Increase Your Order Volume & Restaurant Efficiency in 2023







Running a restaurant is never an easy job, especially in a world where more and more consumers are turning to their smartphones and third-party apps to order their favorite meals. The increase in delivery orders has been exponential over the past few years. According to a recent study by Gloria Food, 86% of Americans order food to their doors at least once per month. In 2021, a year in which many restaurants were forced to shut down as a result of the COVID-19 pandemic, another 68% of surveyed Americans said they were more likely to order takeout. Between the heavyweights of Uber Eats, Grubhub, DoorDash, and Google, millions of Americans have active third-party ordering accounts. Uber Eats alone has over 81 million users worldwide and recently surpassed the \$50 billion mark for gross bookings. Each month, people will collectively turn to "food near me" searches billions of times to look for a new restaurant to try while they are at home or on the go. It's a search tactic that has become second nature for a large part of consumers. If your restaurant is not leveraging the right technology, you may be missing out on a large number of sales.

So, while the rise in technology can be great for restaurant owners in terms of overall sales, it can also lead to confusion and chaos in the kitchen. Without a partner that truly takes the time to understand your business and its challenges, the world of digital ordering could become impossible to navigate. That is where Chowly is making a difference. In this piece, we'll discuss some of today's top trends and challenges in the restaurant industry and why Chowly is the right partner to take your restaurant's third-party ordering to the next level while increasing restaurant food delivery sales and orders and providing your customers with the best experience possible.



86% of Americans order food to their doors

billion times, people will collectively use the "near me" search

81 million Uber Eats users worldwide





A Labor Shortage Like No Other

If you're a restaurant owner, chances are you've had struggles keeping a full staff at some point over the past few years. Across the U.S.—and the world—there has been a mass exodus of employees from service industry jobs, which has made the task of running a successful operation all the more daunting. But what caused the restaurant labor and staffing shortage to become such a widespread issue so quickly?

Unfavorable Working Conditions

According to a <u>recent story from NPR</u>, employees left the restaurant industry at a record rate. A big part of this was the conditions they faced for large parts of the work week. Whether it was long hours in the kitchen, low pay in certain cases, or the inevitable rude customers, the decision to leave the service industry was an easy one for a good number of those who took part in the "Great Resignation."

The average pay for nonmanagers at restaurants only recently hit \$15 per hour and the lack of benefits left many scrambling to find new positions as COVID-19 began to sweep across the country.

COVID-19 and the "Great Resignation"

One of the eeriest effects of COVID-19 was that so much of the restaurant industry seemed to come to a complete standstill. In many parts of the country, customers could only turn to takeout or grocery stores, meaning the dine-in atmospheres so many had been accustomed to were essentially dead. For chefs, servers, bartenders, and more, the rare quiet time provided a chance to take a breath and think about a potential career change. It's not uncommon to find employees in the service industry with college degrees. For many, COVID-19 provided a chance to shift focus and start chasing the jobs they once dreamed of in school. So, how can restaurant owners navigate the restaurant labor shortage?





The Restaurant Labor Shortage: How Technology Can Help

While the easiest solution is always to take care of your staff, there is so much more that goes into overcoming the restaurant staffing shortages we're seeing today. The demand for cooks, for example, is expected to rise by nearly-6% over the next 10 years. As a result, it's crucial that you carefully analyze the salary and benefits you're offering to ensure it is competitive not only against other restaurants but other industries as well. Things like paid time off (PTO) and health care can go a long way in making employees feel appreciated in their workspace.

Technology is enjoying a newfound role in the restaurant industry as well. As struggles with staffing continue, the power of Chowly's solutions grows. Did you know that <u>digital sales now amount to 69% of a restaurant's business?</u> That's a tough number to comprehend in an industry where dining in used to be king.

POS integration with Chowly is revolutionizing the way restaurants increase delivery orders and sales. There are many benefits to streamlining your restaurant's approach to digital ordering, including greater operational efficiency and increased restaurant food delivery sales.





