EBOOK

4 WAYS TO CUT COSTS AND BOOST PERFORMANCE IN YOUR RESTAURANTS

YOOBIC

Table of Contents

The Restaurant Industry's New Reality

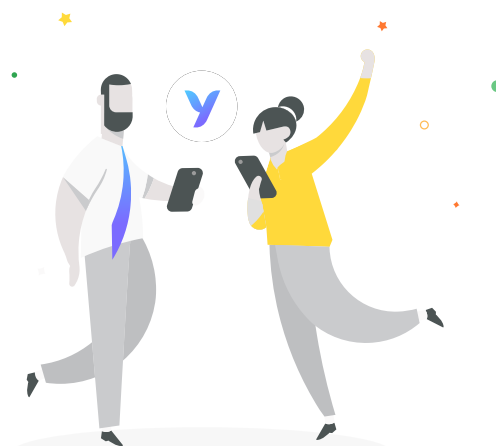It's the understatement of the year to say that restaurants are facing a challenging road ahead. Business continuity depends on a restaurant's ability to rise to, and overcome, each challenge along this road.

The new realities restaurants face fall into 3 main categories:

#1 Profits

▶ Drastically **reduced restaurant capacity**

▶ **Hesitant, anxious** consumers - nearly 25% won't dine out until a COVID-19 vaccine exists[1]

▶ Consumer adaptation to **delivery and pickup** only during lockdown

#2 People

▶ **Heavier workloads** and more responsibilities, like enforcing COVID-19 safety regulations

▶ **Fewer frontline employees** - 8+ million have been laid off or furloughed since the beginning of the crisis[2]

▶ **Fewer restaurants** post-reopening - 4 in 10 will remain closed[3]

---

[1] Patricia Cobe on Aug. 28, 2020. "4 'Diner Personas' Reveal What Motivates Restaurant Customers in the Age of COVID." Restaurant Business. Accessed September 24, 2020. https://www.restaurantbusinessonline.com/consumer-trends/4-diner-personas-reveal-what-motivates-restaurant-customers-age-covid.

[2,3] "Industry Research." https://restaurant.org/manage-my-restaurant/business-operations/covid19/research/industry-research.

#3 Pressure

▶ 10 years' worth of **digital adoption** by consumers and businesses crammed into just 90 days[3]

▶ Rapidly shifting customer **values and expectations**

▶ Every restaurant operator and their competitors all jostling to **stay one step ahead of the curve**

These new realities have made operating a restaurant costlier than ever.

Every restaurant's main priority is now to cut costs - but without sacrificing the quality of the guest experience or team performance.

How can restaurant and hospitality companies change the way they operate their locations to reflect these seemingly competing priorities? Is it even possible to reconcile them?

It is - with the right approach, that's powered by tech.

Here are 4 ways tech can help you cut the costs of operating your restaurants while actually improving performance.

[3] Adhi, Praveen, Andrew Davis, Jai Jayakumar, and Sarah Touse. "Reimagining Stores for Retail's next Normal." McKinsey & Company, May 8, 2020. https://www.mckinsey.com/industries/retail/our-insights/reimagining-stores-for-retails-next-normal.

1. Switch to Digitized, Remote Restaurant Audits

Restaurant audits are like a regular doctor's checkup for each location. They monitor the quality of guest experience, verify compliance with health and safety guidelines, and help frontline teams perform their best.

However, field teams are stretched thin and don't have enough time to visit every restaurant in their territory. There are fewer field employees post-COVID-19, and the cost of their travel to and from each location really adds up.

But sites are under more pressure than ever, and need the coaching, support and correction field teams provide during a visit to adapt to the challenges of the restaurant industry post-COVID-19.

To be effective post-COVID-19, restaurant audits must:

- ☑ Help organizations cut costs

- ☑ Reduce the risk of spreading COVID-19 that comes with every in-person interaction

- ☑ Help field teams make the most of the limited time they do have in-store

- ☑ Empower franchised locations to be more autonomous

How can restaurants update their audit procedures to tick off each of the 4 boxes above?

By using tech to make in-person audits more efficient, while also giving field teams the option of **completing audits remotely.**

The Remote Restaurant Audit Process

Complete 'self-audit' report

Give feedback and action plans

Example:

A regional manager has 25 sites to visit. With all the time spent traveling, the regional manager only has time to visit 2 sites per day. That's only 10 sites visited in a week. But by using digitized, remote restaurant audits, the regional manager can easily complete audit procedures virtually for 4 sites per day (20 per week).

The regional manager visits the remaining 5 sites in-person, since they need some extra support on implementing COVID-19 safety procedures that's best delivered face-to-face.

