Independent restaurateurs and training, what is the solution?

A learning community

An innovative learning community concept to support and motivate independent restaurateurs to learn and to receive training on digital tools

2018

METRO Chair of Innovation

Our purpose is to support success in the hospitality industry. It is therefore our obligation to not only offer sustainable products but also to ensure the sustainable success of our customers. That includes sharing knowledge, training customers and providing access to innovation."

Olaf Koch, CEO - METRO AG

What is the METRO Chair of Innovation?

METRO AG, one of the world's leading retail and wholesale companies based in Germany, and the Ecole hôtelière de Lausanne (EHL), the first hospitality management school established in 1893 in Switzerland, joined forces in January 2016 to create a research chair to investigate digital innovation in the restaurant industry.

The conclusion of the first study of the METRO Chair of Innovation showed that there was a delay of technology adoption by independent restaurants, primarily due to a lack of access to knowledge and technological skills. For this reason the present study focuses on finding solutions to provide restaurateurs with incentives to learn and receive training.

The Learning Community concept designed by the METRO Chair of Innovation allows the creation of a community whilst ensuring creative learning at the service of independent restaurateurs.

The objective is to create an innovative community concept to provide independent restaurateurs with incentives to learn and to get trained.

Content

Context

How shall we **train independent restaurateurs** who do not see any challenges in their business whilst their own industry is collapsing under the pressure of government taxes, large corporations and change in their customers' mindset? **Independent restaurateurs are driven by passion**, an honourable motivator, but not the best when it comes to managing their assets and **adapting their business to the digital age**.

The current foodservice market has reached an unprecedented **competitive climate** between independent restaurants and chain operators. Independent restaurateurs are being pressured by **tech-driven chains** to implement technological solutions in order to survive in the long run. In fact, **technology** has become an integral **driver of global growth strategy** and the fastest global chains have also become leaders in tech-driven foodservice. As a result, independent restaurateurs' **failure** to grasp the importance of technology could have serious consequences on the very survival of their businesses. This **delay in technological adoption** is primarily due to a **lack of access to knowledge** and **technological skills** as discovered in the previous research of the METRO Chair of Innovation.

A thorough study on **restaurateurs' challenges and behaviours towards training**, as well as **innovations in education** from other industries enabled the creation of the **Learning Community**. To create sustainable success for all community members, the community is centred on **networking, knowledge** and **experience sharing, gamification and training à la carte**.

Takeaways 2

Top 3 challenges and topics

Identification of **challenges** faced by independent restaurateurs and their **learning topics** of interest:

Challenges

- Offering home delivery service
- Doing administrative paperwork
- Managing staff

Topics

- Managing food/beverage and other supply costs
- Mastering cooking techniques
- Forecasting demand

6 pillars supporting the Learning Community

- **Gamification**
- **Peer-to-peer learning and evaluation**
- **Training à la carte**
- **Blended learning**
- **Referral programme**
- **Freemium**

Preferred training type and format

Learning method
Workshops

Time allocated to training
From 1 to 2 hours

Distance willing to travel
Max. 20km

Best moment to learn
Mondays or Tuesdays

Budget
Max. 100 €

Recurrence of training
2 topics per year

The Learning Community Concept

The following concept is an innovative approach to train independent restaurateurs. It takes into account their lack of time and money, mindset, primary challenges, topics of interest, level of digitalisation, preferred training format and demographic characteristics.

