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Restaurant Best Practice Guide

BOOSTING DRIVE THRU AND CURBSIDE

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OVERVIEW

The impact of COVID-19 will have a lasting effect on the restaurant industry. According to a recent study by Statista, the number of seated diners in restaurants worldwide has declined by 29.58% year-on-year. Restaurants are permanently changing their operations in order to survive.

Consumers that are still dining-in expect a different level of service that incorporates the familiar, like drive thru, with new interaction points like curbside pick-up, app-based ordering, voice ordering, and more. Fortunately drive thru and curbside can increase profits and reduce costs if designed and well executed.

This best practice guide has been designed to help restaurateurs define the right technology and processes needed to rebound, rebuild, and reimagine their restaurant operations.

Source: statista.com

The Market

71%

of operators say off-premises sales currently represents a higher proportion of their total business than it did before COVID-19.

27%

of consumers stopped ordering take-out from a particular restaurant during the stay at home orders due to a negative experience.

Off-premises dining will change more in the next year than it has in the past 20 years.

70%

of fast food sales are drive thru.

87%

of consumers want restaurants and other brands to continue to offer curbside pick up and other processes that limit the need for in-person visits.

Sources: restaurant.org | foodtruckempire.com | hubspot.net

Setting the Scene

Drive Thru

Drive thrus are nothing new. The concept has been around since the early 1930s, gaining huge popularity in the 1960s and becoming a staple in many diners' weekly routine. Even before this year's events unfolded, more than 60% of sales at many leading quick-service restaurants came from their drive thru lanes. What has changed this year is is the necessiate of this service style for traditional table service restaurants.

Not every location is lucky enough to have the physical space for a drive thru, or the budget to start ripping up parking lots and installing talk boxes and pick-up windows. That does not, however, mean that all is lost. In many cases businesses employed creative use of mobile and tablet point of sale systems, to help them develop a curbside offering, or line bust single lane drive thru operations to improve service times.

Curbside Collection

Curbside, carry out, to-go, click and collect, takeaway, take-out; the terminology may be different depending on where you're from, but the principle is the same. Your consumer places an order from another location and then arrives at your restaurant expecting their food to be ready. In reality, curbside and carhop service has been around even longer than drive thru and was already seeing a resurgence in many regions prior to COVID due to increasing presence of both third-party ordering and fulfillment. What has changed and evolved over the years is how consumers place those orders. Where telephones were once the touchpoint of choice, today consumers are keen to order on any channel; websites, mobile applications, AI, and even social media platforms.

Consistency is Key

Despite the surge in off-premises popularity, operators should not underestimate the importance of delivering the same service level their guests expect on-premises. According to recent research, 3 out of 4 consumers enjoyed take-out as a welcomed break from home-cooked meals whilst the world had to remain at home. Nevertheless, a staggering 1 in 3 consumers also confirmed they stopped ordering take-out from a specific restaurant as a result of a bad experience, with many more consumers left frustrated that the take-out menu was different from the restaurant menu. This therefore suggests, that while these new avenues offer an amazing opportunity to combat the falling dine-in traffic, they also come with risks, highlighting the importance of developing a clear and consistent strategy from the outset.
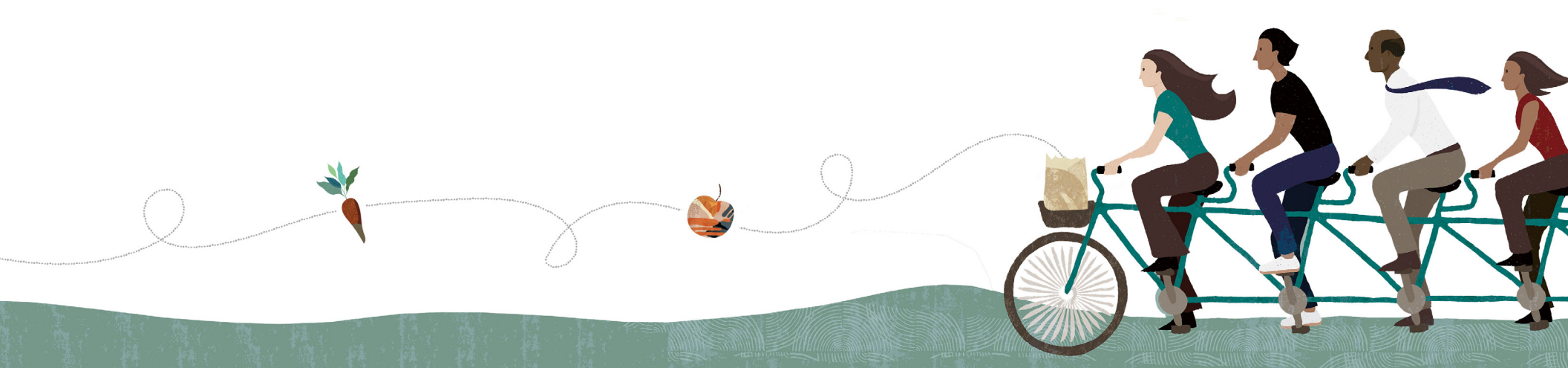
Best Practices

