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its guests.
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Ric Scicchitano
bolsters the menu at
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Buca expands its appeal
to drive top-line growth.

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DRIVING TRAFFIC

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Chain Leader set out to help operators find the best ways to increase customer counts. This special issue features research and case studies on advertising, menu innovation, employee training, customer-service improvement, community relations and more.

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Dunkin' Donuts' television advertising campaign is built around the idea of average people getting things done. The commercials play up life's everyday-ness, showing Dunkin' Donuts as a meal or snack solution. The \$100-million-plus campaign is the heart of its advertising thrust.

By David Farkas

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California Pizza Kitchen judiciously uses freestanding inserts to stimulate trial of new products and new units.

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The Palm Management Corporations uses e-mail, Web sites and blogs to boost awareness of its events and promotions.

By David Farkas

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Steak and Ale is trying to shake off its meat-and-potatoes image with a new upscale menu that features more intense flavor profiles and chicken and seafood dishes. Since the menu launched in March, women now make up 52 percent of customers, up from 50 percent, and the median age has shifted from 51 years old to 48.

By Maya Norris

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To set itself apart in the competitive coffeehouse category, It's A Grind features six specialty drinks a year, which have helped to boost frequency and the average check.

By Maya Norris



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Zeppe's Pizzeria trains its staff to talk to customers rather than just take orders to win repeat business. Employees, managers and franchisees undergo a rigorous program that emphasizes experiential training.

By Mary Boltz Chapman

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By Mary Boltz Chapman

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Pollo Campero uses its Street Team to drive customers to its new restaurants. Five people in Pollo Campero uniforms and Pollito, a 6-foot, bright-yellow chicken, talk to people on the street, distribute fliers and invite local businesses to the chain. The effort drove 20 percent of the traffic in its latest store.

By Christine Zimmerman

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By Christine Zimmerman

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- Panera Bread has been a leader in fast-casual, artisanal breads and "third place." CEO Ron Shaich tells what's new

Web Exclusive

- Creative Habitat: Check out the latest concepts Rainforest Cafe creator Steven Schussler is brewing up in a tour of his idea lab

How to Grow to 100 Units

- Web-exclusive content and related articles on growing concepts
- Video coverage of *Chain Leader's* "How to Grow to 100 Units" roundtable
- California Tortilla's Pam Felix on the trials and joys of growing her spunky concept

Plus

- Senior Editor David Farkas muses about the restaurant industry in his blog, Dave's Dispatch
- Daily news
- Franchise opportunities
- Topic-specific pages on marketing, expansion, operations and more

www.chainleader.com

EXCLUSIVE RESEARCH

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Chain-restaurant operators share how they attract more customers and what methods really work.

By Mary Boltz Chapman

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The Test of Time

When I spoke to Panera Bread Co. Chairman and CEO Ron Shaich for the Cover Society interview currently running on www.chainleader.com, he told me a story about customer service. A co-worker of his was traveling and found the air conditioning in his rental car was broken. He asked the rental company to bring a new car to the hotel. The rental agent refused, saying the Panera executive would have to return the car; the company would only bring a replacement if the car wasn't running. When asked why, the agent told him that too many people would take advantage and the rental company would lose money.



Shaich used the story to illustrate the difference between short-term and long-term goals. Sure, the rental company saved the time and labor costs involved in bringing the replacement car to the hotel, but it has lost a customer—a frequent one at that—plus the business or at least its reputation for service among that customer's circle of friends.

that stand the test of time. Sometimes they are even rewarded for their innovation, fast decisions and income spikes.

But I think most of the restaurant companies who responded to our survey are using short-term tactics that are in line with long-term goals.

The Short and Long of It

Our parent company, Reed Business Information, recently held a one-day nationwide sell-a-thon. There were balloons and megaphones and some pretty serious prizes for sales representatives who met certain goals by the end of the day. This is certainly a short-term method of increasing sales. Did it come at the cost of long-term objectives? No. In fact, it energized our sales staff and they shared ideas. It introduced new customers to our products. And it highlighted electronic products within the company and in the marketplace. All of which fit nicely into our company's long-term objectives.

In the restaurant industry, operators use many methods of driving traffic that would be considered short-term. Promotions, coupons, even a lot of television commercials are meant to entice people into the store who might not have come otherwise. Perhaps customers come for the free entree with the purchase of one or the new sandwich with spicier sauce. But the successful operators know that once you get that consumer in, you have any number of ways to make them a frequent customer. **CL**

Are your short-term tactics supporting long-term goals?

Goal Setting

The Driving Traffic survey *Chain Leader* conducted in August asked operators what their goals are in increasing customer counts, such as increasing visits by frequent diners or growing a particular daypart. We also asked if the objective was to achieve a short-term traffic increase or a long-term one. While 85 percent said long term, 38 percent noted they were hoping for a short-term bump in traffic. (Those numbers equal more than 100 because the respondents might have been aiming for both.)

Does this mean there are a bunch of myopic operators out there making decisions without thinking ahead? Some of them, yes, are like that rental-car place. Many companies prioritize quick gains over consistent growth, fast expansion over well-fortified infrastructure, or the hot, new trend rather than ideas

MARY BOLTZ CHAPMAN,
EDITOR-IN-CHIEF

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Counting Customers

Chain Leader research shows the most effective methods of driving traffic.

BY MARY BOLTZ CHAPMAN

How do restaurant chains drive more customers into their units? Chain Leader and Reed Research Group set out to learn how. In August we surveyed 100 companies asking about the methods chains use and which ones are the most successful. The chain executives, primarily vice presidents and directors of marketing and operations, were polled by telephone. Forty percent of the respondents were full-service operators; 36 percent, quick service; and 24 percent, fast casual. A majority, 66 percent, had between three and 20 units, 13 percent had 10 to 100 restaurants, and 21 percent had more than 100.

Getting the Message Out

Almost all of the respondents (91 percent) use some sort of advertising to drive traffic. Quick-service operators were most likely to use advertising: 97.2 percent vs. 90.0 percent of full-service operators and 83.3 percent of fast-casual.

Similarly, while 82.6 percent of respondents who use advertising use radio and 62.0 percent use television, 91.4 percent of QSRs who use advertising use radio and 80.0 percent use TV. On the other hand, 86.1 percent of full-service operators who use advertising do so via newspapers, but only 77.2 percent of all respondents using advertising use newspapers.

Fully 94.4 percent of operators with more than 100 units who use advertising do radio commercials, and 83.3 percent run TV spots.

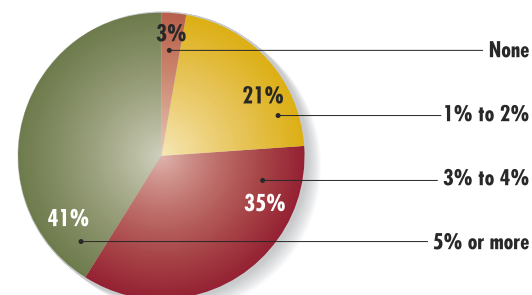
When asked what their most effective method of increasing traffic was, 55.0 percent of operators named some form of advertising, and 69.4 percent of fast-food respondents. Likewise, 28.0 percent said TV was the most successful method, and 38.9 percent of QSRs cited television advertising.

Price and Menu Promotions

Fast-food operators are most likely to use price promotions to drive traffic: 86.1 percent do vs. 62.5 percent of fast-casual

Marketing Budget

More than two out of five respondents put 5 percent of sales or more into their marketing budget.



