Want to scale delivery? Implement these best practices.

A training guide for restaurant operators to use when growing a delivery program

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Why delivery matters

In an increasingly on-demand economy, food delivery has become a key pillar in driving incremental volume for restaurants. Delivery presents an exciting opportunity for operators to significantly add to their revenue stream, increase guest engagement, and build brand loyalty. Despite the clear benefits, there are risks involved if store operations and personnel are not properly trained and ready to scale their delivery channel.

This guide was created to help store operators and set their restaurant locations up for success. Applying the information here will help operators capitalize on the rising demand for food delivery.
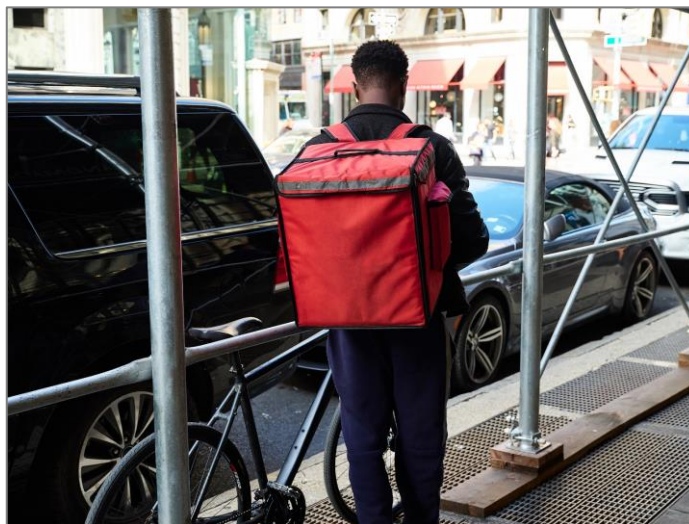
Over the last few years, the restaurant industry climate has been rapidly changing. As consumers adopt technology and embrace an on-demand lifestyle, there is a shift from on-premise to off-premise dining driven by the demand for convenience. A 2018 study published by strategy firm [Pentallect](#) projected that the third-party delivery industry is slated to grow by 13.5% annually, compared to the predicted 3% growth rate for the restaurant industry overall. Additionally, [Morgan Stanley](#) predicted that by 2020, the food delivery industry could account for 11% of all restaurant sales — a $32 billion opportunity.

Research aside, for restaurants to succeed, they need to offer food in the ways that guests want to receive it. And today, that means with delivery.

Based on historical Olo data, we've found that brands that enable delivery through Olo's Dispatch product have roughly 50% higher order subtotals (average order value) compared with in-store pickup order subtotals. We've also found that guests who ordered delivery are more likely to be repeat guests, compared with non-delivery guests.

You can see why it's more important than ever to offer delivery. If your restaurant carefully plans and executes its delivery program, it has the potential to scale quickly, increase average order value, improve guest engagement and increase brand satisfaction. Through market research and interviews with restaurant brands, delivery service providers (DSPs), and delivery couriers, we've compiled best practices for effectively running your delivery program, from in-store setup, to food packaging, to streamlined courier interactions.

If you still have questions after reading this guide we encourage you to reach out to dispatch@olo.com for more details.

Prepare your restaurant for delivery
Proper setup is essential for success

1. **Designate spaces specifically for online orders:** Depending on your delivery volume, you may need to designate special prep and expo areas for finishing and packaging. When preparing for online orders, designate specific spaces where each phase of the order cycle can be completed:

- **Area for receiving orders:** Create an area for all incoming delivery orders so a team member can easily view activity.

    o Ideally all of your ordering solutions will be POS integrated. If so, that will be the only piece of equipment needed to receive orders.

    o If your marketplaces are not POS integrated, include an area next to the POS where tablets and printers are easily accessible. Beware of 'tablet hell' which can happen when too many tablets are added to your front-of-house (FOH) operations. This can quickly become hard to manage and will lead to poor customer service and engagement.

