



2021



# HOW THE RIGHT TECH STACK ENABLES A WINNING CUSTOMER EXPERIENCE FOR QUICK SERVICE RESTAURANTS





Quick service restaurant (QSR) competition has always been stiff, but in 2020 and beyond, the customer experience makes the difference. [According to Gartner research](#), an overwhelming majority of companies compete on customer experience alone.

In addition to a competitive market, QSRs have unique obstacles to contend with while understanding and enhancing the customer experience:

- **Measuring the impact of campaigns across digital and physical operations** and how they affect the business and customers. [On average](#), Amplitude customers see a 655% ROI, a 46% increase in conversion rates, and 42% higher revenue per order.
- **Staying profitable and safe** during ever-changing COVID-19 dining restrictions. According to [McKinsey & Company data](#), most consumers have reduced their spending on all restaurant food.
- **Ensuring a consistently positive and personalized customer experience** for everyone. The [Restaurant Digital Crossroads: The Race to Meet Guest Expectations report](#) concluded that a restaurant with \$500 million in annual revenue could gain as much as \$100 million by simply delivering a dining experience that matches customer expectations.
- **Optimizing customer loyalty program** enrollment and engagement. [According to Deloitte](#), restaurant loyalty programs have high enrollment rates, and members are more satisfied and stronger brand advocates than those who don't enroll.

With so much to consider, QSRs need a modern tech stack with personalization, optimized advertising, and customer-retention strategies to compete on customer experience.

## Start with the **Tech Stack That Wins**

**The right tech stack can help.** When tools work together, not just alongside one another, you can create an exceptional customer experience that delivers every single time.

But fine-tuning your tech stack is easier said than done. “Using customer data and integrating technology” are the top challenges for 30% of QSRs, according to [a 2020 survey conducted by mParticle and Radar](#).

## INDUSTRY SURVEY

### What are the biggest challenges food and beverage industry professionals are facing today?



Regardless of those challenges, most organizations are on track to connect their tools and systems in the near future. In fact, the [IDC FutureScape 2018](#) report predicted that 60% of enterprises planned to implement organization-wide digital platform strategies by the end of 2020. And while those predictions are arguably inaccurate due to the unforeseen pandemic, COVID-19 may have accelerated these implementation plans.

“ 2020 changed the game for Quick Service Restaurants, and many of those changes will be permanent. Industry leaders who have been building a best-in-class tech stack for years were well positioned to adapt to the changing environment. Those who want to compete will need to catch up, and quickly. The good news is that a tightly integrated tech stack, implemented by agency partners with a wealth of experience in the vertical, is at your fingertips.

**- Ryan Ritter,**

*Partner and VP of Strategic Alliances at WillowTree*

QSRs have very specific needs and, as such, need specific tools. The following platforms work together to help you understand the end-to-end customer journey, design digital experiences that delight them, and continuously improve.

## **mParticle: Customer Data Platform**



mParticle consolidates all data inputs to a single point of collection, eliminating data silos and reducing engineering time spent on third-party code. By validating data at the point of collection and unifying data to persistent customer profiles, mParticle enables business teams to gain a complete understanding of engagement and access high quality data in all of the tools and systems being used to drive growth.

## **Amplitude: Product Intelligence Platform**



Amplitude is a product analytics tool that helps teams understand user behavior, build engaging experiences, and drive sales and revenue in real-time. Amplitude customers, on average, see a 66% increase in analytics team productivity.

## **Radar: Leading Geofencing Platform**



Radar's location platform helps enterprises and high-growth startups build location-based experiences faster. Radar enables timely, relevant experiences that increase engagement and revenue.

## **Branch: Deep Linking and Attribution**



Branch makes sure links work across every platform and channel. Robust deep linking capabilities deliver the optimal customer journey and provide improved attribution, while unifying siloed data sets.

## **Braze: Customer Engagement Platform**



Braze is a customer engagement platform which gives marketers and product teams the power to convert creative ideas into well-orchestrated, personalized conversations delivered at optimal times through relevant channels. This results in brands forging strong relationships with their customers, leading to sustainable long-term revenue growth.

