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Food as it should be.™

BIA-672-B Marketing Analytics
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About Us

We are a group of Data Scientists, that have taken up the challenge to solve the Panera Bread's current business woes at their Hoboken outlet



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About Panera Bread:

- In the last **35 years**, Panera Bread has grown from one 400-square-foot cookie store into an enterprise with more than 2,000 bakery-cafes, 100,000 associates and annual systemwide sales of **over \$5 billion**
- It is a **leading food chain** for providing **healthy food** to their customers which are free from preservatives, flavors sweeteners and artificial sources
- It has started **entering the catering business** and is ambitious to capture this market segment as well



About The Manager:

- When **Mr. Raul**, first started as the Manager at Panera bread-Hoboken a year back. He had a vision to target big companies and other potential clientele in this area for their catering needs
- He also revolutionized the food menu by making sure certain **preservatives were banned** and healthier food options were served to the customers
- He being an **entrepreneur in the past**, posses a great sense of business and **how things work in real life** setting
- He has managed to grow sales by **120%** in last one year



But, There are a few Challenges:

- 1) **No parking** available on Washington Street
- 2) Unclean surrounding blocks
- 3) Homeless People
- 4) Increasing both **Retail & Catering Sales**
- 5) Customer Retention
- 6) Value for Money
- 7) Serving Time

SWOT Analysis:

- Panera Bread is **known** for **serving healthy and delicious food** to its customer while paying extreme attention to customer satisfaction.
- **SWOT Analysis** is a useful technique which helps a business to carve a niche in the market by understanding Strengths, dealing with the weakness and helps identifying the opportunities and threats along the road.

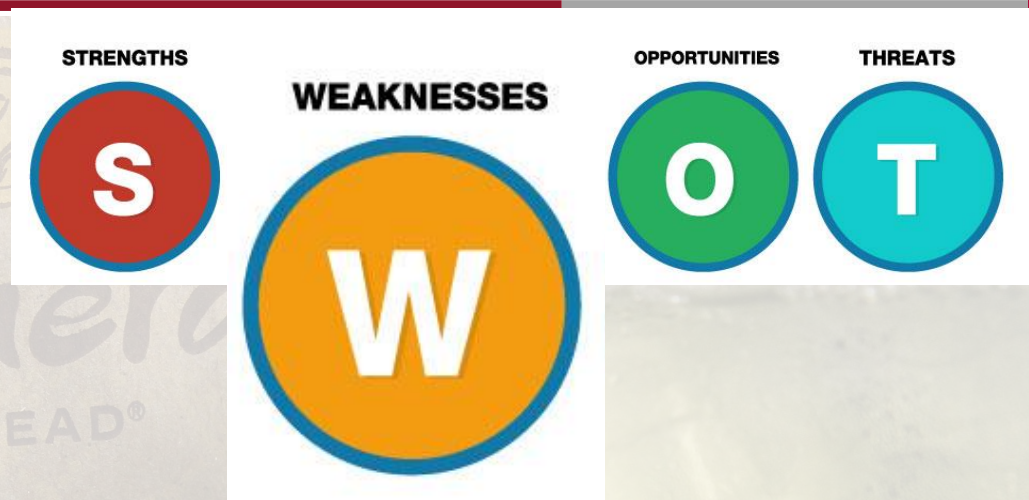


Strengths:



- Panera Bread is **one of the leading food chains** which is famous for its healthy and nutritious food products.
- It does not use any food preservatives or chemicals to make the food products last longer
- For Panera Bread Customer Satisfaction plays a major role. With “**You Speak We Listen**” moto Panera provides its customers with deliciously fresh, handcrafted food in a welcoming environment.
- It serves the food with **accuracy and consistency** achieving upto 97%.

Weakness:



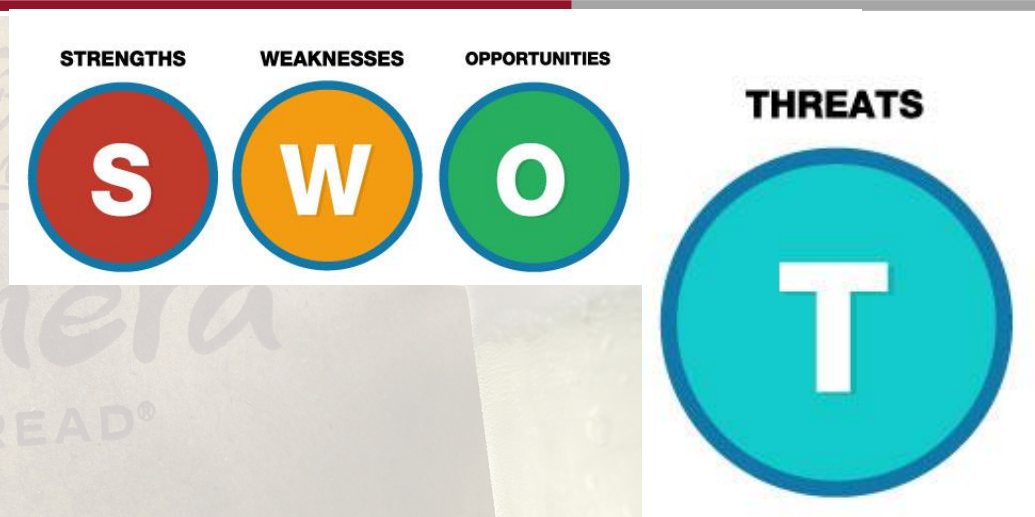
- One **major weakness** that Panera Bread in hoboken has to deal with is parking as **there is no parking space** available near the Washington Street unlike other branches.
- There is a Shelter Home near Washington Street and there are a lot of **Homeless** people due to which cleanliness becomes a major problem.
- This also **results in security issues** as people generally do drugs in the washrooms.

