



serve

A Case Study with Studio Movie Grill

Studio Movie Grill

Eat. Drink. Movies. From the three words of Studio Movie Grill's mantra, it's not hard to guess what their experience is all about. Since its baby steps in 1998, Studio Movie Grill ("SMG") has enriched the moviegoing experience with the combination of headlining Hollywood movies and full-service in-theater dining.

SMG was an early exhibitor to feature such in-theater dining experiences, and is now one of the leaders in the theatrical in-dining movement in the US exhibition business.

For more than 20 years, SMG has been at the top of their game, developing the gold standard in-dining experience – the SMG experience – delivered alongside film; they have forged their reputation as a market leader, constantly looking for ways to innovate. SMG knows that to maintain a competitive position, they have to be not only

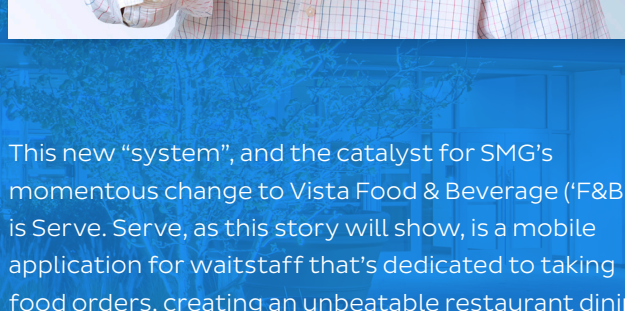
at the cutting edge of the industry, but ready for whatever is coming next in their industry – they need to see ahead of the curve.

SMG knew that they might be in jeopardy unless they found a software partner who could guarantee constantly evolving innovation and so meet the requirements of the changes they anticipated.

SMG was an existing customer of Vista Entertainment Solutions Ltd ("Vista Cinema") – the world leader in cinema management software solutions – but they were not yet using their food and beverage technology. The opportunity to partner with Vista to extend their food and beverage solution to meet SMG's specific needs and enable a shift to Vista's complete food and beverage portfolio, was one that looked to be a game-changer in SMG's expansion.

Tearlach Hutcheson, Senior Director of Film at SMG met with Leon Newnham, Vista Cinema CEO, at CinemaCon in 2018. Now, he recalls incredibly:

“Now, less than a year later, we have an entirely new Vista system running in many of our theaters with more converting each month. That kind of accelerated timetable for such an impeccably vetted product is unheard of in our industry.”



This new “system”, and the catalyst for SMG's momentous change to Vista Food & Beverage (“F&B”), is Serve. Serve, as this story will show, is a mobile application for waitstaff that's dedicated to taking food orders, creating an unbeatable restaurant dining experience for staff to deliver right in the theater. Vista F&B had been visualizing this state-of-the-art application for several years, but this story – of how Serve ultimately came to be – is tied to SMG.



The challenge of changing systems

Tearlach Hutcheson, who has been with SMG for a decade, knew that getting the F&B partner relationship right was vital to SMG's long-term plans.

While Vista's portfolio could be transformational for SMG, the challenges of such a fundamental change were evident early on. The challenge when they first began to look at converting to Vista F&B was in the existing hardware that they already had across 27 theaters.

“The hardware cost of converting was prohibitive,” Tearlach recalls, “but when we started talking to the Vista team, we realized that perhaps an app could be created that would make the transition easier; then it became a much simpler decision.”

SMG wanted mobile ordering and a system that incorporated customer data and intelligence, and, that could cross platforms to take full advantage of where they wanted to go.

Dinner and a Movie

The traditional “evening out” experience of “dinner and a movie” is the date of choice for many. Yet for decades, exhibitors were only cashing in on half of that experience. In-theater dining such as SMG's, when done well, is a highly effective way to drive up spend-per-admit and a prime opportunity for exhibitors. SMG have built from a foundation based on this opportunity and on providing the best possible experience of food and film.

Vista Product Director of F&B, John Burrows, knows just how much the “dinner and a movie” experience can deliver for exhibitors. From the get-go his belief in the product and determination to see it designed, built, and deployed didn't falter. “There is nothing stopping cinema exhibitors from offering both dinner and a movie to their guests,” he said of the opportunities SMG have seized. “Vista F&B wanted an app that would make this offering easier and more efficient for the cinema than it had ever been before and that is exactly the kind of challenge that we had the opportunity to overcome for SMG.”

