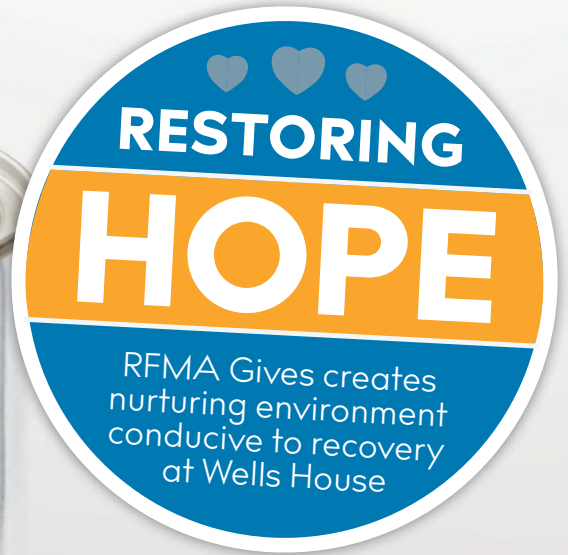


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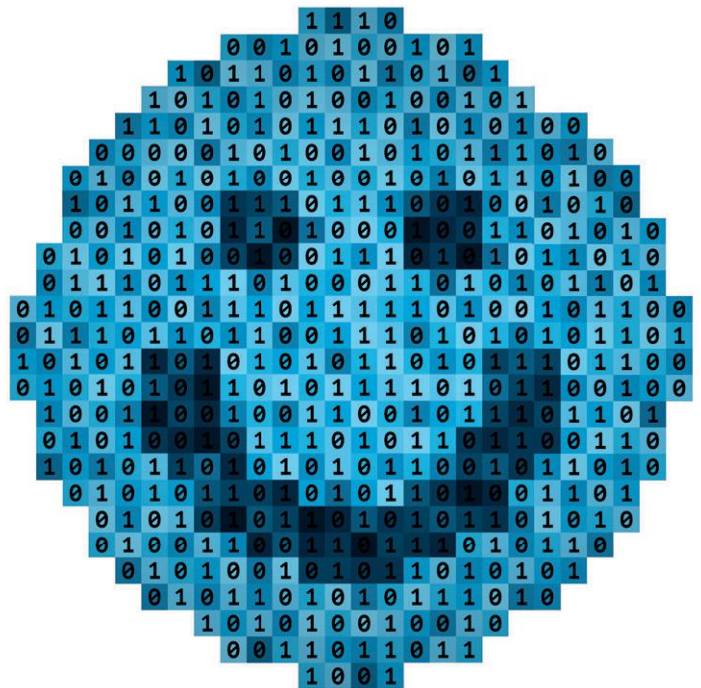
Creating Happier Restaurant Customers Through IoT

How emerging trends in connected technologies are optimizing the guest experience in 2024

By Jay Fiske

Picture this utopian restaurant scene: It is lunchtime on a Tuesday in Boston at a popular quick service restaurant. A large crowd is queued up to place their orders, but instead of voicing frustration, there is a positive buzz in the air. A server is handing out samples of a tasty new item on the restaurant's menu. Delighted customers are chatting with one another, happily savoring the food and the experience. One guest even posts a photo on Facebook of her colleagues enjoying their samples. Even better, this very experience is taking place at hundreds of sister restaurants across the nation.

This scenario illustrates the kind of amazing customer experience that every restaurant facility manager imagines and works tirelessly to help deliver. Yet multiple behind-the-scenes challenges can make it exceptionally difficult to enable such an ideal experience at just one locale, much less across multiple restaurants. These days, however, more and more facilities managers are discovering the value of a robust Internet of Things (IoT) approach, which can make it immensely easier to ensure such a globally delightful outcome. Though still in the early adoption phase, technology such as IoT is being recognized as one of 2024's emerging trends, influencing how restaurants cater to customer needs.



IoT makes it possible to be everywhere at once, serving as a facility manager's eyes and ears to offer real-time monitoring of multiple systems and oversight of critical equipment and operations at hundreds or thousands of restaurants, all with the potential of driving millions of dollars in savings to the bottom line.

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And small wonder: IoT makes it possible to be everywhere at once, serving as a facility manager's eyes and ears to offer real-time monitoring of multiple systems and oversight of critical equipment and operations at hundreds or thousands of restaurants, all with the potential of driving millions of dollars in savings to the bottom line. It all starts with connecting the equipment that can make or break a restaurant's performance — HVAC, lights, freezers, refrigerators, ovens, dish machines, fryers and more.

Read on to discover how a comprehensive IoT strategy is a recipe for success. Spoiler alert: These approaches not only ensure consistently happier guests, they also deliver more positive economic outcomes.



Enable a comfortable environment.

Nothing puts off customers faster than a restaurant that is uncomfortably hot or cold. Technology empowers restaurant facility managers to maintain proper temperature settings and offer an ideal environment in the most cost- and time-efficient manner possible. In fact, by taking measures like the ones outlined below, one multi-site restaurant enjoyed energy savings of \$20 million.

