

Tipping Point

Why digital signage is the new must-have for quick-service operators.

rom gas pumps to billboards, there's no question that digital signage is everywhere. Looking to the future of customer communications, many quick-service operators around the country are implementing new menuboards, drive thrus, and messaging platforms in order to capitalize on the trend.

"The industry has reached a tipping point," says Brian McClimans, vice president of sales at **Peerless-AV**. "If a quick-service restaurant doesn't have digital signage installed or a plan to do so, they will inevitably fall behind their competitors in 2019."

Overhauling static materials with digital options is part of a larger ideological shift which ensures brands are on message, all the time.

"Broad technology, including larger displays and projection mapping, will make signage more about creating a larger customer experience," says Charity Rivera, senior vertical account manager for **NEC Display Solutions of America**. "Even further, digital signs have the potential to become part of a larger system that provides analytic insights about customers to restaurant operators."

Digital signage contributes to the customer journey in several ways: identifying store locations at roadsides, notifying guests of special promotions in entryways, communicating offerings with menuboards, guiding transactions through kiosks, and reinforcing brand awareness in dining rooms.

The more customers engage with this technology, Rivera says, the more opportunities a brand has to collect information, which can then be integrated into a loyalty program or other information system for the purpose of continuing communications. The challenge for some operators is



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integrating the various display units while maintaining a streamlined service area.

"Businesses in the restaurant industry want displays with incredible picture quality," says Garry Wicka, head of marketing at **LG Electronics USA**, "but also digital signage that integrates into the restaurant environment."

Wall-mounted units are a popular

choice among operators because they don't compete with walkways or occupy unnecessary space in the dining room. Low-profile displays—such as ultra-narrow video walls indoors or transparent outdoor surfaces that don't block storefronts—are essential, Wicka says.

However, the most important thing operators can do when implementing dig-



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ital signage is to ensure they have a specific reason in mind for doing so and a plan for maximizing the investment. When it comes to menuboards, for example, some operators fail to use the complete range of product functionality, and instead apply the same strategy of a static menu to the digital display.

"The development of the menuboard

parts with dynamic content, implementing high-quality images of offerings, and pushing messages about special promotions or limited-time items.

"Front of house applications need to engage the audience to drive sales," Rivera says. "Dynamic menuboards can communicate deals to customers—and, perhaps in the near future, even provide cusDining room installations can provide consumers with added value and information in order to enhance their customer journey.

"Digital signage can help engage guests like never before," Wicka says. "While waiting in line to order or pick up their food, customers can be entertained, kept abreast of wait times, see unique offers,

and perhaps get directions for how to upgrade their order."

NPD research shows that foot traffic in restaurants has increased nearly 60 percent during the past five years—a boon for operators, but also a contributor to longer wait times and slower service. Using static signage to communicate with waiting customers is no longer effective, particularly when it comes to younger populations, such as millennials and Gen Z. By implementing digital displays, restaurant operators have seen up to a 35 percent decrease in perceived wait time, according to a 2018 Nielsen report.

"In-store screens are yet another channel to leverage broader marketing strategies, such as converged media, crosschannel amplification, and A/B testing," Van Buren says. "It's all about presenting the right content to the right audience at the

right time."

On average, guest attention and recall respective to digital signage is significantly higher than with static signage. In addition, digital platforms increase an operator's ability to sync information between the POS systems on-site and other applications, such as social media or an email loyalty program.

"The world of social media and digital signage are merging with the use of beacons and geofencing," says Randy Poindexter, senior vice president of marketing for Bojangles' Restaurants. "These features send prompts to customers when they enter a particular restaurant space to download an app that will then continue to send digital messaging to their smart



"It's all about presenting the right content to the right audience at the right time."

strategy and information design are critical," says Manolo Almagro, managing partner for **STRATACACHE**. "The best technology is rendered useless if the content strategy is just a digital representation of old analog signs and menus."

Almagro recommends starting from scratch with strategies that are specific to digital menuboards—optimizing day-

tomer-specific deals based on behaviors or demographics."

In addition, digital signage can be used to continue messaging to eat-in diners. By promoting social media channels where customers can engage, for example, operators can ensure that customers are thinking about the brand long after they leave the restaurant.

"There's been a steady trend toward leveraging digital signage in the dining room," says Morgan Van Buren, global vice president of product management and delivery at **MOOD Media**. "It is critical for operators to know their customers' expectations and have a specific content objective for each screen throughout the restaurant."

(6)



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devices, providing directions, discounts, and promotional content in order to keep them engaged with the brand."

A 2018 Nielsen study showed that digital signage is more than 30 percent more effective than static signage at marketing food items. Compared with identical items advertised on traditional signs, sales for food advertised on digital platforms increased 49 percent, compared with only 15 percent sales increase for food advertised with analog materials.

"It has become the norm, rather than the exception, for restaurants across segments to have digital menuboards and signage," Poindexter says."Gone are the days of simple television screens with static content—here to stay are high definition graphics, animation, video, and interactive capabilities."

According to Poindexter, one of the best attributes of digital signage is that it provides a green solution to traditional signage materials that are made from non-recyclable, synthetic materials. Compared with backlit display boxes—which require a lot of energy and printed materials that have to be replaced fre-

"Digital signage is an important tool in a quick-service restaurant's arsenal to keep customers coming back time and again."

quently—the brighter and lighter nano-lumens technology of digital display screens require less energy and offer a much better display solution.

"The environmental friendliness alone is something that younger customers will appreciate," Poindexter says. "Add that to the improved customer experience and digital signage is almost certain to generate increased loyalty among patrons."

"The younger generation has grown up with digital content," Van Buren says. "They are conditioned to respond to anything that appears on a screen."

One of the biggest mistakes operators make with digital signage is simply duplicating static menuboard designs into the digital equipment, according to **Xenial**'s vice president for sales Tracy Gallimore. However, the real potential of digital goes far beyond messaging.

