SALES CONCEPTS

The various sales concepts in use are:

- 1. Advertising
- 2. Public Relations
- 3. Merchandising
- 4. Sales Promotion

1. Advertising

Advertising is concerned with contacting and informing a market of an operation's product, away from the point of sale and is involved with influencing the customers' behavior and attitude to the product before they enter the service operation.

Advertising has been defined by the American Marketing Association as:

Any paid form of non-personal presentation and promotion of ideas, goods or services by an identified sponsor.

Its purpose, as defined by the Institute of Practitioners in Advertising (IPA) is:

To influence a person's knowledge, attitude and behavior in such a way as to meet the objectives of the advertiser.

The aims and objectives of an operation's advertising policy should be contained within the marketing plan. No advertising campaign ought to be undertaken unless it has been properly organized and is going to be efficiently managed. Disorganized advertising will not benefit an establishment; it may, in fact, do a great deal of harm. It is; therefore, wrong to assume that any advertising is better than no advertising.

The size of a food services advertising budget is dependent on a number of factors:

- 1. The nature of the catering operation, whether it is commercial or noncommercial sector.
- 2. The size of the operation. Generally speaking, the larger the commercial operation, the larger the advertising budget available.
- 3. The ownership of the catering facility. In a small, privately owned hotel or restaurant, the responsibility for advertising may be in the hands of the owner or manager. In a large multi-organization, the responsibility for advertising is either assigned to a specialist department within the organization, or given to a professional outside advertising agency.
- 4. The number and nature of the market segments being aimed at.
- 5. The amount of advertising each market segment requires to be adequately covered.
- 6. The type of advertising to be used. Peak time national television coverage will obviously cost considerably more than a local radio broadcast.

DOCUMENT CENTER

In some sectors of the industry advertising budgets are very large. The fast food sector, for Example surpasses any others in the catering industry.

Of McDonald's total of \$38.1m expenditure, a large percentage of this was spent on TV advertising, promoting its brand image on national scale. Generally speaking, advertising expenditure in this sector of the industry varies from 0.5 to 4.5% turnover. Companies within the hotel industry are also increasing their advertising budgets considerably.

Where small owner-managed or small groups of hotels cannot afford to individually advertise their properties and facilities to any great effect, they may group together to form a marketing consortium to achieve greater advertising impact. In UK for example, Prestige Hotels operates a marketing consortium

with Scott Calder, its American counterpart. Such organization professionally produce brochures, leaflets and other sales literature which is distributed via all the consortium's establishments throughout the UK, and sometimes internationally. By joining together with other small or similar operations, an individual establishment benefits from being part of a large organization.

Whatever the size of the food service facility, however, advertising done have relevance and importance. In order to be effective, there must be a clear understanding of the purposes and objectives of advertising. In a catering operation these would include the following:

- 1. **To create awareness of the product**. Making the maximum number of customers aware of an operation's products, utilizing the tools of advertising available to the particular operation.
- 2. **To create desire for the product**. Customers purchase a product because of the benefits they feel they will gain from that product. Advertising, therefore, needs to create a desire for and operation's product by stressing customer benefits. The benefits of take away meals, for example, are that raw ingredients do not have to be purchased, stored, prepared and cooked. The end product is ready to eat, time is saved and cleaning up afterwards is minimal. These are some of the benefits that customers perceive as important when they buy a take-away meal; they are not just buying food for physiological needs.
- 3. **To influence customers attitudes to the product**. This may be in the short or long term. Over a number of years, for example and organization may wish to portray a caring image towards its customers. It may choose to do this by using repetitive advertising reinforcing its caring attitude.
- 4. **To create brand loyalty**. In order to do this, a successful brand image must be created by the company, so that when customers consider buying a certain type of meal, they immediately think of a certain restaurant or fast-food operation.

