



# DRIVE REVENUE GROWTH & STUDENT SATISFACTION:

Optimizing Meal Plan Sales on  
Today's Higher Ed Campuses

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Meal plan optimization is an opportunity to increase sales, student satisfaction and student retention on campuses. The purpose is to create a new meal plan structure that supports financial growth and aligns with current student expectations.

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**The process drives profitable meal plan revenue growth by restructuring meal plans and modernizing meal plan policies.**

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Executing the process requires a partner with experience in optimization, data analytics, higher education and meal plan sales.



Aramark has created a proprietary data-driven process to ensure its higher education partners have the best insights to plan for student and financial success.

# CAMPUSES FACE MULTIPLE MEAL PLAN SALES CHALLENGES

Admission is on a continuous decline. In fact, the college-going population will drop by 15 percent between 2025 and 2029 and continue to decline by another percentage point or two thereafter, according to [The Hechinger Report](#). Retention is also falling: Nearly [1 in 8 students](#) who start college in the fall semester transfer to a different institution by the next fall semester.

Additionally, since 1975, tuition rates have increased (1,165 percent) more than any other expense, including healthcare (604 percent). Costs to run today's campuses are also increasing. Vanderbilt University, for example, [spends \\$146 million on compliance annually](#), which amounts to roughly \$11,000 per student.

**Lower student enrollment, plus higher costs, adds up to one critical problem: finding ways to improve revenue generation. In the search to achieve this goal, one area tends to be overlooked: the campuses meal plan program.**



Traditionally, raising rates on meal plans has been one of the go-to solutions for dealing with financial challenges. But today, students, as well as university and college boards, are pushing back on higher costs of required meal plans.

A growing number of campuses have found that they can improve meal plan sales by looking at their meal plan programs from different viewpoints using analytics. This includes analyzing student demographics and meal plan sales data, and making changes that overcome challenges and leverage opportunities.

## THE RIGHT MEAL PLAN OPTIMIZATION PROCESS ACHIEVES SEVERAL CRITICAL OBJECTIVES:

- Discovers the student experience around on-campus meal plans and dining options
- Understands students on your campus and their dining preferences
- Uncovers shifts in meal plans taking place on your campus
- Finds new ways the dining program can work best for your students
- Creates the right product structure to meet their needs
- Determines how to best present the dining programs to both parents and students
- Ensures the campus offers students easy and immediate paths to purchase
- Finds ways to support re-engagement and repurchasing the product

## HIGHER EDUCATION INSTITUTIONS ARE ACHIEVING THREE KEY BENEFITS FROM MEAL PLAN OPTIMIZATION ON THEIR CAMPUSES:



### Competitive advantage.

Not only are campuses working to attract more of today's diminishing student population, but they're also striving to retain more of the students they attract. If the students have meal plans they like and dining programs they love, their overall satisfaction will improve.



### Student satisfaction.

If students don't enjoy their campus experience, they'll likely move on. An important element of their total experience is their dining and meal plan options. If they get on the right plan the first time and enjoy their dining experience, they're more likely to be satisfied.



### Increased revenue generation.

Most campuses that conduct meal plan optimization realize substantial improvement in revenue generation thanks to actual sales increases, attracting more students to the campus and retaining a higher percentage of students year-over-year.

# ASKING THE RIGHT **QUESTIONS** DURING MEAL PLAN OPTIMIZATION

Here are some of the common questions campuses should ask to better understand their need for meal plan optimization.

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**Q** When was the last time we evaluated our meal plan program?

**A** Traditionally, campuses offered four types of meal plans: unlimited, block, weekly and declining balance. But today's students have different expectations for on-campus dining. If you haven't evaluated your meal plan program in a while — or ever — and you're concerned about falling sales, it's time to analyze your students, dining program and meal plans so you can make informed decisions that yield results.

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**Q** Do our meal plans align with our student demographics?

**A** It's important to identify where your target market spends time, and align meal plan options to fit their lifestyles. The analysis matches meal plans to dining habits of specific target markets or neighborhood needs. For example, students who purchase mandatory meal plans still want dining flexibility, including pursuing their preferred dining habits such as snacking. Making mandatory meal plans all-access is one way to boost student satisfaction without adding costs to the campus's budget. Or if your campus has students who live off-campus, you can offer them meal plan options with fewer sit-down meal requirements and more grab-and-go options.

