

COLUMNS

## How mobile empowers traditional business models

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By **Tony Long**

It was lunchtime. I received a ping over instant messaging from Gary, my friend and work associate: "Lunch plans? The GaztroWagon is going to be here in 20 minutes."

I had no idea what he was talking about. But when Gary says, "Let's go," I generally drop everything and get down on it.

The concept of meals on wheels is not new.

In major metropolitan areas there has been a rise of higher-end fare, offered for a relatively low price, from modestly equipped trucks that park in populated commercial areas.

Far from the "roach coach" that is the staple of construction sites and industrial areas, these are gourmet-quality menu offerings, prepared with a chef's flair, delivered in ad-hoc locations to growing legions of hungry office-working foodies.

The GaztroWagon is one of the many "pop-up cuisine" purveyors in Chicago, with popular homologues in New York, Los Angeles and other places.

The chef/owners of these trucks take pride in providing innovative, higher-end fare for a good price on a mobile, "wherever-we-need-to-be" basis.

The food on these on-the-go cafs is kept deliciously warm by plug-in generators strapped to the back of the truck.

But what makes the concept totally hot is Twitter.

Tweet treats

Mobile technologies and social media normally express their impacts through hockey-stick adoption-rate charts by feeding feverish business press speculation about the next big application or even with the "plausible deniability" of a Hollywood fable complete with a proverb that is still in beta.

But after a lunchtime with Gary being led all over a four-square-block area of downtown Chicago by the GaztroWagon's Twitter feed, I realized that the real impact of the social media/mobile technologies confluence is best expressed algebraically:

$$S = ((\text{chef} + \text{truck}) \times \text{Twitter})$$

Where S equals success, the story-problem version of the formula became clear: a chef without the financial wherewithal or interest in opening a proper restaurant can create lunches and dinners for any audience in any location, load the prepared food into a truck with sufficient heating gear, drop anchor in an appropriately well-populated location, and make money selling food.

The inventory lasts until it is sold out. Lather, rinse, repeat.

Indeed, it is the last part "until it is sold out" that matters most, and that is where mobile technologies come in.

By broadcasting in real time the menu and the wandering whereabouts of the "caf," gastronomically inclined folks can emotionally invest in the hunt, reveling in the implied scarcity.

The restaurant on wheels gains interest from foodies, it attracts whatever business it can, and the business can grow.

In this example Twitter represents the delta of the business equation.

Word-of-mouth does not require an application or a mobile phone, but the hyper-efficiency of a free broadcasting tool is to a nascent restaurant business what proper irrigation and fertilizer is to a food grower: Without assistance the crops grow, but with assistance they grow better.

And grow the business does.

On the wagon

Our real-time foray into what Gary calls gourmet geocaching took us to the far end of the downtown Chicago area to find lunch.

Although I felt like an early adopter, by the time we arrived there were a dozen foodies in front of us, and a line of several dozens more queued up behind.

It is no wonder that the trucks working the Chicago Loop are generally sold out within an hour of parking, no matter how much maneuvering they need to do to avoid the police.

One popular mobile food purveyor Flirty Cupcakes sometimes uses a Groupon-type approach, having fans work in groups to chime in on which location they want the truck to visit. No more guessing.

The power and efficiency of mobile technologies can have a cascading effect on the rest of the business plan as well.

Each element in the standard plan has its own impact on the balance of helping to attract customers and keeping costs at their lowest relative level.

For instance, the GaztroWagon has a kitchen, but it can be in any neighborhood. Accessibility and street visibility are not important, and so a premium is not paid for location.

The truck itself is simple. The only enhancements might be a wrap and a chained-on generator used to power the in-truck warming appliances.

Staffing is also simple. Besides the chef, there needs to be someone to ring up sales.

As for marketing, it is the annual cost of a Web site (call it \$150) and Twitter (\$0).

This model focuses attention the quality and value of the food itself, because the non-food factors of the restaurant experience such as location, ambience and the waiter are all removed.

Dr. House

Going guerilla in a similar manner to the gourmet lunch trucks is a romantic business model that is not available to many businesses.

Many have specific infrastructure requirements, or are simply too large or established to really benefit.

But creative use of mobile technologies can still heavily affect traditional business cost models:

Dr. Jay Parkinson is a New York physician who only makes house calls, allows his patients to schedule his visit using a Google calendar, receives alerts about schedule requests via SMS, is paid via PayPal, and does follow-up consultations using email, instant messaging, video chat or in-person.

Gone is 90 percent of his office overhead, allowing some for records-keeping

Alltech Auto Repair in Nampa, ID, uses its Web site to handle intake, and uses Twitter to alert specific clients about the status of a repair as well as to promote specials.

Saved is the time taken away from paying work to answer the phone or contact clients.

On top of this, anyone interested in evaluating the company can look at the Twitter feed and see how apparently proactive and responsive Dan the owner seems to be.

With the wow factor of mobile technologies most often expressed through oversized statistics or shiny new gadgets, it is important to realize that the most important impact of information-on-the-go is the way it can empower new, creative business models.

creative business models.

Nowhere is this more true than in industries that seem the farthest away from being tech-driven food service, medical and auto repair being but three examples.

Back at my desk as I tucked into my Wild Boar Belly sandwich with blue cheese, date jam and Romesco sauce I realized that, while I had not stumbled upon anything particularly new, my lunch was nevertheless a glimpse into the future of small business.

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