

EMERGING
BEST
PRACTICES
in QSR
Franchise support.

barker

barkernyc.com

* approach to
increasing sales
& taking Market
Share.

(FALL 2018)

30 Broad St., Penthouse
New York, NY 10004

barkernyc.com

"We are not the kind of agency you
hire to get a 4% or 5% lift, we try
to put a zero next to that." —John Barker

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*We have prepared the analysis using a fictional, yet typical QSR pizza franchise.

general landscape overview

fast casual vs. QSR

Fast casual brands experiencing strong growth include Panera Bread and Blaze Pizza.

When it comes to healthy options and overall quality, most fast casuals still beat out QSRs.

However, QSRs adapted to the threat of fast casuals and improved menu items, removed unwanted ingredients, remodeled units, and developed new technologies to improve convenience.

QSR brands' focus on value and premium options means they can satisfy most any budget, as opposed to fast casuals, which generally don't have cheap choices.

Furthermore, the fast casual segment is now fairly mature, meaning most switching behaviors (i.e. consumers who would switch from QSRs to fast casuals) have already occurred, few new customers are entering the fast casual market.

Recommendation: QSR franchises should let fast casual chains fight among themselves.

c-stores vs. QSR

A close competitor to QSRs, c-stores specialize in convenient inexpensive meals while having a general focus on improving food service programs.

Fortunately for QSR brands, consumers who purchase food service items from c-stores believe QSRs outperform c-stores in many key metrics such as price, healthy options, breakfast and desserts.

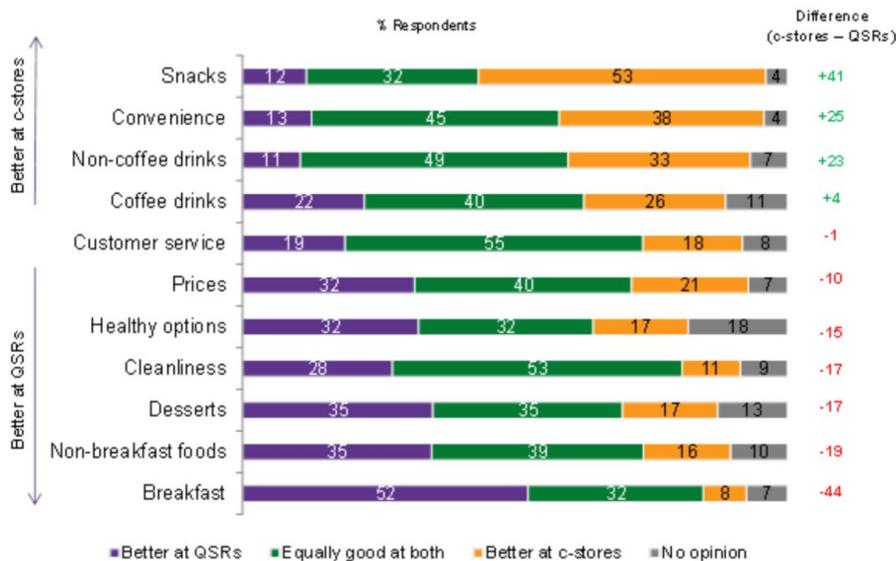
grocers vs. QSR

Grocers and QSRs have always been competitors in the sense that both sell food. However, there used to be a very clear line between at-home and away-from-home dining occasions. Nowadays, the line separating grocery stores and restaurants in general is becoming blurred.

Grocers are adding more prepared meal options to their stores; many modern grocery stores feature everything from salad bars and hot food bars to beer gardens, made-to-order food stations, and even full-service restaurants.

Food service programs in grocers offer convenience, as the grocery store customer can grab a meal from the store when they want a quick solution. 43% of consumers who purchase prepared/made-to-order foods or drinks from a store say buying prepared options from a store helps them save time.

“Do you think each of the following factors is better at fast food restaurants or convenience stores?”



Source: Lightspeed/Mintel

New York DMA QSR example*

*identifying the right
consumer targets*

*We have prepared the analysis using a fictional, yet typical QSR pizza franchise.

hypothetical target summary:

ages 18–49 across 119 New York DMA ZIP codes

- Total audience potential is much greater than the bull's-eye.
- Not ONLY can we reach the bull's-eye, but mass media helps us hit everyone in the DMA.

