

2019 RESTAURANT CUSTOMER ENGAGEMENT TRENDS

Customers have an appetite for convenience...

They want a dining experience to be quick, easy and personalized just for them.

According to U.S. diners and executives, "ease of ordering and payment" is the most important factor in the dining experience.¹

Trend No. 1

MOBILE TECHNOLOGY DRIVES CONTACTLESS DINING EXPERIENCE

Mobile apps. Mobile ordering. Mobile wallet. With Dunkin' (Donuts) rolling out mobile voice-ordering via Google Assistant,² this is just one example of how brands are honoring their customers' preference to make little or no contact with employees. Contactless has become the name of the game.

82% of U.S. employees said they would buy meals more often from their workplace cafeteria if they could:

- a) mobile order ahead and
- b) pick up their order from a "dedicated service point."

52% would do it every time.³



Trend No. 2

MULTICHANNEL OPTIONS IMPROVE LOYALTY PROGRAM ENGAGEMENT

Domino's and Starbucks realize loyalty programs should be seamless. The pizza chain's loyalty points can be earned on every channel available and even with the competition. Through their rewards app, the coffee giant enables customers to check and reload their loyalty card via website, in-store or mobile app with updates seen in real time.⁵

Nearly **70%** of U.S. Internet users participate in one to five loyalty programs.⁴

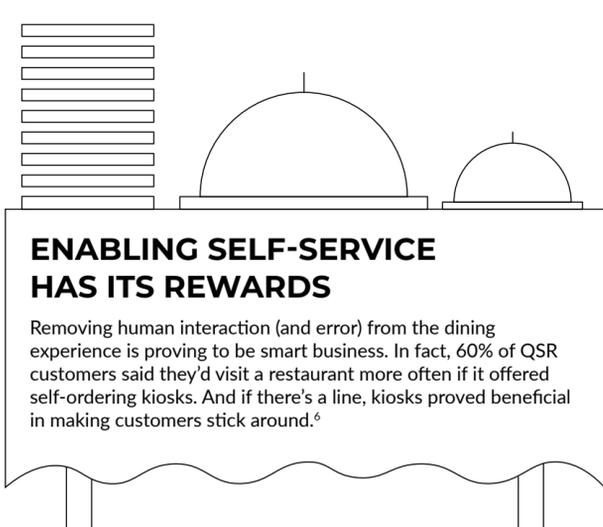
Trend No. 3

ENABLING SELF-SERVICE HAS ITS REWARDS

Removing human interaction (and error) from the dining experience is proving to be smart business. In fact, 60% of QSR customers said they'd visit a restaurant more often if it offered self-ordering kiosks. And if there's a line, kiosks proved beneficial in making customers stick around.⁶

"Kiosk customers come back more frequently."

— Mark Berinato, VP of Digital Experience, Panera Bread.⁷

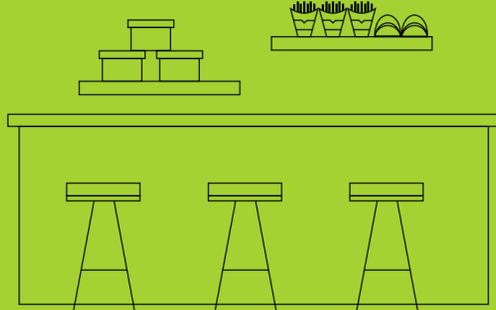


Trend No. 4

MENU BOARDS GET A DATA-DRIVEN MAKE-OVER

Research has shown bigger menus don't necessarily translate into better experiences and more sales. Data-driven menu boards gives QSRs more flexibility and confidence to showcase key higher-margin menu items when the opportunity presents itself (e.g., time of day/week, social media campaign coordination, regional trends/news, etc.).

