

2023 Annual

Emerging Experiences Study

Where Tech Meets Taste



About Intouch Insight

Intouch Insight is a CX solutions company, specializing in helping multi-location businesses achieve operational excellence so they can exceed customer expectations, strengthen brand reputation and improve financial performance.

Intouch enables brands to collect and centralize data from multiple customer touchpoints, giving them actionable, real-time insights in an advanced analytics platform. Founded in 1992, Intouch is trusted by over 300 of North America's most-loved brands for their customer experience management, customer survey, mystery shopping, mobile forms, operational and compliance audit, and event marketing automation solutions.

The data provided within this report is based on mystery shopping programs and survey responses from consumers across North America. Intouch Insight will continue to collect and share data across a broad spectrum of industries. However, nothing can replace listening to your customers.

That's why Intouch Insight offers products and services to listen, measure, and manage multi-location businesses. From mystery shopping, to operational audits, survey tools, and inspection software – Intouch Insight is your CX partner.

Offices

Ottawa (HQ)

400 March Road
Ottawa, ON,
Canada
K2K 3H4

Montreal

2963 Joseph A.
Bombardier
Laval, QC
H7P 6C4

Atlanta

309 E. Paces Ferry Rd.
NE, Suite 400,
Atlanta, Georgia
30305

www.intouchinsight.com

1 800-263-2980

letschat@intouchinsight.com



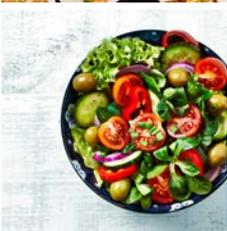


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Executive Summary

Why Pickup Matters – A Lot.

The popularity of digital ordering has been on the rise for over a decade. From 2015 to 2020, users of food-ordering apps grew by nearly 70%.¹ Then the COVID-19 pandemic and the rise of 3rd party delivery services pushed it into overdrive.

Intouch Insight's 2023 survey of over 2000 North American consumers found that 87% of respondents reported having recently ordered food for pickup. But, with so much attention on delivery, brands have not invested in optimizing all elements of the mobile ordering for pickup channel.

As consumers become increasingly price sensitive and actively try to avoid additional fees, like delivery or service costs, we expect to see continued growth in digital orders for pickup in-store.

So with this study, we aim to provide actionable insights to help brands exceed customer expectations, increase operational efficiency and improve financial performance.



\$ The average American spends **60** per week on takeout.²

Online food ordering accounts for roughly **40%** of total restaurant sales.³



Key Findings

- Satisfaction with the pickup experience was significantly lower than the ordering experience. Only 59% of shoppers reported being fully satisfied with their pickup experience compared to 71% with their ordering experience.
- Satisfaction with the pickup experience has a major impact on overall experiences. Shoppers who were fully satisfied with their pickup experience reported 34% higher satisfaction with their overall experience.
- The factors that had the biggest impact on satisfaction with the pickup experience are low-cost and low-barrier to brands:

- ▶ **Post clear signage at all locations indicating where customers should pick up their orders.**
- ▶ **Personalize the pickup experience by incorporating employee interactions into the process.**

1, 3 <https://www.zippia.com/advice/food-delivery-industry-statistics/>

2 <https://www.mashed.com/607981/the-average-american-home-spends-an-eye-popping-amount-on-takeout/>



About the Study

Intouch Insight's Emerging Experiences Study is an annual industry study examining some of the most impactful trends shaping customer experiences today.

In this year's inaugural study, **Where Tech Meets Taste**, we examine how Fast Casual chains are adapting their operations to capitalize on the continued growth in digital ordering. With this study, Intouch Insight aims to deliver actionable data to help guide brands on where to start looking at their current programs and processes, across three main components of the customer journey: **ordering**, **pickup**, and **overall experience**.

Brands included in the study



Methodology

In early 2023, Intouch Insight conducted 800 mystery shops across the 10 brands. The goal was to measure how different elements of the experience impacted satisfaction.

All orders were placed directly with the brand, through their website or mobile app, for pickup in-store. The orders were split evenly across day parts. Fifty percent of orders were for lunch (11:00am to 2:00pm) and fifty percent for dinner (5:00pm to 8:00pm).

It is important to note that as this is a **mystery shopping study**, the satisfaction scores presented are not traditional CSAT (customer satisfaction) scores. Instead, mystery shoppers made detailed observations and reported their level of satisfaction with the ordering, pickup, and overall experiences. A score of 5 indicated satisfied and 1 indicated not satisfied. The purpose of this approach is to assist brands in determining priorities to improve the customer experience.



01.

