

Our methodology

In 2016, Deloitte surveyed 3,000 Millennial and approximately 1,500 general population high-frequency (2+ visits per week) guests who visited Quick Service Restaurant, Fast Casual, and Casual Dining locations. In a separate part of the same fact-finding process, we carried out over 20 interviews with restaurant industry executives to discuss their organizations' current and desired levels of digital technology strategy, adoption, and plans ahead. Finally, we hosted a roundtable discussion of restaurant industry trends at Deloitte University in Westlake, Texas.

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NEXT-GENERATION GUEST EXPERIENCE: WHAT DID CUSTOMERS SAY?

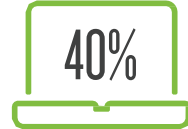


#1 FACTOR IS MENU

when selecting a restaurant for the first time...

...guests want the ability to

CUSTOMIZE THEIR ORDERS

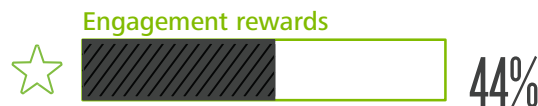


Prefer to **ORDER ONLINE** and when they do, spend **increases**

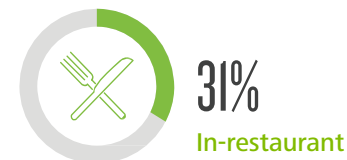
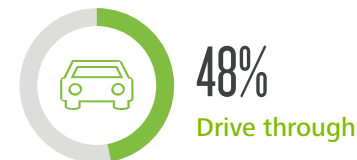


of respondents belong to

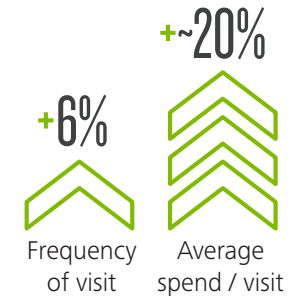
Loyalty members want:



Guests want to PAY BY PHONE



50% of those who do, want to **USE RESTAURANT APP**



Within a QSR, when **TECHNOLOGY IS USED TO PLACE ORDER...**

Respondents want PAYMENT FLEXIBILITY (e.g. splitting check)



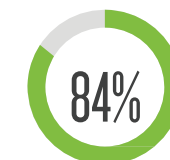
Drive through



Take-out



In-restaurant



return if restaurant **RESPONDS DIRECTLY** to their feedback



Tracking loyalty points is **A KEY FEATURE** users want on a restaurant app

NEXT-GENERATION GUEST EXPERIENCE: A FULLY INTEGRATED APPROACH



ENTICE

- Guest views restaurant websites to review menu, price, location
- Consults third party sites
- Selects a restaurant



ENTER

- Guest determines what to order / how to customize
- Places order online / on an app or in-restaurant



ENGAGE

- Guest determines how he / she would like to pay for meal
- Pays bill and may opt to split with friend



EXIT

- Guest waits for meal
- Looks for something to do to occupy him / herself



EXTEND

- Guest has finished meal
- Reviews new loyalty points
- Engages social media
- Provides feedback
- Determines if he / she will return



Restaurant capabilities for the next-generation guest experience

- Integrated menu, pricing & location (on app / website)
- Search engine optimization
- Third party collaboration (e.g., restaurant review sites)

- Menu customization
- Technology enabled personalization

- Digital ordering & paying (e.g., app, website, kiosk)
- Mobile & flexible payment options
- Data collection

- Wait time management platforms
- Experiential offerings during wait time

- Loyalty programs with customized offers
- Analytics & communication platforms
- Social

NEXT-GENERATION GUEST EXPERIENCE: TRENDS FOR EXECUTIVES



RESTAURANTS ARE FAST FOLLOWING WHERE RETAILERS HAVE GONE IN THE PAST DECADE

Many customers expect **seamless / engaging technology experiences**. Restaurants have had to respond to a customer's desire for an omni-channel experience.



WAR FOR TALENT

Many executives and digital leaders are moving and shifting. Required competencies, career paths, and incentives should be adjusted to **entice, galvanize, and reward** the talent that will make a difference.



I.T. HAS MORE GOING ON THAN EVER... ALL AT ONCE

I.T. has had to drastically expand capabilities (e.g., social, analytics, loyalty, cyber) in a race to win in the digital world. The right **capabilities and partners are critical**.



SETTING UP FROM THE EDGE

Some separation from the traditional business may drive more rapid **innovation and speed to market**.



BE CAREFUL WHAT YOU WISH FOR

With tech driving customer demand, restaurant leaders need to more cohesively consider restaurant operational impacts.



DIGITAL POSES NEW RISKS

Increased penetration to digital means **new risks** that restaurants may not be equipped to understand or address.



DIGITAL STRATEGY CAN'T BE DONE IN A VACUUM

It will likely require **new types of collaboration** between I.T. and other functions (e.g., marketing, training).



KNOW THYSELF

Not all technology solutions are **appropriate** across restaurant types or food types.