

HAS YOUR FOODSERVICE BUSINESS GOT A POST-PANDEMIC MINDSET?



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**areas your business needs to rethink
if you want to thrive in the new normal**



BACK TO BUSINESS AS USUAL?

As we slowly find our way out of the COVID-19 pandemic – and leave behind the lockdowns that characterised it – we’re finally beginning to see an end to some of the most urgent challenges facing the foodservice industry.

▶ There are fewer social distancing requirements interrupting our processes, the stresses on food supply chains are being relieved, bottlenecks in transport and logistics are easing, and at least some familiar patterns in people’s shopping and eating habits are reappearing.

But that doesn’t mean we’re back to business as usual. While some areas of life have returned to what they were, many have changed for good – like the huge rise in remote working, significant changes to international travel, and the explosion of to-your-door hospitality options.

These things have dramatically altered the context many of your customers are working in, meaning their businesses will be operating very differently in the future. So you’ll need to think differently too if you want to keep on serving and supporting them effectively.

Now there’s no question that technology has a key part to play in helping companies like yours to meet those new challenges. But over our 30+ years of creating software for foodservice businesses we’ve seen first-hand that technology can only take you so far – ultimately it’s the mindset that drives how you use it that really determines success.

So the recommendations we’ve shared don’t require you to buy into something new – they’re designed to help you change the way your business thinks and operates from the inside out. We don’t want any businesses to be left behind as we navigate what’s likely to be one of the biggest industry revolutions of our time.

We hope you find our insights helpful.

The Qnetex leadership team
(L-R: Helen, Paul, Peter and Ian)



MINDSET CHANGE 1

MANAGING YOUR INVENTORY

It's hardly news that inventory management in foodservice can be tricky, given the limited shelf-life of the products. But we've certainly seen it become even more of a challenge over the last 18 months, with the repeated closing and re-opening of hospitality venues making it almost impossible to predict demand.

This disruption highlighted that one of the biggest challenges for inventory management is that companies struggle to get a clear overall picture of their stock situation. With purchasing and warehousing teams often working in quite siloed ways, using different systems to manage and report on their data, there's no single view of the truth. This makes it very hard to get meaningful insights into the efficiency of your warehouse.

While we're beginning to see more consistency in demand now, things haven't settled back into pre-pandemic patterns – new trends have emerged. People aren't eating out as much, both because so many household incomes have taken a hit and because of the rise in working from home. And even when they do eat at restaurants and pubs, take away meals are still proving much more popular than they were before COVID-19.

This leaves us stuck with a dilemma. It means that getting customers fresh food exactly when they need it, avoiding expiries and wastage, is even more important now than ever before. Yet the pandemic has clearly exposed the fact that the old ways of managing inventory aren't able to help us meet those goals.



So how can we rethink?

BE READY TO SHAKE UP YOUR WAREHOUSE LAYOUT

A full redesign is a big commitment, we know that. But how you store your stock is one of the biggest influences on how quickly – and accurately – orders can be fulfilled.

So ask yourself, is your warehouse set up to help staff pick quickly and efficiently? Do you have a robust process for recording best-before dates? Is your short-dated stock easiest to reach? Is your labelling up to scratch? Do your goods get regularly rotated to maximise shelf life?

Even if a full-scale redesign isn't needed, chances are there are at least a few simple changes that would immediately make your picking processes smoother and shorter. And don't just rely on hard data – simply asking your staff what does and doesn't work for them is often the quickest way to spot a problem area. ▶



DON'T LET SLACK SUPPLIERS SLIP THROUGH THE NET

- ▶ It's easy to just rely on the same people you've always used, especially in a time of huge unpredictability when you're forced into survival mode. But the reality is that, no matter how good your own processes are, you can only ever be as efficient as your weakest supplier. So as we move into calmer waters, now's the time to ask yourself if each of your current suppliers are making the grade.

If some of them aren't, it doesn't necessarily mean you have to change suppliers – relationships are important and take time to build, and the ones you have shouldn't be casually thrown away. But don't shy away from addressing problems and holding your suppliers to high standards. And if it becomes clear that they can't give you what you need, don't be afraid to move on.