# Personalization: Drive Modern Customer Experiences with Your Entire Tech Stack

Personalization is more than basic segmentation; it's about creating experiences that are highly unique and relevant to each individual user. So, rather than creating groups of people to target, you can use your tech stack to create individual pathways and journeys with tailored experiences for every single customer.

## Get a 360-Degree View of the Customer Across All Touchpoints

Customers engage with QSRs in both the digital and physical worlds through a complex series of interactions. According to [Zendesk](#), the most data-savvy companies execute superior customer experiences and solve four times as many requests as organizations that are not as data-informed.

And as the customer journey continues to blur lines between online and offline channels, connecting the dots between these interactions is becoming more complex and also more important. At least half of guest orders are expected to be placed via digital channels, [according to our own analysis](#).

Digital experiences have become a foundational part of today's QSR customer experience. Customers can now pay using a mobile app, browse menu items online, pick up using a digital point of sale system, and more. Collecting and analyzing all of these touchpoints with data is the foundation for understanding customers' needs.

While there are advantages to all of this information, [data management](#) becomes cumbersome. Information is siloed in disparate systems and with different formatting, making it nearly impossible to access a single view of the customer and understand engagement. With the right tech stack, this information is centralized and integrated.

“ Customers are looking for personalized digital experiences, and restaurants are using data and actionable insights to deliver. To that end, every component of a brand’s technology stack needs to be connected in a way that supports the independent innovation at the component level as the stack evolves. Backend systems like online ordering, loyalty, CMS, CRM, and CDP need to own their core responsibilities, be interoperable with each other, and support a headless architecture with rich APIs that enable rapid innovation on the customer experience layer (apps, web, kiosk, email, SMS, push, etc) without risking security, stability and data integrity.

- **Jesse Dundon,**

*CEO of Hathway*

## Tool Breakdown

The following tools have specific features built to help you get a full view of your customers across all touchpoints:

### mParticle & Amplitude

mParticle provides a single point of collection for all touchpoints, eliminating data silos and reducing engineering time spent on third-party code. Once data is collected, mParticle validates that data against an established data plan and maps data to unified customer profiles.

Organizations can also build dynamic customer segments in [mParticle’s Audience Builder](#) and forward data to third-party tools and systems via packaged integrations. Amplitude fits in here, as well. The product intelligence platform takes data from multiple sources, including from mParticle, and allows non-technical users to run analyses and identify cohorts/customer segments.

For example, if you want to get more customers to use your mobile app, you can use cohorts/segments. With mParticle and Amplitude, you can create an audience of those who frequently



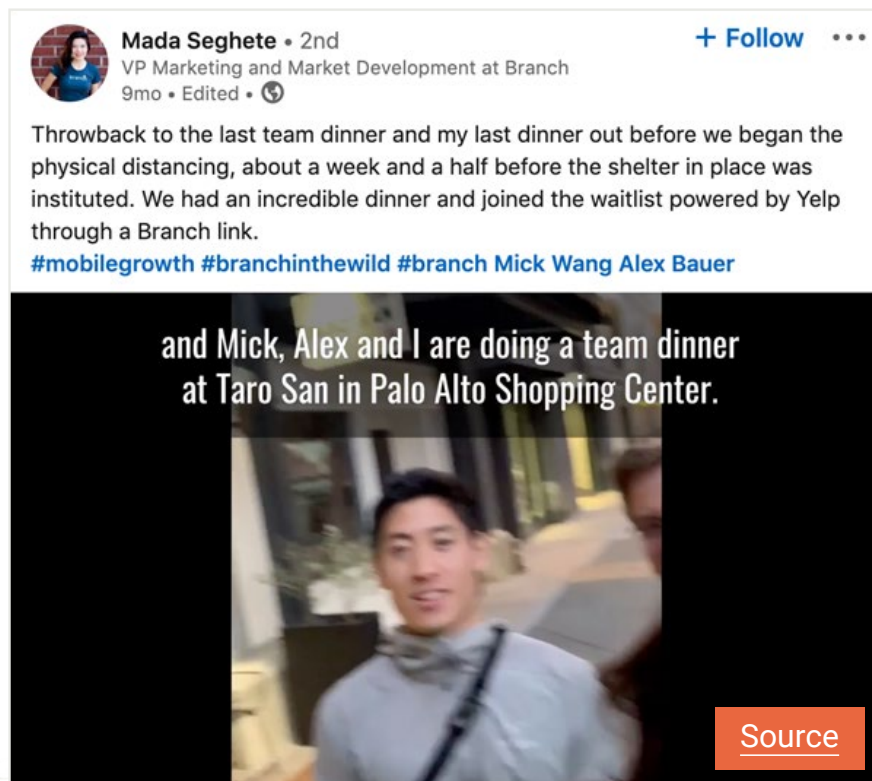
use your app. You can then target ads to Facebook accounts that are similar to those engaged customers, driving them to download your app.