How remote restaurant audits cut costs and improve performance:

#1 They help field teams cover more locations

There simply aren't enough hours in a week for field teams to visit each of the restaurants in their territory. The result is that some locations are over-visited, while others - especially franchises - are under-visited. Performance and consistency suffer.

Remote restaurant audits save field teams so much time that they can visit 50% more locations - whether in-person or remotely. Now, field teams have complete coverage of every site in their territory, and can even add more locations to their roster.

#2 They slash travel costs

There's no gas, hotel and phone bills involved with remote audits. These savings can be reallocated to other areas of the business.

Cost savings for 25 regional managers

Average monthly travel costs per manager pre-COVID-19:

$1,800

Average travel costs saved with remote audits per manager:

$900

Total saved per month with remote audits:

$22,500

Total savings per year

$270,000

(Source: YOOBIC customer data)

#3 They save time

The time field teams spend traveling to and from audits really adds up.

With remote audits, field teams save hundreds of hours of time that they can spend on remotely coaching frontline teams, visiting sites that need in-person support, and even increasing the number of sites in their territory.

Time savings for 25 regional managers

Average weekly time spent traveling pre-COVID-19 per manager:

15 hours
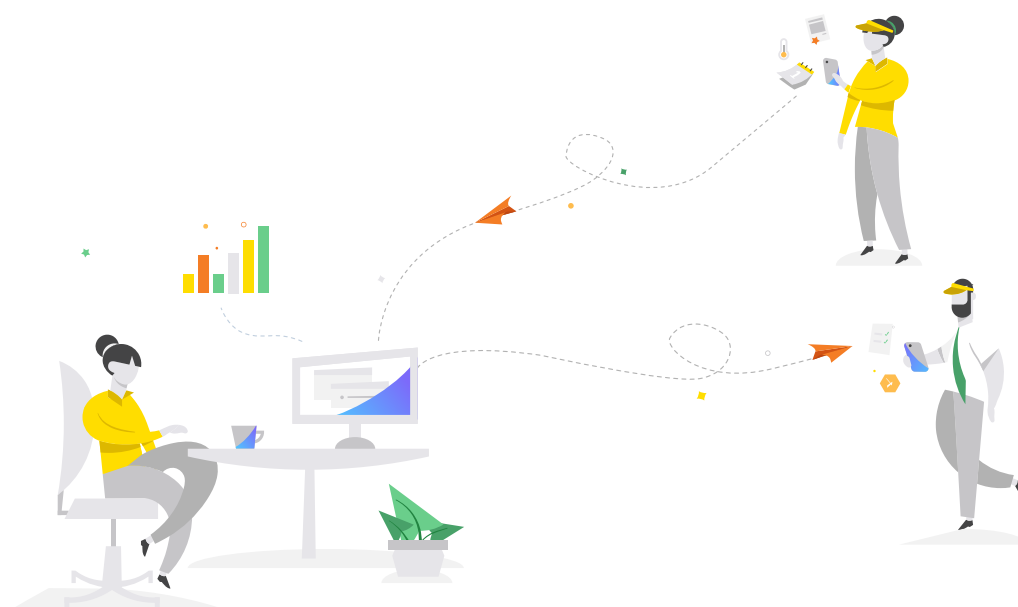
Average weekly travel time saved with remote audits:

375 hours

Total time saved per month:

1,500 hours

Total time saved per year

18,000 hours

(Source: YOOBIC customer data)

2. Digitize Restaurant Task Management

78% of consumers[5] miss dining out in their favorite restaurant. A further 74%[6] want to continue supporting their local restaurants whenever possible after the pandemic.

But there's one thing holding consumers back - a lack of trust that their dining experience will be safe.

Restaurant and hospitality companies can rebuild this trust by rethinking the way frontline teams execute on restaurant tasks.

That's because compliance with COVID-19 SOPs - and ultimately consumer safety - is completely dependent on the quality of task execution.

What prevents perfect execution on important tasks like line checks, sanitation checklists and displaying the correct signage?

The use of manual, outdated procedures for task management that rely heavily on paper and email.

Use tech to digitize and streamline restaurant task management to make it easy for frontline teams to be compliant, while giving HQ visibility into what's going on in every location so they can better support the entire network.

---

[5] "Understanding the Restaurant Guest 6 Months into COVID-19." https://www.qsrmagazine.com/consumer-trends/understanding-restaurant-guest-six-months-covid-19

[6] "Embracing Consumer Changes for Long-Term Restaurant Success." https://www.qsrmagazine.com/outside-insights/embracing-consumer-changes-long-term-restaurant-success

How digitized task management cuts costs and improves performance:

#1 It makes frontline teams more efficient

Executing tasks manually comes with the risk of human error.

