The Kinettix Guide to QSR Tech

Quick Service Restaurants Are Still Behind the Tech Power Curve

Learn More About the Current State of QSR Technologies

And How Trends Will Impact Managed Service Providers, Field Technicians & Restaurant IT.





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Introduction

Imagine you're a vendor of state-of-the-art electronic menu boards. The COVID-19 pandemic hasn't spoiled the public's appetite for drive-thru or carry-out meals. So, your business is thriving. Quick service restaurants (QSR) rely on your product, and as your operation grows and the equipment matures, you need help installing upgrades, repairing, and replacing your growing inventory.

Or, maybe you're a local managed services provider (MSP) supporting one or more QSR clients. One day, inclement weather takes down your client's point of sale (POS) system, and you need immediate access to IT field technicians. Your service desk staff isn't qualified to vet the talent while simultaneously handling the logistical headaches of equipment shipment, installation, and network security. Therefore, you need help scaling up your response.

Both these scenarios demonstrate a critical truth. In order to keep pace with the speed-of-light change in the QSR industry, you must be able to leverage the latest technology and the cutting-edge means of deploying it. If you miss on either, then you will fall behind.

The quick service industry is constantly evolving — especially as the world grapples with a public health emergency. Technology is the first line of defense in an industry with a razor-edged profit margin and high staff turnover.

Your clients must keep pace by deploying the right QSR technologies. In turn, they rely on you to install it, keep it working, and fix it when it goes down. They also look to you as a reliable growth partner who can help them stand out from the competition.

About This Guide

In this guide, we'll give an overview of the most critical challenges the quick service industry is currently facing, how they relate to your company and its customers, and how to effectively overcome them.

Specifically, we'll show you how to:

- Provide a quick response tool to better serve QSR clients in equipment installation and troubleshooting.
- Create an end-to-end solution that provides a means to source and vet local talent.
- Find qualified restaurant IT support to help both you and your clients achieve successful outcomes.

This guide is in four parts:

1

The Future of QSR Technology

What to expect in QSR technology and how that future will impact vendors, managed service providers, and field technicians alike.

2

A Top-Down View of Today's QSR Tech

A closer look at the existing technologies in modern quick service restaurants.

3

Challenges in the QSR Space

Why managed service providers and vendors need to adapt to new industry demands to better serve their clients.

4

Agile Solutions to QSR client needs

How to achieve scalability on with the help of a qualified restaurant IT partner.



THE FUTURE OF QSR TECH

Present tech streamlines ordering, payment, and management

QSR operators have had to scramble as the COVID-19 pandemic has reduced — if not eliminated — in-store foot traffic. The age of touch-less ordering and payment processes has supplanted over-the-counter, face-to-face transactions. Recent research shows that mobile apps comprise about 60% of digital restaurant orders. This trend has kept food ordering safe amid a public health crisis and has had the residual benefit of driving customer loyalty through discounts and other offers.

Then, there is the **role of artificial intelligence** and the increasing integration of POS tech that streamlines every operation from sending orders to line cooks to swiping a credit card without it leaving the customer's hand.

Existing QSR technologies require networking and safeguards against loss of connectivity and reliance on wide-area networks, as well as centralized threat management. QSR managers and restaurateurs rely heavily on managed services providers and quick response to dispatch requests. Similarly, they rely on qualified vendors to keep their restaurant technologies up-to-date and digitize their critical business functions.

QSRs are still behind the tech power curve

In spite of the critical nature of these new technologies, a considerable percentage of restaurants have yet to adopt them. In a recent QSR Magazine article Jason Graf, a restaurant network security expert, predicts that in 2021, restaurants will try to catch up by investing in existing technologies. Changing market expectations due to the pandemic will drive a continuing high demand for these innovations.

"Third-party delivery, contactless payment...are not new," says Graf. "Restaurants are just using them more in response to customers wanting less contact. What everyone else is using now will remain in high demand as QSRs continue to stress convenience and quick service through takeout and delivery."

