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# Customer Acquisition Strategies For Restaurants

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How to get more customers online



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## Introduction

You can spend months researching tactics and strategies on how to get more business for your restaurant. You can pour your creative energy into the perfect Instagram shot, or one-off marketing events, but without a steady stream of customers over the long term, your restaurant will not be able to survive.

### **That's where the idea of 'customer acquisition' comes in.**

Instead of focusing on this-or-that marketing campaign, customer acquisition for restaurants focuses on the fundamentals of how food businesses can set-up a *repeatable* system that attracts and retains customers – particularly online.

This guide provides 6 key ways restaurants can use customer acquisition strategies to set up their business for success online – and avoid the dangers of short term thinking when it comes to marketing.

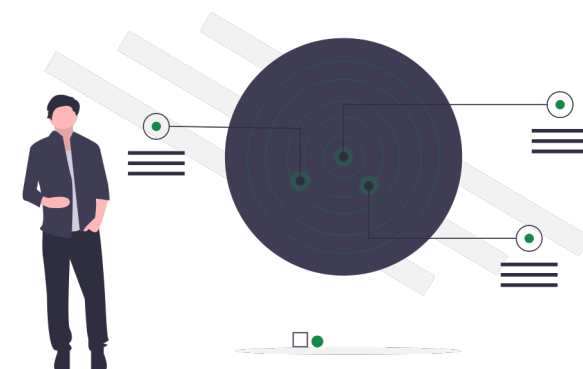
Ultimately marketing is about spending money to make money, and if you can't spend less than you make you won't last long.

Taking a customer acquisition approach to restaurant marketing sets you up for a sustainable way to grow customer numbers over the long term.

In this guide we'll show you how.

You'll learn:

- **How to be thoughtful on choosing the channels that work best for restaurants.**
- **The fundamentals of online reservations**
- **Ways to take immediate action**



## **6 Customer Acquisition Strategies for Restaurants**

### **1 Use your website to get more customers**

Reduce acquisition costs by getting customers to book through your website.

### **2 Find what drives the most incremental bookings**

Analyze which channels are most effective at getting new customers.

### **3 Understand short-term vs long-term customer acquisition**

Are you working to build a dependable flow of bookings?

### **4 Focus on Google as a direct revenue driver**

Today Google is the most powerful channel you may be not taking advantage of.

### **5 Improve your targeting for better results**

Targeting is difference between success and failure.

### **6 The Best Customers are Loyal Customers**

Any customer acquisition strategy should include encouraging repeat visits.

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## 1. Use Your Website to Get More Customers

From 3<sup>rd</sup> party reservation platforms to Google Business and social media, there are many options for acquiring customers online. However, the core of a successful strategy should focus on your website.

### Controlling your branding, message and data

As a restaurant you want to establish a connection with your guest. Whilst 3<sup>rd</sup> party platforms are great for information they don't really give you much in the way of branding options.

Your website is the best way of getting that message across and establishing that connection with your guests. In the world of online reviews, user generated content and social media, a strong website is one place you can effectively differentiate.

### The more direct reservations, the cheaper your acquisition costs

Direct reservations are any bookings made outside of 3<sup>rd</sup> party systems. With restaurants that's either over the phone or through your website. Phone bookings have been the bread and butter for restaurants for a long time, but online bookings are relatively new and can come with commission costs.

This means restaurants should have a solid online reservation strategy in place, and not simply rely on 3<sup>rd</sup> party platforms which charge commissions.

Using real-time reservation widgets in conjunction with your website is the 1<sup>st</sup> step in turning your website into a direct reservation powerhouse.

#### How to choose a reservation widget:

- Does it provide real time table availability?
- Can guests add preferences or special requests?
- Does it automatically import customer data?
- Is it easy to install and set-up?
- Is it mobile optimized?
- Does it send automatic guest confirmations?
- Can you add cancellation policies?
- Does offer PCI compliant credit card hold?





