

Restaurant Revolution

Building Your Digital House



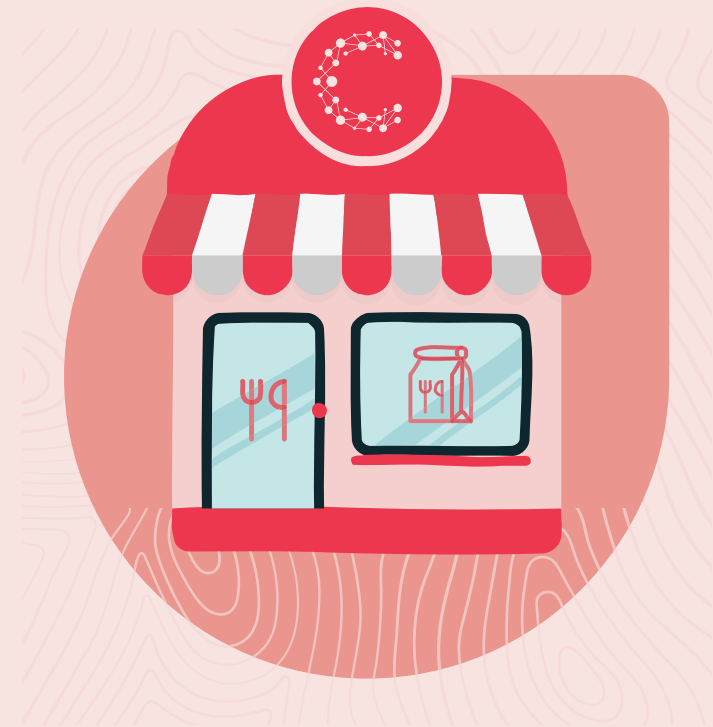


The restaurant vertical is one hallmarked by fluctuating fortunes and oftentimes elusive financial sustainability. COVID-19's economic toll on the sector hasn't been evenly distributed. Whereas pizza chains and coffee shops have maintained or increased sales during the pandemic, casual- and fine-dining restaurants have seen their revenues decline by as much as 85%, with some establishments unfortunately shutting their doors and falling to zero.

Obviously some restaurants are better set up for takeout than others, but what has truly separated the winners and losers in this tumultuous time is the digital infrastructure that underpins each individual restaurant brand.

