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# INDUSTRY WEEKLY DIGEST

#HOSPITALITYatSurrey



## QUICK SERVICE RESTAURANT FORMAT INNOVATIONS

### AN INCREASINGLY DIGITAL FUTURE LIES AHEAD

Back in Weekly Industry Digest 0102, [Mark Ashton](#) identified quick service operators such as [Chipotle](#) and [Taco Bell](#) adapting drive-thru models to accommodate increased customer choice of ordering/collection methods as part of a brief review of Restaurant innovation sparked by COVID-19. Three months on, it seems all the mega Quick Service Restaurant (QSR) operators are re-designing their store formats with a more digital [future](#) front and centre of their strategy.

*What's in this issue:*

**QUICK SERVICE  
RESTAURANT  
FORMAT  
INNOVATIONS**



# The Digital Drivers of Fast Food Restaurant Formats

**MARK ASHTON**

A recent **report** from McKinsey suggests COVID-19 has pushed many companies over the technology ‘tipping point’, speeding up adoption of digital technologies and potentially transforming their businesses forever, with the largest changes, the most likely to ‘stick’ in the long term. In the case of QSRs this is likely to **involve** increased demand for drive thru, collection and delivery, all of which can now be ordered digitally and help further accelerate speed and accuracy (essential order winners in this market) and lead to greater loyalty. Indeed, a further **report** from Incisiv, finds that digital sales will make up more than half of quick-service business revenues by as soon as 2025, a 70% increase on pre-COVID estimates. These predictions clearly cannot be ignored.

With ever growing demand for contact free experiences across omni channels, operators are scrambling to re-design their restaurant processes and footprints to deliver better services. This will undoubtedly involve investing in **digital capability**, expanding the adoption of smart technologies such as **AI** and **geofencing**, the introduction of multiple pick up formats including differentiated drive thru lanes, curbside collection and pick up windows/lockers, as well as harnessing **loyalty schemes**. Given its history, the race for speed at the drive thru has been further **challenged** this year due to COVID. With an overreliance on this channel (as other options have been closed) and the need for distancing and additional hygiene protocols despite reduced/simplified menus, it appears new operating models and store designs are required to meet the rapidly evolving **needs** of fast-food consumers both today and in the next normal.

Follow **#restaurantinnovation** for further curated posts of contemporary changes in the sector

## RESTAURANT RE-DESIGN HEADLINES:

- Smaller footprint stores
- Digital Kitchens
- Differentiated/multiple drive-thru lanes
- Curbside collection
- Pick Up windows/lockers
- Designing in delivery

## RESTAURANT RE-DESIGN EXAMPLES:

**McDonalds**

**Burger King**

**Taco Bell**

**Chipotle**

**Shake Shack**

**El Pollo Loco**