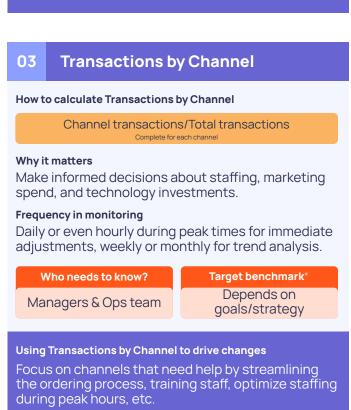


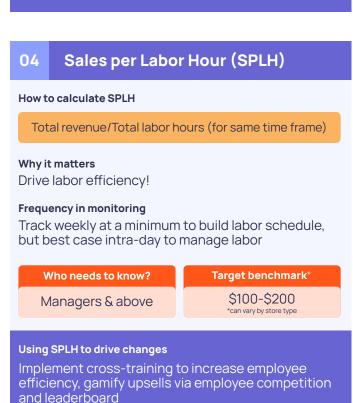
# 20 Essential QSR Metrics

20 essential metrics for restaurant operators to track performance and take action









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#### 05 **Voids**

#### **Definition of Voids**

When an item or items are removed from an order prior to tender or after tendering order

#### Why it matters

High voids may indicate long wait times, poor experience, or untrained employees

#### Frequency in monitoring

Daily as cashiers checkout for the day

#### Who needs to know?

Target benchmark

Managers

Fewer is better but actual number can vary

#### Using Voids to drive changes

Communicate expectations with cashiers and provide weekly updates to team reflecting which cashiers are meeting goals

#### 06 **Transactions YoY %**

#### How to calculate Transactions YoY %

Current transactions-Previous transactions x 100 Previous transactions

#### Why it matters

08

Why it matters

Tracking business growth

#### Frequency in monitoring

Period, monthly, quarterly, annually

## Who needs to know?

**Target benchmark** 

Manager, Ops team, Sales/Menu analyst

10-20%

#### Using Inventory Transactions YoY % to drive changes

Focus on marketing efforts like LTOs or local store outreach, identify weak dayparts and create time-based promotions

**Inventory Turnover Rate** 

How to calculate Inventory Turnover

Avg inventory

Cost of goods sold

Reduce waste, keep inventory fresh

Review at the end of each accounting period

(weekly inventory is ideal time to review)

#### Avoidable Driver Wait Time 07

#### How to calculate Avoidable Driver Wait Time

Actual delivery order preparation time

Estimated delivery order preparation time

# Why it matters

Long driver wait times cause customer complaints, lost revenue, a damaged reputation, canceled orders, and can result in store deactivation on DSPs.

# Frequency in monitoring

Weekly

#### Who needs to know?

Target benchmark

Operators and Store Managers

3 minutes + 30 seconds

# Who needs to know?

Frequency in monitoring

**Target benchmark** 

Days in

accounting period

Anyone managing food cost & quality Typically turn inventory 6-8 times per month

#### Using Avoidable Driver Wait Time to drive changes

Improve prep times, dedicate staff to delivery order support, clear up designated order pick up area, provide detailed instructions for order pickup

# Using Inventory Turnover Rate to drive changes

Track inventory weekly (even weekly for critical items!), set par levels to prevent out of stock, prioritize high demand items

#### **Cars without Transactions** 09

#### How to calculate Cars without Transactions

Pull from drive-thru camera data or track manually

#### Why it matters

Highlights potential issues with ordering process, menu design, or customer experience

#### Frequency in monitoring

Daily

#### Who needs to know?

Management & operations teams

#### **Target benchmark**

+/- 2 cars per hour

#### Using Cars without Transactions to drive changes

Improve menu board design, train staff on order taking, address any bottlenecks in the drive-thru process

#### 11 Missing & Incorrect Items

#### How to calculate Missing & Incorrect Items

Total delivery orders that were missing items or included incorrect items, can calculate as dollar amount or percent of total sales

#### Why it matters

If high it results in poor customer experience and lost revenue, if low it can improve your visibility on third-party delivery platforms

#### Frequency in monitoring

Review daily/weekly, drill into day part details

# Who needs to know?

Manager, Ops Team, Sales/Menu Analyst

#### Target benchmark\*

2.25% or lower

#### Using Missing & Incorrect Items to drive changes

Ensure menu is accurate and up to date on delivery platforms, improve delivery operations in store with additional quality checks before orders are picked up

#### 10 Ideal Sales per Employee

#### How to calculate Ideal Sales per Employee

Total sales per week Total number of employees

#### Why it matters

Measuring and tracking forecasted productivity

#### Frequency in monitoring

Period, monthly, quarterly, annually

#### Who needs to know?

Managers, ARLs, DOOs

#### Target benchmark

Geographically dependent

#### Using Ideal Sales per Employee to drive changes

Adjust staffing to better match demand, evaluate hiring, training, and performance incentives

