

Five Guys Case Study

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Why is Five Guys so successful ? They're best known for their burgers and fries. Five Guys is an incredible success story about a family that created a huge business. They are almost at 1700 locations and generate about 2.3 billion dollars a year. Now, 30 years after Fives Guys first opened, and having almost 1,700 locations worldwide and another 1,500 units in development. Five Guys continues to receive generous media coverage and has grown a magnificent following across the world.

The CEO/Founder of Five Guys Burgers & Fries better known as (Five Guys) is Jerry Murrell. The name stems from the fact that Murrell has five sons. All of whom are top-level managers in his enterprise. The tightly enforced food preparation system includes fresh food only, and no freezers or microwave ovens. Customers are permitted to choose from an unlimited toppings included in the price. French fries are made from high-quality potatoes (usually from Idaho), cooked in peanut oil. The only permanent menu change has been the addition of hot dogs, a veggie sandwich, and a grilled cheese sandwich. Five Guys' focus is that by competing in a restaurant industry that is already crowded with hamburgers and French fries chains, it is important to make your product which is "Hamburger and French fries better than all other competitors. This includes using top quality ingredients, toasting buns on the grill, and hand cutting the meat portions. Murrell heavily emphasizes good team work amongst store employees. As a result, good teamwork helps to build self-confidence in the workplace, which makes workers more productive and ultimately improves revenue. As I visited, Five Guys I noticed that the vast majority of people that work here are millennials.

Many businesses get involved in television advertisements for an effective way to appeal to their target market. However this medium can be expensive since commercials are run to get the best results. Companies need to review several marketing strategies that are available to

produce the most effective results. Radio promotions however are more cost effective; it monitors performance, optimizing efforts to receive the most accurate results using different strategies. Although the programs are not always listened to by their Five Guys target audience. Print offers many advantages that other options that other channels might not offer by reaching their main focus group. Unlike Tv promotion it cannot be rewind and watched, consumers more than likely will have a short attention span after an important program has just appeared. Although print media cannot capture the movement or sound of a product being advertised, it takes time to reach your target audience.

Advertising your restaurant is different from any other advertisement strategy there is. A customer experience at our local Five Guys is created not only by the product such as the food but also by the aesthetic, the music and the service. Yes, it may be difficult to convey all of the information in an ad. So our advertising strategy must be creative with promotion and marketing. Many low cost yet highly effective ways get your message across and bring in new business. A couple of options we can offer to our daily customers is offering a loyalty card. Fast Food restaurants grow and die by the number of loyal, repeated customers they have. Loyalty cards vary in how they work but mostly offer free meals after a customer has had a certain number of visits, such as five or ten. If the customer is debating between coming into your establishment or going somewhere else, the added benefit of working toward a free meal may be the tipping point.

A social media platform I strongly recommend; because Five Guys should use a market medium is the internet such as facebook. Creating a facebook page is a great way to keep in regular touch with our consumers. We can create a facebook page for free which is even better, that can eventually bring in revenue, as a result this business page becomes a paid partnership with facebook and Five Guys. This then lets our customers know about it and request that they

become fans of the page. You can send out messages from your page to announce upcoming burgers you should try out, new every deal when season is approaching. Especially if we are hosting any upcoming events. Staying in touch with consumers keeps your establishment top of mind and makes them feel a part of the restaurant family. A facebook page can do a lot for our business as it is one of the most widely used social media platforms. Facebook provides a user-friendly interface so the company posts all of our restaurant as well as industry news, again upcoming events. Making it a point on social media for example photos, videos, which naturally can draw the reader's attention.

Five Guys can use facebook as a tool to connect with customers before and after the food experience. To be successful at managing the facebook business page. You should be transparent and consistent with the efforts of happy consumers. Responding to positive or negative comments and not deleting them. Posting pictures of specials of the day as a result, that entice people to make plans at the Five Guys restaurant. If Five Guys were to receive any press conference from the newspaper or magazine article, strongly advertise to post it on the facebook page. You can also use facebook to create targeted advertisements to create even more exposure for the establishment.

Another social media platform that can reach our target market audience is Twitter. Our target market audience may be some of the million consumers of users who visit Twitter each month. If so, invest time establishing a twitter page for our establishment. And update it multiple times a week. Giving our followers incentive to follow us on twitter. Offer daily coupons or special tweets that allow consumers to redeem a free dessert with a free soda with an appetizer. Updating your twitter followers about special events is important. Asking for feedback and

paying close attention to what consumers are saying about our establishment by searching your business name regularly. However if we do find any bad reviews, let's try and fix these issues.

Twitter is a solid marketing platform for restaurants to share coupons, respond to customer comments in real time and even act as customer service or frequently asked questions portal for upcoming inquiries. Five Guys should take a similar approach to Twitter as they do for Facebook, paying attention to consistency and relevancy. Using Twitter to share information about daily specials, weekend events and even exclusive daily or weekly deals just for your Twitter followers. Twitter is also an ideal platform to hold contests such as a "best recipe" game where customers can win gift certificates or coupons for the correct answers. The idea behind Twitter is to create awareness for the establishment that helps us keep engaging with our target audience.