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**Q** Does our meal plan line up with today's students and their needs?

**A** Today's students are called "Gen Z." They have different dining habits and preferences than students in the past, including Gen Y and Millennials. For example, this generation wants the ability to customize their meals and eat snacks throughout the day. Also, they aren't afraid to give feedback. If they don't like your dining program, they'll share their thoughts on social media. Understanding these students will go a long way toward helping campuses create dining and meal plan programs that appeal to Gen Zers.

**Q Do we need to update our meal plan policy?**

**A** The optimization analysis provides insight from a wide range of views, such as who's required to purchase your meal plans, if the plans are being used as intended, and if they are flexible and convenient enough for most students. For example, the "missed meal factor" could be a deterrent for today's students who expect transparency.

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**Q Do we need to modify our tender makeup approach?**

**A** Often students have high weekly meal plans with a certain amount of DB tender, but the meal plan doesn't include purchases at the campus's new retail venues. These plans should be adjusted to include the venues where students like to dine and socialize with their peers to improve satisfaction.

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**Q Does our meal plan program meet our university's unique goals?**

**A** One university wanted its students, faculty and staff to congregate in its three large dining venues and dine-in together versus taking food to-go and eating solo. To meet this goal required removing options from the meal plan program.



# INTRODUCING ARAMARK'S MEAL PLAN OPTIMIZATION PROCESS

Aramark created a meal plan optimization program that uses a campus's own meal plan, dining and student data to extract insights, which are then translated into actionable steps through analysis of data. This information can be used to make informed decisions on meal plan program changes to drive growth. It's a proprietary system that tracks up to 250 data points per campus. The process includes several steps, including assessing each institution's meal plan goals and strategy, its current program and most popular meal plans, and its student purchasing behavior.

**THE BASIC SIX-WEEK PROCESS HAS SEVERAL PRESCRIBED STEPS, SOME OF WHICH ARE LISTED BELOW, THAT GET TO THE END RESULT: FRESH INSIGHTS.**

## **Current Meal Plan Structure and Contribution.**

Many campuses have not examined their meal plan program's structure since they were implemented — and haven't updated them in years. Often, they don't know the exact contribution of individual meal plans and the entire program make to their bottom line. This step provides this insight.

## **Voluntary Meal Plan Options.**

Optimizing voluntary meal plans could involve a multitude of changes on the campus, such as lowering or raising prices, adding retail purchase opportunities and expanding the plan to a "create-your-own" model.

## **Pricing and Purchase Behavior Strategy.**

There is a lot of sensitivity around pricing on today's campuses. Analyzing prices helps campuses ensure that overcharging or undercharging for one or more types of meal plans is not an issue on their campus.

## **Meal Plan Sales Enablers.**

This includes deploying innovative meal plan sales programs, such as Aramark's [student ambassador sales program](#), where students sell to students. The program includes training and sales support to help students succeed in their on-campus sales positions.

## **Meal Plan Benchmark and Trend Analysis.**

This data compares meal plan trends on one campus against several leading peer campuses to guarantee pricing is optimized. This data delivers unique insights and opens opportunities higher education institutions can't get with any other service provider. Aramark is the only organization tracking meal plan benchmarking data historically.

# THE MEAL OPTIMIZATION PROCESS ON YOUR CAMPUS

When it comes to meal plan optimization, every campus is unique and requirements are controlled at a state level. The analysis takes a minimum of six weeks, but can take longer depending on the campus. After the analysis, campuses then have to decide what modifications they are going to make to meal plans based on the actionable insights.

Campuses then need to go through their university or college's review and approval process. Once decisions are made and approved, then campuses engage in a rollout program. This step involves communication with the students, educating them through conversations, testing food innovations with them, and connection with them through social media with any updates to meal plans and dining options. Once these steps are complete, the university or college will begin to see the benefits of a meal plan program that meets students' lifestyles and dining preferences — and the competitive advantage and financial rewards that follow.



Learn more about how meal plan optimization can help your campus boost sales and student satisfaction. [Contact Aramark](#) to schedule a call today.