

Does Your Restaurant Itself Sell Your Brand?

TODAY'S FAST CASUALS & QUICK SERVICE RESTAURANTS should be using the entirety of the restaurant itself—from architecture through space planning, décor through signage—to communicate with guests and drive desirable buying behavior. Too few are, and traffic is suffering for it. Here's what brands can do to reclaim that traffic and boost sales.



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When an award-winning, Italian-style fast casual with hundreds of stores throughout the U.S. found a way to pick up 9% to 12% in gross sales, they were bucking the trend in the fast casual and quick service restaurant markets today.

UNFORTUNATELY, MOST DINING SPOTS ARE FEELING A PAINFUL PINCH FROM RISING COMPETITION.

The fast casual (FC) and quick service restaurant (QSR) sectors have been booming. The U.S. Department of Agriculture (USDA) Economic Research Service has found that the QSR market grew nearly 20% in the U.S. between 2000 and 2015, and that growth isn't slowing. Radiant Insights further reports that the global QSR market will grow at a compound annual growth rate (CAGR) of 4.61% through 2022.¹

Those numbers are fantastic, but they also mean that many more brands are competing for the same customers, and that competition has been driving down traffic at individual stores. *As Restaurant Business Online* writes, "The traffic challenges are largely due to industry saturation. There are too many restaurants for the amount of demand."²

The result: the Technomic Chain Restaurant Index has found traffic down by 2% over the last 12 months.³

So how did this Italian-style fast casual manage to generate significant sales growth? It's because they tapped into another major market trend: revisiting their restaurant space to align with shifting guest expectations that place more emphasis on the holistic dining experience. Good food is the foundation of success, but increasingly, a delicious meal alone is merely a necessary, *but not sufficient* component of successful operations.

Industry analysts at market research firm Deloitte surveyed thousands of diners to understand what they



want out of their dining establishments. In their report, Deloitte says, "A restaurant's brand is no longer only about food...the ability to deliver consistently engaging, memorable experiences that drive a connection to the brand at every touchpoint is more critical than ever."⁴

But creating these "engaging, memorable experiences" is about more than just re-decorating: it requires a *tactical* design initiative.

Generally speaking, nobody other than the marketing department thinks about or questions why, how, or what guests buy. In reality, those are critical questions whose answers need to be incorporated into every corner of every store, including architecture, décor, and space planning—not just marketing materials.

In other words, the exterior, interiors, and space planning themselves turn into communications and marketing channels that can affect customer behavior, sales, and loyalty. But how? That's the question this paper answers.

Aligning Customer Experience with the Path to Purchase

AS A BRAND, THE ITALIAN-STYLE EATERY WAS OFFERING A LOT OF VALUE TO GUESTS FOR WHICH IT WASN'T GETTING CREDIT.

All the ingredients they used were fresh—nothing frozen or canned—with 100% natural pastas made and boiled in-house. They even rolled their own meatballs!

But their brand's strengths were not being communicated anywhere in the restaurant itself. Instead, the experience of eating there was divorced from the value of choosing to dine there. The customer experience was limited to walking up to a counter and ordering off the menu board.

And that chain is far from alone; these elements challenge most brands. Specifically, restaurant brands struggle to find a strategy that can strengthen branding and improve customer experience while directing their guests through a specific path to purchase.

Brands often fail to align the customer experience across multiple touchpoints; frequently, in fact, they ignore important touchpoints altogether.

Considering the full path to purchase is key; it's where the strategy of using the store itself to communicate with guests comes in.