The Ordering Experience

With the rise in popularity of mobile ordering, brands have been refining their offerings for years.

At this stage of the purchase journey, the consumers' needs are simple. They want to be able to:

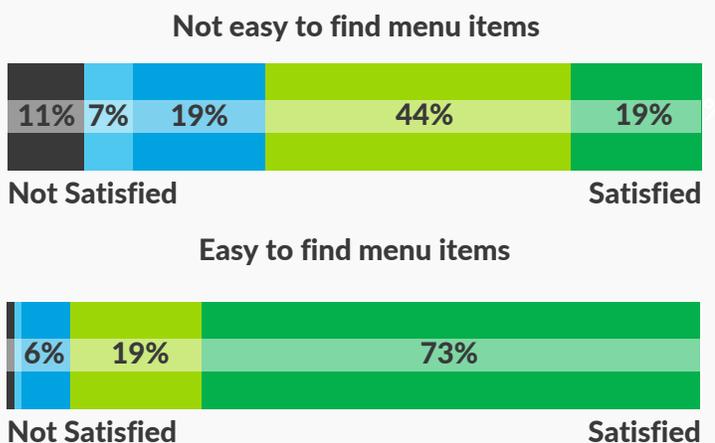
1. Find the items they're looking for
2. Add them to their cart
3. Make any modifications they require

According to the data, an intuitive app makes the ordering experience smooth and simple, and increases satisfaction.

We found that **satisfaction with the ordering experience was 54% higher when consumers reported it was easy to find the items they wanted.**



Reported level of satisfaction with the ordering experience when it was easy to find menu items



Feedback from the field

★
"The size of the images made it hard to find the item I was looking for without a lot of scrolling."

★★★★★
"It was easy to navigate the menu online and find the different menu options available. The checkout process was simple. I immediately received an email confirmation for my order with pickup instructions."

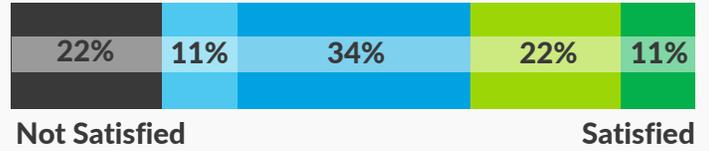


The effort required to add a menu item to the user's cart had an even greater impact.

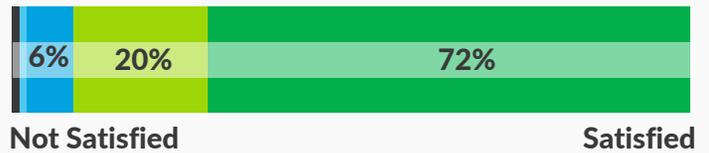
Satisfaction with the ordering experience was **61% higher** when consumers found it was easy to add an item to their cart.

Reported level of satisfaction with the ordering experience when items were easy to add to cart

