



How Restaurants Can Survive Today and Thrive in the Future A Guide for the Restaurant Industry

April 21, 2020

This document covers how restaurants can not only survive but thrive in today's changing environment where dine in is only one revenue stream, take-out and delivery are becoming increasingly important



Today's restaurants have been dealt a very difficult hand to play, in order to survive. Those who do survive will stand to thrive with a more robust business that will not just depend on making great food and service.

Those qualities will continue to be the core of their success, however, those who thrive will have taken advantage of the lessons learned during this unanticipated disruption. The purpose of this white paper is to provide a guide to those restaurants who plan to thrive in what will be the "new normal" for restaurants. We have provided a list of lessons learned that positions restaurants to survive during this crisis that will help position them for growth and build a stronger and nimbler restaurant that will handle the rough seas and market changes they may encounter in the future. The following are the pillars we have outlined, of which each will be broken down into strategic bricks, that will fortify your restaurant to face future unanticipated disruptions whether they are market changes or pandemics.

1. Decrease current operating costs
2. Increase revenue
3. Develop a strong customer loyalty engagement program
4. Deploy technology that is adaptive and nimble – quick to implement and not disruptive to existing restaurant operations
5. Maximize your restaurant staff to deliver superior customer service in multiple ways that addresses the new generation of customer's demands and preferences.

Reduce your Restaurant Operating Costs



Unexpected events completely disrupt your business in several ways. Lowering your operating costs is one of the most important and quickest ways to increase cash flow and margins to extend your business continuity, until the disruption ends.

We have several ways to help you that not only reduce your costs of doing business but will also prepare your business to be more adaptive and nimbler for any future unanticipated events. Here are the ways:

- **Reduce your Costs of:**
 - Telephone, Internet, POS, Take-out, Online Ordering, Reservations, and Mobile. The savings can be substantial - as much as 30%-50%.

Most restaurants still have phone systems installed on their premise. They work and are likely paid for, which is why restaurant owners find no need to upgrade them. They are mostly used for reservations, take-out food orders and calling suppliers but not much more. In most instances, these phone systems do not integrate with employees' smartphones and you cannot receive calls coming into the restaurant phone system and transfer them to a smartphone.

Additionally, the phone system cannot accept text messages or emails, and integrate with the restaurant website, or social media channels. Those types of communication need to be completed on a computer or smartphone. Thus, none of these ways of communication are integrated with the restaurant phone system. They all require separate connections for the telephone system, Internet, Data, Fax, Alarm, POS, etc.

Since all systems are separate, the restaurant most likely has separate bills and require separate support companies that are on contracts or billed for hourly services including travel time. It is all very time-consuming to manage and much more expensive than necessary.

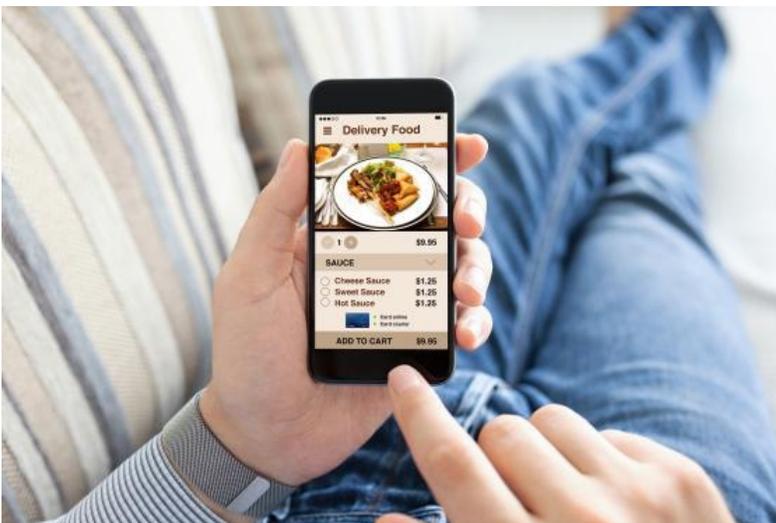
By integrating all these separate networks into a single Cloud phone system, substantial costs can be reduced, increased efficiency and productivity will be realized along with increased reliability and security. Also, you only need one point of contact for all the network connections and it is much simpler and faster to manage. If you have multiple restaurant locations these savings and benefits increase dramatically.

