SEVENROOMS

The Ultimate Email Marketing Guide for Restaurants

Everything you need to build an email marketing program that drives sales and guest loyalty

Introduction

Whether you work with one restaurant or fifty, building an email marketing program is a lot of work. But, the juice is worth the squeeze because email marketing has the potential to be your most lucrative marketing channel.

Over the past few years, the rise of online booking and ordering has changed the way consumers engage with restaurants. There is now a higher expectation for personalized service and communication. Your guests want to hear from you, but the traditional "one-size-fits-all" approach to email won't work.

That's why this guide was created. We want to help you build a restaurant email marketing strategy that will:

- ✓ **Elevate the guest experience**
- ✓ **Drive incremental revenue**
- ✓ **Generate loyalty and repeat business**
- ✓ **Prove the value of your marketing efforts**

What's included in this guide?

Click on the desired topic to jump to that page.

Email Marketing 101

Let's dive into the best practices of launching a restaurant email marketing program with examples to use for inspiration.

Benefits of Email Marketing

With a good strategy in place, email marketing can be a restaurant's most profitable channel. In fact, it beats out social media with the highest return on investment (ROI) at <u>$36 for every $1 spent</u>.

If you or your boss are still on the fence about how much of your marketing budget to allocate to email, **check out a few more impressive benefits below:**

Improve Guest Loyalty and Repeat Business

Consistent email communication can deepen guests' relationships with your restaurant and <u>incentivize loyalty</u>.

Stay on Top of Feedback

Email is a powerful channel for keeping tabs on guests' experiences and getting ahead of positive and negative reviews.

Drive Incremental Revenue

Email allows you to leverage special offers and incentives to win more business and increase sales.

Keep your Restaurant Top of Mind

With so much competition, the only way to stand out is to stay top of mind. Email helps you keep in touch with your guests.

How to Choose a Platform

Selecting an email marketing platform is the first step to launching your program, and there are dozens to choose from. But not all email solutions are created equal, especially for restaurants. **Here's what to look for in an email platform:**

✓ **Ease of Use:**
Most modern email platforms should provide easy to use features along with pre-built templates and customizations to help you launch beautiful campaigns quickly.

✓ **Reporting and Analytics:**
Your platform should empower you to assess your email marketing performance over days, weeks, months and beyond with analytics that show clicks, open rates, revenue generated and other engagement trends.

✓ **Marketing Automation Features:**
Email marketing automation is a "set it and forget it" tool that will automatically send relevant, targeted emails to guests based on certain actions and behaviors.

✓ **Segmentation and Personalization Options:**
Personalization is vital to email success. You should be able to slice and dice your guest data to create hyper-targeted marketing campaigns.

✓ **Integration Capabilities:**
Finding a partner that integrates with your core tech stack — such as your POS system and online ordering platform — can improve data accuracy and better track performance metrics.

✓ **Keeps You in Compliance:**
A good ESP ensures you're staying in compliance with email marketing regulations by providing guidance and built-in features around email best practices, opt-ins and opt-outs.

How to Build a Quality Email List

Successful email marketing boils down to the [quality of your email list](). You can spend days designing beautiful templates and robust campaigns, but if your list doesn't have quality data, your emails won't reach guests.

You probably already have a few channels for collecting emails, but we're going to cover a variety of easy to implement ideas you might not have considered to help you continue to grow and expand your database.

VEGAN

LOYALTY MEMBER

How to Build a Quality Email List: At Your Restaurant

An opportune time to capture a guest's email address is when they're dining with you. If they're having a great experience, there's a good chance they'll want to stay in touch to take advantage of promotions, specials and important updates from your restaurant.

In-House Signage

At the table, encourage guests to sign up for your emails by using a QR code and a message like, "join our email list for special discounts and offers." The best spots for restaurant signage are on menus, check presenters, receipts or in bathrooms, lobbies and waiting areas.

Waitlists

On busy nights when guests are waiting for a table, train your hosts and FOH staff to require guests to provide their email addresses to join the waitlist. A digital waitlist takes the burden off of your staff and allows guests to join themselves.

Wifi

Offer your guests free wifi in exchange for their email addresses. This is a popular method for many businesses — and guests who need to stay connected will more than happily oblige.

Staff-Promoted Loyalty Programs

Guest loyalty programs help drive revenue, increase brand awareness and keep you ahead of the competition. The best advocates for promoting guest loyalty is your FOH staff. Train your staff to help encourage signs ups — and naturally, collect more email addresses.

57% **of restaurants offer rewards and loyalty programs**, and another 25% plan to invest in them within the next three years.
Source: PYMNTS

How to Build a Quality Email List: Online

Your online channels help you reach a broader audience — specifically, new leads that are interested in your restaurant but haven't dined there yet. Leverage these channels to promote exclusive access to deals, events and menu updates to encourage sign-ups.

Online Reservations & Orders

Your online reservation and ordering channels are the best sources for collecting guest data. The more data you collect from these channels, the more information you'll have to create hyper-targeted emails. **Below are some examples of other data you can add to your online forms.**

- **Food and drink preferences**

- **Dietary restrictions and allergies**

- **Special events**

- **Location**

Website

Your website is a powerful tool for capturing guest email addresses. Add a subscribe section, button or registration form to your most visited pages like your homepage, menu pages and contact us.

Social Media

Meet your guests where they're at — which is most likely Facebook, Instagram, Twitter and TikTok. Run a social media contest or raffle to boost engagement, attract new customers and capture guest data.

74% of consumers are likely to order food from a **restaurant that engages people on social media.**

Source: MGH

Launching an Email Marketing Campaign

Once you've activated your email marketing platform and started to build your list, it's time to start planning your first campaign!

