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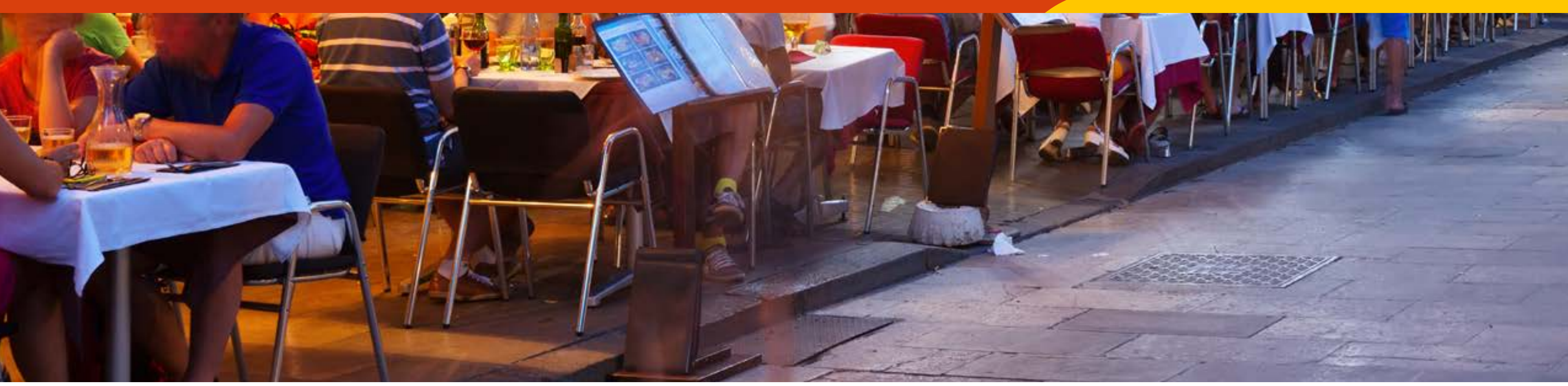
4 Numbers Every Restaurant Must Know About Its Competitors



"What's happening across the street?"

Whether restaurant market predictions for the coming year show big growth or a drop in traffic, one fact remains: your restaurant needs to compete for its customers. And knowing how your numbers stack up against the competition can help you find areas of improvement and give you the opportunity to double down on what's working.

These four key metrics paint a picture of your — and your competitor's — restaurant success. Here's why they're important, and space to write down how you fare versus your competition in each area.

1. Customer Traffic and Source of Business

How many customers are you seeing per month come through your doors? What percentage of customers are new and how many are repeat?

Do you know what drove those customers in to your restaurant — or to your competitor's instead? Being able to track the full customer journey behind the sales makes it easier for you to make business decisions in several areas, including marketing and operations.

Is lunch your peak time of day? Could a patio expand your seats and open up an entirely new revenue stream? When do most customers most often make their decision to dine: on the go or from home? Should you be advertising close to home or in a bigger circle?

Your Business Traffic	Your Competitor's Traffic

2. Return Visit Frequency

You saw Jane and Joe the other day, and you know they come in "all the time." But do they? How often, and what does their repeat business really mean to you in terms of driving sales?

Increasing your frequency rate of return visitors by just a few points can mean a lot of money to your business. Imagine the difference between a loyal customer returning once a week, and returning once (period).

Seeing the difference in return visit frequency can help your restaurant devise limited time offers, targeted marketing initiatives, and rewards programs that will drive more repeat business.

Your Frequency Rate	Your Competitor's Frequency Rate

3. Same Store Sales

Same store sales is the number the restaurant industry uses to determine growth — both of a single business and the market as a whole. Basically, it is the comparison between sales this year/quarter and sales in the previous period, expressed as a percentage: positive for growth, negative for decline.

Why is that number important to know? Because it allows you to track your performance against your competition, and even track performance of different locations if you manage more than one.

For instance, restaurants enrolled in either Rewards Network's marketing or financing programs as a whole outperform the industry average by 3–4%.

Your Same Store Sales	Your Competitor's Same Store Sales

4. Return on Ad Spend

It's easy to look out at the market and see what everyone else is doing. It's harder to tell if it's actually working for them.

