Digital Signage for Quick Serve and Fast Casual Restaurants

How to drive sales and productivity with digital menu boards

An eBook for franchise owners, managers and content creators
Put down the “sold out” stickers, and forget costly menu reprints. When it comes to real-time updates, smart scheduling and multi-location consistency, digital menu boards are the perfect scalable solution.
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From the CEO

COVID-19 accelerated the digital transformation for Quick Serve and Fast Casual restaurants that has been on the cards for years.

The largest chains have flipped to digital-first environments and have reset consumer expectations and ordering habits. It’s now time for the rest of the industry to catch up.

Embracing digital is a journey, not a single project. I’m reminded of my earliest days of web development building sites for small businesses in London. These projects typically started with me purchasing a domain for the company, setting up their first info@ email address and translating the printed brochure into a basic .html site.

What I didn’t appreciate at the time was just how big of a leap this was for these companies. Technically I pushed for a database-driven CMS, dynamic content, analytics and user journeys. But I wasn’t thinking about how radically different having digital channels was as a new way of working. Culturally this was a huge shift. Looking back, I didn’t appreciate this enough as a young programmer eager to code.

It feels like we are on the same journey with digital signage.

To start navigating this, QSRs need a partner that can help deliver a simple, scalable and affordable solution that they won’t outgrow down the line. We’ve carefully put together compelling packages with our own hardware and installation partners to make this first step as easy as possible and fully supported.

Digital signage for restaurants is more than just creating a digital menu board. The real value goes far beyond this.

Digital displays in QSRs can provide multiple – measurable – financial benefits, especially in this post-COVID environment where franchise owners and operators are having to respond to new consumer expectations and habits.
ScreenCloud is helping the industry respond to these consumer shifts.

We are dedicated to working with our customers in this collaborative way. Whilst we have great visions for dynamic, digitally enabled restaurant experiences, we know this all starts with getting screens properly set up and connected, rolling them out across your locations and redesigning processes as you start to move away from print. We are excited to partner with you on your path to digital transformation!

Mark McDermott
CEO - ScreenCloud
Introduction

The impacts of the COVID-19 pandemic affected every industry – on a global scale.

Yet even with the implementation of new health protocols within QSRs (kerbside pick up and contactless ordering, for example), survival within an industry so impacted by the pandemic relies on finding solutions to adapt to this new business environment.

Lifestyles are changing, and with it, the increase in demand for convenience; especially convenience food.

In order for QSRs to keep up with this growing demand for convenience and remain relevant, success and profit is as dependent upon the customer experience as it is the food being quick and good.

Digital signage – and the implementation of digital menu boards – is a simple, affordable and scalable solution for this.

This eBook will discover how and why digital signage is an appropriate and effective strategy for:

- Driving sales via positively influencing purchasing decisions
- Enhancing the customer experience and brand
- Reducing pressure on staff with scalable solutions for menu updates

It will also include digital menu board best practices and strategies.

And for the purpose of this eBook, we define QSRs* as being:

A casual food service where pre-prepared fast food – from a limited menu – is assembled and served to customers, either to dine in or takeaway. QSRs are usually part of an existing restaurant chain or franchise operation where menus and ingredients are standardized.

*N.B: When referring to QSRs, we are excluding brands within the ‘Big 10’ such as Subway, Starbucks and McDonald’s.
Industry overview

The demand for convenience is inextricably linked to an accelerated change in our lifestyles. This is positive news for the QSR industry.

As of 2020, the global fast food and QSR market reached a value of $260bn. It’s expected to grow at a CAGR of 5.1% during 2021-2026.¹

It’s an industry in a period of continual growth – particularly in the United States where the average individual spending on fast food is $1,200 a year. A quarter of the population eats fast food three or more times a week²;³; that’s around 50 million Americans being served every day.

It’s little surprise then that since 2007 the number of QSR franchises in the US has grown year-on-year. Even during the difficulties of the past 18 months, that number has risen by around 2,755.⁴

This is being fuelled by the growing demand for convenience and a change in lifestyles, especially among the millennial generation. Grabbing food to go – on the go – has replaced traditional food preparation methods such as cooking at home. The pandemic accelerated this even further.

In a 2020 report by Statista, 26% of respondents aged 18-29 stated that they visited a fast-food restaurant 1-3 times per week. In comparison, a 2016 Restaurant Habits Survey showed that only 20% of respondents in the same age group visited once per week.⁵

In order to survive the growing competition within this new business environment, QSRs need to respond by seeking affordable and scalable solutions that drive sales and provide an exceptional customer experience.

¹ PR Newswire, 2021, Global Fast Food and Quick Service Restaurant Market (2021 to 2026) - Industry Trends, Share, Size, Growth, Opportunity and Forecasts
² David, J, 2000, Competition in the U.S. quick service restaurant (QSR) industry
³ Statista, 2020, Number of quick service restaurant (QSR) franchise establishments in the United States from 2007 to 2020
⁴ Deloitte, 2020, Convenience - Anything, Anytime, Anywhere
⁵ Statista, 2016, Frequency of dining out at quick service restaurants in the U.S. 2016
The impact of COVID-19

The QSR industry was hit hard by the pandemic. With restrictions on movement imposed globally, many QSR restaurants were forced into rapidly adopting digital technology to mitigate the inevitable financial losses.