While both Facebook and Twitter are considered the most popular social media sites due to visits from online people a day. Business in the food industry makes a wide use of traditional media outlets, such as television, magazines, newspapers and radio to spread the word about products. Traditional advertising campaigns can work for most companies in the food industry. Restaurants can tie their promotional activities directly into their advertising campaigns. For example an ad in a magazine, for example, may include a coupon that readers can clip out and bring to stores for a discount. Television and radio ads can include a promotional code or phrase listeners can use to receive a discount or promotional food item in a store. Online ads can be especially effective when they include printable coupons or coupon codes.

Advertising allows businesses in the food industry to make a name for themselves, alerting consumers to the availability of new options in the marketplace. Five guys can rely on innovative advertising strategies to build their own loyal customer bases and stimulate

word-of-mouth advertising. Five Guys needs to be careful not to misuse their influence in a way that harms the public. Food advertisers have a responsibility to encourage physical activity, nutrition education and self control rather than stimulating impulse and encouraging addiction. However this may be a challenging balancing act, but food businesses that also promote healthy lifestyles can gain significant marketplace advantages from customer loyalty and being on the right side of new laws.

As Five Guys finds their target audience, they focus on Millennials since the members of these establishments are always looking for innovation, and think that experiences are more important than material goods. The Millennials demographic segment is easily accessible, substantial and differentiates itself well from other generations. As a result, their values in terms of food relate well to what Five Guys sets as its core values such as freshness, and quality as well as being transparent when it comes to where the products come from etc. This can be considered as a marketing strategy for Five Guys, we do not own too many resources as we are still expanding and even though we are trying to use more knowledge about the marketing side in order to be more effective and efficient. For example, millennials are always aiming to receive superior value, and also millennials are willing to pay a bit more to receive better service. Five Guys is known to provide quality focused products at a price that is slightly higher compared to our other competitors, I strongly believe that millennials are the right target audience for the brand.

Millennials were different from the preceding Gen X because they may have had less faith in the future but remained largely optimistic. They were also 20% more likely to eat out. Millennials are the generation and the first to fully connect with the Internet and social media. They quickly learned how to access ratings reviews, comments from friends, general word of

mouth, and the many aspects of social media. Mobile provided access to data, information, and menus for “on the go” individuals and group decision making. At the same time, Millennials responded to the opportunity to build more direct and even personal relationships with companies and restaurants, focusing on the authentic, transparent, and trustworthy.

Five Guys focuses on serving its customers with the best burgers and fries of their young lives. The psychographic market segment Five Guys is targeting their burger lovers and good fast food adepts. Five Guys does not aim for people who want to lose weight. What makes Five Guys so special. For one, the first characteristics of the brand is the quality of the food. At Five Guys using quality raw materials, as mentioned before food is cooked in front of the customers. Due Five Guys brand policy that prohibits the use of freezers in the outlets, all the products to be fresh. This gives Five Guys an overall advantage to Five Guys compared to other burger chains.

As we know Five Guy is known for providing customers with no trans fat. Trans fat is the worst for your health. Too much trans fat in your diet increases your risk for heart disease and other health problems. Trans fats are made when food makers turn liquid oils into solid fats, like shortening or margarine. Because Five Guys use fresh ingredients. The demographics show that competition in the area, with a total of five other fast food restaurants in the surrounding areas, Five Guys have to benefit from being one of the national best burgers. The pricing of products or services provided by a business is critical. If the pricing is above the perceived value, consumers will look elsewhere. If the pricing represents fair value but is beyond the means of target clientele, customers will be priced out of the market. A reasonable class citizen is willing to spend about \$10 to \$15 dollars on an enjoyable lunch, while the average family is willing to spend \$20 to \$30 dollars on the same meal. Considering the criteria for Five Guys has established a pricing policy policy that accommodates customers of all economic classes.

Five Guys burgers are set to a fixed price, each consumer is charged a fixed price no matter how many toppings are wanted. A normal hamburger cost \$9.16. If you decide to get a cheese burger it will cost .70 cents more and to add bacon it will cost more. And additional .90 more for an all exclusive of beverages and fries. Beverage will add up to \$3.13 for a regular size and for a large it will be \$3.52 and fries are \$4.05 for a little, regular \$5.49, large \$7.58. Or if you want Cajun fries little \$4.05, regular \$5.49, large \$7.58. This type of pricing policy has been proven to be the most successful for this type of establishment. The price is affordable and favorable to the average working class citizen that understands how much it takes to build good burgers like these. This type of pricing has proven to be successful. Again the price is affordable and favorable to our consumers, who understand how much it takes to make a great burger. Although McDonalds and Burger King have similar pricing, Five Guys has the benefit of grilling fresh beef and using fresh ingredients. Our competitors cannot compete with the quality of Five Guys.