    > *If you're overwhelmed by the number of non-integrated tablets cluttering your restaurant we suggest exploring Olo's Rails product as a solution to eliminate tablets and have marketplace orders flow directly into your POS/KDS.*

    o If working with tablets, ensure the area where tablets are setup has a good wifi or LTE connection to prevent orders from being lost due to poor connectivity. One brand we spoke with setup their tablet station only to realize it was an internet "dead zone," and orders were not transmitted. Make sure your IT specialist is part of the decision when picking an area to receive orders.

    o Consider utilizing kitchen display systems (KDS) in your restaurant. KDS screens can integrate with your POS to show team members what orders are up. Placing them throughout your back-of-house (BOH) will help your team members easily manage order flow.

- **Area for prepping online orders:** This will vary depending on the type of restaurant:

  o Fast Casual/QSR: Prepare online orders independently of the main service area. This prevents orders from getting mixed up or slowing down the service line, potentially causing a poor guest experience. Your second prep line should be a condensed layout of your typical serve line to create a similar experience for team members and reduce confusion.


  o Full Service: Due to the nature of full-service restaurants, delivery orders will likely need to be created in the same kitchen as in-store orders. Create a separate area for preparing and expediting delivery orders.

Note that over time, based on guest feedback and order history, you may want to consider a limited or less complex delivery menu. Use some of your great recipes as the basis for the dishes, but simplify them or use fewer ingredients. As you're setting this up, pay attention to guest feedback and how well the food travels. Test different limited delivery menus to ensure diners are getting the best off-premise dining experience possible.

- **Area for expediting orders:** This is the area your team can use to check the contents of the order and bag it. Include the following items in your area to expedite the handoff process:

  o   Pre-packaged sides and condiments

  o   To-go packaging

  o   Utensils, napkins, and other in-bag materials (more on this later)

- **Area for handoff:** Allow a designated area for team members to handoff delivery orders to couriers, or a place for couriers to pick orders up.
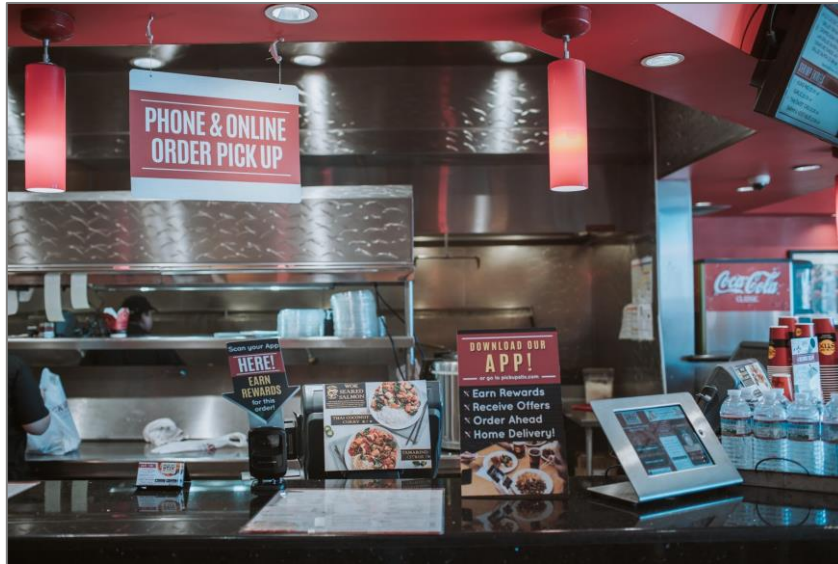
2. **Designate team members to handle delivery orders:** Allocate at least one person per shift to be a "Delivery Specialist" for online and delivery orders. This should be viewed as a promotion; the team member should already display excellent aptitude for food serving and handling and guest interactions. If order volume isn't high enough to demand a full-time role, assign a team member that responsibility at the beginning of the shift to ensure online orders are not overlooked. This person should be responsible for each part of the delivery order lifecycle:

   - Receiving orders

   - Preparing food for delivery handoff

   - Passing food from kitchen to courier

   - Providing communication and support for delivery issues

After speaking with several Olo brands, we've found that typically once your restaurant is processing 30 or more delivery orders per day you can justify dedicating an employee to this role. This can vary based on your restaurant's operations. Make sure that if you do have someone in this role, you agree on the KPIs that person will be graded on to see if the role is a success. Typically, it's helpful to monitor order cancellations, chargebacks, guest calls, and courier wait time.

