

Coronavirus Impact on the Foodservice Industry

Curbside is Here to Stay

10 Reasons why Curbside Pick-up will be the next big thing

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Curbside has become the new drive-through. For all types of restaurants, from QSR to fine dining, curbside pick-up has allowed us to order and pay through apps or websites, make a quick stop, pop open the trunk and bring our dinner home. It's convenient, no-touch, safe and hot.

Through this COVID crisis we have all had to change our behaviors. We've had to stay at home, cook more, not see our friends and families, wear a mask to grocery shop, and use only take-out, delivery, drive-through and curbside when we want restaurant food.

Restaurants have added or expanded their curbside services out of necessity and consumers have started using them more, also out of necessity. Looking forward, we predict curbside will become the next big thing. Why? Because, when it comes to off-premise Foodservice, curbside does a better job at delivering on everything consumers and operators want.

Yes, we all want to go back to our favorite restaurants and dine-in, but as social distancing continues, and delivery remains focused on convenience, curbside has potential to drive new revenue for restaurants and non-commercial operators, while increasing the level of customer satisfaction and loyalty.

Here are ten reasons why curbside pick-up will be the next big thing in Foodservice.

1. **Safety First** - Having your order delivered, means someone else touched it, had it on the seat in their car, and maybe even opened it. This inherent concern with delivery has been amplified 10-fold with the current COVID situation. Curbside solves all of this. Your order is given directly to you by the restaurant employees and will be in a sealed tamper proof package. You are in charge of the delivery.

Additionally, when it comes to order ahead take out-food, after it's made it sits on an unprotected shelf where anyone can touch it or tamper with it. Curbside is treated differently and usually made to hit a specific pick-up time and only restaurant staff have access to it.

Curbside has a perception of being managed more tightly with fewer touch points and therefore as “safer”. We should not under-estimate the importance of customers wanting to feel like their food is safe.

2. Frictionless and Less-Contact Solutions - “No-touch” has been the new behavioral driver during this pandemic. As difficult as it has been, no touch/no contact has become our new normal. Ordering and paying through apps and websites have been a big part of making it easier when it comes to getting a meal from a restaurant. Curbside is the best no-touch option available for off-premise Foodservice. You order and pay in advance, you stay in your car, it’s handed to you through the window or placed on the curb where you pick it up and there’s no delivery person touching things.

Additionally, we expect to see added signage with clear distancing and no-touch instructions, restaurant staff wearing gloves and masks handing you your order in a tamper evident bag. All this will help to lower consumer anxiety, and only curbside can deliver this.

3. Better Quality - Consumers have been accustomed to accepting lower quality with delivery and take-out. But it doesn’t have to be that way. Curbside, on the other hand, is perceived as better quality. It’s hotter and fresher when you get it and not tossed around by a delivery person. There’s a perception that if the restaurant employee hands it to you, it’s fresher. We predict more Casual Dining, Polished Casual and Fine Dining brands will expand their curbside services because this is the best option to deliver off-premise “restaurant quality”.
4. Convenience - The convenience of drive-through and take-out has been one of the core drivers of Foodservice growth over the past 40 years. This will not change. Off-premise services will continue to grow. The extra convenience of no-touch Curbside will lead this growth. Going through a drive-through is often a timing gamble if you’re in a rush, and you still have to order and pay, which takes more time. Curbside is the fastest and most convenient of all off-premise options. With a car full of kids, and maybe a dog, nothing beats curbside for fast and easy.
5. Expanded Bundling Options - Most restaurants, if they want to, can be in the curbside business. Having a modified menu for curbside that includes family meals and other promotions will allow consumers increased options. Plus, consumers are less likely to buy “Foodservice-groceries” (a new bolt-on offering where restaurants sell a limited selection of groceries) through a drive-through or stop at a restaurant and go in for just groceries, but they will if they’re also ordering food and going curbside.

Most consumers have developed the habit of trying to get what they need using the least number of trips. The emergence of expanded offerings including groceries, meal kits and more can drive additional sales at restaurants and combining these with the no-touch convenience of curbside makes it a hit with consumers.

6. A Smaller Menu Works - As operators move to smaller more efficient menus, they may be concerned with not satisfying their customers. With curbside it’s different. Smaller menus work and consumers typically go to their comfort zones when ordering off-premise. A menu that’s focused on a core of popular items that can be executed consistently is a critical part of curbside success for operators. The more menu options available, the greater chance there will be errors. When the customer gets back to their home, they expect to get everything exactly as they ordered it. They have little patience for mistakes. Simple is best and consumers are ok with leaving their experimentation for dining-in.
7. Increased Profitability for Operators - Curbside can be the most profitable off-premise option for operators. First the consumer does some of the work. If it’s online, they order and pay without any restaurant staff involved. Secondly, there are no delivery costs, which for 3rd party delivery can be

as much as 30%. Additionally, when consumers order online, they feel less pressured and there's research that indicates they order more. All in, curbside can be a very profitable service for operators.

8. Improved Brand Identity and Marketing - Curbside allows for greater interaction with the customer than delivery and is more personal than a small drive-through window. There's something about having a smiling person running out to your car and handing you a bag of your favorite restaurant food.

Curbside is still in its infancy. Savvy marketers and operators will find ways to make the curbside experience even more enjoyable and unique. Social marketing of curbside experiences will help drive growth and make it the preferred off-premise experience.

9. New and Improved Technology & Data Analytics Opportunities - There is already a solid base of technology to enable curbside services, including online ordering, tracking, map guidance and frictionless payment. With the growth and popularity of curbside, more technology solutions will be created.

The importance of a great app and website will become paramount as curbside evolves. Ease of navigating the menu will be improved so that less tech-savvy consumers will feel comfortable using the technology. This will result in more frequent use and higher average checks for the restaurants.

Order tracking will be another area of tech development. Video interaction with operators and customers, where production of their orders can be viewed in real time as well as culinary videos showing how to bring a meal kit to life, will be available.

Data analytics of curbside will become a growing area of focus for operators. With the amount of data gathered on users, orders and the impact of promotions, operators will have a wealth of information to further refine their curbside business.

10. Opportunity for Greater Supplier Collaboration - Manufacturers can help. Operators who have not been in the take-out business before will need support on how to execute great curbside. In addition, labor-saving products and tamper evident packaging will be areas where suppliers can bring value. Collaborative innovation and joint business planning around new and expanded curbside services can help manufactures build operator relationships and grow their business.

Looking forward - As the Foodservice Industry emerges from the COVID crisis we see curbside being a key growth driver for the industry. Consumers and operators alike are embracing it and the reasons are clear. It will be exciting to see how curbside evolves as we move forward into our "New Normal".

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