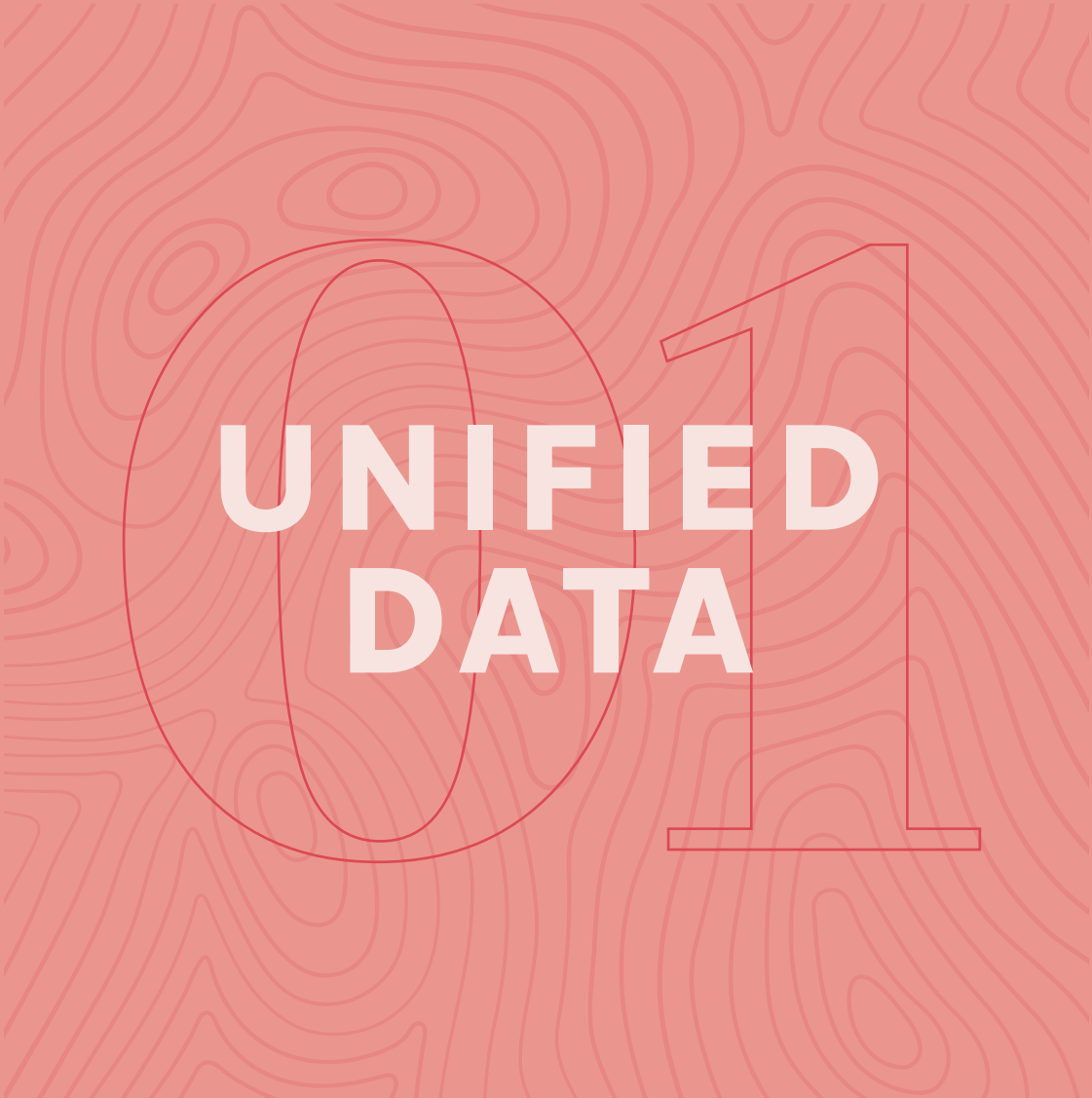
We may as a collective be tired of phrases like “the new normal,” but the pandemic has accelerated the shift towards a more digital world and triggered changes in dining behaviors that are likely to have lasting effects — so it's time to get your digital house in order. That means going beyond digital punch cards or sending a weekly email blast to all your subscribers.

This guide will take you through laying the groundwork for digital success and building a sound digital ecosystem above it. As well as empowering you with the theory, we will give you some key questions per section that you need to ask your current technology partners to help you get your house in order.





**99.77% year-over-year decline
of seated diners in restaurants
in the U.K., compared to 2019**



UNIFIED DATA



A SINGLE SOURCE OF TRUTH IS THE FOUNDATION OF ANY DIGITAL ECOSYSTEM

You can't build a great house on a weak foundation, therefore the bedrock of our digital house is **Unified Data**. Without the ability to get all of your data harmonized in one place, your future initiatives are doomed to never realize their full potential.

Any restaurant brand that wants to deliver truly excellent experiences, not just from the kitchen, needs access to all guest data. Wherever it's collected from, to be effective, it must be seamlessly integrated into a single, 360° view of the guest — that identifies them and matches them with their dining behaviors.

Despite the clear dysfunction created by having fragmented views of customer data, we continue to see restaurant chains, particularly those with multiple brands struggling with data silos and competing versions of the truth. The list of endless tools, from CRMs to marketing automation, email to analytics, CMS to social reporting, all aid marketers in improving results...but how well do they harmonize?

A single source of truth, or unified data combines meaningful, reliable data from multiple systems into a single view that's more accurate, more complete, and truer than the data from any single source alone. It acts as a complete record for all relevant guest information across the system, including all chains, franchises, and subsidiary brands that your marketing team can turn to when they want to be certain they have the most up-to-date data on a particular guest.

To cut the marketing buzzwords, the single source of truth is quite simply a unified guest profile, which includes identifying information about the guest, the channels they use to interact with the organization, their dining transactions, most recent interaction with the brand, and which offers they reacted to positively.

By serving up a unified data approach, as guest preferences and/or transaction history change, the record changes with it. If a guest interacts with your restaurant brand through an app, then switches to interacting mostly through the website, the system underpinning the unified data would notice this change and update its data accordingly.

40% of data records contain inaccurate data





**83% of guests have a favorite
restaurant chain as it provides
a consistent experience**



WHAT DOES THIS MEAN FOR ME?

