

LABOR TRENDS Fueling 2019 Restaurant Technology Decisions

Looking back...

- 1 Customer experience DOMINATED restaurant tech spend
- 2 Restaurants spent much of their IT BUDGET on creating an omni-experience for customers



Looking ahead...

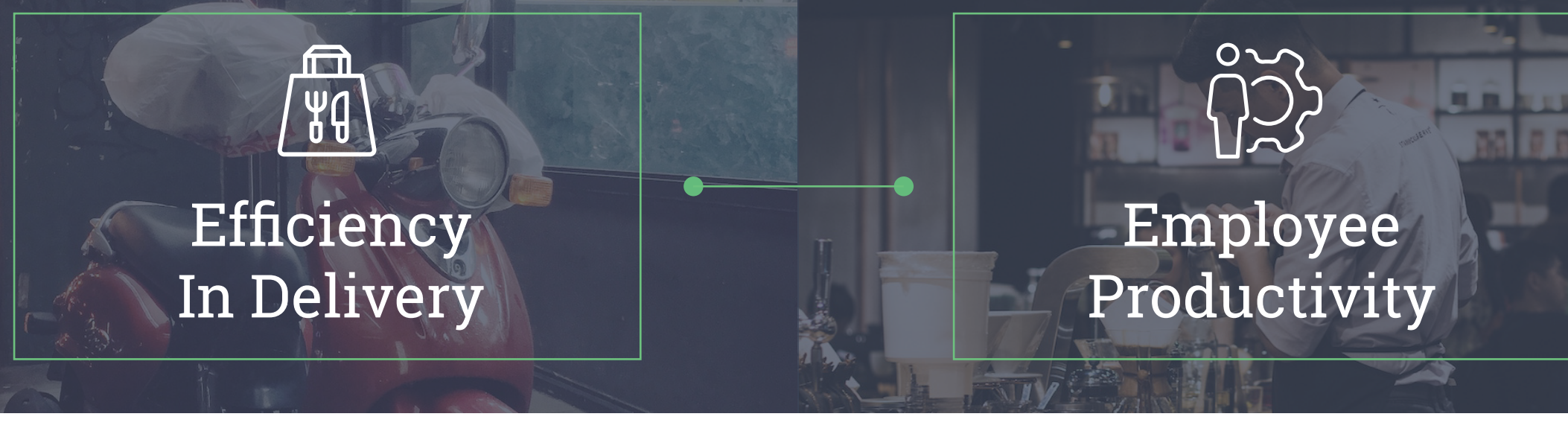
Back of house technology is back in a big way



Why the shift back to back office?

- 1 Great Customer Experience Demands Efficient & Convenient Service

40% of operators said their TOP CONCERNS are:



- 2 Labor Costs Will Continue to Rise

Restaurants are among the MOST LABOR intensive industries

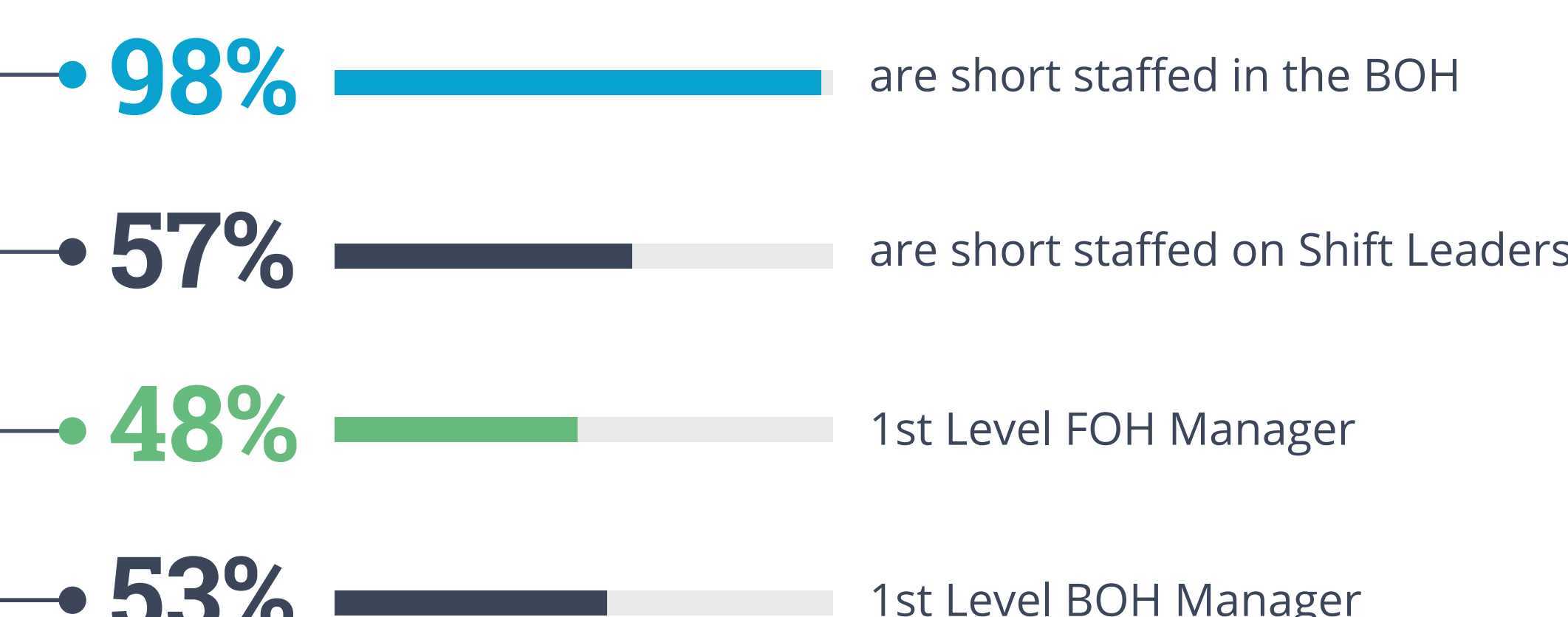
Employee productivity is crucial to making the margins count

