

# Porter Khouw Consulting, Inc.

## Final Report

### *For Thompson Rivers University*

Project No. 1811303046

---

#### SUBMITTED TO:

#### **Thompson Rivers University**

Glenn Read  
Executive Director  
TRU Athletics, Recreation and Ancillary Services,  
805 TRU Way, Kamloops, BC  
V2C 0C83384



Market Research

**Porter Khouw Consulting, Inc.**  
P.O. Box 4028  
1672 Village Green  
Crofton, MD 21114

Management Consulting

Design and Construction

Telephone 410.451.3617  
cwatkins@porterkhouwconsulting.com  
www.porterkhouwconsulting.com

## Table of Contents

EXECUTIVE SUMMARY	3
INTRODUCTION & BACKGROUND	6
SELF-OPERATED VERSUS CONTRACTED FOODSERVICES OVERVIEW	9
CURRENT PROGRAM ASSESSMENT	13
Short-Term Program Recommendations (Immediate Implementation).....	13
Medium-Term Program Recommendations (Two-to-Five Year Horizon) .....	14
Long-Term Program Recommendations (Five-To-Ten Year Horizon) .....	14
Anytime Dining Recommendations .....	19
QUANTITATIVE MARKET RESEARCH	23
COMPETITIVE ENVIRONMENTAL SCAN	31
CONCLUSION	35

## Executive Summary

PKC was hired by Thompson Rivers University (TRU) in July 2018 to conduct a comprehensive assessment and evaluation of the University's dining services program and look at potential contract dining services options versus a self-operated model. In order to do this, PKC reviewed background information provided by TRU, spent three days on the campus and toured the venues and surrounding area, spoke with students, faculty and staff, and conducted a comprehensive survey.

Following the survey, PKC developed preliminary recommendations and observations to share in a work session at the University. This information was presented on October 10<sup>th</sup> to the Foodservice Committee, and in a separate session to an open forum of students. PKC received feedback on the optimum approach preferred by the University and the outline of the recommendations can be found below.

### SUMMARY OF SHORT-TERM PROGRAM RECOMMENDATIONS (IMMEDIATE IMPLEMENTATION)

---

In terms of short-term recommendations, TRU can move immediately to implement the following enhancements:

- ◆ Expand the number and variety of food trucks. This is a no-capital approach that could help alleviate some transaction velocity strains on existing retail venues and provide the additional menu variety and selection that the campus wants without having to invest a lot of money into physical structures.
- ◆ Improve the existing spaces by looking at ways to add seating and provide more variety.
- ◆ Identify additional spaces to expand retail offerings. This might include offering some spaces to an independent owner/company and having them lease the spaces managed outside the existing contract.
- ◆ Consider expanding the hours of operation at one or more of the centrally-located retail locations to better meet the needs of the campus community in the morning and late into the evening.
- ◆ Expand menu offerings to include more breakfast items.

### SUMMARY OF MEDIUM-TERM PROGRAM RECOMMENDATIONS (TWO-TO FIVE-YEAR HORIZON)

---

Looking at the two-to-five year horizon, TRU may want to consider putting a small dining hall of about 7000 ft.<sup>2</sup> into the current bookstore location. In order to accomplish this a new location for the bookstore would need to be established to ensure it could continue on with the current operations. While this is not an optimal scenario, it is a lower-cost option that could potentially add value to students on campus and create a beta meal plan program to begin testing the demand.

### SUMMARY OF LONG-TERM PROGRAM RECOMMENDATIONS (FIVE-TO-TEN YEAR HORIZON)

---

If TRU looks at building a students services building, it should be considered whether or not the facility could include a retail dining venue. If the student's services building does not get built, then TRU should consider building a large centrally located dining hall. Additional details regarding sizing and program can be found later in this report. PKC believes this would be the optimal solution and will create a foundation to provide meal plans that are of great value to students living on campus as well as the campus community. The facility will help to strengthen students connections to the University and help create the environment and infrastructure to support a world-class university.

The University should create a comfortable and inviting Anytime Dining Commons on campus that could be open up to 24 hours a day, seven days a week (7 a.m. to Midnight recommended for the new Anytime Dining Commons). Anytime Dining offers all-you-care-to-eat in an inviting venue featuring unlimited access service to fresh made-to-order foods during extended continuous hours allowing the campus community members, and particularly students, to eat *when* they want in safe, wholesome environments where they can collaborate, study, connect with each other, eat or just hang out around the clock, throughout the

week. The venue should offer a wider variety of made-to-order food and beverages. This venue could play a vital role in adding value to the overall campus experience. The venue will be viewed by students as a plus to living on campus (versus a deterrent) and will strategically help TRU enhance the student and living on campus life experience, increase participation and support the goal of increasing retention, graduation rates and student success.

In addition, we recommend that the Anytime Dining Commons include value-added amenities that appeal to students and will further enhance their experience in these venues. Amenities should include:

- ♦ High speed WiFi
- ♦ Text-n-Tell (students can text comments from their smart phones and the texts are displayed on flat screens in the dining hall after they are screened)
- ♦ Flat panel TVs
- ♦ E-sports/video gaming
- ♦ Many power outlets so customers can recharge all electronic devices.
- ♦ Foosball, pool tables, etc.
- ♦ Rockbot and/or other electronic music apps



Outlined on the following page is our recommended meal plan program. PKC recommends making the anytime dining seven-day silver plan mandatory for all students living in the TRU Residence complex (575). By requiring this meal plan, it can help the students build a stronger connection to the campus and to each other. PKC heard in interviews on campus that prospective students would ask about where the dining hall was while visiting the campus, and also that students were disappointed to find out that there was not a meal plan or traditional dining hall after they moved into their residence. In many cases, students said they to figure out ways to feed themselves including using hot plates in their rooms to prepare food.

PKC finds that the only time complaints arise about mandatory meal plans are when they don't work for students. In other words, it will be critical as outlined in this report that the hours of operation meet the needs of the students, the variety and quality of food are high during all hours of operation and basics are met like the venue being clean and well staffed throughout operating hours. The revenue generated from these new meal plans will create a base to offset the cost of the venue itself (e.g. labor, food, other operating expenses).

#### Anytime Dining Seven Day Silver Plan

- Unlimited all-you-care-to-eat access to the Anytime Dining Commons
- Three Guest Passes
- \$2,000 Per Semester

#### Anytime Dining Seven Day Gold Plan

- Unlimited all-you-care-to-eat access to the Anytime Dining Commons
- 150 Dining Dollars for use at retail facilities on campus
- Six Guest Passes
- \$2,150 Per Semester

#### Anytime Dining Seven Day Platinum Plan

- Unlimited all-you-care-to-eat access to the Anytime Dining Commons
- 250 Dining Dollars for use at retail facilities on campus
- Eight Guest Passes
- \$2,250 Per Semester

#### Anytime Five Day Plan

- Unlimited all-you-care-to-eat access to the Anytime Dining Commons, Monday - Friday
- 150 Dining Dollars for use at retail facilities on campus
- Three Guest Passes
- \$2,000 Per Semester

## CONTRACT RECOMMENDATIONS

As part of this study, PKC compared TRU's current dining services with industry standard terms, conditions and financial return, and found that there is no need to change the current contract model. The current contract captures programmatic and operating requirements better than the majority of contracts PKC reviews and includes an optimal financial return along with positive contributions to the TRU community like the employment of students in the dining program. It would be optimal to utilize a contractor to implement the new program outlined above, and if there is still interest after the implementation has been completed, take another look at the self-operated or other contract models. Utilizing a contractor during any significant transition period can help ensure stability, a strong management team and the appropriate business systems to usher in the changes effectively.

## Introduction & Background

PKC was hired by Thompson Rivers University (TRU) in July 2018 to conduct a comprehensive assessment and evaluation of the University's dining services program and look at other potential contract dining services options. PKC is uniquely qualified to assist TRU with this critical process. We are the leading foodservice consulting firm in the higher education market because of our deep experience in assisting colleges and universities across North America with developing request for proposals, competitively rebidding campus foodservice contracts and with foodservice contract negotiations. Over the last 10 plus years, we have also assisted many campus administrators with developing detailed comparisons regarding self-operated versus contracted campus dining programs including for those schools contracted with the major foodservice management companies including Sodexo, Aramark and Chartwells.



In order to accomplish the scope of work for this project, PKC employed the following methodologies:

- ◆ Review the campus dining program for comparisons to other institutions and operating models
- ◆ Evaluate dining operations
- ◆ Conduct a web-based survey
- ◆ Complete a competitive environmental scan
- ◆ Evaluate meal plan options
- ◆ Provide programmatic recommendations
- ◆ Compare TRU's dining program with peer institutions

To get a better understanding of the TRU campus and its dining program, venues and offerings, PKC visited the campus September 11-13, 2018. This visit enabled PKC to tour the campus and observe the foodservice facilities during peak operation hours while students were on campus. This site visit included interviews with key stakeholders including:

- ◆ Dr. Christine Bovis-Cnossen, President & Vice-Chancellor (phone call interview)
- ◆ Matt Milovick, Vice President Administration & Finance (phone call interview)
- ◆ Christine Adam, Dean of Students
- ◆ Glenn Read, Executive Director, Athletics, Recreation and Ancillary Services
- ◆ Robyn Hollas, Associate Director, Ancillary Services
- ◆ Eric Vandermeulen, Manager, Procurement Services
- ◆ Warren Asuchak, Executive Director of Facilities Services
- ◆ Doug Ellis, Dean, Faculty of Adventure, Culinary Arts and Tourism
- ◆ Kailee Mortimer & Edwin Thomas, TRU Students (assisted with the environment scan process)
- ◆ Jim Gudjonson, Director, Environment & Sustainability
- ◆ Jennifer Watson, Food Service Director, Aramark
- ◆ Nero Omonokhua, Catering Operations Manager
- ◆ Nathan Lane, TRUSU Executive Director
- ◆ Lois Rugg, President CUPE Local 4879



- ◆ Larry Peatt, Director, Administration and Chief Financial Officer, TRU World Global Operations
- ◆ Corrine Velie & Raina Shortreed, General Manager, Campus Living Centre
- ◆ Greg Unger, Kamloops Farmers Market & Kamloops Food Policy Council
- ◆ Lindsey Norris, Communications Manager, MARCOM
- ◆ Curtis Atkinson, Director, Athletics and Recreation
- ◆ Tom Friedman, Judith Chomitz and Ketherine Watmough, TRUFA
- ◆ Chantal Oliver, Senior Purchaser, Procurement Services
- ◆ Trevor Bisson, Executive Chef, Aramark
- ◆ David Burkholder, Vice President, Association of Professional Administrators
- ◆ Dorys Crespín-Muller, Integrated Planning and Effectiveness
- ◆ Food Services Committee Focus Group
- ◆ TRU Residence Student Focus Group
- ◆ TRU Commuter Student Focus Group
- ◆ Faculty & Staff Focus Group
- ◆ Aramark Staff Focus Group

## CONSENSUS STATEMENTS

The following are statements that were shared by multiple campus community members during the interview sessions:

- ◆ “We want a wider variety of menu items.”
- ◆ “There are not many Halal options on campus.”
- ◆ “Sushi is very popular off campus.”
- ◆ “Customized food is very important.”
- ◆ “The biggest complaints are on hours and variety of choices.”
- ◆ “Line ups on campus are horrendously busy.”
- ◆ “Not having a dining hall is a challenge.”
- ◆ “A dining hall would add more of a living room feel on campus.”
- ◆ “A dining hall could help with recruitment and retention.”
- ◆ “We’re missing that gathering spot on campus.”
- ◆ “Coaches would like a commons area like a dining hall.”
- ◆ “At the Urban Market, the pizza oven looks good but it cannot produce enough.”
- ◆ “The student restaurant serves really good food.”
- ◆ “While touring the campus, students ask about a dining hall.”
- ◆ “A lot of students commute to and from the campus and home. It’s not uncommon for someone to go home for lunch.”
- ◆ “We feel that we’ve paid for the food so we should be able to take it away.”
- ◆ “Transportation and catering deliveries could use a better path around campus.”
- ◆ “There is a lot of food waste. Leftovers at events. Maybe students could get notifications.”