Opportunities:



- One major sector which Panera Bread can **improve is Catering business** by which they can increase their revenue greatly by serving food in events, offices and parties.
- Since there is parking problem, they can start with **bicycle delivery** in near by areas.
- By using proper strategies Panera Bread **can modulate prices, food options** according to the crowd.
- They can **target Stevens & other companies** for their **catering** needs.

Threats:



- **There is always a threat from the competitors and the top 3 Competitors for this outlet of Panera Bread are :**
 - **Pita Pit**
 - **Qdoba**
 - **Chipotle**
- **The home shelter near Washington Street is a threat as it causes some threat to security.**
- **Losing out on different customer segments** in retail stores because of major focus on catering business.



How we approached this scenario:

Lots of Brainstorming Sessions !

1. What is the **theme of our restaurant?**
2. Who is our **ideal customer?**
3. Identify and learn about your **target market**
4. Research the **competition.**
5. What **areas can improve?**
6. **Building the brand.**
7. What is our **greatest quality?**
8. How can we **save on marketing costs?**
9. Become an **active part of the community.** Provide meals to homeless and discounts to nonprofits.



The Survey Approach:

OPEN

Panera Bread Case Study

Created: 04/12/2018 | Modified: 04/15/2018

84
Responses

100%
Completion rate

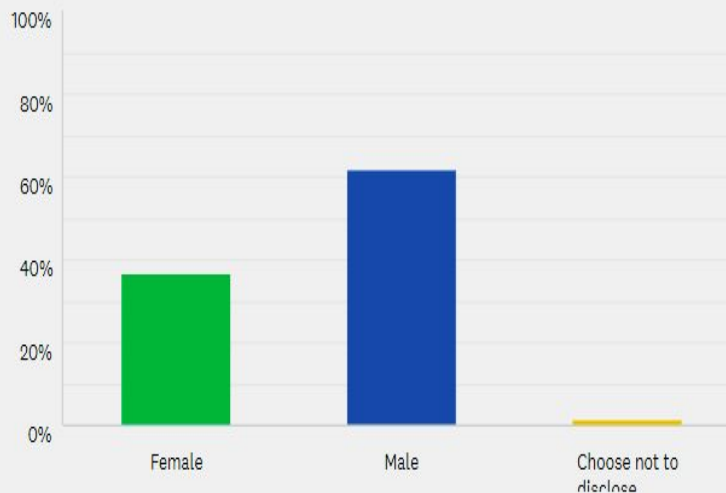
1 min
Typical time spent

- We created a survey on **SurveyMonkey.com** and after thorough research, we finalized **10 critical questions**
- Purpose was to gather **information on the clientage** of Panera bread, Hoboken
- **Average completion** time targeted was **1min**
- **We collected survey** from customers personally, while they were waiting for their food to be served
- Total **84 responses** were gathered from diversified individuals

Gender:

What is your gender?

Answered: 84 Skipped: 0



ANSWER CHOICES	RESPONSES	
Female	36.90%	31
Male	61.90%	52
Choose not to disclose	1.19%	1
TOTAL		84

- Objective was to start with simple questions
- **Male** ratio was higher

Observations:

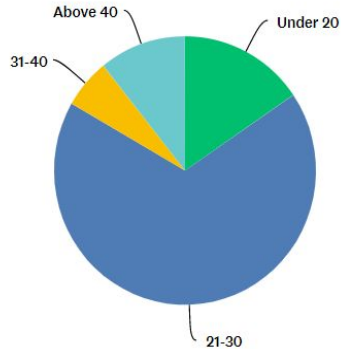
1. Females with their kids have the higher footfall rate

Age:

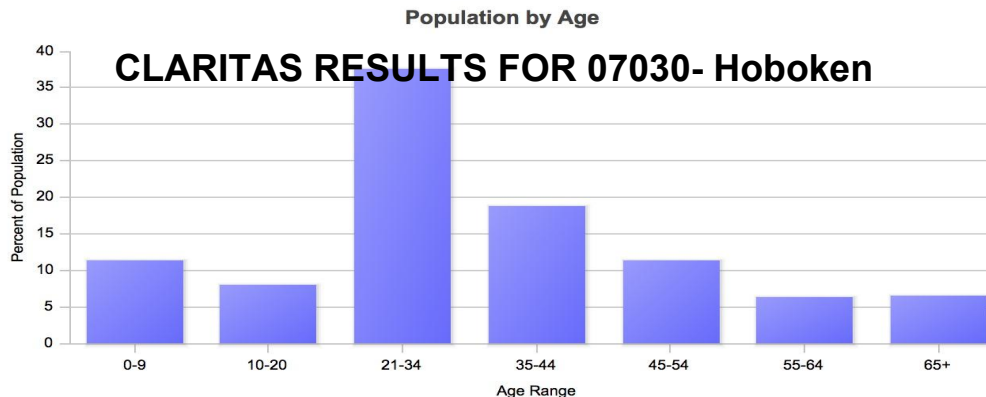


Age

Answered: 84 Skipped: 0



ANSWER CHOICES	RESPONSES	
Under 20	15.48%	13
21-30	67.86%	57
31-40	5.95%	5
Above 40	10.71%	9
TOTAL		84



