



How to negotiate cooperation with portals for food ordering

INTRODUCTION

Restaurant owners often associate online sales as the same as sales through a food ordering portal.

Also, they close themselves off at the same time at the launch of their own online sales and ignore the risks that badly organized cooperation with a portal brings. As a result, often unconsciously, they become completely addicted to it and must agree to all the conditions it dictates.

By creating this ebook, we wanted to show you how you can organize such cooperation wisely, reduce commission costs, and, above all, how to be independent by running your own online orders. We are aware that the activities described below for some of you may be obvious. However, despite the growing awareness of restaurant owners, many still make mistakes when placing orders online in their establishments.

We divided the ebook into two parts. In the first part, we outline the threats posed by badly managed cooperation with food ordering portals. In the second, we describe the guidelines that help you organize this cooperation better for yourself and your restaurant. We are convinced that this information will be helpful to you and will contribute to the growth of your profits!

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We hope you enjoy the read!

THREATS TO COOPERATION WITH FOOD ORDERING PORTALS

There are a few issues you should be careful of when placing your restaurant among a thousand others on a food ordering portal. Read the contract carefully - you will know what you are agreeing to and you can also negotiate some conditions. Otherwise, you could get into trouble, which will be difficult to get out of.

01 High and constantly growing commission costs

When working with a food ordering portal, your costs increase proportionately to the increase in the number of orders in your restaurant. It's enough to use a simple table to calculate how much it can cost you. Another issue is the problem of continuously rising commissions via portals.

Turnover from the portal	Amount of commission		Costs
\$1000	10%		\$100
	15%		\$150
	18%		\$180
\$2000	10%		\$200
	15%		\$300
	18%		\$360
\$3500	10%		\$350
	15%		\$525
	18%		\$630

02 Addiction to the portal

If you depend only on a portal for online sales, first of all, you will not have a position to negotiate. In which case, the portal will dictate the terms of cooperation and you, if you do not agree to them - will be left with nothing - without a portal, without your own online orders, without a profit.

Taking care of an alternative is a key issue - if you cannot negotiate the issues that are important to you - you can opt out of a given provider and direct customers to order from your own website or mobile application. In this way you will gain independence and you will always have a choice!

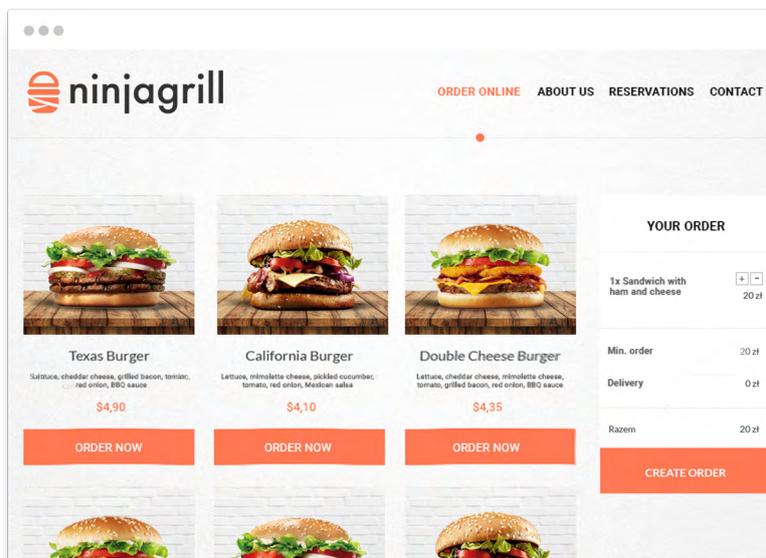


Figure 1. Online orders on your own website will make you independent from a portal.

03 Lack of your own customer database

Your customers leave their contact details with the consent for marketing communication when they order food from you through a portal. The only problem is that they do not leave them to you! The customer database is, in this case, the property of the portal, not yours, and they can use it in any way, e.g., to send competitive promotion materials to your customers. You cannot use it yourself and send your own content. When you launch your own online orders, your customers will be able to subscribe to the newsletter with you! The database will be entirely yours and you will make decisions about it.

