THE COMPLETE GUIDE TO

Restaurant Reservations

TouchBistro®

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Introduction

On a busy Saturday night, heading out for a bite to eat can go a few different ways.

Diners can wing it, maybe get lucky and find somewhere with an open table right away. They can end up on a waitlist, asking every few minutes how much longer it's going to be until they're seated. They can go from restaurant to restaurant until they find somewhere with an available table, and at that point they're not just hungry, they're *hangry*.

Or, they can simply make a reservation at their favorite restaurant and arrive with a table waiting for them – Saturday night success!

Restaurant reservations are the unsung hero of your restaurant. They help you fill your tables, maximize revenue, deliver a

better guest experience, schedule your staff, manage labor costs, get the insight you need to make business decisions, and even keep your staff and guests safe..

When you don't offer online reservations, you – and your potential diners – are missing out.

But these days, restaurant reservations are more than a phone call and a list of names in an old notebook. Like everything else in the restaurant industry, they're evolving. That means your approach to reservations needs to change, too. There are whole reservation management platforms now that you need to be aware of, so you can make the right choice for your venue.

So what do you really need to know about reservations? And how does a reservation management system help? Our ultimate guide will tell you:

What reservations look like at your business

The value of reservations – and how this value helps you and your customers

What a reservation management platform is and how it helps

The cost of a reservation management platform

The considerations when upgrading or switching your system

How to prepare your restaurant for a new reservation management platform

Grab a seat and let's get started – no reservation needed!

Restaurant Reservations at Your Business

Nothing about running a restaurant is a one-size-fits-all solution. The same applies to reservations.

Where will people make a reservation? How will you accept them? What about communicating with guests to confirm or cancel their reservations? Do you want to take credit card information ahead of time and charge a no-show fee? What about getting reviews and feedback about the guest experience?

There are a lot of questions you have to answer. So let's break it down.

What Are Reservations?

TO YOUR GUESTS
Reservations are simply an arrangement made in advance, confirming a table for them at a certain time. Reservations today can be made through a phone call, on a restaurant website, third-party reservation websites or apps, in person at the restaurant, or even by text. It's more convenient than ever for diners to get a seat at their favorite spot.

TO YOUR RESTAURANT
Reservations are the same arrangement – you provide the table! – but they give so much more to your business. When implemented correctly, reservations are a powerful tool.

Here are just some ways reservations help your restaurant:

- Attract more diners

- Give you more insight on guests

- Manage waitlists

- Help forecast staffing needs

You can't determine what type of reservation management system is right for your restaurant if you don't know what you want to gain from it. Are you looking to know guests better? Need to better manage your weekend rush? Figure out which staff to schedule on Friday nights?

Determining the gaps in your current reservation experience will answer these questions for you and help you determine what a reservation management system should look like at your restaurant.

The Value of Reservations

Reservations do more than just help your diners get a table. So, how do reservations add value to your restaurant?

In this section, we'll go over the value of having reservations at your restaurant – and a system to help manage it all.

The Value of Taking Reservations

Making reservations available at your restaurant helps you provide the full guest experience, from booking a table to paying the bill. Because guests can reserve a table ahead of time, they get to walk in knowing there's a seat waiting for them.

In turn, you get a better idea of how many guests to expect during any given shift.

Diners can make reservations in many different ways – calling into your restaurant, booking online, or finding a table through a third-party reservation app.

But do you want to have staff members dedicated to taking calls and writing down reservation info all night? Probably not. When your venue is busy, there are more urgent places you'll want staff support.

This is where a complete reservation management platform comes in.

What Is a Reservation Management Platform?

A reservation management platform is a digital system that allows guests to see and book available tables at a restaurant through a website or app. The restaurant receives a notification of that booking and can accept, manage, and modify the reservation through the platform. Some reservation platforms even integrated directly with a restaurant's POS system, keeping everything together in one place.

The Value of Using a Complete Reservation Management Platform

A complete reservation management platform can take your reservations game from good to great.

Major technological advancements have radically changed diners' expectations. People don't want to have to call during a specific time to make a reservation anymore (i.e. when your restaurant is open and staff are available to pick up the phone). They want the process to be quick, accessible, convenient, and convenient.

Whether it's through a website, an app, or on Google, people want to book reservations at any time, from anywhere. A reservation platform will let your guests do just that.

