Kiosk Menu Optimization

A Data-Driven Process for Improving Sales, Profitability And the Customer Experience

Optimized Kiosk Menus Increase Sales and Profits

More and more brands are embracing the use of kiosk menu communications. Why should you optimize your kiosk menus? Because kiosk menu communications are becoming a critical driver of the business. Successful kiosk menu optimization programs generate significant returns on investment. Optimizing your kiosk menu can boost customer satisfaction and loyalty, increase ticket, and grow the number of transactions. We routinely see increases in overall sales. This translates into increased profitability. In fact, kiosk menu optimization has one of the highest ROI's of any option available to restaurants and foodservice brands.

The proven approach outlined in this issue of the *King-Casey Report* is applicable to self service kiosks, digital or static menuboards, mobile apps, and websites.

The Shortcomings of Today's Kiosk Menu Design

Kiosk menu design is in its infancy, and to date the focus has been primarily on optimizing the user interface and customer experience. While important, user interface is only one piece of the equation for effective kiosk menu design. The other piece is a well thought-out menu strategy which drives the kiosk menu communications and design, which in turn drives food and beverage sales.

Too often kiosk menu design is arbitrary rather than based on a sound menu strategy and relevant consumer analytics.

What Sets King-Casey Apart from Kiosk Manufacturers and Software Developers

We don't design and build kiosks, nor do we develop kiosk software. What we do is employ a structured data-driven approach to develop menu strategies, content and designs that are then programed into kiosk software which is customized to your restaurant brand.

Consumer Research Analytics

Financial Data Analytics

Communications Analytics

Kiosk Menu Optimization

Three Analytical Approaches That Improve Kiosk Menu Performance

A Trio of Analytics: Consumer Research, Financial Data, and Communication Design

King-Casey has been pioneering the science of menu optimization for decades. We have learned that in order to realize significant results, menu optimization involves combining three different skill sets that collectively result in meaningful advancements in menu communications.

This approach helps restaurant and foodservice brands be smarter as they optimize their menu layout, design, content and pricing structure in a way that promotes profitability while encouraging repeat customers. The process helps brands understand the thinking and behavior behind customer decisions. It provides a complete picture of customer needs, attitudes, and behaviors, and how these can be turned into desirable menu decisions. In this King-Casey Report we take a look at each of the analytical tools that are critical to kiosk menu optimization.

1. Consumer Research Analytics

Consumer research plays an important role when it comes to any type of menu optimization. Research should be conducted both prior to and following optimization.

The following approaches are key to our proven process.

Pre-Optimization Research

We use pre-optimization research as a diagnostic tool to help identify how customers are actually using the kiosk menus, what issues they have, and what specifically needs improvement. We use qualitative and quantitative research to probe customers about their kiosk use, and to explore their likes and dislikes, attitudes and behaviors.

Post-Optimization Research

This approach is used later on to test and validate the effectiveness of the new kiosk menu optimization strategies, before new kiosk communications and design executions are programmed into software.

Quantitative on-line evaluation is an effective way we reach hundreds of consumers very quickly and compare the performance of your optimized kiosk menus to the current. We evaluate purchase intent, ease and speed of navigation, as well as gather data on consumer attitudes and preferences. It's important to note that all of this strategy validation research can be conducted using color renderings of the kisok menus. This allows us to quickly hone in on the best strategies before the creation of final kiosk menu designs, and before the costs associated

"The most effective kiosk menu communications are the result of superior analytics and strategic thinking… not just a pleasing interface"

with software programming and implementation.

2. Financial Data Analytics

This part of the analytic trio focuses on utilizing sales and margin data to identify ways to optimize the kiosk layout , product positioning, pricing elasticity, menu mix optimization and food and beverage attach opportunities.

Menu Sales Analysis

All brands track sales but it is astonishing how few use this data to help them create optimized menu communications. Understanding where your sales are coming from can help you learn how and where to position items on your menu. Where you place products on your menu should be driven by an analysis of sales and profits. Some of your menu items are better sellers than others and some contribute more to your bottom line. These should be more prominent on your digital menu.

TURF Analysis

This is a mathematical procedure for optimizing a brand's menu. Through TURF, we are able to statistically determine the shortest list of menu items needed to

satisfy the vast majority of your customers. TURF delivers multiple benefits:

- Identification of revenue driver items
- Determination of items that drive customer loyalty
- Identification of which items can be deleted from your menu without negatively impacting sales

Menu Operations Analysis

Using menu item operations data and complexity ratings enable us to identify the contributing or detracting drivers of your menu's profitability.