"Integrating pricing to POS so prices change dynamically throughout the day based on dayparts and special offers is one way to maximize digital menuboards," Gallimore says. "There are also dynamic marketing opportunities—such as promoting LTOs more aggressively in order to clear inventory, upsell, and incorporate order confirmation into drive thrus—which increase ticket averages and improve order accuracy."

In addition, operators can typically update the information on digital displays remotely, which can be a huge benefit to those working with multiple units. Through applications installed on their mobile devices, operators can make menu

changes, check on sales, and respond to metrics in real time by pushing out new content or special offers.

"Operators should avoid replicating the look and feel of their old static signage," McClimans says. "Digital offers a greater opportunity to highlight menu options and rotate between them, which keeps the content fresh and clean."

McClimans suggests using professional photographs to enhance menu offerings and provide customers with a visual aid for what they're ordering. Because visual advertisements also trigger consumer behavior, operators can optimize their digital displays with menu items that are best suited for upselling.

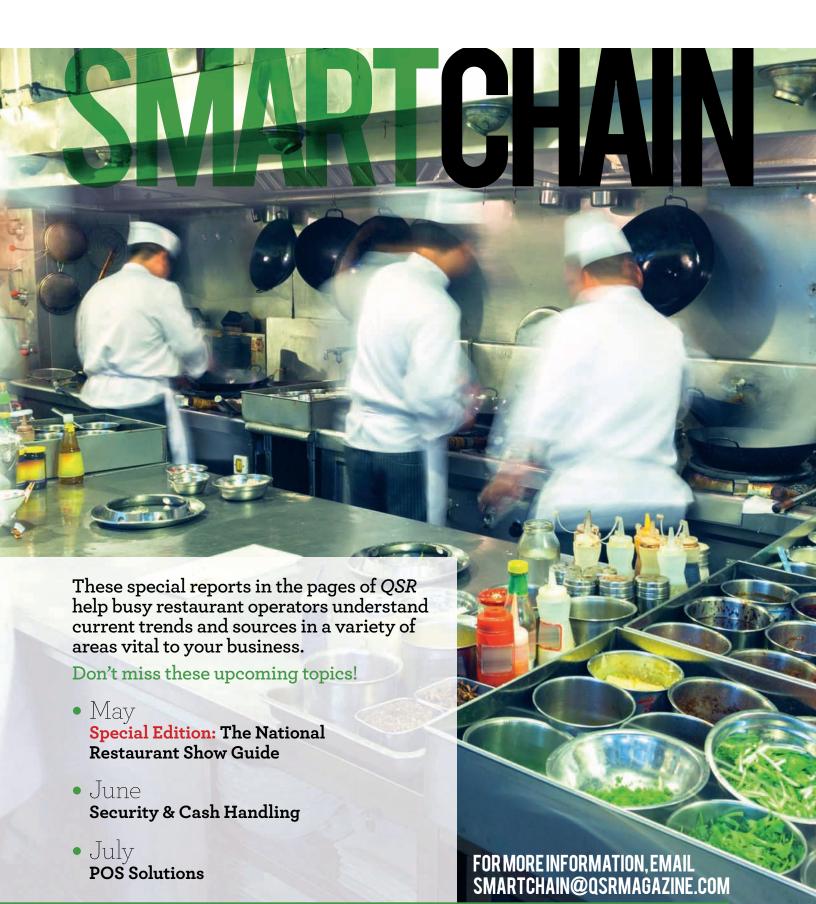
"In order to maximize the power of digital signage, there has to be a fundamental shift from traditional static perceptions," Van Buren says. "An effective strategy becomes essential when you define your audience, your objectives, and your priorities, then execute your plan and sustain your efforts—digital signage doesn't run itself."

Many operators anticipate the implementation of digital signage to be too expensive and much more costly than that of static signage, according to McClimans. But he says the true focus should be on the cost savings related to efficiencies offered by digital equipment.

"For example, during recalls restaurants have a very difficult time updating static menuboards and informing customers of product changes," McClimans says. "If a restaurant has digital menuboards in place, each unit can correct menus within minutes at a much lower cost."

In addition, digital signage builds brand trust and reputation among consumers. According to a survey conducted last year by Arbitron, 86 percent of business owners who had installed digital signage reported a belief that the signs had attracted new patrons.

"When customers are comfortable at an establishment and feel their needs are being met, they tend to be more loyal," Wicka says. "Digital signage is an important tool in a quick-service restaurant's arsenal to keep customers coming back time and again."



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Digital Divide

New signage technology is improving the drive-thru experience for customers.

uick-service restaurants see more than 60 percent of their daily revenue coming from drive-thru ordering, according to Brian McClimans, vice president of sales for **Peerless-AV**.

"In 2019, there will be a mass adoption of digital signage," he says. "More than 10,000 drive-thru lanes will be implemented with outdoor digital menuboards."

According to data from Nielsen, the digital signage market is set to grow nearly 10 percent by next year. A particular portion of that growth will be seen through the installation of new drivethru menuboards and order confirmation screens. CJ Mays, chief operating officer of **Uni-Structures**, attributes this growth to initial implementation by brands such as McDonald's and Dunkin, who led the way with digital drive thrus in their next-generation stores.

"Outdoor digital signage is here," says president and CEO Doug Watson of **The Howard Company**. "Digital drive thru menus are being installed in every city."

As with the indoor digital menuboard, there are some key benefits to implementing new displays within drive-thru areas. For example, offerings can be rotated automatically for different dayparts or updated at a moment's notice to correspond with seasonal or limited-time offers.

"The use of digital signage for menuboard solutions is critical as the restaurant industry continues to grow," says Garry Wicka, head of marketing at **LG Electronics USA**. "Displaying crisp, accurate colors with immersive detail in order to accurately depict food to customers is crucial for quick-service restaurants in particular."

Whereas static menu materials can be expensive and time-consuming to



replace—and as a result may oftentimes display outdated offerings or incorrect prices—implementing dynamic displays in the drive thru contributes to a consistent brand image, regardless of how the customer chooses to transact. When both the indoor and outdoor menuboards are digitized, operators can ensure that menu messaging is consistent and up-to-date.