- ◆ “Would like something centralized.”
- ◆ “There is a lack of seats by the dining venues.”
- ◆ “Old Main is most central building.”
- ◆ “Hours of service are a really big issue.”
- ◆ “Why is nothing open during the summer? Why is nothing open for breakfast?”
- ◆ Daytime –
  - ◆ Lines are too long
  - ◆ Limited options
  - ◆ Limited capacity in the dining venues
- ◆ Nighttime & Weekends –
  - ◆ Students go off campus for food
  - ◆ Students living on campus cook on hot plates or have food brought to them from home



## TRUSU REPORT REVIEW

PKC reviewed the Thompson Rivers University Student Union (TRUSU) reports for 2017 - 2020. These reports provided valuable background and context for some of the qualitative and quantitative research that TRUSU had completed over the past few years. It revealed some consistent issues and concerns that will need to be addressed moving forward and served as part of the backbone of the recommendations that were developed as solutions to these issues.

One of the most striking quantitative results in the reporting was that food services received a very poor satisfaction score of 1.22/3.00. As will be shown later in this report, the most recent survey developed by PKC and issued to the campus community showed a mixed review of the operator, but leaned more toward the positive side overall. This could indicate some progress in Aramark's performance overall but still signify a need to continue to improve moving forward.

The issues with food services according to the TRUSU report included the following:

- ◆ Variety and options (including vegan, vegetarian, special diet, allergy free and authentic international offerings)
- ◆ Price, value, and food quality
- ◆ Speed of service
- ◆ Hours of operation



## Self-operated Versus Contracted Foodservices Overview

One of the most frequently probed questions in university foodservice is whether or not dining operations should be self-operated or contracted out to a management company. There are a variety of reasons why administrators ponder this issue; they may be looking for capital to make improvements to their dining venues or trying to identify ways to improve efficiencies and/or identify possible new revenue streams (via commissions from a third-party vendor).

There is no right or wrong answer to this question. Different models work for different institutions. One overarching issue is this: How committed is TRU to the realities of supporting a self-operated dining services organization? The answer typically lies in the administration's willingness to commit the time, money and effort to recruit and maintain a high-quality foodservice director and staff. Campus administrators must also be willing to make the necessary investments in equipment upgrades, facility renovations and point-of-sale inventory management and production forecasting systems.

Here are some of the perceived advantages of a contracted model and some of the shortcomings. As part of this study, PKC compared these key areas with TRU's current dining services and found that it would be optimal to utilize a contractor to implement the new program, and if there is still interest after the implementation has been completed, take another look at the self-operated model. Utilizing a contractor during any transition period can help ensure stability, a strong management team and the appropriate business systems to usher in the changes effectively.

### Management

Any dining operation, be it self-operated or contracted, will ultimately perform only as well as the level of leadership, management skills and foodservice knowledge possessed by the Dining Services Director (or similar). If an institution's dining services organization is already self-operated and the dining services management team and workforce is dedicated to performing in the best interests of the institution, then in most cases, the existing team is well suited to continue operating the current and future dining venues. However, as with TRU, if the dining services has a contractor in place, it can be very difficult to recruit, train and implement a new self-operated management team with the systems required to operate a complex account. This could end up taking a couple years to fully implement, or longer, if there is not stability in the key management positions.



### Capital

Contractors can be a resource to secure capital investments to renovate or build new dining facilities. This can be a convenient way for a lot of schools to make upfront changes that help to grow revenues, and customer satisfaction over the life of the contract. Whether or not an institution chooses to be self-operated or contract-operated, it will still have to establish the projected net surplus that it wants after all direct and indirect operating expenses are covered over a five-to-10 year period. This is a very important consideration because the calculation helps inform any decision to self-fund capital needs or to accept capital upfront. In the end, all investments are paid for by TRU in some way and it is important to understand how this payback may affect any potential annual surplus.

### Business Systems

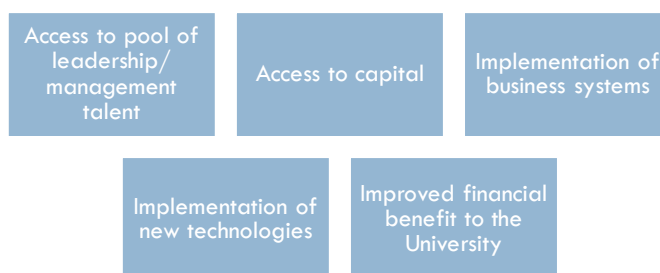
One big advantage foodservice management companies bring to potential clients is a full arsenal of business and financial accountability systems. These tools include weekly/monthly profit and loss statements, weekly food costs for all units, weekly labor costs for all units, a weekly physical inventory of all food and non-food products, standardized recipes for all menu items coordinated with food production needs and inventory management in each unit and in warehouses and/or store rooms and

daily adjustments to standardized recipes and inventory and purchasing requirements based on input from chef/managers, area managers, assistant directors and purchasing.

Such systems and measures of performance are vital. They provide empirical data that the management team uses to assess and track the performance of each unit. It also provides benchmarks used in evaluating performance, used in guiding unit management staff and as a basis for reports provided to administration on a weekly/monthly basis. Every foodservice management company fully utilizes every one of these business tools to improve the efficiency of each of its operations.

### Decision Making

A self-operated dining program can make decisions and changes to the program relatively quickly. However, they do have to consider the implications from a financial perspective as the University relies on their financial return to fund facilities and other programs. It can take longer to execute changes with a Contractor, as they have more layers to go through to get approval. However, in cases where the University and the contractor have a positive working relationship like the one that exists between TRU and Aramark as demonstrated by the changes that take place between semesters each year, the changes can be approved in a relatively quick fashion.



### Conclusion

PKC reviewed the current contract and determined that the overall structure and remuneration is optimal for now until the new program is put in place. It is critical that a contract detail programmatic elements clearly along with the financial requirements and operating procedures. The TRU dining contract does this very well, especially compared to most contracts that PKC reviews. The contract includes KPI's tied to student satisfaction, sustainability initiatives, revenue growth, etc., helping to ensure steady progress over the term of the agreement. The in-kind contributions including scholarships, food bank donations and special event funding are also positives outlined in the contract. As part of the contract, Aramark also actively recruits, trains, and employs students to work in the dining program.

The overall financial return is at the top end of what PKC sees for an all retail (no meal plan) account. The approximate overall financial return from Aramark is about 14% of revenues in the current contract. Similar accounts typically yield about 10% - 14% overall.

Once the new program has been fully implemented, the University should then consider competitively rebidding the dining services program as a profit-and-loss contract with similar remuneration as to what is being achieved now and see what the market can bear if the long-term recommendations are adopted. It will also be important, if the University decides to implement the recommended program, to monumentalize this program in the competitive bidding process RFP so that it can be locked into the contract and expectations can be set to ensure that the program is realized optimally and fully.

### Current & Recommended Model: Profit & Loss Contract Structure

The following tables show some high-level consideration for varying contract models.

Pros	Cons
Guaranteed minimum returns can be contractually locked in for TRU.	A lot of daily oversight is required from TRU to ensure that contract promises and commitments are met.
Contractor should be incentivized to perform well and grow revenues since they will own the profits.	A very robust contract must be created that outlines all programmatic and financial details so that there is no ambiguity.
TRU is protected in case there are any losses tied to the program.	Contractors have a tendency to want to come back to the negotiation table at least once a year to try to restructure the financial deal or cut back on operations.
Mid-size to large foodservice operators have relationships with branded concepts and can use leverage to have the brands put in the concepts. However, this is not the preference of the foodservice operators. Their preference is to use their own in-house brands to save on royalties, licensing fees and commissions.	

### Management Fee Pros & Cons

Pros	Cons
Ability to make changes to the program and concepts (financial implications attached).	The contractor has less incentive to perform at a higher level financially. They have their fees locked in and pass on all costs to TRU.
	The contractor must include detailed and itemized reporting mechanisms for operating statements and allowable expenses.

#### Landlord/Tenant Pros & Cons

<b>Pros</b>	<b>Cons</b>
Less daily involvement/oversight generally required.	Less flexibility and control over offerings and concepts.
Independent franchises are incentivized to compete with each other.	Will not provide as much remuneration to TRU. These contracts can actually cost the University money when the cost of facility use and utility usage are factored in.
Could potentially include more branded franchises. However, branded franchises typically use metrics like minimum sales thresholds to determine if a location is the right fit. The session scheduling and inconsistent traffic may cause some branded franchises to walk away from the opportunity.	Multiple contracts to oversee.
	These models do not typically focus on TRU goals like community enhancement elements/requirements and the employment of students, or in-kind contributions/donations.

## Current Program Assessment

PKC reviewed the overall retail dining and catering operations. There were many areas that stood out as positives. The dining services has some attractive venues including the retail operations in the CAC. The Starbucks and Tim Hortons are in great locations but they are overrun by business in the middle the day and morning. PKC heard several times on campus how the university 12 to 14 years ago was more of a two-year community college model. It seems that the University and operator have worked to try and grow as the University grew. However, in order to match the goals of the University and be a world-class program, a new dining services facility will need to be built in a centralized location to meet the needs of students in the campus community including special dietary concerns, international student food preferences and late-night dining.



In order to drastically change dining and make all of the enhancements required to offer a next-generation dining program, the University will need capital, resources and time to construct a facility that can meet the growing and more complex needs of TRU. However, there are ways that the University can immediately move toward enhancing the options on campus and improving the overall dining experience. The University can continue to enhance the offerings on campus by implementing some short-term and intermediate-term recommendations.

## Short-Term Program Recommendations (Immediate Implementation)

The University should look at expanding the number and variety of food trucks. This is a no-capital approach that could help alleviate some transaction velocity strains on existing retail venues and provide the additional menu variety and selection that the campus wants without having to invest a lot of money into permanent physical structures.

The existing spaces could potentially be improved to enhance speed of service and variety. For instance, there may be ways to better incorporate ordering technologies with designated pick up areas to help with the speed of service, at Starbucks for instance. Many brands offer these technologies, but to fully implement them, there must be an area for pick up and the appropriate personnel to oversee it. Continuous employee training programs can also help ensure efficiency at the venues, as what was implemented at the Tim Hortons. The additional employee training increased the speed of service and allowed for a 25% increase in sales.

The University could look at possibilities to use any unused, or underutilized spaces on campus for temporary retail dining solutions. These spaces, if available, could expand retail offerings. This might include offering some space to an independent company or leasing space that could be managed outside the existing foodservice contract.

