APAC Restaurant Consumer Trends Report

3 Trends to Help You Acquire More Customers
& Build Customer Loyalty This Year

/23

APAC

At the beginning of each new year, it's a given that you will have multiple consumer trends reports in your feed, inbox, and ads. **But we can promise you, this report is unlike any you've seen before—it was designed to inform your customer retention and acquisition strategies more than any report ever has.**

What Makes This Restaurant & Food Service Consumer Trends Report Different?

The unspoken truth is that most consumer trend reports aren't keeping up with your customers. Why? Because they are largely based on survey findings *alone*.

However, only a fraction of your consumer voice can be heard via surveys.

Whether your restaurant is quick service or full service, you know that surveys don't tell you the full story. They don't take into account online and social media reviews, or what your employees on the frontlines are seeing in your restaurant. Leveraging these various signals will give you the most effective insights to shape your menu, staffing, and business strategies going forward.

That's why this Food Service & Restaurant Consumer Trends Report is derived from all available consumer data across multiple channels. To be more specific, we leveraged over 170,000+ food service data points across the globe to access the findings you'll discover today.

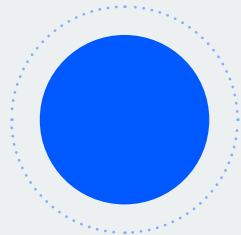FOOD SERVICE & RESTAURANT CONSUMER DATA

SURVEY DATA

A Closer Look at Our Data

SOCIAL SIGNALS

[TIKTOK, INSTAGRAM, FACEBOOK, ETC.]

First, we started with existing social signals about food service experiences from TikTok, Instagram, Facebook, Twitter, and beyond. We mined this data for topics and sentiment leveraging InMoment's Spotlight solution.

ONLINE REVIEW SIGNALS

[GOOGLE REVIEWS, DIGITAL, GLASSDOOR, ETC.]

We then added online review data about food service brands from Google, GlassDoor, and other sites via our Review Management solution (our integration with ReviewTrackers) into Spotlight alongside the social data.

HISTORIC DATA

[2022]

Next, we used Spotlight to aggregate InMoment food service consumer data from surveys and other sources in 2022.

MARKET PULSE SURVEY

Once we mined all that existing data for trends and insights, we leverage InMoment's Market Pulse to fill in the blanks, hear consumer stories, and gain more context.
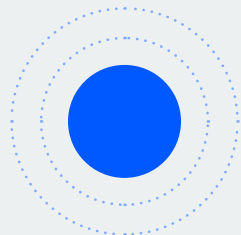
So, where did those 170,000+ data points come from? Here is a quick breakdown of how we went from collecting data to identifying the need-to-know trends.
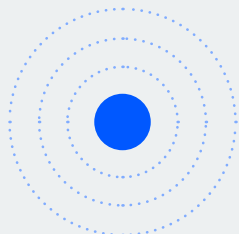
Why does this approach make such a big difference? Because we are leveraging what we call an *Integrated CX approach* to consumer data, rather than just relying on a survey alone. This enables us to get a truly holistic perspective of consumer behaviour.

Additionally, we are truly letting consumers identify the trends rather than merely creating a survey based on our own perception of the experiences food service consumers desire.

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WHAT IS INTEGRATED CX?

Integrated CX is InMoment's approach that helps businesses improve experiences and achieve measurable business outcomes from customer experience initiatives.

Integrated CX connects critical aspects of a successful customer experience, including:

INTEGRATED SIGNALS:

Bringing together the voice of customers and non-customers across the full customer journey from surveys, chats, reviews, calls, etc.

INTEGRATED INSIGHTS:

Delivering both leading innovative technology and strategic expertise to deliver ROI

INTEGRATED ACTION:

Eliminating the silos that exist in many companies, facilitating a coordinated, data-driven approach to prioritising action

An Overview of the Restaurant & Food Service Trends You Need to Know

LET'S DIVE IN!

What Are the Need-to-Know Restaurant Consumer Trends for 2023?

Leveraging our industry-leading analytics and the expertise of our Strategic Insights Team, we examined all 170,000+ collected data points to help you identify the make-or-break consumer demands that will influence your customer acquisition and retention plans, as well as help you understand who you're selling to on a deeper level while avoiding potential experience pitfalls.

Please tell us more about your most recent experience.

I waited in a ridiculously long line for my meal, and then waited even longer for my food to come out to my table. Normally, this location is super fast, I'm not sure what happened. My food was cold and I had wasted so much time, I wouldn't order again!

DETAIL STRENGTH

INDUSTRY

QSR   Custom Tags

HERE'S WHAT WE CAME AWAY WITH:

TREND #1

First Impressions Will Make or Break Your Customer Loyalty

TREND #2

Consumers Want to Be More Digital & More Social

TREND #3

Traditional Approaches & Understandings Are Officially Outdated

Ultimately, there is one greater theme that unites these three experiences: the food service customer experience approach of yesterday will be mere table stakes when you're competing for your customers' loyalty in 2023.

And while offerings like call ahead ordering, digital menus, and the like may offer passible experiences for your consumers, there are other strategies that will help you win and keep their business for years to come.

So, for each trend that follows, we will identify the experience elements that are table stakes, and then unveil the strategies that will help you stand out in 2023!

T/01

First Impressions Will Make or Break Your Customer Loyalty

Your guests have a lot of options to choose from, and we're sure that isn't news to you. So, what can give you a competitive edge this year? The 170,000+ consumer data points we analysed had the answer: your customer acquisition and customer loyalty is becoming increasingly dependent upon a customer's first impression of your restaurant.

So, what makes for a good first impression? While food service consumers may have plenty of options of where to get their food, there is a short supply of personalised experiences in the food service industry. In our data, it became clear that **personalised experiences are key to attracting—and keeping—customers.**

In fact, one in two APAC customers consider personalised ads a key driver of purchase at a restaurant!

If your guests don't feel like their experience with your brand is personalised (or efficient) they are less likely to return.

How to Convert One-Time Customers Into Loyalists with a Great First Impression

Through our data, we found four elements that will help you convert a first-time customer into a regular with a standout first impression.