While drive thru and curbside are, on the surface, very different, there are some truths and principals which apply equally to both. If followed, these best practice principals can help operators quickly improve revenue and margin performance.

1. Tightly Integrate Your Technology

With an increase in endpoints associated with drive thru and curbside, your point-of-sale (POS) system becomes the central hub for transactions from mobile, app and online orders to all data flowing through to your kitchen display and expedition windows. Operators need a tightly integrated solution with little room for error. Wherever an order comes from, it should pass through the point of sale system and directly to the prep station with intelligence provided to the kitchen on pick up time. In the case of drive thru this may be instantaneous, compared to a mobile order ahead which may require staggered preparation to ensure freshness upon pick up.

Depending on the order options presented to your customer, your system should be configured to ensure peak performance from the kitchen, service times and customer promises on pick up times, as well as food quality. No one wants to wait longer than they are promised, and they don't want food at an inappropriate temperature. To keep everything running smoothly, your technology strategy should ensure:

- Every order channel is integrated to the point of sale system. Orders should automatically flow through the POS for data analysis, ensure there is one source of truth and no orders are missed.

- Orders are only fired for prep when needed.

- Both customers and cashiers are informed of stock levels and wait times. There can be nothing more disappointing than turning up to collect your lunch and discovering your favorite meal is out of stock.

The volume and variety of data coming into the kitchen will undoubtedly increase as ordering channels expand. Operators will need to consider everything from in-house operations to macro trends, supply chain, and economic conditions. This is not novel for large enterprises, but this data-driven approach will hold for small to mid-size enterprises (SMEs) and independents – especially as the industry establishes a new normal baseline for sales and customer behavior.

There is no doubt we will see a plethora of new models and ideas emerge as brands navigate uncharted waters. But amongst the art that is food, data science will play an increasingly important role in keeping businesses moving forward profitably and serving their communities for years to come. A tightly integrated technology platform that informs operations with data-driven intelligence and allows the business to quickly implement and measure menu changes, delivery options, and staffing will be critical both now, and into the future.

2. Rethink Your Workflows

Adding new or enhancing existing channels for customer orders is not as simple as enabling the technology and opening the channel. A significant amount of focus and thought needs to go into defining the processes and procedures that support the new technology and customer interactions points. Operators must commit to entertaining a new perspective on their current operation, consider every aspect of the customer's journey, and their order's journey into and around the kitchen.

Essential questions to consider:

- Where should the customer go when they arrive on-site?
- Will you have separate lanes and areas for curbside and drive thru?
- How do they identify themselves upon arrival?
- What will happen if their order is delayed?
- How many windows need to be manned and at what times?
- Should staff be inside or outside the building?
- Where can staff help the most guests?

From an operational standpoint, it's also critical to consider that flow of the order:

- How will the order route to the kitchen?
- How will the chefs know when to start prep?
- How will the expeditor know where the order needs to go for collection?

3. Optimize Your Menu

Select the Right Menu Items
When designing new menu items to better serve drive thru, take-out or collection customers, you need to consider portability of the items on your menu, whether they will hold temperature well or are durable in transportation. When preparing menu items for off-premises consumption, operators need to think about the components within a dish that may need adjusting in a to-go order. It's important to avoid or alter food that will become soggy or wilt, and think through the necessity of combinations that might mix or mash together during delivery, such as sauce and purees. Ensure you have precautions like separate containers in place if necessary. For example, you may provide the special sauce to top off your signature burger in a separate container, rather than directly on the burger bun. You also need to ensure immediate consumption is mess-free if the customer decides to eat in their car. In any case, a smart and simple solution is quick instructions for best experience.

Manage Menu Complexity to Improve Service Times
When it comes to take-out menus, many believe it's crucial to limit a delivery menu for simplicity. In fact, some businesses strongly believe that 12 items or less allows for optimal efficiency. Our research suggests that about thirty percent of customers are disappointed in the lack of variety for off-premises dining. In either case, focus should be margin management. While certain items appear high margin, they can have a negative impact on drive thru and curbside operations due to prep time and kitchen interruption.