Other than the long lines and speed of service, the area that received the most negative feedback was the hours of operation, especially into the evening. TRU should consider expanding the hours of operation at one or more of the centrally-located retail venues to better meet the needs of the campus community in the morning and late into the evening. This will also provide a fuller dining experience for students living on campus ensuring they have food choices on campus.

The dining program should expand menu offerings to include more breakfast items across campus. Several interviewees mentioned this gap in service during our visit to campus. Expanding these offerings could help provide some additional revenues and improve customer satisfaction during this meal period. The breakfast menu offerings on campus are sparse based on feedback received. PKC did hear that sales were not great when breakfast was offered out of the CAC, but dining may want to explore this and make sure that it is marketed properly or find a way to offer options elsewhere on the campus.

## Medium-Term Program Recommendations (Two-to-Five Year Horizon)

Looking at the two-to-five year horizon, TRU may want to consider putting a small dining hall of about 7000 ft.<sup>2</sup> into the current bookstore location. In order to accomplish this, a new location for the bookstore would need to be established to ensure the bookstore could continue on with the current operations. While this is not an optimal scenario, it is a lower-cost option that could potentially add value to students on campus and create a beta meal plan program to begin testing the demand.

If TRU looks at building a students services building, it should be considered whether or not the facility could include a retail dining venue. If the student's services building does not get built then TRU should consider building a large centrally located dining hall. Additional details regarding sizing and program can be found later in this report. PKC believes this would be the optimal solution and will create a foundation to provide meal plans that are of great value to students living on campus as well as the campus community. The facility will help to strengthen students' connections to the University and help create the environment and infrastructure to support a world-class university.

## Long-Term Program Recommendations (Five-To-Ten Year Horizon)

### WHY SOCIAL ARCHITECTURE & ENHANCED FACILITIES ARE CRITICAL

The strategic goals of most universities usually have to do with student engagement, collaborative environments and developing a sense of connection to the school and TRU is no different. Administrators know that positive things happen when students have more occasions and safe congenial places on campus to socially engage and connect with one another, make friends, problem solve, collaborate and innovate. Common results of these actions are an increase in GPAs, greater retention rates and a greater likelihood that students will graduate and be equipped for success as they begin their careers.



An important trend that is directly related to the need to socially connect and one that is transforming campus dining and students' university experiences across North America is social architecture. What is social architecture? Our firm has pioneered this concept which by definition is *the implementation of social architecture by intentionally designing campus dining programs and facilities in order to achieve the richest levels of on-campus student engagement (24/7) to reach the highest levels of student success while significantly contributing to the strategic goals and missions of college and university campuses.*

As PKC President & CEO David Porter outlines in his book *The Porter Principles*, social architecture is a concept that includes the following elements:

- ◆ **Gravitational Pull:** Gravitational pull is evident at places like Starbucks and Whole Foods. These businesses create an ambiance and offer the type of environment and services that make you want to go there. You go there because you *want* to, not because you *have* to. The same can be applied to the concept of the optimum dining program. TRU should strive to create Anytime Dining/Student Engagement Commons that offer the ambiance, food and services that make students *want* to eat and gather there, not feel like they are *forced* to go there because they have to use up their meal plan money or because they are the only places open on campus. These venues should be places where students look forward to seeing their friends and experiencing the social energy generated in these dining venues.



- ◆ *Emotional Connections:* When designed with social architecture and customer preferences in mind, campus dining venues, from the dining hall to the campus coffee shop, should be created and programmed to foster emotional connections for students to each other and the school. Many of us have fond memories of dining in our favorite eatery on campus and the role it played in our university experience. Research has shown that the sooner students make these emotional connections with each other and with their schools, the more likely they are to remain in campus housing, enrolled and more likely to graduate.



- ◆ *Social Energy:* Think about Starbucks again. Why do people go there? Because it has a certain vibe. Even people who don't like coffee often go to Starbucks because they like the atmosphere and that overall vibe or social energy. University students bring with them their own social energy and many restaurant chains like Starbucks and Chipotle have mastered this concept and designed their restaurants to create and/or support this energy that draws customers in. The same should be true for campus dining venues.
- ◆ *Sense of Community:* Think about your home, where do people generally gather? In most houses, this place is the kitchen, often a comfortable and spacious area which may open up into a dining room and/or living area. This is how campus administrators should think about their campus dining venues. Ideally, these venues should be designed to be the "kitchen/living rooms" of campus where students go to start their day, hang out between classes, return for meals and go back late at night to study or hang out with friends. These dining venues should be considered on-campus community centers, where the heartbeat of the campus can be found.

At its core, social architecture is about how campuses structure all aspects of campus life to support students' (and other campus community members') ability to connect with one another and the University as a whole. From a dining perspective, it's about creating safe and inviting dining venues that provide contemporary, convenient and modern spaces for campus community members to gather over a meal, study, collaborate on a project or just hang out. The benefits of creating a strong social architecture on campuses are many and powerful:

- ◆ *Higher Recruitment & Retention Rates:* Campuses that have mastered the art of social architecture and offer dining programs that are customer friendly and dining venues that are comfortable and offer an attractive social energy enjoy higher recruitment and retention rates. For example, after a university in Michigan transformed its campus dining program and completely renovated the dining hall in the heart of its freshmen community, the new modern dining commons has not only become the real heart of the campus, it is also the last stop on all campus admission tours. Why? Because, as the associate vice president of student affairs said, "When we end the tours here, it's often a 'seal the deal' moment for prospective students and their parents."
- ◆ *Higher Quality Housing:* Housing administrators on all university campuses want on-campus dining to be viewed as a plus to living on campus, not a deterrent. Unfortunately, that is often the case. When the campus dining program and facilities are designed to meet the needs and preferences of university students, research has shown that students who live on campus their freshmen year are 1) more likely to stay on campus in future years and 2) more likely to stay enrolled on the meal plan program even when it becomes optional (because they move into on-campus housing that doesn't require them to buy a meal plan or they move off campus).
- ◆ *Higher GPAs & Graduation Rates:* Research has shown that students who live/dine on campus are more likely to have higher GPAs and graduation rates. Every university would like to include data like this in their institutional profiles and a strong campus dining program focused on creating meaningful social architecture can make this a reality.
- ◆ *Higher Percentage of Alumni Involvement:* This goes back to the emotional connections we discussed earlier. Alumni who feel a strong connection to their schools are more likely to be involved in alumni activities and active donors.

Universities that provide the elements of social architecture that help build these emotional connections in students while they are on campus are more likely to have socially- and financially-engaged alumni.

## LONG-TERM RECOMMENDATIONS: STUDENT VALUE PROPOSITION – PROGRAM & MEAL PLANS

A benchmarking analysis was completed for similar institutions to TRU. This benchmarking analysis (refer to Appendix 3) shows that when compared to similar sized institutions from different geographic regions across Canada, TRU was the only campus that did not offer a substantial meal plan. Two of the campuses benchmarked (Trent University and University of Northern British Columbia) have all-you-care-to-eat dining facilities. The all-you-care-to-eat facility at University of Northern British Columbia provides access from 7:00 a.m. to 11:00 p.m. on weekdays, and 8:00 a.m. to 10:00 p.m. on weekdays. At Trent University the hours are 7:30 a.m. to 8:00 p.m. on weekdays and 9:00 a.m. to 8:00 p.m. on weekends with additional retail late night venue coverage for both campuses.

There is a wide variety of meal plans on college and university campuses across North America. Some offer unlimited access all-you-care-to-eat; others offer meals per week or meals per semester and some have declining balance meal plans. For more insight into the structure of these plans, let's take a closer look at the two value proposition categories that nearly all meal plans/campus dining programs fall into; consumption driven or access driven.

*Consumption driven dining programs* are those that are defined by how much food is consumed. For example, schools that offer all-you-care-to-eat dining venues and meal plan programs that offer a certain number of meals per week are consumption driven. Each student uses a meal swipe (which has a monetary value and often varies by day part) to enter an all-you-care-to-eat venue where he or she can eat as much or as little as he or she likes. Once the student leaves the venue, he or she must use another meal swipe to reenter. Research has shown that students with consumption driven meal plans such as meals per week often overeat because they want to “eat their money's worth” each time they enter an all-you-care-to-eat dining venue. Often, they load up their trays and take more food than they can eat, which results in food waste.

Another example of consumption driven dining programs are those that offer declining balance meal plans and a la carte dining venues. Declining balance meal plans provide meal plan holders with varying amounts of declining balance dollars that they must spend in one semester and/or school year or lose it. The challenge with declining balance meal plans and all retail dining venues is that all food and beverage options on campus in all venues are individually priced so individual meals can easily add up to more than \$12+ and customers end up with “sticker shock” at the register and feel like they are not getting the value for the price they pay.

One of the biggest challenges with consumption driven dining programs and meal plans is that they encourage wasteful spending. This occurs when students have leftover money at the end of the semester and/or school year that they must use or lose. On almost all campuses where these meal plans exist, students with leftover money buy cases of bottled beverages and/or large amounts of packaged foods from campus dining venues, often for much higher prices than they would in off-campus venues such as Save-On-Foods or Walmart.

Finally, research has shown that those campuses with consumption driven dining programs and meal plans often struggle with static or declining meal plan participation, especially among voluntary customers such as students living on campus that aren't required to purchase meal plans, commuter students and/or those who live in off-campus housing. Generally, dissatisfaction with consumption driven meal plans (for all the reasons outlined above) encourage students to choose not to participate when the option is available, to continually buy down to smaller, less expensive plans and/or to move off campus so that they don't have to buy a meal plan. Customers make these choices when they don't believe that the meal plans and dining program are a good value.

*Access driven dining programs*, on the other hand, provide just that; unlimited access (flexibility) during extended operating hours to all-you-care-to-eat dining venues that offer all-you-care-to-eat service. This means that meal plan holders can come

and go as many times as they'd like throughout the day into late night and eat as much or as little as they want, just like their kitchens at home. They can come in three times a day; they can come in 100 times a day. With unlimited access dining programs, students swipe their campus ID cards to enter but unlike meals-per-week or declining dollar meal plans, there is no monetary deduction so students don't feel compelled to "get their money's worth" by overeating and there is no leftover meal plan money to count and/or "lose" if not used.

Access driven meal plans also appeal to parents/guardians because they never have to worry about running out of meal plan money or having meal plan money left over. With these plans, there's no stress for students in trying to "manage their meal plan money."

In offering the unlimited access meal plans, the University will have taken the best path to optimizing the perspective of meal plan holders and the return to the department. However, simply offering this style of service and saying that the dining venues are open continuously from when they open to when they close is not enough. In order to be successful and to provide a true value to students, the all-you-care-to-eat dining venues must offer a wide variety of high quality food offerings at all times (even if the service offers cooked to order during non-peak times), they must offer the types of foods students want and they must offer a warm and inviting environment (read great customer service, comfortable surroundings and social amenities like free Wi-Fi and plenty of electrical outlets) in order to truly support student engagement and play a meaningful role in the student life and especially the living on campus life experience.

The most successful college and university meal plans are those that are dialed into students' lifestyle needs and preferences and ones that provide the most flexibility. The transition from home to university is often a difficult one, especially for freshmen students and/or first-generation students. Living away from home for the first time and learning to deal with classes, roommates and other aspects of campus life is challenging. In order to make this transition easier and to eliminate as many obstacles as possible as it relates to life outside the classroom, campus meal plans should be easy to use, and the dining program should be designed to offer a wide variety of high-quality menu options throughout the day and evening seven days a week in comfortable and inviting dining venues.