"Quick-service operators spend a great deal of time and money to offer a strong brand identity inside their stores," McClimans says. "However, there is often no attention being paid to the brand identity in the drive thru. Digital signage is helping brands to focus more on their customers' drive-thru experience and create something different from competitors."

A challenge that operators often face

In 2019, more than 10,000 drive-thru lanes will be implemented with outdoor digital menuboards."

with any sort of drive-thru display is outdoor placement and its vulnerability to the elements—rain, sunlight, direct heat, and humidity are a danger to oldschool paper and plastic menuboards in particular.

Although digital menuboards should be equipped with cooling fans and moisture chambers, most newer models come with standard weatherproofing to protect We didn't invent the drive-thru but we **DID** make it better!

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equipment against the elements, saving operators the cost of continued replacement and repair.

"There are now cost-effective products that hold up well outdoors in all kinds of weather and are aesthetically pleasing in the drive-thru lane," Mays says.

In addition, the costs of digital displays have decreased in recent years, so the initial investment is more approachable for

to increase consumer traffic, upping sales and relieving pressures on the indoor counter. In a 2017 study commissioned by Samsung and conducted by Forrester Consulting, digital menuboards were found to significantly increase the volume of drive-thru customers served per week.

"Operators need to see a return on investment that extends to the unexpected benefits that are aiding their businesses,"

which resulted in greater profitability for the respondent restaurants. There are an array of options available

for digital drive-thru solutions, and it is important for operators to first determine the respective needs of their brand, their staff, and their customers before implementing a particular product. Once the hardware is in place, operators will additionally be able to implement various softwares and automation features to ensure

"New trends in cloud-based and onpremise technology provide better flexibility and more customization options," says Manolo Almagro, managing partner for STRATACACHE. "Hybrid solutions allow operators to leverage the best of both models."

drive-thru displays are running efficiently and communicating with other systems.

Drive thrus are a space of convenience for customers, so it is important for brands to develop a content strategy that is both engaging and quick to consume.

"The software that runs restaurant digital signage allows f...or inputs from multiple sources and output on a single monitor system," Watson says. "One sign can have menus, wayfinding, weather, LTO's, local information, and order confirmation."

It can be beneficial for brands to use their drive-thru screens display more than just menu offerings-additional entertainment-value content can appease guests during longer wait times and help to distinguish a brand as being more considerate of the consumer experience.

According to Hal Truax, vice president of sales for Crimson AV, digital signage is the single most effective and customizable medium through which quick-service operators can reach their patrons.

Digital drive-thru displays provide guests with relevant and compelling information regarding the choices that are available at the establishment, and are a longterm investment in engaging customers with the brand. Implementing digital menuboards in the drive-thru space is a must for quick-service operators, regardless of whether they have been running their business for years or are new to the game.

"If I was opening a restaurant today," Watson says, "it would have digital sig-



"Being able to update menus and prices, provide caloric information, and make fast changes for promotions benefits restaurants through increased customer interaction."

smaller establishments, including singleunit operators.

"In 2019, operators can expect to see continued evolution of display technology with the proliferation of LED 4K screens, which are more readily available and affordable in the commercial market," Wicka says. "And there will be higher performance all around thanks to increased internal processing power and system integrators."

The implementation of digital signage in drive thrus has also been shown Wicka says. "Being able to update menus and prices, provide caloric information, and make fast changes for promotions benefits restaurants through increased customer interaction."

In addition, the Forrester study found a nearly 6-percent decrease in wait times and significant improvement in order accuracy, which reduced food waste by 5 percent. Furthermore, the digital signage showed an improved conversion rate—2 percent-for promotional menu items,



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Made to Order

Kiosks are a restaurant operator's first line of defense.

nother big trend in digital signage is the implementation of self-ordering kiosks, which allow guests to peruse menu items and make selections using a touchscreen or tablet installed in the lobby or at dining tables in quick-service restaurants. According to Charles Lewis, vice president of business development sales at **Palmer Digital Group**, the self-order touch kiosk is the number one installation operators are asking for in their restaurants.

"Over the last few years, we have seen the use of self-service kiosks grow considerably," says Brian McClimans, vice president of sales for **Peerless-AV**. "Minimum wage increases have affected profitability and many quick-service operators are having difficulty finding employees to fill positions, so the implementation of kiosks in order to combat front of house inefficiencies is definitely on the rise."

In addition, McClimans says that customers are increasingly receptive to placing orders themselves using the digital technology. Order information is transmitted directly to the kitchen, maximizing front-of-house efficiency and minimizing wait times, especially during high-volume dayparts.

"Kiosks and other self-serve and selfordering systems improve the overall productivity of a quick-service restaurant," says Charity Rivera, senior vertical account manager for **NEC Display Solutions of America**. "When customers can put orders directly into an automated system, it takes the burden off front-of-house staff and frees them up to perform other tasks."

Capitalizing on consumers' desire to skip lines, self-ordering kiosks are also an effective platform for last-minute marketing. When ordering at a kiosk, guests tend



to feel less pressure to make quick decisions and spend more time considering their menu selections. This makes them more receptive to brand messaging.

"Customers are more willing than ever to interact with self-ordering kiosks," says David Anzia, senior vice president for sales at **Frank Mayer and Associates**. "The software is more intuitive than ever, and this creates an ease and acceptance of use which drives traffic to kiosks."

According to a recent study from Nielsen, 19 percent of consumers report they have made an unplanned purchase due to digital platform advertising. Using self-order kiosks to communicate special offers and upselling opportunities is an effective way to increase sales by 15 to 20 percent, according to Datassential.

"When customers can put orders directly into an automated system, it takes the burden off front-ofhouse staff and frees them up to perform other tasks."

In addition, operators can learn more about their customers by analyzing insights from their kiosk transactions—such as how likely particular patrons are to respond to upsell prompts.

