

How Restaurants can use QSR Intelligence to Drive Sales

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BY SAAHIL

Quick service restaurants (QSR) are not only about delivering great food. They also have to overcome challenges like delivery, logistics, and affordable pricing, especially since covid-19 has staggered the entire industry. QSR intelligence helps restaurants get **real-time insight into their performance across food delivery apps**. With QSR intelligence, restaurants can identify the highest paying buyers across customer segments, demographics, and locations. Data-driven insights will help QSRs improve performance, decrease delivery time, optimize ad budget, and increase food quality – all with the goal to scale revenue and **increase orders through food apps**.

The global fast food and quick service restaurant market are expected to grow at a **CAGR of 5.1% from 2020 to 2027**. The QSR industry is rapidly growing to encompass the changing needs of customers. 60% of U.S. consumers order delivery or takeout once a week and online ordering is growing 300% faster than in-house dining. With QSR intelligence, restaurants can get insights into metrics that will drive their profitability by helping them to fine-tune menus, enhance customer interaction, improve advertisements, and adjust inventory.

Benefits of QSR Intelligence

Continuous in-depth analysis of restaurant statistical data will help companies spot trends and devise strategies to **improve sales via food apps**. Here are a few benefits of QSR intelligence:



a. Improve estimates & minimize wait times

QSR intelligence can help with accurate sales forecasting. With big data, restaurants can track their popular dishes or combos for various meal times to minimize wait times and increase delivery speed. It can also inform restaurants about upcoming trends, especially during holidays and festivals. Keeping an eye for trends will play a significant role in maximizing efficiency during food preparation and ensuring accurate food delivery ETAs.

b. Location-based promotions

QSR intelligence allows restaurants to target customers based on their proximity to the restaurant. The food must be delivered at a particular time to the customers to enjoy the dish at the right temperature. QSRs can apply demographic intelligence to determine cancellation rates, delivery charges, and the proportion of demand and supply. These metrics will help QSRs to improve location-based promotions.

c. Increase ROI on deliveries

To increase return on investment through **food deliveries**, QSRs can track metrics like location-based promotions, various payment options, ratings, etc. Tracking these metrics will help QSRs offer accurate ETAs, improve operational efficiency, and personalize services, which will increase revenue. Restaurants will also be able to understand where they can adjust their profit margins to increase revenue while maintaining a cumulative level of success.

How to use QSR Intelligence

a. Assortment and availability

The more restaurants can understand what and how their customers eat, the better they will be prepared to service those demands throughout the day. For example, QSRs can calibrate the menu, ingredients availability, and kitchen preparation time depending on their customers' orders for lunch and dinner. This also helps optimize daily workflow, such as reorganizing staff to lower labor costs, optimizing the supply chain for ingredient delivery, and revamping the menu to offer better dishes. Another way to ensure your availability is to analyze your busiest hours and adjust the staff and delivery workforce accordingly. For example, if your customers tend to order more during breakfast, it's worth considering opening your restaurant a bit earlier.

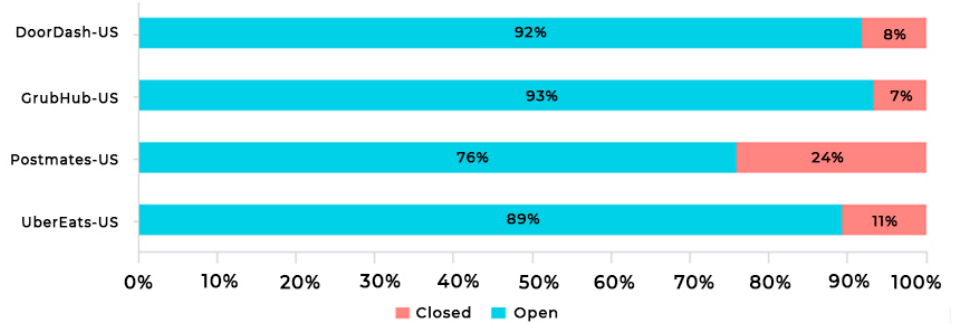
QSR availability across 4 Food Delivery apps

