

Knowing the customer

Moe's Southwest Grill

The Background

The person most likely to play Moe in a movie would be Jack Black. That was the majority opinion of consumers across ten different Moe's Southwest Grill restaurants when interviewed as part of an earlier brand appeal study carried out by Alexander Babbage. As an analogy of Moe's brand positioning it is not bad: fun, fresh, unique, but with passion where it counts - in this case, burritos.



It is the attraction of this package that has made Moe's Southwest Grill the fastest growing chain in the competitive Fast Casual Mexican category. From one store in 2000, there are now over 340 Moe's restaurants open and operating, and approximately 600 deals in development at the beginning of 2007.

The Issue

In the wake of fast growth, it is paramount to always be sure the consumer's needs come first. Understanding this, Matt Andrew, brand leader of Moe's, asked Alexander Babbage to carry out an extensive consumer research project as one in a series of commissioned studies.

"We've all seen it happen before in other chains," says Andrew, "great initial success, but then diminishing returns with every new store. Often the problem is that no one has ever taken the time to really understand their core customer base. We didn't want to make that mistake. We wanted to back up our impressions with solid facts. It has enormous implications as we move forward."

The Solution

Using their proprietary MAXtrak® system, Alexander Babbage set about a series of intercept interviews. Nearly 800 Moe's customers were interviewed at ten different locations spread across the Nation. Alongside that, a further 1500 non-customers were also interviewed at nearby locations.

The questions were designed to cover a range of issues quickly and efficiently. As well as gathering basic demographic information, respondents were also asked about their attitude towards Fast Casual Mexican in general and to Moe's specifically.



ALEXANDER BABBAGE
Experience Measurement

Tel: 404-961-7600
Email: info@alexanderbabbage.com
www.alexanderbabbage.com

Case Study: Moe's Southwest Grill

Additionally, they were asked about their behavior patterns: how often they ate out, where and why. Finally, some specific issues such as Moe's catering service, were included.

Through the art and subtlety of the questionnaire, a lot of information was gathered in only a relatively small number of answers. It was so designed that this information could be cross-referenced, broken down by region and re-interpreted in a number of applied ways. The result was a plethora of information, and more importantly, many insights suggesting positive courses of action.

The whole report was presented back to Moe's within a month from start to finish.

"These findings will help us target marketing initiatives to better meet the needs of our consumers."

Matt Andrew, President at Moe's Southwest Grill

The Result

With comparisons made against leading competitors, the report delivered a clear picture of Moe's core customer base. They attract the highest ratio of female to male (64% to 36%) amongst all chains. They have a middle to higher average household income, are more than likely to be single (53%), and correspondingly, least likely to have children (78%). On the more subjective side, Moe's consumers see themselves as the life of the party; trendy but not the trendiest, exercise regularly, eat out more than average, and often look out for new and interesting foods.

This profiling largely confirmed that Moe's was still hitting the demographic at which it had been originally targeted. There were, though, just a couple of warning bells. Just hints that could be quickly corrected rather than left to grow.

The survey also delved into the specifics of what people liked about Moe's set against its competitors. Moe's found itself at the top when it came to things like freshness, flavor, quality, speed, flexibility of food, and staff attitude. As far as those areas went, it was steady as she goes. But, it also flagged one or two areas of weakness. Though these were really only in comparison to one other chain, they still highlighted issues to be worked on.

At the same time, some very specific opportunities for Moe's to increase their share of wallet were revealed. These were set against regional variations meaning that subtle variations in targeted actions were possible yielding a better bang for the marketing buck.

"While we learned that we were doing a lot of things right, we discovered areas of opportunity that we had not been aware of before," explains Andrew. "These findings will help us target marketing initiatives to better meet the needs of our consumers."

Of course, what those initiatives might be is going to have to remain confidential for the moment. So for now, maybe it is best to simply say, watch out, Moe is on his way!