Receiving delivery orders

Before food can be delivered, ensure the order transmission process is efficient and accurate

1. **Know your systems:** It's important to be familiar with all the ways you can receive orders, whether through a POS integration or secondary transmission routes such as email, fax, printout, tablet, or KDS. It's critical that employees who receive orders know how to use and troubleshoot any hardware involved in this process.

   *Learn more about Olo's online ordering platform on our Help Center.*

2. **Know your delivery providers:** Understand who your DSPs are and how they operate before starting delivery. DSPs will vary in their operations, so make sure you get the full picture of how they work.

   Using Olo's Dispatch, customers can review DSP profiles on the Dashboard and as PDFs. Even if you don't use Dispatch, you should review the Olo standard profile and utilize some of these questions to ask of your providers.

3. **Integrate online orders with the POS:** A POS integration is the most effective and efficient way to receive accurate online order information.

- Direct integration allows all orders to flow into your queue, eliminating the need for manual order entry, which can result in miskeys or missed orders.

- Depending on the type of POS integration, you may have the ability to color-code orders based on where they originate. We've seen brands use this method to easily understand and manage their order flow at-a-glance.

- POS integrations allow you to maximize marketplace traffic. Where some brands have said they max out at 5 marketplaces due to tablet fatigue, a POS integration can manage all marketplace orders in one convenient place.

- POS integrations remove common hardware issues as well. Brands and DSPs complain about tablets, printers, or fax machines not being charged but still receiving orders, resulting in a negative guest experience.
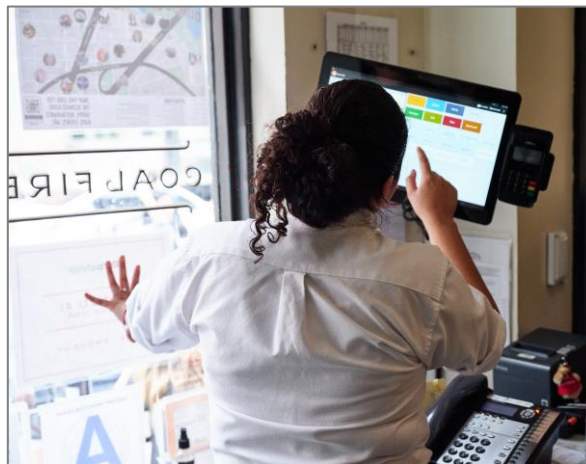
4. **Check your maketimes:** Accurate maketimes are a vital part of delivery logistics, as they let the DSP know what time they should pickup an order. Make sure these are updated in your online ordering platforms, and adjust if you are noticing inconsistencies with pickup vs. ready times.

> _Olo's Rails product can help syndicate your maketimes to various marketplaces for a convenient update._

5. **Update your store's hours of operation:** Confirm that the hours on your online ordering sites accurately reflect your availability to accept and fulfill orders. Be sure to factor in times when your restaurant is closed for holidays or private events.

6. **Customize your chit:** If using a chit print-out, customize it to include relevant information during your POS setup. For full-service restaurants, some set separate chits for FOH vs. BOH. FOH chits include packaging details, drinks, side salads, etc., while BOH chits only show food that needs to be prepared.

Prepare food for delivery handoff
Utilizing the right packaging helps food stay fresh from store to door

1. **Prep what you can beforehand:** In your pre-shift prep period, think about what can be done to speed up the online ordering process. Fill sauce containers, pre-package sides, fold to-go boxes, etc.

2. **Check the order:** According to Olo guest surveys, the biggest reported problem with delivery orders are missing or incorrect items. Have your designated specialist or team member check the details of each order carefully, including any special instructions, before handing it off to the courier.

