

# 11 Steps to a Successful Promotion

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A successful promotional campaign takes a great deal of thought and planning. The eleven steps I have outlined will help you organize your program to ensure success and eliminate wasted or misdirected efforts.

## **Step 1 - Define Your Situation**

You can only begin to set your promotional goals and objectives for your restaurant only after you have determined your market situation. If you already have a marketing or business plan than you may already have a great deal of the information needed.

For your business plan you may have investigated the economic picture in your area, its eating-out trends, population trends, restaurant dollar expenditures and even the social and political environment.

For your marketing plan, you delved further and collected data on your present and potential customers and on your competitors. You analyzed your menu, your operations and your pricing. You probably investigated advertising vehicles and media opportunities.

For your promotional plan you must narrow your scope. You should define your situation in terms of your specific three to five mile target area. Perhaps in your marketing plan you defined your situation as a restaurant located in a city with a down-turned economy where people are eating out less and spending fewer dollars on each occasion.

Your market situation, on the other hand, may point out that the factory located one-half mile from your restaurant is planning to cut back its work force. This will impact you much sooner and much more directly than the economic problems of your city and state and require objectives and strategies that will generate more immediate solutions.

For step 1 then you must concentrate your efforts and investigate your immediate neighborhood, learning as much about it as you can. Is your trading area predominately high-end retail or blue-collar residential? Are there large corporations in your area? How far away are the schools? How many grocery stores are near by?

Also, take a second look at your customers. Perhaps you already know how old they are and how much income they have. For your promotional efforts you need to know more: What kind of cars do they drive? What do they like and dislike? Where do they work, and what kinds of homes do they live in?

Now look at your restaurant. On which side of the street are you located (do you get morning or afternoon traffic)? Do you have a private dining room? Which menu items need to be promoted, or which can be adapted to off-premise promotions?

Step 1 is a crucial part of your promotional plan and should not be overlooked.

## **Step 2 - Set Your Goals**

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A goal is generally defined as a statement expressed in broad terms describing a “state” you wish to achieve. It is not bound by time or weighed down by specifics.

The goals you set must be visionary and expansive. The objectives you set must be consistent with reality. Your goal may be to double the size of your business, however, the reality is you have limited resources, and you must deal with the competition in your trading area. A goal of a 15% increase over prior year may be more realistic as well as attainable.

Strategies are the methods by which you are going to achieve your objectives, and the tactics are the specific detailed action plans required for implementation of your strategies. In their book, Bottom-Up Marketing, Al Ries and Jack Trout speak of a tactic as an idea. “When you look for a tactic, you are looking for an idea. A tactic must have a competitive angle in order to have a chance of success. This does not necessarily mean a better product or service, but rather there must be an element of differentness”.

## Promotional Goal Setting

Suppose you own a Mexican restaurant. It is a mid-priced restaurant that serves a selection of homemade Mexican dishes to predominately blue-collar families. You are located in a city with a depressed economic situation, and the largest factory in your target area is reducing hours.

Your overall marketing goal may be to position yourself as a restaurant where families can dine as inexpensively as they can at home.

Your marketing goal would be to become recognized as the favorite eating place of families in your neighborhood. Goal setting can only be accomplished after you have analyzed your market situation. Your goals are determined by your problems and opportunities. Once you recognize the problems, goal setting becomes much easier.

Another aspect of goal setting is to consider what your entire budget for advertising and marketing is. You should determine at this point how much you will have to spend on the promotion so when you reach Step 7 (Divide Budget Dollars), you will know how much is available for each program.

## **Step 3 - Communicate With Your Employees**

Without a doubt, the most important ingredient in a successful promotional campaign is your employees. It is with their assistance and their enthusiasm that will turn your promotional efforts into sales. They are the ones primarily responsible for carrying out your plans.

Begin by calling a meeting to introduce your employees to your marketing campaign. This is the time to explain the value of the campaign to the overall success of the restaurant. During this meeting you must encourage and enthuse your employees of the importance of promotional activities.

