

The Habit Burger Grill Adopts Restaurant Revolution Technologies Innovative Takeout Order Management System, Call Center and Online & Mobile Platforms – Experiences Exponential Growth & Service Milestones



A Case Study in Takeout Order Management, Processing and Service

The Habit Burger Grill is an Orange County, California based family burger eatery specializing in chargrilled burgers, sandwiches and sides with locations throughout California, Arizona, Utah and New Jersey. Since 1969, The Habit became the standard for freshness using only supreme ingredients such as California grown produce and 100% fresh ground beef on toasted buns, which are baked daily. From its burgers to sandwiches, the entire Habit menu continues to be crafted and prepared with equivalent reverence of its humble origins 45 years earlier.

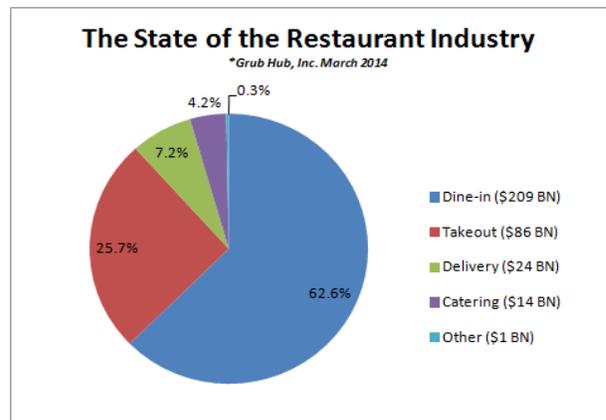
Aside from its quality fresh food, The Habit has built a sterling reputation for excellent customer service and continuously strives for ways to improve their service level through new methods and technology – always with the customer in mind.



The Habit’s Takeout Business Opportunity

Revenue from takeout orders has become increasingly vital – yet increasingly challenging for many chains within the restaurant industry. The growth of “off-premise” (phone, online and mobile) takeout business within the industry is forecasted to continue its rapid growth in the double digits for many years to come.

However, the most common problem restaurant chains face is the relative inability to equally serve call-in, online and mobile takeout customers to the same level as the restaurant’s in-store customers.



The Habit, an excellent in-store service oriented restaurant chain, realized they could vastly improve the service levels provided to their takeout customers, while also alleviating some operational pressures they experienced during peak hours. With in-store business for The Habit booming and new locations being added throughout the country at a rapid rate, developing a strategy to improve its takeout business had become a top priority. The Habit team realized that along with improving the volume of takeout orders and the takeout customer experience, they also would be extending their brand and image within the industry; thus attaining incremental revenues and profits and developing more frequent and loyal customers.



The Habit's takeout business faced the following three pronged challenge: 1) their takeout business experienced only minimal growth and remained a micro-fraction of its overall business (less than 1.0%), 2) by operationally focusing a majority of attention on their dine-in customers during peak lunch and dinner dining hours, it resulted in leaving a lot of money on the table as well as relative potential for their takeout business, and 3) with the proper strategy and partner in place, they could continue to improve the overall customer service image of its brand.

*Information provided by Technomic's "New Takeout Report for 2014"

The dilemma: how to properly triage and serve call-in, online and mobile takeout orders at the same high-level of service throughout all operational hours as the in-store customer orders without sacrificing or cannibalizing from the well-established in-store service and order level?

Introducing the RRT Takeout Advantage

To solve this problem, The Habit initiated a search to enlist a third party order management system including call center, mobile and online ordering platforms to fully integrate with their point of sale system - complimenting their high standard customer service levels.

While proceeding through its due diligence of a myriad of partner candidates with varying degrees of expertise, it was evident to The Habit that while there were numerous vendors providing online and mobile offerings, there were few, if any, vendors who had a fully integrated, end-to-end solution which supports ALL of their off-premise takeout business requirements. Whether the ordering mechanism used by the customer is the phone, online or mobile device, all off-premise takeout transactions were sought to be integrated and supported by one system, one database, and one partner.