PKC believes that by implementing the changes outlined in this report and by providing a first-class Anytime Dining program Thompson Rivers University can offer a truly meaningful on-campus dining program that encourages students to live on campus and provides an enriched student life experience. Anytime Dining offers all-you-care-to-eat in an inviting venue featuring unlimited access service to fresh made-to-order foods during extended continuous hours allowing the campus community members, and particularly students, to eat *when* they want in safe, wholesome environments where they can collaborate, study, connect with each other, eat or just hang out around the clock, throughout the week.

When the dining program is in step with customers' preferences and venues are open when students want to use them and when these venues offer the type of food and services customers want, we have seen voluntary meal plan participation grow because these customers see the value in purchasing a meal plan.

We believe that there is a significant opportunity to grow dining revenues through meal plan sales and use dining as a catalyst to encourage social engagement on the TRU campus if the dining program is designed to meet campus community members' needs including extended hours of operation, high quality food, wider menu variety and selection combined with a style of service that community members perceive as a good value.

In focus groups and surveys conducted all across North America, students consistently remark that their most important concern regarding the dining program combined with meal plans is not the price of the meal plan, but the perceived value of *“Is it worth it”*. In other words, are the hours of operation, menu variety and selection throughout all dayparts (including in between traditional peak meal periods), customer service, location(s), venues/facilities plus all non-food amenities, (e.g. Wi-Fi, study and social hangout space, gaming etc.), “worth” what the student is being required to pay for a meal plan. Students live on a different clock than the rest of the world. Is the dining program designed to respect and embrace the realities of the day-to-day, 24 hour lifecycle of a student? When it does, there is a very strong increase in on-campus student participation in dining, quality of on-campus housing life, uptick in housing occupancy and significant growth in voluntary full meal plans sold for students living on campus, and students living off campus.



The TRU campus has what no other off-campus restaurant can offer a student, and that is “The University Experience” which by its very nature is intensely social. On-campus dining, if organized properly, is uniquely equipped to be the primary social engine that drives and influences the “classroom outside of the classroom” university experience. This holds true for both under and upper classmen living on, or off campus.

Moving forward, TRU should consider an Anytime Dining facility with extended hours in the center of campus by Old Main. Some of the most popular meal plans include access to all-you-care-to-eat dining halls with robust variety and offerings all the way up until midnight, and in some cases, 24/7. Continuing to expand these offerings and hours could help improve students’ perception of living on campus and their appreciation the value of the recommended meal plans. A strong value-added dining program could be used as a recruiting tool for parents/guardians (e.g. food available up until Midnight, the meal plan will never run out, safe wholesome environment, etc.). The biggest indicator of success for changes to the meal plan offerings will be the number of voluntary meal plans sold and the amount of students that elect to buy up on meal plans. This voluntary choice will validate the value of enhancements to the facilities and program moving forward.



The new “Anytime Dining Commons” will need to feature a certified executive chef who creates menus that change constantly, while preserving the balance of typical student favorites. This will help keep customers stay engaged and interested in the dining hall. Providing regular and frequent theme nights in conjunction with student life will also help keep the on-campus housing dining program exciting.

There is increasing amounts of students that have dietary needs, concerns including allergies, religious diets (e.g. Kosher, Halal, etc.) and specialty diets like vegan and Paleo. The dining program will benefit from having a dietitian available (could be a part-time dietitian) to speak about allergen and special diet concerns for students to make sure that their needs are met. The Anytime Dining Commons could be designed to feature a station to meet the needs of special diets.

It is our professional opinion that the program and meal plan recommendations outlined above will increase the return to TRU from dining over next 10 years and grow resident and non-resident student participation, increase on campus housing occupancy, student recruitment, student retention and significantly grow top line dining revenues.

## Anytime Dining Recommendations

The Anytime Dining Commons would be open 7 AM to midnight seven days a week. It would offer a combination of served and self-serve stations to optimize labor. It would allow takeout in eco friendly containers. It should include frequent theme nights with thoughtful coordination with student life. This venue would accept credit, debit, cash, mobile pay and meal plans. All stations would remain open continuously throughout the day weekends. In other words there would be no dayparts per se but rather full offerings during all hours of operation. The variety of offerings should be distinctly different between lunch dinner and late-night. The University should also consider installing biometric readers or iris scanners at the main entrance doors.

The recommended meal plans offered would be as follows:

### Anytime Dining Seven Day Silver Plan

- Three Guest Passes
- \$2,000 Per Semester

### Anytime Dining Seven Day Gold Plan

- 150 Dining Dollars
- Six Guest Passes
- \$2,150 Per Semester

### Anytime Dining Seven Day Platinum Plan

- 250 Dining Dollars
- Eight Guest Passes
- \$2,250 Per Semester

### Anytime Five Day Plan

- 150 Dining Dollars
- Three Guest Passes
- \$2,000 Per Semester

PKC recommends that the University require that the 575 residents living in the TRU Residence purchase one of these Anytime Dining meal plans. This will help provide piece of mind to parents/guardians of prospective students and create a closer connection with these students to the campus and each other.



Customers without a meal plan could pay a door rate to access the facility. The door rate would cover unlimited food and beverage during that entry period. The recommended door rates would be as follows:

<b>Door Rates</b>	
<b>Breakfast:</b>	<b>\$5.25</b>
<b>Lunch:</b>	<b>\$8.95</b>
<b>Dinner:</b>	<b>\$10.75</b>
<b>Late Night:</b>	<b>\$8.40</b>

TRU could also offer Day Pass Option for an estimated cost of \$25 per day. This option could provide unlimited access to the Anytime Dining Commons during all operating hours in one day.

The following block meal plans could be sold to commuter students, faculty and staff. These plans make it more affordable to come in and eat at your convenience.

- ◆ *Block 80:* 80 meals per semester Monday-Friday at a cost of \$7.00 per meal. Cost: \$560
- ◆ *Block 50:* 50 meals per semester Monday-Friday at a cost of \$7.50 per meal. Cost: \$375
- ◆ *Block 25:* 25 meals per semester Monday-Friday at a cost of \$8.00 per meal. Cost: \$200

The Anytime Dining Commons should be designed with a mixed seating area including collaboration areas, study nooks, booths, traditional two and four tops. It will be used by the campus community to gather, study, socialize and dine. The servery could be designed with bright and unique accents. The venue should also offer broadband wi-fi, soft seating, multiple outlets, foosball tables and gaming stations.

The facility could be designed to feature display cooking/made-to-order foods (based on the preferences identified in the survey).

- ◆ Breakfast foods hot and cold
- ◆ Salad bar with fresh fruits and vegetables
- ◆ Made-to-order sandwiches wraps and panini's
- ◆ Poutine
- ◆ Healthy options
- ◆ Vegan and vegetarian options
- ◆ Burgers and fries and other grilled foods
- ◆ Authentic international foods
- ◆ Authentic Indian cuisine
- ◆ Halal
- ◆ Sushi
- ◆ Noodle and rice balls
- ◆ Comfort foods
- ◆ Pizza and pasta
- ◆ Smoothies
- ◆ Desserts



- ◆ Outstanding brunch
- ◆ Tim Hortons (could also include an express area)

The Anytime Dining Commons is projected to generate approximately \$33 million over the next 10 years in meal plan sales (not including door rate cash transactions). This assumes that 750 full seven day meal plans will be sold annually (no buy up assumed). PKC assumed for this model that 575 from the TRU Residence would buy a plan and the additional plans would be from the surrounding houses or commuters that spend a lot of time on campus.

The current contract returns about 14%. As mentioned previously, this is on the higher side of what PKC typically sees in contracts for an all retail dining program at a college or university. The Anytime Dining program and meal plans result in a higher return overall due to the reliable revenue base from meal plans and the operating costs associated with Anytime Dining being a little better than retail (e.g. lower food cost overall and labor that can be modulated a bit more for savings). PKC would expect the implementation of this Anytime Dining program and meal plans to result in a contract with an 18 to 20% return to the University.

## Anytime Dining

- Required Sq. M. 1,497
- ~ 464 Seats Required
- 10 yr. Meal Plan Revenue Projection: \$33.6M
- Additional Financial Return Estimate: \$6.7M

## CATERING

PKC received mostly positive feedback on catering including the service and quality. However, there are some areas that could use some improvement including the perception that prices are high, and that for frequent catering users, the selection can become tiring. Customers were also very concerned that leftover food from events went to waste.

In order to help alleviate the pricing issue, the catering department should create four tiers of catering:

- ◆ Premium service: Presidential & high-level catered events
- ◆ Standard service: Traditional luncheons & similar gatherings
- ◆ Budget service: Pick up/no set up or tear down
- ◆ Student group service: Low cost, student friendly offerings

These four catering tiers will create greater accessibility at different price points for customers. The menus should feature a wide variety of vegetarian & vegan offerings & local foods. There should also be easily accessible special diet options for events (e.g. Halal, allergy free, etc.).

The department should continue to maintain an updated catering guide & webpage with menus, specials, upcoming events, promotions & contact information. There should be an app in place that allows campus customers the ability to order & pay for catered foods online & have them delivered. The menu offerings each semester should vary and should feature monthly specials items to break up the menu monotony.

There was a lot of feedback received regarding food waste at events. The catering department should look at ways to reduce this waste. Systems could be put in place to reduce food waste, or provide leftover foods to the food pantry, students, or another source. Apps like GOODR can be used to leverage overages of food and make sure they make it to students and community members with food insecurity issues.

# Quantitative Market Research

## SURVEY PROCESS & RESULTS (FULL RESULTS CAN BE FOUND IN APPENDIX 2)

A web-based survey was conducted between September 25<sup>th</sup> and October 4<sup>th</sup>. 2,815 responses were received. The breakdown of the status of the campus community members who participated in the survey was:

- ♦ 79.9% - Student
- ♦ 11.5% - Staff
- ♦ 5.8% - Faculty
- ♦ 2.8% - Administrator
- ◆ Of the students who took the survey, 29.6% were first year, 19% were second year, 15% were third year, 13.2% were fourth year, 9% were diploma, 6.5% were graduate, 2.2% were certificate and 1.3% were trades. 4.2% specified "other". 81.1% of the students said that they lived on campus while 18.9% said they live off campus.

## MENU VARIETY & FOOD QUALITY

Over the years, PKC has learned that what campus customers do is a better indication of what they will do than what they say they will do (and eat) so we ask campus community members a series of questions to discover where they eat off campus, when, why and how much they spend and similar questions related to food delivery so that we can discover customers' current eating habits and preferences and then use this information to design an optimum dining program that encourages customers to spend money and to eat on campus (vs. off). We also ask them to weigh in on their perceptions regarding menu variety and food quality and freshness in the on-campus dining venues so that we can uncover likes and dislikes as well as existing and potential issues or challenges related to these two critical areas that can have a direct impact on campus community members' (and especially students') perceived value of the overall dining program.