Average sales per employee:

\$478,000 C-store/ Gas Stations	\$226,000 Grocery Stores
\$186,000 Retail Apparel	\$56,000 RESTAURANTS

- Labor costs are expected to rise 50% to 100% over the next 5-7 years
- Within the next four years, 17% of Americans will live in a state or metro area with a \$15 minimum wage
- Delivery operational models are changing prep, production and other staffing strategies

Unemployment is at a 17-year low and restaurants are grossly understaffed

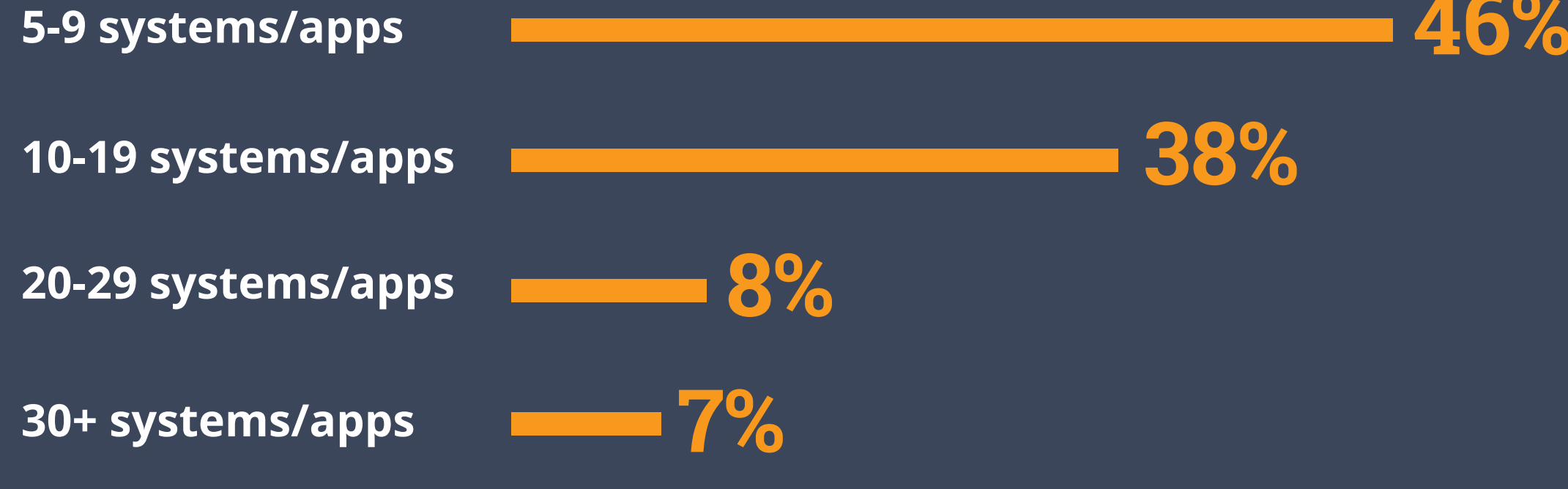


Fewer managers per restaurant increase pressure to perform

Managers per unit	2007	2017
Quick Service	3.5	2.9
Fast Casual/Family Dining	3.1	2.8
Casual Dining	4.7	4.1
Upscale/Casual Fine Dining	8.0	6.0

