HOW PRET IS GETTING USED TO AMERICA

FIVE INSIGHTS FROM 15 YEARS IN THE US

13th January 2016

This year is Pret’s 30th birthday and it also marks 15 years since we opened our first shop in New York. We now have a $200 million business from 65 Pret shops in New York, Washington, Boston and Chicago. It hasn’t been an overnight success and of course we’ve made mistakes. We also brought some good ideas back to Britain. Let me put our learning to good use: here are five insights to help the next British company brave enough to take the leap...

1. Don’t change essential parts of your model
It took years to persuade US customers that a sandwich made that morning in our shop kitchen was a better choice than one made in front of you at the counter. At one point we nearly abandoned this essential element of the model. This would have been a disaster and instead (thanks to Julian Metcalfe, our co-founder) we set about explaining the benefits of Pret: speed, fresh ingredients and good recipes. Always go back to your strengths!

2. US customers insist on customization
This seems to be a national characteristic. Americans like it their way and we had to build self serve coffee stations so our customers could get exactly the kind of hot drink they wanted. It’s the same with salad dressings. Americans want to choose their own from a large range (including olive oil) whereas Brits are happy to let Pret decide the dressing and include it in the salad box. The key for Pret is to offer proven recipes with customisation at the edges. This means we keep our speed but allow customers valuable tweaks.
3. US customers like variety
Whenever we try to restrict choice in the US we run into trouble. For example, three years ago we took the number of our soup sizes down from two to one. Disaster! We are now back to two sizes and in Chicago we offer six varieties of soup every day - twice as many as we do in Britain. The average number of products sold per transaction is 30% higher in the US than in the UK. This is because US customers love to mix and match side items like side soups, protein pots and single sandwiches. Our little protein pots were actually developed for a Pret close to a gym in New York and imported to our UK shops in early 2014.

4. Don’t underestimate seasonal influence
Americans are much more seasonally influenced in their food choices than the British. It’s understandable: seasons in our American cities are more extreme and people react to those changes. In winter our customers insist on hot food – and plenty of it. In summer, they want more iced drinks, salads and even cold soups. We started with a menu calibrated to British temperatures and learned our lesson very quickly. The cold temperatures of Chicago gave us the impetus to develop our Macaroni Cheese recipe, which spread quickly around the Pret world.

5. Bigger is often better
Americans expect space. Pret began to make it in America when we increased the average size of our shops from 1,500 square feet to 3,000. We had to take a deep breath with the increased rents, but these large, welcoming shops have more than paid for themselves.

At the end of the day, to be successful internationally, a good concept has to remain true to itself whilst adjusting at the fringes. As the lessons learned in the US flow back to Britain, Pret becomes more resilient. It’s been hard work so far (very hard at the start) but a big thank you to our American customers for putting us through our paces. And best of luck to the next British company to cross the pond!

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