Graf also predicts that digital ordering will continue to gain popularity even as the effects of the COVID-19 crisis begins to wane. Says Graf, "Now that restaurants have seen how effective digital menus can be, they are realizing how much money they can save by not printing paper menus or signage, so digital platforms are likely to see widespread use beyond the pandemic."

SUMMARY OF PART 1 Current state of QSR technology

The Future of QSR Technology

- While the technology isn't new, the QSR industry has begun to favor frictionless tools like mobile ordering, contactless payments, and more in response to COVID-19.
- Those technologies rely heavily on IT managed services and quick response to service calls, as well as restaurant IT vendors with their "fingers on the pulse" of industry wants and needs.
- QSRs will continue to rely on apps, AI, and touchless sales beyond the pandemic.





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A TOP-DOWN VIEW OF QSR TECH

How quick service restaurants leverage technology

Before we get into the specific challenges affecting quick service restaurants today, let's take a closer look at what modern QSR technology actually looks like.

In light of the COVID-19 pandemic, quick service restaurants are finding that technology is more important than ever — but not just for following tightened safety protocols. Technology is also essential for meeting consumer expectations, minimizing labor costs, maximizing productivity, and maintaining a resilient business model.

From front-of-house to back-of-house and even outdoors, QSR tech is needed for fast food restaurants to compete in an oversaturated, fast-paced market.

OUTDOOR TECH

Outdoor Digital Menu Boards

Outdoor digital menu boards play a key role in not only your drive-thrus efficiency but also brand recognition.

Drive-Thru Software

An integrated drive-thru software makes sure that orders are processed and fulfilled in a timely manner. This software can also provide deep insights that improve performance.

A Top-Down View of QSR Tech



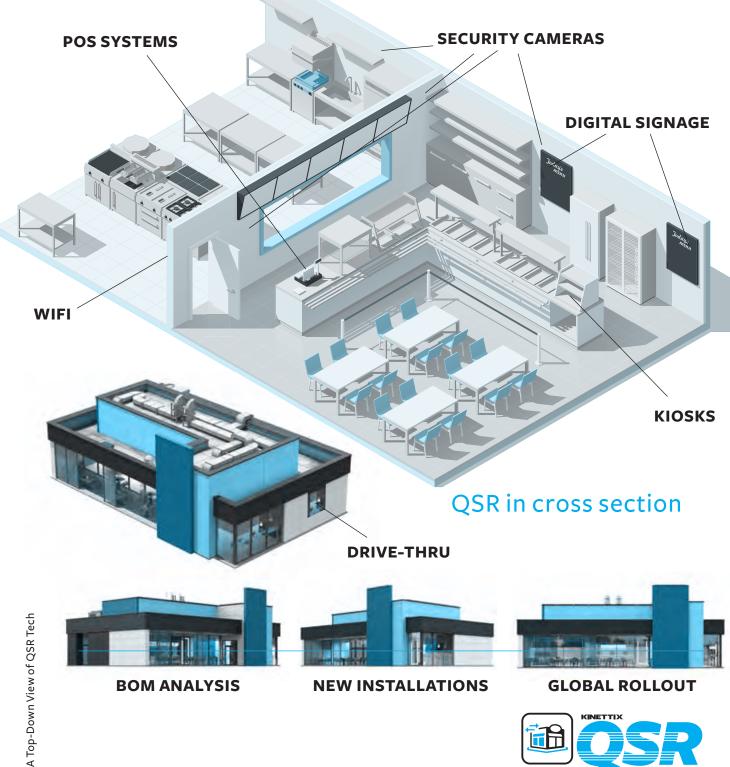


QSR Automation (MISO) Digital SIgnage **Security Cameras** POS Systems Drive-Thru Network

Sneeze Guards Optical Thermal Back Office Cleanup New Restaurant Install Cabling

Global Rollout

BOM Analysis Kiosks Pinpads Network Neutrality WiFi - AirMagnet Ekahau Surveys





FRONT-OF-HOUSE TECH

Indoor Digital Menu Boards

Much like their outdoor counterparts, indoor digital menu boards can streamline the ordering process and improve brand recognition.

Point of Sale (POS) Software

POS software is necessary to help QSRs efficiently process payments and easily keep track of all transactions.