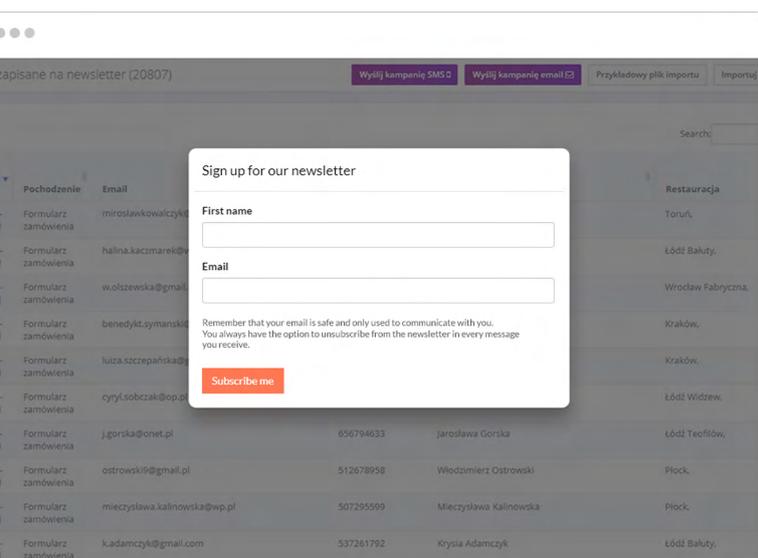


Figure 2. The subscription form for the newsletter, thanks to which you will build your own customer database with the consent for marketing contact.

No real impact on the number of orders

In conversations with restaurateurs, we often hear that cooperation with a portal pays off for them because the portal spends huge amounts of money on promotions and advertises them. Nothing could be more wrong. Food ordering portals actually spend a lot of money on marketing activities, but they advertise themselves - not restaurants.

In fact, the number of orders that the final customers will place in a given restaurant is determined by an algorithm of the portal that is queuing specific restaurants on their list. The portal does not care that your restaurant has as many orders as possible. It wants each restaurant to have a comparable number of orders and thinks that this is the maximum of its possibilities.

In addition, portals position new restaurants at the top just after beginning cooperation. For what? In order for its owners to become convinced that such

cooperation is really profitable and that they have made a good decision. Later, the number of orders gradually decreases, while the amount of commission increases.

By running your own online orders, you decide which promotional activities you will carry out, what resources you will spend on them, and what effects you can expect. You can create SMS, e-mail, or PUSH campaigns, use loyalty programs, and marketing automation. The choice is yours!