### Survey Results

- ◆ We asked survey respondents if they ever leave campus to eat in a local off-campus restaurant, fast food place or food service outlet. 76.5% of respondents said that they did, 23.5% said they did not.
- ◆ One question that we asked survey respondents who said that they typically leave campus to eat at an off-campus restaurant was what were the major reasons they have for eating off campus. Two of the most selected answers involved menu variety and selection and price. The top six answers were:
  - ♦ 71.9% - Menu variety & selection
  - ♦ 49.7% - Price
  - ♦ 42.8% - Food quality & freshness
  - ♦ 38% - Long lines at the dining locations on campus
  - ♦ 30.7% – "Break" from campus routine
  - ♦ 27.4% - Hours at on-campus dining locations are inconvenient
- ◆ When asked how many times per week the respondents purchase something to eat or drink from one of the on-campus dining venues, 33.8% of survey respondents said that they purchase food from on-campus dining venues 1-2 times, 26.5% said less than once a week, 20.9% said 3-4 times, 6.5% said 5-6 times, 2.8% said 7 or more times while 9.5% said that they never purchase something to eat/drink from one of the on-campus dining venues. Following that question, we asked the survey participants who said that they did eat at on-campus dining venues to rate the

importance of a variety of factors when they eat on campus. Based on a weighted average (1=Very Important, 2=Somewhat Important, 3=Little Importance, 4=Not Needed), the most important factors were:

- ♦ 1.22 – Food quality and freshness
- ♦ 1.33 – Price
- ♦ 1.41 – Speed of service
- ♦ 1.47 – Customer service (friendliness, helpfulness, etc.)
- ♦ 1.49 – Menu variety and selection Monday – Friday
- ♦ 1.50 – Hours of operation Monday – Friday
- ♦ 1.53 – Healthy options
- ♦ 1.60 – Convenient location to class/office

◆ Survey respondents were given the following future dining scenario:

TRU is considering creating a new Anytime Dining/Engagement Commons featuring unlimited access, extended hours of operation (possibly up to 24 hours a day seven days a week) and a consistent variety of freshly prepared, high quality menu options during all hours of operation. This venue would offer a safe, wholesome, socially-rich gathering environment and would be open to resident and non-resident students, faculty, staff and visitors. Please keep this in mind as you answer the following questions regarding this new proposed venue.

After being given this outline, the respondents were asked to rate the importance of offering several different food/beverage selections in the new proposed dining venue. Based on a weighted average (1=Very Important, 2=Somewhat Important, 3=Little Importance, 4=Not Needed) the top choices were:

- ♦ 1.60 – Salad bar with fresh fruits and vegetables
- ♦ 1.68 – Made-to-order deli, wraps and Panini sandwiches
- ♦ 1.74 – Noodle/rice bowls
- ♦ 1.76 – Hot breakfast items
- ♦ 1.77 – Good quality pizza
- ♦ 1.84 – Smoothies
- ♦ 1.86 – Made-to-order stir fry
- ♦ 1.92 – Soups
- ♦ 2.01 – Pasta
- ♦ 2.02 – Charbroiled burgers, chicken, etc.
- ♦ 2.04 – Local foods
- ♦ 2.06 – Comfort foods (roasted meats, potatoes, mac and cheese, meatloaf, etc.)
- ♦ 2.09 – Sushi
- ♦ 2.10 – Authentic Mexican food

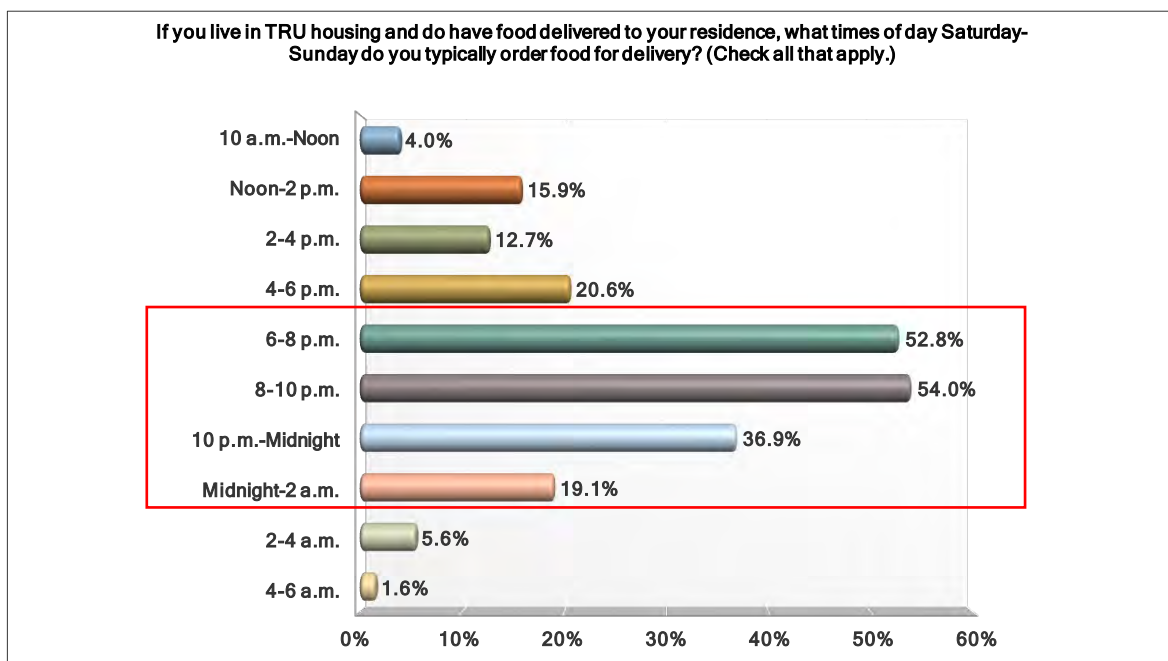
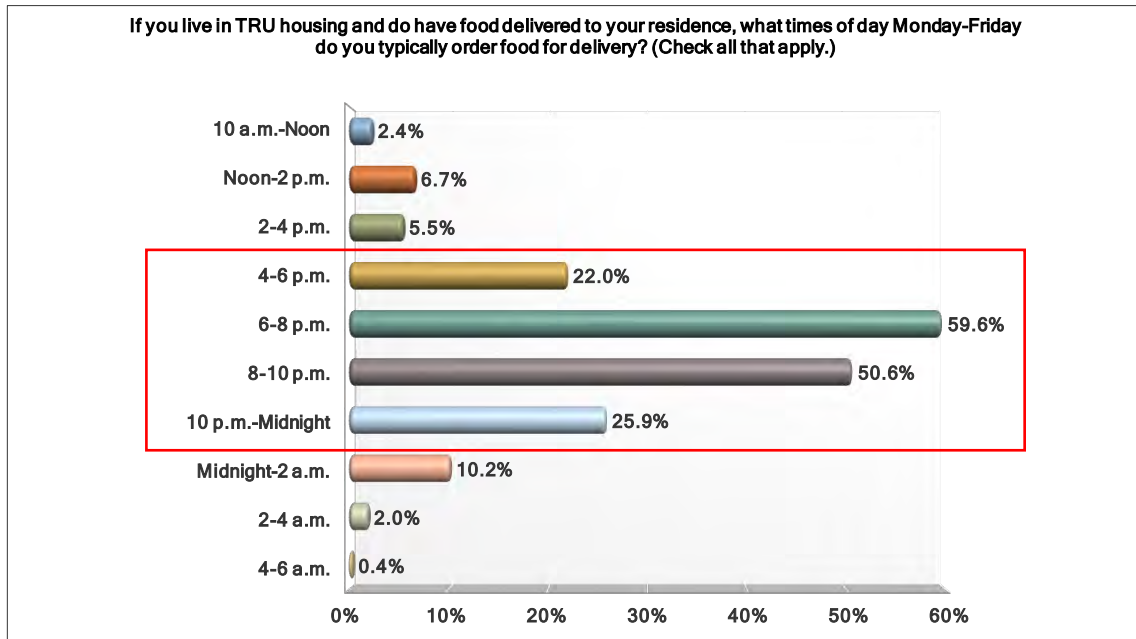
## HOURS OF OPERATION

As we know, university students live on a different clock. Various factors influence the student clock including class, sleeping and work schedules as well as lifestyles (some students prefer to eat many smaller meals throughout the day, others prefer traditional three meals a day). Their families' dining habits can also influence eating patterns. In many cultures and in many parts of the country, families often eat dinner after 8 p.m.

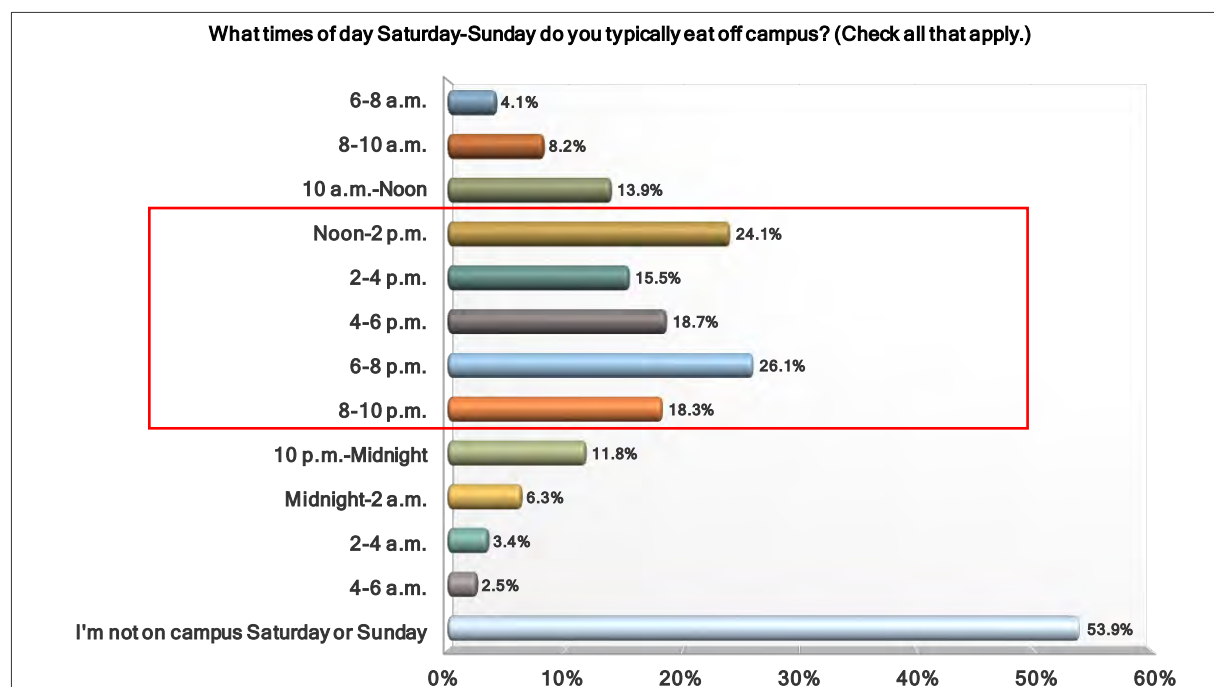
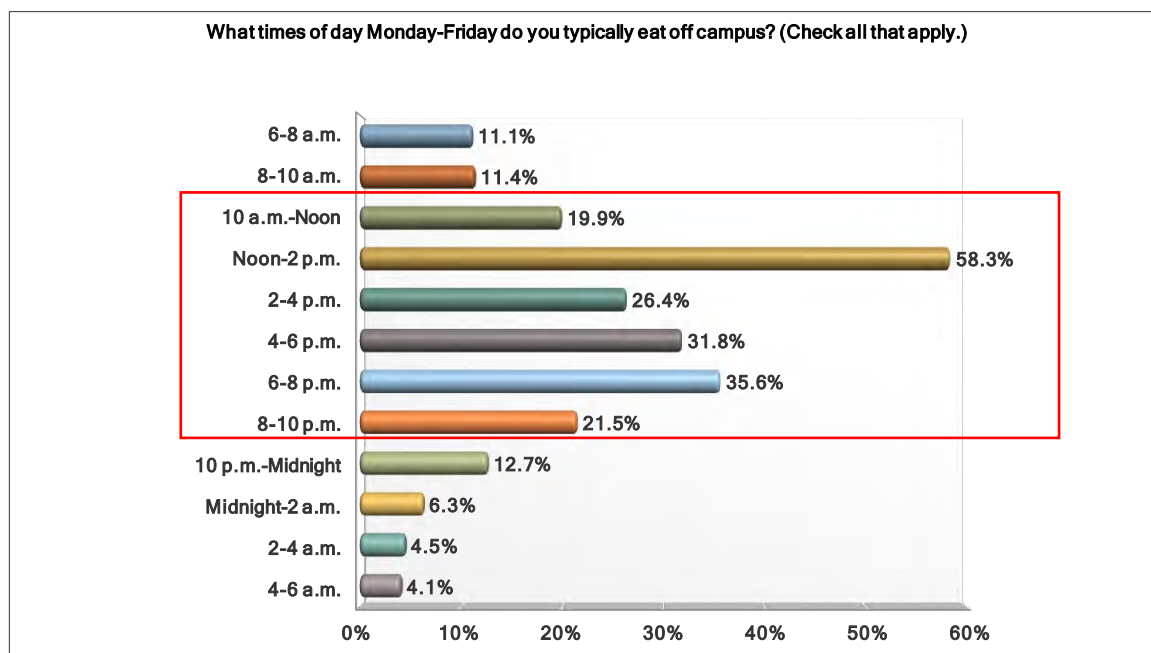
Therefore, it is critical that the hours of operation of on-campus dining venues (especially in the future all-you-care-to-eat dining venues) be aligned to provide food when students want to eat and when they are up and moving around campus. But it's not enough to just "be open." The service and offerings at these venues must be at a consistently high level in order for students to observe the highest possible value of their meal plan, when offered, and the dining program as a whole.

