

VIRGINIA
RESTAURANT • LODGING • TRAVEL
ASSOCIATION

How to Get Started with Delivery for Restaurants in Virginia

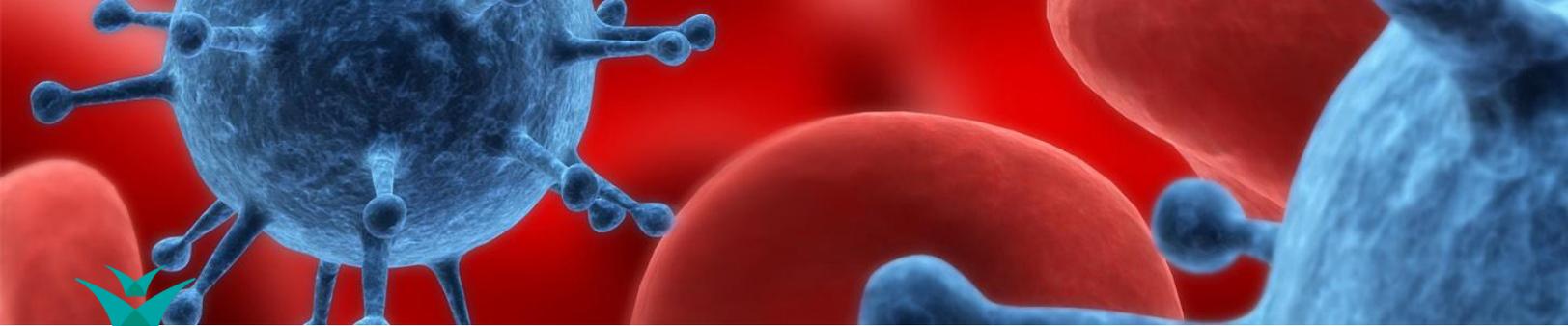
With the ongoing and increased uncertainty over the spread of coronavirus (COVID-19), here at the VRLTA our primary focus is – and will continue to be – to educate and support our restaurant and supplier partners through this difficult and challenging time. We are taking proactive measures to advocate for and alert members to changing policies, guidelines and best practices.

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INFORMATION • ANSWERS • CONNECTIONS



As restaurants deal with this unprecedented time and a ban on in-person dining, food delivery is in high demand. Many businesses are struggling with how to move into this business model. Here are a few of the most important things to know if you want to start delivering or increase the capacity of an existing delivery system.

Self Delivery or Third Party Delivery: Which is right for me

- **Self Delivery** (Do it yourself; In house)

The benefit to self delivery is maintaining the control over the quality of your product and not having to give a high commission to a third party vendor.

The first hurdle will be taking orders and confirming them with the customer who ordered the food. Some restaurants may already be equipped to fulfill orders remotely. Others may need to tweak their old system, that was built for table service and develop a new system for phone orders. The good news is that it doesn't need to be a complex process. Entering a customer's credit card information manually into your POS system is no different from sliding their card after the wait staff has taken their bill.

Check with your POS company to see if they have an online ordering upgrade. This isn't necessary but could be very helpful. You can certainly implement some work arounds to get you through this crisis time.

The big thing to think about with self delivery: What's the delivery radius that makes sense for your operation? Determine that and make it clear wherever you promote yourself. Most stick to a 5-7 mile radius.

- **Third Party Delivery**

There's a lot of different opinions about third party delivery options. It's a challenge to pay high commissions to a delivery company when we're in an industry where there are low profit margins. But consumers are demanding delivery options and sometimes restaurants aren't able to easily facilitate. And during a crisis like this, some money may be better than no money coming in. You would benefit from the additional marketing exposure that a third party delivery company can help you with.