   - We've seen that using a marker to check off each item on the receipt greatly improves order accuracy. If you have packaging that isn't clear, write item descriptions on the packaging so the team member or courier can verify the order is complete. This also simplifies the "pass out the food" process for the consumer and can help easily identify special orders with food allergies, etc.

- Consider having whoever checks the order sign or initial the receipt to hold them accountable. Should a guest call the store with a complaint you can reference the initials on the receipt and have a discussion with the staff member who handled that order to get more information.

- Some brands even create a custom checklist to make sure everything is accounted for — including lines for number of dishes, drinks, bags, etc. Stapling this list to the bag gives guests assurance that there are quality controls in place. This checklist is also a good opportunity to add marketing material to the order ("How was your order? Let us know on Twitter.")

3. **Separate foods by temperature:** Keep hot and cold foods in separate bags. This is mandatory. Packing a salad and a pizza together will give the guest a wilted salad and a cold pizza.

4. **Carefully package food for transit:** This will preserve the quality of the food and prevent any food safety issues. In addition, poorly packaged food may lead to unhappy couriers and long-term issues getting couriers to work with your restaurant. Customers often blame couriers for mistakes, which are easily prevented by restaurants.

5. **Pay attention to allergens:** Allergens must be clearly identified and kept separate from the rest of the package contents. If an allergy is specified in the online order, make sure it's circled or highlighted on the receipt so the customer is aware you have accounted for it.

6. **Separate condiments:** Keep sauces and dressings on the side to prevent food from getting soggy. Put sauces in a separate bag to prevent spills.

7. **Think about drinks:** Fountain sodas can turn into a huge mess for delivery couriers. Use cans or bottles for delivery orders. If you must use fountain drinks, provide a sturdy holder to stabilize the cup in transit. Keep in mind that due to food-handling restrictions in some municipalities, couriers may not be able to fill the fountain soda themselves if the soda machine is in front of the counter.

8. **Make your items easily identifiable:** Clear packaging allows drivers to check orders at-a-glance before leaving the store and completing the delivery. Some brands label the outside of each item if they cannot identify it through the packaging. Modified items should be clearly marked. For example, two packages containing the same pasta, one with and one without garlic, will be impossible for the consumer to determine without proper labels and may result in a phone call to your restaurant.

9. **Seal packages tightly:** With an increased focus on food safety, some brands are instead opting to seal their packaging to prevent any tampering after handoff. If your brand elects to do this, make sure everything is accounted for before the package is sealed.

10. **Invest in good packaging:** A few extra cents to buy the right to-go packaging will end up saving you in the long run by preventing damaged food and keep items fresh for longer. Keep the points below in mind when selecting packaging for your restaurant:

    - **Sturdy:** A sturdy material makes containers easier to stack and protects the food. Condensed polypropylene packaging (or sustainable sugarcane or bamboo packaging) will stay sealed in a bumpy car ride while flimsy fold-over styrofoam packages easily buckle and break.

    - **Flat-bottomed:** This makes stacking easy and allows the package to better rest on surfaces. This goes for bags as well — a sturdy flat-bottomed paper bag will keep multiple items in place during transit. Modified flat bottomed or ridge bottom containers are also stackable and have the benefit of providing an air gap beneath hot food, keeping crispy foods crispier.

    - **Insulated:** Ensure that packaging can hold the intended temperature — either hot or cold. Some brands conduct test runs to evaluate how a meal holds up after 15 minutes, 30 minutes, etc. If your packaging

is not designed to hold temperature for a long period of time, think about limiting the delivery radius from your restaurants to ensure food quality is preserved.

- **Transparent:** A little visibility into a packaging's contents can help customers identify different dishes in their order.

- **Ventilated:** This can solve the age-old [soggy fry issue](#) — provide ventilation for foods that steam to prevent a moisture build-up. Choose packaging that ventilates even when stacked.

