

# The 7 Biggest Online Ordering Mistakes Restaurants Make

Running an independent restaurant is a labor of love that comes with a mile-long to-do list. Between high turnover, rising rent prices, and new competition—among many other burdens—it's no surprise that it's tough to make a profit.

When it's approached the right way, online ordering can alleviate some of these pressures by giving restaurants an efficient and lucrative new channel for sales. It's extremely popular— 74% of consumers have ordered food through a website or mobile app—and it's been shown to increase ticket sizes by as much as 30%.

However, in the rush to adopt online ordering, some restaurateurs are inadvertently making mistakes that undermine their businesses. Read on to discover these common online ordering missteps and quick fixes to address them. Then, use our checklist to see where you stand and start perfecting your brand, your operation, and your revenue.



I. Hospitality Technology, 2018. QSR Magazine, May 2017.

#### PAYING COMMISSION ON EVERY ONLINE ORDER

Too many restaurateurs have been swayed by big promises from third-party online ordering marketplaces without realizing how **financially harmful** these services can be. While it's true that third-party delivery apps can offer some exposure, these businesses charge you up to 40% per order for the privilege of selling your food.

Even if you're being charged a much lower rate on every order, these commissions add up, leaving you in the red.



Read our blog post, "<u>5 Ways to Win Back</u> <u>Your Restaurant's Customers From</u> <u>Grubhub</u>," for a plan of action.

#### NOT HAVING WEBSITE ORDERING

It takes just a few seconds for a potential new customer to pull up your website and check if they can easily order takeout from you. If you don't have online ordering on your site, they may move on to a competitor that does. Ensure that these website visitors can take action and enjoy your hard work by making it clear that they can order from you at the touch of a button.

#### HOW TO FIX IT

Place an "Order Online" button at the top right corner of your website and in your navigation (this ensures Google can find it), and make sure both look clickable. ChowNow offers a very simple website integration with an "Order Online" button—plus a team of people ready to help if you need it.



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#### NOT EMPOWERING YOUR CUSTOMERS TO ORDER DIRECT

Your customers likely have no idea how much they harm your business by ordering through third-party marketplaces. It's critical to educate them, give them the option to order directly from you, and shift their behavior.

There are a number of ways you can teach them about the pressures your restaurant faces, including through signage, word-of-mouth, and email marketing. However, the first step is to make sure your website doesn't promote or direct customers to costly third-party services by using their logos or linking to them.

#### HOW TO FIX IT

Remove any irrelevant logos and make sure you have one clear call to action such as "Order Online" or "Order Direct." This should link to your branded online ordering system, so you can keep every cent of your order.



#### NOT MAKING THE MOST OF YOUR CUSTOMER INSIGHTS

Information about your customers—like their email addresses and ordering behavior enables you to send targeted messages and make strategic business decisions that increase loyalty and ticket sizes. Whether or not you have access to these insights, however, depends a lot on which online ordering services you use.

Most third-party marketplaces withhold these insights from their restaurant partners in order to sell access to customers to the highest bidder, often driving a restaurant's diners to their competitors. If you work with one of these companies—or if you have access to your customer insights but aren't leveraging them—it's time to make a change.

#### HOW TO FIX IT

If you're a ChowNow restaurant partner, contact your Restaurant Success Manager for personalized tips about using your data to increase ticket sizes and boost loyalty.

Don't use ChowNow yet? **Talk to an online ordering specialist to get started** Either way, **take a look at our customer data FAQ** for detailed strategies.

#### OVERLOOKING PRINT MARKETING

Never underestimate the power of strategically placed print materials. If you work with a third-party marketplace, it's a big misstep to display their print materials in your restaurant. You're effectively marketing another business to your customers, siphoning away your loyal patrons and profits.

Instead, grow awareness of your own online ordering platform by catching your customers at the right time—like when they're eating your delicious creations. They'll be happy to know that they have this convenient option for takeout, and you'll benefit from the larger ticket sizes and customer insights that branded online ordering provides.

#### **HOW TO FIX IT**

Remove those third-party marketplace signs and get working on flyers, stickers, and signs to spread the word and educate customers about the importance of ordering direct. If you're a ChowNow restaurant partner, just talk to your Restaurant SuccessManager and they'll take care of everything.



#### DEPRIORITIZING SOCIAL MEDIA

Social media is effective and free. Not everyone has time for daily posts, but you'll find that creating a schedule simplifies things. One post each on Wednesday and Saturday will help keep your restaurant top of mind mid-week and into the weekend, and choosing a photo-based platform (such as Instagram or Facebook) will help build your brand.

#### HOW TO FIX IT

Create a weekly schedule and <u>review social media best practices</u> to make sure your posts are effective. To really make the most of social media, you should post links to your online ordering service within your profiles as well as in individual Facebook posts or tweets.

#### UNDERESTIMATING THE POWER OF EMAIL

Some restaurateurs worry that marketing emails will annoy their customers and drive them away. While that's very considerate, the truth is that loyal diners want to hear from their favorite restaurants. They're eager to see what's new, savor special dishes, and keep reordering. If you have access to your customers' email addresses, you should be reaching out to them.

#### HOW TO FIX IT

**Review our email marketing guide** and get started on a monthly newsletter to keep your diners in the loop. If you're a ChowNow restaurant partner, talk to your Restaurant Success Manager about signing up for The Monthly Taste, our automated email marketing service.

### Have you made these online ordering mistakes?

Use this condensed checklist to see how you stack up.

- **1.** For every online order, I pay commission to a third-party marketplace like Grubhub, Postmates, or Uber Eats.
- **2.** When customers come to my restaurant's website, they cannot place an order online.
- **3.** My restaurant's website links to multiple ordering platforms like Grubhub, Postmates, or Uber Eats.
- **4.** I do not currently take advantage of my restaurant's customer data to boost loyalty and increase revenue.
- **5.** I do not actively promote my restaurant's online ordering to dine-in customers through print marketing.
- **6.** I don't regularly promote my restaurant's online ordering on my social media profiles or posts.
- **7.** I currently don't use email marketing to connect with customers and boost repeat order volume.



Don't worry if you've checked off one or more of these missteps—ChowNow makes it simple to do online ordering the right way. <u>Get in touch with our online</u> <u>ordering specialists</u> and start thriving.

Preston Owen and Marc Duchossois The Butcher & The Burger ChowNow Partners Since 2015