Food Quality (Ranked #1)

Food quality requires little explanation. However, this is just as much about taste as it is options and customisation. Your customers want to explore your menu, not just be confined to ordering the same one or two things. This variety keeps customers from getting tired of your menu, but also attracts customers with dietary limitations. Whether they have allergies or have chosen an alternative diet, being able to customise their order is key to retaining these customers.

WHAT MOST IMPACTS YOUR EXPERIENCE AT A RESTAURANT?

1   **2**   **3**   **4**

FOOD QUALITY
(Taste, Options, etc.)

SPECIAL OFFERS
(Discounts, Incentives)

STAFF EXPERIENCE
(Wait, Personal, etc.)

OTHER
(Brand Values, Reviews)

Special Promotions (Ranked #2)

Another important value driver was special promotions! When considering what you will do to promote your restaurant, you need to think about the new channels where consumers are getting their recommendations.
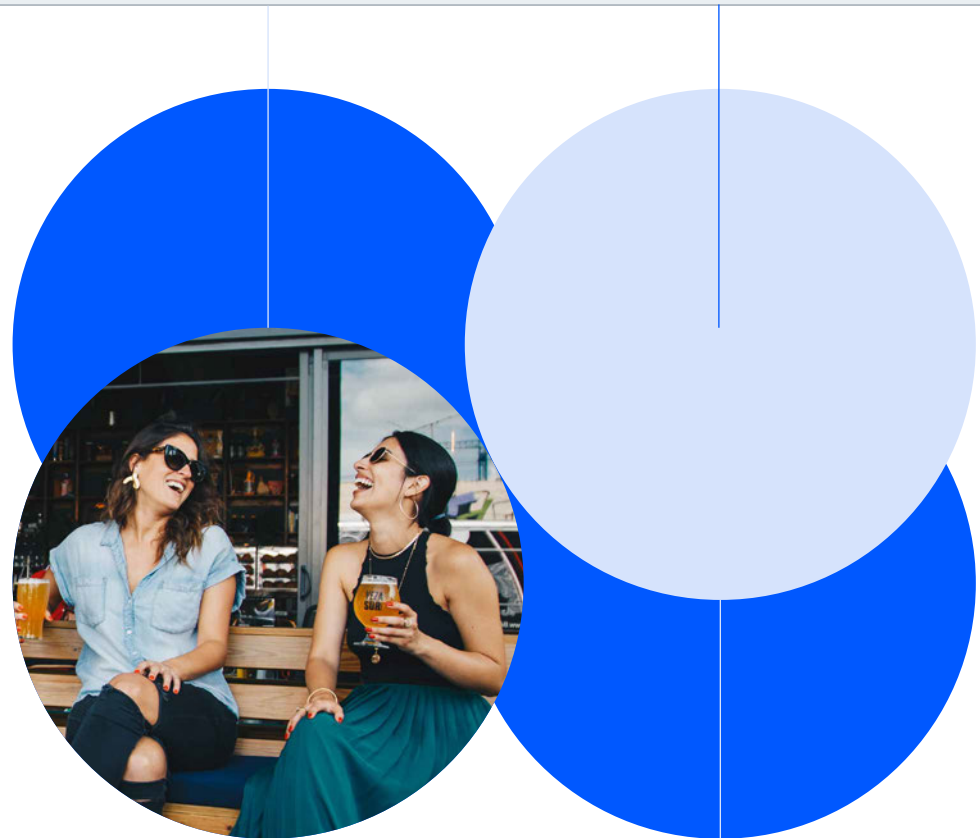
We all know that influencers play a huge part in retail marketing, and from our research, it seems that they will also play a huge role in getting new customers through the doors of your restaurant, too.

Did you know approximately 1 of 3 consumers were more likely to visit a restaurant based on a social influencer recommendation?

Staff Experience (Ranked #2)

Staff experience was one of the most important value drivers here. This revolves around how your customer is being treated at

WHAT MOST IMPACTS YOUR EXPERIENCE AT A RESTAURANT?

1 FOOD QUALITY (Taste, Options, etc.)

2 SPECIAL OFFERS (Discounts, Incentives)

3 STAFF EXPERIENCE (Wait, Personal, etc.)

4 OTHER (Brand Values, Reviews)

your restaurant. Whether it's quick service where it's all about speed, or a full-service restaurant where it's all about personalisation, the experiences your customers have with your staff are key to converting them to a brand loyalist.
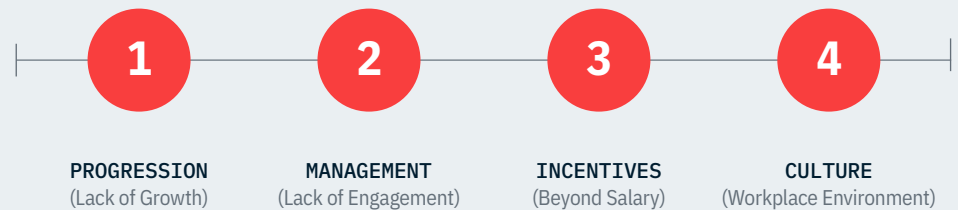
Given how important the staff experience is, it's absolutely vital that you keep your high-performing staff happy. But we know that's easier said than done, especially in the current staffing climate for food service.

In order to help you hire and retain the best talent out there, we did some digging across all of our data to see what are the deal-breakers for food service staff. Here's what we found:

DRIVERS OF TOP TALENT TURNOVER (FRONT LINE)

1	**2**	**3**	**4**
PROGRESSION (Lack of Growth)	**MANAGEMENT** (Lack of Engagement)	**INCENTIVES** (Beyond Salary)	**CULTURE** (Workplace Environment)

One of two churned employees left due to a lack of career progression (tactical work, etc.)

In short, it's clear that there isn't just one factor that will help you make a great first impression. Rather, it seems a mix of high-quality offerings, people, and experiences will be key to maintaining customer loyalty in 2023.

With these elements in mind, you can help to fine tune your approach to career progression, increase management training, and implement exciting incentive and culture programs. And that will not only help you keep your staff around, but it will also help you ace your all-important first impression with your customers.