3. Communication Analytics

This involves a communications assessment of your current kiosk menu by our experienced menu optimization consultants. The objective is to evaluate how effectively your kiosk menu's language, images, colors, branding, typography, layout, navigation, and interface come together to communicate and support (or don't support) your brand's menu strategy. It's critical that strategy drives the design of the kiosk menu. For example, if the menu strategy states that "we will increase off-premise ticket by increasing beverage attach", does the current kiosk menu effectively promote adding a beverage to a food order?

Research has proven consumers prefer to order by images. The use of quality food and beverage images with high appetite appeal can increase the sales of featured items. How does your kiosk menu stack up in this regard?

You should determine if your current kiosk menu is simple to navigate and order from. How have menu categories been arranged? Are items easy to find? What's the clarity of key messages? Is the order process intuitive? Learning to think like a customer can help you assess your menu's ease-of-navgation. The communication analysis identifies what you are currently doing well, and want to retain in your optimized kiosk menus. It also identifies the problem areas where design and communication techniques fall below best-practice.

The analysis results in a "hit-list" of opportunities for improvement as you optimize your kiosk menus.

And finally, is your current kiosk software capable of accommodating these important strategies?

The Critical Importance of Having a Menu Strategy

An optimized kiosk menu is only as good as the menu strategy that is driving the effort. It's important that management takes the time to thoughtfully develop a menu strategy. Establish how the individual menu items should be prioritized. How will each contribute to realizing your brand's business objectives? It's the menu strategy that drives your kiosk menu optimization strategy.

Putting It All Together

Using the collective analytical findings of the previous phases, it's time to develop your optimized kiosk menu communications. This typically following a series of activities, as illustrated below:
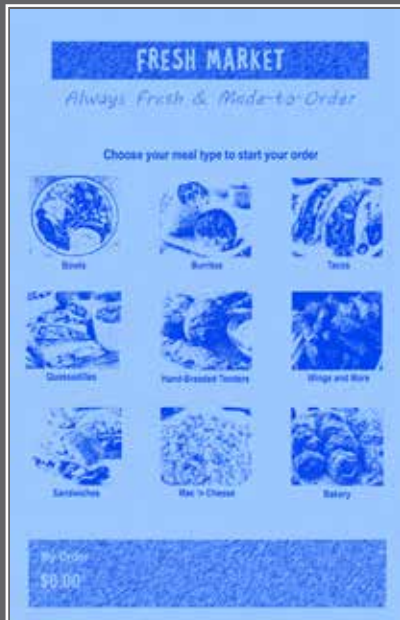
1.) Develop the Kiosk Menu's Strategic Layout. This is a "blueprint" for how your optimized menu will be organized. It expresses in schematic form how the content will be organized to achieve the business goals and objectives set forth in your menu strategy. The schematic illustrates the menu's presentation sequence, product placement, space allocation, and key customer interfaces.

2.) Visualize the Optimized Kiosk Menu. Here the strategic layout is developed into color renderings illustrating what your new menu would look like. There's just enough detail in these renderings (visuals, graphics, copy, branding, colors) to conduct on-line consumer research to quickly assess the validity of the your new kiosk menu strategy.

3.) Conduct Validation Research
This determines if your new menu strategy resonates with customers and if it can outperform your current kiosk menu. Using the color renderings, quantitative research is conducted to evaluate the new strategy before developing the kiosk menus. We use renderings of your current kiosk menu as a control. This will help confirm if your new strategy can achieve the desired business objectives.

On-line research (shown in this image) is a fast and cost-effective method for validating new strategies with hundreds of consumers.

Are You Ready To Optimize Your Kiosk Menu?

Achieving world-class kiosk menu optimization in today's competitive market requires far more than good-looking graphics and a smooth user experience. It requires a sound menu strategy and strategic communications as outlined in this Kiosk Menu Optimization report.

For more than 30 years, King-Casey has been helping leading restaurant 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 when it comes to any kind of menu optimization.

If you would like to discuss a kiosk menu 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.

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King-Casey provides practical, analytics-driven insights and research-validated solutions for restaurant and foodservice brands. We are renowned as the leader in providing comprehensive, turn-key Menu Optimization Services that increase sales and profitability.

Collectively, our services provide advanced solutions that enable our clients to unlock the full potential of their menu communications, and achieve significant, measurable business results. No other firm provides such comprehensive menu optimization analytics and solutions.

Our Suite of Services Include
• Consumer insights analytics
• Attitude and usage research
• TURF analysis
• PMIX analysis
• Pricing & Revenue Management
• Menu operations
• Menu reengineering
• Menu strategy
• Menu communications and design (menuboards, kiosks, mobile app)
• COZI zone merchandising (drive-thru and interior P2P)

The Benefits Are Immediate and Meaningful
• Increased sales and profitability
• Improved customer experience
• Totally integrated solutions
• No loss or dilution of insights and data due to their transfer from one consulting resource to the next
• Cost and timing savings resulting from combining the full suite of services under one umbrella

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