This increase in the cash-conscious culture surrounding the post-COVID QSR industry has been met equally with an increase in the sanitary-conscious nature of public dining; highlighting new health protocols are now as important as showing nutritional and allergy information in store.

Acceleration of digital transformation within the industry has therefore become a necessity. Expectations and behaviours have changed. Capitalizing on this requires one thing: effective communication.
The power of the screen
(and the neuroscience of communication)

There is growing evidence to show that the way information is perceived when presented on a screen is more effective than when presented via other media.

Having an understanding of the neuroscience behind effective communication is therefore essential to understanding the value that digital signage can bring to QSRs.

It boils down to two things: the physiology of the eye, and how this affects the way that the brain processes, stores and understands visual information.

It’s all about the fovea, located at the back of the eye. This is where there is the highest concentration of photoreceptors, where light is converted into electrical impulses that are then sent to the brain – much like the lens of a camera when transferring the image you’re looking at to something you see on screen. You could say, effective communication is quite literally in the eye of the beholder.

When you focus on any object, your brain is getting as much information about that object as the rest of your entire visual field put together. Even when you focus on one object, the eye moves 3-4 times a second in rapid ballistic movements known as saccades. This gives our brain the illusion of rich visual information because we are continually pointing our fovea at areas that catch our eye. The richer the information, the more likely we are to engage, understand and remember it.

Where we choose to look is therefore critical.

And printed menus just don’t cut it anymore.
Digital signage placed above the sales counter can increase the sale of that item by up to 38%
Digital menu boards: strategy & benefits

Put down the “sold out” stickers, and forget costly menu reprints. When it comes to real-time updates, smart scheduling and multi-location consistency, digital menu boards are the perfect scalable solution.

Digital signage has been proven to improve the customer experience and boost sales.

In fact, when it comes to digital menu boards, industry research by Panasonic indicates that up to 74% of QSR customers consider an easy-to-read menu the main influence behind their purchasing decisions; and in fact, promoting a specific menu item via digital signage placed above the sales counter can increase the sale of that item by up to 38%.

Studies also show restaurants report a 15% increase in customers after installing a digital menu board.

And every benefit one digital signage menu brings can be felt simultaneously across every restaurant within the chain, with easy multi-location and multi-screen management; a menu change only needs to be updated in one place for it to be visible everywhere.

6 QSR Magazine
74% of customers cite easy-to-read menus as their main decision maker

+15% increase in customers after installing a digital menu board

Young customers are visiting QSRs more often

In a 2020 report by Statista, 26% of respondents aged 18-29 stated that they visited a fast-food restaurant 1-3 times per week. In 2016, Restaurant Habits Survey showed that only 20% of respondents in the same age group visited once per week.

The number of QSR franchises is growing every year in the US

For over a decade, the number of QSRs have steadily increased each year.

Data taken from the International Franchise Association, IHS Markit (Statistica 2020) report.
Business benefits & strategies

Enhancing the customer experience, increasing sales and achieving greater staff productivity doesn’t need to be complicated.

Digital signage can become one of the most versatile and powerful marketing tools in your arsenal. From keeping menu boards up-to-date to running local promotions, everything can be handled from one central content management system – scalable across multiple screens and multiple locations.

Every time you make a change to your menu, operating hours or prices, you no longer need to multiply printing costs by number of locations.

5 digital signage benefits for QSR businesses

1. Make updates, for free
   - No need to purchase and place "sold out" stickers over unavailable menu items.
   - Seasonal menus can be created and scheduled to show across all locations, without having to print and post.
   - Ingredient changes can be shown instantly across all locations to comply with FDA labelling requirements.
   - Images of new dishes or price changes can be updated in real-time.

2. Stay on brand
   - Enhance your brand with pre-made templates with your logo, colors and fonts for quick content creation that looks the same across every location.
   - Give local content editor rights to your franchise managers to create relevant and localized content within your own brand parameters.

3. Create targeted promotions
   - Using data from your POS, create targeted promotions to upsell less popular menu items or schedule special deals on popular orders at the right time of day.
   - Become part of the local community with localized promotions in every store; allow franchise-managers editing access to create promotions of their own for their audience.
4. Enhance the customer experience
   • Reduce frustrations in the queue by giving your customers something to look at. Show the local news, sporting fixtures or posts from your social media. Even show behind the scenes videos of their favorite menu items being made.
   • Allow the customer to make a positive and informed menu purchasing decision by ensuring your menu is kept up to date with correct pricing, ingredients and beautiful imagery.

5. Scale across all locations
   • Schedule consistent content to run across all your screens in every location, controlled from only one.
Customer benefits

The benefits of digital signage for QSRs far outweighs just updating menus and running promotions. There’s huge benefits for the customer too.

The more engaged your customers are, the more likely they are to remain loyal to you. Especially if customer experience is high on your priority list.