T/02

Consumers Want to Be More Digital & More Social

Every restaurant was forced to focus on digital offerings during the pandemic. Whether it was take away orders only, booking systems, or digital menus, your brand had to pivot in order to accommodate your customers..

As your customers come back into your restaurant unmasked and socially un-distanced, they are still expecting to have access to those same digital options they have become accustomed to over the last few years—and more.
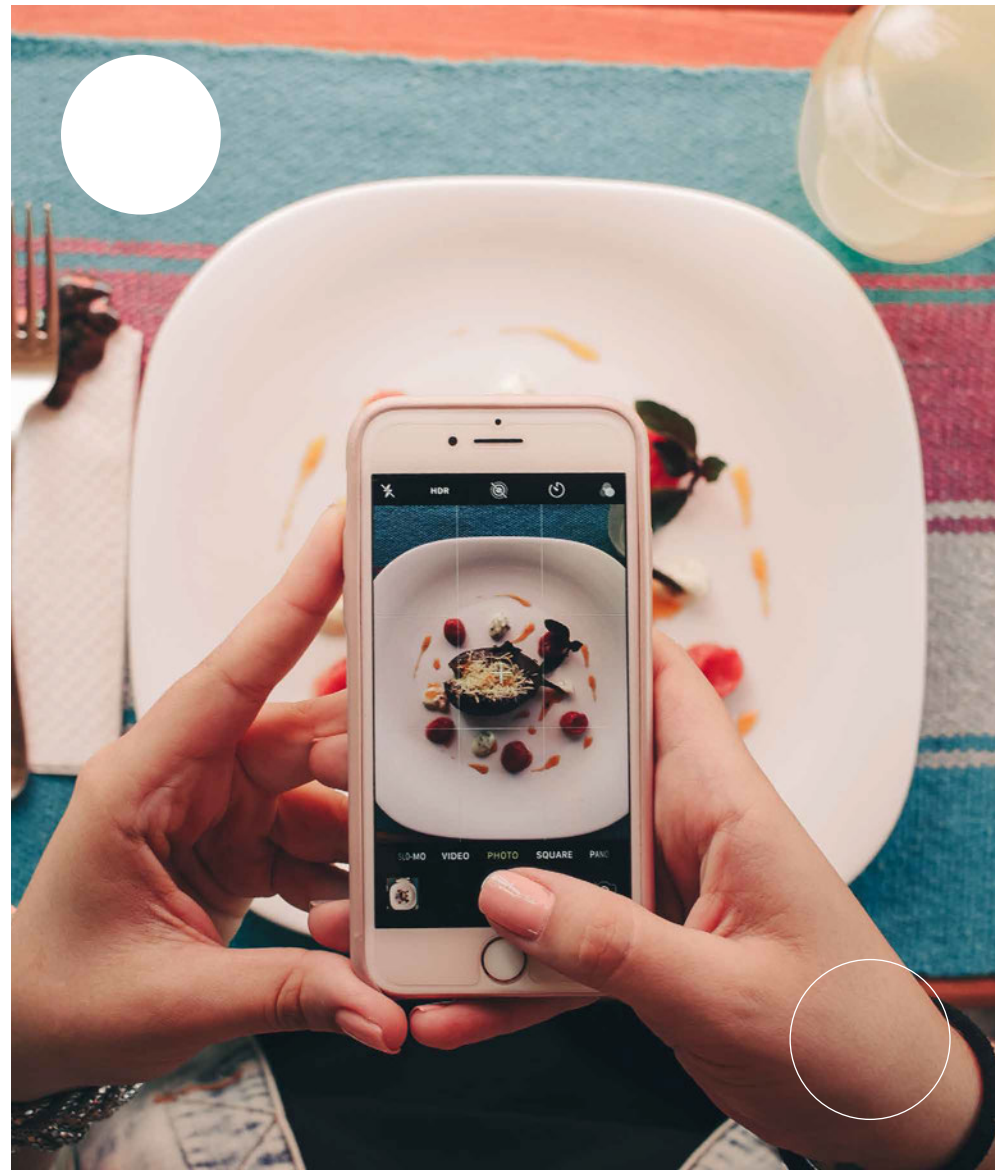
What Are Your Guests Expecting from Every Experience?

As mentioned above, there are certain experiences that your customers are going to expect in 2023. Providing them won't necessarily increase your acquisition or excite existing customers, but NOT making these options accessible will put your customers at risk of churning (or keep them from dining with you at all).

Going into 2023, you need to make sure you have these practices in place to retain existing customers:

Seasonal Food Options

Targeted offerings by area, accessible nutrition info, and offerings that your customers will look forward to regularly

Special Offers

Utilising influencer marketing, loyalty programs, and mobile apps are now table stakes for successful restaurant brands

Staff Personalisation

Whether it's speed of service in a fast food chain or personalised menu suggestions in a full-service restaurant, customers want efficient and personalised experiences

Brand Values

Who are you beyond the food you are offering? Consumers are looking for brands to be involved in local, social, and political initiatives.

Consistency

Your customers want to know the experience they are going to get before they open the app or walk in the front doors. Delivering a consistent experience will keep your customers from churning

Now, What Will Exceed Customer's Expectations in 2023?

Now that we understand what it takes to keep your customers or put your restaurant in the consideration zone, we can dive into the experiences that will blow your diners' minds in the best way!

Our research found that most guests are excited at the prospect of hybrid experiences that bring the digital to the in-store experience with scannable menus and options to view additional information using their phones and mobile devices in store.

Want some more specifics?

