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### Introduction

Emails should be a part of every restaurant's marketing strategy. Not only do they help you stay in touch with your database and offer incentives for repeat visits, but the overall investment in email can come at little to no cost — meaning the potential return on investment is very high. In fact, studies show that email marketing yields an ROI that averages roughly \$36 per \$1 investment.

## Why Should Restaurants Invest in Email Marketing?

- When it comes to receiving offers, <u>Email</u> outperforms every other channel by **92%**.
- <u>68% of guests</u> want to receive an email from restaurants at least once a month.
- 73% of millennials prefer communication from businesses to come via email.

Now that we understand the impact that email marketing can have on your business, let's dive into key components you will need to bring your email marketing strategy to life.

#### This guide includes:

- Email marketing benchmarks for restaurants and restaurant categories
- Actionable email trends and best practices for campaign planning
- A collection of email examples for education and inspiration

## Be a part of our email community!

Receive monthly updates from Adentro to stay on top of restaurant marketing trends and learn visit-based marketing strategies that will help drive your bottom line.

We're dedicated to helping restaurants succeed in 2022 and beyond.

**Subscribe To Our Newsletter** 



#### **Inbox Traffic Benchmarks**

#### **Average Number of Emails Sent Per Month**

How many emails should restaurants be sending each month for optimal results? CoSchedule found that <u>67% of B2C companies send emails 2-5 times per month</u>. In the food & beverage industry specifically, our clients have seen the best results sending 2-3 emails per month. This frequency maintains positive open rates while avoiding high unsubscribe rates. As you can see in the data below, many of our clients follow this best practice, sending about 2 emails per month.

It's important to note that this average excludes automatically triggered emails sent for things like your loyalty program. Later, we cover the benefits of using automation tools to maintain relationships without repetitive effort.







## **Email** Campaigns

VS

#### Smart Emails

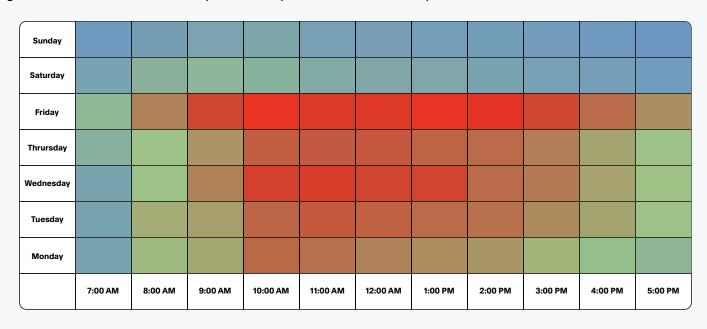
- Sent when you schedule them and are only sent one time, typically in bulk.
- Used for things like monthly newsletters, special events, announcements, and promotions.
- Typically used to promote information, campaigns, or promotions that would apply to a large number of guests in your database.
- Best practice is to send 2-3 per month.

- Sent automatically to an individual as a response to an action or information from a specific customer.
- Used for things like first-time guests, repeat guests, birthdays, anniversaries, welcome emails, and loyalty programs.
- Typically include a more personalized message because it's based off the action/information associated with a specific guest.
- No set best practice in terms of the amount of smart triggers.

#### **When Emails Are Opened**

When is the best time to send an email? Though the ideal time for a restaurant to send an email will likely vary based on location and audience, some standard times tend to be successful.

The heat map below shows when Adentro's restaurant customers have seen the best results. Open rates are highest on emails sent Wednesdays and Fridays between 10am and 2pm.



Lower Open Rates

**Higher Open Rates** 

#### **Engagement and Attribution Benchmarks**

As you would suspect, open rates vary based on a multitude of factors. The data below dives into average food & beverage open rates based on the sending platform and establishment type.

#### **Average Food & Beverage Email Open Rate by Sending Platform**

In 2019, Mailchimp recorded an average open rate of <u>20.39%</u> for restaurants and venues. In contrast, Constant Contact recorded an average open rate of <u>28%</u> for dining and food services in 2021.

Due to a deeper understanding of customer visit behavior and increased personalization, Adentro food & beverage clients saw an average open rate of 31.47% in 2021.

Constant Contact 28.97%

ADENTRO 31.47%

MailChimp **20.39%** 

#### Average Email Open Rates by Establishment Type

With hundreds of clients in the food & beverage industry, Adentro also has the ability to further segment data by restaurant type. Though open rates don't vary greatly in the data below, it's helpful to note that emails can be a very successful way to connect with your guests no matter your establishment type.