Source: Reed Research Group/Chain Leader, 2006 Driving Traffic



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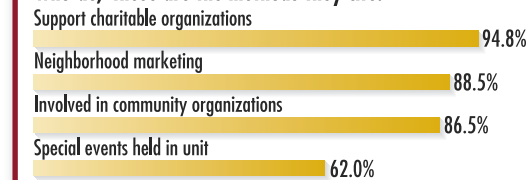


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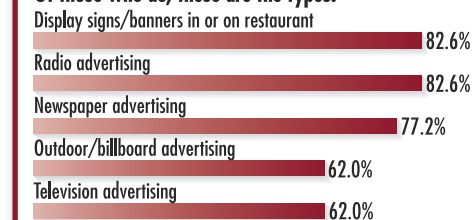
EXCLUSIVE RESEARCH

The Many Methods

Almost all of the respondents, 96 percent, use some form of community involvement to bring in more customers. Of those who do, these are the methods they cite:



91 percent use some form of advertising to drive traffic. Of those who do, these are the types:



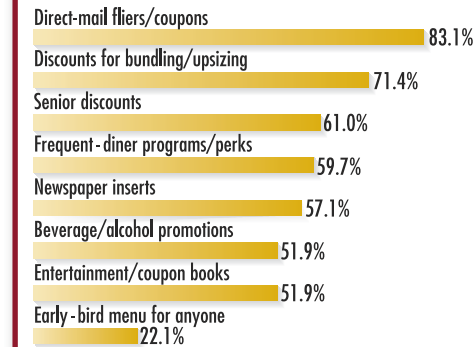
82 percent adjust their menu.

Respondents who do use these methods:

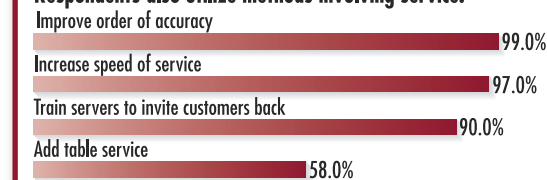


76 percent use price promotions.

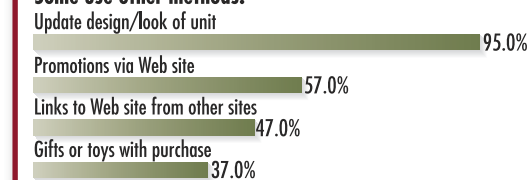
Those who do use these means:



Respondents also utilize methods involving service.



Some use other methods.



Source: Reed Research Group/Chain Leader, 2006 Driving Traffic

and 75.0 percent of full-service operators. Of QSR operators who do, 93.5 percent offer discounts for bundling or upsizing; 90.3 percent use direct-mail fliers or coupons; and 61.3 percent use newspaper inserts. Of full-service respondents who use price promotions, the top methods were fliers or coupons (83.3 percent), frequent-diner programs (73.3 percent), and beverage or alcohol promotions (73.3 percent). Fast-casual operators listed direct-mail fliers or coupons (68.8 percent), senior-citizen discounts (68.8 percent), and newspaper inserts (56.3 percent) as their top three.

However, only 7 percent of respondents said that a price promotion was their most successful method.

Eighty-two percent of respondents altered the menu in some way to increase customer counts; 95 percent of full-service operators had. This year, 71.4 percent of those who changed the menu said they added more healthful items; in last year's survey, that figure was significantly higher, at 93.2 percent.

Six percent of respondents named a change in the menu as their most effective way to raise customer counts.

The Softer Side

The lion's share of respondents—96 percent—used community involvement to drive traffic. Of those who did, 94.8 percent support charitable organizations. Nineteen percent of respondents listed community involvement as their most successful method.

Almost all operators surveyed (99 percent) try to improve the accuracy of orders, increase the speed of service (97 percent and 100 percent of the QSRs), and update the design of the restaurant (95 percent).

Full-service operators take advantage of the Internet more than other segments: 70.0 percent offer promotions via their own Web site, and 60.0 percent use links to their site from other sites. Of all respondents, 57.0 percent have promotions on their site, and 47.0 percent use links from other sites. Only 4 percent of respondents named such methods as the most effective way to drive traffic.

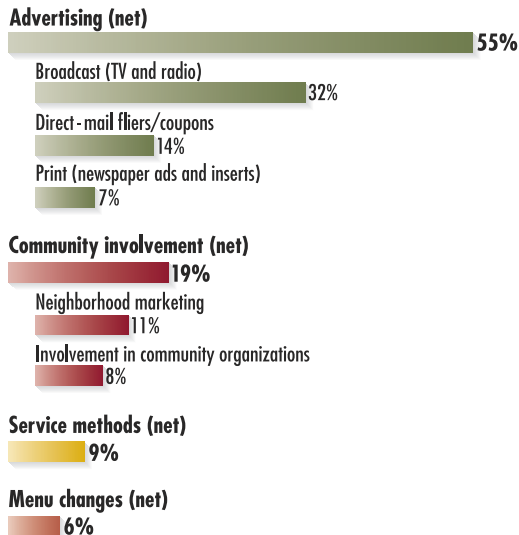
The Reasons and the Results

When asked what they were trying to accomplish with their efforts to raise traffic, 69 percent said they were trying to increase visits by regular diners; 68 percent said they wanted to attract more of the current demographic group; 63 percent were hoping to attract a different demographic group; and 40 percent were trying to raise traffic in a specific daypart. Of those who were trying to enhance a daypart, 22.5 percent said breakfast; 42.5 percent, lunch; 55 percent, dinner; and 35 percent, snacks.

Eighty-five percent intended their efforts to achieve a long-term increase; 38 percent, short-term. Fully 76 percent of those surveyed said they achieved those efforts. Twenty-one percent didn't know.

Most Effective Methods

Respondents named the method that is most effective at driving traffic. Advertising ranked highest, but many operators find the most success using other means.

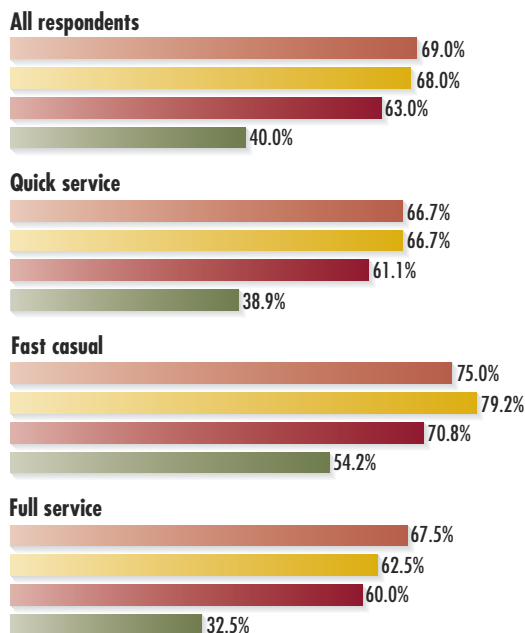


Source: Reed Research Group/Chain Leader, 2006 Driving Traffic

The Reasons Why

Different types of operators tend different goals in their efforts to increase customer counts. The survey asked what was the goal of using their most successful method.

