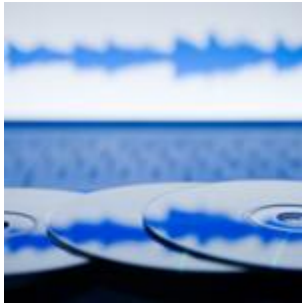


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(Circ. 20,000)

Restaurants look to play a new song



Advertising and marketing campaigns have always aimed to keep a restaurant's image front and center with consumers. But as the dining options increase, consultants say, fast casual chains should take a cue from other segments and turn up the music.

It's not necessarily a new strategy — people have understood music's role in the restaurant environment for decades. The psychology kept companies like Muzak in business for 70 years as it evolved from elevator tunes to more focused playlists targeted to retail.

But, as Craig Hubbell, executive vice president of media services, sales and marketing at **PlayNetwork** in Redmond, Wash., points out, yesterday's music model isn't relevant enough to individual brands today.

"In the past, the thinking was if you deploy music in an environment, people will come, stay longer and buy more because they enjoy the music. Now you have what I call a marketing distribution channel where you have the ability to use audio and video to really convey branding and drive consumer behavior in a very effective format," Hubbell said.

On the Web

Chili's Grill and Bar teamed up with PlayNetwork to establish a unique playlist of contemporary hits and newly discovered talent streaming from Chili's Web site. The music online is different than what is being played in the restaurant, but it's similar to what guests might hear in-store.

"We challenged PlayNetwork to present some creative new ways to engage our guests and extend our brand to the online environment," said Krista Gibson, senior vice president of brand strategy for Chili's. "The web radio network mirrors the energy of our restaurants. We have received positive reviews from our guests on our music."

Hubbell suggests other chains could find success embedding a message or promotion in the audio stream to highlight the dining experience just as they're heading out for lunch or dinner.

In the store

Fast casuals, however, do walk a fine line with messaging at the physical location, he admits.

While a quick-service restaurant like Jack in the Box can successfully air its own radio station in units, complete with Blue Light special call-outs, that brashness kills the sophisticated aura surrounding fast casuals. Instead, the subtle approach has to reign such as announcing a sweetness hour with songs related to the words dessert or sweet as opposed to saying "our brownie sundae is on sale."

Brands that start exploring customized music venues now will be well positioned for the next step in the evolution, which will be tying music to dynamic digital menu boards, Hubbell says.

"The future is about a consistent media experience across all the customer touch points: music, messaging, promotional items available online, via mobile and in store," he said. "Then you keep clients engaged any time you want, and that, I think, is exciting."

New York City-based Swich Pressed plays music in-store that is tied to a flat screen television that hangs from a wall behind the makeline. The screen displays an image of the track's CD cover along with the song title and singer. And all of the music played at Chipotle restaurants is sent to locations from the company's corporate office. The music can be found and sampled under the "Restaurants" section of the company's Web site.

At the table

Officials at Buffalo Wild Wings have decided to make music pay off in a more direct way. After a successful pilot, the sports-focused chain announced in February 2009 that it would be mandatory for all locations to install PlayPorTT entertainment stations. It's the newest technology from TouchTunes, the Chicago area-based company that made its name with digital jukeboxes.

Now, the jukebox is at each table so diners can select songs for the restaurant without leaving their seats, play games such as cards or interact with custom applications like "build a better burger" for kids. It's so customizable, the available songs and game selections can change according to the hour of day and type of patronage.

When you have as many as 37,000 touchscreen terminals reporting usage data to the servers daily, data mining for patterns is immediate and accurate, said Ed Tuhkanen, director of national accounts.

That's why one restaurant piloting the system uses it to push customer surveys that can be taken on site for instant rewards: a free dessert, a percentage off the bill.

"All around it's a more positive brand experience diners are likely to return to," Tuhkanen said.

Best of all, customers pay per play on the touchscreen, so music and games suddenly change from the expense column to the revenue stream. According to Tuhkanen, it's not unusual to pick up \$500 a month in sales per location. Over a large chain, that adds up to nice cash at a time when nickels matter.