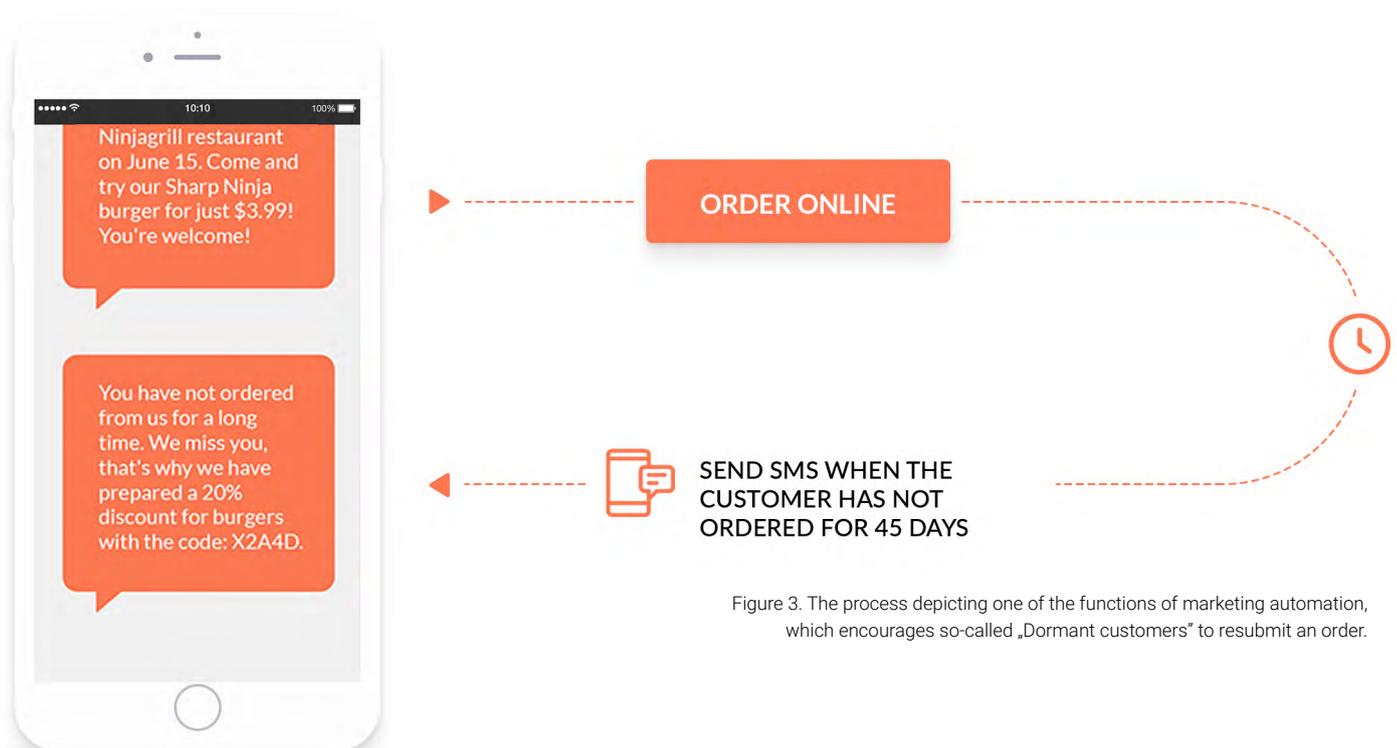


Figure 3. The process depicting one of the functions of marketing automation, which encourages so-called „Dormant customers“ to resubmit an order.

05 A lot of competition on portals

A portal is not your store where your customers choose your products. A portal is a hypermarket, where thousands of competing restaurants are on the shelf next to your dishes!

What brings this effect? Customers order with you once and sometimes with someone completely different! It all depends on the position of your restaurant on the search list and who appears on it before your restaurant. It should also be mentioned that customers ordering through a portal do

not get used to the restaurant's brand, but only to the portal's brand. They are not loyal to specific establishments. Your online orders will allow you to build your brand on the Internet and create lasting relationships with customers thanks to a range of tools.

