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Good Design

*Innovation that creates a
superior customer experience
over the long term*

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Introduction



Good design is rooted in customer understanding. This understanding—combined with a strong knowledge of your industry and your outlined goals—delivers success every time.

Orlando Espinosa

Good Design



During the design process there is a lot of internal and external selling and communicating that is required....having unique insights and knowledge regarding your customers preferences will help position your project for success.

Long before you put your sights on design...



- Conduct a sincere effort to understand your customer.
 - Understand how they feel about food and how food and dining fits into their lives
- Be mindful and curious.
- 'Connect the dots' between behaviors, preferences and food in creative ways.
- Your result will be a superior customer experience for the long term.

The Long View

How to stay competitive over the long term

- Plan in advance
- Bring diverse skill sets into the discussion
- Experiment with 'what could be'
- 'Connect the dots' between diverse sources of information and experiences



A Broad View



- Take a broad view about the larger retail experience beyond food
- Be cognizant of the latest trends in food, consumer behavior, retail and other areas of hospitality
- Understand the emotional triggers for an outstanding customer experience

How?



Tools

- Focus Groups
- Charrette process
- Surveys
- Concept Studies

Resources

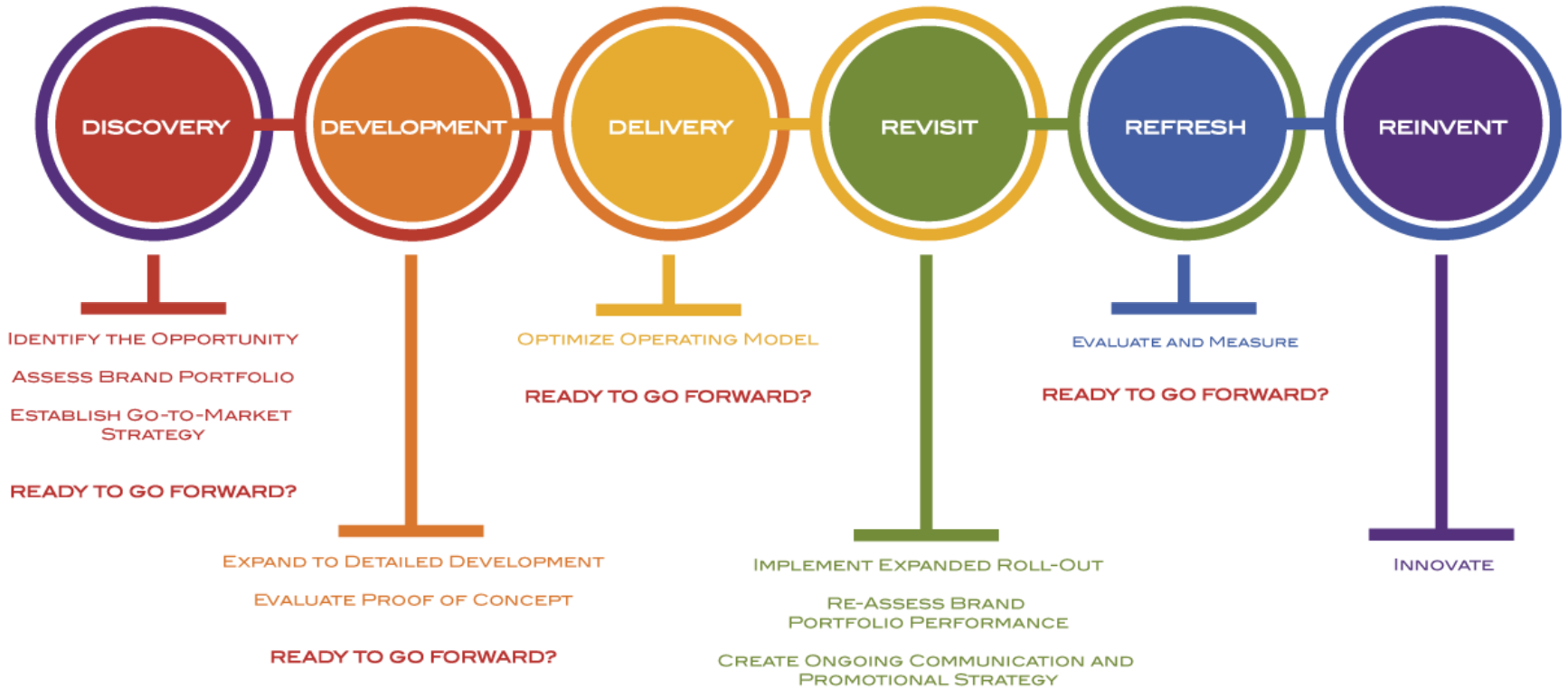
- Human Resources
- Foodservice Director Magazine
- Technomics and other industry reports
- Hospitality best practices
- Home and Fashion Design

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Innovation



Apple Store in NYC

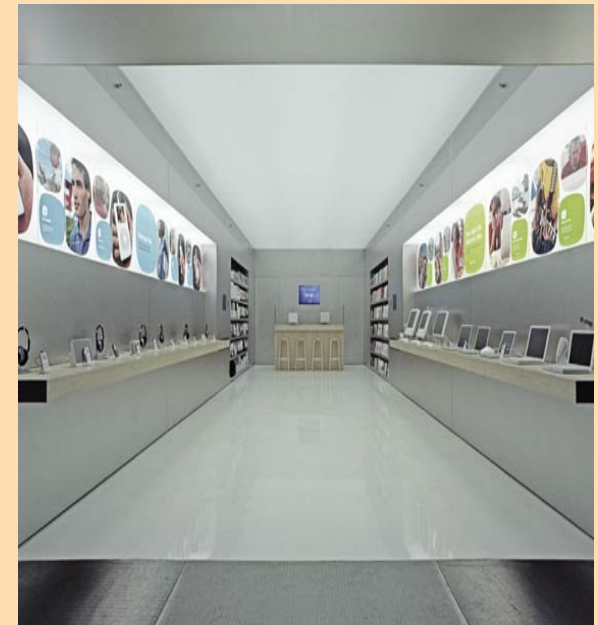
- Bring the right resources to the table:
Qualitative, Quantitative, *Intuitive*



\$ 185.70



Genius
Bars



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Inspiration



Lexus found inspiration outside their industry

- The Genius Bars inspired Lexus set up their own and provide answers from “smart, friendly, highly engaged employees.”
- To advance the Lexus customer focused experience, they also looked to the Ritz-Carlton for best practices in customer service

The Wall Street Journal reported that “all sorts of little touches add up to a big impression—from fresh flowers in the showroom to marble floors in the bathrooms to bottled water and chocolates in the cup holders when customers pick up their cars from the service department.”

It’s not just the business of selling luxury cars; Lexus is in the business of making deep and enduring connections with customers who have come to expect greatness from Lexus.