The restaurant storefront, layout, and lighting are all designed to be attractive and establish a simple but food friendly feeling. We provide wood tables and chairs; this style keeps a customer focused on the food. Being more of a fast food establishment, orders are taken at the counter, while the food is being cooked and you can wait at a table. Food is served in brown paper bags, fries in a cup and burgers wrapped in tin foil. This is all designed to keep you focused on the food, making sure that you can fully enjoy the different flavors in each bite of a burger. Décor is simple, consisting of quotes and comments people have made about the burgers Five Guys makes. Five Guys Burgers main non-personal promotion is to get customers to try the burgers. The objective is to get each person to try their first Five Guy's burger and leave with a positive experience that will create a long-term clientele. Five Guy's advertising is mostly

coordinated by the main corporate office and communication to franchisees. The most that is spent on advertising per each year is 1.5% of all net profit.

College students & young adults have less disposable income than other demographics. They also tend to spend more only on healthier or gourmet options. Convenience and price are the most important to that target audience for Five Guys. These consumers also choose the most convenient location when they go out to eat. Even if Five Guys is a national chain, compared to most fast food chains, they are not as readily available.

Now for A Swot Analysis Food is not frozen or microwaved, everything is made fresh, there are 1500 locations, 100% Fresh Beef with no preservatives which is better for our consumers. Unlimited free toppings Some people crave a lot of toppings so who wouldn't want free tops, other competitors try to stop you after two or three toppings. Five main audience isn't targeted to by competitors, however they tend to target families and millenials. Post on social media helps broadcast to a general audience. Market a "healthier burger" compared to competitors helps consumers understanding that offering a better eating choice keeps consumers coming for more. A weakness is very little promotion and advertising however we are working on this to make the company even better. Higher prices however the quality helps explain the price a bit more. No drive-thru for fast food lovers that are often in a rush and want a good meal, having a drive thru option is well needed and also brings in more revenue and gets consumers there orders to them is a sufficient about of time.

Five Guys is healthier than most of its competitors in the fast food realm. It can be considered a cheaper option for families compared to higher end, fancier restaurants. Brand Value Proposition Emotional Benefits: The culture associated with the chain, such as ripping open the bag of fries and dipping fries into shakes, make consumers feel good about the time,

they spend at a Five Guys with their friends or family members, generating a sense of happiness and togetherness and a unique experience found nowhere else. Self-Expressive Benefits, consumers will believe they made the smarter choice for paying for a better quality product. Consumers are willing to spend a little more for food if they are aware of the quality of it. Five Guys burgers are made with quality 100% fresh beef and are never frozen or microwaved, ever.

Consumers come back to Five Guys because of the great tasting meal. Our goal was to indicate to our audience that Five Guys Burgers and Fries offers a casual dining experience with high quality food to existing customers, and potential customers. The experience while eating at your local Five Guys, so we made sure to include imagery that reminds the audience of the classic paper bag you receive your food in, and the foil each hamburger comes perfectly wrapped in. Our goal was to create visuals that appeal to college students, as well as families, by recreating a nostalgic look from when the establishment first opened where you could grab a bite to eat at your local burger joint with friends, and inspire college students to do the same. Five guys are focused on providing quality fast food. They started the business of making burgers, french fries etc and people have been choosing them over the other competitors. Customer satisfaction is the main indicator of success equals happy customers who are truly the best asset a company can have. Instead of spending money on materialistic stuff like decor and all, the main focus must be to provide customers the satisfaction they deserve. By asking customers to sign up for the added convenience of mobile ordering, Five Guys can build strong customer profiles that go beyond a customer loyalty program. A mobile app is the best conduit in which a company can collect data. The mobile device is the extension of a customer, they never leave home without it, and 75% of user activity on the Internet is done through a mobile device.

What exactly can a mobile app gather from a phone? Pretty much everything social media accounts the user has, location tracking, network type, and general app activity is all info that a mobile app can collect. If I suggest that Five guys try to build up in-store networking that aren't considering the app. Touchpoints that can interact with a user's mobile phone would in fact encourage downloads and use of their app, capturing the segment of sit-down diners that they are currently missing.

The company had always avoided traditional advertising media, such as television, radio, print, and billboard advertisements. As a result of the company's success over the years, the founder and chief executive officer Jerry Murrell had a significantly larger promotional target market than ever before, he needed to develop a promotional strategy for the future. Five Guys Burgers are not exactly life-changing, but they are much better than average, consistently fresh, juicy, tasty and customized to a high level. There is no drive-through and you may wait ten minutes for your meal. A line of fryers is constantly turning over baskets of fries, which don't sit around here and tend to be very hot and fresh.

Once someone becomes a customer, the business turns its focus to satisfy the customer so they return and perhaps refer the company to friends and family. Marketing strategies inform the marketing plan and generally have longer lifespans because they contain value propositions and brand dynamics that don't change much over time. Strategies cover a range of mediums and venues where a business might find the people it appeals to and define how the business might convert that person to a customer.

Work Cited

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