

Stack & Scale: Ai, M&A and the restaurant tech consolidation wave

Webinar date: 10 June 2026

Host:

- **Joanna Stone**, Partner, Oaklins DeSilva+Phillips, New York, United States

Speakers:

- **Jimmy Frischling**, Partner, Branded Hospitality Ventures, New York United States
- **Bryan Solar**, SpotOn, Texas, United States
- **Jordan Boesch**, 7Shifts, Saskatoon, Canada

Transcript

Joanna Stone

I am a partner at Oaklins DeSilva and Phillips (ODP), and I co-lead our TMT practice globally for Oaklins. Just a very little bit of background. Oaklins, for those of you who don't know, is one of the world's largest investment banking organizations. We have over 900 financial advisory professionals across 40 countries. Providing everything from M&A to finance advisory services to support entrepreneurs, corporates, and investors. to reach their goals.

And one area that we've been doing that in is the broader hospitality, restaurant technology industry. We've sold companies such as Sling to Toast, and we recently sold a company called Evoke in the UK. And what we've watched over the past decade is this increasing investment in the restaurant tech sector. That's made us take notice. The restaurant industry, for those of you who don't know, has become increasingly reliant on an ever-growing full digital stack of technology. And this is required to operate and to grow, everything from point-of-sale POS systems to online ordering platforms to kitchen display systems. The global restaurant technology industry was recently valued at \$6.9 billion in 2026, and it's part of the larger hospitality technology industry that, again, spans everything from kiosks and all the AI platforms to, to booking infrastructure, and depending on how broadly you define broader hospitality, that industry can be anything from \$10 billion to \$47 billion. When you have a market like this, obviously there's a lot of investment M&A opportunity. This is especially true within the restaurant technology industry that is highly fragmented, with hundreds of point solutions and a real, real excitement around both investment and consolidation.

At ODP, we're seeing strong PE interest in this space, and really an increasing consolidation with aggressive M and A from major incumbents. And so that's why we're so excited to be here to talk about it today. Today's focus on hospitality and restaurant technology is one of a series of webinars we do across areas in the broader TMT sector. And today we're going to really focus with a few very exciting people in the restaurant technology industry that Have a fantastic perspective on why we're growing, how we're growing, why it matters.

Just a few housekeeping before I introduce our illustrious panelists. Recording of this will be available afterwards, we will send it out. We will be taking questions. We ask you to type your questions in, we'll have about 15 minutes to answer questions, at the end of the webinar.

And now with that, let me introduce our, as I said, fantastic lineup of speakers that we're very excited to have here today, and I'm positive that the hard part is going to be containing this conversation to the time allotted. Because there's so much to talk about.

First up, Bryan Solar, who's, the chief product officer and a three-time founder. He literally grew up around restaurant industry with multiple family members. Before his current role at SpotOn, he led restaurant and small business divisions at major tech companies, including serving, as a general manager at Square and leading Google Restaurant's team. He's now the Chief Product Officer at SpotOn, which is a leading, for those who don't already know, which you should, it's a leading software payment and technology company that provides end-to-end management solutions. For restaurants, I think specifically focused on, the independent sector.

And next up is Jordan, who is the founder and CEO of 7Shifts, who also grew up in the restaurant industry, working with his dad, who learned firsthand how hard it is for restaurant industry workers to be scheduled, and built 7Shifts, over a decade ago, and now 7Shifts is, operating with 55,000, or I think more than that, you'll tell us, Jordan, restaurants. You've got I think over 1.5 million restaurant workers on your platform, and you'll hear more about it, it's very exciting.

And Jimmy Frischling, who is co-founder and managing team of Branded Hospitality Ventures, an investment platform that's really at the intersection of technology capital and this restaurant. hospitality sector that we're talking about. And he has a diverse career spanning 3 decades in finance, but also deeply rooted in restaurants, the theme that brings us all together. And another interesting thing about Jimmy is that he has a podcast, along with his business team, Michael Schatzberg, called the Hospitality Hangout Podcast, highly recommended, that interviews restaurant CEOs, tech founders, industry executives. And finally, Jimmy is also a senior advisor with us at Oaklins DeSilva and Phillips, and we're thrilled to have him here, and as part of our team.

So, with that, with the long introductions over, I am excited to jump in. We are, I think one thing that's a theme here is that all of you have had ties to the restaurant industry. So if you don't mind, I'd like to just jump in with just a little bit of a personal question, because I think all of your careers really started with this route of understanding restaurants, and so I'd love to, maybe starting with you, Bryan, just talk about how that led to what I think is really your passion for this industry, and how you can make it better.

Bryan Solar

When I look at our customers, I see my family, right? I see my aunt Laura, I see my uncle Joseph, and I think one of the things that is true for us as we think about serving those folks is. Not only are they folks who, in many cases, deserve to win, they work really, hard, right? I live in Texas, and 1 in 10 people in Texas work in the restaurant industry. And these are hard-working folks, and so I think the ability to work on something where we can go out and we can see the impact that it has on those workers, the impact it has on the community, bringing people together. And the impact it has on, sitting at a table and having an even better experience, because we put out a really good product. All of that feels deeply personal, it is an engine that makes you want to wake up early and stay up late and keep running.

Joanna Stone

Wonderful. Jordan, do you want to jump in? As I understand it, you literally started this at your dad's Quiznos, right? this is built out of your experiences working in restaurants.