- **Complementary to each other:** Make sure your packaging all works together. You may have great boxes, but do they fit in your bags properly?

- **Sustainable:** Reduce your impact on the planet through the use of biodegradable packaging, which is more affordable and reliable than ever. If this isn't in the budget, go with an easy to recycle plastic. Thick plastic packages are easier to recycle than styrofoam, thin plastics or even cardboard (which is unable to be recycled once greasy). Make sure it's BPA free as well so your guests can reuse them at home if needed. A growing number of municipalities are regulating single-use plastics, so it's worthwhile to start considering options before you're legally required to update packaging. Using sustainable packaging will also position you as a conscientious brand, enhancing customer sentiment.

- **Personalization:** Personalized to-go packaging is an easy way to market your brand. Custom packaging can be used to promote your brand or advertise specific menu items. If you're utilizing third-party marketplaces, a branded package is a great way to drive customers to your restaurant's branded ordering site. Including trial offers in the bag can help encourage third-party marketplace customers to try ordering via your branded site and app.

11. **Include the essentials:** Assume the customer has nothing when the food is delivered. Include the below items with every meal, and keep them in a station at the bagging area for easy access. While you want to provide the customer all they need, be mindful of how much you're packing and try not to be wasteful.

- Marketing materials: menus, promos, coupons.

- Utensils and napkins: Some brands use prepackaged utensil/napkin combinations to streamline the process.

- Condiments: Dish-specific and standard choices (ketchup, mustard, hot sauce, salt, and pepper).

   o Depending on the menu complexity, some brands create a matrix of dish-specific condiments for reference by the team member bagging the food.

12. **Make the receipt visible:** Include the reviewed receipt on the outside of the bag via tape, staple, or adhesive. This will make it easy for the restaurant, courier and customer to reference.

13. **Add a personal touch:** Since your restaurant employees aren't directly interacting with delivery customers, add something brand-specific to orders to connect with those customers. In one example, a brand wanted to prioritize hospitality, so they included signed notes from the team member who prepared the meal. This little step adds a human element to the order and keeps team members accountable. Including small treats like mints or chocolates are also a good way to make customers feel appreciated.

Passing food from kitchen to car
Treat delivery couriers as guests and ensure their experience is quick

1. **Make an area specifically for handoff:** Offer a separate area for drivers to quickly pickup delivery orders. This helps keep drivers on the road and reduces delivery times. Consider the following when creating this space:

   - **Designate to-go shelving:** Restaurants are starting to leave bags on shelves designated for delivery drivers or guest pickup. We recommend waiting until order volumes increase and store operations are streamlined before utilizing shelves, but it may be beneficial to include in-store design for an easy transition. Although a

legitimate concern, most restaurants we interviewed mentioned that theft and order mix-ups made up a negligible percentage of orders placed on shelves.


- **Have clear signage:** Have in-store signage that labels pickup areas for online orders. This reduces delivery courier confusion and handoff times, plus it reminds in-store customers that you offer delivery.
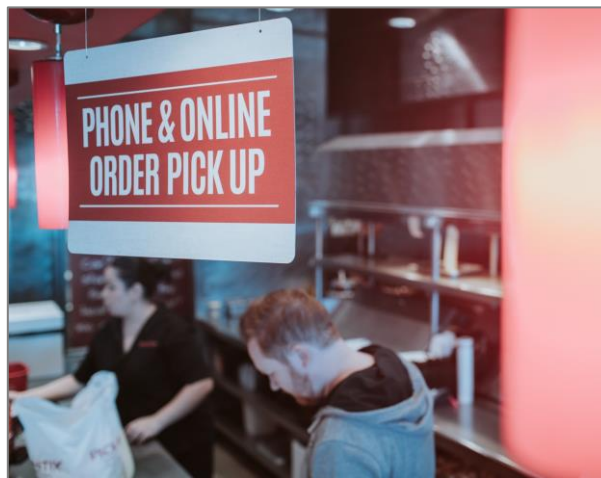
- **Separate online pickup orders from delivery orders:** Consider further organizing by distinguishing between in-store pickups by guests and orders picked up by a courier.