- 3 Software is eating up the manager's time and IT's budget

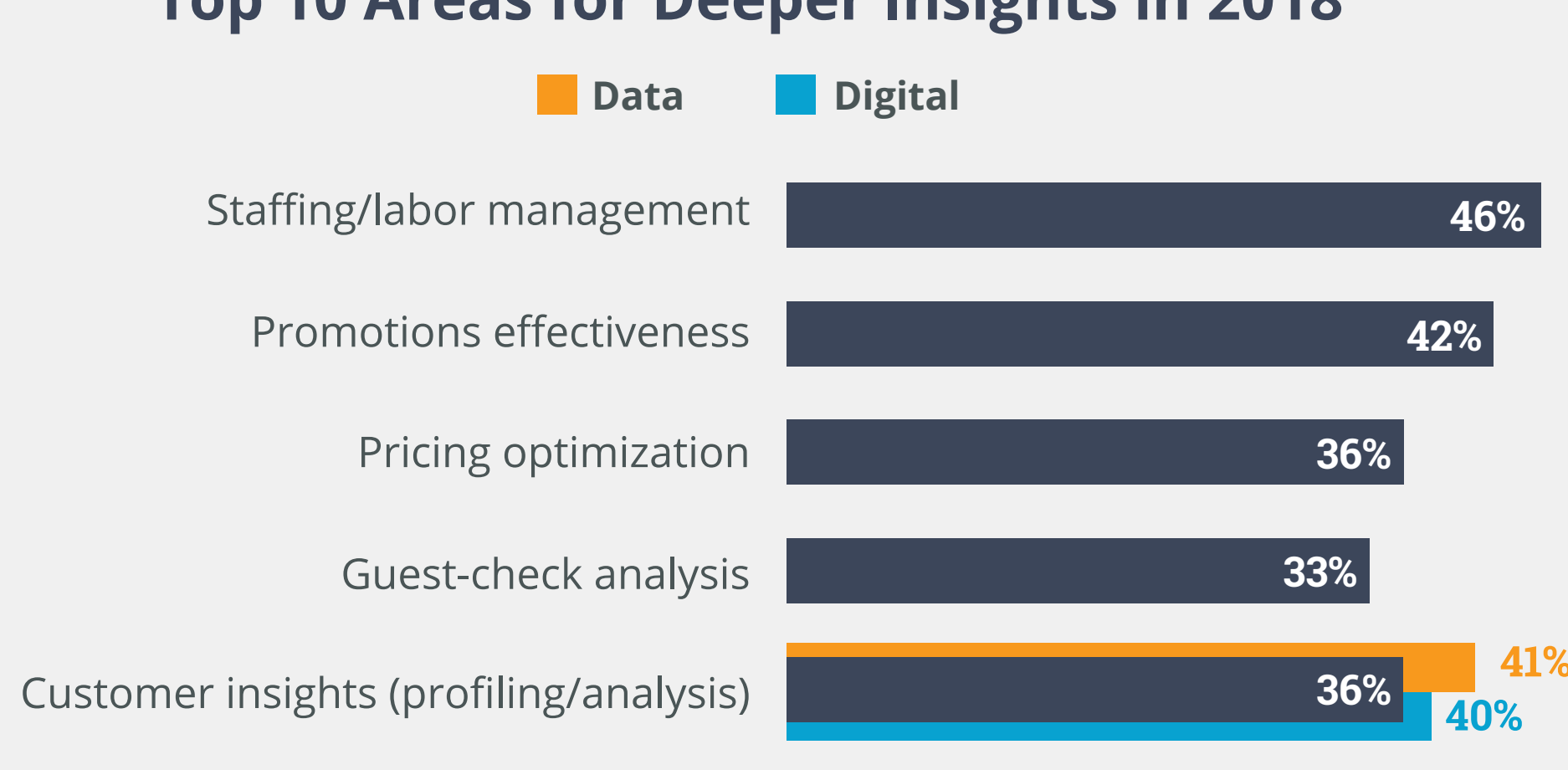
Complexity of Restaurant Technology Stacks



To Stay Competitive, Restaurants Prioritize Labor Insights

- Staffing & labor management were ranked as the #1 area where restaurants need deeper insights

Top 10 Areas for Deeper Insights in 2018



89% of restaurants give labor percentage data the highest value rankings

BUT managers are still flying blind

77% of restaurants still rely on spreadsheets for data visibility

They need ACTIONABLE INSIGHTS not DATA DUMPS to EFFECTIVELY and EFFICIENTLY manage labor

Labor Cost Controls

TIME SAVINGS

- Scheduling
- Time-Off Requests
- Shift Swaps

LABOR SAVINGS

- Accurate Schedules
- Predictable Labor
- Fewer Shift Swaps

PRODUCTIVITY

The right people, scheduled at the right time to maximize sales opps.

EMPLOYEE SATISFACTION

- Better schedules
- More predictability
- Better work/life balance