Adyen for quick service and fast casual restaurants

Food — now powered by technology





Making sure diners come back hungry for more

Technology has transformed every facet of modern life, but fast casual dining and quick-service restaurants (QSRs) are a little late to the game. Businesses are now realizing that resisting new tech is no longer an option. According to a 451 Research study commissioned by Adyen, only 25% of QSRs have a formal digital strategy, compared to 51% of grocery chains and 51% of luxury retail stores. Still, fast food can make fast progress.

To survive and thrive in the digital era, restaurants know the quality of their technology is as important as their food in the race to keep customers engaged, happy, and coming back for more. In that same 2019 study, 70% of QSR executives said they had seen a rise in customer expectations.

Among the new demands? Improved checkout experiences, upgraded apps, and better location-based technologies to offer in-store coupons and product information. More than 60% of shoppers said the ability to pay for products or services through a messaging app would increase their likelihood to make purchases. And diners said a good loyalty program with rewards was by far the biggest reason to keep coming back to one quick-service restaurant versus another.



The three Cs

Bringing more tech to the table.

Consumers expect to be able to shop **how, when, and where** they want while dictating the terms of engagement.

2019 451 Research Study commissioned by Adyen.

Today, fast casual and quick-service restaurants are moving into the digital age at the insistence of connected consumers. Being surrounded by screens daily means tech is a touchpoint that businesses can (and must) take advantage of. Want to reach consumers wherever they are? The ubiquity of mobile phones and the power of contextual commerce means appealing to consumers on their preferred channel, whether that's social media, a connected device, or a third-party app. And what allows these channels to work seamlessly together is unified data, all made possible by a unified payments platform.

According to 451 Research, today's wired consumers increasingly want three things: convenience, context, and control. Those themes run through every purchasing

Convenience

The dining experience is fast, easy, and frictionless

Context

Diners receive personalized offers and can customize orders

Control

Diners can order and pay through their preferred channels

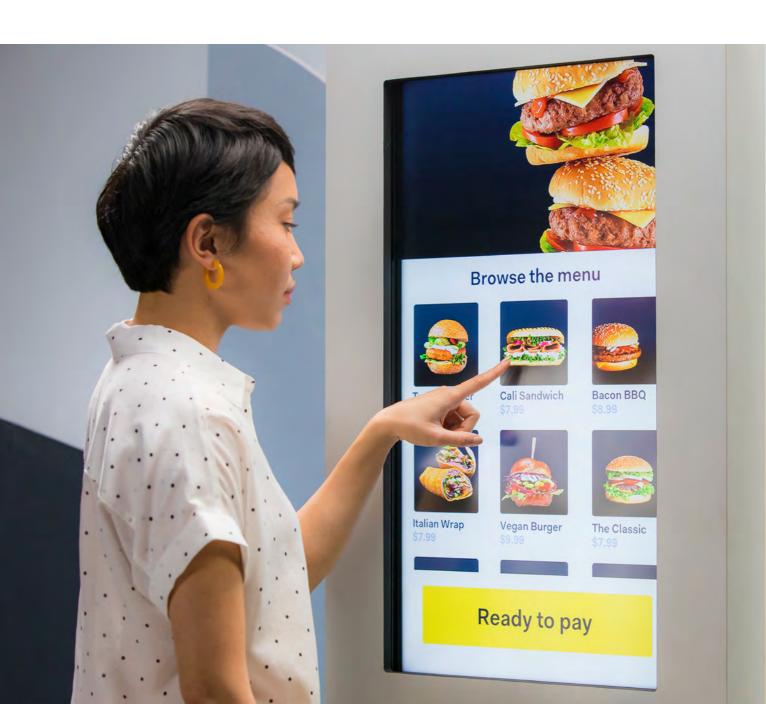
decision modern consumers make, from drive-throughs to online shopping to strolls through brick-and-mortar stores.

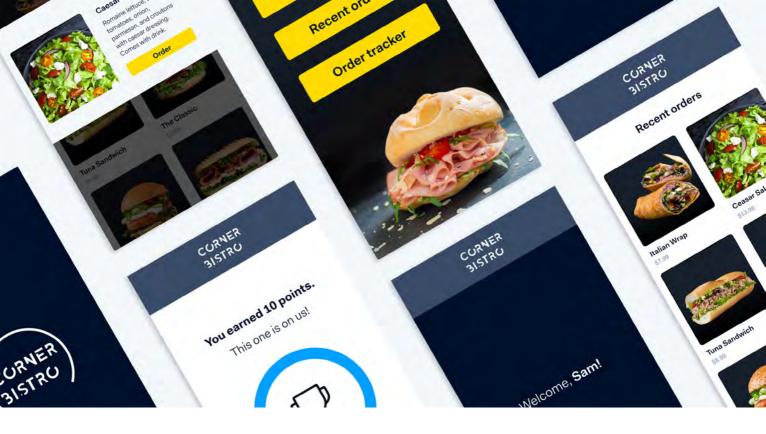
Convenience — a concept at the core of many businesses — is especially critical to a quick-service restaurant. From a consumer's point of view, convenience means the dining experience is fast, easy, and frictionless. Things that cause friction: waiting in long lines, poor social interactions with restaurant staff, a lack of payment options, or lack of crosschannel purchasing or pickup alternatives. Remove those obstacles, and you'll be serving happier meals indeed.