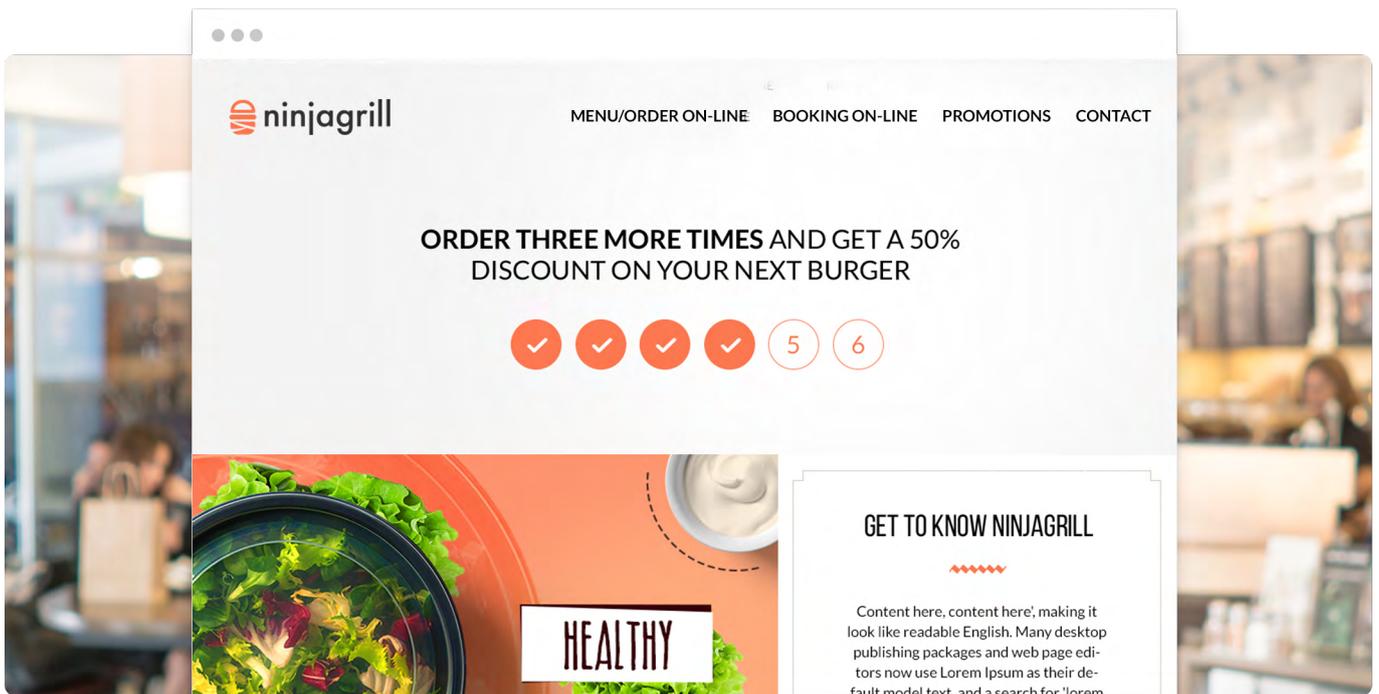


Figure 4. A loyalty program will help you build loyalty among your customers.

You can use newsletter campaigns, loyalty programs, marketing automation. Any configuration of these tools will allow you to tailor solutions exactly to the needs and capabilities of your restaurant and your customers.

06 Duplicated restaurant websites

On the network you can find websites that imitate real websites of a given restaurant, introduce customers to confusion, and generate additional orders for the portal. Restaurateurs often do not even know that such a site exists and the website advertises itself using the name of a given restaurant and increases its own profits!

SUMMARY

By cooperating with a portal for food ordering, it is extremely important to do it conscientiously. Your negligence can have disastrous consequences not only in terms of finances, but also in promoting your restaurant's brand in the long run.

Remember, to avoid such threats, you must be aware of what you agree to. Avoid a situation where you will be dependent on the portal's decisions and you will not have an alternative in the form of your own online orders from your website or mobile application.

GUIDELINES FOR COOPERATING WITH A FOOD ORDERING PORTAL

Keeping in mind all the dangers that cooperating with a food ordering portal may bring, and taking into account the benefits that this can bring to you, it is time to start organizing a wise basis for cooperation with it. Below are some guidelines that we think will help you in this!

01 Never send your customers to a portal

Placing a redirect to a food ordering portal on your restaurant website or on social media is actually leading customers out the side door of your restaurant.

So why are restaurateurs acting in this way? They often believe that the brand's brand recognition will help them and increase the number of orders, as well as they are convinced that portals advertise for them. This is obviously not true. We wrote about it in the previous chapter.

By cooperating with a portal, which is then sent to customers, restaurateurs often take into account the low cost of entering into such cooperation and a partial lack of worries because the orders „run“ themselves. They forget, however, about the important aspect of high commission costs in such a cooperation.

