

The Mobile Transformation of Restaurant Operations

2014

The Mobile Transformation of Restaurant Operations

Mobile technology is altering the behavior of both individuals and organizations in ways far more profound than anything conceived of during the growth and maturation of the World Wide Web. How we communicate, how we connect, how we learn, how we access data/information, and how we address daily challenges are all being transformed by the mobile experience.

While consumer use and utilization of mobile technology – smart phones, tablets, and the apps that power them – has been expanding for years, the adoption by enterprises is still in its early stage. Still, enterprise apps that address every operating process in the modern business are becoming a rapidly growing segment in the app development universe. Mobile devices, in all their various forms, have become the go-to tools for the daily activities in our personal lives and in accelerating the way business works.

For enterprises, this transformation is about much more than merely shifting employees from being deskbound to being mobile. It is about redesigning business processes and redefining business models by incorporating technology-driven features that are unique to mobility, such as location, presence and routing. Bringing together mobile devices and mobile apps developed specifically for the enterprise creates the potential for increases in efficiency by eliminating friction in traditional business processes.

According to a recent report by technology research firm Ovum:

Apps will drive the next phase in the evolution of enterprise mobility, creating new ways of working, and transforming existing business processes. In 2014, enterprise mobile apps will become a core part of the enterprise IT application stack. This will create challenges for the enterprise such as getting the UX right and enabling tight integration with internal systems. It also provides a big opportunity for app developers, systems integrators, and mobility management vendors.

Apps will drive the next phase in the evolution of enterprise mobility, creating new ways of working, and transforming existing business processes.

For organizations that already have a mobility strategy in place, the next phase will be to start mobilizing as many internal processes as possible to allow workers to perform their core tasks (beyond email) from whichever device they have in hand, from wherever they are.

True mobile enablement in the restaurant is about more than just front-of-house (FOH) applications, whether in the hands of a server taking orders or a table-top device loaded with games and self-ordering capabilities for diners

While some organizations and industries have struggled to understand how mobile enterprise apps can improve their business, the restaurant sector has been a successful and early adopter of the technology. Initially, mobile devices were used to improve the customer experience in the ordering of food and drinks and through payments. While many enterprises have realized tremendous improvement in all elements of the dining engagement, fewer have used the mobile platform for improving their core operating processes. True mobile enablement in the restaurant is about more than just front-of-house (FOH) applications, whether in the hands of a server taking orders or a table-top device loaded with games and self-ordering capabilities for diners. From an overall restaurant operations standpoint, though, the reach of tablets goes far beyond ordering and entertainment.

Mobile app developers creating solutions for restaurants discovered rather quickly that there was a limited amount of productivity gain available from mobile device use in the front of the house (FOH). The more robust and material gains in productivity and profitability would be realized by developing enterprise apps to be used in the back-of-the-house (BOH) where labor, inventory, and regulatory risk management could all be transformed by mobile technologies. EZ FORMS, a checklist and audit compliance app, has emerged as an example of a successful Mobile Enterprise Productivity solution for the restaurant BOH. EZ FORMS allows restaurants to collect operational process data via a mobile device and provide management with business analytics and real-time insight into operational efficiency. This solution has become a platform to reinvent core operational and administrative functions and build more efficient and innovative businesses.

Like many other industries, the restaurant sector has been slow to embrace digital solutions for many of their most critical business processes. As the mobile movement has matured and expanded, the opportunities to experience real change in traditional business process within and across sales, training, and operations has become more obvious.

Back of the House (BOH)

Fast casual and quick-serve restaurant companies have begun to use tablets to automate HACCP compliance across their population of dining sites, replacing paper ledgers at individual stores with tablet-based checklist apps that automate and store details such as freezer temperatures and cleaning schedules.

Enterprise app solutions developed specifically for mobile platforms are the next frontier for food service providers. Fast casual and quick-serve restaurant companies have begun to use tablets to automate HACCP compliance across their population of dining sites, replacing paper ledgers at individual stores with tablet-based checklist apps that automate and store details such as freezer temperatures and cleaning schedules. These restaurant checklist apps can also send real-time alerts when an unexpected variance is detected to store managers and headquarters staff to allow for real, or near real-time proactive response to variances.

Tablet and “phablet”-based checklist apps can also provide tremendous flexibility in developing customized forms to address all manner of managerial tasks, such as calendars, emails, and special events that currently require back-office computers. Cloud-based enterprise apps combined with mobile devices facilitate sharing among geographically dispersed restaurant managers, regional managers, and the corporate headquarters, creating a de facto interactive decision-support tool that can leverage critical historical and real-time data to improve decision making.

Staff turnover has always been a challenge in fast casual/QSR operations, making training a critical process for the industry. Beyond initial training of new hires, there is a constant turnover in menu items requiring ongoing training on proper food preparation. Running a restaurant chain efficiently at scale requires systems and processes that work well across the enterprise. With the continuous churn in both staff and offerings, training is a weekly activity and with the majority of new hires being in the 18 – to-25 age bracket, their familiarity with mobile technologies makes training on the mobile platform a key application of mobile technology.

Food safety and inspection remains the most critical operating process for dining establishments. One instance of failed food safety management can result in material liability for the organization in terms of fines and suspension of operations by federal, state and local regulatory agencies and, more importantly, loss of confidence by the customer population. Mobile audit platforms provide capabilities to perform lines checks, monitor food temperatures, and maintain food storage standards at the individual store level and across the entire organization.

