



Data-Driven Menu-Board Design Transformation From Pittance to Profit at Freddy's



Project Overview / Background

Freddy's Frozen Custard & Steakburgers is a QSR eatery known for its made-to-order, incredibly tasty fresh food offering. The fast-food chain is based in Wichita, KS and is one of the fast-growing QSR chains in the country. Freddy's decided to invest in digital menu board technology with the ambition of driving operational efficiencies associated with dynamic menu experience - and making it easier for customers to order. They deployed a test of 100 locations and to their dismay they did not recognize the desired results or ROI they thought reasonable to achieve. **What they didn't know was holding ROI back, was the actual design and placement of the menu board items.** This was literally the secret ingredient of what unleashed this to its full sales potential.

Creative Realities was brought in as a consultant to assess how our DATA-DRIVEN DESIGN METHODOLOGY could be utilized to influence consumer behavior and how Guests order - based on insights that are gleaned from how people make decisions by what they see. This design-optimization process was a critical component to determining menu board design, layout, sequencing, animations, and placement of content so that more Guests, ordered more of what they love - and begin to choose items that they otherwise might not have seen or fully understood.

Project Problems & Challenges

1

No definitive showing of sustainable lift in sales from simply converting conventional analog menu-boards to a fully integrated digital solution

2

Feedback loops that were established by corporate validated that **Guests thought the menu board was cluttered and congested and not so easy to read**

3

Too many menu choices led to delayed customer decision which negatively impacted speed of service

4

Line abandonment during lunch rush

5

Coordinating consistency across Franchisee and Corporate locations

Project Solution



Redesign menu board analysis began with POS analytics and uncovering not just what customers were ordering but adding context and perspective on how and why based on acquired knowledge of neuro-scientific and decision-making principles. We were able to make correlations on what placements based on evaluation of what items drove both majority and minority of transactions. We worked closely marketing and operations teams to understand menu sales, store traffic patterns and food prep times – all of which factored in as critical inputs to overhaul menu layout and design strategy – including important details that helped us optimize special features like animations and designs that respond to occupancy and daypart traffic.

Based on this data along with much more, we facilitated a menu board redesign leveraging our expertise in menu design and analytics, neuromarketing principles and a general understanding of Freddy's store operations. The redesigned menu boards were deployed to 20 locations for a 120-day testing period and provided a significant sales lift. The results / sales lifts were compelling enough to project a positive ROI on capex and the decision was made to deploy the solution to the balance of the digital menu board locations - 400+ stores. We continue to iterate and tweak design based on new learning that comes in, and as such Freddy's enjoys a robust sales lift, increased customer satisfaction and enhanced throughput. Freddy's has also expanded its digital footprint to include Outdoor walk-up and drive thru solutions.

Again, at the heart of it – central to the Redesign menu board was POS analytics vs conventional menu board layouts to uncovering how customers were really ordering – and then making basic modifications to:

- ✓ Eliminate low demand and low margin menu items
- ✓ Reducing the number of combo's offered to facilitate choice more easily
- ✓ Highlighting high demand, high margin and quickest to prepare menu items
- ✓ Develop a robust day part strategy that adjusted for occupancy and traffic

Project Outcome & Results

- 💰 Freddy's recognizes a significant increase in overall sales on average, consistent with redesign strategy
- 🕒 Overall reduction in perceived wait time increased customer satisfaction
- 📈 Because of defendable sales lift, franchisees were quick to adopt costly cap-ex solution as they could understand their ROI and expected payback period
- 🔧 Freddy's corporate and franchisee community are much more apt to embrace technological innovation to help improve the customer's experience as a result
- 📢 Corporate Marketing and operations have a better platform for consistent and unified messaging