



KING-CASEY



# King·Casey REPORT

Insights and Trends in Retail Branding, Merchandising and Design



## How to Compete at the Drive-Thru

You Need More Than Speed and Accuracy

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## You Need More Than Speed and Accuracy

A KING-CASEY REPORT by Howland Blackiston, Principal, King-Casey

### A Need Beyond Speed

Numerous research studies indicate that speed and order accuracy remain the top drive-thru consumer demands. That said, these same studies also indicate that customers want more than just speed and order accuracy. They seek an experience that transcends traditional expectations and competition. Get that right and you've earned customer loyalty.

### Innovation is the Key

The key to success at the drive-thru is innovation. Creative ideas that provide customers with “extras” that are positive and personal. So, what are these innovations and “extras”? Simply put, they are new ideas, methods, devices or novelties that provide an out-of-the-ordinary drive-thru experience.

### Start Thinking Zones

The most successful restaurants have recognized that their drive-thru's are not just order and pick-up points. Each drive-thru is actually a collection of numerous “customer operating zones”. Customers behave differently in each zone. Their needs and expectations are different. Each of these unique zones is right for one customer strategy and dead wrong for another.

By identifying these zones and understanding how customers behave in each zone, you can craft zone-specific strategies that are sharply responsive to how customers use your drive-thru zones. Utilize these

strategies to develop innovative ways to make the customer experience easier and more enjoyable. In doing so, you distinguish your brand, maximizing business results and earning customer loyalty.

The concept of developing an enhanced customer experience based on “customer operating zones” is a proprietary method that was pioneered by King-Casey decades ago. This blend of science and creativity is used to help our clients manage the entire customer experience. The acronym “COZI®” (Customer Operating Zone Improvement) involves a multi-step process, as follows:

### The COZI® Innovation Process

This is all about developing solutions on a zone by zone basis that are keenly focused on enhancing the customer experience. Begin by identifying all of the COZI® zones within your drive-thru. Using a QSR drive-thru as an example, typical zones include the following:

- Entry Zone
- Line-Up Zone
- Order Zone
- Pick-Up and Pay Zone
- Exit Zone

Clearly understand how your customers use and interact with these drive-thru zones. Measure the time they spend in each zone. For each zone probe to discover your customer's needs, expectations, attitudes and behaviors. What problems do they encounter in these zones? Do they understand what's being communicated to them? Are you meeting their needs? Here's where objective qualitative research, interviews and video tracking studies can be very helpful.

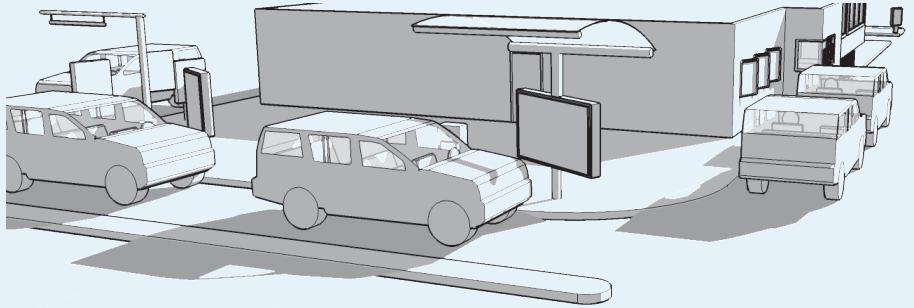
Identify the business objectives for each of the zones. What is it that you hope to achieve in this zone? Note that your business objectives may vary from zone to zone.

Generate a wide variety of new drive-thru innovations and ideas that meet each zone's business and customer needs.

Conduct research to validate the new innovative concepts with customers, lapsed customers and non-customers. Make modifications as necessary. Select several drive-thru's that will serve as pilots for the new drive-thru enhancements. Monitor results during the test period. Measure sales increases, customer satisfaction, and return on investment.

# COZI<sup>®</sup> Innovation Process

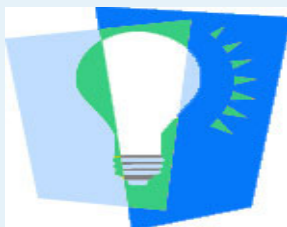
*For each zone of the drive-thru, follow these sequential steps to develop innovative ideas for meeting customer needs, while ensuring that your business objectives are realized.*



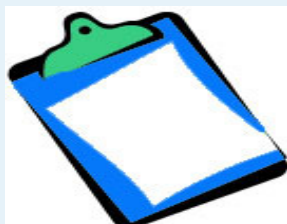
**Target Business Objectives.** Identify each of your customer zones at the drive-thru. For each zone, what are your primary, secondary and tertiary business objectives? When possible, express business objectives in quantitative terms – to help you measure success at reaching these goals. For example, at the drive-thru's Entry Zone, your primary business objective might be to increase customer trial of a new product by 15%.