#### **Average Check** 12

## How to calculate Average Check

Total sales

Total number of checks

## Why it matters

Identify upsell opportunities, evaluate pricing & promotions

#### Frequency in monitoring

Review daily/weekly, drill into day part details

# Who needs to know?

Manager, Ops Team, Sales/Menu Analyst

## Target benchmark\*

Avg \$10-\$15/customer \*can vary by store type

#### Using Average Check to drive changes

Introduce targeted upselling (sides/desserts), Menu engineering (reprice/promote/remove), Targeted promotions

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# 13 Meals (Employee or Manager)

#### How to calculate Meals (Employee or Manager)

Total discounted or free food provided to employees or managers

#### Why it matters

This is the most frequently abused discount

#### Frequency in monitoring

Daily

#### Who needs to know?

RGMs and ASLs

## Target benchmark

1 meal/shift per employee or manager

#### Using Meals (Employee or Manager) to drive changes

Remind team on a quarterly basis of this benefit, communicate monthly results during site visits

# **Downtime on DSPs**

#### How to calculate Downtime on DSPs

Total time location is deactivated on the delivery provider platforms, can be found in platform reports or through a third party data monitoring platform

#### Why it matters

DSPs or drivers can be deactivating your store without your knowledge, leading to a loss of potential sales

#### Frequency in monitoring

Daily

15

## Who needs to know?

Operators and Store Managers

## **Target benchmark**

Focus on decreasing unneeded downtime

#### Using Downtime on DSPs to drive changes

Ensure hours are correct on delivery platform, reduce missing & incorrect orders, reduce avoidable wait time & cancellations

# \$0 Transactions

#### How to calculate \$0 Transactions

Add up all transactions that total \$0

#### Why it matters

14

Qualifying transaction growth and identifying loss/theft

#### Frequency in monitoring

Daily, weekly, monthly

#### Who needs to know?

Above store leaders

#### **Target benchmark**

Fewer is better but actual number varies

#### Using \$0 Transactions to drive changes

Address potential abuse of accounts, tighten discount policies, restructure offers, convert discount customers to full-paying through upselling

# 16 Revenue per Square Foot

#### How to calculate Revenue per Square Foot

#### Total revenue

Total square footage of restaurant

#### Why it matters

Operational efficiency from physical space

#### Frequency in monitoring

Review quarterly or annually

## Who needs to know?

Owner/Operator, Financial Analyst

# Target benchmark

\$500-\$600/sq ft/yr at top performing QSRs

#### Using Revenue per Square Foot to drive changes

Analyze whether to optimize/expand/shrink current space as a path to better profitability

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#### 17 **Discounts**

#### How to calculate Discounts

Total dollar amount discounted from orders

#### Why it matters

Discounts have continued to increase with the addition of 3rd-party delivery and they can directly impact profitability

#### Frequency in monitoring

Rack and stack weekly against peers

#### Who needs to know?

Target benchmark

RGMs and ASLs

Depends on goals, strategy and market

#### Using Discounts to drive changes

Communicate expectations and results with team and celebrate those teams achieving goals, tailor future discounts based on past results

#### 18 **Prime Cost**

#### How to calculate Prime Cost

x 100

#### Why it matters

Biggest controllable expense in a restaurant, directly impacting profitability

#### Frequency in monitoring

Weekly to catch trends early and make necessary adjustments

#### Who needs to know?

Target benchmark

Owners, Managers, and Finance teams

60% or lower

#### Using Prime Cost to drive changes

Reduce waste by improving portioning, ordering efficiency, adjust staffing levels dynamically to match demand, compare location performance

#### 19 **Avoidable Cancellations**

#### How to calculate Avoidable Cancellations

Total cancellations due to factors within the restaurant's control

## Why it matters

Within store control and can help reduce customer complaints, lost revenue, a damaged reputation, lower ranking on DSPs, and downtime.

## Frequency in monitoring

Weekly

## Who needs to know?

Target benchmark

Operators and Store Managers

Less than 1%

#### 20 **Overhead Rate**

#### How to calculate Overhead Rate

Total overhead costs 100

#### Why it matters

Make sure your store format matches the projected sales & destination mix

#### Frequency in monitoring

Quarterly/annually, or when opening new restaurants

## Who needs to know?

Target benchmark

Site planners

30% or lower given that 60% is food & labor

#### Using Avoidable Cancellations to drive changes

Increase visibility on delivey platforms by reducing avoidable cancellations, improve menu and hour accuracy on delivery platforms

# Using Overhead Rate to drive changes

Assess that your store size/space allocations fit the local market, how buyers interact (i.e. in-store vs third-party delivery)