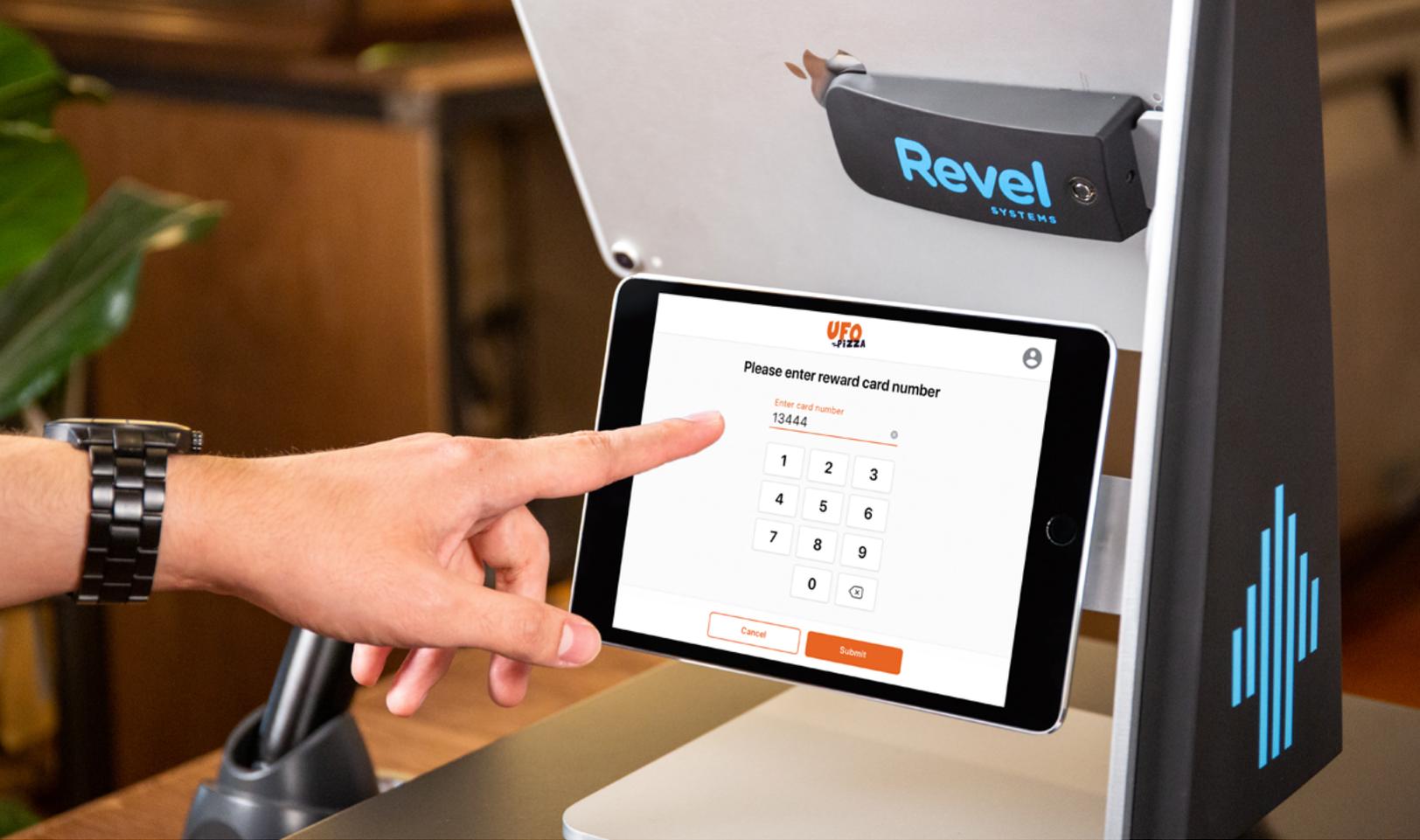
— Mark Harris, Revel Systems



kiosks are technologies that rate highest with consumers.

Why? According to Harris, it depends on a few factors. Of course the store and the demographic of the consumer are important considerations. And if there's a line at a register, there's a greater likelihood that the consumer will veer towards a kiosk or another type of application. Harris points out that kiosks are becoming a first option across all generations.

For Revel client Curry Up Now, self-service kiosks fit their fast-casual business model and give consumers more control over their ordering experience. Jeremiah Voris, assistant general manager of Curry Up Now's Bay area locations, explains that kiosks are helpful for consumers who “don't want to wait in line, are in a hurry, or just don't like talking to people.” He adds that the kiosk “allows our people to focus more on the guests rather than putting in orders.”



3

Leverage Apps to Build Loyalty

Part of this new era of consumer expectation is the need for personalization. Consumers don't want their interactions with a brand to be a faceless, nameless transaction — they want to be known, remembered and understood. Brands that figure this out can build a lasting bond of loyalty.

To do so, restaurant operators need to invest in consumer relationship management (CRM) technology. Collecting the right information benefits both the operator and the consumer on multiple levels.

The CRM system offers data-backed options for rich consumer data, and can remember a consumer's preferences, favorites, allergies and previous orders. This makes reordering easy, and enables the operator to provide valid, meaningful recommendations.

Additionally, the information collected can be used to target marketing campaigns, which can help increase repeat visits.

CRM systems often align with loyalty programs, which provide actionable data about consumers and create “sticky” consumers who choose your restaurant consistently over other options.