Jordan Boesch

Absolutely. My grandparents ran some quick service restaurants, Orange Julius, and my dad ran some quick service restaurants, Quiznos, and I saw the pain points of him trying to manage staff and communicate with them on a daily basis, and I think it was really. It was a really impactful moment to see how much time he was spending on this versus some of the other things that he needed to be spending time on with customers. there's all sorts of things, inventory, marketing, that's really important, that his time is probably better allocated, there, so I think that for me, it was well, how do I get more time how do I help him get more time back, so maybe we can have more time together as a family, too? So it was rooted in this thought of, trying to make it easier for him, and as he opened more stores, it became more challenging as well. So. Really, the problem was similar to Bryan, very close to home, really excited to, use the product, or build the product and get usage from my dad and get feedback in real time, so he was, he was the first, the first paying customer. He eventually did pay.

Joanna Stone

That's very funny. And Jimmy, do you want to just give a little bit about your passion for restaurants?

Jimmy Frischling

Sure. But I can't top that story that Jordan just shared.

Joanna Stone

I don't think anyone can.

Jimmy Frischling

Or the sweetness of it. But I'll just say the following, and I'm so happy Joanna did my intro for me, otherwise I'd still be giving it. In all seriousness, I started in this industry as an underage, as many people do, bartender, but before I got behind the bar, I was a busboy, bar back, waiter, bartender, and then I left the industry. I didn't see a career path for myself, but my overarching point. Why a finance person returned to the industry. I truly believe this is, if not the most misunderstood, but among the most misunderstood industries, because generally, everyone has an opinion on this industry, because we experience it as a guest. Not as a customer, not as a client, not as a patient, not as any other verbiage that businesses put on their customer-client patient, etc.

We are guests, and we have a familiarity with this industry that creates a false sense of understanding. There's my headline comment. What I love about being on a panel with Bryan and with Jordan is that these guys have grown up in the industry. I've never seen a technology industry that was neglecting or ignoring subject matter experts as much as this one. And that they were projecting their guests feelings, emotions, which is why there was such an explosion of front-of-house tech, because that's all these folks could see. They don't know the back of house. They don't know the supply chain, they don't know the inventory situation. So, what I love about this group, what I love about what I'm doing, is truly operator-centric, bringing tech of what operators will pay for. It's among the most just-in-time industries. Operators will not pay, particularly independents. It is too hard a business to build 3- and 5-year tech stacks and strategies. I wish we could. We don't have the time to do it. So, what I love about what these guys are doing, and we'll talk about it, and even Brandon's activity. Operator-centric, speaking to operators, what's working, what's not working, and how do we bring a solution that moves the needle? And despite all the hype of AI, which I know we'll talk about on this webinar. I'll just say, it's not all about AI, and SaaS isn't dead. In fact, I'm looking at a lot of SaaS that's truly helping operators every single day, because it brings efficiencies. We're not a technology industry. We're a people industry, we're a food and beverage industry, and we can be tech-enabled and tech-supported.

Joanna Stone

So, Jimmy, you brought up a lot of good points. I think it is fascinating when there's an industry that everybody thinks they understand, and they don't understand at all. And, this is certainly an example. I would love to, build on that idea, and have and whoever wants to throw this out, but one of the things that's fascinated me is how you guys there's this ability in restaurant technology to actually measure the ROI, and the ROI can be so huge. These businesses that used to do things by, little pieces of paper are now able to transform their businesses through technology. So I'd love to hear a little bit more about the actual benefits you're providing to your restaurant customers, and what's the most surprising I'd like you to each add, what's the most surprising thing that customers don't see, and maybe even surprised you, behind what you're doing behind the scenes?

Jimmy Frischling

I want to jump in on that, but I promise I'm going to pass the ball. Because actually, I've spent time with Jordan, I spent time with Bryan, specifically talking about platform consolidation, which is a key theme of this webinar and discussion. And I'll pass it to Bryan, because I think a lot of people may not understand if you have a plethora of ISVs, independent software vendors, how that creates friction, how that misses opportunities.

Joanna Stone

I'm going to get there, Jimmy. I definitely want to talk about the partnership, I do think that there's this movement to you're a restaurant, you want everything on one platform.

Jimmy Frischling It wasn't

Joanna Stone

And does it make sense? this is something, so we're giving you a lot, we're throwing a lot of ideas out there,

but does it make sense to actually build those things internally? So maybe, as you talk about the ROI you're providing, also talk about the ROI that you're letting someone else provide, too, because it doesn't make sense for you guys to do everything.

Bryan Solar

I'll throw something out there, which I think is really, really, you touched on something that was really important, this idea of people feeling as if they understand what it takes to run a restaurant, because they have eaten at a restaurant. I think one of the things that maybe is most surprising to people. Is, you go, you sit at a steakhouse, you pay, \$100 a head, and you're man, these guys must be making money hand over fist. But a couple of stats that I think are worth keeping in mind. So, the National Restaurant Association put out some stats, that were the industry was \$1.55 trillion last year. So, huge. Of all the people that they talked to, 42% of the operators were not profitable. Now think about that. Think about that in the terms of hundreds of billions of dollars of people that are operating a business that is not profitable. But when I think about it personally, I remember growing up, and my aunt Laura, she worked 80, 90 hours a week, and I remember her having weeks where she pulled from her savings to make payroll. And the idea that you would be in an industry where you could work 80, 90 hours on the chance of making a profit, and then at the end of a week, being I didn't make a profit, I'm going to, pull from my savings, that takes the hundreds of billions of dollars number and makes it deeply personal.

