Future-Proofing Your Restaurant



B FUTURE-PROOFING: FORTUNE **TELLING OR FORECASTING?**



Some contend that the idea of "futureproofing" technology is a contradiction in terms. By definition, technology is driven by innovation. New concepts, systems, products, platforms and peripherals are introduced that fundamentally alter, or "disrupt," the existing order. In such an environment, the best way to future-proof is to remain nimble and create an infrastructure that allows your business to quickly take advantage of the best emerging technologies.

But that level of agility can be difficult to achieve. Just a decade ago, the relatively slow pace of development and adoption gave many industries the luxury of time to research and implement solutions that were best for their needs.

In today's market, technologies emerge and evolve so quickly that traditional five-year technology plans can leave you well behind the curve. Depending on the size of your organization, by the time you identify your needs, research the options, agree on a solution, purchase, implement, and train personnel to use it, it may very well be obsolete.

When Apple launched the App Store in 2008, it fundamentally altered the way consumers interacted with software, and the resulting explosion of "app-ification" has had a huge impact on how restaurant technology has evolved. For business owners and patrons, the impact of the app model, along with cloud computing, Big Data analytics, beacon technology and the Internet of Things (projected to reach 26 billion devices by 2020) means that the way you do business, and the way others choose to do business with you, will be different in a few short years. With these factors in mind, now is the time to understand the current state of tech for your segment of the industry and how it can address your needs and streamline operations. **SHARE**

DEFINE YOUR NEEDS



Needless to say, single location restaurants have very different needs from a corporate franchising operation. It is important to consider which solutions and service providers will be able to expand—or contract —with you and which solutions will be easy to deliver to multiple locations and/or a franchisee network in a way that is not only scalable, but also allows you to maintain brand consistency.

To begin to define your needs, establish a baseline: What do you have now? What do you need now? We recommend taking stock by evaluating the following key segments of your business:

- Inventory Infrastructure and Current Stack
- Next-Generation POS
- Guest-Enabled Wi-Fi
- Guest-facing Technology
- Mobile Capability





INVENTORY INFRASTRUCTURE AND CURRENT STACK

The ability to consolidate IT systems and resources has never been easier and, now that virtually all business is done electronically (when did you last see a manual cash register?), every facet of your business is tied to your IT infrastructure. Clunky hardware for media and entertainment is disappearing; basic signage is going digital, with screens moving the traditional table tent from still to video; even music is no longer the same static, pre-programmed soundtracks.

When you think about how to evaluate your current IT infrastructure the following questions are a good place to start the process and get you in the right mindset:

Questions to examine your current infrastructure

How do you currently manage IT?

What do you currently own?

Can you outsource data storage and management?

Can you outsource bandwidth?

Do you have sufficient capacity for your needs now? In six months? Three years?

Who is currently owning IT responsibilities?



PARTION POS

New POS systems can radically streamline operations. With platforms that offer app support, many payment, front, and back of house functions can be wholly integrated. Often hosted on cloud-based data storage, these systems can enable inhouse infrastructure to be minimized.

The clunky POS systems of just five years ago are now full-service enterprise platforms. Clover, Toast, Lavu and Swipely all offer one-stop solutions for everything from payment processing to payroll, table management to labor management, inventory to analytics. All use cloud-based management systems so you have secure access to real-time payment, employee analytics data 24/7 from anywhere including your own mobile phone. To read more about how upgrading your POS system could help you see long term success read their spotlight!

Spotlight: Toast

Allie Tetreault, from POS industry expert, Toast, talks to us about what an all-inone POS system can do for your business

Most restaurant owners are currently paying for 2-5 technology vendors. An allin-one restaurant POS will consolidate those technologies into one system, so you can track all metrics side by side. An all-in-one POS system can replace:

Restaurant Loyalty & Gift Cards - With a loyalty program baked into your POS system, guests can simply "check" that they want to join when signing a bill. In the same vein, they can track the balance of their digital gift cards online. However, with an all-in-one POS, the restaurant owner can also track sales from loyalty and gift cards programs, and measure the program's success. Online Ordering - Restaurants who use a third-party online ordering service pay on average a commission of 13%... on every order. With online ordering integrated in your POS system, there are no extra fees, and you are in control of the program, the process, and the delivery workflow.

Your Manual Spreadsheet Battle - Gone are the days of wrestling with a spreadsheet to track your sales, inventory, and product mix. With all of these statistics updated in real-time to your POS, you can shave hours off of your week. Plus, if it's on the cloud, you can view these stats at any time, on any device with an internet connection.