"The same solutions also send analytic data to the cloud so it can be viewed on a

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"Customers are more willing than ever to interact with self-ordering kiosks."

dashboard," Rivera says. "Information feeds into the system so operators, chefs, and other staff can improve the efficiency of their workflows."

The demand for kiosk solutions in quick-service restaurants is increasing because these systems help operators respond to multiple challenges. In addition to combatting staffing problems and relieving pressure on workers during high volume dayparts, kiosks can be used to market special promotions to customers, upsell menu items, and improve efficiencies throughout the front and back of house.

"It is likely that both dine-in and drivethru concepts will install more self-order touchscreens to improve accuracy and speed," says Randy Poindexter, senior vice president of marketing for Bojangles' Restaurants.



Customers enjoy self-ordering options because it gives them control over their customer journey. Rather than waiting for an available clerk, customers can put their order in almost immediately upon walking into a restaurant or pulling up to a drive thru.

"The fast casual segment in particular is really jumping onboard with cloud-based digital menu systems, at-the-table ordering, and self-payment tablets," Poindexter says. "Touchscreen tablets and kiosks give customers the option to see menus with mouth-watering food images and descriptions, add-on orders for beverage and dessert during the meal, and the option to pay in a timely fashion."

There are many different kinds of selfordering kiosk available on the marketplace, and it is important for operators to assess which solutions integrate best into their overall digital signage strategy.

"One size does not fit all," Anzia says.
"Quick-service operators are looking for configurations that fit their individual needs—floor-standing kiosks will be the bellwether for many locations, but countertop and wall-mounted kiosks are essential for certain establishments."

Another trend, according to Anzia, is that quick-service ordering kiosks are not getting rid of printed receipts.

"The thought was that a paperless transaction is best," Anzia says, "but operators are finding that many consumers want the paper receipt, and it can be especially useful if it includes an order number."

The self-ordering kiosks help to eliminate human error. Using the digital touch-screen, customers are able to communicate exactly what they want—including substitutions and special requests—improving order accuracy by a large margin.

However, in order to ensure that customers engage with kiosks, operators must place them in visible and strategic locations within the restaurant.

"You have to consider the customer journey and the traffic patterns throughout a restaurant's space," says Morgan Van Buren, global vice president of product management and delivery at MOOD Media. "It is critical for operators to leverage digital signage in order to connect crews in the back of house with other areas."

And, Anzia says, kiosks need to be accessible: "There's a trend toward better compliance with the American Disabilities Act. These solutions need to be approachable and useable by all customers in order to be effective."

Kiosk solutions are in growing demand among quick-service operators in multiple segments, and market analysts expect to see an increasing number of available selfordering kiosks and touchscreen technologies entering the quick-service space.

"As long as these devices continue to be managed correctly with easy-to-use software that seamlessly integrates with the restaurant's POS systems," McClimans says, "we will continue to see this trend through 2019."

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SELF-SERVICE KIOSKS

Behind the Scenes

Digital displays are important for back of house messaging.

nother place that digital signage is proving useful is in the back of house, where servers and kitchen staff alike can use touchscreens and tablets to communicate with each other—from marking orders as complete to keeping track of side work.

"Digital signage platforms can be used for training," says Doug Watson, president and CEO of **The Howard Company**. "Technology helps operators communicate information and improves employee experience, especially for repetitive functions."

Company messaging can be communicated much more quickly with digital displays, especially when there are changes across multiple units. Operators who implement these technologies in their kitchens, for example, can notify staff of food recalls, menu changes, new recipes, or equipment status at a moment's notice.

In addition, digital equipment can collect data from staff and communicate information back to the operator, even when they aren't on-site, according to Hal Truax, vice president of sales for **Grimson AV**. The adoption of e-ticket viewing, he says, allows chefs and servers to see clearly what is ordered, which is much more efficient than a written ticketing system.

"Back of house signage is an important tool for streamlining logistics and kitchen applications," says Charity Rivera, senior vertical account manager for **NEG Display Solutions of America**. "The same solutions also send analytic data to the cloud so it can be viewed on a dashboard."

Besides employee management and operational applications, implementing digital signage in the back of house can also assist with tasks such as scheduling or communicating company events, including last-minute date changes.



"Anything employers can do to make the work experience more personal, engaging, and relevant is important."

"There is an increased interest in backof-house communication solutions," says Tracey Gallimore, vice president for sales at **Xenial**. "Think of it as a digital bulletin board with much more capability."

When considering the types of signage to put in place, there can be logistical challenges operators should be aware of. Once digital signage is installed and configured, however, it can be implemented brand-wide and scaled very quickly.

In addition to communicating messages between brand and staff, digital signage can be interfaced with other restaurant technologies. For example, dynamic content can be programmed to adjust when a car proceeds through the drive thru detection loop, and that information can also be communicated to staff inside the kitchen.

"Operators want better analytics and data collection integrated across their entire ecosystem of experience platforms," says Manolo Almagro, managing partner for **STRATAGACHE**. "Back-of-house systems need intelligence tools that use data from online, mobile, in-store self-check POS, and drive thrus to facilitate more data driven customer engagement."

That personalization is also key to keeping employees happy, according to Morgan Van Buren, global vice president of product management and delivery at **MOOD Media**.

"Using signage to communicate with and train employees is on the rise," Van Buren says. "Anything employers can do to make the work experience more personal, engaging, and relevant is important."

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ot so long ago, the idea that a device could learn from human behavior was merely the stuff of science fiction. Nowadays consumers take for granted that brands will know enough about their preferences to match them with targeted messaging and relevant promotions, and this is as true for the restaurant industry as for any other.

With constant scaling of customizable experiences, it can be difficult for operators to keep up with customer demands.

"The challenges created by increased delivery and online ordering are putting greater pressure on operators to transform and adapt the in-store dining experience," says Morgan Van Buren, global vice president of product management and delivery at MOOD Media. "That means a more personal, emotional, and engaging experience in the front-of-house."

One way that successful brands are meting out that engagement is by investing in smart equipment—not only ovens that connect to the cloud, but also equipment and software that automates certain processes, leaving staff free to interact with guests on a more personalized level.