■ Increase visits by frequent diners
 ■ Attract more of a current demographic
 ■ Attract a new demographic
 ■ Increase traffic during a specific daypart

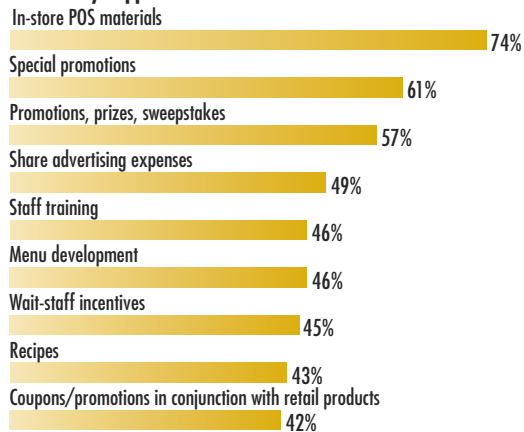


Source: Reed Research Group/Chain Leader, 2006 Driving Traffic

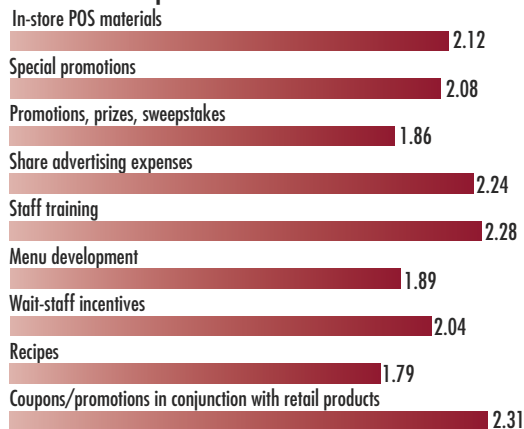
Suppliers and Demand

Many suppliers offer help in driving traffic to their operator partners' restaurants. This chart shows the percentage of respondents who have been offered the service and mean of responses (in which 3 is "extremely helpful," 2 is "somewhat helpful," and 1 is "not very helpful") of those operators who have been offered that service by suppliers.

Offered by suppliers



Mean level of helpfulness



Source: Reed Research Group/Chain Leader, 2006 Driving Traffic

Helping Hands

Many respondents say that their supplier partners offer to help them drive traffic. The methods noted most often were in-store and point-of-sale materials (74 percent said suppliers had offered them), special promotions (61 percent), prizes or sweepstakes (57 percent), and sharing advertising expenses (49 percent).

The survey also asked which traffic builders were the most helpful. Eighteen percent said prizes or sweepstakes; 13 percent, menu development; 13 percent, recipes; and 12 percent, in-store and POS materials. **CL**

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A week ago or so, a fellow called me wanting publicity for a client that manufactures HRES, or Meals Ready to Eat—the food that feeds our servicemen in the field. **More.**

BLOGS **AUDIO / PODCASTS** **OFF THE CLOCK**
California Tortilla co-founder Pam Felix reveals the challenges of too many chiefs.
Senior Editor David Farkas discovers firsthand that not-so-fresh food still exists.

WEEKLY SPOTLIGHT
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At California Pizza Kitchen, we've just introduced five new dishes to our menu, and they're so close you can almost taste them. You'll find three new pizzas: The Greek Pizza, with Mediterranean

Italian Pomodoro sauce, and Quattro Formaggi, a combination of four tasty cheeses. There's also a Grilled Vegetable Salad, and spicy Thai Curry Noodles. Are you getting hungry? Then just get spiced grilled chicken, Pepperoni Pomodoro, with our



The Greek Pizza



COUNT the Ways

Chain-restaurant operators get specific about how they build customer traffic.



The phrase you've heard and perhaps even used is inelegant but apt: not enough butts in the seats. With this special issue, *Chain Leader* set out to help fill those seats.

We conducted a survey in August, asking chain-restaurant operators about the many methods they use to increase customer traffic: television ad campaigns, direct-mail coupons, price discounts, new menu items, promotions with national consumer brands, frequent-diner programs, community involvement—the list goes on. We also asked which methods have been the most successful.

The full research report begins on Page 9.

To bring life to the data, we scoured the numbers looking for trends, then found operators to tell about their most successful methods, why they use those means, how they executed them and what the results were. We spoke to national chains and small regional concepts, fast-food operators and casual-dining players.

What follows is a textbook of sorts presenting case studies about broadcast advertising, freestanding inserts, e-mail marketing, menu innovation, price promotion, employee training, customer-service improvement, community relations, neighborhood marketing and more.

The restaurant concepts and business strategies profiled in this issue might not mirror yours exactly, but within them you will certainly find some gems that you can use to drive traffic in your own organization. **CL**



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Dunkin' Donuts' quirky television commercials embrace Everyman.
 BY DAVID FARKAS

Caffeinated DEMOCRACY

John F. Gilbert III thinks the phrase “America runs on Dunkin’,” his company’s advertising tagline, will enter the “mainstream vernacular” no later than fall of 2008. By then, Dunkin’ Donuts will be on its way to creating a beverage and snack-food empire that stretches across the United States. Earlier this year, officials at the Canton, Mass.-based chain, which franchises nearly all of its 4,400 units, announced they planned to triple the number of stores within 15 years.

The brand’s ability to zero in on a new customer base could also help the four words become part of everyday speech. “We have moved away from traditional demographic targets,” says Vice President of Marketing Gilbert. Today, “psychological targeting” is a part of the \$100 million-plus TV campaign, launched in April, that is the heart of its advertising thrust.

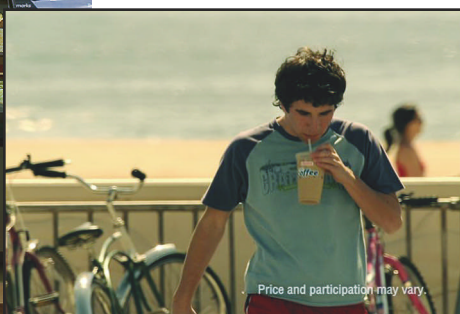
Diversity Works

“Black or white, young or old, rich or poor. What matters is they all have identical needs to kick-start the morning or get a pick-me-up in the afternoon,” Gilbert asserts. The chain’s blue-collar reputation as a place where a cup of no-frills coffee comes in small, medium or large instead of tall, grande and venti may also be changing.

Gilbert cites smoothies, a beverage recently added to Dunkin’ Donuts’ ever-expanding menu. “We identified a need for an on-the-go meal, hence smoothies. We sell them primarily to women, but we’ve found that teens to elderly men find them to be an important part of their daily food intake,” he adds.

In November, some markets will use a new commercial featuring the portability of French Toast Twist, a morning snack food. “It’s a great spot explaining how easy it is to eat on the go,” explains Gilbert,





who has held top marketing jobs at KFC and Carlson Restaurants Worldwide.

Like other Dunkin' Donuts commercials in the campaign, it features a soundtrack by They Might Be Giants, an alternative-rock band known for quirky lyrics. In one, for example, the group sings rather mournfully about the distance between lunch and dinner ("This distance is an ocean") while white- and blue-collar workers sip smoothies.

The Real World

The ads play up life's everyday-ness, showing Dunkin' Donuts as a meal or snack solution. The 30-second "Doing the Things I Like to Do" commercial is filled with average-looking people in a welter of productive activity. The catchy tune behind the spot runs, tautologically, "I'm slightly more productive now than previous because I'm

slightly more efficient than I previously was." The commercial's unstated though obvious message: Dunkin' Donuts supplies the caffeine hit.