- Objective was to know which age group is the client
- Have to design marketing strategy accordingly

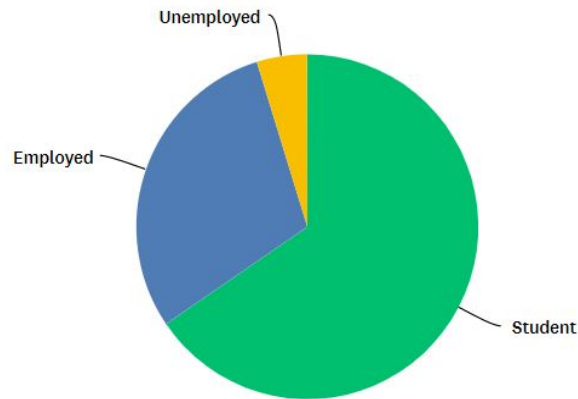
Observations:

1. **Working professionals** were the major category who made multiple orders in intervals
2. **Under 20's** preferred to take away or ordered in group

Occupation:

Occupation

Answered: 84 Skipped: 0



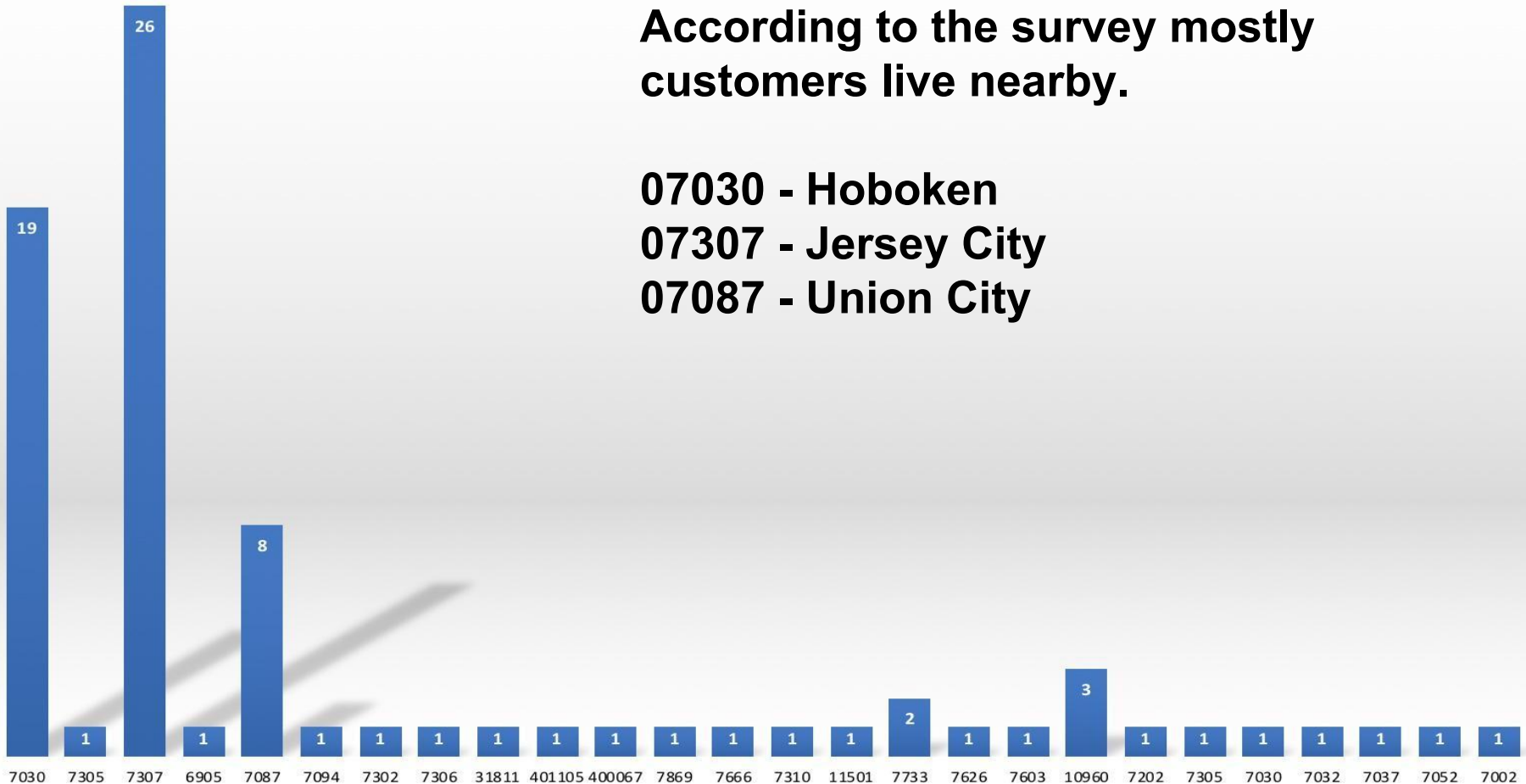
ANSWER CHOICES	RESPONSES	
▼ Student	65.48%	55
▼ Employed	29.76%	25
▼ Unemployed	4.76%	4
TOTAL		84