In this section, we'll cover how to go about setting up clear goals, email types and templates (with examples) and crucial best practices to ensure your first go is a success.
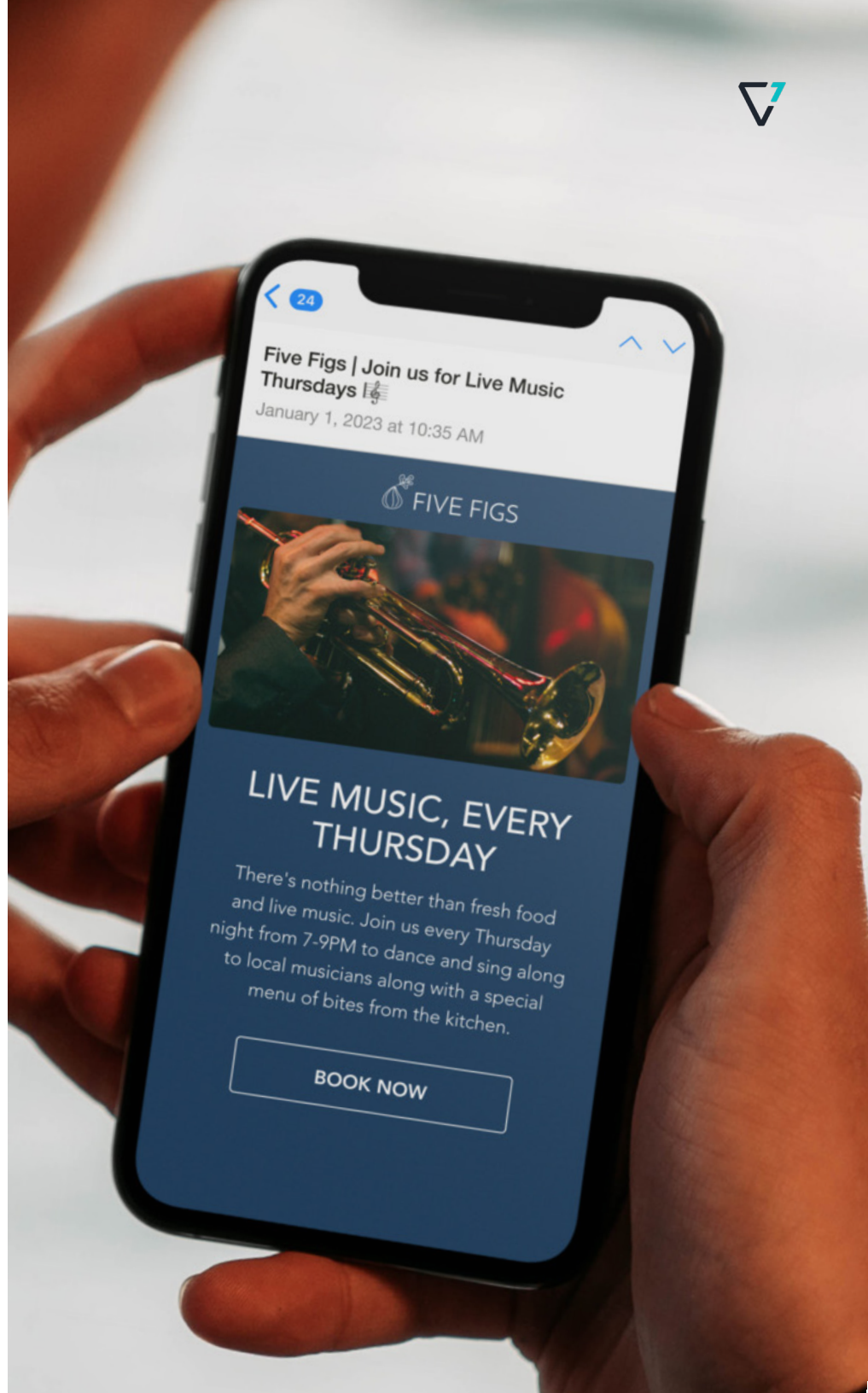
Establish Your Goals

Before you launch any campaign, you first need to define a goal. Setting a clear goal will help you stay on track throughout the entire email development process.

It's important to point out that goals are different than metrics. A goal is the result you want to achieve with your email. When creating your goal, our recommendation is to use the S.M.A.R.T. method.

S pecific:
What will be accomplished? What actions will you take?

M easurable:
What data will you use to measure the goal?

A ttainable:
Is the goal realistic? Do you have the skills and resources?

R elevant:
How does the goal align with your broader strategy?

T imely:
What is the timeframe for accomplishing the goal?

PRO TIP

Metrics, or key performance indicators (KPIs), are the data points you track against your goal to measure your success. For example, your goal may be to grow your restaurant email list by 20% in 6 months. The KPI you'd measure against that goal would be "sign-ups."

Choose Your Audience

After you've established your goal, the next step is to figure out **who** to send your email to.

In email marketing, relevancy is king. The first question you should ask yourself is: *is my email relevant to everyone in my list?* If the answer is no, then you need to refine your audience. This is where email segmentation comes in.

Email segmentation is the act of breaking your list down into smaller groups, or segments, based on certain criteria. The more data you have, the easier it is to segment your audience.

Segmented email campaigns can drive a **760% increase in revenue**.

Source: Campaign Monitor

Questions to ask yourself when creating a campaign segment:

Who is in my email list?
- Leads? *(those who haven't visited or dined with you yet)*
- First-timers?
- Regulars?
- Unengaged guests?

What data do I have about these subscribers?
- Demographics?
- Geographics?
- Dietary and dining preferences?
- Special occasion history?

What actions have they taken in the past?
- Online orders and reservations?
- Purchases?
- What have they clicked on/engaged with?
- Visit history?

Email Marketing 101

Let's take a look at a potential scenario for an email to re-engage guests who haven't dined at a restaurant in a while.

Email:

Re-engagement email to lapsed diners.

Target audience:

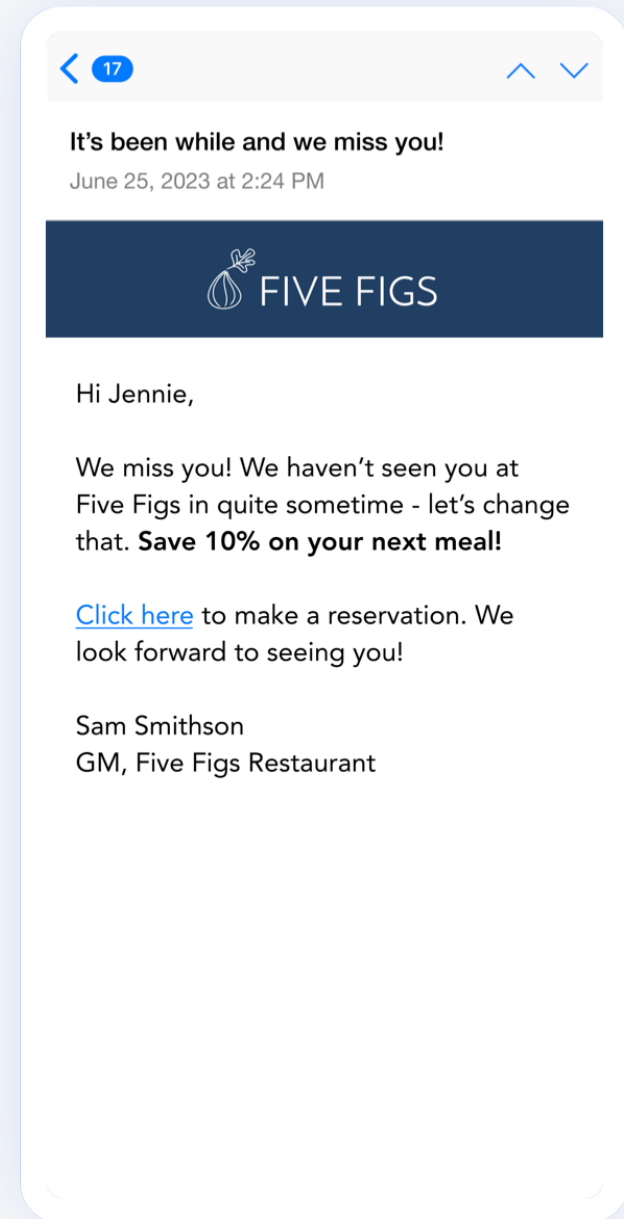Guests who haven't visited a venue in the last 90 days.

Goal:

Re-engagement goal of 30%.

Metrics:

Number of reservations and revenue generated from those visits.

Once you've segmented your list, you can begin to create hyper-targeted messaging specific to that audience.