Selection

Adventurer

Born curious

Ambassador
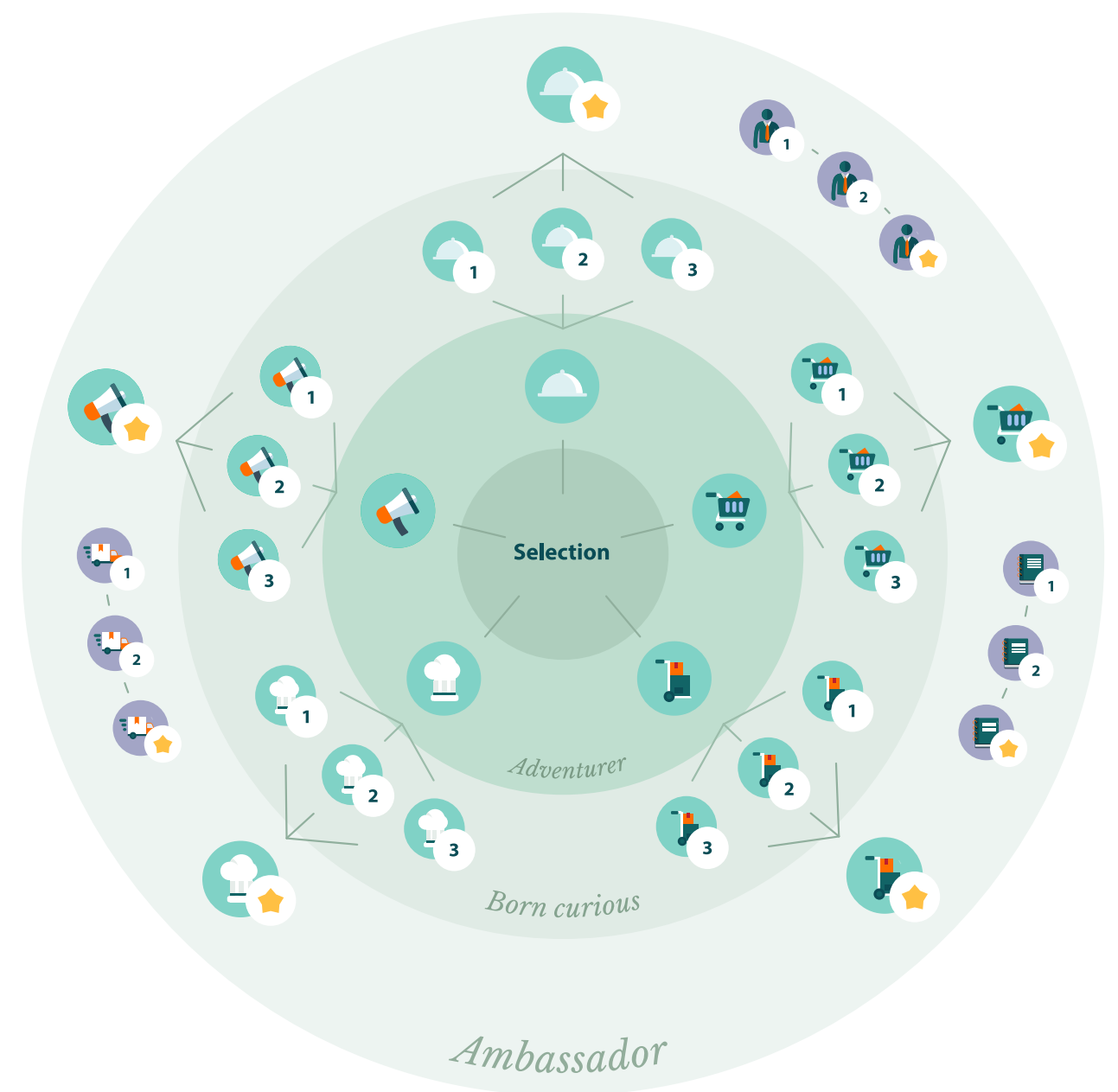
Methodology

Research question

How can a restaurateur community foster training?

Sample

2323

owners, managers and/or chefs METRO customers

Types of restaurants

In France and Italy: full service restaurants, café/bars, fast food, self-service cafeterias, kiosk/food truck and 100% home delivery. In Spain: tapas bar, menu restaurant, à la carte restaurant.

Qualitative interviews

40

independent restaurateurs

18

academics, experts, start-ups and restaurant associations

In total, **four different types of exploratory interviews** were conducted throughout the research primarily to (1) **provide insights and understanding** of the overall communities surrounding restaurateurs, (2) **create our quantitative survey** aligned with our research purpose and the needs of the industry, (3) **meet with inspiring individuals** from a range of industries. **Key takeaways** from these exploratory interviews were taken into account for the creation of the **Learning Community concept**.

Time frame

Quantitative survey

Qualitative interviews

Desk research

Feb. 2017

Sep. 2017

Nov. 2017

Jan. 2018

2017

2018

Definitions

Definitions of the 10 business processes, challenges and topics

The figure below represents how **each business process was paired with a challenge and a corresponding topic**. This was a way to see if there is a **gap** between the challenges restaurateurs face and the topics they would like to get training on.

Administration
Challenge: Doing administrative paperwork
Topic: Doing the accounting

Human resources
Challenge: Managing the staff
Topic: Scheduling staff

Stock management
Challenge: Managing the stock
Topic: Forecasting demand

Service management
Challenge: Serving clients
Topic: Managing client expectations and advising them

Payment solutions
Challenge: Taking clients' payments
Topic: Using POS functions

Kitchen management
Challenge: Managing the kitchen
Topic: Mastering cooking techniques

Purchasing
Challenge: Buying groceries and other supplies
Topic: Managing food/beverage and other supply costs

Home delivery
Challenge: Offering home delivery service
Topic: Managing food deliveries to clients

Booking
Challenge: Taking booking
Topic: Using different booking systems

Promotion
Challenge: Promoting the restaurant's activities
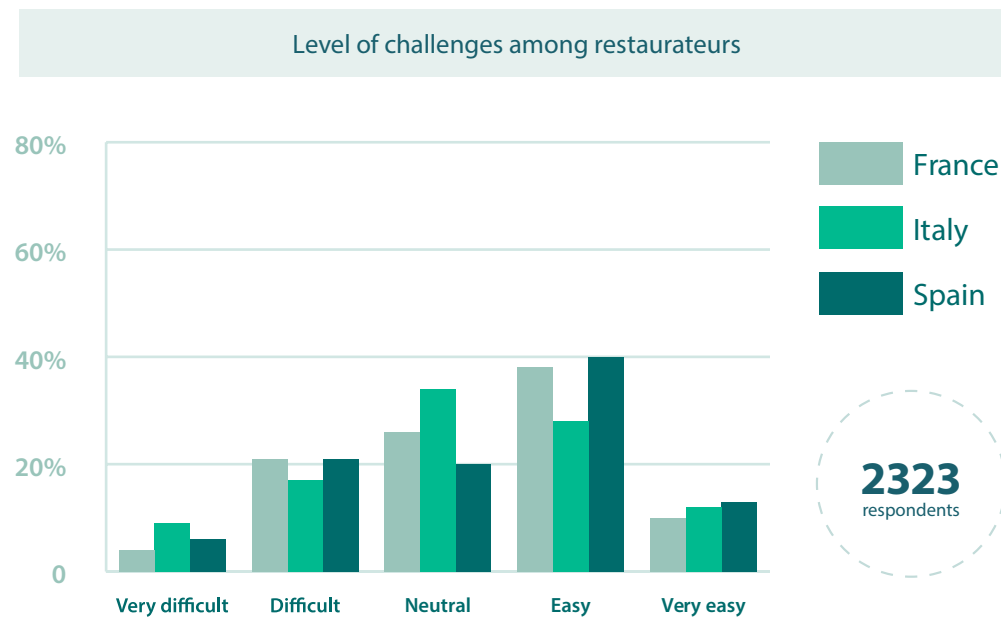**Topic:** Promoting on Internet

In the 2017 research of the METRO Chair of Innovation, the **main business processes** of an independent restaurant were identified in order to draw parallels between the use, importance and future investment in technological solutions. For this study, each **business processes** were paired with a challenge and a corresponding topic of interest.