Then there's context. In this case, diners want to receive personalized and tailored information, such as loyalty points and coupons. They also want the ability to customize their order, pay with a stored card, or repeat their last order with the click of a button. While such features may seem small, they're increasingly important to consumers. In fact, they're critical to building a lasting relationship between brand and customer. When a company takes care to remember payment details and order history, the consumer not only has a smoother, faster experience but also understands that the company values their business and wants to save them time.

The last theme is control, meaning consumers want to buy products on their own terms. In fast and casual food

settings, that might mean the ability to order from a kiosk instead of a human, or entirely through an app. While older diners may prefer in-person interactions, younger, smartphone-loving diners often don't. And young or old, in-person food orders can trigger all sorts of insecurity and inhibitions. You want extra fries and two dollops of sour cream? A cashier may give you a judging glance, but a kiosk will not.





An appetite for online ordering

Technology has turned from a vertical into a horizontal. It permeates every part of our lives.

Business Insider Intelligence <u>predicts</u> that orders placed via smartphone and mobile apps will soon be worth \$38 billion, accounting for nearly 11% of quick-service restaurant sales by 2020. That's a whopping bite out of the burger and too much potential revenue for QSR owners to ignore.

For tech-savvy diners, it's no longer good enough to simply offer a dining room and a drive-up window. In a DMI Research study of some 2,500 diners, <u>63%</u> said they have at least one quick-service app on their phones. 73% said they've used a quick-service app inside the restaurant.

Today's consumers want a dizzying array of options for fetching food fast: mobile ordering, order ahead, in-app payments, tap and pay, kiosks, terminals, and mobile wallets. Want to order by voice or upgrade a meal via

device? Adyen is always up to date with new payment methods and new types of payment experiences, even contextual commerce — ordering while using social media or in the middle of other everyday activities.

Hungry consumers also want to pay with their preferred payment methods. Think you can keep things simple by accepting only credit and debit cards? Today's consumers want auto detection of language preferences, along with a wide range of local payment methods, from European direct debit to Chinese payment methods such as Alipay and WeChat Pay. The race to go high tech is heating up, and the competition is including more options to let customers pay exactly how they want. Adyen unifies the payments data behind all these offerings — the core ingredient to offering a seamless experience.

Keep it simple — and fast

Just like in retail, a unified commerce strategy is critical to quick-service restaurants. Unified commerce, also called omnichannel, means customers can move freely between purchasing channels, whether that's a laptop, a mobile phone, or a physical store. In a study by market research firm Forrester, commissioned by Adyen, a business using a single end-to-end payments platform can reap numerous benefits. Those include operational efficiencies, consolidated compliance and regulatory fees, and fewer processing fees and chargebacks. For an organization with approximately \$2 billion in revenue, Forrester estimated that using one platform means a cost savings of \$5.8 million over a three-year period.

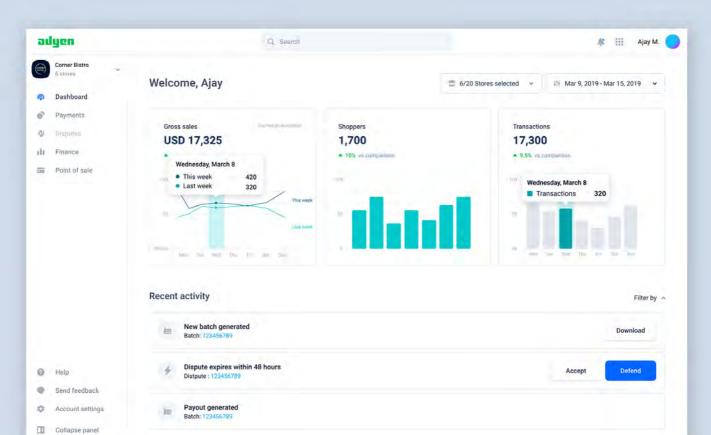
Using the only unified payments platform, Adyen, means your business gets simplified in a number of ways. It means managing fewer payment partners, spending less time

and effort negotiating contracts, and better managing reporting and reconciliation across geographies. Adyen brings simplicity and scalability through one standard integration — the same technology, terminals, and infrastructure applies no matter where you operate. This means you can offer your customers a consistent brand experience around the globe. With a platform like Adyen, CTOs and CFOs can spend less time hunting down data and sorting out payments problems and more time growing their business.

Because they can see all their data in one dashboard, they get new insights that can help drive engagement. Want to see how ecommerce orders compare to those placed in-store? Adyen lets you see which channel is driving the most profit for your business. You can also reward customers on the most profitable channels, and watch your bottom line soar.

Dine and dash-board

Adyen's Customer Area offers real-time insights in one dashboard.



