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Marketing for Foodservice Operations

What You Will Learn

1) The Importance of Marketing
2) The 4 Ps of Marketing
3) Operators' Challenges in Marketing Products
4) Operators' Challenges in Marketing Services

Operator's Brief

In this chapter, you will learn that every foodservice operation must offer high-quality menu items and provide excellent service to its guests, but these factors are not enough to ensure the operation's long-term success.

All foodservice operators must also be able to communicate their product and service offerings to their current and potential customers if they hope to grow their businesses. Marketing is the process operators utilize to do just that.

One good way to view the marketing process is to consider the 4 Ps of marketing: product, place, price, and promotion. Products are the menu items and services an operation offers for sale. Place refers to the physical location where the operator will deliver its products to guests. Price is the amount the operation will charge its guests for what it sells. Promotion refers to the many communication methods and tools operators use to deliver their important marketing messages.

Marketing effectively presents many challenges to foodservice operators as they seek to promote their products and services. Specific challenges when promoting foodservice products include variations in product quality, product quantity, methods of product delivery, and the value perceptions of guests.

(Continued)

Food and beverage operations are part of the service industry, and operators of these businesses face additional marketing challenges. For example, while all operators want to provide excellent service to guests, service quality is actually affected by a number of unique characteristics of service. These characteristics include intangibility, inseparability, consistency, and limited capacity. In this chapter, you will learn about all of these challenges and what successful operators must do to recognize and address them.

CHAPTER OUTLINE

The Importance of Marketing

All foodservice operations must effectively serve their customers. Whether an operation's customers are called guests, students, patients, or with any other titles, satisfying those being served is essential for the continued operation of any successful foodservice. In fact, foodservice operators should actually consider their main job to be that of adding new customers while retaining their current customers.

To ensure a steady flow of customers, foodservice operators must understand **marketing**. Marketing includes all the ways a foodservice operation communicates with its current and potential guests.

Key Term

Marketing: The varied activities and methods used to communicate a business' product and service offerings to its current and potential customers.

Marketing is how a business informs potential customers about what it is offering for sale, and most importantly, why customers should buy from them. The major goal, or purpose, of effective marketing is to obtain and retain a growing base of satisfied customers.

Effective marketing helps build a positive relationship between a business and its customers. Marketing is different from selling. It is not possible to sell a customer something unless a company's marketing efforts have brought the customer to the point where he or she is willing to buy.

Before foodservice operations can explain "why" guests should buy from them, they must first communicate some basic and important information about themselves to their potential customers. This includes:

✓ Who
✓ What
✓ Where
✓ When
✓ How

Who

Today's consumers seeking food and beverage services may have virtually hundreds of operations to choose from. Therefore, the name of an operation is important because it is the first step in establishing a communication link with potential guests.

Some food operations choose clever names that are easy for potential guests to remember. Others may incorporate the menu items they will serve into the names of their operations, while still others may choose names that simply identify the owner of the operation.

Regardless of the naming approach taken, potential customers must be able to easily identify and remember an operation by its name if they are to learn more about it and become actual customers.

What

Because of the great variety of foodservice operations open today, owners of foodservice operations must communicate to their potential guests exactly what they offer for sale. When an operation's name carries this information (for example, Tim's Pizza or Taco Time), guests may easily understand both who the operation is and the types of products it offers.

If, however, an operation's name does not carry any specific product and service offerings information (for example, Cindy's Restaurant, or the one-word name, "Carson's"), then operators must take additional steps to let potential guests know exactly what types of menu items the operation offers for sale.

In addition to on-premises dining, some operations offer services such as offsite catering or special onsite banquet rooms that may be reserved. When available, this type of information must also be communicated to guests.

Where

After guests know who they will buy from, and what they may buy, these guests must know where they will go to buy it. One way to communicate the location of a restaurant to guests is through visible exterior signage. That can work well in some cases; however, many potential guests who know the name of an operation may want the address and driving instructions to it using the information posted online and/or in the operation's printed marketing materials.

In some cases, for example, with food trucks, an operation's physical location is not fixed and the location of the truck changes regularly so its changing location must be communicated to potential guests on a daily basis.

In still other cases, for example, in operations that produce their food in a **ghost kitchen**, a physical location must be provided to guests or **third-party delivery** personnel who will take the food to the point of consumption. Note: The advantages and disadvantages of third-party delivery partnerships will be addressed in detail in Chapter 10.

