

## In This Issue

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What Bothers Customers Most

Choosing Takeout Menus

## Briefing

[americanexpress.com/restaurant](http://americanexpress.com/restaurant)

## By-the-Glass Service

**“Our wines are priced the same per ounce whether guests order a bottle, six-ounce glass, flight, or a two-ounce taste.** In other words, there is no price penalty for ordering wines by the glass, taste, or flight. As a result, we serve many more wines by the glass than by the bottle. For speed of service, wine bottles are stored in refrigerated bins; glass wines are poured at the table from small carafes to insure the proper six ounces are served.”

—MARIAN JANSEN OP DE HAAR, DIR. OF WINE, FLEMING'S PRIME STEAKHOUSE & WINE BAR

**“At Frasca, our wines by the glass are served in Riedel “Extreme” glassware so that all guests have great glasses.**

Glass wines are served in beakers; just a little is poured at the table so that the beautiful glasses aren't overfilled and guests can serve themselves as much as they like. We also present the bottle at the table to provide the same service touches as if the guest ordered a bottle.”

—BOBBY STUCKEY, MS, CO-OWNER, FRASCA, BOULDER, CO

**“With only 24 tables, we have the luxury of pouring glass wines at the table, which I do think has become a trend these days.**

Because guests may not be familiar with a lot of our wines, telling them about the appellation, varietal, producer, and vintage with the bottle in hand at the table is an excellent way to enhance their experience and memory of the wine. All our servers have tasted the two dozen or so wines we offer by the glass and are highly knowledgeable.”

—CHAD ELLEGOOD, SOMMELIER, TRU, CHICAGO, IL



## BUSINESS OF THE BUSINESS

## The Trend of Buying Locally

As interest in sustainability increases, restaurateurs and chefs across all restaurant segments are buying more from local farmers and producers. According to National Restaurant Association research, **87% of fine dining and approximately 75% of family and casual dining restaurants now serve some items that have been grown or produced locally.** Peter Hoffman, chef/owner, Savoy, New York, NY, has been buying at farmers' markets for years primarily because everything tastes so much better. “I've always liked being inspired by what is fresh and truly seasonal – it's a very exciting way to work,” he says. “Plus, by developing relationships with local farmers, there is added security in knowing how your food is grown and produced as well as an understanding about how farming practices impact flavor and nutrition.”

**“I'm doing my small part because I can't not do it; it doesn't feel right. The more I'm cognizant of my community and our environment, the better I sleep at night.”**

— NEAL FRASER, CHEF/OWNER, GRACE, LOS ANGELES, CA

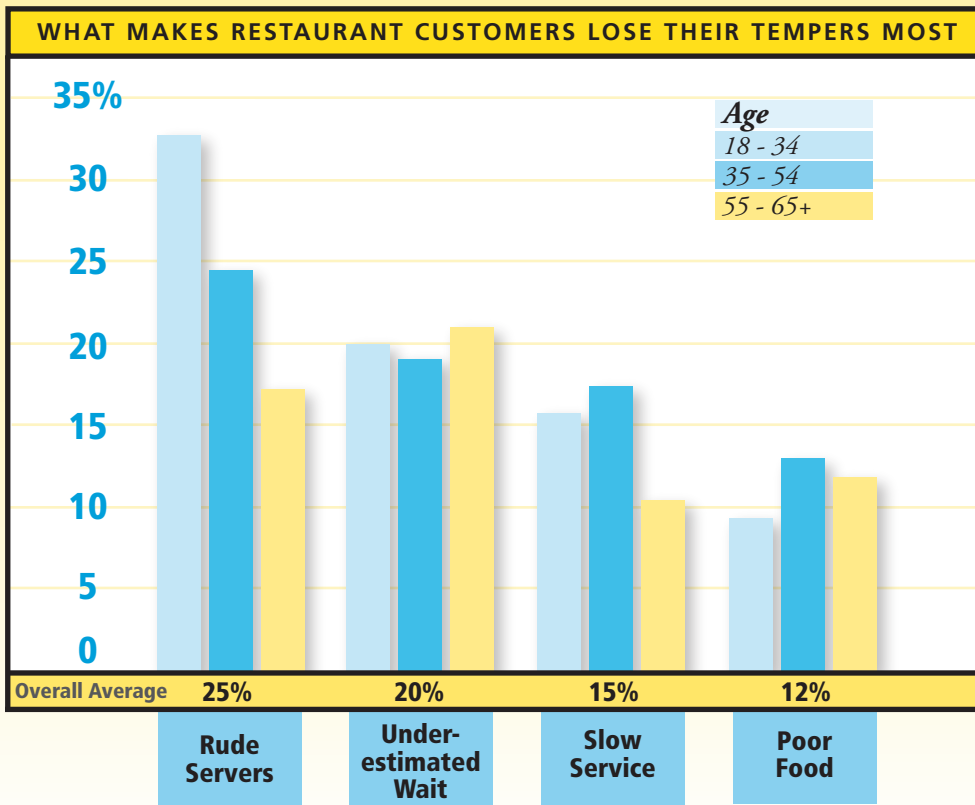
**“Buying locally takes dedication; it's more work than simply picking up the phone,”** explains Meghan Sheradin, exec. dir., Vermont Fresh Network (VFN), a membership organization that promotes purchasing partnerships between farmers, producers, and chefs. VFN chefs are required to buy from a minimum of three local producers, one of which can be a distributor who obtains product locally. (Meghan says more and more distributors are buying from local producers, which makes purchasing locally a little easier and less time consuming for chefs.) VFN chefs are also encouraged to visit the farms as well as invite farmers to visit their restaurants. “It helps each party to understand what the other is doing, and it's important to form relationships,” notes Meghan. Ann Harvey Yonkers, co-founder, FreshFarms markets in the Washington, D.C. area, agrees that meeting face to face is very important. “Chefs and growers need get to know one another to develop trust so they have the patience to work things out when issues of supply and/or quality arise.” Just the same, adds Peter, “Sometimes there are glitches – the weather doesn't cooperate, the farmer sells what you want to someone else, etc. – so you need to be able to adapt your menu easily and quickly. Take small steps in the beginning – start with herbs which are easy to transport and can punch up the plate with local flavor.”

