



# The world's changing. Is your restaurant adapting?

## COVID-19 Updates from business



Gratitude Coffee  
on Google

We're open! Schedule a contactless delivery of your order!

3 days ago



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# Introduction: COVID-19 and the need for digital transformation

The COVID-19 pandemic changed the restaurant industry forever. Lockdowns all around the country meant that many restaurants could no longer serve their customers in person. Restaurant managers and owners were instead forced to scramble to make the transition to digital.

Unfortunately, many restaurants simply didn't have the resources they needed to effectively make the shift. It's been estimated that because of the pandemic, [17% of American restaurants](#) closed permanently or for the long-term. Others have found sales down by as much as 60-70%.

However, some restaurants managed not only to survive, but thrive after the initial months of the pandemic. Most of the time, the restaurants that did the best were those that were able to embrace digital as part of their operations.

Of course, digital transformation is not merely a trend that will pass with the end of COVID-19. The habits of American consumers have shifted permanently and businesses in every industry will need to adapt. Restaurants are no exception.



In this guide, we'll break down how customer behavior is changing and how restaurants *can* successfully make the leap to digital.

We should note that we did get some informed assistance. We sat down with a couple of restaurant managers who made the shift to digital. Their thoughts and insights are scattered throughout this eBook.







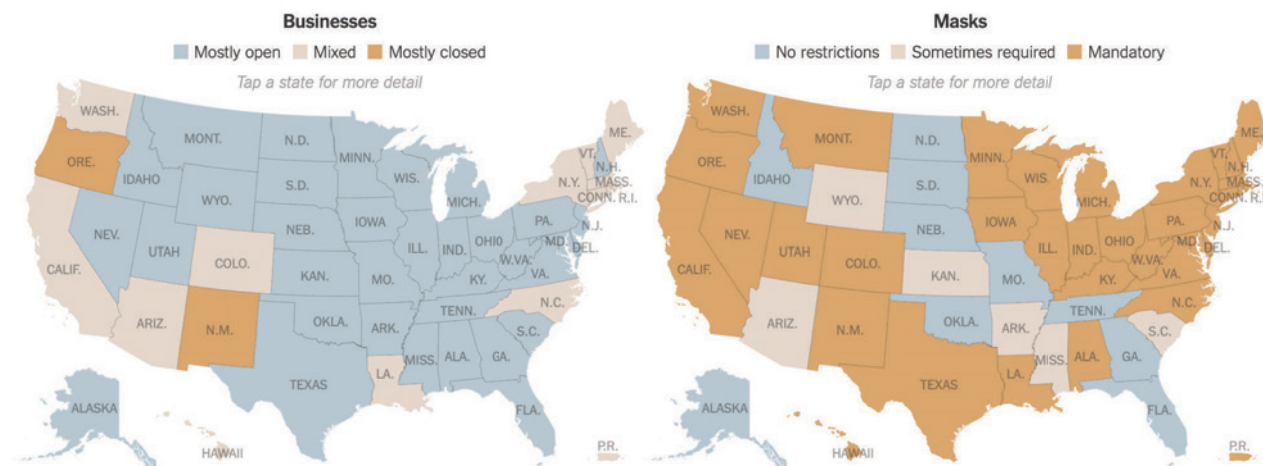
# The challenges that restaurants are facing today

Let's go through some operational challenges and trends that are affecting restaurants all across America.

## Operational challenges

**Different restrictions in different locales:** Different localities have taken different approaches to the pandemic. Multi-location restaurants are dealing with different restrictions on a state-by-state level, and sometimes even on a county-by-county level.

**Seasonality:** Many restaurants are primarily serving customers through outdoor seating. Unfortunately, this has been a challenge during the winter months as the weather turns colder.



Source: [New York Times](#), February 2021



## How customer behavior is changing because of COVID-19

**Customers are concerned about health and safety:** It probably comes as no surprise that during a global pandemic, customers are worried about their health and want to know that you are taking the right steps to keep them safe.

**Customers are looking for contactless communication:** Customers are looking to minimize contact with employees and other customers as much as possible. [55% of customers](#) say that contactless technology is a factor influencing their choice of restaurant.