You can take this even further, too. Let's say you have a number of users who have downloaded your app but haven't used it much or at all. You can program push notifications and emails to encourage those people to use your app. This is a data-driven approach that can help you both retain and acquire customers.

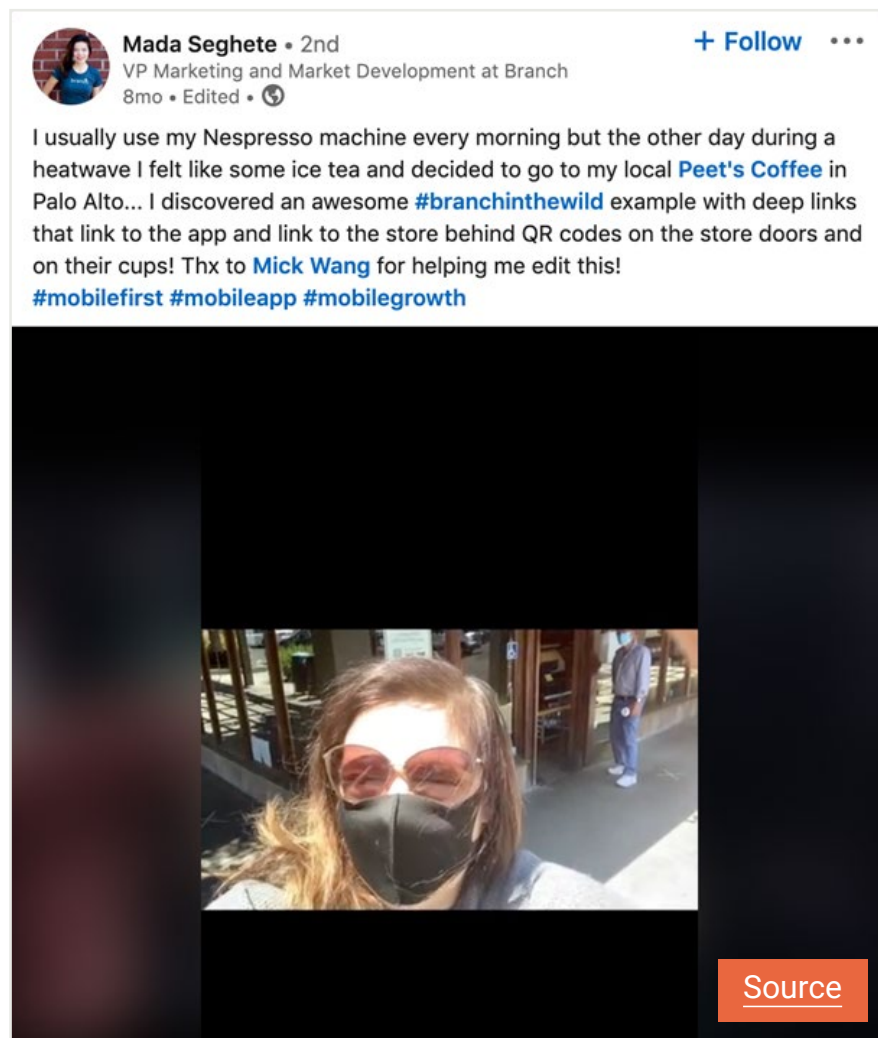
## Branch

Branch's deep linking helps QSRs ensure each touchpoint — from QR codes to ads — delivers a seamless experience and increases their chances of establishing and maintaining a long-term customer relationship. There are a few ways you can use this technology to craft a positive customer experience.

One example is allowing customers to join your waitlist via Yelp on your in-store tablet. After they do this, Yelp sends a text with the reservation details and a shareable Branch link, where customers can see their name on the waitlist. Rather than crowding near the entrance — effectively creating a negative impression for successive patrons — these customers can wait somewhere more comfortable, knowing they won't miss their place in line.



Similarly, Peet's Coffee uses QR codes and store signage to push customers to order via mobile app. These ordering options effectively minimize wait times and crowds (especially ideal in a pandemic economy), so customers can enjoy the convenience they expect from the QSR.



## Show Menu Options Based on Geography

Menu options and popular dishes may change based on location — your most popular dish in Texas may not be the most popular in Maine due to customer preferences. So the way you interact with customers in Texas should vary from the way you interact with Maine customers. Enter geo-based promotions and menu options.

Per the *Restaurant Digital Crossroads* [report](#), more than half of food-based businesses have plans to roll out proximity-triggered mobile coupons. These coupons are just one way to engage users



who are close by. You can also send promotions, menu recommendations, and other messaging that resonates with your audience.

- There are lots of ways for QSRs to get creative with geofencing to trigger campaigns in real-time when a user is within your geofence's border:
- Target areas around your competitors and highlight some of your differentiating competitive advantages. Proximity-based coupons could work well here.
- Set up a geofence around events in your local market when you know you'll reach more people. Consider messaging about the fast and convenient dining experience you offer, so they can spend more time enjoying the festivities and less time waiting for food.
