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)

FFHR	Flagship Product
Bush Jr.'s	The Big George
Burger Empire	The Capital
Dougie's	The Monster Burger
Little Teddy's	Triple Double

Customer Loyalty Model - Snapshot

Commitment Ladder	Qualifiers	Burger Category
STAUNCH	It's the only FFHR you visit It's the only burger I eat.	HARD CORE
LOYALS	It's almost always the first FFHR you consider, but you also visit others	
REGULARS	It's one of your favourites along with others	REGULARS
OCCASIONALS	It's a FFHR you visit, but there are others you would consider before this one	
EXPERI-MENTERS	It's not a FFHR you tend to visit, but every now and again you might go there	OCCASIONALS
INTERESTED	You have never visited this FFHR, but you would like to	
NOTICED	You have heard of this FFHR, but it's not one you know much about	UNFAMILAIRS
UNAWARE	You've never heard of this FFHR before	
REJECT PRODUCT	You have visited this FFHR before, but you wouldn't go there again	REJECTORS
REJECT CONCEPT	You have never visited this FFHR, nor do you want to	

The Issues At Hand

| The Issue	Key Questions	Things to consider…
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
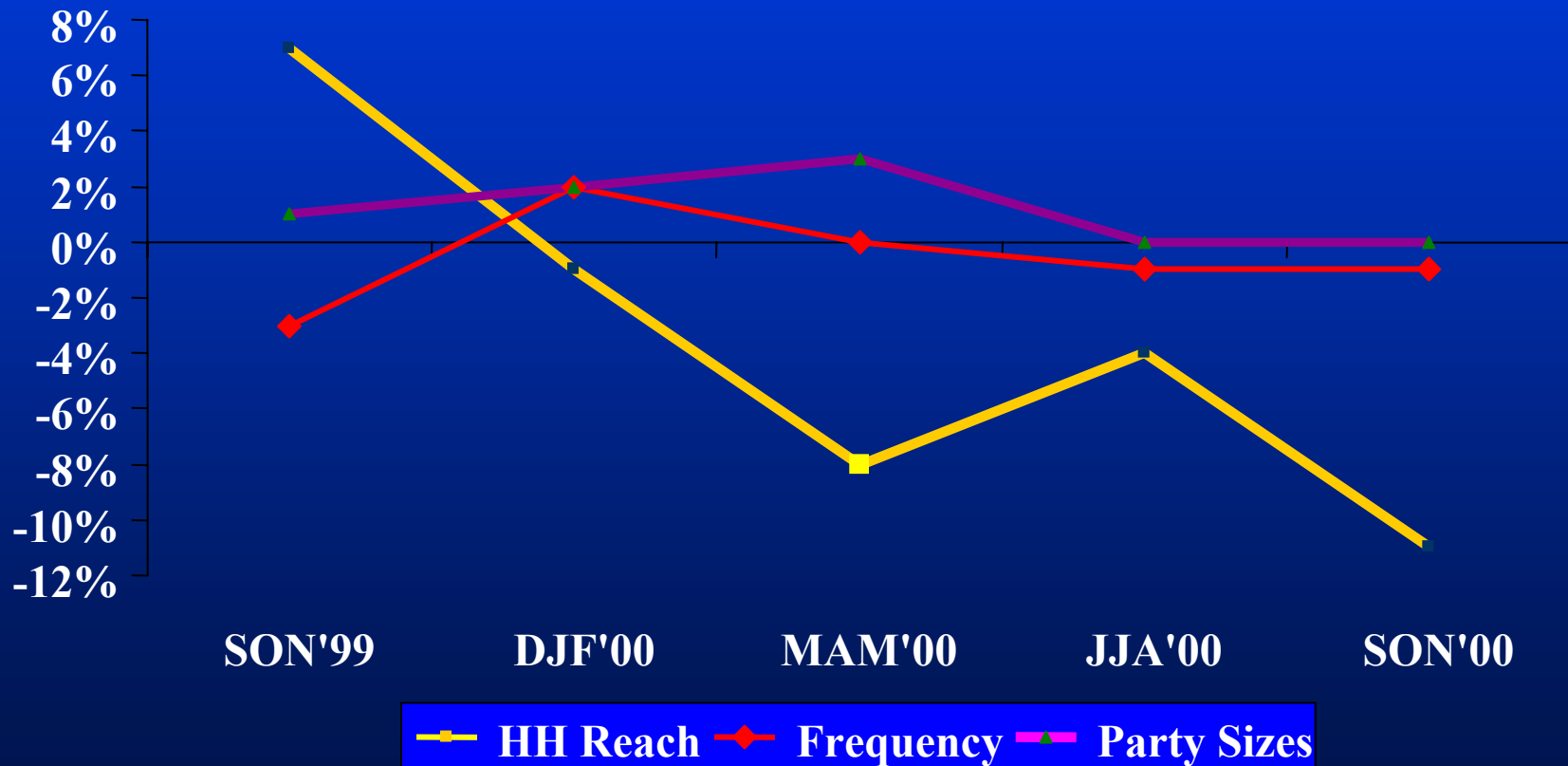
Occasional "Barriers" Analysis

