

# QSR TECHNOLOGY POWERS THE GROWTH OF THE RESTAURANT MARKET

## *Quick Serve Restaurants and Digital Signage*

By David Keene, and Alan C. Brawn

In the rapidly evolving world of digital signage, it would be hard to find a vertical market that is growing more rapidly today than Quick Serve Restaurants. This has not always been the case. Over the last few years the QSR industry has been struggling with slow growth and low profitability due to a barrage of factors: loss of momentum from the recession of 2008 forward, me-too marketing, consumers who view QSRs as providing similar experiences, food preference trends, and more. We have all seen the attempts at differentiation, like the famous dollar menu, single price drinks regardless of size, and two for one specials, all intended to drive growth, but the more they tried to look different, the more they looked the same. Regardless of these attempts, the QSR industry remained flat over the last few years, but the good news is that it is now growing for many companies, and at a healthy pace.

NDP analysts reported earlier this year that the U.S. food-service industry in 2015 recovered the visits it lost during the recession and long recovery. The research group estimates that 2015 ended with total traffic volume at 61 billion, with visits up 1% and a consumer spending gain of 3% compared to same time last year. Significantly, NPD reported that the drivers behind foodservice growth were breakfast foods, QSR traffic growth, and menu innovation.

Technomic, another restaurant industry market research firm,

projects sales at limited-service restaurants including QSR will increase by 2.2%, full-service by 2.5%, and bars and taverns by 1% in 2016. That's a healthy increase for QSR. And they also note that fast casual will have even greater growth, with a projected sales increase of 8%.

So QSR, and fast casual, are big drivers of the restaurant industry going forward. And that bodes well for digital signage—with effective marketing vision and the creative use of digital signage both inside and outside the QSR to meet expanded objectives.

“The market for digital signage in QSR's is still wide open”, commented Dave Van Epps, global chief product officer and EVP of local sales for Mood Media. “Many of the franchisees, who represent 90% of the restaurant count with many brands, have held out in the first couple of deployment rounds. Much lower

screen prices and the introduction of integrated and/or inexpensive media player hardware have changed the ROI conversation.”

“Fast casual restaurants are one of the fastest growing segments and demand for digital signage is just as strong than in QSRs”, said Richard Ventura, Vice President of Business Development and Solutions for NEC Display Solutions. “However, a major point of differentiation is fast casual restaurants usually have nowhere near the amount of locations. Fast casual restaurants want customers to spend more



Samsung, Digital Signage Solutions Centre (DSSC) Europe and Peerless-AV help Italian coffee roasting company illy serve up a visual feast for the eyes at its flagship Regent Street store in London. Split over two floors, illycaffè Regent Street has a modern and bright ambience. Italian artwork adorns the walls, a specially commissioned chandelier made from 216 illy espresso cups hangs gracefully from the ceiling, and bold, bright and eye-catching digital displays are dotted around the café to reinforce brand identity, promotions and campaigns. For the mounting solution, DSSC Europe chose 12 x DS-VW765-LAND Full-service Landscape Video Wall brackets from its preferred mounts supplier Peerless-AV. The mounts offer the required alignment and depth for the existing wall niche so that the displays appear clean and flush, with no unsightly gaps, and are secured into place against the wall with a spring-loaded mechanism on each mount. They also offer a pull-out/prop-open action for quick, intuitive and hassle-free service access in recessed applications such as this.