

7

Communication Channels

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- Communication Channel Overview
- Traditional Communication Channels
- Internet-Based and Wireless Communication Channels



CHAPTER LEARNING OBJECTIVES

After completing this chapter, you should be able to:

- Identify the principles of effective print-based advertising.
- List the principles of effective broadcast-based advertising.
- State the principles of effective mail-based advertising.
- Summarize the effective use of Web sites and email in marketing.
- Explain the importance of social media in marketing.
- Describe the importance of cell phone applications (apps) in marketing.

KEY TERMS

broadcast communication channels, p. 156

cell phone application (app), p. 167

communication channels, p. 152

contacts, p. 165

direct mail, p. 153

frequency, p. 160

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CASE STUDY

“It doesn’t make sense to me that we would create a special ‘Summer Fresh Menu’ and then not tell our customers about it,” protested Harry, the chef at the Point’s End restaurant.

“Our customers will find out about it when they come in,” said Lucy, defensively. Lucy was the establishment manager and in charge of its marketing efforts.

“But that’s just my point,” Harry continued. “Part of the reason for creating this seasonal menu was to draw in new customers. New customers won’t come in to try the menu if they don’t know about it.”

“OK,” said Lucy, “we do have some funds in the marketing plan that we could use for advertising the menu. I will just have to decide on the most effective approach.”

“I think you should decide soon,” replied Harry. “We’re launching the new menu next week!”

1. Is Harry correct that the Point’s End restaurant has an important new message that should be communicated to its current and potential guests?
2. How might Lucy’s decision regarding how to communicate the “Summer Fresh” menu to guests impact the establishment’s financial goals?



RESTAURANT TECHNOLOGY

Communication is by far the most common use of the Internet. From the earliest days of email and chat rooms, users relied on the Internet as a fast and convenient way to talk to each other. Today, managers can use the Internet and other forms of electronic communication to speak directly to their customers.

In the past, customers used word of mouth to tell others about their dining experiences. Today, the Internet offers consumers a variety of communication tools to recount dining adventures. When managers use the Internet to send messages that attract customers and then deliver on their promises, the customers use “word of mouse” to relay to others their positive dining experiences.

COMMUNICATION CHANNEL OVERVIEW

Restaurant and foodservice managers must develop good products, price them properly, and establish excellent service standards. But they must also communicate to potential customers about their establishments. To do so, managers develop a marketing plan that guides their communication efforts. That marketing plan involves determining the establishment’s **communication channels**, or the means by which a business talks to its customers. In the past the communication channel was seen as being one-way, from the operation to its customers. Today, communication channels also include ways for customers to talk to businesses.

Determining the most effective customer communication channel begins with planning the message. First, consider the purpose of the message and the desired response. In most cases, the desired response is simply that customers will visit the operation. But there are other reasons to communicate. Consider, for example, the manager who wishes to implement a program that thanks frequent diners for their business. In this case, the primary purpose of the message is to demonstrate appreciation to good customers.

Remember that to be successful, a message must be clear and concise. If not, customers will not receive the intended message and will not react to it.

A commonly used model for creating effective messages uses the acronym *AIDA*:

- **Attention:** Get the audience’s attention.
- **Interest:** Interest the audience in the message.
- **Desire:** Create a desire for the product or service.
- **Action:** Prompt the audience to take the desired action.

Adherence to the AIDA principles will ensure the message is concise, yet effective.

In addition to the message itself, managers must consider a few other message-related factors:

- **Promotional messages of competitors:** A successful promotional message is one that is unique and specific. Managers should monitor their competitors’ promotional messages and advertising and avoid duplicating those messages.
- **Regulations regarding truth in advertising:** Managers must know what they can and cannot say or portray. The Federal Trade Commission (FTC) specifies that “advertising must be truthful and nondeceptive.”¹ Advertisers must have evidence to back up their claims and advertisements must be fair. For example, if a manager is making claims

¹From business.ftc.gov/documents/bus35-advertising-faqs-guide-small-business (accessed December 3, 2011).

related to nutrition, they need to understand what can be categorized as “healthy.” In addition, they must be familiar with any state and local advertising-related regulations.

- **Brand image of the establishment:** A message should align with the establishment’s concept. For example, a quick-service restaurant and a fine-dining establishment need to convey very different images. The use of media, color, and music in messages all affect customers’ perceptions of an operation and its image.
- **Optimal use of the communication channel:** Each communication channel has things it does well and things it cannot do or does poorly. For example, radio does not allow the opportunity to use visual images. Outdoor advertising cannot be used to communicate with small target audiences. The right communication channel should always be selected to communicate the right message.

The previous rules hold true for all marketing messages, regardless of the communication channel. However, as noted in the final item, each type of communication channel has its own special guidelines. Communication channels can be broken down into traditional and interactive channels. Traditional channels include newspapers, magazines, flyers, telephone, radio, television, and **direct mail**, which is mail sent to the home or workplace of potential customers. Traditional communication channels generally can be broken into three broad subcategories: print, broadcast, and media.

Interactive channels leverage rapid technological advances, including the Internet and wireless communications, and consist of several subcategories including websites, social media sites, and cell phone applications.

Regardless of the methods used to communicate with customers, the operation’s messages must be clear and cost-effective.

