

Food & Beverage

Menu Psychology: Stop Making Meals and Start Creating Experiences

By *Michael Barbera, CEO, Barbera Solutions*



Mr. Barbera

Here's why I admire menus: it's the only marketing content that's guaranteed to be read. Once the consumer is seated at a table, they are almost guaranteed to make a purchase. Less than one percent of patrons are likely to depart a restaurant after being seated. Therefore, 99 percent is an outstanding conversion rate that digital marketers would sell their first born to achieve. I would say congrats to all the restaurateurs for achieving this amazing feat of feasts, but we have to be forthright, your margins are miserable. The purpose for our research was to understand how consumers increase spending after viewing a menu, and we've discovered that creating an experience is the catalyst.

First, you control the room. We transition the meal to a consumer experience that cannot be matched by competitors. By doing so, we control the esthetics, environment, verbiage, emotions, and more importantly the price, which is a communication multiplier.

I've met many restaurateurs that placed menu items on their menu solely because they felt it was the appropriate location. This was repeatedly executed without rhyme, reason or research. However, the consumers didn't miss out. The consumers likely enjoyed a good tasting meal with friends or colleagues, but it's likely the restaurant that missed the opportunity to increase revenue.

Margins are a restaurant's worst nightmare. Variable costs and expiration dates on perishables could decimate a restaurant if not carefully accounted for. Margins are difficult and challenging, but can be increased through the sale of additional items.

I'm sure you have been to a Chili's restaurant. Remember the time you were visually scanning the menu. You likely identified a small chili pepper similar to the restaurant's logo, which was carefully placed next to a few menu items. We see this and we overtly think, "this must be a good item, it's recommended by Chili's". This statement couldn't be more inaccurate. The clever marketers at Chili's meticulously placed these enticing Chili's next to menu items that consisted of the best margins. These items earned the company the most profit. Of course they want you to buy it, it's a significant return on investment.

The type of menu presented to the consumer is equally as important as what's listed on the menu. The menu's look, touch, feel and smell should correspond with the environment and esthetics of the restaurant as well as cater to those who are in the restaurant's target audience. This is a topic that could easily fill a book (a big book!). There are single page menus, bi-fold's, tri-fold's, plastic covered and wooden menus. Choose the one or several that are most appropriate for your restaurant.

Additionally, there are also verbal menus. This is another topic that could fill another rather large leather bound book. The verbal presentation from the server is equally important as the written text on paper and the hermeneutics of the consumer. The server is the humanizing element of the menu. Although each consumer is likely to read the same content of the menu, the server is available to present the experience in an authoritative manner. He or she is here to greet you, serve you and share his or her thoughts on their favorite dish. When presented in a manner that makes the consumer smile and begin to experience the meal, is the moment you control of the room and control of the purchase.

Consumer's choose menu items based upon many factors. A few of these factors include lived experiences, personal preference, health and dieting concerns, and of course, price. The restaurateur should not compete on price since the consumer is 99 percent likely to make a purchase once seated. I will cover this topic shortly. Let's think about the story about the Chili's logo next to certain menu items. The consumer feels that item was chosen for them by a culinary expert, the authoritative figure that controls all tastes and mouthgasms. We assume this culinary expert

knows us well, but we we're wrong. They understood their bottom line, and they also understand psychology.

Humans often make rapid decisions based upon one product attribute known as heuristics. This identifying factor is the Chili pepper, which is the recommended item. Cognitively and overtly we identify this enticing pepper, order the item, and simultaneously unbeknownst to us, we increase the bottom line of the restaurant. Additionally, the consumer has limited cognitive processing ability. The information load that can be received, processed and returned to sender is limited by the countless variables that affect decision-making and judgment. For example, the average restaurant consumer will read a menu for 90-seconds. Moreover, it's unlikely that each menu item will be read or given equal time from the reader's eye as proven by eye movement research. As humans, we are attracted to keywords and phrases, which are the hermeneutics of the menu. It's how we process the information and immediately decipher if it's what we want and why. This is done in milliseconds. Furthermore, this is why it's critical for a restaurant to understand their target audience. Knowing and understanding the target audience's emotions and feelings can greatly increase returns.

Now I am ready to discuss pricing with you. Again, this is a topic that could fill several books, but here is the succinct version. We already know that when a consumer is seated at the table, he or she is 99 percent likely to make a purchase. Of course we want the consumer to purchase meals with potatoes, rice and pasta for margin purposes, but we also want the consumer to order adult beverages with great margins. We also wouldn't mind if the consumer purchased the surf and turf. Heck, it's expensive and the lobster tail has been occupying precious freezer space for too long. It's got to go! However, if the consumer is prepared to make a purchasing decision on price and price alone, and we already know the consumer is 99 percent likely to make a purchase, it's best to increase prices. Instead of decreasing the purchase price of all menu items and therefore losing precious revenue, we increase the purchase price of all menu items. One item on every menu will always be the cheapest and will likely always be purchased. This is especially powerful when consumers experience meals with loved ones. Several studies have proven that consumers will avoid lower priced items when shopping with, or for, loved ones. Yes, this also applies to food.

Although love trumps money, money can destroy a family; therefore, we want to end the consumer's experience (keyword: experience) in a manner that won't allow them to forget their brief time at the restaurant. It's unlikely that anyone could recall every restaurant they've visited. This is where the restaurant needs to end on a high note. Where the restaurant needs to be strong, commanding and nearly force the consumer to return without overtly doing so.

We've discussed environment, esthetics, paper type and many other factors; however, most of these factors are cognitively processed during the first half of the restaurant experience. We need a commanding presence that capitalizes on all prior effects on cognitive information load: the server. Earlier I mentioned that the server is a human menu. They've tasted the food, advocated for it and have told you intricate details about the ingredients; however, the server is the final thought, and more importantly, the final call-to-action.

When the server brings the bill to the consumer, the gratuity is likely to be a seven percent. When the server brings one mint with the bill, the gratuity is likely to increase an additional 5.3 percent. When the server brings two mints with the bill, the gratuity is likely to increase an additional 7.8 percent. However, and most astonishing, when the server brings two mints, walks away for a few steps and then comes back to the consumer and says, "you know what, you're good people, here's an additional five mints", the gratuity is likely to increase an additional 30 percent. In this final scenario, it's not about what is offered, but how it was offered.

Michael Barbera will be presenting his research on menu psychology at the 2016 North Carolina Lodging and Restaurant Expo in Raleigh, NC on Tuesday August 30.

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