A digitized platform for task management helps frontline teams get the important things done faster and more accurately, so they have more time to spend creating an outstanding experience for guests - even if it's from 6 feet away.

#2 It reduces risks

Digitizing task management reduces the risk of:

▶ **Compliance issues** becoming more costly and time-consuming to fix down the line

▶ Guests and employees **getting sick**

▶ Incurring **expensive fines** that damage your brand's reputation

A digitized task management platform automates time-consuming admin procedures and helps teams execute tasks perfectly - the first time. This is the safest way to operate a restaurant in the COVID-19 era.

#3 It builds brand loyalty

59% of consumers[7] rank cleanliness and safety as their top priorities when ordering food. But they also value the experience they've really missed during lockdown.

The onus is on restaurants to build consumer trust by visibly and consistently demonstrating that guest safety is at the core of restaurant layout, SOPs and inter-actions between guests and staff. Trust builds loyalty, and loyalty builds larger consumer lifetime values, which grow sales.

[7] https://go.intouchinsight.com/consumer_beh_survey_report_2020/

3. Go Mobile-First to Train and Communicate with Frontline Teams

Training and employee engagement budgets were the first to be slashed during the COVID-19 crisis.

This is the wrong way to cut costs, because it leaves your company completely unprepared for whatever the future holds. Specifically:

▶ Frontline employees **feel demotivated** with the lack of transparent communication about the future of the company and their roles

▶ Frontline employees are **caught by surprise** when it's time to return to work

▶ Frontline employees **aren't prepared** for the onslaught of new procedures and technology they'll face once they're back on the job

▶ Frontline employees **aren't ready** for the next stage of company growth post-COVID-19

Combining training and internal communications in **one mobile-first platform** gives frontline employees what they need to perform their best amidst uncertainty - and it's available anywhere, anytime.

Communication

Mobile Learning

One unique platform
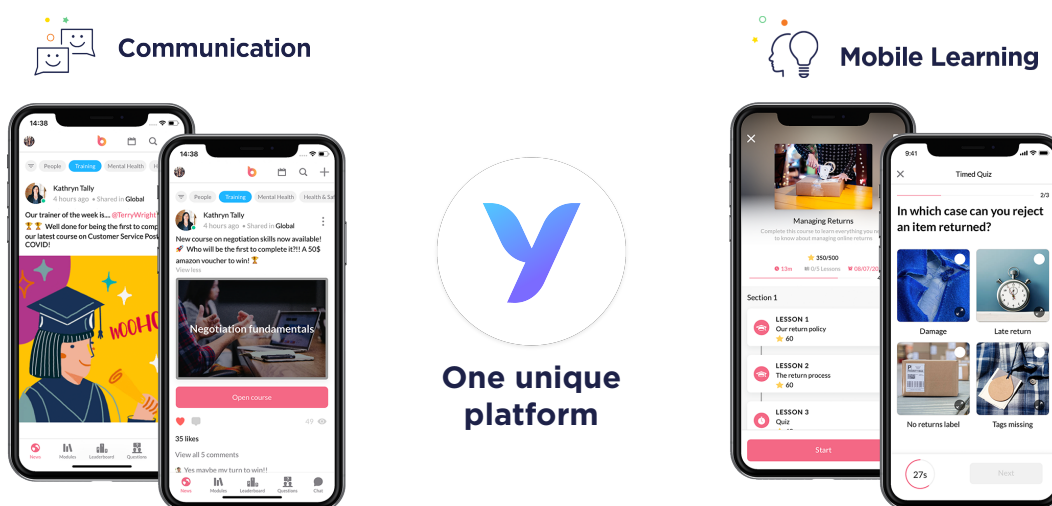
How a mobile-first training and communications platform cuts costs and improves performance:

#1 It makes training more efficient

Employees can get the resources they need on the go. They can also use their mobile devices to get support from their peers.

And since mobile learning is less expensive, less time-consuming and reaches more employees than traditional workplace learning (e.g. webinars and classroom sessions), each employee can **do more with less**, and that's what operating a restaurant post-COVID-19 is all about.

#2 It grows sales by improving guest experience

Employees will make time for learning if it fits into their daily workflow. That means they're actively engaged in improving their product knowledge and skills.

Customers are drawn to knowledgeable, helpful frontline employees after so many months of social isolation. Perfectly trained employees are the best personification of your brand and the best way to draw consumers back into restaurants.

