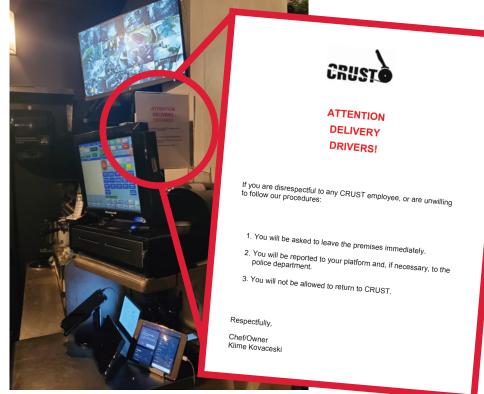


Klime and Anita Kovaceski, owners of Crust in Miami, have nailed down a formula for success with third-party delivery platforms.



"When you deliver quality, quantity and consistency, it's fine to charge more, unless you're already overpriced. If [third-party companies] are taking 30% of the order, you'll go out of business if you can't pass those costs to the customer."

- KLIME KOVACESKI, CRUST

THIRD-PARTY SUCCESS

For a look at how third-party delivery can prove a massive hit for a pizzeria and restaurant, look no further than Crust in Miami, which now counts Grubhub, Postmates, DoorDash and UberEats on its roster—to the tune of drumming up 22% delivery as part of its \$2 million yearly intake. "I would not have delivery drivers of my own at any cost," asserts owner Klime Kovaceski. "We open at 5 and take delivery orders until 9:30 p.m. It's terrific."

At Crust, Kovaceski has nailed the formula with a few key choices: He shuffles pickups from these drivers to the side door, complete with its own dedicated cashier, which leaves his front door unblocked for in-house diners and allows for traffic to flow uninterrupted inside the restaurant. He posts rules at the door for drivers explaining the kind of behavior he expects from them, which, he believes, "sets the tone" for their actions at the outset.

Then, to streamline operations, he blocks the option to make modifications or special requests on any third-party order and deletes the "build your own" pie. On GrubHub, which doesn't allow this block, each section of the menu reiterates "modifications and substitutions politely declined." If certain menu items simply will not travel well, he deletes them from the online delivery menus.

Meanwhile, to combat the hefty fees that accompany third-party delivery, Kovaceski's response was simple: Raise

prices for his online menu by 30% over dine-in—and alert online customers about it up front via his website's home page, where customers click through to the third parties' sites. Thankfully, Crust's extra-large portions and reasonable prices make at-home diners feel like they're still getting a good deal. "If they have to take an Uber here and buy a bottle of wine, it's still cheaper for them to eat at home," Kovaceski notes. "When you deliver quality, quantity and consistency, it's fine to charge more, unless you're already overpriced. If [third-party companies] are taking 30% of the order, you'll go out of business if you can't pass those costs to the customer."

To combat less-than-ideal experiences beyond his control, Kovaceski points diners to the source, the third-party outlet—but he also overcompensates for anything that isn't perfect, perhaps sending along a \$25 gift card to a disgruntled delivery customer. Additionally, each third-party provider takes up its own tablet at a docking station in Crust, sending orders straight to his Revention POS system and kitchen. And if business heats up on a busy night, Kovaceski is ready to pull the plug on online orders for an hour or two or lengthen estimated delivery times. "We are, first and foremost, a restaurant, and the dining room has priority," he says. "Overall, success with third parties depends on who you are and how you run your business."

Tracy Morin is PMQ's senior copy editor.