- See users' location history and build segments around places they visit. Remember to think about the context. If many customers visit your QSR after visiting the local soccer complex, you might offer messaging about post-game meals or for busy parents bussing young athletes across town.

The options are quite literally endless, and the better your tech stack, the more sophisticated you can get.

## Tool Breakdown

Turn to your tech stack for features tailored to geo-based menu options and promotions.

### Radar & Braze

Radar is the key player in your tech stack when it comes to location-based menu options. With foreground geofencing, Radar empowers brands to enable location-based product experiences. When you combine it with Braze's messaging features, you can create tightly integrated and data-driven promotional campaigns. Essentially, Radar and Braze can work together to link geofencing with push notifications and other messaging tactics. That's [what happened with Burger King's Whopper Detour campaign](#), for instance.

Burger King used Radar and Braze when they had to recode their mobile app and payment systems to work with geofencing. The turnkey integration enabled promotional push notifications to users who entered a geofenced area. They targeted areas around a major competitor: McDonald's.

[Watch This Video](#)

Burger King also used [Braze Currents](#) to deeply analyze which messaging was most effective. This tool allowed them to double down on what was working and readjust anything that didn't resonate with their audience.

## Radar & mParticle

You can also [integrate Radar and mParticle](#) to create a seamless curbside pickup experience for customers. With location context tracking and geofencing, you can ensure your customer communications and food prep coincide with your customers' progress to pick up. Radar's [trip tracking](#) dashboard gives store associates insights into trip details to make sure food is hot and ready for hand-off. In the future, you can retarget those customers with contextual messaging.

Other use cases include:

- Secure API feed integrations that tie location data points to individual user profiles
- Segment your audience based on all kinds of data points and then automate contextual user experiences across all channels
- Get a deep understanding of the curbside pickup experience to identify strengths and areas for improvement

mParticle collects granular user data while the [Radar Feed integration](#) enriches that data with user-level location information and real-time syncing.

