



Mobile and Online Ordering Usage Trends

Based on survey findings of mobile and online ordering consumers

Executive Summary

Today's restaurants face a rapidly changing environment filled with technology like mobile apps and online ordering that are changing the way customers interact during a dining experience. This is particularly true when it comes to frequency, order size and response to promotions.

Speed and convenience are two of the primary motivators when it comes to choosing a restaurant, whether dining in or dining out. Ordering online, by phone and by mobile app are all done with similar frequency. In short, the need to provide a service that allows for speed and convenience and is simple to use is essential for restaurants using or considering mobile apps for ordering.

This report is based on a recent survey of consumers. It highlights the trends and reasons for using mobile apps in the food service industry.

Demographics

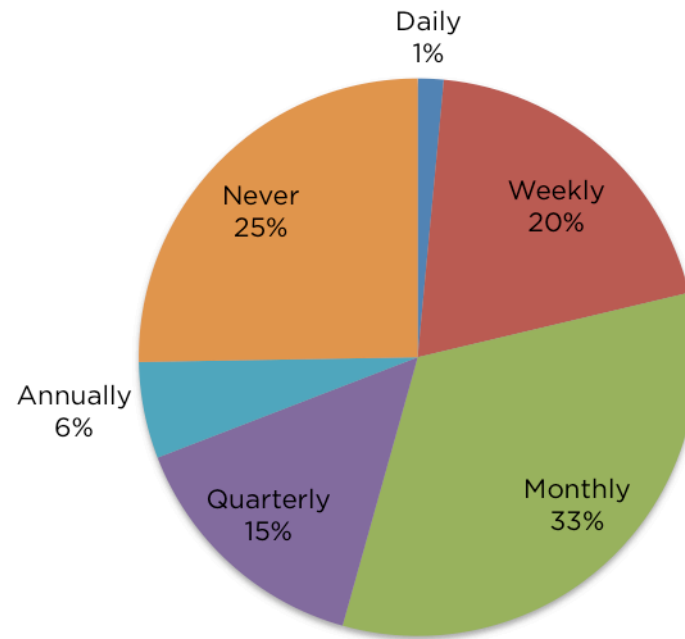
Splick-it surveyed 7,122 consumers. The survey was open to individuals in all 50 states and received stronger responses from Georgia, South Carolina, Florida, New York and North Carolina. About 70 percent of the consumers surveyed are between the ages of 20 to 40, with 51.5 percent female and 48.5 percent male. The survey was conducted during May 2012.

Consumer Survey Summary

The survey provides powerful support for mobile apps and online ordering as a means to:

- Increase order frequency by at least 2-4%
- Increase order size by at least 2-4%
- Increase response to promotions

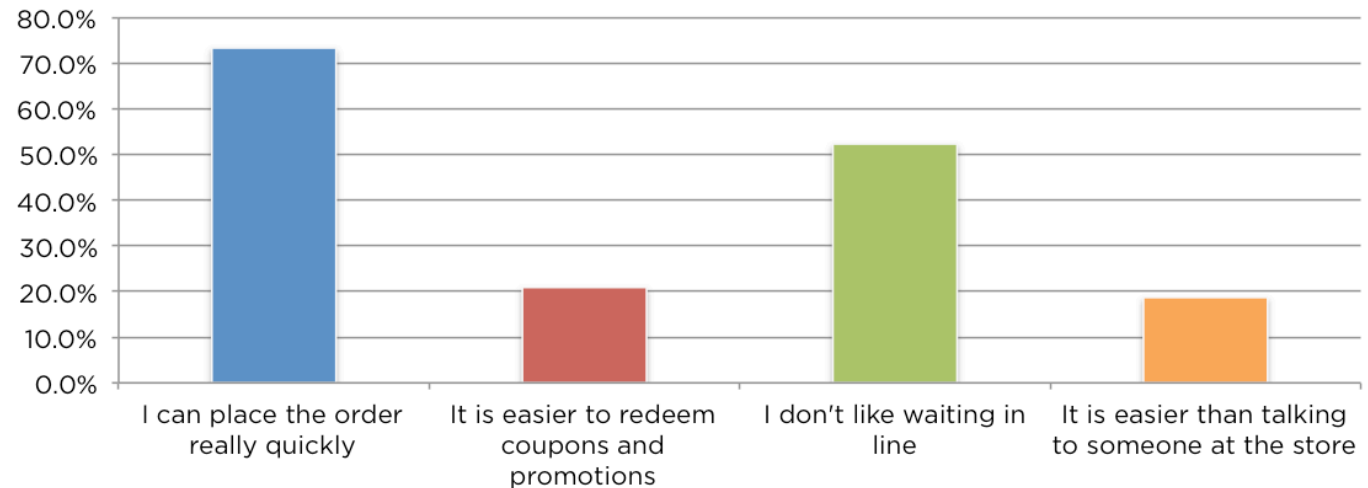
“How Often Do You Order Online or With a Mobile App?”