And I think one of the things that we are obsessing about right now is whether it's, with AI, whether it's with, people taking best practices, the share of the market that is, enterprise is growing, and the share of the market that is independent is shrinking. And what we really care about is this idea of how do we democratize the technology so that the independents can be profitable, and how do we make sure we've got a product called Profit Assist, that looks at people's P&L and says, hey, we found some profit for you. Look at this thing, go over here. We have a product called Provid AI, which effectively looks at every choice that you're making, from how you're staffing when it rains, to how much sangria you're selling in pictures versus glasses, and makes recommendations. And I think the macro thing that I think about for the industry is the industry has to figure out a way to become profitable. there's labor's up a bunch, food costs are up a bunch, and I think that technology is a critical part of how a \$1.55 trillion industry turns the corner.

Jordan Boesch

Similar to Bryan's sentiments, when we started 7Shifts, it's so natural to say, like: if you use our tool, you're going to save this much money, or you're going to make this much money, and I think, we're not a revenue-driving tool, like a top-line revenue-driving tool, maybe an open table might be, so I think conveying the savings. Has always been, a little bit tricky, especially for independents, where the value for them is just a little bit different than when you go more upmarket. So, when we think of the benefits that the independents look for, they're looking for more of the time savings aspects, and those time savings do translate to dollars, but if you hit them with dollars, you're going to save this much, many dollars. They don't believe it. They just want to feel like there's something that's easy, that's seamless, connected and it solves my problems and my workflows, and I don't have to spend a ton of time on this, that's really where the benefits are for independence. And I think all of those things apply as you move more upmarket. Into larger and more sophisticated operators that maybe have a VP of operations on staff. But then the next part of that puzzle needs to be emphasized even more, which is that ROI piece.

Those are the folks that are looking at some of the reporting, they're looking at the labor analysis, they're doing some math, they're in spreadsheets, right? How many independent operators are, doing their, labor calculations in spreadsheets? They're just I do this on this week, and it's this many people, and that's what I do. And I just need to do that in future weeks, so the value prop is very different, at least in our product, but one thing is, I think, 100% true, and where things are going is the emphasis on, simplicity, easy to use, that connect multiple workflows together to solve a bigger pain point, is where we're spending a lot of our time, because I think that just scheduling alone, yes, that's one part of the puzzle, but it's not if I have to go get my scheduling from 7Shifts, and I have to go get my payroll from another payroll provider, and I have to go get my training tool over here, we're not helping the industry.

So I think, to Bryan's point, in an industry that's already struggling with making profit, how can we deliver, an affordable and seamless solution to these almost, like. different types of personas in the industry that allow them to get back to what they actually some of the reasons they opened a business in the first place. It wasn't to do HR, I can assure you that.

Joanna Stone

Absolutely right. So I think this goes to what Jimmy was talking about, I think Jimmy will interrupt me if I get it wrong, but, this idea that sometimes you need to have multiple players working together across a platform, and you guys have a partnership, so maybe just start there. How is it how is it that, just looking at this screen, 1 plus 1 equals 2, or 1 plus 1 plus 1, equals 3, or 1 plus 1 plus 1 equals, a million once you put Jimmy in there, and all three of you together.

Bryan Solar you throw Jimmy on that, that's a multiplier.

Joanna Stone That's a time spot.

Bryan Solar Exactly.

Joanna Stone 100%

Bryan Solar

I'll throw the first thing, first off. One of the big things that we have found is that increasingly, people are looking for the best tech stack, and they're not necessarily saying, hey, I'm willing to have a mediocre this, and a mediocre that, and a mediocre that. for it to all come from the same provider. And so one of the things that we talk about a bunch is this concept of having low ego and high empathy. And if if you assume that it is, Jordan's dad on the other end of the phone, or, my aunt or grandparents, you're going to make the right call. It's not going to be the call that you make, because it's the best for your bottom line. You're going to make the call that makes the customer the most happy. And I'm going to brag on Jordan here. they built a killer product. it is a really, really, really good, intuitive product. And so, we do scans of the industry, and we say, hey, who are the 2 or 3 best people that do this thing? Alright, well, we're going to go super deep with those people, and we're going to build them right into the product. So that's how we think about it.

Jordan Boesch I think similar, thank you for the kind words, Bryan.

Bryan Solar It's in the mailbox.

Jordan Boesch

I think, look, there's lots of there's lots of, as Bryan knows, teams and point-of-sale companies in the ether, and I think that, in the example of why we team together and why I think it's really exciting is, is a lot of the things Bryan mentioned. There's obviously a deep empathy and care for building the right things for customers, and I think that, that's shown in terms of how our teams work together to come to market with an actual solution, that is more an embedded experience. And so, I think that, at the end of the day, that's what customers are looking for. It's, yes, we need all this, all we need these parts, we need the HR part, we need the inventory part, we need these things, we need our point of sale. But I think what hasn't really happened is how do these actually fit together in a way that makes the experience seamless for the operator, where I don't have to bounce around. And I think just aligning with, just a team that actually cares about that same type of experience, where we can we can put the commercials aside, and we can just say, well, let's let's just let's just focus on building the best experience for these customers, because we believe they deserve it, and I think that that's, that's trans that's translated into good outcomes.