Broad target
(4.4M people)

Narrower
eaten at pizza/pasta restaurant
last month (996K people)

Bull's-Eye
eaten at pizza/pasta restaurant
last month and has child age 2-17
(473K people)

breaking down the bull's-eye

Using the behavior and media consumption insight from the bull's-eye helps us select the most appropriate media channels that will resonate with our core target.

46% male

54% female

37% affluent (have HHI of \$100K+)

69% are so busy they can't finish everything they need to do in a day

58% eat meals on the run

77% try to eat dinner with their family almost every night

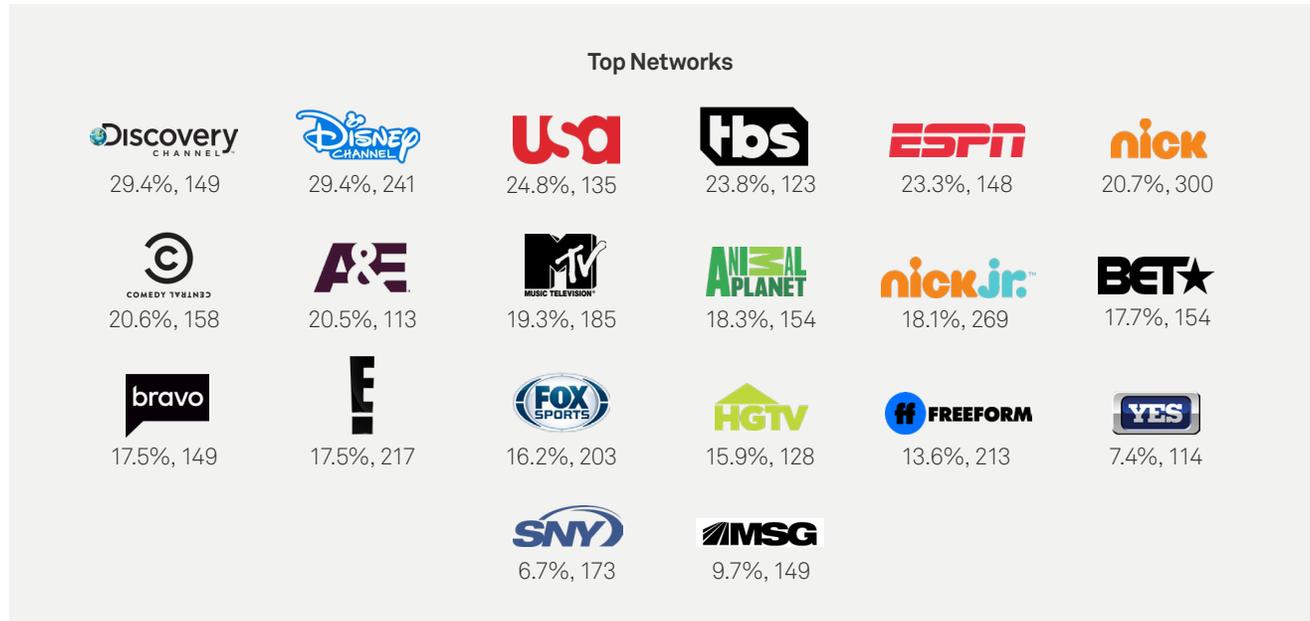
30% go to QSRs 6-9 times/month; another 30% go 10+ times

70% base on quality, not price

42% don't have much interest in cooking

breaking down the bull's-eye

media consumption highlights and DMA touch points



Quintile Analysis

Radio — med/heavy user: 7.4%, 134
TV — medium: 23.1%, 124
Miles traveled (OOH): 27%, 162
Digital video — heaviest: 37%, 186

How People Get Around

Drive: 63.2%, 120
Subway: 37.3%, 107
Bus: 43.9%, 103
Taxi: 24.7%, 137
Lyft/Uber: 15.9%, 150

One-Way Time Spent Traveling to Work

30-59 minutes: 29.9%, 131

Radio Formats

Hot AC: 39.1%, 108
Pop Contemporary: 36.5%, 133
Rhythmic Contemporary: 29.1%, 144
Urban Contemporary: 22.9%, 128
Spanish Contemporary: 35.9%, 208

Local Events/Venues Attended

Barclays — 21.8%, 169
MSG — 22.7%, 161
Yankees — 11.5%, 95
Prudential Center — 10%, 161
Mets — 11.9%, 116

Roads Frequently Traveled

I-95: 27.8%, 151
NJ Turnpike: 28.7%, 205
Garden State Parkway: 16.8%, 111
FDR Drive: 19.9%, 131
LIE: 16.8%, 136
I-278: 13.4%, 174
Route 9: 18%, 198
Lincoln Tunnel: 15.8%, 168
I-80: 15%, 144
I-287: 17.3%, 223

Daily Newspapers

NY Times: 21.5%, 131
amNY: 8.3%, 78
Metro: 10.8%, 92
El Diario/La Prensa 11.9%, 257

breaking down the bull's-eye

key takeaways

The target in this example is dual (male/female), with a slight female skew. Very important to keep in mind when selecting media channels and tactics.

