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Who Could Eat All This?

The Chains With Free Food Prizes and the People (600,000!) Who Want Them

By JOSEPH DE AVILA

Next month, Denny's will pick the winners of its "Grand Slam for a Year" promotion. Each can order 52 servings of a Denny's Grand Slam breakfast, or two eggs, two strips of bacon, two sausage links and two pancakes. That's a stack of pancakes four feet high, with 17,680 calories, not counting the syrup.

Denny's Corp. hopes the contest brings more customers through the door, especially since people can't necessarily eat this much themselves and often bring along their friends. "Consumers still respond to free," says John Dillon, the company's vice president of marketing.

Doughnuts, popcorn chicken and foot-long sandwiches are free for the taking, too. Among the chains with giveaway contests and other promotions: Subway, Chick-fil-A Inc., Krispy Kreme Doughnuts Inc. and KFC Corp.

Giveaways are an inexpensive way for companies to stretch their marketing dollars during the recession. Contestants also tend to brag about the sport of entering free food contests, something that's easier than ever with social media sites like Facebook and Twitter. That spreads the restaurants' marketing message even further.

Out of the 600,000 people who entered the Denny's contest, 450,000 opted to join the Denny's Rewards program, which regularly emails updates on new menu items and specials. Denny's bets these emails will draw more loyal customers to its 1,545 restaurants, Mr. Dillon says.

Jesse Martin camped out overnight this month outside a San Marcos, Texas, Chick-fil-A for a chance to win a year's worth of chicken sandwiches. The Atlanta-based fast-food chain gives away free meals for a year to the first 100 customers at new stores' grand openings. So far, Mr. Martin, a 34-year-old college pastor from Austin, Texas, has been to five Chick-fil-A grand openings and won at four of them.

Chicken, More Chicken

What the chain calls a year's supply, or about \$300 in store credits, lasts about two or three months in the hands of Mr. Martin. "I eat there sometimes two or three times a week. Sometimes I eat there three times a day and eat free all day," he says. He typically orders the chain's classic chicken sandwich and nuggets. Mr. Martin shares his winnings with friends and with his 9-year-old son Josiah and 6-year-old daughter Kelli.

Even when he doesn't have free gift certificates, he typically eats at Chick-fil-A once or twice a week either by himself or with others. In May, he plans on taking his wife to the next grand opening in a nearby town so she can get her own gift certificates for the family to share. "I'm a raving, craving fan," says Mr. Martin, adding that Chick-fil-A has been his favorite fast-food chain since he was 10.

A Chick-fil-A spokeswoman declined to comment.

The public and governmental pressure on restaurant chains to make their menus healthier and encourage adults to stay in the 2,000-daily-calorie range hasn't appeared to dampen the food giveaways.

Free-food offers first gained in popularity during the 1970s, when America was hit hard economically by the energy crisis, says Burt Flickinger III, managing director of consulting firm Strategic Resource Group. "The worst of times economically are the best of times for establishments offering something free," he adds.

ShopRite grocery stores, which are members of Wakefern Food Corp., a Keasbey, N.J.-based cooperative, began offering buy-one-get-one-free offers in 1979, a spokeswoman says. In the early 1980s, the company started giving away free turkeys for Thanksgiving and free hams for Easter. Later restaurants began offering all-you-can-drink beverages and then all-you-can-eat buffets, Mr. Flickinger says.

Subway in February announced a food giveaway to promote its "Five Dollar Footlong" sandwich. In it, 71 winners will win free sandwiches for a year, amounting to a \$260 gift card. Subway was able to add 400,000 customers to its marketing database with the promotion, says Tony Pace, the company's chief marketing officer.

Krispy Kreme offers a dozen free doughnuts a week for a year to the first customer at new store openings. The next 11 customers get one dozen free doughnuts a month for a year, but the terms vary by location.

Giving away free food for a year to 100 people at a restaurant opening costs a national fast-food chain at least \$30,000 per opening, says Lori Walderich, principal of IdeaStudio, a marketing company specializing in chain-restaurant marketing and promotion. This includes food costs, security, advertising and other expenses. "It's an inexpensive way to build customer loyalty," she says.

Denny's, based in Spartanburg, S.C., says that its Grand-Slam-for-a-year prizes are worth about \$311 per customer, and that winners are selected at random by a computer.

Fighting for Stomachs

"Our customers are looking to stretch their dollar as much as it can go," says Mr. Dillon, the marketing executive. The competitive landscape has become more cutthroat during the recession. "We are each fighting for a share of the stomach."

An estimated 30% to 40% of free-food coupons are redeemed, says Mr. Flickinger. By contrast, just 1.5% to 2% of coupons offering discounts are used.

And winners rarely dine alone—they're likely to bring friends who maybe have never dined at the restaurant or who may pay for their own meal, says Stowe Shoemaker, associate dean of research at the Conrad N. Hilton College of Hotel and Restaurant Management at the University of Houston.

Donna Feild has just \$100 remaining of the \$1,000 in free meals she won by entering an online contest at KFC Corp. last year. The pharmacist from Brush Prairie, Wash., expects to keep going to KFC after her winnings are up. Her teenage sons have developed a taste for KFC's popcorn chicken and chicken strips. "We've gotten in the habit. Teenagers, they don't tend to change, they want the same thing over and over," Ms. Feild, 49, says.

KFC, a subsidiary of Yum Brands Inc., runs promotions like the one Ms. Feild won, which also included a trip to Walt Disney World in Orlando, Fla., two or three times a year, says Laurie Schalow, a KFC spokeswoman. The chain typically uses a year's worth of free food to bring in customers to promote a new product. Last Mother's Day, the company sponsored a sweepstakes to promote its new grilled chicken, for example.

Last year, Ryan Leer won a video contest sponsored by sandwich-maker Quiznos. For creating a clip that features a fake rocket-launcher shooting the chain's "Toasty Torpedo" sandwiches, Mr. Leer won \$10,000 and a year's worth of sandwiches. ([Watch the video.](#)) Quiznos sent customers to its Web site so they could vote on winning videos, giving them valuable exposure in return.

This video contest helped add about 68,000 new customers to Quiznos marketing database. "That's the best way to advertise," says Trey Hall, chief marketing officer for Quiznos.

While Mr. Leer entered the video contest for the cash, the year's supply of sandwiches—actually \$260 worth of gift certificates—was a nice bonus, he says. The 23-year-old video-production major at the University of Wisconsin-Superior and his friends made about 40 trips to the sandwich shop in six months. "It is supposed to be a year supply, but that went pretty quick," he says. "I have been there a couple times since with my own money, so they did their job."

Joel Levinson, 29, from Los Angeles was a runner-up behind Mr. Leer. For coming in second, he won a year's supply of Quiznos sandwiches. For his video, Mr. Levinson went to New York, Los Angeles, Chicago and Atlanta and compared Quiznos sandwiches to the skyscrapers.

Despite making a video about Quiznos and winning a year's worth of free sandwiches, Mr. Levinson has yet to cash in a single gift certificate. "I'm trying to move away from fast food" and eat more organic food at home, he says.

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