WHY CONSISTENCY MATTERS

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INTRODUCTION

In today’s world, customer demand is evolving as people gravitate towards great tasting and more creative options. Industry newcomers are turning the business on its head, with new and unique product offerings.

So how do older and established chains compete? Recreate their identity completely and start from scratch? Absolutely not!

The competitive advantage that only recognizable brands offer is exactly that; they have Recognizable Brands. It is the desire of any restaurant to achieve this level of recognition. Regardless of how trendy, or “cool” the latest shop on the block may be, a truly identifiable brand is hard to miss. A customer walking by already knows what to expect removing any concerns or levels of uncertainty. Brands that fall into this category must leverage this expectation in order to drive increased traffic. So, who constitutes a “recognizable brand”? Is it only the Subways of the world? In our opinion, any business that has achieved multiple stand-alone units with the same brand fits this criterion. Whether you have 10, 100 or 500 locations, consistency is undoubtedly the key to your success.

Managing brand consistency effectively will not only help against competition, it allows the chain to thrive in three specific areas:

- Increased Profits
- Customer Loyalty
- Ability to Scale

INCREASED PROFITS

One of the main drivers of a restaurant chains profitability is its’ ability to increase margins. To do this without hurting quality, management must streamline restaurant operations in order to properly reduce variability. As variability diminishes, so too will costs as you can now increase bulk purchasing resulting in more predictable inventory requirements.

As costs continue to decline, this will allow your operational processes to become more constant, resulting in huge cost savings. As costs decrease, your profit margin will not only
begin to increase at a similar rate but you will find better uses of that new found cash to potentially enhance revenue generating operations even further.

CUSTOMER LOYALTY

Predictability may not be the “spice of life”, but it’s definitely an important factor in what attracts repeat customers. Consistent experiences are a strong predictor when it comes to customer loyalty. Since people are naturally risk averse, we tend to gravitate towards a less flashy but predictable outcome versus a potentially greater reward with higher risk. This gives chain brands an advantage in building customer loyalty through dependable products.

A recent Bloomberg article stated:

“McDonald's really, really cares whether you had a bad burger at one of its locations. Because if you have a bad burger at one McDonald’s, you may choose not to stop at any of the other McDonald's you will pass by in the years ahead. So the chain invests in delivering consistent food, and consumers value this.”

Replicating processes means offering customers an identical experience at each location regardless of its geographic position. Consider this, millions of people absolutely love McDonald’s French Fries. No matter which location they visit, those golden fries will taste exactly the same. The reason for this? McDonald’s has implemented systems that ensures consistent taste, quality, preparation and distribution of their product. The results of this? That

their customers, faithfully return back to McDonald’s time and time again. This level of consistency is what builds unwavering customer loyalty.

ABILITY TO SCALE

As the size of your business expands so too does the complexities that go along with it. A chain with 10 locations may have different concerns than a chain with 100 locations but regardless of size, both have considerable operational needs. The question now becomes, how do you make managing these needs possible, while reflecting the demands of today and tomorrow?

The key here is reliable operational practices. Keeping your business running in a consistent manner will allow complexity to be coped with as unit counts grow from 10 to 100. Established procedures, well-trained staff and an integrated supply chain should be well tuned prior to pursuing expansion efforts. A “culture of consistency” is something that should be visible at both early locations and newer ones.

As Stephanie Schneider, Owner of Huckleberry Bar in New York says,

“Consistency in the restaurant business is all anybody cares about . . . it shows the restaurant knows what they’re doing and that they’ve made conscious decisions.”

The worst case scenario for a growing brand is that customers feel that a new location doesn’t meet their expectations based on past experiences they’ve had with your brand. Failing to meet these expectations will jeopardize not only the new location you have added but potentially impact existing stores as well.

WHERE MEASUREUP FITS IN

At MeazureUp our goal is to equip multi-unit restaurants with the tools to better measure and maintain consistency. At different locations it’s imperative that a brand is able to portray the same, high-quality image that keeps customer coming back.

Our goal is to help restaurant chains, improve their customer loyalty by ensuring operational scalability to ultimately drive positive impacts on profits margins.

Call us at 416-400-2283 for a Demonstration to show you how we accomplish this.

2 http://nrn.com/operations/strong-restaurant-systems-equal-consistency