But that's not all. The right platform also helps you:

- Keep your tables packed

- Create virtual waitlists

- Make every guest feel like a VIP

- Gain valuable insights to optimize your reservations and your overall business

Based on the features you choose, your platform can help you do all these things and more.

But these features aren't free. Setting up any new reservations system at your restaurant is both an investment of time and money. So how do you ensure you're getting all that you can out of your investment? Let's take a look.

How Your Restaurant Will Benefit

Here are the main ways your restaurant can benefit from the right reservation management platform.

1. FILL MORE TABLES

According to a TouchBistro survey, 60% of restaurants book between one and 50 reservations a week. That's a lot of saved tables.

But *how* are guests making these reservations? And what happens with no-shows? Your restaurant's reservation platform should help you book more tables in advance, fit those tables into your space better, and ensure more guests actually show up for their scheduled reservations with reminders and direct communication.

Online Booking

A big roadblock for restaurant owners using reservations is not being able to accept and manage reservations outside operating hours. If all your reservations are only made when somebody is able to answer the phone, you're probably turning away a lot of potential diners.

If you're sick of only being able to accept reservations during operating hours, look for a reservation system that **allows guests to book anytime through online booking**. For example, with [TouchBistro Reservations](#), guests can book through **your website, mobile reservation apps, Google reservations, or the TouchBistro Dine platform**. When guests can book a table with you the second you cross their mind, they're more likely to do so – rather than head to the competition.

Automatic Reminders

There is nothing worse than a no-show at your restaurant. The table is prepared, staff are waiting for their section to fill up, and walk-in diners are forced to stare at an open table as they get hungrier with each passing second.

Of course, you can dedicate one full-time staff member to calling or texting everybody on your reservation list for the evening. But with so many responsibilities already falling on your team, using technology to free them up is a solid win.

Why have a staff member spend their whole evening tracking down people when your restaurant reservation management platform can do the heavy lifting? **Automatic SMS (text) and email reminders** are a valuable feature of an advanced reservation system. When people are being gently reminded of their booking up until the day of, they're less likely to miss their table.

BONUS! With this communication, you can even send your guests a chance to review your restaurant automatically after dining. See those online reviews soar!

Customizable Floor Plans

Floor plans can be tricky when you have to block off tables for reservations. But with the right system, you can turn your floor plan into a money-making tool.

Here are some ways you can optimize your floor plan:

Strategize how long reservations should be:

Your reservation platform will be able to track how long people are at a table and help you strategically decide on a reservation interval for the number of seats. For example, if you're putting a hold on a table of two for two hours, but the system shows you that table size is usually staying for closer to an hour and a half, you can adjust your reservation interval for tables of two knowing you won't be rushing diners – and add another table turn!

On the other hand, if you notice tables of six often need two and a half hours, you can extend the reservation interval for that table size, so guests with larger groups don't feel like you're rushing them with the next seating. Extending reservation intervals can also come in handy if you want to build in extra time for cleaning and sanitizing tables between bookings.

Quote accurate wait times:

When you can give people a realistic wait time, they're more likely to stay and wait, versus telling them "10 more minutes" numerous times, having them get frustrated and leave without ever getting a table.

Seat guests faster:

When a party arrives for their reservation, the platform will help the host at the front easily identify which table is open for them and get them seated without missing a beat. A smoother experience not only makes guests happy, but also gets tables in and out faster, helping you turn more and make more. The reservations system will then also help you quickly identify what tables will be available when, so someone asking for a reservation later that night can easily be added to the list.

Guarantee sales:

If 20% of reservations are no-shows, that means 80% *do* show up. When people are making reservations, you know you have guaranteed sales coming in, which can help you plan for the rest of the floor. How many tables and guests do you need to serve in the rest of the venue to reach your sales goes for that shift?

2. TAILOR EACH EXPERIENCE

People love to feel special, whether they're dining out for a birthday or just a Tuesday treat. And believe it or not, your reservation platform can help you make that happen for them. With the right system, you can give every guest an experience that feels like it was cooked up just for them. with reminders and direct communication.

Customized Guest Profiles
Get to know your guests through customized guest profiles. When guests make a reservation, they give you information you can use to improve their experience, such as allergies, special celebrations, and other preferences. You can wish a regular happy birthday right as they walk through the door – imagine how special that would make them feel!

Two-Way Communication
With the technology to reduce no-shows also comes the technology to connect with each guest – and for them to connect with you! Modern reservation platforms let you send out reminders, opportunities to cancel or modify reservations, questions about special occasions, and more. They can respond to your communication with an update on their status – whether they're running a few minutes late, or need to add an extra chair to the table, or want something special set up for an anniversary dinner.

