

RESTAURANT OPERATIONS IN THE NEW NORMAL

June 18, 2020



AGENDA

Consumer Insights Diffusing Extremes Sanitation and Social Distancing Operator Financial Health PPP Updates Resources E

9



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COSUMER INSIGHTS

DERING HOUR

Coronavirus concern remains steady and consistent with early pandemic levels.



Avoidance of dining is steady but continues to show signs of softening.



DATASSENTIAL

We aren't ready to let our guard down.

which best describes your current response to the risk of COVID-19. Compared to when the pandemic began, I am being...



Diners don't expect more than the basics to feel safe.

if you were to order delivery or takeout, what would you want to know the restaurant was doing in order to handle your food safely?

Sending ANY sick staff members home 58%	
Requiring cooking staff to wear protective gloves, masks, and hairnets 57%	Requiring coo
quiring delivery/food packers to wear protective gloves, masks, and hairnets 52%	Requiring delivery/food
Not handing food directly to me 41%	
Tamper-proof seals on food packages 40%	
Packing my food in wipeable / cleanable containers 36%	
Running kitchens with fewer staff 35%	
Telling me about its sanitation / food safety procedures via email / signage 33%	Telling me about i
Including disinfectant wipes with each order 29%	
ally-wrapping each part of my order, rather than placing everything in one bag 26%	Individually-wrapping each pa

Americans have little patience for noncompliance.

what should a restaurant do if patrons refuse to practice social distancing while inside?

43% ASK THEM TO LEAVE IF THEY REFUSE TO COMPLY SEVERAL TIMES **17%** ASK THEM TO COMPLY, BUT NOT TO

LEAVE

40% ASK THEM TO LEAVE IMMEDIATELY

DATASSENTIAL



Diffusing the **EXTREMES**



INTOLERANT OF NON-COMPLIANCE

43% say they should be asked to leave after several requests
40% say they should be asked to leave immediately
Just 17% say the customer should be asked to comply but shouldn't be asked to leave
83% of Americans have no patience with non-compliance in restaurants



LEERY MINORITY

See non-maskers as a physical threat Insulted by non-compliance Verbal about discomfort Known to record non-compliance





CAVALIER MINORITY

May consider the virus a hoax

Consider wearing a mask unnecessary, bordering on rights-infringement Known to overtly make physical contact with those that insist on compliance



FOCUS ON SAFETY Be agnostic to either opinion

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HOW TO PREPARE

Train employees on what to look/listen for Role play Management involvement



HOW TO DIFFUSE The 3Ps: Poised, Prepared, Professional

"I" Statements (not "you" statements)

Shamrock Foods

HOW TO DE-ESCALATE

Offer safe options Polite ultimatums Distancing Time



HOW TO RESOLVE

Communication Is it salvageable? Invitation back or 86'd? Debrief with involved employees



SANITATION & SOCIAL DISTANCING PART OF YOUR BRAND



IT IS NO LONGER ENOUGH to just have good food, service and atmosphere

The sense of well being on the back end of the dining experience must now be made up front Dining decisions are made online

- Photos
- Menu
- Online reviews
- And now: Sanitation policies



Execution of sanitation in the restaurant IS FOREVER CHANGED

Thoroughly trained employees with intelligent, knowledgeable talking points Employee culture Sanitation Mission Statement Sanitation Values Statement Visible evidence of best-in-class sanitation Sanitation and safety marketing on website and social media



THIS REASSURANCE CAN effect many audiences

Existing customers leery about safety Potential new customers seeking safer alternatives Employees needing to get back to work



HOW TO IMPLEMENT

Culture On-boarding Marketing Branding Continuing Education of Staff **Training**



TOUCHLESS PAYMENT Pay

Card dipping or EMV chips

Near Field Communication technology (NFC) allows e-wallet apps to function

- 88% of POS systems have NFS technology but needs to be activated
- If POS doesn't offer touchless, ask credit card processor



Streamline ordering process with TABLE TENTS

Description of order taking process QR code for menu access



WAYFINDING

for practicing social distancing

Thank you



Signage and tools that guide the patron through the entire experience Identify key points of safe interaction and safe navigation Choose language and graphics that are clear and on-brand



Train employees on **TALKING POINTS**

What we are doing at our restaurant and why Touchless/low touch efforts The difference between clean, sanitized and sterilized How to handle questions that could become larger issues (e.g. personal opinions, health history of employees or previous customers). You never know who you are answering.