Reasses Your Recipes to Reduce Waste
A more streamlined flow of customers and staff also necessitates analyzing inventory performance. It will be especially important to understand which menu items can be adjusted (or removed) to optimize costs or handle unexpected supply chain issues. This information can be used to place more accurate orders with suppliers and identify what can be removed from an order to allow for a reduction of waste.

The National Resource Defense Council estimates US restaurants generate between 22 to 33 billion pounds of food waste each year, with between 4 and 10 percent of food purchased by restaurants wasted before reaching the consumer. Restaurants that can reduce this number with effective supply chain and inventory management have an opportunity to make up deltas in lower footfall and sales.

Panini Internazionale Takes the Complexity Out of Adding New Channels

Case Study

Panino Giusto

Panino Giusto is embracing technology, including Oracle MICROS Simphony POS, to help pivot and deliver a safer, more pleasing experience to customers. With Simphony as its central information hub, Panino Giusto is introducing several new options and operating models to drive revenue, preserve margins and deliver a high-quality consumer experience.

Orders from their native app go directly into Simphony, ensuring they are queued quickly and ordered by time required. Simphony also makes note of whether orders are for delivery or pick-up, accounting for the distance between Panino and the delivery location when planning out the preparation sequence for orders. All of this helps Panino better manage inventory, keep customers happy, and control of kitchen costs by with deeper data insights into what customers are ordering and when.

"Our mission has always been to bring everyone a slice of Italian life while respecting the individual and the environment. Now more than ever we want to protect our customers and staff," said Antonio Civita, CEO of Panino Giusto.

> **"Technology is helping us to reimagine our restaurants and our customers' experience without losing any of the quality and warmth they have come to know and love. We could not have done this so fast without Oracle's and our other partners amazing support and service."**

Read the Full Panino Giusto Story

4. Optimize Your Labor

Labor can make up as much as 30% of a restaurant's overall costs, and with reduced on-premises capacity, it's critical to fine-tune your restaurant's staffing plan. With an effective reporting system and attention to detail, restaurant managers can make informed decisions.

Understand Optimal Business Hours and How to Staff Them
Whether you're solely operating off-premises and curbside or you're mixing in on-premises dining, your operating hours will have changed. Off-premises dining has very different peaks and troughs compared to on-premises, and service channels also look quite different. Even for those seasoned off-premises pros, historical data may no longer be relevant. As people adjust to new daily routines your labor routine will also need to change. People working from home may opt for an earlier dinner time. People who are commuting may adopt a completely different schedule.

Given changes in consumer behavior, you may find that service hours need to start earlier and finish later. You will also want to consider which services are open when. For example, you may want to offer extended seating times on the weekends, but limit to takeaway for the pre-lunch rush and after 7:00pm on weekdays. Your POS system data gives you a breakdown of sales by hour which can help establish recognizable patterns. Data will also help you understand channel statistics so that you can better gauge channel volumes and the correct ratios of front to back-of-house staff required to efficiently manage the volume and variety of interactions.

Contactless Interactions
Analyzing where your employees can make the most difference is often overlooked. As contactless interactions continue to rise in importance worldwide, restaurants are adopting mobile order and pay with various degrees of sophistication, one of the simplest models being a QR code that surfaces an app-based or online menu and payment via mobile wallet. For many, the benefits of integrating such technologies into an on-premises dining operation is relatively well-known.

However, despite its ability to streamline and speed up almost all service scenarios, this technology is often overlooked for off-premises. Take curbside for example: employees working outside equipped with mobile POS devices and mobile payment technology can not only greet guests quicker but also take payment, speeding up transactions. No walls means far less friction in shifting tasks and improving staff agility, increasing customer throughput, and enhancing the guest experience.

Choosing the Right Tech Stack

Technology plays a crucial role in drive thru and curbside, as most orders are made online through a website, mobile app or to servers with mobile point of sale systems. These channels require an integrated technology system for accepting all types of orders, processing payments, and routing them efficiently to your kitchen.

About Oracle Food and Beverage

Oracle Food and Beverage is the leading provider of point of sale systems to restaurants, and sports and entertainment venues worldwide. Our open API architecture makes Oracle MICROS Simphony the industry's most extensible POS, delivered on the world's most secure cloud. International chains, to independent startups rely on Oracle to simplify operations, reduce cost, expand revenue channels, manage business performance, deliver a modern customer experience and grow with confidence.

Book your free tour of the drive thru and curbside technology stack

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