

Marketing Food & Beverage in the Club Environment

BY MIKE HOLTZMAN

If senior management was willing to admit it, we'd probably find that the food and beverage (F&B) department of most club facilities gets little attention or nurturing. Worse yet, it's not unusual to discover that the F&B operation is darn near avoided altogether in many cases. Compared to other revenue centers, F&B margins are slim and the headaches are plenty. After all, the profits yielded from the selling one annual membership far outweigh selling umpteen protein drinks.

If you add the aspect of marketing F&B, suddenly that slender wedge of a headache begins to form into a question in the general manager's or owner's head: *why throw away good money after bad?*

Marketing is the art of making people aware that something exists and stimulating the curiosity to investigate it. In order for F&B be successfully marketed, the product and service must be perceived by the membership as "real goods" and not a bunch of hype. It therefore makes sense to put a careful plan in place to insure that all of the hard work invested into the marketing isn't in vain.

Advertising seems to be the process most people associate with marketing. There are, however, many not-so-obvious methods for building the F&B business that are considerably less risky. But before any type of marketing is launched, the F&B operation must be reconditioned to a state that can best be described as "wired," which is arguably a form of marketing in itself.

Getting "Wired"

Stand back and take a hard look at the physical aspects of the operation. Really look. Working within the same four walls day after day, often those walls cease to exist and the obvious disappears. The condition of fixtures and equipment plays a vital part in the marketing presentation, in addition to providing the staff the right tools to do a nice job.

Are cleanliness and sanitation standards at the

highest levels? Keep in mind that although health department standards serve an important function, they are hardly the benchmarks for a clean and sharp-looking operation. An inspector is looking for the most serious issues, like drainage problems, proper food-handling procedures and vermin infestation. Grease, dust and grime rank well below the radar of serious offenses.

The next piece of the preparation program is having systems and procedures that monitor the F&B numbers. Sales mixes need to be analyzed and inventories must be taken at least weekly to help determine menu effectiveness and margin and profit spreads between sales and costs. This also ensures cost-effective ordering and optimum product freshness with a minimum of waste. It also creates a basic awareness of any pilferage. The upside to this extra paperwork is learning things about F&B that had previously gone unknown.

Marketing Tips

Keeping the following specifics in mind can help to create a marketing program that enhances overall club performance while establishing continuity within the facility.

- **Include the personnel in the plan.** Employees are the best marketing tools within any company. Share how the business is performing and constantly give staff members the feedback necessary for them to grow individually while growing the business. This includes knowing the menu descriptions, portions sizes, related RDA or health data, and the role the facility plays in the overall club experience.



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■ **Create a "Cheers" mentality.** Existing members are the core of the club's F&B business. In the "outside" world restaurants succeed on the principle of repeat business. A club's F&B operation is no different. Good food and fair prices are a start, but the real secret to repeat visits lies within staff training and the employee's ability to engage the membership by recognizing faces and saying names out loud. People go where

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they are acknowledged and recognized. They perceive they are valued and therefore feel important. This is a powerful principle that is applicable throughout all divisions of the club.

■ **Ask an outsider.** If one's own objectivity is in question, consider hiring a "shopper," a marketing consultant that can provide an expert appraisal of an F&B operation from a customer's point of view. A fresh set of eyes can uncover some amazing facts that were previously invisible.

■ **Pitch F&B.** There is no reason why the club's café or restaurant shouldn't be a part of the overall sales pitch. It should be included on the list of places to see during the prospective members' tour (if it's avoided or skipped over, it may convey the notion that management isn't proud of the operation). New members should also be given incentive to try the facility with coupons or invitational offers.



■ **Consider F&B as a member amenity.** There is an emerging trend in new clubs to charge an F&B "minimum" (e.g., \$10 per month) to ensure that members support the F&B operation that ownership has thoughtfully provided for them as an amenity. The practice has been going on for years in country clubs.

Marketing Ideas

There are other forms of marketing, such as special programs that are designed to address particular niches within the membership. The following are some examples:

■ **Children's birthday parties.** Kids' parties have become a solid performer for many clubs.

■ **Catering corporate events inside and outdoors.** In the inner circles of the hospitality business, it is no secret that catering margins and profits far exceed what the standard menu yields.

■ **Cooking classes.** In those clubs fortunate enough to have an executive chef on the payroll, cooking classes for members are gaining popularity, particularly when focusing on the newest eating trends, like low-carb cooking. Note that these types of programs mandate a spotless kitchen, as this is where the classes will take place. Most managers forget members aren't the only ones who find their way back into the kitchen area; there is also a steady stream of sales reps, service providers and delivery drivers that see just how clean and organized things really are. Cleanliness is a credibility issue that works hand-in-hand with reputation.

■ **Express meals.** Some clubs have experimented with an "executive express" concept that allows for advance ordering and a quick pick-up on the way out the door, for the member who chooses to utilize lunchtime to work out rather than dine.

■ **Spa lunches.** Clubs that offer packages treating a guest to an all-day experience are including a special "spa lunch" not to be found on the regular menu.

Getting Feedback

Getting the membership to participate in marketing surveys about the F&B can be less than revealing. Mailings are rarely successful. A friendly phone call or face-to-face chat in the club can enhance the task of opinion sampling, and is likely to yield more honest and detailed results. A bit of information gathering is likely to produce the same insights much faster (and certainly at less cost) than a full-blown membership survey.

A case can easily be made that a club's food menu communicates its marketing plans (through pricing, variety and quality). The cliché "we can't be everything to everyone" is a truism. The odds are that 10% of the membership will not be happy with the menu no matter what, and 10% will love it regardless. It is the middle 80% where the focus of attention deserves to be.



Finally, it shouldn't be expected that an owner or top management be F&B experts. Yet that is not an excusable reason for the club's restaurant or café to be allowed to run on autopilot except for an occasional burst of hospitality hype that has been disguised as marketing. Food and beverage, perhaps the most difficult of departments to successfully control and build upon, is a rare example of the type of business that probably functions best when it is micro-managed. ■

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