Key Term

Ghost kitchen: A foodservice operation that provides no on-premises dine-in services and that prepares all of its menu items only for pick-up or delivery to guests. Also known as a delivery-only restaurant, shadow kitchen, cloud kitchen, or virtual kitchen.

Key Term

Third-party delivery: A smartphone or computer application that creates a marketplace that customers can search to browse restaurant menus, place orders, and have them delivered to a location of the customer's choosing. In nearly all cases, the guest orders are delivered by independent contractors who have been retained by the company operating the third-party delivery app.

When

Information about a foodservice operations' operating hours are often important to communicate to customers because most restaurants are not open 24 hours a day and 7 days a week. Thus, the days of the week an operation is open, and closed, as well as the time they begin their service day and end their service day, is critically important information for potential guests.

How

In many cases, guests choosing to buy products from a foodservice operation may have several choices for placing their orders and making payments for the products purchased. While some restaurants feature exclusively on-premises dine-in service, many operations also offer drive-through, takeaway, or third-party delivery choices for their guests. When alternative choices are available, all of those options must be effectively communicated.

Traditionally, foodservice guests have paid for their purchases on-site at the time they placed their orders or after finishing their meals. Payment forms consisted primarily of cash or credit cards. In increasing numbers of operations, however, guests may have additional payment options available to them by using their smart devices and various payment apps. In all cases, effective marketing includes informing guests about the different ways they can purchase the menu items they select.

The 4 Ps of Marketing

With so much critical information to be shared with guests, many marketing experts find it convenient to focus on the **4 Ps of marketing** to increase the likelihood of their success when advertising their products and services.

The 4 Ps of marketing are illustrated in Figure 1.1.

The actual use of the 4 Ps of marketing is sometimes referred to as an operation's **marketing mix**, because different foodservice operators emphasize each of these four components in different ways as they market their businesses. An operation's specific marketing mix choices are so important they will be addressed in detail in Chapter 8.

Key Term

4 Ps of Marketing: A means of categorizing a business' marketing strategy on the basis of the products sold, places where they are sold, the prices at which they are sold, and the promotional efforts used to sell them.

Key Term

Marketing mix: The specific ways a business utilizes the 4 Ps of marketing to communicate with its potential customers.

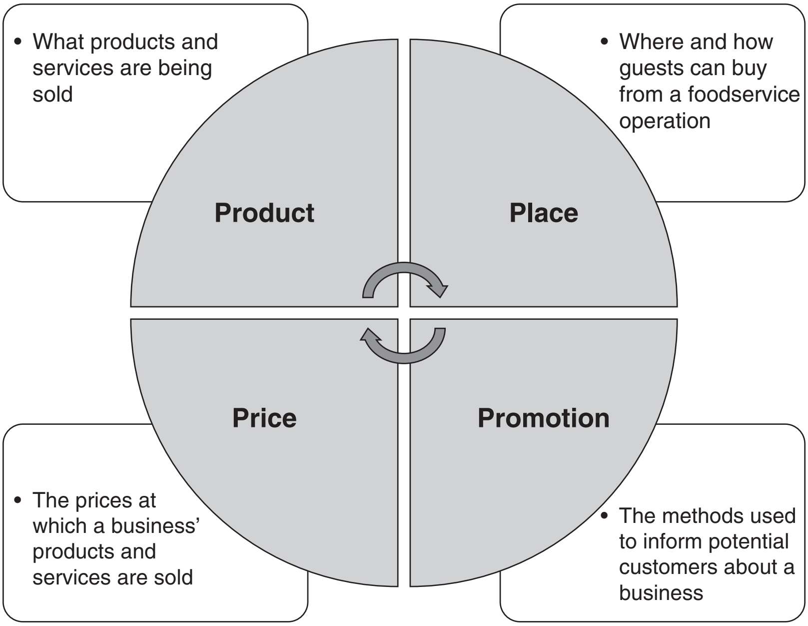

Figure 1.1 The 4 Ps of Marketing

Product

In a foodservice operation, the specific menu items sold, and the ways they are sold to guests, are the operation's products. Most foodservice operators spend a lot of time thinking about and analyzing the products they sell because they know they must consistently satisfy their guests' product needs. Consequently, most foodservice operators are very proud of the menu items they offer and have spent significant time developing the recipes and cooking methods used to create their products.

