

10 Restaurant KPIs to Measure Customer Experience Success

Overall Customer Satisfaction (CSAT)

CSAT measures how well a product or service meets your customer's expectations. This information is gathered via customer surveys where customers rate their overall satisfaction for a given experience on a scale of 1 to 7, and only responses of 5 or above are considered towards the positive score, meaning the percentage of customers who were somewhat satisfied to very satisfied.

$$\text{CSAT (\%)} = \frac{\text{\# of Satisfied Customers (5 or Above)}}{\text{Total \# of Satisfaction Survey Responses}}$$

Online Rating (Review Sites & Social Media)

Hearing what's being said about your restaurant is one of the most powerful ways to determine how satisfied your customers are, as [94% of US diners are influenced by online reviews](#).

A restaurant's average online rating has a large impact on revenue as a [one-star increase leads to a 5-9 percent increase in revenue](#) for restaurants, underlining the importance of a higher online rating.

A restaurant's online rating is calculated by monitoring customer comments with text analytics across all review channels with CX software. AI-powered tools determine customer sentiment to help restaurants understand overall brand perception and can be particularly helpful in determining areas of improvement for the business across the brand or at individual locations.

Speed of Service

The speed of service is the time a restaurant takes to service a customer. Understanding your speed of service enables you to identify if your front of house needs more training or kitchen processes need to be refined to create better output.

To measure speed of service, a [CX platform](#) can be integrated with your POS and kitchen display systems to determine the amount of time it takes from when a customer enters your restaurant or pulls up to the drive through to when the food is delivered to the customer. This data can be compared with CSAT data over time to track changes or improvements.

Time per Table Turn and Table Turnover Ratio

When a customer waits longer than anticipated for a table, it can significantly impact their overall customer satisfaction. It can also affect other business metrics such as customer retention, repeat visitors and ultimately revenue. To ensure you can provide customers with an accurate estimated wait time — and to ensure you don't overbook the dining room — you should measure time per table turn and table turnover.

$$\text{Table Turnover Ratio} = \frac{\text{\# of Guests Served in Restaurant}}{\text{Total \# of Tables}}$$

* For example, if you have 10 tables in your restaurant and you serve 30 groups over the dinner rush, then your table turnover rate is 3 turns per table during the dinner rush.

$$\text{Time per Table Turn} = \frac{\text{Time When the Table Cashes Out} - \text{Time When an Order Is First Inputted}}$$

* Understanding your average time per table turn during times like your busiest periods, will help you understand customer habits and provide better estimated wait times for guests. Quoting an accurate wait time is essential to setting expectations for customers and making sure they don't leave unhappy.

Customer Retention Rate (CRR)

A Harvard Business School study found that [increasing customer retention by 5% increases profits between 25-95%](#). Customer retention rates vary greatly based on the type of restaurant, size, location, and other factors, so the objective should be to establish a baseline for your operation and consistently improve on it.

$$\text{CRR (\%)} = \frac{\text{\# of Customers at the End of the Period} - \text{\# of New Customers for that Period}}{\text{\# of Customers at the Start of the Period}}$$

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Average Transaction Size and Up-sell Rate

Average transaction size and up-sell rate are great indicators of customer satisfaction because the better experience a customer has overall, the more likely they are to spend more during their next visit.

Increases in average transaction size can often be attributed to effective up-selling. The alternative is also true, as decreases in average transaction size may pinpoint areas where you may be missing out on sales opportunities. You can calculate your average transaction value and up-sell rate on a daily, monthly, or annual basis.

$$\text{Average Transaction Size (\$)} = \frac{\text{Total Value of All Transactions}}{\text{Total \# of Transactions}}$$

$$\text{Up-Sell Rate (\%)} = \frac{\text{Number of Customers Who Purchase an Add-On}}{\text{Total \# of Transactions}}$$

Net Promoter Score (NPS)

NPS represents the level to which customers would recommend or not recommend your brand or establishment. NPS data is gathered through a single survey question on an answer scale of 0-10. NPS scores can range from -100 (if every customer is a detractor) to +100 (if every customer is a promoter).

$$\text{NPS} = \% \text{ of Promoters} - \% \text{ of Detractors}$$

Employee Turnover Rate (ETR)

Every industry has to deal with some level of turnover whether it be voluntary or involuntary. It's important to define an "acceptable" level of turnover that works best for your restaurants.

$$\text{ETR (\%)} = \frac{\text{\# of Employees Who Left During That Period}}{\frac{\text{\# of Employees at the Beginning} + \text{\# of Employees at the End of the Period}}{2}}$$

Employee Retention Rate (ERR)

Retention rate is based on a period of time (usually annually) and measures how many employees leave or are let go during that time period.

$$\text{ERR (\%)} = \frac{\text{\# of Employees Who Stayed Over the Period}}{\text{\# of Employees at the Beginning of the Period}}$$

Employee Satisfaction (ESAT)

ESAT is typically measured through employee surveys and uses a similar formula to CSAT. The key with ESAT is to listen to employee feedback and then create actionable plans to address concerns. The more valued and satisfied employees feel, the more likely they'll be to meet and exceed customer expectations.

$$\text{ESAT (\%)} = \frac{\text{\# of Satisfied Employees (5 or Above)}}{\text{Total \# of Satisfaction Survey Responses}}$$

Want to learn how Intouch can optimize your customer experience?

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