Definition of the 9 dimensions

The following nine dimensions have been created following desk research and exploratory interviews. These elements helped to create the quantitative survey and were taken into consideration in order to build an innovative concept for the Learning Community tailored to independent restaurateurs.

Collaborative exchange
Value is transferred in a collaborative exchange between the company and customers via participation and information.

Delivering value
When an action or interaction between members of the community is delivering value to the restaurateurs or the company acting as a sponsor of the community.

Digitalisation
Digitalisation is the process of converting information and processes into a digital format.

Training type
The elements defining the type of training in which restaurateurs would like to participate (e.g. workshops, duration of the training, price, etc.).

Restaurateurs' mindset
Restaurateurs' mindset defines their willingness to receive training and to improve their knowledge on specific topics.

Community
A community is a self-organised group of individuals who share their interests and challenges in order to gain greater knowledge and expertise on a topic through regular interactions.

Gamification
Gamification applies game-design elements and principles in a non-game context. This allows to improve the quality of learning for users, their engagement towards the community and their ability to comprehend digital content.

Learning topics
Topics of interest in which restaurateurs would like to be trained, within 10 main business processes of a restaurant.

Challenges
The challenges encountered by restaurants within 10 main business processes of a restaurant.

These **nine dimensions** represent elements that have to be taken into consideration in order to create an **innovative Learning Community concept** tailor-made to **independent restaurateurs**.

5 What are the restaurateurs' challenges?

Level of challenges

Level of challenges among restaurateurs

- France
- Italy
- Spain

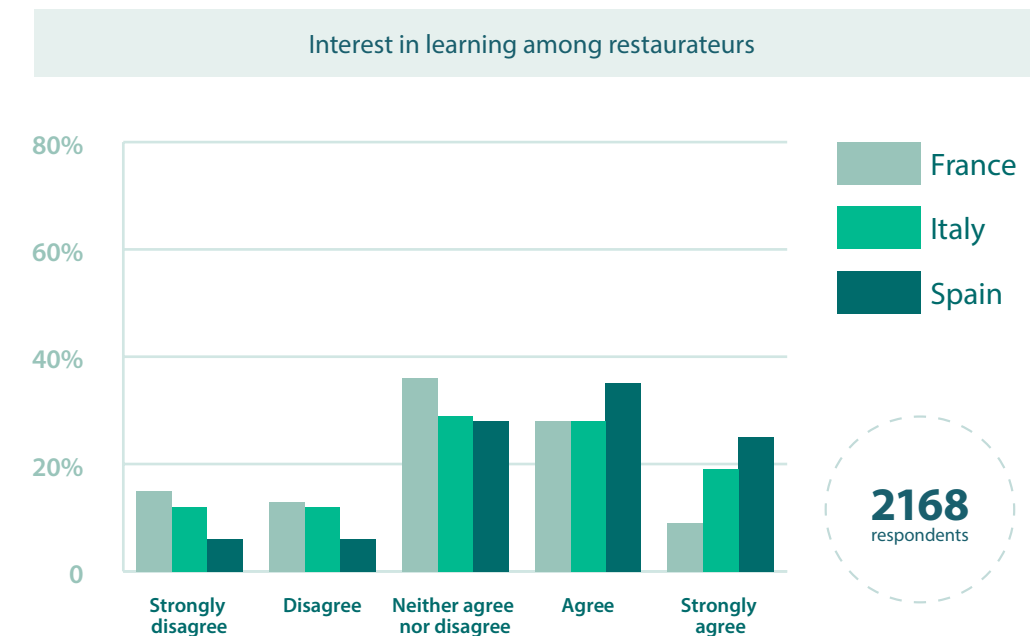**2323** respondents

Very difficult | Difficult | Neutral | Easy | Very easy

Independent restaurateurs in France, Italy and Spain **do not generally face challenges** in their operations. Knowing their difficult situation in Europe and the fierce competition they are facing from chain operators, this illustrates well that they do not yet realise that their businesses are in danger.

Across all countries, there is still **more than a quarter** of independent restaurants who realise they are **facing challenges in their daily operations**.
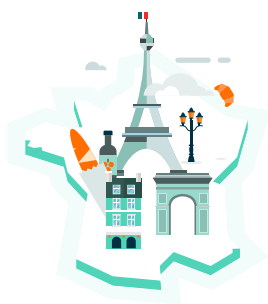
6 Which topics are restaurateurs interested in?

Interest in learning

Interest in learning among restaurateurs

- France
- Italy
- Spain

2168 respondents

Strongly disagree | Disagree | Neither agree nor disagree | Agree | Strongly agree

Nearly **half** of independent restaurateurs are **interested in receiving training** on one or more topics related to their daily operations.

