

Restaurant Business Magazine
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Street Smarts for the Entrepreneur



Marketing grand slams

Big ideas, big ROI



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new recipe ideas, boost fan interaction with the brand

Execution: Via Facebook and Twitter, fans were invited to submit recipes for their own signature salads using ingredients from the chain's 50-item True Nutrition menu, plus up to two ingredients not on the menu. Three winning salads named for their creators were featured systemwide as seasonal LTOs during 2010. Beyond bragging rights, each winner was awarded \$500.

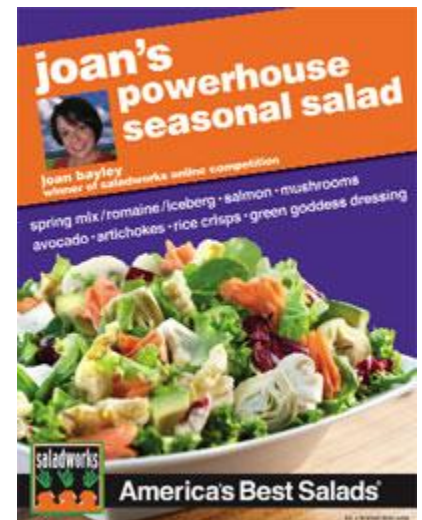
Results: Several thousand recipes poured in during the five-week contest entry period and several thousand new Facebook and Twitter fans signed on. "The social media buzz extended as we rolled out the three winning salads one by one throughout the year," says John Scardapane, founder, president and ceo. "By getting submissions from around the country, we also got insight into regional taste preferences and by inviting the use of up to two ingredients that we don't currently carry, we got ideas for new items to add to our menu." The contest also helped create awareness and trial

Standout food and service are great, but not necessarily enough to ensure survival, let alone growth, in this environment. Last rites have been read the past couple of years to plenty of restaurants that did a good job of providing both. In many cases it comes down to marketing and the power of a good idea that separates the haves (i.e., places with buzz, customers, profitability...) from the have nots. Here's a look at great marketing moves some made this year to keep them in the "haves" column.

Idea: Create-Your-Own Powerhouse Salad Contest

Restaurant: Saladworks, 100+ units in 11 states

Goal: Create excitement, get



of new ingredients recently added to Saladworks' menu. The company realized a 5 percent to 8 percent bump in comp-store sales for a few weeks following each LTO introduction. But the best long-term result, Scardapane says, is the social media buzz and customer interaction generated.

Why it worked: Customers appreciated that their ideas were solicited and put back into the brand; it provided a peek at ingredients and combinations that the chain's fan base is most interested in now; the R&D team got a huge infusion of fresh ideas; and it was cheap, with just three \$500 prizes awarded and virtually all of the marketing taking place in free online space.



Idea: Social Media Blitz

Restaurant: Mesob Ethiopian Restaurant, 1 unit, Montclair, New Jersey

Goals: Generate trial, increase repeat visits, educate and excite consumers about Ethiopian food and culture.

Execution: Too busy running their restaurant to try social media marketing on their own, Mesob owner Berekti Mengistu hired friend Vickie Smith-Siculiano of Say WOW Marketing to help. Since January, the 80-seat ethnic independent has jumped into all of the major social media marketing venues—Facebook, Twitter, FourSquare, YouTube, Flickr, Groupon, Yelp, e-mail newsletters, you name it. The restaurant takes a highly interactive approach online, constantly asking fans what they think, what they like, what they'd like to see done differently at Mesob. And it acts on feedback. One example: A new monthly Sunday brunch was added at the suggestion of Facebook fans who wanted to try Ethiopian specialties beyond what's on the regular menu. Mesob is also big on visuals, posting myriad videos and stills of the kitchen crew at work, signature dishes being prepared, its traditional Ethiopian coffee ceremony and events such as Facebook fan club dinners to engage and educate.



Results: Volume is up nearly 15 percent this year. Facebook fans now number nearly 700 and a Groupon offer far exceeded expectations. "I thought we'd sell maybe 30 but we ended up selling more than 400 coupons by promoting it on Facebook and Twitter, too," Mengistu says. "Most of those were new customers and many said they would never have come in had they not learned more about us on Facebook. For a small, suburban, ethnic restaurant to have such a great year in this economy, something is really working," she adds. "Social media is the best thing that ever happened to us."

