NCR CASE STUDY

Shake Shack

SHAKE ⬢ SHACK®

"Shake Shack is growing very quickly, and we need our IT solutions to grow with us. NCR is more than up to the task. Knowing that they provide hosted solutions to companies with hundreds and thousands of locations gives us confidence that we will be fully supported as we scale up."

Giancarlo Fiorarancio, Director of Information Systems, Shake Shack

The Customer

How does a humble hot dog stand grow into a 21-store international burger chain in little more than a decade? While the backing of famed restaurateur Danny Meyer might have something to do with Shake Shack's success, the chain's team works hard to deliver a differentiated quick service dining experience. They incorporate reclaimed wood and other materials in the restaurants' design; use fresh, high-quality ingredients in food preparation; and promote community with savvy use of social media and sponsorship of nonprofit events. Little wonder patrons will wait for more than an hour to order burgers and hot dogs, beer, wine, frozen custard and of course, the chain's namesake: ice cream shakes.

With high-volume operations and growth a constant, the Shake Shack management team knew that they needed to reconsider their technology platform provider. Giancarlo Fiorarancio, Director of Information Systems, explains: "We did some careful thinking about technology when I joined

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the company, looking at NCR and other competitor offerings. What motivated us to go forward with NCR was the maturity and reliability of its systems and the fact that the company operates its own data center with sound procedures and backups. It is a huge benefit not to have to worry about scalability of the NCR products as we grow."

After rolling out NCR systems, including POS terminals with quick service software, kitchen management tools, above-store reporting, multisite and systems management tools, real-time mobile analytics and stored value cards, Shake Shack hasn't looked back. The company now deploys NCR solutions at all of its U.S. restaurants.

Operating with Efficiency

In the front of the house, NCR Aloha systems help Shake Shack deliver a superior customer experience. At each Shake Shack, employees use three to four NCR POS terminals to process orders and payments swiftly and accurately. Staffers know that they can depend on the robust hardware and software to withstand constant daily usage. That's essential because "when you have hundreds of customers in line, even a minute of downtime can affect your sales at that location. Feeling like we can put pressure on NCR POS terminals without having any failures is huge for our team," says Mr. Fiorarancio.

Meanwhile, NCR's kitchen production solution helps cooks make the most of every minute. The system routes orders, using business logic to coordinate order production and item cooking times. Shake Shack employees use an expo screen to monitor ticket times and orders, troubleshooting problems as they arise. Shake Shack also uses the tool to signal customers that their orders are ready via pager. "That is a big deal for Shake Shack, because we want our customers to have food as soon as possible, when it is in its freshest state," remarks Mr. Fiorarancio. "NCR Aloha Kitchen creates efficiencies that enable us to serve our customers well and in a speedy manner." The chain has seen ticket times improve since deploying the integrated kitchen management solution.

Managing the Operation

Shake Shack managers scrutinize data constantly, using NCR tools to gain insight into business performance and increase their operational efficiency. NCR's back-office inventory and labor application helps the executive team manage vendors and food costs effectively, as well as provide each Shake Shack location with targeted information to improve forecasting and ordering.

Managers use NCR's historical web-based analytics platform to analyze menu mix and how that varies across locations. "NCR Insight helps us understand which items sell consistently at each location, and which items are more popular in Miami than in New York City. We can use that information to customize our ordering and marketing," states Mr. Fiorarancio.

Meanwhile, NCR software pushes real-time data and social media updates to general managers' mobile devices. "NCR Pulse Real-Time is a great tool. It gives you information that you can use right now to improve your results for the rest of the day," mentions Mr. Fiorarancio. His team leverages the tool to scrutinize labor hours closely, sending staffers home when they aren't needed. In addition, they monitor voids and comps, which could indicate that cashiers are making mistakes and need additional training.

As an IT director, Mr. Fiorarancio uses NCR's multisite and systems management application to bring integrity to critical technology processes. "When we started out, we had eight or nine locations, each of which had its own item database. That made it a nightmare to have any kind of consistency," says Mr. Fiorarancio. He uses NCR's remote IT management capabilities to roll out new menu items across all locations, improve cash handling and strengthen controls.

Mr. Fiorarancio has his eye on the future. "Shake Shack is growing very quickly, and we need our IT solutions to grow with us. NCR is more than up to the task. Knowing that they provide hosted solutions to companies with hundreds and thousands of locations gives us confidence that we will be fully supported as we scale up."