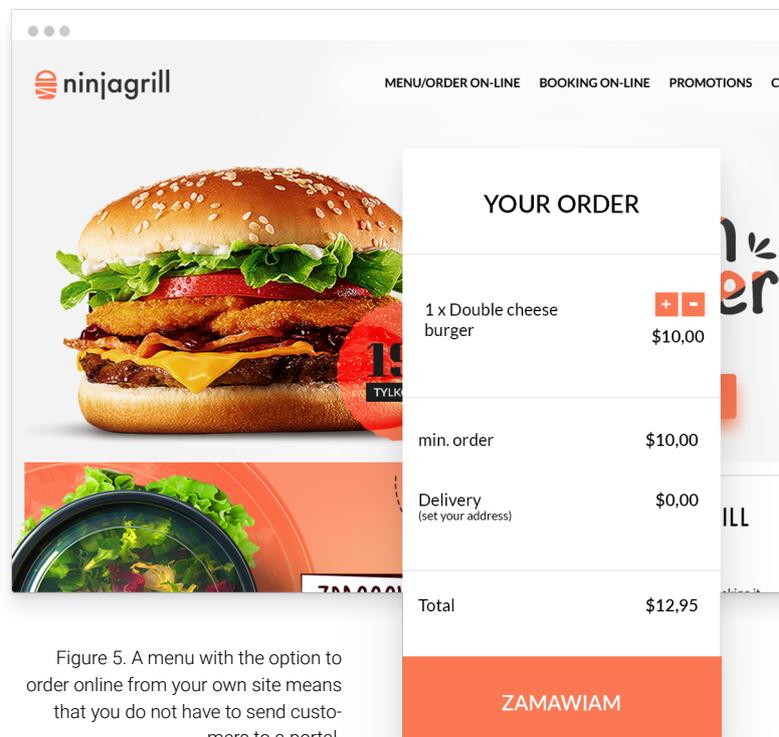


Figure 5. A menu with the option to order online from your own site means that you do not have to send customers to a portal.

Portals often also provide restaurant accessories such as delivery orders, bags, leaflets, or discounts on orders for your customers. However, all of these services advertise the portal, not your restaurant. You only increase the commission you have to pay.

02 Launch your own online ordering

There should be your own place for online orders, whether on a website or on a mobile application, to which you can direct your customers. Thanks to these you will always have an alternative and you will become independent from cooperation with a portal! Let it be just an addition, a marketing solution, a tool through which you will acquire new customers and direct them to your own online orders!

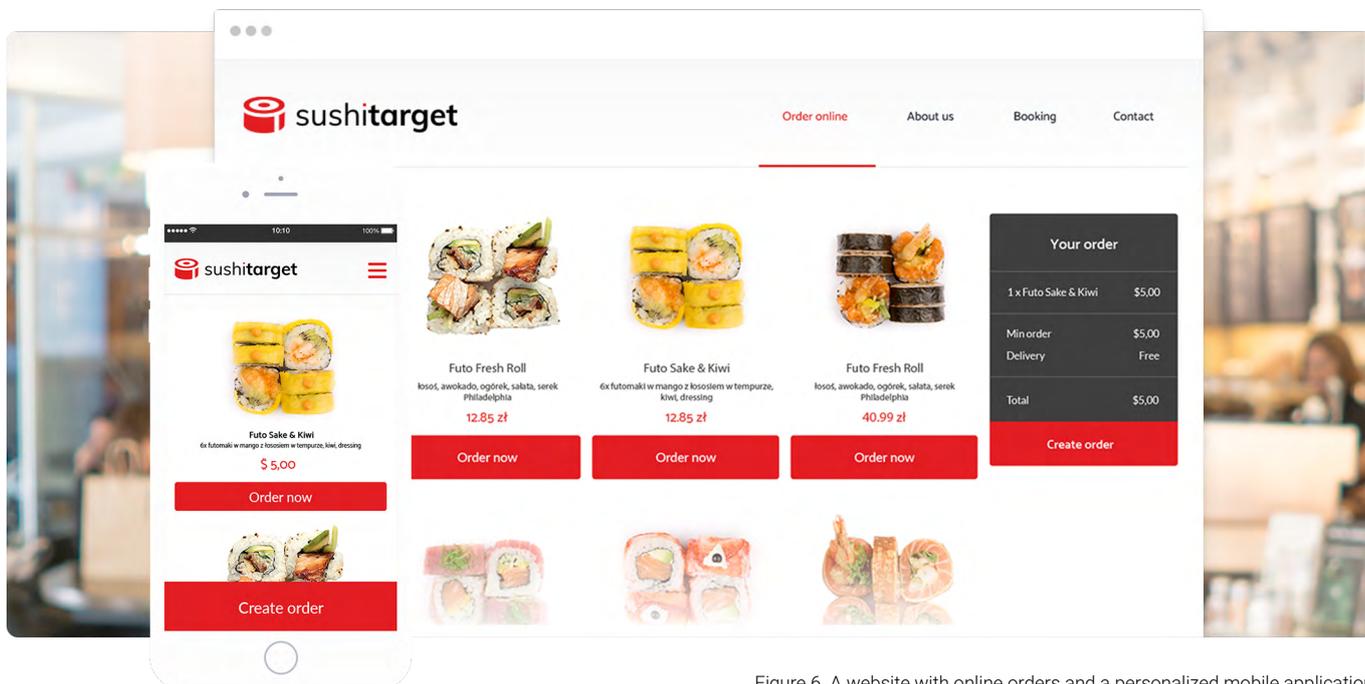


Figure 6. A website with online orders and a personalized mobile application that allows you to always be close to customers.