So, with the combination of a new initiative for a cutting-edge application to drive F&B sales in the cinema, and the commitment of Vista to Vista, the solution began to take form: replace the Point of Sale system with something simpler; something more server friendly; something more mobile... So that was the basis of how “Serve” became a reality.

“My mother loves the fried chicken, you have to try it!”

“Vista's guest and staff-facing apps – Vista Mobile and InTouch – are already hugely successful and in use with Vista Cinema customers everywhere. In today's world, we don't want to wait in lines. With these apps, there's no need to; you can do everything from your phone.

“Once you've arrived at a theater, you can start your order, scan past the usher, and meet your food at your seat. This seamless in-theater experience is available... so we thought; ‘why not use mobile technology and build a dedicated F&B app for the waitstaff process too?’”

If you're going to make it – make it right

Serve is made to work in a cinema – standard restaurant ordering systems aren't. John realised right away that using a standard restaurant mobile ordering system simply will not cut it in a cinema environment.

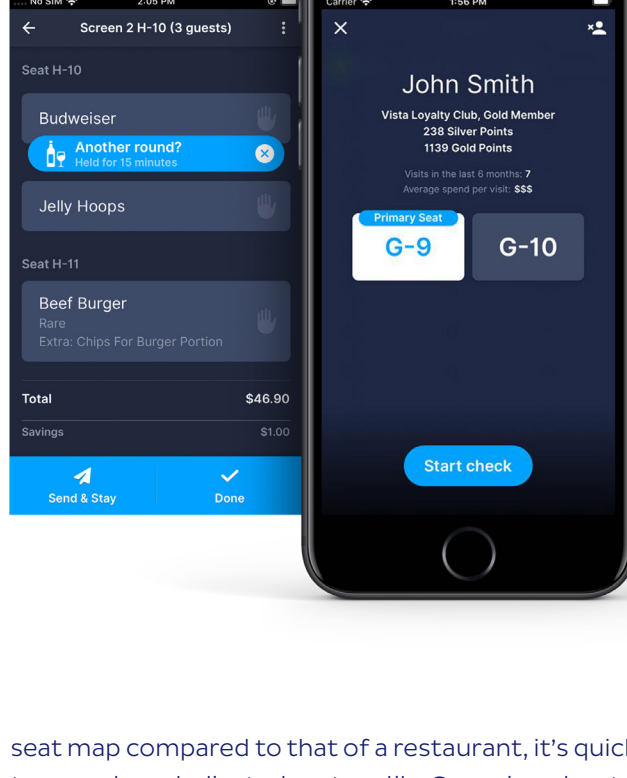
User-led design was the crux of making Serve something that matched exactly what was needed, and something truly unique for the needs of cinemas. John also knew from the outset that bringing waitstaff into the design and development process was the best way to create the ideal dine-in POS solution for a cinema.

Key features of Serve were born of this collaboration. For instance, a taste of features that building Serve's order taking around the cinema seat map includes:

- Tagging food to individual cinema seats.
- “Another Round” feature – delaying an additional round of drinks to be delivered later.
- Automatically adding Loyalty members to an order from the seat map using their ticket purchases.

By connecting orders to the customers' seats from the beginning, Serve is able to immediately tag food to the individuals ordering them, even in group orders. Staff know exactly which seat wanted what – no need to interrupt and ask, “who ordered the pizza?” anymore. This keeps disruption to an absolute minimum with the “Another Round” feature too, which allows servers to prompt a second round of drinks to be brought 45 minutes into the movie.

Standard restaurant systems aren't built to work with seat layouts and requirements like those of a cinema. Considering the massive scale of a cinema



seat map compared to that of a restaurant, it's quick to see why a dedicated system like Serve is so key to the cinema environment.

As a Vista Cinema product, Serve integrates seamlessly into the Vista ecosystem and leverages other products and features to great effect, such as:

- Loyalty and Cash Desk
- Promotions
- Kitchen screens & printers
- Table & check management
- Base data configuration

Many of the resulting features are something that only Serve can do, like automatically finding Loyalty information associated with seats' tickets when taking an order. Integration with other Vista systems opens huge doors for the waitstaff using Serve, and by making these connections, from Loyalty to the seat map at its heart, Vista has produced a stand-out handed F&B point of sale.

Using a standard restaurant ordering system simply will not cut it in a cinema environment.

The Sceptic Advantage

Not all were convinced from Serve's inception. John Burrows appreciates that skepticism can be a healthy ingredient when entering new territory such as this. He recalls that some of SMG's Operations Team had their doubts.