What's holding Occasionals back from the brand?

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

What are some tangible examples of this?

Qualitative research to dimensionalize the Regression analysis findings

How big is the issue and what can we do competitively to address it?

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

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 ethnicly diverse

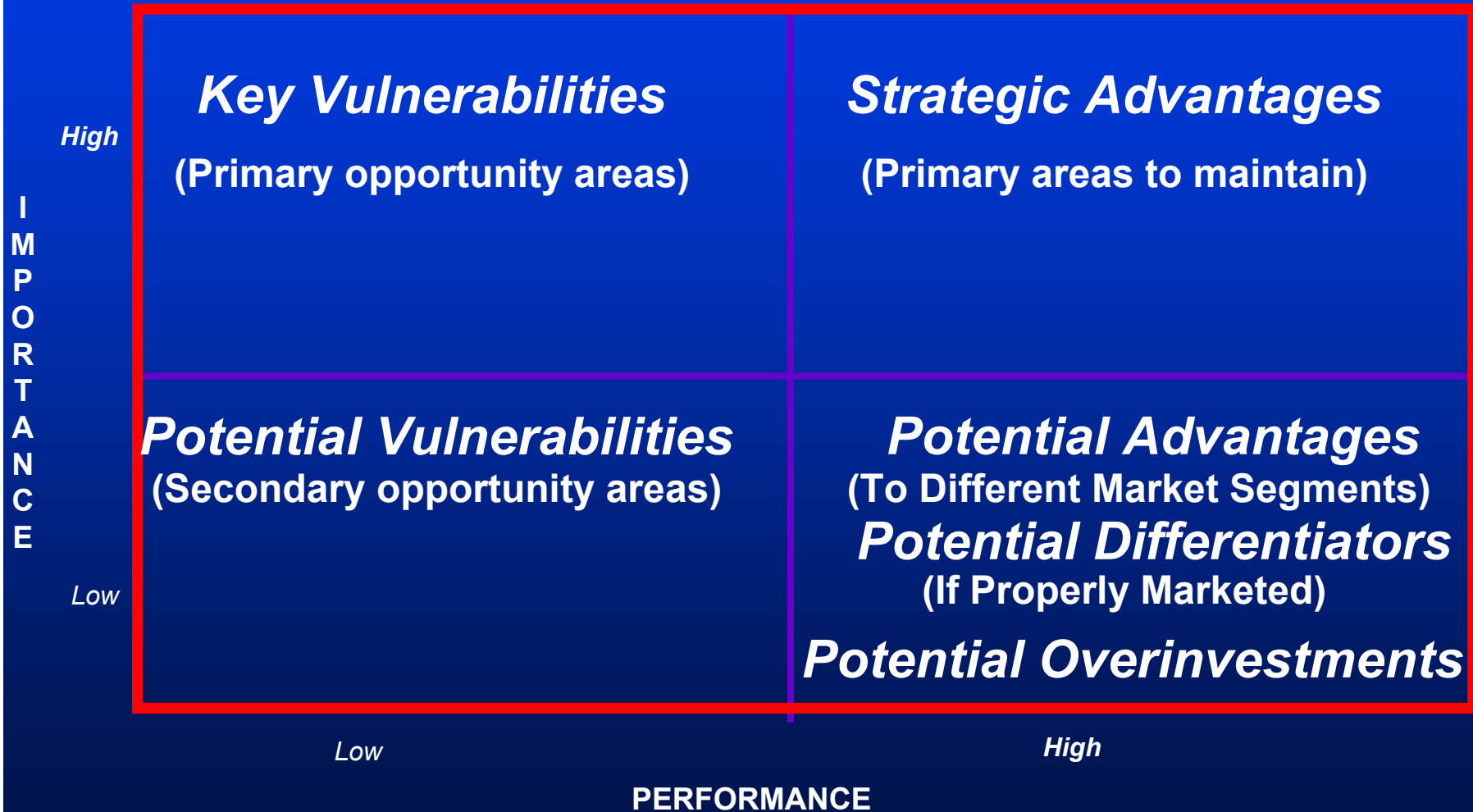◆ **Regular size burgers are preferred**

- 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)
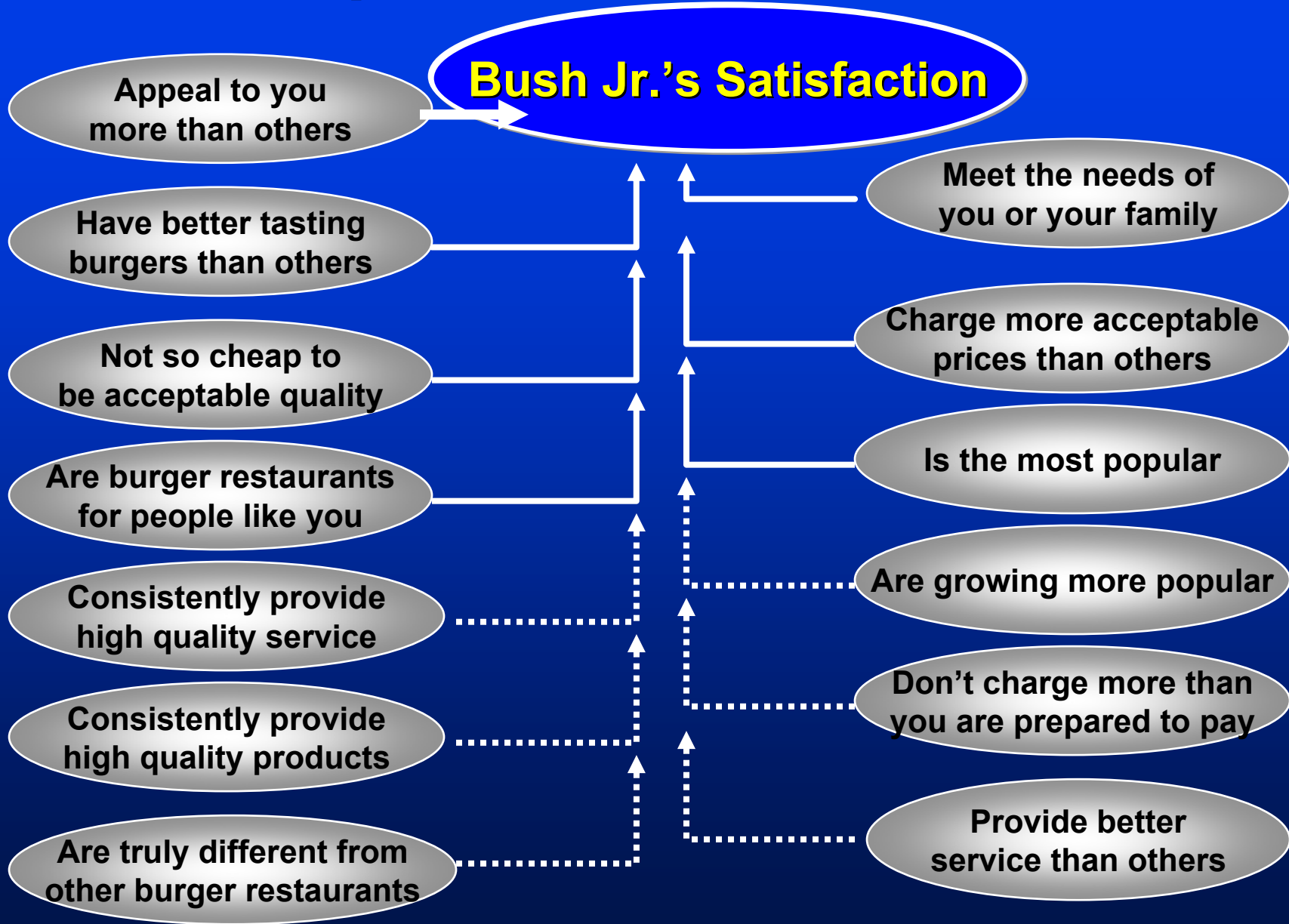
Data Mining:
The Analysis Framework