- **Organize orders:** Arrange food for pickup in a logical way to easily grab orders:

    o   Alphabetically by last name — this is typically the most common form of organization we see in restaurants

    o   Chronologically by pickup time

    o   Numerically by order number

- **Leave an area to check bags:** Space permitting, provide an area near the handoff location to allow couriers to check order accuracy without blocking other people in line.
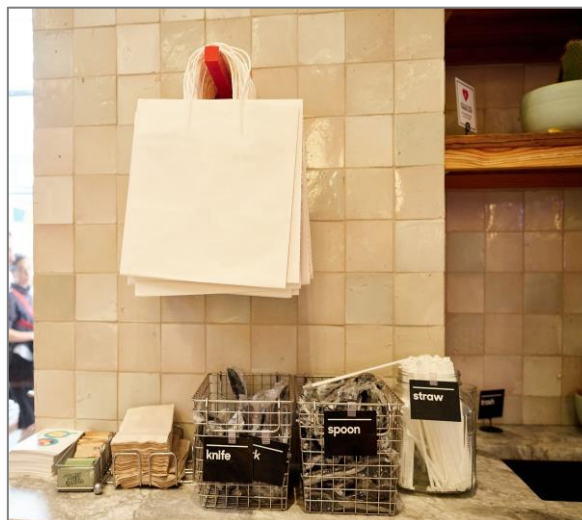
- **Keep the pickup area close to the POS**: This allows a team member to keep an eye on guests if they need assistance and reduce transit time if a team member needs to run orders out of the kitchen.

- **Plan for the future:** Most restaurants say planning a pickup area for new construction is easy, but retrofitting or finding a place in an existing store can be difficult. Plan for increased delivery volume.

- **Maintain food quality:** If keeping food behind the counter, consider investing in hot boxes, refrigerators, and holding cabinets to maintain food temperatures.

- **Designate parking:** Include spots for "Delivery Vehicles Only." DSPs often note that parking is one of the biggest causes for delays, and having designated spots can mitigate that. Plus, it's free advertising for your delivery program.

2. **Identify delivery couriers:** Many couriers are not required to wear company uniforms, so they may come in street clothes. Keep an eye out for branded hats, bags, etc.

3. **Triple check your order:** Have your team members confirm the order name or number with the driver before handing off, and review the order to confirm everything is included.

4. **Treat delivery couriers like guests:** You want the courier to treat guests the way your employees would, so train your employees to treat couriers as they would treat guests.

   - Some brands provide loyalty for couriers, such as rewards cards for free food after a certain number of successful deliveries.

   - Other brands provide free sides or drinks while a courier is waiting. Internet message boards for couriers often praise stores that give out free sides, which incentivizes them to fulfill deliveries and encourages couriers to treat your customers as well as possible.

   - Keep courier time in the restaurant down. Couriers make money based on efficiency, so be aware of your handoff times and reduce them where possible. Some brands ask for reports from third-party marketplaces to see month-over-month handoff times and use those insights to speed up operations.

5. **Know what proof of delivery options are available:** Each DSP handles proof of delivery a bit differently — some receive signatures, others take a photo, and nearly all require the driver to provide a timestamp of dropoff. Be familiar with how each delivery company handles this so you know what to ask for if an issue arises.

Communication and Support

Good customer communications are vital to keeping guests happy

1. **Know the DSPs process:** Familiarize your team with how each DSP communicates. Some DSPs allow direct contact with drivers, while others prefer calling a dispatcher or support center. Orders that come through Olo will have a contact phone number in the Dashboard. It's essential that you always have one team member per shift who is trained to handle issues and speak to DSPs.

2. **Keep couriers and guests updated when there are delays:** Manage expectations and know what channels you can use to update guests on delivery timing:

   - Via email or phone: Provided on the order

   - Via text message

   - Via the third-party marketplace app

3. **Collect feedback from guests:** Send out email surveys after a completed delivery to learn more about their experience. This can help identify opportunities for improvement with regards to specific DSPs or in-store operations. Share this data with your DSP partners and come up with plans to remediate any issues.