During the meeting be sure to solicit feedback. They may suggest something you may have overlooked.

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Here is an outline for your promotional meeting:

- 1) Welcome and introductions. Begin your meeting on a high note. Be positive. Make this a pat-on-the-back session.
  - 2) Explain the promotion and the impact it can have on the success of the restaurant. Explain what's in it for them. Outline the marketing goals you have established for the restaurant.
  - 3) Emphasize that this is a team effort, and as a team you must determine the best methods to achieve these goals.
  - 4) Share the responsibility by selecting a team captain or a promotions coordinator. By sharing the responsibilities you will reinforce their team participation and help ensure success.
  - 5) Discuss your target area. Ask your employees for additional information about their neighborhood that you may have overlooked when defining your situation.
  - 6) Ask for volunteers to work on the next stage of the plan. The very important stage of information collection.
  - 7) Assign tasks. Make sure that everyone becomes involved. Be specific about what they are to do and when it should be finished.
  - 8) Set a date for your next meeting. State clearly which assignments should be finished by that date.
- By communicating effectively with your employees you will be ensuring the success of your program.

## **Step 4 - Establish your Objectives**

With the current information about your target area that you collected when you defined your situation (step 1) and that you obtained from your employees, you are now ready to establish your objectives.

Begin by reviewing your goals. Remember that goals are the broad, open-ended statements that you set forth based on your market situation. Your objectives are derived from your goals.

One of your objectives might be to increase the number of Family Size pizzas ordered in the months of October and November by 15%.

The reason you have established this as an objective is based on your knowledge of your pricing, your margins and the desires of your customers.

You know that you are the only restaurant in the neighborhood that offers a pizza as large as your Family Size, which can feed 6 people or more.

You also recognize that with the economic situation in your target area, parents will be searching for the least expensive way to feed their families.

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All of these reasons have led you to establish an appropriate objective for your efforts. As you establish other objectives for your marketing program, remember that they, too, must relate to your goals and to your market situation.

For example, let's say you find out that a direct competitor (with more advertising dollars) is moving in across the street, your problem is an awareness issue among your target audience. You can't outspend your competitor to achieve a higher "top mind awareness," so you must out-think them. A Local Store marketing Program is a natural solution. Your goal might be to position yourself as the neighborhood restaurant owned by a local resident. Your objective would be to increase your customer's awareness of you as a local owner and operator who is actively involved in the community.

As you begin to establish objectives, remember these rules:

- 1) Objectives must express a desired result. A desired result may be growth, efficiency, or awareness.
- 2) Objectives must be stated in measurable terms. Measurable terms may include sales, profits, number of items sold, target deadlines or time frames.

## **Step 5 - Collect the Necessary Information**

This is one of the most important steps in developing a successful promotional program. You must get to know everything about your community and your trading area in order to take advantage of opportunities to increase your business.

Collecting information should be the responsibility of everyone on your promotional committee. The Area Information Collection List at the end of this section defines areas that you should be researching for names, contacts and dates. Assign each of your committee members a specific area and give them a deadline for returning the information to you.

There are other ways to obtain the contact names and lists for your marketing efforts besides a personal visit. They are:

- 1) The Chamber of Commerce - They provide membership lists complete with names, addresses and phone numbers.

They will have information on city officials and clubs and organizations in your town. In addition, they will have calendars of events for your city or community.

- 2) The Internet

- 3) Base Commanders Office - Information on military base organizations and activities is available from this office.

- 4) Mayor's Office - Calendar of events and dates for citywide festivals, special visitors, and similar activities are available from this government office.

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The importance of collecting information about your area should not be minimized. You must have the right information before you can proceed with developing your strategies.

## **Step 6 - Decide on Your Strategies and Tactics**

In your overall marketing plan you may set down the same objectives in different areas of your plan. "To increase by the number of Family Sized pizzas ordered in the months of October and November by 15%" may also show up as an objective under the advertising area, under the product area and under the Local Store Marketing area. The objective may be the same, but the strategies for achieving the objective will be different in each case.