**A growing number of chefs take the relationship one step further and work with farmers to grow especially for them.**

“Buying locally is a differentiating factor for our company,” says Brooks Broadhurst, vp food and beverage, Eat'n Park (80 restaurants headquartered in Pittsburgh, PA). “Our goal is to have 20% of the products we use come from local farmers and producers, especially produce from 120 miles away or less. But for an operation our scope, we need consistency and quantity.” So, through their produce distributors, Eat'n Park works with local farmers to supply specific products, including tomatoes of a certain size. “In February we meet with local farmers from whom our distributors buy to explain in person what we need and why. This helps the farmers understand the challenges we face,” says Brooks. “We worked with local dairies to eliminate the use of hormones because Eat'n Park serves only hormone-free milk. They were happy to work with us because they know we're committed to buying from them.” (For information on buying locally, contact Briefing.)



## Service vs. Sustenance



Source: Opinion Research USA telephone survey of 1,025 U.S. adults. One of a monthly series of “Ouch Point” surveys measuring the tolerance Americans have in scenarios they face in their daily lives.



## Happy Anniversaries

Restaurants around the USA are using their anniversaries as a way to thank customers and stimulate new business.

Sandrine’s Bistro, **Cambridge, MA**, marked its 10th anniversary with a year-long celebration featuring a monthly \$10 special (food with wine) at the bar. “We wanted to get the word out that Sandrine’s has been here for 10 years and to build bar business,” says Chris Lyons, Chris Lyons Communications. “Not only did bar business quadruple, but many people stayed for dinner.” Chris adds that they continued the promotion this year, increasing the price to \$11. . . .The week-long celebration of the 16th anniversary of The Palace Cafe, **New Orleans, LA**, began with a jazz brunch and complimentary pink Champagne (which was given out all week long and provided by a supplier). Brunch guests received a gift box with a thank you note and a certificate for a complimentary

appetizer or dessert; one box had a certificate for a chef’s dinner for six. To date, 20% of the certificates have been redeemed. . . .To celebrate its 55th anniversary, Kelly’s Roast Beef, **Saugus, MA**, held a sweepstakes for a trip for two to Ireland, tickets to Boston Red Sox games, and Kelly’s gift certificates. “More than 7,500 people entered and gave us their contact info,” says Sheri Saperstein Richberg, president, Sugar Strategies, who managed the promotion. “A soft drink company and a travel agency provided some of the prizes” . . . .XO Steakhouse, **Providence, RI**, had a month-long celebration for its 10th anniversary. “We launched the celebration with a cocktail party for 120 people, inviting our best customers, some we hadn’t seen in a while, and favorite staff who had moved on,” says Tracy Rush, director of communications. During the month, XO featured ‘97 vintages, retro cocktails, and special menus created by past and present chefs.

