



# RESTAURANTS REIMAGINED

“Ghost kitchens,” the future of food retail and the evolving role of facility maintenance

By Justin Yaskowski

**D**on't worry—your customers haven't disappeared; they're just not sitting down in most of your establishments as often as they used to. If they are, it might be for a short period of time. Many are just ordering delivery or pick-up. Welcome to the present and future of food retail.

If you've been paying attention, this won't come as a huge surprise. For a variety of reasons, fast-casual restaurant concepts have slowly come to dominate the last decade.

As you sit here reading this, the food retail landscape is shifting even further toward digital orders through apps, delivery via third-party delivery services, and now “ghost kitchens” and “virtual restaurants.” These are not separate ideas. These are extensions of the same ideas and trends that started to emerge with fast-casual concepts and that are now being taken to their logical extension. If you pay attention to developments in technology and customers' expectations based on technology, none of this will catch you off guard. This is simply the world we live in now.

## A Changing World

The first iPhone was released June 29, 2007. There have already been volumes written on how that singular moment came to shift our lives in ways that are still manifesting. I will assume we all pretty much understand by now how that technological interface has changed society.

Meanwhile, fast-casual restaurant concepts were a natural response to the post-2008 economic crisis from the perspective of businesses: higher rent costs and property taxes, tighter budgets and demand for increased wages. But they were also a response to changing customer expectations.

For food service, as with many things, people began to see (and implicitly expect) that things move at an increased pace and efficiency. Technology provides this speed and efficiency, along with user interfaces that are intuitive, cleanly designed and move at virtually the speed of thought. Increasingly, we wanted our food retail experiences to match the pace of our technologically-heavy lives and fit into our busy schedules.

As such, fast-casual has been a natural response to both the needs of business and the expectations of customers.

As time went on, fast-casual concepts combined some of the desirable aspects of fine(r)-dining establishments—such as healthier options, chef-created menus and, in some cases, even locally-sourced ingredients—with the pace of fast food. It's been said that fast-casual became the new American fast food in the 2010s. Other than the recent infatuation with chicken tenders and fried chicken sandwiches, fast-casual is the new fast food. In fact, even established restaurant brands have pivoted to opening fast-casual concepts in the last few years.

### Eating Efficiently

Now, let's take these same principles and extend them even further. Customers increasingly require even more speed and efficiency and are less likely to want to sit down in your establishment for a lengthy period of time. As technology (ironically) makes our lives busier and overwhelms us with more communication and constant information, we need food-service experiences that are faster than fast. We need to be able to get a meal in a few minutes to fit into our "working lunch" lifestyle. Why would anyone sit in a restaurant and be waited on, when they can pick up a relatively healthy, fast-casual option in four minutes or less and eat during a meeting or while sending 30 emails?

Further, we are all so busy and pressed for time that when we do get home, many of us don't want to cook. Delivery, from any number of third-party services, is increasingly a regular part of many of our meals throughout the week. This is especially true among Millennials and Generation Z.

Responding to these same food retail trends, even established coffee chains have begun opening locations without any seating at all—designed only for pick up, drive-through and/or delivery. You may have already noticed the proportion of customers in some locations who order ahead of time through the app and only pick up.

You can view these as wistful experiments or the shape of things to come. I would argue that these are the business concepts that serve our current lifestyles and will increasingly be the norm.

### Ghost Kitchens on the Rise

These same eating trends gave rise to ghost and virtual kitchen concepts. Ghost and virtual kitchens are a concept that emerged in New York City in the last few years and show no signs of slowing down. These restaurant concepts offer no options for dine-in guests. Often utilizing shared spaces in commercial, commissary kitchens,



## “Facilities” of the 21st century—the app, website or interface.

the “restaurants” exist only for pick-up and/or delivery. And they are succeeding. As an extension of the cultural and tech concepts we’ve just discussed, this makes perfect sense.

But I know, you’re not a cultural or technological theorist. You’re a facility manager. What does this mean for you?

Facility managers need to understand the trends and concepts that affect their customers’ expectations. The customers’ expectations will

affect what sort of facilities you maintain, and the types of work you may find yourself doing in the future.

Customers expect absolute efficiency and 100% consistency. If fast-casual restaurants are concerned about “balk rates,” what will even a brief closure do to brand perception and loyalty? As David Aurin rightly pointed out in his article “The Lost Customer,” which was published in a recent edition of *Facilitator*, “Today the winners are the businesses that make business easy. When all else is equal in the minds of your customers, convenience and responsiveness become primary purchase drivers.”

### The Evolution of Facility Management

Looking to the future, facility managers may increasingly have a smaller portfolio of brick-and-mortars, fewer overall expenditures and fewer maintenance tasks related to the dine-in experience. As such, consistent operational efficiency will be the central focus for facility managers moving forward.

Some of the expenditures attached to dine-in-related facilities’ maintenance will be shifted over to user experience (UX) and full-stack digital designers who maintain the “facilities” of the 21st century—the app, website or interface.

You may have also noticed the sort of clean, industrial-chic aesthetic that many of the fast-casual or on-the-go restaurant concepts employ when you enter a physical location: Metal, cement, glass and minimalist furniture predominate. The design and purpose here are clear—these are about no-fuss shopping experiences, which keep customers moving through quickly. These locations also have relatively little to maintain.

Facility managers in the fast-casual context don’t have to be quite as focused on cracked tiles or ripped upholstery in booth seating, for example. Often floors are polished cement, and furniture is metal and/or immovable. Lights are often long-life LEDs, and bathrooms are sparse, if present for customers at all.

When we look at ghost and virtual kitchens, the facility maintenance work related to the in-store customer experience

## Be proactive now to understand how these trends affect your day-to-day.



is absent entirely. However, preventive grease-trap maintenance, hood cleaning, pest control, waste management, fire and life safety and similar services will not go away. They are essential pieces of maintaining a safe and functional kitchen.

Your customers (or potential future customers) are saying with their money that they love these concepts for the expediency and convenience they provide. A facility-services-related slip-up that results in closures or delays will really rub these customers the wrong way and could lose potential business forever. If someone patronizes one of your locations physically or online simply for expediency and convenience, they will likely not be understanding about delays. Simply put—there are just too many other convenient options at the click of a button or within an app.

Facility services and preventive maintenance must support that ruthless expediency.

Much of this article has dealt with the cultural, technological and retail concepts that are shaping the future of the industry, which will, in turn, shape the future of multi-site facility maintenance. Be proactive now to understand how these trends affect your day-to-day. Start to “look around the bend” to get a sense of where this is all heading. At least for the meantime, it shows no signs of stopping. ■

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