Of those surveyed, more than half of the users use a mobile or online app to order from a restaurant on daily, weekly or monthly basis. One-third of men are using mobile apps on a daily or weekly basis, while 24 percent of women are doing so.

“ *Several of us order from work, then someone can pick it up without delay. Great for a work environment!* ”

“Why Do You Like Online/Mobile Ordering?”



Additional reasons consumers used apps for ordering were:

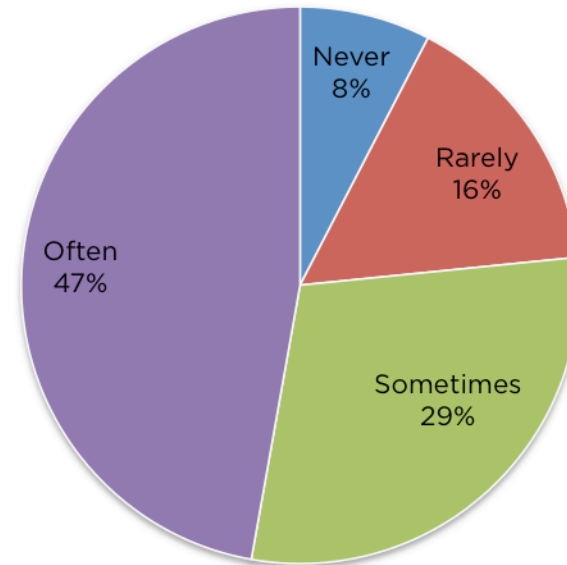
- Ease of ordering for groups
- Accuracy of mobile ordering, especially for special requests
- Ease for mothers who are ordering for young children

Speed and convenience are the primary reasons why people are using mobile apps. When it comes to placing an order, 57 percent of men are less willing to wait in line, compared with the 47 percent of women who will.

Based on the responses to this question, lunch is one of the most common day parts that consumers are placing orders via online and mobile apps. Here are some of the reasons why consumers use apps to order for lunch:

- I have limited time for lunch
- It is easier to compile everyone's order on the computer than to write it all down and recite it at the restaurant
- Easier when there are multiple orders for lunch at work

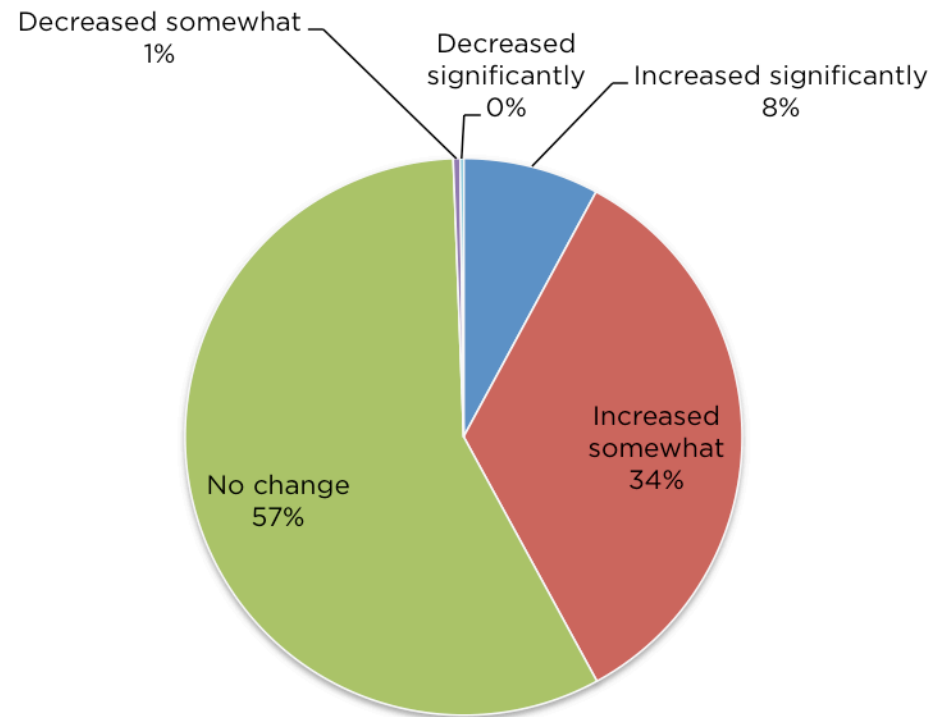
“How Often Do You Use Online/Mobile Ordering for More than 1 Person?”