### Survey Results

- ◆ As you can see from the two graphs below, most students order delivery until at least midnight on the weekdays and until 2:00 a.m. on weekends. Well after the dining venues have closed.



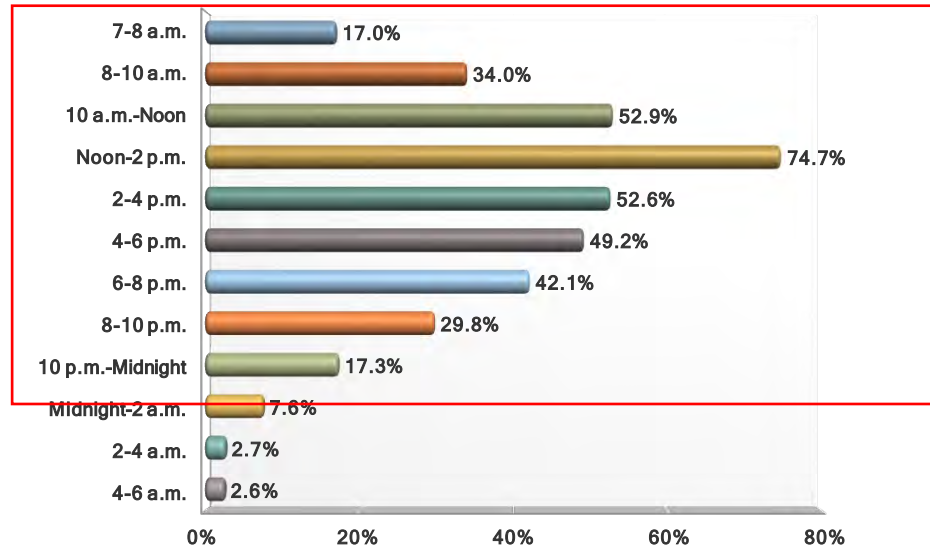
- ◆ In the charts below, you can also see that when we asked the campus community what time they typically go off campus to eat that there is a demand for foodservice until at least 10:00 p.m. during the weeknights and until 10:00 p.m. on the weekends.



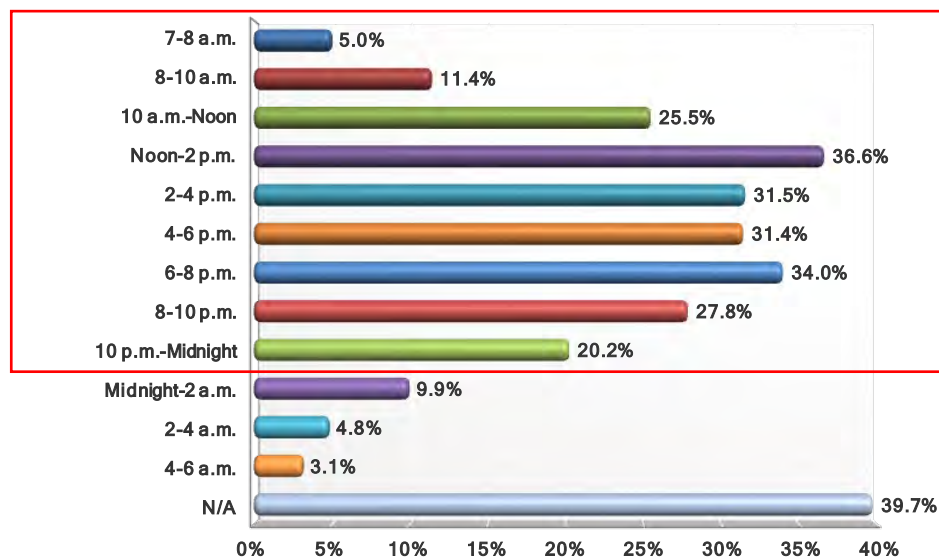
- ◆ In the Future Dining section of the survey, based on the information that the respondents were given on a new proposed venue and the food choices they made previously, the graphs below show a solid demand for the new venue until at least midnight daily.



Based on your food and non-food amenity selection preferences indicated above, what times of the day MONDAY-FRIDAY would you MOST LIKELY frequent the new proposed venue? (Check all that apply.)



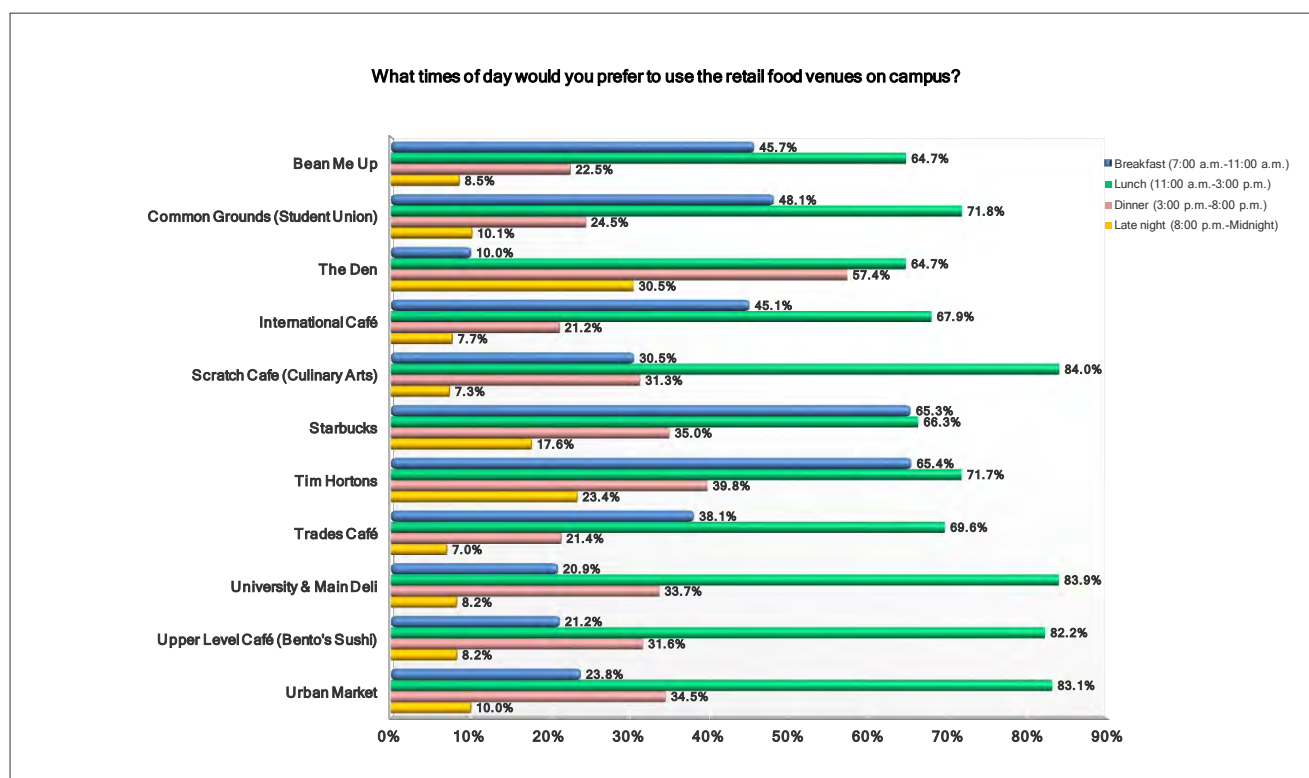
Based on your food and non-food amenity selection preferences indicated above, what times of the day SATURDAY-SUNDAY would you MOST LIKELY frequent the new proposed venue? (Check all that apply.)



- ◆ 65.2% of the students who took the survey said that they ordered food for delivery. When asked what were the main reasons why they ordered food for delivery, the number one answer was that ordering food for delivery was faster and easier. The top five answers were:

- ◆ 68.4% - It's faster and easier

- ♦ 44.5% - Menu variety and selection
- ♦ 37.6% - On-campus dining venues are closed
- ♦ 31.2% - Hours at on-campus dining locations are inconvenient
- ♦ 28.9% - “Break” from campus routine
- ◆ Respondents were also asked to what times of day they would prefer to use each retail venue on campus and broke the choices down to four time periods: Breakfast (7:00 a.m. – 11:00 a.m.), Lunch (11:00 a.m. – 3:00 p.m.), Dinner (3:00 p.m. – 8:00p.m.) and Late Night (8:00 p.m. – Midnight). According to the results, The Den has the most late-night demand with 30.5% of respondents saying that they would prefer to use it during the late-night hours.