- **Reduce and reallocate your restaurant staff costs**

Dedicate your staff: Increased employee productivity can be realized by dedicating staff to take reservations, take-out, and online orders. Most of these tasks have been handled by having any one of the staff employees pitch-in when necessary, based on their availability and skill sets. For example, many bartenders and wait staff perform multiple tasks serving dine-in customers while, at the same time, accepting phone take-out and online orders. This has worked well until peak times are reached. This requires the staff to choose who gets their attention first and how much time they can offer to each, the dine-in and bar customers, or the incoming phone take-out and online orders. Your customers satisfaction does not need to be determined by these circumstances. With the recent increased demand for take-out and online orders, this has made these tasks more challenging to manage, train and schedule. As a result, many restaurants have chosen to outsource take-out and online ordering to alleviate this issue.

Having a Cloud Phone System would allow your restaurant to manage and handle peak periods to eliminate conflicts. Scheduling the appropriate staff to meet the phone order volume can be automated. And they would not even need to be in the restaurant – they could be working at home or anywhere they have an internet connection. Bartenders would no longer need to do a 2-3-person job of serving, answering the phone, and processing on-line orders. This could save anywhere from 15% to 40% of the cost of the outsourcing take-out and delivery service and make your bar customers much happier.

- **Deliver your own Take-Out orders**



Most, if not all your server staff may have been furloughed or laid off. Put them back to work as your delivery service. Who better than your server staff to make sure customers are happy with their delivery, that their food was packaged well and not damaged or bounced around during the delivery, and their take-out food quality was what the customer expected?

This will make your staff more productive, your take-out orders more accurate, greatly reducing the holding time for customers, provide a better trained order taking process, and ensure happier customers whether they are dine-in or take-out / online customers.

When deliveries are not required, that staff can be available for sending and following up on customer satisfaction surveys & building the customer loyalty program.

The recent federal stimulus bill is designed to loan restaurants money that will not need to be repaid if that loan keeps employees working.

Have some of your staff Work at Home. It is no longer necessary, nor cost-effective to have your staff that processes phone take-out or online food orders, to come to your restaurant to answer those calls? A Cloud phone system allows anyone to work remotely from anywhere they have an internet connection. All incoming calls will capture the caller ID and name (if available) which can be entered into your customer database or CRM if you have one. Those calls can be recorded for training and quality purposes and you can even utilize video and collaboration capabilities when necessary. Any call received can be transferred or conferenced with any other device (restaurant phone or mobile) just like it was an extension of the phone system. These remote employees can also follow up customer surveys and help build your customer loyalty program and complete other restaurant tasks all without having to be at your restaurant. This will improve your employee productivity and keep them working which will qualify your restaurant for the Federal Stimulus Bill, the “Payment Protection Program” (PPP) that forgives the loans to restaurants that keep their employees working during this lock down period. However, the best part of moving to a Cloud Phone System is that it will lower your operational costs that you pay monthly (i.e. business phone line charges, internet, mobile, reservations, take-out, on-line, fax, alarm, etc.)

- **Eliminate or reduce Delivery and On-line Ordering Costs**

Coronavirus has changed the restaurant business. Restaurants are adjusting from take-out and delivery being an incremental revenue to being a vital part of the business. It is no longer considered an incremental revenue stream. Why give your customer data to Doordash, Grubhub or Uber Eats? (Read: [Don't let Delivery companies take advantage of your restaurant](#)). Why pay the 15% to 40% of the order to delivery companies? A recent restaurant survey by Cowen & Company, reported paying a 30% commission on every Postmates delivery. In Los Angeles, Uber Eats charged 40% for the same service. For a \$10 item, that is \$3 to \$4 right off the top. The Restaurant Report indicated food and labor costs ranged between 50%-75%. For a restaurant running lean and mean at 50%, that means \$5 in food and labor costs. That leaves a \$2 margin and a spend of \$8.

These are also your competitors! (Read: [How Delivery Apps May Put Your Favorite Restaurant out of Business](#)). They own the customer data and are vying for their loyalty, and are marketing other restaurants, not just yours. Many delivery companies will not share their customer's email and mobile database. You end up giving this valuable information away, all at your expense. However, if you build your own customer data base, you can still utilize these delivery services when it makes sense – just make sure you capture that valuable customer data and focus on the customer's experience. There are also several couriers you can develop relationships with that are not competing with your restaurant nor want your customer's data. The Delivery service companies, especially Uber Eats, Grubhub and DoorDash are growing rapidly and some are indicating they will own their own restaurants - speculated to be “Cloud or Ghost Kitchens” that offer take-out and delivery only, which will allow them to control the entire customer relationship and overall lower real estate costs, so they remain very price competitive. Why not be a part of this new trend?