SEE NEXT PAGE FOR IN-DEPTH LIST

↓

HERE'S THE PROOF ///

One data source showed 1 of 3 customers are likely to return to a brand if they offer a more 'hybrid' experience, bringing the digital (mobile) experience to life within the in-location experience

Below are a variety of ways diners would like to use mobile devices as a part of their in-restaurant experience:

1	2	3	4
FOOD/OFFERING RATINGS AND REVIEWS	**OFFERING INFO**	**PAY-AT-TABLE OR FLEXIBLE PAYMENT OPTIONS**	**RECENT EXPERIENCE REVIEWS**
Your customers want to know what the most popular order at your restaurant is. They will be more inclined to order something if they know that 50 other people have ordered it within the last week and enjoyed it!	Along with ratings and reviews, your customers want to know what is in their food. Having this information just one click away helps to accommodate diets or dietary restrictions—and that's absolutely key to acquiring new customers in 2023.	Creating hybrid in-restaurant experiences means doing away with a server taking the bill to the table, then to the register to run the payment, then back to the table one final time for a signature and tip. That process is outdated, and your customers want to be able to complete the entire payment process from their mobile device.	Similar to reviews of your restaurant's offerings, guests want to be able to access reviews of the entire experience—from entry to exit.

Heading into 2023, it's important to understand that your customer is unlike any customer you've had in the past. They want the convenience and safety of digital offerings but the connection and reliability of social integration. Creating a restaurant experience that combines both of these will exceed their expectations, and keep them coming back again and again.
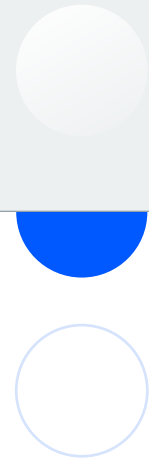
T / 03

# Traditional Approaches & Understandings Are Officially Outdated

Looking at our insights so far, it's safe to say that consumers will simply not settle for the same old restaurant experiences. In fact, features such as delivery or pickup options will not be enough to turn their heads either.

With that in mind, would it surprise you to learn that our research debunked a few popular customer experience assumptions as well?

We thought not. In this section, we'll be busting some myths about food service consumers' experience that will change your approach.

Busting Food Service Consumer Experience Myths

TRUE

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F

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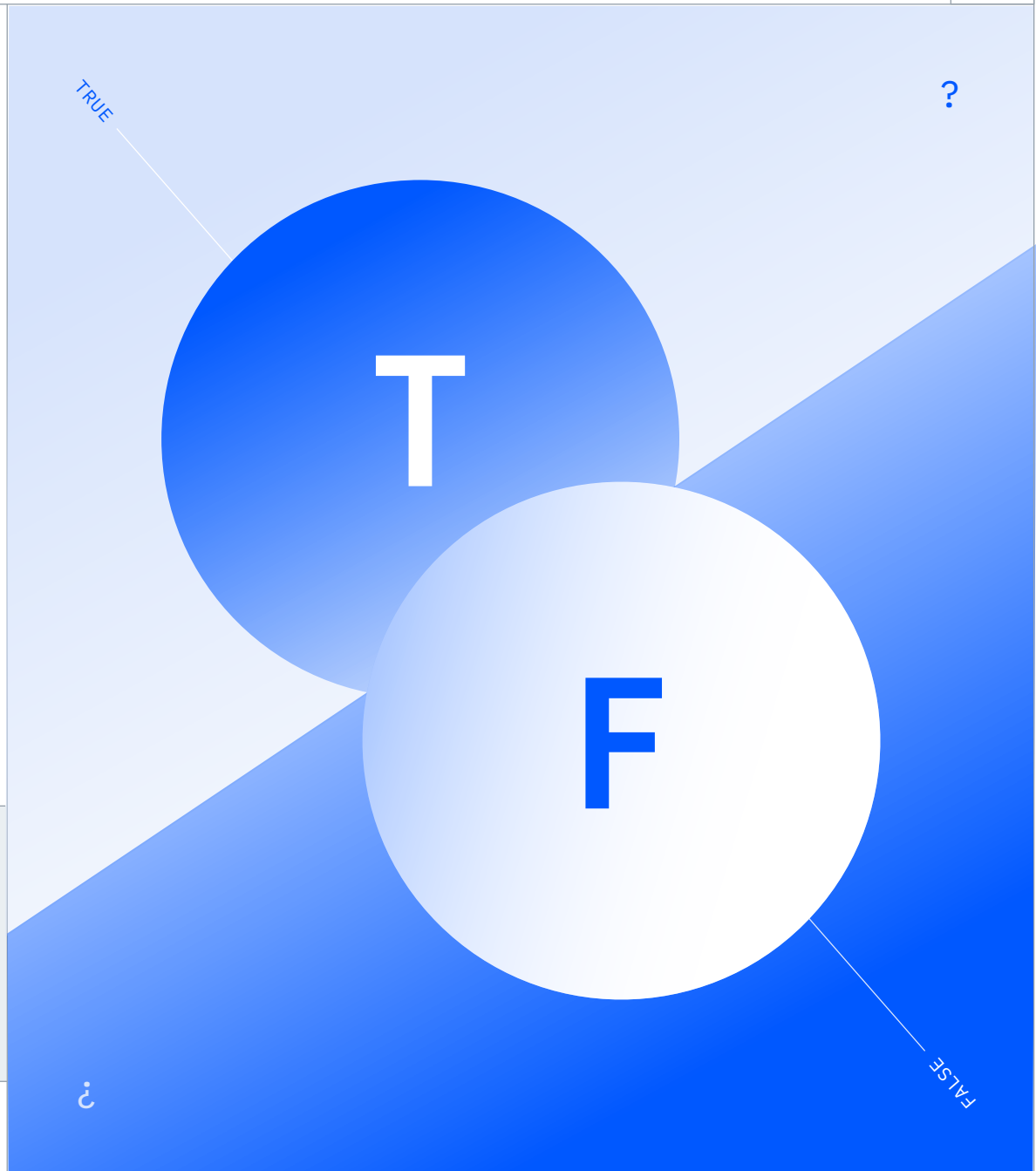
FALSE

MYTH #1

Surveys Are the Only Important Customer Feedback Method

T / **F**

FALSE. Though surveys are certainly an important way to get direct feedback from your customers, they are by no means the only tool you should be leveraging.

Surveys only allow you to get insight into a portion of the customer experience. Let's look at an example of how you can use feedback from multiple channels to identify a pain point.

SEE EXAMPLES TO THE RIGHT →

SURVEY RESPONSE 66 99

The staff were not attentive; no one was around to help me

At face value, this response would suggest that the staff was performing poorly. But, why was that the case?