Restaurant marketers want to deliver seamless and engaging customer interactions throughout the entire lifecycle, using data to drive personalization, analytics and better decision making.

Ask these 5 questions of your data platform:

- 1 Can you easily bring in any data type into your data platform for use in guest marketing?
- 2 Do you have a single view of the guest across all sources that updates in real-time?
- 3 Is it possible to quickly run reports and dashboards on all of guest activities?
- 4 Does your data platform seamlessly integrate with multiple systems and databases?
- 5 Can you apply machine learning to guest data to generate actionable insights?



NEXT-GEN LOYALTY



LOYALTY THAT GOES BEYOND A FREEBIE ON YOUR TENTH VISIT

We have solid foundations, now it's time to work on the exterior, and the first wall of the house is **Next-Gen Loyalty**. It's imperative to say at this stage that without the unified data we discussed above you will struggle to affect real ROI from any loyalty initiatives.

Fully-formed loyalty programs are crucial for restaurants because they're the entry point into your digital ecosystem — and the most frictionless medium in which most guests join your loyalty program is by downloading your app. This opens up the digital ordering and digital communication channels, and presents you with the opportunity of not only enrolling them into your loyalty program, but building a more meaningful digital relationship.

Loyalty is about more than undercutting the restaurant next door, or a free bucket of wings on your guests' tenth visit. Diners expect comprehensive loyalty programs that go beyond generic points-win-prizes incentives and discounts. The core of loyalty is not merely the cheapest price point, but a restaurant brand that can foster community, recognizes the guest as an individual, and delivers content and bespoke deals that reflect this.

Many in the restaurant space still invest far more resources in acquisition strategies than retention. **For restaurant marketers there should be no greater achievement than locking in a loyal customer — one who not only has affinity for your menu and brand's promises, but will also pay a little bit extra, or travel a little further to you if required.**



In a recent global study **Cheetah Digital carried out with Econsultancy** into consumer attitudes into loyalty, the data showed that consumers are loyal by nature, but also opportunists, so do not take them for granted. Restaurant brands should leave nothing on the table and develop a loyalty strategy that keeps guests thinking about you first in decisive moments...when they're hungry.

Guests don't just buy your food, they buy your promise. In today's digital world of infinite choice, undercutting your competitors is merely a veritable race to the bottom. Product differentiation is tough to maintain and market domination is short-lived. A next-gen loyalty program that truly rewards your guest as an individual can be the differentiator.

Emotional and genuine loyalty is an outcome — a goal you can only achieve by truly knowing your guests and carefully nurturing every relationship you have — every action, input, and communication a guest receives from should make them feel valued and respected.

Almost two-thirds of diners are prepared to pay more to purchase from a trusted restaurant brand



24% of diners are not loyal to a given restaurant brand because it did nothing to encourage their loyalty even though they are a frequent guest



WHAT DOES THIS MEAN FOR ME?

It can be challenging to see how your current loyalty program (if you have one) stacks up against your competitors with so many options available. What matters most is a loyalty program that creates a competitive advantage, improves the guest experience and motivates profitable customer behavior.

Ask your loyalty partner these 5 questions:

- 1 Is your loyalty membership growing year over year?
- 2 Can guests quickly sign up online, in-store house, on mobile and via SMS?
- 3 Can you leverage dynamic offers for guests based on their previous dining history that goes beyond a discount?
- 4 Are you able to progressively profile guests and capture additional guest information in real-time and continue to build out guest profiles over time?
- 5 Is your loyalty program proving ROI and driving incremental revenue and guest lifetime value?



CROSS-CHANNEL MESSAGING



CONNECTING ON THE RIGHT CHANNEL, WITH THE RIGHT MESSAGE, AT THE RIGHT TIME

Our house isn't an open plan, far from it – there's another wall and that wall is **Cross-Channel Messaging**. There are numerous touchpoints in which you should be connecting with your customer base, but email is still comfortably the preferred channel of consumers for receiving offers, content, incentives, and rewards from brands.

However, in today's digital and interconnected world, the importance of tailoring marketing efforts so they are mobile-first, rather than merely mobile-responsive cannot be overstated either. To put into context, a staggering eight out of every 10 digital minutes reside on a smartphone – it's clear that a fully-fledged mobile strategy is no longer a nice to have for restaurant chains, but a cornerstone of building your digital house.