It's been while and we miss you!
June 25, 2023 at 2:24 PM

FIVE FIGS

Hi Jennie,

We miss you! We haven't seen you at Five Figs in quite sometime - let's change that. **Save 10% on your next meal!**

Click here to make a reservation. We look forward to seeing you!

Sam Smithson
GM, Five Figs Restaurant

A Note on Brand Voice and Tone

Emails are an extension of your restaurant's brand. Your personality, voice, colors and style should feel the same if a guest is staring at their inbox or sitting at a table in your restaurant. Not only does this help you stand out from the crowd, but it perpetuates consistency which is important for building brand awareness.

When it comes to designing your emails, think about your voice, style and tone. Are you fun and playful? Smart, sophisticated and classy? Maybe your brand is has a more chill, relaxed vibe.

Whatever it is, everything from your subject line, images and body copy should elevate your restaurant's brand.

Get Them to Open

Sender Email Address

Make your email stand out by letting people know who you are. For example, instead of putting "John" as the sender name, be more specific and use "John at Five Figs Restaurant." That way your subscribers know exactly who's sending the email.

Preview Text

Preview text is the snippet of information that appears in the inbox below or next to the email's subject line. It provides extra insight into what the email is about and supports your subject line. It should be short, concise and pique the reader's interest

Subject Lines

The email subject line is like the front of your restaurant. It's ultimately what nudges a subscriber to either open the door or walk away. While the ideal length of a subject line is around 40 characters, there are plenty of ways to make it stand out.

Personalization

Test personalization in your subject line using a subscriber's first name.

Phoebe, thank you for visiting last night!

Tone

What do you want your subscribers to feel when they read your subject line? Urgency? Excitement? Curiosity?

C'mon it's Friday...**you deserve a break!**

Emojis

Emojis are a fun, creative and colorful way to make your subject line stand out.

Chef Matteo shares his secret ingredient 🤭

Get Them to Click

Email content is intended to be short-form. Subscribers typically spend 15 seconds or less scanning the email before taking action. Every aspect of your email should be designed to captivate the sender's attention before they move on.

Images & Headline

An image can bring your email to life and inspire someone to continue reading. **A few things to consider if you're going to use images:**

- **Size and quality:** Your ESP should have recommendations for the proper image size to include in your emails.
- **Format:** Double check that your file is either a JPG or PNG.
- **Don't over do it:** Image-heavy emails run the risk of landing in a spam folder. A proper balance between images and text should be 80% text and 20% images.

Body Copy

Keep your email content compelling and concise. Avoid long paragraphs at all costs. Consider breaking up your content to maintain readability. Use bullets, sub-sections and images to mix it up.

Call-to-Action (CTA)

A CTA should be simple, bold and stand out from the rest of the email such as an eye catching, colorful button. You should only include one CTA in your email. Too many and it may overwhelm the reader. You can include multiple buttons or call-outs throughout the email but the CTA itself should be the same, such as, "Reserve a table", "Sign up", "Order now."

PRO TIP

When considering the placement of your CTA remember to stay above the fold: the content that the reader sees when they open the email before having to scroll down.

Preview & Send

Once your email is designed, you may be tempted to just hit "send." But before you do, you'll want to test your email and consider the best schedule to optimize for engagement rates.

Test and Preview

Most ESPs will allow you to create a preview test of your emails. Because your subscribers will likely open your email on different devices, it's best to send your test to multiple people on your team. **Preview it on mobile, desktop and tablets.**

In your test email you should double-check the appearance of your sender name, subject line and preview text. If they're too long and get cut off, you may want to shorten the content.

Next, make sure the images render properly and the quality and size looks good across various devices. You can use a tool like Litmus to test your emails. Proofread your body copy, and check your links and CTAs to ensure they're clickable and take you to the right place.

Schedule

The best time to send an email will depend upon your audience. At SevenRooms, we've found that restaurants that send emails between 9am and 11am typically have the best engagement rates. Sending emails sent between Tuesday and Thursday is best practice.

PRO TIP
Remember to consider holidays and timezones when you schedule your email.

Templates & Inspiration

There are so many options when it comes to restaurant email marketing. But no matter what your goal or who your audience is, **emails are typically broken down into 3 categories:**
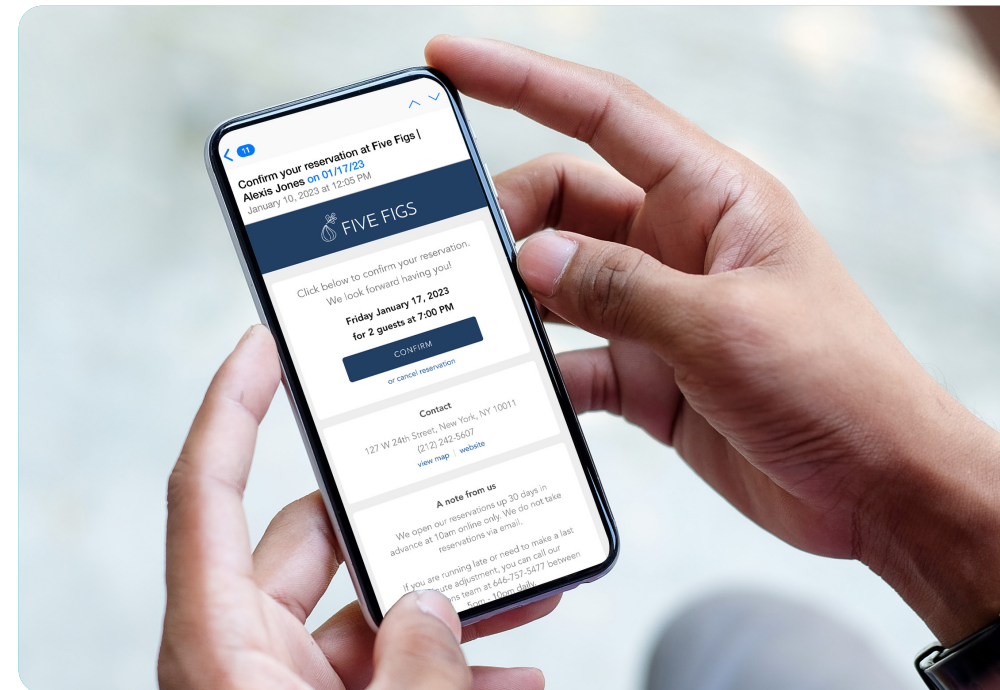
- **Transactional:** Emails related to a transaction carried out by the guest, such as an upcoming or completed reservation. They do not promote a product or service.
- **Promotional:** Emails intended to drive sales or brand awareness.
- **Nurture:** Emails intended to lead guests further down the customer journey.

POSITIVE REVIEWER

Reese, thank you for your feedback!

