




Multi-Unit Operator Equipment
Purchasing Factors

Customer Concerns:


- Equipment Relationships– who, what, where, why, how?
- Need vs. Want- what determines equipment purchase?
- Important Purchase Factors- what they look at before buying?
- Internal Decision Making Process- how does equipment fit in?
- Role of Rebates- when do they think about rebates
- Rebate Forms- what is the process?

SDGE
A San Diego Gas & Electric Company



Equipment Relationships

- Relationships with Cooking Equipment
 - ✓ Newer equipment with advanced accessories seems to cause some problems by being difficult to fix onsite without the aid of a technician specializing in electronics.
 - ✓ More complicated equipment often cannot be repaired by staff or maintenance team. A call to a certified repair person is required.
- “They don’t build it like they used to”
 - ✓ Preference for the older pieces of equipment based on durability, ease of repair and longer life span when compared to newer equipment.
 - ✓ Newer quality is not as good, the more bells and whistles, the more expensive the maintenance.



Need vs. Want

- Equipment Replacement: Need vs. Want
 - ✓ Need is the main driver for most equipment purchase decisions- cost-benefit analysis conducted as breakdowns occur
 - ✓ Some new equipment purchases made because of changes to menu that require different equipment
- Efforts made to replace equipment before any major breakdown occurs
 - ✓ In knowing equipment and being familiar with the repair history, many are able to properly plan the next purchase instead of hastily replacing upon burnout
- Key issues in replacement: Escalating repair costs; procedural changes and safety concerns for both employees and food



Important Purchase Factors

- Important factors when making the equipment purchase decision include:

Energy Efficiency	Repair costs
Initial cost	Ease of cleaning
Space considerations	Safety
Menu options	Life expectancy
Productivity	Craftsmanship
Operating costs	Warranty


In some cases, rebates and incentives were **not** mentioned as important factors in the purchase decision.



Internal Decision Making Process

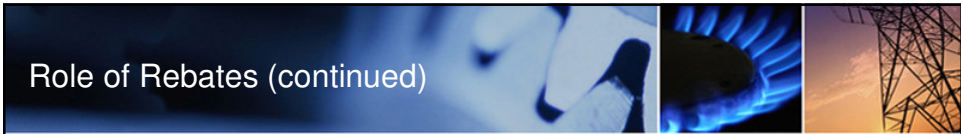
- Customers purchase new equipment in many different ways:
 - ✓ Researching available models, often from an approved list of equipment and vendors
 - ✓ Conducting comprehensive equipment testing, and once the equipment is selected, a series of approval steps must be taken
 - ✓ Different departments such as maintenance, purchasing, and energy management are required to approve purchases based on their individual requirements such as energy savings, labor costs and equipment costs
- Purchasing in high volume facilitates better pricing
- Internal processes are thorough, generally easy, but can be a lengthy process.





Role of Rebates

- Rebates *Sometimes* Play an Important Role
 - ✓ Efforts made to see if rebates are available on the equipment considered for purchase
 - ✓ A large amount of energy efficient equipment considered for purchase is on the qualified list
 - ✓ In some cases, alternate equipment is selected because rebates were not available on the original choice
- Many who have participated in the rebate process have found it to be very easy as utility representatives have been assisting in streamlining paperwork process



Role of Rebates (continued)

- Customer Process Varies
 - ✓ Some customers are able to copy and save the invoices and tracking materials necessary to be submitted with the rebate application through their accounting or purchasing department
 - ✓ Some customers are able to print out a spreadsheet at the end of the year with all equipment purchased for that calendar year then send that information to the utilities to see which qualify for rebates
- Customers generally receive the rebate checks within 4-6 weeks.
- Improvements???
 - ✓ Inclusion of more equipment and categories, such as HVAC systems, and the provision for more frequent and detailed information on the program and qualified equipment



Rebate Forms

- Rebate forms and how they are utilized:
 - ✓ Express Efficiency form was seen as generally easy to complete- instructions are simple and clear; the customer knows what they need to do to get the rebate
 - However, the calculations cause confusion in some cases. If one did not know the specifications of their equipment, it was unclear as to how to get that needed information.
 - ✓ Customers sometimes viewed longer forms as being time consuming and confusing
 - However, it was noted that these contained a lot of good information, which was detailed and organized by category
- Customers would like to see one rebate form used for all of the state utilities since they often purchase multiple pieces for restaurants located in several different utilities' service territories