Guests interact with an average of six digital touchpoints when engaging with a restaurant. Whether that be content on social media, payment through wallet, offers from SMS or email, to name but a few – principally however, all these touchpoints can be directly accessed through mobile. And the upside to this is restaurant brands can gather vast amounts of guest data, opt-ins, preference insights, and behavioral data to no longer infer, but anticipate what its guest is likely to do next.

As guest behaviors have modified during the COVID-19 pandemic, and more time has been spent on additional screens and different channels, powering cross-channel messaging from unified data empowers a restaurant marketer to more closely align with guest expectations, improve the relevancy of messaging, and make that all-important connection, on the right channel, at the right time. Not to labor the point, but if you haven't got solid foundations in unified data, your messaging initiatives will be more spray-and-pray than laser-focussed.

Connecting email, SMS, and the like to your data platform means you can drive engagement with your guests through data-driven messaging.

You can define guest audiences using the most up-to-date guest profile and run queries on large data sets – then you can apply analytics in real-time, such as content and menu recommendations, as well as send at the optimal time, trigger campaigns based on online behavioral data, or other real-time events.

Additionally, with a data platform, you can go beyond static lists, or antiquated relational databases, and not rely on an email address as the unique identifier, but a phone number, or social media profile, to name but a few. This helps you tie together many different attributes, which provides a clearer view of a guest and optimize their experience.

51%
51% of
guests have
downloaded
an app for a
restaurant



**When it comes to receiving
offers, email outperforms
other channels by up to 92%**



WHAT DOES THIS MEAN FOR ME?

As a restaurant marketer you need the technology to empower you to build a better relationship with your guests across all channels and touchpoints.

Ask your messaging provider these 6 questions:

- 1 Can you easily segment guest audiences for targeted marketing campaigns?
- 2 Are you able to orchestrate interactive experiences across multiple inbound and outbound channels seamlessly?
- 3 Do you deliver messaging in real-time as well as triggered messaging?
- 4 Can you deliver messages through the channels your customers prefer and respond to most?
- 5 Does your messaging platform leverage send-time optimization to find the right time for content delivery?
- 6 Can you send email and SMS at high volume and scale?

PUTTING THE THEORY INTO PRACTICE



&pizza



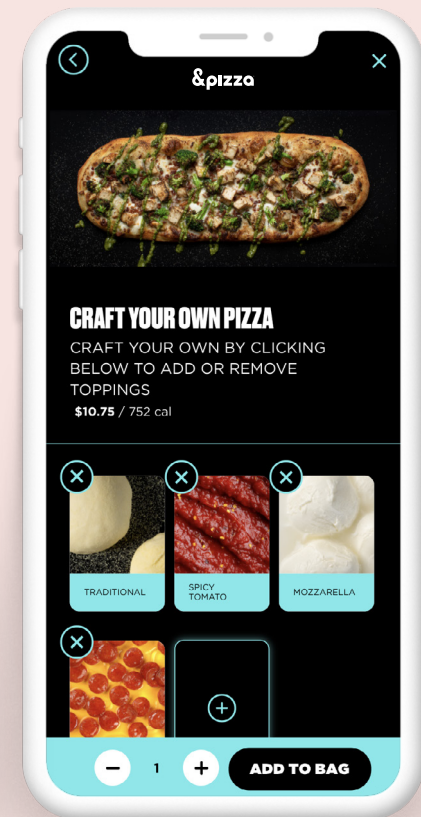
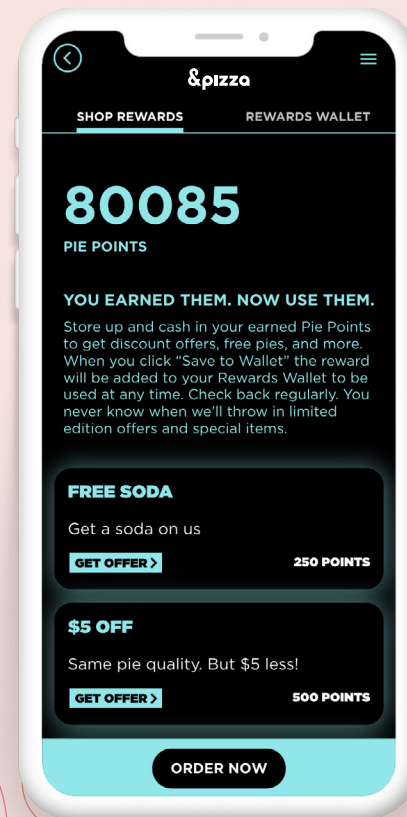
PUTTING THE THEORY INTO PRACTICE

Up until the pandemic hit, &pizza was pretty diversified in how guests ordered and got their pizza. They saw 15% of sales come through native channels like their app or website, 20% come through third-party delivery companies, and the rest of that traffic was inside their store. Then COVID hit and suddenly 100% of their orders were coming through their digital channels.

