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Large Casual Dining Chain Identifies Strategies For Generating Over $200,000 Per Store In Additional Revenue With Presto Vision

Estimated additional revenue of $40,800,000 across the company's locations

The Customer

The customer is a local restaurant of a large American casual dining chain. It is located in a busy neighborhood of the San Francisco Bay Area. The store receives high traffic as a popular business meeting spot or gathering spot for families and friends.

Specifically throughout 2019, the restaurant has been focused on building sales with new menu items and growing its off-premise channel. Low margins and rising labor costs drove the restaurant to focus on boosting guest checks with higher-priced items.

Missed Revenue Opportunity

Despite menu innovation, guest check sizes were not growing, and guests looking for more value were not driven to select higher-priced menu items. Through the year, the restaurant experienced thinning margins. After conducting an operational analysis, the restaurant

discovered that it was losing revenue from guest bounces— when a guest exited the restaurant lobby without being seated.

Despite increasing staff on weekends, the restaurant still saw significant guest bounces. They lacked a systematic way of measuring guest bounce rates by time and day, and didn't want to over-hire staff when they were battling low server retention. Operating and labor costs were up, while increasing competition was limiting their ability to raise prices further. The low unemployment rate continued to drive up restaurant staff wages.

The restaurant saw an opportunity to improve their margins by deploying Presto Vision. Presto Vision provided the restaurant the ability to measure average wait times and guest bounce rates by time and day, as well as alert managers of critical problems immediately. As a result, the restaurant was able to quantify lost revenue opportunities and optimize staff scheduling for days with higher bounce rates.

Presto Vision: The Solution

The restaurant manager wanted a solution that would measure guest wait times and bounce rates for each day of the week. In addition, it would allow them to drive growth, improve operational efficiency, and enhance the guest experience.

The restaurant began discussions with Presto about the best tool for their enterprise-level needs. Presto has a comprehensive suite of enterprise-grade products that empowers restaurant operators to reduce costs and drive revenue, while elevating the guest experience. When the restaurant learned about its latest product Presto Vision—the first comprehensive computer vision product for restaurants —it was eager to deploy the technology to help solve their problem.

Providing restaurant insights is just one of the myriad ways Presto Vision helped the restaurant realize lost revenue opportunities. The restaurant selected Presto Vision based on the fact that the technology offers a built-in solution to this problem. Presto Vision alerts the manager automatically of long waits, unavailable hosts, and customer bounce rates, allowing them to take immediate action. In addition, Presto Vision generated reports with suggestions on the restaurant's staffing needs based on bounce rates, day, and time. The result is a superior guest experience and stronger bottom line.

Besides other benefits, deploying this technology also enabled the restaurant to identify revenue-boosting and training opportunities across its whole chain.

Impact

By deploying Presto Vision, the restaurant identified additional revenue opportunities and bounce rates by day and time, and was able to optimize its staffing schedule for higher operational efficiency.

The restaurant has been using Presto Vision for over 6 months. The product tracks performance such as host presence and critical problems through cameras and real-time computer vision analysis. Presto Vision also enables extraction of data-driven insights on performance metrics and noteworthy events. The system notifies the manager immediately of critical service problems such as excessively long waits, untidy lobbies, unavailable hosts, and guest bounce rates.