Online Booking
Many services have moved online and that includes restaurant reservations. Instead of guests coming up to a host stand to put their name down for a table, the entire booking process can now be done from a guest's phone or computer. From choosing a table to modifying a reservation, a restaurant management platform takes the entire booking experience online, making it convenient for diners to book from anywhere at anytime.

Many reservation systems have an app as well, which lets guests easily check, cancel, and modify their reservations online at any time. And any changes get automatically updated on your end. The convenience of an app helps both sides – guests get easier access to a custom experience and you get more happy, returning diners.

3. APPLY INSIGHTS THAT DRIVE YOUR BOTTOM LINE

Now let's talk sales. The right restaurant reservation system should give you valuable insights that help you make more strategic decisions for your business, so you can improve operations and increase revenue.

POS Integration
Gone are the days of needing to manually take down reservations from a phone call or even copy a reservation from one system to your POS. Now the two systems can talk to each other through a seamless integration. That integration means a reservation's table status is automatically updated in your POS, so your front and back of house can understand who's seated at any given time and what to expect next.

Advanced Reporting
Having an integrated reservation system also helps you get more insight into what your customers are doing and what will keep them coming back. With these reports, you can see dining trends, average spend, guest reviews and ratings from customers – all of which you can use to make decisions about labor, food costs, marketing, guest experience, and more.

Cloud Reporting
Detailed reports are great, but what's even better is being able to access those reports from anywhere, at any time. Whether you're at home or at your venue, a reservation system can give you online access to these advanced reports through cloud reporting. This means you'll always be able to track, analyze, and make informed decisions for your business in real time.

The Cost of a Reservation Management Platform

With so many features and functionality, you're probably wondering how much all of this is going to cost you. In this section, we'll go over the different fees associated with reservation management platforms, the pricing models available, and how to choose the best one for your restaurant.

Breaking Down the Prices

While it's good to understand the types of fees that are out there, remember that every reservation platform treats these differently. Some may only have one fee. Some have all of them. But, we'll get into the pricing models a bit later.

To start, here are the most reservation fees and what you need to know about them.

Integration Fee
This fee is exactly what it sounds like. If you want your reservation system to integrate with your POS, some

systems will tack on an extra charge. If you're looking at reservation systems associated with your point of sale, make sure to ask about the cost to integrate.

Integrating can be worth the price though – the integration between your reservation system and POS can help your front of house and back of house work together better, give you access to reports from anywhere, and even tell you what course of the meal status of a table.

Transaction Fee

Also known as a service fee, the transaction fee is the price a reservation management platform charges for each cover booked through the system. One person equals one cover. For example, a reservation for a table of two would be two covers. The cost per cover can range from provider to provider (from $0.25 to $2.50 and beyond), so make sure to get an exact number when investigating options. Also, some platforms transaction fees charge a percentage of the total check, rather than a flat dollar amount (e.g. $200 check + 2% transaction fee = $4 transaction fee).

PRO TIP If you're already taking reservations of some kind, figure out how many per week or month you're taking before you shop around. This will help you better gauge the total cost of these fees every month – and how much they'll eat into your profits. For example, if you're part of the 19% of restaurants that are taking over 100 reservations a month,* a $2 transaction fee can get expensive. If you get a system and without knowing at least an estimate of your monthly reservation numbers, you could end up unpleasantly surprised with your bill.

* According to a 2019 TouchBistro survey.

Subscription Fee

Similar to paying a subscription fee for Amazon Prime or Spotify, most reservation systems will charge you a flat subscription fee for their system. You pay this fee every month, regardless of how many reservations you book through the system. This fee typically doesn't change, unlike the transaction fees (if you have them).

When pricing out your systems, make sure you're doing the math on different scenarios. In some cases, it's worth having a higher subscription fee to get lower or non-existent transaction fees. But you'll want to know what your break-even number is and whether you can maintain that throughout the entire year.

Looking at your seasonal sales is key here. For example, if you have a big patio that doesn't stay open during the winter months, you could end up spending too much on a reservation platform with a high subscription fee (and

smaller or no transaction fees) when the reservations just aren't there. But, on the flip side, your busy summer months could rack up a huge bill despite your low subscription fee, because of individual transaction fees.