Other Merchandising Leaders



Seek out nontraditional inspiration;
move outside the industry



Think Big



- Brainstorm 'what could be'; 'Connect the Dots'; Investigate the possibilities
 - Practice
 - Stand up conversations and sit down meetings
 - Capture many points of view, especially the different components of your demographic

Think about the long term with a Big Picture view; develop a road map but be open to the possibilities that your project may take you in ways that you cannot predict...you will find that you arrive at offering a superior customer experience

Business Case



OE+A met with representatives from Medicis and DMJM to identify the goals and objectives of the foodservice requirements at the new location.

Assumptions

Medicis has stated that foodservice will be positioned as an employee benefit used for both recruiting and retention, located in a comfortable environment that will promote rest and refreshment as well as interaction among employees.

Most food items being purchased can be reproduced similarly at or below current cost by alternate foodservice sources.



Findings



Implemented Medicis employee foodservice preference survey and identified:

- Demographic profile of employees
- Current eating habits and spend

Researched the cost and profitability of the menu items currently being purchased and identify the cost and profitability to provide the same or similar food items in- house.

Findings



- Food offerings
 - Identified foodservice styles and offerings profile
 - Developed costs to produce and deliver

- Recommended foodservice management to be outsourced

- Researched key performance indicators of similar foodservice operations with similar employee counts, participation, menu offerings and costs to operate and provide

- Created baseline to benchmark against

Women participated in the survey at a rate of 3 times that of males; Most survey respondents were non-managers.