17
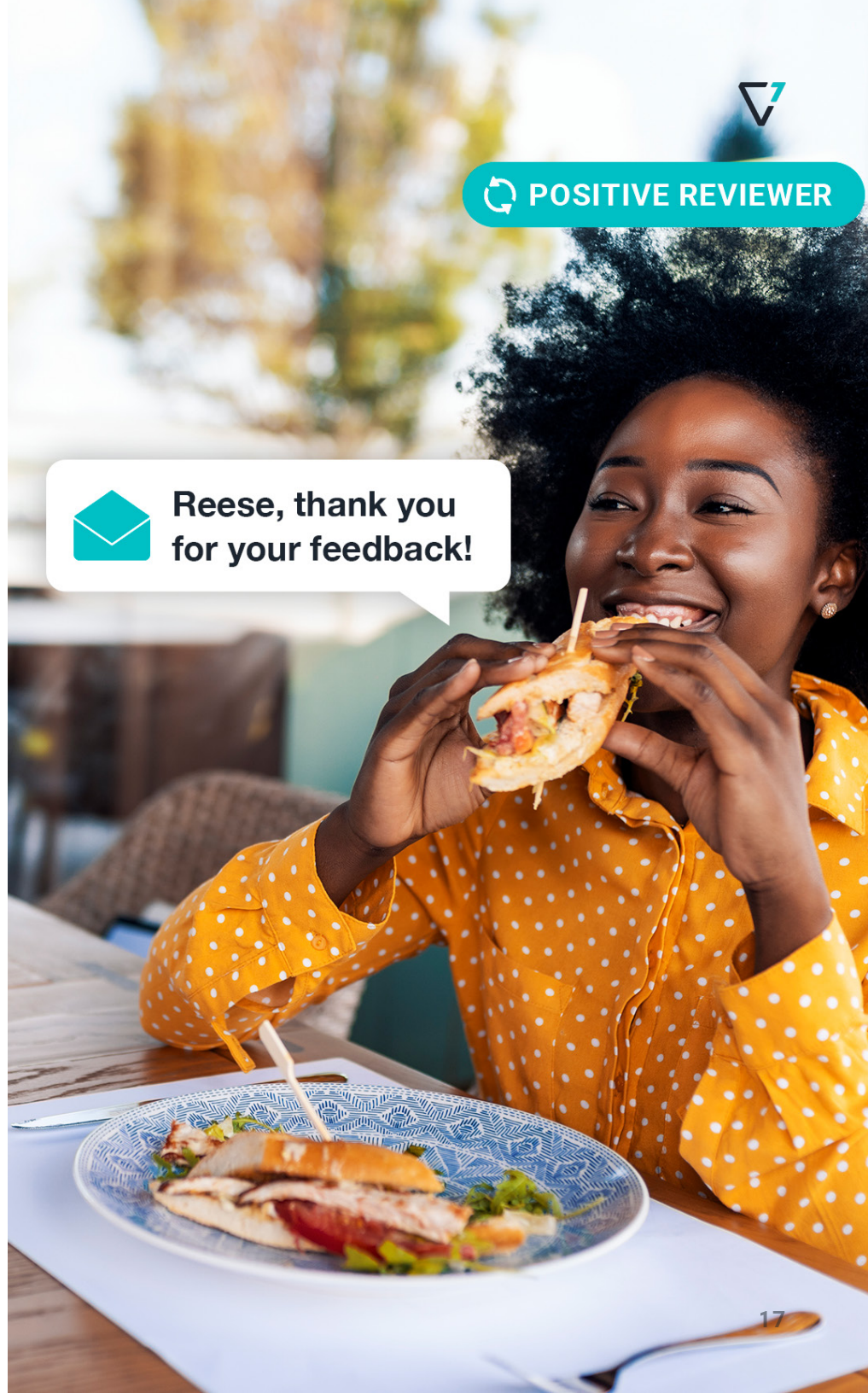
Transactional Emails

A transactional email is an email sent to a guest based on a specific purchase or transaction performed by that guest. Since these emails are based on an individual's action, **they're most effective if they're automated. To do this at scale would be very time-consuming.**

These emails are typically templated but personalized based on data collected from the user's action. For example, if a guest books a reservation online, they are automatically sent a [confirmation email](#) with the restaurant's contact information, reservation date and time along with any other important details related to their reservation.

Types of Transactional Emails

Reservation confirmation
- **Use case:** This email is triggered after a guest makes a reservation. The email should include reservation details and the restaurant's contact information to help guests easily manage their booking.
  - **Goal** Confirm reservation details & reduce no-shows.

Order confirmation
- **Use case:** An automated email after a customer places an online order. This should include order details, pricing and total along with restaurant contact details and quoted pick-up/delivery time (if relevant).
  - **Goal** Reduce mistakes and provide order receipt.

First visit thank you & guest survey
- **Use case:** Send a personalized email after a guest's first visit to thank them for their business and ask for feedback.
  - **Goal** Keep tabs on the guest experience and proactively manage reviews.
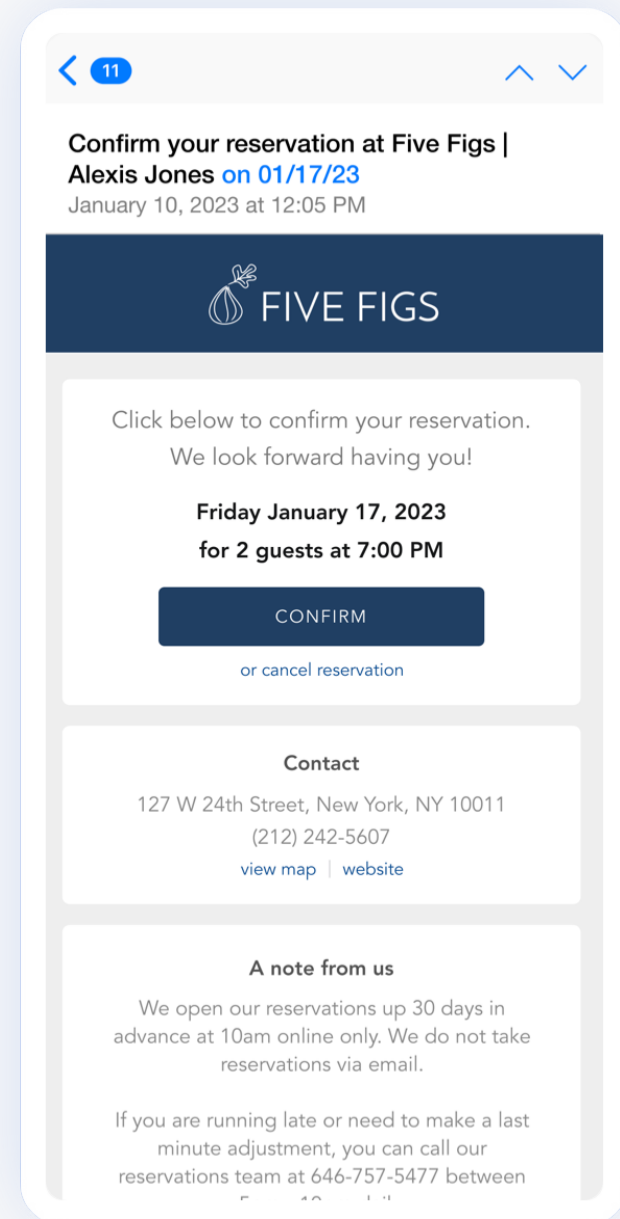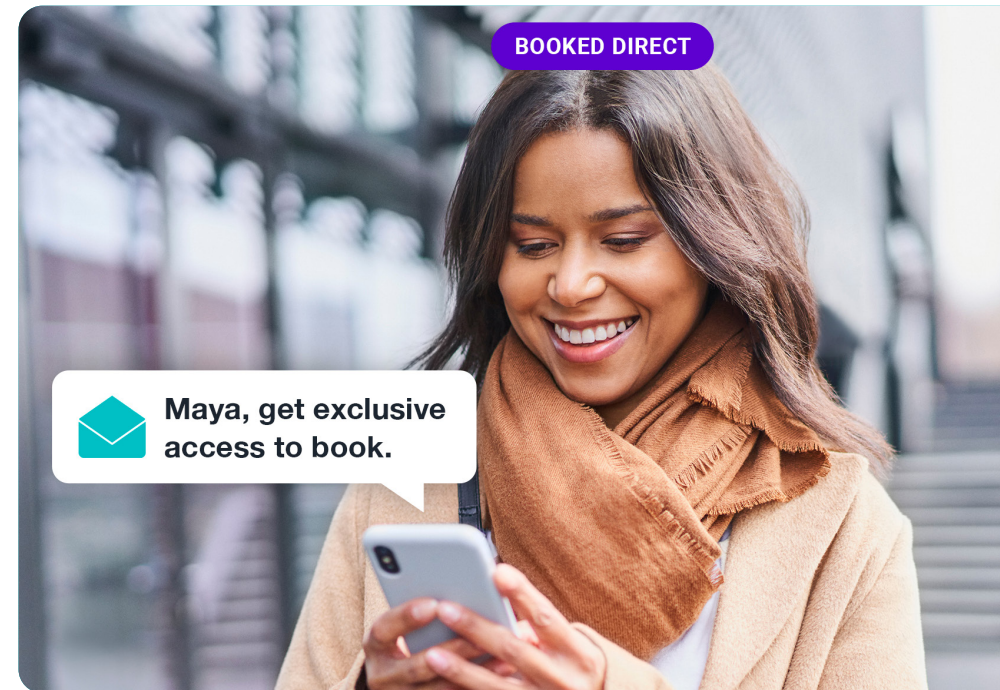
Promotional Emails

