

Deep Dish #7  
Restaurants & The Era of Technology  
By Rebecca Clarke

The role of technology in the restaurant industry has become ever more apparent in recent months. Restaurant owners have placed increased attention on adopting new technologies to meet customer needs, cut costs, and increase efficiency (6). However, as the pandemic continues to impact this industry, restaurant owners are turning to more innovative technologies that can help to keep their businesses open.

Interview insights: “There have been some positives to come out of the pandemic. It pushed us to move into the digital space, which we weren’t doing before.” – Restaurant Owner, November 25<sup>th</sup>

One of the ways that restaurants in Ontario are embracing new technologies is through ‘virtual/ghost kitchens’. These refer to food preparation spaces that only serve take-out and delivery products. These kitchens are changing the game in the restaurant industry because they allow restaurants to eliminate rental costs associated with operating a highly visible storefront and dining room (6). The virtual/ghost kitchen concept relies on online ordering and third-party delivery services (4). With the increased interest in food delivery and the concerns that consumers have with dining in restaurants, ghost kitchens are rising in popularity all over Ontario.

Interview insights: “There was a restaurant space we had in mind on the west side of Toronto, the location wasn’t great, it wasn’t on a Main Street. We just completed a ghost kitchen deal there like two weeks ago. That particular group partners with a bunch of different restaurants across the city to produce food that goes out for delivery. This is a trend that absolutely makes sense and we’re going to see a lot more of it.” - Restaurant Industry Professional, September 1<sup>st</sup>

Interview insights: “At the beginning of the pandemic, it was just takeout and delivery. Even now most of our sales come from takeout and delivery.” – Restaurant Owner, November 23<sup>rd</sup>

Another technological change that is being quickly adopted by restaurants in Ontario is digital payment. A 2020 survey by Travis Credit Union found that 50% of those surveyed have less cash on them than prior to the pandemic (3). Also, three in five people, don’t believe that they will go back to using cash regularly when the pandemic is over (3). It is believed that paper currency may increase the chances for the virus to be spread from one person to another. Therefore, many restaurants have introduced ‘no cash’ policies to lessen the risk of infection for customers and employees (2). Due the COVID-19 pandemic, digital payment options such as smartphone-based payments and Tap n’ Go are being adopted by restaurants in Ontario at a rate much higher than in the past.

Virtual menus have also been on the rise as physical menus can pass through many hands at a restaurant, increasing the chances for the virus to be spread. Although many restaurants have strict policies in place to clean menus, in most cases this is not enough to make customers feel comfortable (2). This is why many restaurants have made the switch to using digital menus that can be viewed on any mobile device when a QR code is scanned with their phone's camera (1). This option not only meets customer needs but also cuts the costs of having to print physical menus.

Screens within the kitchen and dining area is also a trend that is rising in popularity. Kitchen screens can speed up the time it takes to prepare orders and limit the passing of paper from one hand to the next. Table/reservation management systems also increase efficiency by freeing up employee time, reducing customer wait times and limiting employee and customer contact (5). Self-ordering kiosks, such as the ones used at many fast-food outlets over the last few years, are also being quickly adopted by more traditional restaurants.

Restaurant operators need to make sure that they are meeting consumer preferences now more than ever. The attention that is currently being placed on health and safety could push the industry into a new era (5). Within the current climate, restaurant operators need to not only make speed and convenience a focal point, but also health and safety. Technology solutions that allow operators to meet the needs of their customers by serving them remotely and offering touchless ordering options are key to the survival of the industry during the pandemic.

Interview insights: "It doesn't matter what type of business you have you just have to pivot. You know, this ain't basketball we are playing. We're playing with grenades and live ammo – it is warfare. It's unfortunate but that's the reality." – Café Owner, November 23<sup>rd</sup>

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