&pizza had already started to digitally transform their company — they wanted to make the experience of ordering through a digital channel as simple as possible. They prioritized three things in their transformation, they wanted to have: a system that was able to easily scale, that could do many things (not just those they wanted now, but also in the future), and for the experience of the whole process to be like it was in the shop. All of this had been slated to take 6-12 months, but instead took place over three days — including a menu change.

&pizza truly lives and breathes personalization. Head of Technology Darien Bates speaks of &pizza's mission to personalize everything to the guest, from their pizza toppings to their orders — and to do this, they needed the right technology partner.

&pizza collects a lot of data and they need that data to work within different systems. They needed it to pull it in and out, to transfer between systems. They wanted a company that was mature and had the resources to innovate now as well as being an asset in the future. They were able to accomplish these goals with Cheetah Digital.



&pizza
**Went from 60%
in store sales to
100% digital**



BEHAVIOR-CHANGING PERSONALIZATION



GOING BEYOND A FIRST NAME AND PREVIOUS PURCHASE HISTORY

Having a robust and flexible next-gen loyalty platform, complemented by cross-channel messaging capabilities, all underpinned by unified data gives you the ability to deliver **Behavior-Changing Personalization** — which is the roof of our house.

“Let’s do personalization” is not an uncommon phrase to be heard in restaurant marketing departments, however without a comprehensive strategy for unifying customer data, these initiatives will never deliver a best-in-class guest experience, of the sort they expect in-house..

Unfortunately, for all too long, personalization has failed customers of pretty much all verticals — most commonly a buzzword rather than a comprehensive part of a marketing strategy. Initiatives that purport to be personalization are commonly limited to knowing a guests first name or lazy in-app recommendations such as “people who ate wings also bought onion rings,” (sounds delicious actually) or the sort of creepy marketing developed from location tracking, cookies (not the tasty kind), or surreptitiously acquired aggregated third-party data sets.

It’s these kinds of techniques that have led to the rise in ad-blocking technology adoption, an increase in email unsubscribe rates, and guests being skeptical about the personalization they receive.

Your personalization and messaging strategy needs to be rooted in both first- and zero-party data. Creating messaging opportunities based on transactional data is great, and your guests love it,

but using zero-party and psychographic data to personalize those messages will differentiate your restaurant brand from your competitors.

The future of marketing to individuals with relevance and delivering behavior-changing personalization is about asking them about their interests, motivations, and desires, rather than inferring or snooping on them. This is zero-party data. A class of data that is intentionally and proactively shared by the customer.

It is possible for restaurant marketers to know what their guests intend to do, when they will next visit your restaurant and anticipate their next actions by collecting data that is intentionally and proactively shared directly by them.

Unfortunately, it’s not merely a case of “build it and they will come.” Guests expect to be entertained, engaged, and receive something in return for their attention and personal data. Restaurant marketers can deliver this through interactive experiences that conduct market research, accrue opt-ins, and deliver an altogether better experience with a tangible value exchange for the guest in the form of added value (coupons, competitions, social kudos, or content, to name but a few).

Zero-party data empowers restaurant marketers to build direct relationships with guests and, in turn, better personalize their marketing efforts, offers, and menu recommendations. As it comes directly and willingly from your guest there are no intermediaries, no guesswork.

**73% of
diners think
recommendations
from past
purchases
are cool**



**50%+ of consumers are
comfortable sharing their data
with a brand in exchange for a
better service**



WHAT DOES THIS MEAN FOR ME?

What personalization will move the needle and give your guest that “wow” moment? Restaurant marketers who use triggered messaging, retargeting, and website personalization will drive sales and engagement.

Are your personalization initiatives answering these 5 questions?

