

FAQs

What is Telemetry?

Telemetry puts remote sensors on the key parts of the soft drinks system so that they can be seen in real time. The combination of water volumes, temperatures and power usage by the Multiplex allow us to measure soft drink quality and monitor the health of the equipment.

When something is wrong, the system sends an alert to the restaurant and the relevant Service Company. We have a body of knowledge that allows restaurants to either fix the problem themselves via a checklist, or to allow the Service Company to often fix the problem over the phone, reducing the need for a costly engineer callout.

Why do I have Telemetry?

The quality of the soft drinks in McDonald's is important. No one likes a flat Coke. But the quality in the UK has been problematic for years & is currently the worst in Western Europe – surprising for a market that exports so much best practise.

To date, quality is only measured twice a year via the QMP process that SDMS carry out. That check is done early in the morning when the soft drinks equipment is under no stress, so wasn't reflective of performance and quality at peak times.

Telemetry approached McDonald's 7yrs ago and demonstrated the value of being able to 'see' the soft drinks machinery in real time, thus providing a live quality score.

Why put the system on brand new equipment?

McDonald's have a long-term plan to embrace the concept of a Connected Kitchen where every bit of equipment is monitored. Much of your newer kitchen equipment has some form of monitoring built-in which you don't see. The soft drinks equipment doesn't, so needs a third party system to make it 'smart'.

Ideally, the monitoring would take place on older and less efficient/reliable equipment as this is where the most benefit is likely to be found – but what constitutes old? The first 'new' equipment that we installed on is now over 4yrs old and out of warranty. The only way to build out across the entire estate is to start somewhere.

We also have data that shows that 'new' equipment is just as prone to breakdowns and accidental errors.

What does it cost?

In a brand new restaurant, the sensors cost £1420 + VAT to purchase plus a small installation charge, both of which will have been part of the build cost. If you've bought a restaurant from McOpCo, the sensors that are already in place will have been built into your purchase price.

In both cases, the gateway that comes with the system doesn't cost anything but we retain ownership of it (which means that we can regularly update the software and make changes to various settings without it having to cost you anything).

There's then a small monthly cost to send, store and analyse the data.

How do I justify the monthly data cost at the moment?

The monthly data costs are invoiced at £68.50 per month (which will drop to £53 as we roll out a WiFi-enabled gateway).

If you factor in the saving from not having to pay for the 2nd QMP visit (because Coca-Cola pay this for all restaurants with Telemetry installed) in reality this is only £55 per month.

That's £1.85 per day. Just slightly more than the profit from 1x large soft drink.

At the current Minimum Wage, £1.85 buys you 9mins 15secs of an employee's time. But the sensors don't sleep or take a lunch break.

The sales data from the UK suggests that the average restaurant sells approx. 70 drinks an hour. If we highlight a problem that is fixed just 1hr faster, you've paid for the system for a month. If we highlight a problem that the Service Company can fix by phone rather than via a call-out, you've paid for the system for 2mths. If we prevent a breakdown that would have halted drinks sales over lunch/dinner one day, you've paid for the system for over 18mths.

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Can I justify the cost?

The Multiplex that drives your soft drinks remains a remarkably inexpensive bit of kit vs. the soft drink revenue that it generates. By adding sensors to the whole drinks system, you're protecting a crucial revenue stream.

Is there a rental option?

We initially proposed a rental model but this was rejected in the Commercial discussions during the testing period as the transfer of rented assets/contracts is difficult.

Shouldn't Coca-Cola pay?

The Global Coca-Cola/McDonald's relationship ensures that McDonald's get the lowest syrup price in the market in return for class-leading visibility and exceptional quality. For that reason, the margin on soft drinks is exceptional.

As such, the quid pro quo is that perfect quality is a McDonald's responsibility.

How does this help with Cognitive Overload?

Data is only as good as what you do with it.

The link we have with the Service Companies is the perfect example of how the Connected Kitchen should work – fast data that is used to protect & monitor a major revenue stream for your business.

As a result, the major burden of keeping an eye on the soft drinks is taken off the restaurant crew. That doesn't mean that restaurants can ignore the necessary daily checks, but it does mean that it's one less thing they have to worry about.

Can you guarantee savings in my restaurant?

No. Like any insurance, it's there on a 'just in case' basis and for some restaurants, the worst case may never materialise. And if we prevent a problem – which is the ultimate aim of the system – we can't claim how much revenue we saved you from losing.

If you have a power-hungry Multiplex, that's a slightly different story. We can tell you how much yours costs to run vs the benchmark. Then we can help you work out the ROI on a replacement unit. We've done this with the McOpCo estate where we've highlighted inefficient units and helped redirect capex – the savings have been substantial.

What's next?

Don't think about the soft drinks monitoring in isolation. Think of it as a first step in a longer journey.

The ideal Connected Kitchen scenario is a kitchen that has one gateway with sensors from lots of different bits of equipment reporting to it. McDonald's Global are looking at this but a fully working model like this is a long way off from being deliverable. 5-10yrs is the current estimate.

Rome wasn't built in a day, but we're making a start on the foundations.