There are two key benefits of digital signage and digital menu boards for QSR customers:

- Informed purchasing decisions
- Reduction in queue perception
Informed purchasing decisions

If your QSR has the reputation for not keeping menus updated, customer loyalty is likely to wane. Make sure your screens can be the ‘source of truth’ when it comes to your customers making a purchasing decision.

Benefits:

• Keeping all menus up-to-date with accurate information – including scheduling different menus throughout the day – reduces the risk of customer frustrations.
• As a legal requirement to display clear allergy and nutritional advice (for chains above 20 locations), this information can be quickly updated across every location as soon as a menu item changes.
• Run promotions relevant to each franchise location with local content editing capabilities to create a sense of community, in the community.
• Build excitement for the holiday season by showing a countdown to your scheduled seasonal menus and promotions.

Reduction in queue perception

It’s been said that digital signage can reduce perceived wait time in queues by as much as 35%. This can be a revenue booster during the lunch and dinner rush hours.

Benefits:

• Enhance the customer experience by showing relevant content. Local team in the playoffs? Show good luck messages and run promotions throughout the games.
• Engage customers with competitions that they can participate in while queuing.
• Increase dwell time by pulling in user-generated content from your social media accounts.
• Entertain and inform customers by showing local news, the latest score or even short videos showing how their food is being made.

Anderson, Celia, 2015, Digital Signage Today, How digital signage reduces perceived wait times
Digital menu content examples

QSRs typically use 2–3 screens to display their menus and promotions.

**Left Screen**
This is the first screen customers will look at. Often used to display the restaurant’s most important content, which is usually main menus.

**Middle Screen**
Often used to display promotions, large and detailed images of featured menus, and brand videos.

**Right Screen**
Often used to display menus for sides and drinks. This is the screen that customers look at last, right before this finish making their order.
Why ScreenCloud

1. Easily adjust menus and promotions

Homegrown solutions like printed menus or USB sticks loaded with branded JPGs aren’t quick or easy to adjust – let alone scale across multiple locations.

With ScreenCloud, you can update promotions and pricing on the spot across one or every location. Create dynamic digital menu boards in minutes, and drive sales with relevant and effective content.

Group and manage screens by location, and quickly create content with 80+ customizable app integrations – including our design editor tool Canvas.

2. Modern solutions at an affordable price point

Customers expect a modern and digital-first experience. Which is why we have created an affordable solution with QSR-specific pricing so you can replicate this experience across all of your locations.

And with proven ROI on every digital menu screen, you no longer have to worry about printing costs every time you need to make a change.

Easily set up your digital menu boards with ScreenCloud using our purpose-built model for franchises. ScreenCloud gives you the flexibility to organize, manage and even pay for screens by location.

3. Screen network management at scale

Manage your customer experiences centrally and standardize tools across locations as you grow, streamlining your business operations at scale.

ScreenCloud has a flexible Users & Teams structure that allows for central asset control, with local input possible for franchise owners or specific territories – giving you the flexibility you need to expand.
ScreenCloud has near-universal hardware compatibility to work with the screens you already have, or any you might buy. And with our GraphQL API, you can also build whatever custom integrations you need as you grow.

4. Upgrade your business with a positive and controlled brand experience

Achieve brand consistency at every customer touchpoint with a branded digital dining experience that makes them believe you’re the best place in town.

Elevate and modernize your brand with consistent in-location experiences that lead to repeat business. Centrally manage promotions and screen content that dynamically adjust by location, stock, sales and promotions.

Get started with one of our best-practice digital menu templates with the Digital Menu Board app, or incorporate your own designs and build branded templates within Canvas and replace your outdated printed material.
A final note...

‘We’ve tried this before with other providers’
‘We just can’t justify the costs’
‘I’m not sure of the ROI’

These are just a few of the things that we often hear from QSR franchise owners and managers interested in going digital. But, once they have seen the difference digital menu boards and signage makes, it ends up being an easy decision.

The fact is, walking into a QSR with outdated printed menus that show the signs of constant updates – things like stickers and crossed-out menu items – is just not good enough anymore. There is a risk of being perceived as outdated by the competition.

It’s always been something the big chains have been able to afford, which has led the mid range chains debating on the when and how. Now ScreenCloud wants to offer a solution that perfectly understands the requirements of now, but is also the future for your restaurant to continue to scale, increase sales and reduce costs.

We offer:
• Flexibility to work at your scale, but be future proof
• Cost effective and easy to set up
• Easy to centrally manage, but allow local input and promotions (with the right guardrails)
• And it needs to reflect your brand

ScreenCloud’s digital signage software is known for its ease of use, and now we offer the full package: the software, the screens and the setup to get your QSR up and running for as a little as possible.

We’re trusted by great brands globally so you’re in safe hands. So the question is if not now, when will you make the move...

Nick Peasant
VP of Product - ScreenCloud
Thank you for reading!

Request a personalized quote for your digital menu board package by visiting www.screencloud.com/chains

For other ways of getting in touch, check out our channels below:

  screencloud.com
  @screencloud
  hello@screencloud.com

Start your free trial of ScreenCloud now
screencloud.com/getstarted