Mining our traffic opportunities: Attacking the *Burger Intense* Occasional User Segment

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Case Study Focus

◆ The strategic focus of any advertiser’s effort typically falls into two key areas:
  - Intensify the loyalty relationship to their flagship products
  - Find ways to encourage conversion

◆ This case study considers a key marketing issue for retail marketers:
  - Identifying barriers for occasional users
  - Successful data mining to learn how to address the issues
# Fast Food Hamburger Restaurants (FFHR)

<table>
<thead>
<tr>
<th>FFHR</th>
<th>Flagship Product</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bush Jr.’s</td>
<td>The Big George</td>
</tr>
<tr>
<td>Burger Empire</td>
<td>The Capital</td>
</tr>
<tr>
<td>Dougie’s</td>
<td>The Monster Burger</td>
</tr>
<tr>
<td>Little Teddy’s</td>
<td>Triple Double</td>
</tr>
</tbody>
</table>
## Customer Loyalty Model - Snapshot

<table>
<thead>
<tr>
<th>Commitment Ladder</th>
<th>Qualifiers</th>
<th>Burger Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>STAUNCH</td>
<td>It's the only FFHR you visit&lt;br&gt;It's the only burger I eat.</td>
<td>HARD CORE</td>
</tr>
<tr>
<td>LOYALS</td>
<td>It's almost always the first FFHR you consider, but you also visit others</td>
<td>REGULARS</td>
</tr>
<tr>
<td>REGULARS</td>
<td>It's one of your favourites along with others</td>
<td>OCCASIONALS</td>
</tr>
<tr>
<td>OCCASIONALS</td>
<td>It's a FFHR you visit, but there are others you would consider before this one</td>
<td>EXPERIMENTERS</td>
</tr>
<tr>
<td>EXPERIMENTERS</td>
<td>It's not a FFHR you tend to visit, but every now and again you might go there</td>
<td>INTERESTED</td>
</tr>
<tr>
<td>INTERESTED</td>
<td>You have never visited this FFHR, but you would like to</td>
<td>NOTICED</td>
</tr>
<tr>
<td>NOTICED</td>
<td>You have heard of this FFHR, but it's not one you know much about</td>
<td>UNAWARE</td>
</tr>
<tr>
<td>UNAWARE</td>
<td>You've never heard of this FFHR before</td>
<td>REJECT PRODUCT</td>
</tr>
<tr>
<td>REJECT PRODUCT</td>
<td>You have visited this FFHR before, but you wouldn't go there again</td>
<td>REJECT CONCEPT</td>
</tr>
<tr>
<td>REJECTORS</td>
<td>You have never visited this FFHR, nor do you want to</td>
<td>UNFAMILIARS</td>
</tr>
</tbody>
</table>

Source: DWBB.
The Issues At Hand

Sales are declining, but loyalty was steady among core users

Where are the sales losses coming from and how can we address them?

A new breed of “fast casual” Restaurants seem to be growing fast
We know women are less likely to choose our restaurant, but is it just because of menu items?
Bush Junior’s Traffic Showed New Users Were Not Coming Into The Franchise And A Reliance On Individual Eaters vs. Groups

HH Reach Frequency Party Sizes
Occasional “Barriers” Analysis

Regression Analysis among Big George users and Bush Jr.’s product Occasionals

Qualitative research to dimensionalize the Regression analysis findings

Quadrant analysis to determine the degree of issue and identify competitor Achilles heels that can be countered

What’s holding Occasionals back from the brand?

What are some tangible examples of this?

How big is the issue and what can we do competitively to address it?
Who Are Big George Occasionals?

“I don’t tend to eat Big Georges but might every now and again.”

- Demographically they look like the typical FHFR consumer
  - Married Gen Y and Baby Boomer young families
  - Average education and slightly above average income
  - More older Boomers
    - 16% are 45-49 (Index =120)
  - More ethnically diverse

- Regular size burgers are preferred
  - Burger Empire and Little Teddy’s regular burgers

- Not as burger focused – need variety
  - More likely to eat chicken and other items (63%/Index 112)
Data Mining: The Analysis Framework
Quadrant Analysis

**Key Vulnerabilities**
(Primary opportunity areas)

**Strategic Advantages**
(Primary areas to maintain)

**Potential Vulnerabilities**
(Secondary opportunity areas)

**Potential Advantages**
(To Different Market Segments)
**Potential Differentiators**
(If Properly Marketed)

**Potential Overinvestments**

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**Performance**

**Importance**

Low  High
Deriving Importance

- **Missing Y Axis in the survey?**
- **Derived Importance—Regression Analysis**
- **Linear regression analysis uses ratings of independent variables to form a linear equation that predicts the dependent variable.**
- **The resulting equation yields beta scores that show the order of association of each Bush Jr.’s Brand Power attributes to the Bush Jr’s satisfaction among Occasionals.**
- **In essence it ranks the importance of each attribute to the group.**
What’s Important to BJ Occasionals?