Customers are shifting to online ordering: Before the pandemic, Millennials were [3x more likely](#) to order for delivery than their parents were. Yet the pandemic has made customers across all age groups more comfortable with online orders. According to Morgan Stanley, online delivery's share of the total market has [moved 2-3 years forward](#) because of COVID-19.





## Long-term shifts in consumer behavior

Of course, restaurants shouldn't *just* focus on how customer behavior is shifting due to COVID-19. Here are a couple of trends that were taking place before the pandemic and will continue even when it's over.

**Customers are looking for healthier options:** Today's customers are more health-conscious than ever before. [61% of customers](#) said they were more likely to eat healthy at restaurants than they were in 2017.

**Millennials are looking for quick service:** Unlike their parents, millennials don't like sitting down to eat during work hours – they want to pick up their meals and get back to their jobs. [63% of millennials](#) have at least one quick service app on their phones so they can pick up quick meals when they need to.

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Now, let's talk about how restaurants can successfully adapt to these shifts.



# How restaurants can pivot operations and win big

Here are a few tips for making sure that your business is prepared to continue to deliver fantastic experiences to customers.

THE WORLD'S CHANGING. IS YOUR RESTAURANT ADAPTING?







## Invest in contactless technology

To protect your customers' health and safety, consider investing in contactless technology. Here's how you can get started.

**Set up text message notifications:** Send text notifications when food is ready for pickup and when a meal is delivered. This can help customers avoid busy lines and limit in-person interactions with employees.

**QR code menus:** Instead of offering physical menus that will be touched by multiple customers, offer QR code menus. All a customer has to do is scan the code on their smartphone camera to view your menu digitally.

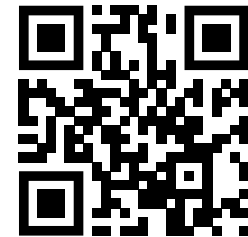
**Contactless payment:** Offer support for payment apps like Apple Pay and Google Pay, which allow customers to make purchases on their smartphones. This will eliminate the need for them to physically hand over a credit or debit card to an employee.



LUMEN RESTAURANT

### Dinner Menu

Please use your smartphone to scan the code and view tonight's dinner specials.





## Build online presence

Customers are now discovering restaurant brands online, as opposed to in person, which means that it's important to ramp up your online presence.

**Maintain accurate listings:** With everything that's changed since the onset of COVID-19, customers may not know whether you're currently open for business. Make sure that your business listings are accurate across sites like Google My Business, Yelp and Facebook so that customers know where they can find you and how they get in contact with you.

**Place your menu on search engines:** Make sure to upload your menu on sites like Google My Business, OpenTable and Yelp. Customers want to be able to see what you offer before they make a purchase decision. A study by OpenTable found that [86% of customers](#) look at menus online before choosing a restaurant.

**Work with local influencers:** Customers are spending more time than ever on social media. To reach them where they are, try building relationships with local food influencers. Offer free or discounted meals in exchange for featuring your restaurant in a post.

**“We’ve had so many changes in this environment where we needed to make quick changes on the fly. The Birdeye platform has really helped with this. We’re able to act quickly and push out changes across the Internet.”**



CARISSA NEWTON, THE CUNNINGHAM GROUP



## Introduce healthy options

Here are a couple of tips to better appeal to health-conscious customers.

**Show calorie counts on the menu:** Health-conscious customers want to know how many calories they consume in every meal. Make sure that this information is prominently displayed on your menu.

**Use the right terms:** Interestingly enough, customers want healthy food options, but they're often turned off by the phrases commonly used to describe them. Phrases like "low fat" are often used for meals that are bland and tasteless. Use adjectives like "scrumptious" instead to show that your menu items are both healthy and delicious.





## Work successfully with third-party partners

Working with third-party delivery apps is tough, and not just because of the high commissions. You're no longer just competing with the restaurant across the street – customers can just as easily order from any restaurant in the area. Here are a few tips to ensure that you're building a beneficial relationship with third-party platforms.

**Adjust your menu for the platform:** A menu that works effectively in a physical setting may not get results on a third-party platform. Seeks ways to streamline your menu to make it more approachable for customers who aren't familiar with your brand, like displaying "Popular Dishes" at the very top.

**Keep delivery fees reasonable:** Keep an eye on the delivery fees of your competitors, and see if you can offer a lower price. Excessive fees tend to turn off potential customers.