Overall

Availability
87.8%

Number of Locations Analyzed: 2,043

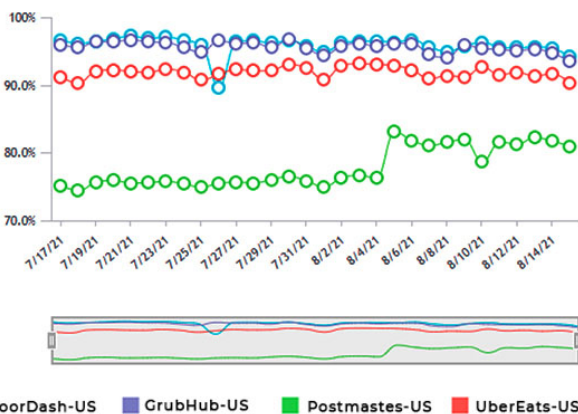
Availability score by platforms



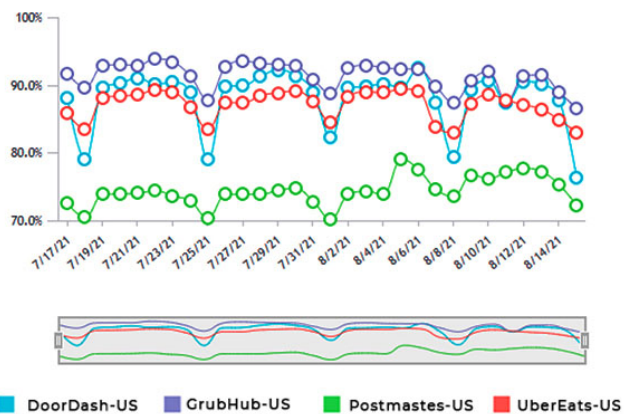
Availability across 4 QSR Food Delivery apps

Availability trend during peak hours - Lunch & Dinner

Availability Trend - Lunch



Availability Trend - Dinner



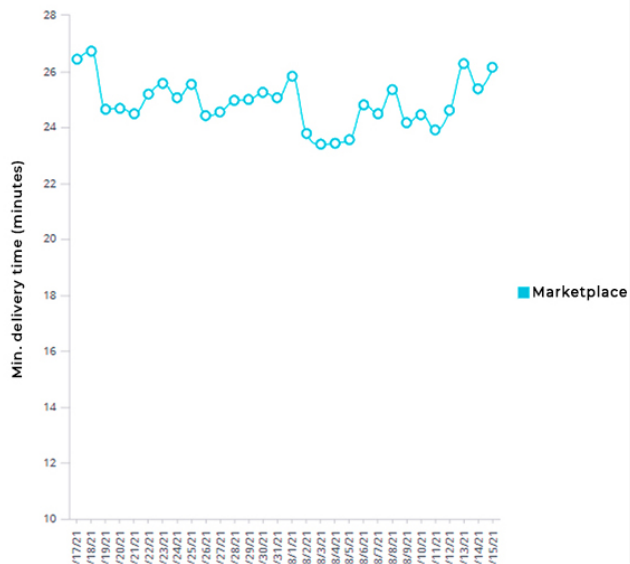
b. Delivery time

One of the most driving factors for the success of QSR is delivery time. Restaurants have to ensure the food is delivered as quickly as possible so customers can consume it at the right temperature. Data-driven insights can help restaurants track repeat addresses, find shortcuts or time-saving routes, and avoid unfamiliar or low delivery locations.

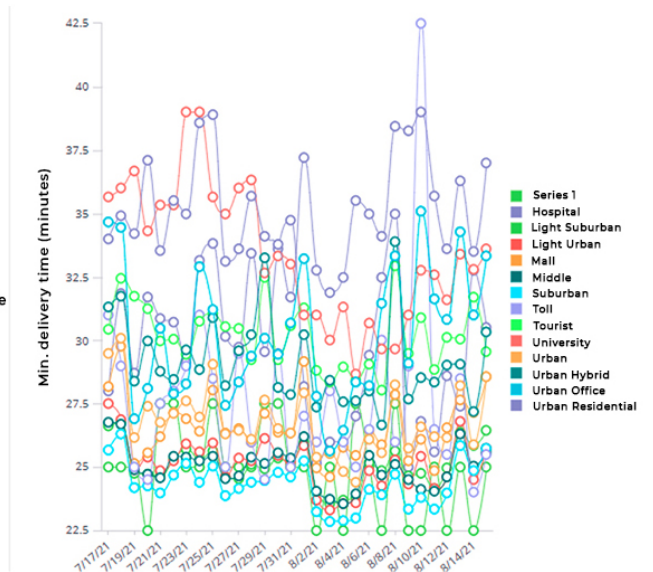
QSRs have to analyze the entire delivery process from time taken to order on the app, how quickly kitchens can prepare orders, hand over to delivery partners, and get them to the customers. An essential part of QSRs is throughput, the speed at which they can process and deliver orders. During peak hours like lunch and dinner, faster service and quick ETAs ensure that customers do not choose other restaurants. If you have different menus for breakfast and other meals, ensure that your foodservice app can remove such menus when they are not available.