- 5. To persuade customers to buy, this will only be achieved if the advertising campaign has been directed at the appropriate level of the market. For example, if and advertising campaign incorrectly portrays an average spending power will not choose to visit the facility because of the high-priced image portrayed, equally, customers with a high average spending power may be appointed with their choice of restaurant. The operation's target markets must, therefore, be divided into clearly identifiable market segments. The promotional features of the marketing side can then be aimed specifically at these market segments.
- 6. To persuade customers to visit an operation in preference to a competitor's. Competition may be direct to indirect. Direct competition included those operations competing for the same target market. For example, an outlet's customer's may have been identified as coming from an AB middle class socio-economic group, aged between 50 to 60 years, with an average spend of \$20 per head for an evening meal; direct competitors would include those establishments also aiming at this same target market. Indirect competition includes other catering operations who, although not competing for exactly the same market segment, are offering alternative catering facilities. These operation may charge prices of between \$10 to \$12 per head, which the identified AB middle class customers may visit occasionally for a variety of reasons such as price convenience etc.
- 7. **To remind customers to buy**. The objectives of and advertising campaign alter during the life cycle of the product. For example, in the introductory phase of a product launch, creating awareness for first-time buyers is an important objective of advertising. When the product enters its growth and maturity stages and the company is heavily reliant on repeat purchases, the main objective of the advertising campaign may then shift to reminding existing and past customers to buy. This is equally applicable to operations within both the commercial and non-commercial sectors. It has particular reference in situations such as the work place where catering facilities are usually in the same block of offices or factory, and where staff may become

- accustomed to passing by the catering facilities and perhaps choosing to eat elsewhere. An advertising campaign to attract and remind this market segment is a particularly effective way of building up repeat business.
- 8. **To inform the market about a product**. For example, some fast-food chains now produce nutritional guides about their products which are available to customers of their restaurant and take –away outlets.
- 9. To provide reassurance about the product. This is particularly relevant in the catering industry where a customer often leaves a restaurant without any tangible evidence of a purchase. Customer's worries and anxieties about a product need to be allayed so that they feel they made a good purchase and will therefore, feel disposed to make another. In the example of the nutritional guides, as well as being informative, they also reassure customers that the meals they are buying are nutritionally sound. This is particularly important with the current interest in healthy eating and diets.
- 10. **To be ethical**. Form an ethical point of view, the operation's advertising must portray a truthful picture of the establishment. Customers may quite rightfully be disillusioned and annoyed if they read that a particular restaurant is offering a free glass of wine to every customer, or features some specialty drinks, only to arrive and find that the establishment has 'run out' or 'sold out' of these items.

The following advertising techniques are all applicable in some way to both commercial and non-commercial operations. However, depending largely on the sector of the industry and the size of the advertising budget available, the larger commercial organizations are able to utilize may or all of these advertising tools, whereas smaller non-commercial operations will be restricted to only a few, The major forms of advertising that may be employed by food service facilities include the following:

Direct Mail

Direct mail involves communicating by post to specified customers; it may be directed at new and potential customers or to past or well established customers. It involves the direct mailing of personalized letters, brochures, pamphlets and leaflets, and as a form of advertising offers a number of advantages:

- Specific customers can be targeted. For example, members of a specific profession within a defined area, members of a particular club or society, residents on a housing estate, etc. Repeat business in particular can develop by mailing personalized birthday, anniversary and Christmas cards, details of special promotions, events and offers to regular and occasional customers.
- 2. Direct mail is easy to introduce. It can either be initiated by the organization itself by producing its own mailing lists or an external mail service agency or list broker may be used. It can be used by both small and large operations.
- 3. The feedback from targeted customers is relatively prompt and easy to appraise. Free post return cards, freephone telephone calls are usually returned soon after the direct mail shot has been received, or not at all. The use in a restricted period and the uptake can be measured easily.
- 4. It is a cost-effective method of advertising to specifically targeted groups of customers with very little' wastage'.

However, direct mail also has a number of disadvantages:

- 1. The market must be specifically targeted or the mail shots are a complete waste of money.
- 2. The mail must be received read and acted upon by the specific individual or group or all prior advertising research has also been a waste.
- 3. The production of good-quality mailing literature can be costly. Personalized letters should ideally be used as duplicated material has little impact and is often discarded straight away. The envelope too must encourage the

recipient to open it rather than discarding it as a circular. Once the initial mail has been sent out, careful monitoring of subsequent replies is necessary; often further advertising material may need to be distributed to reinforce the initial sales literature.