Dave & Buster's: A Dynamic Transformation Using Mobile Technology

When Helmuth Mayer joined Dave & Buster's as their Director of Strategic Initiatives, he discovered a need and an opportunity to “digitize” business operations and their key processes using mobile technologies. While front-of-the-house activities were obvious candidates for mobile applications, he viewed the back-of-the-house operations as the more strategic opportunity for improvements in efficiency and effectiveness.

Dave & Buster's is the leading owner and operator of high-volume venues that combine entertainment and dining in North America for both adults and families. Founded in 1982, the core of the concept is to offer guests the opportunity to “Eat Drink Play Watch®” all in one location. Their business model combines dining, drinking, and a large arcade game area to deliver a unique experience that has allowed them grow to more than 70 locations in the U.S. and Canada.

With growth comes the need to focus on standardization and process efficiency to guarantee high-quality customer experiences across the company. Soon after Mayer's arrival, he saw that Dave & Buster's stores were stuck in the 1980's, technology-wise, with processes that were paper-based and manual for the most part. Compliance checklists at the store level were just one, albeit critical, example of an opportunity to employ mobile technology to increase efficiency and effectiveness by transforming how activities were executed.

The initiative to remake the BOH operating processes at Dave & Buster's was led by Mayer with strong support from the Company's COO and CTO. In conceiving the project, leadership had three key impacts on their business they expected to achieve with a solution:

1. Improve accountability of their store managers for reporting and compliance at the store level
2. Increase transparency into operations at the store level, across the store population, and at the aggregate corporate level.
3. Establish an analytical approach to decision-making across the enterprise via improved data collection/management and access to real-time data.

“Due to the fast paced growth of D&B, it was time to proceed with a digital solution to some of our basic compliance and routine checks across the organization. We have concentrated our efforts in technology that are guest-centric, but now we believe it is time to focus on our back of the house operations.”

Greg Clore, President of Information and Technology at Dave & Busters, Inc.

With those goals in mind, the Company was fortunate in quickly finding EZ FORMS, which had been developed and refined over several years at large fast casual/QSR chains. During a highly collaborative development and integration cycle, the initial focus of the project was determined to be the creation and implementation of a BOH checklist that would be instrumental in upgrading health code and health department compliance, an important area for risk management in the restaurant business. Also deemed critical was building and installing a comprehensive checklist for kitchen operations.

After implementation and launch of the new BOH checklist solution, Dave & Buster's began realizing measureable benefits within weeks. Accessing the new app on tablets at the store made “pencil whipping” a thing of the past as data that is collected at store-level is accessible by both corporate and other stores in the system. The design of the app makes it almost impossible for managers and staff to falsify temperature readings in the kitchen, as Bluetooth thermometers automatically collect that data and transmit it to the tablet and up to headquarters. They now have the ability to take pictures and save images, such as pictures of temperature gauges to validate readings, which is critical for regulatory compliance.

When I joined Dave & Buster's, it was clear that we needed to "digitize" our restaurant operations in a significant way and the back-of-the-house processes offered a tremendous opportunity for us to create some competitive advantage.

*Helmuth Mayer,
Director of Strategic Initiatives at Dave & Buster's Inc.*

Since the initial launch of the solution, Dave & Buster's has discovered new ways to use EZ FORMS, such as training checklists for food server and class room training validation, regional director checklists, safety and walk-through checklists, and facilities maintenance reviews. All health department regulatory information and data is now housed digitally, after collection by mobile devices at the stores, creating an easier and far more accurate reporting process. Marketing support for the stores has also been enabled with POP materials easily accessed on tablets via the cloud. The checklist app has also been extended into the front-of-the-house with use to ensure that arcades games are maintained in good and working order, tables are wiped clean, and floors are clean and dry.

The Mobile Enterprise Productivity Imperative

What makes sense for one industry may not make sense for another and what makes sense for one competitor in an industry may be different for another but, as the successful BOH project at Dave & Buster's has demonstrated, mobile technologies possess a clear set of value impacts when applied to traditional, core business processes in the casual dining sector.

Restaurant top and bottom lines, as well as core business processes, possess the potential for material improvement as executives, managers, and frontline professionals begin to understand the vast opportunities of mobile technology. What is so compelling is that the lower costs, usability, and the ease and sophistication of enterprise apps developed to improve operational processes and built on native mobile platforms allow almost any restaurant chain to take advantage of their capabilities.

For restaurant operators, there are four key questions to consider as they begin the transformation towards employing mobile devices, technologies, and apps to improve and redesign core operating processes and tasks.

1. Where can mobile provide meaningful, measureable, and direct impact to restaurant operations?

2. How can you ensure that staff and management will use the mobile app?
3. Will your mobile platform/app be flexible enough to address discrete tasks?
4. Can your mobile apps deliver real-time visibility into operations and what data do you need to support real-time decision making?

The answers to those questions can provide a framework for building a mobile enterprise strategy that is flexible, adaptable, and transformational. Better data accessed at greater speed will continue to be the coin of the realm in making better, timelier business decisions. Mobile technologies have proven themselves as the platform for delivering on the data access promise.

Mobile technologies have already become central to the everyday life of individuals. The migration into the enterprise is gaining momentum across all industries and will likely continue to accelerate as success stories such as Dave & Buster's enter the mainstream. Much as the desktop computer revolution and the networked computing environments demonstrated upon their adoption by the enterprise, the mobile technology revolution will radically alter the way business is conducted. The key to the mobile transformation in the enterprise is getting everyone in the company to think differently and execute differently. Ultimately, this will require businesses to change how they organize, operate, and deliver their products and services.