For those without established in-house delivery programs or the stomach to build one, third-party delivery has presented a gateway to gain customers and bolster brand recognition. Buona, a family-run operation in suburban Chicago, experimented with in-house delivery. The results were mixed, but, more to the point, the company's initial

foray into delivery pulled its focus away from its core operation and the in-store customer experience, Buona vice president of operations Don Buonavolanto says. “The biggest drawback is the fact that you lose control of the order and the service provided once the order leaves your location,” Buonavolanto says.

STREAMLINING PARTNERSHIPS

Some third-party delivery providers are making efforts to create a more seamless process with restaurants

GRUBHUB

“In an effort to solidify its status as a leader in the \$250 billion U.S. takeout market, Grubhub has launched Ultimate technology, a hardware and software solution that integrates all restaurant ordering channels into one system.”¹¹

DOORDASH

“Chowly partners with DoorDash, enabling restaurant partners to use third-party delivery drivers while still taking orders through their native channels. Will streamline delivery operations during peak times.”¹²

¹¹Fast Casual, January 2020. ¹²Restaurant Drive, September 2019. © Service Management Group | Confidential | All rights reserved.

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If you decide to utilize 3rd party delivery services, make sure you place a restaurant flyer in the take-out bag that includes a survey of both the meal and the delivery service (include all the restaurant’s contact information i.e. phone number, website, SMS/Text, website, social channels, etc. along with the name of the 3rd Party delivery company name). We recommend you offer an incentive to provide their email, mobile phone, SMS/Text, website, and other important customer information to participate in your customer loyalty program.

So here is the Math:

OnFleet, Inc., a mobility software fleet technology company, did a survey comparing the cost of in-house delivery versus 3rd party delivery companies. The research was based upon the restaurants providing their own fleet like Dominos and Jimmy John’s. Their dataset consisted of over two million Onfleet-powered deliveries completed in the past 12 months.

On average, an in-house fleet is 46% cheaper than Uber and 50% cheaper than Postmates. On the low end, assuming a modest 2,000 deliveries each month, this translates to an average monthly savings of \$6,292 over Uber and \$7,785 over Postmates. Greater savings can be achieved by contracting drivers or hiring hourly employee as discussed above but in all these options, margins are much better and greater control of your customer relationship and brand is achieved.

The delivery service companies, especially Uber Eats, Grubhub and DoorDash are growing rapidly and some are indicating they will own their own restaurants - speculated to be Cloud or Ghost Kitchens that offer take-out and delivery only, which will control the entire customer relationship and will have much lower real estate costs, so they could be very price competitive. Why not be a part of this new trend?

As stated above, use your own team members to deliver the take-out orders rather than rely upon 3rd party delivery companies. Not only does your own staff ensure your customers are happy but their investment in this process will increase the quality of food delivered, how it is packaged and transported, all which increases customer satisfaction and loyalty.

Integrate your driver's smartphone into your restaurant cloud phone system. This will reduce your mobile carrier charges and keep your staff's smartphone personal number private. You will be able to easily and securely communicate with them and even conference them into a phone call with the customer if that became necessary.

Dramatically Increase Your Take-Out Revenues and Margins



Take-out is no longer an incremental revenue stream. The Corona virus likely made take-out and delivery the only revenue stream. By bolstering, emphasizing and promoting your take-out and delivery service, you can build a powerful customer database, that results in strong customer loyalty. These will dramatically increase revenues and margins.

Here are the advantages of making the following changes to your take-out business:

- Gain a competitive advantage and reduce your monthly expense by moving your restaurant's phone system to Cloud Telephony platform specifically designed for Restaurants.
- Keep your employees and staff working by performing tasks that generate revenue, decrease costs and increase customer loyalty.
 - Have your employees be your delivery service.
 - Eliminate 3rd Party Order and Delivery Services and increase your Take-Out order margins by 15%-30%.
- Dramatically reduce your take-out order staff to increase revenue.
 - Dedicate and train them to improve order accuracy, provide better delivery service and improve customer service to create happier, repeat customers.
 - Multi-tasking increases mistakes and creates conflicts. (i.e. Bartender, food servers, take orders vs dedicated take-out order staff per location to take phone and online orders).
 - Fewer well-trained personnel who are dedicated for processing all take-out order preference types (phone, web, mobile app, SMS/text, social).
 - These personnel could also be assigned to proactively follow up with take-out order customers to ensure customers are happy. Send out and follow up surveys, as well as review results with management.
- Your restaurant Cloud Phone System can accept orders via all methods – Phone, Web, Mobile App, SMS/Text, or Social Media
- Build a superior Customer Loyalty Program with your own staff along with a branded restaurant Mobile App. Do not give away this critical customer data to 3rd Parties. After all they are your competition too.