POS Hardware

Consumers interact directly with POS hardware, making it a crucial factor in the overall customer experience.

Kiosk Software

Integrated kiosk software helps QSRs cater to consumers' preferences for contactless dining.

Kiosk Hardware

Kiosk software requires reliable hardware in order to function properly.

Security Cameras

These digital tools help quick service restaurants count customers, track dwell time, and improve security.

PIN pads

PIN pads are a tried and true payment collection device that have long been used in both QSR and retail spaces.

Touchless Payment Solutions

Consumers have grown to expect touchless payment options. According to QSR Web, over 74% of Americans make mobile purchases at least once a week, while nearly 48% make them several times a week or more.

Sneeze Guards

A Top-Down View of QSR Tech

In a COVID-19 era, sneeze guards not only protect staff members but give customers peace of mind.

SUMMARY OF PART 2

The quick service industry is just that — quick. From self-service kiosks to artificial intelligence, new restaurant technologies are constantly being rolled out. Likewise, customers are continuously developing a taste for new trends, whether it's contactless payments or dual drive-thrus.

Quick service restaurants need to be aware of the different kinds of QSR tech and its uses in order to minimize cost, maximize performance, and remain competitive.

BACK-OF-HOUSE TECH

QSR Automation

The McKinsey Global Institute estimates that 54% of manual tasks performed in restaurants can be automated. Automation is a boon to QSRs looking to manage labor costs and increase productivity.

Wireless Network

As the quick service industry moves towards a contact-light model, QSR will need to have reliable internet coverage to create a seamless digital experience.

Back Office Cleanup

Assuring your back office is properly maintained is a critical foundation for long-term support. Neglecting the network's physical layer can delay troubleshooting and produce outages.

New Restaurant Install

As your QSR expands, it pays to make sure all of your back-of-house technology is implemented effectively.

Cabling

Crimped cables and overloaded extension cords pose safety hazards and performance risks.

LTE Surveys

In today's wireless world, it's critical to have the backup and security of an optimized LTE network. Site surveys ensure that routers are installed correctly and operate effectively.



CHALLENGES IN THE QSR SPACE

Restaurateurs must react to new customer demand for IT

Recent shifts in the quick service industry have impacted daily operations. QSR operators can catch up by deploying the right technology in response to the following challenges.

1. Increase in mobile orders

Writing for <u>Star Micronics POS</u>, Heidi Orpilla cites a significant statistic: "Currently 60% of Americans order delivery or takeout once a week." Online ordering gives customers more control, so food orders via mobile apps online are typically 20% higher than over the counter, which can help restaurants boost revenue.

From an operations perspective, mobile orders can also remove bottlenecks at the register. But this benefit only materializes if restaurants have the necessary resources.

According to a 2019 study by Rakuten Ready, timely food delivery is a significant factor for customer satisfaction. Having to wait once at the restaurant was a resounding frustration among participants. Some noted that restaurants didn't prepare their food until they were already in the store.

To overcome this challenge, today's QSRs need tools that will help them efficiently fulfill mobile orders and meet consumer expectations. From cloud-based software that automatically sends mobile orders to the kitchen to arrival technology that alerts workers when Order for Pickup customers are approaching, restaurants' must make the most of their tech stack.

2. Need for safe self-service options

Challenges in the QSR space

In the Star Micronics POS article, Orpilla also notes that the demand for self-service kiosks is expected to climb to \$30.8 billion by 2024. "Self-service technology engages with customers digitally, which is what people prefer," she explains.

The problem, though, is that touch-based kiosks could now be considered a health and safety risk. As

a result, a <u>2020 Deloitte report</u> suggests that adoption of this technology could slow if not reverse all together.

The challenge becomes finding a way to address this demand for self-service without relying on traditional touch-based tech.

According to QSR Magazine, Newk's Eatery may have found one option. Reports say the fast casual chain started implementing "hardware-less kiosks" amid the pandemic. They cleverly mounted placards throughout the dining room with instructions to scan a QR code. Doing so downloaded a web app where guests could quickly order and pay via their smartphone.