Indeed, the ad campaign is built around the idea of average people getting things done, according to Baba Shetty, a creative director at Hill Holliday, Dunkin' Donuts' Boston-based agency. In an April blog entry, shortly after the campaign began airing, he wrote: "The America that we're talking about here are [sic] the everyday folks who get things done. They're unpretentious, comfortable just being themselves, and like to order their coffee in small, medium or large, thank you very much. They're busy people who use Dunkin' to get fueled up for work or play. They don't have time to linger, because they've got things to do. But they do like to have fun. This is their brand."

Gilbert discovered as much after the company paid a group of heavy Dunkin' users in several markets to buy coffee at Starbucks for several weeks. It paid Starbucks loyalists to do the same at Dunkin' Donuts. When the groups reported back to researchers, the differences in perception were distinct: the Dunkin' faithful perceived pretentiousness at rival Starbucks; Starbucks regulars griped about Dunkin' Donuts' lack of sophistication.

"Pleather," a 30-second spot, features three young guys sipping iced coffee to avoid sticking to their car seats. Says Gilbert: "We were looking for a Ferris Bueller, average American, slightly naughty, high school boy instead of the boy everyone wants to look like. We actually ended up with kids who are aspirational in their lack of coolness, if that makes sense."

Not that the 56-year-old chain purposely wants to appear uncool. A sharply designed prototype in Euclid, Ohio, featuring granite-like counters and upscale menu boards is the look of the future, say officials.

The dichotomy has stumped some observers. "They're not going down the path of their customers, who told them they didn't want them to be like Starbucks," offers former Starbucks marketing

SNAPSHOT

CONCEPT

Dunkin' Donuts

PARENT COMPANY

Dunkin' Brands Inc.,
Canton, Mass.

UNITS

5,097 domestic;
1,775 outside U.S.

2006

SYSTEMWIDE SALES

\$3.6 billion*

AVERAGE

UNIT VOLUME

\$900,000*

AVERAGE CHECK

\$4.50*

EXPANSION PLANS

600 annually for the
next 15 years

*Chain Leader estimate

Dunkin' Donuts' TV campaign is built around the idea of average people getting things done, while showing Dunkin' Donuts as a meal or snack solution.



"We take pains to cast people who look like real consumers." —John Gilbert, vice president of marketing



manager John Moore, now a consultant to small and medium-sized businesses in Austin, Texas. Others are more charitable. "If Dunkin' is looking to upscale itself by moving from the working man's cup of coffee to a more white-collar world, I have no issue whatsoever with that. So long as they are not trying to reach into Starbucks' world-of-refuge position," says former restaurant executive Rick Hendrie, now a marketing consultant based in Cambridge, Mass.

Everyman's Espresso

Time will tell whether the no-frills chain takes a more upscale approach. In the meantime it appears to be walking a tight-rope. An ad scheduled for November sends the message that espresso-based drinks are easy to order and understand. "We are talking about the democratization of espresso," Gilbert explains.

The espresso-for-the-average-Joe theme was launched by Dunkin' Brands CEO Jon Luther. Introducing the drink program on the site of the Boston Tea Party in late 2003, Luther proclaimed, "We're liberating the nation from espresso oppression."

CPK Gives the 411 on FSIs

Comparable-store sales jumped 4.8 percent in 196-unit California Pizza Kitchen's last quarter (ended July 2), considerably higher than in most publicly traded casual-dining restaurants. Vice President of Marketing Sarah Grover credits the chain's general managers for the increase. Yet she admits judicious use of freestanding inserts have stimulated trial of new products and new units. We recently asked her to explain the process.

Are FSIs a crucial part of your marketing toolkit?

They're an important part insofar as they give us a lot of flexibility. We are able to target specific areas. We also have control of a large space. You can reach a large number of people in a cost-efficient way.

How long has CPK used FSIs?

We first used FSIs three or four years ago. Since then, we've done anywhere from 30 to 50 [designated market areas] at a time.

What's your typical reach?

We've used FSIs to target anywhere from 50,000 to 250,000 people—or from 80 to 100 CPK locations.

Is there an off-the-shelf message you use?

Nothing is off-the-shelf, but we do communicate who we are, and we use a directional illustration. It's hard for us to say, "Apply this approach everywhere." FSIs are not a standard thing we do. They are one part of our marketing strategy.

When was the last time you used an FSI, what for and did you include price?

Our last FSI was in June. And it talked about several new menu items, including

Five delicious new creations. Just five minutes away.

At California Pizza Kitchen, we've just introduced five new dishes to our menu, and they're no closer you can almost taste them. You'll find three new pizzas: The Greek Pizza, with Mediterranean spiced grilled chicken, Pepperoni Poppers, with our



California Pizza Kitchen judiciously uses freestanding inserts to zero in on its best customers: affluent and quality-oriented consumers for whom price has less appeal than new products.

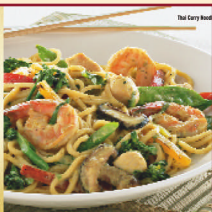
pizzas. Price points are not important because our customer is quality oriented and not as price sensitive as you might find in other segments.

What are the drawbacks of using FSIs?

Depending on the day you select, you may be surrounded by other FSIs, and you'll be in a mix with a lot of different kinds of ads. You want to think about the company you keep.

Five new twists. Dozens of old favorites.

In addition to the five delicious new creations on our menu, you'll still find all of the CPK classics that people across the country have come to love and adore. The Original BBQ Chicken Pizza, Chicken Teriyaki Pizzette, The CPK Cobb Salad. And the many other unique pizzas, pastas, salads, appetizers and desserts that make CPK one-of-a-kind.



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Staying Connected with Electronic Marketing

Like all good marketers, Randy Goldman is both curious and cautious about new technology. Take mobile marketing, for instance. "It's new and growing," offers the director of national and neighborhood marketing for the Palm Management Corporation, "but I haven't heard enough about it. I'd be wary about contacting people through mobile phones."

E-mail, Web sites and blogs are a different story. The Washington, D.C.-based company, which operates 29 luxury steakhouses, is eagerly contacting people via all three electronic media to boost awareness.

Last September, for example, The Palm in New York City hosted "Miracle on Ice," a 25th-anniversary celebration featuring the 1980 Olympic Hockey Team and ESPN's Woody Paige. Using a public-relations agency, Goldman dispatched news of the event to hockey bloggers, who duly posted the information and linked to The Palm's site.

"We've done a lot to extend our reach using fan sites and blogs. They are always looking for content," says Goldman, adding news of wine dinners and whiskey tastings are similarly dispatched to beverage enthusiasts with Web sites.



The Palm Management Corporation is embracing nearly all forms of electronic marketing to extend the reach and relevancy of the luxury-steakhouse concept.

The chain's loyalty program, the 837 Club, named for the address of the first Palm restaurant, is a database containing information on its 300,000 members. Although Goldman mines it extensively, he's also tapping into other databases.

Last spring, for instance, he partnered with a group of golf courses to promote Father's Day, which coincided with the Palm's lobster-feast promotion.

The deal gave Goldman access to the golf-course owners' databases, more than doubling the chain's e-mail addresses.

Today, Goldman envisions using a new point-of-sale system to drive an e-mail holiday incentive program. The centerpiece is an e-mail certificate worth \$20. Technology can now verify the coupon in real time.

The chain tested a similar program during the first three months of 2006, increasing covers by about 5 percent in the first month. Says Goldman: "That is a good January."