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***

I M P O R T A N C E

High

Low

Low   *High*

PERFORMANCE

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?

Bush Jr.'s Satisfaction

- 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

Bush Jr.'s
Performance Among Occasionals

IMPORTANCE

High

Low

PERFORMANCE

Low   High

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

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

In Advertising:
Lack of energy
Emphasis on promotion

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

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	Staid user imagery	Food without emotion brand image
Big George – toppings are sloppy/soupy which creates guilt feelings	Imagery not "people like me" – older and/or not hip	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

Veto for healthier options

Veto for self-image

"Their menu never seems to change, it's just the same old thing."

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

"It's so sloppy and high fat looking – I don't want to be seen eating one (even though it tastes great)"

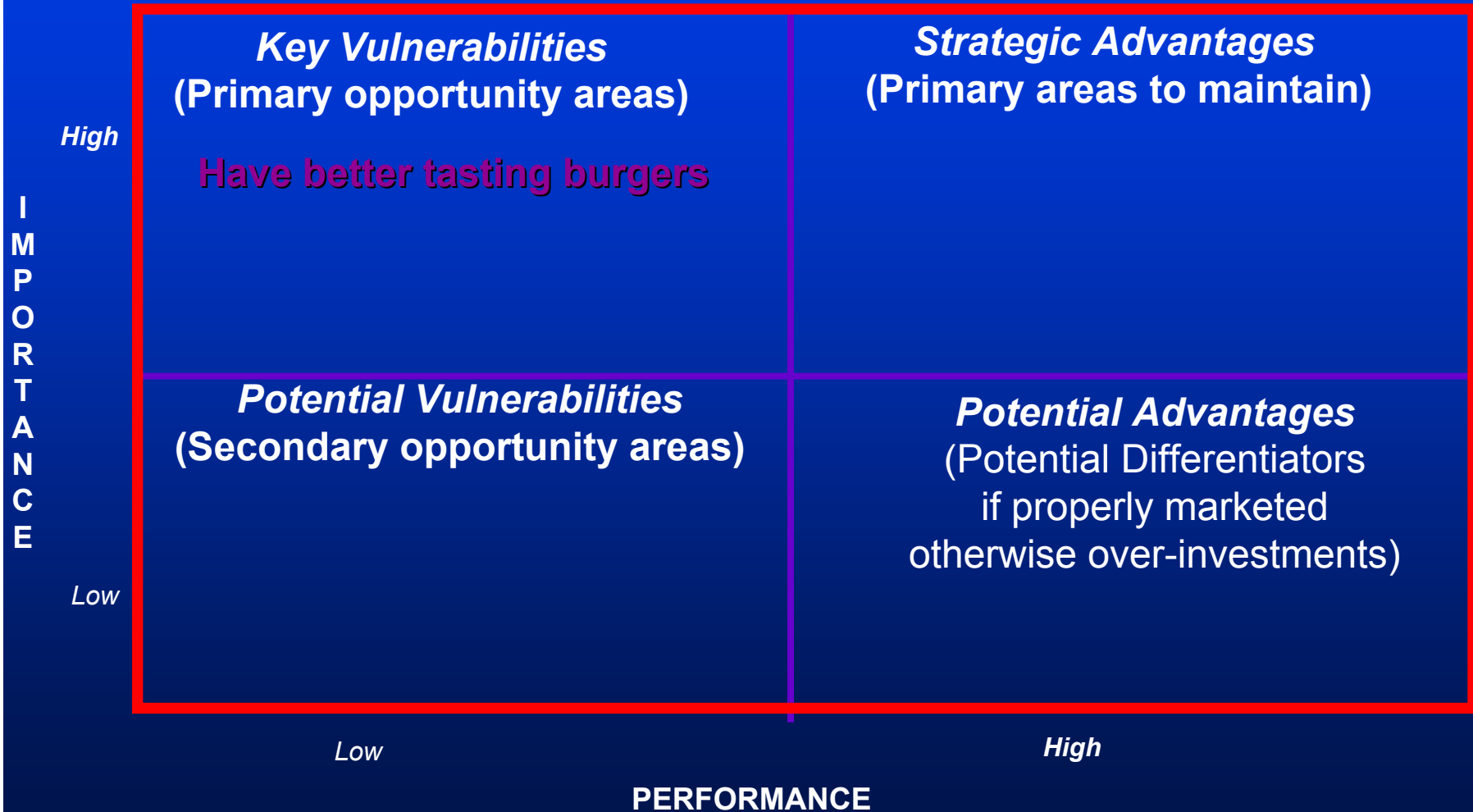# What Are the Opportunities Among Competitors With Our Occasionals?