**Coffee & Bakeries** 

**30.11%** 

Average Emails Sent Per Month Per Location 2021



**Restaurants** 

**31.78%** 

Average Emails Sent Per Month Per Location 2021



**Nightlife & Bars** 

32.51%

Average Emails Sent Per Month Per Location 2021

22%

Based on the open rates by sending platform and establishment type, restaurants should be aiming for a 22%+ open rate, and anything over 30% is considered excellent!

#### **Average Email Walk-Throughs in 2021**

Most restaurant marketing emails are sent with a primary goal in mind: bring more guests back through the door. The problem is that many restaurants lack the technology to attribute walk-throughs to email campaigns.

Adentro gives restaurants the ability to measure the results of their email and online ad campaigns with the Walk-Through Rate™ — the number of people who walk through a restaurant's door after being exposed to your marketing. From there, restaurants can also attribute revenue to campaigns through the Adentro platform either directly through integrating POS data or by inputting their average order value.

Fun Fact: Adentro drove more than 1 million customer walk-throughs for their food & beverage clients in 2021.

On average, Adentro's food & beverage clients saw 460 walk-throughs per business location driven by emails in 2021.

**Coffee & Bakeries** 

479

Average Walk-Throughs Per Location 2021

**Restaurants** 

498

Average Walk-Throughs Per Location 2021

Nightlife & Bars

402

Average Walk-Throughs Per Location 2021

#### **Average Yearly Revenue Attributed to Email Campaigns**

Based on thousands of emails sent, Adentro identified the average yearly revenue their food & beverage clients saw attributed to email campaigns. The graph below highlights the variance based on establishment type, but keep in mind that establishment size would also influence the average.

**Coffee & Bakeries** 

\$8,533

**Average Revenue Per Location 202** 

Restaurants

\$10,710

Average Revenue Per Location 2021

**Nightlife & Bars** 

\$8,519

**Average Revenue Per Location 2021** 



We hope you've found the data in this section both interesting and actionable as you plan out your restaurant email goals. Now that you understand industry benchmarks, it's time to dive into best practices for optimal email engagement.



#### **Email Address Collection**

Before diving into email creation tips, it's important to first cover the topic of email collection. Consider the pen and paper or fish bowl method that some restaurants use to collect customer contacts. Not only does this method require manual entry on your part, it also leaves room for human error and there will likely be a delay as to when the data gets input into your CRM.

Instead, leverage a value exchange like a guest WiFi access sign on or loyalty program, which captures the customer's email and immediately gets their information into your database for real-time marketing use.

#### Some additional ways to collect guest emails include:

- · A subscription form on your restaurant website
- Your reservations page
- Via a link on your restaurant's social pages
- On questionnaires or feedback forms

With efficient data collection set in place, you can focus on the next important step: email optimization. It's worth taking the time to make sure your messaging and design follow these proven best practices.

#### **Content & Design Checklist**









#### **Subject Lines & Text Previews**

Subject lines and text previews are the first things a person sees in their inbox. Make sure they're attention-grabbing, enticing the recipient to open the email.



#### Introduce the Call to Action

When including an offer in an email, mention it in the subject line, but don't spill all the details. You want them to open the email to find out more.



#### **Shorter is Better**

Subject lines should be clear, concise, and captivating. Long subject lines may get cut off in the preview. 41 characters is the optimal length.



#### **Use Power Words**

Power words elicit strong psychological responses from readers, making them more likely to open the email. <u>Click here</u> to discover 150 power words to use in your subject lines.



#### **Emojis**

Using emojis to express emotion or the tone of your email can be effective, but be careful not to overdo it. The rule of thumb is to treat emojis like punctuation. You wouldn't end a sentence with three exclamation points, so you shouldn't end a subject line with three emojis.



#### **Avoid Spam Filters**

Avoid using elements like non-numeric characters, irregular punctuation, random spacing, and all-capitalized words. These are telltale signs of advertising and are more likely to be caught by a spam filter.

#### **Email Body**

Restaurant email subscribers are likely to be social media-loving, review-checking, bargain-hunting experts. That's why it's essential to develop content that will keep them coming back for more.