According to **STRATAGACHE** managing partner Manolo Almagro, automation is moving mundane tasks away from people and allowing them to put more time into meaningful work and tasks. With the automation of digital signage networks, operators can ensure that management of the newer platforms are less labor intensive and more cost effective.

"There's no denying the proliferation of artificial intelligence (AI)," says Garry Wicka, head of marketing at **LG Electronics USA**. "As we see its growing popularity and incredible usefulness in the consumer market, businesses have begun to consider



AI's role beyond the home."

When it comes to signage, the simplest way that AI is contributing to better customer experience is through the transmission of relevant messaging.

"It all comes back to content strategy and the need to thoughtfully control and manage the consumer journey," Van Buren says. "With that comes increased demand for greater content."

Brands that have historical data on customers can sync that to signage systems to ensure the content displayed is germane to the current daypart, season, weather, volume of sales, and more. In the future, manufacturers expect that signs and kiosks will employ facial recognition software to further personalize ordering and dining experiences inside restaurants.

"If we had to sum up the state of AI in the quick-service restaurant industry right now, it would be exploration," Wicka says. "Although commercial AI is still in its infancy, the industry continues to tap into and unveil many exciting ways this technology could be harnessed for B2B and B2C experiences—including voice control and automated learning."

Another useful feature of AI engines is deep learning. Operators can use these digital platforms to accumulate, organize, and analyze consumer data. When connected to digital signage, the technology can detect patterns and make predictions, and even hone those insights over time.

"A foundational use of AI will be one of the biggest trends of 2019," Almagro says. "Machine learning will help operators to analyze vast amounts of unstructured data created by customers in order to better understand behaviors, as well as provide deeper personalization opportunities."

According to Almagro, operators can expect to see more sophisticated use of neural networks and cameras to process information. IoT sensors will provide meaningful data as well—including granular tracking, facial analytics of gender, age, and emotional sentiment—and that data collection can be integrated into loyalty programs and payment platforms.

"The issue of privacy continues to be a huge misconception," Almagro says. "The truth is that consumers gladly trade personal information for more personalized experiences with a brand."



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Social Media's Good Influence

Everyday people have built massive followings thanks to social media; here's how restaurants can work with foodie influencers.

BY JESSIE SZALAY

n November, Austin, Texas-based social media food and lifestyle influencer Jane Ko went to a Thai restaurant to try its new breakfast options and take photos for an Instagram post, which would go on to receive nearly 800 likes. She was brought steaming-hot dishes, which she immediately took outside into the chilly morning. Ko loved the marble outdoor tables and natural daylight. She carefully laid out the dishes and conducted a photo shoot. Only after she'd completed the task to her satisfaction did she sit down and enjoy the dish. The owner was shocked.

"I eat every meal cold," Ko says. "People think [social media is] so easy, but it's a big production with costs."

Ko, who blogs and Instagrams at A Taste of Koko, wasn't surprised by the owner's reaction. Despite restaurants becoming increasingly aware of the power social media influencers hold, many are still unsure of how the process works. Ko knows the new media landscape can be daunting but emphasizes that ignoring it is a lost opportunity for businesses.

Although influencers have their own unique aesthetic and methodology, restaurants can develop a sense of what to expect—perhaps starting with being ready to re-heat cold, photographed meals. Most importantly, brands need to work with the

tographed meals. Most importantly, brands need to work with the influencer, Ko says, by being open and flexible to their needs and ideas rather than trying to unilaterally control the collaboration.

At Los Angeles—based Burgerim, that mindset has led to an exciting partnership with one of the biggest names in food influencing. Jonathan Cheban, also known as Foodgod, has more than 3 million Instagram followers, as well as a YouTube channel and website. In October, he went into one of Burgerim's many L.A. stores. He knew of the brand through another blog but went in with little knowledge or expectation. "I was hungry," he laughs.

Once inside, he was blown away by the concept, which offers multiple 3-ounce burgers per order. Burgerim features 11 types of patties, as well as a wide variety of sauces and toppings prepared in endlessly customizable ways. He filmed an on-the-spot video describing his "out of control" experience. It quickly went viral, leading Burgerim to reach out to him and establish a multi-million-dollar deal. Last November, Foodgod became the face of Burgerim.

It's not your typical celebrity sponsorship deal, Cheban says.







"We'll do a Foodgod burger, a cool shake, videos, cutouts. ... It's going to be the coolest franchise. I'm going to put my touch on it, and I'm pretty good with that stuff."

How exactly Foodgod will put his own touch on things has yet to be nailed down. "[Cheban] is going to do what he does well," says Tom Meiron, CEO of Burgerim. "I want him to have the ability to flourish on his own and see where this takes us." Foodgod's fans range from teenagers to septuagenarians, but regardless of age, social media followers care about authenticity—something that Meiron thinks this organic, naturally evolving campaign will encourage.

Influencers must maintain authenticity and trust because their followers are "really good call-to-action people," Cheban says. "You post something, and they will respond." That can increase business and awareness of a restaurant. It also means that if an influencer is fake or misleading, followers will know.

This sort of real-time feedback gives influencers valuable insights into the tastes and preferences of their audiences. Influencers can turn that knowledge into collaborative products—as Cheban hopes to do—or curated experience guides—as Ko sometimes does—and know that they will be popular.

"A lot of people tell me they use my feed to determine where to eat lunch or dinner that week," Ko says. Followers message her questions about dishes to order or avoid, what to eat during a visit to Austin or another city Ko has covered, or where to take their dates. "For a brand, it's more personable than being featured in a newspaper or magazine. There's that trust."

But in order for any collaboration with influencers to work, restaurants need to grant some degree of freedom, allowing influencers to maintain their brand authenticity. Though Foodgod will not post about direct competitors during his Burgerim partnership, he is free to post about mom-and-pop burger joints or burgers that directly tie into his brand of over-the-top offerings. "If someone's got a ridiculous burger with chocolate on it, I'm going to post about it," Cheban says.