Other Fees

Reservation management platforms may also charge a wide range of other fees, depending on which features you want for your system, such as one-time installation or setup fees, or ongoing fees like custom reporting, guest messaging, and customer support.

When you're investigating reservation management systems, make sure you ask about all costs required to get the features you need for your business. You don't want to be surprised on your first bill.

Pricing Models

Once you understand all the fees, it's easier to understand the pricing models.

COVER ONLY

Cover only is a pricing model where you only pay transaction fees for reservations made through the platform. This often provides you with basic online reservations and little to no additional functions within the platform (e.g. reporting, guest profiles, etc.). Sometimes there is a higher transaction fee for reservations made directly on the platform's website or app, and a lower transaction fee for reservations made through the platform's integration on your restaurant's website.

The idea here is that you're paying a higher rate for reservations from diners who just discovered you because of an ad or a search function on the platform's website, rather than diners who were searching specifically for you and your website.

However, beware that these platforms may have big advertising budgets, which means they could be competing against you on search engines or other advertising platforms. Essentially, this means they're competing with you for the booking because they make more money when diners book on their site instead of yours.

SUBSCRIPTION ONLY WITH FULL FEATURES

This subscription-only pricing model means you're paying an all-inclusive flat rate, regardless of how many reservations you book and which platforms they book on. There are no extra fees for additional features and functionality, and no surprises. TouchBistro Reservations offers this type of pricing model, so you have all the features you need and you know exactly what you're paying every month.

SUBSCRIPTION ONLY (OPTIONAL ADD-ON FEATURES)

This is a similar pricing model, but begins with a more basic management platform with minimal features. Then, you can build on the platform by adding (and paying for) certain features you need for your business, like guest messaging, surveys, web booking, security, and more. So, while the initial price may look less expensive, these additional features required to optimize the reservations side of your business can quickly double or triple the cost.

SUBSCRIPTION PLUS COVER

This pricing model means you're paying both a base price and a per transaction fee (either a dollar amount or percentage of the total check). The per transaction fee here might be lower than with a cover only pricing model, but it can still add up. Also, since you're probably paying less for this platform, you may also get fewer features, like reporting, waitlist management, or even integrations. Make sure you always get a full list of what's included and what's not for the platform and the plan you choose for your venue.

PRO TIP Some reservation management platforms offer multiple options when it comes to pricing, so it's always good to do a side-by-side comparison, based on your actual or estimated numbers.

6 Considerations When Shopping for a Reservation Management Platform

Here are the main factors to consider before choosing a restaurant reservation platform.

1. Cost

Cost is always a major concern. While it shouldn't be the only consideration, you want to make sure what you're paying to bring in new business and that providing the best experience possible is increasing your profit margin, not cutting into it. Identify the pricing model used by each reservations platform you're considering, run some estimates based on your own numbers (average number of reservations in a month, average check size, etc.), and compare the total monthly costs.

2. Discovery

Does your reservation management platform come with a customer-facing discovery platform that lets people search for new restaurants that have available tables? When your restaurant is discoverable on other platforms, you have the potential to reach a whole new group of diners looking for your menu in your location, and you can pick up on those last-minute reservations. And, seeing as a good chunk of reservations are made within right before the seating, this is really important! You want to get your share of these last-minute bookings.

3. Reviews

Straightforward discovery isn't the only consideration here. You also have to be aware of how your restaurant will appear on these third-party platforms. Some platforms have customer reviews and ratings right next to where guests can make reservations. Do you only get rave reviews? Great! But if there are any negative comments or low ratings, diners will be less inclined to book with you. Make sure the platform you choose offers you the opportunity to manage, respond, or remove those reviews.

4. Customer Data

Privacy is now top of mind for both businesses and consumers. This means when considering a reservation management platform, you have to think about who actually owns the customer relationship and user data (i.e. who gets to build that customer loyalty). Is it your restaurant? Or the third-party platform? If the platform owns this data, the customer is interacting with their brand instead of yours. This means customers are more likely to return to their site, rather than yours, to book the next time. Consider choosing a platform that lets you own this customer relationship and database.

5. Integrations

You'll also want to consider what integrations are offered and at what price. Depending on the provider you choose, integrations could end up costing more, so you'll want to consider what you actually *need*.

Here are two integrations you'll want to seriously consider:

Website integration: Does your reservation system integrate to your website? This lets diners book reservations directly on your webpage and syncs it with your reservations platform!

POS integration: You want these two systems to talk to each other, so your front of house staff can look at everything in one system – reservations, meal status, turn times, cancellations, updates, and more – rather than having to go back and forth between the two.