Joanna Stone

Alright, so I'm going to shift gears a bit, because there's a topic that you can't go too long without talking about in anything these days, which is, of course, AI. And I'm actually going to start with you, Jimmy, because you've been the most quiet I've heard you in a long time, so we need to give you some time to talk! And, maybe you can start set us off with the big picture. As you're thinking about this as an investor in this space, how do we think about how AI is changing everything in the way the restaurant industry works?

Jimmy Frischling

Thank you. Two quick factoids that I want to share, and then I'm going to dive into your question. One, why is what SpotOn and 7Shifts and other platforms, other companies that are helping independent operators, why are they important? 70% of our industry is independent operators. Okay, this is the most fragmented industry that's a trillion plus dollars in sales that I've ever seen. Four airlines have 80% of the flights in this country, a dozen banks have 80% of the deposits. We are a fragmented industry, but 70% are independents. Going to Joanna's question, what I would say is, to me, twofold. AI in our industry will be far more impactful and back of house. and it will be a margin story, an optimization story, than it will be from a front of house. We'll get

there. But back of house, I think, is where, Jordan talked about time. And how his platform can help save time. Never underestimate the importance of saving time. It also helps you save money, so you either make more, or you spend less.

But the time factor that AI can drive I also want to be clear, an AI platform that is not has no data moat. In my opinion, it's not a company. If it lives on someone else's platform, that's not a moat. I'd even say it's not really a company, it's something that either will be acquired for simplicity and speed to market, or it will be just made redundant. So I want to be very mindful that, to me, the AI companies we're seeing, and there are many of them. We know it's important. There is no AI bashing on my part. But I will tell you that, to me, the best AI companies are the ones that are going to help operators more efficiently manage various parts of their business without ever talking about AI. They don't want CSV files of data. They want tactical recommendations and answers, and if AI can help them get that faster, because it's embedded in the platform of which a SpotOn, or a 7Shifts, or others, that's what the operator will care about. They don't want to have to learn these new tools, Because at the end of the day, and something Bryan said. The tech stack, to me, is not because operators love bundles, is they no longer can or want to be the system integrator. That is incredibly taxing on them. They'd love to have platforms that can show them a more complete factoid of, sorry, coverage of their business.

So again, getting back to AI, of course it's critically important, but in my opinion, it's important as a tool That is going to initially help backup house, where a lot I'm not a golfer. Anyone who knows me knows I'm not, but I understand the sport. You drive for show, and you putt for dough. Back of house is your putting green. If you don't have your house in order, your back of house in order, it doesn't matter how glitzy, fancy, sexy, doesn't matter what's happening in the front of house. You can't win. So I think AI is going to help a lot of folks, because platforms like SpotOn, like 7Shifts, and others are leveraging it to make more tactical recommendations and action items for the operators that embrace it.

Joanna Stone

Okay, so let's unpack that. I want a fantastic overview of why AI matters. I want to hear, one, what it means for each of you and your businesses, and two, let's also specifically talk about the importance of data. I know I know, Bryan, you've spoken about that before, and let's just, unpack, how do you create a moat because of AI?

Jordan Boesch

So, in terms of, In terms of how it's impacting our business, I'll maybe start there. I, I think that what what is really exciting is less, like Jimmy said, selling AI for the sake of AI, there's so much value to uncover around I'll call it almost like Level 1 AI is hey, your AI features that you're trying to sell. Level 2 AI is here's, here's an insight, and maybe level three is, here's the insight, but here's what you need to do about it. And just for, just for, for an example here, I think that where operators can gain the most from this type of change is that that bucket of, here's what we're seeing. That maybe you're not seeing, but also, here's what you should do about that. And if you can get the, here's what we should do about that part right, then that opens the door to helping the operator automate more of their processes for them, right? If 9 out of 10 times I say, yes, 7Shifts, or yes, SpotOn, I agree with that insight and what you're telling me to do with it. then companies like ours should be tracking that, and then starting to do some of that for the operator. And I think what's really exciting, but I also think there's a line to be mindful of here, is making sure that whatever we're doing is perceived as like an assistant to the operator in what they're doing.

Because I do think there is genuine fear of this can't be thought of, a replacement for this, for, this person. And while that there are parts of their job that may become easier, we're certainly seeing and we're hearing a lot of the most successful implementations have been, hey. We're going to work alongside you and make you look like a smarter manager. And to do that, here are the things that you should be mindful of. So I think that is that is the big opportunity that we're seeing and we're hearing. You go ahead, Bryan.

Bryan Solar

I think Jimmy nailed it. So just to give people who are on the call, who maybe, are a little bit newer to the industry. If I came to you with \$100, In the restaurant industry, the average profit margin in the USA is about 3%, 3-4%. That means if I brought you an extra \$100, you get to keep 3 additional dollars. And I think there's a lot of conversation around front of house and, all these things. But for us, one of the things that we think about in terms of AI is, Restaurants have always been massive producers and collectors of data. so much data that they never would have been able to have had the time. Imagine that you worked 80 hours a week,

and it's let me sit down with my spreadsheet and play guess and check on, where the money went. And so, where I think AI, from a customer standpoint, is adding a ton of value, is we are starting to aggregate and analyze and pull out the patterns, like Jordan was talking about. And we're doing it in back-of-house places, and so I'll give you a super tangible example. There's a diner in Tennessee, and we threw our AI into their P and L, and we looked at all their data. And one of the insights that came out was, hey, something weird is happening with your sites. You should go take a peek. The orders don't match your costs. And what we found out was that some chef, some line cook had taken the 5-ounce serving of the side and said, that looks small, I'm going to make it 8 ounces. there's, one person, a 22-year-old in the back who made a choice. And that choice would have generated, I think we caught it maybe 3 or 4 months in, Right after they turned on the system. But annualized, that was going to be \$145,000 worth of additional cost for them. So, \$145,000 worth of costs that you can find, they get to keep \$145,000 worth of that, because that's straight to the bottom line.