Bush Jr.'s Performance Among Occasionals

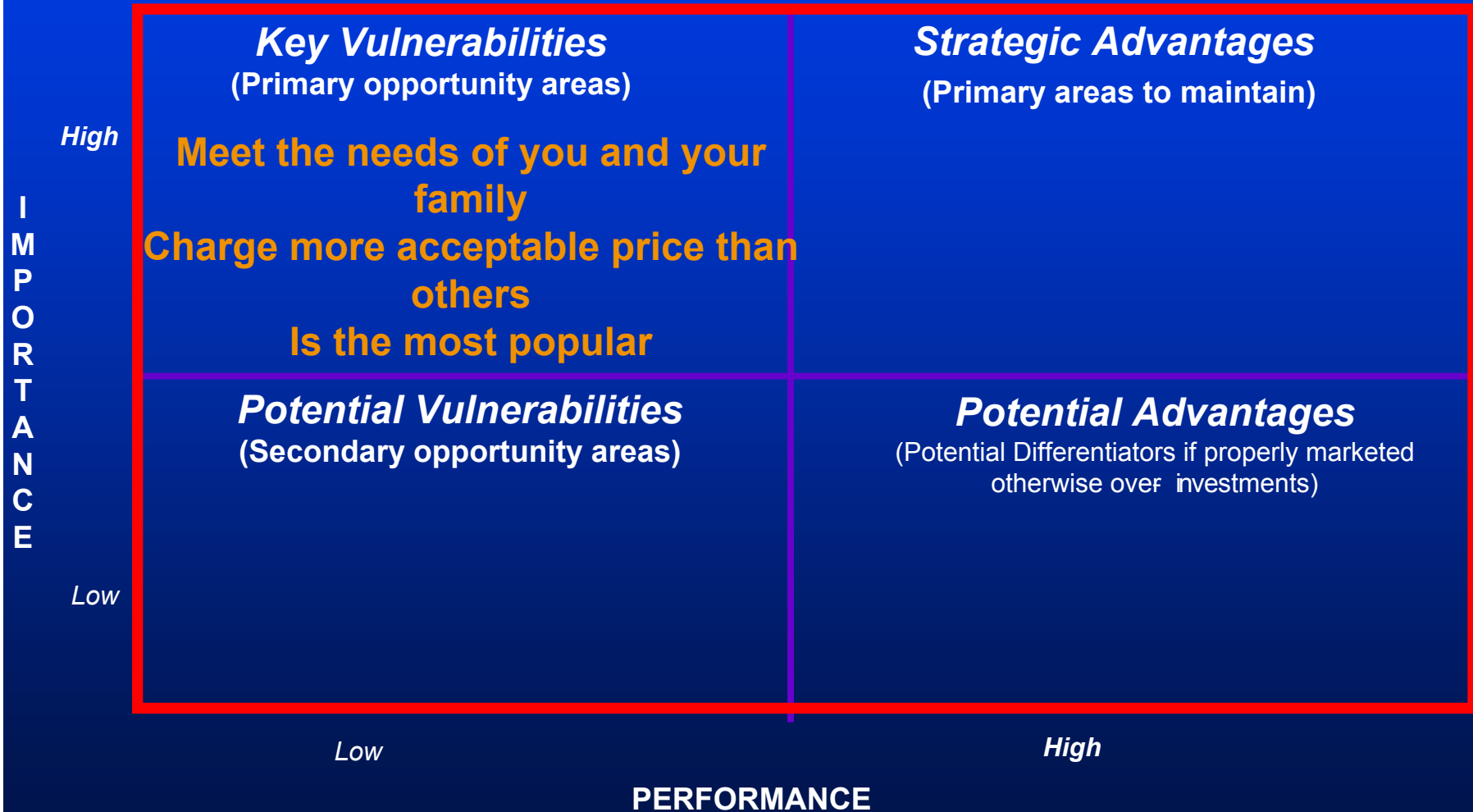|	**Performance**	
High (Importance)	***Key Vulnerabilities*** **(Primary opportunity areas)** Appeal to you more than others Meet the needs of you or your family Have better tasting burgers Charge more acceptable prices than others Is the most popular Are for people like you	***Strategic Advantages*** **(Primary areas to maintain)** Not so cheap to be an acceptable quality
Low (Importance)	***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
	Low — PERFORMANCE — **High**	

Dougie's
Performance Among Big George's Occasionals

IMPORTANCE

High

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)

Low

Low   High

PERFORMANCE

Little Teddy's
Performance Among Big George's Occasionals