The identification of the market segments to be aimed at is most important. A with marketing research, the operation may find that through its own desk research – internal and external- it can amass a considerable amount of information about its markets through restaurant reservations, sales records, trade journals, local newspaper, etc. If a restaurant is considering featuring special business lunches, for example, it may consider writing to civic and business associations and asking for their membership lists, as well as contacting any other professional groups in the area. Alternatively, a catering operation may consider using a professional mail service agency. Here again, it is important to specify exactly the section of the market to be aimed at.

Large catering organizations who have sufficient finance available are able to deal directly with advertising agencies who will totally manage an organization's advertising campaign. They will study the product to be marketed, design appropriate advertisements, and suggest possible outlets for distributing these adverts, whether through the press, on posters, direct mailing or whatever.

For the smaller organization, however, the use of a professional advertising agency for all the operation's requirements is not always feasible because of the costs involved. For the smaller organization with a limited advertising budget it may be more advantageous to identify where in the advertising campaign the operation would most benefit from professional advice and to seek this advice when necessary. The operator may decide for example, that the two most effective ways of reaching potential markets are direct mailing and advertising in the local newspaper. Having decided on the methods of advertising and the times at which they should appear, the design of the advertisements

themselves must be undertaken. At this stage even the smallest operator should consider seeking the help and advice of a professional designer.

The presentation of an advertisement in the organization's sales literature or in a local news-paper, or the layout, photography and artwork in a restaurant brochure are critical to the production of a professional piece of sales literature. When literature is being sent to potential and existing customers it is important that it projects the image of a catering operation that the owner or manager wishes to portray. Therefore even if a catering operation's financial allocation to advertising is comparatively small, a percentage of this can be3 well spent on employing the services of a professional designer in order to produce good –quality sales literature for the catering facility.

Press Advertising

- 1. **Newspapers:** Advertising national and local newspapers and magazines is probable one of the most popular forms or media used by catering operations. Because restaurant advertisements are generally featured together in a newspaper, it is essential that the design of an advertisement featuring a particular restaurant is such that it will stand apart from the others. As with the previously described direct mailing, advertising in the press must be properly planned and organized. If an advertisement is placed in several newspapers, records must be kept of those individuals or companies that respond to the advertisement and whether they are from the type of market segments originally aimed at. Such information is invaluable in forming a basis for planning future advertising campaigns.
- 2. **Magazines**: The different types of magazines in which a catering operation my choose to advertise include professional journals and publications, business management magazines and the 'social' type magazines which are read by particular target market groups. The advantaged of advertising in

- specific magazines are that response may be measured, they have a longer 'shelf life' than newspapers and may be re-read many times.
- 3. **Guides**: There are a number of 'Good Food Guides' produced in which food service facilities may wish to be included. Such well known guides are the AA and RAC guides *The Michelin Guide*, *The Egon Ronay Guide*, *The Good Food Guide* and the *Tourist Board Guides*. To be featured in these guides will often be as a result of passing a professional inspection by the particular organization and at times having to pay a fee for inclusion. As a method of advertising these guides have a special value in that they all have large circulation figures and are purchased by interested and potential customers and are used regularly as sources of reference of eating out occasions.
- 4. *Trade advertising*: Trade or 'wholesale' advertising is the selling of an operation's catering facilities through 'middle men' such as travel agents, package tour operators, etc. At present it is mainly the large hotel groups and restaurant chains who have utilized this form of external selling although it is also available to small restaurants that are privately owned. By approaching local tour operators, for example, a country restaurant may be able to secure a regular weekend lunch time trade of between twenty and thirty covers throughout the summer months. Such an arrangement not only has the advantage of increased sales for the operation, but also aids in the planning of menus, food costing staffing levels, etc., for several months in advance. A commission fee is charged by these middle men for the provision of their services; this may vary between t and 12.5% depending on what functions and services they have provided for the catering operation.

Broadcasting

1. *Radio*: Advertising on commercial radio is mainly limited to local radio stations that broadcast within a specific radius. It may be used to advertise local take-aways, restaurants, hotels, wine bars etc. Its main advantages are that it is a very up-to-date form of advertising, not too costly and has the

- potential to reach a large percentage of local custom-people art work, driving cars, using personal stereos, people at home, etc.
- 2. **Television:** Television's major advantage over radio is its visual impact. Its major disadvantage is its high cost, particularly during peak receiving times. Its national use is limited almost exclusively to the larger restaurant and fast-food and popular restaurant chains and hotel groups, for example, KFC, McDonald's, Pizzaland. Some regional television advertising may be undertaken but at present is very limited. The use of both video cassette recorders and cable television are two further extensions of TV and their use in private homes, clubs, hotels, shopping malls etc. is increasing annually.
- 3. **Cinema:** Cinema advertising is also highly visual but also very localized. Catering facilities such as fast-food and popular restaurants etc. Open until late in the evening are often featured, but are usually quite specific to a certain area.