And so, the AI going in and helping with backup house, helping folks that are really, really busy to analyze the data and pull out the insights of the data and actually act upon it in a way that will impact their P&L, that is going to be insanely valuable. for these restaurant owners who are living on a \$3 profit margin, or, 3% profit margin. And that 1% picked up doesn't sound like a big deal, but for them, that's an additional 33% of profit margin, which is a huge deal.

Jimmy Frischling

Joanna, if I could just add to what Bryan said, I've come in with a few high-level words. I talked about this being a misunderstood industry. I talked about it being a fragmented industry. on the story Bryan shared, another key driver when Brandon looked at, its investment decisions, we're a very emotional industry. And we're never going to take not only are we not going to take that away, I don't think we should take that away. It is an emotional industry. But the things that Jordan and Bryan just talked about, and the specific story Bryan just shared about identifying that the ounces of additional increase in the size the size of the sides was quantitatively damaging to the business. That is unemotional. And I can't tell you how many independent operators have a dish on their menu that is a loser, and I define the loser, is that no one orders it, but it's there because, the owner's cousin loves it, or they, oh, it's a favorite dish of the so-and-so, we have to have it. Well, that's an emotional decision, and I think the work that SpotOn and 7Shifts, and what really AI can help with. Keep the emotion, but let's use the data, and let's use the tools to make the Tactical, quantitative decision or recommendation that at least the operator then can act on. And I think that, to me, is what the takeaway from Bryan's story was. emotionally, 8 ounces is a better side than 5. It cost that restaurant \$145,000. They'd probably cut it back to 5.

Bryan Solar They did.

Joanna Stone

Look, I think there's a few interesting things here. There's the very clear benefit you can get from using this data and understanding how what's really working for your customers, and we've talked a lot about engaging that customer input into your decision making. Let's also talk about the worker side of this a little bit. I'd like to go back to you, Jordan. you've all worked in these industries. You've been that person in the kitchen. I think one thing that I'd like to so I have a two-fold question here for you, Jordan. One is, how do you think about not just the restaurant owner, but the person who's Working there, making sure that they're engaged in the technology so the technology works. And also the user-friendly aspect, and something I that's why I want to start with you, Jordan, 7Shifts, that strikes me as one of the things that makes your product so good, is that it's set up quickly and it works so well. And so, how do you think about that as you're thinking about product improvements and all of that, to make sure because the data's only as good as you're getting the people engaged, and let's talk about that as specifically as it is to millions of people working in the restaurants.

Jordan Boesch

I think the engagement piece from workers is really, really important, and I think, Danny Meyer's been a big advocate of, advocate for culture and people within restaurants. I love his quote of culture as the sum of all the behaviors you tolerate minus or sorry, culture is the sum of all the behaviors you celebrate minus the ones you tolerate. And I think that, getting the right people in the door is, first off, a really important aspect to any business. But as it relates to some of the things that we try and do to help the operators retain folks, I think even just having, like it's a very it's a very human thing, which is just, honestly, trying to have a pulse on the business, and asking for feedback after shifts, how are people doing? We had one operator that, they found that there was some of the one of their workers was becoming quote-unquote disengaged within our platform, which is a mix of quantitative and qualitative data that we collect. And honestly, it was just a it was

like a 5-minute discussion of, hey, Bryan, how are you doing? And that that that we're not trying to replace management with a robot, we're trying to give the operator signals of how they can engage with their staff to try and help manage them, and if anything, help them retain that staff longer.

So I think there's that side of it. Which I think is really important. And then, in terms of the simplicity that we have to deliver against, for not just the operator, it does it does apply to the workers as well. They use our product, the thing about what we do is if we don't nail the experience for the workers, and the workers don't use it, well, the manager gets no benefit from it. So we actually can't really we can't sell to an operator where the employees don't adopt the product, and I think historically in enterprise software, you had these folks that were selling large executives, and it was this is the mandated thing, and it was pushed all the way down, and it was I don't care what you think, employee, this is what we're using. Well, we've taken this I call it like a teeter-totter approach, where we got to build really great for the operator, and then we got to switch, and we got to build really great for the employee. So the experiences, match, and they meet our standard. Because the fact is. many of these employees go on to become managers in restaurants, and some of these managers are making decisions around what software they're using. And so there's a long-tail play here that we are very mindful of in terms of creating that advocacy on the ground level.

Bryan Solar Jordan, just so for years, I've been attributing that quote to you.

Jordan Boesch The culture one from Danny?

Bryan Solar The CEO of 7Shifts taught me about culture.

Joanna Stone Jordan Danny Meyer.

Bryan Solar

But, I think that there's a couple things in there that you said that are absolutely nails. I think one of them is, restaurants are very, very, very much a hospitality experience, and what Katie Meyer talks about a bunch is this concept of you've got to take care of your staff first, because they're the people that are going to take care of your guests.

