

Calculating the ROI of Implementing Innovative QSR Technology

With the proliferation of real-time and accessible customer data and the quick-service restaurant (QSR) IT market set to touch \$6.22 billion by 2024¹, QSRs are finding themselves in a virtual arms race to innovate with technology to not only improve customer service and operational efficiency, but to increase revenue in an overly competitive space.



Driving revenue through engagement

Restaurant brands that rely on real-time data insights and seamless technology integrations can make more informed decisions, as well as implement uniform improvements across locations. Among fast-food restaurants, the frequency of customer visits increases by 6 percent and average spending per visit rises by about 20 percent when technology is used to place an order, according to a recent Deloitte survey.² Visits tend to increase because technology makes it easier to repeat an order instantly, and custom or upgraded items lead to increased sales.

Below we have outlined how implementing just a few technologies can bolster your top line and allow upper management to achieve positive ROI in just a couple years. By simply implementing intelligent self-ordering kiosks, enabling mobile ordering, embedding digital signage technology, and leveraging real-time analytics and contextual marketing, QSRs can generate an additional \$558,450 to \$772,700 per location each year. For a restaurant with 100 locations, the ROI from implementing these four technologies can be a whopping \$72,270,000 annually.



Intelligent self-ordering kiosks - allow customers to quickly and seamlessly order, pushing orders directly to the kitchen.



Mobile/online ordering - enable customers to order via mobile devices or online ordering, then simply pick up their food.



Digital signage at the drive thru - provide targeted, contextualized promotions to your drive thru guests to increase the average order size.



Real-time analytics & contextual marketing - completely understand your customers' in-restaurant behaviors to enhance your marketing efforts.

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¹ <http://www.digitaljournal.com/pr/3550244>

² <https://www2.deloitte.com/us/en/pages/about-deloitte/articles/press-releases/restaurant-of-the-future.html>

Technology	Sample Average Order Size	Sample Number of Orders Per Day	Percent Increase	Additional Revenue Realized
Intelligent self-ordering kiosks	\$15	200	Restaurants can turn tables 15-20% faster	\$164,250 – \$219,000
Mobile/online ordering	\$15	200	Consumers spend 26% more when ordering via mobile/online	\$284,700
Digital signage at the drive thru	\$15	200	Digital signage can increase sales 5%	\$54,750
Real-time analytics & contextual marketing	\$15	200	Personalization at scale can drive 5-15% revenue growth	\$54,750 – \$164,250



Intelligent self-ordering kiosks

Turn tables 15-20% faster during your busiest times using self-ordering kiosks and counter tablets to expedite orders directly to the kitchen, and allow guests to checkout quickly. If your average check size is \$15 and you are taking 200 orders, intelligent self-ordering kiosks and counter tablets could generate an additional \$164,250 to \$219,000 revenue per year per location.



Mobile/online ordering

A Deloitte study finds that 40 percent of frequent restaurant visitors prefer to order online and spend 26% more per online order at quick-service restaurants.³ Enabling online and mobile ordering can not only expedite kitchen orders more quickly, but assuming an average check size of \$15 and 200 orders daily, you could be generating an additional \$284,700 per year, per restaurant.



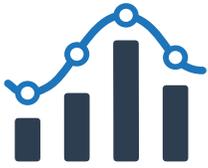
Digital signage and the drive thru

A recent Digital Signage Association report indicates that digital signage has the potential to increase sales by approximately 5% with most investments being paid back within 2 years.⁴ Furthermore, integrating digital signage, particularly when paired with real-time actionable insights, often correlates to more efficient operations. Digital signage enables QSRs to provide more complete menu options while simplifying the decision-making process for the consumer with interactive and rich content. This accelerates the time to order and pick-up meals and can increase operational efficiency. Assuming the same average check size of

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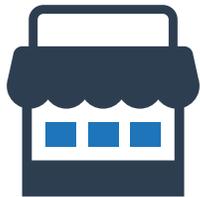
⁴ Digital Menu Boards and ROI report by DigitalSignageToday.com



\$15 and 200 daily orders, effective digital signage at your drive thru could be generating an additional \$54,750 per year.