#### **Keep Important Information at the Top**

<u>Research</u> from 2021 shows that email recipients spend an average of 10 seconds reading an email. Ensure that they see your most important information by keeping it near the top.



#### Include the Call to Action

Whether it's a "claim promo" button or an Instagram icon to follow your account, make sure you give readers something to act on.



#### **Double-Check Everything**

Avoid grammar and spelling mistakes by getting a second pair of eyes on all your emails. It's also wise to send out test emails, ensuring everything is formatted correctly.

#### Design

Design and content go hand-in-hand, so remember not to neglect either one. Great design makes an email easier to digest and helps highlight the most important points.



#### **Keep Consistent Branding**

What is your atmosphere? Is your restaurant upscale or casual? Who is your target audience? These questions will help you determine the best way to showcase your brand through design. From there, you can create pre-designed templates to keep your emails consistent.



#### **Less is More**

Don't overwhelm the reader with too many design elements. Stick to a max of 2 fonts within your email and include plenty of space between headlines, images, and main copy.



#### **Don't Forget Photos**

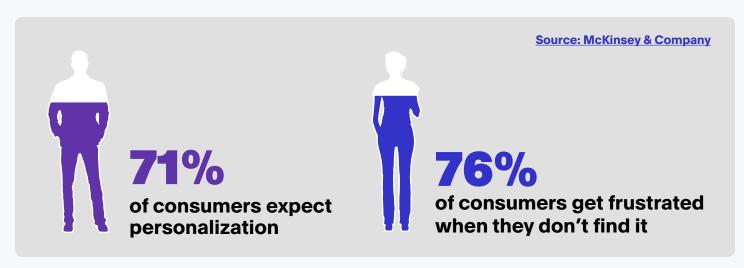
People eat with their eyes. Include photos of your tasty offerings to entice guests. Make sure you use a combination of images and text, as image-only emails can trigger spam filters.



#### **Test New Things**

Don't be afraid to experiment with new trends from time to time. In the past few years, for example, many companies have switched their emails to dark mode since it's risen in popularity.

#### **Segmentation & Personalization**



Personalized messaging is one of the best ways to achieve high email engagement. But in order to achieve personalization, restaurants need the ability to properly segment their email lists. Segmenting contacts means dividing the email subscribers in your CRM into smaller groups based on a specific criteria (i.e. location, previous orders, loyalty program membership, etc.). By dividing your contacts into different groups, you can easily create emails with messaging that's specifically tailored to their specific interests or behaviors.

One of the most relevant criteria for restaurants to segment their guest list is with visit data. **Visit data** includes insight related to in-store guest traffic, dwell time, visit frequency, and even time of day/week visited. Once a restaurant understands the nuances in their customer base, employing specific messaging to reach them should result in significantly higher performance.

Segmented email campaigns can impact revenue by as much as 760%.

How exactly does this work? One example is to segment customers based on visit time, allowing restaurants to identify a midweek lunch guest versus a happy hour guest. Chances are, these customers will respond differently to different promotions.

A BOGO drink coupon would be appealing to the happy hour guest, whereas a discounted appetizer coupon may be more appealing to the lunch guest. Having the ability to create segments like these and send personalized offers is a gamechanger, increasing the effectiveness of your emails.



#### **Minimizing Spam Filter Risk**

After taking the time to create valuable content for your recipients, the last thing you want is to be flagged as spam. Here are a few steps restaurants can take to minimize spam filter risk.

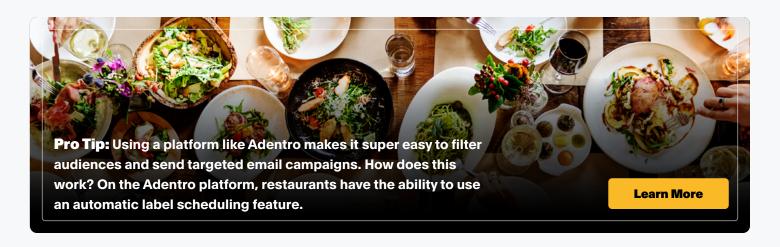
#### **Get the Explicit Opt-In**

Your guest WiFi portal and online web forms are the best tools for ensuring your guests have opted-in to receive marketing emails. When signing up through your guest WiFi or a sign-up form on your website, your guests are giving expressed consent to join your email list.

