

# **Technology And The Modern Pizzeria:** Using Digital Tools To Grow Your Business





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According to recent National Restaurant Association <u>statistics</u>, four in five restaurant owners/ operators agree that restaurant technology helps increase sales, productivity and competitive differentiation. Yet 32% of those same owners/operators categorize their technology as "lagging," and a jarring 2% "don't know" how their technology ranks against competitors or in the larger digital landscape.

Where do you fall on the technology spectrum? Are you using it to your best advantage, or are you falling behind in an area critical to your pizzeria's success? To help you answer these questions with confidence, this eBook explores three emerging and evolving restaurant technologies — point of sale (POS) systems, digital menu boards and mobile apps — and what they mean to the future of the industry and your operation.



### POINT OF SALE (POS) SYSTEMS

As the name suggests, point of sale (POS) systems originated to simplify payment transactions for customers and operators. Today, POS systems have evolved to true point of service systems — meaning they're no longer limited to only processing sales. Advanced technology offers diverse opportunities for sustained growth, from enhancing the entire customer experience to streamlining business operations in several important ways:

#### **Inventory Management**

With the right POS system, a pizzeria can control and monitor inventory costs by actively tracking:

- Ingredient order dates and amounts
- Ingredient use throughout the week
- Raw ingredient freshness and rotation

This level of transparency not only informs future orders, it ensures you make the freshest pies possible while cutting down on waste. Your POS system can help measure sales trends as well as ingredient age and use.

#### 5 Common POS System Purchase Pitfalls

Buyer beware! A point of sale system can take your operation to the next level in efficiency and service, but to realize a consistent return on this considerable investment requires careful purchase consideration — and avoiding these common buying decision missteps:

- 1. Assuming any POS system will work for your pizzeria. Pizzeria offerings and customization options complicates ordering, inventory tracking and couponing. POS software designed for general restaurants often cannot efficiently handle these complexities.
- 2. Confusing "free" and "good" POS system software. No-cost software offered by credit card processors is alluring when pinching pennies, but the "free" POS system could lack features you need, costing you in time and frustration.



#### **Payments and Ordering**

A POS system designed for pizzerias is invaluable for:

- Easily processing custom pizza orders online and in-house
- Managing delivery orders (a boon considering pizza makes up nearly <u>60%</u> of the \$11 billion online food delivery market)
- Integrating <u>EMV compliant</u> chip-and-PIN technology that works with Apple Pay and chip cards

### **DIGITAL MENU BOARDS**

Even if you observe the "once a year update" rule, food costs, food trends, seasonal item rotation and other shifting variables make menus nearly obsolete by the time they're printed. Menus treated simply as food lists that don't accurately reflect your offerings represent time and money — you could have invested in more productive business activities.

• On the other hand, menus used as tools to drive traffic and build patron loyalty are central to business growth. Therefore, finding a fix for the information disconnect created by print lag time is in order. Digital menu boards are the answer.

Compared to its printed counterpart, a digital menu board:

**Cuts costs.** Operators often hesitate to make routine changes to printed menus because it can be expensive. While purchasing a digital menu board involves an initial outlay of cash, the investment is a fraction of what you'd pay for menu printing in the long term.

#### 5 Common POS System Purchase Pitfalls (continued)

- 3. Adding (and paying for) too many bells and whistles upfront. Don't convince yourself you need the high-end technology package right away. Instead, purchase a POS system that has core features, and add options on as your usage dictates to stretch your purchase dollar.
- 4. Thinking you can go it alone. Cobbling together a POS system and managing it on your own may save a buck, but it can end up being more trouble than it's worth. Purchasing a training and support package from your vendor is a true value.
- 5. Ignoring the after-sale relationship with the POS company. The sales rep may be great, but who works behind the scenes at the POS company to assist you after the sale? Be sure you know the client services relationship structure before signing on the dotted line to prevent unpleasant surprises.



**Reduces waste.** Replacing outdated printed menus with new ones creates an endless cycle of landfill fodder. Digital menu boards create no paper waste, and patrons will appreciate your eco-friendliness.

Saves time. Making modifications to printed menus or coordinating paper-based promotional materials is time-consuming and, if you have multiple locations, it's also a hassle. Making menu changes or adding promotions using digital menu boards is easy — just type the information into the software program and it appears instantaneously at one pizzeria or across all locations.

**Gets attention.** Even the most colorful menu can't compete with a large, brightly lit and well-designed digital sign that glows! Your featured pies and other menu items will look fantastic, your promotions will pop and your patrons are sure to notice.