Not easy to add items to cart



Easy to add items to cart



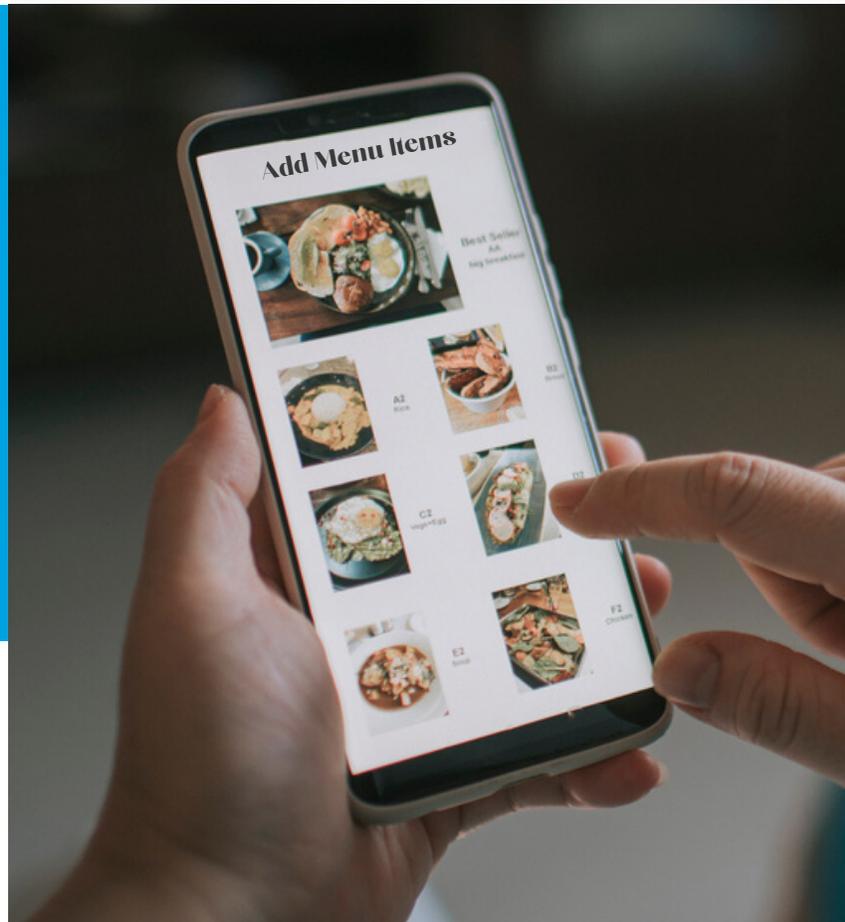
Feedback from the field



"I was able to add items easily, but there were no customization options aside from choosing different entrées/sides."



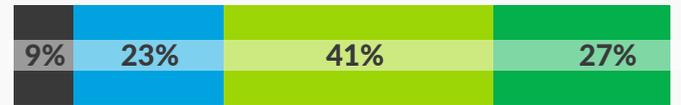
"The items were easy to select. I could pick how each entrée and side would be made. When the order was complete, a screen appeared that gave a time frame of when the order would be ready."



Last, but not least, the ability to customize items had a significant impact. **Satisfaction with the ordering experience was 45% higher when consumers reported it was easy to modify their order.**

Reported level of satisfaction with the ordering experience when it was easy to modify an order

Not easy to modify an order



Not Satisfied

Satisfied

Easy to modify an order



Not Satisfied

Satisfied

Feedback from the field



"It was very frustrating as I tried several times to unsuccessfully make it a combo."



With the industry's focus on digital ordering, it should not be surprising that most brands received top marks in some areas. However, **none of the brands scored 100% across all three stages.**

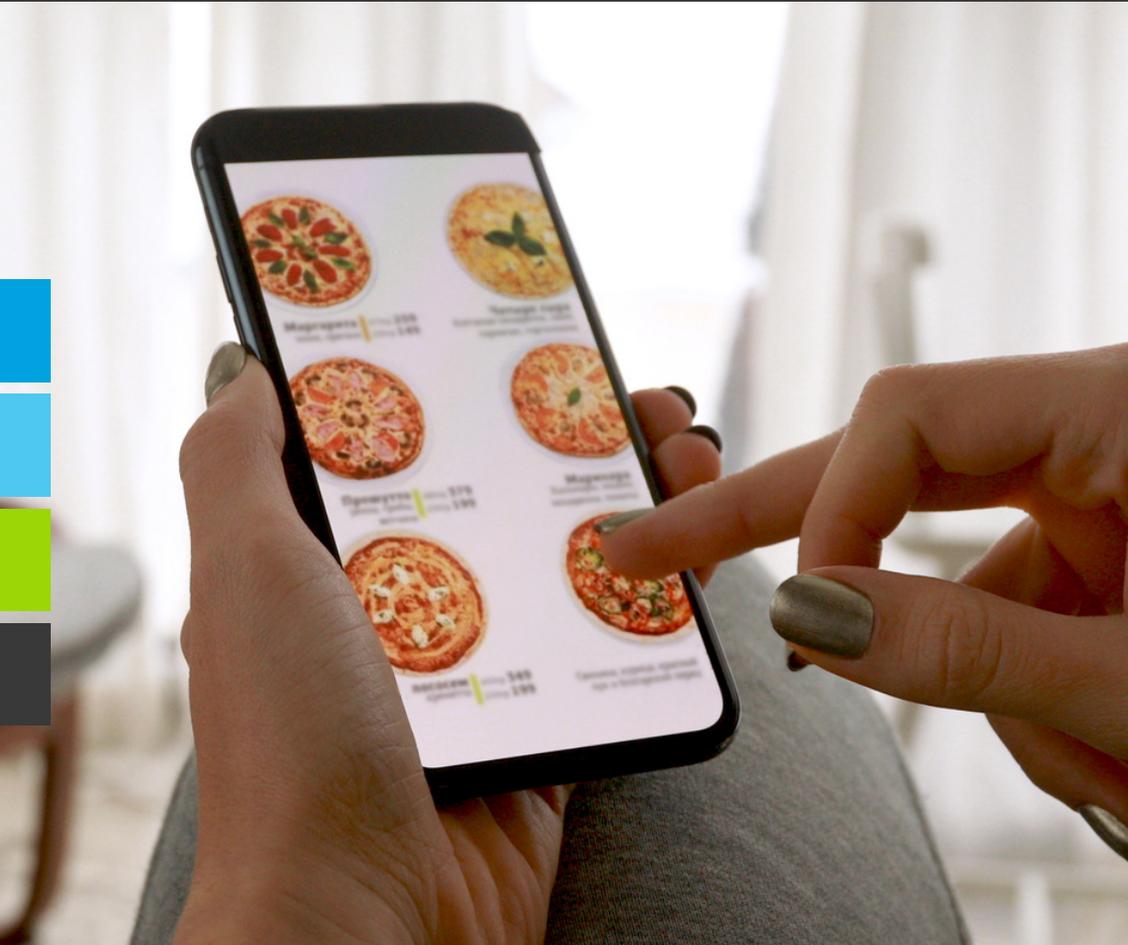
While 3 brands scored 100% in the ease of finding items, **the average was just under 97% – with one brand receiving only 89%.** This is an easy stage at which to lose potential guests. If users can't find the items they want, they will simply move on to a competitor.