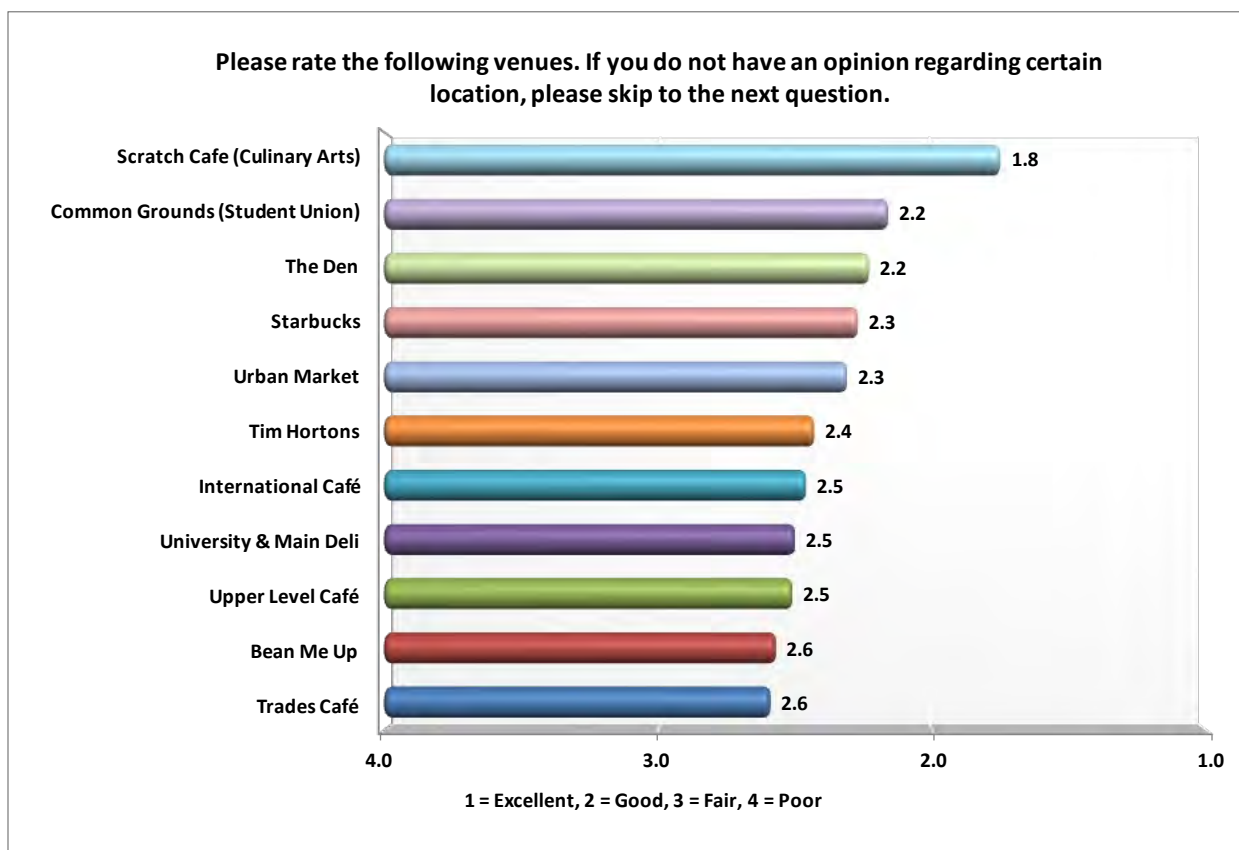
## RETAIL DINING VENUES & SERVICES

Thompson Rivers University offers a wide variety of retail dining options across its campus. The on-campus venues were tested along with customer perceptions and preferences off campus.

### Survey Results

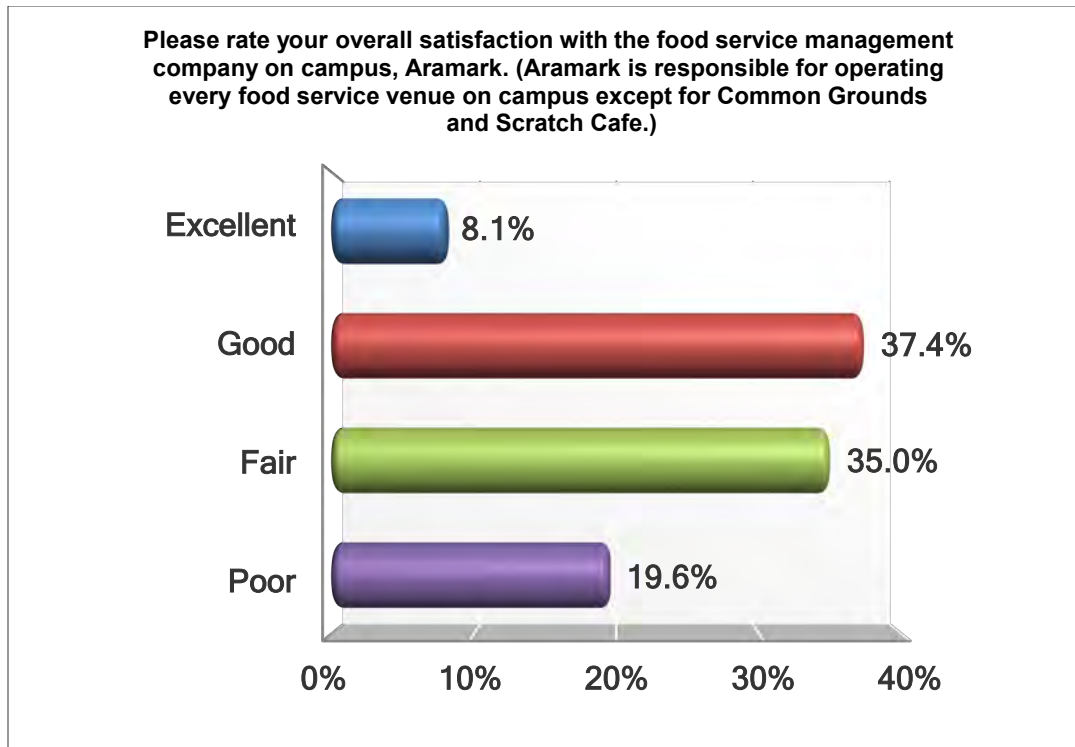
- ◆ When asked if they ever leave campus to eat at an off-campus restaurant, fast food place or food service outlet, 76.5% of survey respondents said that they did. 41.2% of those respondents said that they did so 1-2 times per week, 34.8% eat at an off-campus restaurant less than once a week, 18.7% 3-5 times a week, 3% 6-9 times a week, while 2.4% do so 10 or more times per week. The most popular off-campus restaurants were:
  - ♦ Subway
  - ♦ McDonald's

- ♦ Tim Hortons
- ♦ Chopped Leaf
- ♦ Wendy's
- ♦ A&W
- ♦ Be TEASed
- ♦ Arigato Sushi
- ♦ Sushi Mura
- ♦ 22.2% of survey respondents who answered this question also said that during the school day, they leave campus to eat at their home/apartment.
- ◆ Respondents were asked if they used a mobile app to order delivery or to pick up food at restaurants. 65.9% said no while 34.1% said yes. Of the respondents who replied yes, 81.8% use Skip the Dishes while most of the "Other" write-in answers provided were proprietary food chain apps (e.g. McDonald's, Starbucks, Pizza Hut, etc.).
- ◆ On the survey, we asked respondents to rate on a scale of excellent, good, fair and poor all of the retail dining venues on campus.



## ARAMARK PERCEPTION

All survey respondents were also asked to rate their overall satisfaction with the food service management company on campus (Aramark). Respondents were given the options of excellent, good, fair and poor.



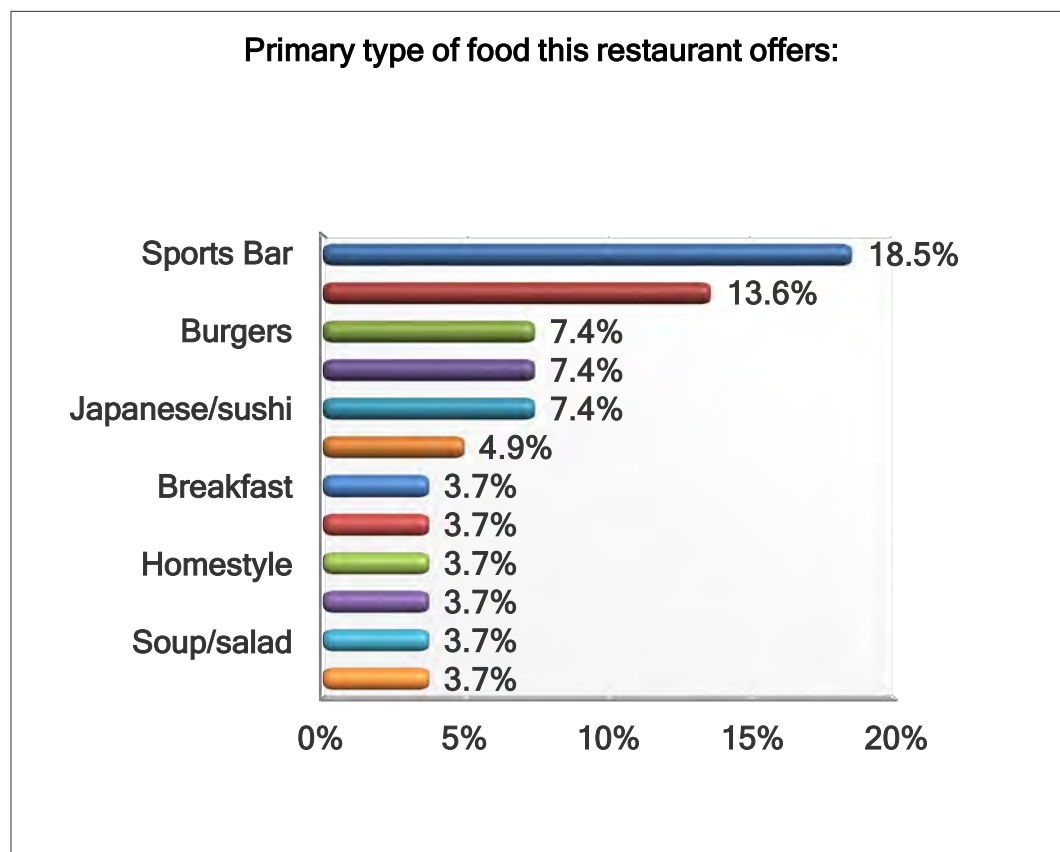
80.5% of the campus community responded that they believe that Aramark is doing a fair or better job executing the dining services on campus.

## Competitive Environmental Scan

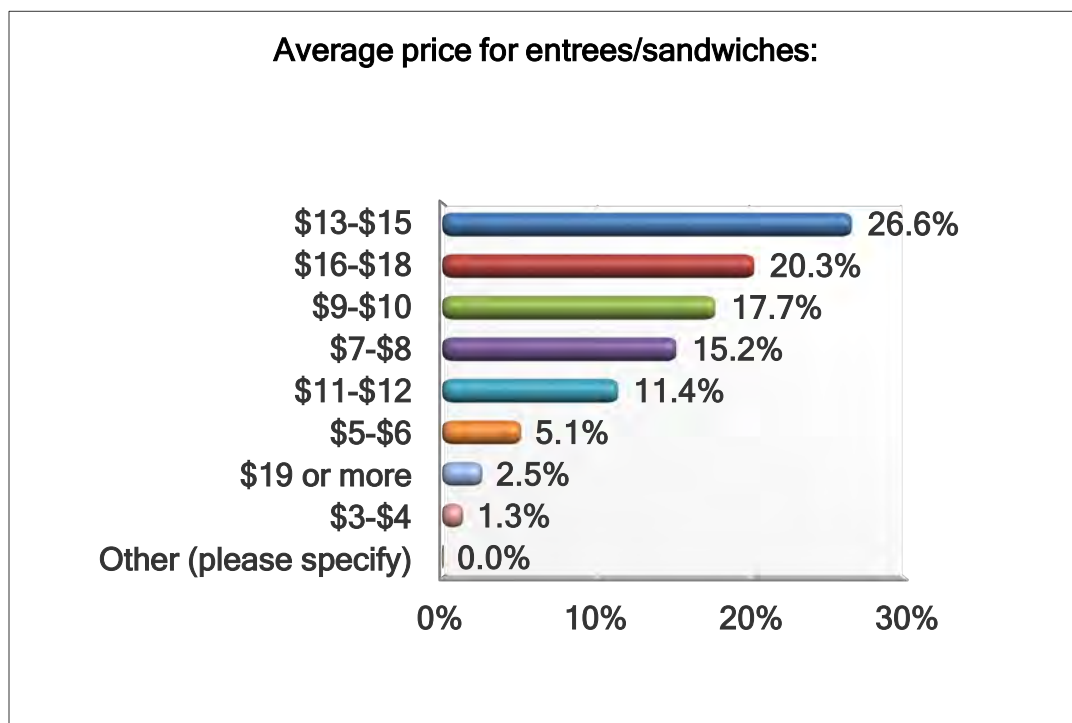
The University has dense competition around the campus. PKC worked with two TRU students to survey the surrounding campus and gather detailed information on the type of restaurants, menu offerings, price ranges, payment methods accepted, etc. Appendix 1 shows this detailed information for 81 restaurants along with charts and graphs for an overall perspective.

