



8 ways technology can raise your game

[Megan Rowe](#), 8/18/14

When it comes to technology, restaurants lag behind lodging, retail and other consumer businesses. But as customers embrace more technology in their lives, restaurants are catching up, incorporating devices and applications that help them run more smoothly and better address the guests' needs.

Most restaurants have at least taken baby steps, creating e-newsletters and online loyalty programs and setting up a Facebook page or Twitter account. "These require the fewest resources to get up and running, and they are relatively easy to administer in-house," says Maeve Webster, a senior director at Datassential, a menu research firm that surveyed operators and consumers on their technology habits. Far fewer, on the other hand, have embraced online ordering or digital loyalty programs—even though many consumers say they use or would like to use those capabilities.

What kind technology (and how much of it) makes sense for an individual restaurant?

"The first thing you want to do is know not just your customers, but your primary customer: the one you can't live without who will drive the business going forward," Webster says. Next, she advises, ask how your audience wants to have technology be a part of their dining experience. "Older consumers want technology to help but not take over. Younger ones are more comfortable with it from the beginning to the end of the experience." That said, what are some of the best ways to leverage technology to lift a restaurant to the next level?

1. Cut down on wait times, or at least make them palatable

One of the hottest categories of technology developed specifically for restaurants tackles the dreaded wait. No one likes to arrive at a restaurant and find out that an hour or more separates them from dinner. To fix that, a number of providers have developed everything from iPad apps to virtual waitlist programs that help restaurants manage traffic more effectively.

Joey Kazarian, owner of four Alondra Hot Wings units in the Los Angeles area, says an application called On Cue has helped his restaurants forecast better. It's also helped organize small waiting areas. "With the old manual system, the waiting area would get packed. We looked really busy even when we only had a

short wait, and we would lose customers when people walked in and saw the crowded lobby and assumed the wait time was longer than it was,” he says.

Some systems, such as NoWait, help shorten lags because they allow guests to add their names to the list even before they leave their home. They get a text confirmation that they are in the line, can view their spot in the queue on their mobile devices, and they get a text message when a table is free. “They can see there are three parties ahead of them; that way they don’t stress out, which makes them happier customers,” says Ware Sykes, c.e.o. of NoWait.

“If you walk into a busy restaurant and they have a pen-and-paper waitlist, having to call or find those people and get them seated can take awhile,” Sykes says. NoWait helps the hosts make more strategic choices when seating parties, and a mobile function allows the host to walk around the restaurant, spot empty tables and call waiting parties to alert them to the vacancy.

Maximizing a restaurant’s capacity by speeding up turnover times can lift sales 20 percent on a busy weekend evening, Sykes suggests.

2. Provide a more transparent dining experience

A recent study by Long Range Systems, which makes paging products for restaurants, found that casual restaurant patrons want more information and more control over their experience, something technology can facilitate. Options that scored highest include the ability to preorder a meal, know their spot in the waiting line, access their loyalty account and page their server. Many also want to know what’s in the food they are ordering, and in health-focused restaurants, tablets are helping to educate them.

Natural Epicurean, a new restaurant at the Broadmoor resort in Colorado Springs billed as “healthy, wholesome, organic, and natural,” provides tabletop tablets loaded with data on the calories, fat, potential allergens and health benefits of each dish on the menu.

Scheduling, marketing and loyalty

3. Schedule and train staff more effectively

While many restaurants prefer to handle scheduling using more traditional tools, newer apps that replace low-tech strategies can resonate more with younger, mobile-savvy staffs. “Hourly workers are increasingly Gen Y, and if they don’t want to come to work on a Friday, they don’t,” says Anthony Lye, chief product officer of Red Book Connect, which specializes in technology for restaurants. One of its solutions, HotSchedules, appeals to the flexibility Gen Y types prize. It allows them to check their schedule, but it also empowers them to arrange shift swaps with fellow employees and provides managers and team members access to the most up-to-date schedules from their computers and phones.

The obvious benefit is ensuring a shift is fully staffed. But there are psychological pluses as well, Lye says. “If you allow hourly workers some flexibility and involve them in the decision, they will stay with you longer, provide better service and bring their friends to work in your restaurant,” he says.

Another Red Book product, Schoox, is a training tool that appeals to younger employees’ penchant for sharing. Set up like a social media site, it hosts profiles for each employee and tracks their training as it

progresses. The tool allows anyone to upload content, and if an employee believes a video found on YouTube is helpful, for instance, they can share it with fellow employees.



Restaurant guests seem more willing to open up about their experience on a tablet rather than a comment card.

4. Market to Millennials and other demographic groups in a way they can relate to

By now, it's common knowledge that a mobile presence is crucial for a restaurant, and everyone knows why: Many Americans, especially younger generations, are joined at the hip to their mobile devices. A study in the U.K. found that mobile is the only source consulted by 49 percent of mobile restaurant searches, and three-quarters of those searches result in booking, often on the same day. What are the three most important factors in those decisions? Online reviews, location proximity and a mobile-optimized website.

Spanish-speaking customers are another audience that can benefit from the magic of technology. "How do you ease the process for some of these consumers so they can come to your restaurant and not have to worry about a stressful engagement with a waitstaff that isn't fluent in Spanish?" Webster observes. "If they can order through a tablet that is all in Spanish, the experience immediately becomes better for them."