**Push customers towards your own mobile app:** If you have a mobile app, try to push customers who come in from third-party platforms to download it. One of our customers, [The Saxton Group](#), accomplishes this by offering discount codes that come with every third-party delivery. These discounts can only be redeemed by downloading The Saxton Group's mobile app.

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By taking the right steps, you can make sure that delivery orders turn into long-term relationships. Now, let's talk about how you can reward these loyal customers.





# Build an effective loyalty program

Loyalty programs are a great way to build recurring customer relationships and deliver personalized experiences. Here's how you can get started.



## Offer rewards for repeat purchases

Make sure that your customers have an incentive to keep coming back to your restaurant. Offer discounts and free items for customers who make repeat purchases.

The Saxton Group has used a points system to build a successful rewards program. For every dollar that a loyalty program member spends at one of the company's restaurants, they receive 10 points. When enough points are accumulated, they can then be redeemed on beverages, appetizers, desserts and entrees.



### 1 new message

**Subject: You've just earned 50 points!**

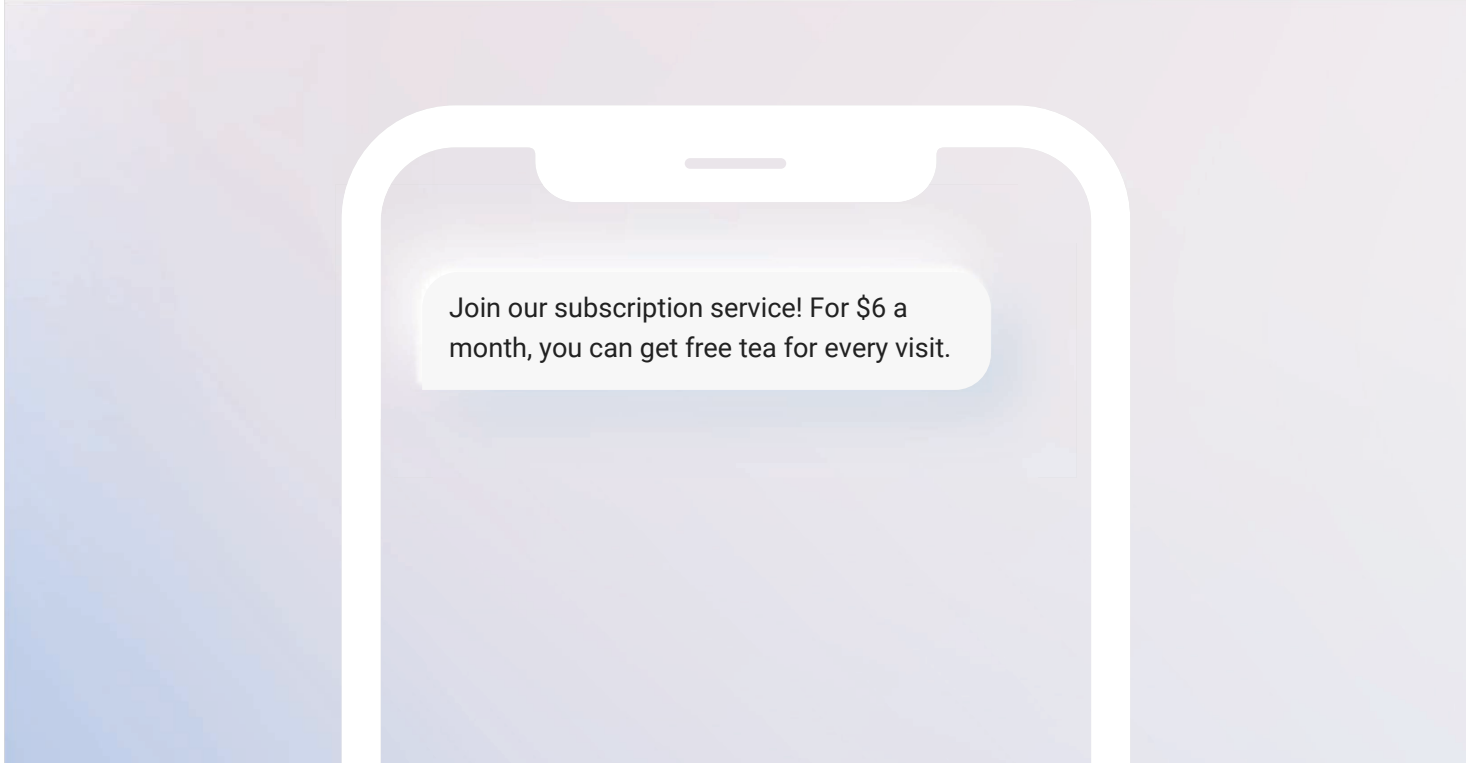
Thanks for choosing our restaurant today. You now have 450 points accumulated. With just 50 more points, you can order a free entree of your choice.