**Discover Customer Behaviors and Needs.** What's most important to customers within a given zone? Customer behaviors and needs tend to be expressed in qualitative terms (customer appears confused; need to reduce anxiety). There are a variety of approaches for identifying behaviors and needs, including customer on-site interviews, focus groups, observational studies, and hidden camera studies. For example, at the drive-thru's Line-Up Zone (the area immediately before reaching the order zone) customers might be confused and anxious. They need help deciding what to order. They also use this time for multi-tasking such as texting and checking email. These are untapped opportunities that can be capitalized on.



**Develop Innovative Solutions For Each Zone.** Some solutions may be straightforward, such as "make the menu board easier to navigate". These improvements are important, but that's not what we are talking about here. You want fresh, new and unexpected solutions. Innovation is all about doing something different rather than doing the same thing better than before. Here's where creative thinking plays a huge role. Within each zone, make a list of all the innovative things you could do to realize desired business objectives and address customer behaviors and needs. It is critical to keep in mind customers cannot articulate innovative solutions and design improvements they'd like to see. However, they can articulate what they like once they see and experience them.



**Evaluate, Prioritize, Test and Implement.** For each zone, evaluate and prioritize each innovative solution. How unique is the solution? How effectively will it help realize your business objectives and customer needs? Is it practical to implement? Is it cost-effective? Does it increase customer satisfaction? Test the high priority concepts using prototype locations. Measure results. Based on the findings, refine and roll-out the innovations across the system.

## Innovation at the Drive-Thru

*A Classic Example from the King-Casey Archives*



Sometimes an innovation can impact an entire industry. Such was the case with this project for Burger-King. The date was 1989.

Burger King came to King-Casey to develop innovative solutions to a pesky set of customer needs and business objectives.

**Customer Needs.** Burger King's customers were having trouble ordering. Both in-store and at the drive-thru. It was a slow process for customers to figure out how to order a complete meal (what sandwich do I want, shall I add a side, shall I include a beverage?). Customers were experiencing anxiety and frustration with the current ordering system. They wanted an easier, faster and less stressful way.

**Business Objectives.** Burger King also wanted an easier way for customers to order, because that would result in faster thru-put. A ten second improvement in drive-thru time can generate 10,000 additional transactions per year, per store. Another objective was to increase ticket – get more customers to spend more money.

**King-Casey's Innovative Solutions.** To increase ticket, to make it easier for customers to order, and to speed the order process, King-Casey recommended bundling a burger/sandwich with fries and a drink. And so, the world's first "combo meal" was born. Offering combo meals has since become standard practice for all QSR brands. In addition, King-Casey recommended including a pre-sell message just prior to the order point. It had never been done before. This reduced anxiety by helping customers decide what to order before getting to the register, and increased the incidence of their higher-ticket "bundled" meals. Like the combo meal, "pre-sell" merchandising in the drive-thru and interior has since become standard practice.

**Keep on Innovating!** The key is to continually develop the kinds of innovations that address customer needs and realize business objectives. This is not the same as copying the "best practice" of other brands. By doing that, you are only catching up. Innovation at the drive-thru means developing ideas and effective solutions that are new and fresh. That's what sharpens your competitive edge, builds customer loyalty, and grows your business.

## Thinking Inside the Box

*-Adapted from "Inside the Box: A Proven System of Creativity for Breakthrough Results" by Drew Boyd and Jacob Goldenberg*

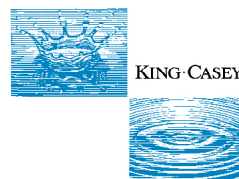
People are at their most innovative when they work within the constraints of what they already know. The traditional view of creativity is that it is unstructured and doesn't follow rules or patterns. Would-be innovators are told to "think outside the box," "start with a problem and then brainstorm ideas for a solution," "go wild making analogies to things that have nothing to do with your product or service."

We advocate a radically different approach: thinking *inside* the proverbial box, not outside of it. People are at their most creative when they focus on the internal aspects of a situation or problem - and when they constrain their options rather than broaden them. By defining and then closing the boundaries of a particular creative challenge, most of us can be more consistently creative - and certainly more productive than we are when playing word-association games in front of flip charts or talking about grand abstractions at a company retreat.

The key to being consistently innovative is to create a new form for something familiar and then to find a function it can perform. That is why, when we first hear about a new idea, we often experience a sense of disappointment with ourselves: Gee, why didn't I think of that? The most consequential ideas are often right under our noses, connected in some way to our current reality or view of the world.

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