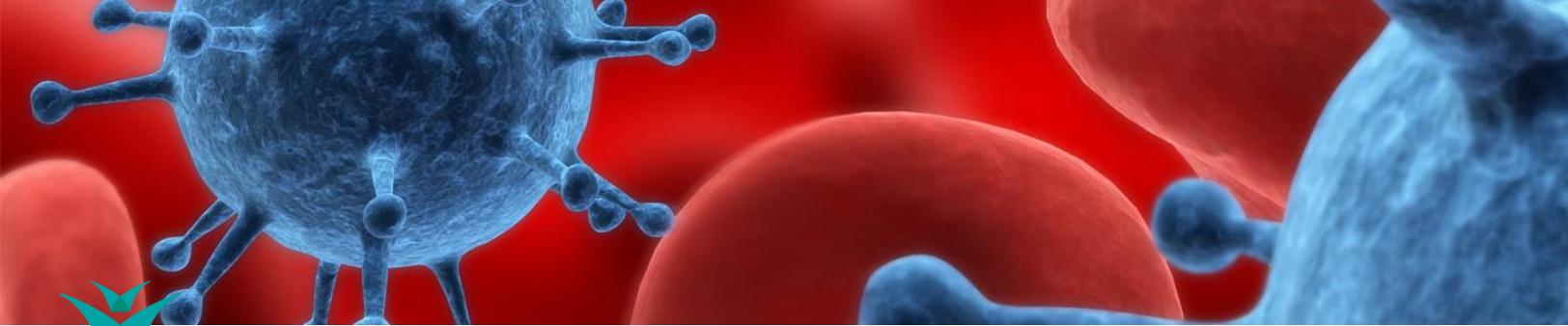
- During this unprecedented pandemic, businesses like DoorDash, UberEats, GrubHub and EatStreet have come out with commission reductions, deferred commissions and zero dollar/zero commissions for new customers and have been waiving delivery fees to the diner. It's good to look into your options. Many businesses offer a mix of self delivery and third party delivery.

Door Dash Crisis Option:

Click on the below third party delivery announcements to get COVID-19 Merchant Assistance Information :
DoorDash - https://help.doordash.com/merchants/s/article/COVID-19-Merchant-Financial-Assistance?language=en_US

GrubHub Crisis Option:

GrubHub - <https://chicago.eater.com/2020/3/13/21178161/coronavirus-grubhub-chicago-restaurants-fees-may-or>

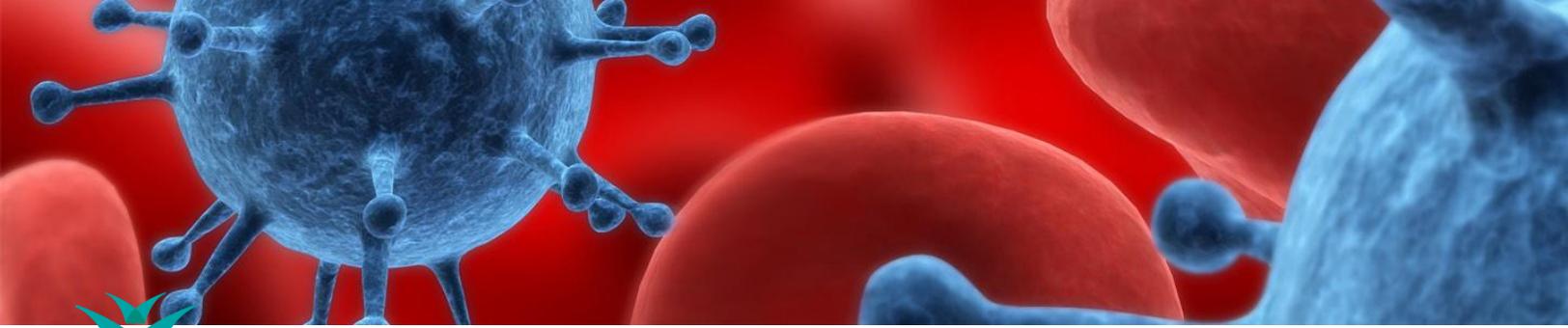


Insurance

Insurance is a critical first thing to check on so you know your risks. There's no standard answer to this; it varies by insurance company. Call your insurance agent/broker to confirm that adding delivery drivers will be covered. No special business permits are needed to add on delivery service but proper insurance coverage is. Any employee using their own automobile for deliveries should make sure their own automobile insurance is aware that they are delivery drivers and covers them for liability in the unlikely event an accident happens. If you have employees deliver as part of your new business plan, you must contact your insurance broker. At minimum you as the business owner **MUST** have non-owned and hired automobile coverage added to your package policy and/or automobile policy..