Observations:

1. As located near Stevens and local schools, the **majority of customers are students**
2. Unemployed consist of the older customers taking their time and enjoying their food with a book

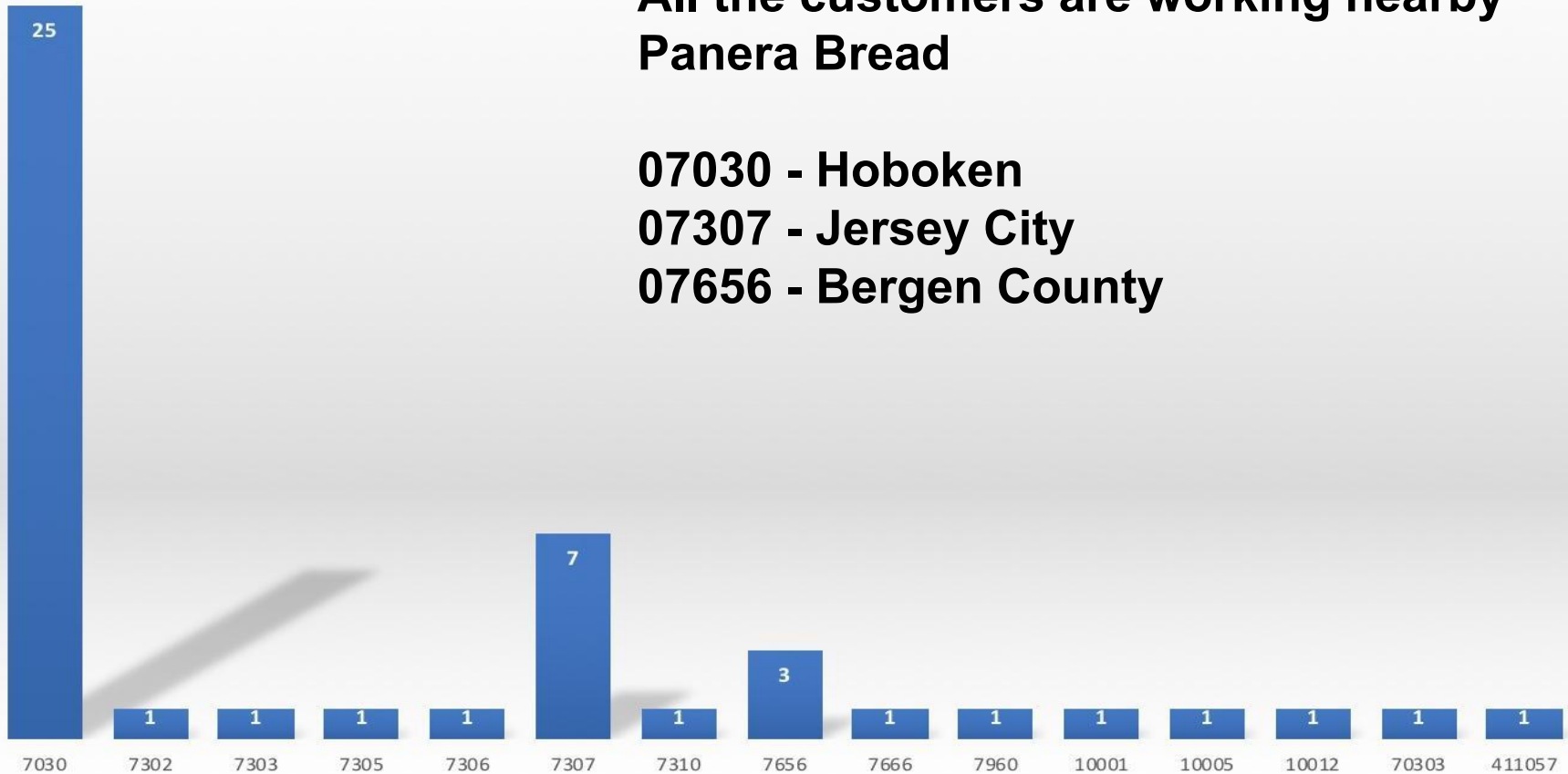


Zip code - Home location:





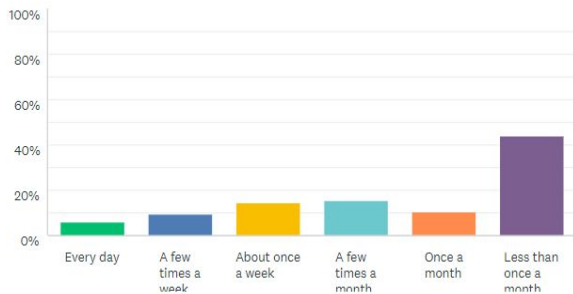
Zip code - Work location:



Customers frequency:

How often you visit Panera Bread

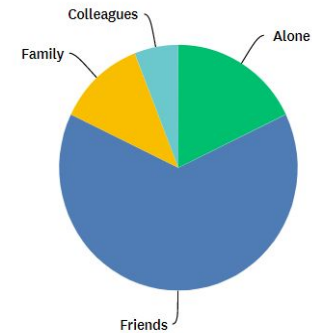
Answered: 84 Skipped: 0



ANSWER CHOICES	RESPONSES	
▼ Every day	5.95%	5
▼ A few times a week	9.52%	8
▼ About once a week	14.29%	12
▼ A few times a month	15.48%	13
▼ Once a month	10.71%	9
▼ Less than once a month	44.05%	37
TOTAL		84

Who do you usually go with when you dine at a restaurant?