Products offered for sale are, of course, important to guests, but the products sold by foodservice operators can vary widely from one operation to the next. For example, it is well-known that hamburgers are the single most popular menu item sold in the United States. In some operations, the production of a quality hamburger may involve cooking a 2-ounce (purchase weight) beef patty, and then placing it on a bun with ketchup, mustard, and a single pickle slice. The hamburger may then be wrapped and, when sold, it may be placed in a paper sack for delivery to a customer in the operation's drive-through lane.

In a different operation, a hamburger may be made by cooking to medium rare a 6-ounce (purchase weight) patty of extremely high-quality beef. The patty may then be topped with cheddar cheese, leaf lettuce, and a slice of red onion, and served on a brioche bun. This product may then be picked up in the kitchen by a waitstaff member who will deliver the hamburger to the guest's table.

In this example, both operations serve a "hamburger," but the products received by their guests will be very different. The prices paid by the guests will likely be very different as well. In foodservice operations, a menu item may vary by portion size, method of preparation, speed of delivery, and packaging method, to name but a few possible variations.

It is important to understand that just because a menu item is inexpensive does not mean it will be of low quality. All foodservice operations must consistently strive to serve their menu items in a way that optimizes the quality of the products ordered by their guests.

Place

Place refers to the physical location where products are available for sale or delivery. Location can be very important to the success of a foodservice operation. The location of an operation may include its indoor dining areas and outdoor patio areas, and it also includes the **curb appeal** of the operation's exterior, its lighting, furnishings, and exterior signage. Even the uniforms worn by staff and the background music being played within the operation may be considered a component of "Place."

When foodservice operations market "Place" as a key feature when appealing to their potential guests, they must consider the entire guest experience. That includes paying special attention to décor, the size of the type on its menus, and the even the quality of cleanliness in its guest restrooms!

Key Term

Curb appeal: The general attractiveness of a foodservice operation when viewed from the outside by a potential customer.

As previously indicated, ghost restaurants do not have a physical location to welcome their guests. For these operations, "Place" may include the quality of the vehicles used to deliver menu items, the quality of uniforms worn by delivery drivers, and even the appearance of the drivers themselves.

One good way for operators to understand "Place" as a key feature in the marketing message is to see the operation from their customers' viewpoints. That is, what do customers see, hear, and smell as they arrive at a foodservice operation's entrance area?

Convenient, well-lighted parking areas, clean entrance and waiting areas, and tidy dining areas are important to all guests regardless of the menu items being served. It is also important to recognize that, while cleverly designed buildings and beautiful interiors may draw guests for initial visits, only the proper serving of quality food and beverage products will encourage those guests to return.

Find Out More

For many foodservice operations, background music is an important component of "Place." Music can be used to support or reinforce an operation's theme, or to create a positive "feel" that is consistent with the operation's overall ambience.

But background music is not free. All foodservice operators playing recorded music must pay a fee to a Professional Rights Organization (PRO) or to a music service that has paid the appropriate fees on their behalf, to be able to play the music legally. There are three main PROs in the United States. These are SESAC, ASCAP, and BMI. Each one represents a specific segment of the music industry.

To learn more about the legal requirements for playing recorded music in public spaces including food and beverage operations, enter "professional rights organization music" in your favorite search engine and view the results.

Price

Price is so important to the success of foodservice operations that it will be the single topic addressed in Chapter 6. In many cases, the price of a product or service directly influences its sales volume and, as a result, a foodservice operation's revenue and profits.

Experienced foodservice operators know that the prices charged for the menu items they sell can be affected by numerous things. These include product and labor costs, overhead costs, the pricing trends of competitors, and even, in the case of the sale of alcoholic beverages, government regulations.

From a marketing perspective, menu prices send a very clear message to potential guests about the value an operation provided in its products and services. When foodservice operators use higher quality ingredients, or give larger portion sizes, menu prices will reflect that. Similarly, for those foodservice operations located in highly desirable areas, for example, those with ocean-view dining rooms or locations in popular and trendy downtown areas, prices may reflect that location's desirability as well.

Proper pricing is important because, if an operation's prices are set too low, the operation may be popular with guests, but it may also have difficulty achieving its financial goals. Similarly, if prices are set too high, the operation may attract too few customers. This may also cause the operation to have trouble achieving its financial goals.

As a part of its marketing function, "Price" also includes how guests actually pay for their purchases. Historically, foodservice operations accepted cash, checks, and credit and debit cards as payment. Today, few operations accept personal checks but increasingly they offer their guests the opportunity to pay through payment apps such as Apple Pay, Google Pay, or Samsung Pay. When guests are offered these payment options, that price-related information must also be properly communicated to them.