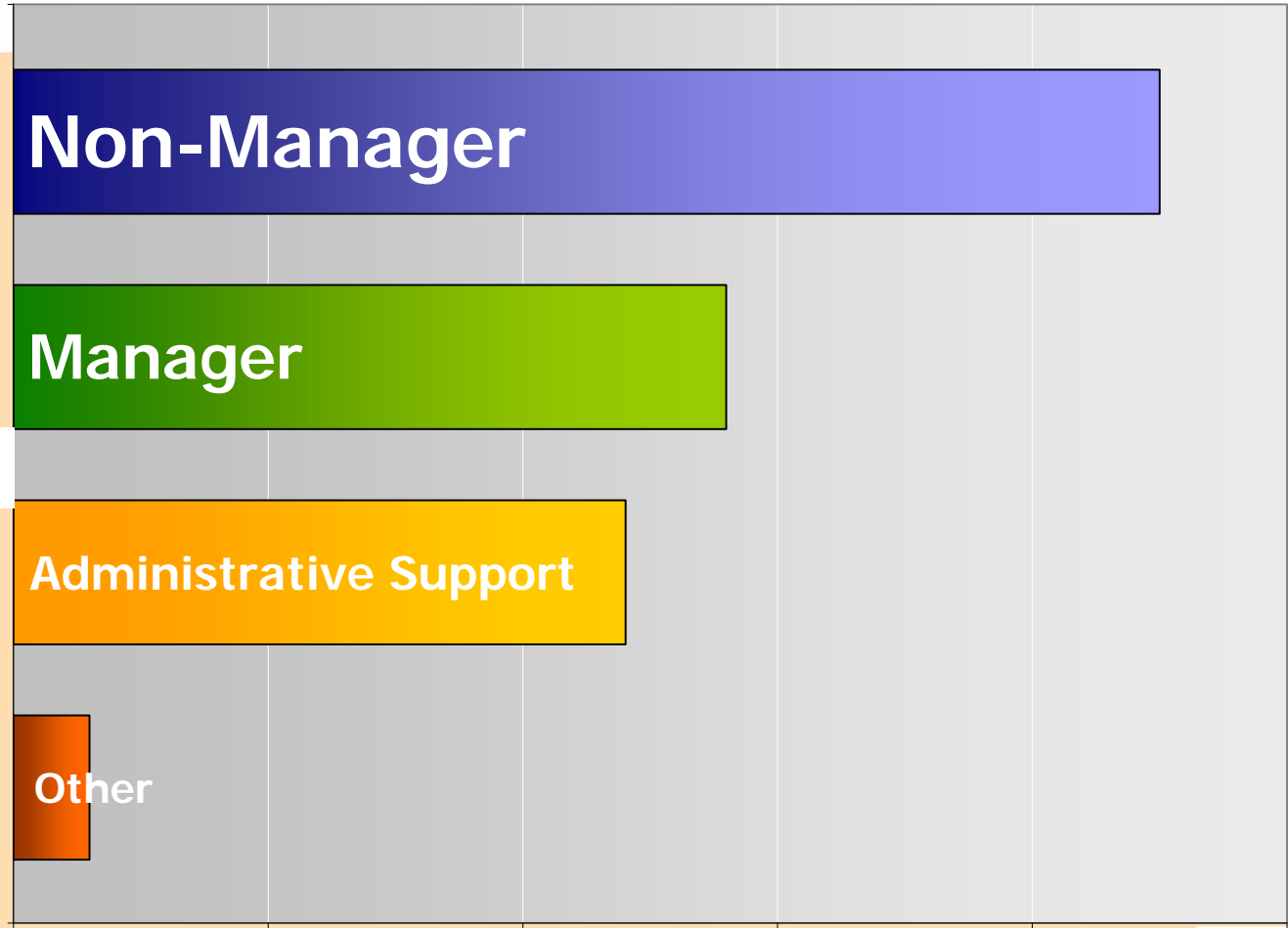
Non-Manager

Manager

Administrative Support

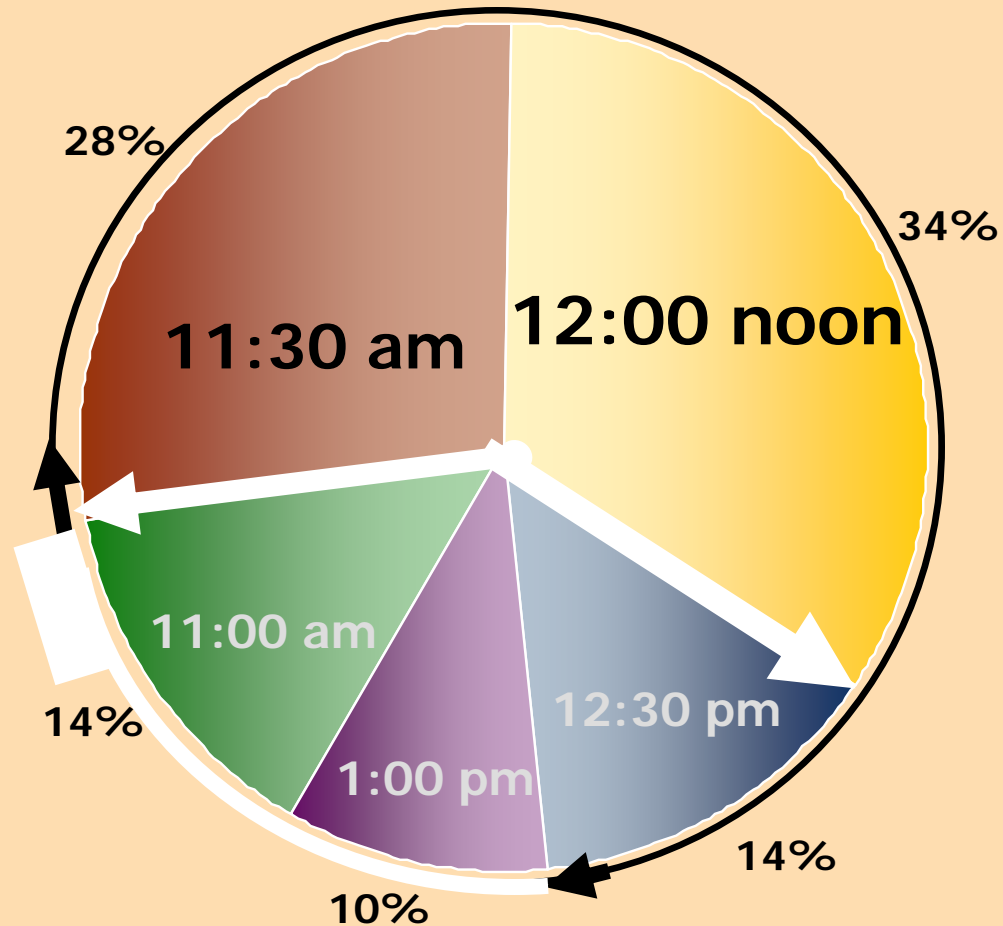
Other

0% 10% 20% 30% 40% 50%



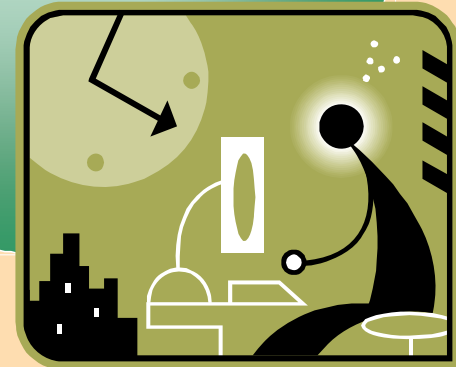
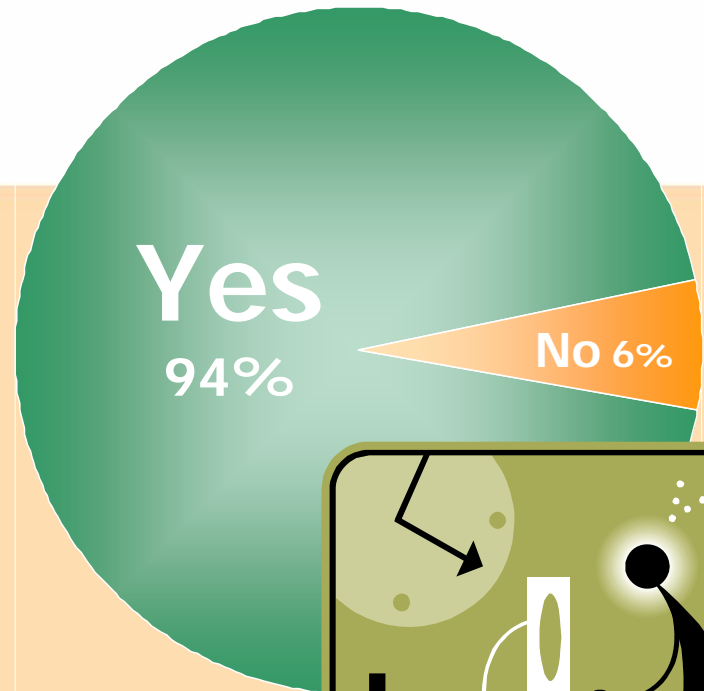
Traditional Lunch Hour

62% of employees take their lunch at 11:30 am or 12:30 pm

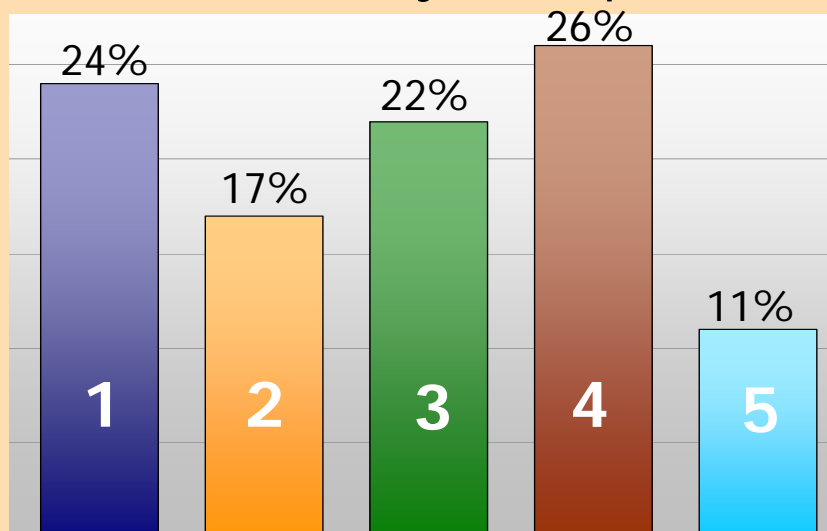


Employees Eat at their desks frequently

94% of employees eat at their desk 1 or more times per week with almost 60% eating at their desk 3 or more times per week.

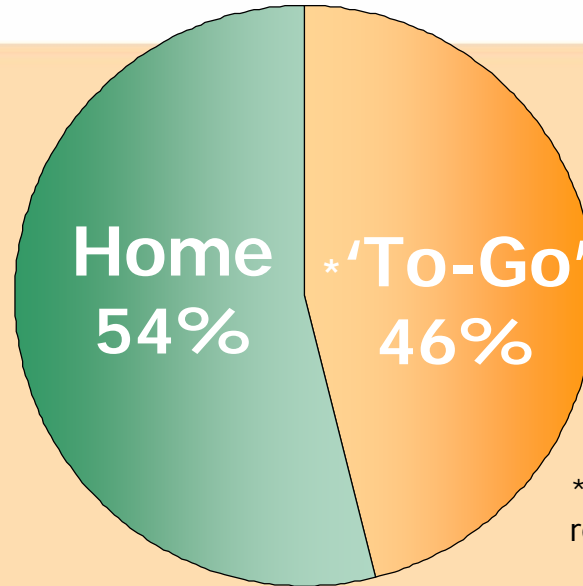


If so, how many times per week?