Answered: 84 Skipped: 0



ANSWER CHOICES	RESPONSES	
▼ Alone	17.86%	15
▼ Friends	64.29%	54
▼ Family	11.90%	10
▼ Colleagues	5.95%	5
TOTAL		84

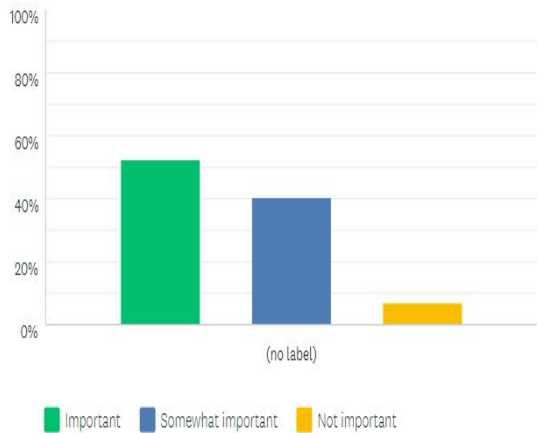
Customers visiting frequency is less than once a month and usually they prefer friends company



Customers Financial Insights:

How important is the price factor for you?

Answered: 84 Skipped: 0



	IMPORTANT	SOMEWHAT IMPORTANT	NOT IMPORTANT	TOTAL	WEIGHTED AVERAGE
(no label)	52.38% 44	40.48% 34	7.14% 6	84	2.45

How much money do you spend on an average in a month dining out?

Answered: 84 Skipped: 0



	LESS THAN 500	500-1000	1000-1500	1500-2000	2000 AND ABOVE	TOTAL	WEIGHTED AVERAGE
(no label)	66.67% 56	27.38% 23	3.57% 3	1.19% 1	1.19% 1	84	1.43

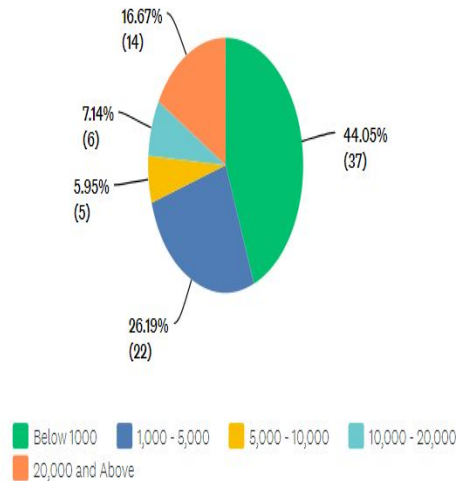
As per the survey **customers are not spending large amounts** on dining out in a month.



Customers Financial Insights:

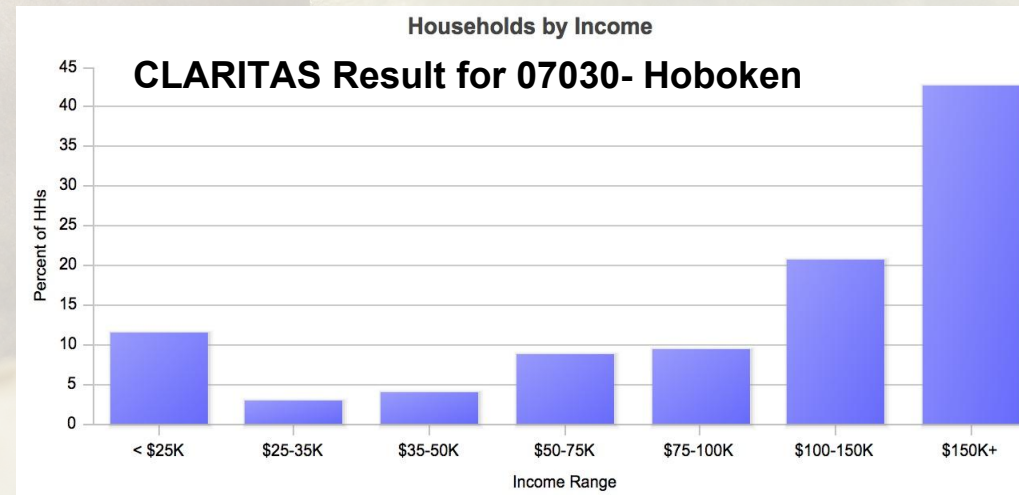
Please indicate your monthly income

Answered: 84 Skipped: 0



Below 1000 1,000 - 5,000 5,000 - 10,000 10,000 - 20,000 20,000 and Above

	BELOW 1000	1,000 - 5,000	5,000 - 10,000	10,000 - 20,000	20,000 AND ABOVE	TOTAL	WEIGHTED AVERAGE
(no label)	44.05% 37	26.19% 22	5.95% 5	7.14% 6	16.67% 14	84	2.26