CONSUMER SOCIAL SIGNAL 66 99

Your staff look EXHAUSTED! No wonder everything is so slow.
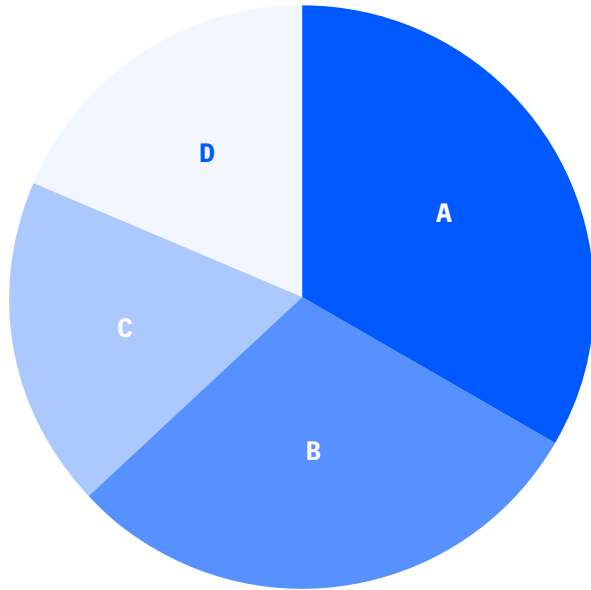
Now we are getting closer to identifying the problem. Clearly the staff was tired, which was causing them to be inattentive and perform poorly. But, why was the staff so tired?

EMPLOYEE SOCIAL SIGNAL 66 99

I'm overworked [...] My manager just gives me MORE tactical work!

Finally, we have arrived at the root of the problem. The staff's poor performance can be traced back to a management issue. From collecting feedback from multiple different channels, now you are able to create an actionable insight that there needs to be a change in the management processes.

MYTH #2

Surveys Alone Will Help Gauge My Customer's Journey

T / F

NOT COMPLETELY TRUE. Surveys are a great way to gauge the customer journey, yes. But, they are not the only tool you should be utilising to do so.

As a matter of fact, the majority of your customers would rather interact with you in a different form than a survey.

SEE FIGURE 3.1

Most of your customers would prefer to interact with your brand through ratings and reviews. You need to be utilising these, along with other methods, in order to fully gauge the customer journey.

HOW CUSTOMERS WANT TO INTERACT WITH BRANDS*

A | REVIEWS & RATINGS ////////////////// 29%
B | VIA A SURVEY /////////////////////// 26%
C | THROUGH A SOCIAL POST //////////// 16%
D | DIRECT CONTACT WITH BRAND //////// 16%

FIGURE 3.1
*MULTIPLE CHOICE OPTIONS TO SURVEY RESPONDENTS

MYTH #3

## Consumers Care More About Price Than Product Value

T / F

NOT COMPLETELY TRUE. Yes, customers will always consider the price of your offerings before purchasing. But, what if I told you that price isn't the biggest driver of purchase?

When considering making a purchase, consumers report that their biggest driving factor is based on seasonal offerings & promotions. After that food quality, referrals and recommendations, or other reasons!
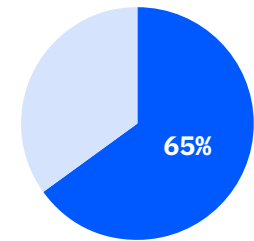
SEE FIGURE 3.2
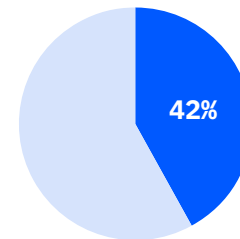
DRIVERS OF PURCHASE AND SPEND*
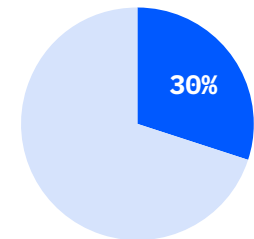
SPECIAL OFFERS & DISCOUNTS

67%

FOOD QUALITY

65%

SPEED OF SERVICE

42%
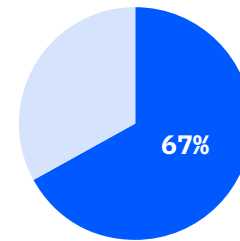
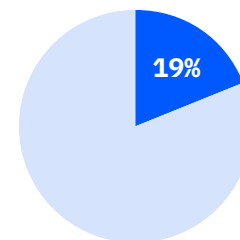REVIEWS, RATINGS, AND REFERRALS

30%

SEASONAL FOOD OFFERINGS

19%

FIGURE 3.2

*MULTIPLE OPTIONS AVAILABLE TO SURVEY RESPONDENTS

MYTH #4

Consumers Find it 'Creepy' When Brands Use Social Signals

T / **F**

FALSE. At this point, we've all had this experience: you're talking with your friends about a product you've found and are considering purchasing. The next day, your Instagram feed is packed with ads about that particular product. Creepy? Maybe you thought so at one time, but today, not so much!

Adding emphasis to this change in consumer behaviour is the fact that another 55% of consumers find personalisation convenient, or even helpful!

So what does this mean for food service brands? Don't be afraid to leverage social signals to personalise digital experiences! There's no need to be concerned about consumers feeling creeped out—in fact, they're more likely to appreciate your efforts.

Today, only 25% of restaurant consumers consider personalisation to be creepy.

NOW YOU KNOW WHAT'S NEXT

Here's How to Take Action

Listening and analysing to gain insights is only half of the battle when it comes to business strategy—your success truly hinges on your ability to take action based on your understanding.

That's why our experts have taken the insights from this Restaurant Consumer Trends Report and put together three action steps you can take today to capitalise on your learnings! We've also taken it one step further by adding stories from our clients who are blazing the trail in food service.

STEP #1:

Enable New Consumer Signals in Your CX Program

1 / 3

It's obvious from the trends that surveys alone can't give you the depth of understanding you need to make decisions about your staffing, menu, marketing campaigns, and beyond. They might give you a gateway into consumer perception, but surveys alone can't deliver the why behind your customer experience.