“But when I put the device in their hands and showed them Serve's capabilities,” he says, “they went from being skeptics to our champions.”

Convincing someone skeptical of the capabilities and worth of a product is something John can appreciate. It's vital that the people accountable

for implementing a new system feel a real sense of confidence in Vista's products. In John's view, “Winning over a skeptic is that much more rewarding; these are usually well informed, intelligent, pragmatic managers who know the recipe for success in their theaters.

“When we do make champions of our customers, we know our innovation is truly going to change the course of their day-to-day working lives. There's nothing better than that for everyone at Vista.”

The Ripple Effect – There Usually Is One

Studio Movie Grill have gleaned a wide range of benefits from working with Vista. A key among them is the customer intelligence they have gathered about habits within the F&B sector. “Because a customer sat in a Serve seat,” Tearlach explains, “we know what they ate and drank. That gives us a much stronger marketing window into customer behavior, and we can provide an even better experience in future.”

Serve speaks to other Vista Cinema software; just as SMG connects food and film, Vista software can connect data. Serve orders can be automatically connected to Loyalty program members that made them, habits and preferences can be recorded, and new marketing opportunities arise for SMG.

Vista is able to connect the dots of data for us to have. “That's why,” Tearlach says, “it's vital for SMG.”

the kind of solutions that Vista offers in the F&B space, with Serve being the latest innovation.” Connecting data like this helps SMG to build the future they want for their business.

According to Tearlach, F&B insights have influenced SMG's marketing credo at a basic level: “We went from driving our marketing efforts to put a person in every seat – to putting the most financially beneficial guest in as many seats as possible.

“That has all kind of applications; with kids' movies, the average per-guest menu items might be lower but we're packing our theaters during the day, parents get to experience our theaters and hopefully they want to come back for their dinner-date night out.”

Data feeds the crowd

SMG has a revolutionary attitude about how the intersection of data and F&B advances will lay the groundwork for expansive future plans. “In five years,” Tearlach says, “we plan to double our number of theaters to 60, with over 750 screens. A big part of that vision is supported by our rock-solid belief that data will help us make the best business and technology decisions possible.”

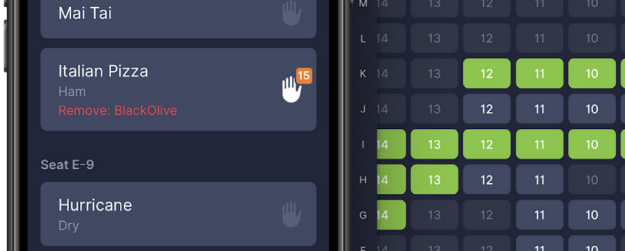
He explains that SMG's film programming decisions are based on a combination of data intelligence and F&B habits of our customers.” He provided the perfect example:

The July 21, 2017 weekend frame saw the release of both Dunkirk – a war film depicting the evacuation of Dunkirk in World War II – and Girls Trip – a comedy about a group of women on a vacation together. SMG looked at those films coming out and compared them with their existing customer data for those genres.

“First of all,” Tearlach pointed out, “about half our theaters over-index among female African American audiences anyway.” (For the recent US Men Want, SMG held the #5 position among US theaters in this demographic).

What SMG knew from their data about female guests in general was that, for a comedy like Girls Trip, they tended to visit in large groups, and had a propensity to order high-quality food and beverages. So, SMG knew that their food sales would be far higher with Girls Trip than they would be for Dunkirk – a war movie with intense battle scenes and human suffering prompts a bit less of an F&B appetite.

SMG made a booking decision to focus on Girls Trip. This was hugely successful. A great part of their revenue success came directly from a significantly increased spend-per-guest. In cases like these, the efficacy of Vista F&B figures prominently in the company's revenue projections.



Where to next?

There is always a fine line between being a company that is too big to change and a company that embraces it. “That's about leadership,” Tearlach says, “and at SMG we have leadership that is dedicated to innovation from the top down. Our partnership with Vista, who can provide solutions for us across the board, is crucial to our growth”

According to Tearlach, there was a time when the US exhibition space and even the studio

sector were very insular. But the last decade has proven that the cinema business operates with an international perspective. Vista is the market leader in their field with a matching global perspective. That makes a big difference to SMG.

With Vista's support, Studio Movie Grill looks forward to more advanced business outcomes via technological innovation in the years to come!

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