"There is still a lot of play in the original expression of this campaign." —John Gilbert, vice president of marketing

He undoubtedly had Starbucks in mind. Since then sales have climbed at Dunkin' Donuts. Last year, Dunkin' Brands, which includes Baskin-Robbins and Togo's, a small sandwich chain, rang up \$3.85 billion. This year, experts expect sales to top \$4 billion. The company does not disclose sales by brand.

Gilbert will not disclose how much the parent company is spending to produce and air nearly a dozen commercials—a new one every month—except to say it's "well over \$100 million." Next year, the company will spend even more, he adds. Today,

television advertising is 80 percent of the chain's marketing mix. The remainder is radio, outdoor, print and online.

Before he arrived, Gilbert recalls, "Advertising was not as intent on traffic driving as it is today." Are the new ads driving traffic? He won't say, citing private-company status. "We've traditionally been several [same-store-sales] points better than the rest of the [QSR] industry, and we are still several points better," he allows. "I'm not saying it's new, heretofore unfound sales growth, but the ads have done a lot to help the momentum." **CL**

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Have you eaten at our other locations, if so where? _____

Who was your server? _____

How would you rate the following: (circle one)

	EXCELLENT	GOOD	AVERAGE	FAIR	POOR
Food	5	4	3	2	1
Service	5	4	3	2	1
Cleanliness	5	4	3	2	1
Menu Variety	5	4	3	2	1

Overall Comments: _____

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IN YEARS!
THANKS!*

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Steak and Ale's revitalization plan involves an upgraded menu that features more seafood dishes like Cedar Plank Salmon grilled and served on a cedar plank with lemon beurre blanc and asparagus.

Broad Strokes

Steak and Ale revamps its menu to attract a wider demographic. BY MAYA NORRIS

As Steak and Ale celebrates its 40th anniversary this year, the 61-unit steak-house chain doesn't have the luxury of resting on its laurels. The company is trying to shake off its meat-and-potatoes image with a new upscale menu that features more intense flavor profiles and chicken and seafood dishes to bring in more women and a younger demographic.

"The old menu was very much a meat-and-potatoes menu. Every steak came with a potato and the salad bar. And that's really the way the concept had been defined for many, many years," says President Charlie Morrison. "But in today's age with casual-dining popping up everywhere, you do have to have more variety.

"We had to get back to a focus on food and a focus on the quality, but we also had to bring our menu more current," he adds.

Launched in March 2005, the new menu is part of Steak and Ale's brand revitalization plan, which includes a new prototype, its first franchising program and its first TV commercials in 10 years. Founded in 1966 by Norman Brinker, the chain was a pioneer in its category, offering upscale fare at reasonable prices. It eventually grew to 280 units in the late '80s. But the company couldn't keep up as the casual-dining segment became more competitive. By 2005, Steak and Ale shrank to 57 units with \$100

million in systemwide sales, according to *Restaurants & Institutions'* Top 400 ranking of restaurant chains.

On a Lighter Note

To appeal to more women and younger customers, the menu has several new chicken and seafood items that include vegetables as side dishes and creative plate presentations. For example, the popular Cedar Plank Salmon, \$16.99, is grilled and served on a cedar plank with lemon beurre blanc and asparagus. "When you walk one of those through the dining room, it does definitely turn heads," Morrison says. "People ask what that is, and it becomes a curiosity opportunity for their next occasion."

Other top-selling seafood dishes also illustrate Steak and Ale's new penchant for plate presentation and more intense flavors. The \$15.99 Grilled Sesame Ginger Salmon is brushed with sesame-ginger glaze and served over a bed of spinach. The \$13.99 Balsamic Grilled Tilapia is glazed



SNAPSHOT

CONCEPT

Steak and Ale

PARENT COMPANY

Metromedia Restaurant Group, Plano, Texas

UNITS

61

2005 SYSTEMWIDE SALES

\$100 million*

2006 SYSTEMWIDE SALES

\$105 million**

AVERAGE CHECK

\$11 to \$13 lunch, \$19 to \$20 dinner

EXPANSION PLANS

2 in 2007

*Restaurants & Institutions' Top 400 estimate; **Chain Leader estimate

Women now make up 52 percent of Steak and Ale's customer base, up from 50 percent.

Steak and Ale has tried to increase the flavor profiles in many of its steak dishes by using sauces such as the merlot demi-glaze featured on the Filet Medallions.

Steak and Ale's best-selling chicken dish is the Chicken Gratella, two chicken breasts topped with sun-dried tomatoes, artichoke hearts, blue cheese and balsamic glaze and served over mashed potatoes.

with balsamic vinegar, topped with cherry tomatoes and served on a bed of spinach.

"On all the new items, we've really tried to let the colors of the food speak for themselves," says Director of Culinary Larry Bellah. "Where in the past, we were very traditional with the steak, the side dish, parsley around the plate. That's what everyone was doing. But now it's more cool colors by putting things on a bed of spinach or on some cool vegetables and topping it with a great sauce. So you've got the color of this bright spinach underneath a nice piece of salmon with a sauce on it or maybe a cool cherry-tomato relish over it. So we've really tried to make the plates pop by the food itself."

The best-selling chicken dish is the Chicken Gratella, \$13.99, two chicken breasts topped with sun-dried tomatoes, artichoke hearts, blue cheese and balsamic glaze and served over mashed potatoes. "That might be something you would expect to see in an Italian restaurant," Morrison says. "So if we appealed to the steak occasion in the past, this will help position us against Olive Garden and Red Lobster."



Steak Holders

While the chicken and seafood dishes are designed to get more women and a younger clientele in the door, Steak and Ale was careful that the new menu still caters to its core customer base of men in their 50s. It improved the preparation and ingredients in most of the existing steak dishes. For example, the \$15.99 Garlic Sirloin is now sauteed in butter instead of an oil base and uses more garlic.

And new steak items such as the Filet Medallions, \$18.99, two 4-ounce tenderloin medallions in merlot demi-glaze with mashed potatoes and asparagus, showcase how the company is using sauces to add more depth and flavor to its steak dishes. "Rather than a simple steak and baked potato, we added some excitement to it," Morrison says.

Steak and Ale also developed the Create Your Own Surf & Turf section of the menu to give guests more options. Unlike the steak and seafood combination platters in the previous menu, this new section lets customers choose either a 10-ounce cut of prime rib or 7-ounce sirloin with shrimp scampi for \$21.99, two shrimp skewers for \$21.99 or lobster tail for \$23.99.

The new menu items seem to be producing results. According to Steak and Ale, women now make up 52 percent of its customer base, up from 50 percent, and the median age of its customers has shifted from 51 years old to 48 years old. In addition, steaks and prime rib make up 60 percent to 65 percent of sales, down from 80 percent to 85 percent previously. The average check has also gone up by 10 cents to 15 cents; checks run \$11 to \$13 at lunch and \$19 to \$20 at dinner.

In the Pipeline

Because Steak and Ale updates its menu about every six months, the company always has new products in test. Bellah is testing salads and sandwiches with Thai,



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The Balsamic Grilled Tilapia, glazed with balsamic vinegar, topped with cherry tomatoes and served on a bed of spinach, illustrates Steak and Ale's focus on creative plate presentations.

Steak and Ale is currently testing salads and sandwiches with Thai, Italian and Asian flavors.

