





The Foodservice Omnichannel

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The Foodservice Market

- The category – all food prepared away from home, no matter where consumed
 - Two primary channels
 - Commercial – restaurants
 - Non-commercial – hospitals, hotels, universities, ball parks
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State of Foodservice – USA

- Sales are flat
 - Over one million units – overbuilt
 - Chains closing restaurants: Subway, Ruby Tuesday, Dickey's Barbecue Pit, etc.
 - Fast food discounting
 - Severe labor shortage, rising costs
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What is Omnichannel Foodservice?

Foodservice – food prepared outside the home, whether retail salad bar, restaurant, hotel, ball park, school, hospital, Amsterdam Produce Show

Omnichannel – a multi-disciplinary approach to meeting consumers where and how they desire

- Web
- On-site
- App
- Call
- Text
- Email





Omnichannel

A good OC strategy should:

- “Reduce friction” – we think in channels, consumers and customers do not
- Be seamless
- Add more convenience
- Add more excitement
- Provide multiple options for the customer



Services

Delivery

- Sweetgreens - Outpost
 - Order via website or app, one hour later pick up at drop-off point
- Traditional direct door-to-door
- Third-party providers – GrubHub, UberEats, PostMates

Mobile Ordering

- App
- Web
- Text
- Phone



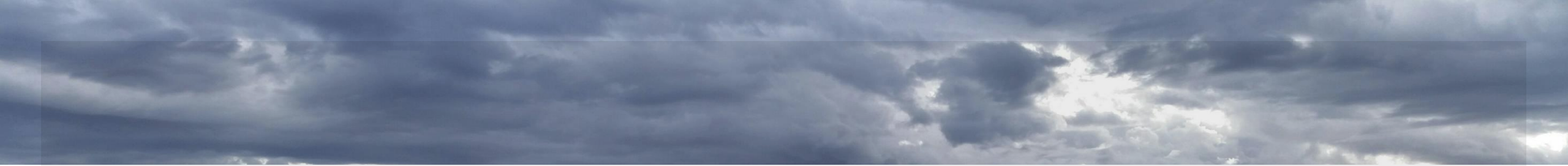
Domino's



Drive-Through

- More than 50% of QSR is drive-through
- Dedicated lane?
- Challenge - when to prepare – when will you arrive?






Curbside Pickup

- Sonic –
 - Mobile ordering across the chain
 - Order, pay, select store
 - Direct to car delivery
 - Future implementations
 - Order screens to check in
 - System to recognize customers
 - Suggest add-ons





The Challenges with Omnichannel in Foodservice

- Food quality
 - Efficient operations at restaurant
 - Delivery and packaging take twice as long, negative impact on diners
 - Kitchen capabilities – counter/sit down service is self-regulating for capacity
 - Service differentiation
 - Branding
 - Third-party brand stewardship
 - Customer experience
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Customer
Experience
Tilted Kilt



Quality

“We encourage all our competitors to do as much delivery as they can, so they can deliver lukewarm food to their people.”

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Texas Roadhouse CEO




Soggy Fries are NOT Okay!



**Popular Leaders in Home Delivery Find Solution:
Crisp Food Technologies® Containers**




Chipotle

- Digital sales growth 48% last quarter, 11.2% overall sales
 - Upgrading mobile app, software, restaurant technology
 - CEO – “Not new items...Digital...Removing friction”
 - Expedite food to customers – less than 30 minutes
 - Kitchens being built with two prep lines – front of store and digital
 - Added convenience = higher than average sales
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Starbucks

- Tops list of omnichannel efforts
 - Check and reload SB card through phone, website, in store
 - Any changes updated across all channels
 - Rewards are automatically accrued
 - Payments – cards, rewards, phone
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Barnes and Noble Books





PF Chang's

- Channel Blurring
 - In restaurant
 - Delivery
 - Pickup
 - Frozen, prepared at home





AT & T




Denny's



Capital One Bank –
Café and lounge



A Look Ahead

- Elimination of third-party delivery and third-party apps
 - Loyalty cards being replaced by apps – easier to use, familiar
 - Partners become competitors
 - Yum Brands investment in Grubhub
 - Broader adoption of omnichannel strategies for all segments
 - Data, data, data
 - Virtual restaurants, no brick and mortar
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Thank You