Delivery Time Analysis

Minimum Delivery Time by Delivery Model



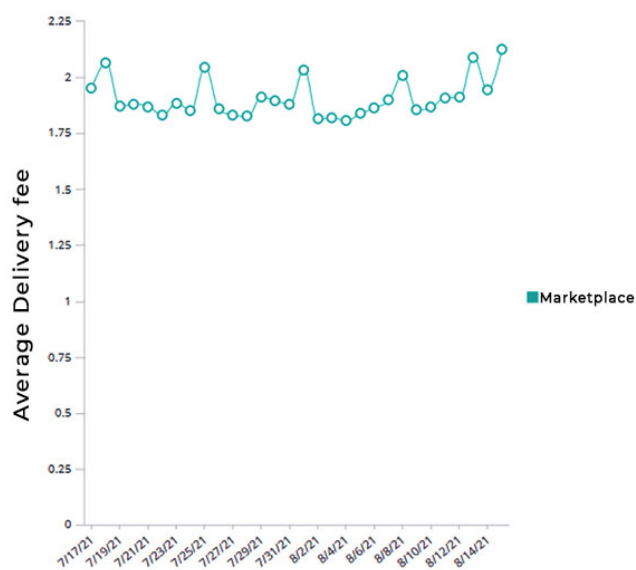
Delivery Time Trend by Urbanicity



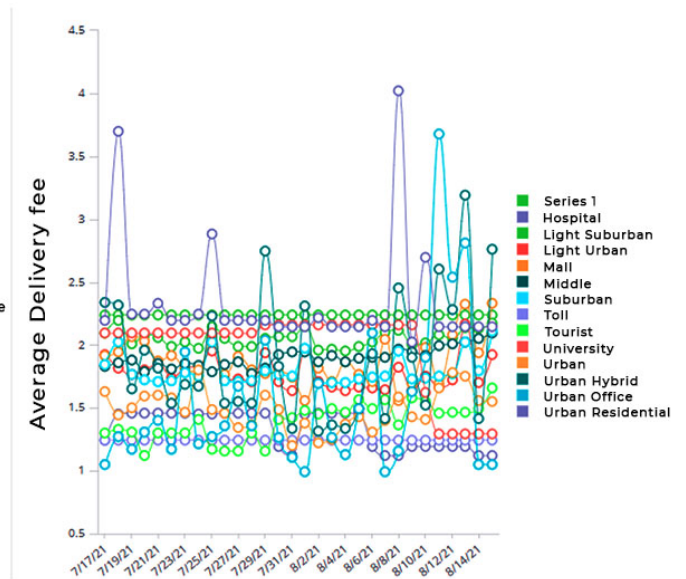
Delivery Time Analysis

Delivery Fee Analysis

Delivery Fee Trend by Delivery Model



Delivery Fee Trend by Urbanicity



c. Pricing and Promotions

QSRs have to understand customers' price sensitivity while determining delivery costs and ensuring profitability for the business and delivery partners. Customers might look for free deliveries but not adding delivery charges might lead to loss. A deep dive into common transaction data across the locations will allow restaurants to understand the price sensitivity of all customer segments, helping them make intelligent pricing decisions.

QSR intelligence can also help restaurants determine which delivery locations are most profitable. This helps to adjust the delivery radius, fee, and promotions. Restaurants can offer promo codes, coupons, referral codes, etc., to attract customers and encourage repeat purchases.

d. Discoverability

Restaurants have to ensure that their dishes are on the first-page listing. With QSR intelligence on category analysis, keyword optimization, and competition analysis, restaurants can help their customers discover dishes. This also includes optimizing listings for pricing and rating and delivery fees and availability during peak times such as breakfast, lunch, and dinner.

