

Sodexho eats up the competition with an IBM Kiosk solution.



Highlights

■ **Challenge**

Improve efficiency and productivity; cut customer wait times; reduce order errors; and capitalize on up-sell opportunities

■ **Solution**

An automated food ordering system built by IBM Business Partner Xpress Ordering Limited, running on three IBM Kiosk systems and featuring six IBM SureMark™ thermal printers

■ **Benefits**

Significant increases in sales, order volume and up-sell opportunities; enhanced customer service; improved staff productivity and efficiency; and better stock control

Global and local food service excellence

A global market leader in food and management services, Sodexho provides catering and other food-related services to companies, government agencies, public and private schools, universities and healthcare organizations. Worldwide, the company employs more than 300,000 people at nearly 24,000 sites in 76 countries. During the first half of the 2003–04 fiscal year, Sodexho generated US\$7.1 billion in revenues.

The company focuses on developing innovative products and services that enhance customer, client and employee satisfaction, improve financial results and strengthen its corporate image.

In the U.K., Sodexho markets a portfolio of brands—such as Strollers, Caffé Toscana, Pizza Gusta and Spitfires—at over 1,000 locations. At University College London, Sodexho operates a Strollers deli, selling high-quality, freshly baked baguettes and sandwiches with a broad selection of spreads, fillings and condiments.

Aiming for faster food

While the Strollers location at University College London was satisfying customer demand for appetizing sandwiches, order fulfillment was anything but fast—especially during the busy lunch rush. It was time-consuming for staff to take and complete complex special orders and the long wait times increased the risk of customer abandonment. Counter employees had to manually write down individual orders and take time to fulfill the order before moving on to the next one—a process that was hindering counter staff productivity, making it difficult for employees to up-sell other products to customers and causing a drop in Strollers' customer base.

“Customers were waiting up to ten minutes for their food, so we needed to speed up the made-to-order service and cut down on wait times,” explains Martin White, general manager refectory services, Sodexo. “At the same time, we were looking to increase productivity and be able to more precisely analyze our sales for improved stock control and better responses to changing customer demands.” Because employees took and rang up orders manually, there was no good way to accurately track which products were selling and which weren't. Moreover, it was difficult to determine if employees were charging accurate prices for the products sold.

A made-to-order IBM solution

IBM Business Partner Xpress Ordering Limited approached Sodexo with a technology solution, designed specifically for the food service environment, that could help the company boost efficiency, accelerate order fulfillment and achieve a quick return on investment. Xpress Ordering Limited performed a demo of the point-of-sale (POS) solution, which included showing Sodexo how it could significantly increase productivity by moving the order point away from service counters to locations where customers could easily access them. Sodexo implemented an XpressCounter solution—built on industry-leading IBM hardware and flexible and scalable Xpress Ordering software—for a three-month trial at the Strollers outlet at University College London.

With the new solution—featuring specially tailored software running on three IBM Kiosks that can also run Linux—customers create their own orders by following automated voice prompts through a series of user-friendly graphical touchscreens. They can choose from eight types of bread, three spreads, 38 fillings, four garnishes and four sauces to build their own made-to-order sandwiches. Each IBM Kiosk is connected directly to an IBM SureMark

printer that generates customer receipts at the counter and transfers sandwich orders—via Internet Protocol (IP) over a radio frequency (RF) wireless network—to three additional SureMark printers located in the store's fulfillment area.

Xpress Ordering Limited provided Sodexo with an end-to-end solution—including software design and implementation—and installation and configuration of the IBM Kiosks and printers as well as the RF wireless network. “Using our advanced Java™ technology-based X-Factor design tool, we were quickly able to tailor-make the perfect solution for the Strollers outlet at University College London,” says Nigel Allan, cofounder and sales director of Xpress Ordering Limited. “And with RF technology, we were able to offer total flexibility in the positioning of the IBM hardware. Strollers employees can now move kiosks to any location within the refectory and eliminate bottlenecks at the counter.”

Xpress Ordering continues to offer support and maintenance services, and is working closely with Sodexo to ensure the solution aligns with Sodexo's evolving business needs. For example, both companies are discussing the

possibilities of incorporating a cashless payment system. “Xpress Ordering delivered a highly effective solution, which proved its value immediately,” says White. “Sodexho always aims to reduce costs and boost earnings at its Strollers location at University College London, and the solution is helping us to do both. It not only keeps us ahead of our competitors—none of whom can offer anything similar—but it puts us in an excellent position to gain a renewed contract from University College London.”

“In six months of operation, we have not had a single issue with any of the IBM Kiosks or printers. The IBM Kiosk is very robust, and I am confident that it will continue to serve our needs into the future.”

—Martin White, general manager refectory services, Sodexho

Piling on the benefits

Using the IBM Kiosk solution, Sodexho can identify its best-selling sandwiches and adjust its supply chain accordingly. The ability to closely monitor individual staff productivity enables the company to redeploy staff as necessary to improve internal efficiency. Since the solution integrates sales and inventory data, Sodexho can track sales more closely, facilitating improved stock control and availability of popular items, as well as better and faster response to changing customer tastes.

“Since we introduced the solution, we have seen a phenomenal increase in performance,” emphasizes White. “Over the three-month trial period, overall sales rose by 51 percent and the average weekly order volume increased by 36 percent. Additionally, we saw a 16 percent increase in average order value, which shows the up-selling power of the new solution. Our customers are delighted and are spending more money, staff are more efficient and the increase in monthly revenue is greater than the monthly cost of the three-year lease on the solution.”

Now that the solution is in production, Sodexho is looking to expand its potential in several areas, such as analyzing seasonal ordering trends and working with major suppliers to promote their food brands on the IBM Kiosks. Plans are also underway to move to a smart card payment system that would integrate with the IBM Kiosk. “Once this is in place, it will be possible for us to consider offering remote ordering from other kiosks around the university, enabling students to order their sandwiches in advance, further reducing wait times and improving efficiency in order fulfillment,” says White.

For more information

To learn more about the IBM Kiosk and additional POS solutions from IBM, contact your IBM sales representative or visit:

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