For Ko, a "micro" influencer with more than 50,000 followers, restaurants should work with her busy schedule, photography demands (she only shoots during the day in light-filled locales), quality-control requirements (what she posts must reflect what any customer would receive), and financial constraints. She carries high production costs from camera equipment and sometimes needs to hire photographers or rent shooting space.

Since each influencer works differently, restaurants that want to work with them need to do their research to find the right fit. Ko recommends operators begin by examining their own social media followings to see who is tagging them and talking about them. "I have brands I just love and talk about but who unfortunately don't respond to me," Ko says.

Restaurants can also focus on the market they want to reach. That may be geographical or another niche. "If you have pizza, find the pizza guy," Cheban says. "Influencers live their brands every day. Find the guy with pizza everywhere."

For most restaurants, the niche and personality of the influencer is more important than the number of followers they have. As Cheban points out, you never know when something will go viral.

Once a restaurant has found an influencer it would like to work with, there are several options for reaching out. Many influencers, including Ko and Cheban, have agents or public relations teams who interface with brands. Both also get hundreds of direct messages and e-mails every day from brands eager to work with them. But that doesn't mean that restaurants should be shy.

For Cheban, it's important to keep an open mind and determine whether or not he has a rapport with the brand in question. "Send an email—sometimes really cool things can happen. Be willing to work with [influencers]," he says. "For me, it's got to be where it feels right."

Similarly, Ko sees no harm in reaching out; the greater risk is missing an opportunity. "Just be friendly. Say, 'Hey, we don't know if you've tried us before, but we'd love for you to come in for lunch," she says. "There are a lot of brands that are missing out on having good relationships with influencers."

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Confessions of a Restaurant Icon

Even as the marketing landscape evolves, brand mascots and spokespeople still hold a special place in consumer hearts.

BY NICOLE DUNCAN

Then it comes to marketing, nothing epitomizes brand identity like a figurehead, whether that be a real-life spokesperson like Wendy's late cofounder Dave Thomas, a brand icon like Ronald McDonald, or even a mascot like Chick-fil-A's notorious billboard cows. But in an age when multiple media platforms vie for consumers' attention, do these lighthearted characters still prop up a brand's narrative and drive engagement?

The resounding answer is yes. The mascots and icons—like the restaurants themselves—must simply adapt to the times and meet customers where they are.

Adrienne Ingoldt /

Vice President of Marketing Communications, Jack in the Box In 1980, Jack in the Box dramatically altered its marketing strategy by literally blowing up the brand's symbol, the jack in the box, in television commercials. The character and mascot, Jack Box, was introduced to the public in 1994, in a commercial featuring the famous smiling clown—dressed in a business suit—detonating the company boardroom to get revenge. In this campaign, Jack Box showed the public that he does things differently.

Brand icons and mascots have long been instrumental in providing tangible personas to improve brand recognition. Consumers grew up with mascots, like the Jolly Green Giant, Mr. Peanut, and the Michelin Man, who to many evoke a sense of nostalgia. They were brilliant storytellers and allowed brands to build emotional connections with their audiences. They were perhaps the original influencers.

With the advent of social media, we're giving mascots and icons unique voices to engage directly with consumers and other brands outside of standard TV ads. More than ever before, mascots cultivate a brand



Jack in the Box's eponymous brand icon has evolved over the years but still embodies the brand's rebellious spirit.

personality and have a freedom in tone to resonate and engage with consumers.

It's important for a brand to remain relevant and have a strong understanding of what it stands for in order to direct the mascot's behavior in the right way. This applies to [real-life] spokespeople, influencers, and invented mascots. Historically, our famous mascot CEO Jack Box has always been witty, challenged the norm, and has pushed the envelope, which fits our DNA as a challenger brand.

Brandon Solano / CMO, Pei Wei

Pei Wei needed a unified brand positioning. Tiger is Asian, confident, and a quick read to help consumers and team members understand our new positioning. Good mascots resonate because they are relatable to consumers and embody relevant brand equities. They are essentially shorthand for the brand's positioning.

We throw caution to the wind and focus on the upside of Tiger being amazing versus the downside of missing the mark. Besides, a mascot is yours forever versus renting a celebrity—which has its own risks—for the short term. Tiger has 500 times the industry average engagement rate on social media. While not as big or as old, he's more rel-

evant than larger and more longstanding mascots. He's just getting started, and we plan to keep him forever.

I think social media will push more brands to utilize mascots as they look to synthesize their position and relate to their customers beyond a corporate social media account. Mascot social media accounts allow brands to be more provocative than their corporate social media accounts allow, giving them permission to be more relatable.

Sarah Mueller / Vice President of Marketing, A&W

Rooty the Great Root Bear was created by a Canadian agency in 1974. Ronald McDonald was becoming popular in Canada, and the chain wanted a mascot of its own to reach families with children.

We love Rooty and couldn't imagine a single day without him. However, there was a time when he went into hibernation because ownership at the time did not see him as "elevating" for the brand. We think that's just silly. Mascots allow brands to have more freedom with humor, to give personality beyond the spoken word. They allow kids of all ages to interact with the brand on another level, truly becoming part of the overall brand experience.

Rooty is part of the thought process of everything we do and the voice of the brand online. One of the more recent moves he's made was to join the online GIF universe. In addition to the millions of GIF views he had in 2018, Rooty was featured in a "Happy New Year" GIF that had a million views only a week into 2019.

There is a lot more freedom with mascots because they aren't meant to be taken as seriously. With that still comes a lot of responsibility. Our Rooty "operating manual" is 20 pages long and includes performance tips, protocols, and how to deal with minor crisis situations.



Stretch Your Tech Spend

How smaller brands can make the most of technology—without blowing their budget.

BY MARY AVANT

ccording to the 2017 Restaurant Technology Industry Report—conducted by POS provider Toast—a whopping 95 percent of restaurant owners and operators believe technology improves their efficiency and operations. That's just one of the reasons why even small and independent brands are adopting technologies that make a proven difference in unit performance and the bottom line.

