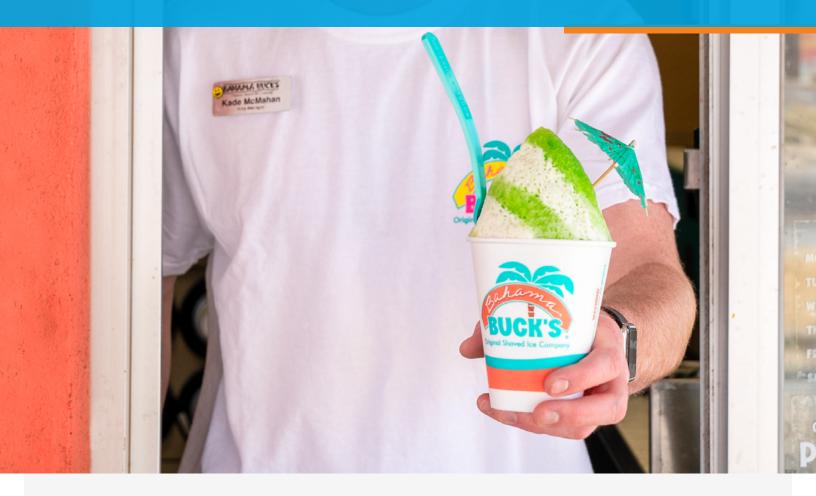
Reimagining Drive Thru

Leverage the value of the modern drive thru for higher profits



We saw the reemergence of the drive thru as a crucial revenue stream as restaurants worked to navigate a global pandemic. While many locations already had drive thrus in place, 2020 demonstrated how the model can be leveraged more effectively, while also highlighting the need for greater efficiencies to offer a top-notch customer experience. **Read on to learn more** about the essential elements of a highly effective drive thru, what to consider when updating your technology and where the future of drive thrus is headed.





The Drive Thru Landscape: Then and Now

The origin of the drive thru can be traced back to the 1920s, but the 60s are when it really took off as a revenue generator for restaurants.

Despite the fact drive thrus were initially viewed as a novelty or passing trend, the drive thru model went on to be an integral part of many Quick Service Restaurants (QSRs).

Initially aligning with America's new motorists in the wake of Henry Ford's Model T, the drive thru allowed the car to become the new dining room. And while larger chains like McDonald's were historically slow to adopt drive-thru focused locations, by the mid-70s it was clear this model was not a passing fad, but a significant option for revenue generation.

Fast forward to today's restaurant landscape, and drive thru is still a highly relevant service model. In fact, according to market research firm The NPD Group, drive thru accounts for 50 to 70 percent of sales for most large fast-food chains now. **Of course,** it hasn't been a steady growth trajectory for the drive thru from day one. Shifts in public perception, consumer lifestyles, and even cars themselves have given this service model a pathway of peaks and valleys. Let's take a closer look at the drive thru evolution.

Much of the success of the drive thru can be attributed to consumers' on-the-go lifestyle as more people entered the workforce in the 1970s. With more families having two parents working outside the home, the drive thru emerged as a quick and easy solution.

As cars became more accessible to everyone, more and more people were taking road trips and needed quick meal solutions while traveling. Parents with active kids were looking for options to feed their families in a way that was both stress-free and inexpensive. Also, with air travel quickly becoming the norm, more people were looking for fast options to feed themselves while traveling for business or pleasure.





COVID-19 Turns Drive Thru Into a Lifeline

Even with drive thrus considered standard for most large-chain QSRs, it was COVID-19 that catapulted the drive thru from just one revenue stream to a lifeline for businesses, including some table service restaurants in addition to the usual suspects.

With so many businesses closed for dine-in or offering limited service, operators were able to offer service from the drive thru—or at least a drive-by offering—no matter what type of restaurant they were operating.

During a time where people were cycling in and out of stay-at-home orders, cars were able to act as sanctuaries. They provided a way to get out of the house and still be safe, while occasionally visiting a local drive thru for a meal. According to market researcher NPD Group, by the end of 2020 drive-thru lanes accounted for 44 percent of off-premises orders across the entire restaurant industry. However, this massive shift has brought up questions about efficiency and productivity at the drive thru.