- Appeal to you more than others
- Have better tasting burgers than others
- Not so cheap to be acceptable quality
- Are burger restaurants for people like you
- Consistently provide high quality service
- Consistently provide high quality products
- Are truly different from other burger restaurants
- Meet the needs of you or your family
- Charge more acceptable prices than others
- Is the most popular
- Are growing more popular
- Don’t charge more than you are prepared to pay
- Provide better service than others

Source: Derived importance for Occasionals - regression analysis of BJ brand power attribute
Bush Jr.'s Performance Among Occasionals

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<th>Strategic Advantages (Primary areas to maintain)</th>
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<td>Appeal to you more than others</td>
<td>Not so cheap to be an acceptable quality</td>
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<tr>
<td>Have better tasting burgers</td>
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<tr>
<td>Charge more acceptable prices than others</td>
<td></td>
</tr>
<tr>
<td>Is the most popular</td>
<td></td>
</tr>
<tr>
<td>Are for people like you</td>
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<table>
<thead>
<tr>
<th>Potential Vulnerabilities (Secondary opportunity areas)</th>
<th>Potential Advantages (Potential Differentiators if properly marketed otherwise over-investments)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Are growing more popular</td>
<td>Don’t charge more than you are prepared to pay</td>
</tr>
<tr>
<td>Consistently provide good service</td>
<td></td>
</tr>
<tr>
<td>Consistently provide high quality pdts.</td>
<td></td>
</tr>
<tr>
<td>Provide better service than others</td>
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</table>

Low Low

High High

Low

High

PERFORMANCE
Big George and Bush Jr.‘s Occasionals Are Held Back by Image & Relevance Issues Primarily, But Also Product Experience:

1. Uninspiring Brand personality
   - Boring
   - Passive
   - Not Proud

2. Weak personal relevance
   - Don’t...
   - Have burgers for people like you
   - Make you feel you made the right choice
   - Meet the needs of you and your family

3. Less appealing product and experience
   - Lack of menu variety/product news
   - Big George messiness and size
   - Emotionally unsatisfied

In Advertising:
- Lack of energy
- Emphasis on promotion
So, We Did A Little Qualitative Investigation To Get Underneath The Data
What’s Wrong With Big George And The Bush Jr. Product?

**Product realities**
- Big George – toppings are sloppy/soupy which creates guilt feelings

**Staid user imagery**
- Imagery not “people like me” – older and/or not hip

**Food without emotion brand image**
- Message “just food with price”

“It’s so messy and sloppy…indulgent. It’s like a rational holiday to eat one.”:

“I like the Big George, but friends want to go to other cooler places”:

“I just remember seeing burgers and a price for Bush’s Jr.’s”
From Brand Tracking data, we knew most people eat with friends, with the exception of workday lunch which tends to be 50/50...
The Combination Of These Learning Helped To Explain The 3 Veto Votes At Work

Veto for variety

“Their menu never seems to change, it’s just the same old thing.”

Veto for healthier options

“My wife always wants a salad, if we are going to please everyone we need to go somewhere else”:

Veto for self-image

“It’s so sloppy and high fat looking – I don’t want to be seen eating one (even though it tastes great)”
What Are the Opportunities Among Competitors With Our Occasionals?
**Bush Jr.'s Performance Among Occasional**

**Key Vulnerabilities**
(Primary opportunity areas)
- Appeal to you more than others
- Meet the needs of you or your family
- Have better tasting burgers
- Charge more acceptable prices than others
- Is the most popular
- Are for people like you

**Strategic Advantages**
(Primary areas to maintain)
- Not so cheap to be an acceptable quality

**Potential Vulnerabilities**
(Secondary opportunity areas)
- Are growing more popular
- Consistently provide good service
- Consistently provide high quality pdts.
- Provide better service than others

**Potential Advantages**
(Potential Differentiators if properly marketed otherwise over-investments)
- Don’t charge more than you are prepared to pay
Burger Empire
Performance Among Big George Occasionals

Key Vulnerabilities
(Primary opportunity areas)
Have better tasting burgers

Strategic Advantages
(Primary areas to maintain)

Potential Vulnerabilities
(Secondary opportunity areas)

Potential Advantages
(Potential Differentiators if properly marketed otherwise over-investments)
Dougie's
Performance Among Big George’s Occasionals

Key Vulnerabilities
(Primary opportunity areas)
- Meet the needs of you and your family
- Charge more acceptable price than others
- Is the most popular

Strategic Advantages
(Primary areas to maintain)

Potential Vulnerabilities
(Secondary opportunity areas)

Potential Advantages
(Potential Differentiators if properly marketed otherwise over investments)
Little Teddy's
Performance Among Big George’s Occasionals

**Key Vulnerabilities**
(Primary opportunity areas)

- Meet the needs of you and your family
- Charge more acceptable prices than others
- Is the most popular

**Strategic Advantages**
(Primary areas to maintain)

**Potential Vulnerabilities**
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**Potential Advantages**
(Potential Differentiators if properly marketed otherwise over-investments)
How Do We Address These Occasionals?

Break down Brand barriers
Capitalize on competitive weakness
among our Occasionals
Utilize Incremental Messaging to Break Down Product and Chain Barriers

**Big George messiness and size**

**Unappealing Fries**

**Lack of menu variety/product news**

**Unique taste of Big George not salient**

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**Leverage Little George and regular burgers**

**“Satisfries” program can double duty**

**Integrate chicken sandwich into mix**
**Develop Variety for whole family spot**

**Assert Big George burger superiority**
Utilize Incremental Messaging to Attack Competitor Weaknesses

- **Burger Empire**
  - Weak on burger taste

- **Dougies’s**
  - Weak on meeting family needs
  - Price
  - Popularity

- **Little Teddy’s**
  - Weak on meeting family needs
  - Price
  - Popularity

Consider creating another “burger taste challenge”

Create a “family value meal” and “quick fix” low price menu
Use likeable/relevant characters to thwart popularity

“Bush Jr.’s anytime you want it” including breakfast message to attack speed weakness
Create incentives to speed up drive-thru service
Use likeable/relevant characters to thwart popularity