Percentage of shoppers who reported menu items were easy to find, by brand



100%
Category Leaders





Brand's scores were slightly higher when it came to adding items to a user's cart. **The average score was 98% with the lowest being 94%.** However, this means that there are still instances where potential guests are identifying items they want to purchase but are having difficulty doing so.

Percentage of shoppers who reported it was easy to add items to cart



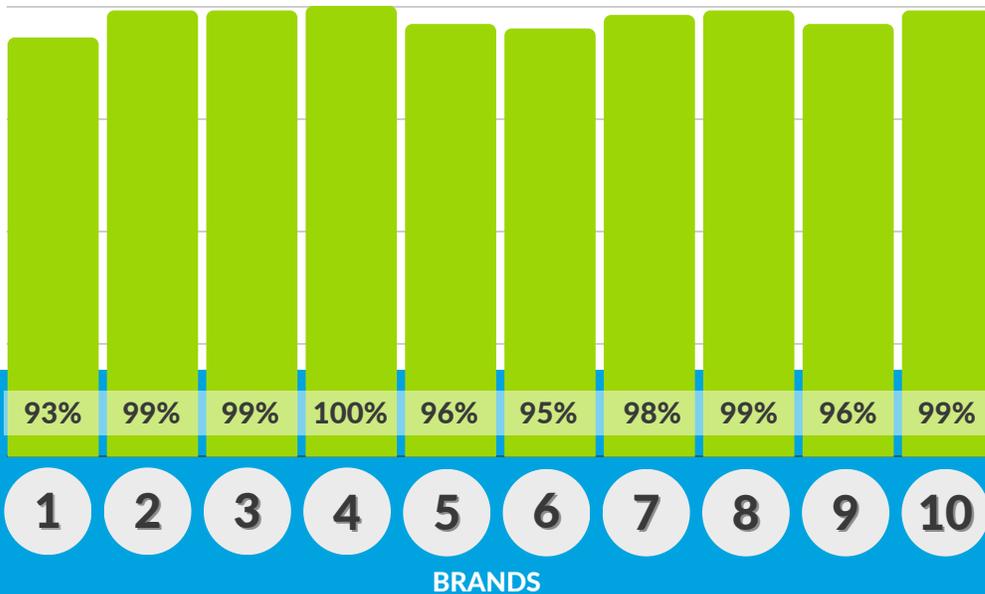
100%
Category Leaders





Order modification is where we saw some of the brands who scored 100% in the other areas fall short. **The average score was 97%, but only one brand scored 100%.**

Percentage of shoppers who reported it was easy to modify an order



Category Leaders



02.

The Pick-Up Experience

While the performance margins between brands were relatively close when it came to the ordering experience, there was a much greater variance across brands for pickup. Here, three factors rose to the top:

1. Was interacting with restaurant staff built into the pickup process?
2. Was there signage indicating where customers could pick up their orders?
3. Was there a designated pickup area?