In the area of advertising, your strategy may be to develop a new print ad about your Family Size pizza. In the area of product, your strategy may be to use sliced mushrooms versus chopped mushrooms to increase appeal of the pizza.

These strategies, however, are designed to help you concentrate on the opportunities in a three to five mile radius around your restaurant, and your market strategies should be based on taking advantage of these opportunities.

By this stage your employees should have completed their information collection tasks. It is now time to sit down with your employees and decide which events and groups in your neighborhood you will use to achieve your promotional objectives.

You should review once again your marketing goals and objectives. Let's look at our Italian Restaurant example once again.

Goal: To be recognized as the favorite eating place of families in your neighborhood.

And one of the objectives we established in response to this goal was:

Objective: To increase by the number of Family Size pizzas ordered in the months of October and November by 15%.

Now you must decide on the strategies and tactics you will implement to achieve this objective. Remember, strategies are the methods you are going to use to reach the objective, and tactics are the detailed plans required to implement the strategy.

During the meeting put the objective where all of your employees can see it. Explain that to achieve this objective you must be able to communicate what an excellent value your Family Size pizza is to families. Ask them to look over the Area Information Collection List to see if any events or groups might be helpful in getting this message across to families.

There are no right or wrong strategies. Any number of strategies may be used successfully to achieve an objective.

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Your primary task is to decide on the strategy that fits your budget and personnel.

For example, perhaps your employees notice that the city is holding a festival in the fall and has invited area restaurants to set up food booths.

Your Area Information Collection List also notes that the local elementary school is having a carnival in October and is looking for retailers and merchants to participate

You read further and find out that the city's festival is being held in a park across town and that merchants are being charged \$500 to participate. The school carnival is being held three blocks from your restaurant and the booth fee is only \$25.00. If you can do both activities within your budget and personnel restraints, do so. However, if only one activity is feasible, then you must decide which will provide you the greatest return on your investment.

Suppose you and your employees decided to participate in the elementary school carnival. Now you can set down your strategy.

Strategy: Create an Italian Restaurant food booth to gain exposure and increased awareness among families with elementary school age students.

Tactics: Your tactics are the means by which you implement the strategy. You must decide if you are going to build a booth and, if so, who will be responsible. You must decide on signage and what you are going to serve. You must decide who is going to staff the booth and how you will handle the product and the money.

Most important, you must remember your objectives to increase the sales on Family Size pizza.

This objective will determine what you sell – pizza, and what you will emphasize on your signage and on any menus or coupons that you distribute.

Your tactics do not have to be decided upon at your initial strategy meeting. You should set down a general plan with specific dates scheduled for a future tactical meeting.

The following guidelines will help you set up your meeting.

- 1) Review your restaurant's promotional goals and objectives.
- 2) Pass out copies of your Area Information Collection List that will have the possible groups and events with which you can develop promotional programs.
- 3) Let your employees help decide with which groups and events they wish to work. Keep reminding them about your restaurant's objectives and choose those options that will best achieve those objectives.
- 4) Give each employee 12 blank copies of the monthly calendars. Let each of them write in those monthly decisions you make concerning your marketing efforts. Stress that you will be listing your

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restaurant's sales objectives opposite each week of the month and that whatever decision they make will have a direct impact on those sales figures.

5) Set weekly and monthly deadlines for completing the program. For instance, if you plan a restaurant tour letter campaign to local schools and youth groups during the month of January, put on the calendar the number of letters you want addressed, signed and mailed each week.

6) Plan ahead. Don't wait to the last minute to carry out your ideas.

7) Once your entire year's (or six months') calendar is written down, take back everyone's copies and tell them you will post a clean copy of each month's plans in your office.

Communicate to your employees that even though you have completed the annual marketing plan it should not prevent them from proposing a new or different idea if something worthwhile is brought to their attention.

As you can see, this step requires full employee participation. Keep your employees informed and involved.

## **Step 7 - Divide Budget Dollars**

How much should I spend? The answer to that question will always be . . . as much as you can afford.