With Presto Vision, the restaurant found that low host presence had contributed to numerous guest bounces and the associated loss of thousands of dollars each week. An analysis indicates up to $17,000 in monthly lost revenue opportunities based on the number of guest bounce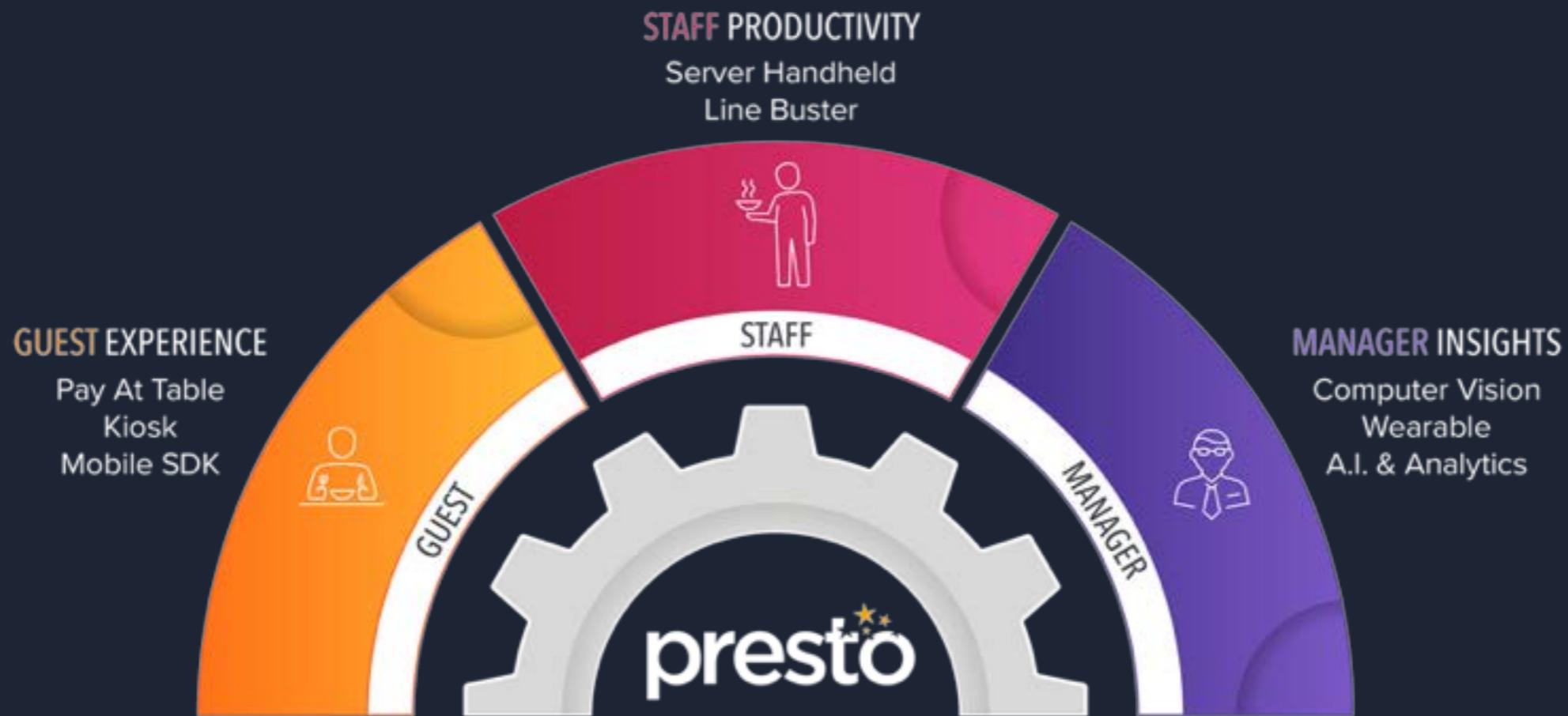s that Presto Vision measured, and $8 lost revenue per guest bounce based on average check size per guest, resulting in an estimated yearly total of $204,000 in lost revenue. These problems are common to the whole restaurant chain, and could cause an estimated yearly additional revenue of up to **$40,800,000 across the company's several hundred locations.**
Additionally, the manager learned that bounce rates were significantly higher on Wednesdays and Saturdays. This enabled the manager to reassign staff at busier times, and hire an additional staff member with confidence.

Partnering with Presto allowed the restaurant to uncover major additional revenue opportunities, as well as optimize their staffing schedule to mitigate the problem. At the same time, Presto Vision enables the restaurant chain to optimize operations at a large scale, accelerate growth, and further their mission of providing memorable guest experiences. Only time will tell the operational efficiency and growth the restaurant will realize by leveraging the many benefits of Presto Vision.

Presto Vision identified strategies for generating additional revenue

$40.8M
ALL LOCATIONS

$204,000
PER LOCATION

GUEST EXPERIENCE
Pay At Table
Kiosk
Mobile SDK

STAFF PRODUCTIVITY
Server Handheld
Line Buster

MANAGER INSIGHTS
Computer Vision
Wearable
A.I. & Analytics

GUEST

STAFF

MANAGER

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CONTACT US

For more information on this case study or to schedule a product demo, please contact us.

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