

NETZ DIGITAL AGENCY

Hospitality Industry Insights Report

2023

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Disclaimer

Why start now?

The statistics.



59% of diners research a restaurant online before deciding where to dine.

A website provides an opportunity to make a positive first impression and provide crucial information about the restaurant's menu, location, hours, and contact details. (study by Toast)



93% of consumers view menus online before choosing a restaurant.

Having an easily accessible and up-to-date menu on your website can significantly influence customers' decision-making process. (survey conducted by SinglePlatform)



80% of consumers agree that online ordering is more convenient compared to dining in.

Integrating online ordering functionality into a restaurant's website can attract customers looking for a hassle-free dining experience. (The National Restaurant Association)



86% of diners regularly check online reviews before choosing a restaurant.

A website allows restaurant owners to manage their online reputation and display positive reviews and testimonials, increasing trust and credibility among potential customers. (survey by OpenTable)



Of diners
regularly check
online reviews
before choosing
a restaurant.

86%

Most effective trends 2023.

Social Media Engagement: Build a strong social media presence and engage with your audience regularly. Encourage user-generated content, share enticing food photos, and run targeted promotions to drive customer engagement and increase brand visibility.

Influencer Partnerships: Collaborate with local influencers or food bloggers to showcase your restaurant and menu. Their authentic recommendations can significantly impact brand awareness and attract new customers to your establishment.

Video Content: Embrace the power of video marketing by creating engaging and visually appealing content. Share behind-the-scenes glimpses of your kitchen, chef interviews, recipe tutorials, or virtual tours of your restaurant to captivate your audience and create a lasting impression.

Online Ordering and Delivery: Streamline your online ordering process and offer convenient delivery options. Optimize your website and partner with popular food delivery platforms to reach a broader customer base and provide a seamless dining experience.

Personalized Email Marketing: Utilize email marketing campaigns to nurture relationships with your existing customers. Send personalized offers, exclusive promotions, and updates on new menu items or special events to keep them engaged and encourage repeat visits.

Most effective trends 2023.

User-Generated Content: Encourage customers to share their experiences by tagging your restaurant in their posts. Repost their content (with permission) to showcase social proof and build a sense of community. Offer incentives such as discounts or freebies for customers who share their photos and reviews.

Promotions and Contests: Run social media-exclusive promotions, giveaways, or contests to incentivize engagement and expand your reach. Encourage users to share, like, or tag friends to participate, increasing your visibility and attracting new customers.

Collaborate with Local Events: Participate in local events, festivals, or charity initiatives. Share your involvement on social media and encourage attendees to visit your restaurant. Collaborating with community events helps to build brand loyalty and demonstrates your commitment to the local area.

Social Media Advertising: Utilize targeted advertising campaigns on platforms like Facebook, Instagram, and Twitter to reach a broader audience. Leverage the platforms' advanced targeting options to ensure your ads reach the right demographics and locations.

Take Action.

There are 660,936 restaurants operating in the United States. **What are you doing to stand out in a crowd of 660,000?**

Budget

What should I budget for small restaurant marketing?

Determine how much of your overall operational costs you can devote to marketing before embarking on any projects.

While your specific marketing budget will vary depending on the location of your restaurant and the extent of your campaign, keep in mind that the average business spends between 3 and 10% of their sales on marketing.

ROI

How to calculate the ROI of my marketing campaign?

Example: You decide to run a social media marketing campaign promoting a Wednesday wing special for the month of January to get more bodies through the door. Come February, it's time to analyze the marketing campaign's performance. Here's what you'll need to do:

1. Calculate the total sales of any checks that included your Wednesday wing special.
2. Subtract your cost of goods sold, or COGS, to reveal your gross profit.
3. Deduct your marketing expenses to reveal your net profit.

$$\text{ROI} = (\text{Final value of investment} - \text{Initial value of investment}) / (\text{Cost of investment}) \times 100$$

Beware of vanity metrics.

Vanity metrics, as defined by Harvard Business Review, are "numbers that look good on paper but aren't action oriented."

Take care not to hang your hat on that 1,000-like Instagram post; if customers aren't flocking to sample your new superfood smoothie, the likes mean very little. **Metrics should be actionable, accessible, and auditable at all times.**



Last Nuggets.

- Increasing customer retention rates by 5% increases profits by **25% to 95%**.
- Websites were the most popular avenue for acquiring new customers.
- The most effective digital marketing tactic for customer retention is email marketing.

You can save time, ensure efficient execution, & benefit from the expertise of specialists.

1

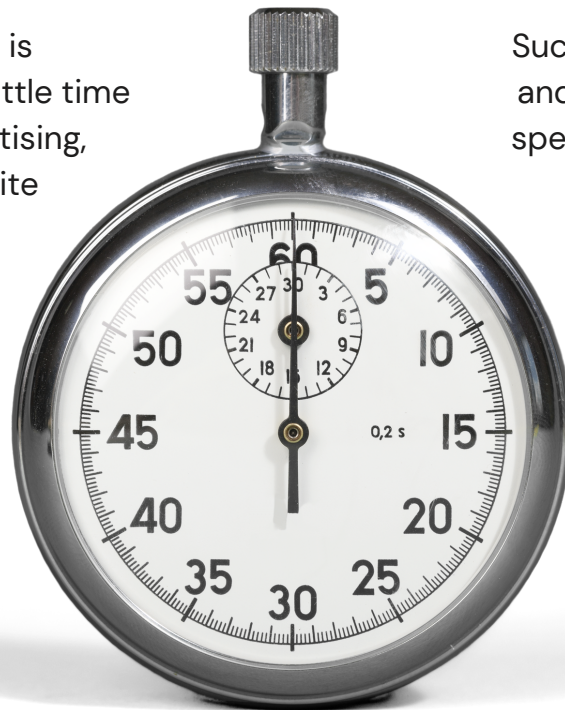
Time Constraints.

Running a restaurant is demanding, leaving little time to dedicate to advertising, marketing, and website management.

2

Lack of Expertise.

Successful advertising and marketing require specialized knowledge and skills. Without expertise in these areas, you will struggle.



3

Competitive Market.

The restaurant industry is highly competitive, with new establishments constantly emerging. Managing your own advertising and marketing may make it challenging to stand out from the competition and attract customers to your establishment.

4

Evolving Trends and Technology.

With new platforms, trends, and technologies emerging, keeping up with these changes while managing your restaurant can be overwhelming, potentially leading to missed opportunities for growth.

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