Promotion

Promotion is the portion of an operation's marketing efforts that seeks to communicate (speak) directly with customers. Key components of promotion include:

Advertising
Personal selling
Promotions
Publicity
Public relations

Each of these important activities will be addressed in detail in Chapter 8, but it is important to understand that advertising is an example of a food operation's direct messaging to guests. The key components of advertising include developing an effective advertising message and then selecting the best tools to deliver that message. Operators must also consider the frequency and cost of their message delivery.

Personal selling efforts in foodservice operations include both those efforts taken on-premises and those performed off-premises. On-premises selling efforts include signage about a featured item and recommendations by waitstaff and bartenders as they serve guests. Off-premises selling efforts are those undertaken by an operation's owners, managers, or sales staff to increase local business. Examples may include websites, social media activity, and participation in local community events.

"Promotion" is one of the 4 Ps of marketing, but the same term is also used to identify specific offers designed to appeal to all customers and, in many cases, to provide special rewards for loyal customers. For example, a foodservice operation may offer, as a special promotion, reduced pricing on a selected menu item during certain times of the day or week.

"Publicity" refers to communication about a business that has been placed in the media without the business paying for it directly. Publicity is important to a foodservice operation for two reasons.

The first is that the operation benefits from positive publicity since it reflects well on the business. For example, a foodservice operation may sponsor a youth sports team. If that sponsorship is reported in a local newspaper, or on television, radio, or a popular website, the publicity will likely be positive.

The second reason that publicity is important is that not all publicity is positive. For example, in many communities, sanitation inspection scores assigned by the local health department for foodservice operations are made public in the newspaper or on television.

If an operation's inspection score is not good, the result can be negative publicity for that operation. Similarly, a significant outbreak of a foodborne illness is likely to be widely reported in the local community. The publicity surrounding such an outbreak can have an extremely negative impact on an operation's reputation. For that reason, it is essential that all foodservice operations have in place an effective food handling and food safety training program for its **back-of-house staff**.

Today, a large number of popular websites allow guests to post comments about their most recent visits to a foodservice operation. These reviews will no doubt be widely read by potential guests of the operation. While many posted comments may be positive, some will likely be negative. Proactively responding to these comments posted on reviewer sites is such an important topic that it will be addressed in detail in Chapter 11.

Key Term

Back-of-house staff: The employees of a foodservice operation whose duties do not routinely put them in direct contact with guests.

Finally, foodservice operations must employ public relations to promote and manage a positive public image, which is how the operation is viewed by the general public. An effective marketing strategy for a foodservice operation involves identifying the right customers and then using all of these promotion tools to reach potential guests with a compelling sales message.

Find Out More

All foodservice operators must ensure that the products they sell are wholesome and safe to eat. No foodservice operation wants to be the source of a foodborne illness affecting guests. Therefore, it is important that every foodservice operator ensures their operation's back-of-house employees have been fully trained in safe food handling techniques.

Fortunately, the Internet offers a large number of food safety training tools that are inexpensive or even free to use. To find out more about these training tools, enter "food safety training videos for restaurants" in your favorite search engine and view the results.

Technology at Work

Understanding who their customers are and being able to easily communicate with them is an important tactic for all foodservice operations. Customer relations management (CRM) programs are designed to help them do just that.

CRM software helps foodservice operators maintain a centralized database of information on customers who have visited their operation or ordered online. Operations of all categories and sizes can use data such as this for marketing and sales promotions, email, or social media campaigns, and to create buyer loyalty programs.

To review specific ways CRM programs can assist foodservice operators, enter "restaurant customer service relations programs" in your favorite search engine and view the results.

Operators' Challenges in Marketing Products

Regardless of what they sell, all foodservice operators face unique challenges as they market their products. In fact, foodservice operators face four very unique challenges as they develop marketing messages for the products they sell. These product-related communication challenges are related to:

✓ Quality
✓ Quantity
✓ Delivery method
✓ Value perception

Quality

Every foodservice operator's menu items must be made with wholesome food: that which is safe to eat. However, the quality of ingredients used to make menu items can vary greatly, and meats, fruits, cheeses, coffee, wine, and other alcoholic beverage products provide just a few examples.