Any email that aims to promote your restaurant, service or food is considered a promotional marketing email.

These types of emails are usually geared towards a broader audience with the intention of getting subscribers to take action. This could include booking a reservation, ordering takeout, buying a gift card or signing up for an event.

Types of Promotional Emails

Newsletter
- **Use case:** Send monthly or quarterly newsletters to your contact database to deliver exclusive content, updates and news about your business.

  Goal Keep your restaurant top of mind.

Giveaways and discounts
- **Use case:** Send subscribers targeted emails based on the food, beverage and perks they love!

  Goal Generate incremental revenue and boost guest engagement.

Advanced booking or pre-purchase
- **Use case:** If you're hosting a special event or launching a pre-fixed menu for a holiday, send an email to your guests with exclusive access to be the first to book!

  Goal Generate pre-booked revenue & advanced bookings.
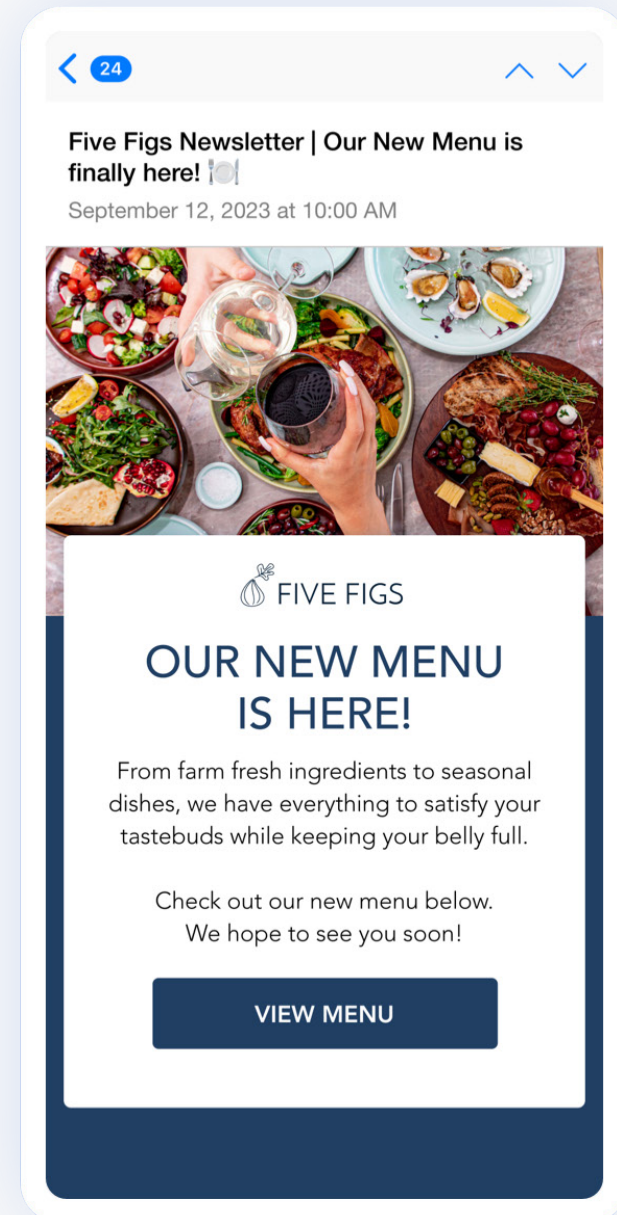
Nurture Emails

Nurture sequences are a series of emails that are automatically triggered when a subscriber takes a specific action or when certain criteria is met.

For new subscribers this may include an automated email inviting them to book their first reservation or order take-out. For a guest who hasn't engaged with your restaurant in 90 days, an email might be triggered encouraging them to come back in.

To manually send emails with this level of personalization would take a lot of time. Marketing Automation is the most effective and efficient way to nurture your guest relationships.

Marketing Automation has proven to **increase open rates by 30%**, triple the restaurant industry average.