So, what do you need to do? You need to start listening to new signals and you need a customer experience platform that is capable of mining data from all those signals and consolidating it all into one platform. Not only that, but your platform needs the analytics to turn that data into actionable insights that can be shared across your organisation with customisable reports.

If you're thinking that sounds like a CX unicorn, we get it. But a solution that powerful is anything but fantasy. The InMoment XI Platform is capable of doing all of that and more. Check out the graphic below to see how the XI Platform handles the end-to-end CX program.

STEP #1: ENABLE NEW CONSUMER SIGNALS IN YOUR CX PROGRAM (CONTINUED)
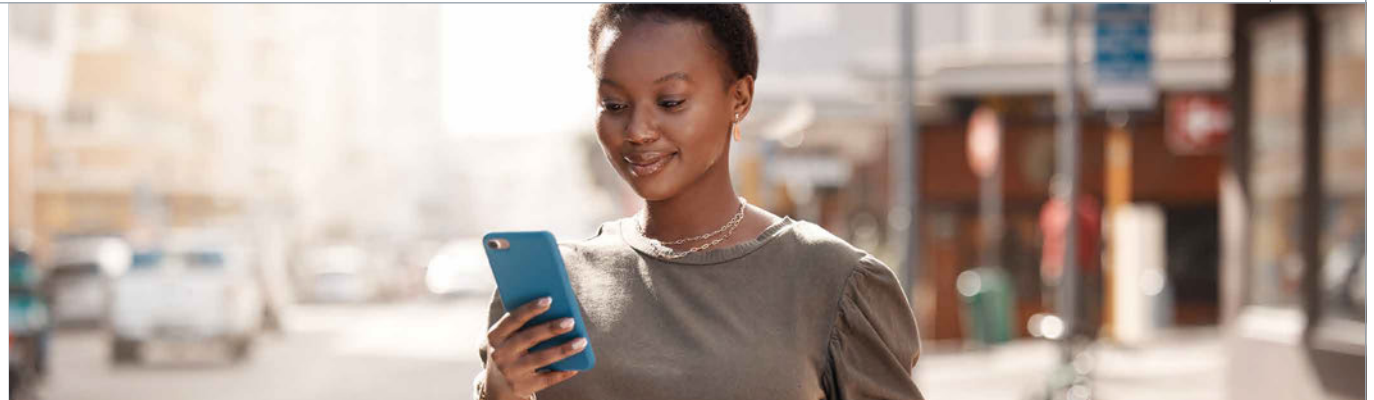
With the XI Platform, you are able to collect data from every consumer signal imaginable, from the contact centre, to survey data, to social media, and review site data. With this 360-degree picture of your voice of customer, you'll gain additional context that makes the difference between an assumption and a true insight.

INDIRECT FEEDBACK

SOCIAL SIGNALS
Stakeholder Acquisition, Adoption & More

REVIEW DATA
Stakeholder Advocacy, Retention/Churn & More

OTHER DATA
"Fill In The Gap"; Targeted Responses & More

DIRECT & OTHER FEEDBACK

TARGETED SURVEYS
Pain point & Business Question Focused

INTERNAL DATA
Segmentation & Persona Definitions

CONVERSATIONS
Contact Centre Transcriptions, Community-Panels & More

STRATEGIC SERVICES
50+ Years Insights Expertise, Consultation, Modeling, etc.

OUR AI-DRIVEN XI PLATFORM
Text Analytics, Reporting, Real-Time Alerting

CLIENT STORY

The Melting Pot Improves Dining Experiences by Improving What Matters Most to Guests

After years of asking employees for anecdotal insights and using mystery shopper programs—which didn't tell the full story from the guests' perspective—The Melting Pot partnered with InMoment to launch a comprehensive guest feedback platform.

The Melting Pot began collecting an abundance of customer feedback data—including both scores and comments—that resulted in a much more comprehensive understanding of the guest experience, as well as actionable intelligence to improve operations across the company.

As a result of these practices, The Melting Pot was able to:

- **Increase key "Speed of Service" metric by 47% in just four months**

- **Reduce time and risk introducing new products**

- **Create an unprecedented ability to listen and act on guest feedback**

STEP #2:

Share & Align with the New Drivers of Purchase

2 / 3

In this trend report, we really dove into what the new drivers of purchase will be in 2023. But where do you go from here? Well, we've created this sharable chart breaking down the purchase drivers so you can refer back to them during strategy sessions and beyond:
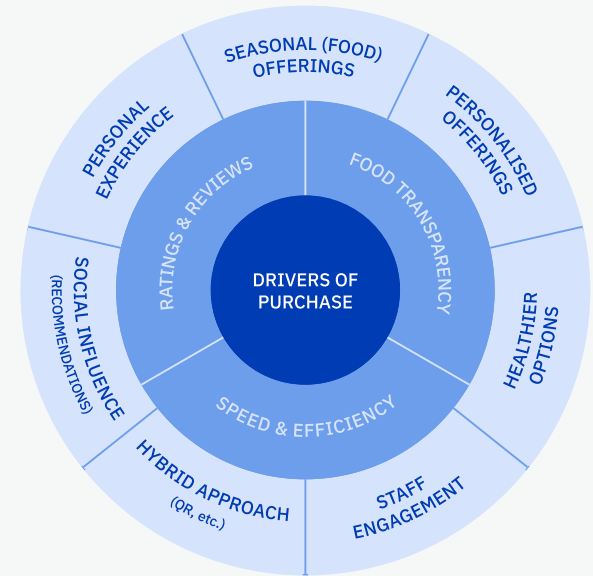
But printing this chart out or saving it to your desktop won't enact any change. These insights (as well as any insights you gain from your CX program) are only valuable if you share them with the people in your organisation who can take action.

STEP #2:
SHARE & ALIGN WITH THE NEW
DRIVERS OF PURCHASE (CONTINUED)

This is where a cross-functional CX governance group comes in handy. If you haven't already, we highly recommend creating a cross-functional group where you can meet and share relevant insights with organisation leaders. Not only will this enable you to showcase your learnings, but it's an opportunity to tailor those learning to leaders and show them exactly what they have to gain by getting involved in your CX program.

