

Bartleby's

SEITAN STAND

Quarterly Update

October 2018

Service Period: July - September 2018

SUMMARY

Our second quarter in operation was a whirlwind. The summer months were chock-full of festivals, weekend events, and special markets. All that extra time on the truck provided chances to experiment with new menu items and learn more about our customer base. That knowledge will help guide us through the slower winter months, when we turn our focus to the catering side of our business, and toward our future expansion to a brick-and-mortar location.

OUR ACCOMPLISHMENTS

During our second quarter in operation (July-September 2018), Bartleby's Seitan Stand accomplished the following:

Sales

In three months, we served over 4,000 meals, up 8% from the previous quarter. Our average ticket price is now at \$10.01, just exceeding that ten-dollar threshold that we had previously established as our target. This increase is due to a surge of interest in our smaller menu items; more customers have added sides to their orders of nuggets or sandwiches. The most popular menu item is our sweet potato fries—we passed over 1,000 servings into the hands of our customers. The Demon's Deluxe (original patty sandwich with all the toppings) and the Daredevil's Deluxe (the spicy version of the same sandwich) ranked next in line, with nearly 800 and nearly 700 servings sold respectively.

Social Media, Website, and Publicity

In the last Quarterly Update, we had set aggressive goals for our followers on social media. While we did not manage to gain as many new followers as needed to meet those goal figures, we did see significant increases. Instagram continues to be our most lively platform, a space where we can regularly and quickly communicate with our followers and customers, answer questions, and share some laughs.

Instagram: 43% growth (1,184 to 1,689 followers), target of 2,000

Twitter: 31% growth (200 to 262 followers), target of 350

Facebook: 26% growth (687 to 846 followers), target of 1,000

We were happy, in the end, to set targets that were ultimately outside our reach. It gives a touchstone for the next quarter, and inspires us to add new methods and approaches to our social media outlets.

Our monthly newsletters continue to be well received by the community. Over the last quarter, we have increased our mailing list by nearly 30%, due in large part to the newsletter pop-up box on our website. We wanted to capture additional customers, but are sensitive to how frustrating and annoying pop-up windows can be. We're monitoring website feedback from visitors about the functionality and user experience regarding this feature.

Engagement levels with our newsletters continue to be high, as compared to industry averages. We have an open rate of 55% (compared to restaurant industry averages of 20-26%) and a click rate ranging between 7-10% (compared to 1-3.5%).

We ran two ad campaigns via Yelp, one in August and one spanning September and October. They were both quite successful, earning us over 400% more clicks through to the Bartleby's page than without the advertising in place. We also set up an "Enhanced Profile" during the campaign periods, which blocked advertisements from other businesses from appearing on our own Yelp page, and allowed us to promote Calls to Action. These Calls encouraged users to visit our website for full menu details, or to learn more about our catering options. Lastly, we begin check-in offers. When Yelp users "check-in" to Bartleby's as they arrive at our truck, then can get a free batch of sweet potatoes with their order.

Reviews & Recognition

We are thrilled to have won the title of Best Food Truck in Cambridge! *Scout Magazines*, which covers all things cultural in Cambridge and Somerville, produces the annual "Scouts Honored" issues to highlight its readers' favorite shops, restaurants, vendors, and other community-based establishments. We learned about our win a full month before we could announce it publically—it was torture to keep it a secret—but now can emblazon our website and other materials with the recognizable and highly coveted Scouts Honored badge.

Our customer reviews are growing in three online locations: Yelp, Google, and Happy Cow (a platform that lists vegetarian, vegan, and healthy food restaurants and providers). Some of our favorite comments:

Really, really good food. I would go here every day if it were in my neighborhood.

(John C.)

I was blown away by how incredible Bartleby's was. It truly tasted like an elevated McDonald's crispy chicken sandwich but without making you feel like death afterwards.

(Julie R.)

The food is great, the staff is very friendly, and the prices are reasonable.

(Tarik J.)

The sandwiches are so good, I always want another one after I'm done.

(Anonymous)

I really do consider this the best vegan food I've had in the Boston area.

(Charley B.)

I can say without a doubt this is the best vegan fried chicken I have had, and I have tried a lot.

(Lindsay D.)

I did NOT know seitan could taste like chicken... until Bartleby's. OMG.

(Allison R.)

General Business

In August and September, we experienced a long string of problems with our mid-week service at the Prudential Center. Extreme weather (both excessive heat and torrential rains with flooding), sickness, and mechanical issues meant that we were unable to get out in the truck to feed our customers for five Wednesdays in a row. We know we disappointed a number of our regular customers (who left unequivocal comments on social media), and we obviously missed the revenue earned had we been out slinging seitan. Consistency—in food quality, service standards, and schedule—is important to Bartleby's, and we did not make the grade on Wednesdays for a while. We are so grateful that, upon restarting Wednesday service, our loyal Prudential Center customers returned to us with smiles, open hands, and hungry bellies.

We can't control the weather, and a food truck (i.e. our tin can on wheels) is particularly susceptible to changing winds. And while we were able to use the time off the road to focus on other aspects of the business (administrative work, menu research, event planning), we think a few changes will help us avoid certain closings in the future. We are educating and grooming truck team members to be able to

operate the Bartleby's truck and manage a full service period without the presence of our fearless leader, Stephanie. A sick day for Stephanie won't mean a sick day for all of Bartleby's. When we establish a brick-and-mortar location (see "Our Goals" section below), we can more easily wave off the vagaries of the weather, and worry less about mechanical and traffic problems that arise when managing a mobile business.

