



## Restaurateurs Find Opportunities in New Technology

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Nowadays there's a cell phone app for nearly everything – and restaurant reservations are no exception.

That's not been lost on local restaurateurs, who are embracing online reservations and finding that they are weathering the struggling economy better as a result.

"In an economy like this, we can't leave any stone unturned, especially when people are cutting costs on dining," said Josh Spotts, catering sales and conference service manager for The Madison Hotel, which operates Grill 83.

"You can get full off a hamburger at McDonald's, but is that the experience that you want?"

Among the most popular apps available is OpenTable.com, a Web-based program offering reservation and table management services in real time for more than 12,000 restaurants worldwide.

Founded in 1998, OpenTable now seats about 4 million diners per month and has done so for more than 130 million since its inception.

The mobile app was launched in November 2008, and has been used by more than 2 million, a number that represents about \$100 million to restaurant partners, according to OpenTable.

"It's convenient for our guests," Spotts said. "We were one of the first four or five restaurants in Memphis to sign up."

Of the nearly 3,300 restaurants in Shelby County, 27 are signed up with Open Table. It's a tremendous advantage, Spotts said, in a time when so many restaurants are closing.

Just down the street, Patrick Reilly, owner of Majestic Grille, sees OpenTable as a valuable marketing tool.

"What I love about it is that it tracks all of your customers and all of OpenTable's customers," Reilly said. "We can go in and see what table they like, what company they're with, whether they're vegetarian or not, and it allows us to focus on our customers."

OpenTable enables a guest to search by city and narrow that search to a particular neighborhood or cuisine or look for a specific restaurant.

Once on the restaurant's website, a feast of information is available, including restaurants' descriptions, pricing, hours, payment options, dress codes and parking details.

These categories are uploaded and edited by the restaurant as often as necessary.

Not only can a user book dinner reservations through OpenTable, but Spotts said a guest could book "a whole Grill 83-inspired event," including wedding receptions or business luncheons of up to 120 guests in private dining rooms.

"I would say that roughly 45 percent of our reservations are booked online through OpenTable," Spotts said.

Bari Ristorante e Enoteca is in Overton Square in Midtown and, therefore, may seem more inconvenient for many business travelers and tourists.

However, co-owner Rebecca Severs – an OpenTable client since 2006 – said nearly 80 percent of their reservations are made through the service, including first-timers and returning regulars.

"After using it for so long, I couldn't see not spending the money to do it, because people need the comfort of knowing they have a reservation right when they need to make it," Severs said. "If they don't hear back from you, then they will go somewhere else."

While the reservation service is free to consumers, OpenTable charges the restaurant a one-time installation fee ranging from \$600 to \$700, a subscription fee averaging \$270 monthly and a "per seated diner fee" of 25 cents to \$1, depending on whether the reservation is made from the restaurant's website or through OpenTable.

“It’s kind of like American Express,” Reilly said. “You have to take it because business people use it, even though it’s expensive.”

In an economic climate that makes it difficult to keep almost any business afloat, restaurants are becoming smarter and more accessible than ever.

“We haven’t cut our pricing; we haven’t cut our menu,” Spotts said. “We still offer the exact same high-end experience, but in turn, we’re making it easier for people to find us.”