There are no clear-cut answers or hard-and-fast rules for marketing expenditures. The decision depends upon your particular situation. Keep in mind that LSM is not a replacement for a regular advertising program and will need to be factored into your budget. In some markets media costs may be so high that it takes a restaurateur's entire marketing budget just to maintain a minimal presence in the marketplace. With very few dollars left for LSM, the restaurateur must be more creative and stringent in planning LSM events.

Always plan six months in advance. A full year in advance is even better. Follow these guidelines as you go:

1) Project sales for at least the next six months.

2) Write down these estimates

3) Determine the percentage you wish to spend for all your marketing efforts advertising, public relations, research, sales promotion, LSM, etc. Restaurateurs vary widely in what they commit to marketing. The percentages can average anywhere from 1% to 8%, even higher in new markets. Three to five percent is the most common.

4) Assign a total dollar budget to your promotional activities for the next six months (or one year). As you begin developing your plan, you will know which ideas you can afford to implement and which will be too extravagant.

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- 5) Decide what type of advertising and promotions you will use. These could include newspaper advertisements, direct mail campaigns, radio/TV campaigns, coupons or more.
- 6) Estimate your production costs for all advertising.
- 7) Determine what your direct advertising costs will be. Call and ask your media reps to get these figures.
- 8) Total the costs you have collected. Can you afford to implement all of your plans? If not, you need to determine the importance of each of your objectives in your overall marketing plan.
- 9) If you feel that participation in your community's annual festival is essential, then you may decide to reduce your newspaper advertising and switch your dollars to your LSM effort.

## **Step 8 - Implement Your Plan**

Implementing the promotional plan you have put together in conjunction with your employees is your responsibility. However, you cannot do it alone. You must delegate and assign tasks to every employee or member of your marketing committee.

You must first write down the decisions you made during your strategy meeting and begin to assign deadlines for accomplishing each major task. Outline your plan according to dates and fill in those dates on monthly calendars.

Gather your employees once more. Outline specific tasks that need to be accomplished within the next four to six weeks and call for volunteers. Employees will work harder at a task that interests them and for which they volunteered for rather than at something to which they were arbitrarily assigned. If you find during this meeting that you cannot get anyone to volunteer for the more tedious chores, offer an incentive. This could be a cash bonus or a day off with pay.

Once each task has been delegated, fill in the responsible person's name on the Assignment Work Sheet for that month. As employees finish their assignments, allow them to cross out or check off their names in the completed column. Be sure to give each employee positive feedback when he or she completes the task.

A successful promotional program can only be achieved through the joint effort of you and all of your employees. Together you must decide on the plan and then work as a team to achieve your goals. The strategy meeting will help you do this.

## **Step 9 - Analyze The Results**

Evaluate and analyze every promotional activity you organize. The first year you coordinate an active Local Store Marketing campaign will be the toughest. Once you have involved yourself and your restaurant in various types of activities, you can more readily determine which will be more successful in helping you achieve your goals.



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When you begin to plan your second year of activity, the analysis forms you have compiled on the first year will help you determine which groups and events to continue. Do not ever assume you can remember the success of a program or event. Too much goes on to rely on your memory.

Always complete a written analysis one week after the conclusion of an event. You can use any form you wish, however, make sure to write an in-depth analysis of every event, program or sponsorship you become involved in.

There are five key elements for evaluating every promotional event or promotion:

- 1) Were the objectives met?
- 2) Did the promotion pay out?
- 3) Were there any unexpected positive benefits?
- 4) Were there any unexpected negative results?
- 5) Do you plan to run the event again and, if so, what improvements would you make?

## **Step 10 and 11 - Follow-up, Follow-up**

Most promotional activities fail not because they were ill conceived, but because of managements failure to follow-up. The importance of following up dictates that this be your 10th and 11th step.

This may seem like a lot of work but in reality, if you plan and execute correctly, a promotional, or Local Store Marketing Plan will help you reach your sales goals.

For More Information Call Ron Santibanez. 866-903-5875