From the review of the 81 restaurants, PKC gleaned the following key information:

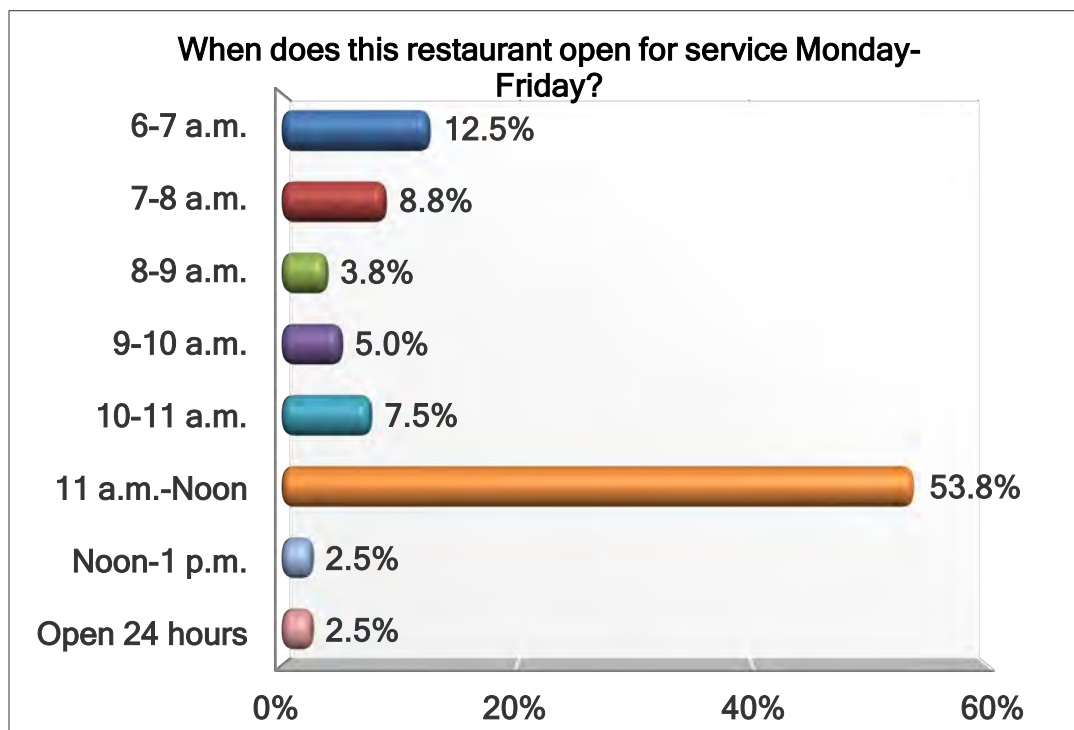
- ◆ 29.6% offer delivery.
- ◆ 58.8% are table service versus quick service.
- ◆ Over 50% were relatively smaller venues in the 10 – 30 seat range.
- ◆ The most popular restaurant types are:
  - ◆ Sports bar
  - ◆ Pizza
  - ◆ Burgers
  - ◆ Coffee & espresso drinks
  - ◆ Japanese/sushi



- ◆ The top price ranges are \$13 - \$15 (26.6%) and \$16 - \$18 (20.3%).

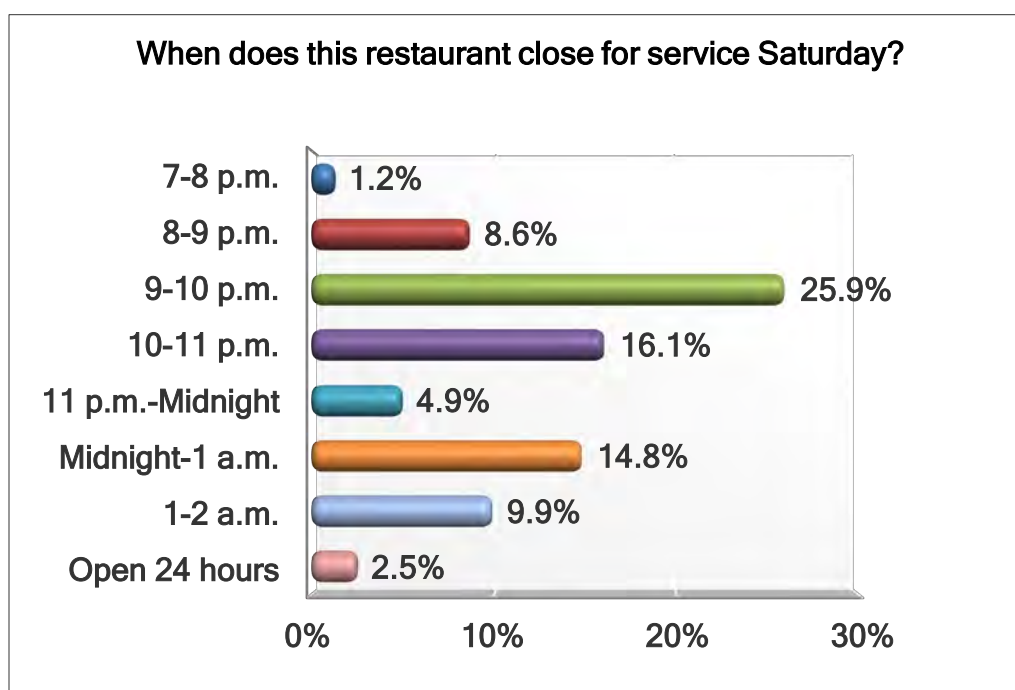
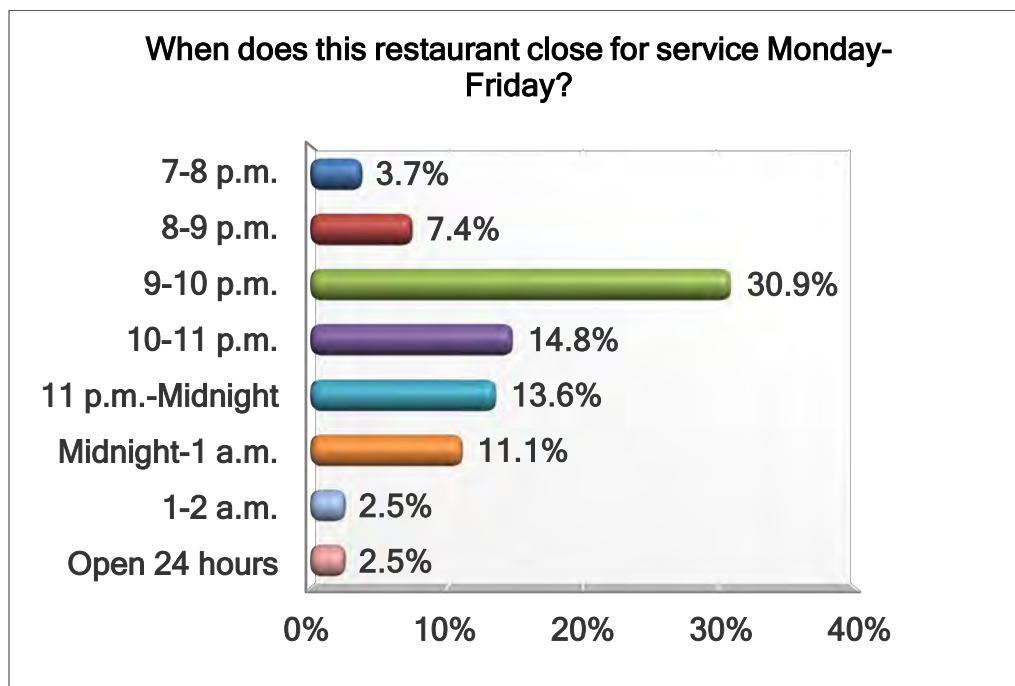


- ◆ 53.8% of the restaurant open between 11:00 a.m. and Noon. Most of the rest, open in the morning.





- ◆ 30.9% of the restaurants close between 9:00 p.m. and 10:00 p.m. However, 42% close between 10:00 p.m. and 2:00 a.m., indicating a demand for late night options. Saturday hours are similar except 45.7% close between 10:00 p.m. and 2:00 a.m. showing an increased demand for late night options on Saturday versus the rest of the week.



- ◆ Almost all of the restaurants accept debit, credit and cash transactions. Only 27.2% accept a mobile payment or app.

- ◆ All of the restaurants offer vegetarian options. 61.3% offer vegan options. Only 5.5% offered Halal options, and 4.1% offered Kosher options.

The online survey analysis, in the preceding section, also tested the spending patterns and habits of students, faculty and staff as they pertain to eating at off-campus restaurants and ordering delivery from them.

## Conclusion

Based on the survey analysis, interviews & data presented herein, the University should move forward immediately with the short-term recommendations while beginning the longer processes involved with the intermediate and long-term recommendations. These recommendations will help to alleviate the current strain on the facilities and help enhance the overall perception of dining on campus. The extension of hours and offerings will provide students with the convenience of eating what they want to eat, when they want to eat it.

The long-term recommendations will provide the infrastructure to support the campus community and growing on-campus housing population. The Anytime Dining meal plans and Anytime Dining Commons will provide an advantage over TRU's peer institutions while creating a common area for students to gather, study, and create bonds to each other and the University for years to come.

### CONTRACT RECOMMENDATIONS

---

As part of this study, PKC found that there is no need to change the current contract model from the current profit & loss arrangement with a single provider. The current contract with Aramark provides a high financial return to the University based off of similar sized/structured accounts and provides many positive elements that benefit the University and campus community. The TRUSU Common Grounds and the Scratch Café along with the food trucks and the varied offerings surrounding the campus, offer variety and competition for Aramark.

It would be optimal to utilize a contractor to implement the new program outlined herein, and if there is still interest after the implementation has been completed, take another look at the self-operated or other contract models. It will be critical to have a stable leadership team and the required business systems in place to ensure a smooth transition into a new program.

## APPENDIX 1

# Environmental Competitive Scan

Please refer to electronic attachment.

## APPENDIX 2

### Survey Results

Please refer to electronic attachment.

## APPENDIX 3

### Peer Comparison

Please refer to electronic attachment.