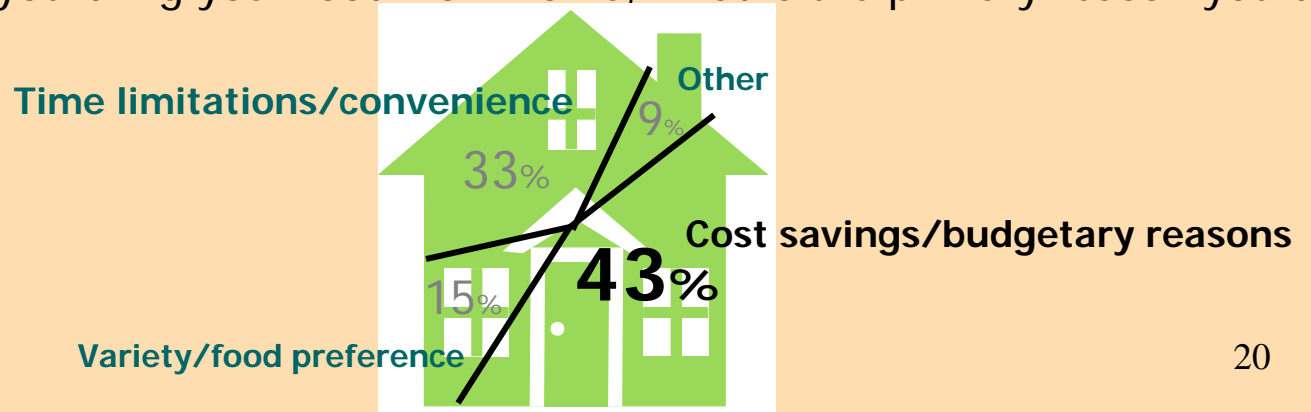
Bringing food from home is common; it is perceived to provide a cost savings

Where does the lunch you eat at your desk primarily come from?

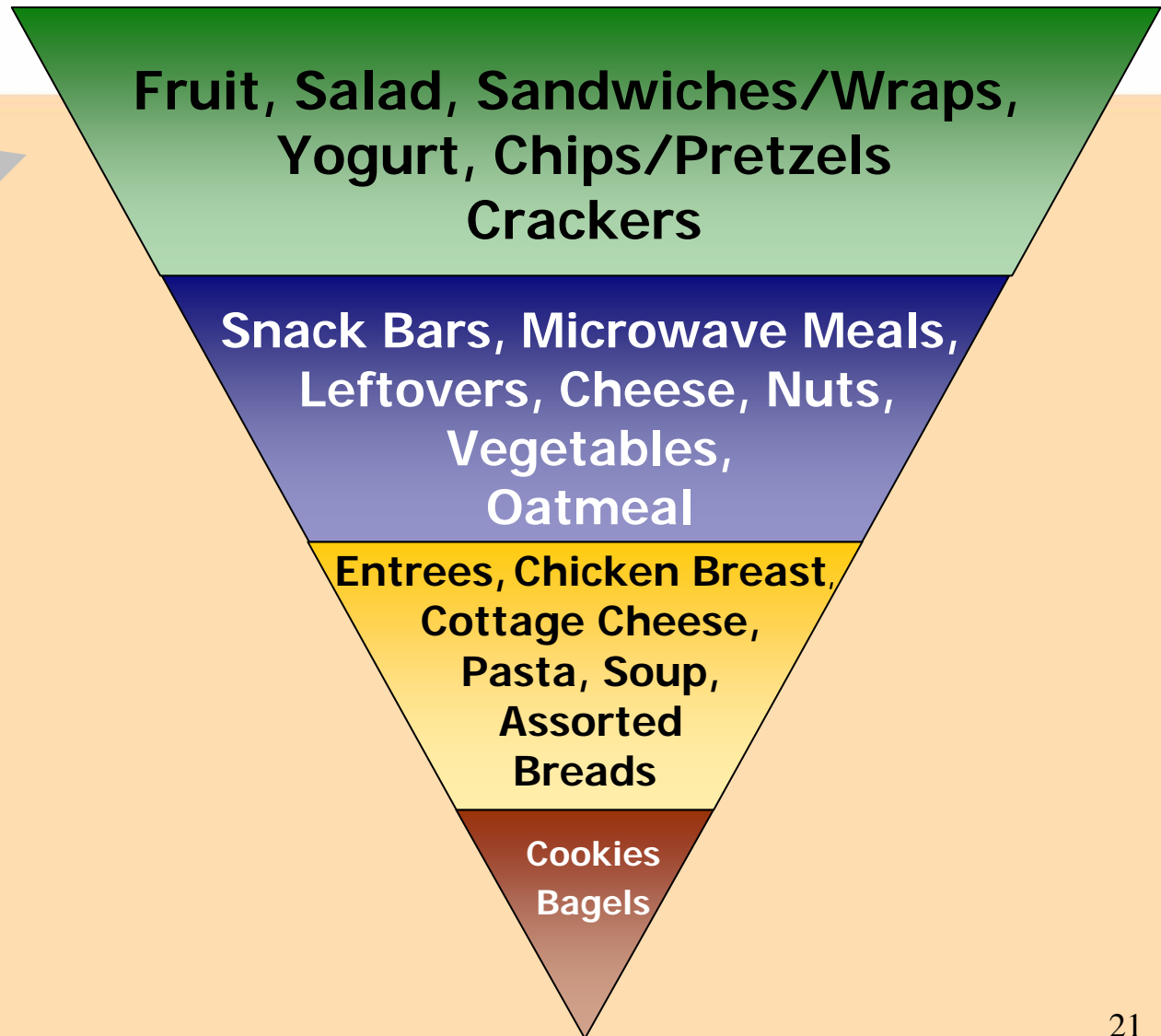


*'To Go'- defined as food from a restaurant and/or food store

If you bring your food from home, what is the primary reason you do so?