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## 2. Find What Drives the Most Incremental Bookings

The concept of incremental bookings underpins successful customer acquisition strategies for restaurants because it provides a way of understanding which channels are working best from a cost perspective.

Incremental bookings are defined as bookings that you generated on top of what you would have got anyway. Let's say you normally receive 10 bookings on a Friday night. If you execute a marketing strategy and receive 12 bookings then you've generated 2 incremental bookings from your marketing efforts. You can then compare the revenue generated from the 2 extra bookings with the cost of the marketing campaign to analyze the effectiveness of this channel.

In the previous section we talked about the importance of your website, but a true online reservation strategy should also consider other online channels like social media and yes, 3<sup>rd</sup> party reservation platforms.

## How to find the best sources for incremental bookings

Finding the best sources for incremental customers is done by looking closely at the results from each non-direct channel and comparing their impact on bookings.

### Social Media:

Instagram is a great marketing channel for restaurants but it also sucks up a lot of resources. Social media platforms now provide a way to put your booking links into your profile. With this in place you can assess the impact of your social media efforts.

Experiment with different types and amount social media posts and see if it materially impacts your bookings. You can then compare the revenue generated against the salary or costs of producing your social media content.

### 3<sup>rd</sup> Party Booking Platforms:

One of the main benefits of 3<sup>rd</sup> party platforms is their ability to drive incremental bookings. The math of 3<sup>rd</sup> party platforms is usually excellent for most restaurants and one of the most efficient ways of spending a marketing budget.

Take the number of covers generated from a 3<sup>rd</sup> party platform and calculate the revenue of these covers. Then divide revenue by the commission for those bookings and you'll get a Return on Investment (ROI) multiple from this channel.

**400 covers @ \$50 revenue per cover = \$20,000. At \$1.5 commission per cover = \$600 commission costs.  $\$20,000/\$600 = 33X$  ROI multiple.**

So in this example the 3<sup>rd</sup> party booking platform generated 33 times more revenue than was spent on marketing. Compare this to traditional advertising and you can see the power of these services. You can use this method to compare sources of incremental bookings and make informed decisions on your marketing spend.

### 3. Understand short-term vs long-term customer acquisition

Many restaurants use short term marketing strategies to generate customers. This may provide spikes in revenue but all too often business flattens again.

This results in cycle of short-term thinking, (and spending) which is not sustainable. Start considering how you can shift your customer acquisition strategies from short term to long term.

A short-term plan is one that you will eventually phase out to only a small % of your overall marketing budget.

#### Short Term

- Discounting
- Grand-opening events
- Online and offline advertising
- Free samples
- PR

#### Long Term

- Building social media following
- 'Reserve with Google'
- Investing in non-brand local SEO – ie people searching Google for terms like 'Best Thai Restaurant'
- Building a customer database

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## 4. Focus on Google as a Direct Revenue Driver

There has been a shift in consumer behavior around restaurant discovery in the last few years. Last year Skift named Google's dominance of local search one of its megatrends for 2019.