Seek out opportunities to reach the target as individuals, **but also when they are consuming media as a family.**

Digital and social is where our target spends the most time— so the media plan should take this into account and focus on driving online orders directly from media placements.

The NY DMA is the #1 in the country—but when we drill down into the 119 sample ZIP codes we're looking to reach only a small percent of all New Yorkers. Make sure you are being smart about targeting from a geographic as well a consumer perspective for maximum impact within ZIP codes that are associated with store locations.

how to leverage the master brand locally?

- Identify the master brand platform (aka “brand promise”):
Will it help your franchises achieve their business objective?
- Unlock the master brand platform so it means something
to the target consumers.
- Express “locally owned and operated” through a New York DMA–centric tone, so advertising feels like it is coming
from a member of the community.

New York DMA QSR example*

*remixing the marketing mix
+ creative exploration*

*We have prepared the analysis using a fictional, yet typical QSR pizza franchise.

key tenets to 2019 planning

Focus on targeted spending for a more efficient media buy.

Less DMA-wide coverage and more opportunities specific to ZIP codes associated with store locations.

Go all-in on video.

Use all screens and different forms of targeting to drive directly to order.

Pod placement is crucial when it comes to the impact of your TV spots.

Being first/last increases the chances that people are viewing and engaged with your ads.

Incorporate OOH in key locations.

Adjacent to store locations to drive traffic and frequency of visits.

Lean on national support to do the heavy lifting for reach and frequency.

Use local dollars to fill in the gaps.

Connect mobile to OOH for direct ordering.

Allocate 5-10% of budget for Test & Learn, allowing you to constantly optimize plans throughout the year.

each media channel plays a specific role in the process



Video

broad reach

content alignment through cable networks/programs

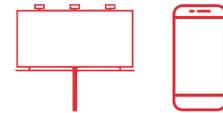
avoid waste via addressable ads tying into different promotional periods and specific ZIP codes



Audio

build trust through DJ endorsements

incorporate streaming to our ZIP codes and create content specific to our promos



OOH

pinpoint placements directly adjacent to our store locations

use digital retargeting to serve follow-up mobile ads to those who have passed our billboards and/or stores



Social

create micro-targets and serve up specific messaging to different demographics, behaviors and neighborhoods



Search

heavy-up on mobile search, targeting based on specific locations



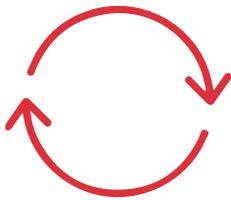
Community/ Sponsorships

one-to-one engagement with families and other groups to drive traffic and loyalty

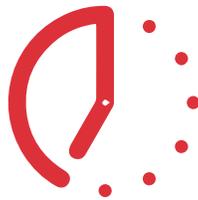
network selection

engagement scores

We use various weighted inputs to determine the overall engagement score. The program/network scores are unique to each client.



Target Commercial
Retention
Nielsen > Avg.



Length of
Time
Nielsen > Avg.



Average Program
Rating
Nielsen > Avg.



Specialized Target
Composition
MRI/Simmons > Avg.



Unit Cost &
Engagement Value
Actual Buys or Adviews > Avg.

approach to video *linear—sports POV*



We see a lot of QSR co-ops overinvesting in professional sports and often across multiple teams, making it impossible to spend enough with one particular partner/network to get the maximum possible value.

If your DMA is a professional sports–heavy market, we recommend focusing in on one sports partner to improve TRP concentration and negotiate in-stadium extras.

We recommend RFPing all entities to determine which property can provide maximum impact, premium program and pod placement, and in-game features.

approach to video *linear—entertainment/family*



To counteract stereotypical sports spend, double down on female-skewing cable networks to reach the female and family audience.