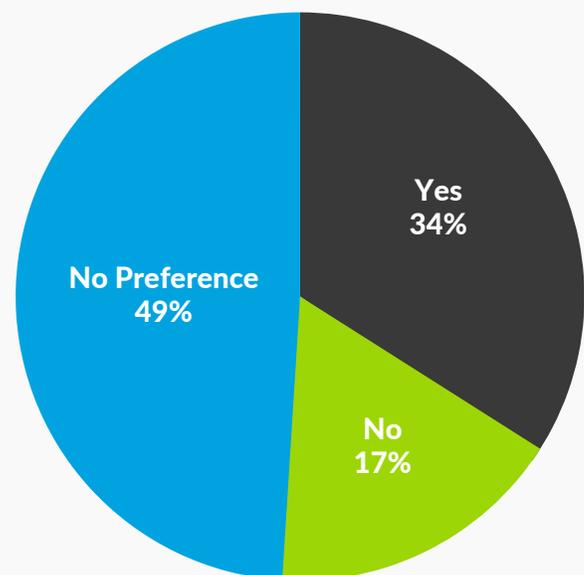
Over the last few years, brands have been experimenting with a number of ways to get orders into their customers' hands. From curbside, to pickup shelves, to lockers and more, customers have experienced and provided feedback on how they prefer to interact with the brands they love.

When asked whether or not they want to interact with an associate during pickup, nearly half of consumers surveyed report they have no preference for whether they interact with a restaurant associate when picking up an order. But **2x as many consumers prefer to interact with an employee than those who do not.**

From a survey of over 2000 consumers across North America.



Do you want to interact with a restaurant associate when picking up your order?





Despite shifting trends towards contactless and self-serve options, our study revealed that satisfaction with the pickup experience was **11% higher when interacting with staff was built into the pickup process.**

Reported level of satisfaction with the pickup experience when interacting with employees was part of the process

Not part of the pickup process



Part of the pickup process



Feedback from the field



"When I arrived at the restaurant, I was immediately greeted by a staff member at the register. She asked for my name and after I provided my name, she looked for the order. When it was not found, she asked the kitchen staff and said it would be ready shortly. After waiting two minutes, a bag was handed to me and I was thanked for the order."



However, brands were inconsistent about building in staff interactions to their pickup process. None of the brands we visited had staff interactions built into the pickup experience 100% of the time. In fact, **while the average score was 70%, nearly half of the brands fell below that.**

Category Leaders

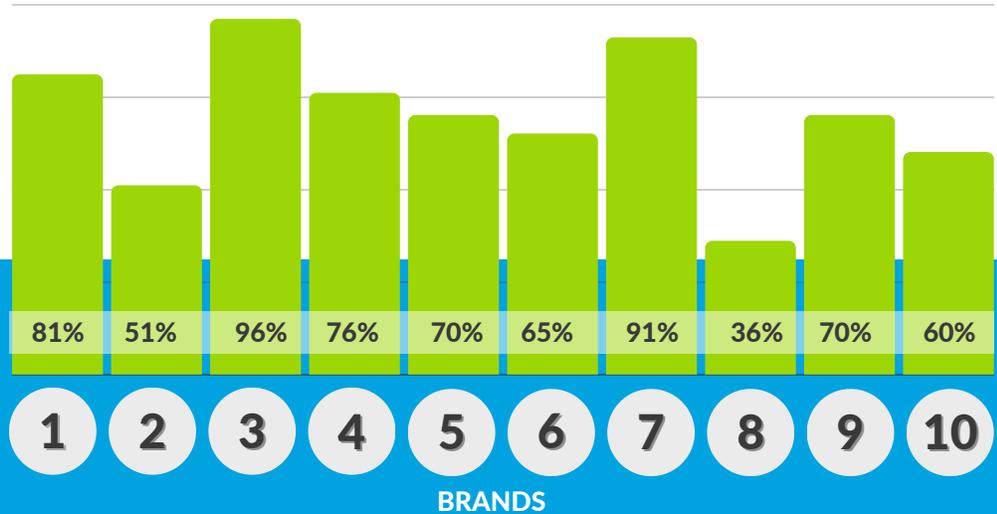


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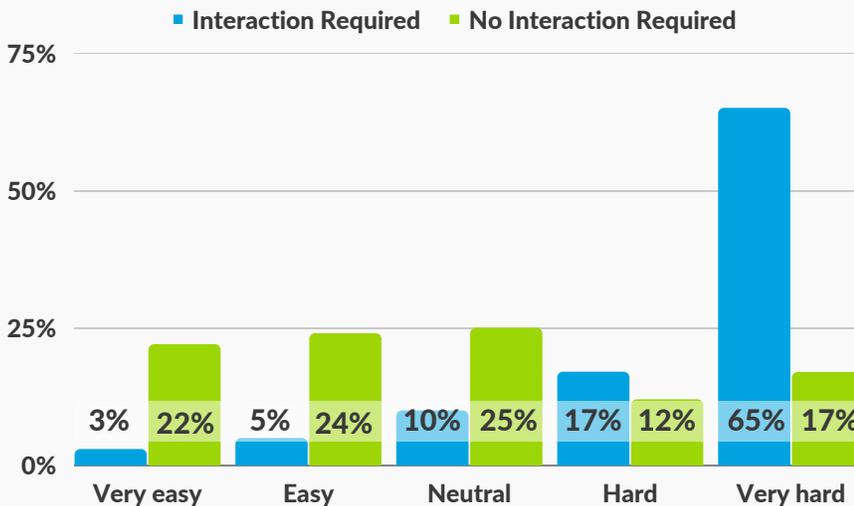
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3

