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JULY 2008 TREND REPORT:

YOUR CUSTOMERS HAVE BECOME
ULTRA-SENSITIVE TO MENU PRICES.

WHAT SHOULD YOU DO?

AND WHAT DOES THIS HAVE TO DO WITH MEATBALLS?

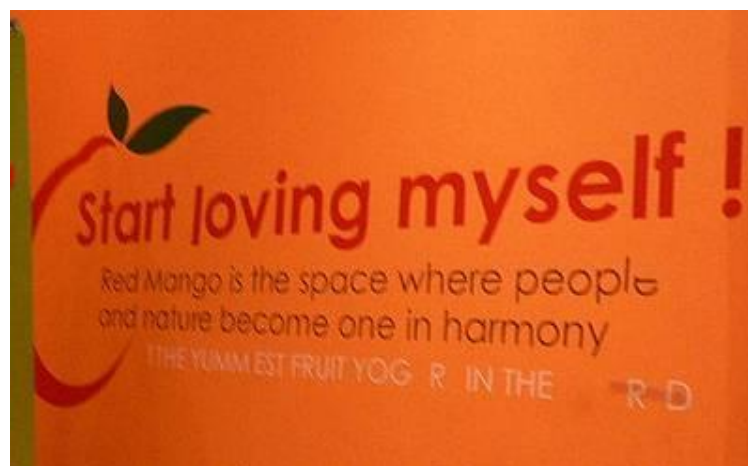
We all that know consumers are pinched in the pocketbook! But there's a way around this difficult state of affairs: Change the subject!

Instead of playing with pricing and portions, we're telling our clients instead to appeal to their customers' *emotions*. Tug at their *heartstrings*. Talk about their *feelings*.

That's how you give your f&b businesses a fresh, new look that diverts consumers' attention from their pocketbooks.

Here are examples of how some companies are playing this game:

- Look at the use of *emotional language* of this trendy frozen yogurt chain --
"space,"
"harmony,"
"nature," "loving

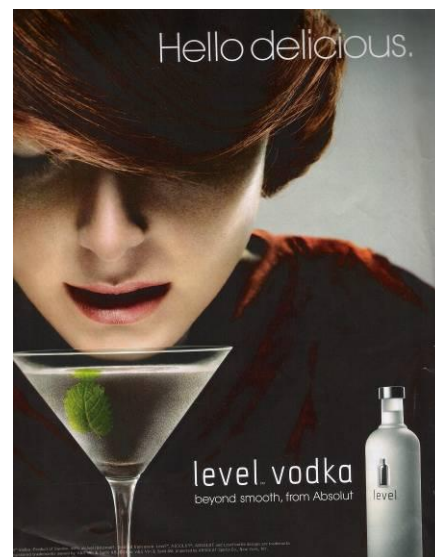


myself.” None of these words say anything about the product, but instead emphasize how the company wants its customers to *feel*.

- Here’s another approach, this one by a bottled water supplier. Again, they’re playing to *personal sensitivities* and *private hopes* of potential shoppers. And again they’re using language that has nothing to do with the contents of their product.



- Here’s a bold and fascinating approach by a vodka company. What’s interesting about this advertisement is that you can’t quite tell whether the woman is talking to the vodka ... or whether the vodka is talking to the woman. Either way, who doesn’t enjoy being called *delicious*? And when was the last time you considered using such a word on your menus?





- And there's this terrific choice of language that helps differentiate these chocolate bars from their competitors. Instead of dealing with intrinsic stuff -- like cocoa percentages -- this company has you dancing around the meadow and regenerating your soul.

SO: HOW CAN YOU TAKE ADVANTAGE OF THIS STRATEGY? HOW SHOULD IT BE INFLUENCING YOUR MENUS?

WHAT ARE WE ADVISING OUR CLIENTS TO DO?

