Real-Time Service Management Solutions For Restaurants:

2015 and Beyond

WHITEPAPER

Introduction

Real-time service management solutions have evolved to integrate new and existing technologies, such as: social media, email, SMS, mobile devices, QR codes and cloud servers. New technologies have made these solutions more relevant, easier to use and much less expensive.

There Are Seven Primary Objectives That A Service Management Solution Must Accomplish:

1. Allow customers to provide feedback via multiple channels
2. Notify proper management in real-time when negative feedback is received
3. Minimize negative online reviews
4. Make it easy for happy customers to share positive reviews on social media
5. Collect standardized service data for benchmarking
6. Constantly remind employees to exceed service standards
7. Be cost-effective with a valuable ROI

Social Media Creates A Great Sense Of Urgency To Satisfy Unhappy Customers As Soon As Possible

Because of the broad reach of social media and Online rating services like Yelp, unhappy customers have become more damaging than ever to restaurant owners.

A negative Online review may be viewed by hundreds of potential customers and has the potential to do damage for years.

Industry experts estimate that each negative Online review can cost thousands of dollars in damage to a restaurant and brand by discouraging new customers from visiting.

It is critical to resolve customer complaints fast, before they become negative Online reviews and result in lost customers.

The quicker that management is notified about an unhappy customer, the better chance they have of maintaining that customer's loyalty and avoiding a negative Online review.

An unfair negative online review can cost a business as much as:

$46,000 a year[1]

88% of consumers trust online reviews as much as personal recommendations[2]

A Service Management Solution *must do more than just accept complaints and compliments, it must be able to process standardized surveys for tracking service categories and promoter scores.*

Here Are Three Important Types Of Customer Feedback That Must Each Be Processed Uniquely:

1. **Positive Feedback** is when a customer provides near perfect scores to feedback questions. When this happens, your feedback service should automatically encourage and make it easy for the happy customer to share their positive feedback on social media.

2. **Negative Feedback** is when a customer provides low scores to service questions. Customers should be able to communicate their dissatisfaction to management via many channels, including: company site, social media sites, QR-code, etc. When negative feedback is received, proper management should be notified immediately. Unhappy customers can often be turned into happy customers if they get a quick response from a caring manager.

3. **Standardized Surveys** are not solely designed to act as a compliment or complaint line, but instead are meant to get feedback about specific categories (such as cleanliness, friendliness, new or existing menu items, NPS, etc). This survey data is useful for benchmarking and tracking service trends of individual locations, districts and regions. Survey invites are often sent to targeted customer groups via e-mail and on a consistent basis; such as monthly, quarterly or yearly.

Collecting Customer Feedback Is Only The Start.

Analyzing and reacting to feedback is how you build stronger customer loyalty and turn casual customers into promoters. All levels of management should have access to actionable service data in order to resolve incidents and track trends in service categories.

"A satisfied customer is the best business strategy of all"
—Michael LeBoeuf

Other Benefits Of A Service Management Solution:

1. **Motivated employees.** When employees are aware that customers can easily provide feedback at any time, they will deliver better service. Specific survey questions will impact employee performance. For example, questions like, "Did a manager stop by your table?" will cause your managers to stop by tables more frequently. You will be amazed at how quickly management visiting tables will dramatically increase when this becomes one of the survey questions.

2. **More E-mail addresses.** Customer feedback provides a unique opportunity to obtain customer e-mail addresses. Over 70% of people who submit feedback Online will usually opt-in to receive email announcements about special events and promotions.

3. **More Customer Suggestions.** A feedback service also provides an easy avenue to accept suggestions from your customers. Customer suggestions are very valuable since customers have a different insight than your employees, and may know better what the competition is doing.

Other Types Of Customer Feedback

Mystery Shoppers provide a different data set:

A mystery shopper can be useful and effective. A mystery shopper is a paid investigator that can visit a restaurant and get answers to specific questions at a point in time.

However, a mystery shopper is not a customer and, therefore, cannot provide feedback like a regular customer will. Mystery shoppers **do** deliver good information, but **do not** provide a communication line to management regarding what customers are truly feeling.

It is not an either-or situation with service management solutions and mystery shoppers. They can work together in a complimentary fashion.

On-Site Paper Feedback Forms Have Many Drawbacks:

1. **Because your staff** often has access to the completed feedback forms, poor surveys may not get submitted to the location manager, or possibly the manager does not share them with upper management.

2. **Customers are reluctant** to share a bad service experience because the server may see it while they are still in the building.

3. **Paper surveys** are picked up by customers to fill out later. However, customers often don't bother because it requires them to drop it off at the restaurant or go out of their way to mail it.

4. **Paper surveys** have to be read and manually entered into some form of a CRM.

5. **Often, by the time** the surveys are reviewed, it is too late to take meaningful action on individual customer situations.

When Evaluating Real–Time Service Management Solutions, Consider The Following:

- **Does it allow customers** to easily provide multiple types of feedback? Such as:
    - Compliments (easily shared on social media)
    - Complaints (immediate notification to management)

- **Standardized surveys** (for benchmarking)

- **Does it provide multiple methods** for customers to provide feedback; web, social, QR code, email invites, mobile, etc.?

- **Does it summarize** feedback data for different locations and employees, with reports that easily indicate strengths and weaknesses?

- **Does it generate** real-time email and online reports for all levels of hierarchy?

- **Does it process** and provide specific customer comments for individual locations and districts to take action on?

- **Does it have a pricing model** that meets your ROI?

This mini white-paper was researched and prepared by the University of Central Florida's *Venture Accelerator Lab*

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