

## *The Case of the Tower Cafe: Identifying the Right Technology for a Small Independent*

### Summary of Teaching Note

The development of technology for use in restaurant operations has proliferated in both front and back of the house operations. Restaurant managers are continually looking at ways of implementing technology to manage their operations efficiently and effectively. Technology adoption ranges from managing guest profiles and social media to menu presentation in the front -the-house operations. Restaurant back-of- the-house operations range from inventory and purchasing systems to human resource issues and data security (Lutrario, 2015).

Technological advances can be exciting but can often provide services that are not necessary or beyond the needs of the business. An important consideration is that technology does not necessarily replace the need for knowledgeable employees, but it may help them excel (Giebelhausen, Robinson, Sirianni, & Brady, 2014). There are also privacy concerns and cyber security to consider when adopting certain technologies. There is technology capable of tracking a guest's as well as their purchasing habits and behavior, visit with/without their knowledge.

The focus of this case study is to identify technological impact potentials and explore how restaurant managers/owners make decisions regarding technology applications in their operations.

### Case Study Learners

This case is appropriate for upper class undergraduate and graduate level courses. A basic understanding of the restaurant business is preferred to enhance the student's ability to properly assess the needs of a restaurant based on its operations, goals and vision/mission. This case can be used to further student knowledge of future technology needs in restaurants and how to improve restaurant operations through technology.

### Teaching Objectives

The use of double loop learning objectives can help students to identify a problem, then reflect on assumptions, and test decision validity. By the end of the case study, the student should be able to

- Identify and discuss the relationship between organizational vision-mission and adoption of technology.
- Compare and contrast different types of Front-of-House and Back-of-House technology applications.
- Recognize and evaluate the impact of technology adoption from employee and guest's perspective.
- Critically review the impact of technology on service delivery and restaurant operations.
- Identify and discuss the motivations and barriers to technology adoption and strategies for address these issues.

### Teaching Approach

This case can be used over three class sessions, (60-75 minutes in length) with a week between each class session. The class sessions should be used to initially set up the case and then review different sections throughout the 2-3 class sessions. Time in between class sessions should be used to do research on types of technology, common restaurant practices, and restaurant industry best practices. Utilize Discussion Questions and Case Deliverables listed in case study.

### Teaching Activities

#### Class Session One:

Introduce the case study and begin with an open discussion about the restaurant industry including challenges, opportunities, and threats based on their firsthand knowledge either as current/former employee or as a customer (15-20 minutes).

Divide the class into two groups. Have one group look at the towercafee.com website and identify the features of the website. Have the other group look at the towercafee.com website and look at how the website reflects the vision and mission stated in the menu (10 minutes). Have groups report out on their observations (5-7 minutes).

For the remainder of this first class, divide the class into small groups. Have students read the entire case study and then conduct an analysis of technology currently being used by the Tower Café (25-30 minutes). Depending on level of knowledge, the class may not complete the analysis and will need to finish it independently before the next class. Have them answer discussion questions 1, 2 & 3. Use the remaining 5- 8 minutes to review what they have determined so far then assign them to research types of technologies currently being marketed and used in restaurants by conducting an online search and bringing their results to the next class. Instruct them to answer discussion questions 4, 5, & 6 and bring their answers to the next class.

#### Class Session Two:

Review their findings regarding their online search. Discuss their answers to questions 4, 5, & 6. Divide students up into small groups again. Based on the information they have brought in from their online research, have the students in their small groups answer discussion questions 7 & 8 (10 minutes). Then have a large group discussion of reflecting the answers to questions 7 & 8. Include discussion of similarities between the groups (if there are any) (5-8 minutes).

Then back to small groups and have students discuss and critically analyze the impact of social media on restaurant operations. How does restaurant technology manage the guest experience? What is the im-

pact of building a profile of repeat guests? (10-15 minutes). Again, take a few minutes to highlight discussions in large group (5 minutes).

Finally, challenge students in small groups to debate privacy-security issues with the use of technology in restaurants (cameras, profiling through frequent guest cards, mobile pay, etc.) (10-15 minutes). Bring out any highlights or things that were being discussed into a brief large group discussion (5-7 minutes).

For the remainder of the class break the students up into pairs or small groups and have them begin to assemble their recommendations to the Tower Café using the list of questions under “Recommendations for the Owners” in the case study (15 minutes).

Before dismissing class, instruct students that they are to complete their recommendations and be prepared to present and discuss them in the next class. Be specific regarding your expectations for next week’s class including what you expect to be written and turned in, what references you are requiring them to provide, how long their presentation is expected to be, requirements for their oral presentation of the recommendations, etc.(5 minutes).

### ***Class Session Three:***

Have students present their recommendations based on your requirements. Once all of the students have completed their recommendations presentations, have a discussion based on what they presented. Suggested questions for the final discussion and wrap up may include:

- Questions around why they chose a specific technology over another
- What are the “must haves” vs the “nice to haves” included in their recommendations (priority ranking)
- What they think ownership will say regarding their recommendations
- What the cost implications of their recommendations are and are those costs aligned with the 2½% of sales goal
- Do a final wrap up of technology in the restaurant industry based on additional readings listed below.
- A note: This case study can also be used as a one three-hour class period during a semester class by:
  - Assigning the students to pre-read the case study and do the online search prior to class.
  - During class, assemble students into small groups to compare their research and thoughts around the case study.
  - Have students put together a recommendation for the “owners” based on the questions under “Case Deliverables”
  - Have students report out on their recommendations.
  - Once all of the groups have gone, have a large group discussion using the questions mentioned under “Class Session Three” above.
  - Do a final wrap up of technology in the restaurant industry based on additional readings listed below.

### **Additional Readings**

- Bortone, B. (2017, October 4). 3 Hotel Restaurant Technology Trends to Watch for 2018. Retrieved from Restaurant Insider: <https://upserve.com/restaurant-insider/3-hot-restaurant-technology-trends-watch-2018/>
- Hermannsson, H. (2017, April 3). How Technology is Changing the Restaurant Industry. Retrieved from Smallbiz Technology: <http://www.smallbiztechnology.com/archive/2017/04/how-technology-is-changing-the-restaurant-industry.html/#.Wp8qp-jwblU>
- Rivera, M., Croes, R., & Zhong, Y. (2017). Developing mobile services. *International Journal of Contemporary Hospitality Management*, 28 (12), 2721-2747.
- Smilansky, O. (2015). Adopt technologies, fail fast, and focus on mobile. *Guest Relationship Management: CRM*, 19 (12), 15.
- Zhang, T., Abound, O. B., & Cobanoglu, C. (2017). Generation Y’s positive and negative eWOM: Use of social media and mobile technology. *International Journal of Contemporary Hospitality Management*, 29 (2), 732-761.