This is also a good opportunity to tighten up how you manage your supplier data on a regular basis. After this more rigorous review, you'll still need to go on monitoring and evaluating the relationships – keeping an eye out for things like suppliers changing the cost of their goods or putting their shipping charges up. Make sure there are both people and processes in place to oversee and respond to this kind of information.

MINDSET CHANGE 2

AUTOMATING YOUR PROCESSES

In recent years we've seen the use of artificial intelligence in technology advance exponentially, and the pandemic has only further accelerated the pace of change. So the glaring efficiency gap between processes that are automated and processes that are handled manually is increasingly hard to ignore. And as many businesses have struggled financially in recent times, a closer look at spending has only highlighted how little companies can afford to waste money and staff time on laborious yet simple tasks.

Yet even as we move on from the worst of this crisis, it's going to take time for the economy to recover and budgets will continue to be tight for many in our sector. Things may even get worse before they get better, as lots of the support offered to businesses throughout the lockdowns – like no-interest business loans, furlough pay, and rates relief – won't be available going forward.

So it's more vital than ever to make every penny count. However, the pandemic has really brought home the truth of the classic adage time is money, and it's clear that manually-administered processes just won't cut it anymore. ▶





So how can we rethink?

GET TO THE ROOT OF THE PROBLEM

- ▶ There's no getting around the fact that, ultimately, automation itself requires technological support. But it's also true that automating a process is about making it more efficient – and there are ways to achieve that even without technology.

So ask yourself, which of your processes are currently taking the most time or causing the most problems? Do the issues lie in the processes themselves, e.g. some of the component parts are overcomplicated or outdated? Or is it to do with people, e.g. not understanding the process, or a lack of the skills needed to administer it?

Do your processes include all the relevant stakeholders? Or, on the other hand, are they slowed down by the inclusion of too many?

Before you even begin to think about automating a process, be sure it's already as up-to-date and streamlined as possible.

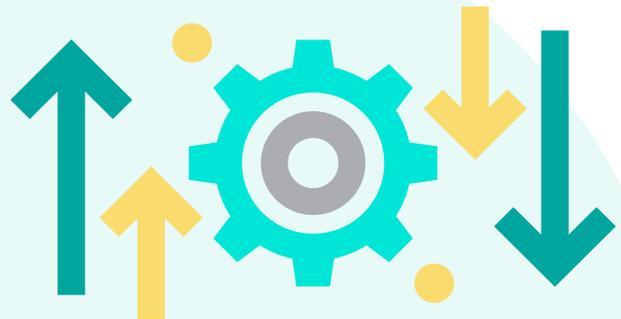
Go back and explore your existing tools

When you do eventually make the move from manual to automated processes – and it's inescapable if you want to stay competitive – there's still not necessarily a need to invest in new technology. Often the systems you already have are capable of more than what you're currently using them for. But how often do you check for updates, or go back and ask your provider about specific functionality?

For example, if you're looking to automate how you deal with customer queries, your software might actually have workflow functionality – but you just haven't activated it. Or if you want to take a load off your transport team you might find that a route-planning plug-in can easily be incorporated into your ePod system.

Even if you do decide you need some new technology, that doesn't mean you have to change all of your systems. Lots of automation tools, whether they're customer-facing or only for internal use, can be bought as add-ons or standalone solutions.

The key thing is to make sure that you're getting the most out of whatever systems you use – so take as much time exploring and understanding your current ones as you would investigating anything new.



MINDSET CHANGE 3

CONNECTING YOUR TEAMS

▶ It's no surprise that over the last 18 months foodservice businesses have found breakdowns in communication to be one of their biggest challenges.

Working at a distance has only highlighted the fact that individual teams often have very different attitudes and processes, measure and record quite different data, and use completely separate systems. This not only makes it hard (and slow) to share and store information on a day-to-day basis, it also makes it almost impossible to make smart strategic decisions, ▶

- ▶ as you can't easily see the big picture of what's going on in the company.

On a more human level, social distancing and remote working have taught us how easy it is to misread people, and Zoom calls interrupted by children and pets have changed how we understand and relate to our colleagues. The reality is that lockdowns have forever changed the way we communicate, both personally and professionally. Which means our working practices are going to have to keep up.