80% of a restaurant's food sales come from only 16% of menu items.⁸



Menu boards can help reduce "perceived wait time by up to **35%**"⁹

Trend No. 5

EATERS' TASTES ENABLE MEANINGFUL PERSONALIZATION

Subway and Panera are making major inroads on how they leverage purchase behavior to better personalize their loyalty programs. Subway delivers a rewards experience that's random and customized specifically to an individual's tastes. Panera allows for in-app menu customization — reducing order times, increasing engagement all while enabling direct access to customer-driven preferences.¹⁰

49% of U.S. Internet users are interested in receiving personalized messaging from restaurants (and bars).¹¹

Trend No. 6

MAJOR BRANDS MAKE LONG-TERM COMMITMENT TO SUSTAINABLE PACKAGING

Major brands are taking major steps to address single-use food packaging waste. Wendy's "Squarely Sustainable" approach includes using "better and seek(ing) certified sustainable materials where possible."¹² By 2025, KFC and McDonald's have committed to consumer-facing packaging that's recoverable or reusable.^{13,14}

48% of U.S. consumers express a willingness to change their consumption habits to reduce their impact on the environment.¹⁵

Trend No. 7

PHOTO-FIRST SOCIAL MEDIA PLATFORMS RESONATE WITH KEY DEMOGRAPHICS

Facebook (and Twitter) are finding ground where it matters most. Among 12-34 year olds in the last year, usage dropped a sizeable 15%.¹⁶ What's not slipping? Photo-driven social media platforms. The big three — Instagram, Pinterest and Snapchat — were the only social platforms to see popularity growth in 2018.¹⁷

73% of teens agree Instagram is the best way for brands to communicate to them about new products and promotions.¹⁸

"Instagram and food are kind of made for each other — I would say it's the perfect platform for food."

— Todd Smith, CMO, Sonic¹⁹

TODAY'S SPECIAL: DIGITALLY-EMPOWERED CUSTOMERS

Whatever your message, channel or type of communications, RRD connects your brand to your audience. Our work spans entire campaign life cycles, with individual capabilities to support specific projects or phases.

Have an appetite for engaging interactive experiences?

Learn more about our solutions for every communication need

Visit:

www.rrd.com/restaurant-solutions/

SOURCES

1. Boston Retail Partners, July 2018, "Restaurant Digital Crossroads: The Race to Meet Guest Expectations";
2. The Verge, March 2018, "Google Assistant Now Supports Dunkin' Donuts Mobile Ordering";
3. Omnico and The Caterer, January 2019, "Survey: Preorder Could Mean Huge B&I Meal Purchase Increases";
4. CrowdTwist, July 2018, "Loyalty Research Report: Engaging Consumers in an Age of Increasing Brand Distrust";
5. PostFunnel, June 2018, "Top 5 Most Innovative Food and Beverage Digital Loyalty Programs";
6. Tillster, March 2018, "Study: Kiosks Offered to Reduce Wait Times in Quick Service";
7. Nation's Restaurant News, July 2018, "On Kiosks, Big Chains Exercise Caution";
8. QSR, October 2018, "The 2018 QSR Drive-Thru Study";
9. Nielsen, December 2018, "Was 2018 the Year of the Influential Sustainable Consumer?";
10. QSR, February 2019, "Wendy's Looks to Advance Sustainable Packaging";
11. QSR, January 2019, "KFC Pledges More Sustainable Packaging Worldwide";
12. QSR, January 2018, "McDonald's Renews Sustainable Packaging Goals";
13. Periscope by McKinsey, April 2018, "On the Menu: Personalized Messaging";
14. PostFunnel, June 2018, "Top 5 Most Innovative Food and Beverage Digital Loyalty Programs";
15. Lavi Industries, January 2019, "5 Tech Trends Impacting Quick-Serves in 2019";
16. Upserve, April 2017, "Why We Might Be Saying Goodbye to Elaborate Restaurant Menus";
17. Convince & Convert, "6 Unexpected Trends in 2018 Social Media Research";
18. Business Insider, April 2016, "RANKED: The 10 best fast-food chains on Instagram";
19. Piper Jaffray, April 2019, "Taking Stock with Teens: Spring 2019"