We acquired two pieces of equipment over the last quarter. A kitchen slicer makes the creation of our patty pieces easier, faster, and more consistent. Previous hand-slicing was sufficient, but the machine assures the patties' thickness is perfectly even from end to end. A vacuum sealer allows us to create airtight packaging around our prepared seitan loaves, and that means we can assemble more loaves in advance, keeping them fresh until they're ready to hit the fryer.

OUR GOALS

Sales

Bartleby's is working to hit its sales goal for the 2018 calendar year. We made strong progress over the course of our first two quarters, April through September, and have just \$22,000 left to earn in order to reach that goal. Our Monday location (Kendall Square, Cambridge) closes for the season at the end of November, and colder temperatures will also lose us some customers, but we remain optimistic about reaching our sales target before the December holidays.

As is common for food trucks in the Boston area, and the north east in general, Bartleby's will be taking its truck off the road for the winter months, from December 22, 2018 through March 2019. During this time, Bartleby's will evaluate its business plans for the restart of regular weekday service on the streets of Boston come April, and we have a separate goal of maintaining a modest winter revenue via our catering business. We now receive regular inquiries about our catering options (primarily through the contact form on our website) and hope to fulfill at least two catering requests per month during the winter season. Bartleby's is well positioned to absorb a portion of the local catering business. Our crowd-pleasing menu is compatible with a wide variety of diets (being free of seven of the eight major food allergens), and our sense of environmental responsibility (serving all foods in recyclable or compostable containers) means we have green appeal. We are exploring online platforms where we can promote our catering services (such as Roaming Hunger), and ways to make it easy for our truck customers to promote and recommend Bartleby's as a catering option to their offices.

We are proud to say that Bartleby's Seitan Stand is now breaking even operationally. Our day-to-day sales are robust enough to cover expenses. We continue to chip away at the loan we took out in order to purchase and refit our luxurious blue and orange truck, and are on track to be a profitable business during calendar year 2019.

Social Media, Website, and Publicity

Each Wednesday, via our social media platforms, we run a #WickedWednesday contest. We encourage our followers to leave a comment sharing how they are being "wicked" for the day. These are generally the most mild forms of wickedness, and we've been tickled to hear stories about eating dessert for breakfast, blaming farts on other people, and neglecting piles of laundry in order to play video games. The author of the comment that brings us the most giggles is deemed that week's Most Wicked One, and awarded five free nuggets, which they can redeem next time they're at the truck via a secret password. It's silly and lighthearted, and has also shown us how game our followers are to engage with us.

We'd like to experiment with other ways to engage via social media, with tagging contests and boosted posts. It's common to see "tag a friend" style contests on Instagram, where users are asked to follow certain accounts and then tag a friend in the comments section who might also be interested in the content or products being promoted. Bartleby's imagines it can boost followers and build customer loyalty by offering occasional prize packs and free food items with this method. We'll also allot a small advertising budget in calendar year 2019 for "boosted" or promoted posts. For a nominal fee, business accounts on Instagram, Facebook, and Twitter can share select posts to targeted audiences beyond their network of followers. These means more eyeballs on our content than we would be able to garner organically, and more chances to grow our family of devils.

Menu

We are not planning any drastic changes to the menu items as we move into the next year, but we will be making alterations to the language of the menu and how it is presented on the side of the truck. We will install a larger menu board, and want to capitalize on the increased interest in our sides (sweet potato fries, fried pickles, slaw) by giving more visual weight to our smaller menu items. We also want to provide visitors with more information about seitan: what it is, what it tastes like, why we use it. By offering free samples, we've been able to introduce seitan to a number of vital wheat gluten virgins, and we believe that being more upfront with the details of our primary ingredient will help us convert wary customers to loyal fans.

General Business

Our big-but-achievable dream for Bartleby's is to open a brick-and-mortar location within the next three to five years. We've been scoping out locations in the Boston area, in neighborhoods like Jamaica Plain, Allston, Inman Square (Cambridge), and Davis Square (Somerville). We're also considering locations further outside of the city, where extra space allow for a drive-thru window to better serve our devils on the go.

The benefits of a brick-and-mortar location are many. Most obviously, Bartleby's could serve its devils most, if not all, days of the week. Food could be prepared, stored, cooked, and served all under the same roof, rather than splitting work between our commissary and the various locations where our truck is parked. Permanent walls and climatized interiors mean that rainy days and sweltering summer heat could be largely ignored. We could employ more staff, feed more customers, and have a larger platform from which to promote our mission of providing plant-based food that is affordable, accessible, and truly tasty.

CLOSING

We're pushing hard through these next couple months before we take the truck off the road for winter. While we'll be sad to say goodbye to our dear devils for a little while, we look forward to a much needed break from the daily grind of slinging seitan. We'll be able to dedicate more time to sorting out our 2019 regular service locations, building up a robust calendar of events and festivals, forging relationships with other local businesses and providers, and moving ever closer to that brick-and-mortar restaurant.

And of course, we'll keep you up to speed on all our developments. Thank for your continued support of Bartleby's Seitan Stand.