The only fully equipped service provider meeting the technical, operational and service excellence requirements was Restaurant Revolution Technologies (RRT). Essentially, RRT's custom built restaurant takeout order solution complete with a supremely trained call center, high customer service accolades and end-to-end integration to handle phone, online and mobile transactions, is exactly what sets it

"I LOVE the Habit but I really wish they took phone orders. I understand they are busy during lunch time, but how much less crowded would it be if people could just come in, pay, then be on their merry way? I would go to this place A LOT more often if this was an option."

Actual Customer Yelp Review, Canyon Country, CA.

apart from the bevy of online order engines, mobile food order providers and other consumer food ordering portals.

Quite often the mobile and online technology is how initially many restaurant clients in situations similar to The Habit learn about RRT. Ultimately, however, they realize that ***the biggest differentiator leading to the most significant form of unrealized return on investment that no other service provider offers results from implementing a fully integrated, end-to-end solution supporting all of their off-premise takeout business.*** All the while providing exceptional customer service from a partner that is built by an exceptionally deep team with many years of experience within the restaurant industry.

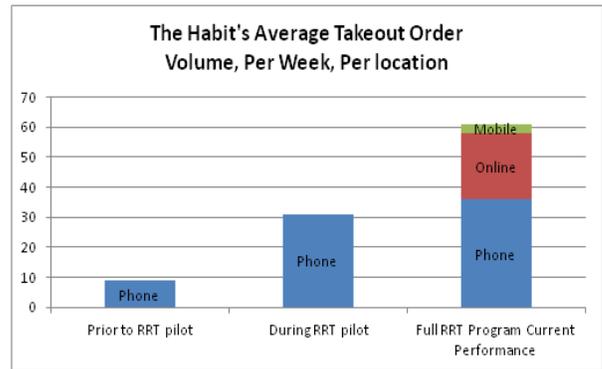
“RRT’s complete integration and innovative technology were so attractive from the beginning that it became a very easy decision during our partner search,” said Mike Repetti, Vice President of Information Technology of The Habit Burger Grill.

Upon concluding its search and proposal review process, The Habit entered into a strategic partnership alliance with RRT.

“RRT’s complete integration and innovative technology were so attractive from the beginning that it became a very easy decision during our partner search.”

Mike Repetti,
Vice President of Information Technology
The Habit Burger Grill

The Habit’s first installation and rollout of RRT’s call center, technology and services came in early 2013 beginning with a pilot program involving all four Arizona locations. The results out of the gate were astounding. In the previous year prior to working with RRT, the



same four locations averaged less than 10 takeout orders per week, per location. By the end of its 60 day pilot program, those same locations were averaging 30 takeout orders per week, per location via the call center alone. Currently, these same four locations are now realizing an average of nearly 60 off-premise orders per week; a dramatic increase over where they were previously.

“It was simply an overwhelming success with our first pilot locations,” said Mike Mirkil, Vice President of Marketing of The Habit Burger Grill. “We didn’t need any additional training for our employees, and could immediately see the ROI from the increase in our overall weekly order volume.”

Less than 60 days after the start of pilot program in Arizona, The Habit expanded the pilot program to an additional ten locations in California. Again, the return on investment exceeded expectations with nearly the same results as the initial pilot program.

“We were so very impressed with their high level of service, not only to us, their customer, but also to our customers. Their call center agents, who represent our brand when they speak with our customers every day, have demonstrated excellent hospitality skills,” said Mirkil.

The Habit continued to expand its pilot program to include other California locations and, by the Summer of 2013, decided to move forward with implementation at all locations. To The Habit's pleasant surprise, RRT was able to get the additional 80 plus locations all live and fully integrated in under 8 weeks. With the full RRT program in place system-wide, The Habit continues to realize very positive results and return on investment.

