

Modernizing the Pizzeria Menu Board

Digital menu boards are changing the way pizzerias are communicating with customers.

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For years, the pizza business was rooted in the past: brick ovens, dough recipes handed down from generation to generation and delivery orders taken by phone and scribbled on a paper guest check.

But the industry is changing. The brick oven has given way to high-tech conveyors that deliver a perfect pizza every time. Many companies ship dough from a central commissary, ensuring a consistent product across hundreds, if not thousands, of locations. And delivery orders now get routed via the Internet directly to the point-of-sale system, with mapping software plotting the best route for the driver to take.

There's still one area, though, where pizzerias have remained decidedly low-tech: the menu board. Walk into most pizzerias and chances are the menu board either is the backlit variety, with a plastic insert displaying prices and images of menu items, or a static sign illuminated by track lighting.

Although many operators fear the expense associated with moving to digital menu boards, the benefits can far outweigh the



Digital menu boards offer the flexibility to adjust prices easily, highlight or remove certain menu items quickly, and inform customers about new products and special promotions.

costs. And compared with a backlit board or a front-lit sign, digital menu boards actually can offer a better return on investment.

Not just for displaying prices

Rising costs and changing customer tastes mean that menus and prices aren't liable to remain stable for any length of time. If the price of cheese or flour rises dramatically, operators need to have the flexibility to adjust prices accordingly.

Maintaining customer interest often means adding a new pizza to the menu or running a special promotion every few weeks. In

those cases, operators need to have the ability to change the menu board quickly and seamlessly.

Although a backlit board with plastic inserts may offer those abilities, the results can be less than optimal. Multiply the changes over a number of units and chances are that at least one manager won't get the memo. That's not to mention the costs associated with printing and shipping new menu board inserts for each new promotion.

Components of a basic digital menu board system

Display: Although some operators still use plasma screens, LCD screens are now more popular. Projection and LED screens also are an option. Deployers should ensure the screens and computers are commercial grade and guaranteed to run 18 to 24 hours a day, seven days a week, for up to five years.

Mounting: It is best to use a professional installation management company to install digital signage systems. Great care needs to be taken in the mounting of displays to ensure that they are secure and won't fall.

Content Management Hardware: Content management hardware can range from PCs to players that can do everything from play DVDs to stream television channels. The type of content an operator plans to display in large part will determine the type of content management hardware that is needed.

Content Management Software: Content management software is used to create, download, manage, schedule and play content, as well as to record how often and when content is played,

to monitor the health of the system and to alert service people when there is a problem.

There are many software applications available. Many of the most flexible software products are Windows-based. Because no one can know what changes may need to be made after installation of a system, deployers should be sure to get a software program that is scalable and easily adaptable to new technologies.

Content: The most critical component of a digital menu board system is what customers see on the screens. Some digital signage companies supply their own content, but it may be better to contract with a company that specializes in content creation, especially for animation. The content also can be created by a brand's own staff or marketing agency.

Method of connection: The most popular method of connection is via the Internet, especially for remote control of multiple locations. A satellite connection may be the better choice if live content is involved, and a cellular connection also is an option.

SOURCE: Vertigo Group

And front-lit signs may be even more difficult to change. While the boards may be set up for easy price changes, they still require printing of new inserts for special promotions.

Those issues simply don't exist with a digital menu board.

"With a networked digital menu board system, operators can update the menu at every location in seconds from the corporate office," said Mike Zmuda, director of business development for Itasca, Ill.-based NEC Display Solutions.

Because digital menu boards can be updated at a moment's notice, particular menu items also can be highlighted if the restaurant is overstocked on a certain item, and other items can be removed from the menu if stock is running short. Centralized control means that brand messaging remains consistent from store to store.

With menu labeling legislation being enacted across the country, digital menu boards may help make the most effective use of precious real estate. Instead of having to devote a portion of the menu board to displaying nutritional information, that information could be displayed on a single interactive touchscreen.

"When someone goes into a restaurant, they want to have a nice dining experience," said Tim Tang, a marketing director with Hughes Network Systems. "They want to see clean walls and they want to see a contemporary environment. What they don't want to see is wall-to-wall bumper stickers with different messages, some of them being promotional and some of them being regulatory."

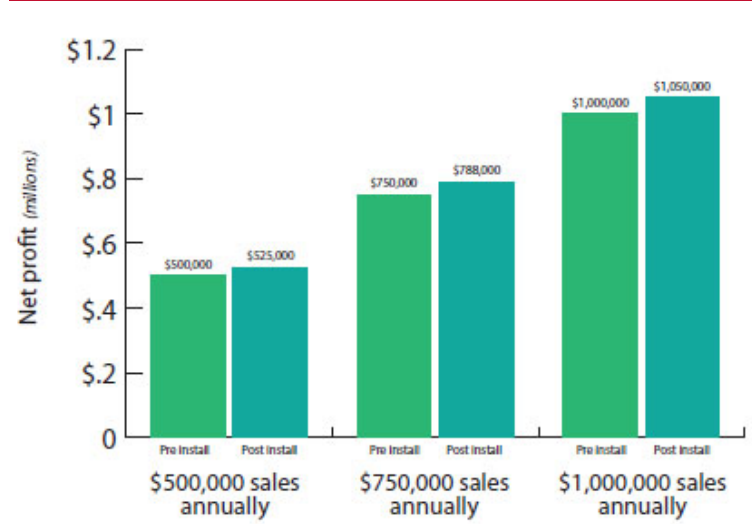
Calculating the ROI

Although it may be easy to base a purchasing decision on a side-by-side comparison between the cost of a backlit board and that of a digital menu board, that's not necessarily the best way to look at it. The initial costs may be higher, but gone is the need to pay for the printing and shipping of regular updates.

Digital menu boards also can be programmed to serve a number of other functions besides displaying price, Zmuda says.

"Number one, they can offer some entertainment value," Zmuda said. "Number two, it could help the restaurant owner educate or inform their clients about new products that are being sold, special promotions and similar things."

Net sales comparison: Operation with 1 unit



A comparison of net sales for a single-unit operation before and after the installation of a digital-menu-board system for a range of average annual sales. According to a poll of industry experts, operators can realistically expect to see a 5-percent uplift in sales following the installation of such a system.

For example, if a pizzeria participates in a movie tie-in, the menu boards can display a clip from the film. Screens can also serve as the basis for a partnership with vendors.

“Let’s say it’s a chain that serves Coca-Cola and maybe they have the leverage with Coca-Cola to say to them, ‘We have this new system, and we want to sell advertising space to you as one of our strategic partners,’” Zmuda said. “You can create wonderful full-motion video of Coca-Cola pouring into a glass of ice or something like that, and play it in the dining room.”

During off-times, menu boards can be used to display training materials or corporate messaging. And the opportunities for targeted messaging are limitless.

Pizzerias generally operate under two dayparts: lunch and dinner. The flexibility of a digital menu board system, however, allows for as many dayparts as the operator chooses.

“I know stay-at-home moms are going to come in mid-day and they’ll be more health-conscious, so I can target them with salads and healthy food messages,” Tang said.

“The high school kids are going to be coming in after school hours, so I ought to be hitting them with quick snacks and high-energy foods,” he said. “The professionals will come in during the evening hours, so I should give them a blend of the two — something healthy but also something fun to help them relax after a hard day at work.”

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