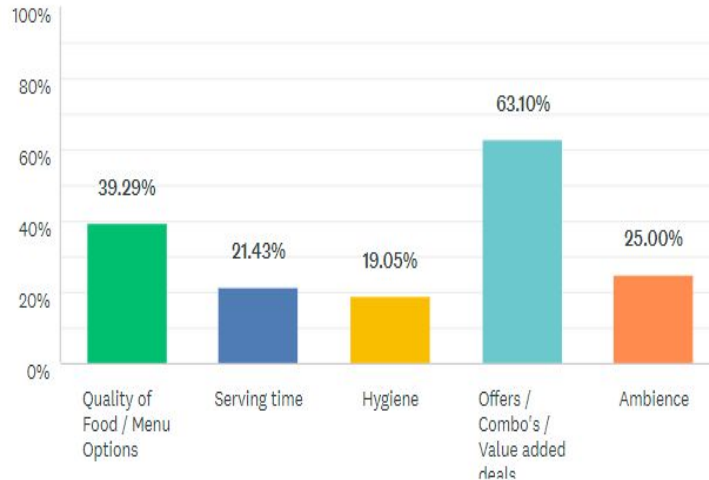


Avg. annual Hoboken household income is above 150K but our customers clientage have below 1K per month because the main customers are being students.

Areas of Improvement:

Areas of Improvement

Answered: 84 Skipped: 0



ANSWER CHOICES	RESPONSES	
▼ Quality of Food / Menu Options	39.29%	33
▼ Serving time	21.43%	18
▼ Hygiene	19.05%	16
▼ Offers / Combo's / Value added deals	63.10%	53
▼ Ambience	25.00%	21
Total Respondents: 84		

Observations:

1. As per the managers insights, their serving time and food is good but still **need improvement.**
2. But lack of offers and **promotions** is present



Tackle Competition:

Panera Bread's competitive edge is the **healthy and mouthwatering menu**, the **management**, the **service** and the **accuracy** with which we serve our food which is about **97%**.

We will have an exotic menu and our food will be made with the freshest ingredients and produce available.

The **management** and employees will handle every detail to make **customer's special evening** even more special!

All this and our **great atmosphere** will make customers want to come back again and again.

'Four P's' Analyses:

The Ingredients that combine to capture and promote Panera Bread's **unique selling points**, those that **differentiate** it from rest of its competitors.





Price:

1. Bundle Pricing

- **Combos** are a missing component in the Panera Bread's menu.
- Introducing combos in the menu will **substantially increase the sales** of various food items
- Combo prices should be decided keeping in mind the **student and working professionals segment of market**

2. Pricing for Market Penetration

- Students should be the market segment that must be focused on using economic pricing strategy
- **Student discounts** must be provided as this will enhance sales volume



Place:

- Often you will hear marketers saying that marketing is putting the right product, at the right place , at the right time
- Its critical to evaluate what the ideal locations would be to convert potential clients into actual clients
- **Washington street** is a hotspot for students as well as white collar employees
- Panera Bread endorses **healthy food**, that is the lifestyle followed by most of the **health freaks** in Hoboken
- Hence washington street is an ideal location for a lucrative business



Product:

- **Healthy & Nutritious Food** is what Panera Bread sells.
- More food items containing **vegan options** should be introduced in the menu for example, black bean soup is the only vegan soup available, more options such as red bean soup or spinach carrot soup etc must be included so that more options would be available
- **Combos** is what a lot of competitors such as Chipotle, Mamoun's provide and Panera Bread must introduce combos to their menu



Promotion:

Discounts

- **Meal of the day** as subway provides a discounted sub of the day
- **Kids-eat-free** programs on specific days
- Provide a **discount on the customer's receipts** so they will return to the restaurant

Post Specials

- **Add specials** to a sign outside the restaurant the way Kung-Fu has done to encourage customers to try the specials

Sponsor a Team

- Sponsor a team by paying for their uniforms and using your restaurant name on the **t-shirts**
- Cater snacks during the game or **host events** at the of the match



Demographic Study:

City	Population	Median Family Income
Jersey City	264,764	58,907\$
Union City	69,296	30,642\$
Newport	24,779	68,307\$
Secaucus	19,822	94,160\$
West Orange	46,207	92,479\$
Hoboken	53,136	105,710\$
Newark	281,764	34,012\$

- **53,136** people live in **Hoboken County, 40%** between **21-34 years old**
- Over **21,254 youth** population lives in Hoboken and most of them **live within 10 miles.**
- That is the age group **that dines out two to three times a week** and **spends an average \$795 a month on food and drinks.**



Demographic Study:

- We will be serving Healthy Food Options, as most of them are belonging to age group **21-34** and are **students** or **white collar employees** who are **health conscious**.
- **Primary customer base** is from **Jersey City, Edgewater, Newport Centre, Washington St, Secaucus, East Rutherford, West Orange, Essex Garden**.