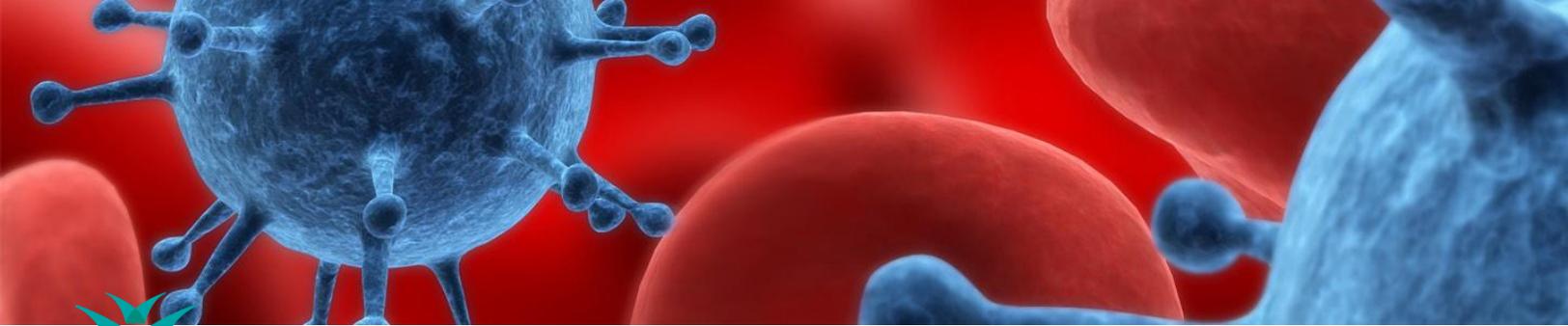
Special Offer for 90 Day Free Delivery Order Platform with Quick Start-up

Heartland Payment Systems, a long-time partner of VRLTA, feels for the industry right now and has opened up a special opportunity for its credit card merchant customers. Heartland wants to help the industry to continue feeding its customers. For those that are new to delivery and take out, you may not have a good online tool in place to promote your menu options, take orders and process online payments. Heartland's Restaurant Online Ordering and Delivering platform is available for free to any restaurant, regardless of your current POS, for 90 days with no obligation to continue beyond that point. It's quick to get set up and will include 30 menu items along with online credit card processing.



Things To Do:

- Update the main page of your website if you're open and offering delivery, curbside or takeout.
- If you've changed your hours and menu offerings during this time, be sure to update wherever it appears online
 - Your website
 - Social sites
 - Third party delivery sites
 - Google Business listing
 - Yelp
- Change your telephone prompts
 - Obviously you're not taking dining room reservations right now so make sure your prompts are appropriate for what you are offering.
- Have a checklist for staff when bagging different menu items
 - Crackers with a soup order?
 - Dressing for a salad?
 - Condiments?
 - Which sides are included with an entree?
 - Plastic ware?



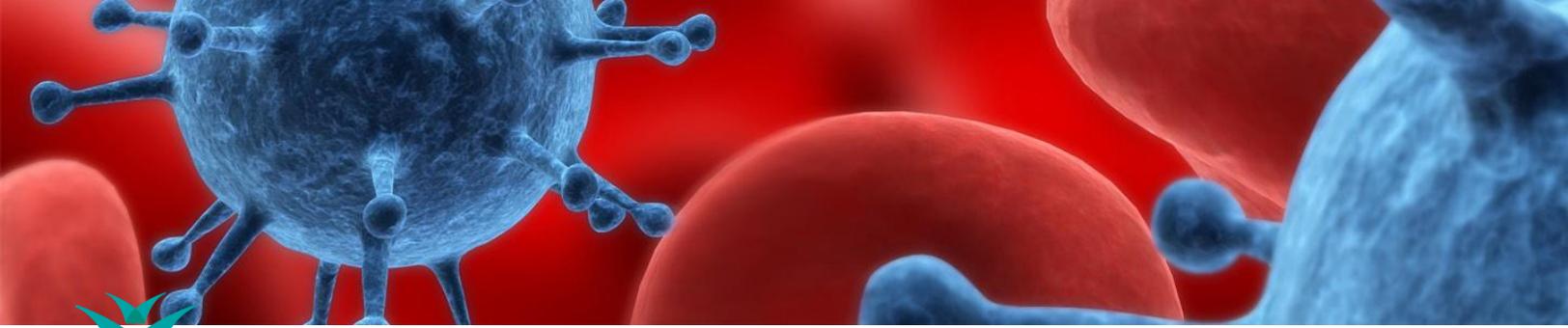
KEEP IT SIMPLE

- Diners tend to pick items near the top of the menu. Place high-margin or featured options there.
- Be mindful that consumers are price conscious. Raising your prices on items most likely will not be successful.
- Don't forget to allow for add-ons, such as extra meat or cheese, sides, and beverages that increase check averages.
- If you're a fine dining establishment that has never delivered or offered to go service before, you should consider creating new menu items and modified menu items so you can charge a lower price point. People getting delivery or takeout will most likely not spend \$50+/diner. If you make these menu modifications, it's critical that you make this clear in your promotions.
- You should consider minimizing your menu options so you can reduce your inventory (and potential loss of product) and more easily get orders out if you're working with a reduced kitchen staff.