Asian and Italian flavors for the lunch menu. For the concept's signature salad bar, he is also testing premade salads such as pasta salad and potato salad as well as upscale ingredients like sun-dried tomatoes and edamame. Bellah wants to develop more sauces for steaks as well as indulgent side dishes like creamed spinach, macaroni and cheese, and scalloped potatoes with an upscale twist. The company is also considering adding some fried appetizers to the menu.

"We are always trying to give the guest what they want. And we've got to stay ahead of the curve, and instead of follow

others with these cool flavors and different food profiles, we have to get ahead of the game and be leaders in that—be the first ones to introduce this stuff," Bellah says. "Steak and Ale has not been in that category in a long, long time. And now I think we are. We're starting to move into that."

"One of the things we will continue to do is stay true to our roots but still add excitement to the business," Morrison says. "I don't think you'll see us depart from what's been so successful for us for many years, which is our focus on steaks, unlimited salad bar and our wonderful service you expect from Steak and Ale. But you will see more change. I think it's necessary in this environment." **CL**

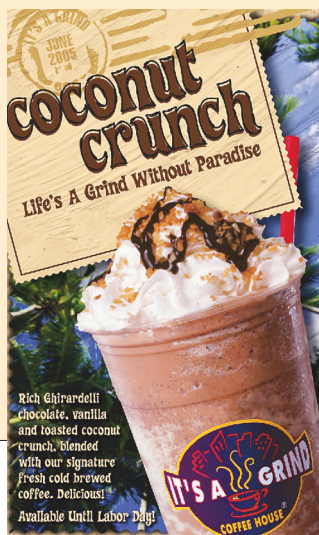
It's A Grind Perks Up Coffee

It's hard for coffeehouse concepts to differentiate themselves when they all have similar menus of cappuccinos, lattes and mochas. So to set itself apart, It's A Grind features six specialty drinks a year, which have helped to boost frequency and the average check.

It's A Grind's Featured Drinks program offers seasonal, indulgent drinks every two months. For example, the best-selling Coconut Crunch, \$4.75, an ice-blended coffee drink with chocolate, vanilla and coconut syrups, drizzled with chocolate and sprinkled with toasted coconut, ran in May and June, generating 7 percent to 8 percent of sales during that period. Other

popular limited-time offers have included a peanut butter-chocolate ice-blended drink called Funky Monkey, and Raspberry Kiss, a raspberry-mocha beverage. Featured drinks now make up 4 percent to 7 percent of the overall sales mix.

When It's A Grind formalized the program a year ago, its goal was to increase the average check by pricing the drinks \$1 more than the items on the core menu. Not only has the check average increased 30 cents to \$4.25, but weekly same-store sales and traffic have jumped 2 percent to 5 percent. The company says it is seeing increased frequency, especially among younger customers.



"Frequency is sort of a side benefit. We talk primarily to existing customers because we don't advertise at all," says Vice President of Operations Rick Kowalski. "So reaching outside the store to bring people in with the featured drink is not really our objective. It's more trading up existing customers or getting them to come back more frequently."



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Conversation Piece

Zeppe's Pizzeria trains staff to talk to customers rather than take orders to win repeat visits. BY MARY BOLTZ CHAPMAN

So often when you order a pizza, you hear, "Hi. Mary's Pizza. Pick up or delivery?" That is, if you don't hear, "Can I put you on hold?" first.

Zeppe's Pizzeria, a 27-unit chain based in the Cleveland suburb of Bedford Heights, feels much of its success has come from moving beyond that. "We don't take an order; we have a conversation with them on the phone," says Larry Mench, director of operations for Zeppe's Franchise Development Co.

Order takers have a script to follow, and their computer screens tell them if the person calling is a repeat customer. But Mench says the important part is to make sure the guest has a good experience. "Certainly

we're here to make money. But it's not in the forefront. Because I have a conversation with a customer, my average check goes up. That's not my initial thought process," he says. "It's recognizing we're in a service industry and embracing that, and affecting guests in a positive fashion. It really takes us and separates us from that pizzeria stigma of the low-cost leader."

Quality Food, Quality Service

Zeppe's calls itself a "high-quality leader" with its varied menu of pizza, pasta, salads, subs, wings, ribs and other dishes. Pizza and calzone comprise between 58 percent and 67 percent of sales at most locations. The company's specialty pies include the Midwestern, spicy ground

Zeppe's Pizzeria trains and incents employees—including back-of-the-house, front-of-the-house and delivery staff—on improving the customer experience.



beef and bacon, topped with mozzarella, provolone and cheddar, \$10.99 small, \$13.99 large, \$16.99 extra large; and Joey's Original Clevelander, with ham, capicola, salami, mozzarella, provolone, Parmesan, tomatoes, onions, mild pepper rings, fresh veggies and Italian sauce, \$10.99 small, \$14.99 large, \$17.99 extra large.

The average transaction is close to \$20, "at least \$6 over the average of the top 200 pizza chains," says Mench. "We're selling quality. All of our systems are designed to sell at full menu price."

In fact, 72 percent of guests don't use a coupon. According to Mench, the industry standard for pizza restaurants is about 70 percent using a coupon. He equates that with guest loyalty. And Zeppes believes the customer experience will drive that. The company's current incentive program is called Mission Possible 80, to increase the guest loyalty figure to 80 percent.

Another measurement is speed of service. The chain's point-of-sale system tracks how long it takes from the time a ticket prints to the time the driver leaves. It should be 18 minutes or less until departure. If the driver is going within a 2-mile radius, as most are, the goal is 28-minute delivery. The company's standard

is to reach those milestones 80 percent of the time, and its goal is to achieve 90 percent. Mench says the best restaurant is running at 84 percent and is also running about 20 percent to 25 percent monthly increases over the same months last year.

Zeppes's mission is to create a world-class guest experience every time. "The great food is a given," Mench says. "Then we talk about selling not the steak but the sizzle."

Staff Meeting

Key is hiring the right people with the right personalities, then putting them through the proper training system. "We adopted the Montessori method of training, which is experiential training," Mench says. "We realize we're in the hospitality industry, and we choose the people who understand service and hospitality, and we train them in the Zeppes's way."

Zeppes's has a six-week program in its training center for franchisees and managers, and 16 hours of training at the center for hourly employees. First employees learn via the manual, then by watching others perform the different tasks. Then they are coached through performing the functions over and over. The training manager also works with staff on site for a few weeks at opening and as needed.

Even drivers go through a lot of training before they ever get in the car. They learn safety, such as driving in the rain or how to get out of a skid in the snow. They also know how to find each order in the POS system so they can see how long it's been since it was placed.

Zeppes's pays drivers higher than minimum wage and higher than the average wage in the area. The company also gives them the delivery fee and lets them keep their tips. "Drivers can make \$28, \$30 an hour, which is a great way to make a living," Mench says, adding that it helps keep turnover low.

Cooks as well might be making \$10 an hour because they tend to stick around. As an incentive, the best workers in the kitchen wear logoed Zeppes's chef's coats rather than the standard black polo. "We gave it to the best people, so we expected a good response," Mench explains. "But

SNAPSHOT

CONCEPT

Zeppes's Pizzeria

PARENT COMPANY

Zeppes's Franchise Development Co., Bedford Heights, Ohio

UNITS

27

2006 SYSTEMWIDE SALES

\$12.5 million*

AVERAGE CHECK

\$20 per transaction

EXPANSION PLANS

About 10 by year-end 2007

*Chain Leader estimate



SERVICE

Zeppé's incents general managers first on service and employee development, then sales and costs.

without exception, they love it for the feeling that it means something, it's special, I contribute to what we're trying to do."