Purchasing lists from other sources may sound like an attractive way to boost your customer database, however guests who have not signed up for your list are likely to hurt your sending reputation by flagging your emails as unwanted spam. This can damage your reputation with email providers and make it more challenging to achieve strong deliverability in the future.

#### **Target Your Email Campaigns**

It may seem like a good idea to reach out to everyone in your database, but Adentro customers see the best open rates when using our demographic and visit behavior-targeting features. You've probably noticed that your Tuesday Night Pub Trivia crowd is quite different from your Sunday Brunch crowd. Sort by characteristics like gender, age, customer type (i.e., new, repeat, loyal, or lost), and day and time of visit to reach the appropriate crowd with the right message.



#### **Find the Right Sending Patterns**

Erratic sending patterns are another spam indicator, so once you've settled on a schedule, stick to it. There is no one-size-fits-all answer to how often you should send emails because demographics and customer expectations vary. The best thing that you can do is let your customers decide what kind of content they would like to receive from you.

#### Make it Easy to Unsubscribe

This may seem counterintuitive, but users who can't easily unsubscribe from your list often flag messages as spam. If you get enough spam flags, email providers will notice and your messages will be redirected accordingly. Make sure to display the unsubscribe link at the bottom of your email in a color that is easy to read.

#### **Keep Your Subscriber List Clean**

At a glance, your contact list may be impressive, but how many of these folks are actually opening your messages? More is not always better in email marketing. Low customer engagement also hurts your reputation with email providers.

#### **Measuring Success**

A critical aspect of an email campaign is determining how to measure success. With a goal of incentivizing purchase or restaurant visit, open rates and even click-through rates may not be enough to confirm a purchase was completed, especially for restaurants who offer takeout/delivery services through third-party apps. The best indicators of purchase are a direct conversion through a restaurant's website, the number of offer redemptions, and/ or understanding the number of customers who walked into the restaurant within 7 days of receiving an email (we call this a Walk-Through Rate<sup>TM</sup>).

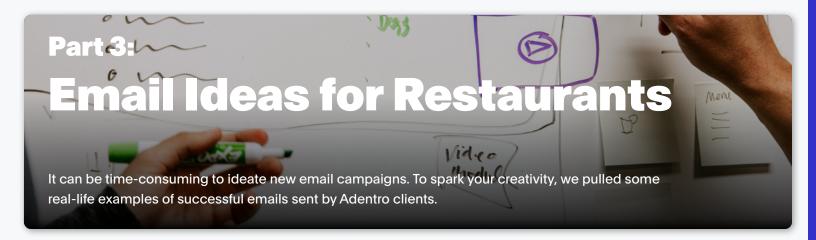
Adentro is the only restaurant marketing solution designed to track Walk-Through Rates for email campaigns, smart email triggers, and even digital advertising campaigns. Imagine being able to see exactly how many guests walked through your doors after reading your email. The Adentro dashboard will give you those exact data points. Interested in learning more? Click here to discover how you can start tracking guest visit behavior and fuel your marketing efforts.

Interested in learning more? <u>Click here</u> to discover how you can start tracking guest visit behavior and fuel your marketing efforts.



With this unique way of tracking, we know exactly who, when, for how long, and how much money was spent at our owned locations. When you put an ad out on a billboard it's not very easy to determine how many people walked into your location, however with Adentro you get it all. I love being able to say 'hey this creative works, or this special event is going great, I have the walk-throughs to prove it.





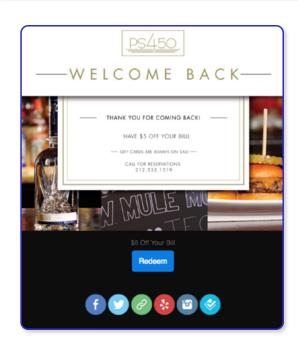
#### **Automation Ideas**

Email automation tools help restaurants maintain relationships without repetitive effort. And while automation isn't anything new, and most email platforms offer automation tools, not all platforms can automate sends based on guest visit behavior. When restaurants use a platform that tracks visit data, they can send automatic emails based on number of visits, visit frequency, location, and more.

Adentro, for example, has a Smart Email feature that uses visit data to trigger automatic emails. Restaurants just have to pair Adentro to their in-store WiFi so the platform can start tracking visit data. From there, restaurants can set up emails to automatically send based on specific behaviors.