And, I think one of the things that's really interesting and challenging, I think, for a lot of people in the restaurant industry right now. Is that the minimum wage in restaurants has gone up A lot. And so, if, for example, you take, California, California in, 2016 had a minimum wage of \$10. Today, it has a minimum wage of \$20. And one of the things that I think is really Hard, is that Find another business where the margins were that tight, and you got to double the cost of your staff. And I think one of the things that's interesting, and we hear this a lot from operators, is, look, I'm going to pay \$20, or I'm going to pay \$25, or I'm going to pay whatever I need to pay, but I can't just keep, saving my best staff with money. I need to make the experience here better. And they look at technology, the ability to trade shifts, the ability to take money out early, the ability to communicate, all of those things are quality of life improvements. That they look at, and they're hey, I'm not going to leave here, because I worked someplace where I've literally been at restaurants where they print out the schedule

For the next 2 weeks, and if you want to change your shift, you have to drive into the restaurant and, like, with a pen, who's going to be next. And I think one of the things that's incredibly important from a worker standpoint is these people do become managers, and they also become owners. And so, so much of the restaurant industry is fueled by this concept of people coming up, whether they're immigrants who started a restaurant, whether they're, the person who used to clean dishes, who now owns 5 locations, and that technology that they experience on the way. is critical to what they do next, so it's a little bit of a leading indicator.

Jimmy Frischling

If I could, one thing I heard Jordan say, he was talking about I don't want to the tater, there was almost like a seesaw, focusing on the company, the manager, and then the employee. What he didn't say was the guests. And I want to be very clear, I agree with Jordan. It's not that the guest isn't important, the guest is critically important. And we all know the old saying, the guest is always right. Actually, that is respectfully not true. The operator does everything in his or her power to make it right for the guest, and wants to make it right, but that they cannot the guest cannot always be right. And to a certain extent, that is the importance of prioritizing your own staff. and in creating that environment, that can win. When Brandon says we're

operator-centric. We believe that to effectively win in B2B, in the technology business here, we've got to be good for the operator to help them take care of their guests, to help them embolden their relationship with their guests, and I want to emphasize their guests. We see a lot of tech that's a wolf in sheep's clothing.

They want the guests, they want the eyeballs, they want the data. okay, I get that business model, but it puts you in conflict, or it creates a frenzy-like relationship with the operator, if ultimately you're expecting the guest to lean on your tech, not the very and not the brand that they're going to engage, enjoy, and feel is their relationship. So I can't emphasize enough, when we look at this the tech stack, and I know when we talk about consolidation, I think people often think, oh my god, they're going to force me to get rid of all my independent vendors that I might love, or some of them I might really love, force me to use things that aren't really tailored to me, and that, I think, is such a critical point that it's never going to be one size fits all. I just jinxed myself by saying never say never. But I do believe it'll never be one-size-fits-all, especially in the SMBs and the IOs, the independent operators.

The uniqueness of their platform, the uniqueness of their brands, even if it's multi-brand, they will have things that they want to use, need to use. And the larger platforms that win in this space will understand and meet these operators where they're at. Sometimes it's going to be how open can you be to allow them to maintain the software and help them on that integration. That allows them to run their business in the way in which they do. And sometimes it's going to be showing them that you might be able to level up and get rid of some independent software providers that ultimately might be not as efficient because they're truly separate and distinct.

So, I do not think the consolidation game is going to result in operators having fewer choices. I actually believe it's going to result in operators having better choices by saying they can take the, like I have a I'm a Spectrum customer. I like having one cable bill. Not saying they're perfect, but I like one cable bill that I can work with and one group to call when there's a problem. I don't want to have to call every channel and every show I watch to ultimately figure out what's going on, and I think that why that comparison might be somewhat random. I don't want the consolidation theme that's going to happen to be adverse to operators. It's going to have to be advantageous to them and show the value, and the technology platforms that win are going to respect that, and I think folks like SpotOn and Shevansif are doing just that.

Audience Q&A

Joanna Stone

So, I'm going to say, Jimmy, that even though we're one minute earlier than Q and A, you obviously are aligned with a lot of our audience, because there's been a bunch of questions on this. So, I think you're setting us up nicely to answer, a few of the questions that have come in from people who, one says. Consolidation is a great goal in principle, but as an operator, we found that larger one-stop shop options really don't suit our unique needs. There's been some questions, I think more on an investing side, is a super platform really going to happen? How is or is it is that a really likely outcome, or is it going to be a few by region, by segment? And then, if you're a multi from a multi-casual dining, someone who runs a multi-casual dining, they're looking at a tech stack with 14 different vendors. Are they going to be forced to consolidate down to 2 to 3 platforms, they want to know? Or is and is that actually good for them? Or are they actually trading flexibility for convenience? So, with all that bundle, I'm going to hand it over to Bryan and Jordan to talk about trade-offs from this move towards the one-stop shop.

Bryan Solar

Okay, well, I'll tell you, the one thing that we've done a ton of research with our customers in terms of what they're looking for. And, you know what's interesting is, it's not that they want the one-shop shop, as much as they want to not have it feel like they need to speak 8 different languages to get something fixed. And one of the things that we talk a lot about is this concept of third-party native, which is, how do we build a third party into our product so seamlessly that it feels native?