4. **Provide your own feedback:** If you have a bad experience with a delivery courier, notify the DSP. Services usually have the ability to blacklist drivers at specific restaurants so they don't service your location in the future. On the opposite end, leave a good review for couriers who do an exceptional job.

5. **Secret shop:** The best way to assess how a delivery company is performing is to experience it firsthand. Have food delivered to an employee's home periodically to identify pain points or highlight anything positive.

6. **Provide effective support:** Not every order will be perfect, and sometimes you'll receive claims from a customer with a negative experience. To ensure smooth communication between the customer, courier, and restaurant keep the

following information in mind:

- **Understand the courier support process:** Become familiar with the support process of your delivery company. Know how to contact them, whether by phone, email, website, or through their tablet.

> *If you're using Dispatch for delivery, you have several options for support. We encourage restaurants to open a ticket on the Dashboard, to reach our Support Team quickly. Instructions on how to do so can be found [here](). Otherwise, reach out to [help@olo.com](). Please include as much guest information (detailed below) as possible if reaching out via email.*

- **Collect relevant information:** If a guest has an issue, collect the following information to speed up the process with the DSP:

  - Guest name, phone number, and email address

  - Date and time of the order

  - Order number

- **Keep guests updated:** If a guest has a negative experience, you will want to keep them updated as your work to resolve any issues with the DSP. If you are waiting on the DSP to respond, follow up and let the customer know.

- **Set aside times to review issues:** Make sure there is a designated time during a manager's shift to review and follow up on support issues. Guarantee a turnaround time of 24 hours at most for any issues requiring attention.

- **Offer more than just a refund:** Give guests a gift card or free menu item in addition to their refund. This will show you care and encourage repeat visits and loyalty.

- **Check the internet:** Monitor your restaurant's pages on sites such as Facebook and Yelp, as this may be an avenue where guests share negative feedback.

- **Asses your DSP partners:** When using a service like Olo Dispatch, you always have the opportunity to expand or contract your DSP network. Set your expectations for your brand, but allow specific locations to get even more granular with their needs and desires from the DSPs.

Delivery for catering
Catering delivery orders require special attention

Pay attention to large catering delivery orders, as guests are spending significantly more and rightfully expect a flawless execution.

1. **Schedule catering orders in advance:** Give at least a 12-hour lead time to allow you to prepare.

2. **Pack extra everything:** Include larger quantities of the same essentials you would include with regular orders. Consider providing plates or bowls if food is not individually packaged.

3. **Be punctual:** Package and stage the order and place in the designated area a few minutes ahead of the pickup time.

4. **Label for reference:** Mark all bags or boxes with the guest's name and number the bags/boxes if there is more than one (ex. 1 of 3, 2 of 3, 3 of 3). Label dishes for easy identification.

5. **Check the order:** Triple check the package to ensure all items accurately reflect the order. Missing an item or getting it wrong will be especially costly and may results in a lost customer.

6. **Make it a team effort:** Due to the size of catering orders, it will probably require more manpower than the designated takeout specialist to fulfill.

7. **Make it presentable:** These orders are expensive and will be shared with a large group. Invest in nice packaging, and make sure your food looks appealing.

8. **Include restaurant marketing materials:** Along with the order, package in-store coupons with the order. Catering orders are a chance to reach an audience that may not have previously dined with you. You'll be surprised how many people bring them into your restaurant and even more surprised at how many are first time guests.

Sample workflows

Now that we've covered the details, here are examples of how a successful operation should flow

1. **Workflow 1:** An ideal workflow for a fast-casual restaurant with POS Integration, second make line and shelving.

   - Order comes in via your POS integration.

   - Order shows up on-screen or prints out the chit. The takeout specialist reviews the order.

   - The takeout specialist prepares the meal on the second make line, marks each completed meal (or attaches a receipt of its contents), and sets them in the expo area with the rest of the order.