OPERATOR FINANCIAL HEALTH



BREAKEVEN CALCULATOR Defining business goals

Sales & Labor					
Soate	80			/ 1	
Prico/PPA(Por Porzan Avorago)	\$18.00		11/		
Capacity Utilization (reatr)	50%		_ I 🚔	u	
Labor Target %	30%			A	
Days of Operation/Week	7				
Weekr of Operation/Year	52				
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Shamrock Foods

PRICING MODELS

Determine pricing strategy Food cost will help inform threshold Competitor analysis Understand demographic



SURCHARGES

Negative optics Positive opportunities

- Higher Value Drinks or Desserts
- Novelty High Priced Items
- No \$ Listed

Server: LOM 201/1 Guests: 4

Cappuccino Iced Coffee Redneck Board Melon And Ham Tomato/ Burrata Crab Louie Pancakes Esquites

Subtatal

No. of Concession, Name of Street, or other

240

06/18/2017 12:04 PM 10008

1. au - -

5.00 5.00 21.00 15.00 17.00 16.00 15.00 9.00 5.00

108.00

117.45

117.45

Shamrock Foods

TIP POLICIES

Check state rules and regulations Tip Credits FOH or BOH separation % tip outs / Pools & Points / Hours Worked (Pooling Percentages) Automatic gratuity additions (keep in mind negative optics)



PROMOTIONS, COUPONS, DISCOUNTED MENUS

Needs to be profitable and drive traffic Offer limited time items Bring back Happy Hour coupled with safety messaging Opportunity to test new items and categories



PAYCHECK PROTECTION PROGRAM UPDATE





APPLICATION DEADLINE

Will not accept applications after June 30, 2020 As of June 6, approximately \$150 billion in funds were committed



EXTENSION OF FORGIVENESS PERIOD

Forgiveness period extended to 24 weeks Not to extend beyond December 31, 2020



REDUCTION OF PAYROLL MINIMUM TO 60%

Minimum payroll requirement reduced from 75% to 60% If less than 60%, borrower is eligible for partial loan forgiveness



LOAN FORGIVENESS EXTENSION

Safe harbor period extended from June 30, 2020 to December 31, 2020 Forgiveness amount will not be reduced due to a decline in the FTE employee count if: A. (1) Inability to rehire individuals who were employees on 2/15/20 and (2) Inability to

- A. (1) mability to remire monorduals who were employees on 2/15/20 and (2) mability to hire similarly qualified employees for unfilled positions before 12/31/20 - OR -
- B. Inability to return to the same level of business activity from 2/15/20 due to government compliance



EXTENSION OF PAYMENT DEFFERAL

Borrowers that fail to apply for forgiveness within 10 months after the last day of the 24week forgiveness period must begin making principal and interest payments on the date that is 10 months after the ending date of the forgiveness period



EXTENSION TO MATURITY

Extends maturity date to at least a minimum of 5 years for loans disbursed on or after the date of enactment of the Act.

If disbursed prior, permits borrowers and lenders to mutually modify existing maturity terms to conform to new 5 year extension



TAKING STOCK OF OUR COMPREHENSIVE RESOURCES

Menus Breakeven and Profitability Staffing The CARES Act Social Media and Promotion Optimize Operations Online Ordering



QUESTIONS OR COMMENTS?

Email kitchentelligence@shamrockfoods.com

