

## Quick Service Restaurant Finds Growth Opportunity in Breakfast

### THE CHALLENGE

A local restaurant chain with a mix of mall and downtown locations believed that breakfast presented a channel for growing revenue while incurring limited risk and start-up costs. The strategy team needed information on the size of the breakfast opportunity and the stores likeliest to attract customers during breakfast hours.

### THE SOLUTION

The restaurant used Euclid to measure outside opportunity at all locations around the clock, including hours when the stores were closed. By comparing outside opportunity at different times of day, Euclid helped the restaurant to understand where breakfast could be a viable offering.

### KEY FINDINGS

Breakfast should be offered in select locations with large volumes of morning traffic that regularly walked past the store.

- 18% of outside opportunity at an urban location was seen during morning commute hours, when the restaurant was closed
- Evening commuters were more likely than lunchtime passers-by to enter the store
- Mall locations saw little traffic anywhere in the food court area in the morning

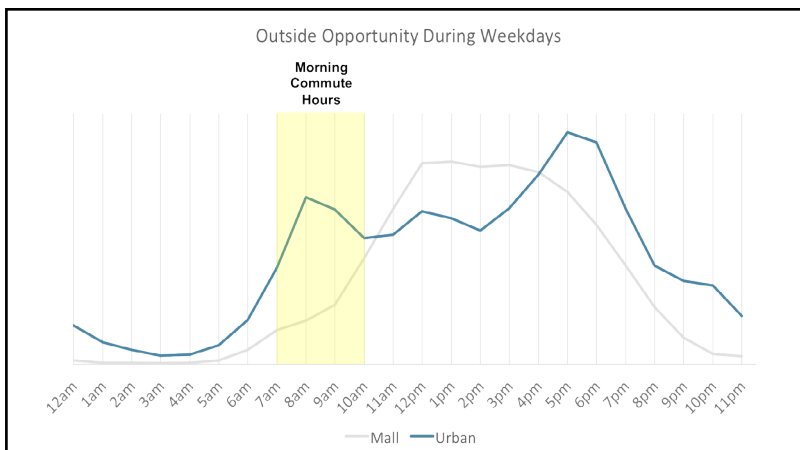


Exhibit 1: Outside opportunity on weekdays at mall and urban locations



### OUTCOMES

The restaurant was exploring breakfast menu possibilities and decided to accelerate the changes at 5 urban locations. Euclid data suggested that the client open those stores an hour earlier, even at low conversion rates, given high volumes of outside traffic.

The restaurant determined that commuters were highly loyal to fast, convenient, and reliable breakfast options. The store hours change generated an incremental 9%-15% in revenue, with limited incremental costs.

In contrast, mall food courts saw little attention from morning shoppers. The restaurant decided not to make changes at their mall locations. They will continue to monitor trends and have begun to consider late night hours.

“ We suspected that breakfast was a real opportunity and were looking for concrete evidence. Euclid taught us about the unique characteristics of each location and gave us better intuition about our customers. ”