As guests enter and move through a restaurant, they pass through six zones, as depicted below:

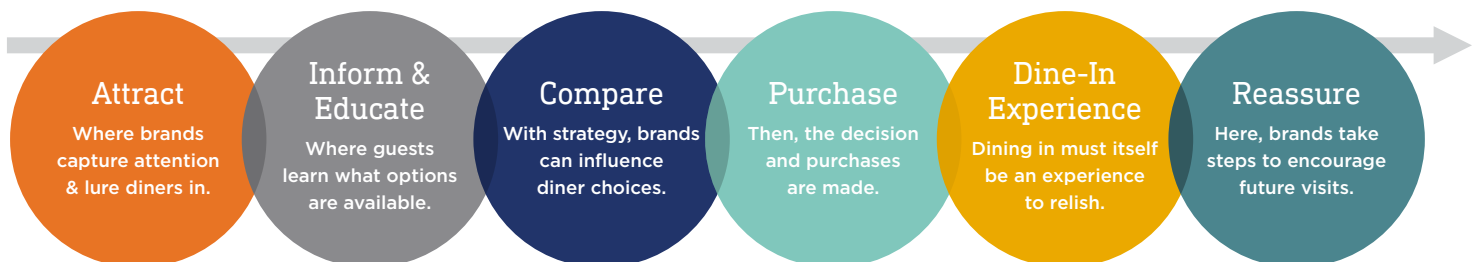
- | | |
|---------------------|-----------------------|
| 1. Attract | 4. Purchase |
| 2. Inform & Educate | 5. Dine-In Experience |
| 3. Compare | 6. Reassure |

It is at each of these stages that brands must consider their communications strategy. Every element of the restaurant that the guests encounter—architecture, layout, décor, signage, menu boards, audiovisual elements, and other messaging—must work together. This goes far beyond superficial changes: it means incorporating space planning and potentially reworking interiors altogether.

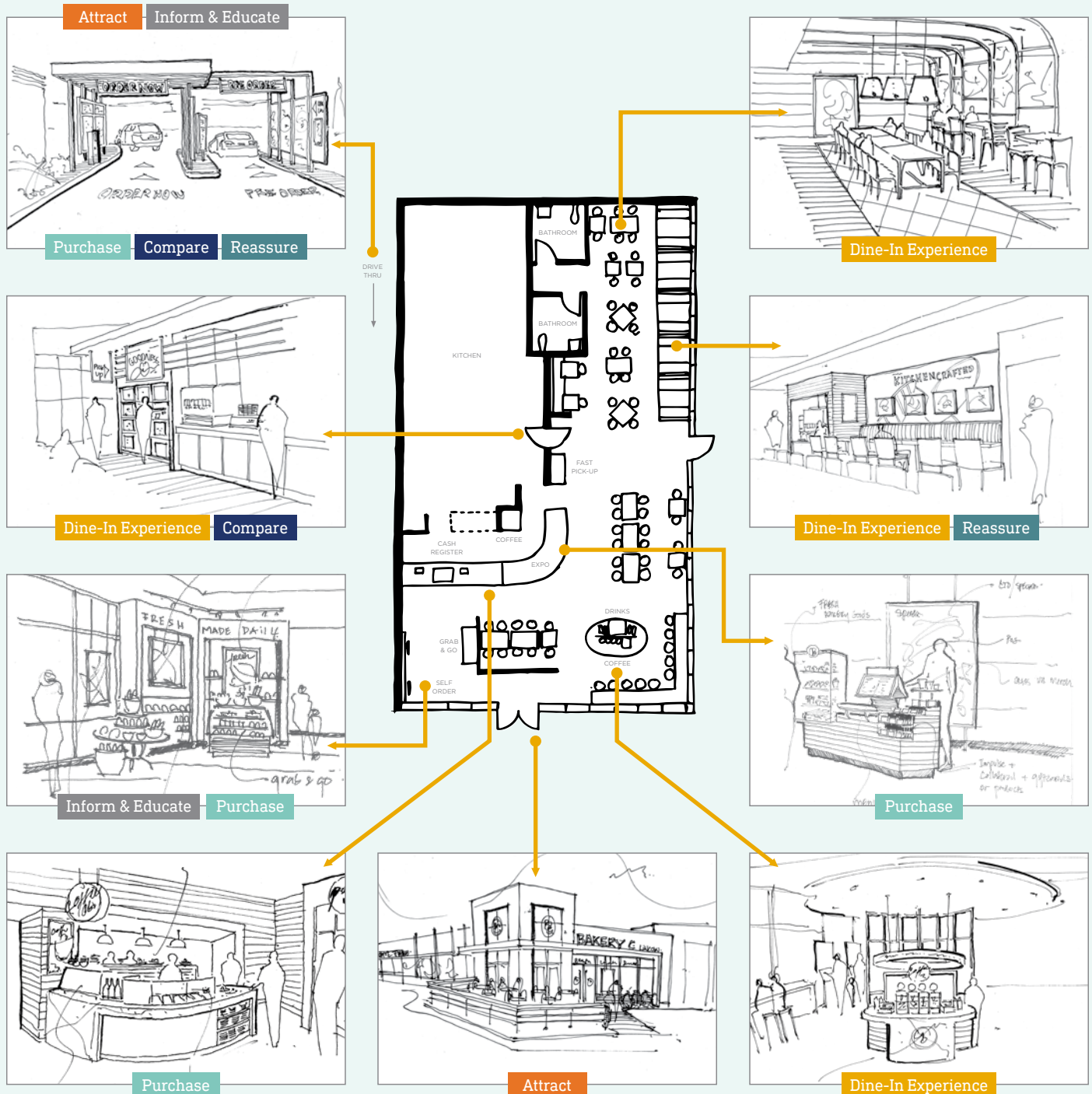
Ultimately, creating an emotional connection that binds brand-to-guest is critical.