## Introduce a subscription service

Consider introducing a subscription service that will motivate customers to come to your restaurant more often. Not only do your customers get a great deal — but you'll wind up with more revenue.

In addition to their rewards program, The Saxton Group offers a \$6 per month subscription that allows customers to get free tea every day. Not only is it a great deal for customers — it actually benefits the restaurant in the long run. Many customers come into the restaurant on a regular basis to make sure they're taking full advantage of the subscription. Most of the time, they also purchase a meal.



Join our subscription service! For \$6 a month, you can get free tea for every visit.



## Keep customer expectations in mind

Of course, it's important to remember that not every loyalty program gets good results. In 2019, Burger King tried introducing a \$5 a month subscription for free coffee. While it sounded like a solid deal, the floundering program was discontinued after just a few months.



It seems that the biggest issue was one of perception. Many Burger King customers visit the restaurant not to drink coffee, but to eat burgers and fries. There's a lesson here: Be sure that your loyalty program aligns with the expectations the customer has of your brand.

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While a loyalty program can help you build strong relationships with customers, there's another important component to creating lasting connections: listening to feedback.



# Manage and respond to customer reviews

An increasing number of customers are discovering restaurants online, which means that reviews are playing an increasingly important role in getting chosen by customers. It's been estimated that **94% of US diners** use reviews when deciding where to eat. Let's talk about how you can manage reviews on sites like Google, Facebook and Yelp and leave your customers with a great first impression.



## Solicit reviews from customers

Do you have fewer online reviews than your competitors? Don't worry — there's a way to catch up. Send review requests to your customers via email or text. That makes the process quick and easy - all they have to do is click a button and give you a rating.

### How was your experience?

Thanks for choosing us! Would you take a moment to leave us a review?



Review us on Google



Review us on Facebook



Review us on Birdeye





## Respond to both positive and negative reviews

Make sure to respond to both positive and negative reviews. It's a great way to thank happy customers and make sure that you're staying on top of any customer experience issues. There's an added bonus: other customers will see that you're actively listening to feedback and will be more likely to leave a review of their own.



## Respond to reviews in a timely manner

Do you have fewer online reviews than your competitors? Don't worry — there's a way to catch up. Send review requests to your customers via email or text. That makes the process quick and easy — all they have to do is click a button and give you a rating.

**"We have had multiple instances of negative reviews being re-posted as positive because of our team responding!"**



CARISSA NEWTON, THE CUNNINGHAM GROUP

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Of course, reviews aren't just valuable for helping customers discover your business. They're also a great way to improve your customer experiences.



# Improving operations with customer feedback

No matter how great your team is, there are inevitably going to be service failures. That's especially true if you're undergoing a digital transformation. With so much changing with your operations, something is going to go wrong eventually.

While every restaurant has customer experience issues, the best restaurants are able to take action on them as quickly as possible. This can be accomplished by paying exceptionally close attention to customer reviews.



**Amanda Gonzalez**

My boyfriend took me here for a nice dinner, and the service was on point!