HOW TO GO CONTACT FREE

While Virginia is not currently mandated to be contact free for delivery or take out, for the health of everyone we encourage you to implement contact free procedures as much as possible.

- **DELIVERY**
When the driver reaches the customer's door, set the food down somewhere near the door, knock and step away from the door placing the credit card slip that needs to be signed with the food. The customer can then open the door, and with their own pen sign the receipt and get their food. The driver will wait until they have closed the door, grab the receipt and leave. It is important that when the customer calls in to place their order that the caller is informed of your no-contact delivery policy and asks them to have their own pen to sign.
- **CURBSIDE**
Get their car type and hand deliver to their trunk.
- **SINGLE USE PENS**
Invest in some cheap single use pens that are branded with your business info. When someone signs their credit card slip they keep the pen. This eliminates the worry of touching something that many others have AND it keeps your brand in front of someone that will hopefully dine with you again.



GET CREATIVE

- **Meal Kits**

Promote consumers stocking their fridge with high quality prepared meal kits that they can quickly prepare or heat up at home.

- **Family Style Meals**

Consider creating larger meal options for people that are home with their kids and looking for alternative meal options.

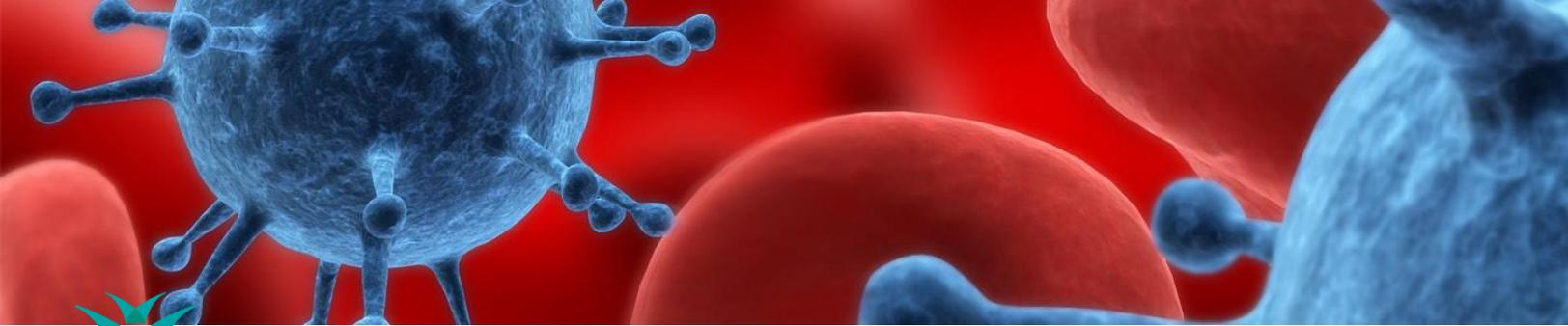
- **Offer Some Simple Grocery Items**

Some restaurants are offering grocery items for delivery or pick up with meals. Think about things that you can get from your distributor like artisan bread, gallons of milk, specialty coffee. Test this out before creating too high of an inventory.

- **Offer Merchandise for Sale**

Whether it's a can koozie, t-shirt, beer glasses or a simple set of coasters, selling merchandise is a way to build brand loyalty and gain an increased following while adding a little extra cash flow to your restaurant.





Wine, Beer and Spirit Sales

The Virginia ABC Authority now will allow all ABC licensed retailers, with either on-premises or off-premises privileges, to sell wine and beer to-go. Off premises sales may only be sold for off-premises consumption in any container upon which the original closure has not been broken, except for a growler. A “growler” is defined as a re-sealable containers approved by the board.

The ABC licensed retailers may also sell alcoholic beverages to those individuals who are waiting for a carryout order.

In addition, all ABC licensed retailers with either on-premises or off-premises privileges may deliver wine and beer to consumers away from the licensed premises under the following guidelines without first requiring the retailer to obtain a Delivery Permit:

All such deliveries of beer, wine, or farm wine shall be performed by either (1) an employee or agent of the retailer (2) an independent contractor of the retailer, provided that (A) the retailer has entered into a written agreement with the independent contractor establishing that the retailer shall be vicariously liable for any administrative violations of the ABC Act committed by the independent contractor relating to any deliveries of beer or wine made on behalf of the retailer and (B) only one individual takes possession of the beer or wine during the course of delivery.