Percentage of shoppers who reported interacting with employees was part of the pickup process



Reported level of difficulty in taking the wrong order with, or without a required staff interaction



In addition to improving the guest experience, staff interactions can safeguard your orders, making sure they end up in the right hands.

65% of consumers felt it was very hard for someone to take the wrong order when a staff interaction was required.

One shopper even shared that although there was a pickup shelf, a staff member informed them that orders were not being placed there due to theft.



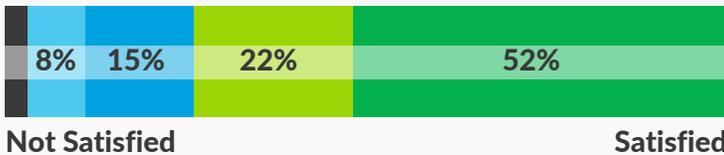
With brands so focused on delivery, many brands have neglected to make the pickup process clear when customers order ahead.

Removing uncertainty for customers is always best practice, and the results from our study supported that.

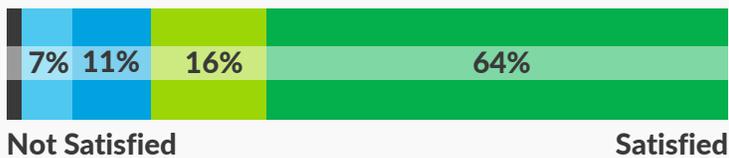
Satisfaction with the pickup experience was 12% higher when there was clear signage in the restaurant indicating where they should pick up their order.

Reported level of satisfaction with the pickup experience when there was clear signage

No signage indicating where to pickup an order



Clear signage indicating where to pickup an order



Feedback from the field



"When I walked in, there was no signage about picking up orders. I waited in line behind other customers to speak to someone. After 5 minutes, I was able to ask for my order. It was sitting behind the counter and ready, but I had no way of accessing it."



"When I arrived at the store, I noted that there was a sign that said to check in at the counter. I spoke to the staff member at the counter and provided my name for the pickup order. She confirmed that the order would be ready shortly."





Signage is another key area where brands can make improvements.

Six of the ten brands we visited only had clear signage 50% of the time or less. The top performing brand was missing clear signage more than 1/4 of the time.

Percentage of shoppers who reported there was clear signage indicating where to pickup an order



Category Leaders



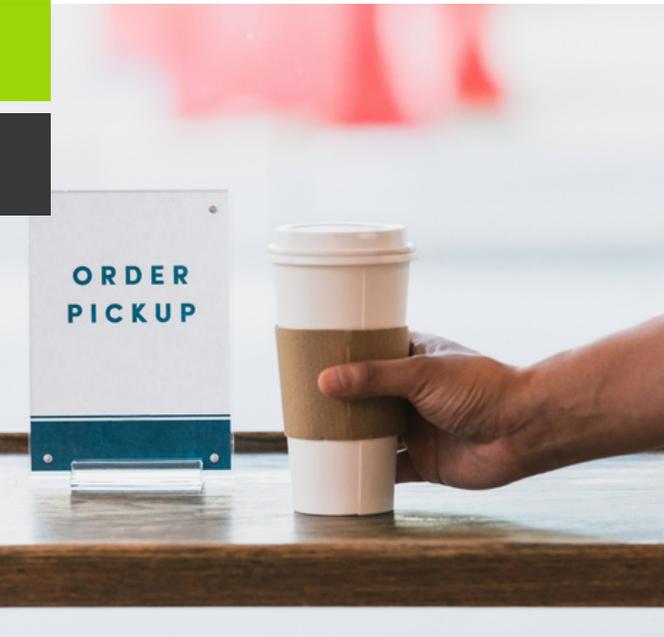
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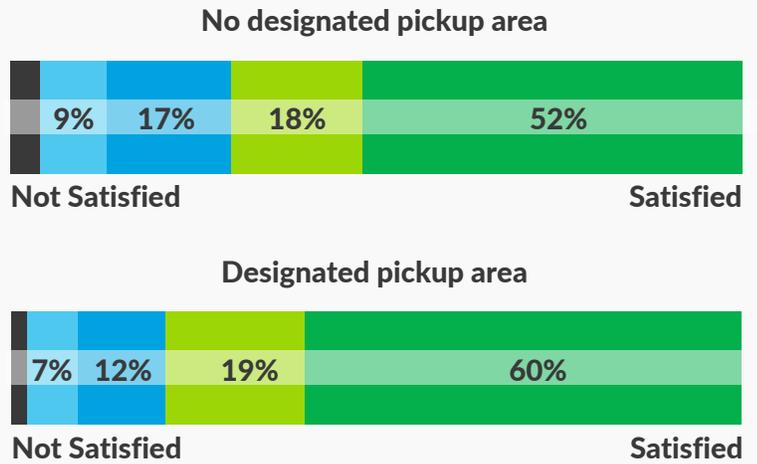
3



