



Quick-service restaurant achieves **9-month payback** with Varis

Quick-service restaurants (QSR) provide comfort food for millions daily and promise a satisfying meal at a local restaurant just down the street. No matter where they go in the country, people know they can get a meal they love, and the food and overall experience will be consistent. But even though the food will always be the same, most of the restaurants are independently owned and operated. One Varis QSR client has more than 35,000 restaurants operating across the nation. How do they keep them all on the same track?

Challenge

How do you keep over 35,000 QSRs operating across the nation on the same track?

The client's Global Procurement team is responsible for the efficient management of roughly \$5 billion in annual GNFR (goods-not-for-resale) spending. The client already had the buying power and reach to negotiate top-tier pricing and terms from vendors. But getting every restaurant owner to share the pricing benefits wasn't as easy.

Due to a non-mandated culture, the client discouraged forcing its corporate initiatives onto their independent owners. Any corporate solution they offered, no matter how lucrative, had to be adopted completely voluntarily by the restaurant franchise owners.

Franchisees were cautious about rolling out new initiatives. Due to the sheer number of workers and high employee turnover, training every individual on every new system and initiative seemed like a waste of time. The client knew that without getting everyone on the same procurement system, millions of dollars in unrealized savings were going to go to waste. They needed to find a way to increase the number of participating restaurants and categories in the marketplace, decrease order and approval cycle times, and ultimately, achieve significant cost savings.

Solution

Varis created a curated private marketplace that reaches across all corporate users as well as more than 15,000 of the first wave of participating franchise restaurants. Due to its familiar purchasing interface—easily recognizable to anyone who has shopped online—onboarding did not require any end user training. More than 500,000 new users embraced the new system, resulting in rapid adoption.

“This is so much better than having to go to a lot of different websites just to find stuff to submit one order,” one platform user stated. The client achieved a 100% payback on the initial program investment in less than nine months.

Within the first two years of production, the client saw a 28% CAGR (compound annual growth rate) in restaurant adoption and transaction volumes.

To date, the marketplace has supported more than \$5 billion of spend throughput with millions of transactions, 10,000 plus vendors, and 39,500 active monthly users.

The client knew it was a challenge, but they wanted to find a procurement system that was easy to use, required minimal training, and would seamlessly scale up as each franchisee was added. They also needed it to easily add new vendors as participation grew.

Varis (formerly BuyerQuest™) took the challenge.

**QSR company
achieved a 100%
payback on the initial
program investment
in less than
nine months.**

Number of
requisitioners
500,000
Approx.

Integrations
**Oracle & IBM
Sterling
Commerce**

Number of approvers
18,000
Approx.

Service categories
enabled
25+

Core financial
system
ORACLE

Implementation
timeline
8 months

**“I really like that I don’t need to
hold anyone’s hand on my team
to create any orders.**

The system handles it for me.”

—Procurement Team Member