The question of how often online/mobile apps were used for ordering for more than one person was designed to uncover whether orders are larger because of mobile apps. Based on the respondents' answers, it is reasonable to conclude that at least one to two percent of orders are larger. Women are also more likely than men to order for more than one person using a mobile app (often due to ordering for children).

“*I often order for large groups in my office and it's much easier.*”

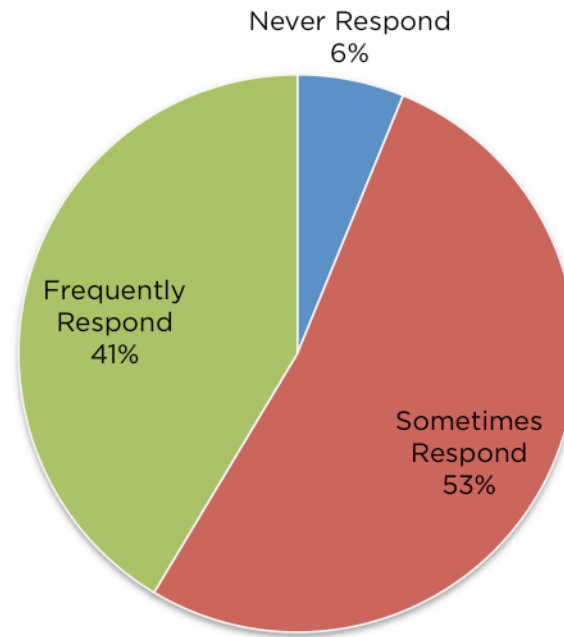
“Do You Eat Out More Often Due to Online/Mobile Ordering?”



Based on the answers to this question, it is reasonable to conclude that mobile ordering increases frequency at least one to two percent. Some of the comments given for the increase in order frequency were:

- I like being able to order on my phone because it is so simple and I get to bypass the line when I get to Moe's! (Moe's Southwest Grill is a Splick-it customer.)
- I can use coupons and receive notifications for specials.
- I can order lunch and have it delivered at a scheduled time.
- Easy to use and fast and I can send one of my kids to pick it up

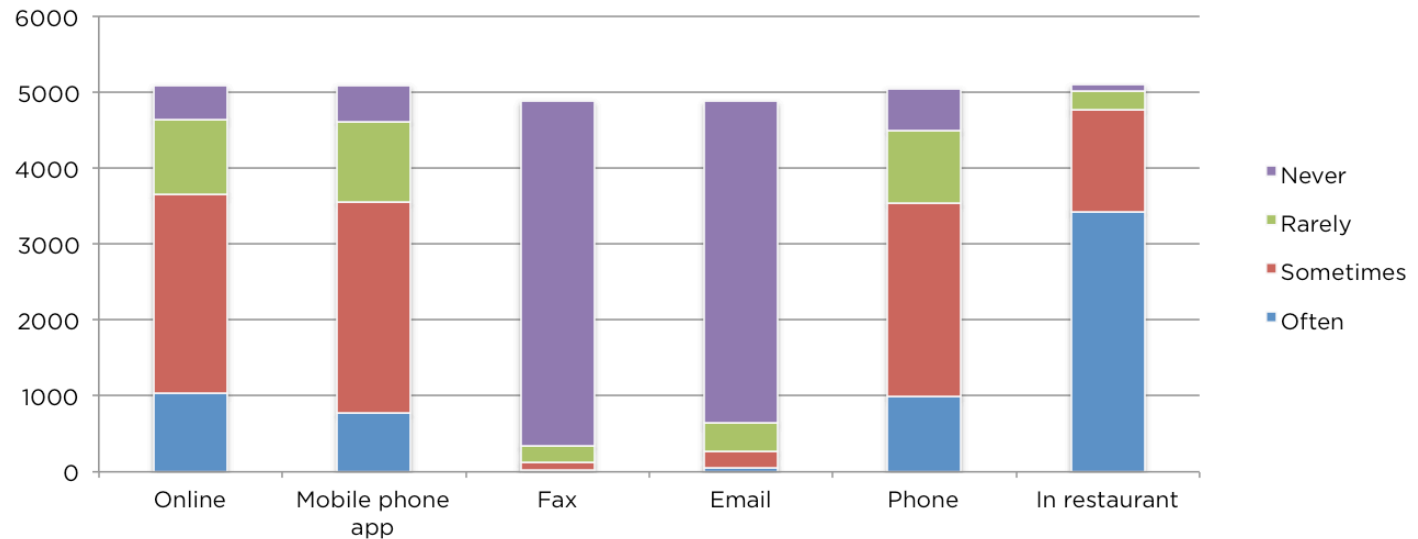
“How Often Do You Respond to Online/Mobile Special Offers?”



