



How to Be the Uber of Fast Food

Q: Many fast-food restaurants are beefing up their mobile capabilities. What is the best way to tap into this trend?

A: Getting in on the mobile ordering—or mobile payment or mobile marketing—trend shouldn't be our objective. Instead, we should ask, "How can we use mobile technology to disrupt our industry, make our competitors irrelevant, or change our customers' lives?" In other words, "How can we become the Uber of fast food?"

Uber is the on-demand, mobile app-enabled taxi alternative that is sweeping across the U.S. and into international markets. Less than five years old, Uber is already used by hundreds of thousands of customers, and analysts and media credit the company with disrupting the taxi industry. Last June, it completed a round of funding valuing the company at over \$17 billion. So becoming "the Uber of fast food" seems a worthy aspiration.

But I'm not saying that we should be investigating how to provide on-demand, mobile-enhanced meals on the go. (Uber, among others, is already testing that concept.) Rather, we should look to the business strategies, customer insights, and management approaches that drive Uber for inspiration and ideas.

Uber's very concept reveals keen insight into the business landscape. Essentially, it leverages excess market inventory—drivers—and matches it to market demand: riders. Moreover, it meets that demand by solving customer problems—hunting for cabs, waiting for them, experiencing inconsistent quality, not knowing how much they will cost, and so on. When designing a new concept or working to improve an existing one, we should think along similar supply/demand-matching, problem-solving lines. Is there consistent excess supply of an ingredient or item that customers regularly want? What problems do people experience with existing options? What excess capacity—product, labor, real estate—can we leverage to meet people's needs?

Uber transforms one-off anonymous transactions into personalized customer journeys. It understands that the customer journey doesn't start when someone gets in a car, and doesn't end when they get out. And it makes every interaction along that journey personal, from the sensor that automatically pinpoints your location, to the various service options (standard service, Uber X, Uber LUX, and carpooling), to the pictures of the drivers and riders that are exchanged when a ride is confirmed, to the human customer-service representatives and community managers. In the same way, we need to design our customer experiences inside and outside our four walls, and include customization choices and personal, human interactions. Customers place high value on experiences and emotionally bond with brands that fit their lifestyles and needs.

One of Uber's strongest points is how simple and seamless it is to use. Once a customer downloads the app and sets up her profile, she rarely encounters any friction. The app tells her where the driver is and how long it will be before the pickup, it notifies her when the car has arrived, it tracks the trip from starting point to destination, it automatically calculates currency and tip, and it automatically processes payment without even requiring a signature. By reducing customers' stress, saving them time, and increasing their confidence, Uber creates powerful switching costs. Let's map out all the steps in our customers' journey and see how we might streamline it. Of course, mobile technology will probably play an important role in our plans, but by starting with the customer instead of the technology, we are sure to prioritize the features and services that are truly important versus those that are simply novel.

Uber's success stems from engaging with drivers as much as with customers. They do full-scale marketing to recruit drivers, offer compelling benefits like vehicle financing and referral programs, and work hard to provide drivers with excellent support. Although Uber has been accused of unfair labor practices, it seems these issues have resulted more from working out the kinks in a new business model than from malicious intent. And, regardless, the principle of putting a priority on our employees remains an important one. We need to be just as intentional and creative in designing our employee experiences as we are with the customer's.

Uber thrives on customer reviews and feedback. Some restaurateurs are so terrified of customer feedback that they're scared to put up a Facebook page or start a Twitter account. But Uber actually depends on customer comments. Drivers and riders are able to rate each other and read reviews before a trip is confirmed. Furthermore, Uber executives, including CEO Travis Kalanick, regularly review and respond to customer complaints. We should seek to learn from customer ratings and comments, not try to shut them down or minimize them.

Finally, the folks at Uber inspire us to think big and adopt bold visions. They bill Uber as a "transportation network" and talk about evolving the way people move. It's clear they're thinking beyond simply matching drivers and riders. This broader view of Uber's mission and business scope keeps them committed to making positive social impact and fuels their innovation. It also excites employees and customers. How can we use our restaurants to help our communities? How can we make people's lives better? How can we design new businesses and innovate within existing ones to create value for everyone involved?

As you can see, thinking only about mobile is thinking way too small. 