Starting your own online sales has a number of benefits for your restaurant, thanks to which you will be able to increase the number and value of orders, i.e., your profits:

- you will reduce the costs of online sales (without ever increasing commissions)
- you will build your own customer database (which will be your own and will actively increase your profits!)
- you will sell under your own brand (the name of your restaurant, and not the portal, will stay in the minds of your customers)
- introduce up-selling and cross-selling (recommend to your customers new products and extras on your website and during the ordering process)
- huge marketing opportunities (always be in contact with your customers with SMS and email campaigns, PUSH notifications, loyalty programs, marketing automation, and easily configurable promotions).

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Build your own customer database

When placing orders, your customers will be able to subscribe to your newsletter database that is your property and you will be able to use it for campaigns that increase your profits!

Such constant contact with customers, providing them with special promotions, and loyalty programs, as well as informing them about new products on the menu and changes within the establishment will increase the number of orders! A customer who is loyal to your restaurant's brand will come back to you more often and you will earn more!

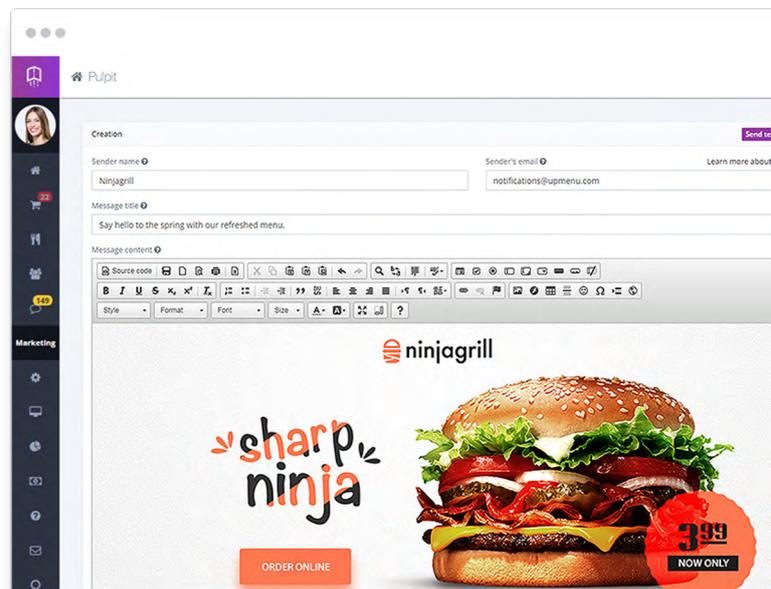


Figure 7. Example of an email campaign, which is one of the most effective marketing activities that increases sales in a restaurant