If you're thinking, "Another meeting? My schedule is already packed," no worries! You can also leverage custom reports to share relevant insights with your marketing, operations, HR, and other teams via InMoment's Field Reporting.
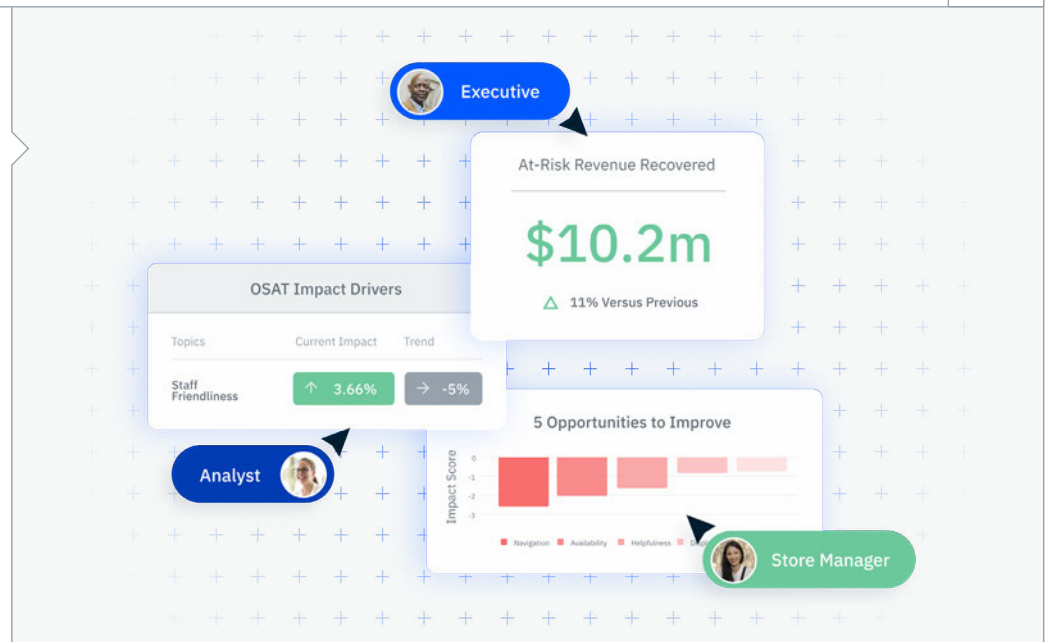
With Field Reporting, CX program managers can empower team members who don't have "Guest/Customer Experience" in their titles with customised reports that pertain directly to their every day jobs. Leveraging its self-serve capabilities, you can create tables of aggregated or response-level data to build visualisations and dashboards that meet your specific business requirements. In other words, you can create quick, easy-to-understand reports to keep your stakeholders in the loop.

CLIENT STORY

The Coffee Club Shares Customer Insights Across the Organisation to Deliver Authentic Experiences

As Australia's largest home-grown café group, The Coffee Club has been committed to giving guests more than they expected since the franchise opened in 1989. The brand puts the guest first, refuses to cut corners with cheaper products, and, in turn, builds long-term, high-value relationships.

With nearly 285 stores in Australia, 60 in New Zealand, and 60 in Thailand, The Coffee Club (TCC) needed to ensure that experience delivery remained consistent while still allowing for the geographical nuances that make each location unique. As it continued to grow, it needed a way to know if it was delivering on both its corporate brand promise and location-level vision. So, it turned to InMoment.

Across locations, InMoment is a one-stop-shop for all customer and employee feedback. Using InMoment's Active Listening™, an AI-powered feedback bot, TCC can collect richer customer data by actually tailoring survey questions to respondents on the fly.

CUSTOMER STORY (CONTINUED)

With Resolve™, InMoment's case management feature, TCC is able to respond to individual customers while identifying the root cause of issues. As a result, TCC identifies at least 30 at-risk customers each month, and resolves issues two to three days faster than before.

While metrics give the corporate team a high-level view of overall brand health and individual location performance, trends uncovered in open-ended customer comments tell franchise operators what's working well and what's not. Depending on the location—urban vs. suburban—do customers prefer a sophisticated or relaxed vibe? Family-friendly or mature? Modern or vintage? With InMoment, The Coffee Club knows exactly what its customers want.

STEP #3:

Focus on Supplying Truly Innovative Experiences

3 / 3

Yesterday's innovations are officially just table stakes to your customers—but that means there has never been a better time to challenge your current strategies!

This is a great time to start investigating hybrid experiences—whether you want to introduce flexible payment options in your restaurant (like one in three customers want you to do) or revamp your restaurant's website or app to keep up with the digital growth in the food service industry, 2023 is your time!

And once you've introduced your innovative experience, leverage your CX program to gauge consumer response. InMoment's Data Exploration is a search-based text analytics tool that provides a quick and easy way for you to sort through feedback to identify trends, anomalies, and spiking topics across multiple data sources.
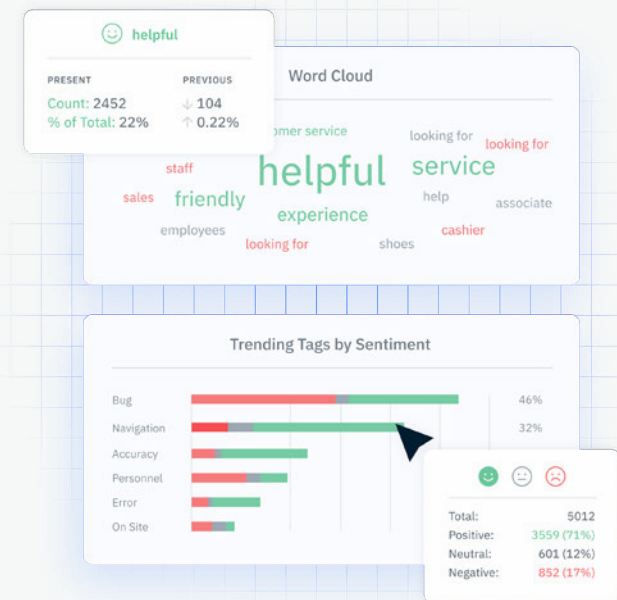
With Data Exploration, you can search consumer feedback to understand how people are responding to new hybrid offerings such as digital menus, mobile pay, online reservations, and more! That way, you can adapt new features, fix any bugs, and make your new experiences a success.