IMPORTANCE

High

Low

PERFORMANCE

Low — High

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
(Secondary opportunity areas)

Potential Advantages
(Potential Differentiators if properly marketed otherwise over investments)

How Do We Address These Occasionals?

Break down Brand barriers

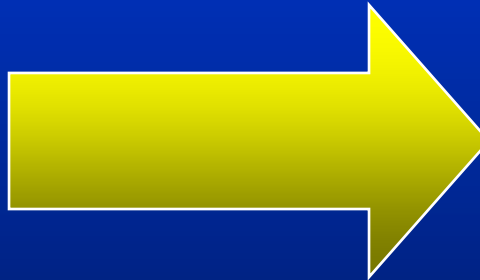**Capitalize on competitive weakness among our Occasionals**

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

Leverage Little George and regular burgers

"Satisfries" program can double duty

Integrate chicken sandwich into mix Develop Variety for whole family spot
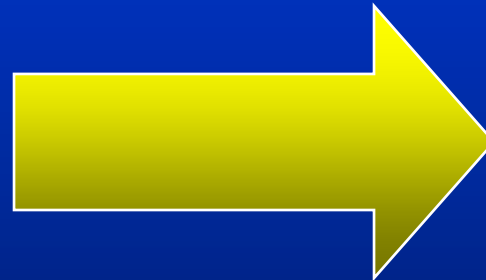
Assert Big George burger superiority

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