Five Ways U.S. Food and Beverage Brands are Using Technology to Drive International Success

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Bill Edwards, CEO of Edwards Global Services, Inc. - 6.18.2019

In today's modern restaurant, the rise of the Millennial generation has greatly impacted how restaurant franchises adapt technologically in order to win the attention, business and loyalty of the international customer. One of the driving forces behind this need to advance is the global Millennial generation, who lives on data and information. If a franchise does not adopt technology solutions to meet the needs of these global decision makers, it will not have customers – period.

In the past, a franchise's bottom line was not necessarily influenced on whether a franchise upgraded its technological capabilities. This led many franchises to hold off on updating, as it is a substantial financial investment to innovate. Today, this is no longer an option. Either a franchise invests in technologies to meet customers’ expectations and needs, or it fails to maintain and grow its customer base.

Case is point – Bob's Big Boy. Did you know the original double patty burger came not from McDonald's, but from Bob's Big Boy?
the height of its success, the fast-casual chain had over 750 restaurants across the country. It was one of the first burger brands to go international, and had restaurants in 30 different countries. However, McDonald's is the reigning burger chain in today's market because it innovated technologically, when Bob's Big Boy did not. Today, Bob's Big Boy is making a comeback, but it will be costly.

Innovating technologically is crucial to the success of any franchise looking to break into the global market. Here are five ways U.S. food and beverage brands are using technology to drive international success:

**Apps**

The widespread use of mobile apps to order food, make reservations, locate a business and compare offerings has become the industry standard. Restaurants can provide incentives and menu items that are tailored to what each individual customer likes and prefers. Additionally, mobile apps are being used to customize service. For instance, in some KFC's in China, customers can choose the restaurant's background music via an app and listen to their favorite tunes while they eat.

The most successful international restaurant chains have created apps that are localized and systemized by region and demographic to customize service and engage customers. Even menus are customized to reflect the weather in cities around the world.

**Cashless**

While cash transactions in-store are slowing declining in the U.S., going cashless has become a huge deal in other countries. In comparison to the U.S., many restaurants in other countries have almost completely nixed cash transactions to accommodate local customers – accepting most payments via debit and credit cards, or through mobile apps. Yum China Holdings, Inc. reports that 86 percent of transactions are already cashless and about half of all orders are placed via mobile app or digital kiosk.
To stay competitive in the international market, it's vital to adopt digital payment options for the large customer base that prefers going cashless.

**Social Media**

In the U.S., texting is the most used and preferred form of communication. However, in other countries, social media is the main communication channel. To put it in perspective, Facebook has about 63 percent penetration in the U.S., whereas in Dubai it's 90 percent. If someone in Dubai is meeting friends for lunch or at the mall, they communicate with each other via Facebook.

On a global scale, social media will provide franchisors major opportunity to create value and keep the discerning customer engaged.

**Web-Based Management Systems**

Web-based management systems are used by restaurants across the globe, as it allows the U.S. brand to monitor what is happening in its locations in other countries in real-time. A brand can provide and manage KPIs for a specific international restaurant location to ensure it is performing daily, that inventory is correct and sales are on track.

These web-based POS systems also permit brands to conduct real-time staff training. For instance, local staff in India would be able to have access to a brand's latest training videos 24/7. A well-trained staff to represent a brand in another country is vital to ROI.

**Privacy**

With the rise of IoT, regulations have been put in place to protect an individual's data and privacy. In Europe, the General Data Protection Regulation (GDPR) aims to give control to individuals over their personal data and to simplify the regulatory environment for international business. If the local government finds out a brand is over-spamming its customers, despite them opting-in to the
mailing list, there will be huge regulatory fines. Technology is being used by franchisors to monitor communication between its international restaurants and local customers to ensure no privacy regulation are being broken.

Basically, it comes down to advancing technologically. The brands that provide and implement the most innovative technology solutions put themselves at an extreme advantage. They keep and expand their customer base, as the customers’ desires and likes change. The solutions discussed in this article are some of the most essential tools being used in the operation and success of franchised business around the world.

William “Bill” Edwards has over 45 years of international experience, living and doing business in such areas as China, the Czech Republic, Hong Kong, Indonesia, Iran, Turkey and all over the U.S. including Alaska. He has directed projects in 68 countries and is known as a guru of global business, frequently speaking on the topic of the challenges, pitfalls and opportunities of international business expansion. Edwards has worked with multiple Fortune 100 companies to help them enter new markets with the analysis, wisdom, foresight and strategy to maximize success. He has a deep respect for other cultures and their business customs, and loves helping U.S. businesses realize their full potential on the global stage. In 2001, Edwards founded Edwards Global Services (EGS) and has developed and trademarked a proven, step-by-step process for international development based on his extensive background and skilled knowledge of developing and growing businesses abroad. He is a two-time recipient of the U.S. President's Award for Export Excellence in addition to his numerous affiliations and professional roles. In 2016, he was named to the District Export Council by the U.S. Secretary of Commerce.

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