Top 3 challenges and topics

FRANCE

Challenges

- Doing administrative paperwork
- Promoting the restaurant's activities
- Managing staff

Topics

- Promoting on internet
- Mastering cooking techniques
- Forcasting demand
- Managing food/beverage and other supply costs

ITALY

Challenges

- Offering home delivery service
- Managing staff
- Doing administrative paperwork

Topics

- Managing client expectations and advising them
- Forecasting demand
- Managing food/beverage and other supply costs

SPAIN

Challenges

- Offering home delivery service
- Promoting the restaurant's activities
- Doing administrative paperwork

Topics

- Managing food/beverage and other supply costs
- Mastering cooking techniques
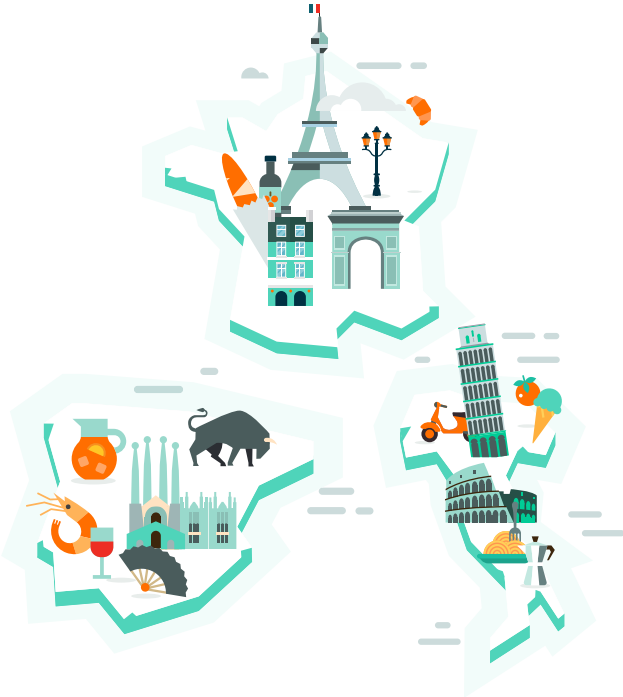- Managing client expectations and advising them

FRANCE, ITALY & SPAIN

Challenges

- Offering home delivery service
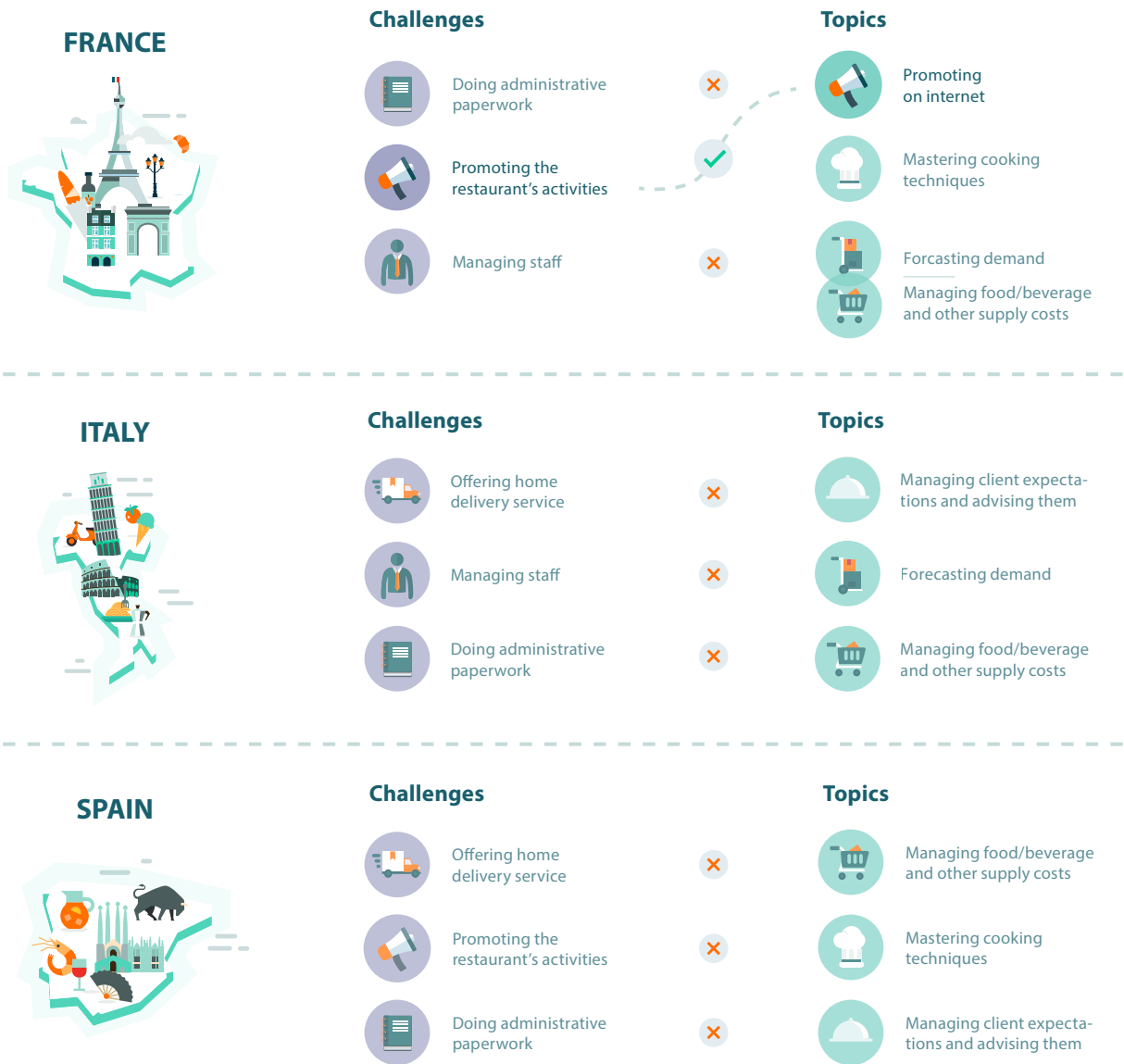- Doing administrative paperwork
- Managing staff

Topics

- Managing food/beverage and other supply costs
- Mastering cooking techniques
- Forcasting demand

Restaurateurs in France, Italy and Spain encounter the biggest difficulties in: **offering home delivery service**, **doing administrative paperwork** and **managing the staff**. They are mostly interested in receiving training on how to **buy groceries and other supplies**, to **master cooking techniques** and to **forecast demand**.