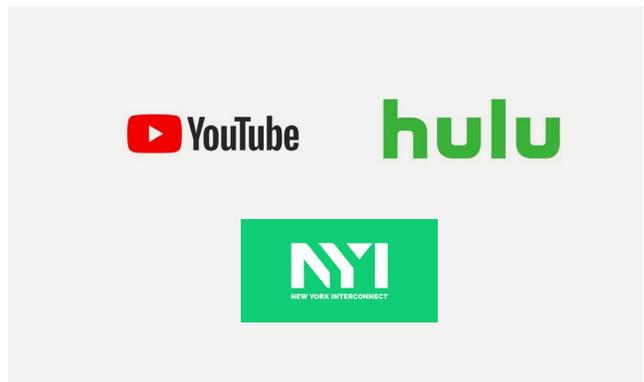
Run cross-network promotional tags in addition to national brand spots. Final network list should be based on engagement score evaluation (example to right).

Use addressable video to run up to five different messages based on ZIP codes associated with store locations.



approach to video *linear—streaming*

Our data shows the consumer target is watching TV online, so let's reach them and have a strong CTA to drive online ordering.



unit mix & daypart mix



Unit Mix

Consider shifting to a heavier percent of :15s, which will allow you to afford more TRPs without sacrificing a significant amount of awareness.

To start, recommend switching to half :30s and half :15s units for first quarter.

Consider :06s to run as bumpers on YouTube and potentially as added value on cable networks (or on streaming).

Daypart Mix

Cut Early Morning entirely (unless your QSR serves breakfast).

Focus on latter half of daytime (2pm and on). While Primetime is effective, it is also very expensive. Therefore, strategically place advertising during specific programs that align strongly with the consumer target (i.e. Real Housewives, House Hunters).

Day of week considerations

Based on promo tactic, consider limiting days of week:

- Midweek for carryout
- Weekend for special deals, etc.
- Through both linear and digital video, implement content that is relevant to the day type rather than one general message with constant distribution throughout the week.

creative exploration

:06s spots



:06s "Hungry"



:06s "Don't Just Order Pizza"



approach to audio



Focus on streaming audio first as we can target by ZIP code, demographics and behavior. This allows us to use both video and audio assets to drive to online ordering platforms.

Cross-platform (including in-car) ensures we're reaching our target whenever and wherever they are listening.

Add a layer of Spanish-language audio.

Budget pending, consider running an afternoon drive time and weekend promotion with local DJs.

pandora®



creative exploration

:30s streaming radio



Spoken in Brooklyn accent. Music is upbeat, Brooklyn-esque.

VO: Cooking family dinner? Fuhgedabout it.

And settling for pizza that just got pulled out of a freezer?
Definitely fuhgedabout it.

Because we're talking about signature sauce, fresh dough and
the finest-quality toppings and ingredients.

We're talking about [QSR Brand].

[QSR Brand] has been serving New York for a long time. From
back when the bike lane was just the sidewalk.

Call right now, and our pizza can be on your dinner table in a
New York minute.

No messy kitchen, no complaining kids, easy as pizza pie.

Go to [QSR Brand].com to place your order, now.

approach to OOH and retargeting



OOH has come a long way in terms of targeting.

We can now layer on specific targeting parameters and store locations to find the perfect placements for reach and frequency.

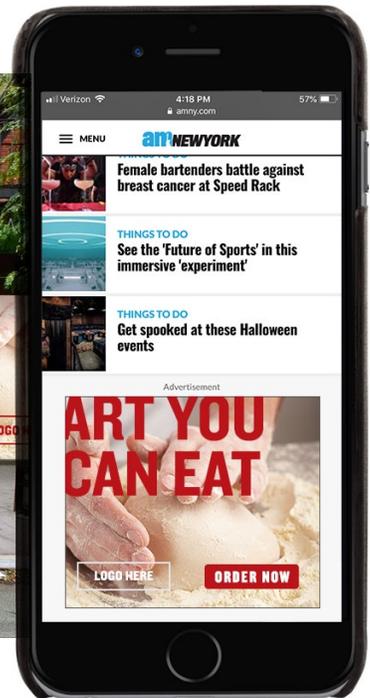
We can also add a layer of digital retargeting — serving up mobile ads to those who have passed our billboards. *These types of campaigns have shown a lot of success in recent years, particularly for QSRs.*