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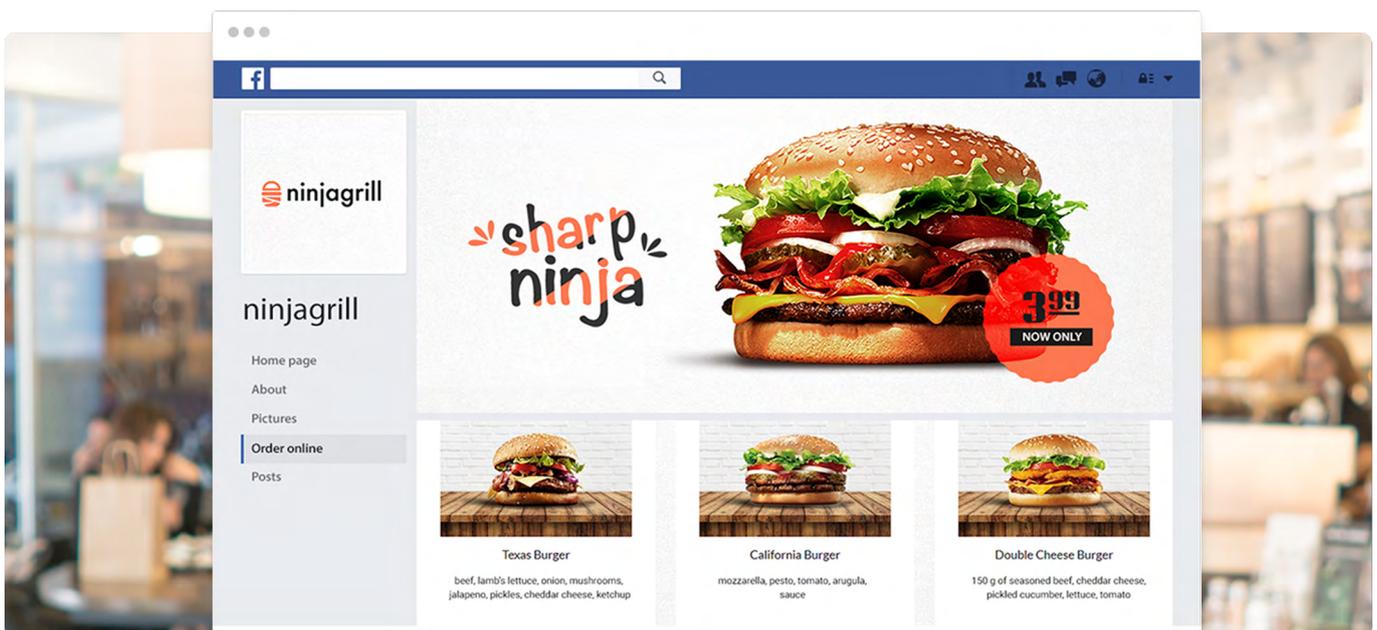
Use a narrow range of cooperation with food ordering portals

The narrow scope of cooperation with food ordering portals means bringing the portal to the role of generating new customers for your restaurant. Then, even while making such a first order by the portal, the customer should be directed to your online orders (e.g., by a leaflet added to the order or information on the packaging).

Do not use the „add-ons” offered by a portal, which will generate higher commission costs for your restaurant, such as discounts for portal customers, leaflets, and other advertising materials.

Also, avoid promoting the sale of your products through a portal. Remove links to it from your website and do not communicate information about this possibility in social media.

Inform yourself about your online sales in all channels where you conduct marketing communication: social media, leaflets, posters, information at your establishment. In addition, you can start sales on Facebook - then your customers will have even easier access to ordering your products!



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Eliminate duplicates; do not let them advertise on your website

If you are not sure if your restaurant does not have a „fake” website - check it out! The fastest way is simply to enter the name of your establishment in a search engine and view the first pages of the search results. If the portal has indeed prepared a „duplicate” of your website, it should appear there.

By having your own online orders, you will have a negotiable position, so your opposition will be dealt with fairly. Remember that the awareness of such mechanisms strengthens your position as a business partner. After removing the „duplicate” pages you will be able to calmly direct all customers to the real one, with your online orders, and customers will not feel confused and will appreciate the new solutions that your restaurant proposes to streamline the ordering process!