But how do you get the most bang for your tech buck without spending an arm and a leg? Like everything else these days, it all starts with the cloud.

"Traditionally, concepts have partnered with POS dealers that sell them expensive hardware and upfront software licenses," says Scott Langdoc, senior vice president and practice lead at Boston Retail Partners, a consulting firm for restaurant operators. "On an ongoing basis, they have to schedule upgrades and pay for new features and functions."

With the introduction and evolution of the cloud, however, smaller operators are able to pay a lower upfront cost thanks to subscription-based models for everything from POS to

food-cost tracking. At the same time, they can also take advantage of the iterative updates and improvements these solutions provide on an ongoing basis, Langdoc says.

It's impossible to determine a hard-and-fast cost that every small brand should allocate toward advancing its technology since it varies widely based on the type of brand, size of company, level of service, number of employees, and other factors. Nevertheless, Langdoc adds, switching to cloud-based, subscription-fee models for any number of restaurant technologies can save brands big bucks.

"We're talking about what could be a \$50,000-\$70,000 upfront capital expense versus a \$2,000-\$2,500-a-month cloud application service or subscription," Langdoc says.

And while cloud platforms can be used in both the front and back of house, most experts recommend that brands start in the back office, particularly when working with a tight budget. "The more granular your reporting is, the more you can make the operational changes to optimize your business," Langdoc says of technologies that allow for more detailed, automated reporting tools.

With food costs, for example, cloud platforms have the capability to analyze spend and forecast pricing in order to help operators



fine-tune and understand their actual food costs. Another area Langdoc suggests smaller brands consider is labor management and schedule optimization for employees. "It's about getting more of an optimization around scheduling and labor costs and, most importantly, tying the appropriate amount of labor to what you expect your customer count to be," he adds.

Bo Davis, cofounder and CEO of MarginEdge—a cloud-based technology provider that handles data processing, invoice management, and purchasing for small and emerging restaurant brands—also believes that back of house is the area to focus on for brands with a tighter budget. "With rising labor costs and rising food costs, you can only take the check average up by so much," Davis says. "Managing those costs on the backend and having visibility in a way that restaurants historically haven't had is a game-changer."

Through MarginEdge technology, operators can use their smartphone to snap pictures of all inventory invoices, which its technology then processes and manages to give restaurant owners a clearer picture of their purchasing costs. "This technology allows you to see things in a way you've never seen them before," Davis says. "A typical restaurant might make [CONTINUED ON PAGE 86]

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imperialrange.com



Multi-Feature Dust Pan

Nexstep Commercial Products introduced its new MaxiSweep Lobby Dust Pan. Features include a self-opening and closing cover that hides dirt and debris, hands-free emptying, durable rear wheels that provide easy rolling, and an ultra-thin edge that makes sweeping up particles quick and easy. ocedarcommercial.com



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worldcentric.com/blog/paperstraws



Next-Generation Blast Chiller

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Created to meet the high demands of budget-friendly, indoor video installations, the award-winning LED video manufacturer PixelFLEX announced the new EF Series. With its economical and efficient design, the EF Series meets all the PixelFLEX standards for quality performance and reliability, while offering an innovative simplicity to installation and serviceability.

pixelflexled.com



Fruit Water for Kids

Hint Inc. introduced a new line of products that aims to get children everywhere to fall in love with water instead of sugary juice drinks. It uses 200 ml Tetra boxes to offer a juice alternative with no sugar and no diet sweeteners. The four varieties, Watermelon, Cherry, Blackberry, and Apple, are vegan and contain no MSG, nuts, soy, or gluten.

drinkhint.com



Storage Freezers

Leer Inc. launched an entirely new product line to help the restaurant industry maximize valuable kitchen space. The Reach-In Storage Freezers combine the technology from Leer's iconic, white outdoor ice merchandisers with the shelving and storage optimization of Leer's Walk-In Freezers. This economic solution frees up valuable indoor space and relocates the storage of excess frozen goods to outside. **leerinc.com**

that prioritizes franchise support—and it's paid off. Chicken Salad Chick has more than 100 stores and plans to open at least 40 in 2019.

As a long-established brand, Soulman's made some key investments before beginning the franchise process, such as hiring a franchising executive. The company opted to grow at a slower pace to maintain quality. "Barbecue isn't something you can teach somebody overnight," Randle says.

Both company-owned and franchised Soulman's stores must have a corporate-certified manager on-site during all shifts. The certification program takes eight weeks. Even so, the vice president of franchising visits operators frequently to ensure the business is running smoothly. All franchises are within a 100-mile radius of Dallas, thus facilitating these visits and other support.

Whether franchises are near or far, the relationship with franchisees is long-term and of utmost importance.

"Franchisees need to live the brand," Corp says. "They need to be confident and comfortable with you, and you need to be confident and comfortable with them."

Determining culture fit is an art and a science, Deviney says. Most brands conduct extensive interviews, usually both in the proposed market and at headquarters during a discovery or hospitality day. Prospective franchisees spend time with marketing, operations, design, real estate, and other departments. At Chicken Salad Chick, these teams, rather than sales, have the power to decide if a candidate is approved since they will be the ones working with the franchisee in a relationship that Deviney likens to a marriage.

To attract the right partners, brands should be honest about where they are in their growth cycle and the opportunities and challenges that entails. Soulman's long history means franchisees in Dallas have high standards to meet and a reputation to uphold. On the other hand, CoreLife Eatery operators might be opening the first healthy fast casual in a particular market. In these cases, it's the franchisee's responsibility to make a splash.

Young concepts and more established brands all have their unique challenges, Corp says. "There will be different issues with a brand with 50 stores in its growth cycle than a brand with 1,000."

the base of most other menu items.

Following a strong 2018, this year brings more changes for Cowboy Chicken, Kennedy says. New technology will be implemented to benefit operations and further grow sales, and the menu will be updated, too, as slow-moving items are replaced by more exciting options.

With many franchisees just getting started with one or two locations in each market, one can look forward to more Cowboy Chicken locations in 2019 as well.

