CASE STUDY | FOODSERVICE

MOVIE THEATER ELIMINATES LINES, SAVES ON LABOR WITH APEX





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— Rob Lehman, **Chief Operating Officer** Movie theater chains are setting records for annual revenue as more people are going to the movies.

This news may seem contrary to the unprecedented disruption streaming entertainment services have brought to the movie industry. But successful theaters are reinventing the guest experience by upgrading amenities, including seating, ticketing and concessions.

Now that guests can reserve their seats before coming to the theater, for example, they're more willing to explore the expanded food and beverage options at concessions. But they're not willing to wait for their order. Luckily, technology ensures guests don't have to wait in line to get what they want.

Santikos Entertainment®, a San Antonio-based movie theater chain, is innovating in no-wait order pick-up. Santikos relies on self-serve



automated lockers from Apex Supply Chain Technologies[®] to eliminate the wait at their concessions while reducing labor-intensive order handling.

Streamlining Order Pick-Up to Help **Guests and Employees**

Santikos knows firsthand how order pick-up can negatively impact the guest experience and frustrate employees.

One of its concession employees would run hot orders from the kitchen to warming units as guests were notified by text to pick up their orders. Up to two more employees were then helping guests find their order as quickly as possible.

But during peak hours, orders would spill out onto the counters. It was common to see more than a dozen guests hovering around the busy warming station, unsure of what to do. It took longer than necessary for guests to find their orders. This operational bottleneck was creating confusion.

"We saw a clear opportunity to streamline the order pick-up experience," says Rob Lehman, Santikos Entertainment's Chief Operating Officer. "We just needed to find the right technology solution."



Differentiating the Guest Experience with Technology

With nine locations, it's critical for Santikos to differentiate itself from larger movie theater chains. The company is always looking for innovative technologies that can improve their guests' experience.

"The guest experience is at the center of everything we do," says Lehman. "We're always challenging ourselves, asking where we can go next. We began working with Apex to make order pick-up as seamless as the rest of our guest experience."

Giving Fast Order Pick-Up a Leading Role

Apex worked closely with Santikos to bring their vision to life. Santikos chose two types of self-serve Order Pick-Up Solutions to handle peak order volume – the Flow-Thru[™] 10,000 locker and the AXCESS[™] 2000.H Heated Pick-Up Station. They were first deployed at two locations, with two additional locations added within months, using sales transaction data to determine the best device configurations. Both devices feature a two-sided design that ensures an efficient operational workflow and easy order pick-up. Now when an employee runs an order from the kitchen, it's placed in a compartment. Closing the door automatically triggers a guest notification, alerting them that their order is ready and giving them a unique code that opens the secure compartment holding their order.

Once the guest scans or enters their code, their compartment lights up and the door opens automatically. The guest takes their order and are on their way in just seconds, without having to wait in line.

Team Approach Ensures a Smart, Smooth Implementation

"Working together, the implementation and training went really smoothly," says Lehman. "Early on, theater and kitchen managers had questions about the Apex solution. But once they saw it in action, they were all in. The new workflows were easy for line employees to learn. They picked up on it quickly and enjoy the new process."



Santikos Operations Coordinator, Sarah Luis, ensures guests pick up the new process as quickly as they can pick up their orders.

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— Rob Lehman

"The guests are excited about the lockers, and the LED lighting attracts everyone's attention as they walk through the lobby," says Luis. "Some guests still hover until their order is ready.

But now they grab it and go to their seats, the Apex technology is easy for them to use. We also set up an employee with a tablet to help guests in case they experience any issues. For example, if their mobile phone battery runs out of power or malfunctions."

Order Sizes Increase, Labor Plummets

Guest feedback has also been extremely positive, with some ordering just to check out the experience themselves. With reserve seating taking pressure off them, guests no longer feel rushed when ordering.

The Order Pick-Up Solutions are now handling an average of more than 2,000 orders each week, at each location. Santikos has already seen order size increase through the lockers. And labor savings are having an even bigger impact on operations.

"Order pick-up labor has dropped from three employees to one – regardless of how busy the theater might be," says Lehman. "Cutting steps from the process and reducing the labor is exactly what we wanted to do. And moving forward, we'll continue tracking transaction volume and order size for more results."

For restaurants considering new technology like the Apex solution, but have concerns about ease of implementation and training, Lehman has the following advice.



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"Bumps and bruises for projects like this are to be expected," says Lehman. "But working with Apex, we minimized any issues and quickly saw the positive impact of the solution."

An Unwavering Focus on the Guest Experience

Now that Santikos is improving the concessions order pick-up experience, the team will expand its use of the solution. In addition to adding the lockers to other locations, the solution is also part of Santikos' longer-term vision.

"Technology like the Apex solution will bring us to the point of being able to track how much will be made before the guest even walks in the door," says Lehman. "Once our guests can order through self-serve kiosks or online, their food will be waiting for them when they arrive at the theater."

Santikos' focus on the guest experience is clearly paying off as it expands. It will also ensure the company continues adapting to industry disruption as a leading example of how the movie theater industry is evolving with technology.

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— Rob Lehman

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REAL RESULTS Increasing Order Sizes While Saving on Labor





More than 2,000 orders per week at four locations



>> Guests get completed orders in seconds instead of minutes



>> Reduced order pick-up labor from 3 employees to just 1 employee, even during peak hours

To learn more about Apex Self-Serve Order Pick-Up Solutions, visit ApexSupplyChain.com/Foodservice, email us at info@apexsupplychain.com or call 800.229.7912 to visit our Customer Experience Center.



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