Source: SevenRooms
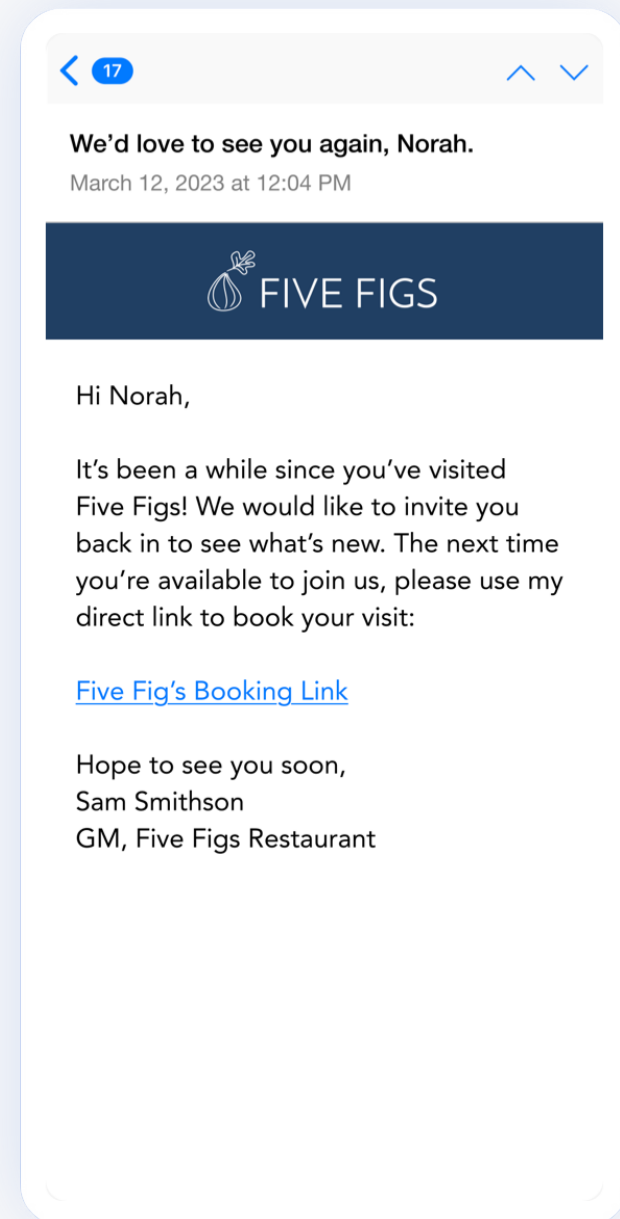
Types of Nurture Emails

Welcome email

- **Use case:** This is triggered when a new subscriber joins your email list. You can provide a link to your online order or reservation widget and invite them to join your loyalty program (if you have one). **Goal** Generate engagement (booking, order or loyalty program registration).

Guest re-engagement

- **Use case:** Set a trigger for a certain time frame after a guest's last visit or order. For example, if someone hasn't visited in 30 days, send an email encouraging them to visit or place a takeout order. **Goal** Boost repeat visits & drive incremental revenue.

Celebratory (birthday and anniversary)

- **Use case:** If you're hosting a special event or launching a pre-fixed menu, send an email to your guests with exclusive access to be the first to book! **Goal** Generate pre-booked revenue and advanced bookings.

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We'd love to see you again, Norah.
March 12, 2023 at 12:04 PM

🧅 FIVE FIGS

Hi Norah,

It's been a while since you've visited Five Figs! We would like to invite you back in to see what's new. The next time you're available to join us, please use my direct link to book your visit:

Five Fig's Booking Link

Hope to see you soon,
Sam Smithson
GM, Five Figs Restaurant

Email Marketing 102

Once you've built a solid foundation for launching your email program, the next step is to learn how to track, measure and improve your performance and ensure your campaigns are in compliance with email marketing regulations.

Email Marketing 102

Email Marketing Metrics and ROI

Earlier in the guide, we discussed the importance of setting email marketing goals. As a refresher, your goal is your main objective that answers the question: *"what do I want to achieve with this email?"* Metrics help you measure how you're progressing against that goal.

According to a recent report, 24% of restaurants stated one of the the **top marketing challenges is tracking campaign performance.**

Source: TouchBistro

Common Email Metrics

There are a handful of common, key email marketing metrics that are important in helping you understand how your audience is engaging with your content. Most ESPs will track and measure these metrics for you.

Below is the 2022 average email marketing metrics for the restaurant industry.

Open Rate	18.5%
Click-Through Rate (CTR)	2.0%
Click-to-Open Rate (CTOR)	10.5%
Unsubscribe Rate	0.1%

Source: 2022 Email Benchmarking Report, Campaign Monitor

Open Rate: The percentage of subscribers that opened your email out of the number of email addresses in the audience. A high open rate indicates a good subject line, preview text and brand recognition.

CTR: The number of unique clicks as a percentage of all emails delivered. CTR measures how relevant and engaging your content is to your audience and takes into account the subject line, deliverability and overall interest in the email.

CTOR: This demonstrates engagement and measures the effectiveness of the email message, design and content. It's a more effective way of analyzing content relevancy than CTR.

Unsubscribe Rate: This measures how many people opt-out of receiving your emails. This data can be a good indicator of where your email might not be performing well (e.g. frequency, formatting, irrelevant content).

Proving Your ROI

Email metrics like open and click-through rates help you understand how well your emails are performing, but how does that translate into revenue and new business? After all, it's not open rates that matter, it's the dollars those opens generate.

However, for restaurant marketers, tracking email ROI can be challenging if you're relying on disparate systems to help you tie your marketing efforts back to revenue. The key to tracking email ROI is data integration. If you think about your existing tech stack, what systems are key to your email marketing efforts?

