

August First Bakery & Café Pulls the Plug on Laptop and iPad Use

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Introduction

“If you do build a great experience, customers tell each other about that. Word of mouth is very powerful.”-Jeff Bezos, CEO Amazon.com (Bezos, 2004)

Jodi Whalen had had enough. During a lunchtime rush, her restaurant’s electronic cash registers went dead when a customer unplugged Whalen’s computer router so he could plug in his laptop computer to use at August First Bakery & Café. When Whalen explained the situation to the customer, he became upset with her. That’s when she decided to pull the plug on laptops, iPads, and other electronic reading devices and finally make her restaurant, August First Bakery & Café, “screen free.”

Whalen and her husband, Phil Merrick, did not anticipate the media attention or customer response to their decision. Although they long considered the move, they weren’t sure how prohibiting customers from using laptops, iPads, and other electronic reading devices would be received. How would customers greet the decision? Would it solve the problem of Wi-Fi squatters? And most importantly, what impact would the decision have on customer service at August First Bakery & Café?

Background

Described as the “love child” of Jodi Whalen and Phil Merrick, August First Bakery & Café, an S-Corp, was established in downtown Burlington, Vermont, in 2009. Burlington was located in northwestern Vermont on the shore of Lake Champlain and home to a number of colleges including the *University of Vermont*. According to the U.S. Census Bureau, the population of Burlington was 43,000 (U.S. Department of Commerce, 2013). August First’s competition included Burlington-area café-style restaurants including: New Moon Café, Skinny Pancake, and Mirabelles and coffee shops like Muddy Waters, Magliano Café, Starbucks, Uncommon Grounds, Speeder & Earl’s, Dobra Tea, Radio Bean Coffeehouse, and Dunkin’ Donuts. At the time none of August First’s competitors had a screen free policy. In fact, many provided free Wi-Fi for customer use.

Located in a former garage, August First Bakery & Café seated approximately 50 people inside and 10 outside on a seasonal patio. Whalen and Merrick had 11 employees including bread and pastry bakers, a kitchen and catering manager, counter servers, and baristas. A sign saying “It’s all about you” greeted customers as they entered the café. Another sign noted “We are a laptop free bakery.” Bookshelves lined one wall of the café while bakers could be seen in the open kitchen behind the cash registers. On nice days, a large garage door was opened to the street. Customers ordered food and drinks at the restaurant’s counter and names were called when orders were ready. August First’s menu included breakfast and lunch sandwiches, pastries, homemade granola, soups, salads, and a variety of beverages. Sandwich prices ranged from \$3.95 to \$8.75, cookies cost \$1.25, while pastries cost \$2.75.

Whalen and Merrick described August First’s mission as follows:

We are completely dedicated to having fun, baking amazingly delicious bread, making you feel warm and welcomed, and having you feel nurtured when you are here. We keep our menus simple in choice, but deep in flavor and character. Our space is a big renovated garage in downtown Burlington; bright and warm in the winter, and breezy and open in the summer. The open space lets you see the bakers in action, creating our European style breads and pastries (August First, 2014).

The Problem

Whalen and Merrick offered free Wi-Fi when they first opened in 2009. Within a few years, they noticed the problem of Wi-Fi squatters, customers working on laptops and iPads for hours while purchasing little food. In an attempt to address the problem they eliminated Wi-Fi in 2012 and then prohibited laptop use during their lunchtime rush. Their final move was to go completely screen free in early 2014.

While Jodi Whalen and Phil Merrick relied on regular customers at their restaurant, they increasingly found Wi-Fi squatters problematic. “We see people stay for hours,” Whalen lamented. “One day not too long ago, there were seven individuals with laptops not buying anything, and we watched customers leave.” Whalen estimated that Wi-Fi squatters cost August First Bakery & Café \$15,000 in sales annually. The average customer sale was \$9.00.

Whalen and Merrick announced their decision to go screen free with a sign in their shop, via social media, and on August First Bakery & Café’s website:

Beginning on March 31, 2014, August First will be a laptop/tablet free environment. While we completely understand how nice it can be to sit in our sunny bakery and spend time on a digital device, as business owners we have seen many, many customers leave because they couldn’t find seats. And in general, many people who have come in with laptops have stayed for hours on end. This doesn’t make for a sustainable business model.

We implemented a 'screen free' period between 11am-2pm a few months ago, and the response was overwhelmingly positive! We were amazed at how many people thanked us. So, based on that feedback, we decided that the time was ripe to listen to the majority of our customers, and make the bakery a screen-free environment. Are we going to harangue someone who is using their smartphone to access email, the internet, etc.? Of course not! We just want to make sure that August First has seats available for all of the people who want to come to eat, drink, relax, and engage.

The Response

August First Bakery & Café's "screen free" policy attracted local and national press. Whalen was interviewed by the local CBS and cable news affiliates and news stories appeared on National Public Radio and *Seven Days*, Burlington's arts and entertainment weekly newspaper.

Customer response to the new policy was mixed. While some customers welcomed the change, others said they would no longer frequent August First. Ironically, support and opposition to the new policy was expressed via social media (e.g. Facebook), which customers could no longer access while at August First. Representative responses follow:

- I support this. It's been frustrating to find a table during busy times because they're all occupied by people working on their laptops. August First should be for everyone.
- I love August First and I think this is an awful idea. My iPad is my library and my notepad. If I am alone, I have no one to chitchat with. Perhaps thinking through all the implications of this policy would be helpful.
- I think this is a lovely idea! People can survive without screens in their lives all of the time. It's actually interesting to see what comes to mind when you are by yourself in a public place, with no one to talk to. Or hey, we can all make some new friends, or enjoy some old ones!
- I support utilizing limited seating for active customers, but if reading a book while I eat my lunch is ok then I wish reading my kindle while eating was ok too.
- It's amazing how difficult it is for some people to disconnect. People are always on their phones or computers. Nobody seems to look or talk to each other anymore. I think taking this stand will only give August First respect.
- It's a deal-breaker for me. My routine is coffee and reading news. I often go to a coffee shop alone. I read news on my tablet. I'm doing it right now. I'm not going to buy a newspaper or a copy of Time to read when I have an e-subscription.

Revisiting the Decision

Months after going screen free, Jodi Whalen and Phil Merrick reflected on their decision. Was it the right one? Did the public relations about the move help or hurt August First Bakery & Café? Did it solve the problem of Wi-Fi squatters? And most importantly, from a customer service perspective, should they continue prohibiting laptops, iPads, and electronic reading devices?

References

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