6. Training

The reservations platform you choose should provide you with complete onboarding and training, to set you and your staff up for success – with all the features available, not just the basics.

Here are the most valuable ways your staff will use the reservation platform:

Table status: Some reservation systems integrate with your floor plan and give you colour coded or labelled table status that tells you where they are in the meal (i.e. yellow table means they've been seated, blue means they're on the main course, green means they're paying the bill). Training should help staff read this floor plan and make decisions about seating other guests based on what's happening on the floor.

Guest profiles: Being able to effectively use guest profiles is a must. These profiles give you valuable guest information like allergies, average guest spend, and contact information. You want your team to be comfortable navigating these profiles, so they can get the information they need to provide the best customer experience. Training should also show staff how to edit them, so they can note any additional customer information like table preference or special occasions.

SMS communications: Diners are able to directly message you via SMS through your reservation system. Staff need to use this feature so they can receive messages about diners who are running late or sending special requests, and responding if necessary.

Waitlist: Your front-of-house staff will be the people managing the waitlist of walk-ins, so make sure they're trained on how to add people to the digital list, accurate quote wait times, and move someone from the list to a table when one becomes available.

Preparing for a Reservation Management Platform

Once you've reviewed what to consider and found your ideal platform, it's time to prepare the rest of your business for its arrival. Here are the main areas to focus on to make sure you're ready for a new reservation management system.

Find Out How Your Diners Are Making Reservations

Here are the top places diners are going to place reservations and how these could tie into your new system.

Google

Billions of people turn to Google for searches every day, which makes it a key discovery platform for restaurants. Check to see if your reservations app can integrate with Google's powerful search results. This kind of visibility will help guests find you if they're searching specifically for your restaurant, but also give new diners the chance to discover you and book right from the results page!

Google is also a great option because diners are able to make reservations at any time – not just when your restaurant is open.

Website

Many diners know the restaurant they want to book and head directly to that venue's website. With the right reservations platform, bookings made on your site instantly appear in your system. Similar to reserving through Google, website reservations are perfect because they can be booked at any time.

The best part is there's no need to double enter reservations you're receiving from Google or your website. Since they sync automatically to your reservation system, you save time and eliminate the chance of errors and miscommunications.

Phone

For the time being, it's unlikely calling for reservations is going anywhere. While all the online resources should help reduce the pressure on restaurant staff who take these calls, you should still be prepared for some.

But no handwritten reservations allowed! Make sure staff answering the phone are trained on your platform, so they can see what's open, communicate available tables, and enter the reservation details and contact information directly into the system while still on the call.

Third-Party Reservation Sites and Apps

Third party reservation websites are a great option for people who can't quite make up their mind on where they want to go. On these websites, diners plug in their location, how many people are dining, and the preferred date and time. There are also options to filter down by a type of cuisine if the person knows what they're looking for. If not, they'll get a list of restaurants in the area that have tables available. It makes dinner reservations easy while opening diners up to a list of new restaurants to try!

Decide If You're Ready

Here are some ways to tell if you're ready for a reservation management platform:

- Are you looking for ways to increase traffic and make sure your tables are always full?

- Or are you overwhelmed with the amount of reservations already coming in?

- Are you losing a staff member off the floor to manage reservations in the back room?

- Do you find it hard to keep your current reservation system organized?

- Are people showing up for reservations that somehow didn't get added to the system?

- Is it hard to manage your waitlist at busy times?

- Are you looking for new ways to boost your guest experience?

If you answered yes to any of the above questions, it's time for a reservation management platform to make this process easier for you and better for guests.

Let People Know

Once your reservation management system is ready to go, you'll want to make sure your customers – returning and potential new customers – know they can book a table at your venue.

- Post signs in your restaurants that let diners coming in know how easy it is to make a reservation for next time.

- Include a message on the bottom of your receipt or as a separate postcard in the bill fold.

- Share on your social media! Post on Facebook telling your followers where and how they can book a table.

- Send out an announcement to your email database – even include a link right to your reservation booking page, so it's easy for them to find.

- Have an announcement on your website shows people exactly where they can make a reservation on your site. It never hurts to have a callout.