5. Rebound from slips and foster loyalty

Bareburger, a growing chain based in NYC, uses a tablet system called Tuee that captures guest data at the point of sale and then automates email, social media and loyalty campaigns. The app provides immediate feedback from the vast majority of Bareburger guests, says George Mathew, a franchisee. "But rather than just stopping there, it enables us to use that data to enter into a dialog with our guests. If a guest has a great experience, we can send them a different email than a guest who has a poor experience. Also, if a guest is upset, we get instantly alerted so that we can resolve issues in-house."

Alondra Hot Wings uses Check Point, a tablet-based survey that customers receive with the check, to solicit feedback. "This has helped us curb a lot of potential complaints that would go on sites like Yelp. As

soon as a negative response is received, a manager is notified by cell phone text and is able to turn the experience around before the customer leaves,” Kazarian says.

An instant feedback app called DropThought that was paired with the Clover point-of-sale device helped reduce negative Yelp reviews 8-17 percent for three restaurants over a 16-month test. A one-star jump in Yelp ratings translates to a 5-9 percent bump in revenue, according to research conducted at Harvard.

Nipping negative reactions in the bud is a good way to contain the damage and turn a bad situation around. “Research shows that customer emotions become permanent with time,” says Baba Shiv, professor of marketing at Stanford and a DropThought board member. “It’s best for an effective intervention to take place as close to the experience as possible.”

A bonus? Customers seem to enjoy providing feedback on tablets. “We find that we are getting much higher response rates than we did with the comment cards—about 80 percent,” Kazarian says. “Employees love it too, because it creates a healthy competition to get better feedback.”

New payment methods, targeted deals

6. Facilitate ordering and payment

In a recent National Restaurant Association study, 52 percent of consumers said they would use a smartphone or tablet to order takeout or delivery meals from a restaurant. Yet Datassential’s study suggests that a mere 7 percent of restaurants offer the option to order online. Clearly money is being left on the table.

And who wouldn’t want the option to get the check and be able to depart faster, rather than play the standard check-credit card relay with the server? NYC’s Gotham Bar & Grill, for example, uses a checkout app called MyCheck that allows customers to view, split and pay the bill in real time directly from their mobile device.

“People may question the impact that this kind of technology would have in an upscale environment like Gotham,” says managing partner Bret Csencsitz. “The flow is very classy and only enhances the dining experience. Servers can focus on providing optimum service and don’t have to worry about the right time to drop a check.” MyCheck users reportedly tip 15-20 percent higher than average and vacate their tables 3 to 10 minutes sooner, too.

How do Operators Use Technology in Restaurants?	Already Use	Plan to Use
E-newsletters	32%	11%
Social media	39%	8%
Texting promotions	10%	11%
Check-in deals (Foursquare)	15%	10%
Mobile app	9%	10%

How do Consumers Use Technology in Relation to Food?	Have Used	Plan to Use
Ordered food online	45%	9%
Signed up for e-newsletters	37%	9%
Made a reservation online	22%	12%
Used a digital loyalty card	20%	9%
Used a mobile app to choose a restaurant	19%	9%

CHART SOURCE: DATASSENTIAL

7. Target deals to lure new guests and court regulars

People who are hungry are looking for something nearby. Why not give them one more reason to choose your restaurant? “By dangling a special incentive to save money or get a free appetizer or drink, you can implement a highly relevant, low-cost acquisition strategy that ‘speaks’ to customers in the moment they are looking for a place to dine,” says Kristen Gramigna, chief marketing officer for BluePay, a payment processing company that works with restaurants.

Guest management systems, which collect dining and service preferences, purchase history and more, are the latest tactic in creating customized messages. Fig & Olive, a six-unit concept, uses a system developed by Venga that has had measurable results; as of March, the company was tracking more than 500,000 guests and saw a surge in open rates for automated marketing campaigns. A recent “we miss you” promotion, sent to guests who had not dined at Fig & Olive for 30 days, yielded nearly 300 visits and more than \$36,000 in sales.

8. Show, don’t tell

It’s one thing to read a menu; quite another to see a stunning image of the same dish. The popularity of Instagram, SnapChat, Pinterest and other photo-oriented websites has elevated the expectation that a restaurant website or app will provide great-looking photos of food. Do they need to be professional shots? That depends on the restaurant’s typical audience, Datassential’s Webster says.

“Gen Xers and boomers are looking for well-curated sites with high-quality photos that let them see what the food is all about—think glossy magazine spread,” she says. “Millennials, on the other hand, want to see a photo of everything they can get on the menu, and quality isn’t as important.”

And when it comes to showing, technology offers the perfect way to audition servers. The new Sober Lane D4 pub in Dublin, Ireland, recently challenged job applicants to submit photos or videos of themselves to Snapchat in lieu of a resume. Owner Earnest Cantillon says the social media site is the perfect way to make a first impression and a good fit for a new restaurant trying to make a splash. He advised applicants to get creative and work on convincing the viewer “this is a person I would like to meet.”

Ultimately, while technology can make a restaurant manager’s life easier, its impact on the guest experience is arguably more critical. “The point should be to enhance the experience and eliminate pain points,” Webster says.