And, one of the things that we see and we hear a lot is that as businesses get bigger and bigger. The demand for integrations grows. Because they want to have a bunch of features that the one-shop shop isn't going to do. I can tell you, at a prior employer, there was a team of people that was working on feedback. There was 2 people. there are whole companies that just do feedback. They do it really, really well. And so, if you are that provider, do you want the one that has two people that are treating this as a side project with 20% of their time? Or do you want the team that is obsessed about this? you probably want the team that's

obsessed about it, but you want it to fit into your bill, you want it to fit into the support calls, you want to not have 8 different bookmarks when you need to address something. And so that's how that's how we've been tackling it, and as Jordan said, we've been partnering really, really closely to make that product, which 1 in 9 workers in the USA if you're a food service worker, 1 in 9 of them are using 7Shifts. We are going to use the proven product in our product. That just makes a ton of sense.

Jordan Boesch

And I think, similar to what Bryan was saying, the I think even to your question earlier around just consolidation in general, Joanna, there's a lot of folks that go wide, but not deep. And I think that, which may suffice in some instances, given complexity of operations, but in our experience and the operators that we've spoken to, it's and it's how can we offer these folks a deeply integrated, connected platform, and focus in our strengths. We're not an inventory management product. We focus on the end-to-end employee life cycle of hire, train, schedule, pay, retain. That is our scope, and that's what we want to be amazing at. And so, if we say we're trying to be the best in class at this, and this other company's best in class in this, and the other one's the best in this, I think that I think the view of what Bryan said of third-party native is like the next best thing, right? It's how do you make these work really, really seamless together, where you can almost see information in some of these systems from one system. But it's not that you have to go way over here to do that, or way over here and log in 4 or 5 different times.

So I think the approach that Bryan and the team are taking around third-party native is something that we've always very much believed in, and it is more of that embedded experience. And so, I think, yes, consolidation has typically got you know. A bad rap in some cases, where you're feeling like things are just duct-taped together or glued together, and maybe you picked maybe you picked the third best company in the category, because it was cheap. Well, that's not going to benefit customers. Maybe it's going to look good on your spreadsheets for the next, board meeting, but when the rubber meets the road of, will customers use this, adopt it? Do they love it? I think that's where the gap still is, like. And I think it comes down to who are the best-in-class players that can really wrap arms and deliver against that vision and experience for customers.

Bryan Solar

I'll add one last thing real quick, which is there's a very, very, very large point-of-sale, public point-of-sale company. That touts that they have something I don't know, 400 or something integrations. If you go into their marketplace, and you get the average reviews of all of their integrations, the average across all of them is, a 2.3. Think about, like. So, when people talk bad about, oh, you have to use this party or whatever, it's because I think a lot of times, people are creating these frankly, half-assed, integrations, and then they're saying, hey, it broke, that's on you, that wasn't us. And imagine if you went to Amazon, and it was hey, we're going to, we're going to sell you this thing, and maybe you'll get it, maybe you won't, but we're not responsible for it. You would stop using it. And so I think that level of ownership actually makes the ecosystem stronger, and the partnerships more important.

Joanna Stone

Jimmy, do you want to weigh in on this before I go to the next audience question? You feel like you already weighed in.

Jimmy Frischling

I think I'm very good with what I heard, and I'm good. How about that?

Joanna Stone

Okay, we've got a really deep-dive AI question here, but I'm going to ask it, from John Meeandercy, I'm sorry if I'm not saying your name correctly. When you look at new AI features for the product customer-facing. product. Do you find that you need to build custom agents, or are platform-create agents, like Glean or Lovable, etc, good enough for enterprise-grade production-ready reliability?

Jordan Boesch

I think that, I think Well companies are going to have to choose how deep they go in this world, and I think that we're going to see probably a lot more, a lot more operators that are more savvy, that are using things like Lovable, and they're using things like Claude to prototype things, or even to build products, like Claude Code. I've been talking to customers, and I've seen customers use that with our product alongside, and I think what's really, really important, is that these systems, like 7Shifts, like SpotOn, or any other technology

company, that they have an open API for these folks to actually plug into, because if you for all of those features that you as a company couldn't deliver against because maybe it was a year out or something, whatever it was. Maybe that person can actually build it themselves on top of your data. But the next question becomes, how open and accessible is your data to get for them to build that thing? And because we've been an open API since day one, since, again, I'm a former engineer, so I very much believed in the open access. People have been building on 7Shifts for years, and we're seeing that flywheel become even a bigger emphasis as folks vibe code things where they're trying to plug into their other systems and use 7Shifts, the 7Shifts API at the same time, so it's a really exciting time. I don't, and so I think it's very empowering for a lot of these operators that are a little bit more tech-savvy to get the things they need if they're not getting it out of their vendor for whatever reason. We all know restaurants have a bunch of different custom requests that are very potentially unique to them in some cases, and so I think that, if you can do that, then I think power to you.

Bryan Solar

I think one thing. That really, really matters to answer that question is, what is the use case? And how critical where in the we call them the, the five vitals. What are the five things that a business must do? You gotta be able to take payment, you got to be able to get the order of the kitchen, etc. People ask me a bunch, hey, are you concerned that someone's going to vibe code a POS? I'm I am not as concerned about it as maybe other people might think, because people want a proven quantity. They want to know that this thing has powered thousands, tens of thousands of other people before they put it in their critical path. You do not want to be a guinea pig on a Friday night at a bar where if it goes down, our guests are going to crucify us, and they're never going to come back. And so, we are seeing incredible success with AI coding tools that we use internally to understand our customers, to make predictions of, when this thing is going to drop, or whatever it might be. But we do not allow a designer or a product manager or whatever to vibe code something and then gamble our customer's livelihood on it. It's just not there yet. We do see a ton of use of AI among our engineers. North of approaching 50% of all the code that our engineers write. is, written alongside, AI, and that, we think, is viable. But the lovable, let's switch out their payment stack, that's not that's not there yet.