Steady as She Grows

The average Zeppé's unit does about \$42,000 in sales a month, and Mench says some are above \$60,000 and close to \$70,000.

The 16-year-old concept has four franchise deals signed and a few other deals in the works. The company is looking at Columbus, predicting 35 units there. It plans to have close to 40 open by the end of next year. "We have the leadership team now that will allow us to open 10 to 15 a year," Mench says.

To keep focus on the customer relationship as the chain expands, Mench says Zeppé's will continue to prioritize headquarters' relationship with franchisees and employees. Which means keeping the dialog open. **CL**



At Pretzel Shops, the Eyes Have It

Pretzelmaker and Pretzel Time, the twin mall concepts owned by Salt Lake City-based Mrs. Fields Famous Companies, have seen same-store sales rise 11.5 percent and 5.8 percent, respectively, the first half of this year. The company credits its new Breezer smoothies and combos of pretzel bites and smoothies. But it also has to thank eye contact.

Vice President of Operations and Development Bob Franke explains that all of Mrs. Fields' bakery concepts—Mrs. Fields Cookies, Great American Cookies, Pretzel Time and Pretzelmaker—have been focused on customer satisfaction to reinvigorate the brands and increase customer counts while mall traffic stays flat. That effort has included teaching franchisees and staff to look the guests in the eye.

"You have a minute to grab their attention, look at the case with them and then hold them there while we're executing the other customer," Franke says. "It's a different element of service, but in our business, if they're not caught with eye contact, they just keep walking."

The pretzel concepts are rolling out a new POS system so stores understand what they are producing and selling every hour. This enables staff to balance production with traffic flow, so the units always have fresh product and don't run out. It also enables the small staff to take care of the customers instead of focusing on production.

The goal was to reduce each transaction by 10 seconds. Franke says Pretzelmaker and Pretzel Time are early in the upgrade but are seeing marked improvements. The 400 pretzel units have an average check of between \$4 and \$5; raising per-person averages is not a focus of this effort. The concepts average about \$260,000 annually, and expect double-digit increases based on customer satisfaction and improved flow-through.

"Next step is to do the same in the cookie business," Franke says.

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Takin' It to the Streets

Pollo Campero pounds the pavement to drive traffic to new stores.

BY CHRISTINE ZIMMERMAN

Pollo Campero is pretty comfortable in the Los Angeles area. The casual dine-in chicken chain has built a name for itself for the past 35 years, with 11 stores in Los Angeles County. But Adir Restaurants Corp., the master franchisor for Pollo Campero, knew it would have some educating to do to get people in the doors of a new store in San Bernadino, an hour away from its core market. Enter the Street Team.

Comprised of five people in Pollo Campero uniforms and the company mascot, Pollito, a 6-foot, smiling, bright-yellow chicken, the Street Team for the San Bernadino unit, which opened in February, was hired specifically to interest and inform the community about the restaurant. Besides

talking with people on the streets, the team distributed fliers with menus to local businesses and residents. And it invited employees of local businesses to use two-piece meal coupons.

Not only did 750 people visit the new location to redeem their coupons, the Street Team has driven nearly 20 percent of traffic to the store to date. "We were conservative in our sales expectations for the new unit, but even still, sales have exceeded our goals," says Vice President of Operations Andrew Hatzis. "That was a big surprise. Considering this was a market we were just stepping into, I feel the campaign contributed so much."

One-Two Punch

According to Hatzis, the value of the Street Team was twofold: First, Pollo Campero

Pollo Campero drives customers to new restaurants by using its Street Team to interest and inform the community about the concept.



was able to approach people around the new location. "It's much easier for people to experience you when you're in the neighborhood. You can point right over to the store," he says. "It's not so convenient if they have to drive to find you. People pass the store when they are shopping or working in the neighborhood."

Second, the hands-on approach let Pollo Campero educate consumers in a non-threatening way: by giving them a coupon. But Hatzis said it was more important to show consumers that the Guatemala-based chain is already successful in other areas and has been around long enough to fine-tune its product. "We wanted to give them something really compelling to make them try the product, sure, but that flier was also designed to give information," he says. "It talked about our product, our 35th anniversary, the whole phenomenon of people waiting for seven hours to get chicken in our other stores."

Pollo Campero targeted the general market for the opening of the San Bernadino restaurant, instead of just going after its core Hispanic market. "We saw a lot of potential lunchtime traffic from shoppers and a lot of lunchtime competition. So we kept the campaign general. The point was to take the mascot out and get people familiar with the logo," says Monica Schoenhouse, director of marketing at Adir

Restaurants, cautioning that education and communication are key to this type of campaign. "We didn't just pass out the fliers or put them on windshields. We talked with people. That was the important part."

Adir Restaurants hired the Street Team from a local agency that specializes in consumer marketing. "We don't use our own employees because that's not our core skill set," says Hatzis. "They hire a crew that comes in for us to train. They are trained on where we came from, our history and our core product."

Pollo Campero worked for weeks to build up excitement before opening day. Three weeks prior to the Feb. 7 opening, the chain had marketing in bus shelters, hinting at the "phenomenon" coming soon. The Street Team hit the pavement on the three weekends before the opening. A week before opening, the team canvassed the area around San Bernadino every day.

The chain also coordinated a radio campaign that gave away free lunch to winning offices—hand-delivered by the Street Team and Pollito. Pollito also took instant photos with consumers and gave away the logo-embossed pictures.

The marketing campaign for the San Bernadino location cost about \$30,000, according to the company. "A mass mailing might have cost less," Hatzis acknowledges. "But all of our pieces came together for

Pollo Campero's Street Team includes the company mascot Pollito, a 6-foot, bright-yellow chicken.

SNAPSHOT

CONCEPT

Pollo Campero

COMPANY

Adir Restaurants Corp.

HEADQUARTERS

Los Angeles

UNITS

12

2006

SYSTEMWIDE SALES

\$45 million*

EXPANSION PLANS

7 in the next 6 months

*Chain Leader estimate

Pollo Campero's Street Team talked with consumers in the area and distributed fliers to local businesses and residents.



Pollo Campero's Crunchy Bowl has beans, rice, onions, cilantro and fresh salsa, topped off with Camperitos, morsels of lightly battered chicken breast that is the chain's hallmark.

a higher redemption. It was not hard to decide on this investment."

After the store opened, Pollo Campero surveyed customers about how they heard about the restaurant. The No. 1 answer was, "word of mouth," starting with the Street Team, according to Hatzis.

Schoenhouse says that typically when Pollo Campero opens a new store, the goal is to get people to come in and try the product. In the past, the company gave away boxes with which consumers could get a free leg of chicken. "We definitely proved we can give chicken away. But we need to prove people will buy it," she says.

Training Day

The marketing effort to win over local merchants did more than make new friends and customers; it also provided a training

ground for the San Bernadino Pollo Campero staff.

"With the [business-to-business] effort, we gave 1,500 coupons to local stores, like the Best Buy across the street. We invited them for a free meal. Now we know they will come back. And it also let our crew learn what it was like to serve 500 people," Schoenhouse says.

She notes that the store fed local businesspeople, the fire department and health-care workers from Loma Linda University Medical Center, for example. And many people wrote thank-you notes or just a welcome on their coupons.