Ken Neeld, CEO of Delphi Display Systems, a provider of customized digital signage hardware, explains:

"What we've seen over the last year, especially due to the pandemic, is a lot of our customers are doing up to 90 to 95 percent of their business through the drive thru, given that, for a lot of them, dine-in has been closed. That's put a lot of pressure on the question of how you move more people through the drive thru more efficiently. How do you serve more customers? How do you balance your production inside to meet the demand outside?"

In the following sections, we'll take a closer look at how the modern drive thru can help restaurants increase productivity and efficiency, enhance the customer experience, and drive profits even as pandemic restrictions recede.







The Value of the Modern Drive Thru to Merchants

While weathering COVID-19 has felt like an eternity with restrictions continuing to evolve, the world is gradually reopening.

As dining rooms have reopened, drive thru affinity hasn't shifted. In fact, it is performing better than ever for QSR and fast-casual establishments.

In Bluedot's "State of What Feeds Us" report, drive thru visits jumped more than 45 percent between April and August of 2020.

What does that mean for drive thrus, and more importantly, for merchants considering this as a revenue stream?

In looking back at the Drive Thru Performance Study conducted by QSR Magazine and Insula Research, despite having now worked through a global pandemic, the lessons for being a top performer at the drive thru haven't changed.

The study looked at six top-performing brands in the drive thru arena: Burger King, Chick-fil-A, Krystal, McDonald's, Taco Bell, and Wendy's. The six essential elements of having a highly productive and effective drive thru include:

• Order Accuracy: How well trained are your employees? How intuitive is your order system? How many errors are made when fulfilling orders?

• Speed of Service: How complex is your menu? How easily can customers see what's available? How is the flow of traffic configured going in and out of the drive thru? How long, from order to pick up, are your customers waiting?

• **Operational Efficiency:** Do you have any bottlenecks that need to be addressed?

• **Customer Experience:** How strong are your employees' soft skills? Are they empowered to make decisions?

• Intuitive Layout: How effective is the flow of traffic going in and out of your drive thru? Are there any bottlenecks that result in customer frustration?



Non-technical Essential Elements for Drive Thrus

Keeping the essential elements of running a thriving drive thru in mind, there are different tech configurations you can leverage for a drive-thru solution.

Before you begin looking at tech options, there are three key areas of the business that need to be considered for optimization.



Customer Touch Points

Back in 2010, coffee giant Starbucks created a cross-functional improvement team to increase drive thru efficiency and promote a better customer experience. What they found was that when operating a drive thru, there are multiple customer touch points, and each of these points can be considered its own zone — approach, entry, pre-order, paying and pickup, and exit. To create the most effective drive thru possible, each zone should be treated as a separate entity with a plan in place for how to maximize the customer experience at each one. This is about so much more than just the "window" experience.

Consider what the objective of each zone is, and what business goals that zone impacts. The needed solutions may be as simple as increasing signage or redirecting the flow of traffic.

Menu Boards

A menu board that is easy to read and navigate is also a critical element of your drive thru. Your communication can be greatly impacted by their customer's ability to quickly find what they're looking for, as well as your speed of service. When looking for ways to make your menu board more effective, some things to consider include:

- What items do you most want to promote?
- Are products that are a high priority for sales prominently displayed?
- Are items grouped by category so they can easily be found?
- Are there images to showcase various food and beverages?

• Are you showing common pairing of certain foods and beverages to promote attachment or upsell opportunities?

• Is the space on the board being maximized? The rule of thumb is a 60/40 food to beverage allocation.

Operational Support

The level of operational support within your business can impact how successful your drive thru is — especially if you're considering implementing changes. While many businesses focus their procedures and processes on their in-house operations, your drive thru needs just as much attention to ensure efficiency and a great customer experience.

Taking note of the industry standards for drive thrus, and establishing your own standards for everything from speed of service to food and beverage equipment will help ensure things run smoothly. You'll also want to consider how to leverage various drive thru-specific technology.



Drive Thru Technology

The right hardware can help with everything from increasing speed of ordering or payment to improved order accuracy, not to mention the other benefits you may find for the rest of your operation.

Here's common equipment used when considering drive thru adoption:

• Digital Menu Board: Provide customers with a way to easily see the whole menu and make quick decisions — improving your overall speed of service. Digital menu boards offer an easy way to update your menu items and pricing in just a few clicks.