3. Changing consumer preferences

Current QSR challenges go beyond the growth in mobile orders and the increased demand for self-service options. Consumer preferences are changing across the board — and not just because of the pandemic.

Yes, COVID-19 has increased the need for frictionless digital tools that minimize interactions between customers and staff. But the prevalence of smartphones, high-speed internet, and other technologies have caused consumers to expect convenience and speed on the whole.

For example, they want to be able to quickly scan a QR code or browse a well-lit digital display. They want to be able to pay for their food in the way that makes the most sense for them — whether that's in cash or through Apple Pay. They want to be able to get in and out of the drive thru with minimal wait times. If they ordered online, they want to wait in a dedicated parking space or go through a dual drive-thru, rather than waiting in line with everyone else. More than ever before, QSR owners need to lean on technology and innovation to meet the challenges of a post COVID world and rapidly changing market demands.



CHALLENGES IN THE QSR SPACE

4. Adapting to a post-COVID reality

QSRs must rely on technology to remain resilient in a post-COVID economy. In fact, according to a recent food services and food retail survey by Panasonic, 100% of respondents say agility has been a driving factor for business decisions since the pandemic began.

Technology that promotes resilience is now more important than ever before. Automation tools such as cloud-based kitchen management software and food temperature sensors, for example, can help QSRs increase efficiency and reduce costs by streamlining middle- and back-of-house tasks. They can also provide valuable insight into areas of improvement.

Think about drive-thru timers. These devices measure how quickly a restaurant is taking, processing, and fulfilling orders. This data can then illuminate potential bottlenecks and help operators address inefficiencies and increase their speed of service.

QSR operators who wish to be agile and resilient in the post-COVID marketplace require quality field services to implement these technologies.

Managed service providers and vendors need a united approach

To accurately address these challenges, managed service providers and restaurant IT vendors must help their QSR clients deploy the right technologies at the right time — without creating any interruptions in service. They must also keep all their clients' existing technology operating seamlessly.

As an MSP or vendor, your record and reputation for meeting common field service KPIs relies just as much on your technicians as it does on your project coordinators.

A few of those KPIs are:

- Keeping the IT deployments on schedule
- Adhering to the scope and budget of the project
- Amassing an excellent record of first-time fixes
- Compliance with scope of service agreements

Each of the above is a component in customer satisfaction and depends on reliable, and technically qualified technicians. The field technicians, in turn, must be vetted, trained, and supervised in the field. They need direct-to-tech communication and remote access to knowledge bases and equipment schematics.

SUMMARY OF PART 3 Challenges in the QSR space

- The demand for mobile orders is increasing dramatically, putting a strain on QSRs that don't have the necessary resources.
- Self-service kiosks are essential. However, traditional touch-based models pose health risks, so the quick service industry must find alternatives.
- Consumer preferences are constantly changing, not only because of the pandemic but also the ubiquity of digital technologies.
- The COVID-19 pandemic has accelerated both the need and desire for more advanced QSR technologies.
- Managed service providers and restaurant IT vendors are the key to helping QSRs respond to these challenges.
- Likewise, qualified field technicians are a vital ingredient to MSPs and vendors achieving client satisfaction.
- Field technicians must be vetted and given instant access to knowledge bases while in the field.





Challenges in the QSR space

AGILE SOLUTIONS TO QSR CLIENT NEEDS

Field services management incorporates the scalability of the cloud

A broken POS or a dark electronic menu board can take the "fast" out of fast food in a heartbeat. When problems arise, QSR clients expect local, qualified field technicians to respond quickly. Meeting that challenge is key to client satisfaction.

To properly serve their QSR clients, managed services providers and restaurant IT vendors must:

- Keep only the permanent technical and repair staff they need.
- Supplement seasoned permanent staff by drawing from a qualified contingent workforce.
- Build a reliable roster of on-demand workers to use when projects happen in the partner's region while the talent pool contracts and expands as needed.

In instances where upgrades amount to new project management and briefing of assigned technicians before they arrive, MSPs and vendors can leverage field service management (FSM) platforms to source, vet, and assign equipment techs and oversee each dispatch of work directly to deliver the expected outcomes.