SUMMARY

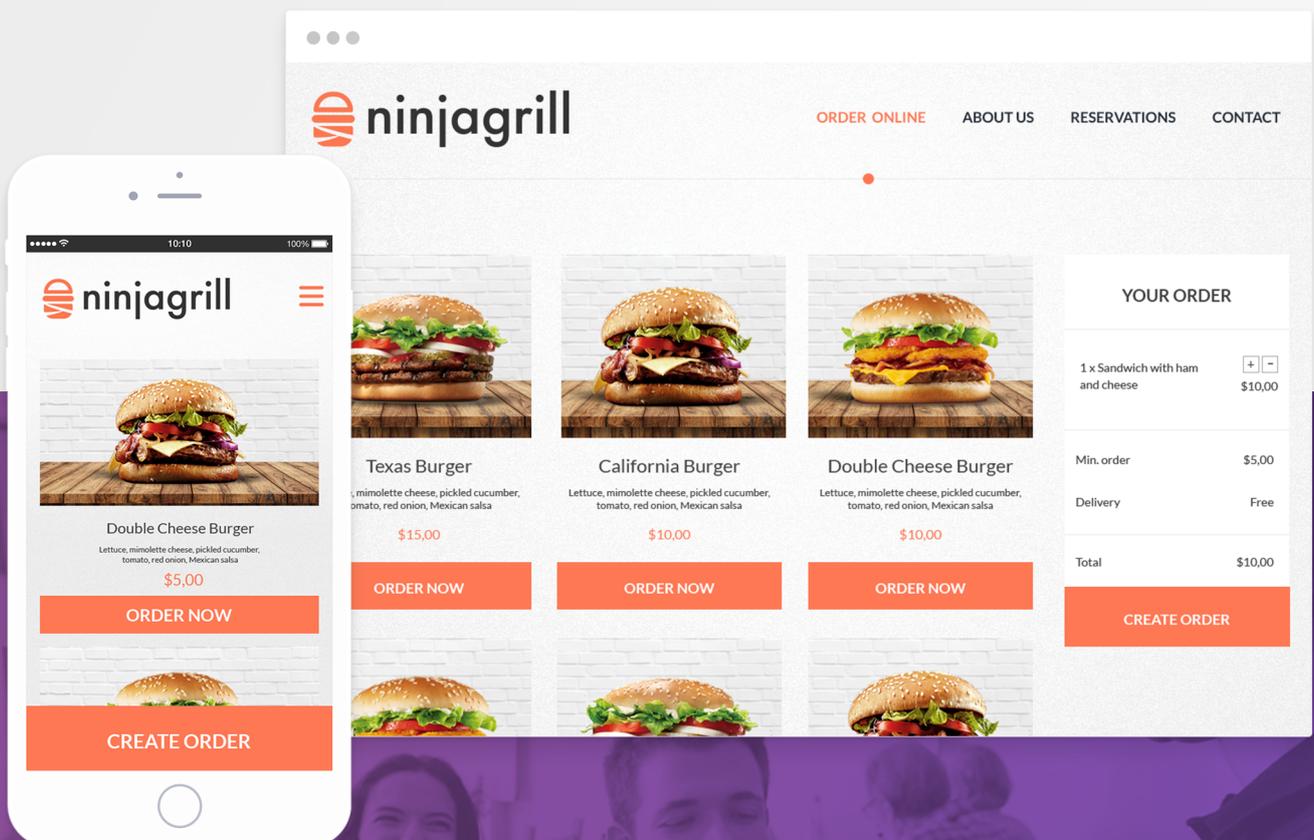
If you implement such guidelines of cooperation with food ordering portals, you will be able to truly become independent of them. These activities will lead to a reduction in online sales costs, an increase in orders, and an increase in your profits!

Remember that a portal is your business partner, not your boss. They have no right to dictate to you conditions that will be harmful to you. If you have an alternative in the form of your own online orders, you will strengthen your position in negotiations, and in the event of termination of cooperation, you will continue to profit from online orders.



Online Ordering System For Restaurants

Increase sales and reduce costs through online sales directly from your website with no external portals needed



LEARN MORE

CONCLUSIONS

When organizing cooperation with a food ordering portal, the key issue is to ensure independence and a proper position to negotiate terms. That is why it is so important that you run your own online orders and direct customers to it, while the portal should only be an addition that provides you with new orders. This way you will always have an alternative.

By building your own customer database, you can have a real impact on the increase of orders in your restaurant! You can send SMS, e-mail, or PUSH campaigns (if you use a mobile application) to your customer database with marketing contact consents, as well as recommend products to customers, inform them about new items on the menu, promotions, and loyalty programs!

Remember never to send your customers to food ordering portals - remove information about orders from portals from your website and social

media. Inform customers about the possibility of ordering from your website and mobile application.

How you organize such cooperation depends only on you. Just make certain that your actions benefit you, not the portal. Contact us, we will be happy to help you become independent of portals and launch your own online orders!