Identifying the business processes where independent restaurateurs are encountering the most **challenges** helps to **define where training is most needed**. In order to motivate and attract restaurateurs to the training concept, the **top three topics of interest** will be used as a **motivational factors**. Their main challenges will be addressed later on, in the advanced level of the Learning Community concept.

A gap between challenges and topics

FRANCE

Challenges
- 📘 Doing administrative paperwork ❌
- 📣 Promoting the restaurant's activities ✓
- 🧑 Managing staff ❌

Topics
- Promoting on internet
- Mastering cooking techniques
- Forcasting demand
- Managing food/beverage and other supply costs

ITALY

Challenges
- Offering home delivery service ❌
- Managing staff ❌
- Doing administrative paperwork ❌

Topics
- Managing client expectations and advising them
- Forecasting demand
- Managing food/beverage and other supply costs

SPAIN

Challenges
- Offering home delivery service ❌
- Promoting the restaurant's activities ❌
- Doing administrative paperwork ❌

Topics
- Managing food/beverage and other supply costs
- Mastering cooking techniques
- Managing client expectations and advising them

It seems logical that when facing a big challenge, one would get training on that particular area in order to improve this process of the business. However, restaurateurs appear to think differently.
Indeed, there is a **gap between the challenges** faced daily by restaurateurs and their **topic of interest**. Restaurateurs wish to **receive training** on core tasks such as stock, purchasing, cooking and serving clients.

Training, but for whom?

The **mindset theory** developed by Carol S. Dweck is used to understand people's perception of learning by dividing the population into **two categories.** Those who believe **learning is valuable** and can develop their intelligence and talents through training (called growth mindset), and those who think their abilities, intelligence and talents are **fixed traits** making it impossible for them to go beyond the qualities they were born with (fixed mindset).

Since the study aims at creating a **training concept to foster knowledge**, it was necessary to identify those who believe learning is valuable and those who do not.

The theory was adapted to independent restaurateurs: people with a growth mindset are called **The Curious** (restaurateurs who seek for information), whilst people with a fixed mindset are called **The Satisfied** (restaurateurs who tend to be satisfied with the knowledge they have).

Dweck, C. (2011). Mindset: The new psychology of success. Gildan Media Corporation.

Curious vs. Satisfied
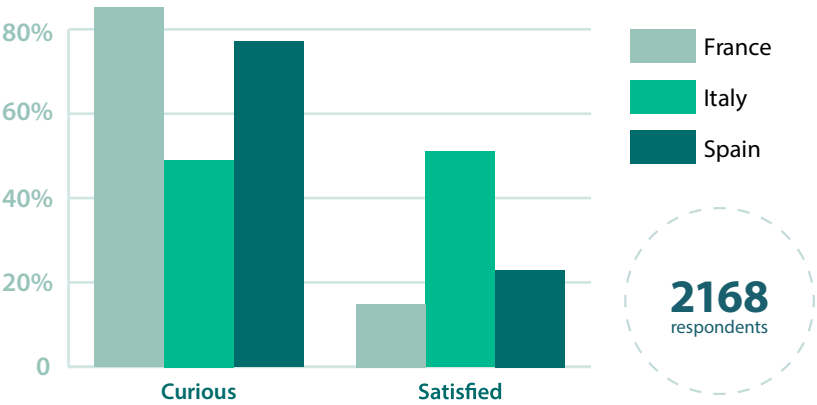

The Curious

The Curious restaurateur understands the importance of learning in order to achieve higher results.

The Satisfied

The Satisfied restaurateur believes that his abilities are set in stone and unable to be improved upon.

Curious vs. Satisfied restaurateurs

France
Italy
Spain

2168
respondents

The **Curious restaurateurs** are those individuals **willing to learn and improve their knowledge**. As a result, they will be the first individuals to integrate the Learning Community representing **70% of independent restaurateurs** across the three countries of the study.
The Satisfied restaurateurs will be able to join the community if they succeed in changing their mindset towards training, thus becoming Curious restaurateurs.

Who are the Curious restaurateurs?

The **Curious restaurateurs** are those willing to learn and improve their knowledge, so let's get a deeper understanding of their profile.

The Curious restaurateur's profile

Position held in the restaurant

Owner

Type of restaurant

Full-service

Gender

Man

Generation

Generation-X

Reason for opening the restaurant

Passion

Highest-level diploma

General education

Visit to the main supplier

Once a week

Their level of technology

The Traditional

The traditional restaurateur does not use technology in his/her restaurant, does not possess a computer and prefers the classic "pen & paper" method.

