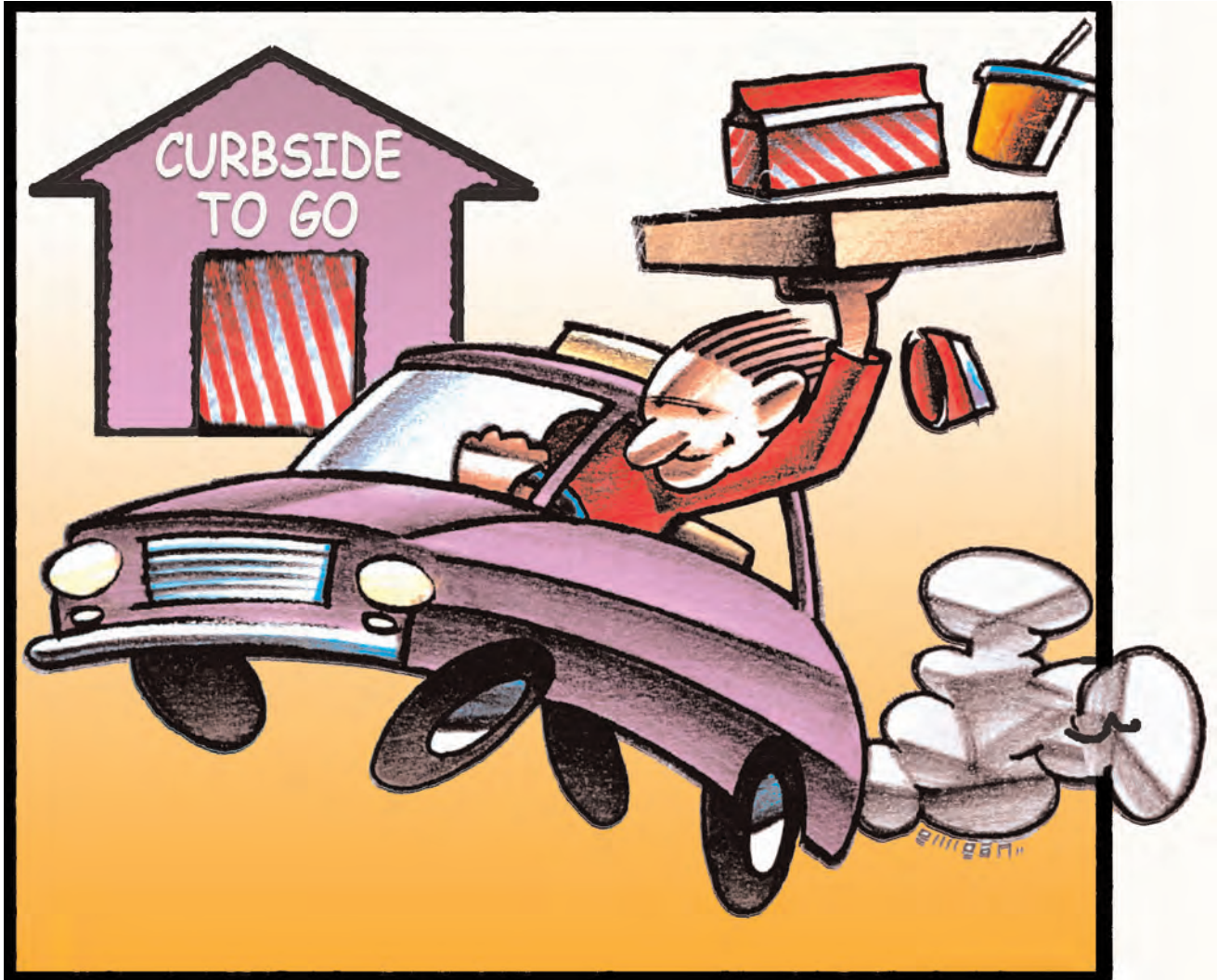




KING • CASEY REPORT

Insights and Trends in Retail Branding, Merchandising and Design



Curbside to Go

Take the Lead, or Get Left in the Dust

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A KING-CASEY REPORT by Howland Blackiston, Principal, King-Casey

“To Go” is Here To Stay

In recent years, a new trend has emerged in the restaurant industry: takeout dining delivered right to your car. In today’s rush, rush world, it’s just the kind of convenience that customers are looking for. According to the National Restaurant Association, more than 20 percent of adults indicated they order more takeout from table-service restaurants than they did two years ago. For the restaurants themselves, it’s a business model that allows them to get more sales out of the same real estate. Some of the leading casual dine chains (such as Applebee’s, Carrabba’s, Ruby Tuesday’s and Outback) have introduced “curbside to go” with noted success. A number of them report that curbside dining accounts for 10% of sales. Technomic Research projects takeout sales to reach \$126 billion by 2007 across all segments. So it appears that curbside takeout will continue to expand over the coming years.

It’s one of the fastest growing sectors in the restaurant industry, but little has been done to distinguish one curbside experience from the other. Savvy marketers will take the lead and blow away the competition!

What will Curbside Look Like In the Future?

At present only minimal modifications have been made to restaurants venturing into curbside service. They allow for some extra parking spaces, an extra service person, a dash of technology (typically video and paging systems), and a modicum of signage. These are the few basics. But from the customer perspective, one curbside experience is much like another — a “sea of sameness”. That is sure to change as restaurants scramble to get a larger and larg-

er slice of this growing trend. The innovative brands will look for ways to distinguish their curbside from the competition. Faster service; better food; and a more enjoyable and unique curbside experience.

