

KING-CASEY *Crafting Solutions To Grow Our Clients Business*

# CASE STUDY

**Optimizing  
Starbuck's  
Path-to-Purchase  
Communications**



# How Starbucks Got Sales Percolating At the Drive Thru

Changes to Path-to-Purchase Communications Increased Drive-Thru Sales  
For The World's Largest Coffee Brand

## The Situation

Did you know that Starbucks stores with drive-thrus do 50% more business than stores without drive-thrus? So finding ways to continuously improve performance at the drive-thru has an enormous and positive impact on the brand's sales and profitability.

Starbucks has made unprecedented strides when it comes to growing drive-thru sales and optimizing the drive-thru experience. At stores with drive-thrus, 70% of their business comes from the window. Their improvements at the drive-thru have been so successful, they announced in 2018 that 80% of Starbucks new locations will include a drive-thru.

How did they do it?

## Starbucks Started By Developing Zone Merchandising Strategies

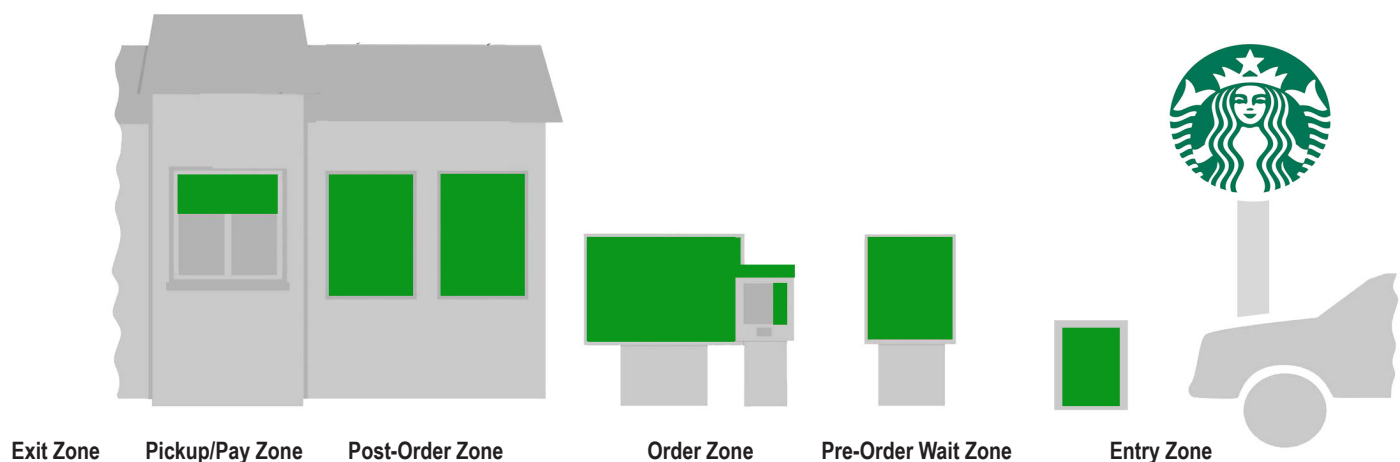
Starbucks started their drive-thru optimization by developing customer-focused, zone-specific merchandising strategies. This approach has dramatically increased drive-thru sales and profits. Starbucks began making breakthrough

*“Now we think about each zone.  
What are the customer's needs?  
What are our business objectives?  
How do we do better in each zone?”*

- Starbucks

improvements to their drive-thru path-to-purchase communications by embracing King-Casey's “customer zone” approach to merchandising. A process called COZI (an acronym for Customer Operating Zone Improvement).

*“Understanding COZI turned out to be a breakthrough moment for Starbucks, according to Alan Richardson, who at the time was Program Manager for Starbucks' Innovation Team. “Before we weren't thinking about the drive-thru as an entry zone, plus a wait zone, plus an order zone, plus a pick-up zone. It was just a drive-thru. (COZI) helped us really think about each of those (customer) touchpoints.”*



## Improvements Continued With the Optimization of the Drive-Thru Menuboard

With a path-to-purchase communications strategy firmly established in their culture, Starbucks turned their attention specifically to the menuboard. After all, the menuboard is the single most important communicator in the drive-thru environment. It's the top selling-tool. Successful menuboard optimization programs generate significant returns on investment. Optimizing menuboards can shave precious seconds off the order process, speeding throughput, boosting customer satisfaction and increasing the number of transactions. And brands can steer customers to their most strategically important menu offerings.

## Starbucks Used King-Casey's Process to Optimize Menuboard Communications

Menu strategy drives menuboard design. In Starbucks case, the strategy was to increase the incidence of *food* sales. With this as the objective, King-Casey conducted an in-

depth analysis of the sales data to identify ways to optimize the menuboard layout, product positioning, menu mix optimization, as well as food attach and pairing opportunities.

A communications analysis then evaluated how effectively their current menuboard's language, images, colors, branding, layout, navigation, and legibility communicated and supported their menu strategy.

King-Casey's analysis resulted in a "priority-list" of opportunities for increasing food sales. Color schematic "renderings" were ultimately created illustrating several new, optimized menuboard strategies: layout, product placement, space allocation, key communications, graphic design, imagery. Then one of the strategies was refined, finalized and used by the Starbucks team to develop the production artwork that would be put into test stores, then later rolled out Nationwide (see below image).

Starbucks, like so many other leading brands, recognizes that incrementally increasing drive-thru sales is the the result of superior analytics and strategic thinking... not just attractive graphics, LTO's and seasonal promotions.

SCHEMATIC OF KING-CASEY'S RECOMMENDED OPTIMIZATION STRATEGY



PRE-SELL BOARD

MAIN MENUBOARD

ACTUAL MENUBOARD NOW IN STORES ACROSS THE COUNTRY



After completing a communications analysis of product placement, as well as conducting an in-depth data analysis, King-Casey developed color renderings depicting the layout and design of the new, optimized menuboards (see top image). The color renderings were used by the Starbucks team to develop the new menuboards that in mid 2018 were rolled-out across the system. The below image shows the actual menuboards now in Starbucks drive-thrus nationwide.

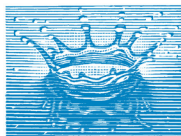


## Are You Ready To Optimize Your Drive-Thru?

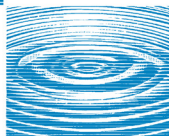
Achieving world-class results in today's competitive market requires far more than catchy promotions and good-looking graphics. It requires thoughtful analysis and a structured, strategic approach to customer zone communications and menuboard optimization.

Since 1953 King-Casey has been helping leading brands improve their business performance by developing data-driven, customer centric solutions. Nearly all of the top 100 restaurant chains rely on King-Casey's know-how and enviable track-record for getting results.

If you would like to discuss a drive-thru or menuboard optimization initiative for your brand, please feel free to call Tom Cook, Principal, King-Casey at +1 (203) 571-1776. Or you can email Tom at: [tcook@king-casey.com](mailto:tcook@king-casey.com).



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