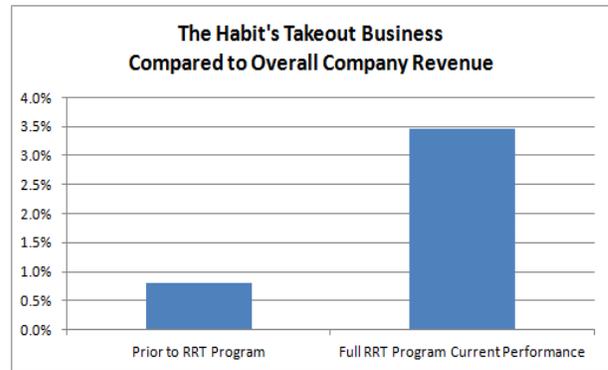
Quantitative ROI – Over 300% Increase in Takeout Order Revenue

Although results from deploying RRT's services and technology vary from client to client, the impact is invariably identical. First and foremost, the greatest benefit of implementing RRT's suite of services and comprehensive order management solution is the overall sales increase and impact to the top line of the organization. In the case of The Habit, RRT's call center, online and mobile platforms captured takeout orders that were simply not processed or were lost through service challenges and other previously existing issues, specifically during peak hours.

“It was simply an overwhelming success with our first pilot locations, and we could immediately see the ROI from the increase in our overall weekly order volume.”

Mike Mirkil,
Vice President of Marketing
The Habit Burger Grill

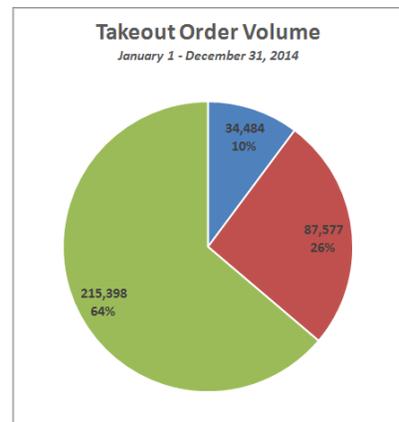
In the year preceding the working relationship with RRT, The Habit's takeout business constituted only a micro-fraction of their overall business revenue mix - less than 1%. By the 2nd quarter of 2014 following their company-wide installation with RRT,



The Habit's takeout business increased to above 3% of its overall revenue mix in less than a year – an increase of over 300%. The Habit's new ability to capture takeout orders substantially impacted their order and revenue streams without the need for additional in-store labor by offloading thousand's of phone calls per month which previously needed to be handled by the staff at each respective location.

With the full order management installation in operation across all locations, The Habit and RRT relationship led to the following takeout order results for the 2014 calendar year:

- Takeout orders total: 337,459
- Takeout revenue: \$5,550,727
- Sales Mix:
 - 215,398 Call-in orders / 64% of total order volume
 - 87,577 Online orders / 26% of total order volume
 - 34,484 Mobile orders / 10% of total order volume



RESTAURANT REVOLUTION TECHNOLOGIES CASE STUDY

The Habit’s revenue boosts resulting from the capturing of new orders, however, was only part of the story. While digging deeper into the initial results, differences in The Habit’s average order size, depending if the order was placed through a phone call vs. an online or mobile order, interestingly began to deviate. Initial results showed that the highest average order is handled over the phone. Phone orders yielded substantially larger top dollar orders - top dollar order for phone approximately \$700 vs. \$50 online and mobile. As such, The Habit average order results via RRT’s services resulted in the following:

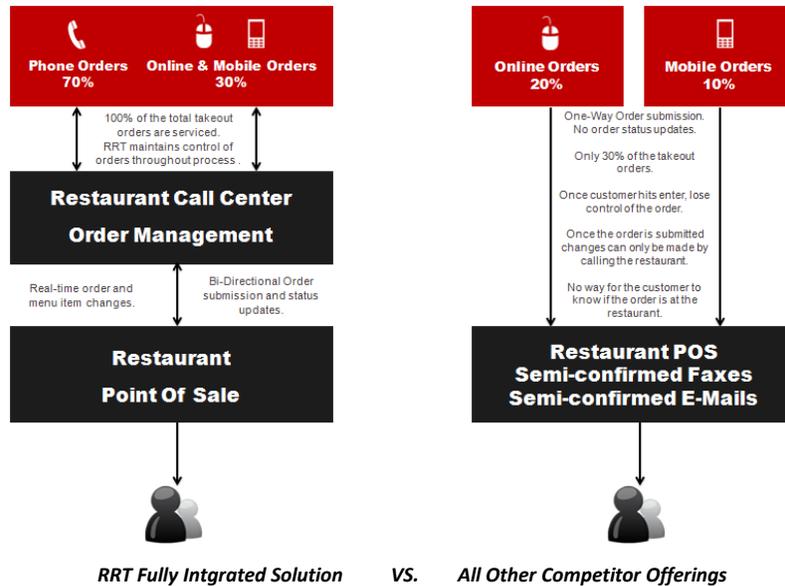


- The Top 20 order average shows phone call-in orders 8x higher than orders placed via online and mobile.

“We were so very impressed with their high level of service, not only to us, their customer, but also to our customers.”

Mike Mirkil,
Vice President of Marketing
The Habit Burger Grill

Furthermore, the speed created by RRT’s advanced order management technology greatly increased order efficiencies via stored payment information, and combined with the ability to capture customer information, order history, favorites and the convenience of having someone else physically manage the order proved critical for The Habit; otherwise these orders, especially the larger orders, might otherwise be lost were it not for the speed and convenience provided by the RRT solution. The Habit results also debunks common perception regarding the excitement surrounding new and prevalent technologies within the takeout industry – specifically online and mobile offerings - as a superior revenue generator to business generated via the phone.



With the Habit, 64% of their total off-premise takeout business originated over the phone which supports the proposition that ***the true marketplace potential is implementing a fully integrated, end-to-end solution which includes phone, online and mobile and not simply offerings that focus solely on online and mobile transactions.***

The advantage clearly is providing customers a live person via RRT's call center to walk them through their order, answer questions, and politely suggesting additions, as well as the ability and support to efficiently handle more complicated orders which normally include orders for a larger number of people.

"The Habit organization has proven to be an innovative partner, with an excellent strategic focus. We look forward to our continuing partnership and delivering long term value to The Habit Burger Grill restaurant chain and its customers," said David Schofield, CEO of Restaurant Revolution Technologies. "We are pleased with the success The Habit Burger Grill is getting from RRT and that their customers are happy with the level of service they get from placing a takeout order via phone, online or mobile. This engagement demonstrates our capabilities, our deep understanding of the issues within the industry, and allows us to provide our operational expertise using innovative technology for takeout order processing and management, providing positive results in many different areas."

"We are pleased with the success The Habit is getting from RRT and that their customers are happy with the level of service they receive from placing a takeout order."

David Schofield,
CEO
Restaurant Revolution
Technologies, Inc.

Operational ROI – Offloading 50,000 Monthly Calls and Rescuing Issue-Related Orders

During peak lunch and dinner dining hours, customers are often lined up out the door waiting to order their meals, making it very difficult for The Habit staff to answer the phones and handle a series of long calls. Once The Habit completed the full RRT installation, this pressure was eliminated within the restaurants during these peak periods.

RRT thus far is offloading over 50,000 calls per month (with this number increasing every month), each call roughly 3-4 minutes in duration, leading to 2,500-3,500 hours of staff time per month that can now remain focused on the dine-in customer instead of handling the phone. While most CFO's will label this as a "soft cost", it clearly is extraordinarily valuable and helpful to restaurants like The Habit in keeping operations succinct and streamlined.

Furthermore, because of RRT's order management agility and integration, The Habit also operationally began to "rescue" orders ordinarily lost. RRT's order management software owns and monitors the takeout order from inception to successful completion (customer arrives at The Habit to collect order), no matter if it comes in through the phone, online or mobile platforms, and includes a unique ability to capture or rescue orders with issues.