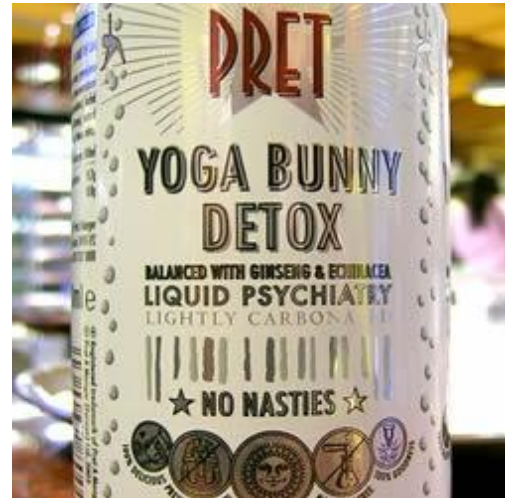
FIRST: You need to recognize that playing with pricing isn't terribly useful. Besides, it is a weak *defensive* maneuver.

SECOND: You need to recognize that menu *language* has reached a dead-end of sameness. You see the same words and the same ingredients everywhere. In fact, we're convinced that menus have become too dependent upon ingredients.

THIRD: You need to take another look at how you want your customers to *feel* about the food they're ordering, rather than how much it costs.

Here are a few more examples of how companies have been playing the emotional game:

- Pret a Manger, the English takeaway sandwich chain, is selling a bottled beverage with “no nasties”. It offers the fictional benefit of “detoxification” and the even larger fiction of “liquid psychiatry.” They’re playing a great mind game here.



- This German brewer went after the female market with a line of low-alcohol beers flavored with fruit juices. It promises “peace” and “balance”, and is marketed as a natural product. Its name: “Karla”.



- Finally, there are these coasters from Perrier that attempt to manipulate men into believing that by ordering this particular brand of sparkling water they are enhancing their masculinity. You can believe it or not, but they provide a pretty good conversation topic at the bar while dealing with important inner emotions of the customers.



HOW CAN YOU TAKE ADVANTAGE OF THIS SORT OF THINKING?

You should be rethinking your menu vocabulary. There may be more important things these days than mere *information*. After all, the strategy underlying this trend report is to deal with *feelings*. Let us take a hamburger, for example: We've had great success ignoring whether the meat is wagu or grass-fed or free-range or heritage, and simply calling it:

"A GENEROUS HAMBURGER"

R.J. Grunt's, in Chicago, calls it:

"A VOLUPTUOUS BURGER"

Here's a great-selling dessert turns its back on calories and saturated fat and "sin" by calling itself:

"A HEALING SLICE OF CAKE: Green tea, bitter chocolate, goji berries"

And this old-fashioned dish -- that hardly anyone serves any more -- expresses this same tug at your emotions:

“SPAGHETTI MARINARA WITH VERY GOOD MEATBALLS”

We saw a menu recently with a category called ...

“GREAT THINGS FROM THE STOVE”

For menu category that we’re working on right now, in a newfangled 350-seat diner:

“WHAT’S A DAY WITHOUT CHICKEN?”

A bar-grill menu described its steak this way:

“A NICELY CHARRED STEAK IN A PARMESAN CRUST”

SHOULD YOU DARE TO WRITE AN ENTIRE MENU THIS WAY? ABSOLUTELY NOT!

A menu full of this sort of thing would be unbelievable. But: If you think of what a good waitress would say in response to a customer’s inquiry ... and then apply that *strategically* to key menu items ... well, then, you’ve got a new way to communicate to your pocket-pinched clientele.

Actually, it isn’t as easy as that.

You can’t apply the right language to the wrong menu items.

So here’s what we’re doing these days: We’re going back over our clients’ menus – and new menus that we’ve been developing – and rethinking what we want people *infer* from certain menu items ... what

gives people *psychological security* in economically turbulent times ...
... and what makes dinner an *emotionally memorable* experience.

This is not the same as “menu engineering”: In fact, it is the opposite. The idea isn't to reduce value by stealthily playing with portions and prices. The idea is to *shift the conversation* away from financial issues and to get customers focused on *personal well-being*.

This means that your menus have to become more personal.

That's not so easy.

Best regards,
MICHAEL WHITEMAN

Joseph Baum & Michael Whiteman Co. creates high-profile restaurants around the world for hotels, restaurant companies, major museums and other consumer destinations. Their projects include the late Windows on the World, the Rainbow Room, the world's first food courts, and five three-star restaurants in New York.

They also run trend seminars for large hotel and restaurant companies.