For example, the New York strip steak served in one steakhouse may be classified as USDA Prime, the highest quality ranking for beef that has been graded by the United States Department of Agriculture (USDA). A competitor of that operation may serve New York strip steaks that were graded as USDA Choice, the second highest quality ranking. In this example, both operations may advertise that they sell New York strip steaks, but the quality of the steaks is not the same, nor is the purchase price the operator must pay for the steaks.

As a result, part of the marketing message for the operation serving the higher quality Prime steaks must indicate that higher charges are necessary because guests are served the highest possible quality of beef.

Knowledgeable foodservice operators know that many ingredients used in the preparation of their menu items can vary widely in quality.

Quantity

There are no legal requirements dictating the quantity of a menu item that must be served in a foodservice operation. Thus, for example, a food operator might choose to serve a 3-, 4-, 5-, or 6-ounce hamburger patty. Similarly, an operation's "Fried Fish Basket" may include 1, 2, or 3 fried fish fillets and of varying sizes. Soft drinks may be sold as small, medium, or large, with the drink's container size determined by the operator.

Since portion sizes can vary so much, new guests frequently will have little idea about the actual quantity of food they are buying when they place a food order. Detailed menu descriptions and photographs of food items can help. However, guests must be alerted to the quantity of food or beverage they will receive for the amount they will pay if they are to be satisfied with their purchases.

Delivery Method

Different foodservice operators may offer identical products in identical portion sizes and yet, from their customers' perspectives, they are offering very different products. For example, one operator may serve a 5-ounce cup of coffee made with a particular brand of ground coffee, served in a paper cup with a plastic lid and delivered to the guest via the operation's drive-through window.

Another operator may offer the same 5-ounce cup of coffee, made with the same brand of coffee, but served on a saucer and in an elegant china cup in an exclusive upscale dining room. In this example, both product quality and quantity are identical, yet what each operation's guests will receive is very different.

In addition to the menu items they desire, many guests will want their menu selections served in a particular way, perhaps in a particular container, in a specific setting, or with a particular level of speed.

In many locations, guests have numerous alternatives including **quick service restaurants (QSRs)**, fast casual restaurants, or fine-dining operations. When guests have these alternatives, it can be a challenge to communicate how their product offerings are differentiated from those of other operators.

Key Term

Quick service restaurant (QSR): Foodservice operations that typically have limited menus, and most often include a counter at which customers can order and pick up their food. Most QSRs also have one or more drive-through lanes that allow customers to purchase menu items without leaving their vehicles. Menu prices in QSRs will be relatively low compared to other restaurant types.

Value Perception

All foodservice operators must provide their guests with a good **value** for the products guests purchase. If they do not, the guests are unlikely to be satisfied and will not return. The challenge for foodservice operators in relation to value perception is to remember that value is determined by the buyer, not the seller, in any business transaction.

For example, a foodservice operator may sincerely believe that an item's quality, quantity, and delivery method will provide good value to guests if it is sold for $19.95. If, however, too few customers share that view of value, the operation will not consistently sell the menu item.

Key Term

Value: The amount paid for a product or service compared to the buyer's view of what they receive in return.

Foodservice operators also must understand that providing good value to guests is not the same as providing low selling prices. Customers can perceive excellent levels of value in both high-priced foodservice operations and in those that charge more modest prices. Alternatively, guests may pay very low prices for menu items and still feel they have not received good value for the money they spent.

Experienced operators know that their customers assign the value of many foodservice products they purchase based on a number of factors in addition to quality, quantity, and method of delivery. This means that communicating value for items sold can often be extremely challenging.

To illustrate simply how the concept of value actually works, consider that, if a customer normally pays $19.99 for a medium pizza, a larger pizza for the *same* price represents an increase in value. A smaller pizza for the same price represents a *decrease* in value. Similarly, a reduction in price from $19.99 to $16.99 for a medium pizza represents an increased value.

In most cases, buyers make their value judgments regarding the wisdom of a purchase based on their own very personal assessment value. As a result, an important aspect of marketing foodservice products entails communicating to guests exactly "what they will get" and "why it is of value to them." This becomes even more challenging when the foodservice industry, as part of the hospitality industry, is classified as a **service industry**, not a manufacturing industry.

Key Term

Service industry: A business segment that primarily provides services to its customers.

Foodservice operations do, of course, prepare (manufacture) food and beverage items that are then served to their guests. Clearly, the steaks and glasses of wine served to guests in a fine-dining restaurant are products. The presentation of the steaks and wine, however, is also clearly a service. Perhaps the reason foodservice operations are classified as members of the service industry is related to the importance of product quality *and* service quality to guests' perceptions of value.