Better yet, MSPs and IT vendors can work with a qualified project coordinator to manage all the necessary components of the dispatch, so they can instead focus on forging a strong client relationship.





The importance of the project coordinator role

The first principle of effective management is that for every job that needs to be done, someone must be designated to do it. In the aforementioned field services model, that someone would ideally be a project coordinator.

RETAIL > RESTAURANTS > QUICK-SERVE-RESTAURANTS

This individual has the following responsibilities:

- Sourcing, vetting, and assigning techs and maintaining the list for future job deployment.
- Briefing the assigned techs before they arrive at the site.
- Conducting pre-check calls 24-hours and 1-hour before each dispatch to make sure the technician is still on schedule.
- Purchasing and scheduling any equipment that is needed during the project — e.g., coordinating a crane lift to fit and place digital menu boards.
- Referring, resolving, or escalating any problems or issues to the managed service provider.

How FSM platforms bring it all together

The best FSM platform brings all your field service operations under your control and purview. It lessens the workload for your staff through built-in tools for project management, like unified communication, knowledge sharing, and instant project monitoring.



SUMMARY OF PART 4

Agile solutions for QSR clients

Agile solutions for QSR clients

- Quick service restaurants need scalable and unified field service management.
- Contingent workforces provide a cost-effective way to build a roster of local, qualified field technicians who can respond to dispatches quickly.
- Using a project coordinator provides a single point of contact for managing techs and supervising the logistics of a QSR project.
- Using a project coordinator also allows managed service providers and restaurant IT vendors to focus on strengthening the client relationship.



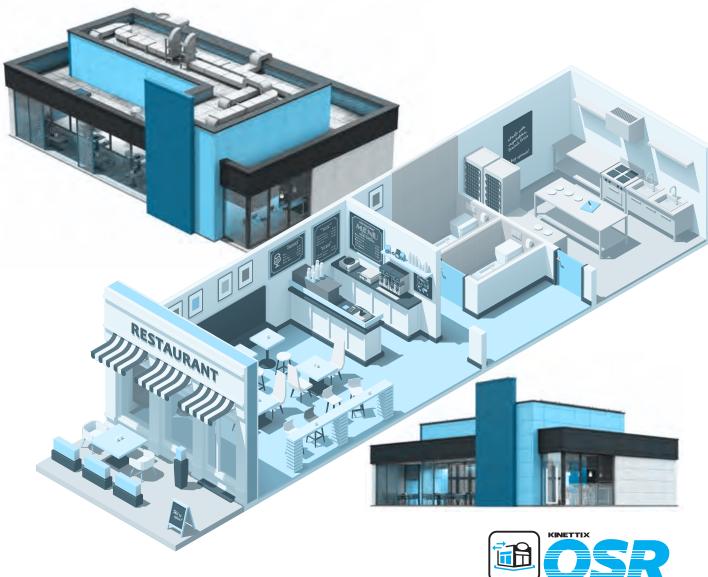
Conclusion

Today's consumers are more tech savvy than ever before. In this guide, we've shown how quick service restaurants have had to adapt their technology to accommodate new consumer preferences. Restaurants aren't the only ones who need to adapt, though. Managed service providers must also be in tune with QSR trends in order to better serve their clients.

By leveraging a contingent workforce, project coordinators, and field service management platform, managed service providers and restaurant IT providers can help QSR clients respond to an ever-evolving industry.

In turn, these strategies help managed services providers and vendors:

- Quickly respond to dispatch requests.
- Build out their talent pool to include technicians who have robust skill sets and who can install and maintain these new technologies
- Through the services of a project coordinator, rely on a single point of contact to control project success.



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Contact Us for a Consultation

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About Kinettix

Kinettix sets up, manages, and supports scalable global platforms for quick service restaurants and other organizations that require IT field services. We provide project coordination and management to IT integrators expanding through enterprise-level deployments. Our model bridges the gap between traditional staffing and a reliable contingent workforce. We also take the complexity out of identifying local partners in global markets.



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