# 7 Ways Data Helps Your Restaurant Succeed



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Data makes the world go around. While not every restaurant takes advantage of the wealth of data, it’s essential in making smarter decisions. Cloud-based POS systems are equipped with numerous restaurant analytics and insights that generate data every time your staff takes an order, processes a credit card payment or closes a check.

While each piece of information may provide some insight into your restaurant’s sales performance, when collected and analyzed together, they tell a complete and compelling story about your business.

But once you have all this data, what can you actually do with it?

# 1. Optimize your menu

It’s easy to assume that your most popular menu item is also your most profitable. This might not be the case, however. By analyzing your data, you can get a clearer picture of your menu performance and understand which items bring you repeat customers and make you the most money. For example, if burgers are one of your best-selling items, but those customers don’t return, it’s time to investigate.

The same is true for your lower-selling items. Some of your lower-performing items could have a lot of untapped potential. Your restaurant analytics software can tell you which items have a higher-than-average return rate for guests. With this new data, you can make decisions to improve your menu, like highlighting a particular item or updating the description and picture to tap into that potential.

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# 2. Measure staff performance

How well do you know your staff? Staff performance can be directly linked to your profitability. Staff reports let restaurants track productivity, efficiency and customer service levels. While some staff might be doing great, others might need more training. With this data, you can quickly identify rockstar employees and reward them, but also determine which employees aren’t measuring up to the mark and give them additional training to reach their potential.

# 3. Uncover strengths – and weaknesses

Is one server a pro at upselling? If a server is the best at

selling high-priced menu items like wine bottles, this is an opportunity to pair them with other staff for training purposes. Pair high-performing staff with servers with low-performance numbers for shadowing and other exercises to help improve their sales.

Is your best customer coming in next weekend? Make sure you schedule at least one of your best-performing staff members to make their experience memorable.

## 4. Decrease turnover

Turnover is a huge issue in the restaurant industry. Restaurant owners have been scrambling to find new ways to hire and keep staff. Keeping a closer eye on their performance could be the difference between staff that stays for the long haul or finding a new employee. By regularly looking at staff performance, you can better understand the employees that are struggling and might need more training or a change of role.

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## 5. Increase staff happiness

Staff performance can also give you insights into employee happiness levels. Sometimes the environment needs to change to keep staff happy and performing at their best. If you notice a pattern of decreased productivity across staff, it might be time to sit down for a chat with them or to start looking at how the current environment might be affecting the team.

## 6. Create repeat customers

How often are customers coming back? What are they ordering? Knowing these key pieces of data will help you determine how to shape your menu and how you upsell or interact with

customers. With 360 analytics tools that connect operations, customer data and payments into your reports, you can get eye-opening data you can act on.

Each time a credit card is swiped, the restaurant analytics software generates a unique profile for every guest. This provides insights into their preferred menu items, purchase history, frequently used payment methods, preferred location and other details. With this information, you can pinpoint VIP customers and elevate their experience with tailored promotions or complimentary items.

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If a guest has dined at your restaurant six times in the last four weeks, you can access their guest profile to identify their favorite drink or appetizer and offer it to them as a complimentary item. This gesture is an excellent way to show your appreciation and build customer loyalty.

## 7. Improve stock management and reduce waste

If you’re constantly running out of ingredients or always have specific ingredients leftover from under-ordered items, it’s time to take a look at your inventory.

Proper inventory management is an essential part of running a successful restaurant. By analyzing inventory data, restaurants can identify trends in food waste and improve profitability. Restaurants can also use inventory data to optimize ingredient usage and reduce the risk of running out of popular menu items.

With inventory management software like Lightspeed Inventory, restaurants can make the most of their ingredients, eliminate manual stock counting, reduce human error and simplify their

inventory management with real-time deductions as items are sold and automatic replenishment when you get fresh inventory.

Every day is an opportunity to get new insights into your business. Data can help you do everything from optimizing your operations to improving the overall guest experience. Not sure where to start? All it takes is partnering with the right restaurant management software.

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