Signs and Posters

Signs and posters advertising a catering facility may be positioned either very close to it or some distance away. They are used along streets in towns and cities on hoardings, in airport lounges, railway carriages and the underground subways. External signs on main roads are particularly important for hotels, restaurants and fast-food drive-in operation who relies heavily on transient trade and it is therefore, important for these advertisements to be easily read and their messages understood quickly. Traffic travelling at high speeds must also be given adequate time to pull in. Posters displayed in the street, in railway carriages etc. can afford to be more detailed because passengers and passersby will have more time available t read them.

As with all other forms of advertising, signs and posters must portray the type of image the restaurant is trying to achieve. Fast-food and take-away outlets in high street location, for example, who are attempting to attract as

much transient traffic as possible, feature large colourful signs with distinguishing logos and colours, for example KFC McDonalds, Wimpy etc. An however, would not need to use such obvious external signs, because a higher percentage of the trade would already have made reservation and such a restaurant would, therefore, display something smaller and more discreet.

Miscellaneous Advertising Media

This includes other forms of advertising media that may be used in addition to the major channels discussed above. For example, door-to-door leaflet distribution, leisure centre entrance tickets, theatre programmes, shops windows etc.

2. Public Relations

Public relations is a communication and information process, either personal or non personal, operation within an organization's internal and external environment. It involves the creations of a favourable environment in which an organization can operate to the best of its advantage. An organization would typically be involved internally in communication to its customers and employees, and eventually to lists customers, suppliers, sales force, local community council and government departments, etc. Public relations have two main functions:

1. It has a problem-solving or trouble-shooting function to deal with any publicity is better than no publicity. As with advertising, it is wrong to assume that any publicity is better than no publicity. Detrimental newspaper reports and letters to column writers, bad word-of-mouth and radio news publicity can all have a damaging effect public relations exercise a company's desired corporate image can be restored.

2. It has a forward looking function to creating positive publicity for the organization and may be used at various stages during the life cycle of the facility. For example, if a fast food unit is to be opened in a busy town centre a public relations exercise would typically be to create a favourable environment and attitude within the community before its opening. If this facility is specifically aiming at a younger family market, the public relations function would include informing the identified market segments of the benefits the facility has to offer to them. For example children's menus and portions will be available at reduced prices, high chairs for babies are to be on certain day's entertainment for the children will be organized, a young members' club will be available for those wishing to join etc.

In institutional catering, the role of public relations may be to explain to a staff committee the need for certain price increases to be passed on the staff cafeteria, or why different products have been bought to replace existing ones etc.

The initiation of a public relations exercise should begin with the identification of that sector of the organization's environment that it wishes to communicate with; it may, for example, be a particular segment of its market, the press, local schools etc. An evaluation of the organization's exisiting corporate image with the sector will highlight that area it feels are unfavourable, and would benefit from a public relations exercise. The organization may then choose the most suitable channels for communicating its messages to help create the type of environmental climate it feels would be favourable to its own company's objectives.

The choice of public relations tools to be used depends largely on the taget audience, the suitability of one media over another and the budget available. They would include:

- 1. **Press media**: Newspapers, magazines, trade journals, brochures, leaflets, guides, press conferences, press releases.
- 2. **Broadcasting media**: Television, radio, cinema, promotional video and cassettes.
- 3. **Community media**: Sponsorship of local events, individual, companies, exhibitions, talks free gifts, samples.

Depending on the size of the organization, the public relations function may be the responsibility of the owner, or manager, it may be an individual's task in a medium-sized operation, a separate department within the organization consisting of a number of employees, or an external public relations company may be used.

Public relations in the hotel and catering industry has a real application whether the catering facility is a small or large operation, is independent or part of a large group, exists in the free market or captive. The importance of public relations is the ability to communicate and infirmity is something that develops as a result of the business activity; however whether it is advantageous or disadvantageous to the organization can be greatly influence by public relations.