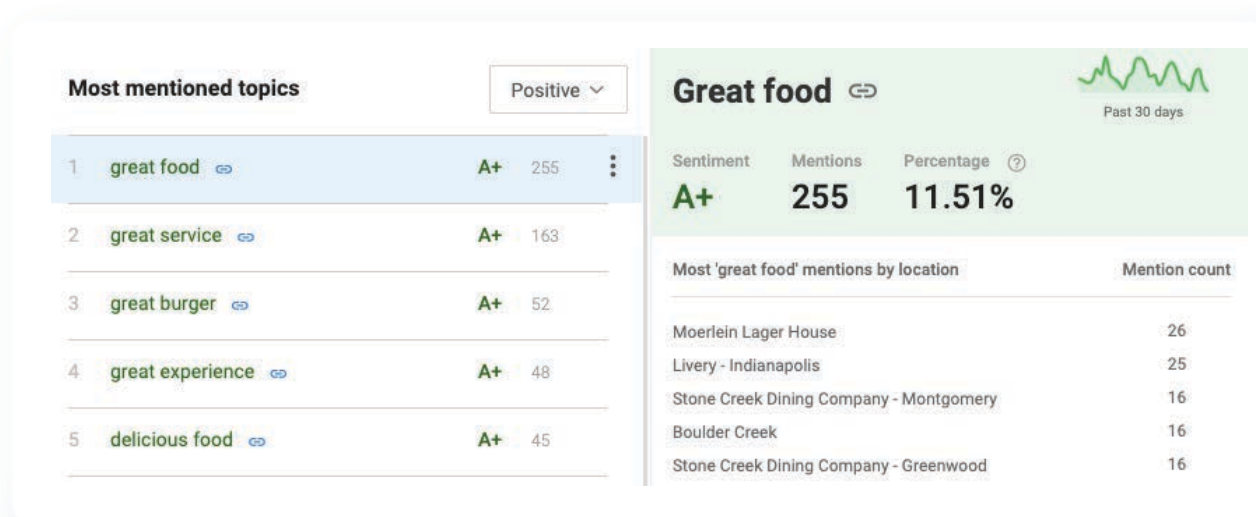
Response posted to Google

Thanks for the great review, Amanda! We're glad that our customer service was top-notch on your date night. Hope to see you again soon!



Let's look at a real-life example. [The Cunningham Group](#) regularly monitors customer reviews, and found that customers loved the bread that they received with their order — so much so that they were willing to pay more to get extra. That led the company to introduce bread as a menu item. So far, it's been a hit with customers, and a big revenue generator across all 34 of the company's locations.

Of course, it's difficult for employees to manually go through every customer review on their own — especially if you have multiple business locations. That's why we recommend that businesses invest in a [review insights](#) solution like Birdeye. Birdeye can show you the categories that customers are mentioning the most in reviews like “long wait time” or “burnt chicken” on a location-by-location basis, so you can spot trends and find quick solutions.



Let's see an example from a real restaurant that successfully executed a digital transformation and managed to thrive even during the pandemic.



## Case study: The Saxton Group

86 location fast-casual restaurant  
Serves customers throughout the Midwest  
[Website](#)

The Saxton Group has changed the way it does business to satisfy customers' health and safety concerns. When catering meals, the company no longer places every sandwich on a single platter. Instead, sandwiches are placed in individual boxes to help ensure that every individual customer can eat safely.

In addition, The Saxton Group now offers curbside pickup and delivery across all locations. A customer who doesn't want to come inside simply needs to push a button on the mobile app to get an employee to bring a meal to their car.







By tracking customer feedback, The Saxton Group identified a major issue with its mobile app in the early days of the pandemic. When customers were picking up orders, they would often have to call the restaurant for an employee to bring out a meal – an experience customers found to be needlessly complicated. The Saxton Group responded by building an “I’m here” option within their mobile app to create a more seamless pickup experience.

While the company uses third-party delivery apps, its goal is to build closer relationships with customers by pushing them towards its own app. As discussed earlier, every order from a third-party platform includes a discount code that can only be redeemed if the customer downloads The Saxton Group’s app. Customers who download the app will then receive personalized deals and discounts based on the meals they order.

**"It's a huge priority to bring operations into your marketing program because everything is connected. Birdeye allows us to understand customer opinion and make sure we're taking all the right steps to grow business."**



AMY DICKEY, THE SAXTON GROUP



# How Birdeye can accelerate your digital transformation

Don't fall behind the competition. Invest in a platform that can help you get discovered in search results and better understand customer opinions. More than 60,000 businesses — including *thousands* of restaurants — use Birdeye to be chosen in search results, be connected with customers, and improve operations. Schedule a demo to see how Birdeye can help your team make the transition to digital.

## Are you ready to transform your business?

**Schedule some time** to speak to our online reputation experts to learn why more than 60,000 businesses trust Birdeye. Send us an email at [sales@birdeye.com](mailto:sales@birdeye.com), call us at **1-800-561-3357** or visit us on [birdeye.com](https://birdeye.com).