HOW TO ADAPT YOUR BUSINESS:
Delivery Best Practices

Using third-party delivery apps will help you to gain exposure to a large customer base quickly, but it comes at a cost. And only using in-house delivery also has its challenges. About 1/3 of restaurants are using third-party apps more than ever since the start of the pandemic. However, the same number are also trying to use these outside delivery services as little as possible.[1]

Regardless of what you decide, providing your customer with the best experience is important for repeat business. Make sure to take care of the customer, no matter how it was delivered. Once you decide what's best for your business, use these best practices for providing the best service to your customers. CLICK HERE to review the pros and cons of each delivery method.

THIRD-PARTY PLATFORMS

Marketing: Even if you use third-party apps, converting customers to your online order and delivery system will improve your profitability over the long run.
- Use box toppers on every order communicating how to order direct and the benefits of doing so.
- Offer incentives to people who order direct, like an enhanced loyalty program.
- Promote your online order system via social media.
- Provide specials and bundles that are only available when ordering direct.
- You will gain new customers by using third-party platforms, so manage those additional expenses as part of your marketing budget.

Negotiating your contract with third-party suppliers:
- Use your signature items as bargaining power for attracting new customers to their platform.
- For restaurants with strong brand recognition, negotiate relationship pain points like driver error responsibility and differentiated pricing.
- Consider signing an exclusive contract with one supplier rather than using multiple services to lower your commission fees.
- Have an exit plan prepared before signing the contract.
- Do your research and select platforms that provide lower costs with services and benefits your restaurant may be missing.

Menu items:
- Place only higher profit items on third-party menus.
- Bundle items to increase the average check to ensure drivers are motivated to deliver for your restaurant – the higher the check, the bigger the tip.

Delivery Drivers:
- Provide a dedicated pick-up area for third-party drivers to keep their delivery times shorter.
- Make sure orders are ready for pick-up when drivers arrive. If they need to wait for an order, your restaurant may fall to the bottom of their list.
- Use third-party suppliers only during busy times to supplement your staff, not replace it.

POS Integration: If you use more than one app, consider partnering with a technology vendor to help you integrate those third-party delivery orders into your POS system.

IN-HOUSE DELIVERY

Marketing:
- Communicate your sanitation practices to assure customers that if they order direct from you their food will be compliant with all health requirements.
- Promote your restaurant on delivery vehicles with car wraps, magnets/decals and car toppers.
- Market your online ordering on every printed piece of marketing material – pizza boxes, gift cards, menus, t-shirts, hats, table tents, banners and box toppers.
- Keep your website and social platforms up to date with current menus, appealing photos of your food and promotions.
- Look into improving your SEO (search engine optimization) for online searches to get your name to the top of those searches. Use key words like "delivery," "curbside" and "pick-up."
- Own your online presence to ensure that your business information is accurate when potential customers are searching for a place to eat. To learn more, CLICK HERE.

Using your POS System:
- Ensure that your POS system is prepared to handle incoming orders from either your website or third-party apps.
- Use the customer data you collect in your POS to communicate specials and promote loyalty.

Delivery Drivers:
- Make sure all delivery drivers are thoroughly trained to represent your brand and to provide safe, fast delivery.
- Consider hiring delivery drivers as independent contractors who will work only for the delivery charge and tip and are not on your payroll.
- Form a delivery co-op with other restaurants in your neighborhood.
- Analyze the real costs of owning delivery vehicles vs. using driver owned vehicles. Both require wages and taxes for employing a driver, but there are differences that affect total cost.

Non-owned Vehicles	Owned Vehicles
Risk of vehicle break down is higher	Vehicle maintenance costs
Mileage costs paid to driver	Loan/lease payments
Non-owned auto insurance	Fuel costs
	Auto Insurance

CARRY-OUT

While delivery is extremely important these days, don't forget to continue to focus on pick-up, curbside or drive-through services. More consumers still prefer pick-up over delivery because it gets them out of the house, they feel there are fewer contact concerns and it's less expensive.[2]

VISIT GRANDECHEESE.COM/COVID-19-TOOLS
FOR MORE TOOLS AND INFORMATION

1 Datassential, Report 29: Operators Dig in, July 31, 2020
2 AlixPartners, July 2020