

Technology Foundation for Future Innovation: QSR



The quick-service restaurant space has been a major adopter of digital technologies to help improve operations and enhance customer service. Ordering kiosks, digital signage and data analytics are just some of the technologies QSRs are using in-house to add value to the customer relationship, while mobile apps with features such as order ahead and cashless payment are extending the QSR's value proposition beyond the physical establishment.

The benefits of technology adoption in QSRs is apparent: When technology is used to place an order, customers spend an average of 20 percent more.¹ And considering the QSR space is expected to grow 5 percent CAGR through 2022,² technology will continue to play an even larger role in the QSR space.

In 2019 and beyond, mobile ordering and other technologies will continue to proliferate among QSRs, as locations recognize their value in addressing the needs of their customer base. In a 2018 survey of consumers, nearly 40 percent reported using their smartphones to place a food order within the last 90 days.³ Another study found that 92 percent of consumers surveyed enjoy using apps to order from a QSR.⁴ Mobile ordering—whether it's through the QSR's own app or via an app-based delivery service

such as GrubHub or Seamless—not only help foster convenience on the part of the customer, they also enable establishments to reach a larger number and wider range of customers.

Data analytics, too, will gain even greater importance in the QSR space, as data from systems both customer-facing (mobile apps, loyalty programs, self-service kiosks) and operational (point of sale systems, inventory control systems, drive-thru solutions) threaten to overwhelm QSR operators. Technologies that can derive insights from large datasets—such as menu choice trends, upselling trends or factors impacting speed of food delivery, for example—will become a necessary addition to many QSRs' technology toolbox as they seek to grow and extend their brand and customer experience.

As QSRs continue to embrace new technologies and services to enhance operations and improve customer service, a solid foundation is critical to support those technologies. While new technology offers unlimited opportunity in scope and results, it's as good as useless without the necessary underlying infrastructure. Smart QSRs understand that a solid foundation that addresses performance, reliability and affordability will enable them to grow their business faster and more securely and position them to take advantage of future technology advancements.

Performance

As the number of devices on any given network increases, so, too, does the amount of data generated by these devices. Users—both employees and customers—meanwhile, expect networks to be fast and highly responsive, regardless of what applications they're using. A foundation of **performance** keeps systems, applications and services running at peak speed.

Flexibility

Likewise, as new technologies transform business models and processes and organizations become even more technology-enabled, networks must be able to adapt to new technologies without causing bottlenecks or slowdowns. A foundation of **flexibility** ensures that technology works for the business, not the other way around, and that the network can grow and adapt as new technologies are added.

Affordability

What's more, today's networking technology is open, vendor-agnostic and API-friendly—a far cry from the closed, proprietary legacy systems that organizations traditionally have relied on. A foundation of **affordability** ensures QSRs can easily add new technologies that integrate seamlessly and offer greater processing power without expensive “bolt-on” integrations.

In building a foundation of performance, flexibility and affordability, QSRs must ensure the technologies they choose will provide benefits both today and down the road. Those organizations that understand and adopt such technologies will have a greater chance of success in digital business today and in the future.

1 “The Restaurant of the Future: Creating a Winning Guest Experience,” research report, Deloitte, <https://www2.deloitte.com/us/en/pages/consumer-business/articles/restaurant-future-survey-technology-customer-experience.html>

2 “Global QSR Industry to Grow Nearly 5 Percent in 5 Years,” press release, QSRWeb, Nov. 26, 2018 <https://www.qsrweb.com/news/global-qsr-industry-to-grow-nearly-5-percent-in-5-years/>

3 Matt Sebek, “5 Tech Trends Impacting Quick-Serves in 2019,” QSR, Jan. 8, 2019 <https://www.qsrmagazine.com/content/5-tech-trends-impacting-quick-serves-2019>

4 Why Mobile Order-Ahead Is A Must-Have Ingredient for QSRs,” PYMNTS.com, Jan. 28, 2019 <https://www.pymnts.com/news/retail/2019/mobile-order-ahead-qsr-digital-ordering/>