Regardless of signage, satisfaction with the pickup process was 8% higher when there was a designated pickup area.



Reported level of satisfaction with the pickup experience when there was a designated pickup area



While brands performed better in this regard, **only one brand consistently offered a designated pickup area.**

Percentage of shoppers who reported there was a designated pickup area

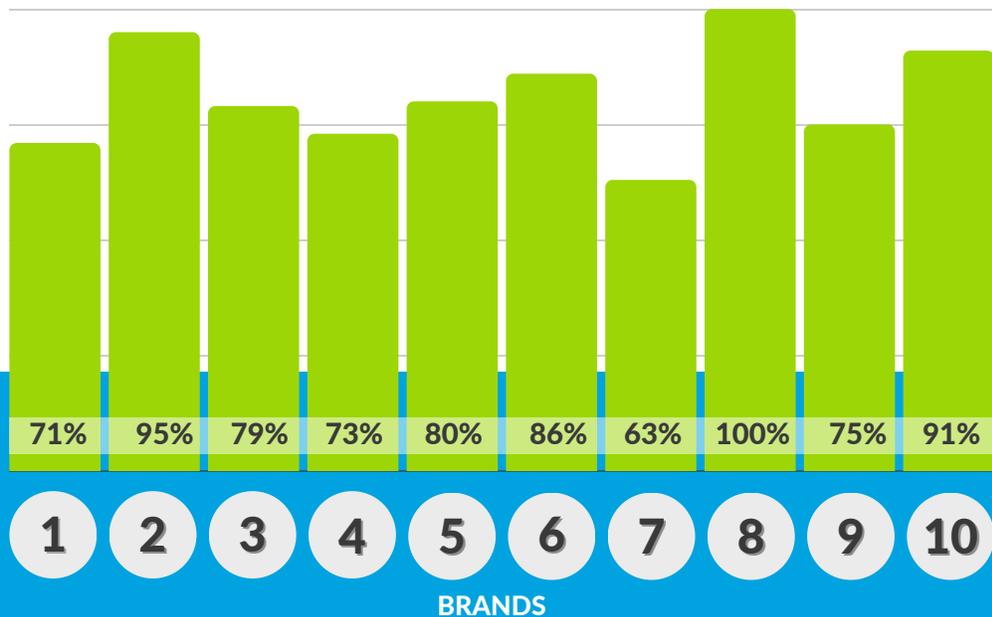
Category Leaders



1

2

3



BRANDS



03.

The Overall Experience

When it comes to customer retention, the overall experience is what matters most. In order to help brands make the biggest impact, in this section we will look at:

1. Why brands should focus on optimizing the pickup experience
2. The importance of building personal connections
3. Why ongoing measurement is crucial for continued success



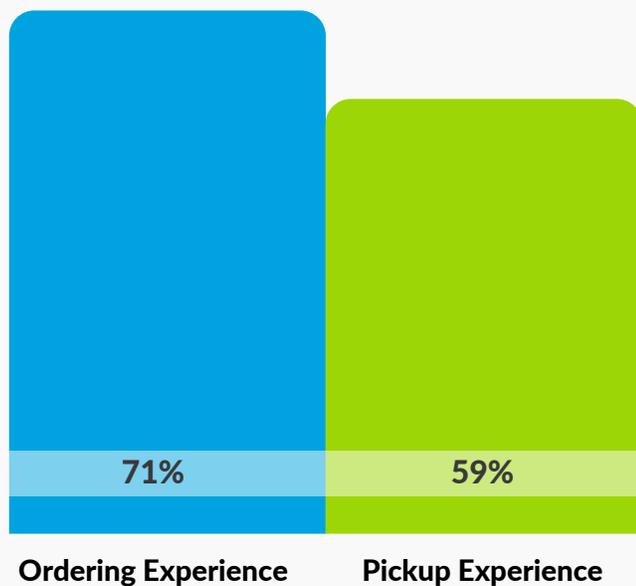
Both the pickup and ordering experience have a significant impact on overall experience. **Customers who were satisfied with their pickup experience reported 34% higher satisfaction with their overall experience.**