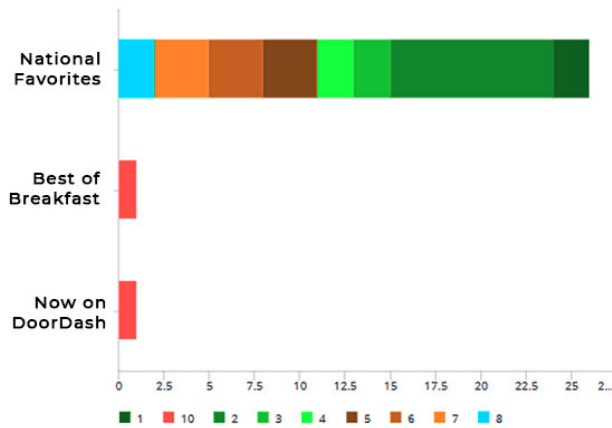
e. Advertisement Optimizer

QSRs can use data to optimize the advertisement budget and adequately improve return on investment. They can track the visibility of advertisement banners across locations and optimize them for different times of the day. Data analysis can also help restaurants understand which customer segments are more likely to convert to long-term loyalists. This data will help QSRs design personalized campaigns and align advertisement budgets while converting them to long-term customers, further improving the bottom line.

Plan Ad spends by identifying carousels with the highest visibility

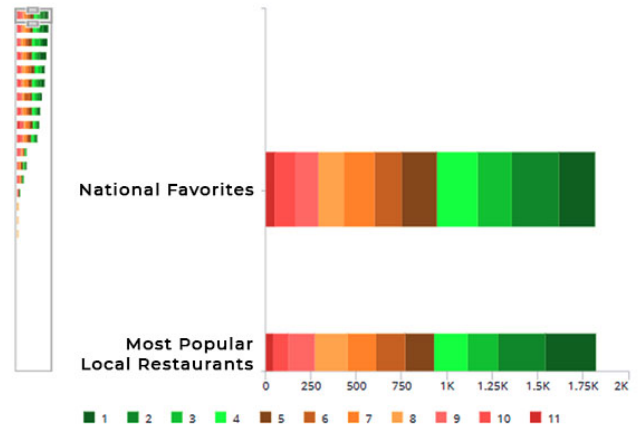
Carousel Analysis

Your Presence



Check your presence by Carousel and Carousel position here.

All Carousels



Identify Unique banners across the selected platform along with the break-up by Carousel Position.

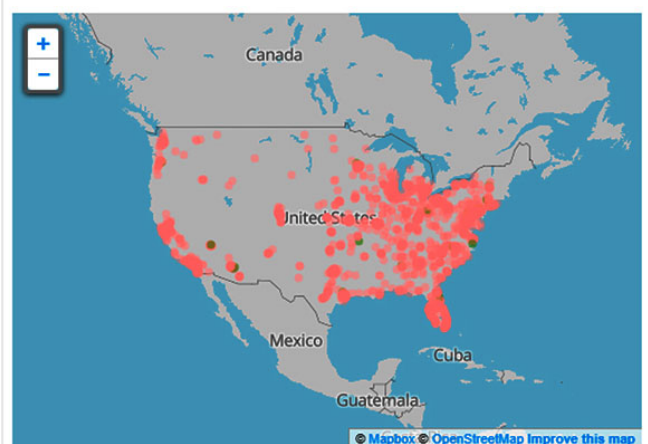
Ad spends by identifying carousels with the highest visibility

Track QSRs performance across Carousels across multiple zip codes

Your Presence by Carousel

Carousel Name	Number of Locations	Your Presence	Your Position in Carousel
Best of Breakfast	1	100.0%	5
Now on DoorDash	1	100.0%	4
National Favorites	26	100.0%	4

Your Presence by Zipcode



f. Growth & Expansion

Upselling and cross-selling are two popular tactics that improve growth for quick-service restaurants. However, that requires a rich understanding of customers' price sensitivity, preferences, and behavior. QSR intelligence can provide information about which upsell and cross-selling offers a customer segment is likely to value and which optimal channels for distributing the offer.

Conclusion

Quick service restaurants can track critical data points and use them to increase revenue and improve customer experience. Learning how to price, promote, and deliver food to customers during a pandemic can be challenging. QSR intelligence will help brands attract the right clientele, adjust inventory, reduce overall marketing costs, and increase order rates. This will also help increase customer loyalty across segments which can, in turn, **increase the number of returning customers and profitability.**

- **Saahil Sachdeva**

Saahil is leading strategic initiatives at Dataweave and works closely with clients in the QSR Domain. His expertise is in working hand in hand with restaurants and driving growth on food aggregator platforms. Saahil can be reached at saahil.sachdeva@dataweave.com, 3rd Mar, 2022

