



TGI Fridays Boosts Profitability to a New Level with MICROS's

Customer Service and Productivity Gains for Theme Dining Pioneers



Since pioneering the concept of themed bar-diners in New York in 1965, TGI Friday's has been associated with a string of industry-leading innovations in menu development (from "happy hours" to Long Island iced tea), customer service and staff training. Its iconic red and white stripes rank among the world's most recognized restaurant trademarks and, with 1000 restaurants in 55 countries, the chain continues to set the pace in casual dining.

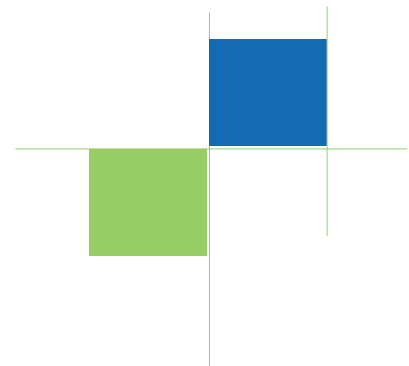


The international business has tripled in size since 1997 and a system-wide revitalization program initiated by brand owners Carlson Hospitality Worldwide in 2004 has helped refocus the TGIF guest experience. This has gone hand-in-hand with significant improvement in back-of-house efficiency and customer service speed, aided by latest MICROS point-of-sale and restaurant management technology.

The 45-restaurant UK estate operated under license by the Whitbread Group, is the world's largest TGIF business outside of North America and has applied a process of continuous innovation since it started in the mid-1980s. In the past two years, the touchscreen POS terminals used by the chain since 1994 have been upgraded to the state-of-the-art 3700 system as part of the

comprehensive Restaurant Enterprise Series management solution.

Key changes include a switch to hand-held Mobile MICROS server terminals for tableside ordering. The new hand held terminals communicate directly with a highly functional Kitchen Display System (KDS). The KDS Solution breaks down each order and prioritizes preparation tasks based on dining course and ingredient cook times. This high powered combination of new front-of-house and back-of-house technology has had a major impact on both productivity and customer service, helping



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*-James Jackson,
Outlet System Director Whitbread Group PLC*

to reduce service delays, improve meal quality, and increase table turnover.

The Mobile MICROS hand-held terminals are built for harsh foodservice environments with ruggedized, spill-proof and drop-resistant specifications. But changing over was a major decision. While TGIF UK has in the past year reduced its total number of menu items from 134 to 74, menu ordering is still a potentially complex process, both in the range of dishes and in the way customers can modify choices to tailor meals exactly to their taste. With the tight dimensions of a hand-held terminal, this can pose problems but not for the Mobile MICROS units, thanks to their easy-to-navigate full color touchscreens.

Staff-guest interaction and the "fun" tableside manner of serving staff is very much part of the TGIF dining experience and it was vital that the hand-held technology did not interfere with that. According to James Jackson, Outlet Systems Director, Whitbread Group PLC, there have been no problems at all in Customer Service and Productivity Gains for Theme Dining Pioneers accommodating the menu and the hand-helds have enhanced the order-taking process. "It's like having a full MICROS keyboard on a hand-held," he comments. Loss of valuable eye contact between server and guest has not been an issue, either. "In training, staff tend to look down rather than up, with either a pad or hand-held," James comments. "But once trained, they find it quicker to enter orders on the hand-helds because they can use short cuts.

Writing orders down is slower and more open to mistakes."

The hand-helds also make it easier for staff to repeat orders back to the guests tableside, which provides valuable upselling opportunities, such as prompting guests to upgrade to Ultimate versions and add-on side items. As for staff customer interaction, the handhelds can make a positive contribution.

"People are fascinated by gadgets and tend to be curious about the hand-helds, which works in our favor. Basically, it's a win-

win situation." Was there any initial resistance in switching staff to the new technology? "It was basically a cultural issue," James observes.

"Generally, young people today are happier using electronic devices than writing their own names but people also need to get used to things. The longer an employee had worked for TGIF, the more attached they were to pen and paper. But if you went into any of our stores now, those same employees would be very resistant about giving back their hand-helds."