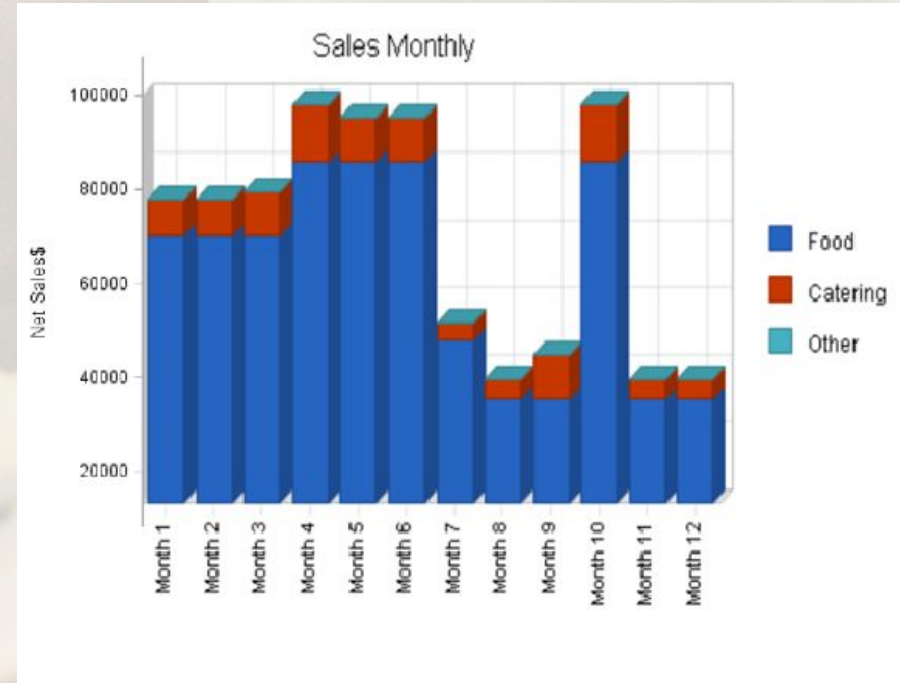


Sales Strategy:

- Our sales plan is to establish and maintain position with our local customers. The strategy is to **build more strong relationship with frequent customers** in order to increase revenue. Ex: Membership card etc.
- Sales in **catering is a client service**. It is repeat business. We will focus on **making all our customers happy with our food, service and entertainment options**.
- Our strategy in the restaurant is to **have an experienced staff** that know the food.

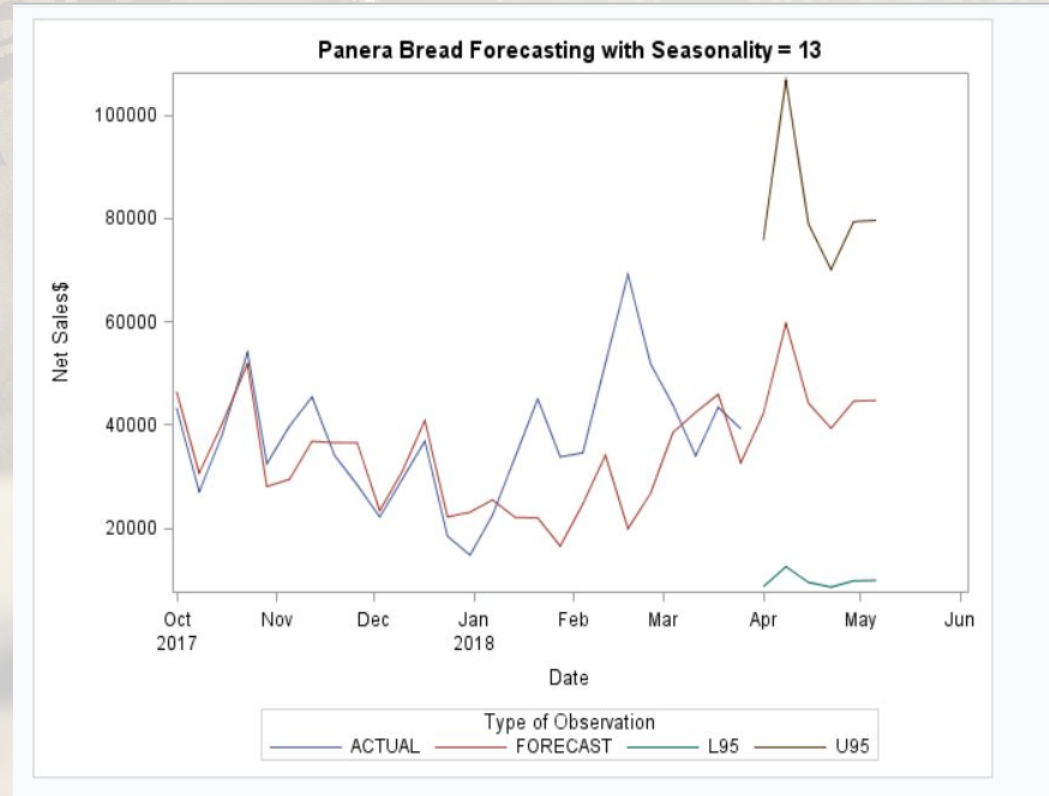
Sales by Month:

- Quarter Q2 has **higher sales** due to the **Summer break** and **pleasant weather**.
- The Sales for last quarter Q4 are lower probably due to bad weather conditions.
- The sales for the **Q1** are **stable** and **see a further increase** in the upcoming months.