Labor Costs Will Be Reduced

What do you do if you're a restaurant owner struggling to find employees to manually enter third-party orders into your POS from their respective marketplace app tablet? Eliminate the position or use your budget to try and find more kitchen staff. With the right technology solution, you'll no longer struggle with your POS (point-of-sale). Online orders will head straight to your kitchen, saving you both time and money. At \$15 per hour and 40 hours per week, you'll save your restaurant over \$30,000 in wages that would have been spent to hire a front-of-house employee.

Order Accuracy Will Improve

Another big benefit of POS integration is the elimination of order errors. This is a win-win for both the restaurant and its customers. By reducing the risk of human error, your restaurant food delivery sales could increase over time as you attract more happy customers. Efficiency and precision are key to maintaining a consistent business. With customer refund rates through third-party ordering apps as high as 9%, improving your order accuracy has never been more important.

Your Restaurant Could See an Increase in Order Volume

Restaurants of all sizes can benefit in a big way from technology. Chowly is partnered with over 150 digital ordering platforms, including Uber Eats, DoorDash, Grubhub, and even location-specific apps, such as EatStreet and Bite Squad. In addition, our partnership with Google allows your menu to be seen by more people who use the search engine to find their next meals.

Customers are enjoying a much more comprehensive selection of online ordering platforms these days, so you want to make sure your restaurant is ready to capitalize on the increased delivery order potential.

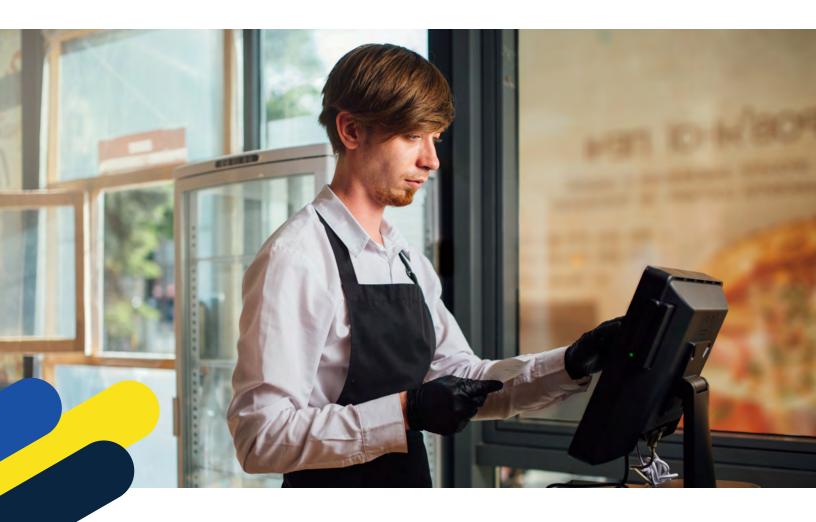


Eliminating Friction with Your POS

Tablet chaos is something most restaurant owners have faced at some point in their careers. With the number of third-party ordering services on the rise, it's unfortunately too easy to become overwhelmed. With Chowly, though, your restaurant will enjoy a more streamlined approach to third-party ordering.

12,000+
restaurants across the country trust Chowly

No matter where customers are searching for their food, they'll be able to find your restaurant. And through restaurant delivery order integration, easy-to-use menu management, and our restaurant control center, you can customize the way your customers interact with your business. Chowly is trusted by over 12,000 restaurants across the country. Below are just a couple of the many restaurants we've helped tackle increased restaurant food delivery sales.







Dickey's Barbeque Pit

Certain Dickey's locations had as many as ten tablets to take in third-party orders, which naturally was a heavy burden on the franchisees. Dickey's needed a technology partner to help streamline their process and after implementing Chowly's integrations, Dickey's saw a 133.8% increase in average sales growth across all their locations and a 19.5% decrease in cancellation rates.

When orders are not confirmed quickly enough, they typically increase the cancellation rate. Chowly automates this process, however, to ensure that all orders from third-party platforms are properly entered and submitted to your restaurant's kitchen.

130% average sales growth from February to May

19.5% decrease in cancellation rates 450 locations launched in 90 days





Hawaiian Bros

When Hawaiian Bros decided it needed a technology partner in 2020, it had already launched its first third-party marketplace on DoorDash ahead of schedule because of the ongoing pandemic. The time employees spent accepting and then manually inputting orders from DoorDash started to take its toll.