- If your restaurant also serves alcohol you now have a two-punch advantage to deliver. This will increase your revenues and margins dramatically.
- The recent Federal Stimulus bill provides loans to businesses and will be forgiven if you continue to pay your employees to work. This makes using your staff to take customer orders, delivery, and perform customer loyalty functions even more important to your restaurant's future continuity.

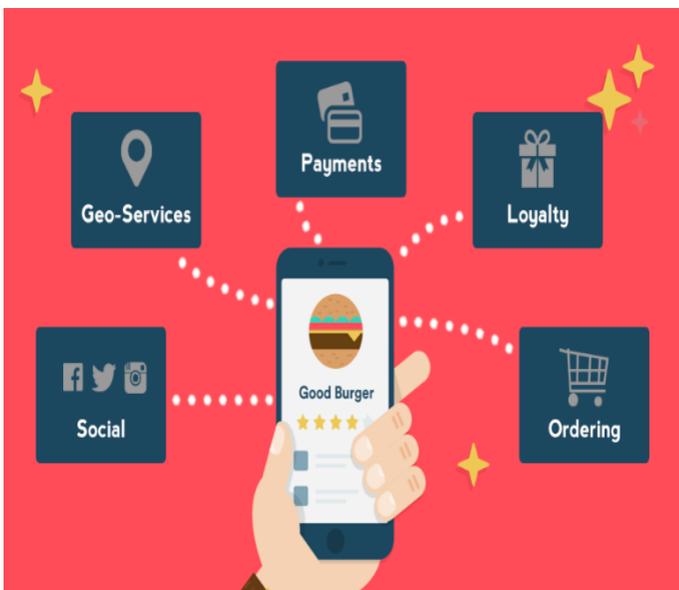
Increase Customer Loyalty



Building brand loyalty can become a unique competitive advantage. It will save you money and boost your overall profitability. Management consulting firm Bain & Company published a report on cost-cutting measures for businesses and found “A five percent increase in customer retention can increase a company’s profitability by 75 percent.”

You work hard to get new customers in the door: you spend money on signage to get more foot traffic, your social media presence is on point, and you are always making sure your menu is on trend. But what are you doing to make sure your customers keep coming back to spend more on your food? Keep in mind that acquiring new customers is often more expensive than keeping the ones you have, so treating customers like gold can also be a cheaper way to increase sales. A Harvard School of Business study determined, “it’s Five times cheaper to keep existing clients engaged than acquiring a new one.”

A Mobile App is a must have today



Many restaurants have not shown any interest in mobile apps. They believe they are very expensive, not proven to build revenues or customer loyalty and are not a preference consumer choose to use when ordering take-out or make reservations.

Those beliefs have been true for many restaurants in the past, but now things have changed dramatically. The current disruption in our lifestyles has created new demands on how consumers choose to engage with businesses, grocery stores and even restaurants in respecting the new social distancing mandate. Recently on 9News Colorado, a reporter interviewed a local

restaurant owner, who stated he is planning to have his mobile app to show his menu and provide a contactless payment function (i.e. Apple Pay, Google Pay, etc.). This mobile app advantage would work for both dine-in and take-out order customers as well. Since almost all his customers have smartphones, he will request (or maybe incentivize) his customers to download his mobile app. Thus, staff will no longer be

required to wipe and clean menus, and no cash or credit cards will need to be provided to the wait staff. He claims this will lower his costs and believes his customers will demand this as a new normal for dine-in. This is another good example of how mobile apps are providing superior ways for consumers and the restaurant to engage with each other and more reasons a mobile restaurant app is a must have.

Research firm Internet Retailer conducted a study in 2018 that concluded consumers had shown a growing interest in using apps to do everything from ordering food to placing reservations. However, because there had been a slow mobile app adoption rate by restaurants, the ones that made the leap have discovered a surprising benefit. By the end of 2018 only 5 out of 100 restaurants had chosen a mobile app. However, once they deployed it, they went from a hard to find search result, to springing up to the TOP 5 of search dining spots worldwide. That is how quickly your restaurant can be discovered by just offering a branded mobile app.

