

WINNING CONCEPT SOLUTIONS FOR HOTEL RESTAURANTS IN 2009

We would like to share our cost effective concept conversion solutions for the most common challenges hotel restaurants are facing today. In this article we will explore several case studies of how to convert your restaurant, be it steak or 3-meal, from an amenity into an asset. The basic strategies are; Reduce, Reinvigorate, or Rebrand, which solution is right for your property?

REDUCE

Some properties are left with too much capacity in food and beverage and need to partially close their outlets and rework the existing concepts to continue to meet a variety of guest's needs without getting lost in the "generic trap".

REINVIGORATE

Restaurants that are basic and sound but lack any personality are in need of an operational based rethinking of the concept; rework your menu offerings, ingredient protocols, menu presentations, and service engagement which may require a lite remodel and occasionally a name change as well. Seek to create unique points of difference that materially impact the guest's experience and keep the venue relevant and vibrant.

REBRANDING

When an operational overhaul is not enough, a reinvention is in order, may include the name, menu, FF&E and smallwares. In today's market, we try to avoid a "gut and chuck" remodel that may be cost prohibitive, we take a "Hermit Crab" approach to development concepts that are well positioned to crawl into the existing space and reuse much of the existing shell.

CASE STUDIES

We will explore some case examples that explore solutions that are prescribed for the most common challenges operators are faced with today.

REDUCE CAPACITY

Situation:

The hotel's occupancy is down, there are limited opportunities for external demand, and you simply have too many available options for your guest population.

Solution:

It is important to take full inventory of your options first, use 8 simple steps to define your brand located on www.cultivationcorps.com, and then analyze the market potential for your restaurants. If you can't create external demand are there third party operators that might lend their name or take over operations? Any solution needs to reduce overheads, maximize sales opportunities, and still meet the hotel guest's needs. In some cases you may be closing or reducing your fine dining service in others you may be focusing your fine dining restaurant to serve breakfast as well. Any solution will likely require you to rethink or rework the operations that survive the cut.

REINVIGORATE = PERSONALITY UPDATE

Situation:

You have a venue that is in good condition and reasonably positioned, but simply has no personality. Often concepts lose their way with the changing of the guards or a design that is too safe. If the team has forgotten what the brand stand for and are not meeting the brand's own standards for excellence it is time to refocus the brand.

Solution:

The solution is an operationally driven change, refocusing the concept and outlining how to create a new guest experience by focusing on the small details that cumulate to make a big difference. Leverage your team of experts to work together and use our branding tree process to redefine the root beliefs. Also go to www.cultivationcorps.com to find 8 simple steps to define your brand. Generally this process does not require much in the way of remodeling rather a refocusing of the concept through numerous small projects.

REINVIGORATE = STEAKHOUSE REVIVAL

Situation:

In response to reduced business travel and entertainment budgets, many steakhouse operators are facing a 20+% decrease in sales. These venues are often left with largely empty dining rooms and lack a compelling alternative to formal high priced dining.

Solution:

Add a high quality “snack” bar to reengage guests with two compelling venues to meet a wider variety of needs. Convert part of the dining area to bar area to reduce the fine dining capacity and increased the bar experience to create a demand generator with lower point of entry. The main steakhouse menu remains largely the same except for the addition of some lower entry points. This high/low pricing strategy makes it more approachable without forgoing the quality steaks for which the brand is known. The “snack” bar includes items that can be eaten with your fingers and are made for sharing with friends.

Conversion Requirements:

Often the overall image of the space may remain similar and may require some construction to readjust the bar and dining area as well as reworking that FF&E in the bar area. Additional changes may include the menu and marketing strategy.

REBRANDING = “CASUALIZATION” OF FINE DINING RESTAURANT

Situation:

Many fine dining venues are perceived as being too expensive, too formal, or as “dated”; these are great candidates for conversion to localized concepts that are fresh, vibrant, and contemporary, offering recognizable menu items that are timeless in appeal.

Solution:

Feature fresh localized cuisine prepared using traditional methods, contemporary innovative presentations, and local ingredient protocols that appeal to the modern high-end casual market (affluent 35-55 years demographic). The menu can be scaled up or down to meet the market requirements while maintaining a healthful, fresh, contemporary experience.

Conversion Requirements:

There are often many assets that can be utilized from the existing concept and the menu can be adjusted to suite the space. Sometimes concepts need a culinary anchor and require a kitchen modification to include a wood grill, gas flame oven, smoker or rotisserie. This establishes the concept around a signature point of distinction that may be required to maintain a signature restaurant. The room may need paint and carpet or new furniture depending upon the existing concept. These decisions are obviously determined on a case by case basis.

REBRANDING = BREAKING THE 3MEAL A DAY OUT OF THE GENERIC TRAP

Situation:

Many hotel 3-meals a day restaurants are dated, generic, or out of touch with current trends and have given up on being anything more than a basic amenity. These are not enticing enough to attract consumers beyond the captured hotel guests. Now that occupancy is down and guests are spending less, it becomes critical that these venues increase your capture rates of hotel guests and create an external draw if possible.

Solution:

Replace concept with a restaurant that connects with today's consumer and entices them with dependable classics done right. The ambiance has to be hip enough to work at night which is a very discretionary spend versus breakfast. In addition to the concept and ambiance focus on selecting ingredients and menu items that appeal to today's quality oriented guest yet understand that just because guests may be affluent doesn't mean they want caviar and foie gras at every meal. What never seems to change is consumers' desire to eat fresh, local, healthful, and comforting foods. This timeless concept is kept fresh with classic design and ongoing culinary innovation.

Conversion Requirements:

When you dine in your restaurant can you tell if you are in Dallas, Detroit, or Moscow? Does it have a generic feel? Predictable menu? Lacks signature items? Often much of the infrastructure can be utilized with the addition of features that touch the guest from table top items, menu offering, menu design, and culinary systems that break out of the predictable and ordinary.

ANALYSIS PROCESS

The strategic process begins with a hands-on assessment of the local market, identification of guest profiles, and inventory of the bones of the existing venue. Interview management, visit the local trading area, and work to understand the situation in depth. From this determine the ideal conversion concept for your location.

Analyze the following characteristics and attributes of the existing property to evaluate the conversion:

- Key guest profiles, needs, and implications for concept
- Competition, price, quality and value benchmarking
- Demand drivers, identify growth opportunities
- Key attributes of facility, physical plant general conditions, kitchen facilities (open, closed, equipment), existing assets, FF&E, smallwares, etc.

For more free help with this process go to www.cultivationcorps.com and download 8 simple steps to define your brand and those looking to Redo their existing restaurants you can download and read about Hermit Crab concepts.

David Dodson provides hotels with solutions for their restaurant concepts including revitalizing existing concepts, crafting new concepts and licensing signature chefs. His clients include luxury hotels, casinos, chef personalities, and mixed use developers. For more go to www.cultivationcorps.com David Dodson 650-200-7990