3. Merchandising

The merchandising of catering operations involves the point of sale promotion of their facilities using non-personal media. Unlike advertising it is not a paid for form of communication, but like sales promotion is more concerned with influencing customer behavior in the short term.

Once customers are inside a restaurant they have already made their decision as to the type of establishment they wish to eat in; their subsequent decisions are concerned with what particular aspects of the product they will now choose. Customers may decide to eat at a restaurant because they have seen it advertised, and will therefore bring to the restaurant preconceived ideas as to the standard of food, level of service etc., that they will receive. It is important at this stage that the point of sale merchandising of the restaurant should support its advertising campaign in order to achieve a sense of consistency and totality. For example, if the restaurant hs been advertising speciality dishes for a particular week, these must be available when the customer arrives at the restaurant.

The major types of merchandising that may be employed by a catering operation include the following:

Floor Stands

Floor stands or bulletin boards are particularly effective if used in waiting and reception areas to advertise special events,, forthcoming attractions, etc. In these areas in hotels, restaurants and clubs, people may be waiting in a queue or for the arrival of other guests and therefore have the time to read the notices on these stands. In the work place they can be placed in areas with a high throughput of pedestrian traffic, for example in corridors, and in general locations where people congregate such as beside vending machines. The announcements on these stands must be kept attractive and up to date or the messages grow old and ineffective. Some self-service operations use floor stands at the head of the waiting line to show the menu in advance and selected specialities of the day.

Posters

Posters have a wide circulation then the previously described floor stands, They may be displayed in reception areas, elevators, cloakrooms, in the restaurant dining area itself, in fact they may be placed in any strategic positions where people have the time available to read their messages. Consideration must not only be given to the area in which these advertisements should be placed, but also their positions within these areas. In elevators for example they are often placed at the back when the majority of people face forwards or look upwards as soon as they enter a lift and therefore only give a poster at the back a momentary glance. Similar thought should be given to the position of posters in reception areas; for example, their height should be at eye level and they need to be placed away from the entrance and exit doors which people tend to pass through quickly.

Wall Displays

Illuminated wall displays are used extensively by fast-food operations showing enlarged colour photographs of the food and beverages available. They are also used by wine bars, cocktail bars and lounges and look particularly attractive at night. Blackboards are often found in pubs, bars, school cafeterias and theme restaurants where the dish of the day and other specials can be changed regularly along with their prices. Tent cards are often placed on restaurants dining tables to promote special events, attractions, etc. They are a valuable merchandising tool because guests will almost inevitably pick the card up and read it at some point during the meal, and they may even take it away with them. They may be used to advertise special dishes or wines, or announce forthcoming events such as a Christmas Day menu or New Year party. Again these cards should be changed regularly to hold interest and must always be up to date and clean. In hotels or other operations which have a variety of catering outlets, these tent cards are very useful in advertising the other facilities within the same establishment. In a cocktail bar, for example, tent cards may be used to advertise the a la carte restaurant, and in the restaurant the customers' attention may be drawn to special function arrangements the operation offers. This type of merchandising can help to

make customers aware of the operation's alternative facilities and hence boost sales in these areas.

Clip-Ons

Menu clip-ons are most commonly used in restaurants to advertise speciality items plats dujour, special table d'hote lunches offered in an a la carte restaurant and so on; they may also be used on wine lists to promote a particular wine or region. Both tent cards and clip-ons are useful tools for the hotel or restaurant to feature the higher profit earning foods and beverages items. 'loss leaders' may be placed towards the end of the menu selection.

Children's Menus

Children's menus and portion sizes are particularly applicable to those catering operation who attract family custom, for example resort hotels, fast-food units, medium-priced restaurants etc. In the UK the catering operations who offer this facility are generally those who cater for the lower and middle markets of the population, with higher level operation somewhat reluctant to offer this facility. In other countries in Europe, and particularly in the USA, this is a more commonly found restaurant service, and is a useful merchandising tool as few parents wish to pay the full restaurant charge for a child when he or he eats less than half the meal.