#3 It creates an engaged and reactive workforce

Frontline employees are usually the last to know about company news and updates, which leaves them prone to feeling disengaged.

But with a mobile-first internal communications platform, **all** employees are kept in the loop. One announcement reaches thousands of employees in an instant, keeping them up-to-date on important health and safety information, new SOPs, new tech they'll be using and more. They can now react quickly and be prepared for whatever the future holds.

4. Consolidate Tools into One Platform

Does anyone do their best work with 35+ tabs open on their browser?

Similarly, do frontline and field teams do their best work when they're constantly jumping back and forth between different tools and systems instead of focusing on guest experience?

On average, frontline and field teams use around 20 different apps for everything from site operations, health & safety, training, internal communications, data entry and more.

- ▶ Excel to complete audit reports

- ▶ An app to complete food safety checklists and temperature records

- ▶ A Learning Management System for training

- ▶ An intranet for company news and updates

- ▶ A system for reporting maintenance issues

But by **consolidating these 5 tools into one**, the QSR's field teams now spend less time jumping between different platforms. They don't have to duplicate data entry. HQ can retire tools like outdated CRMs, **which cuts costs.**

How consolidating tools cuts costs and improves performance:

#1 It reduces licensing costs and simplifies vendor management

Using one platform means fewer vendors to pay, less overlap between tools, and simplified vendor management.

Licensing costs are reduced, and the quality of support from the vendor is better since they understand a wider scope of your business.

#2 It makes employees more efficient

Employees spend less time jumping between apps and tools. There's no time lost on duplicating data entry or tasks, since everything is centralized. Everyone saves time by only having to complete training for one tool, rather than multiple ones. Tools must be simple for busy frontline teams who are always on the go and have more responsibilities than ever.

#3 It makes the entire organization more agile

Using one platform for field and frontline teams gets rid of data silos and gives organizations full visibility into what's going on at each site.

That visibility creates speed and decisiveness. Speed and decisiveness make an organization better placed to quickly solve issues and adapt the dining experience to meet consumer expectations.
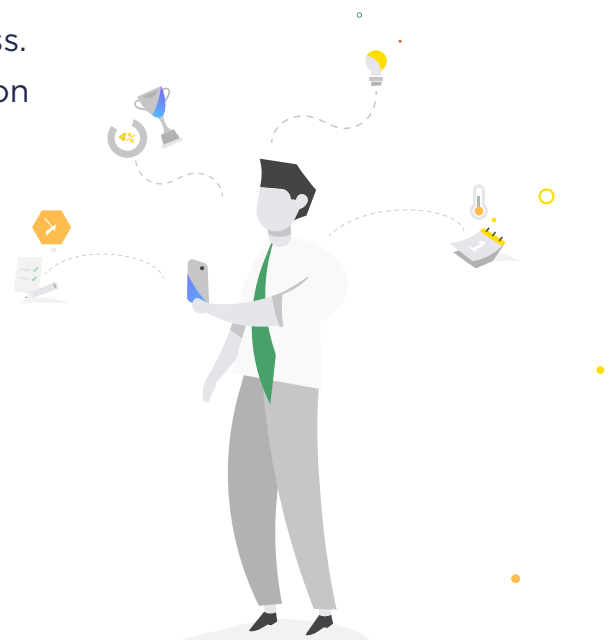
Key Takeaways

By rethinking site operations with tech, restaurants can cut costs without sacrificing improvements to guest experience or team performance.

Here's how:

✓ By **using remote restaurant audits** to cut travel costs, save time and give field teams a broader coverage of site performance

✓ By digitizing restaurant task management to boost employee efficiency, reduce risk and increase brand loyalty

✓ By **using mobile-first team training and communication** to improve productivity, grow sales and adapt quickly to change

✓ By **consolidating apps and tools** into one centralized platform to cut vendor costs, improve team efficiency and boost organizational agility

It might seem as though dining out and the post-COVID-19 world are at complete odds with each other.

How can restaurants ever go back to normal with so many constraints and such hesitant consumers?

It might take time, but with a new approach to operating restaurants that's powered by tech, organizations can shape a new restaurant reality that keeps **consumers safe and happy**, **refocuses frontline employees** on what's important, and **keeps costs low**.

ABOUT **YOOBIC**

YOOBIC's digital workplace helps QSR chains like Domino's, BurgerFi, Urban Plates, Bareburger and Bolay drive operational excellence while drastically improving the employee and guest experience by giving restaurant teams the tools they need to communicate, learn and work, all in one place.

Get a demo to learn how YOOBIC could help you sboost performance and reduce operational costs!

GET A DEMO