The most successful marketers of foodservice products understand that in all segments of the hospitality industry, service quality is typically perceived by most guests as *more* critical to value delivered than product quality.

Find Out More

Today's foodservice customers increasingly rely on websites posting consumer comments as they seek information about where to go and spend their "away-from-home" food dollars.

Sites such as Yelp, Facebook, OpenTable, and TripAdvisor are among the most popular of these. To see examples of reviews written by guests, enter the name(s) of one or more restaurants that are among your favorites and view the customer comments that have been posted about it.

Would the reviews you read encourage, or discourage, you from going there?

Operators' Challenges in Marketing Services

Foodservice operators sell products, and they deliver services. In most cases, it is easier for foodservice operators to clearly communicate information about the products they sell than it is to communicate information about the service levels they provide.

For example, a 16-ounce ribeye steak will always be larger than a 10-ounce ribeye. Priced properly, guests may perceive better value in the larger steak (such as when the cost per ounce is less for the larger steak). Similarly, French fries may be offered in small or large portion sizes. In both of these examples, the buyer can easily be told what they will be getting for the prices they will be charged.

When a foodservice operation advertises that it offers quality service, good service, or quick service, these concepts may not be so easy to communicate and deliver. Consider, for example, that an operation's service quality is affected by a number of unique characteristics of service. These characteristics are:

✓ Intangibility
✓ Inseparability
✓ Consistency
✓ Limited Capacity

Intangibility

Foodservice customers buy products, but they receive services. The sale of a service provides an intangible benefit to a foodservice guest. It is intangible because, unlike a physical product, a service cannot be seen, tasted, felt, heard, or smelled prior to its purchase. In most cases, a service is actually a performance rather than a product. Because they are intangible, operators face unique challenges in communicating the benefits of services that are offered to those who will buy them.

Guests buying from a foodservice operation must put their faith in the operator that the service provided will be of high quality. Foodservice operators must justify this trust by consistently delivering service at a level that meets, and even exceeds, their customers' expectations.

Inseparability

Inseparability refers to the tendency of foodservice guests to equate the quality of service they receive with the actual person who provides it. As a result, the *rude* waitstaff member will be perceived by guests as providing poor service, while the *cheerful* waitstaff member will be perceived as providing good service (even when the precise tasks performed by the two are similar or even identical).

It is for this reason that so many foodservice operators hire those who will directly serve guests for their attitudes, rather than their skills. These operators understand that the real job of a professional food server is to:

✓ Make guests feel welcome
✓ Make guests feel important
✓ Make guests feel special
✓ Make guests feel comfortable

✓ Show a genuine interest if guest expectations have not been met and corrective action must be taken
✓ Correct any service shortcomings promptly and with a positive attitude

Consistency

Consistency in service can be a challenge to provide because the quality of service often depends on the individual who supplies it. Inconsistency when providing services is usually much greater than when providing products. For example, the customer at a sports bar will usually find that the quality of several bottled beers of the same brand purchased while watching a game is identical; however, the skill level, appearance, amount of attention provided, and attitude of the beer's server can vary greatly, even during the same game.

In this example, these potential differences in product delivery can have a direct effect on the quality of the customer's beer purchase experience. Due to the importance of consistency when providing hospitality goods and services, it follows that foodservice operators should pay a great deal of attention to their operations' **front-of-house staff** training and standardization efforts.

Key Term

Front-of-house staff: The employees of a foodservice operation whose duties routinely put them in direct contact with guests.

What Would You Do? 1.1

"I can't get her attention," said Shingi. "I keep trying but she isn't looking over at us."

Shingi and her co-worker Annabella were having lunch at Oscar's. Oscar's was a restaurant popular for its soups and sandwiches served in a casual setting.

"I know you asked for a side of mayonnaise when you ordered your sandwich. She must've forgotten," said Annabella.

"I think your right," said Shingi, "I didn't notice it when she delivered our food. Now I'm not sure exactly what to do. She hasn't checked back with us."

"And your sandwich is getting cold," observed Annabella.

Assume you were the operator of the Oscar's. What do you think will be Shingi's assessment of the product quality of the sandwich she received during her visit? How can service quality directly impact a customer's view of product quality?