- Takeout specialist checks the items and marks them off on the receipt.

- Specialist bags the order, including extras, and staples the receipt to the outside of the bag.

- Specialist sets the bag in the designated area for the delivery courier to pick up.

2. **Workflow 2:** An ideal workflow for a full-service restaurant with POS integration, shared kitchen and a takeout stand:

   - Order comes in via POS integration to both the kitchen and the takeout expo area.

   - Takeout specialist reviews the order, and places the chit printout in a designated section of the expo area.

   - A cook prepares the food.

   - Takeout specialist brings the food to the designated area.

- Takeout specialist checks each dish in the expo area, marks them off on the receipt and marks the order contents on each container.

- A specialist bags the order, includes the extras, and staples the receipt to the bag.

- The order is kept either in the expo area or at a designated pickup area; specialist hands off the order when the delivery courier arrives.

Conclusion

As customers continue to embrace an on-demand lifestyle and order food outside the restaurant, it's important to provide delivery and cater to customers who prefer the convenience of food on-the-go. With third party delivery options managed through products like Dispatch, launching and scaling a delivery program doesn't need to be a massive investment and can actually be a cost savings compared to hiring a dedicated courier fleet.

Restaurant delivery operations should be managed just as closely as in-store orders. Think strategically about how to scale, and make sure you have space and human capital to receive, prep, and handoff orders. Streamline order transmissions to ensure accuracy and consistency. Package your food properly to preserve quality. Maintain a close relationship with your DSPs and their couriers to set your restaurants up for success, add incremental sales and build brand loyalty.

For more information on how Olo can help your business with streamlining delivery, you can visit our website at https://www.olo.com/delivery/.

About Olo

Olo is the on-demand interface for the restaurant industry, powering digital ordering and delivery for over 250 restaurant brands across 50,000 locations. Olo's enterprise-grade software powers every stage of the digital restaurant transaction, from fully-branded guest interfaces to the back-of-house order management features that keep the kitchen running smoothly. Orders from Olo are injected seamlessly into existing restaurant systems to help brands capture demand from on-demand channels such as branded websites and apps, third-party marketplaces, social media channels, and personal assistant devices like the Amazon Echo. Olo is a pioneer in the industry, beginning with text message ordering on mobile feature phones in 2005. Today, over 100 million consumers use Olo to order ahead or get meals delivered from the restaurants they love.

Learn more at **olo.com**.

Appendix

Packaging image gallery:

Polystyrene (styrofoam) packaging is flimsy, prone to leaks, difficult to recycle, and does not show its contents.

A basic polypropylene package is a better choice for a simple option - it's stackable, reusable, and one can identify its contents.
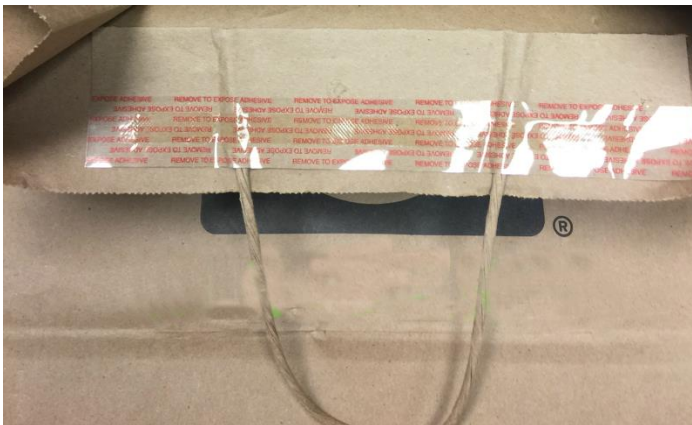

Clear packaging makes items easier to identify for team members, couriers and customers.

Some brands are investing in fully compostable packaging, including the parts that may look plastic.

Brands are using "tamper proof" bags to patrol food safety for delivery.

Companies have invented ventilated packages to solve for the "soggy fry issue".