The hand-helds communicate directly via a wireless network to MICROS KDS (kitchen display system) screens in the kitchen. This link not only enables fully defined orders to reach line chefs the moment that guests place them. MICROS software provides dynamic ordering screen flow, with special



MICROS software breaking down each order to its component parts and feeding this information in prioritized fashion to relevant members of the kitchen team.

One KDS unit is allocated to each of the four cook stations in each TGIF kitchen. "Basically each chef receives a cook list arranged by how long each item takes to cook," comments James. One result is that guest satisfaction scores are up 5 percent, as recorded by mystery diners, thanks in large part to improved meal quality. Complaints about food not being hot enough have been reduced by 70 percent.

The combination of hand-held terminals and KDS screens in the kitchen has contributed to productivity gains in both front-of-house and back-of-house. A window-man is no longer needed to deal with orders entering the kitchen and there has been total savings of up to four employees per store. In a comparison between a UK branch and a TGIF with similar volume in the USA (where KDS screens are employed but without a switch to hand-held order terminals), the UK store outperformed the USA store by 350 man hours per week.

"We found that by upgrading our POS system to a combination of hand-helds and KDS, we have slashed at least 20 minutes off the total guest experience time," James observes. That means less of a wait between starter and main course and greater flexibility for guests in managing their time. In time trials at one TGIF branch, average time between a guest entering and leaving dropped from 105 minutes to 72 minutes. Speeding the total meal experience has three important outcomes:

- Customers get the freshest possible meals hot from the kitchen.
- Total order execution time is significantly accelerated.
- Seat availability increases significantly with volume at busy times increased by up to 50 percent.

While the TGIF meal experience epitomizes casual dining, the company has found that speed is not incompatible with a relaxed meal experience. Flexibility is more of an issue with today's generation of customers.

In a recent interview in the international trade magazine "Food Service Europe & Middle East", Richard Snead, president- CEO of Carlson Hospitality Worldwide, commented: "People want to relax and be taken care of. However, they also want to be in control of their time, which may sound like a contradiction. When guests are in a hurry, the restaurant staff needs to be able to establish exactly how much time the guest has and adapt the service accordingly."

"Technology for instant transmission of orders to the kitchen plus scheduling





systems which achieve best utilization of kitchen equipment, in line with order flow, can contribute to this process," he said.

TGIF UK managers also have password-controlled access to mymicros.net, a content-rich Internet portal which enables them to monitor real-time reports on branch sales, promotions and overhead costs from a Web browser anywhere in the world, at any time. This enables them to react immediately to any emerging issues, develop customized reports and generally be more proactive in their day-to-day activities.

James Jackson is enthusiastic about the benefits: "You get the information more quickly and more accurately." The system also has in-built functionality for highly strategic activities

like data warehousing, enabling management to drill down through huge amounts of data to make strategic decisions about all aspects of business performance, from staff utilization and costs to customer loyalty programs.

The MICROS 3700 electronic point-of-sale system to which the hand-helds interface gives TGIF UK management up-to-the minute access to company-wide data, including sales performance and staff costs. This helps managers run their operations more effectively and has helped eliminate many paper-based processes. This has been particularly relevant to menu planning. TGIF is notable for its highly responsive approach, adding new items quickly in strategic reaction to new opportunities and pruning underperformers whenever necessary.

The MICROS Enterprise Management (EM) solution used in conjunction with the 3700 system distributes new menus, price adjustments, special offers, and other changes to all restaurants for immediate introduction or at a predetermined time. This powerful tool not only ensures chain-wide database consistency, but eliminates the labor intensive effort of manually updating store databases one at a time.

What about return on investment? Transmitting orders straight to the kitchen from tableside as opposed to having to walk to a terminal to put in an order, has been a big time saver. "With the upgrade to the MICROS 3700 with hand-helds, plus the added benefit of being able to access mymicros.net, the productivity story has just gotten better and better," James comments.

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TGIF's association with MICROS and its restaurant systems, dates back to 1994 when the MICROS 2700 system was introduced across all UK stores operated by Whitbread, to help the chain achieve higher levels of operational control. The recent upgrade to the 3700 system with hand-held technology followed detailed testing. Key factors included the more flexible server interface, enabling speedier retraining for managers and staff, as well as more effective control of IT costs.



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