creative exploration

customized hyper-local OOH



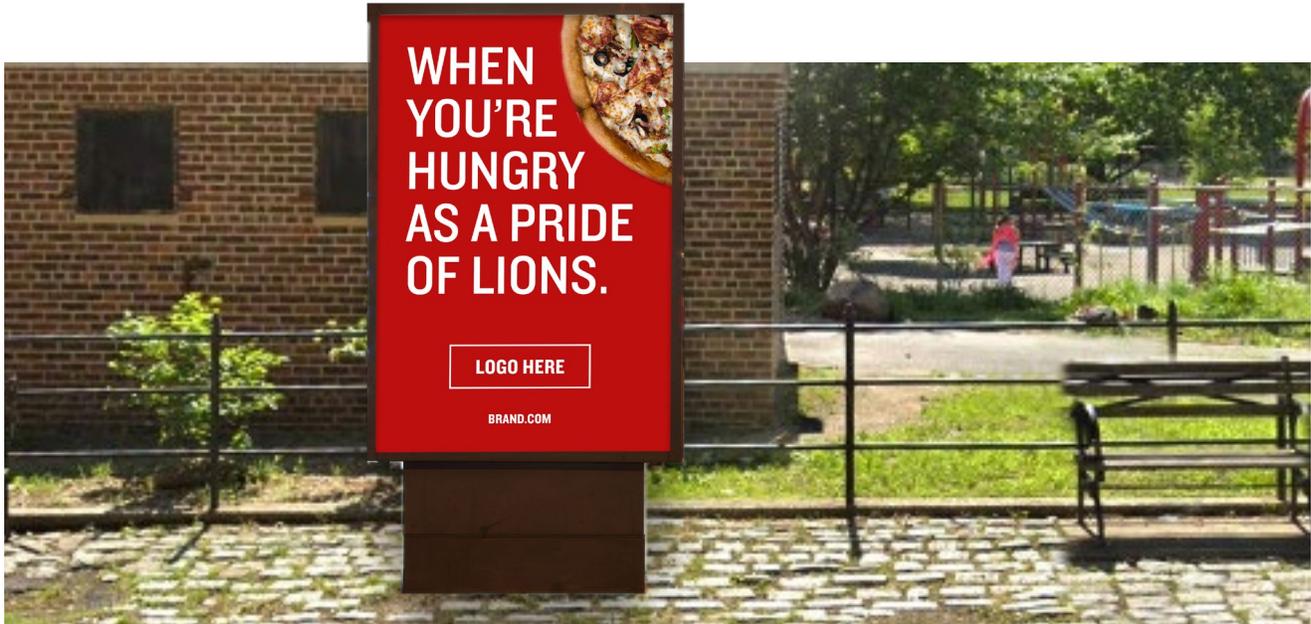
near art museum



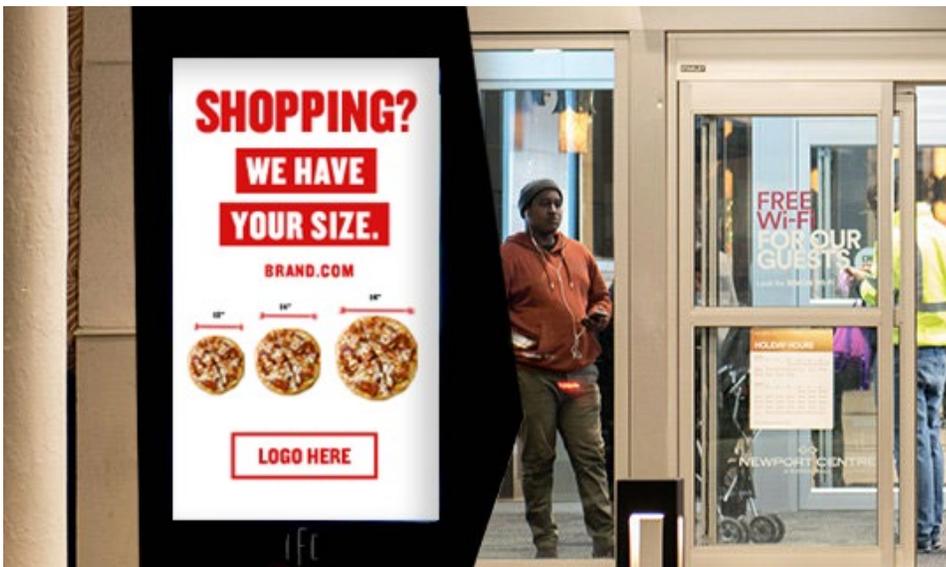
near live music venue

creative exploration

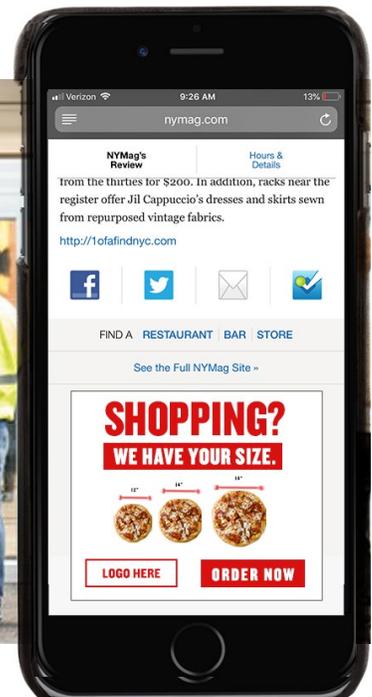
customized hyper-local OOH



near zoo



in mall/shopping center

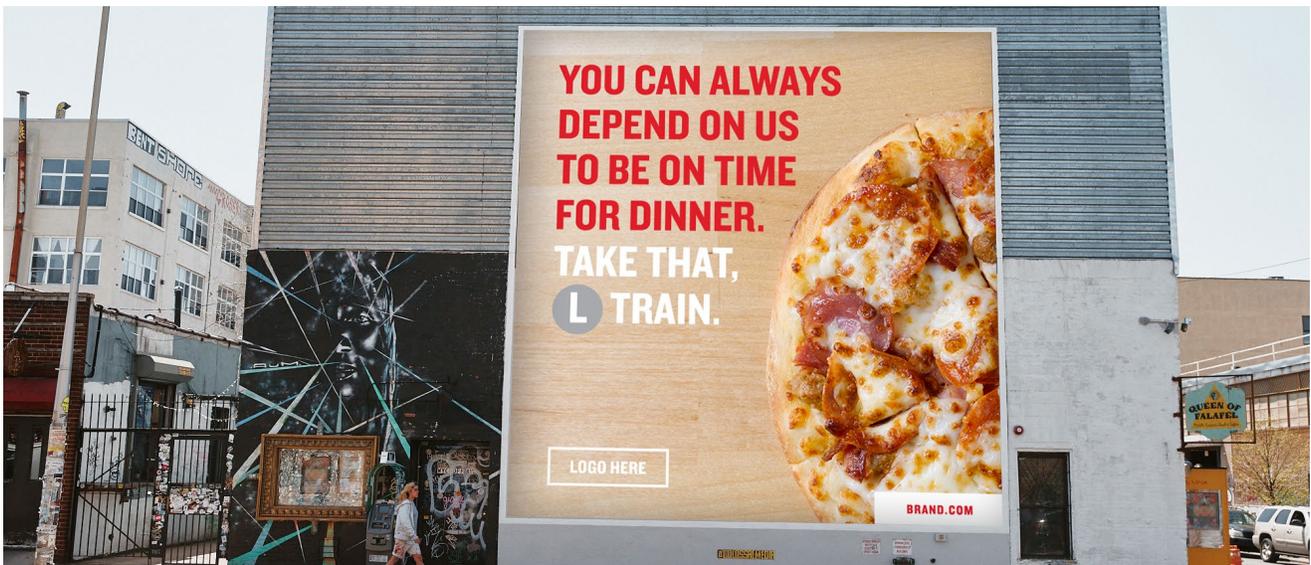
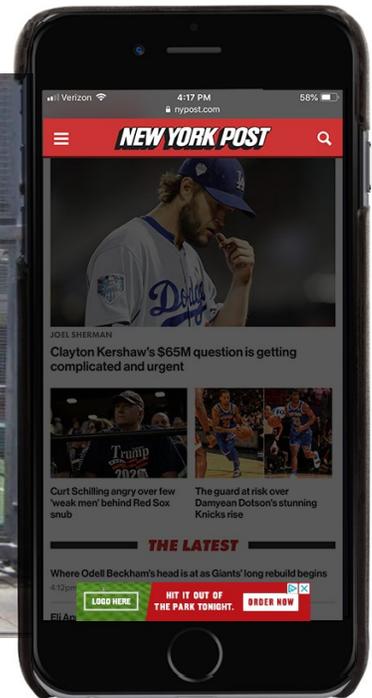


creative exploration

customized hyper-local OOH



near community athletic fields



neighborhood-specific

creative exploration

customized hyper-local OOH



on subway

social strategy



- 01 | Leverage content from paid campaigns for social channels.
- 02 | Create engagement on the page through content that elicits a response.
- 03 | Use social to connect the brand to “moments” and major events.
- 04 | Reinvigorate the feel—elevate the creative.
- 05 | Give the people what they want—yummy pizza imagery, coupons, and a smile.

