

Looking for Traction

It must be 'all systems go' for a successful kiosk program

Millions of consumers embrace self service every day at retail locations all over the world. Most consumers eagerly use ATMs, movie ticket kiosks, and self-service gas pumps. The trend has also expanded to self checkout at retailers, customer-activated payment in multi-lane environments, and a myriad of other locations. Once they become used to the self-service procedures, most consumers wouldn't have it any other way. The ease, convenience, and privacy of self-service technology is second nature for most of us.

Except at the one place it seems a most natural fit: quick-service restaurants.

Most everyone agrees self-service kiosk usage in fast-food and casual-dining restaurants hasn't gotten the traction that many expected in the U.S. While costs are certainly a major issue, it isn't the only reason for the lack of success. The consensus is that there isn't anything wrong with the kiosk product itself. Instead, it's an incorrect deployment strategy that causes its failure. The ultimate purpose of a kiosk should be to improve customer service and enhance the customer experience. So far, that hasn't always been the case.

"Kiosks were initially a cost-saving measure and also intended to increase speed and thru-put," says Steve Gregorie, vice president of marketing at **Pro-Tech Solutions**, which provides outdoor kiosks at a variety of retail outlets and nontraditional venues. "But they didn't work on the customer experience, and the pushback from customers was huge."

For simple orders, kiosks can enhance the experience, but, except for outdoor kiosks, the reviews have been mixed, according to Gregorie.

"Technology should provide an exceptional customer experience," Gregorie says. "It needs to inject a value that customers didn't know about."

The initial experimentation with self-service kiosks in restaurants happened in the early 1990s. Some of the initial failures were system-driven; a major mistake was operators not understanding the commitment that must be made if self service is to work.



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Implementing self-service kiosks into an existing operation is a major undertaking, according to Jimmy Fortuna, vice president of product development at **Radiant Systems**, which has been providing self-service technology to nearly 900 foodservice retailers for the past 15 years. It is most successful when the capabilities are fully integrated into the operations and marketing of their environments.

"It's not something you just tack on to existing operations and systems," Fortuna says. "The adaptation of self service is as transforming to an operation as installing a drive-thru window and as impactful to the brand as a rebranding. Operations and marketing has to buy in or it doesn't stand a chance."

A key mistake many operators make is lack of total commitment, Fortuna says. "Someone says, 'We should try kiosks,' and then they task the IT department with the effort. This simply doesn't work."

Fortuna says many operators want to experiment in a limited way to save on initial costs, such as only implementing it at certain locations. It then becomes a low-cost experiment instead of a transformation and a complete implementation and integration into the normal transaction flow.

Costs, however, can be substantial. It's more than just multiplying the number of units by the cost of a kiosk system. Owners need to factor in some significant store remodeling, rewiring for power and networking, and soft costs, such as training, marketing materials, and working through other changes.

"Operators are understandably reluctant to turn their restaurants upside down until they prove a high value for kiosks," Fortuna says. "Unfortunately, it's impossible to get the high value that kiosks offer until you transform the operation."

Once the costs are considered, proper deployment is the next hurdle and one that often trips up unprepared operators. There might be a negative perception surrounding kiosks from both the customer's standpoint and the employees, which can happen if they are not deployed correctly, according to Peter Kaszycki, vice president of business development at **Manufacturing Resources International (MRI)**, a provider of indoor and outdoor digital displays.

"The key is to make kiosks a friend and not a foe to customers who are using them and store employees who must rely upon them," Kaszycki says.

According to Kaszycki, there are a number of factors to consider prior to deploying a kiosk program. First, the placement of the kiosk is of paramount importance. They must be placed in a location that is most convenient for the customer, not the business owner. This area should be one that the customer normally walks by when entering the business. Avoid the temptation to place it in an open area just because it is available. This might be suitable for the owner but not necessarily the customer—in which case they will more than likely simply ignore

it. Conversely, a kiosk should be in an area where customers will have some privacy, not feel rushed when ordering, and not be in the way of other customers.

Initially, the customers must be strongly encouraged, if not prodded, to use the kiosk instead of automatically migrating toward the front counter, according to Sarah Burkhart, director of product marketing at **Source Technologies**.

“Many kiosk deployments are successful because the way a customer interacts with the company is fundamentally changed. The customer cannot simply go to the counter to place an order, pay a bill, or checkout in the same way they have in the past,” Burkhart says. “That choice has been taken away and replaced with a new, more beneficial method for customers to interact with the companies they patronize.”

That might be a little strong for some operators, but there are other ways to encourage customers to use a self-service kiosk. Burkhart suggests offering a discount for using the kiosk or giving coupons that can only be redeemed at the kiosk or offering certain menu items only through the kiosk.

A kiosk used for limited transactions—such as credit or debit card only—should be placed in an area that won’t interfere with normal traffic flow. If multiple kiosks are used, a single-line flow system should be set up so that customers can use the next available kiosk. Signage can help direct customers to the next kiosk. These kiosks should be placed far enough apart so as not to impede on personal space.

The kiosk should also be oriented so that it provides good visibility of the screen, since a window can allow sunlight or glare that can interfere with the visibility of the kiosk screen.

Convincing Employees

Ironically, it can be as much of a challenge to convince employees that kiosks are a benefit as to convince a restaurant owner.

“The business owner and the employees must be fully committed to the process,” says MRI’s Kaszycki.

Getting employees to buy into the implementation of kiosks can be a challenge, but it is vitally important if the program is to succeed. The key is convincing employees that the kiosks are not being brought in to replace them but to increase business and customer satisfaction.

Without enough information supplied to employees ahead of the implementation of kiosks, employees could feel threatened by them. Employees who understand the bene-

fits of kiosks are more likely to enthusiastically encourage customers to use them, which is integral to the success of the project.

According to Kaszycki, fully training the employees in advance of bringing in the kiosks is the best strategy. Convince them that the kiosk will do the mundane, repetitive tasks that many employees don’t enjoy. As customers enter the restaurant, it is wise to have employees actively engage them in the use of kiosks. Walking customers through the kiosk function, answering questions, and assisting them can familiarize the customers with the process, leading to more frequent usage.

These employees, or “greeters,” are invaluable for providing feedback to the management on any potential problems or concerns customers have with the kiosk. These greeters will hear complaints from consumers they otherwise might have no knowledge of. For businesses with repeat customers, such as quick-service restaurants, the greeter might need only to serve a temporary function.

It sounds simple enough, but signage is an often overlooked aspect of customer service, and it’s no different for kiosk usage. Informational signage must be attached to the kiosk so customers can read and under-

stand it with minimal effort. How to order, where to swipe the credit card or insert cash, and how to cancel or start an order over must all be clearly marked or displayed. Signage directing customers to the kiosk should be placed above it or so that customers can see it even if the kiosk is in use. Ceiling danglers, floor decals, or stanchions can help in this area.

In the near future, kiosk technology should increase as today’s demographic of the 18–35-year-old tech-savvy consumer ages, according to Hayan Ortega, hospitality industry solutions specialist at Microsoft Corporation.

“They are more comfortable with the three screens: the PC, the telephone, and television,” he says. Ortega adds that kiosks could trend toward implementation of digital technology, with flat screens adapted along with digital signage. In addition, he says, look for operators to take advantage of the consumer’s own equipment, such as using a hand-held device to place orders via WiFi technology.

“A combination of these devices will provide better self-service,” Ortega says.

Ideally, customers should become so used to the kiosk that not using self service becomes the exception.