Most preferred food brought from Home



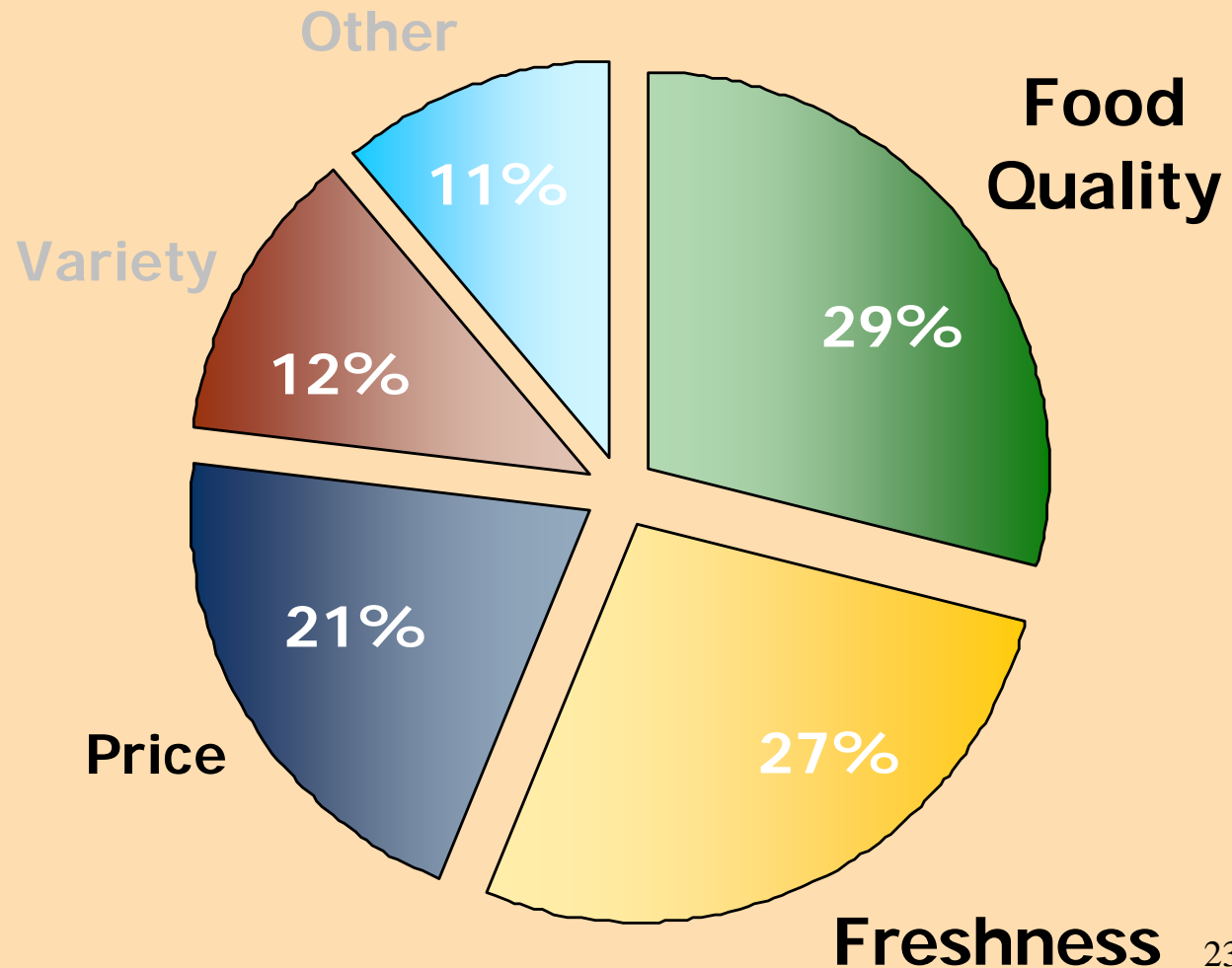
Most Preferred foods when purchased Sandwiches and other Grab-n-Go

Name of Venue	Type of Food	Avg. Amt. You spend	Why you prefer this venue
Chipotle	Mexican burritos	\$6-\$8	Quick, great value, close proximity, fresh, very tasty
Subway	Subs & Wraps	\$5-\$6	Fast, close proximity, nutritious, variety
Jade's Palace	Chinese	\$8-\$10	Love Chinese food, close proximity
El Paso BBQ	Salads, Fish, BBQ Sandwiches	\$12-13	Waitress service, great flavors, quality food, hot food, close proximity, variety
Paradise Bakery	Sandwiches & Salads	\$5-\$10	Great chicken walnut salad, quick, healthy, tasty
Buster's	Salads, Sandwiches, Lavosh	\$12-\$13	
McDonald's	Fast food, Salads	\$5-\$7	Quick, inexpensive
Blimpie's	Subs	\$5-\$6	Close, fairly cheap, healthy, quick, easy, not messy
China Lite	Chinese Food	\$6-\$10	Orange chicken, great menu. Healthy, good food, close
Sweet Tomatoes	Salad Buffet	\$6-\$10	Convenient, quick, fresh, healthy
Jason's Deli	Sandwiches, Wraps	\$6-\$8	Healthy, reliable. good
Le Peep	Salads, Sand, Omelets	\$10	Close, cheap
Burger King	Fast Food, burgers	\$3-\$5	Cheap, quick
Albertson's	Boxed lunches, sand.	\$4-\$5	Location, good prices, ATM nearby, convenient
Taco Bell	Mexican	\$4	Inexpensive, good variety, fast
Vermont San. Co.	Sandwiches, Salads	\$7-\$10	Unique salads, homemade salads & fresh sand.
Claim Jumper	Sandwiches, Salads	\$12-\$20	Available through delicious delivery, customize orders to people's diets, selection, quality
Mongolian BBQ	Asian	\$7	Healthy, quick, cheap



Top off-site restaurants/food stores that you prefer- within a ten minute drive of your current location

Food Quality and Freshness are *Most Important* to food purchasing decisions followed closely by Price



There is no clear singular attitude on how wellness factors into food decision making

- Similar numbers of respondents believe that wellness is Somewhat Important, Important or Very Important