#### **Smart Emails allow you to automatically:**

- · Ask for feedback after a guest's first visit
- Thank a guest for visiting during a particular event
- · Send out loyalty program updates
- Launch win-back campaigns for when a guest hasn't visited for a certain number of days
- Wish guests Happy Birthday or Happy Anniversary



Here's a prime example of how restaurants can leverage visit-based automation tools. This could be sent out after a guest's second visit OR if a guest returned after a 60-day period.

#### **Loyalty Programs**

# Research shows that loyal customers... Buy 90% more frequently Spend 60% more per transaction Deliver 23% more revenue and profitability than first-time purchasers PLUS, increasing average returning customers by just 5% can lead to an increase of 25%-95% in revenue.

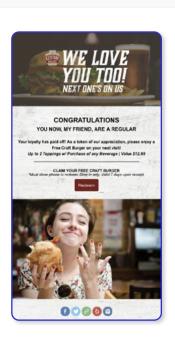
These days, where consumers have so many options to choose where they spend their time and money, loyalty programs help restaurants stay engaged with their guests. At its core, a loyalty program rewards customers with various incentives for their frequent or continued engagement with a restaurant. And while some loyalty programs require significant up front investments or can be complex to manage long-term, leveraging automated emails to drive loyalty is an easy-to-manage way to achieve the same outcome.

Through Adentro, restaurants can set up Smart Emails that are triggered to send after a first visit, second visit, 10th visit, and to customers who have visited at least twice but haven't returned in 31 days. You may also want to consider setting up Custom Smart Emails for Loyal Customer milestones. For example, give a more substantial reward at a customer's 25th visit.

**Pro Tip:** Ease of use is important when it comes to loyalty programs. Make signing up incredibly easy for your guests by connecting your loyalty program to your in-store guest WiFi.

#### Adentro makes this easy with 3 easy steps:

- 1) Pair Adentro with the guest WiFi in your physical location.
- 2) Include a loyalty program sign up option on the custom branded WiFi sign on portal (and consider offering a real-time incentive to make this even more attractive).
- 3) Start collecting in-store customer data so you can send more personalized loyalty program emails.



**Get Started with Adentro** 

Fig: #:

#### **Win-Back Campaigns**

Typically, only a subset of restaurant customers will be loyalty program participants. Even Starbucks, which has an industry-leading loyalty program, only sees 40% of total sales come from their rewards program. Instead, the majority of your customers will continue to be one- or two-time visitors, which is why win-back campaigns are a great way to increase visit frequency with your more casual customer base.

An email win-back campaign is a well-timed automated series of personalized emails used to increase brand consideration, re-establish the relationship, and ultimately incentivize purchase. Ideally, an email management software that provides marketing automation can help you set up campaigns and have them run automatically for you moving forward.

Email #	Timing	Messaging	Incentive
1	40 Days since Last Visit/Purchase	We miss you — see what our specials are this week	N/A
2	60 Days since Last Visit/Purchase	Don't miss this offer	10% Off Your Order (valid this week only)
3	90 Days since Last Visit/Purchase	Free gift just for you	Free Appetizer with Purchase of 2 Entrees

The idea is to gradually increase the incentive for the customer to re-engage with the brand. Not only will this give you insight into what offers they're attracted to, but it also helps you save on offer costs instead of jumping straight into one of your richest promotions.

Here's an example of a fun win-back campaign launched by CoolHaus. They incentivized guests to come back by offering something for free with purchase.



#### **Wrap Up**

All in all, email marketing is a powerful way to stay connected with your guests and drive restaurant revenue. We know it takes time and effort to see great results, but the benchmarks, best practices, and ideas above will help set you up for success.

If you're on the lookout for software that will optimize your emails, then we'd love to help! As mentioned throughout this guide, Adentro's <u>visit-based marketing solution for restaurants</u> will help you **build your email list, segment based on visit data, automate sends**, and more.

Click here to learn more.



#### **About Adentro**

Adentro turns in-store customer visit data into marketing fuel for tens of thousands of leading brick-and-mortar businesses. Adentro automatically tracks customer visits through in-store Wi-Fi and effortlessly builds rich visitor profiles. This helps businesses improve their marketing performance by up to 400% by targeting audiences and measuring results via the Walk-Through Rate, a proprietary metric that shows when someone exposed to marketing visits a location.

800) 807-WiFi (9434) | hello@adentro.com