On the other hand, **customers who were satisfied with their ordering experience reported 32% higher satisfaction with their overall experience.**

As we saw previously, brand performance has greater room for improvement when it comes to the pickup experience. This is reflected in the average scores at each stage. **Satisfaction with the ordering experience is 12% higher than the pickup experience.**

Because of this, **by optimizing the pickup experience, brands will see the greatest improvement in overall experience.**

Percentage of shoppers who were satisfied with each stage of the purchasing experience



Percentage of shoppers who reported 5/5 satisfaction with the ordering experience



Category Leaders



Percentage of shoppers who reported 5/5 satisfaction with the pickup experience





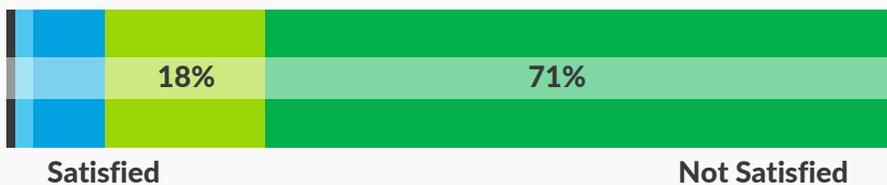
When examining the pickup experience, we saw twice as many consumers prefer interacting with staff than not. And, building staff interactions into the pickup process boosted satisfaction with the experience. But staff interactions had an even bigger impact on overall satisfaction. **Overall satisfaction was 15% higher when staff interactions were required as part of the pickup process.**

Reported level of satisfaction with the overall experience when interacting with employees was part of the pickup process

Not part of the pickup process



Part of the pickup process



The most common comment we received from shoppers describing their experience was a reference to how the staff treated them - whether an employee interaction was required or not.

Humans are social creatures. Because of this, personal interactions are memorable. Contactless pickup experiences can leave customers feeling ignored.

By building some level of personal interaction into your pickup experience you will **create deeper connections with your customers**. And it will ensure your team members **make guests feel acknowledged and welcome**.



Feedback from the field



"I was given very little attention for the first 10 minutes of walking in and standing near the pickup area. After the quoted ready time had passed, they checked my name and told me the order hadn't been started yet, but that it would be made next."



"When I entered the store, I reached the counter where the pickup sign was located. The associate who was near the counter, told me that he would be with me in a moment. After a minute of waiting, another associate asked me if anyone was helping me. He asked for the name the order was under. Seconds later, the associate handed me my order and apologized for the wait."

Ensuring your business decisions are based on current and accurate data is the best way to make efficient use of your resources. That is why ongoing measurement is the key to long term success.

For example, we know from our Annual Drive-Thru Study that speed of service is a key factor when it comes to orders placed through that channel. However, when it came to orders for pickup, **speed of service had minimal impact on overall satisfaction** when kept within a reasonable window.

One possible explanation could be variables involved in the customer getting to the location. When placing an order through drive-thru, customers are already on site and the faster their meal is ready the happier they will be.

But, when placing an order for pickup, **it's most important for the meal to be ready when the customer arrives** - which depends on factors outside of brands' control and may not be "on-time."



Similarly, it would be easy to assume that members of a brand's loyalty program are significantly more satisfied with their overall experience. However, while these programs are a great way to connect with consumers and influence purchasing habits, membership did not have much impact on satisfaction.

Overall satisfaction was only 3% higher when the customer reported being a member of a brand's loyalty program.

Reported level of satisfaction when shoppers were a member of the brand's loyalty program



Closing Remarks

With 87% of consumers placing orders for pickup in 2023, and the pickup experience having such a major impact on overall satisfaction, brands can't afford not to optimize their locations for a great pickup experience.

And, the first steps to do so are clear:

- ▶ Post clear signage at all locations indicating where customers should pick up their orders.
- ▶ Incorporate employee interactions as part of the pickup experience.
- ▶ Measure the impact.

Customer experience measurement is the best way to quantify the impact of your efforts and identify other areas for improvement. Intouch Insight provides brands with the tools and services that enable them to ensure they are delivering consistent customer experiences across all their locations.

Contact us today to discuss how we can help you exceed your customers' expectations.





Intouch Insight

www.intouchinsight.com

1-800-263-2980 | letschat@intouchinsight.com