**Builds your brand.** Digital menu boards are truly "Menu 2.0." Use the video capabilities to demonstrate the care you take in preparing your pies, engage patrons with trivia or games, announce promotions and events — the possibilities are endless! Plus, a digital menu board can double as a valuable training tool. Showing employees videotaped front- and back-of-the-house procedures helps reinforce best practices.

**Extends your hours.** A dynamic digital menu board can work for you even when your pizzeria is closed. Strategically positioning it so passers-by can see your enticing menu and plan a return visit is a cost-free way to drive traffic!

There are a number of good menu board manufacturers, and each offers slightly different features, capabilities and price points. You'll want to do your research to select one that suits your needs and can be accommodated in the space you have available. If space or budget won't allow a full installation, dine-in pizzeria operators could also consider introducing the digital menu board concept at the table with tablets that feature specials, promotions and mouth-watering food photographs that really seal the deal for upsells. On top of menu interactivity, tablets can be configured to accept electronic debit/credit card-pay — which makes for happy customers by eliminating check delivery delays during busy times, increased staff efficiencies and an opportunity to turn more tables quicker for better profitability.

#### What's A Digital Menu Board?

A digital menu board is a large monitor, similar to a flat screen television. It displays a custom menu you create using computer software and pre-designed templates. The electronic format allows you to make immediate updates to offerings, prices, descriptions, placement, photos, video, brand messaging, nutrition information, etc. — no printing required!

Digital menu boards have great potential for QSRs, take-n-bake operations and dine-in pizzerias where patrons order at the counter instead of tableside.



### **MOBILE APPS**

Looking at the success of national chains' mobile apps, you may be wondering if adding one to your digital lineup makes sense. The answer is "yes" for a number of reasons:

- Mobile apps can optimize order-taking time, inventory tracking and food costs. There are both standalone apps and those that integrate with your POS system. Those that integrate with your POS are ideal because customer orders get entered into your queue with little to no labor cost. They also provide immediate access to timely inventory updates whenever you need it, right to your wireless device. There's no time-consuming and often inaccurate physical counts or surprise shortages that require premium-priced purchases to rectify.
- Mobile apps make you accessible to patrons. The fact that <u>15%</u> of all pizza industry revenue comes from the three largest pizza chains' digital platforms alone should be reason enough for you to consider a mobile app. However, restaurants of all sizes that adopt mobile apps can reasonably expect to see impressive growth within one year. Patrons including yours want (and use) a quick, easy way to connect with their favorite pizzerias.



## But Mobile Apps Are Expensive, Aren't They?

Creating and maintaining a custom mobile app can come with a hefty price tag, but don't let that dissuade you from leveraging online options. There are cost-effective alternatives to custom app creation that meet your needs and budget

- App builders: Think of app builders as a plug-and-play solution. You choose the app builder service to work with, provide basic direction about the app template, content, branding and menu offerings, and the app builder handles development, coding and user experience usually for an all-inclusive price.
- Third party vendors: Services like <u>Slice</u>, <u>GrubHub</u> and <u>Seamless</u> are high-visibility online services that gather restaurant information, maintain it in a database and share it with users looking for new or favorite dining experiences. Users order through these third parties, and you're charged a flat fee (typically around \$2.00) per order. It's a budget-friendly way to connect with customers through technology without taking on the full online/mobile app responsibility.



• Mobile apps are direct marketing tools. Traditional marketing methods like radio, TV or print are scattershot approaches to connecting with potential customers. If the messages aren't targeted to them, it's easy to ignore. On the other hand, downloading and using a mobile app is a specific choice made by a person likely to pay attention to your news, events, promotions, etc. This gives you more bang for your marketing buck by actively engaging customers, and the app's presence on their device also passively reminds customers of who you are and what they do, keeping you top of mind when the urge to order pizza strikes. In fact, it's reported that 30% of online conversions are immediate, and a full 60% convert within an hour impressive numbers that suggest significant growth opportunities for your operation.

### CONCLUSION

As technology becomes a marketing staple for restaurants, taking advantage of it could mean significant gains for your pizzeria in the short- and long-term. However, if you keep pace with online best practices without doing the same with food trends and pie preparations, you may be limiting your growth.

#### But Mobile Apps Are Expensive, Aren't They? (continued)

 Mobile optimization: Don't overlook the inherent potential of your existing website. Optimizing it for mobile access that is, updating the site design, structure and page speed to account for different screen sizes and load times of mobile devices — is perhaps the most economical way to stay relevant online without a dedicated app. While an app provides a more direct route to a sale, people are increasingly using smartphones and tablets to search the Internet. If they don't have a user-friendly experience with your site, they'll move on quickly and ultimately take their business elsewhere.

<u>Contact the Alive & Kickin' Pizza Crust experts</u> today to discuss next steps in integrating technology with the best dough balls, pizza crusts and sauces in the business.





