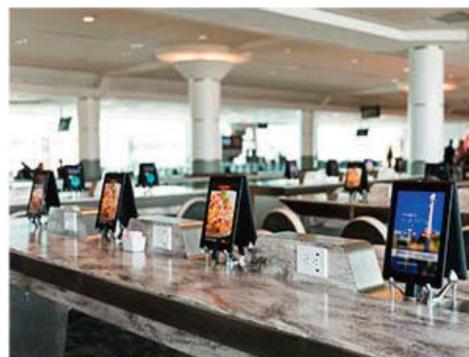# Using Technology to Elevate the Customer Experience

Many Americans, especially younger generations, rely on technology for nearly every aspect of their daily lives. And while Millennials are more likely than any other age group to use restaurant-related technology, they aren't the only demographic group interested in doing so.

Today more consumers are willing to engage in restaurant technology, with 35% of consumers more likely to use it than they were three years ago.** There are many ways technology can elevate the experience for both operators and consumers. Whether creating an engaging website or leveraging new apps to increase efficiency and sales, there's no question that there is a place for technology in the foodservice industry.

Mobile devices such as tablets and smartphones are becoming more popular due to the vast array of apps and services they offer. Many Americans are rarely without their smartphones, so engaging mobile apps give operators quick access to their customers. For example, they can entice customers with exclusive offers via location-based apps like FourSquare. By offering a special incentive to save money or get a free appetizer or drink, they can implement a highly relevant, low-cost acquisition strategy that "speaks" to customers in the moment they are looking for a place to dine.

Mobile apps can also help make restaurants more efficient when it comes to managing wait times, ordering, payment and even handling customer complaints. Some virtual wait list 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. Maximizing a restaurant's capacity by speeding up turnover times can boost sales 20% on a busy weekend evening.***

An electronic ordering system can help operators improve operational efficiency, including reducing the number of servers required to take customer orders, and limiting the amount of wasted inventory and "write-off meals" that occur as a result of miscommunication between the serving staff and the kitchen. Tablets can feature the menu in multiple languages to make it easier for both the customer and wait staff.

And for those times that mistakes do happen, there are apps to help operators quickly correct kitchen and server errors in real time. This not only improves customer service, it helps restaurants avoid losing customers and receiving negative feedback and reviews on websites like Yelp. For example, Alondra Hot Wings uses Check Point, a tablet-based survey that customers receive with the check, to solicit feedback. 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.

Mobile Payment Reaches a Tipping Point

Mobile payment technology is growing fast as a must-have component in the restaurant business, alongside customer demand for speed, convenience and a willingness to use the technology. While many operators rely on third-party services, some have chosen to develop proprietary smartphone apps in house.

"[Technology] has become a part of everyone's daily life, and this is just the beginning," said Kevin McCarney, owner of the 10-unit Poquito Mas restaurant group in Los Angeles, which last year introduced mobile payments and online ordering through a third-party provider.

"We are in the hospitality business, and today our guests use technology to connect to friends, to the world and to us as restaurants," McCarney said.

That adoption has been swift. Roughly one-quarter of consumers say technology options are important features that factor into their decision to choose a restaurant, according to the National Restaurant Association in its 2015 Restaurant Industry Forecast, published in January.

That was an increase from less than 20% the prior year, which underscored that "technology rapidly is becoming an expectation rather than a novelty when dining out."

NRA research found nine percent of consumers used smartphones or tablets for meal payment at least once a week, and 26% used it at least a few times a year.

Many restaurant brands look for mobile payment solutions that incorporate other services, such as ordering and loyalty programs, including rewards.

"As with most technology-related matters, [mobile payment technology is being adopted by a younger audience than any other demographic groups, according to the NRA 2015 forecast]." "But older generations are starting to increase their usage as well. In addition, people with children under 18 in their households are more likely to say that technology options factor into their restaurant choices."

Research firm Technomic Inc. has found in its consumer research that younger people are increasingly expecting the option of mobile payment.
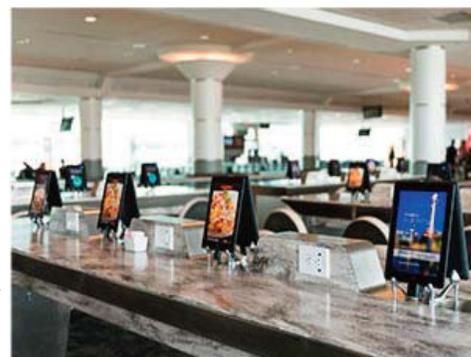
Technomic also found it was younger consumers, a big audience for quick-service restaurants, who were adopting mobile payment at a faster rate than the market as a whole. A Technomic survey in the second quarter of 2014 asked consumers if they were "interested" in mobile payments; overall, 39% answered yes, but among consumers ages 25 to 34 years, that number skyrocketed to 56 %.

"33% expect to use their smartphone at restaurants," Rodriguez said. "Not only are they interested, but they fully expect to use their smartphone to pay at restaurants more often."

Source: Excerpts; Ron Ruggless for Nation's Restaurant News

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Content courtesy of Perdue Foodservice
* National Restaurant Association, "Why a Mobile Strategy is Essential for Restaurants," 2014
** National Restaurant Association, Restaurant Industry Forecast, 2015
***Restaurant Hospitality, "5 Consumer Technology Trends Impacting Restaurants," 5/23/14