

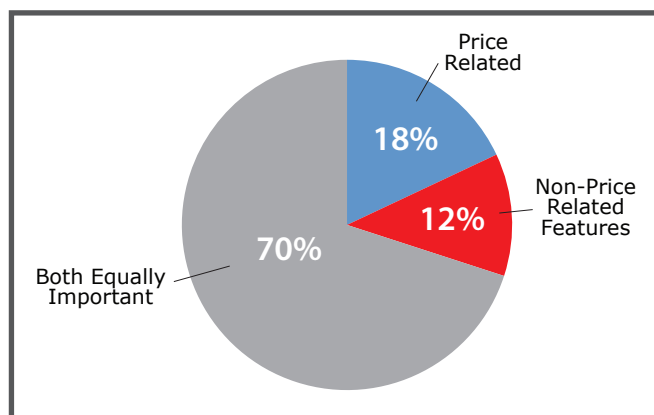


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## LET'S *Not* MAKE A DEAL

They were also asked which of the two values was more important: price or non-price; 70% indicated that both were equally important. This is good news for Operators who have a value proposition that directly ties to one of these attributes and who are looking to rationalize a price increase.

The recession brought about many changes to the foodservice industry, including the unavoidable demand for a deal. As traffic declined and Operators struggled to keep their doors open, many turned to dealing as a way to fight for market share and promote value to the price-conscious patron. But times are changing, and the economy is steadily improving, which gives Operators the chance to appeal to their patrons with differentiating benefits and not deals.



Source: The NPD Group Inc., Facing the Future, 2013

### Beyond Price

The price wars left very little room for Operators to define their value beyond deals. While price will always be important, patrons are starting to support higher menu prices if a restaurant's concept is aligned with benefits or values in which they believe. In fact, over the past five years, spending increases have been driven by larger check averages as opposed to an increase in visits. So that begs the question – what are patrons willing to pay more for?

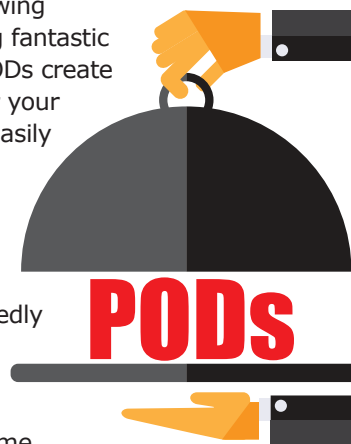
Recently surveyed patrons were asked to identify what value means to them in terms other than price. The top responses were:

- **Quality** – fresh, natural, additive-free, clean, local
- **Good Food/Taste** – bold, authentic, adventurous
- **Service** – friendly, knowledgeable, transparent practices
- **Ambiance/Atmosphere** – clean, enjoyable, location
- **Portion Size** – good size, proportionate to price, money's worth

### Know & Tell

To define the value of your restaurant beyond price, an Operator must first have a thorough understanding of its points of difference (POD). PODs can be anything that differentiates your restaurant from your competition such as sourcing locally, allowing customization or having fantastic scenic views. Strong PODs create a unique experience for your patron that cannot be easily duplicated by your competition.

Once the PODs are well-defined, an Operator should repeatedly communicate them in all aspects of its advertising and messaging. Never assume patrons know what you want them to know. Using social media is a great way to highlight the benefits of your restaurant and showcase your PODs.



## Patron Groups

Visit [conagrafoodservice.com](http://conagrafoodservice.com) to run a P.A.T.R.O.N.® profile of your Operation. This proprietary report offers ideas to help Operators understand what motivates patrons to visit their restaurant. It can also be used to help identify elements that can become your PODs, which will help attract new patrons, inspire smart ways to encourage repeat business and may even confirm what you already are doing to promote the value of your brand and offerings.

SIDE DISH

## Patron Key Insights

Data confirms that the value equation comprises a host of factors related to price, quality, service and atmosphere. An Operator should understand how its patrons define value and what is most valuable to them.



*For more targeted recommendations to grow your business, ask your ConAgra Foodservice representative for a customized P.A.T.R.O.N. profile report.*

THE P.A.T.R.O.N.®  
Personalized Analysis Targeting Restaurant Operator Needs

## Top 5 Actions

1. If you have a really unique ambiance attribute in your restaurant, make sure you promote it and connect it to dining occasions to create an allure patrons will want to experience.
2. Raise the quality perception of your menu dishes by incorporating descriptors like seasonal, fresh and natural. Using locally sourced ingredients and citing those sources also help deliver a premium connotation that can drive higher menu prices.
3. Allow patrons to customize their meal selections. Customization enhances your value proposition and ensures your patrons get exactly what they want.
4. Use social media to promote your brand and create a value buzz. Not sure where to start? Visit [conagrafoodservice.com/pdfs/Social-Media-Guide.pdf](http://conagrafoodservice.com/pdfs/Social-Media-Guide.pdf) for a comprehensive guide of online resources.
5. Use limited-time offers to help attract the deal-seeking patrons, but ensure that the offer or special is still profitable and will encourage them to come back.



to go...

Source: Technomic Inc., The Value & Pricing Consumer Trend Report, 2013

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