

Chapter 12

Marketing

ABSTRACT

This chapter discusses several topics within the marketing discipline, from preparation and execution of a marketing plan and media plan to sales strategies for food and beverage products, services, and events. It offers the reader a broad understanding of sales and marketing in general, explains restaurant marketing's definition of the four Ps of marketing, eight Ps of restaurant marketing, emphasizes marketing strategic activities, and explains the concept of restaurant revenue management. It discusses a pricing strategy within the scope of a marketing plan development.

INTRODUCTION TO SALES AND MARKETING

This textbook has been using the titles of Foodservice Manager and Food and Beverage Manager, and Food and Beverage Director, interchangeably and within the context being discussed. The terms Sales and Marketing have been confusing in understanding what exactly this department does and what exactly a Director/Manager of Sales and Marketing is responsible for? Regardless of its interpretation, we always refer to the department overseeing selling.

The Director of Sales and Marketing emphasizes his/her efforts in marketing activities, designing new strategies and tactics, leading and directing, and working closely with all department the sales office sales for. The sales managers/executives are responsible for the actual sales of the product and services. The success of this team is measured by the end-results of how much has been sold.

To achieve its objective, the Sales and Marketing team must market all products and services most effectively. Using the Apple selling strategies as an example, their products are sold months in advance before they are even released from the production line. Many newly built resort hotels are sold months in advance, just with the architect's renderings. Hence, successful sales of a product are based on the effective effort of a well-designed marketing strategy executed by an efficient marketing team. Hospitality and business and management schools have recognized the need for well-prepared managers to include Strategic Marketing courses in their curriculum (Abbey, 2003; Shoemaker, S., Shaw, M. 2008; Reid & Bojanic, 2010).

Marketing

Throughout the chapter, the Sales and Marketing Department, or Marketing Department, and Sale and Marketing are used interchangeably. There is also an emphasis on “Restaurant Marketing” except when discussed within the scope of a food and beverage operation within a large operation such as a resort hotel.

This chapter introduces “Restaurant Marketing” as it is observed from different angles. For example, a free-standing, independently owned restaurant may be different from the marketing strategy of a complex food and beverage operation within a hotel setting. Also, a franchise operation’s marketing effort may be different from that of a multi-unit concession operation in a national park. Therefore, marketing is not universal such as “one size fits all”; or “follow this strategy, and it will work.” More than often, marketing is personalized, individualized, and localized. For example, the customer demographic of McDonald’s operations in Germany and in the UK are different from those in the U.S.; they serve alcoholic beverages such as beer, while in the U.S., they only serve non-alcoholic beverages. Of course, the culture, history, and overall approach to food in Europe is different, and that is precisely why marketing strategies must be tailored to the customer according to previously basic principles of personalization, individualizing, and localization (Abratt & Sacks, 1988; Kurtz, 2010).

As the foodservice industry continues to evolve, reinvent itself, and innovate, its marketing efforts. One could have never imagined that with the invention of the internet and the PC, foodservice operations have reduced their printing cost to almost zero. Menus and promotional brochures can be printed in-house on-demand, using high-quality color printing. Guests can now make their restaurant reservations online, see the menus and beverage lists online, watch a real-time virtual tour of the restaurant, and more. Marketing efforts have been changed to follow these trends and to adapt to market conditions and many other factors such as the ever-changing consumer behavior. Overall, one can say that marketing is an essential requirement for any foodservice operation. It must be an integral part of the business plan, and it needs to be budgeted for because, without marketing, the restaurant business could not survive. Even the non-detectable marketing efforts of highly reputable companies that produce unique products, and do not have the need to invest heavily in marketing have some form of marketing in place.

Depending on the product, its creator, the business entity, or whatever attracts people to a highly reputable restaurant, its branding strategy will receive free publicity either by the media or by word-of-mouth from satisfied guests. In other words, the restaurant sells itself in one form of marketing or another. Using an example from a different industry as an analogy, one can assert that there has never been a commercial that promotes a Ferrari car in recent memories. Nor is there a commercial promoting the French Laundry Restaurant in the Napa Valley. Both the Ferrari and the French Laundry market themselves for “free” based on their core competencies that are difficult to imitate or duplicate that cannot be reproduced by anyone with unique features and unique and exclusive products, and more.

However, not all foodservice businesses are comparable to the Ferrari and the French Laundry Restaurant’s reputation. Less than ten years AG (After Google), the World Wide Web has somehow influenced many investors, either motivated or distressed, that the “solution” can be found online. While this statement may be partially true, it also offers meaningless resources and questionable advice, which may have never been tested, which may be useless, and some are even sold fraudulently.

To keep in line with trends and within the context of this chapter’s scope, the author attempted to confirm what and how much material is available on the WWW for motivated or distressed restaurateurs in need of effective marketing.

A global search in Google for the keyword “Restaurant Marketing,” sometimes in May of 2020, delivered about 22,500,000 results in less than 0.30 seconds. According to the traumatizing results, one

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