



How Entertainment Technology is Shaping the Restaurant Experience

**EXAMINING TV AND WI-FI AT
RESTAURANTS AND C-STORES**



New technology is influencing and impacting restaurants like never before.

Whether it's entertainment like HDTV or back-of-the house tech to streamline the kitchen, operators are turning to tech to drive sales, simplify operations, cut costs and stay ahead of the curve.

Entertainment technology in particular has become a vital component of the restaurant experience. Amenities like TV and Wi-Fi permeate the industry, creating an enhanced and more engaging experience for diners while giving operators additional support for sales opportunities.

Though just about every type of restaurant can take advantage, distinct trends and implications affect segments in different ways. So how is this exciting and engaging technology playing out at today's casual-dining, fast-casual, quick-service and convenience-store chains?

AT&T retained Technomic to answer that question. With input from representatives at several national chains, Technomic provides a snapshot of the current state of entertainment tech and reveals what is on the horizon so that operators can stay at the leading edge of what their customers want.



KEY TAKEAWAYS AT CASUAL DINING

1 Major CDRs are revamping their bar areas to become **more contemporary hangout spots**, and HDTV and Wi-Fi have become critical elements for attracting younger consumers

2 Groups lingering over **small plates and drinks** is an occasion operators are targeting and one that younger consumers use to socialize – entertainment must be geared toward these prolonged occasions



76%

of 25 - 34 year-olds say dining out is one of the top activities they enjoy with friends

3 CDRs are looking to grow the lunch daypart, stealing share from each other and from fast casual – entertainment should be **aligned with speed of service, productivity and quick amusements**

4 The act of dining itself is increasingly **becoming a form of entertainment** – tech must enhance and amplify mealtimes



70%

of consumers say visiting a restaurant is a form of entertainment

CDR SNAPSHOT

TARGET AUDIENCE: families with children, couples, groups, Millennials

ATTRIBUTES: table service, adult beverages

ENTERTAINMENT TECH: HDTV, music/audio, Wi-Fi, tabletop tablets, apps, gaming

DAYPART FOCUS: dinner, lunch, late night, brunch

5 Wi-Fi will become increasingly important at CDRs as operators scramble to **woo younger diners** – both Millennials in the bar area and children in the dining area

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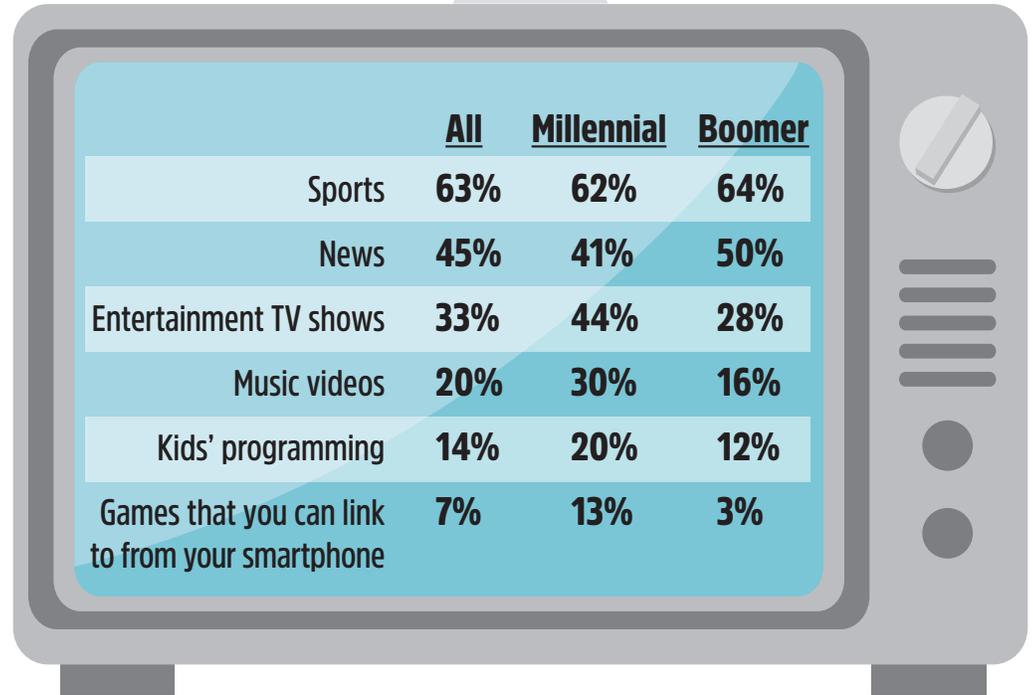
TV at CDRs

TV programming preferences at CDRs:

TV continues to be one of the most crucial forms of entertainment that CDRs make available to their guests, whether it's relegated mostly to the bar area of a premium steakhouse or part of a multiscreen presentation that fits into the décor package of an entire sports bar and grill.

With the rise of higher-quality HDTV and more robust programming available, operators today can leverage the technology to achieve many goals. HDTV programming can underscore a concept's positioning and make quality sports events available to guests in an exciting atmosphere. It can serve as the background ambiance or the main event.

It remains an incredibly engaging medium and one that CDRs are leveraging to drive traffic, delight their guests and build loyalty.



Opportunities:

- TVs dedicated to live kitchen feeds to serve as entertainment for foodies and to underscore fresh preparation
- Exclusive live streaming of concerts and in-house events to multiple locations
- While Millennials have a greater preference for entertainment TV shows and music videos than Boomers, it's kids' programming that is expected to be increasingly important at CDRs as younger diners begin to start families

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Wi-Fi at CDRs

While TV has traditionally been a primary form of entertainment at CDRs, Wi-Fi is quickly emerging as a must-have. And for a variety of reasons.

First, Wi-Fi for younger diners is transitioning from a demand to an expectation. Many Millennials and Gen Zers expect that the restaurants they visit offer free Wi-Fi if not just Wi-Fi availability. As these consumers get older and increase their purchasing power, it will be critical for restaurants to make Wi-Fi a core tech amenity.

Consumers are also increasingly using their smartphones and tablets to engage with their peers at the same time they are watching their TVs. Smart operators will offer not only TV that is compelling and high quality, but complement that with Wi-Fi service that their guests can use to enhance their viewing and dining occasion.

Finally, for many sports watchers today, internet connectivity is a must-have. Fans don't just want to see their favorite sports

on TV – they also want to check up on other scores, their fantasy leagues and chat rooms. CDRs with a strong HDTV and Wi-Fi package will be well suited to attract

these guests. This is especially important when considering special events like March Madness and group occasions like fantasy draft parties.



Opportunities:

- Partnerships with third-party apps to reward engagement like reviews and check-ins via Wi-Fi
- Marketing Wi-Fi for use with augmented reality apps to entertain children (and children at heart) during family dining occasions
- Connectivity-optimized areas with charging stations and group seating options for draft parties and fantasy sports-watching