- 1 Can you capture real-time data on digital channels and leverage it for future personalization initiatives?
- 2 Are you able to personalize content for guests in email communications, like their favorite menu items or their nearest franchise?
- 3 Can you deliver personalized content on websites and mobile for guests?
- 4 Is it possible to create multi-step, multi-stage guest journeys?
- 5 Can you apply machine learning to recommend food items and offers?



**NATIVELY
INTEGRATED**



GET YOUR TECHNOLOGY WORKING TOGETHER SEAMLESSLY

We all know that some houses are built better than others. The key to building a strong, stable house that will stand the test of time is to make sure everything fits together and is **Natively Integrated**. And your technology needs to do the same...these analogies definitely work right?

On average, marketing departments have a tech stack boasting 12 systems — the vast majority of restaurant brands are using many more. This list of endless tools, from CRM to marketing automation, email to analytics, CMS to social reporting all aid marketers in improving results...but how well do they harmonize?

It used to be that each of these technologies needed to come from different providers of which few integrated, nor worked together. It's not enough to just have the right building materials; they need to work together seamlessly to make the whole greater than the proverbial sum of its parts.

Without natively integrated tech, it's easy for restaurant marketers to end up working feverishly on the wrong activities that fail to move the needle. Without a single guest view and real-time insights, restaurant brands struggle to deliver the quality experiences that guests are looking for today.

Unfortunately, many are struggling with a litany of problems such as legacy systems, data residing in disparate silos, huge martech stacks mentioned above, as well as numerous sub-brands, franchises, and territories with unique KPIs. Not to forget the quality of the data swimming around is quite often imprecise.

A single, accessible view of the guest empowers restaurant brands to understand and better engage with its guests by knowing who they are and what they are looking for.



12

On average marketing departments have 12 martech tools in their stack



**58% of restaurant marketers
indicate integrating guest
data is a major obstacle in
a multi-channel strategy**

PUTTING THE THEORY INTO PRACTICE

BLOOMIN'
BRANDS INC[®]



PUTTING THE THEORY INTO PRACTICE

Bloomin' Brands restaurants are adored by American diners. It's flagship subsidiary; Outback Steakhouse has been delighting guests for over 30 years and is synonymous with hand-cut steaks, the famous Bloomin' Onion, and pioneering curbside pickup.

Bloomin' consists of several casual dining brands, over 1,500 locations in 48 U.S. states, and dedicated marketing teams for each restaurant chain. That all means a lot of guest data from different sources housed in disparate silos – a headache for any marketing department. Enter the Cheetah Engagement Data Platform.

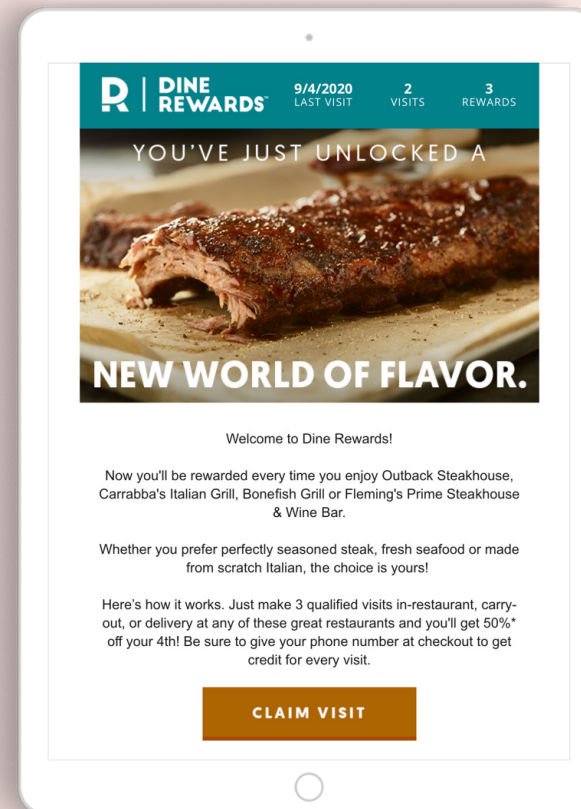
Bloomin' Brands were early adopters of the EDP, embarking on a digital transformation that involved firstly shifting advertising spend from expensive television slots to digital, data-led initiatives, where it could reach its guests more effectively.