So how can we rethink?

DON'T LET HIERARCHY HOLD YOU BACK

For many people, the everyday heroes of lockdown have been the shelf-stackers, the warehouse pickers, the delivery drivers – the previously-overlooked people who've suddenly become the key to getting hold of life's necessities (and its distractions!) The value and importance of these roles has suddenly been brought home in a very tangible way.

So let's make the most of this newfound appreciation and use it as an opportunity to change the way decisions are made in our organisations, aiming to move away from the top-down approach that so many longstanding businesses have found it hard to break free of.

Ask your teams – and not just your managers, but the people actually carrying out the details of your processes every day – what their frustrations are. Find out where they see hold-ups happening, any negative patterns

they've noticed, and which areas of their job they find most difficult and why. Then listen to their ideas and suggestions for improvements. There's no better way to truly understand what's going on in your business, and to spot both problems and opportunities, than to talk with the people right at the coalface.

Not only will this give you great insight into key processes that need to change, it will also help you be ready to give people the support and training they need to manage those changes.

Get everyone singing from the same hymn sheet

Given who we are and what we do, it's not surprising that we think that the best way to improve communication and bring teams together is to have a system that lets you manage and see every aspect of the business in one place. But even if you don't have that technology, you can still cultivate that mindset.

Take a step back and ask yourself how you manage data across the company – and we mean everything from how prices are calculated and stock valuations are done to how customer complaints or issues are logged. ▶



- ▶ Are there clear guidelines for each area, set and monitored by one person or group – or is every team allowed to decide for themselves how they keep track of those things? Even the simplest thing, like having templates for spreadsheets, can help line up people's approach to data and make it easier to share and collate information across departments. Also consider how visible those different sources of information are – can the relevant people see and contribute to them? Have you considered how you share data not just across teams but across distribution centres, if you have more than one?

There's no one right way to collect and record data, and of course you need to be careful to understand why certain teams might do things differently or prefer one approach over another. But it's worth the effort to bring consistency and clarity to the business as a whole, or else you'll find yourself making decisions based on the wrong information – or simply struggling to make decisions at all.

MINDSET CHANGE 4

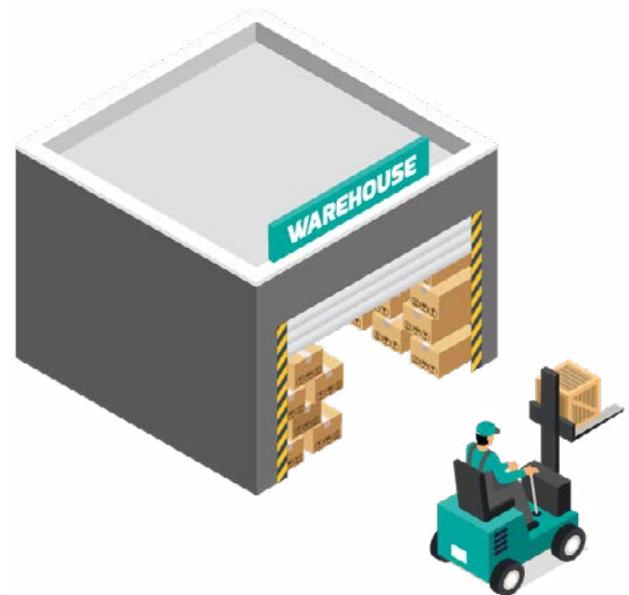
PRIORITISING YOUR CUSTOMERS

▶ The success of your business is almost entirely dependent on how happy your customers are. If people like what you're doing, they'll give you money – if they don't, they won't. So it's no surprise that offering great customer service has always been a priority for the



businesses we support. Yet it's also always been a challenge. And the most common issue we hear about is a lack of visibility to measure the customer experience. With data being so spread out, it's hard for companies to build up a clear picture of their customers' behaviour and keep track of their interactions, meaning that relationships are often weak and they struggle to hold on to those customers.

