

Adding new

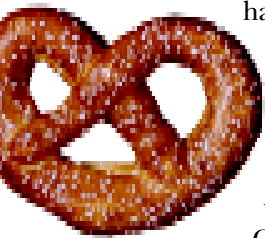
MENU

ITEMS

Adding items to your concessions menu is a blend of science, research, marketing and luck. Two concession operator veterans, Wally Helton, ECM, and Carmen Torzon, CCM, shared their experience in putting together the most efficient and most profitable concessions menu.

by Susan Cross

There is no denying that concessions menus have changed dramatically over the past 10-20 years. The sophistication of the customer, the advances in products and equipment, and the innovation of concessionaires and their suppliers have brought us a menu that bears little resemblance to the menus of the past. The basic items, however, remain the same, and that's where we will start. Concession experts Wally



Helton, ECM, vice president of marketing for Dandy Amusements, and most recently vice president of concession operations for United Artists Theatre Circuit, and Carmen Torzon, CCM, a vice president at Volume Services America, have over 60 years of concession operation experience between them. They shared their expertise earlier this year on the backbone of the concessions operation, the menu.

The basics

“The biggest thing we tried to get across to our people is that 90

percent of our total sales is popcorn, soda and candy,” states Wally Helton. “That only leaves about 10 percent for other items. When someone comes to me and says ‘I have the latest and greatest and it’s going to knock your socks off’, they have about a 10 percent chance, the way I look at it. We focused on the essentials, the 90 percent.” While always looking for new and different items, Helton notes, “The hunt for the Holy Grail, the new concession item, is that much more difficult because it doesn’t represent but a small percentage of our overall mix.”



Torzon agrees, noting, “We have an obligation to provide as much variety as possible, knowing full well that 80 percent of the revenue is going to be derived from about 20 percent of the menu.”

That being said, new items are still being added to concessions menus in all types of operations all over the world. So how do you know when, where, why and how to add items to your menu that will increase your bottom line?

Timing is everything

Planning for a change in menu can make the process much easier.

The best time to change a menu item is in the normal cycle of events, notes Torzon. For VSA, this often means before the start of a sports season at their stadiums and arenas. “The time to figure out what you want to do and why you want to do it is in between seasons.”

Movie theatres, however, do not have the luxury of downtime. “We had our radar up all the time,” notes Helton. “We do, however, have the busy times of summer and the holidays, so we needed to have all our ducks in a row before Thanksgiving so we could ride that six weeks, and before Memorial Day for the summer.”

Determining menu mix

Looking at your current menu mix and your bottom line is a logical place to start. “After your fiscal or calendar year is over, you look at your year-end assessment, your profit and loss,” explains Torzon. “You should look closely at your sales mix – how has it changed, what are the customers moving toward or away from; what items are moving and which ones aren’t. Start to determine which items are possible to eliminate.”

This brings up a valid point in

adding items to your menu. Adding items is only one part of the process. If concessionaires only added items, the menu would begin to look like a supermarket product listing. Eliminating items and keeping a manageable menu size is vital, particularly to transaction time. “If one of my managers wants to redo the menu and add five to six new items, my first questions are ‘Why are you doing this; what are you going to eliminate; and what will it take away from – what’s the impact?’” states Torzon.

“We tried not to let our menu size become too large,” states

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Helton. “We had a predetermined number of, for example, candy items. Years ago, there used to be 30-40 different candies sold at a theatre concession stand. Someone could stand up there for five minutes trying to make up his or her mind. We’ve honed it down to a recommended number of small, medium and large sizes. For candies, we tried not to exceed 16-17 items.”

However, lower-ratio items that represent .5 to 3-4 percent may or may not be removable, cautions Torzon. For example, “you can’t eliminate coffee.” You also need to make sure your menu includes a variety of price points, he notes. “If your menu is too large with too many low-priced items you have variety but low transactions. When we establish a menu, we try to get a balance as to what we’re going to sell,” he continues. “If it’s a brand-new account, we go through the process of doing a sales mix, a proforma, and a projection.”

New items can also help to drive general concessions sales. “Sometimes an item is introduced that may not be wildly successful, but it creates interest and pizzazz,” notes Torzon.

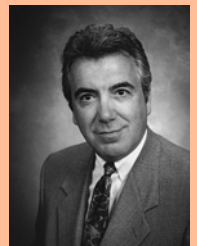
This is a partial version of the complete story that appeared in the Fall 2002 issue of Concession Profession, the magazine for NAC members. To become a member of NAC [click here](#). Members that would like to receive the complete story can call the NAC office at (312) 236-3858.

The Experts



Wally Helton, ECM, is a 37-year veteran of the movie exhibition industry, with positions at Central States Theatre Corporation, AMC Theatres, Mann Theatres, and most recently as vice president of concession operations for United Artists.

In May, following the merger of United Artists with Regal Cinemas, Helton accepted a position as vice president of marketing for Dandy Amusements International, an industry leader in the video-game machine business. Helton has been a member of the NAC Board of Directors for five years, serving as a regional vice president of the Pacific Southwest Region and currently as a vice president.



Carmen Torzon, CCM, is vice president of Volume Services America, and has managed concession operations in major stadiums, arenas and convention centers for over 24 years. He has worked on such events as the World Series, the Super Bowl, countless playoff games, the Democratic and Republican conventions, and the 1984 Olympics. He is also a member of the NAC Board of Directors, and a previous convention speaker.