- IoT provides proactive, enterprise-wide oversight for heating and cooling equipment, making it easy for facilities managers to stay on top of equipment issues before failures impact the guest experience. Remote HVAC controls can also establish consistent set points across the course of the day, ensuring temperatures meet guest comfort standards during business hours and enabling significant savings by scheduling temperature setbacks when buildings are unoccupied.
- IoT platforms can also layer in AI technologies to stagger the run times of different HVAC equipment to minimize electricity demand charges, which can make up as much as 50% of an electric bill.
- Cloud-connected systems can even address the latest challenge of extreme weather conditions. New technologies that integrate with enterprise IoT platforms automatically adjust heating and cooling equipment in response to weather forecasts. They also accommodate drastic weather changes and help prevent such costly catastrophes as pipes freezing when temperatures dip far below the norm.



Trust every food item to be safe and delicious.

Connected technology makes it much easier to uniformly deliver the excellent food quality that customers expect. For example, internet-connected ovens streamline the process of distributing new cooking programs when a restaurant chain introduces a new food item or has a limited time offer (LTO), ensuring that elusive 100% compliance. Instead of requiring each restaurant to upload the new recipe from a thumb drive, the instructions are automatically and remotely distributed to the connected oven. When the new item is advertised, customers are assured they can enjoy a tasty new product on the menu at their favorite quick serve restaurant.

Optimize equipment performance to avoid costly downtimes.

IoT proactively monitors equipment performance, giving managers the visibility and alerts to address potential failures

before they become costly nightmares. Not only can reactive repairs cost up to three times more than preventive measures, there are astronomical costs and enormous waste involved when, for example, a freezer fails and causes food spoilage or when a dish machine's water temperature does not meet health regulations, forcing a restaurant to close.

When a connected oven has an issue, an error message is pushed in plain English to a technician, alerting them to the problem the minute it arises and also providing recommendations on how to repair it. Technicians arrive at the location prepared with the right tools and parts to get the oven up and running more quickly and economically. The ability to address issues in a single visit contributes significant savings for multi-site restaurants. One national brand recently added more than \$1 million to their bottom line by applying an IoT-driven maintenance program to its 1,000-site chain. What's more, this proactivity protects the restaurant's image as a thriving, well-maintained brand where happy customers are eager to return.



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Put restaurant staff in their ideal place: in front of the customer.

Imagine the positive customer experience a restaurant delivers when employees have the bandwidth to make guest service their top priority. Automating the many administrative burdens of running a food service operation gives staff more time to engage with customers. This solution not only reflects positively on the restaurant brand, it also improves employee satisfaction. Staff feel appreciated by having the opportunity to be more involved in their customers' experiences. Just as important, this automation saves thousands in labor costs every year.



Cost considerations

The costs of implementing and maintaining an IoT system in restaurants vary widely. Expenses depend on the restaurant's specific requirements and objectives, as well as the chosen IoT solution and technology providers. Restaurant facilities managers should consider factors such as the size of the restaurant, the scope of the IoT solution and the complexity of integration.

Specific costs include:

- **Hardware and Software:** Investments may include new hardware, such as sensors, smart equipment, and software development or licensing fees for the IoT software platforms. Additional costs can include subscription fees for cloud-based services to manage data.
- **Implementation:** Connecting IoT devices within existing restaurant systems and establishing a network infrastructure can incur additional expenses such as routers, access points, and switches, plus the IT labor to install them. It may also involve hiring software developers or IoT consultants to ensure seamless connectivity and interoperability.
- **Ongoing Maintenance:** Subscription fees and IoT vendor support may be needed to ensure the reliability and performance of IoT systems. Training staff to use and manage IoT devices and software will require training materials, instructor fees, and staff time.
- **Security:** Protecting IoT devices and data from cyber threats and unauthorized access may require investing in encryption technologies, firewalls, intrusion detection systems and cybersecurity training.



When planning an IoT implementation, it's essential to evaluate a restaurant's needs, budget constraints and expected return on investment (ROI). And while the costs cover many areas, most restaurants see the investment in IoT strategies pays for itself quickly – often in less than one year.

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By empowering staff to ensure robust monitoring and maintenance, restaurants can prevent them altogether or minimize their impact.

Maximize IoT value through careful planning and management.

Despite its challenges, integrating the latest technologies improves every aspect of a restaurant chain's ability to optimize its customers' experiences across multiple locations. IoT solutions typically offer a healthy ROI, boosting an organization's top and bottom lines. The utopia described at the start of this article is available for any restaurant facility manager eager to demonstrate to upper management that an enterprise-level investment in an IoT-enabled infrastructure is worth every dime. ■

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Mitigating the challenges

In addition to getting the incremental funding approved, as with any advancement, IoT implementations present other challenges that an experienced solution provider can mitigate, including:

- Complexities involved with integrating IoT devices with existing facility management systems and infrastructure.
- User error: Excellent training can help prevent service disruptions that cause downtime due to operator error.

Jay Fiske is president of Powerhouse Dynamics, the leading provider of Internet-of-Things (IoT) solutions for eliminating waste in the operations of multi-site foodservice and retail facilities. Their IoT platform, sold under two different brands – Open Kitchen for foodservice operators, and SiteSage for retail and other commercial operators – provides control over key equipment for reduced waste and increased cost savings, actionable insights for more informed decisions on equipment and operations, and improved processes for consistent, positive experiences in their facilities.