Tactically, our marketing will:

- 01 | Drive to app, convert to downloads, reinforce the brand via awareness.
- 02 | Create engagement by way of getting people to tell us what they like on pizza.
- 03 | Reinforce the local connections individual franchise owners have to the community.
- 04 | Connect to locally relevant events via sports partnerships.
- 05 | Bring in customers via coupons and discounts, get them to sign up for newsletter.

creative exploration

paid facebook



QSR Brand
Sponsored · 🌐

We always deliver greatness. Even when the offensive line doesn't.



QSR Brand
Order now.
BRAND.COM [See Menu](#)

Like Comment Share

👍❤️😬 135

Write something... 😊📷GIF🗨️

Targeted to football fans within our target audience during football season, specifically while the local team is losing.

QSR Brand
Sponsored · 🌐

Family dinner need saving? Call in the closer. Our MLB Double Play comes with 2 Medium Pizzas and 2 Toppings for \$6.99 each!



QSR Brand
Order now.
BRAND.COM [See Menu](#)

Like Comment Share

👍❤️😬 135

Write something... 😊📷GIF🗨️

Targeted to baseball fans within our target audience during key ordering times.

creative exploration

paid facebook



QSR Brand
Sponsored · 🌐

When you're craving fresh but are fresh out of time – we'll deliver right to your door, straight out of the oven.

YOUR PIZZA, ONE HOUR BEFORE IT ARRIVES.

QSR Brand
Order now.
BRAND.COM [See Menu](#)

Like Comment Share

👍❤️😬 135

Write something... 😊📷GIF🗨️

Targeted to moms and young professionals who index high on wanting “fresh and quality.”

QSR Brand
Sponsored · 🌐

There's pizza night and then there's #pizzanight. One comes with a two-hour cleanup. One comes with a 2 liter bottle of soda.

QSR Brand
Order now.
BRAND.COM [See Menu](#)

Like Comment Share

👍❤️😬 135

Write something... 😊📷GIF🗨️

Targeted to moms within our target audience, during key ordering times.

creative exploration

paid facebook



QSR Brand
Sponsored · 🌐

Step your pizza game up on game day! Large pies are buy one, get one free!



QSR Brand
Order now.
BRAND.COM [See Menu](#)

Like Comment Share

👍❤️😂 135

Write something... 🗨️ 📷 🎬 🧐

Targeted to males within our target audience on big sports days, during key ordering times.

QSR Brand
Sponsored · 🌐

Can we come over for the game? Don't worry, we'll bring the pizza.



QSR Brand
Order now.
BRAND.COM [See Menu](#)