The right all-in-one POS system will save you money, but will also make you money: you'll have more up-sell opportunities, all of your marketing, loyalty and online ordering programs will be in-house and your guests will thank you. You'll have the right analytics to measure FOH success (how productive are your servers?) and BOH success (how profitable are your menu items and your chefs?) However, even more important is the POS company you work with. If you have a question about a report, you should be able to call support 24/7 for free. You should be able to easily train yourself and your employees on the system. And you should be guaranteed all the upgrades your POS system has to offer are automatically without having to shut down the restaurant to do so. Your restaurant is improving, your POS system should be, too.





GUEST-ENABLED Wi-Fi

Do you offer Wi-Fi to your guests? Food industry research and consulting firm Technomic reports that 40% of participants in a study felt Wi-Fi was an "important" or "very important" consideration in restaurant selection, while 65%



said they "absolutely expect" quick-service restaurants to provide complimentary Wi-Fi. As restaurant owners, your main goal is to get people in the door and Wi-Fi can be very successful in doing just that. From consumers trying to get business done to a student writing a paper to a guest on social media, Wi-Fi is beneficial for all demographics.

For smaller restaurants where Wi-Fi deployments are not handled by corporate stores, the following few tips will start you off on the right foot: separate your business WiFi from your Guest WiFi, do some research on the right amount of bandwidth you need for your location so your guests can have a speedy connection and set up a guest password. Read more about how industry leader, Panera, views guest Wi-Fi to the right!

Spotlight: Panera

We talked about what guest wi-fi means to Panera with Dan Carberry, Director of Product & Concept at Panera Bread.

The Past

In the early 2000's, business was beginning to change. Working remote was becoming more and more common and cafe's offering wifi, like Panera, allowed consumers the ability to get out of their houses/offices and retreat to this "third-place" that offered limited distractions and full connectivity. Realizing that WiFi would be a commodity in the future, Panera decided it should be free and easy for all consumers looking to log on. This is how their philosophy on wifi began and how it remains today.

The Present

In-store WiFi for Panera is a guest engagement tool — not so much from a brand recognition perspective as it is from an *experience* perspective. Panera asks the questions: Does it make my customers' lives easier? Is it reliable? Is it consistent? In the early 2000s having free WiFi was a differentiator. Now, it's an expectation, which makes the seamless experience of using it even more important

At the end of the day, if a guest comes into a Panera because they need reliable, fast WiFi, that is still a good thing. The more you can think about WiFi as a tool to improve the experience of your guests in store, the more successful you will be in using it.





GUEST-FACING TECHNOLOGY

In-store technology is growing up, but with patrons so tied to their smartphones, the competition for customer attention has never been greater. Entertainment platforms, live TV and digital signage with which patrons can interact, compel them to re-engage with your environment.

To this point, your customers are consuming more digital content then ever. Paperback books have turned into audio books, decisions are made through online research — some cases before even speaking with a representative. Every touch point you have with your customers should be familiar to them — mobile phones, tablets, digital screens are all things you can optimize to increase engagement.

These ideas are not going away, but becoming more ubiquitous throughout your pool of diners. So, figuring out *how* and *what* they want to engage with, will be crucial in staying future-proof with guest-facing technology. Read how Rockbot was able to realize the importance of television screens for bars in the Spotlight.

Spotlight: Rockbot

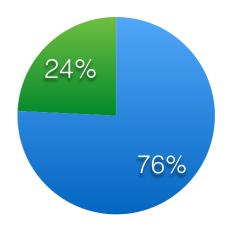
Rockbot uses a 3-pronged multimedia approach to their product, touching your customer's mobile devices, speakers and tv screens. Through this they are able to gather crucial data that proves how important your television screens are in engaging your customers.

In order to use Rockbot, you must have the app downloaded and check-in to the venue you're at. They found that venues using tv screens to promote Rockbot, via an L bar framing their existing programs, received 3 times more check-ins then venues not utilizing their tv screens.

Takeaway: using a portion of your screen space as a promotional tool for food items, music or even social channels could see great returns for your business.









MOBILE CAPABILITY



Make sure all of the elements above are addressed before tackling mobile. As detailed in our 2015 paper, "To App or Not to App," 80% of branded apps fail. While it makes sense in certain cases, as detailed below, loyalty programs, payments promotions and many other mobile features can be managed through third-party providers, saving you the time, expense and headache of building, managing and maintaining those functions in-house.