Joanna Stone

All right, here's a, actually, we're getting low on time, so here, I'm going to end with a question that, is both here and also one that I think could be a bit fun. Which is, what does the restaurant industry look like in 10 years? And I just have to add that I went to a restaurant recently in Stanford where I was served by a robot. Now, I don't think this is the future, but I literally had this cute little thing that looked just like you'd imagine a robot to look, that wheeled up to me, smiled at me with digital smile, and gave me my food. I don't know that's what the restaurant looks like in 10 years, but what does it look like? What do you think about, what are the things you're planning on that are changing that you have to adjust for?

Jimmy Frischling

I'll take a quick shot at this, and I had a mentor of mine say, unless it'll go on forever, it'll end. And I respect that point, and our industry will go on forever. Because people, everyone on this call will eat and drink every day for the rest of their lives. How they eat and drink is going to be different and dependent on the guest, and maybe even the generation. My father, 89 years old, dines differently than his grandchildren. And some restaurants appeal to both of those generations, but I will tell you that Gen Z is the fastest growing segment of the consumer market. They are a digitally native generation, and they embrace more of the tech and tools. than maybe myself and older generations do.

What do I think about that robotic server? It's awesome. What do I think about the experiential dining? It's awesome. At the end of the day, we're going to have to meet our guests where we're at. And the how the guest wants to be engaged, there'll be meals that are, that are food as fuel. Food is sustenance, and there are meals that are people want to go out and enjoy IRL in real life. Full-service high-end restaurants, we have several in our portfolio that are tech stealth ninjas in how they leverage tech that they don't want the guests to see. Because they know the guest wants that old-school walk-in, meet the manager, be greeted by the server, but the fact is, without technology, they could not be successful. And the QSR absolutely has a heavy reliance on technology.

So in the future, certainly we're going to see, I believe this is a business. I'm a free markets person. I believe there are going to be more restaurants and more chains that are leveraging tech that does interact with the guests, and the guests have the right to vote with their feet and come to those restaurants or otherwise. But

it is not possible, to Bryan's point, about a 3% margin business. To not think about ways to leverage efficiencies that every other industry has been uniquely sorry, has been afforded the right to use. When I hear people complain about our industry and its leveraging of tech and, reducing the human factor, my comment to them is I'll only listen I'll only debate this with you if you tell me you still find a way to wait in line and pay a toll booth collector when you're driving on the highway, because that job doesn't exist anymore either. So, we have to run this business to be profitable. We are looking at the consolidation as a way to make money for our LPs, make money for our companies, and better the business for operators. But the restaurant industry 10 years from now is going to look like a lot of other industries that have been tech-enabled. The music industry, for example, the Hollywood industry, we are seeing technology coming in. We're slow to embrace it. We are one of the more analog and antiquated businesses, but we're catching up very quickly.

Jordan Boesch

I think the human warmth of hospitality still is going to be a big differentiator in certain types of restaurants. I think we're probably I would suspect we're going to see more automation in things like QSRs and ghost kitchens. I think the hybrid restaurants, almost like the casual dining, we're going to probably see more of AI enablement in the back of house, and humans in the front of house, and then I think there's, the fine dining aspect, which is going to be that human touch of luxury, as an offering. And so, I'm really optimistic around the future of restaurants, and like Jimmy said, like. people need to eat, so, they're always going to be around. It's just I think there's going to be aspects that we're going to to change to make it easier, and allow folks to focus on the things that make them unique, like their whether it's their food quality, their brand, the actual experience, and that emotional feeling you get when you come to that place, or when you eat that food. I think those are going to be More at the forefront, and maybe the back of how some of the automation stuff, may just become table stakes, maybe a little bit commoditized.

Bryan Solar

Now, I'll be super quick, because I know we're out of time. I would I'm expecting a K-shaped outcome. On the QSR side, I think we're going to see a ton of people focus on efficiency. you see these kiosks, you see, people heavily looking at how do they bring in a robot to drop the fries, all that stuff. And then on the other side, I think that we're going to see, especially on the experiential side, we're going to see a major increase in terms of the level of feeling seen and taken care of that people are going to expect. if I come to a restaurant, and you treat me like a new customer, and I've been there 15 times, that's going to be viewed as being disrespectful. And I think that, Will Gudara says it so well when he talks about this concept of hospitality is about feeling seen. And this concept of one size fits one. I hope that we're going to experience that and, imagine a world where every restaurant can make you feel like you walked into 11 Madison. And that's the world that we're hoping to unlock.

Closing

Joanna Stone

Sounds awesome. Looking forward to that. Well, unfortunately, we're out of time, because I have loved this conversation. We have tons of questions we didn't get to. I will say. I personally am happy to answer those questions. Feel free to email me after, and we can try to answer them via email if that's helpful. And I just want to say a huge, huge thank you to our panelists, Bryan, Jordan, Jimmy. This was great. Thank you for being here, we really appreciate it, and thank you for everyone who joined today. We look forward to continuing the conversation, and also be on the lookout for other Oaklins webinars. Coming up Thank you.

Bryan Solar

Thanks so much.

Jordan Boesch

Thanks, everyone.

Joanna Stone

Thank you again.

Jimmy Frischling

Thank you.