In fact, *The Harvard Business Review* reports that “customer value can increase by as much as 27% when an emotional connection exists between customer and restaurant.”⁵

The Path to Purchase



How customer touchpoints on the path to purchase are distributed through a typical store.



Start by pulling guests in and immediately helping them to understand and decide between their options.



FIRST, PULL GUESTS IN.

Fundamentally, the **Attract** zone is about drawing people into the building. What does the exterior signage look like? If you took the sign off the storefront, would customers know that that's your brand?

Often, restaurants don't have a brand story; and in these cases, that's where the work starts. Without a clearly articulated story, they cannot answer the question, "How are we communicating what we stand for as a brand inside the restaurant?" That's foundational.

THEN, EDUCATE THE GUEST ON YOUR BRAND.

The next set of zones—**Informing, Educating, Comparing**, and **Purchasing**—all happen concurrently in the space between the doors and the front counter. What's critical to understand is that the entire process is informed not just by the menu boards, but by the entirety of the customer's environment.

For example, one brand—a 30-year leader in the bakery-café movement—needed to showcase and communicate that they are more a kitchen that makes incredible American-Italian style dishes—including paninis, tossed pastas, and more—than a café or bakery.

In another case, at a fast-growing, Texas-based fast casual burrito chain, the brand needed to capture the unique culture of the city of Austin in order to connect with its target guests.

Bear in mind, the *official* motto of the Austin Independent Business Alliance is "**Keep Austin Weird.**"⁶ This is a city with more than a little personality, and this chain needed to showcase its own as soon as customers walked in.

To that end, it incorporated fun imagery like Lady Liberty holding up a burrito and elevated their offerings to encourage customers to participate in their own culinary experience. For example, their beverage station encourages guests to mix-and-match sodas in fun and sometimes weird combinations.

Then, drive desirable buying behaviors.

COMPARE

The restaurant's interior should also facilitate the guest's ability to understand their options and make a buying decision, hopefully in line with the brand's own preferences. For example, the bakery-café promoted menu items that had been previously underutilized. The Italian-style brand did the same as well: they created a theatrical partition to showcase their kitchen, realigned their menu board, and introduced signage and messaging meant to reinforce the freshness, quality, and deliciousness of their food.