Very Important

39%

Somewhat Important

32%

Important

28%

Not Important
1%

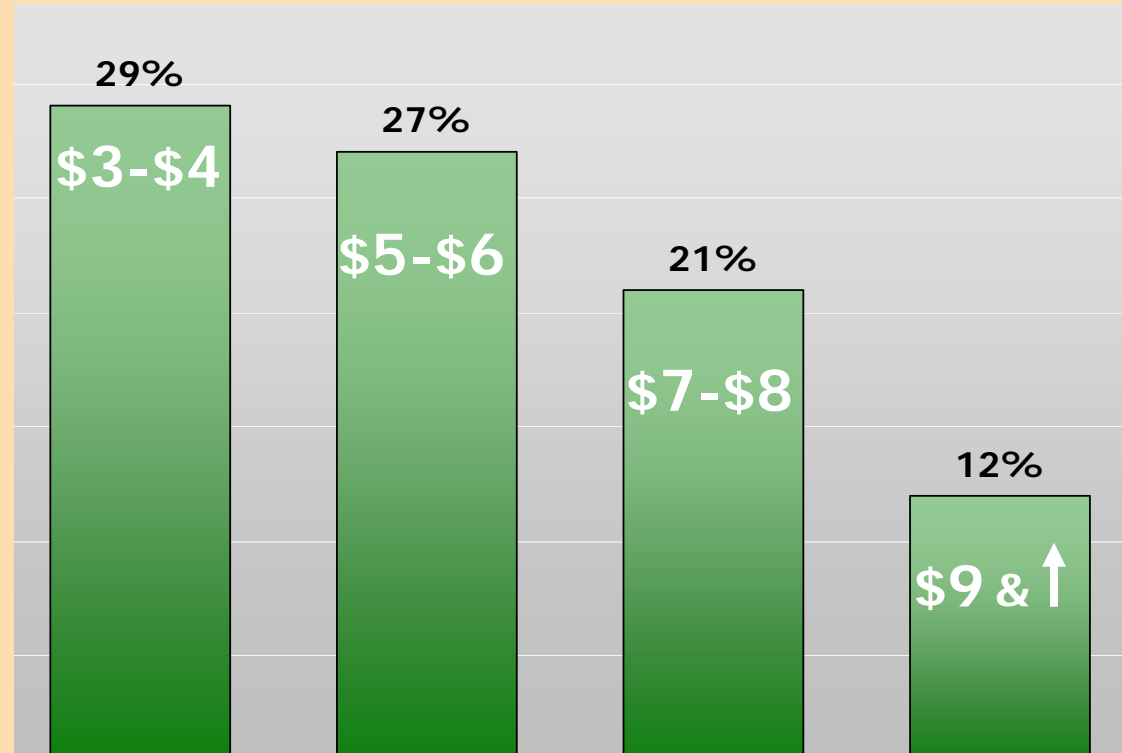


Current Lunch Spending

56% of employees currently spend \$3-\$6 /day

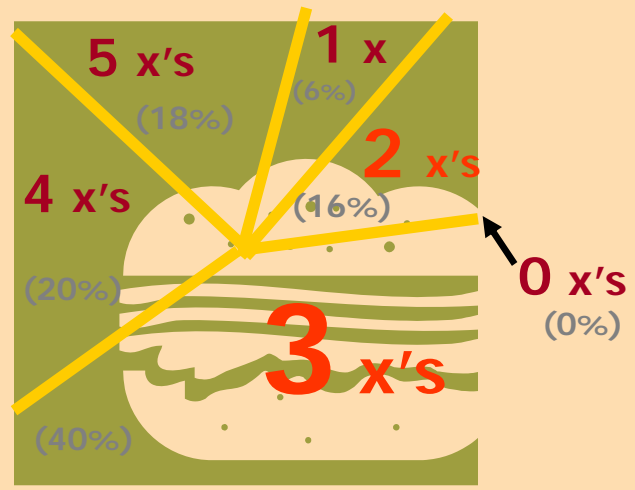
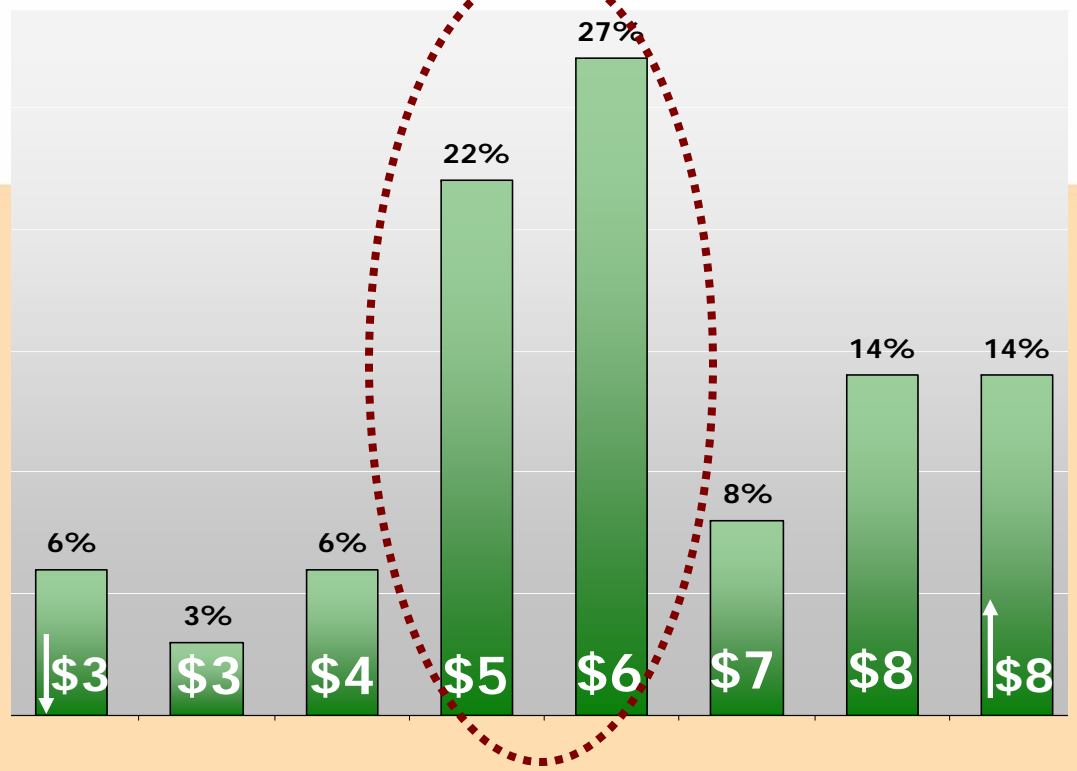
§ 21% spend \$7-\$8 /day

§ 12% spend \$9 or more



Lunch Intent to Spend and Participate

49% of employees who do purchase lunch intend to spend \$5 - \$6



The majority of employees intend to purchase lunch 3 times or more per week

Design Result



Findings:

Size and space requirements for the foodservice operation.

Kitchen = 840 sf

Serving area = 960 sf

Dining room = 1800 sf

Total 3,600 sf

Identification of capital requirements for the foodservice equipment.

Findings:

Kitchen = \$92,400.00

Serving area = \$115,200.00

Dining room = \$9,000.00

Total \$216,600.00

Smallwares to be provided by the contract foodservice management selected.

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Trends

Consumer Trends

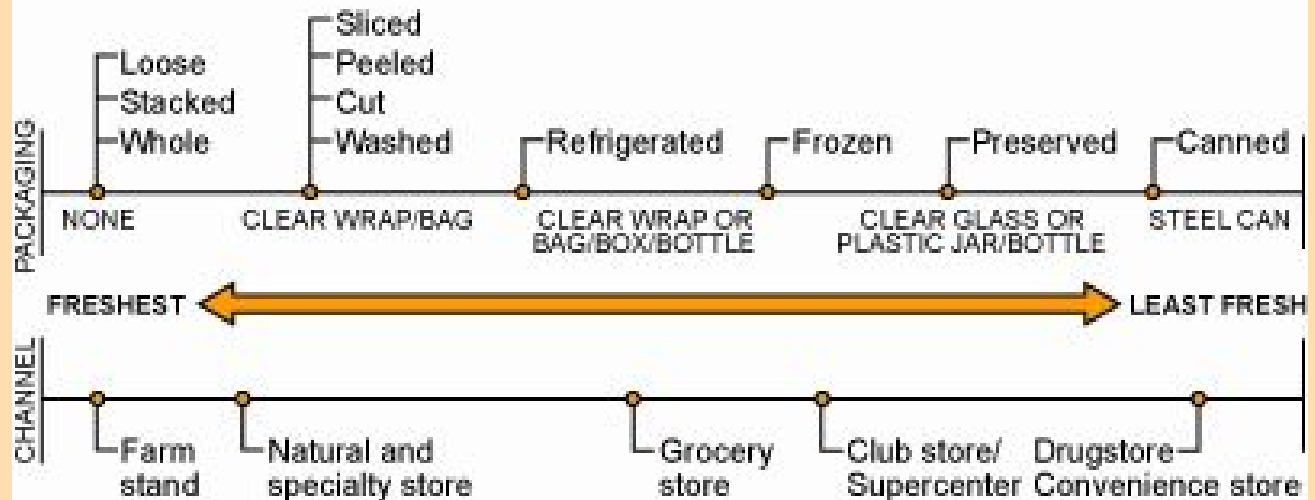
Convenience/Speed/Freshness



Eco-
friendly/"
green"
packaging

- Grab and Go – many more dayparts
- Getting in and out quickly and easily
- Packaging