- Make sure your restaurant is present on any discovery apps available to you. These apps help guests find restaurants with available tables. You'll need photos of your restaurant and food, some mouthwatering descriptions of your menu and concept, and the categories you fall into – from Mexican to Italian food.
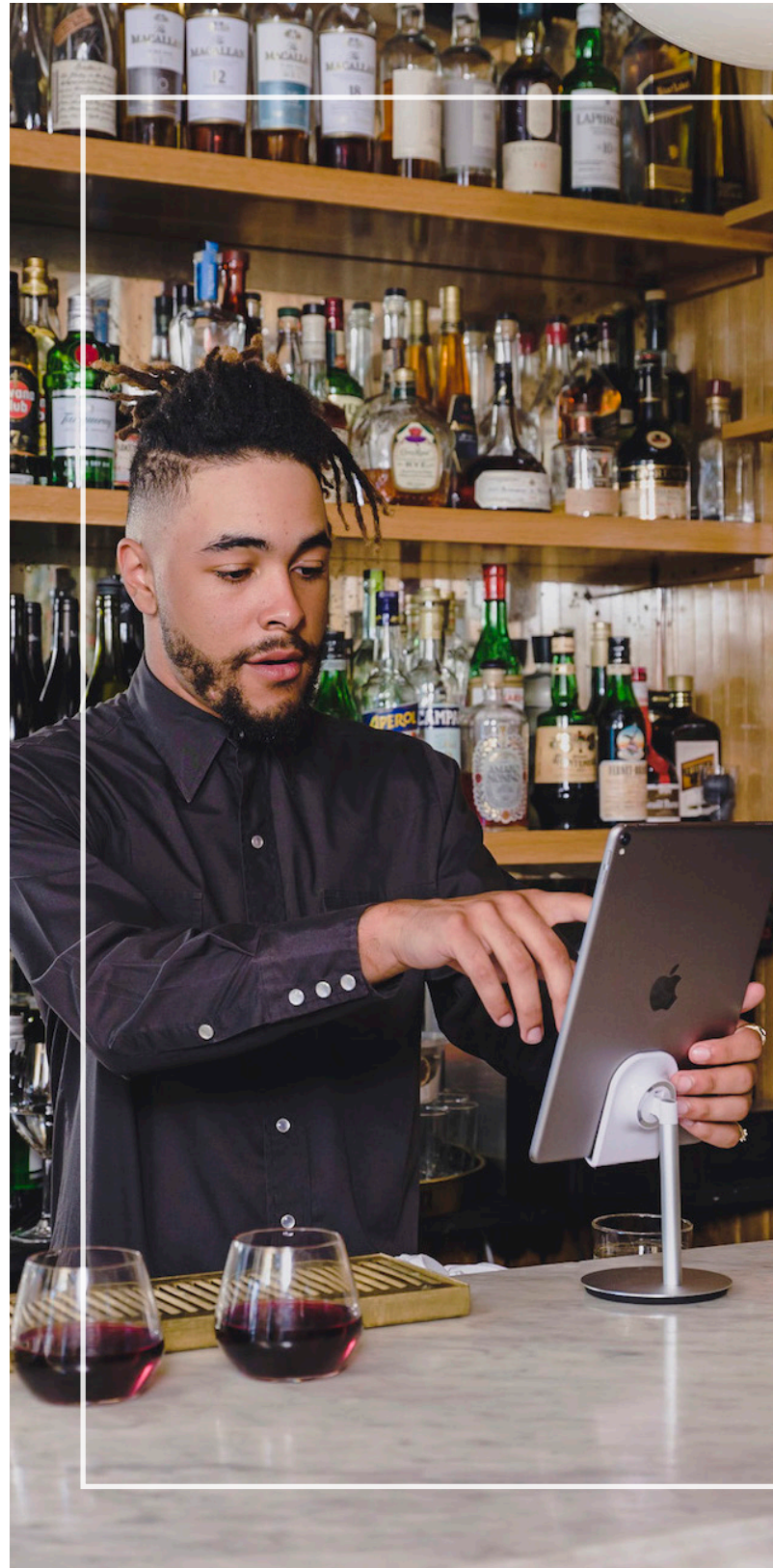
Reserve Your Spot Now!

Every detail at your restaurant is carefully thought out. You've hand-picked your staff, tested your menu, and found just the right volume setting for your music. Adding a complete reservation management system helps ensure all that hard work pays off with a full dining room.

When you know how reservations can help your business, which features to prioritize, and what pricing models are available, it's that much easier to choose the right platform and take your reservations to the next level.

Want to learn more about TouchBistro Reservations?

TALK TO AN EXPERT TODAY

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