Issues related to food rank well behind service when it comes to what most upsets people in restaurants, according to a recent survey by Opinion Research USA. At the top of the list – with potentially the most damaging consequences – is impolite servers, with far more women (31%) citing the issue than men (18%). “It isn’t that men are less sensitive,” says Jeffrey T. Resnick, pres., Opinion Research USA. “It’s that women are far less tolerant – they feel there’s no excuse.” The survey also reveals a gap between older and younger age groups. About a third (33%) of 18-34 year olds cites rude wait staff as their chief complaint, compared to only 17% of those 55-65+.

“We’ve seen some major themes emerging in our research, and one of them is that we all want to feel valued and to be treated with respect. This is an important issue for restaurants to address. Ask your staff – many of whom are in the age group most sensitive to this – to think about how they would want to be treated themselves,” advises Jeffrey. Respect factors in to the second chief complaint – inaccurate wait times. “Call it truth in advertising or truth in promise, we find that armed with full disclosure, people are a lot more understanding and tolerant of situations.”



*“Kelly’s 55th anniversary sweepstakes got a lot of media coverage – some national, but mostly in local papers, which helped us build our e-mail database and drive business.”*

– SHERI SAPERSTEIN RICHBERG, PRESIDENT,  
SUGAR STRATEGIES



## Getting a Sense of Communities

The Internet has given voice to millions through countless public message boards, blogs, social networks, and media-sharing sites. Individuals use these public forums to express themselves – and while companies can learn a great deal by monitoring what is being said and/or hosting interactive blogs or message boards, some are leveraging the power of the Internet to connect and build relationships with influential customers. **Companies who understand the benefit of reciprocal relationships with customers are getting in the conversation.** They are sponsoring private online communities in which they not only maintain a dialog with customers but also nurture conversations between them. **As a result, they gain insights about what drives their behaviors, and about the attitudes and emotions that bond them to a brand.**

**“Members in our communities love the idea of being consulted and, even more, the notion that they are being listened to – that their voices are important.”**

– JULIE WITTES SCHLACK, SVP, INNOVATION AND DESIGN, COMMUNISPACE

Private online communities are fruitful for many reasons. They are limited to those who are invited, typically in the hundreds. “For companies that truly want to connect with their customers, smaller may be better,” explains Julie Wittes Schlack, svp, innovation and design, Communispace, which creates and manages private communities for dozens of Fortune 500 companies. They are also password protected and fully transparent – participants know to whom they are talking (the sponsoring company) and with whom (participants are known to each other). **“Because private communities are secure and more intimate, this creates an atmosphere of trust and yields more candid insights** – as does the fact that our communities typically last a year or more so people get to know each other,” says Julie. Private communities are also facilitated, which helps ensure that everyone’s views are respected. “Moderators keep the conversation lively, pose questions, and bring up new topics to engage members in relevant conversations,” says Julie. Sometimes moderators just observe exchanges, hoping to gather insights, identify unmet needs, and understand emotions. “Many conversations are driven by members discussing their experiences and feelings,” explains Julie. “And companies benefit from these unsolicited ideas and feedback.” Moderators also keep members informed about how their feedback is being used. **Letting customers know they’ve been heard increases feelings of trust and respect, and when they feel their opinions matter, they become vested and more loyal – all leading to a deeper connection with the company.**



## Communicate That You Care

**Trend:** The percentage of Today’s Consumers who say that service people don’t care much about them or their needs most of the time has spiked from 52% to 63% in two years. While half says that it’s usually a waste of time to complain to a big company, 37% did anyway; around the same percentage (33%) told friends or co-workers not to buy from a company with which that they had a bad experience.

**Opportunity:** Communicate that you care and are willing to listen. Servers, hosts, managers, etc. should be accessible and should ask meaningful questions – not a passing, “Is everything O.K.?” Provide comment cards with an electronic feedback

option and/or a toll-free number. Some customers remain silent (but can be deadly after the fact). Train staff to look for clues – body language, plates half eaten, etc. – and be proactive. Open up channels internally – create an environment where staff members are comfortable passing along what they see and hear quickly and with positive consequences, even if they were involved.

**Caution:** All is lost if you pay lip service to feedback. Acknowledge each and every comment, even if only to say that guests have been heard and, if it is a negative comment, that you’re sorry they didn’t have a better experience.

Trend Source: Yankelovich MONITOR®

## E-mail Timing Is Everything

With e-mail, restaurants can be in touch with their customers quickly and easily, but it’s important not to abuse the privilege by doing so too frequently. Restaurants can also err by not communicating enough. “If your subscribers hear from you only once every six months, don’t be surprised if you see them just as infrequently,” says Gail Goodman, ceo, Constant Contact.

**“The frequency and timing of e-mail marketing communications will be different for every restaurant,”**

says Gail. “Test variables and then monitor feedback and unsubscribe requests, which can help you understand what works.

Then make a plan – it may change, but you’ll have a strong foundation.