The Moderate

The moderate: has a computer and uses basic tools such as Microsoft Office software (Word, Excel).
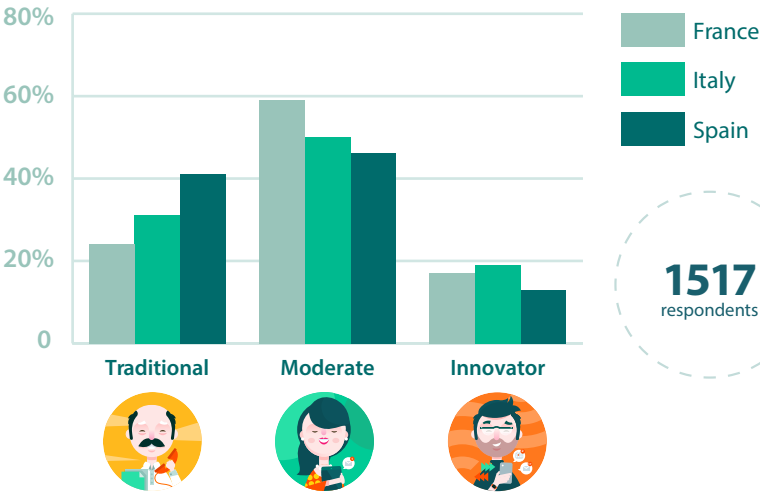
The Innovator

The innovator: uses mobile devices connected with his/her point of sales, has a relatively good understanding of the importance of social media in attracting clients, meeting their needs and retaining them.

The level of technological use for the Curious restaurateurs was measured in order to compare with the overall level of technological adoption in 2017 as seen in the first research of the METRO Chair of Innovation.

Tech profiles of **Curious** restaurateurs

France
Italy
Spain

1517
respondents

Traditional   Moderate   Innovator

In **2017**, the first research of the METRO Chair of Innovation measured the level of technological use by independent restaurateurs and created three profiles: the **Traditional**, the **Moderate** and the **Innovator**. The level of technological adoption remains **similar in 2018**, showing **no noticeable advancement in the adoption of technology**.
Curious restaurateurs are mainly **Traditional** and **Moderate** in their use of technological solutions in their restaurant.

Training type and format

The below elements define the **training type** and **format** that **Curious** restaurateurs would prefer to receive in order to improve their knowledge.

Curious restaurateurs' type and format preferences

	France	Italy	Spain	All
Learning method	Workshops	Workshops	Workshops & Online	Workshops
Time allocated to training	From 1 to 2 hours, half a day or 1 day	From 1 to 2 hours	From 1 to 3 hours	From 1 to 2 hours
Distance willing to travel	Up to 40km and more	Up to 20km	Up to 20km	Max. 20km
Best moment to learn	Weekly closing day: Mondays	Weekly closing day: Mondays or Tuesday	Weekly closing day: Tuesdays	Mondays or Tuesdays
Budget	Up to 100€	Up to 100€	Up to 50€	Max. 100 €
Recurrence of training	2 topics per year	2 topics per year	From 2 topics per year and more	2 topics per year

By defining the **preferred training format** of the **Curious** restaurateurs, the Learning Community concept will be tailored to the specificities of each country.

The Learning Community Concept

When it comes to **training** independent restaurateurs, training companies are facing two primary barriers: the **lack of time** and the **lack of money** that characterise **independent restaurateurs**.

The following concept is an **innovative approach** to train independent restaurateurs. It takes into account their lack of time and money, mindset, primary challenges, topics of interest, level of digitalisation, preferred training format and demographic characteristics.

This concept offers a **solution to attract restaurateurs' attention, train them** on what interests them and then **introduces** little by little more **challenging topics**.

As learning is a **long lasting process**, the training concept intends to create a community that **fosters learning** through **peer-to-peer interactions** whilst creating long-term relationships to **promote sustainable success**.

Six pillars supporting the Learning Community

The overall concept is based on six pillars that are all linked to at least one of the nine dimensions. These dimensions pave the way for the creation of an innovative Learning Community of restaurateurs focused on two main objectives: fostering learning and improving theirday-to-day operations.

Dimensions	Pillars
Gamification *Community* *Collaborative exchange*	Gamification
Gamification *Community* *Digitalisation* *Collaborative exchange* *Training type* *Restaurateurs' mindset*	Peer-to-peer learning and evaluation
Digitalisation *Collaborative exchange* *Training type* *Delivering value* *Restaurateurs' mindset*	Blended learning
Gamification *Community* *Collaborative exchange* *Delivering value*	Referral programme
Delivering value *Training type* *Learning topics* *Challenges* *Restaurateurs' mindset*	Training à la carte
Community *Delivering value* *Restaurateurs' mindset*	Freemium

Training à la carte

Restaurateurs can build their personal programme based on their own interests and time constraints. Once restaurateurs start their training route, they have to unlock each level by completing a minimum of two projects per level. Restaurateurs will be given a time frame to complete each project. This also gives restaurateurs a sense of urgency which is very important for learners to receive.

Peer-to-peer learning and evaluation

Independent restaurateurs trust the experience of their peers and like to exchange information on best practices. In the Learning Community, restaurateurs will have to go further than this by helping each other out to complete projects and by evaluating the work of others.

The main objectives is to allow them to bond and accomplish their business objectives. Through the peer-to-peer learning and evaluation system, they are able to trade items and information to foster individual restaurateurs' advancement.

In order to progress to the next level, restaurateurs have to do a minimum of two project reviews from their peers.

Referral programme

In order to increase participation by restaurateurs and bring new entrants to the Learning Community, a referral programme will be in place.

As part of this referral programme, restaurateurs who refer at least two other restaurateurs will gain points.

Gamification

Elements of gamification will be present throughout the entire journey of the restaurateur in the Learning Community. This aims to improve the quality of learning for restaurateurs, their engagement towards the community and their ability to comprehend digital content.