Basically, everyone can reach you now, which is a great advantage and extends your exposure. Initially, the mobile app that most consumers downloaded at this time, were the delivery service companies as a group i.e. Grubhub, DoorDash, UberEats, etc. to order their take-out and delivery service. It was easy to use, easy to pay, and the cost was no more than calling the restaurant directly and they also delivered it - so it was very convenient. It proves that consumers enjoy the convenience and simplicity of using a mobile app, but as stated previously, these delivery companies are also your competition that lowers your food order margins dramatically and maybe most importantly, they own the customer relationship and that data. The popularity of delivery Mobile Apps spurred on restaurants to counter with branding their own app and they have been coming on strong over the last couple of years.

Here are some compelling statistics that indicate how fast mobile restaurant app adoption is occurring:

- A year and a half ago, a majority of US internet users (52%) looked to a restaurant's own app or website to order food delivery, according to Cowen and Company. Those percentage have certainly grown by now.
- Digital restaurant orders are forecasted to triple by the end of the year.
- By the end of the year, mobile app restaurant orders will become a \$38 billion industry
- A recent Flurry Research study shows that American consumers spend, on average 3 hours and 40 minutes per day on their mobile devices and 90% of that time is spent on mobile apps
- "61 % of U.S. consumers have a better opinion of brands that offer a compelling mobile experience than brands that do not, and 40 % will turn to a retailer's competitor because of a bad mobile experience", says Internet Retailer Research
- Google Maps now includes restaurants (on the top of Google Maps) that offer take-out and take-out with delivery. This shows all those restaurants near your location. Once selected, if your restaurant has a branded app, they can see your menu. order and pay for the take-out order right on the app, so it is fast and easy.

Several Point of Sale systems (POS) that exist in most restaurants now offer a mobile app to enhance their POS functions because it meets the demands of the customers who order take-out and delivery. Studies have shown that mobile apps are easier and quicker to use than website / online ordering. You can easily pay right on the mobile app, and it has a low processing fee (normally 2.0%-3.5%). This fee is substantially lower than using delivery companies for your take-out and delivery (charges range 15%-40%). Because they own the customer data, they use this valuable information to build their customer loyalty program. You may never know that customer ordered from your restaurant's menu – this is a lost opportunity for customer loyalty. Having your own branded restaurant mobile app gives your restaurant control of your customer's data and the ability to develop your loyalty program – echoing again the Harvard School of Business study, "it's Five

times cheaper to keep existing clients engaged than acquiring a new one.” It is critical to not miss any opportunity to keep a customer that engages with your restaurant and develop them into a loyal customer. The days of thinking take-out is “incremental” income to dine-in business is over. It is critical to capture the customer’s data/information before handing over that business to the delivery companies. And should you do so, make sure you are following up with the customer asking them to complete a survey based on their experience.

Why a Restaurant POS needs a Cloud Phone System

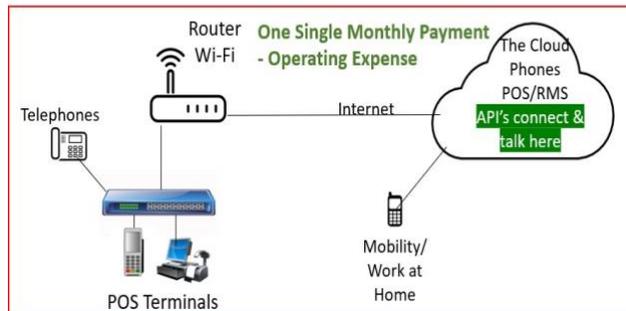
Speaking of controlling your customer data, as Technology Advisors, we work with Cloud Phone suppliers that integrate with many restaurant’s POS systems. The majority of customers still prefer to call in their orders on the telephone for their take-out, curbside, or deliveries. The vast percentage of POS systems do not capture Caller ID information on these phone calls. If you are not capturing phone numbers along with online and mobile app transactions, that means your restaurant is missing valuable insights into how customers prefer to engage with your restaurant.

POS systems are built for data entry for food orders, payment processing, inventory, and other data the restaurants need automated. They are not designed to handle telephone calls like Cloud Phone Systems are. Some of the newer POS suppliers have recently announced they can offer Caller ID. This feature is available in different forms either premise or cloud form types. However, both forms require installation of on-premise hardware devices. These devices only work with local analog Telephone Company lines in order to capture the customer’s caller ID. These analog line costs are billed to the restaurant.