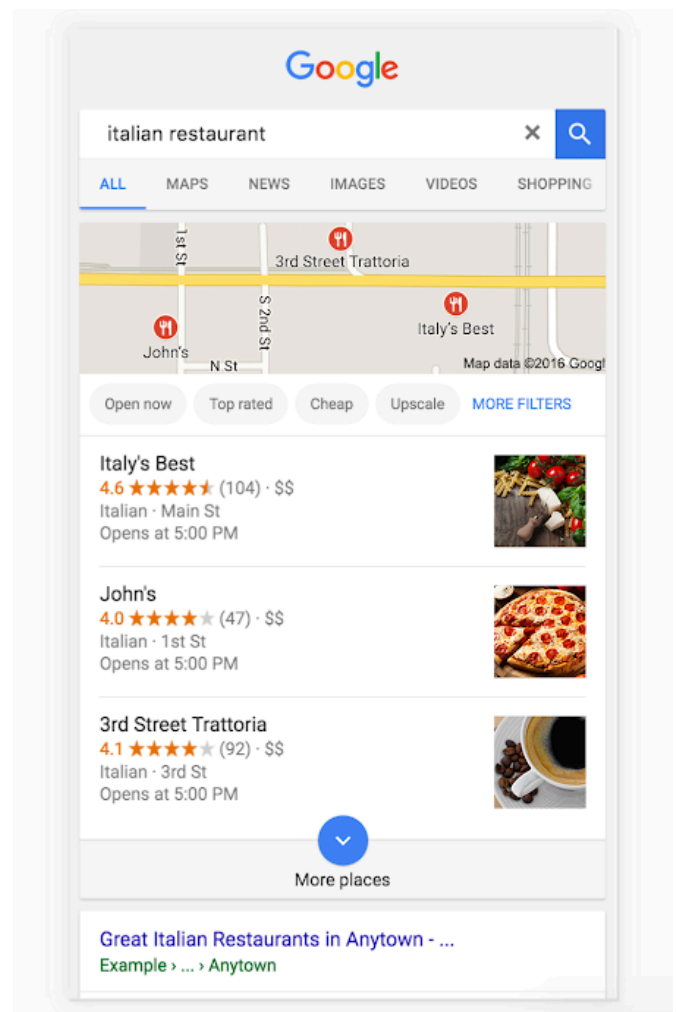
Restaurant owners and marketing managers must understand this new reality and do everything they can to capitalize.

*According to Think by Google, "people are at least twice as likely to use search than other online or offline sources ... Not only is search the most used resource, it's the resource 87% of people turn to first."*

Google owns two services which together are the most **powerful restaurant customer acquisition channel** to emerge in the past 5 years:

**Google Business – your Google restaurant profile that appears in search results**

**Google Maps – location-based search engine that recommends restaurants using GPS**





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## Reserve with Google

One of Google's most important features is 'Reserve with Google' – a feature that lets diners book directly at your restaurant without ever leaving the search results page.

It's the fastest way for customers to reserve a table online and with the amount people using Google search each month it's very quickly becoming the biggest source of non-direct reservations for restaurants.

### How to Optimize Google Business

- ☐ Follow best practices for setting up profile. Add hours, images, website links
- ☐ Maintain a high rating on Google Reviews. Google Maps shows top restaurants by reviews by default
- ☐ Turn and reply to customer messages
- ☐ Try little known features like posts and events

Restaurants with Reserve with Google see **between 15-30% increase** in online reservations.

### How to get Reserve with Google

Restaurants are not able to set-up Reserve with Google on their own. They must work with a reservation software provider that is an official partner of Google. Once they have set-up the reservation system, their provider can turn on Reserve with Google in minutes. [Talk us about Reserve with Google at your restaurant.](#)

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## 5. Better Targeting Brings Better Results

Targeting is about reaching the right person about the right time. Improving targeting often has the biggest impact on customer acquisition because you are not wasting money on reaching people who will never convert.

Some people think targeting is just about choosing audiences in Facebook Ads, and whilst this is part of it, targeting actually applies to all customer acquisition channels. In fact, for restaurants, Facebook Ads can often be a poor way to target your potential customers. Would you book a table at a restaurant whilst flicking through your feed at the grocery store?

Restaurants should consider the ways people discover and commit to visiting a restaurant. Often this will begin with a Google search. This means optimizing your web presence is extremely important. The good news is that compared to Facebook Ads, this can be done at a relatively low cost.