CONSUMER PERCEPTIONS OF FRESH



Consumer Trends

Wellness equals Quality of Life



Consumer Trends

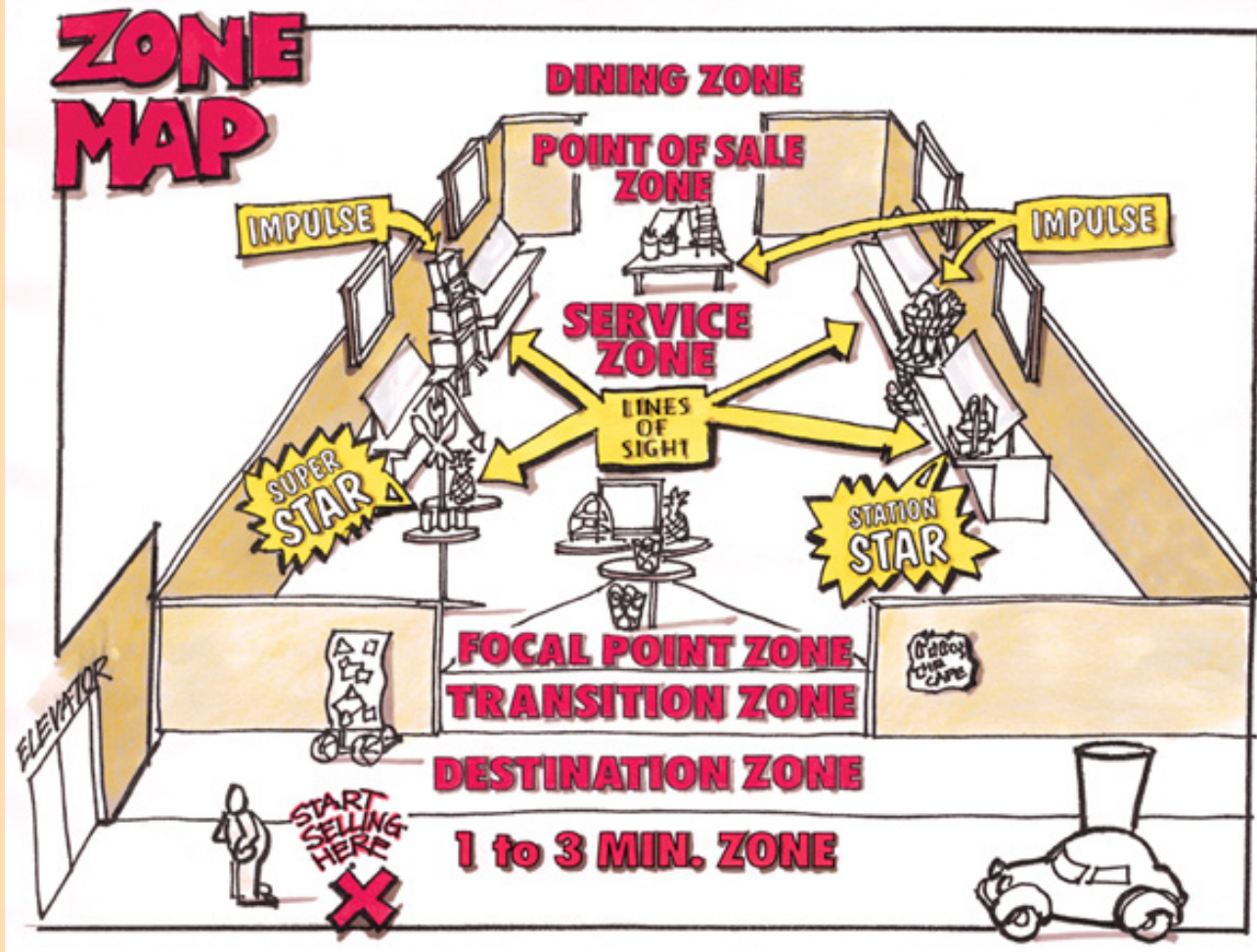
Food Quality and Food Safety



- Confidence in the safety of food has dropped dramatically.
- Create trust with your customers to create a differentiation among your competitors



Zone Trends



Color trends according to CMG



Looking "Green"

- Looking natural, hand-made, un-dyed and unbleached
- Texture with all the natural imperfections proudly showing through
- Off-whites, sandy and linyen-colors, rock and soil colors, brownish-greens
- The colors of nature are seriously fashionable now.



There's News in Blues in 2008

- In all areas of decor, blues that remind us of sky and water -- inspired by environmentalism -- remain prominent, even in the kitchen.
- New next year will be the emergence of a much blacker blue inspired by technology

Color Marketing Group forecasts color trends up to three years into the future for its members, many of whom must plan ahead for product, space and materials introduction. For more information: www.colormarketing.org

Color Trends



Specialized Finishes, Warmer Metallics

- Advances in technology have made shimmery, specialized finishes really hot.
- In 2008, metallics will go warmer.
- After so many years of brushed chrome and nickel, look for warmer shades -- coppery, bronze-y tones

More Ethnic Accents

- Globalism continues to inspire our love for ethnic accent colors from India, China and Latin America
- Moroccan reds and glowing oranges, rosy pinks, sunny golden yellows and lots of turquoise.

Already here in fashion and home design, these ethnic accents will show up as "punch" colors in hotels, restaurants and retail environments, too – often paired with rich browns as neutrals.

Shape Trends

- Square
- Modular
- Oversized pieces



Resource: The Hubert Company

Dining Theme Trends



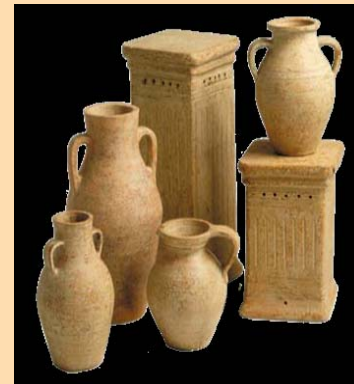
Asian/Zen

Tuscan

Euro/Bistro Areas

- Coffeehouse atmosphere
- Cozy nooks for relaxing and hanging out
- Gaming areas
- Renewed emphasis on socializing/small group activities

Wellness and Organic



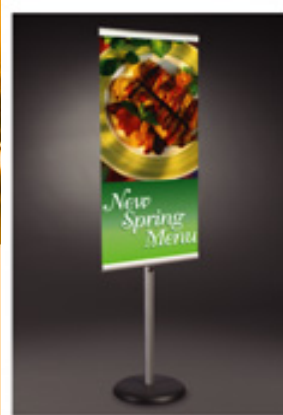
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Wayfinding Trends

- Communicate the message
- Support the brand
- Retail look and feel



www.VGS-inc.com

Equipment Trends



Euro styling
Easy access
Good display lighting
Meal combinations
Energy efficient

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Equipment Trends – cont.