Promotions stimulate mobile ordering due to the ease of redemption. Younger consumers believe it is easier to redeem coupons through mobile ordering than compared with older consumers. Frequency plays a direct role in whether a user will respond to a special and promotion.

“*Our culture is moving away from verbal communication. More mobile based. In addition, when you use an app you can increase your chances of a more accurate order.*”

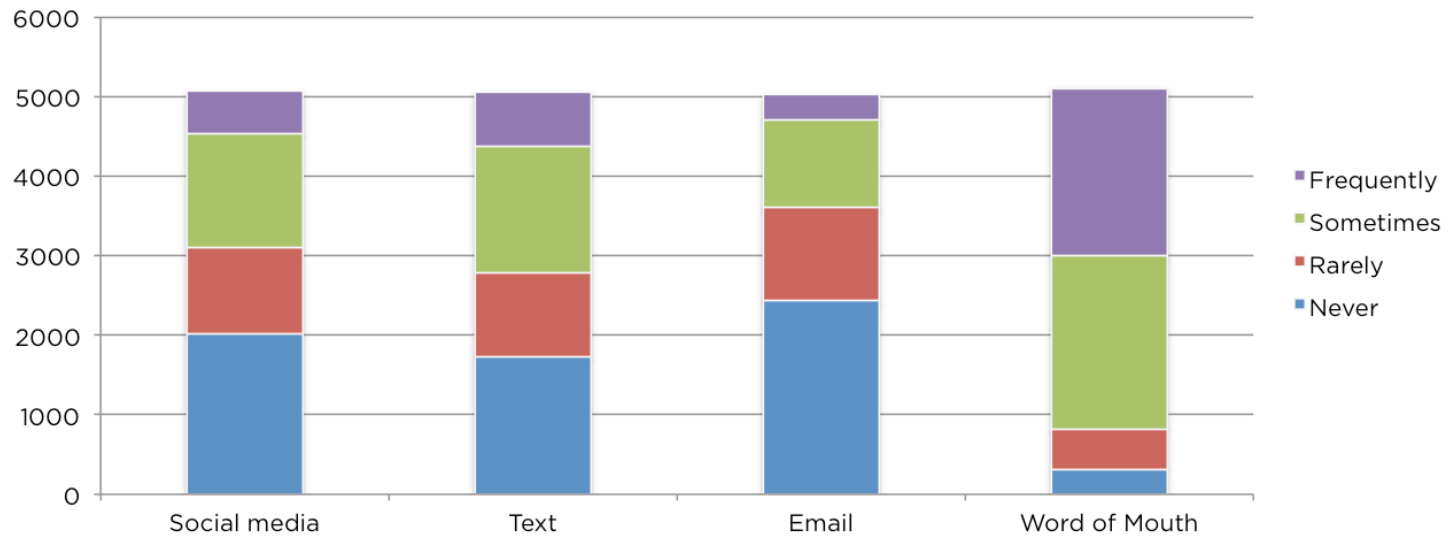
Ordering Sources



Online, phone and mobile apps are all comparable as a user preference for ordering. Fax and email are almost never used. The most common form of ordering still takes places physically in the restaurant.

“ [I] would pick up lunch much more frequently from a restaurant where I had a mobile app to order through. ”

“Have You Recommended Online/Mobile Ordering to Friends or Family?”



Word of mouth is still the strongest means of communicating with friends and family about a dining experience. Older consumers spread the word more through email and word of mouth. Younger consumers spread the word more through social media and text messaging.

“ I see online and mobile app ordering increasing the efficiency of the restaurant and customer relationship, especially in today’s busy society. It’s nice to have this grab and go option. ”