Hatzis says the restaurant enjoyed a 40 percent redemption rate on the program for local businesses. And there was a fringe benefit: Consumers without coupons were lining up to see what was going on. **CL**

WindMill Has Something for Everyone

Giving back to the community might not be measurable in terms of driving customers into restaurants, but it sure does make the givers feel good. That's important to Rena Levine, CEO of WindMill Gourmet Fast Food.

The family-owned, North Long Branch,

N.J.-based QSR has an informal policy of never saying no to requests from the community.

"Every PTA, church, synagogue that calls us gets something, even if it's just a gift certificate. They are our customers and they deserve something back," Levine says.

Levine points out that she and her brother, COO Steven Levine, have been raised with the concept of paying back. "We have so much," she says. "Our parents and grandparents had very little. It is at our core to share our good fortune."

Having celebrated its 30th anniversary in July, Windmill has been giving all this time. "From the time we took up this business, my mother made sure that the first check of every checkbook goes to a charity. It could go to a local food bank or

family services in Monmouth County," says Levine, adding that the company primarily goes out and helps instead of just writing checks.

WindMill adopted the 6th Motor Transport Battalion, a Marine Corps reserve unit based in Red Bank, N.J., that serves in Iraq. Restaurants serve as drop-off centers for the community. "We send hundreds of pounds of needed supplies to Iraq. And we feed soldiers as they come and go from tours of duty," says Levine.

When a franchisee celebrated his 25th anniversary with the company, Windmill held a free barbecue for a community camp in Red Bank in his honor.

"Does that drive business? I don't know," Levine says. "Will someone eat our hot dogs because we gave to the community? I seriously doubt it. But that's not why we do it. We do what is in our hearts."



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SNAPSHOT

CONCEPT

Shari's Restaurant and Pie Bakery

HEADQUARTERS

Beaverton, Ore.

UNITS

98

2006 SYSTEMWIDE SALES

\$150 million*

AVERAGE CHECK

\$10 to \$12

EXPANSION PLANS

2 in 2007

*Chain Leader estimate

Shari's quiche-filling supplier helped the chain sell its quiches by creating marketing materials like posters and scratch-and-win cards.



Marketing Support

Shari's supplier partners help make the family chain's new-product rollouts a success.

BY MARY BOLTZ CHAPMAN

David Archer ticks off the ways Shari's Restaurant's suppliers have helped the 98-unit family-dining chain build customer traffic. There's the appetizer manufacturer that provided a host of prizes for servers who sold a new line of menu items. Then there's the company that came in to help upgrade the coffee program, helping to train staff on new equipment and sales techniques.

But the example the vice president of marketing calls turnkey for Shari's comes courtesy of the supplier of its quiche filling.

Let Them Eat Quiche

The chain introduced quiche to the menu in May. The Classic Quiche features a variety of flavors including Lorraine, cheese and ham, and vegetables. It's available as the Quiche Breakfast (\$4.99), a slice drizzled with hollandaise sauce and served with fresh fruit and a toasted English muffin; and the Classic Quiche Platter (\$7.99) with fresh fruit and choice of soup or salad. Customers can also take home a whole quiche for \$7.99.

"Shari's is known for pies," Archer says. "Quiche was a natural extension of that."

The company's pie-topping supplier not only helped develop the egg filling for the quiche, but it also helped Shari's sell it. The manufacturer worked with the chain to develop and create in-store marketing materials like posters, table tents and window clings. Archer says the supplier has the staff and resources in its promotions department, and Shari's was able to use them almost like an advertising agency.

Gaming Authority

The manufacturer also created scratch-and-win cards tied to the quiche rollout. Every card offered something, from \$1,000 in cash and \$250 gift cards to free quiches and buy-one-get-one-free offers.

"A kit showed up at the units, and quiches started flying out the door," Archer says. Although he can't quantify how many quiches Shari's has sold, he says it has exceeded expectations. "It's done really well," Archer says.

The marketing push was meant to raise awareness of the new product line among existing customers and "hit it with a big bang," according to Archer. The company claims 39 percent of its guests visit at least once a week and 69 percent come in at least once a month.

"It's a win-win," he says. "They're looking to sell more product. We're looking for support for our efforts." **CL**



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Molly Brannigans sells discounted gift cards and hosts Celebrity Bartending events to help local organizations with fund raising.



Molly Brannigans Invites Nonprofits To Share the Wealth

A troupe of Irish dancers in Erie, Pa., is asking supporters to visit their local Molly Brannigans, an Irish pub concept. The dancers sell Brannigans gift cards for \$20, and pocket \$3 for each.

Marketing Director Katie Hanlin explains that nonprofit organizations can raise money by purchasing blocks of gift cards at a 15 percent discount, then selling them at full price. The minimum order is just \$500, or 25 cards. Besides the Irish dancers, Molly Brannigans has also run

the program for two elementary schools in Pittsburgh.

Getting involved in the community is one of Brannigans main forms of communication, helping it to develop customer relationships and frequency. Hanlin says by helping these organizations with fund raising, the group—and its individual members—might choose to have meetings or dinners at Molly Brannigans. “It’s beneficial to us and beneficial to the organization,” she adds.

The chain also helps organizations put on Celebrity Bartending events. The nonprofit gathers a team of bartenders, say, high-school teachers, and invites supporters to the restaurant. Each bartender is paired with a Brannigans bartender and works a half-hour shift. During the event, all tips go into a jar, and donation boxes are placed around the bar. At the end of the two-hour event, the manager takes out the bartenders’ wages, and the rest goes to the organization.

Some organizations also use the space for other activities, like a silent auction or raffle; Brannigans doesn’t take a cut of that. The events take place during the week, typically slower nights for the pub.

Brannigans has four stores, in Pittsburgh, Erie and Harrisburg, Pa., and Mesa, Ariz., and plans to open soon in Scranton, Pa., and Cleveland. The nonprofit programs began in Erie, where the chain is headquartered, and corporate supports it, but they are local efforts.

“We don’t like looking like a chain,” says Hanlin. “We want to be each area’s local pub.” **CL**

McCormick & Schmick’s Serves Fast Food

As busy professionals opt to take shorter lunch breaks, McCormick & Schmick’s is catering to those time-crunched employees with its 45-Minute Lunch Guarantee to drive lunch business.

Customers who request it can order almost anything off the menu and be out the door in 45 minutes, otherwise their meals are free. Since the program debuted 10 years ago, it has helped increase lunch traffic 10 percent to 15 percent. Lunch makes up 35 percent to 40 percent of sales.

According to Vice President of Culinary Development Bill King, speed is vital to reeling in the lunch crowd for the high-end seafood chain. “At dinner, we compete within our market segment,” he explains. “At lunch, you compete with everyone that serves lunch within a particular area. Typically people don’t go far for lunch, particularly downtown. It’s almost a walking proposition. The hot-dog vendor on the street to the fine-dining restaurant around the block and everything in between—everybody’s vying for the same traffic. I really do believe that speed of service is an important element to that.”



A kitchen scene with a white subway tile wall. On the left, a metal shelving unit holds several pots. On the right, a round black clock is mounted on the wall, with a large kitchen knife stuck into its center. In the foreground, a white bowl is filled with a dish of risotto, garnished with a piece of grilled chicken, diced red and yellow bell peppers, red onions, and fresh basil leaves.

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