

## Convenience Store/Food Service Legacy Gains Growth Leverage with MICROS 3700

### *A Case Study on Danny and Clyde's Food Store*

Today, the convenience store incorporated with some form of food service offering is a commonplace concept. When we walk into a convenience store, our expectation is that we can purchase a candy bar, quart of oil, lottery ticket, and even a fresh turkey sandwich. However, in the mid 1970's, this concept was considered a new idea and two boyhood friends from Louisiana made this a part of their strategy for growing their business. After opening their first convenience store in 1973, Ernest "Big Dan" Danjean & Perrin "Clyde" Rittiner decided to open their second store with the inclusion of a deli in 1976, making Danny and Clyde's Food Store, a pioneer in the food services industry.



This rising franchise is currently known as the home of the best Overstuffed Po-Boy in the New Orleans area. Now comprised of nine stores throughout southern Louisiana, Danny and Clyde's is operated by the offspring of the original founders, Donna Cyprowski, President of Danny & Clyde's New Orleans' Po-Boys and More, and Chris Rittiner, President of Danny & Clyde's Food Store. As Cyprowski and Rittiner strive to expand their legacy throughout Louisiana and beyond, they continuously seek innovative ways to improve business and tackle the challenges that they encounter. One challenge in particular called Hurricane Katrina has not deterred them. Even after most of their locations were hit with nearly \$1 million in damages, the resilient owners have prevailed by continuing to make sound business decisions. Advancement in their POS technology is among the key strategies they have recently implemented.

#### **SITUATION:**

Danny and Clyde's stores in Mandeville and Metairie, LA, had a growing food service offering; however, its previous POS system configuration generated multiple challenges in effectively managing its combination of food service and convenience store. A primary issue was the inability of its self-service kiosk terminals to interface with its cash drawer. Staff were forced to ring up sales on a separate system, which utilized extra time and resources they didn't have. A totally integrated system with superior kiosk functionality is what they desired. Following the damage from the hurricane, it became even more critical for Danny and Clyde's to secure new technology.

Additional reasons for upgrading its system included the need for better ease-of-use, reliability, reporting, and improved store revenue. The previous system required arduous training, was occasionally challenging to operate, lacked advanced reporting features, and was not integrated with the kiosk terminals. "We're not in the IT business. We need to focus on customer service," stated Tim Marks, Danny and Clyde's Human Resources Director.

The decrease in New Orleans' workforce and subsequent increase in labor costs following Hurricane Katrina, led Cyprowski and Chris to hire workers from Brazil through a federal temporary workers program. Because the workers' English language skills were limited, it was crucial that the POS system be easy for them to use. Reporting was also not optimized due to the previous reporting method not providing the instantaneous data they desired to effectively run the business. In addition, there was significant up-selling opportunity via the kiosks.

**MICROS SOLUTION:**

The owners looked to MICROS Systems, Inc. for its premium offering of scalable and flexible solutions. After meeting with Cyprowski and Rittiner, MICROS representatives recommended the simple, yet powerful MICROS 3700 POS solution for the convenience store and food service franchise. The initial installation was selected for the Mandeville location in February, 2006, followed by a second installation at the Metairie location in July, 2006.

The fully customizable MICROS 3700 POS System offers Danny and Clyde's owners enterprise-wide system integration capability and overall flexibility for its store management. It features a powerful combination of applications to streamline front-of-house operations and simplify back-office management with accurate, up-to-the-minute reporting and analysis. The Microsoft® Windows®-based application easily interfaces with OPOS-compliant peripheral hardware including printers, cash drawers, and pole displays, while using TCP/IP networks for connectivity. Incorporated with MICROS Workstation 4 terminals, the architecture enables them to add workstations, new stores and applications simply, allowing the system to grow with its operation.

The system's graphical interface includes a full-color touch screen and custom-built options such as "Screen Designer". The options are built to be easy for management and staff to learn, and reduce overall training time, which were core issues for the owners. Dynamic ordering screen flow with automatic combo meal recognition and flexible manager screens help to enhance front-of-house activity and management functions.

The key concern regarding separate kiosks and cash drawers was rectified with MICROS 3700's integrated self-service kiosks. The system merges the ring up of sales, eliminating the need to handle transactions on separate systems. It also facilitates custom orders and modifications, and sends the order directly to the kitchen where food preparation begins almost instantly. The kiosks enable customers to view the menu at a quick glance including condiments and single-handedly place their own orders. They can then pay for their lunch with a credit card, swiping the card right in the workstation.

MICROS 3700 provides the ability to remotely maintain the database, the incorporation of context-sensitive on-line help, and the capacity to utilize classes to define employees. It allows both the store and enterprise to customize and create reports, which ultimately provides information that is more accessible and useable. Historical data is maintained on a daily basis and facilitates flexible groupings of days for comparisons, thereby improving the process of forecasting.

The strength of the MICROS 3700 and its capability to process transactions during heavy operation peaks is part of the integral design criteria. The architecture is both flexible and efficient in database management, information sharing, administration, and security. Stand-alone resilience and Backup Server Mode (BSM) provide two options that act as a safety net against complete hardware network failure.

**OUTCOME:**

"The MICROS 3700 provides a great solution to both our corporate and franchise POS needs," states Donna Cyprowski. Since the initial installation, both sales and ticket amounts have increased by approximately 10%. Rachel, Manager at the Mandeville store, is passionate about the system, declaring, "I like the system because it increases my sales!"

The employees are especially pleased with the system's ease of operation and customers have smoothly adapted to the technology of the touch screen kiosk order points. Regarding the simplicity of the system, Tim Marks says it does not require a "PhD" to program or operate. "The MICROS 3700 is an easily operated customer or employee P.O.S. system." In fact, even though the temporary workers from Brazil are challenged in verbally communicating with customers, they are able to read the chit that is generated by the system and prepare the orders. Customers appreciate that they can see the entire menu on the

kiosk including condiments, which has increased the numbers in repeat patronage. Gary, a loyal Danny and Clyde's customer echoes Marks saying, "I love the system. It is quick, easy and informative."

Improvements in system reliability and reporting have been valuable benefits for the franchise. "We are extremely satisfied with the MICROS 3700 POS System as well as with the outstanding technical support provided by our local service provider," says Cyprowski. Marks adds, "It has been very reliable with the few minor issues being fixed via the Internet by our local support team." Now that Danny and Clyde's is able to retrieve sales figures via the Internet, speed and accuracy of reporting have been enhanced; allowing it to identify issues more precisely, address those issues faster, and manage future projections with confidence.

Just as their fathers applied innovation as a strategy in building their business over 30 years ago, Cyprowski and Rittiner are taking the same approach in using MICROS 3700 as a selling tool in targeting prospective franchisees. They are heavily promoting the solution's ease-of-use and up-selling potential gained from the kiosks. "The kiosks offer the customer all of our menu options, which up-sell their order and increase our sales," states Cyprowski. In their case, the kiosks have actually yielded higher up-sells than their cashiers. Since the kiosks were installed, combo (a drink and side item) sales have increased by 40%.

Among the many courses they've taken toward rebuilding their business after Hurricane Katrina's destruction, Danny and Clyde's owners consider investing in the MICROS 3700 solution to be one of their best decisions. Acquiring a POS solution that is well-suited to the technology needs of their convenience store and food service concept has reaped them multiple rewards, including increased sales, better reporting, and a more efficiently run operation. For these reasons, after only 18 and 13 months following the installations, they already deem MICROS 3700 as a positive return on investment.