"The Southeast and the West Coast are responding very well to this Texas brand," Kennedy says. "We'll continue that expansion."

Having recently refined its expansion strategy to study stores that continually set a high benchmark, Kennedy is hopeful that real estate selection in these future stores will be excellent. But, generally speaking, high-density areas with a good deal of day-time population perform best. The brand's demographic appeal is far reaching, Kennedy says, from men and women ages 25–65 to everyday workers and families with kids.

Cowboy Chicken also plans to continue to build corporate stores.

"I think it's really important that we always keep corporate-owned and operated locations. I'm an operator by nature, but also the decisions we make for the brand affect the stores that we own and operate, too. That way, it aligns us with our franchisees. We're all doing the same thing," he says.

On top of growth geographically, the brand is also putting effort toward expanding its digital footprint. In 2018, it launched Pronto Pickup, a mobile app that has shifted the design of its new stores to be more convenient for customers picking up and for external delivery services. Third-party delivery drivers can easily grab the order and go without being obstructed by a traditional retail business. The tweak has boosted Cowboy Chicken's off-premises sales.

As for any future hurdles, Kennedy is confident the brand can adapt. In fact, his favorite part of the job is tackling new challenges that come from different stages of growth. "The brand is always evolving, but the goal is always to serve the same great food and great hospitality in clean restaurants," he says.

10 percent profit, so if you can take two points off your fixed costs, that's a 20 percent increase in your profitability."

John Pepper, founder of Boloco—a MarginEdge client and nine-unit burrito chain based in Boston—says the ever-growing number of back-of-house solutions on the market has made a noticeable difference in his profitability and efficiency. For example, in 2015, Boloco moved toward scaling back its corporate staff, reallocating those salaries and expenses toward unit-level wages and direct restaurant spend. Rather than keeping a team of accounting personnel on its payroll, the concept used MarginEdge "to automate one of the least-favorite tasks in the business and allow those wages to go into the hands of the team members serving customers," Pepper says.

He adds that some of the truly innovative technologies today—such as robotics—are too cost-prohibitive for the average brand, while front-of-house technologies often don't provide the lift in performance that a brand needs to make them worth the expense. "I'm very bullish on standalone technologies that don't require complex integrations and instead layer over existing solutions," Pepper says of Boloco's choice to focus on back-end technology. "The complex integrations were extremely hard to unwind when we needed to and often cause paralysis in adopting new solutions."

For brands that insist on innovating their front-of-house technology, Langdoc suggests they start by exploring the many cloud-based POS applications on the market, particularly those that integrate with consumer tablets, such as Square. With many of these technologies, the applications are available for free, while the brand is only charged a payment-processing fee.

In addition, Langdoc says choosing a cloud-based POS system that integrates with as many third-party delivery services—such as GrubHub, Postmates, and DoorDash—as possible is key to capturing a broad range of consumers.

Still, brands should be careful not to pay less at the expense of payment security and data protection. "Lower cost does not mean exposing yourself to the world of ongoing risks in restaurants and retail," Langdoc says. "It doesn't matter if you're a single restaurant. You can still be breached and you can still get in trouble."

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START TO FINISH

Ryan Smolkin

Founder & CEO

SMOKE'S POUTINERIE

What was your first job?

Vice president of marketing and strategy for Smolkin's Men's Wear Limited. That was essentially running the summer sidewalk sale for my father's clothing store; I sat in front of the store with my boom box.

What's your favorite menu item at Smoke's?

We have a secret recipe that's not on the menu, called the Slaughterhouse. It only comes in the 'Wow' size box because it's so big. It has six meats on it. I'll maybe add mushrooms while I'm at it.

What's your favorite cuisine, excluding poutine? I'd have to go with burritos. We have a Smoke's Burritorie and a Smoke's Weinerie. So we're kind of doing the same thing to those two categories like we did to poutine.

What's the best piece of advice you think restaurant leaders should hear? You'd better be ready to work your ass off; nothing comes for free. It can be a great idea, but if you're not going to work your ass off, it ain't going to work. On the flipside, you could have the worst idea but if you work your ass off, it could be successful.

What are some of your interests outside the business? I have twin 12-year-olds, Nate and Sam. Every minute of my life that isn't related to the biz is with them. They're hockey boys; six nights of the week are hockey.



design company, AmoebaCorp, for 11 years. I'm all about brand experience, and ultimately for Smoke's, it's about being an entertainment company. It's more than fries, cheese curd, and gravy. When I opened the first location in downtown Toronto, I was preaching global domination from the very beginning. There wasn't anything like us. I made up the word "poutinerie" and always said when they're fighting over who created poutine back in the '50s, I'd be taking it to the rest of the world and loading everything you can think of on top of it.

I knew nothing about the food industry, so there's that aspect of learning on the fly, but I was always confident I could build a successful restaurant. I went to Montreal to test out the poutine. One sit-down restaurant had loads of poutine, so I thought it was pretty damn similar to my concept. I went there on a Wednesday night at 3 A.M. with pouring rain outside, and it was lined up at the door. Over 90 percent of the people were eating

poutine because they were hammered, and it's the perfect hangover food. My brother was with me, and I said, "This is going to be the milliondollar deal." People have since said, "You stole my idea," or "Aw man, I could've done that." To this day I shake my head, too. It seems a pretty simple idea, but nobody did it.

When I tell stories about AmoebaCorp and the success there, I do it not to pat myself on the back or brag but to give confidence to franchisees and the people working at global headquarters. I'm a whacked-out dude with a concept, but I know how to build million-dollar businesses as well. It kind of gives me the cred.

When it was just a concept and I was selling off an idea, every franchisee said, "Ryan, we're investing just as much in you as we are in the business." It put a lot of pressure on me, but it was true and that's how intimate I am with the brand, with my franchisees, and with those relationships. It's hard work, common sense, and just plugging away. Surround yourself with the right people.



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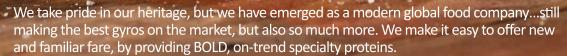
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