Previously, where it relied on a flabby martech stack comprising a staggering 82 platforms, it turned to the EDP to house its vast amount of guest data in a single source, with the power to target individual guests with personalized, contextually relevant messages that went behind freebies and discounts.

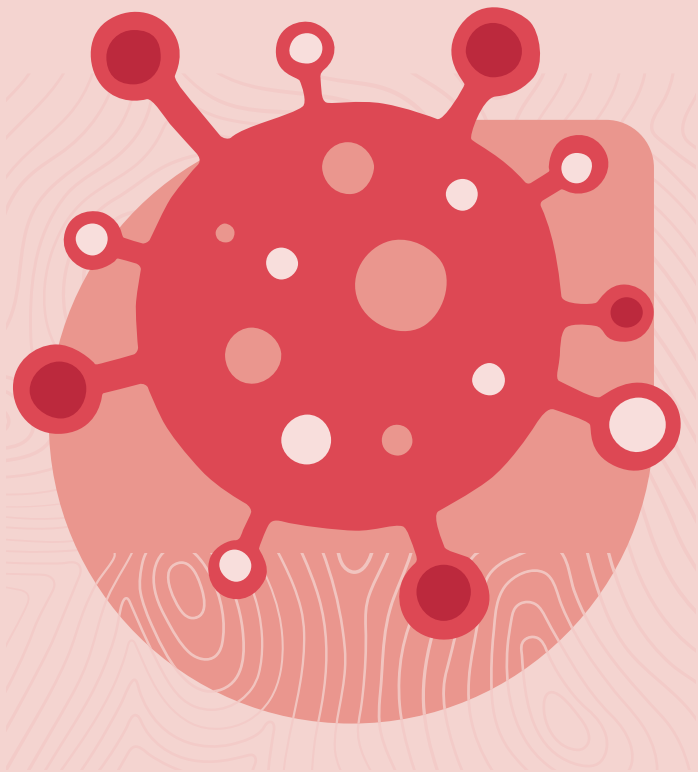
BLOOMIN'
BRANDS 

The EDP empowers Bloomin' to deliver real-time messaging fuelled by first- and zero-party data that analyzes past dining behavior, their stated wants and preferences, and contextual data like the weather to better target and personalize guest interactions.

This data-driven strategy has seen Bloomin' Brands swell its loyalty scheme with over 10 million unique members and triple off-premise sales during the COVID-19 pandemic.



3X
Tripled off-
premise sales

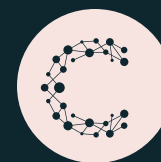


Years from now, when the COVID-19 pandemic's impact on global business is analyzed, it's likely that the most striking change will be how it accelerated digital transformations.

While many restaurant brands are challenged to survive in the short-term, the crisis also presents opportunity; bold restaurant marketers that invest ambitiously into their digital infrastructure are emerging as market leaders. Although Zoom quizzes, remote working, and home spin classes will likely abate once restrictions are fully lifted, 39% of restaurant guests plan to continue to enjoy delivery rather than in-house.

To win, restaurant brands must focus on those key guest experiences drivers, providing a consistent and seamless user experience, whatever the touchpoint, loyalty that rewards as an individual, being respectful of data, and providing true personalization. When a house is built on a solid foundation., it is built to stay forever.

[Learn more about our work with leading Restaurants](#)



Cheetah Digital

It's time to look beyond transactional data to build thriving customer relationships at every touchpoint. With Cheetah Digital's Customer Engagement Suite, you have an entire platform at your fingertips to build the most **relevant, integrated, and profitable customer experiences**.



Cheetah Engagement Data Platform

Our foundational data layer and personalization engine enables marketers to drive data from intelligent insights to action at speed and scale.



Cheetah Experiences

We help deliver interactive digital acquisition experiences that will delight customers, collect first and zero-party data, and secure valuable permissions needed to execute compliant and successful cross-channel marketing campaigns.



Cheetah Messaging

We enable marketers to create and deliver relevant, personalized marketing campaigns across all channels and touchpoints.



Cheetah Loyalty

We provide marketers with the tools to create and deliver unique loyalty programs that generate an emotional connection between brands and their customers.



Cheetah Personalization

We enable marketers to leverage the power of machine learning and automated journeys to connect with customers on a one-to-one basis.

Start building lasting customer relationships at cheetahdigital.com