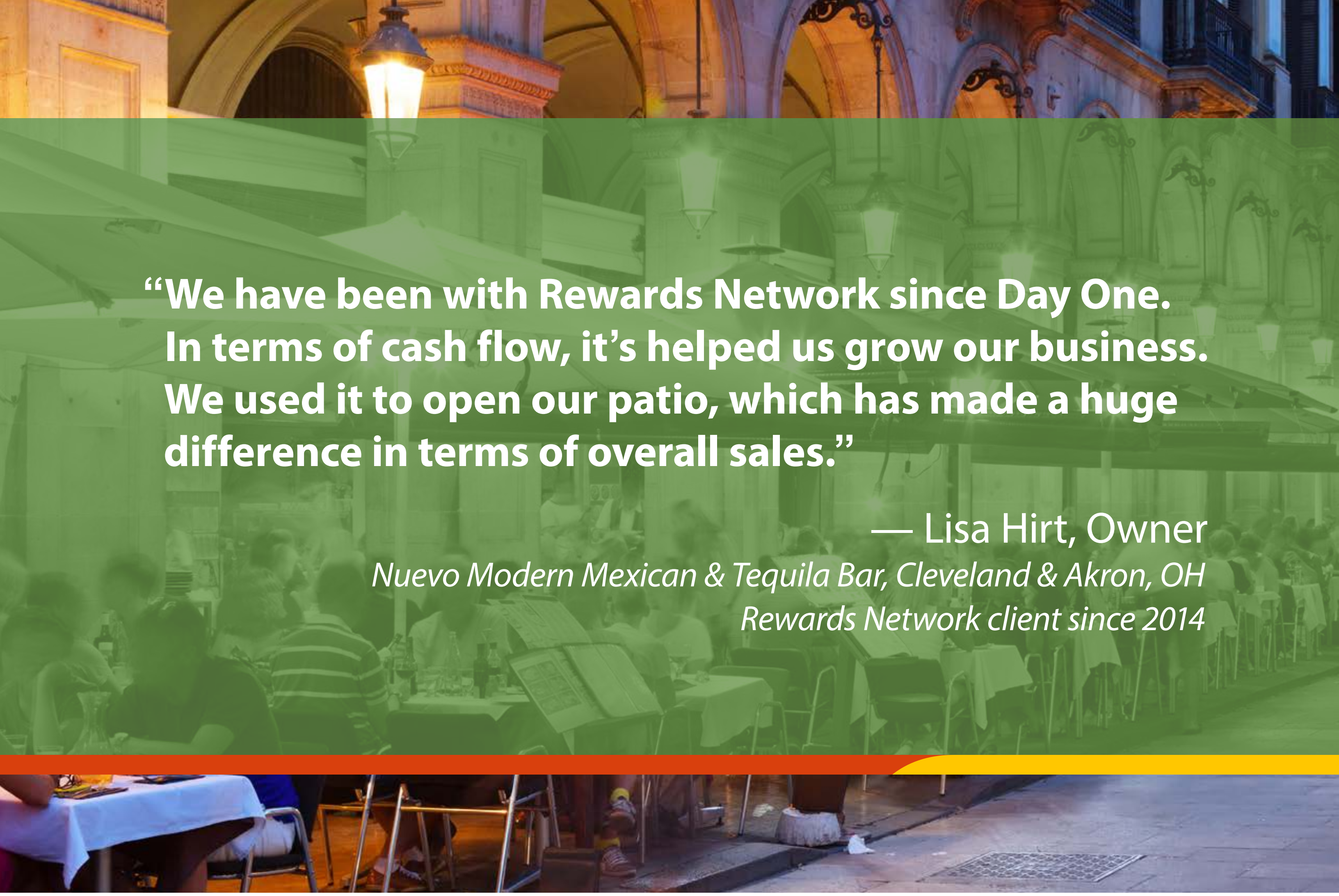
Having a good idea of the return on ad spend (ROAS) for any marketing you engage with is crucial to deciding what to spend dollars on. And like any investment strategy, knowing when to balance between choices with high or low return is the key to marketing success.

For most restaurants, loyalty programs, coupons, advertising, signage, email, and websites all have different ROAS, depending on your local market and your target audience.

Your ROAS	Your competitor's ROAS

Don't know what these numbers are, for your nearest competitors — or even your own restaurant?

Rewards Network can help. We have data and analytics for every restaurant market in the United States and can help you promote your business with $5 in actual customers sales for every $1 spent.



"We have been with Rewards Network since Day One. In terms of cash flow, it's helped us grow our business. We used it to open our patio, which has made a huge difference in terms of overall sales."

— Lisa Hirt, Owner
Nuevo Modern Mexican & Tequila Bar, Cleveland & Akron, OH
Rewards Network client since 2014

Want to learn more about how Rewards Network can help your restaurant grow?

Contact us today:

restaurants@rewardsnetwork.com
or visit **RewardsNetwork.com**

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