Knowing your customers better comes with a bounty of benefits

The dashboard also lets executives manage terminals and troubleshoot more efficiently. Need to know how many terminals are online or off? Or sort by status? The dashboard lets you see it all in one place.

Our integration means you can link payment cards to loyalty and rewards programs. For customers, earning points is more convenient, and for businesses, it's another way to connect. That way, the relationship doesn't stop when someone leaves the store.

Because payment terminals are equipped with two-way communication, upsell is also easier. An Adyen payment terminal can make a limited-time offer — "Would you like to try our new sliders?" This frees up the employee to elevate the customer experience in other ways. You can also use a customer's profile to make personalized offers through the terminal. Want to know if someone was happy with their service? You can ask them through the terminal and get real-time feedback.



Flexibility for franchisees

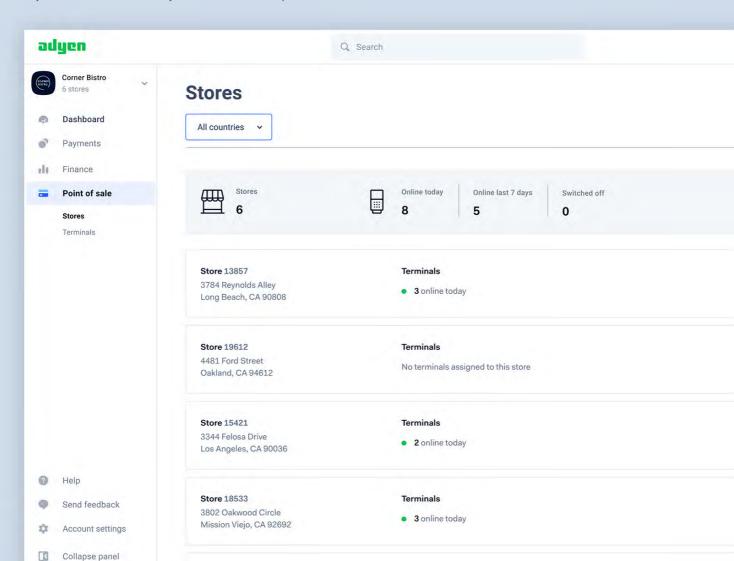
A unified back-end platform like Adyen is just as critical for restaurant franchisees. For one, Adyen Dashboard Essentials offers real-time insights and a place to see all transaction stats in one place, by store and in aggregate. Being able to see daily sales data in a dedicated homepage helps franchisees make more-strategic decisions about the business. Up-to-the-minute stats let you see and react to trends. On the dashboard, for example, franchisees can see data for settlements and payouts, and it gives a franchisee the ability to receive a full sales-day payout at once, from all payment types — which makes for more predictable cash flow.

It also simplifies ownership changes or new store additions and helps franchisees fight fraud and chargebacks.

Let's say, for example, you wanted to see why fraudulent payments seemed sky-high on a particular week. Adyen's dashboard lets you break down weekly sales numbers by payment method, store, and in aggregate across your business so you have better tools for chargeback defense.

Is this thing on?

Adyen's Dashboard Essentials lets you see all terminals in one place.



Fast food will only get faster

Having the right payments platform behind your quick-service restaurant gives you power.

Adyen not only gives you the knowledge you need to make better decisions about your business, but also lets you reach customers anywhere at anytime. Long after the customer leaves, being able to send a message via connected email means the relationship moves forward — and is tailored to your customer's habits and preferences.

With Adyen, opening stores in new countries now comes with fewer vendors, resulting in productivity gains. And a fully automated management system for each franchisee means corporate offices gain operational efficiencies across the board. Corporate decision-makers can speed up onboarding and get a single view of data across all channels and stores and geographies, including revenue by channel, franchise, and store level. Franchisees also have a dedicated digital dashboard and automated store

onboarding system. Adyen also makes it simpler to manage a change in franchise ownership and new store additions. It's easier to check the status of each payment terminal, order more terminals, or see how many are online or off.

With Adyen, you'll be better equipped to meet the needs of your customers. You'll spend less time connecting the dots in your data and more time improving the entire customer journey. Adyen's single payments platform is agile, fast, and future-proof. We're the payments power behind many of the world's largest internet companies, including Facebook, Spotify, and Uber. Adyen can accept new payment methods as fast as you can change your menu. In the coming years, technology — not food — will keep fast food fast and mean the difference between chains that thrive and those that don't.



Adyen is the payments power behind Facebook, Spotify, and Uber.

Its end-to-end platform helps you accept payments faster than you can change a menu.

About Adyen

Adyen is the payments platform of choice for the world's leading companies, providing a modern end-to-end infrastructure connecting directly to Visa, Mastercard, and consumers' globally preferred payment methods. Adyen delivers frictionless payments across online, mobile, and in-store channels.

With offices across the world, Adyen serves customers including Facebook, Uber, Spotify, H&M, Casper, Bonobos and L'Oréal.

We'd love to set up a call to discuss how we can help you reach your business goals. Visit <u>adven.com</u> to get started.

Request a demo