

# Reducing Restaurant Costs with Contactless Technology

The restaurant business is cutthroat, particularly in terms of economics. Even successful eateries often struggle to make ends meet, and new restaurants usually take several years before they turn a real profit. It's just a fact that the operating costs for most restaurants are high relative to their profits, [profit margin of under 10%](#) in 2019.

Because of this, many restaurant managers look for ways to reduce their costs. Although COVID-19 has thrown the entire economy for a loop, it has also resulted in one big development that restaurants can take advantage of to significantly cut costs while maintaining or even boosting profits: contactless technology.

Although many have dragged their feet to adopt such tech, contactless technology represents a turning point in the restaurant industry and can bring serious savings to any restaurant willing to adopt it in every way possible.

## Faster Service Means More Customers

One of the best ways contactless tech lowers restaurant costs is through providing faster service. Contactless dining pads, tablets, and other solutions now allow customers to place orders in less than 30 seconds. They're also able to view the menu without having to ask for a physical paper or laminated sheet.

Loyalty reward redemption, order customization, and restaurant feedback can all be accessed via contactless tech.

All this boils down to a faster service time that customers will enjoy and that restaurants can take advantage of. If a customer takes 15 minutes less to order, eat and leave a positive review, that's an additional 15 minutes the restaurant can devote to another customer in the same seat.

Add up all those minutes over time and it's easy to see how potential revenue can skyrocket, particularly for busy restaurants with lots of hungry customers.

Labor savings shouldn't be discounted as well. Since customers can now order their food independently through contactless tech, fewer servers are required to service the same number of people in a given restaurant. Businesses can decide whether they want to cut back on employees overall, shorten hours or use the extra employee time elsewhere— either way, it results in more savings for the restaurant itself.

Lastly, customers themselves are likely to appreciate this faster eating experience. With the exception of luxury eateries, most people are content to stop by, get their food, and leave in as timely a manner as possible. Contactless tech speeds up the restaurant experience and results in happier customers overall — said customers are more likely to return for another meal at a later date.

## Apps Offer Easy Advertising

Many restaurants making the most of contactless tech have also surged forward with mobile apps. These apps allow for easy advertising opportunities and can make customer engagement all the easier, particularly for digital marketers.

Now, instead of having to ask a server about the daily or weekly special, a customer's mobile app or the contactless tablet located on a table can provide the information in just moments. Even better, mobile app advertising allows restaurants to reach a potentially wider audience than ever before – no longer does someone have to walk by the restaurant window and see the sign for a daily special to become intrigued and decide to step in for a meal.

This will make marketing costs become a lot more affordable and every advertising dollar will yield more bang for the buck.

## Data and Development

Contactless tech allows restaurants to gather data about their customers. This doesn't necessarily mean a "big brother" style of monitoring – it just means restaurants can now learn more about their customers and in much less biased ways.

For instance, the same contactless tech that takes customer orders in just seconds can tell restaurant managers exactly which food items are ordered most commonly, when those food items were ordered, how people browse through the menu, which menu items are viewed less frequently, and so on.

All this can be done through a simple interface. The data gathered can be collected and analyzed as a whole for better business planning in the future.

As an example, a restaurant might put their desserts on the third page of their digital menu, only to find that dessert sales drop off a proverbial cliff. Careful analysis of the data might show that customers never make it that far, allowing managers to order an update to the software that places the dessert menu on a shortcut that customers see when they first open the contactless station itself.

All businesses are learning that data is key to curating a loyal customer base and making the most of every patron. The food industry can take advantage of data collection more than many others.

## Contactless Tech Means Lower Risk

At the end of the day, contactless technology really boils down to one final benefit: a lower risk for both company servers and customers. The COVID-19 pandemic exposed a reality of the food service industry: restaurants are inherent hotbeds for viral outbreaks.

Even with this risk, customers' desire to eat out at restaurants hasn't gone down. If anything, it's gone *up*. Contactless technology allows restaurants to maintain a lower level of risk in aggregate for any future outbreaks that might shake up the economy again.

If customers know that their favorite restaurant has contactless technology on hand to maintain some level of business, they'll be more likely to show up and offer their patronage in support.

The risk side of the equation matters for employees as well. With less risk of viral outbreaks taking hold in eateries and restaurants, food service companies will have fewer employees get sick and be forced to

take time off work. Closures will be less common, which always eat into profits. All in all, the lower risk threshold that contactless tech brings to the table is invaluable to both restaurants and customers.

## Conclusion

Ultimately, restaurants need to adapt to survive – this was true before coronavirus, but it's all the more necessary now. Fortunately, the new adoption of contactless technology has proven that great savings are possible and profit margins can become wider than ever anticipated.

Restaurants looking to survive this economic hurdle and any future outbreaks to come will want to cement their reliance on contactless tech, not phase it out in favor of the old way of doing things once things go back to normal.

If you're looking to enhance your guest experience while reducing the costs of running a hospitality-first restaurant, Bbot might be right for you. You can learn more about how Bbot can help your restaurant **here**.