QSR analytics & contextual marketing

Personalization at scale can drive between 5 and 15 percent revenue growth. By leveraging the power of real-time actionable insights and contextual marketing, quick-service restaurants can ensure they are serving the right message, to the right audience, at the right time. AI-rules engines delivered via interactive digital signage, for instance, provides opportunities for QSRs to deliver personalized meal suggestions that create an instant connection with the customer and reduce the need for time-consuming custom orders.



Omni-channel brand loyalty programs

While brand loyalty and engagement might seem like a soft metric in terms of ROI, the truth is that they have a very direct impact on a QSR's long-term sales performance. Building strong brand loyalty is especially important for QSRs who rely on a customer's lifetime value. In other words, every positive brand experience has the potential to yield future sales from the same customer. Conversely, negative brand experiences depreciate the customer's lifetime value. In addition to creating a positive experience, digital signage can integrate with omni-channel customer loyalty programs to enable QSRs to build positive long-term relationships.⁵

Research reveals that people who join loyalty programs visit restaurants 20% more often and spend 20% more than those who do not enroll in a loyalty program.⁶ Considering that the lifespan of a strong QSR customer relationship is approximately two years with 1.7 visits per month, the implementation of a loyalty program has the potential to make a substantial impact on customer retention as well as customer lifetime value.

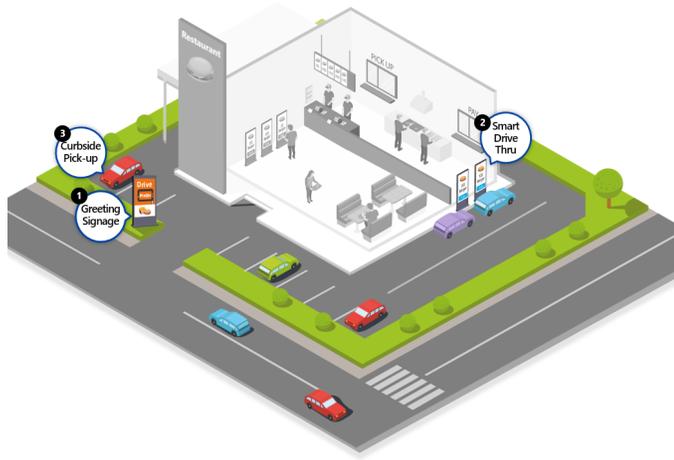
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⁵ <https://www.rewardsnetwork.com/blog/how-to-calculate-the-roi-of-your-restaurant-marketing-strategy/>

¹⁰ <https://www.qsrmagazine.com/sponsored/how-restaurants-can-maximize-revenue-loyalty-programs>

Ensure a faster, more convenient customer experience with Samsung SDS

The digital revolution encourages meaningful connections with customers, but the result brings added complexity and the need for rich dynamic content. Samsung SDS' quick service restaurant digitalization solution increases operational excellence by integrating reliable and dynamic content and device management.



Digital-first customer approach

Maximize convenience with a digital-first approach aligned to today's digital native consumer.



Data-driven in-restaurant experience

Enhance your customer experience with data such as purchase history, satisfaction, and other insights to make proactive business decisions.



Integrate technology and device management for managers

Manage the effectiveness of content with data that is collected through multiple consumer touch points, enabling future marketing.

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Samsung SDS America (SDSA) is the U.S. subsidiary of Samsung SDS, a \$9 billion global leader in digital transformation and innovation solutions. SDSA helps organizations optimize their productivity, make smarter business decisions, and improve their competitive positions in a hyper-connected economy using our enterprise software solutions for secure mobility, retail, DOOH, advanced analytics, and contextual marketing.

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