Immediate Cost Savings: The hardware necessary are ancillary boxes or modules that commonly come in 2, 4 & 8 port modules. The analog lines need to be ordered from the local telephone company. The average cost is \$50-\$100 per month for each line depending on the local telephone company tariffs. These analog lines are dedicated to the hardware modules and it is a guessing game as to how many ports you need to avoid busy signals. Each simultaneous telephone call requires a port. Most restaurants will order the most ports they think will be required at their peak order periods, which is more than they need for normal traffic periods. In comparison a Cloud Phone System does not need dedicated lines and will automatically adjust to peak traffic periods. Cloud systems have no limits on how many calls can be simultaneously processed, and they require no hardware at the restaurant site to gather the information. Caller ID information gathering occurs in the cloud. Here are two graphic examples of how a Restaurant POS and separate phone system are configured to the telephone network versus how Cloud Phone System integrated with a POS is designed.



On Premise POS & Phone System Configuration



Cloud Phone System design integrated to POS system

The diagram on the left shows how both the POS system and the premise phone system are connected to the Local Telephone Network (PSTN). Where the Cloud Phone System and POS System on the right are connected the Cloud and NO PSTN lines are required. This delivers substantial network savings.

Even more Savings: If the restaurant has multiple locations, the hardware and telco line charges are required at each location. The hardware requires on-site maintenance when needed and the local telephone company for support if your lines are not working. This requires more technology for the restaurant to manage at each location. If you have 10 locations and it is estimated, you need 2 lines for take-out/curbside orders per location, that means 20 dedicated analog lines at a cost of \$1000 per month (based on only \$50.00 per line). If this were integrated into a cloud phone system, the cost would be half, if not much lower. A Cloud phone system does not need dedicated lines because it is a usage or consumption priced model. No hardware boxes are required on the restaurant premises. On premise boxes need separate A/C power, are subject to power failure, and require maintenance, likely from a third-party contractor. This makes the process of capturing caller ID information much more complicated for the restaurant to manage.

Consequently, it is substantially less costly to capture caller ID by a cloud phone system. Cloud phone systems automatically include this capability as a standard feature. Since the caller ID is captured in the cloud no hardware is required. Cloud phone systems are designed by phone and voice experts while POS systems are designed by experts at data processing. **The restaurant needs both.** By integrating the POS to a cloud phone system, the restaurant has a much more efficient and cost-effective way to manage their business. A restaurant using this system design will also improve their customer loyalty and satisfaction, as well as drive down the total network costs dramatically. A Cloud Phone System does far more than what a POS can do by itself. Features like:

- **SMS/Text** – allows customers to text to your work phone numbers, a feature greatly used by millennials and Generation Z.
- **Work-at-Home/Remote workers** – allows users to process calls from any location, including any restaurant or even from home.
- **Social Media** – positive and negative information from Facebook, Twitter, etc. can be immediately reported so proper actions can be taken.
- **Integration of mobile phones** – allows calls to be processed from mobile phones which could reduce your mobile phone charges.
- **Mobile Apps** allows a smartphone to act as part of your business phone system, saving the need to use cellular minutes.
- **Transfer and conference** is available from all phones to all phones at any location, including callers using mobile phones or apps.
- **Video & Audio-conferencing and collaboration** is available for group meetings, project management, menu changes and promotions, etc.
- **Networking multiple locations** greatly reduces the number of lines to communicate. The brains are in the cloud and phones connect via the internet.
- **Call Recording** is available to save important calls.
- **Contact Center functionality** allows centralized processing of large call traffic. This is excellent for both single and multiple locations.
- Much more **flexible and adaptable to grow and change** – a station or telephone number can be added in minutes.
- **Less Downtime** – cloud systems are exceptionally reliable; all offer uptimes of 99.999%.

- **Automatic Updates** – you are always at current software levels as the management of system updates is automatically provided by the cloud system.
- **Disaster Recovery/Resiliency** makes sure your system will continue to work even in disaster situations such as fire, hurricane, or any disaster that can take out a building. If a cloud data center is inoperable the system automatically shifts your traffic to an alternate center, you never miss a call.
- **Superior Security** – calls are encrypted on a cloud system, and constant security updates are automatically done when necessary.
- **No analog lines** - which the FCC has ruled the Telephone Companies will no longer be required to support by end of 2020. Cloud systems use digital lines housed in the data centers.