If an issue arises with an online or mobile order, RRT's order management dashboard flags the issue, and a RRT call center agent proactively calls The Habit location and the customer to immediately resolve the problem before it is lost. Usually, online and mobile customer issues are elementary like the declining of a customer's credit card, of which RRT (on behalf of The Habit location) contacts the customer to retrieve a new credit card number and help to complete the order successfully. This service has consistently allowed the Habit to save and capture orders that typically may not have been successfully completed – salvaging business and retaining more satisfied customers of The Habit.

Qualitative ROI – Functioning at a Higher Service Level

Beyond the leaps and bounds made quantitatively and operationally, The Habit also experienced qualitative enhancements in their overall customer service.

RESTAURANT REVOLUTION TECHNOLOGIES CASE STUDY

Following the full RRT installation to all locations, feedback regarding their takeout service became more positive as reflected on various social media and customer review sites. In fact, the enhanced service level from the RRT order management solution, online and mobile technology, and call center order agents increased positive customer feedback for the organization amassing new loyal champions of The Habit chain. Below are some excerpts of recent Yelp and Urban Spoon customer reviews based on the RRT integration:

The Habit Customer Calls Time Spent On-hold			
	Prior to RRT	Industry Standard*	Following RRT Installation
Excellent			✓
Good			
Mediocre		✓	
Poor	✓		
Unacceptable			

*Data Source: "Full Service Restaurant Order by Phone Performance Study 2009," University of Nevada, Las Vegas, Harrah Research Center Study, Operations survey of 650 multi-unit Full Service Restaurants at the Top 75 National restaurant chains.

"I did a takeout order (for the first time yesterday). I ordered online and everything worked flawlessly. So easy and convenient. One of the best burgers I have tried..." – Customer from South Portland, ME who visited a Habit location in Northern California

"I love this place....Customer service was excellent in that I somehow ended up short one order of fries, the Habit answered my email, called ME back at home and offered to send me a free meal to make up for the small mistake. Am I fan? You bet!" – Customer in Cupertino, CA

Clearly, adopting RRT's call center, online and mobile technology and order management solution was a no-brainer for The Habit. It has not only impressed the corporate and location management and employees, but it has completely transformed The Habit's takeout business, corporate revenues and improved customer service issues and concerns as related to their takeout operations allowing them to continue to refine and optimize their in-store business.

The RRT partnership is such a success at The Habit that the management "would tell anybody interested in improving their takeout business and customer service that they should seriously consider implementing the RRT solution."

For more information about Restaurant Revolution Technologies' Takeout Order Management Solutions, visit www.RRTUSA.com.

About Restaurant Revolution Technologies

Restaurant Revolution Technologies, Inc. (RRT) provides popular restaurant chains nationwide easy-to-implement phone, online and mobile takeout, order management, customer loyalty and catering solutions that enable restaurant operators to offer their takeout customers a consistently professional and delightful ordering experience where the customer rarely waits on hold, speaks to a friendly and knowledgeable menu-certified virtual waiter, and can be confident that the order is accurate. The turnkey, patent-pending takeout order management software system provides a positive ROI by reducing operational costs, while increasing the number of orders and improving profits by leveraging the feature rich call center, online and mobile ordering platforms all integrated with top POS systems that service a majority of restaurant's nationally. www.RRTUSA.com

About The Habit Burger Grill

The Habit Burger Grill serves char-grilled burgers made from 100% fresh ground beef and also signature sandwiches and fresh, hand-made salads along with tasty sides, shakes and malts. With Charburgers starting at just \$2.95, The Habit offers every day value with great service to go along with great-tasting, high quality food. The Habit opened in 1969 in Santa Barbara, California and through hard work and dedication has grown to over 100 locations throughout California, Arizona, Utah and New Jersey. www.HabitBurger.com