All of this goes far beyond the menu board, of course. Most restaurants understand that optimizing the menu board can potentially make a huge difference in what and how much each guest orders. The science behind menu board optimization is quite thorough; researchers have discovered where people's gazes are going to go on the menu, what colors are going to attract them, and how to communicate dishes to make them compelling. FCs and QSRs need to start bringing that level of sophistication throughout the entire experience, down to the walls.

PURCHASE

The final decision is not complete until a purchase has been executed, of course, and this too requires some thought. Technological disruption is driving chaos at the counter for FC and QSR brands that haven't kept pace. The bakery-café made sure customers had clear options at checkout: they could use self-service kiosks or order in person at cash registers. In other places, they distinguished areas for in-house ordering from areas for pick up, takeout, and delivery.

It's increasingly important for FCs and QSRs to effectively communicate, literally in the restaurant, where to go and how to place an order effectively.





Next, create a full-bodied dining experience.

The dining experience doesn't end at the point of decision, and branding communications need to continue into the **Dining** room. As customers sit there, what is the brand communicating to them? How do they feel about their environment? Is their understanding and experience of the food product the same with their experience in the dining area? Is it meeting their expectations?

The bakery-café deployed a localization strategy that included incorporating printed lifestyle and architectural images specific to their local area. Everything was designed to set the tone of their brand and connect the elements of the interior together, so it created a completely unified experience from start-to-finish for the guest.

It was the same at the burrito chain, whose new design communicated, "This is absolutely, uniquely Austin." For example, the dining area provided space to showcase little foil art sculptures that guests would sometimes make out of the foil packets containing their burritos. This enabled customers to mix it up, have a little fun while they ate, and create a memorable experience for themselves.

ENCOURAGE RETURN VISITS.

Last but not least, it's important to **Reassure** the customer. The customer journey doesn't end with the sale, or even the eaten meal. It ends with a customer who is so satisfied that they say to themselves and others in their party, "This is a place we will come back to." Does the restaurant do anything to facilitate that? When they are leaving, is there a comment card? Is there a bounce back strategy? Even just a sign that says, "See you next time"? The last goal is customer engagement and creating rabid fans, where they want to be your brand ambassador.

The dining area is just as important to branding and communication as the entry and front counter.



How are you communicating what you stand for as a brand inside your restaurant?

ULTIMATELY, HOW BRANDS USE THE PHYSICAL RESTAURANT ITSELF TO COMMUNICATE ITS BRAND TO GUESTS IS WHAT FORGES THE EMOTIONAL CONNECTION DESCRIBED BY DELOITTE AS “CRITICAL” IN TODAY’S MARKET.

Some helpful changes may be obvious, like how to bring the kitchen quality look and feel into the restaurant itself. Other changes may be more subtle, considering customer flow and pulling in subliminal cues to influence the diner’s choices and experience.

However, whatever changes are needed, restaurants must begin to think beyond just decorating. Instead, think in terms of what the stores are doing to make the customer feel like they’re fully immersed in the brand experience. Don’t silo architecture, interior design, marketing, menu boards, etc. into separate areas that don’t communicate with each other. Think through where there may be a gap between the store’s physical elements and marketing strategy.

“[People] want an experience when they’re dining out, and we try to package our product so [that] people remember the experience around the food, not just the food. This is all about getting folks to remember us on a



positive note,” says Joe Buonavolanto, chief executive of Chicago-based Buona.⁷

Ultimately, the only way to capture and convey that point of view is for restaurants to recognize the importance of the customer experience, the touch points through that experience, and to realize that they may not even realize there is a gap between architecture and marketing strategy as it relates to taking the customer on this journey. There are so many ways to make the restaurant environment more engaging and to affect people’s decision-making, why they buy, and to boost business as a result.

In the end, success means tangible rewards: sales growth, improved menu mix, higher customer satisfaction ratings, and more.

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SOURCES:

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