

CASE STUDY





CHILI'S[®] **GRILL & BAR** has been a staple in the American fast-casual restaurant business since 1975. What started in a remodeled post office has since grown to more than 1,200 restaurants across the United States alone. Chili's is so well known that in 2004, the "Chili's Baby Back Ribs" song was named the <u>Most Likely Song to Get Stuck in Your Head</u>. That's some serious brand awareness.

But none of this success would've been possible without the company evolving throughout the years to keep up with the latest advances in restaurant technology and trends. And that evolution can be attributed to Brinker International, Inc. (NYSE: EAT), one of the world's leading casual dining restaurant companies, and owner of Chili's (its flagship restaurant) and Maggiano's Little Italy[®], as well as two virtual brands: It's Just Wings[®] and Maggiano's Italian Classics[™].

Brinker owns, operates or franchises more than 1,600 restaurants in 29 countries and two U.S. territories, so any large technology roll out is no small feat. For this project in particular, Brinker needed to install handheld point of sale (POS) devices across 900+ corporate Chili's locations around the country, and they needed to do it quickly. In order to install the devices accurately and on time, Brinker reached out to its technology partner of five years, Velociti, to help. Over the course of seven months, the team updated all 900+ restaurants and built a culture of partnership and creativity along the way.

BRINKER BY THE NUMBERS:



YEARS IN BUSINESS

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COUNTRIES





THE CHALLENGE: IMPROVING THE GUEST AND TEAM MEMBER EXPERIENCE

Brinker is no stranger to new technology. In fact, it's always been a bit ahead of the curve, leading the industry in technology investments to improve the guest and team member experience. In 2013, the company introduced tabletop devices at Chili's, giving guests more control and allowing them to pay at the table. It's that same dedication to the dining experience that drove the decision to add handheld POS devices.

Prior to the installation, Chili's team members used stationary POS systems to input orders and close out checks. This required servers to quickly take orders from the guests and then walk back to the POS system and input the order. Not only did this limit the amount of time the server spent with guests, it also provided more room for error.

In an effort to allow servers more time with the guests, improve labor efficiency and ensure order accuracy, Brinker decided to put the POS software onto iPads, making it mobile. This gave team members the ability to enter orders and manage checks all without leaving the table side. Chili's also added a Runner position to support Servers and drive the Guest experience. This enhanced service model enabled a career path and growth opportunities for Team Members, while also positively impacting Team Member retention.

Once Brinker selected the updated system, they looked to Velociti to help configure the POS software on the iPads and install charging stations and order tracking equipment in each location. That's where the hard work began. "We've been enhancing our service model over the last few years to benefit both our Guests and our Team Members. Our goal is to deliver great Guest experiences by making the Guest feel special and ensuring they return. We're also focused on running smooth shifts and creating best in class jobs and earnings potential for our Team Members."

> - Katy Wilkinson, Director of IT/ Ops Integration at Brinker

"The goal is to allow our servers to spend more time with our guests. With the new system, runners handle the drinks, while servers can take orders. It enhances the overall guest experience, the efficiency of the servers' time as well as the team member experience. The iPads were integral to implementing this model."

> - Jana Foster, Sr Manager IT Products, at Brinker

VELOCITI

THE INSTALL: TURNING UNFORESEEN CHALLENGES TO GREAT SUCCESSES

The team completed the project in phases. The first phase began before Velociti joined and consisted of electrical work and data cable installation. Brinker then brought Velociti in for phase two, which was the bulk of the project. In phase two, Velociti installed the iPads, charging stations, security and additional order tracking systems across more than 900+ Chili's locations. To complete the project on time, they completed installations at 12 to 13 sites every day. In total, the Velociti team installed 10,000 iPads, with around 10 per site. The team staged and loaded software onto the iPads that allowed servers to take and process orders for customers. As part of the deployment, Velociti also installed new order tracking equipment into the kitchen and bar areas so team members could more effectively track and deliver orders to their guests.

There were a number of considerations the teams had to account for throughout the installation, including:

Timing

All of the restaurants were open for business throughout the installs, which made communication around timing crucial. Install teams would arrive around 6 a.m. and work to finish the entire install before 11 a.m. when the lunch rush began. The goal was to ensure minimal disruption between the installation crew and Chili's team members.

Supply Chain

In the wake of the pandemic, nearly every industry has been impacted by supply chain disruptions. In fact, <u>in February 2020</u>, retailers had an average of 43 days of inventory available, while that same summer the number dropped to just 33 days. This posed a challenge as materials that had been purchased to enable the rollout were arriving hours before they were to be delivered to the sites.

Materials

In the early stages of the installations, the team found defects in the iPad cases that were supposed to be used in every restaurant. As a result, new cases had to be ordered and deployed in both the finished restaurants and every install after. Additionally, the installation teams ran into problems with the charging stations and mounts that were addressed while onsite.

"The post-COVID supply chain challenges and issues with equipment early on were completely out of our control and made this project significantly more complex. In spite of the numerous challenges, the Velociti team in collaboration with Brinker kept the project rolling on time and with minimal disruption."

- Todd Hesskamp, Account Executive at Velociti



THE INSTALL: TURNING UNFORESEEN CHALLENGES TO GREAT SUCCESSES (CONTINUED)

The Velociti and Brinker teams address these challenges creatively and proactively by implementing new processes and communication strategies to ensure the project was completed on time. To ensure timely installs and minimal issues on site, the Velociti team preloaded all the software onto the iPads before they left the warehouse. This saved configuration time once technicians were onsite and allowed them to complete the installs before guests arrived.

We solved problems together. Any time an equipment issue or delay came up, we were able to hop on the phone and solve it. We really valued the partnership we had with Velociti.

- Jana Foster, Sr Manager IT Products, at Brinker



THE RESULTS: Creating a model For partnership

By mid-November, all 900+ locations had iPads and all the requisite equipment to enable servers to take orders and accept payments at tables. Since installation, the new technology has significantly improved both the guest and team member satisfaction in Chili's across the country.

ELOCIT

"We're achieving all the goals we set in the beginning," said Wilkinson. "There have been improvements to the guest experience, and our team members are making more money. Our servers and bartenders are thrilled to have more time to spend with the guests and engage them in ways they couldn't before. And that translates into a great advantage for us."

After the installation wrapped up, Velociti began working on phase three, which involved reducing the number of stationary POS systems and upgrading the software of the remaining POS units in the restaurants. Technicians are now revisiting the sites to complete this phase and wrap up the project. The timing of the POS visit was complicated by a need to make sure all restaurants were first visited as part of another distinct project to upgrade the server at the location for modernization and to enable the POS software upgrade. "The team has been highly effective and creative in solving problems throughout the entirety of this project," said Foster. "We came in right on schedule with the installs and never missed a date. This has been an incredible feat by the entire team and a true model for partnership."

With the installations complete and phase three wrapping up, Velociti and Brinker are closing the book on this project and looking ahead to what's next. The companies are continuing their partnership with the addition of <u>VeloCare</u> to protect the iPads and other equipment.

"VeloCare is a great tool to have when something goes wrong," said Hesskamp. "It allows Brinker to come to us if there's an issue with something, minimizing their downtime and ensuring all their technology maintenance needs are met."

Together, the teams will continue to leverage technology and build Chili's legacy of a delivering an unmatched guest experience that keeps people coming back and baby back ribs on the brain.

To learn more about Velociti's capabilities, visit **velociti.com**. To learn more about Brinker International, visit **brinker.com**.