Why it works: It educates people about a cuisine and culture that's unfamiliar to many and makes it appealing and welcoming. It reaches customers where they increasingly are—online—and puts Mesob on a level marketing playing field with larger, better financed competitors. It's affordable: The only cost is a retainer paid to Smith-Siculiano.

Idea: Crispy Creamy Chewy Crunchy Dessert of the Month Club

Restaurant: Buttercup Grill & Bar, 5 units, San Francisco

Goal: Reward regulars, boost dessert sales

Execution: Customers who sign up receive a Dessert of the Month Club punch card. Each time they visit and spend at least \$8 they get their card punched. Once they accumulate 10 punches, they get a free dessert of the month. Members also get a free dessert on their birthday. Sign-up cards are distributed to every table by servers. Customers fill out the bottom portion, providing their name, e-mail address and birth date, and keep the top portion to have punched on subsequent visits.

Results: In the first six months, dessert sales rose 10 to 15 percent systemwide and average checks increased. The club garnered local media hits and helped establish a database of 2,500 customer e-mails for a new monthly newsletter, says Jonathan Shahvar, vice president of sales and marketing. "The only hard cost is the printing of the cards and the free desserts, which we make anyway, so the ROI has been terrific."

Why it worked: It's simple, targeted and packaged with an irresistible name. "Our portions are large so desserts were often overlooked.....we needed a way to highlight them."



Idea: Name Your Own Price for Fish & Chips

Restaurant: Newport Bay, Newport Seafood Grill, 2 units, Portland, Oregon

Goal: Introduce guests to the previously upscale restaurants' newly repositioned casual ambiance and menu.

Execution: On one Wednesday in September, both restaurants allowed guests to name the price they wanted to pay for Newport's Alaskan Cod Fish and Chips, normally menued at \$12.95. The offer was promoted via newspaper inserts, billboards, radio and a strong PR push—all at a cost of about \$28,000, according to Scott Smith, ceo of Seattle-based Restaurants Unlimited, which acquired the restaurants in 2007.



Result: At a per-order food cost of \$2.19, the restaurants netted an average price on Fish and Chips that day of \$3.14. Comp-store sales for the day were up 93 percent. Sales of add-ons—appetizers, cocktails and desserts, which typically run around \$1,200 on a Wednesday, totaled \$9,800. Once word got out on blogs and social media, a line 40-people deep developed at lunch, and dinner waits reached two hours. "It really exceeded our expectations," Smith says.

Why it worked: It was a compelling offer and part of a broader campaign to reposition Newport as a more affordable, family-friendly option.

Idea: Official Birthday Place

Restaurant: Nitty Gritty, 2 units, Madison and Middleton, Wisconsin

Goal: Position "the Gritty" as the place for people to go to celebrate their birthdays

Execution: Customers who come in on their birthdays are treated like royalty. They get a balloon, their name in lights in interior signs and are presented with a Nitty Gritty mug to use for free soda or beer during their visit and then take home. Logo T-shirts, cakes, sparklers and glo-light buttons are available for purchase. Every hour, celebrants' names are announced and staff and other guests cheer for them. They're given a Gritty birthday card that they can use once a month for a free mini sundae and they become members of the Nitty Gritty Birthday Club, which gets them additional deals and discounts. The restaurants' walls are plastered with photos of birthday celebrants and each month one guest wins "birthday of the month" honors, receiving a \$50 Nitty Gritty gift certificate and tickets to local events. Major prizes are awarded to those who hit key milestones—a five-day Hawaiian vacation went to the 100,000th celebrant, a Caribbean cruise to the 200,000th, and \$1,000 each to the 300,000th and 400,000th birthday guests. Fun facts about people who have celebrated at the Gritty—from a day-old baby who first came in 1993 and has returned every year since; to the state's former governor; to a 105-year-old regular; to 20-year-old quadruplets who have celebrated every birthday since their third—are posted on the restaurants' Web site. All advertising includes the "Official Birthday Place" tagline.

Results: An average of 50 to 60 birthdays a day are celebrated at the restaurants. The original location has expanded three times to reach 400 capacity. A second location, in Middleton, was added.

Why it works: It appeals to all ages, is fun and family friendly. It goes well beyond the usual birthday freebie, creating a competitive advantage. It's been consistently promoted to become the restaurants' core brand identity.