Sales Forecast -Retail:

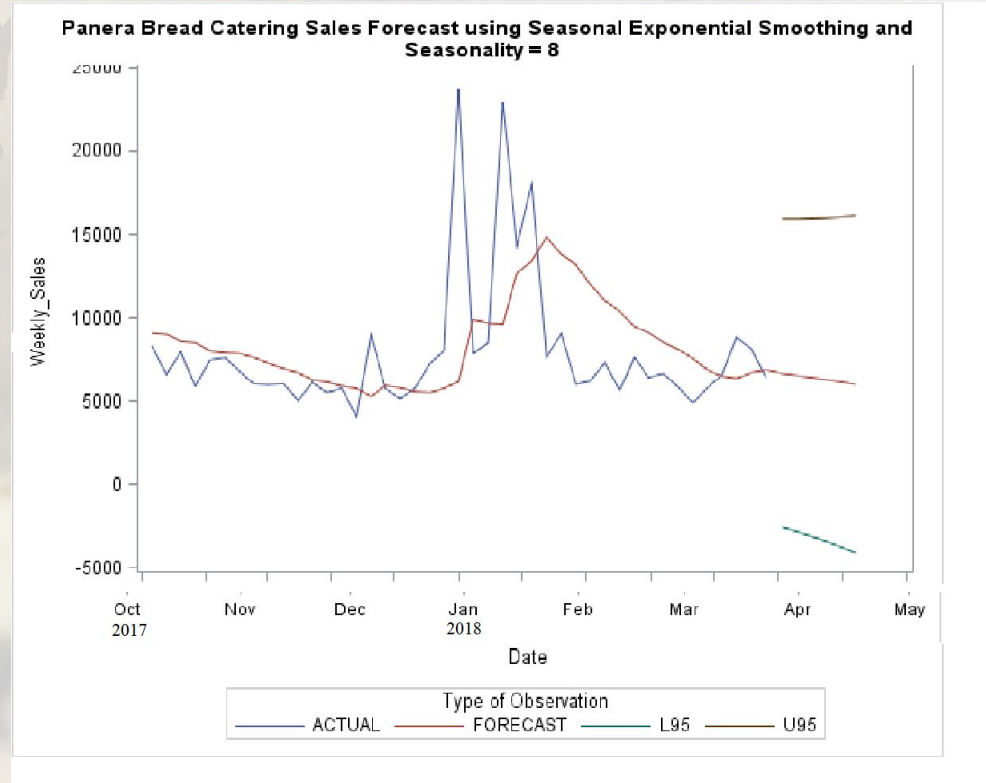
- When we take the seasonality of 13 for sales forecasting we can see a step increase in the prediction and the actual as there were things like **Super bowl** from 4th February 2018 followed by **Valentines week**.



- After** the month of **March** we can see a gradual increase in the forecast for the coming months which is a good sign for Panera Bread.

Sales Forecast -Catering:

- When we take the **seasonality of 8** for catering Sales forecasting.
- we can see a step increase in the the actual & prediction due to increase in number of catering contracts that happened this year.



- **After** the month of **April** we can see that the Catering Sales levels out as the college ends.



Strategy and Implementation Summary:

- Our strategy is **simple**, we intend to succeed by giving people a combination of excellent and interesting food **in an environment that appeals to a wide and varied** group of successful people.
- **Maintain highest quality** and establish a strong identity in our community.
- Our main focus in marketing will be to **increase customer awareness** in the surrounding communities.
- Execute the concept of **word-of-mouth** which will be our main marketing force.
- We will **create an appealing and entertaining environment with unbeatable quality at an exceptional price.**



Strategy and Implementation Summary:

- An **exciting and friendly restaurant**, we will be the talk of the town. Therefore, the execution of our concept is the most critical element of our plan.
- All menu items **are already moderately priced for the area**. While we are not striving to be the lowest-priced restaurant, we are aiming to be the value leader.
- Provide **more Menu options, Quality service & Custom Packages** for catering needs.
- **Revised discounts for repeat Catering business !**
- **Special Promos for STEVENS events.**



Local Store Marketing:

- Make a brochure for the **large hotels and popular bed & breakfast establishments** in town to provide their guests, containing interior pictures of our restaurant, menus and prices.
- There are several nursing homes in the city of Hoboken. We will approach them to **sponsor meals for the elderly**. This will offer us higher visibility to a group that may not be as mobile and we'll be contributing to the community in a material way. **Word-of-mouth referral** is very powerful and particularly amongst the elderly to both their peers and their extended families.



Local Media:

- **Newspaper campaign** - Placing several large ads throughout the month to deliver our concept to local area.
- **Direct mail letters** - Containing interior pictures of our restaurant, our menu, "Theme Nights," catering and an explanation of our concept.
- Target **nearby companies** for their lunch and dinner gatherings/parties



Web Plan Summary:

- **Enhanced Website and mobile application** providing features like Advanced Ordering for To-go , Ordering from your Table for Dine-in and Customized Ordering.
- **Easy enquiry & order for Catering.**
- Better Way to Pay by allowing customers to store their purchase history and credit card information for future use.
- **Images of food by professional photographers on Social Media.**



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