Multi tiered product display

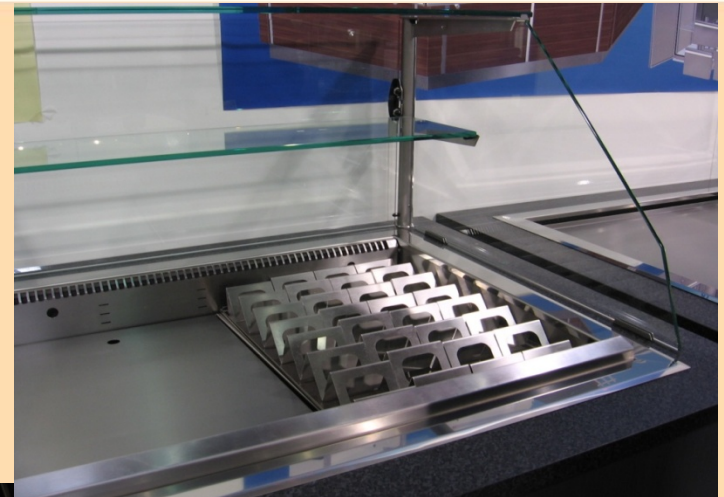


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Equipment Trends – cont.



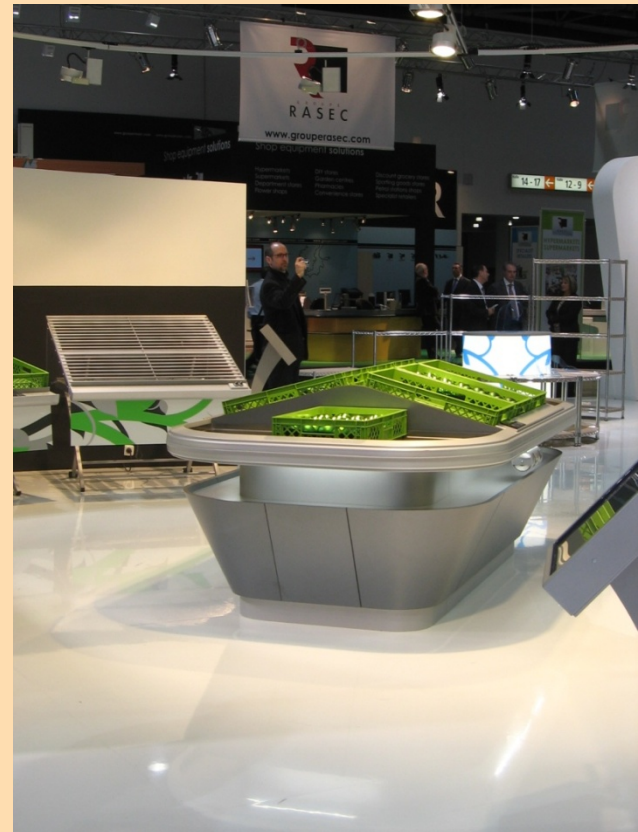
Product display racks

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Equipment Trends – cont.



Multiple product display

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Equipment Trends – cont.



Lighting and graphics

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Equipment Trends – cont.



Different shapes and sizes

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Equipment Trends – cont.



Innovative food work stations and merchandising

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Equipment Trends – Cont.



Modular display

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Equipment Trends – cont.



Complete “Point of Service “ action stations

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Equipment Trends – cont.

Innovative shapes and sizes

Focused on energy use and Merchandising



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Equipment Trends – cont.



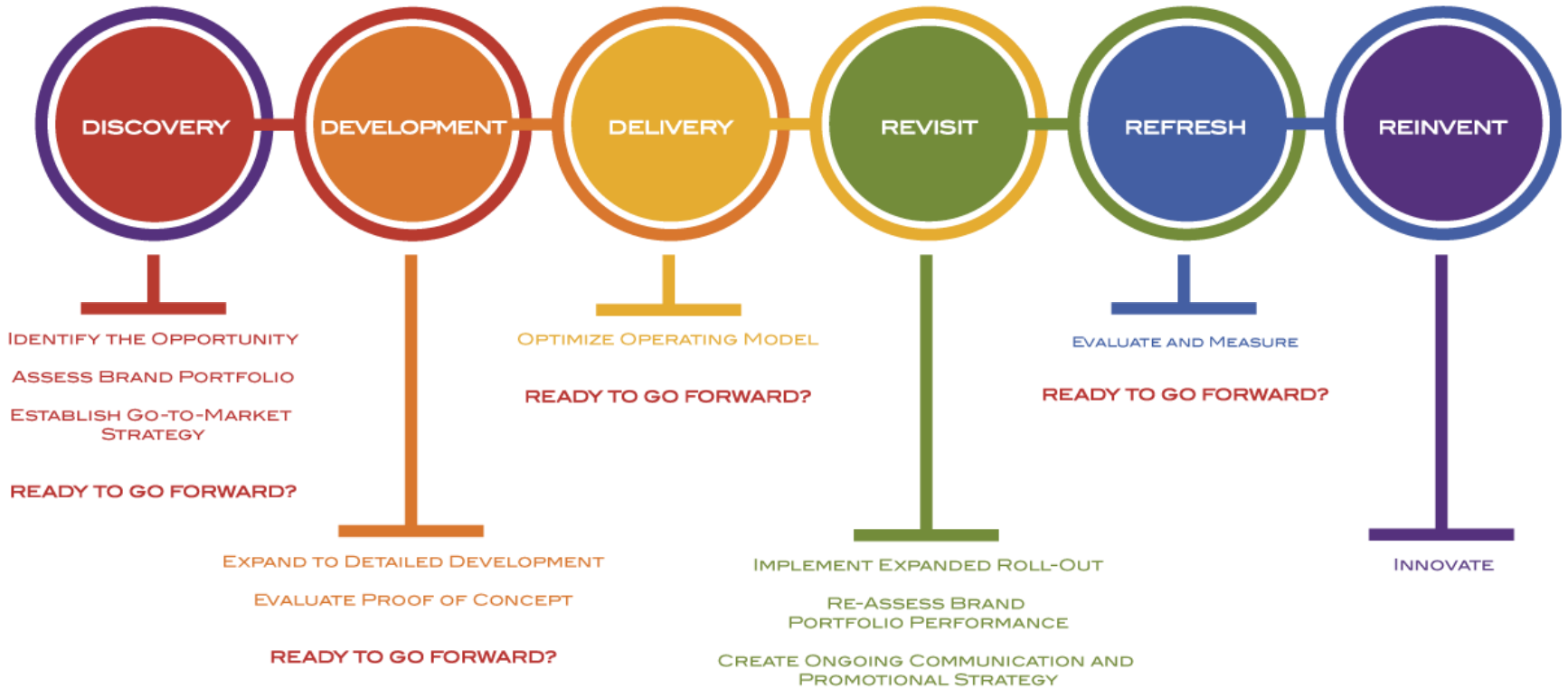
Creative end caps and island displays

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By truly knowing your customers, you will develop more creative, innovative solutions. The result is a truly differentiated product, a more satisfying dining experience and more productive and profitable dining venues for your customers over the long term.

www.oeassociates.net