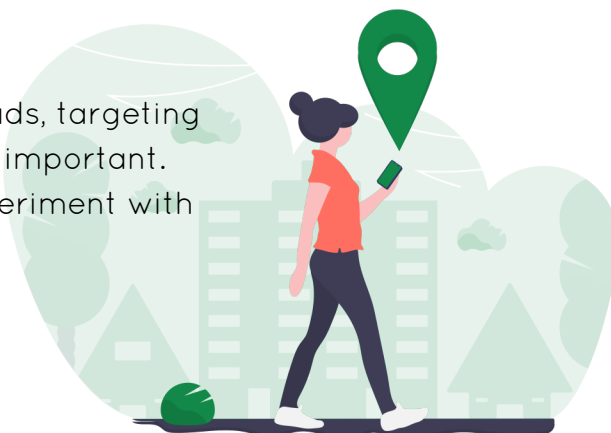
If you are running digital ads, targeting will of course also be very important. On Facebook you can experiment with

different types of 'interest' targeting but these audience options are often less targeted than you think. Don't just assume people with an interest in 'sushi' will come to your Japanese restaurant. There are almost always better ways to target people beyond the obvious categories.

On Facebook look at geo targeting and also time of day/week as important targeting options and also start investing in retargeting as an efficient ad strategy.

### **What's the message?**

Targeting is not just about channels, it's also about how you are delivering your message. Branding and communication are also a big part of effective targeting. By creating content, ads and messages targeted to your audience you are increasing the likelihood of attracting loyal customers.

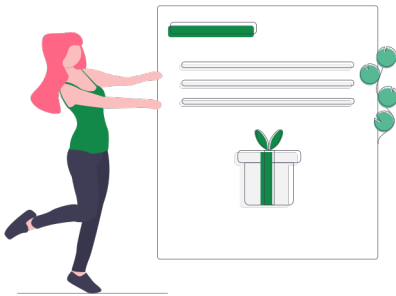


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## 6. The Best Customers are Loyal Customers

In the world of customer acquisition, “retention” is considered the gold standard. This is because across industries a repeat customer will spend more and also costs less in marketing spend. If you are only focused on getting new customers, instead of encouraging people to return, you likely have a customer acquisition cost that is higher than it should be.

Loyalty of course is related to the 1<sup>st</sup> experience but you shouldn't rely on this alone. Proactively putting in place customer retention strategies will compound any other customer acquisition activities.



### CRM Technology

Emailing people who have upcoming birthdays is one of the most powerful CRM strategies. But it doesn't stop there. Modern CRM systems allow you to segment and message your 1<sup>st</sup> time customers with offers and updates.



### Loyalty programs

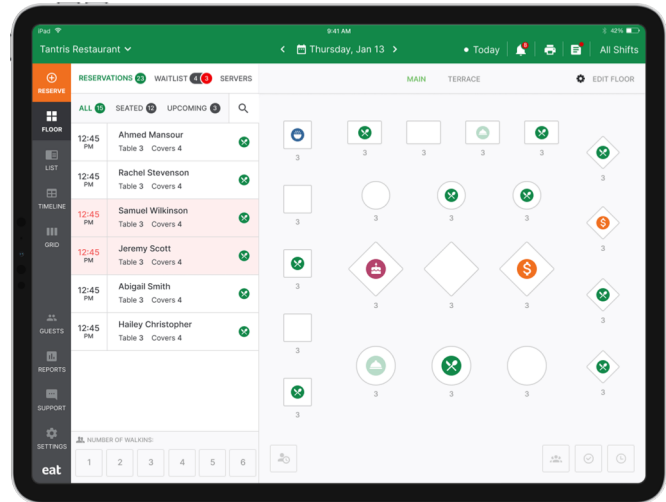
Official loyalty programs don't work for every restaurant type but for many they are great way to kickstart retention strategies. Even with the discount added, a good loyalty program will have a great customer acquisition cost.

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## ABOUT EAT APP

Eat App is reservation and guest management platform focused on helping restaurants unlock the power of data at their businesses.

We build tools and services that help restaurants increase their revenue and optimize their customer flow.



**WANT TO KNOW MORE ABOUT HOW WE HELP  
RESTAURANTS GET MORE CUSTOMERS?**

Email [sales@eatapp.co](mailto:sales@eatapp.co)

Or visit [restaurant.eatapp.co](https://restaurant.eatapp.co)