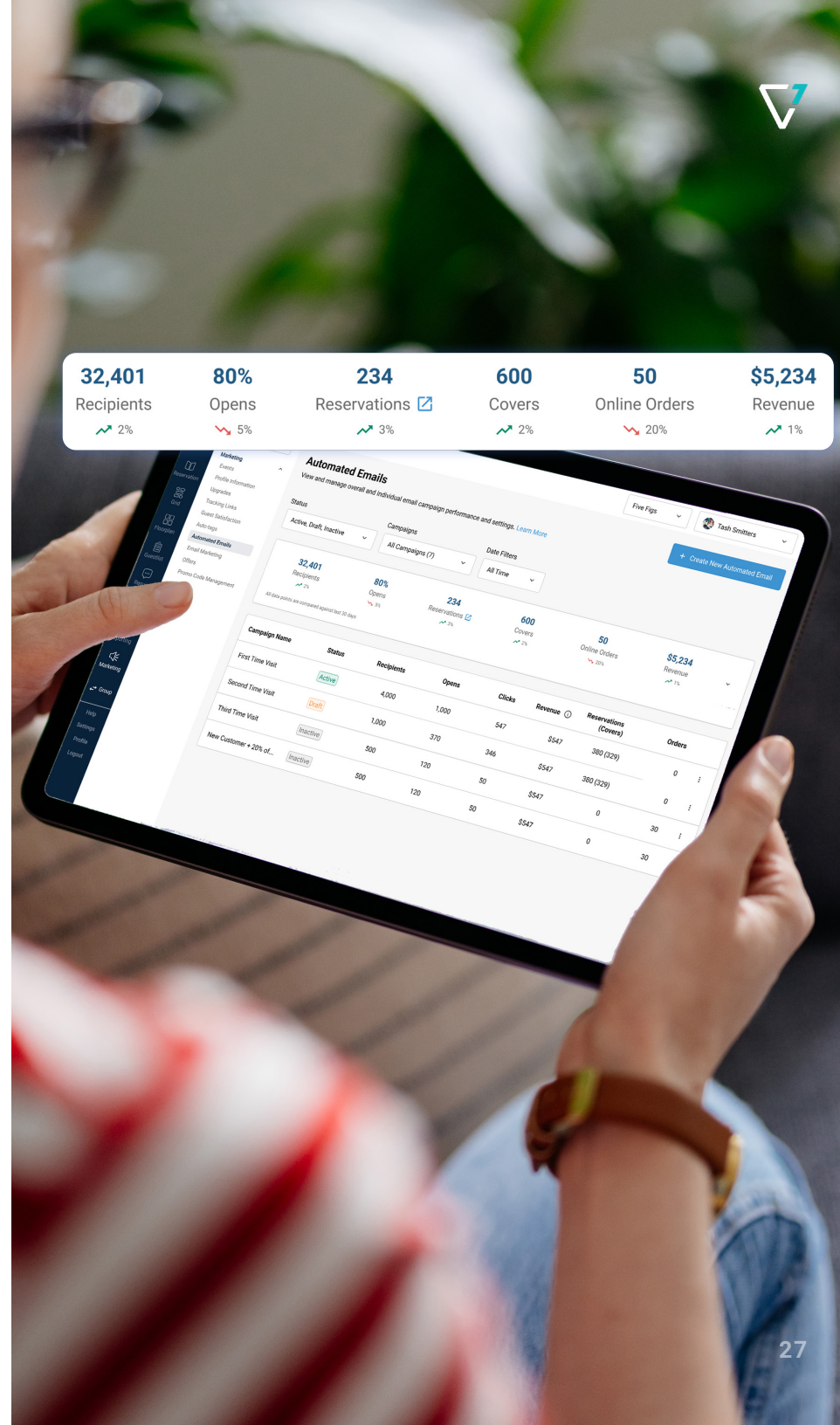**Email Software**

Online Ordering Software

Reservation Software

POS System

Consolidating your tech stack to find partners that house all of these solutions, or at least integrate, can tie in email success metrics like revenue generated, covers, reservations, and online orders.

TATE
Dining Room

290
Commision-Free Covers

$57HKD
($7.28 USD)
of revenue per email sent
(>5x industry average)

62%
Open Rate
(3.4x industry average)

By switching to direct booking channels with SevenRooms, Michelin-starred Tate Dining Room in Hong Kong drove more than 22,000 direct covers and added 5,000 new email addresses to their client database within a year. Using SevenRooms email solutions, they launched an email campaign highlighting a special menu for the restaurant's 10th anniversary. This campaign drove 290 covers and generated $57 HKD ($7.28) per email sent — five times the industry average.

READ THE CASE STUDY

ALTAMAREA
GROUP

$340K
Reservation Revenue

$60K
Online Ordering Revenue

$7.43
Incremental Revenue
Earned Per Email

Altamarea Group operates 15 venues across the U.S., Istanbul and Dubai. Prior to the pandemic they switched to SevenRooms to leverage direct reservations and CRM. Once COVID-19 hit, they added direct online ordering and marketing automation to keep up with rising demand as shifting regulations and labor shortages plagued operations. Leveraging SevenRooms' 12 pre-built email campaigns, they reached over 47,000 people in 2021 alone generating almost $400,000 in revenue.
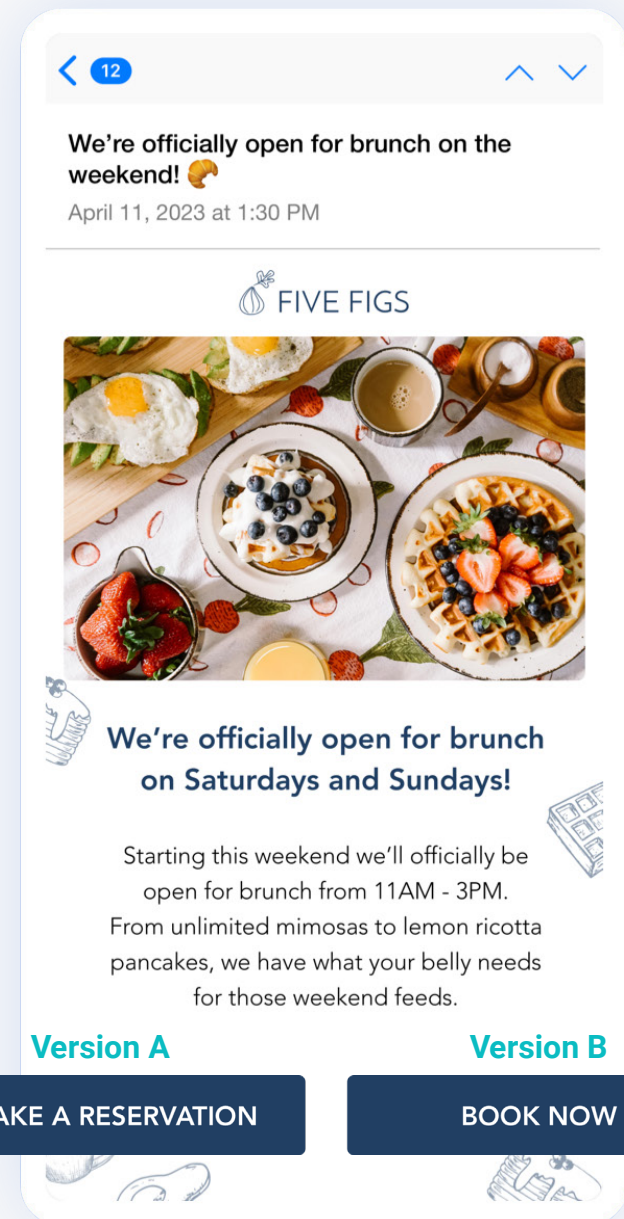
READ THE CASE STUDY

A/B Testing

If you want to improve your open and click-through rates, you should consider A/B email tests. A/B tests compare the performance of two different versions of the same email against each other to find out what elements work best.

CTA Test

Let's say you want to test your CTA button messaging. You create one version of an email with the CTA "Make a Reservation" and a second version with "Book Now." If your list is 500 people, you would send version A to 250 and version B to the other half. The email with the highest CTR is the winner.

Over time you can take those learnings and apply them to your email marketing campaigns.

We're officially open for brunch on the weekend! 🥐

April 11, 2023 at 1:30 PM

🧅 FIVE FIGS

We're officially open for brunch on Saturdays and Sundays!

Starting this weekend we'll officially be open for brunch from 11AM - 3PM. From unlimited mimosas to lemon ricotta pancakes, we have what your belly needs for those weekend feeds.

Version A   **Version B**

MAKE A RESERVATION   BOOK NOW

Email Marketing Compliance

Breaking email compliance laws might be the last thing on your mind when you're launching a campaign. But the penalties can be pretty severe if you do.

A good ESP will help you stay in compliance but you should still be aware of the laws to ensure your restaurant is protected.