Deliveries may be made to consumers forgoing the requirement to get the recipients signature when making a delivery. Provided that whoever is making the delivery denotes on electronic or paper form the legible full name of the individual that is receiving the delivery as well as the method of verification for documenting that the recipient was at least 21 years of age as the retailer has sole responsibility of verifying that the recipient is at least 21 years of age pursuant to 3VAC5-50-20.

Delivery shall be refused when the proposed recipient appears to be under the age of 21 years and refused to present valid identification.

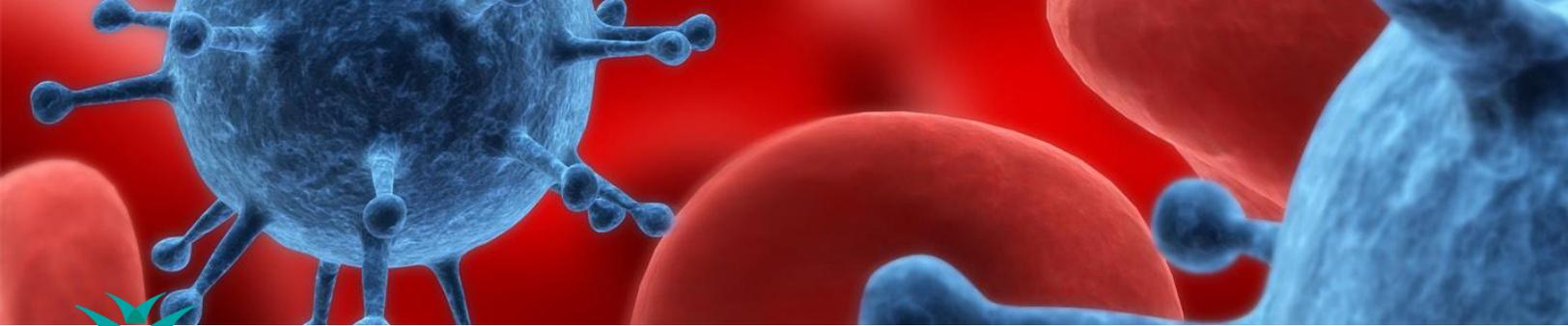
All retailers delivering wine and beer pursuant to this section shall affix a conspicuous notice in 16-point type or larger on the outside of each package of wine or beer delivered in the Commonwealth, in a conspicuous location stating: “CONTAINS ALCOHOLIC BEVERAGES; SIGNATURE OF PERSON AGED 21 YEARS OR OLDER REQUIRED FOR DELIVERY.” Such notice shall also contain the license number of the delivering retailer.

No more than four cases of wine or no more than four cases of beer may be delivered at one time to any person in Virginia, except that the retailer may deliver more than four cases of wine or more than four cases of beer if he notifies the Virginia ABC Authority in writing at least one business day in advance of any such delivery, which notice contains the name and address of the intended recipient.

Additional information can be found here: <https://www.abc.virginia.gov/library/covid19/bole-covid-19-response-v7.pdf>

You may also check the Virginia ABC Authority COVID-19 portion of their website which is updated daily:

<https://www.abc.virginia.gov/covid-19>



How to Market That You Are Still Open for Business

- **EMAIL**

Now more than ever you should be using any email list that you've built to get your message out. Loyal customers will want to support you.

- **SOCIAL MEDIA**

Pictures are critical. We're a visual society and people want to see what's happening. Take photos of people getting curbside orders. Take photos of to go packages sitting on your counter. People need to see that you're open and that you're practicing CDC standards.

- **YOUR VENDORS**

All of your suppliers want to see you do well. When restaurants are suffering, so are many of the suppliers. They're invested in this just as much as you. Let your vendors know if you're still open. Encourage them to share your information on their personal social channels. It's as easy as sending a heartfelt email to your vendors letting them know what your hours are, how you're providing food and if you have any special offers.

- **MEDIA**

The media is very interested in highlighting small businesses right now. Lean on them. Call in to your local media outlets to let them know what you're doing.

- **SIGNAGE**

Get a banner up at your business promoting if you're offering delivery, take out or curbside. A lot of soda and beer companies typically provide free banners to their customers. See if they're willing to help you out. Otherwise look into local print stores or go online to a business like BannersOnTheCheap. You don't need to spend much to get something that will help promote you.