

COLUMNS

How beacon technology enhances the restaurant customer experience

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By **Hope Neiman**

Beacon technology has penetrated the retail industry and is set to revolutionize the restaurant industry, as we know it.

What exactly is beacon technology? They are low-powered, low-cost transmitters that can notify nearby mobile devices to perform a particular action when devices cross paths.

In a retail situation, think of beacon technology as a sensor that activates when mobile devices come close.

Because beacons use Bluetooth as well as GPS, they can help smartphones determine their precise indoor position and add value to the consumer experience through the device they are most likely to have their hands on at any given moment.

As with all technology, there will be different use cases for different industries and scenarios.

Food for thought

Restaurants will use the technology in a different way than retailers, engaging guests and increasing repeat visits.

However, the obvious benefit to using the technology is its ability to push out coupons and marketing messages.

Imagine you are deciding where to have lunch and all of a sudden your phone alerts you to an offer of two free sodas with the purchase of any entree at a nearby restaurant?

That kind of interaction might influence your decision to visit the restaurant.

This added value is critical as restaurants look to rise above their competition in a highly crowded space.

Beacon technology can also be leveraged to capitalize on consumer habits.

For example, a credit card network recently discovered that consumers frequently visit nearby gas stations before visiting a quick service restaurant.

With the information that a potential customer is using a nearby gas station, restaurant operators can send an offer or marketing message to the customer's smartphone, thereby pushing the restaurant brand name front-of-mind and into purchase consideration.

In addition to this type of customer interaction, there are also numerous operational efficiencies that restaurants will experience when using beacon technology.

Driving the point

One example is the drive-thru

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For QSRs, drive-thru serves as a major way for customers to receive their orders. But what if customers order ahead and decide at the last minute that they would like to eat inside instead?

Thanks to beacon technology arranged at the parking lot entrance, the customer can be prompted upon arrival with the question of whether he or she plans to eat inside or pick up the order at the drive-thru, so the decision can be made on the spot. This allows the staff to act accordingly, change gears if needed and have the order ready the way the customer likes it.

Beacon technology could also alert the staff that the customer is nearby and they should begin to prepare the order. This not only allows the restaurant to be quicker and more efficient, but also helps the customer get in and out faster than expected.

By leveraging beacon technology to increase consumer churn, restaurants can increase operational efficiencies. Additionally, in a fast casual or casual dining environment, beacons allow restaurants to deliver a more personable experience to their guests.

If a regular customer walks in, a new cashier can greet her by her first name and quickly ring up her regular order since the beacon is relaying this information to the POS. The customer enjoys the more personal experience and may even be able to pay with her phone via the beacon technology.

Although the technology is still relatively new, restaurants can reap many benefits by being early adopters in this area.

Beacon technology has already shown its potential to increase staff and operational efficiency while increasing customer satisfaction and loyalty.

Off the fence

To sum it up, features enabled by geofencing and Bluetooth beacon technology can include:

Marketing messaging: Product awareness, offers/coupons, inventory clearance

Surveying, customer support: Real-time feedback

Competitive targeting ("geo-conquesting"): Fence competitive or high-value locations

Behavioral analytics and segmentation: Visitation, competitive visitation, interests

Ordering

Contactless payment

Service messages: Wait times, table availability, nutritional information

Operational efficiency through service messages: Wait times, table availability, nutritional information

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