After partnering with Chowly, Hawaiian Bros added marketplaces on Grubhub and Uber Eats and increased its overall order volume by 400% in only six months. By taking control of its digital ordering operations, Hawaiian Bros can effortlessly update menus online and stay organized across each of its third-party marketplaces. Gone are the days of tablet overload.

437%
increase in delivery order volume in the first six months with Chowly

384% increase in off-premise revenue in the first six months with Chowly

3000% growth in UberEats delivery revenue in 6 months





Making Data-Driven Decisions

Data's role in increasing restaurant food delivery sales continues to rise. You'll be running with one hand tied behind your back if you're not actively analyzing your restaurant's <u>performance data</u>. Data can help restaurants of any size plan better, <u>optimize menus</u>, and much more. The biggest benefit to using Chowly's data-backed integrations is that your restaurant can enjoy reduced costs over time. Are you spending too much money on POS employees? Does your menu's pricing need to be adjusted? These are just a couple of the questions that can be answered through careful data analysis.

Data can also help your restaurant increase revenue. In the state of Wisconsin, for example, a smaller ordering platform known as EatStreet does more than the juggernauts of Grubhub, DoorDash, and Uber Eats. Each of Chowly's more than 150 third-party ordering partners has more power than restaurant owners think, especially in certain regions. By analyzing where your restaurant could optimize sales, your overall profit margins could start to go up.

150+ digital ordering partners 12,000+ restaurants of all sizes

50+POS system integrations



The Future of Food Delivery

We've talked about overcoming labor shortages and how Chowly can help transform any restaurant's third-party ordering. Now, let's discuss some of the restaurant industry's top food delivery trends. From the power of technology to the ongoing issues of inflation and the supply chain, there is a lot for restaurant owners to navigate.

Third-Party Delivery

The hypergrowth in third-party ordering solidified it as the future of food delivery. As tech giants like Google and Uber continue to expand their reach, your restaurant will most likely not be competitive in today's market without some form of digital ordering. With Chowly, you can ensure your restaurant will be prepared to handle the influx of online orders you receive through third parties.

The Spending Power of Millennials

Over the past couple of years, the role that millennials are playing in increased delivery orders is key. Compared to generations past, millennials are spending a lot more money on prepared meals and delivery services than ever before. For this consumer base, nothing is more important than accuracy and convenience. As your restaurant decides how to meet the demands of a new generation through third-party ordering, take into consideration how important your menu and customer journey will be.





Convenience is King

Why would someone choose to stay at home and enjoy their favorite meal instead of going out to eat it at a restaurant? They no longer have to. As more and more restaurants begin to serve their menus through online ordering platforms, it's becoming easier and easier for consumers to skip the step of dressing up and going out.

Now, it is still important to maintain a welcoming atmosphere inside your restaurant, but being able to offer your customers a premium dining experience through third-party delivery is key to staying ahead of the competition in today's tech-driven age. In some cases, restaurant owners are abandoning the traditional brick-and-mortar design altogether.

Ghost Kitchens: A New Chapter in Dining

As inflation and supply chain issues complicate the restaurant industry, we're beginning to see more ghost kitchens appear in the market. So, how does a ghost kitchen work? In short, a ghost kitchen uses an increase in delivery orders to its advantage by only operating through virtual platforms, like a website and third-party apps. Chowly works with a number of these restaurants, including Umami Burger and The Cumin Bowl, and makes it easy to operate one of your own.

While these types of restaurants did exist in some form before the pandemic, they've exploded in size since. Virtual restaurants and ghost kitchens enable restaurant owners and operators to think bigger and grow their ROI. For your restaurant, this tactic could be the perfect match.



Contact Us to Learn More

Whether you're looking to simplify your restaurant's online ordering process, tackle some of the biggest challenges of the upcoming new year, or start your very own ghost kitchen, Chowly is a partner you can trust. Don't let yourself be overwhelmed by the complicated world of tablets and third-party ordering. Although there may be restaurant staffing shortages, technology can help you manage increased restaurant food delivery sales and eliminate the element of human error, leading to happier customers and higher profits.

Get started today with our 30-Day Risk-Free Trial and see firsthand how we can help you optimize your restaurant's POS and overall performance.