Creative Solutions are Needed

The leading curbside restaurants of tomorrow will be thinking outside of the box. They will find ways to take the existing curbside takeout concept from a generic experience (with an employee coming out to hand deliver the order) to a proprietary and memorable branded customer experience. There are scores of opportunities for coming up with innovative solutions that can improve the customer experience, enhance sales and create a competitive edge for your brand. Innovation is the key. Here are just a few examples to consider.

Find Ways to Increase Ticket. The average cost of a “to-go” meal is three or more dollars less than a meal eaten

on-premises (tip excluded). Frequently omitted items on a curbside order include appetizers, beverages and desserts. The leading curbside brands will discover improved ways to promote beverages. They will find menu items and packaging solutions to more easily transport appetizers, fried foods and desserts. They will develop customer communications at the pick-up zone that will help narrow this gap.

Food Packaging Improvement.

Food Delivery and Takeout Packaging designs and technologies need to be addressed. Too many foods do not travel well (soggy fried food; melted ice cream). New packaging (and perhaps technology) needs to be developed to address the needs of the curbside customer. Finding solutions will result in better product delivery, and a wider choice on the curbside menu.

Dare to look different. At present, most curbside zones look like an afterthought. It won't be long before some innovative brand designs a restaurant that specifically addresses the unique needs of curbside. Curbside will become a destination, not just a few reserved parking places with a little canopy. Be daring! Here are some thoughts to consider:

- Design a curbside experience that looks like no other.
- Create a prominent welcome zone that makes your curbside experience unique.
- Observe how customers use this zone and make improvements that create a dazzling customer experience.
- Develop a private entrance just for your curbside customers.

- Consider a specially built area where your curbside customers can “drive inside” during inclement weather (the curbside corale)
- Use lighting to transform and highlight your curbside by night
- Develop branded architectural solutions that transform curbside from an add-on afterthought, to an integrated part of your exterior trade dress.

Innovate your signage by thinking outside of the box. Engage a blend of copy writing, graphic design, architecture, and technology to create your curbside experience. Develop ways to communicate your curbside service to the street, stimulating trial and setting you apart from other brands.

Radio Communications (low power local radio transmission) are now being used by some restaurants for the drive-thru. Similarly, curbside customers could tune to a posted radio frequency as they enter the pad. They might hear brand jingles, daily specials and add-on recommendations. Local radio transmissions can lift the average drive-thru check by 5% — why not do the same at curbside and help close the current gap between the typical curbside ticket and inside dining ticket?

Embrace new technologies to take credit/debit acceptance to the next level. Consider automated non-contact Radio Frequency Identification (RFID) systems such as Mobil's Speedpass. This represents the ultimate in customer transaction convenience, speed of service, customer loyalty and data base marketing technology. Explore the latest products to minimize customer wait time (television and paging

systems are currently available to track arriving customers and expedite orders). What else can be done to elevate your curbside experience to a “best-in-class practice”?

Personalize the process by linking the Transaction Display into an On-Line Relational Database and Customer ID system. Personalize the display content to the individual customer. Much like the “personalized touch” that Hertz Gold Members experience when they pick up their rental car.

Reduce perceived wait time and improve customer satisfaction by providing entertaining merchandising. Give waiting customers something to read, do and enjoy. The investment, timing and complexity for such solutions need not be intense. The return on investment is good, quick and sustainable (providing the content is well managed, presented and refreshed).

Where to Start?

Success at curbside starts with a thoughtful audit and assessment of what you have now. Gain an understanding of the current curbside experience. Determine what is needed where. Observe the entire process from the customer's point of view. Study what customers do as they go through the process. How do they behave? What do they look at? What issues or problems do they have? Talk to customers to determine what you should do differently than you are doing now. Well crafted customer research gets at the heart of the curbside experience.

Learn from Others

Whether you currently have curbside or not, benchmark best practices (both in and outside of your industry). See what others are doing and learn from the best. Within the restaurant community, there's not much innovation going on at curbside, so be sure to look at other industries (non-restaurant) for the greatest inspiration. That's where the most valuable lessons-learned will come from.

King-Casey Can Help

King-Casey has a proven track record of developing fresh and innovative customer experiences. We are pioneers in the development of branding and retail merchandising strategies for the QSR, Fast Casual and Casual Dine industries. We have our finger on the pulse of the industry — we can help you design your “Curbside of the Future”. Call us to develop a proprietary customer experience that will set you apart in the marketplace, while driving sales at curbside.

Are You Ready to Take the Lead?

Want to explore how you can optimize your curbside strategies? Please feel free to call Howland Blackiston, Principal, King-Casey at + 1 (203) 571 1776. Or you can email Howland at: hblackiston@king-casey.com



King-Casey is a pioneer in retail consulting and design. For more than half a century, we have been building competitive brands for a broad array of retail companies by dramatically improving the customer experience at every point of contact. King-Casey provides a complete range of services including assessment, research, branding, visual merchandising, retail store design, and rollout. We develop innovative solutions that result in increased customer loyalty, higher sales and greater Return on Investment.

King-Casey has been particularly successful in helping restaurant brands optimize the guest experience and improve business performance. The firm has worked with most of the leading QSR, Fast Casual and Casual Dine concepts, both in the USA and abroad.

If you would like to discuss menuboard enhancement within your restaurant chain, please call Howland Blackiston at King-Casey. Telephone (203) 571-1776. Or email Howland at: hblackiston@king-casey.com

Be sure to visit our website:

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