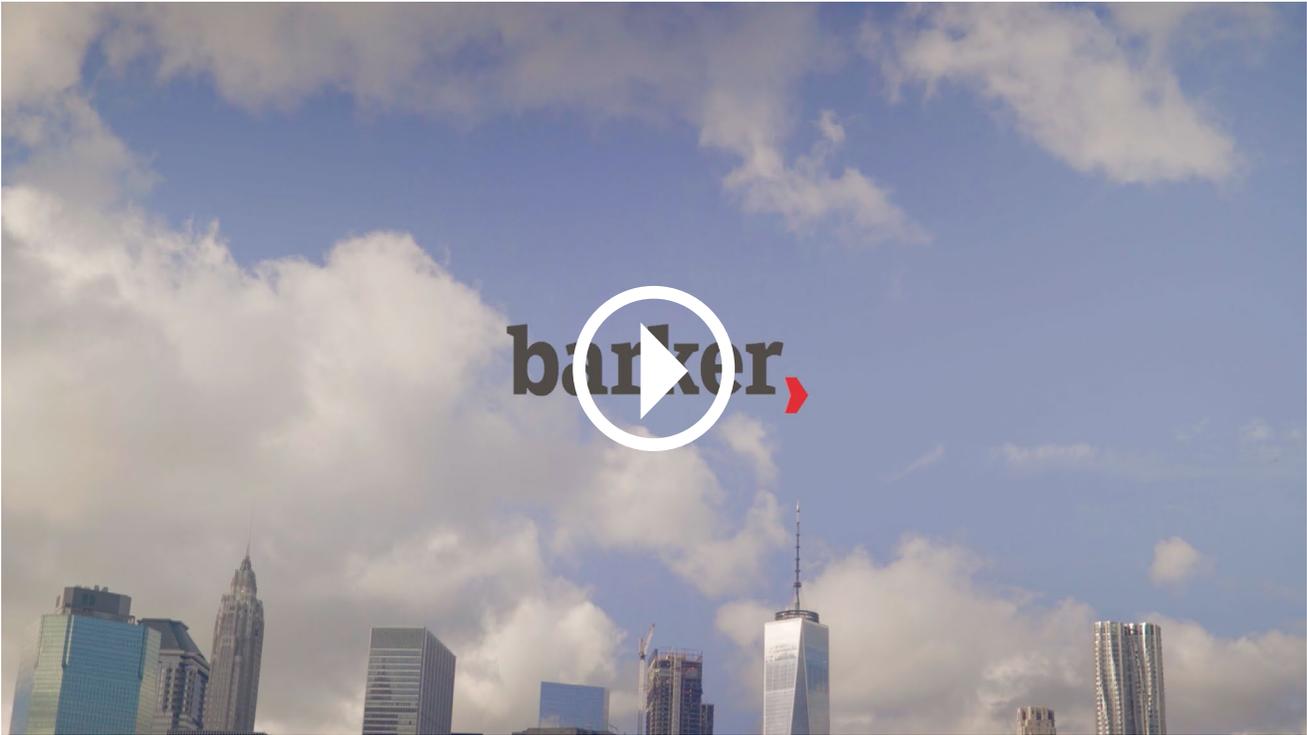
Like Comment Share

👍❤️😂 135

Write something... 🗨️ 📷 🎬 🧐

Targeted to Yankees fans within our target audience on nights of big games.

about BARKER



Click to watch our agency culture video

- ▶ An independent, New York-based, data-driven creative company.
- ▶ Helping clients with launches, turnarounds, and innovation since 2003.
- ▶ As much a business consultancy as it is a full-service advertising, media and social content agency.
- ▶ Acts as an extension of a client's team rather than a rigid vendor,
- ▶ Leverages an approach that favors data-driven insights and informed rapid prototyping versus death by PowerPoint.
- ▶ Current clients that BARKER fights for include Sunsweet, Bausch + Lomb, Miele, Totes Isotoner, IDB Bank, Petro Home Services and Holy Name Medical Center.



BARKER was named to the 2018 Inc. 5000 list of America's fastest growing private companies.

We are as much a business consultancy as we are *a full-service advertising, media and social content agency.*

capabilities & services

strategy

Brand

Positioning
Architecture
Social, Digital

Business

Go-to-Market
Data/Analytics
Incubation
Cost Analysis
Internal Branding Workshops

Research

Qual/Quant
Culture & Trends
Consumer Insights
Market Analysis

expression

Advertising

Promotional
Film, Print
Digital Media
OOH, POS

Studio

Graphic Design
Collateral Collaboration
Full-Service
Video Production
Copywriting
Photography
Development
(i.e. mobile, digital, eComm)

Identity

Visual Systems
Taglines, Naming

Environment Design

Retail, Events
Trade Shows

Marketing

Campaign Development
Sponsorships
Partnerships

media planning and buying

TV, Radio, Print, OOH, SEM, Mobile, Programmatic
Video, Display, Social, eCommerce, In-App TV, Advanced TV

recent press & thought leadership



Barker Wins AOR Duties for Sunsweet Growers

October 15, 2018 by *AgencySpy*



New York-Based Barker Goes Bold With Its Messaging and Creates Edgy Work for Its Clients

August 8, 2017 by *Adweek*



What Drives You?

June 6, 2018 by *4A's*



BARKER wins AOR Duties for Bausch + Lomb Brand Launch

November 30, 2017 by *Adweek*



How to break through? COMPASSION MAKES THE DIFFERENCE healthcare findings & insights

November 9, 2017 by *Jason Spies*



Independent Influence: BARKER's independent voice in the ad world's biggest market

June 26, 2017 by *The Drum*

thank you.



Jason Spies
EVP, Chief Strategy Officer
jspies@barkernyc.com
m: 973.271.6400
barkernyc.com