

# Wendy's Wake-Up Call

*"The fruit and walnut salad, along with our other salad offerings and quality menu options, have served as valuable assets in the public debate on obesity and have raised the public awareness and perception of our food quality. As a leader in the food industry we have been praised for our commitment in providing our customer[s] with an array of choices that fit their lifestyle."*

Don Thompson  
Executive Vice President and COO  
McDonald's USA

Let me translate: "Although we don't sell very much of these products and don't make much money on them, we keep them on the menu so we can point to them whenever we are attacked for contributing to health and obesity problems. This shifts the blame from us toward consumers. They choose unhealthy food even if healthful options are available. So we view carrying fruits and vegetables as a cost of doing business, make what we can on them, minimize our losses, but keep them there so we will avoid government regulations and be allowed to continue selling unhealthy foods."

This brilliant strategy, which from a business perspective is almost certainly correct, creates openings for the produce industry. With fast feeders, movie companies, character licensing organizations, etc., the pitch is simple: Align with the produce industry and be on the side of the angels.

Which is why Wendy's may have given the produce trade a bracing but useful wake-up call by discontinuing its fresh-cut fruit cups and bowls. Translate Wendy's actions and you get this: There is a limit. There are reasons for restaurants to put things on the menu other than profitability, and these might persuade a chain to continue carrying a marginal item. These reasons include public relations and avoiding the "veto factor" — one member of a family or group of friends "vetoes" a restaurant that doesn't offer what he or she wants. Virtually every steak house sells a fish or a salad, so someone who doesn't eat red meat can still dine there.

Still, if the losses are too great, an item will be removed from the menu.

Wendy's claims sales dropped significantly after a strong start. So much so that they

were constantly dumping out unsold fruit.

It may be an idiosyncratic response to Wendy's product. Many criticized it for having too much lettuce and not enough fruit. But, in a bit of bad news for those who hope to use produce to increase the health of the nation, the answer may also be that it failed because it was too much fresh produce.

McDonald's likes to talk about its great successes with fresh produce. There is some real question as to whether any of these items are really that successful. The aggregate numbers are impressive, but when you divide them by the number of restaurants and then the number of hours the restaurants are open, it becomes obvious that any hamburger that sold so slowly would be discontinued very quickly.

One is reminded of Julie Andrews singing, "Just a spoonful of sugar helps the medicine go down." The fruit and walnut salad, which has vaulted McDonald's into a big buyer of apples and grapes, comes with yogurt and candied walnuts. In fact, the candied walnuts have more calories than the apples and grapes combined. Which is typical. McDonald's also sells Apple Dippers, but they come with caramel, which accounts for more calories than the apple.

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McDonald's would defend itself by saying the caramel and candied walnuts, as with fatty salad dressings, come in separate packets and nobody has to eat them. Of course, businesses are not reform schools for consumers, and businesses have to sell what people want to buy or they won't have a business. In our litigious age when many policy makers would help individuals avoid



BY JIM PREVORA

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responsibility for their own choices, this gives the produce industry some leverage.

All it will do, in the long run, is open a door. Ultimately the industry has to produce products people want to buy more of. Part of this is product development that is mostly a product-by-product process.

Marketing has a role here as well — *5-a-Day* has helped get out a public health message: Eat produce because it is good for you. But this barely scratches the surface of human motivations. Some people go on a diet for health reasons, but I suspect far more people diet for vanity, to get a boy- or girlfriend or to impress folks at the reunion. People buy cars for transportation, but the specific car they buy is a reflection of their taste, values and priorities.

A recent study established that the average check goes up if a restaurant plays classical music in the background. The theory is the music makes people feel cultured and affluent — and they spend as if they were.

So if we want to sell more produce, we have to reach higher on Maslow's hierarchy of needs and look at motivations beyond the physiological. We can't count on vendors stocking products that don't sell or mixing them with sugary stuff to get us a sale. We need to help people realize that selecting a food is a reflection of who they are. **pb**