

Four Soft ROI Benefits of Digital Signage in the Restaurant Industry

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Digital signage can increase profits, but also it yields benefits that are more difficult to measure. Learn how digital signage can increase customer and employee satisfaction, improve efficiency and decrease waste.

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One of the vital factors of every business decision is the hard return on investment (ROI). How quickly will the investment break even? How much money will this purchase yield compared to how much it costs? What are the long-term profit projections?

Each investment decision also has implications that do not lend themselves easily to spreadsheets — soft ROI.

Soft ROI includes benefits that impact the bottom line by increasing business and/or increasing profits. The difference between hard ROI and soft ROI is that hard ROI may be measured by cause-results or by quantifying a dollar investment versus resulting profits. Soft ROI is more anecdotal in nature, rather than quantifiable, but not less important.

Efficiency

Restaurant managers have traditionally needed to carefully monitor the creation and delivery of signs, such as for menus or promotions. The menus were either



The ease of changing digital signage means upselling can be tailored to specific, real-time needs. And because it decreases perceived wait times, digital signage provides a more pleasant experience for both the customer and the employee.

delivered from corporate headquarters or printed locally, so a manager needed to ensure the signage arrived in time. The signs sometimes needed to be proofread carefully for spelling or message errors, and the manager needed to verify that the signs were associated with the correct promotions, rather than with expired ones. Finally, the manager needed to monitor

employees to be sure signs were updated as and when directed, to ensure compliance with promotions.

Digital signage relieves a manager of nearly all of these stressful distractions.

Because there are no printing or delivery concerns with regard to digital signage, a manager no longer needs to worry about accurate and timely delivery. The messaging, the layout and the spelling are verified from a central location, whether from a desk at corporate headquarters or a local manager's office. Correcting errors can be done in real time (as opposed to having to go back to the printer, which takes time away from the manager's duties and takes time for redelivery).

Time concerns also are alleviated when it comes to signage placement. The placement of digital signs is often predetermined, and much of it actually is mounted with hardware, so placement is precise. A manager no longer needs to monitor employees' efficiencies in terms of how and when they place signage. Digital signage placement is, again, centrally managed so the manager is free to manage in more pro-active ways, and employees are free to concentrate on their main functions, whether working with customers or building menu items.

Employee satisfaction

A manager relies on employees to deliver services that reinforce optimal customer satisfaction. To do so, employees themselves need to be satisfied.

Pride in the restaurant environment is important to employee satisfaction. Working in an environment that is perceived to be

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high tech creates the feeling of working for a progressive organization. Digital signage not only looks high tech, but it also gives the perception of a clean, uncluttered environment, increasing pride among management and staff.

Employees' jobs are eased with digital signage because they do not need to worry about order accuracy. When a price or description at the register differs from the menu, customers become aggravated, and employees have to somehow reconcile the difference, taking time away from serving customers. With digital signage, pricing and descriptions are tied to the point-of-sale system, so they always match.

Because digital signage delivers a time-warp effect that decreases customers' perceived wait times, customers are more relaxed and satisfied by the time they arrive at the register, making it easier for the cashier to deliver a pleasant and more predictable exchange of words. It stands to reason that a happier customer is one that is more open to being up-sold, too.

Customer satisfaction

As mentioned previously, digital signage in restaurants create time warps that are proven to reduce customers' perceived wait time, significant in an environment where restaurants often are chosen specifically because of the customers' time constraints.

Satisfied employees deliver a more pleasant



Digital menus facilitate an easier ordering process for the customer. The letters are clear and easy to read, and order verification can ease the customer's mind while the order is being entered.

experience, making for a positive interface between the customers and the staff.

Digital signage provides suggested up-selling, as well, and the ease of changing the signage means the upselling can be tailored to specific, real-time needs, such as selling ice cream on a hot day.

Digital menus facilitate an easier ordering process for the customer. The menu signage is consistent across the stores, increasing customer familiarity with the brand. The letters are clear and easy to read. The cashier need not guess which menu items the customer ordered, and order verification can ease the customer's mind while the order is being entered.

Test marketing

In an industry where effective messaging

increases profits by the month, the week, the day and even the hour, test marketing is the best tool for zeroing in on the right message at the right time, maximizing profits. Traditional test marketing involves a lengthy process of printing and physically changing printed materials.

Digital signage, however, is highly flexible. First, the messaging can be delivered in real time — no waiting for printed materials. As importantly, messaging can be changed in real time, so if a company notices that a test marketing message in one store doubled sales of a specific product, it can change other stores on the fly to deliver the same message. At the local store, a manager may notice a regionalized menu item, such as a taco, has become more popular than expected. The manager may then test a promotion such as Taco Tuesday to measure reinforcement (increased sales) of that trend.

Environmental impact

Customers are more and more interested in sustainable, environmentally friendly companies. Digital signage is one way to increase traffic from customers who choose a restaurant based, in part, on its perceived environmental impact.

Using digital signage instead of printed materials is far friendlier to the environment, and may also reduce costs to the owner. It reduces the use of paper and ink, saving trees and decreasing waste. A recent study found that 350 million plastic-housed ink cartridges are tossed into landfills each year in North America. Another independent study found the carbon consumption from the projected digital signage display was 7.5 percent lower than the traditional poster package.

Then there are the practical, everyday ways that digital signage helps a restaurant go green. First, digital signage eliminates the need for a manager to use gas to drive to a printer and then to drive to each store to deliver or change paper signage. Digital signage also means a restaurant no longer throws away massive amounts of shipping and packing materials.

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Customers appreciate companies that are making efforts to go green, and greener digital signage technologies not only deliver peace of mind, they deliver profits.

About the sponsor: WAND Corporation is the home of the digital restaurant. With more than 23 years of experience in QSR, WAND supports many of the largest brand names in the industry. WAND developed its digital menu board technology in the Wendy's community, and is the only vendor with digital menu boards in a corporate Wendy's store. WAND also is the first company to have developed and sold a completely dynamic three-panel outdoor digital menu board. WAND provides full-management services for digital restaurants, with 24-hour-a-day, seven-days-a-week technical support 365 days of the year, located in the United States. The WAND Creative Group helps to create the most competitive messaging in a number of markets. WAND works with powerful international partners, including NCR, Panasonic, IBM, Samsung, LG Electronics and more.