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Baking a bright future

How to create a solid vision for your organization

By **Kristy J. O'Hara**

Ken Reimer has proven himself as a restaurant turnaround expert, having guided restaurants, such as Tony Roma's, through tough times and into steady waters.

But this time around, he's building a strong business from the get-go, one that doesn't require his turnaround skills. As co-founder and CEO of the fast-casual restaurant chain Baker Bros American Deli, he's positioned the chain for a solid future and posted revenue of \$15.3 million in 2007, just nine years after its founding.

Smart Business spoke with Reimer about how to develop a strong vision for your business to increase its chances for success.

Q. How do you create a solid vision?

If we listen carefully to what the consumer wants — very carefully — and relate that to the economic implications and competitive circumstances, that's the starting point. I want a product that works. All products aren't bound to work now and for the long term.

We start with that, and that again goes back to the consumer and what qualities we have. There's a lot of marketing stuff behind that but what qualities we have or should have that meet their demand.

Then I believe in having the highest quality product available in the sector, but not everybody needs to do that. You can be a low-price producer or be differentiated in a variety of ways. You say, 'What do we have that really makes sense? What can we offer that's useful to other people and that is attractive to them?'

Then, of course, how do we go about doing it? There's a lot of pieces and puzzles on every side — operational, technically, marketing, finance, pricing and all of those issues. So I always start with the consumer and the product I'm talking about and how to meet the consumers' demand for today and tomorrow, as well.

Q. What's the key to really listening to consumers?

First of all, we need to take them seriously. When I say listen, I mean listen. I don't mean that we prefabricate ideas that are generated by the wisdom of the CEO or even the CEO's personal likes or dislikes.

In the case of the Baker Bros, I had a lot of data, and I understood a lot of data about where the consumer was moving, speed of product, high quality of product, consistency of product, price levels. Those were the consumer drivers for this thing called quick-casual, and that's just drawn from a wide base of industry knowledge and research.

There was a hole in the industry 10 years ago, which is now filled by quick-casual. We had a product that

the consumer would want if we could execute it properly, and then you have to say, 'How does that fit with the competition, and what is already going on in the industry?' That would be true if I were doing an insurance product or radio or television or any other kind of consumer product.

Q. How do you stay connected with consumer needs to help you recognize opportunities?

I looked at my product in relation to what my competitors were doing and then looked at the consumer demand side of the equation. It's a lot of research.

Here's where the consumer is moving. They wanted speed of service because their lifestyle says they're busy, so the nature of food service dining was changing as they saw it. Speed of service was important.

In the old day, the company is saying, 'Here's my service, here's my product, here's how you'll take it. Here's my menu — take it or leave it. This is how we do it. We work at my pace, my speed — take it or leave it.'

I used to work for an insurance company years ago that was struggling, and the products were always designed by the actuaries, and I said, 'Why?' That's how they always do it, and it was a lot of mumbo jumbo, and I said, 'That doesn't have anything to do with what the consumer wants to buy. Why don't we see what they want, what they need, and then we'll build the products to match what they want?' It was very successful.

In this restaurant thing, the quick casual gives the consumer the opportunity to be absolutely in charge. They don't have to wait for a waiter or waitress or host or hostess, they order what they want, they can leave in 20 minutes, or they can leave in two hours. They're not getting rushed out, and they're not getting upsold.

If you're already in business, you do it with focus groups and other marketing techniques and research and questionnaires and all those things. Always be on top of what they are doing and where they are going.

If you can't do that, then you'll wind up being mediocre forever, and that's no fun.