Hospitality Technology's 2018 Customer Engagement Technology Study found that 45% of diners will select a restaurant if they belong to its loyalty program — which can make a significant impact on a restaurant's bottom line. Plus, a loyalty increase of 7% can boost lifetime profits per consumer by as much as 85%, as stated in a report by Brand Keys.

“

82% of the loyalty program members refer to at least one person. If you have 100 loyalty consumers, that means 82 more guests are walking through the door.”

— Mark Harris, Revel Systems

A Full Service Solution for Loyalty

It's clear a loyalty program can reap incredible rewards. With that type of return, you're ignoring a significant competitive advantage if you don't implement a loyalty program.

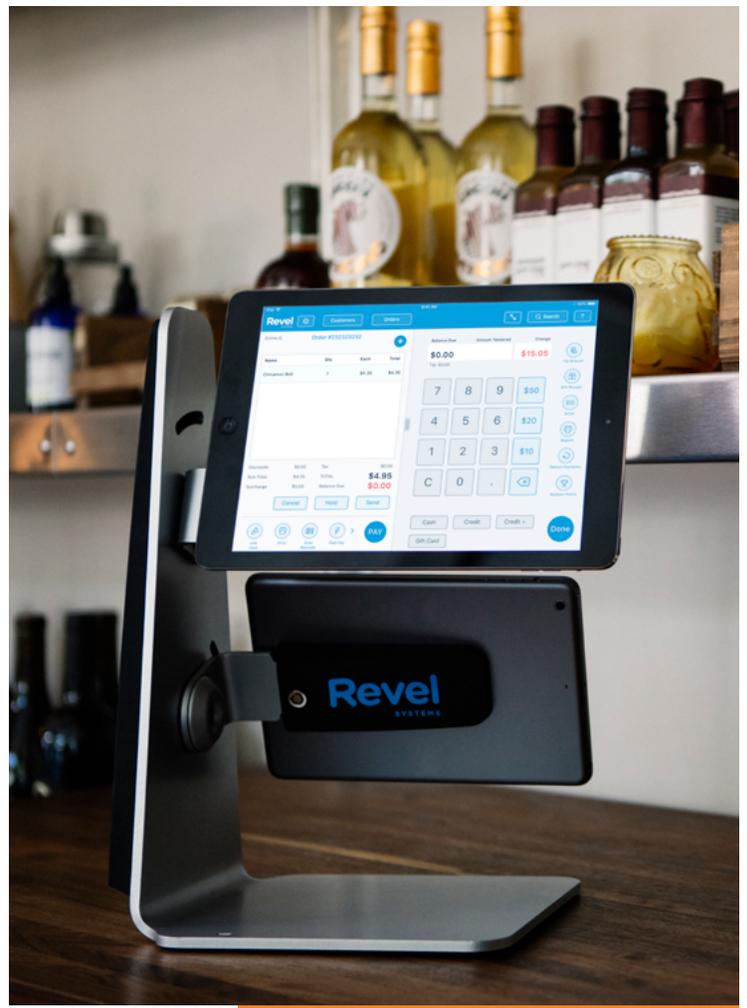
Over the past 12 years, Revel client Rachel's Kitchen has grown from a single location to a total of eight. After trying out various POS and loyalty systems, they finally settled on the current combination of Revel and Como. This configuration has allowed them to accumulate over 50,000 accounts as part of their preferred guest program. They can see guest names, along with what loyalty gifts or offers are available. This means guests are treated to a consistent service experience at every Rachel's Kitchen location. At the same time, though, each visit feels highly personal, tailored to the consumer at the register.

The personal touch doesn't stop with the transaction. With Como's loyalty integration, the Rachel's Kitchen team can follow up with guests to send thank you notes or surveys. These provide an opportunity to gather guest feedback in real time and offer even more personalized service on an ongoing basis.

The Right Technology = A Highly Competitive Consumer Experience

Meeting consumer expectations in today's competitive environment extends beyond simply surveying the technology landscape. It requires finding your own way to shape it. To do so, consider the needs and desires of your consumers, and see where you can incorporate technology to enhance the digital consumer journey.

Capitalizing on the cross section of convenience and technology, while maintaining a human element and high level of consumer service, will improve loyalty and have your business serving up exactly what your consumers crave.





Prioritize a Solution that Helps You Utilize Your Tech

With the many demands on your time and attention as a business operator, staying in lockstep with the latest technology may not top your priority list. As the consumer journey becomes increasingly digital, and let's face it, increasingly complex to administer, you'll want the peace of mind of a support system to make it all accessible for you. After all, what good is rich data or digital experience if you can't keep up with it?

The good news is, you're not alone in this need. Top players in the POS space don't just offer you the tools for a rich digital consumer journey; they also offer their team members to help you make sense of it all. Look for platforms that offer managed services to take POS administration and report building off of your task list.

With the right solution in place, you'll have the support you need to deploy quick, and exceptional digital experiences.

Looking for a new POS platform that offers the latest technology, is easy to learn, and provides a multitude of features to help you better manage your business? Visit revelsystems.com to learn more about how Revel Systems can help.

Connect With Us

Blog: revelsystems.com/blog

LinkedIn: linkedin.com/company/revel-systems

Twitter: [@RevelSystems](https://twitter.com/RevelSystems)

YouTube: youtube.com/user/revelipadpos

Facebook: [@revelsystems](https://facebook.com/revelsystems)

Instagram: [@revelsystems](https://instagram.com/revelsystems)

Phone: +1 (415) 744-1433 US

