RON SHAICH

Founder, chairman & CEO, Panera Bread Co.

Playing the long game with tech innovation

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2016 POWER LIST RANK: N/A

PANERA BREAD

Panera Bread Co. founder, chairman and CEO Ron Shaich over the past two years has shepherded the technological advancements that have transformed the bakery-café brand into Panera 2.0. The operational powerhouse that aims to make the customer experience seamless with digital-first technologies such as kiosk ordering, customizability and pre-ordering via online or mobile.

Over more than 35 years in the bakery-café segment, Shaich has pushed his concepts to lead innovation, from the Boston Cookie Jar in 1980, to Au Bon Pain, St. Louis Bread Co. and now Panera.

Today, St. Louis-based Panera Bread Co., with more than 2,000 locations, is leading operations, delivery and menu advancements in the bakery-café segment.

For instance, at the close of the third quarter ended Sept. 27, 178 of Panera's company-owned cafés offered delivery, and it was available in 76 units across nine franchisee groups. Shaich said the company was on track to offer delivery at 15 percent of its system by the end of 2016.

"We believe Panera is uniquely positioned to capitalize on the white space for healthful, high-quality salads, sandwiches and soups in the $40 billion delivery market," Shaich said in an October earnings call.

That push into convenience remains a hallmark of Shaich's leadership, which mixes novel management with social consciousness. For that, he has been recognized broadly, from Nation's Restaurant News' Golden Chain awards, to features in Fast Company, Forbes, Fortune, Time and The Wall Street Journal.

"The key to having that success into the future is not doing what we did yesterday," Shaich said in a video to employees with the introduction of Panera 2.0, "but figuring out what our guests want and giving them experiences that are powerful for them — the way they want to take it to go, the way they want to eat in — and giving them Panera warmth in the way in which it matters."

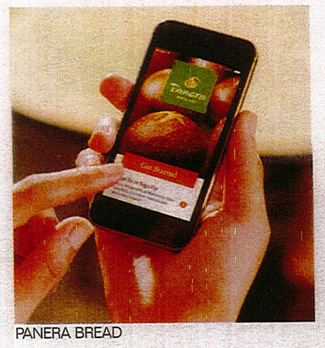
Shaich's new version of Panera focuses on accuracy, convenience and speed, with a combination of web-based ordering, smartphone innovations, kiosk alternatives to cashiers in the restaurants and rapid pickup areas for time-strapped customers.

The innovations have paid off in Panera's sales, as the restaurant industry overall faced economic pressures last year. For the third quarter, Panera's same-store sales at company-owned locations rose 3.4 percent, and revenue increased 3 percent, to $684.2 million, from $664.7 million the previous year.

The industry leader is again looking to the horizon to see where the consumer is headed and thinking about the long game. Panera 2.0 will fuel future growth, and Shaich sees its continued adoption driving delivery, catering and consumer goods to become billion-dollar businesses.

As Shaich told Bloomberg last year: "The job of leadership is to figure out where the world is going and make sure your organization is there."

— Ron Ruggless



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Panera Bread relies heavily on technology to improve the customer experience, from a major push into the delivery market, to in-store kiosks for those who prefer to order their food electronically — and pick it up quickly.

RON RUGGLESS