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A Comprehensive Look at Restaurant Technology

Today's operator has more tools than ever before. But some experts say technology can be bad for service. [By Fred Minnick](#)

Today's quick-service restaurant is wired—literally. From drive-thru order confirmation systems to online ordering, operators have more tech gadgets than ever before. And they plan to use even more of them.

According to the National Restaurant Association 2007 Forecast, 50 percent of quick-service owners will allocate a larger proportion of their budget to technology. The report says operators are using technology to deliver better value and to pass savings on to customers.

But some restaurant veterans question the industry's fixation on so much technology. "We place a high premium on quality of service," says Don Fox, chief operating officer for Firehouse Subs, a 260-unit sandwich chain based in Jacksonville, Florida. "Technology can work against that."

Over the years, there has been a lot of technology overwhelming guests and employees, says Don Buonavolanto, vice president of restaurant operations for Buona, an 11-store quick-service restaurant based in Chicago.

"You go into most places and the order takers are not even making eye contact...They're not even looking at the guest," Buonavolanto says.

Fox, a former Burger King executive, believes that good training and good help are more valuable than technology. The problem with that theory is labor is very costly and good help is hard to come by, says Mark Godward, president of Strategic Restaurant Engineering, a Miami-based firm that specializes in restaurant efficiency, productivity, and profitability.

"With the possibility of minimum wage going up substantially, things are going to get even more difficult for the quick-service industry," says Godward, who has worked with McDonald's, Chick-fil-A, Burger King, and Yum! Brands. "In some cases, operators cannot fill all the positions that they have open."



Rob Hough

One labor-saving piece of technology is self-service kiosks, Godward says. According to InfoAmerica Transactional Kiosks, this technology saves operators anywhere from 15 to 50 hours per week in labor.

“The real benefits from kiosks are more transactions through the store by redeploying the labor from the front to the kitchen,” says Paul Knight, president of InfoAmerica.

Godward says Subway and Blimpie have had great success with kiosks, because their customers “know they can get in and out quicker by using order terminals.” Knight says kiosks range from \$5,000 to \$15,000 apiece.

“If you expect franchisees to spend 1,000 dollars, you better prove he can get back \$1,001,” says Rob Hough, Atlanta principal for Technisource, an IT firm that represents FOCUS Brands.

Hough, the former chief information officer for Popeye’s Chicken & Biscuits restaurants, knows not all operators will invest \$30,000 in technology to make their store more efficient. But he encourages franchisees to at least buy an integrated point-of-sale terminal, which he says are effective tools for controlling cash. With a point-of-sale terminal, “I know if my employees are robbing me.” On many point-of-sale terminals, employees clock in by swiping a card or pressing their finger against a scanner.

“This guarantees that nobody is buddy punching,” says Jim Melvin, chief strategy officer for PAR Technology. “You have tight control over early punches...With 40 to 50 people working a day, that’s a lot of extra labor if everybody punches in early.”

Melvin says point-of-sale software tracks audit events, too. “We track a few dozen events that would be related to employee theft, such as a credit card used multiple times,” he says.

David Litchman, the founder of Pockets, a 10-unit Chicago-based chain, has taken employee security measures a step further. He’s placed Web cams above registers and now watches stores from home. For a few thousand dollars, he could buy high-tech surveillance gear, but Litchman prefers the easy use and low price of his Internet-based camera. “All you have to do is plug the Web cam into your DSL router,” he says.

You could say Litchman is a proponent of all Internet-based technologies. After all, 35 percent of his sales come from online orders.

“About two and a half years ago, I decided to start taking orders through the Web site as opposed to the phone,” Litchman says. “The primary motive was a lot of our employees struggled with phone orders. They made a lot of mistakes, creating a customer experience that wasn’t positive.”

Since focusing efforts on Web-based ordering, Litchman says same-store sales have increased 10.5 percent per year while total sales have jumped 22.5 percent. And his customers are more than happy with the service, he says.

That doesn’t surprise Hough, who says, “Sometimes technology can boost customer experience,” especially in the drive thru.

With 63 percent (NRA 2007) of quick-service operators expecting the drive thru to account for more sales this year, owners are relying on technology to help push more orders through the window. To aid in this effort are order confirmation systems that up-sell, drive-thru timers that provide detailed reports on employees, wireless headset systems that sound crystal clear, and outdoor payment solutions that speed up service. But not all of this technology is proven, Hough says.

“I’m not sold on Speedpass,” he says. “I think the industry will go more toward cell phone (payments) or something a little more ubiquitous.”

In the kitchen

Kitchen management solutions link the front-of-house and drive-thru terminals to the back. This technology ensures accuracy and efficiency, says Heather Pitts, marketing director for QSR Automations, a provider of automations technology. Pitts says kitchen management software helps operators sort orders more quickly. For example, during lunch rush at a burger joint, a cook can set up 20 buns and “look at the monitor and put everything on the bun in the order it needs to go,” she says.

Kitchen display systems assist with add-ons and bin management, too, Pitts says.

“You can forecast based on historical data or make adjustments based on real-time sales. This allows you to keep items fresher,” Pitts says. As for those last-second add-ons, “there are add-on flags in the display monitor so the cook can see he needs to make the order quickly.”

Even with this high-tech help in the kitchen, “you’ve still got to make the food,” Godward says. In the food-making arena, technology has never been better for the quick-service restaurant.

There are dual-sided grills, microwave and convection combinations, impingement ovens, and holding equipment that allows operators to keep pre-cooked meats for long periods.

“You’re seeing holding equipment very widely in the burger concepts, where they cook the burgers very fast and hold them in drawers,” Godward says. “Another thing is manufacturers are bringing foods with a higher degree of preparation, whether it’s pre-chopped vegetables or pre-cooked products that just need to be reheated.”

Indeed, today’s restaurant has many advantages in production methods in the kitchen. But those advantages mean nothing if the proper processes are not in place.

“The companies that command their processes or train their employees will have a huge advantage that technology cannot give you,” Godward says.