

OVERCOMING OPERATIONAL CHALLENGES:

How Guzman y Gomez Regained Control of Their Supply Chain and Reduced Food Costs



About Guzman y Gomez

Guzman y Gomez is an Australian fast food restaurant chain that specializes in Mexican-inspired dishes, like their filling burritos, loaded nachos, and homemade corn chips with guacamole. Seeing an opportunity to reinvent Mexican food and introduce it to an Australian audience, founder and CEO, Steven Marks, opened the first location in Sydney in 2006. Today, the franchise boasts over 135 restaurants, with locations in Singapore, Japan, and across the United States. GYG prides itself on using high-quality, fresh ingredients, and providing each customer with great experiences and a taste of Mexico – wherever they are.



Source: GYG Facebook

The Challenge

While at first the Guzman y Gomez concept was a difficult sell to Australians – who were used to a different, less authentic interpretation of Mexican cuisine – the third year in business marked a major turning point for the chain. And while the rapid growth that GYG quickly began experiencing was great for the brand, it led to operational challenges such as supply chain complexity, inventory management, and food cost control.

Daily orders and deliveries of fresh ingredients had to be orchestrated by over-taxed restaurant teams. “The accuracy of our stock control and ordering is essential, but the process prior to implementing Crunchtime was overly burdensome and time consuming,” says Steve Orleow, Head of Technology & Insights at GYG. This meant that GYG’s restaurant spent the majority of their labor hours completing vendor orders and inventory checks instead of spending valuable time on the floor with guests.

Orleow explains that there were also problems stemming from GYG’s hypercustomizable menu: it was great for guests as it provided choice, but created further challenges with recipe management, inventory management, and accurate cost control. With goals of gaining better supply chain control, lowering food costs, and improving efficiency across all locations, GYG realized that they needed to find a better solution for managing their restaurant operations.



Implementing Crunchtime

“At GYG, we’re driven to be the best restaurant group in the world from a food perspective. What became clear to us is that we needed the technology to support this aspiration,” says Orleow. “We researched the market, looking for a platform that could support our growing needs, and provide competitive advantages as we scaled.”

Guzman y Gomez selected Crunchtime’s restaurant management system because it provided an all-in-one solution to their back-of-house troubles, from perpetual inventory management to vendor supply chain operations. Crunchtime’s ability to provide real-time analytics and reporting on a wide variety of KPI’s was another selling-point, as it gave each GYG restaurant instant visibility into sales metrics and cost saving opportunities. With greater flexibility and the assurance that Crunchtime would provide cost savings, the GYG restaurant teams were able to refocus their attention on the customer experience.

Outcomes

“Crunchtime has been a big factor in our success. Their experts work with us weekly to better understand the rich functionality of the platform, so we’re continuously making improvements that directly impact our restaurants. Together, we find new ways the platform will drive operational efficiency or improved profitability,” says Orleow. “The platform is highly customizable, with strong menu management capability and central admin management. With Crunchtime, we’ve taken control of our supply chain.”

By leveraging Crunchtime’s sales forecasting capability, GYG was able to customize predictive ordering for each restaurant allowing managers to order their inventory more accurately.

The direct integration with local vendors ensures each restaurant manager can place accurate orders for each location leading to significantly less food waste.

In addition to ordering, receiving and invoicing is now easy and efficient. GYG’s supply chain team can control their vendor ordering process across all restaurants to ensure consistent recipe creation, bid management, and electronic invoicing. With these changes, GYG’s restaurant staff no longer worries about managing vendor orders.



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Guzman y Gomez has also had success lowering food costs and eliminating food waste, both of which had been challenging

before implementing Crunchtime. Crunchtime has given the company the ability to optimize its food prep processes to more accurately meet its customer demand, leading to an overall reduction in food waste. Orleow also praises the effectiveness of Crunchtime’s actual versus theoretical cost variance tracking, which allows GYG to identify and quickly address profit leaks, further reducing wastage and noticeably improving profitability.



Source: GYG Facebook

“Inefficiencies are highlighted faster, and variances are simpler to identify and rectify, for quick and easy benchmarking,” said Orleow, explaining that GYG can identify its better performing restaurants to see what’s working well and challenge underperformers to strive towards similar, attainable improvements. Thanks to Crunchtime, Guzman y Gomez can now ensure that all locations deliver on the same promises of serving high-quality food and providing exceptional customer experiences.

About Crunchtime

Crunchtime is how the world’s top restaurant brands achieve ops excellence in every location. Our software is used in over 100,000 locations in 100+ countries to manage inventory, staff scheduling, learning and development, food safety, operational tasks and audits.

For more information visit www.crunchtime.com

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