Blended learning

Independent restaurateurs are more inclined to follow either a workshop or be trained online. These two types of training will therefore be available throughout the programme.

Restaurateurs enjoy sharingbest practices, positive achievements and experiences with their peers. This is made possible with workshops and via an online learning platform. Restaurateurs remain traditional towards technology and how they wish to interact with others. This is why a mix of both training methods is required.

Freemium

The more you are an active member in the Learning Community, the less you will have to pay to get access to training.

In order to allow independent restaurateurs to receive training given their restricted budgets, the sponsor of the community will bear most of the costs. However, restaurateurs will still have to participate financially to get access to more advanced topics and/or features of the programme.

Training routes

Selection process
Independent restaurateurs will have to go through a selection process to ensure their **willingness to learn** before gaining access to the Learning Community.
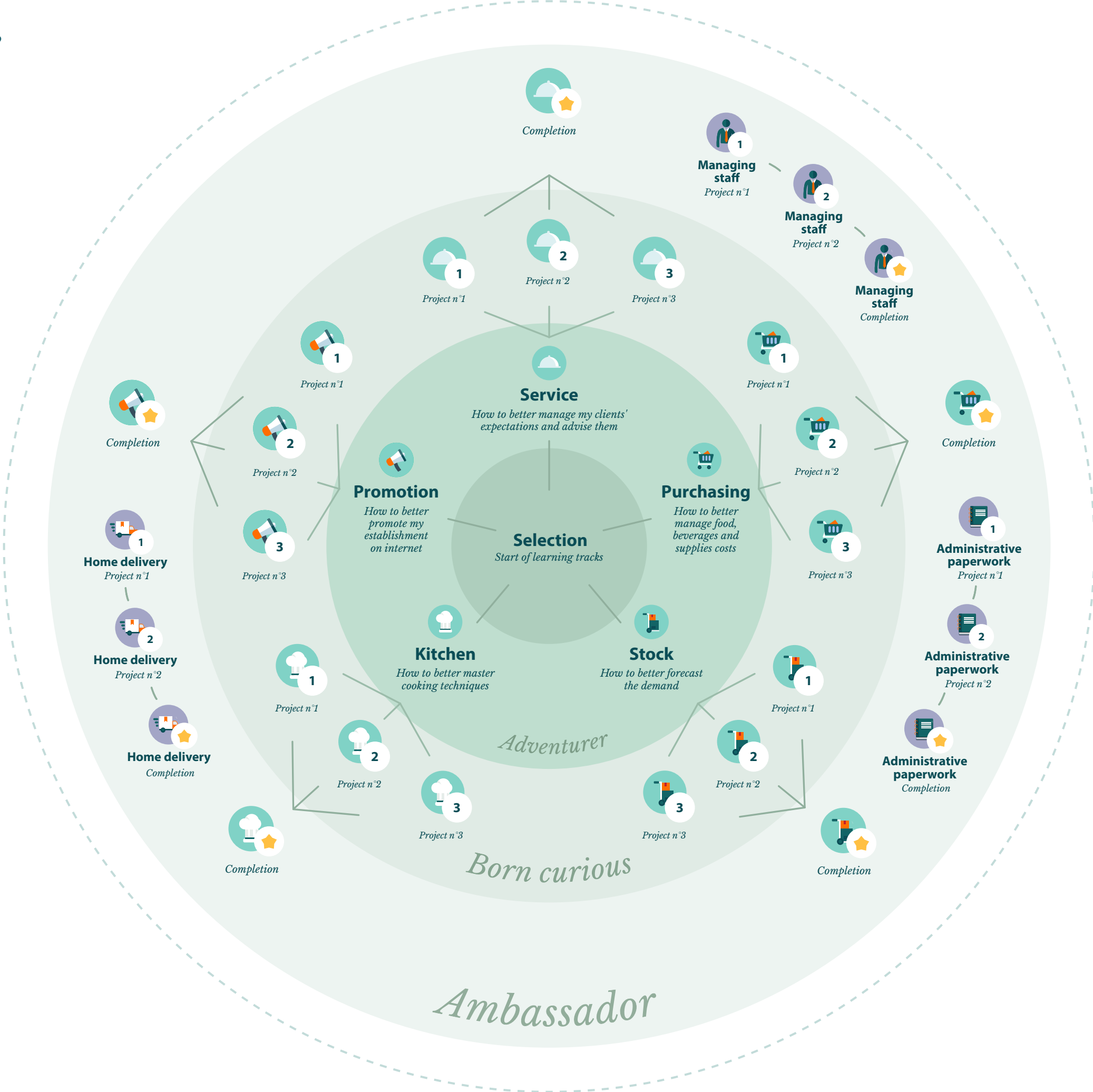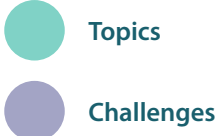
Module topics
To **attract restaurateurs**, the topics available on the first level of the programme **are ones** that restaurateurs are the most interested in according to our research. For the following levels, more advanced notions of the same topic are given. Finally, for the last level, new topics related to their main challenges are introduced.

Topics

Purchasing	Kitchen management	Stock management	Promotion	Service management

How does the Learning Community work?

The **Learning Community** starts with a **selection process** in which the restaurateur will have to participate in order to access the community resources. After the completion of the selection process, the restaurateur will be able to advance throughout the **different routes** available in the Learning Community. The restaurateur will need to validate two projects to unlock the next level.

The further the restaurateur progresses in the levels, the closer he/she gets to the topics covering his her **main challenges** (managing home delivery, administrative paperwork and managing staff).