Now during the pandemic people were (generally) more understanding of poor communication, problems, and delays – after all, we were all thrown so unexpectedly into the same boat. But as we emerge from the height of the storm, we're seeing that increased patience begin to wane. The issues we're all encountering aren't exactly 'unprecedented' anymore and there's a feeling that service



should really be back to normal. And alongside that increase in expectations is an unusually high openness to change – because the pandemic caused so much disruption to the status quo, people have been prompted to explore their options rather than just stick with what they know.

So foodservice businesses find themselves in a position where poor customer service is in even greater danger than usual of losing them vital business – yet at the same time they're now all too aware of how their current systems are failing to keep customers happy. ▶



So how can we rethink?

LOOK AT THE JOURNEY YOUR CUSTOMERS ARE ON AS A WHOLE

- ▶ Most of your customers will have more than one touchpoint with your organisation – many of which will be managed by different people, if not different teams. So it's easy to lose sight of the bigger picture. But you need to bridge the gaps between different information silos to build a more holistic view of each of your customers, and make sure that all departments are able to access that data.

So think about every stage of a person's journey with you. What's their experience of your website or app? If they get either mass or personal emails from you, how often and what do they say? Have they used live chat or spoken on the phone to one of the team? Are they engaging with you on social media? Which of your staff are they interacting with in person – buyers, customer service agents, delivery drivers, warehouse coordinators?

In some cases it might be that seeing the bigger picture saves your team time, by saving them from viewing a single issue as more significant than it needs to be. In other cases it could turn out that a customer's negative experience in one area – which you'd been viewing as an isolated issue and therefore not considered to be a make-or-break – was only the tip of the iceberg, and they were actually much closer to leaving than you'd realised.



Be ready to follow where the data leads

Because so many of our communications are digital these days, often collecting data on those interactions is built into the platforms they take place on. We're increasingly accustomed to counting social media likes, keeping an eye on Google analytics, and logging problem-resolution times. But have we become more focused on collecting data than using it?

Making sense of the mass of numbers at our fingertips is vital. For example, you might have lots of followers on social media – but are those people actually buying from you? Or if you're getting a high bounce rate on your website, are the reasons generally negative (e.g. because people are immediately unimpressed by what they see and so leave without exploring further) or positive (e.g. people tend to visit your website with a particular goal in mind, ▶

- ▶ and once they've accomplished it they move on). Don't fall back on generalised interpretations of data – push to understand what the data means in your specific context.

Then once you're sure you understand the data, be prepared to respond to it – whether that means rigorously tackling problem areas or investing more in the places you're seeing big wins. The pandemic has significantly changed people's contexts, attitudes, and habits – so if you're going to continue to be relevant you'll need to change how you meet their needs.

THE TAKEAWAY? IT'S TIME TO GET READY FOR THE NEW NORMAL.

We've all been in survival mode since the start of 2020, struggling to focus much further ahead than the next change in restrictions. But as near-normal freedom returns, it's time to start looking to the future again – and there's a relatively small window for making the changes that will ensure our businesses don't get left behind.

Naturally we think that technology has a big part to play in this, and we'd love to chat with you about how Qnetex could help your business. But ultimately technology exists to support a change in mindset – it can't replace it.

So whether you're on the lookout for new systems or will be sticking with the ones you've got, the question is the same: has your business got the post-pandemic mindset you'll need to thrive in the new normal?

▶ So what is Qnetex?

Qnetex is a smart, straightforward ERP that helps you spot the opportunities that can grow your foodservice business by managing everything you do in one place.

In a single system you can handle everything from processing orders and managing stock to organising your warehouse and coordinating deliveries. And as it's based online and hosted on the cloud, your teams can get real-time information and insights from across the business anytime, anywhere, on any device.

Plus, this is no off-the-shelf ERP. Our 30+ years of partnering with foodservice brands mean that Qnetex has been built with the specific logistics of your sector in mind – yet it's also flexible and customisable, so we can make sure it fits the particular processes and tasks of your teams.

If you want to find out more just take a look at csd-qnetex.com or feel free to get in touch. You won't have to go through a sales rep or endure a copy-and-paste pitch about our software – you can just email our CEO Peter van de Merwe on peter@csd-qnetex.com and he'll happily answer any questions you have.

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