Many companies already come with well maintained API's allowing you to take advantage of their software and use it in your application. NoWait and Rockbot are 2 examples of this but the sky is the limit depending on what kind of functionality you're including in your app.

Spotlight: Bagger Dave's

Bagger Dave's took a 3-fold approach when developing their mobile launch strategy:

A Proof of Concept: Starting simply with a sweepstakes that encouraged customers to download the app and be entered to win various prizes, they were able to gauge interest and better understand customer preferences.

Evaluation of Customer Journey: This allowed them to enhance each step of the customer journey from the drive to a location to the ability to use the mobile app to pay at the end of their meal.

Third-Party Integrations: Once they established where in the customer journey they could enhance the experience, Bagger Dave's layered in Third-Party Integrations like seating application NoWait, background music application Rockbot and mobile payment enabler NCR/Aloha.

"Our guests are increasingly using mobile throughout the dining experience. When we launch a new partnership, promotion, or custom sweepstakes, it needs to be on mobile. That's what people are using."





® CULTIVATING A CULTURE OF INNOVATION AND ADOPTION



If technology isn't currently a large part of your employees' workplace, it soon will be and it's important to get their buy-in. In truth, when deploying new technology your employees will often be its primary consumers and troubleshooters. If your customers are having problems with your technology offerings, your employees are the first responders. Tech is only useful if it's used, and the employees that use it on a day-to-day basis—or resist its adoption are central to the success of any IT investment. As new technologies and practices are implemented, it is critical that you invest in your workers and guests to create an atmosphere with open lines of communication to encourage feedback and participation.

Employees that work with the technology every day may experience pain points you didn't anticipate and, of course, they themselves are consumers elsewhere. What do they think works? Have they shopped somewhere or used an app that improves their experience? Could it work for you? Remember, if they have positive experiences, your staff members are your best brand ambassadors. Set up periodic check-ins with particularly engaged employees and/or have a group round-table discussion to better understand and address the challenges of rolling out new systems. In their interactions with customers, they can gauge patron impressions of new technologies and their collective feedback can help you define and refine your plan.

A culture of innovation can also help in engaging your employees at work, a problem that is too common in the restaurant industry. Because many restaurant employees, especially FOH staff, have other jobs and interests taking up their time, attrition rates can be very high. Getting them involved from a strategic level will make them feel more valued in the work place, and increase the likelihood that they will stick around longer term!





THE PRACTICE OF FUTURE-PROOFING



True "future-proofing" is an ongoing practice—an orientation to technology—more than a task that is done once and completed. Performing periodic, "one-time" upgrades leads to a company culture that is resistant to change. Encouraging ongoing engagement with technology and introducing an iterative model empowers employees to feel a level of ownership over the process and further encourages adoption. Also, by investing in guests and front-line employees, you create opportunities for other departments. Marketers will be able to discuss new services and outcomes; operations will remain engaged with new data and analytics tools to better drive business decisions. The right technology and implementation plan has the potential to engender a positive feedback loop that benefits the entire enterprise.

IT is no longer just a stack of servers in an air-conditioned closet managing corporate email traffic. It is in the pocket of every person, patron and employee, on the street and in your stores. Remaining ahead of the curve means creating a culture that seeks out innovative solutions and rewards employee and patron engagement. IT professionals who understand and track these trends should have a very important seat at the table. Consolidating IT processes into a unified platform, speeding the order and payment process, streamlining employee management, payroll and inventory all save real time—and money. Those resources can then be more effectively reinvested to drive continued customer and employee satisfaction while guest-facing tech and Wi-Fi can help drive customer traffic and engagement. Futureproofing means not being caught off guard by new developments or unforeseen needs. By gaining a total picture of your present you are in a position to actively drive your future.



THANKOU

We hope these examples will help you get a better sense of how to purchase technology with a "future-proof" mindset.

MEET ROCKBOT

Rockbot was one of the most celebrated restaurant technologies of 2015, replacing old background music services in restaurants with a smart, all-in-one entertainment system that includes customized music, a mobile app for customers, social media & branded digital signage.

See how today's leading brands are utilizing Rockbot: <u>www.rockbot.com</u>

"Rockbot is rapidly changing outdated music in restaurants with an exciting, social experience for customers."



"Rockbot's highly interactive nature keeps guests engaged...Additionally, restaurant operators have control over their preapproved, custom music soundtrack."