## Amplitude

Amplitude is another tool in your arsenal that fuels location-based menu options. With the help of

agency partner [Bottle Rocket](#), Chick-fil-A [launched mobile GPS functionality](#) to add order-ahead features and geo-based coupons to the mobile app. This setup helps the QSR chain make sure food is promptly prepared and always warm for pickup.

After the launch of the new mobile ordering experience, the app had [4 million downloads](#) in the first month, and Chick-fil-A saw growth in a few other notable KPIs. They [increased same-store sales by 6.1% and increased order size by 25%](#). Plus, the app was second only to Starbucks in terms of daily active users.

## Recommend Menu Options Based on Past Behavior

Taking dish recommendations a step further, QSRs can also implement a tech stack that promotes menu options tailored to a customer's preferences. Using historical data, you can automatically predict and promote their next order.

*The Race to Meet Guest Expectations* report found that “58% of customers would visit a restaurant more often if experience-enhancing technologies were available.” And according to [Accenture](#), 91% of consumers are more likely to buy from businesses that deliver “relevant offers and recommendations.”

Leveraging technology to track customer behavior and offer personalized menu options improves the customer experience. Recommendations are helpful and data-driven as opposed to random and potentially irrelevant.

The proper tech stack provides richer and deeper data (there are more data inputs), which makes the recommendations even more tailored and effective. For example, you can identify which menu combos and dish pairings have the most purchases. You can set up programmatic promotions to drive upsells and cross-sells when users select one of those dishes, which is more likely to be relevant than a recommendation picked at random.

For example, [Jersey Mike's](#) enlisted technology service provider [World Wide Technology Digital](#) to help them reimagine the online ordering experience. WWT built a new mobile app for Jersey Mike's, integrating it with a comprehensive marketing stack. The integrated system created a



more seamless and positive online ordering experience and also armed the restaurant with better customer data.

## Tool Breakdown

The following tools and features automate data-informed menu recommendations for you.

### mParticle

mParticle tracks and aggregates customer browsing and event data and then cross-references that information with the customer's local time. With mParticle's Profile API, which allows you to activate any data point on your customer profile with an HTTPS request, you can display products similar to previously ordered items in your app based on location, dietary preferences, past behavior, time of day, and whatever other information is tied to your user profiles.

For example, mParticle collects data about a customer's recent orders and adds them to individual customer profiles. Plus, it tracks and aggregates customer browsing and event data, then cross-references it with the customer's local time. By using Profile API you can display low-calorie menu options to a health-conscious customer. Vegetarian diners, on the other hand, can be shown meatless dish recommendations.

### Braze

Braze processes individual user behavior in real-time, getting it from loyalty databases, applications, and websites. So, every single customer interaction can inform the messaging strategy and menu recommendations for that individual.

## Get the Most Value from Your Ad Spend with Customer Data and Location Tracking

It's one thing to build and launch marketing campaigns, but organizations that proactively analyze results and optimize for improved performance have the easiest path to creating a positive customer experience. The BIA Advisory Services [U.S. Local Advertising Forecast 2021](#) expects

ad revenue across all media in the country to hit as much as \$137.5 billion in 2021. This figure increases every year, so the advertising space is getting more competitive.

## Build Paid Media Campaigns with Real-Time Audiences

With a powerful tech stack, QSRs can target paid media campaigns to audience segments based on historical data. These up-to-date insights allow marketers to execute more successful campaigns and tweak them immediately based on the data.

Targeted ads have more influence on your audience, especially if they know the ads are personalized. A [series of studies in the Journal of Consumer Research](#) found that behaviorally targeted ads are more influential on buyers too. Essentially, when people see a targeted ad, the ad has a real influence on their own self-image. One study found that after being exposed to targeted ads for environmentally friendly products, those targeted users thought they were more “green.”

Advertising is powerful, and even more so if you have the power and tools to create highly personalized experiences with effective and consistent messaging.