Management Reports & other Advantages of Integrating your Restaurant POS

Integrating the POS to the Cloud Phone System ensures all the customer's transaction types will be captured (i.e. phone, SMS/text, mobile app, on-line, social, etc.). Now, every time a customer calls, you will see all the customer's information displayed on any device. Now your ordering staff, reservations staff, kitchen or any other employee can answer with the knowledge and personalization that shows how important they are as a valuable customer. This information and personalization will separate your restaurant from your competition and show why building a strong customer loyalty program is so important. It provides a complete view of the customer's experience that can be analyzed and marketed to accordingly. This information can be delivered to any device, anywhere, at any time.

Valuable management reports can be generated and available to the owner and managers. The information captured by both the Cloud Phone System and POS connects to the restaurant POS Customer Relationship Management software (CRM). Reports are generated from the POS system and displayed on the POS & cloud phone devices (i.e. PC's mobile device and tablets). It is easy to create and generate reports of how many transactions are completed by phone, online, mobile app, etc. You can then look at the dollar amounts by transaction type, by age group, frequency of purchase by customer, amount of order, birthday, anniversary, etc. Many reports are available to develop your customer loyalty program, including your phone orders.

Once the Cloud Phone system and POS system are handshaking, you have an efficient and cost-effective way to build your custom database for your customer loyalty program that integrates with a mobile app as well. This provides a unique and strategic advantage to any restaurant that has a Cloud/POS integration.

Deploy a technology that is adaptive, nimble & resilient

It's a
Great
Fit!

So many technologies have not fit the way Restaurants operate. This is why restaurant owners consider most technologies to be a mistake. After all, it is the quality of the food and its service that have made most restaurants successful. The personal touch of taking reservations on the phone, to the presentation of the food and the attention provided by the host and servers, are the main reasons why restaurants make their customers loyal fans.

However, even before this major unanticipated disruption happened, most restaurants recognized that dine-in revenues were decreasing for a significant portion of their customers. The millennials and GenZ generations were making take-out and delivery an important percentage of the total revenue. Overall, 36% of US internet users ordered restaurant delivery in the past year per Market Force Information, but it was the under-35 group driving this. In fact, according to Market Force Information, 55% of the 18-24 age group and 49% of the 25-34 age group prefer take-out and delivery over dining in. And these generations are now the largest percentage of our population today and growing rapidly. In many instances, due to the coronavirus take-out and delivery has become the only revenue a restaurant can survive on. Technology is now critical to help reduce costs and maximize revenues while providing a superior customer service that will create repeat orders and develop new customer loyalty for take-out and online ordering.

Many of the previous points detailed above, hopefully explained how to decrease costs, and improve customer loyalty and increase your employee productivity and job versatility. Technology is now necessary to ensure your take-out revenue will sustain your restaurant's business, but it must be a great fit too, so your core business of providing great food and service is still your unique restaurant's advantage. That is where our job as Technology Advisors come in. We help you through the clutter and confusion of understanding what the best technology solutions are and who to trust that will deliver you the right fit.

So, what are the key technology components for a restaurant today?

- The technology must be cost-effective and designed to reduce your operating costs.
- It must be quick and easy to implement with little to no disruption.
- It must be flexible to navigate disruptions, like the one we are currently experiencing, but other potential disasters as well (fire, flood, hurricane, etc.),
- It must be nimble to adapt to market changes – like how quickly the demand for take-out and delivery has taken off. This is just the beginning of new trends. For example, the new dine-in model needs to address social distancing which reduces the dine-in revenues. The fast-evolving trend of Cloud or Ghost Kitchens has no dine-in at all, which leads to much lower real estate and labor costs. This will be a brand-new form of competition in the future – and something you could quickly participate in cost effectively, rather than just watch it happen. This is a great example of how adaptive and nimble a Cloud Phone System allows you to respond to market changes.
- Build a rock-solid customer loyalty program to attract and keep customers happy.
- Technology must be exceptionally reliable, secure, resilient and provide excellent support.



Most restaurants still rely on a legacy phone system that is installed on its premise, as shown on the left. It is likely paid for and works well enough, so why change it? After all, phone calls are still a preferred choice for taking reservations and take-out orders, and for you and your staff to call your suppliers and business associates. That seems simple and all you need.

The majority of restaurants have relied on that legacy phone system for years and you cannot argue with that logic. That is up until coronavirus occurred and turned the restaurant business upside down literally overnight. That logic is no longer applicable today, as the “New Normal” requires a system technology that can

accomplish the six capabilities outlined above. A Cloud Phone System addresses and satisfies each one of these six requirements and it does so for far less than what you are spending monthly for your legacy phone system.