CLIENT STORY

Quick-Service Restaurant Leader Gauges Customer Response to New Menu Items—in Real Time

One of the country's leading fast-food hamburger chains—with more than 2,200 quick-serve restaurants—is known for delivering stand-out menu items in addition to standard burgers and fries.

Because of the consistent changes, the brand needed a way to gauge customer reception of the new menu items in real time so they could make quick changes to new items and increase customer satisfaction. For that, the company turned to its Experience Improvement partner, InMoment.

Recently, the restaurant introduced a new, decadent burger across the brand, and within three days, InMoment's XI Platform alerted on a significant increase in the number of negative comments with the keyword "bacon." After digging into the comments, it was clear customers were dissatisfied with the texture, amount, and size of the bacon strips on the new sandwich. There was a wide gap between the customer expectation of the new product and the restaurant's delivery.

Based on the product's marketing (and name), customers expected the burger to contain three times the amount of bacon as

CLIENT STORY (CONTINUED)

a typical bacon cheeseburger. While the company was delivering on its promise to serve a bacon-packed burger with three types of bacon, customers had a completely different expectation for the sandwich. Therefore, when they were presented with a burger boasting fewer bacon strips than they expected, they felt the brand had underdelivered.
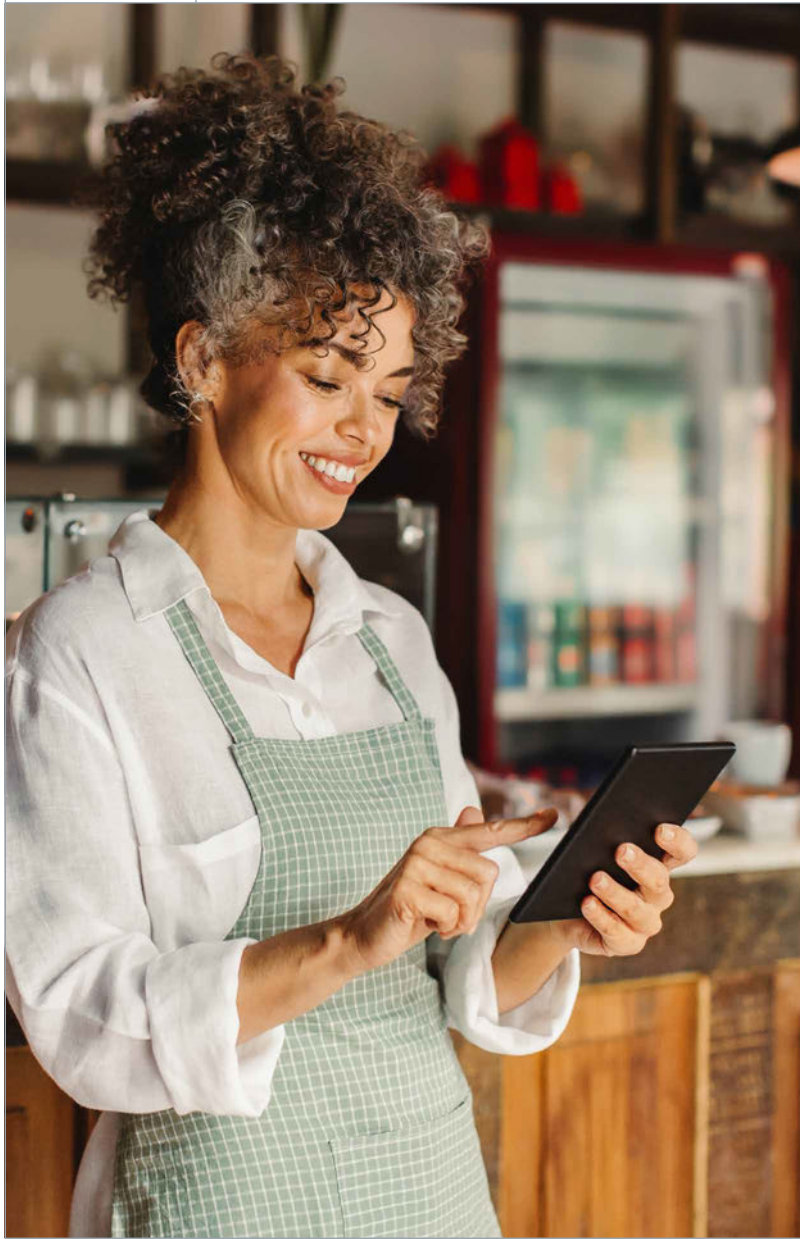
Because of the insights they are able to get from InMoment, the brand was able to:

Spot discrepancies between marketing promises and operational delivery in real time

Empower more effective customer listening

Identify product launch successes—and failures

Make improvements on the fly

Don't Just Follow the Trends. Be the Trends Trailblazer in 2023.

You're now armed with what's to come in 2023. So what are you waiting for? It's time to take action by enabling new customer signals, sharing your findings, and focusing your efforts on innovative experiences.

Unsure if your existing CX vendor can help you do that? We would be happy to talk to you about how the XI Platform can take you to the next level and get you these insights year round!

You can reach out to us directly at infoapac@inmoment.com or via the chat on our website.

In the meantime, check out the XI Platform Brochure to learn about how InMoment's Integrated CX approach and three-part solution (data, technology, and expertise) can help you stay ahead of the trends and make success-driving business decisions.

About InMoment

Improving experiences is why InMoment exists. Our mission is to help our clients improve experiences at the intersection of value—where customer, employee, and business needs come together. The heart of what we do is connect our clients with what matters most through a unique combination of data, technology, and human expertise. With our hyper-modern technology platform, decades of domain authority, and global teams of experts, we uniquely deliver a focus on Experience Improvement (XI) to help our clients own the moments that matter. Take a moment and learn more at inmoment.com.

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