## Tool breakdown

Your powerful tech stack can automate audience building and segmentation.

### mParticle

With mParticle’s Audience Builder, marketers can build real-time audiences and activate them across paid media systems (among other platforms). And the [LiveRamp-mParticle integration](#) allows QSRs to run A/B tests to increase campaign effectiveness, estimate audience size to help forecast budgets and reach, and run QA tests with small audience samples before launching a full roll-out.

You can then send ads to LiveRamp’s extensive media ecosystem, enabling privacy-friendly, personalized messaging at scale. LiveRamp has more than 550 integrations that span across all areas, including measurement and media delivery.

## Amplitude

Amplitude is another key player when it comes to real-time paid media campaigns. [Colombia-based food delivery app Rappi launched](#) as one of the fastest-growing startups in Latin America. To maintain their competitive advantage, they've since expanded to other goods like groceries, medicine, apparel, and electronics, as well as scooters and pet services. In short, Rappi is doing it all.

As such, they needed a tech stack that could do it all too, especially as their business became more complex and catered to more audience segments. [Rappi used Amplitude to launch real-time targeting to custom audiences](#). They leveraged [Amplitude Engage](#) to identify their most valuable and important customer segments and then drive more conversions from those customers through highly personalized experiences.

The results were positive. After using Amplitude, [Rappi saw a 10% increase in first-time order completion, a 30% decrease in acquisition cost, and a 5% decrease in activation costs for paid channels](#).

## Optimize Spend Through Testing

QSR brands [spend millions of dollars](#) on advertising. It's important to make sure your ad dollars are generating ROI; otherwise, that's money straight out the window.

One way to optimize your ad spend is through testing. Multivariate testing can drive insights to improve your ad creative, which, in turn, boosts ad spend efficiency. But too often, QSRs are focused on getting people's attention and not on the customer experience after they decide to click. That's where your tech stack comes into play.

With an effective tech stack, you can drill down into your ad campaigns and dig deeper than simply ROI. You can see which ads are most effective, other messaging and touchpoints that make an impact, and where users drop off — is it before they engage with the ad or after? With these insights, you can continuously make tweaks, analyze the data, and improve advertising ROI.



## Tool Breakdown

Optimizing ad spend manually would be tedious — your tech stack can help.

### mParticle & Radar & Amplitude

When it comes to location-based promotions, mParticle and Radar have you covered. mParticle's Radar Feed integration allows you to collect location data into the mParticle platform, which then ties it to customer profiles and shares it with the other platforms in your tech stack.

Taking this a step further, Amplitude's machine-learning powered [Predictive Cohorts](#) segments users based on likely future behavior instead of just historical behavior. So, in addition to understanding past behavior, you're also seeing how that behavior influences what users will do moving forward. When you can forecast user behavior, you can anticipate their needs and tailor messaging, campaigns, and promotions accordingly.

### Radar & Branch

Radar and Branch also work together to help optimize ad spend. With this integration, you can attribute real-world activity back to a digital touchpoint to understand which campaigns drive real-world actions. Branch provides comprehensive attribution, and this data feeds into a cycle of segmentation > targeting > engaging that improves QSR advertising programs.

Branch eliminates friction and increases return on ad spend (ROAS) for all types of campaigns. The platform has an approximate 95% success rate with deep linking — higher than the industry average of ~60%.

## Encourage Sales and Drive Revenue with Customer Data and Product Intelligence

You have all this data and all these powerful features; it's time to leverage all of it to really make an impact on the bottom line. Sales and revenue are often the most important numbers for an organization, and you can use your tech stack to drive both.

“ Today’s QSRs are faced with so many challenges - it’s no longer enough to just deliver great food at a great price with great service. Digital challengers, delivery services, greater adoption of mobile and the challenges posed by Covid-19 have rocked the entire industry. The top performers in QSR have overcome these challenges and even grown by partnering with the right technology and strategy platforms. Modern QSRs are using new techniques to increase repeat visits, convert deal-seekers into loyalists and encourage upmenu exploration – all contributing to an increase in single-store sales volume while minimizing promotional margin contribution loss.