- **Topics**
- **Challenges**

Completion

Managing staff
Project n°1

Managing staff
Project n°2

Managing staff
Completion

Service
How to better manage my clients'
expectations and advise them

Promotion
How to better
promote my
establishment
on internet

Purchasing
How to better
manage food,
beverages and
supplies costs

Selection
Start of learning tracks

Kitchen
How to better master
cooking techniques

Stock
How to better forecast
the demand

Project n°1
Project n°2
Project n°3

Project n°1
Project n°2
Project n°3

Completion

Administrative
paperwork
Project n°1

Administrative
paperwork
Project n°2

Administrative
paperwork
Completion

Completion

Home delivery
Project n°1

Home delivery
Project n°2

Home delivery
Completion

Project n°1
Project n°2
Project n°3

Project n°1
Project n°2
Project n°3

Completion

Completion

Adventurer

Born curious

Ambassador

A restaurateur's journey

Learning Ecosystem

Challenge Accepted

Tom has to do a **1-minute video** and sends it to the Learning Community. He has to show his **willingness** to be part of the community as well as presenting the biggest **challenge** that he faces in his restaurant. He sends the video showing how motivated he is to learn how to better manage his food costs.

He passes the **selection test**, becomes an Official member of the Learning Community and an **Adventurer** with access to the level 1.

Pillar:
Freemium

Pillar:
Training à la carte

First Workshops

Tom participates in the first **workshop** so he is able to understand the programme and how he will be able to create his **own journey** into the Learning Community.

His first chosen topic is "**Introduction to stock management**". Tom will learn how to **take his inventory** and **classify his goods** depending on their price, their margin, etc. Tom successfully completes his first project.

In order to upgrade from the Adventurer to the **Born Curious** status, he needs to follow a second workshop and he chooses the "**Introduction to purchasing**" module. At the end of this project, Tom is able to compare different offers from suppliers and establish criteria to help him **make the right choice for his restaurant**.

Pillar:
Peer-to-peer learning & evaluation

Level Validation

Tom has validated the "Introduction to stock management" and "Introduction to purchasing" from level 1. However, to become a **Born Curious** restaurateur and reach level 2, he needs to **review two other restaurateurs' projects** of his choice on a topic he has himself validated. By reviewing two projects on "stock management", he earns **experience points** and consequently earns Born Curious status. He can have access to level 2 topics related to stock management and purchasing.

He specialises his training route in stock management by selecting "Receiving goods". Tom learns how to control his goods upon delivery, control the expiration date, quantity, quality, weight, packaging, pricing, etc.

Digital tools are now made available to Tom to try out for free in his business.

To **reach level 3**, Tom needs again to validate two projects. So, he continues to learn about stock management by choosing "**Storing goods**". Tom will learn how to store his goods, what type of fridge he has, how to create his menu du jour according to his inventory, etc.

Referral & Evaluation

Tom **refers two restaurateur friends** that want to be part of the Learning Community. He earns **experience points**.

Tom also earns experience points by **evaluating** and giving **feedback** regarding the **digital tools** he is using as part of the projects. He will then be able to **recommend a digital tool** to other restaurateurs based on his own experience.
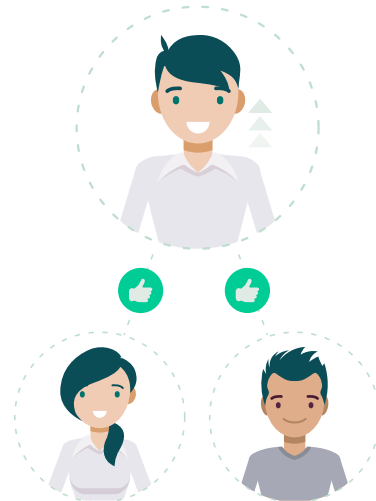
Pillar:
Referral Programme

Pillar:
Gamification

Pillar:
**Peer-to-peer
learning & evaluation**

Meet with a Leader

Tom has validated two projects from level 2 on the topic of stock management: "Receiving goods" and "Storing goods". He becomes an **Ambassador**. He now has enough experience points to meet with a top Chef/restaurateur and **exchange on best practices**. He can also exchange with start-ups providing the **digital tools available** at the Learning Community.

Completion

Tom is now an Ambassador and can access level 3. He is almost at the end of the training route on "Stock management". He follows his final project on "Forecasting demand & Performance measure". Tom will learn how to **forecast demand**, **measure his restaurant's performance** as well as implement **KPI's** (key performance indicators) to help him save money and time.

Because he completed the entire stock management module, he receives a **certificate** proving his expertise on this topic.

Other restaurateurs can now contact him directly through the Learning Community platform to ask him questions and **share best practices on stock management**.

Every **Ambassador** will not only **gain expertise** via the Learning Community but also **increased visibility** of their restaurant **internally** as well as **externally** to the community.

Final words

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The first research of the METRO Chair of Innovation highlighted the **lack of technological adoption** by independent restaurateurs, which makes it difficult for them to compete with chain restaurateurs and survive in the long term. The main reasons for this delay in technology adoption were due to a **lack of access to knowledge and technological skills.**

The **Learning Community** concept does not only provide **targeted training** related to technology , but also tackles all **primary challenges** that they face in their daily operations.

By creating such a unique, **innovative and alternative method of learning**, it bridges the gap between restaurateurs' willingness to receive training and their lack of engagement with exisiting training methods.

This Learning Community paves the way for restaurateurs to **embrace** and **take advantage of technology**.

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through innovation in the restaurant industry."

METRO Chair of Innovation

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