CASE STUDY | HICKORY TAVERN

HICKORY TAVERN REDUCES FOOD INVENTORY 25% WITH CRUNCHTIME SUGGESTED ORDER. CASUAL DINING BRAND SEES CORRESPONDING 3% IMPROVEMENT IN COST OF GOODS SOLD.

HICKORY TAVERN IS A FAVORITE neighborhood social gathering spot in communities across the Southeastern United States with 34 locations providing craveable food, drink, and entertainment experiences for lunch, happy hour, parties, game day, late night, and other special events.

When a new VP of Operations joined the Hickory Tavern team, he quickly recognized that counting inventory was taking far too long — as much as three hours each day – and that the restaurants were carrying too much inventory. Hickory Tavern needed a more efficient restaurant operations platform that could rein in what appeared to be a chronic issue of over-ordering.

Hickory Tavern turned to CrunchTime, which provides a single, centralized restaurant management platform for the brand's entire operation, including food cost, prep, inventory, forecasting, and labor operations.

SUGGESTED ORDER REINS IN OVER-ORDERING

As soon as CrunchTime was deployed, Hickory Tavern began solving its inventory management challenge. Leveraging the platform's core Suggested Order feature, the brand was able to automate processes that a top-flight general manager would do when placing vendor orders:

1. Refer to the current sales forecast (accounting for variables that might affect it, like weather, special events, etc.)

2. Determine how much of each product will be needed to meet that demand for a given number of days

3. Review on-hand inventory and pars for those products

4. Perform the data analysis & math: What's needed versus on hand for product (factoring in usage and expiration dates)

5. Place orders for only the inventory needed to reduce food waste

CrunchTime's Suggested Order simplified the entire ordering process for Hickory Tavern, delivering an immediate impact at each location. With system-generated suggested ordering, Hickory Tavern is now able to understand and accurately order ONLY the food needed for each restaurant with just one click.

HICKORY TAVERN HAS LOWERED ITS TOTAL FOOD INVENTORY LEVEL BY 25% ACROSS THE ENTIRE BRAND AND HAS SUSTAINED A 3% IMPROVEMENT IN COST OF GOODS SOLD (COGS.)

TIGHTER INVENTORY YIELDS HIGHER PROFITS

For Hickory Tavern, CrunchTime has delivered dramatic inventory reductions. At first, a few stores really stood out, dropping their on-hand inventory by about 60% from where they'd begun. CrunchTime's people then stepped in, helping to fine-tune the Hickory Tavern Suggested Order algorithm to the point that its suggested quantities were just enough to meet the locations' needs. As a result, 25 locations have reduced inventory by between 20 and 60%.

With CrunchTime's simplified approach to daily inventory, Hickory Tavern also can monitor consumption and food waste on a day-to-day basis. Using that information, the management team monitors sales and inventory at scale. CrunchTime's advanced BizIQ reporting guides decisions on everything from menu design and menu implementation to flavor models and flavor tracking. As a result, Hickory Tavern has lowered its total food inventory level by 25% across the entire brand and has sustained a 3% improvement in Cost of Goods Sold (COGS.)

A few locations recently hit Hickory Tavern's golden target: where on-hand inventory is near equal to their COGS. In short time, Hickory Tavern expects to shave up to another 10% from on-hand inventory company-wide by fine-tuning each location's Suggested Order efforts.

"CrunchTime helps Hickory Tavern improve operations and save money," said Dan McKeon, Software and Operations Analyst/Regional Manager at Hickory Tavern. "With its real time inventory visibility and the invaluable data intelligence extracted from the system, CrunchTime helps Hickory Tavern make better decisions based on information and insights, and 99% of those decisions have worked in our favor."

LEVERAGING CRUNCHTIME FOR LABOR MANAGEMENT

Recently, Hickory Tavern expanded its use of CrunchTime to optimize the labor management side of its back-office operations to streamline the entire staffing process.

 "Before CrunchTime, we had to wait two to three weeks after our payroll cycle ended to get the data we needed from payroll reports," said McKeon. "With CrunchTime we can extract data immediately and make smarter scheduling decisions based on our findings."

With CrunchTime, Hickory Tavern has a restaurant back office platform that meets all of its needs, from inventory and food cost management to shift scheduling and labor management. The company has seen a significant impact on its bottom line by reducing food and beverage costs, improving labor efficiencies, and achieving better management over the quality and consistency of Hickory Tavern's food service operations.

ABOUT CRUNCHTIME! INFORMATION SYSTEMS, INC.

CrunchTime! Information Systems, Inc., provides a comprehensive restaurant management platform that simplifies and automates food and labor operations. By driving the flow of information throughout the organization, CrunchTime ensures operators make timely, fact-based decisions that help brands reduce food and beverage costs, drive labor efficiencies, and better manage the quality and consistency of their foodservice operations. Since 1995, CrunchTime has enabled restaurant chains of all sizes to scale efficiently and save money.

For more information, visit **WWW.CRUNCHTIME.COM**
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