**- Noah Rosenberg,**

*Former Director of Digital Product Growth at World Wide Technology*

## Smart Product Placement

Data-driven QSRs don’t just put out any offer that sounds good. They use tools and data to inform promotional strategies and build offers that resonate with their target audience – and, ultimately, drive sales.

With a strong tech stack, you have rich customer data and profiles that enable advanced targeting, segmentation, and personalization. This personalized, one-on-one approach not only drives sales but also nurtures customer relationships.

When it comes to building offers with smart product placement, you can use your tech stack to identify which products to place where and then automate that process for each individual customer experience.

For example, you might trigger emails and push notifications with promos and campaigns for a customer’s favorite items. Or, you can send push notifications at the times and/or on the days they typically come in or place an order, calling out products they might order at that moment.

## Tool breakdown

Amplitude has features to help you strategically place and promote products to boost sales and revenue.

### Amplitude

Amplitude's [Milestone Analysis](#) enables QSRs to identify which moments and interactions create high-value customers. Chick-fil-A uses the tool in the mobile and online ordering experiences; Burger King used it to optimize ad spend for their Whopper Detour Campaign; Rappi saw the benefits when they rolled out new personalized campaigns.

Learn more: [3 Ways Product Intelligence Enables Quick Service Restaurants to Be Competitive](#)

## Rewards Programs

According to [Gartner's Customer Experience Survey](#), loyal customers are five times more likely to make a repeat purchase. QSRs can employ a variety of tactics to keep their customers coming back — a positive customer experience, personalized offers, customer loyalty program, etc. Nearly three-quarters of buyers claim that the customer experience is the top factor for loyalty per Gartner, and most customers would opt for a competitor after just one or two poor dining experiences, according to the Restaurant Digital Crossroads report.

The best customer retention initiatives don't just reward repeat diners — top-tier programs also provide rich data for QSRs.

The Starbucks Rewards program is one great example of a data-driven loyalty program that enhances the diner experience. When customers pay with the app, they earn stars, which can eventually earn them rewards. In two years, program membership grew [more than 25%](#) and was responsible for almost 40% of Starbucks' sales in their U.S. stores.

Another tactic is to leverage bounce-back coupons to enhance loyalty. These coupons are unexpected promos and discounts that are included with a purchase, so the customer has to



come back for another visit/purchase in order to use it. [With product intelligence tools](#), you can build promotions that create a convenient experience, drive unique value, and keep customers coming back.

## Tool Breakdown

When it comes to customer loyalty and rewards, mParticle has advanced features to help you build and optimize programs for engagement and sales.

### mParticle

mParticle enables QSRs to collect and assign customer data from multiple digital touchpoints to unified profiles. Using these profiles, QSRs can build dynamic audience segments and automate which customers qualify for the loyalty program with their own specified criteria. You can change these criteria at any time.

[mParticle's Profile API](#) enables QSRs to query identities, user attributes, audience memberships, and other data available on an mParticle customer profile anywhere you can make an HTTP request. You can apply this workflow and deliver personalized offers to loyalty program members across digital channels.

## Our Powers Combined: The Tech Stack for Growth

These tightly integrated platforms mitigate a lot of the busywork needed to manage data and different platforms, enabling teams to spend more time focusing on ways to improve the customer experience and, ultimately, the bottom line.

“ 2021 is definitely not the time to take your foot off the gas if you are part of a team managing a digital product in the QSR space. Keeping up in this fast moving, digitally mature industry and maintaining a winning customer experience requires a progressive technology stack that enables team members to move with the speed

and quality that customers have come to expect. The stack you choose and how you leverage it will have a significant impact on who wins and who loses going forward.

**- Tim Duncan,**

*Product Growth Lead at Bottle Rocket*

The right tech stack empowers QSRs to create a winning customer experience. And a winning customer experience is what sets companies apart and drives sustainable revenue growth.