Some restaurants offer a reduced price for children's portion sizes while others produce a separate children's menu which also contains games and puzzles to keep the children occupied while the parents are having their meal . This is particularly applicable to those operations who rely heavily on family trade, and even if children's menus are not offered throughout the year, they may be worth. While considering during the busier summer months

Visual food and beverage display

It was once said that 'We eat with our eyes' and in few other situations could this be more true than in the actual cooking and presentation of the food to the customer. Visual selling in a catering operation can be enhanced by the use of several techniques:

- 1. **Displays**: A good display of well- presented food can do much to increase sales. Impulse buying is the purchasing of a product at a point of sale on the strength of its visual presentation, with little or no preconceived thoughts of buying the product. Good displays are necessary in any situation, customers may be encouraged to purchase more when they actually see the food and beverages, for example at self-service restaurant buffets, carvery operations and vending machines.
- 2. **Trolley or cart**: The use of trolleys or carts is another method of selling food and beverages by using display techniques. In a restaurant there may be a variety of trolleys used for hors d'oeuvres, desserts, hot and cold meat joints liqueurs and cigars.
- 3. **Gue'ridon cooker:** A gue'ridon trolley in restaurant may be used for 'finishing off' particular dish before being presented to the customer, or it may be used to cook a complete dish, for example flambé' desserts. This particular type of action presentation often encourages other guests in the restaurant to also try these types of dishes.
- 4. **Other display cookery**: Some operations deliberately open up their kitchens so that customers can see their food being cooked for example steak houses where steaks are openly grilled on a charcoal grill, and other operations which roast poultry and other meat on rotating spits. In these types of operation special attention must be given to the balance between this type of display cookery and the other items on the menu to ensure that any additional expenses, such as staffing and food costs, are justified by the increase in custom.

5. **Beverage display**: The display of beverages , alcoholic and non-alcoholic, can also contribute to impulse purchases, rather than being just a single coffee sale at the end of a meal. In a self service cafeteria bottles and glasses of cooled fruit juices, and wine can all look inviting; in a restaurant, full wine racks, or full bottles at the side of the buffet or carvery table have a similar visual effect.

Audial

Audial merchandising has fairly limited application, but can be used in situations with a 'captive' audience, for example to promote a coffee shop, pizza bar, ice-cream parlour in a shopping mall, to focus attention on a hospital's cafeteria via the hospital radio, to inform exhibition visitors in a conference centre of the catering facilities available.

Other sales tools

There is a variety of other internal sales tools that may be used by a catering operation. These include place mats, which in coffee shops may contain the breakfast menu with a reminder that the operation is open throughout the day for snacks; napkins; doilies; and proportioned condiments which all add to the operation's sales message. In the bars giving away cocktail sticks, matches and drink mats also enables a small part of their operation to be carried out of the establishment and may act as a reminder to customers of their meal experience several days or months later.

Through all aspects of an organization's merchandising approach, there is a very real need for it to complement advertising campaign. Advertising the facilities will hopefully have stimulated customr interest. The role of merchandising is to convert that interest into purchases and increased sales.

4. Sales Promotion

Sales promotion is a form of temporary incentive highlighting aspects of a product that are non-inherent to it. Sales promotion may be aimed at customers, distribution channels and sales employees. It does not necessarily occur at the point of sale, although in many instances it does.

Sales promotion is used by operations for a number of reasons including the following:

- 1. To increase the average spen by customers and thereby increase the sales revenue.
- 2. To promote a new product or range of products being featured by the operation, for example offering a new flavoured milk shake in a take away facility at a reduced price.
- 3. To influence impulse purchasers towards a certain product or range of products, for example featuring Australian wine at a special discount price.
- 4. To aid as a reminder during a long-term advertising campaign for example on long established main menu items.
- 5. To help 'level' peak activities of business for example offering a free glass of wine to customers during their meal before 18.30 hours.
- 6. To celebrate a special event for example the New Year, Thanksgiving Day Dinner etc.
- 7. To 'package' together menu items at an attractive price, for example steak and strawberries. Such 'packages' are seasonal in nature but aid in directing a high proportion of customers' choices towards items of a low preparation labour content.