Today, you need a system that consolidates all the separate network silos for the telephone system i.e. POS, Internet, Alarm, FAX, etc. Each network connection has separate suppliers, bills to pay and manage and service. This is confusing, very time-consuming, and the bills keep increasing every year. Most restaurants are not aware there is a simpler way to consolidate and reduce these costs at the same time, all on one monthly bill.

A Cloud Phone System is not a capital purchase but a monthly expense. It includes all the hardware, software, and maintenance on a single invoice – no hidden or confusing fees. It is very simple to use, and the software updates are done automatically at no cost, without disruption. Your IT cost will be reduced dramatically.

The Cloud Phone System is already built for “Work-at-Home” or remote and mobile workers, (that has become the talk of the town). Having this capability would have been very helpful during the coronavirus disruption, allowing you and your staff to work from home or anywhere. It includes audio and video conferencing like Zoom does, which is excellent for training new hires, menu updates, manager meetings and projects like adding new locations. Take-out orders and reservations can be routed to dedicated staff who do not need to be physically located at the restaurants premise, It will also integrate all your mobile devices into the Cloud Telephone System, which will reduce those costs and increase employee productivity.



If you have multiple locations, your network and labor costs will be reduced for the take-out, online, and mobile app orders, as well as taking dine-in reservations. These functions will be centralized or consolidated, rather than requiring separate personnel, physically located at each restaurant location, which will dramatically reduce your labor costs. Also, by dedicating these order functions, a more accurate order process will result, and the reduced call holding times will increase customer satisfaction. In addition, this more efficient process, results in a better quality of food preparation and coordination with the kitchen that carries over to an improved curbside customer experience. All these improvements are due the Cloud’s superior design which increases the speed, accuracy, and efficiency. None of these advantages can be achieve by a legacy phone system.

Every incoming call will display the customer data such as the Caller ID and customer’s name and will pop or show their customer information i.e. name, address, phone numbers along with optional data, which will be the framework for building a powerful customer loyalty program. It will integrate with your POS system, which today does not collect phone call data, and this integration will provide a more comprehensive and accurate view of your restaurant’s business.

Reliable, Secure & Resilient



One of the biggest advantages of moving your phone system to the Cloud is the incredible uptimes you enjoy with cloud systems. The systems are rated with 5 9's of uptime. This means the systems are working 99.999% of the time. Premise-based systems have a wide variance of uptimes and nothing close to five 9's of reliability. Premise systems rely on the power environment in your building to keep the system working.

Cyber-attacks can happen to virtually any company, large or small. Research has shown that 60% of small businesses go out of business within 6 months of a cyber-attack. Unfortunately, if you are not prepared beforehand it can be a disaster to your business and reputation. [Simplify My Communications](#) technology advisors will educate you on ways to prevent a data breach and put those motions into practice as soon as possible. (Read: [Handling Security Risks](#))

Summary

In conclusion, moving your premise-based phone system to a Cloud Phone System will decrease your costs, increase revenues, improve your customer satisfaction, and provide the necessary customer data to build a strong customer loyalty program. It will help you build upon the current take-out and delivery business today while positioning your restaurant for future market trends that are rapidly approaching the restaurant industry. As importantly, it is an essential tool to help your restaurant survive today's particularly challenging coronavirus disruption to your business. Planning to move to a Cloud Phone System, will equip you with an adaptable and nimble technology that will prepare you to thrive, even if unanticipated events occur in the future.

We at Simplify My Communications, are very empathetic with what restaurants have experienced due to coronavirus, and how this major, unanticipated disruption, has impacted you and all your employees, suppliers, and customers. Lots of us know many restaurant owners and have become friends with them as well as the wait staff we develop relationships with when we dine-in. It is one of the joys and ways for us to meet and connect with our friends, family, and business colleagues. We believe we can help offer an unbiased opinion based upon our Cloud Computing expertise.

We are Technology Advisors that have relationships with over 175 world-leading suppliers. We will help guide you to the best suppliers that fits your requirements. We will provide you with ways to improve your restaurant's bottom line, increase customer loyalty and develop a nimbler and more adaptive restaurant that addresses the changing restaurant environment including unanticipated disruptions. We welcome the opportunity to talk with you and discuss how we might be able to help. We charge no fee for our service and it will be our privilege to earn your business.