There are different laws that guide the use of email marketing for commercial intent. Most of them focus on protecting consumers against spammers and misuse of their personal information. **Some include:**

- **United States:** CAN-SPAM Act
- **Canada:** CASL
- **California:** CCPA
- **Europe:** GDPR
- **Australia:** ACMA
- **Singapore:** PDPC
- **Hong Kong:** PCPD
- **Thailand:** PDPA

FIRST-TIMER

Thank you for dining with us, Naomi.
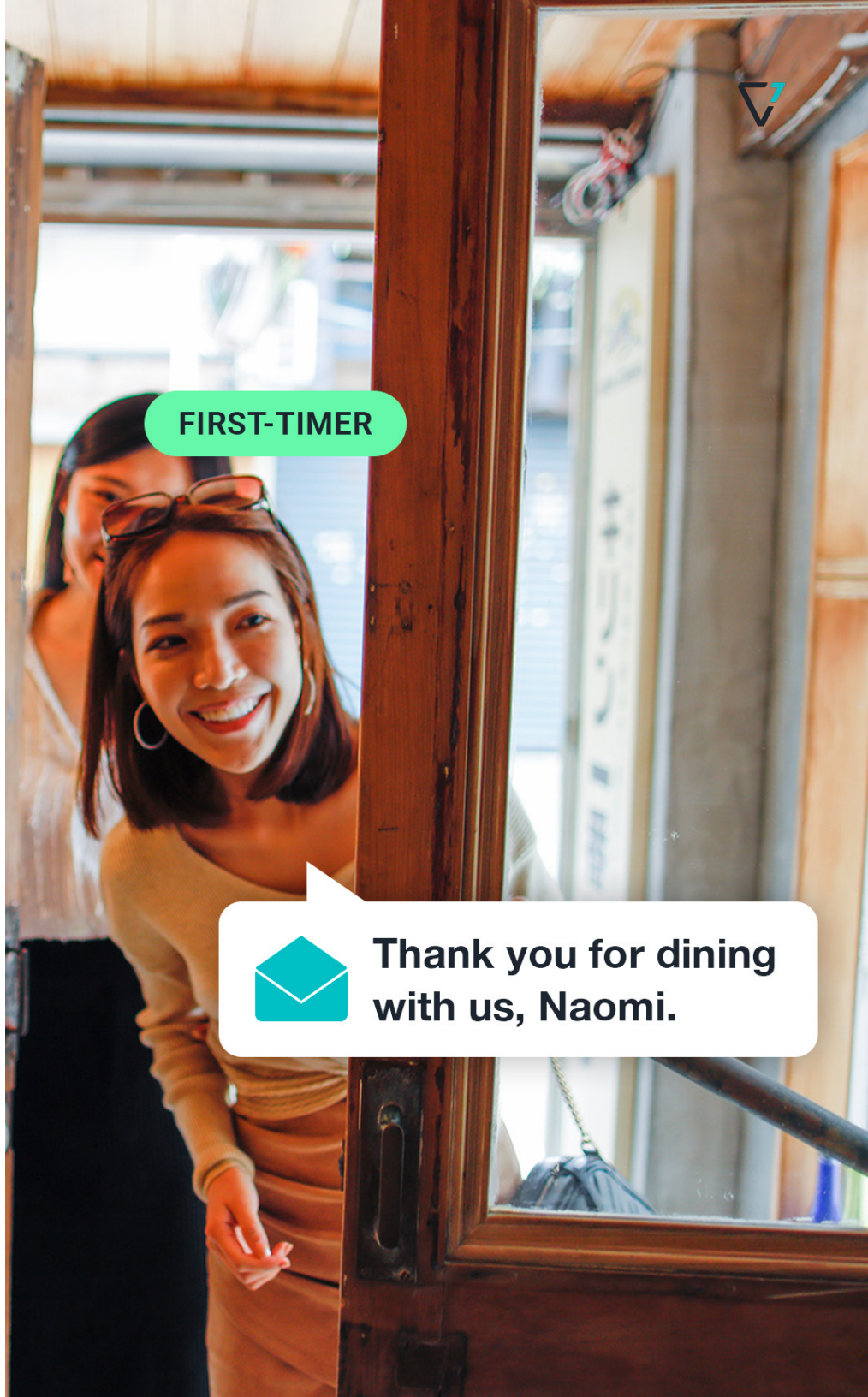
7 Best Practices to Follow

If you handle email marketing for an international restaurant group, it can be challenging to keep up with all of the different laws and regulations. Below we'll cover email marketing best practices to help you stay in compliance, regardless of where you do business.

1 Never Buy an Email List
Buying an email list is an easy way to get your email program up and running but it will only hurt you in the long run — and in some countries, it's illegal.

2 Always Get Permission From Subscribers
No matter how strict or lax your country's opt-in rules are, you should always ask permission before adding a subscriber to your promotional email list.

3 Implement Double Opt-In
Double opt-in is when you get permission to add someone to your list and then send them an email asking them to confirm their subscription. This ensures you have explicit permission to send marketing emails to them.

4 Keep Your Subject Lines and Content Relevant
Always ensure your emails are relevant and your subject line matches the intent of the content within the email.

5 Ensure to Include Your Physical Company Address
The majority of countries require that you include your company's physical mailing address within all of your emails.

6 Include Clear, Easy Opt-Out Options
Including a clear, easy way for subscribers to opt-out of your emails is required by most countries. Additionally, these opt-outs should be handled quickly.

7 Understand the Difference Between Transactional and Promotional Emails
Transactional emails typically have less strict regulations than promotional emails. For example, GDPR specifies different rules based on the type of email you're sending.

Auditing Your Email Marketing Program

Once your email marketing program is up and running, you may be tempted to just set it on autopilot. While many email features are designed to "set it and forget it," you should implement a regular email marketing audit to assess the overall performance of your email campaigns to figure out what's working and what's not.

An audit can identify issues with your email list, send schedule, messaging, design, template and format.

4 Email Marketing Audits

Before you launch an audit, you'll need to, of course, establish a goal. Your goal will help you identify the type of email audit to conduct and metrics to measure. We recommend using a spreadsheet to track your progress.

Below is a list of some of the most common email marketing audits you should consider performing at least once a year.

Email Marketing Performance

This audit is one of the most popular as it examines your email program's overall health. You'll typically review metrics such as your average open rate, conversion metrics like CTR and CTOR and unsubscribe rate along with an analysis of subject lines, preview text, header and hero image, content and CTA.

Email Design

This type of audit focuses on the design aspect of your emails. You'll want to evaluate your email layouts, colors, graphics, buttons and logo.

Email Deliverability

This audit uncovers potential issues when it comes to your email reaching subscribers' inboxes. You should first check the percentage of emails successfully delivered versus those that aren't. Aim for a 95% delivery rate or higher. Based on your results, you may need to re-assess the quality of your email list to identify anything that could be considered spam.

Email Compliance

This audit will help you ensure you're staying in compliance with email regulations based on where your restaurant operates. For more details, refer back to the Email Marketing Compliance sections we covered earlier in the guide.

Conclusion

Outside of your restaurant's walls, the best way to elevate the guest experience at scale is through email marketing. Email gives you an open platform to continue the conversation and deepen guest relationships. Building a successful email strategy takes time, but by following the best practices and suggestions in this guide, you'll be well on your way to launching a program that generates revenue and brings guests back time and time again.

At SevenRooms, our email marketing solutions take the guesswork out of building successful email campaigns. **Below are just some of the benefits that we offer.**

- Library of pre-built, easy-to-use templates
- Visual email editor
- List segmentation
- Personalization
- Restaurant-specific email marketing & performance metrics
- Trigger-based marketing automation
- Integration capabilities

SevenRooms' email solutions were built to make email marketing easier for restaurants. To learn more about SevenRooms, **book a demo today**.