8. To clear slow moving stock, for example pricing specific cocktails at two for the price of one.

The types of sales promotion used are influenced by the targets being aimed at:

- 1. **Customer**: Sales promotion aimed directly at customers include money-off coupons, discounts or special process during off-peak periods, free chicken meals for families, a free bottle of wine for every two adult meals ordered etc. Special events and promotions may be communicated to the customer by advertising, by direct mail, by telephone or by posters and tent cards.
- 2. **Distribution channels:** Promotional techniques aimed at incentivating third party agents include free restaurant meals, free gifts, competitions and the use of hotel's leisure facilities.
- 3. **Sales employees:** Sales promotion incentives are similar to those listed above and include commission related sales, competitions, token and points systems occurring over an extended period to encourage an on-going sales commitment by the sales force.
 - Sales promotion is a marketing tool in its own right and should be planned, monitored and evaluated as such. It can be initiated either by the operation itself or by an external organization, and as with all other aspects of the marketing mix must be in line with themarketing objectives of the organization.

Personal selling is a paid form of promoting a facility on a personal basis. One of the main characteristics of service industries is the increased contact time between service staff and customers, and the attitudes and behavior of an operation's service employees are important parts of the total product the customer is buying. As with the other aspects of the promotion mix, advertising, public relations, merchandising and sales promotion, the objective, requirements, and techniques of personal selling need to be fully integrated into the overall marketing policy of the organization.

Service employees are one of the most important assets of a catering operation. Too frequently waiters, bar staff, counter assistants, are seen only as 'order takers' and not as sales people. Particularly in large organizations, such as hotels which have their own sales department, it is too easy for service staff to see themselves merely as servers of the facilities' foods and beverages. The fact that an establishment may have a sales department does not relieve the catering department of its sales functions and responsibilities.

When customers enter a restaurant their first personal contact with the restaurant staff is usually the waiter who shows them to their table. How often is that same customer presented with the menu and then left to ponder for a considerable time without being asked if they would like a drink while considering the menu . A potential drink sale is lost immediately. When the waiter comes to take customers' orders there is another chance for the employee to promote the menu, perhaps the restaurant's speciality, a side salad, additional vegetables, wine to accompany the meal, rather than simply being an order taker. At the end of the meal the presentation of the dessert and liqueur trolleys can do much to revitalize a customer's palate, rather than the waiter merely asking if sweet or coffee are required.

Some establishments operate training programmes for service staff to help increase their awareness of the different ways in which they personally can contribute to an operation's sale. These training programmes can include basic sales functions of the waiter, such as asking customers if they would like a drink when they arrive at the restaurant to more in depth sensitivity training.

Fast food chains such as Burger King and McDonalds have highly standardized training programmes where service staff are taught selling phrases and responses that may be used when taking a customer's order. Although these highly formalized responses and situational examples are now being modified with the introduction of warmer and friendlier phrases such as McDonald's 'we've got time for you' suggesting that even in an efficiently standardized operation such as their own, they will have time for individual, personalized service.

At the other end of the catering spectrum, where there is a much longer contact time between service staff and customers, such as in haute cuisine or speciality restaurants, the 'personal touch' plays a more important role in the total service product. Also at this level, the technical knowledge of the service staff assumes greater importance.

Some operations encourage their staff to sell by providing incentives. For example, a waiter may receive a sales related bonus for every additional \$5.00 spent by a customer over and above a pre-fixed average spend; the additional sale indicating that the waiter sold more food and beverages than the average for that restaurant. Incentivating service staff in this way however, needs to be introduced with sensitivity so that the wrong type of competitiveness between staff does not develop to the detriment of the restaurant.

Whatever the level of catering operation and the amount of sales training given, there is a need for service staff to become more alert to customers' needs by listening to and observing and identifying what their need are for that particular meal; this information may then be quantified by the management for possible future action. This aspect of personal selling is discussed as part of the meal experience.

The marketing of a catering operation must be effectively planned, organized and monitored throughout all its stages. The successes and failures of its promotional campaigns and those of its competitors, should be studied and reviewed when possible.

Good advertising, merchandising, public relations and sales promotion are difficult. They are areas of food and beverages management that often require considerable financial outlay, but which have no guarantee of success. Caterers are faced with a variety of promotional tools and techniques and whichever they choose, so will have others; they must compete therefore not only with the other facilities' catering products but also with their marketing campaigns.

Alone, advertising does not sell. It is there to stimulate interest, and to influence a customer towards buying and operation's product above those of its competitors. The customer's action is translated into a purchase at the point of sale further stimulated by effective merchandising and possibly sales promotion techniques, all created by good public relations.