Find Out More

Service quality is important in every type of foodservice operation. As a result, service training for front-of-house employees is important in every operation. Fortunately, foodservice operators can find a variety of high-quality and inexpensive tools to help them in their guest service training efforts.

To view some of these training tools, enter "restaurant server training programs" in your favorite search engine and view the results.

Limited Capacity

Nearly all foodservice operations face limitations in their capacity. In the front of the house (public areas), capacity may be limited by the number of seats in the dining room, or the number of drive-through lanes and windows available.

In the back of the house (employee-only areas), capacity may be limited by the number of workers available or the production capability of an operation's preparation equipment. As a result, it may be easier to deliver high-quality service during times of lower ("average") capacity than at times of full capacity. But foodservice operators seek to attract enough customers to operate at near full capacity because, unlike product inventory that can be held over from one day to the next, lost revenue from a seat that remained empty during a service period is lost forever.

Since most foodservice operations face limited capacity, it is especially important that their managers assign staff based on anticipated guest demand levels. Too many workers scheduled during slow times may cause an operation's labor-related costs to rise to unacceptable levels. However, too few workers available during busy times may cause an operation's service levels to suffer, even when its service workers are well-trained and are doing their very best.

The professional marketing of its products and services is essential to the success of every foodservice operation. The remaining chapters of this book address those things foodservice operators must know, and do, to market their operations successfully. When they are successful, they will find their efforts lead to the results desired by every foodservice operator:

✓ Increased recognition
✓ Increased customers
✓ Increased sales
✓ Increased profits

What Would You Do? 1.2

"I'm sorry sir," said Carmen, the dining room host at the Wagon Wheel restaurant. "I can put you on our waitlist, but I think it will be about 45 minutes before I can seat your party of four. We are always busy on Saturday nights."

"45 minutes?" replied the guest. "But I can see from here that the dining room has lots of empty tables right now."

"Yes sir," said Carmen. "But those tables have to be cleared and reset before we can seat additional guests. We only have one busser working tonight, and he's clearing tables as fast as he can."

"I have heard good things about this place, but I don't think I want to wait another 45 minutes. I think I'll just take our group somewhere else," replied the guest as he shook his head and left the host stand.

Assume you were the operator of the Wagon Wheel restaurant. What specific steps could you take to improve guest service on busy nights such as this one? Why would it be important for you to do so?

Key Terms

Marketing
Ghost kitchen
Third-party delivery
4 Ps of Marketing
Marketing mix
Curb appeal
Back-of-house staff
Quick service restaurant (QSR)
Value
Service industry
Front-of-house staff

Operator's 10-Point Tactics for Success Checklist

Evaluate your need for, and the current status of, each of the following operational tactics. For those tactics you think are important, but not yet in place, develop an action plan for its implementation including who will be responsible for the tactic's completion and the target date by which it should be completed.

				If Not Done	
Tactic	**Don't Agree (Not Done)**	**Agree (Done)**	**Agree (Not Done)**	**Who Is Responsible?**	**Target Completion Date**
1) Operator has carefully considered the relative importance of "Product" in the marketing mix for their own operation.	______	______	______		

Tactic	Don't Agree (Not Done)	Agree (Done)	Agree (Not Done)	If Not Done: Who Is Responsible?	If Not Done: Target Completion Date
2) Operator has carefully considered the relative importance of "Place" in the marketing mix for their own operation.	______	______	______		
3) Operator has carefully considered the relative importance of "Price" in the marketing mix for their own operation.	______	______	______		
4) Operator has carefully considered the relative importance of "Promotion" in the marketing mix for their own operation.	______	______	______		
5) Operator has implemented an approved food safety training program to minimize the potential for negative publicity resulting from a food-borne illness outbreak.	______	______	______		
6) Operator has carefully considered potential quality- and quantity-related communication challenges in their own operation.	______	______	______		
7) Operator has carefully considered any potential delivery method and value-related communication challenges in their own operation.	______	______	______		
8) Operator has carefully considered the potential impact of service intangibility and inseparability in their own operation.	______	______	______		

(Continued)

				If Not Done	
Tactic	**Don't Agree (Not Done)**	**Agree (Done)**	**Agree (Not Done)**	**Who Is Responsible?**	**Target Completion Date**
9) Operator has carefully considered the potential impact of service consistency and limited capacity in their own operation.	_____	_____	_____		
10) Operator has implemented an effective guest service training program for front-of-house employees to help optimize service delivery levels.	_____	_____	_____		