• Order Confirmation Screen: Avoid mistakes and increase order accuracy by allowing customers to confirm their order before it's finalized.

• Headsets and Speakers: Drive thru communication can be challenging with background noise or poor quality audio. Investing in better tech for your headset and speakers can increase accuracy, efficiency and the overall customer experience while also reducing errors.

• Tablets for Mobile Order Takers/Mobile Payments: Improve your customer experience by offering hands-on tech that allows them to order and pay on the spot — even right from their cars.

In addition to the above equipment, there are a wide variety of options available to help serve customers in a way that makes sense for your unique operation.

For example, Bahama Bucks uses both mobile order takers and a takeaway window to service their customers. Chick-fil-A chooses to have multiple lanes along with mobile order takers to supplement their larger drive-thru tech stack. Both approaches can be highly effective, it just depends on what would be most suitable for increasing efficiency at your business.

Integration is Key

When considering your technology options, keep in mind that direct integrations with your point of sale (POS) helps with all of your drive-thru key performance indicators (KPIs). Seamless connection with broader platforms helps with order flow, streamlined operations, and of course, service speed.

Time is money, especially with drive thru, so investing in the right technology and having an effective integration partner(s) is a necessary investment in your business.

Finally, don't forget to test and validate any changes you make. While some things may seem good on paper, how they work in practice can be entirely different, so you need to be willing to adjust as you go. For those operating multiple franchises, choosing one location to test out new processes and technology and gather feedback from staff and customers is one way to test before you make a huge investment. For those running solo operations, try making smaller, incremental changes, while still ensuring you ask everyone for their input and shifting as required.





What's Next for Drive Thru?

With each passing year, consumers become increasingly mobile. They're on the move and are always connected through their devices. As a result, they increasingly expect businesses to meet their purchasing needs in a convenient, hassle-free way.

This means consumers will play a major role in informing the "next look" of drive thru.



So, what's next for drive thru?

As with car styles and general options for what and where consumers can dine out, drive thru will need to continue evolving in order to stay relevant. A huge opportunity for that is the integration of digital technology in the ordering process. A truly digital drive thru is a variant of rapid pickup in which a customer orders and pays ahead of time through their mobile device. From there, they can pickup their food from a curbside station, or in some cases, a heated food locker. This design blends convenience and mobile technology with strong options for branding touch points for the restaurant.

A key consideration with these emerging models is your store-level architecture, including the back of the store where things like dumpsters are typically located. With more customers opting for pickup, they're looking for an overall pleasing guest experience, and that includes presenting an appealing environment, even if they're only at your location for a few minutes.

Ideally, the solution you choose should be one that is in regular communication with your customer. Customers want to know exactly when their order is ready, and sending text messages is the preferred approach to notify them.

Consider that, for many guests, their entire exposure to a brand is now digital, especially at the beginning of their journey, which often takes place on a mobile application or a website. From there, status updates are expected digitally, whether through text and/or email updates for order confirmation and an estimate for when the order will be ready. And where order pickup is concerned, brands must consider that experience as well. In some cases a customer will never step foot inside a store, so exterior signage and branding should be clear, clean, and intuitive.

What has become very clear is that the lines are totally blurring between QSR, fast casual and table service restaurants. Almost any restaurant can use well-designed digital solutions to create many different types of experiences for consumers. Ultimately this can lead to additional long-term revenue streams for restaurants, which will be critical for them in order to stay profitable as labor and real estate costs continue to rise. While we don't have a crystal ball, the future of the drive thru is bright and undoubtedly digital, and QSRs and fast casual, and even some table service restaurants will need to carefully consider how to fully align the digital and physical experience for customers.





Looking for Drive-Thru Solutions? Revel Can Help

Whether you've got a drive-thru solution in place today and need to level up, or are considering adding one to serve your customers, the Revel team can help you build a solution that works best for your business.

According to Neeld, "We've integrated with a lot of point of sale solutions over the years. Revel being completely cloud-native has made the integration really clean and smooth. It allows us to integrate digital menus, dynamic pricing overlays, and dynamic content that seamlessly connect and are tightly integrated with the Revel point of sale."

Revel's platform offers flexible and scalable solutions for your drive thru needs so you can implement the best choice for your budget, your plans and your customers.

Connect with one of our Revel product experts today to learn more.

