

Serving Up Savings

Bloomin' Brands uses data to save money and improve the customer experience



by JANET GROEBER

As one of the world's largest casual dining companies, Bloomin' Brands serves millions of customers annually through its nearly 1,500 restaurants located in 48 states, Guam, Puerto Rico and 20 countries.

The Tampa-based restaurant chain's near-ubiquitous nameplates include Outback Steakhouse, Carrabba's Italian Grill, Bonefish Grill and Fleming's Prime Steakhouse & Wine Bar. Since the first Outback Steakhouse opened in 1988 in Tampa, customers have come to count on well-priced meals and trendy drinks, coupled with menu and décor consistency across its various brands. Yet a peek behind the curtain at back-of-house operations indicated facilities management was less-than-corporately scrutinized and analyzed.

In fact, facilities repair and maintenance were the purview of each store manager. Outsourcing meant that Bloomin' Brands

did not know all its contractors, nor did it have a handle on maintenance schedules or cost across the enterprise. To help find the cracks in facilities management, the company turned to ServiceChannel, which provides a single platform to procure, manage and pay for repair and maintenance services from commercial contractors.

COST SAVINGS

"Typically, the main driver for seeking a solution like ours is a need for cost savings," says Tom Buiocchi, executive director and CEO at ServiceChannel. "The 'outsourced' model is significantly more expensive and inherently adds layers of unnecessary costs for the customer who often ends up paying several times the cost of the actual work." It also means less corporate control, which can contribute to the lessening of brand standards.

Factor that across a company operating in multiple countries and territories, Buiocchi says, and the need is clear for a system that can operate cohesively across many locations and geographies.

Buiocchi has done the math using decades of customer data: According to his calculations, "There are 2 million-plus physical retail stores in the U.S. spending more than \$100 billion per year on maintenance and repair, with a huge amount being spent inefficiently." Buiocchi claims there is at least 20 percent waste, which means \$20 billion that could theoretically be better directed at improving customer experience.

Cost savings and efficiencies were on the table when Bloomin' Brands got together with ServiceChannel. "We spoke to numerous companies, including retail/restaurant and service provider/contractors," says Jon Ahrendt, director of facilities at Bloomin' Brands. "We attended multiple trade shows and observed how prolific ServiceChannel was in the contractor community. Service providers were proudly messaging they were on ServiceChannel. We saw and heard the stories about how easy it was to use and that it helped both sides of the transaction work together."

The ServiceChannel system combines a web and mobile-based work order management system with integrated analytics, offering a source-to-settle system. The configurable and flexible software initiates and validates work performed and helps manage all planned and demanded service requests across all locations, categories and trades. The platform provides independent and unbiased data on contractor performance to keep them accountable for the work they have agreed to perform. It helps in cutting operational costs without

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reducing service levels and ensures compliance.

Bloomin’ Brands needed “a simple interface for locations to interact with so they were not always on the phone, visibility into larger ticket items and ability to control proposals from contractors,” Buiocchi says. Those fixes would ultimately “allow them to bring control in house.”

MAJOR CHALLENGES

Bloomin’ Brands knew its major challenges included a lack of support, strategy, process, technology and dedicated personnel, and a lack of visibility into its spending, scope and service providers. “We had many members on the team (both dedicated and shared resources) ranging from facilities and operations to accounting, finance, strategic integration and training,” Ahrendt says. “We also had support from ServiceChannel’s implementation, on boarding, contractor support, call center and national account teams.”

While that might sound like a lot of bodies, facilities managers will increasingly be at the table with fellow managers as Ahrendt was, all dedicated to strategically planning the customer experience from variety of viewpoints — and all contributing to a recipe for success. A pilot program followed.

“We worked with them to build a strategy that addressed cultural, operational and fiscal considerations including hiring great people,” Buiocchi says. ServiceChannel also established formal key performance indicators to measure department effectiveness and vendor performance around four categories: quality (user feedback and recalls); cost savings (compared with benchmarks); speed of service (time to dispatch and resolution); and efficient administration (invoicing and compliance).

ServiceChannel’s “dual-focused” approach appealed to Bloomin’ Brands. “We wanted to get from zero to 60 overnight in terms of our ‘facilities management evolution,’” Ahrendt says. “We needed to work with the right

technology partner who would give us the flexibility to grow the business the way we wanted.” Also, he says, “We liked that they cared about their clients and service providers.”

And ServiceChannel was responsive. “That’s one of their strengths,” Ahrendt says, “We knew the mobile app would be an important advancement for our operators. Proposal review and approval was on the road map, but was months away from release. Once we expressed how important it would be for our team, they accelerated its development and release. It was a huge improvement and made a substantial difference.”

RELATIONSHIP BUILDING

ServiceChannel’s platform has been deployed at Bloomin’ Brands for more than 18 months, covering more than 1,200 U.S. locations. Specifically, the company relies on Service Automation, ServiceChannel’s flagship platform that provides the ability to open work orders, and for the facilities team to track progress through resolution; Analytics Custom, an optional Service Automation module to run reports customized for internal and external stakeholders; and Invoice Manager to reduce invoice and payment processing costs through a closed-loop process.

“We knew we had the right solution before we went live in July of 2015,” Ahrendt says. “Their approach to business coupled with their mobile solution gave us confidence. We achieved immediate visibility, strong operations support and comprehensive analytics from day one.”

Outside of savings, which Ahrendt says the company achieved, the key metric was relationships. “The relationship between our operations team and the service provider were at the forefront of our decision. That’s where the work takes place.”

Having worked with a multitude of third-party systems and companies, “We knew what we were looking for,” Ahrendt says. It was “finding the perfect balance of culture and business requirements.” **STORES**

