

## BYO Bowls and Cracking the Millennial Code

When you look at the BYO Bowls concept in Hawaii Kai Town Center, it may seem like an unusual crossover for this healthy, modern concept to be the brainchild of Teddy's Bigger Burgers founders Ted Tsakiris and Rich Stula. But not only is it their proud creation, it is also a familiar journey for the two of them.

In the late 1990's, well before the national burger renaissance, Teddy's Bigger Burgers was launched with their original slogan being "Reinventing the Burger". They were committed to a better quality burger and were betting on the consumer being willing to pay more for it. The strategy worked not only for Teddy's Bigger Burgers, but for concepts that emerged across the country over the subsequent two decades.

Burgers were nothing new but how the customer experiences their burger was lagging well behind consumer psychology. For Ted & Rich, the genesis of BYO Bowls is just another iteration of the same principle only this time applied to what most of us remember as the Mongolian Grill. In this version, use fresh ingredients, healthy options, short delivery time all in a "cool" environment. There is no need to recreate something that conceptually already works on paper – it simply needs to be made relevant.

BYO Bowls is a little over three months old and it is clearly connecting with the marketplace. Sales have been solid since the doors first opened and refinements in operations have created a roadmap to higher volumes going forward. For the guys, they are pleased their second concept reinvention is off to a successful start.

I recently sat with Rich to talk about the in's/out's of BYO Bowls' creation and what they have learned from the first three months of operation. What started out as a broader discussion of the new concept led to a fascinating discussion about how BYO Bowls is connecting with the most mysterious of demographics – the Millennials.

**Q** What is an example of the kind of homework you did when first considering this concept?

We obviously wanted a broad appeal, but we spent a lot of time studying the Millennial demographic. Our thought was this style of offering done in a modern, casual feel would connect well with them, but we were not sure how to capitalize on it.

**Q** Did you learn anything particularly interesting about the Millennials as a consumer?

Yes, Millennials are interested in the story behind everything. They are fascinated with the meaning, background, quirkiness, relevancy, etc. of the overall experience. For them the experience is far more than just the food or drink – if you are going to connect with them, you have to give them more than simply a meal. They are the ones texting their friends, commenting on Yelp and posting on social media about the restaurant or a particular menu item. It is like everything has to be "post worthy" and that is why there has to be that extra element of experience.



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**Q** So what do you think BYO Bowls has done to connect so well with them?

I think a major part of our success with the Millennials is the effort we have put into being unique and creating a photogenic product. No one cares about posting a photo or comment about something easily found in other places. Good product presentation, design elements in the restaurant, unique fixtures for example all can be reasons for someone wanting to take a picture and post it. We have seen direct effects of us improving the presentation of certain menu items and the amount of social media buzz we get afterwards.

**Q** If social media has that kind of impact, what is your experience of negative posts?

Of course we are going to get negative posts occasionally and we watch carefully for those. I think we follow up on those posts more than most retailers because we have seen how powerful social media impacts our sales good or bad. It is a multiplier. We follow up on all of the negative posts we see and try to talk with those customers and I am happy to say that about 75% of the time we can get them to remove the post.

**Q** Do you see specific interest in the healthy aspects of BYO Bowls with the Millennials?

The idea of eating healthy with this demographic somewhat goes back to the idea that they want to experience something when they eat out. Yes, we have plenty of healthy choices and they are popular with all of the demographic segments. But it is almost more important to them that they are eating in a “healthy restaurant” than it is important that they actually eat a healthy menu item. If you consider their mindset, it makes sense to them. Perception is stronger than reality.

Millennials, as a demographic, have been infamously difficult to figure out for retailers, employers, educators, parents, etc. but they are an undeniable consumer segment of our society. While they have buying power now, it is likely they will have considerable discretionary income as they establish their careers and baby boomer inheritances begin to shift into their accounts. Finding a way to connect with their interests and perceptions is key for retailers across the board.



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