**It’s important to send communications on a regular schedule.”**

Fishbowl Marketing helps clients plan an annual calendar to drive traffic as well as keep up a flow of communication.

“We recommend a combination of three basic types of mailings,” says Andrea Von Utter, chief marketing officer. The first is loyalty-driven. “When customers join the e-club, we acknowledge it with a gift – a free appetizer, etc. We reach out pretty quickly,” she adds. “It’s the next day for an e-mail registration; if they enrolled in store, it’s a week or two.” Gail underscores the importance of a quick initial response. “If you wait too long, your list and the permission you fought hard to obtain can become stale.” Fishbowl sends two other types of loyalty e-mailings annually – for a customer’s birthday and for the anniversary of their enrollment.

Andrea says that most of their casual dining clients can see a positive return on the program just from the loyalty mailings. “Of course, we encourage restaurants to send more to keep in communication with customers,” she says. So, the second category is monthly mailings, tied to holidays or occasions, and the third is special event promotions as needed to market wine dinners, special entertainment, etc. **“Focus on informing guests about anything specific that’s going on in the restaurant and remember that not every mailing needs to be a coupon or gift – just a reason to visit,”** Andrea says.



## Taking Your Best Food Out

As convenience continues to be paramount for consumers, more restaurants are offering takeout. While takeout brings in incremental revenue, it isn't without risk – a bad experience can reflect poorly on the restaurant overall. Things to consider:

**Offer a limited menu of those items that travel well, but be prepared to give customers what they want.** “Our takeout menu features items we've tested to be sure they transport well – raw and fried foods are not included,” says Jeff Tenner, executive director of culinary operations, Legal Sea Foods. “If customers ask for fried dishes, we try to steer them away by saying these items are best enjoyed in the restaurant. Of course, if they insist we will package them for takeout.” Bistrot Margot, Chicago, IL, discovered that as its takeout business grew, customers began asking for items not listed on its limited takeout menu – their favorite frites and onion soup. “This forced us to figure out how to maintain the integrity of these items for takeout,” says Joe Doppes, owner. “A food runner came up with the idea of wrapping the frites loosely in butcher paper so air can circulate to keep them crisp.”

**“Offering great takeout is a continual process of testing and tweaking menu items and researching packaging.”**

– MIKE THOM, DIRECTOR OF CULINARY RESEARCH/DEVELOPMENT, OLD CHICAGO

**Optimize menu items for takeout.** “We've found that by slightly undercooking protein it reaches the proper temperature in our takeout containers,” says Joe. He adds that breads are sent out whole rather than sliced and vegetables are blanched and reheated slightly so they finish cooking in the container. When takeout customers at Old Chicago restaurants complained that the lasagna noodles were too soft, Mike Thom, director of culinary research/development, found a better noodle that stands up to reheating and freezing (customers also wanted to buy whole pans to have on hand at home), and they're using it in house as well. Mike says that while testing in house is important, the best and final test is having friends and neighbors order and report back.

**Package food well and provide instructions.** “We find using an individual container for the entree, another for the side dish, and not dressing the salad allows food taken out to retain its quality and individual flavors,” says John Arents, gm, Sola, Chicago, IL. Macaroni Grill adds a label containing heating and food safety instructions to each item, which also advises customers not to heat up the dish after three or four days. Instead, the label reads, “It's time to toss this and come back to Macaroni Grill.”



## GREAT IDEA

### Can You Read Me Now?

Sapa Restaurant, Bar and Lounge, New York, NY, offers customers the opportunity to receive special offers and event announcements via text messages sent to their cell phones. “Cell phone numbers are a lot more sacred than e-mail addresses, so to entice people to enroll, we have a monthly drawing for a \$500 bar tab with the winner notified by text message,” says Brian Matzkow, owner. Over 1,200 people have signed up via cards given out in house and on Sapa's Web site. “The beauty of text message marketing is that it can be last minute and it is instant,” Brian explains. Recently when Sunday brunch reservations

at the bar were low, he sent out a text message offering unlimited brunch cocktails for patrons dining at the bar, which resulted in a waiting line an hour later. The first customers arrived within 15 minutes saying they had been deciding where to go when the text message came in. “I try not to text more than twice a month and to keep the messages fun,” says Brian. He has hired a company to manage and track responses to individual offers, however, he executes the text messages himself. (Note: When customers sign up they must check a box that says they understand standard message rates of their carrier may apply.)

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#### Briefing Editorial Office

505 Court Street, Suite 3H, Brooklyn, NY 11231

Telephone 800.342.2788 Fax 718.237.2882

e-mail: [briefing@mindspring.com](mailto:briefing@mindspring.com)

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