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Case Study

How One Restaurant is Getting a Bigger Slice of the Pie

For companies that launch or own multiple concepts, prioritizing time, resources, and capital to strategically grow is a common challenge.

In this case study, learn how a multi-brand restaurant company successfully used customer insights to help make decisions for:

- Franchise sales
- Real estate expansion
- Marketing campaigns

Replacing "Gut Feel" with Precise, Proven Data

With a portfolio of 14 restaurant brands, the company turned to Buxton to access the type of customer and market data they needed to identify their best prospects and opportunities for growth.

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>
> - Client Spokesperson

Concept:
Multi-brand casual dining restaurant chain

Objective:
Sell more franchises, improve real estate decisions, and grow marketing response rates

Results:
Achieved 10-15% response rate on marketing campaign, improved franchise sales and real estate processes

The client saw several benefits to working with Buxton. When evaluating which markets were best poised for growth, Buxton confirmed several that the company was already considering for its flagship concept. In addition, the analytics also highlighted multiple high-potential markets as near-term development priorities. As a result, the flagship brand revised its development strategy to take advantage of these uncovered opportunities.

"Having hard data to support your basic assumptions is more than a nice affirmation," the client said. "It also enables us to make a stronger case to franchisees. Instead of saying that we believe Atlanta has capacity for 'X' high-potential stores, we are able to back up our recommendations with sophisticated data and analytics that present a very convincing case to a potential franchisee."

Providing the Data Restaurants Want

"Working with a previous analytics firm, we were able to get site scores only," the client said. "But Buxton's site scoring reports and technology gives us a full view of the criteria that went into forming that score. That means we have a better understanding of each site."

It also meant that if the client was ever on the fence about a location, they could look at the most relevant criteria to make the best choice. Buxton's site scores, and what they show in terms of headroom for existing stores, are also a factor in determining which locations merit additional investment.

"If we're going to put money into a remodel, we need to know there is a return," the client said. "Having the confidence that the sales will be there is crucial, and Buxton plays an important role in that."

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In addition to confirming many of the company's beliefs, Buxton also helped correct misconceptions – and in the process, opened up new opportunities.

"For example, [our flagship brand's loyalty program] was geared toward a particular customer profile," the client said. "But Buxton showed us convincing data that said there were additional customer segments within the loyalty program who we were not pursing at the time."

How does the type of data impact the bottom line? In two beta stores, Buxton used their household-level data to fine-tune a direct mail promotion. In an industry where a 2-4% response rate is the norm, the mailing pulled a 10-15% response rate. Before, direct mail was not considered a cost-effective solution. Now, it is their "go to" solution for building traffic.

Every organization can achieve greater success by knowing its customers with greater precision and predictably. To learn more about using customer analytics to help with real estate and marketing decisions, contact us today.

Contact us today to schedule a demo.

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