TRADITIONAL COMMUNICATION CHANNELS

Print, broadcast, and mail are effective forms of business communication. Experienced restaurant and foodservice managers carefully consider the use of these traditional tools as they seek to inform their target markets about the products and services available to customers.

Print

Print is one of the oldest forms of communicating with customers. The main goal of any print advertisement is simple: Make the reader *want* to read it. Understand that few readers will want to read an ad about a business. Instead, readers are more interested in what a business can do for them. While this principle applies to any communication channel, it is especially true of printed materials.

Exhibit 7.1

POPULAR PRINT FORMS

Billboards	Brochures	Calendars	Coupons
Directories	Flyers	Magazines	Menus and menu flyers
Newsletters	Newspapers	Pamphlets	Signs

Print advertising takes many forms. *Exhibit 7.1* shows many of the most popular print forms. Communication experts agree that when dealing with any of these print forms, there are several principles to follow to ensure effective communication.

PRINCIPLE #1: USE A SIMPLE LAYOUT

Readers avoid reading things that are perceived as being too hard to read. If a printed piece looks cluttered, readers will simply turn the page, put down the piece of paper, or look elsewhere. Simple layout also means the use of easy-on-the-eyes type styles and minimizing the number of pictures or images used in the same ad.

PRINCIPLE #2: MAKE THE MESSAGE CLEAR

In most cases, a single idea is easier to communicate than several ideas. The more focused a message can be, the greater the impact of the printed piece.

PRINCIPLE #3: STRESS BENEFITS

Customers buy features to gain benefits. Printed pieces should highlight these features. For example, an operation could use a print ad to describe its quality food or excellent service. The use of graphics in print-based ads can also be powerful. A print ad that includes a picture of a mother serving takeout food to her family communicates the labor savings and convenience of takeout food. It also sends a message of time freed to spend with family. In this and in all other cases, the most memorable print ads explain clearly to customers how the features offered by an operation translate into features that will benefit customers personally.

PRINCIPLE #4: USE PICTURES WHEN POSSIBLE

Print communication may carry large or small amounts of information. Managers should recognize, however, that most people are visually oriented. Readers will remember less than 10 percent of what they read, but can recall

up to 50 percent of what they have seen.² For this reason, the pictures in a print promotional piece are very important.

In advertising, pictures are referred to as **graphics**—visual representations that may include photographs, drawings, numbers, symbols, maps, and diagrams. In the restaurant and foodservice business, photographs of single menu items or full plates of food are common graphics used in print promotional pieces (see *Exhibit 7.2*).

Many people also like to look at photographs of other people. Print ads with graphics showing other people typically draw more attention than photographs of things. The best restaurant and foodservice print ads use real people enjoying real food in real settings.

Exhibit 7.2



PRINCIPLE #5: INCLUDE PICTURE CAPTIONS

Photo captions are the second-most-read part of any advertisement, after the headline. Where it makes good sense, put captions under each photo. A caption is a second opportunity to sell, so it should be written as carefully as the headline of the printed piece.

PRINCIPLE #6: USE COLOR IF POSSIBLE

Many forms of printed material may be produced in black and white or in color. In general, colored print material is more expensive to produce but is better received by readers. The decision to print in black and white or color is often an economic one. However, printers report that their customers feel that materials printed in color have more impact than those same materials printed in black and white.³

²From Terence A. Shimp, *Advertising, Promotion, and Other Aspects of Integrated Marketing Communications*, Seventh Edition (Cincinnati, OH: South-Western College Publishing), 34.

³From www.ebaprinting.com/impact_of_colors_in_advertisements/ (accessed December 3, 2012).

PRINCIPLE #7: PROOF THE AD CAREFULLY BEFORE IT IS PRINTED

Every manager who has ever been confronted by a customer pointing out a spelling or grammar error on the operation's menu knows how embarrassing it can be to make a mistake on an important printed document. Far worse are coupons or ads that contain textual errors that offer unintended discounts. In general, the more individuals given a chance to proofread a printed document, the lower the chance for error. Experienced managers show review copies of print materials to a wide group of proofreaders, including those who are highly skilled in the use of language.

PRINCIPLE #8: TRACK THE RESPONSE IF POSSIBLE

One criticism of print ads is that it is difficult to know how many people have actually read a given ad. For example, a newspaper may have a daily readership of 100,000 individuals. However, it is unrealistic to assume that every reader will read every ad in a given day. Similarly, a printed magazine may have a circulation of 10,000, but this figure does not translate into 10,000 sets of eyes reading the magazine. The number could be many more than 10,000 if the magazine was passed on by its original recipient, or it could be much less if readers tend to not read every page of the publication. For this reason, many managers include calls to action such as coupons to use in a dining establishment, an 800 number to call, or a Web site to visit to track the effectiveness of a given print ad. These mechanisms give managers a better idea of the number of customers who have seen and read the promotional piece.

THINK ABOUT IT . . .

Pick up a recent magazine and page through its ads. Which ads made you stop and want to read them? Which of the principles listed here do you see demonstrated in the ads?

Broadcast

Broadcast communication channels include radio and television, media that were originally broadcast over the airwaves. Broadcast media are effective because they reach very large numbers of customers. Restaurant and foodservice operations have traditionally used radio extensively to reach their customers. Larger establishments and many restaurant chains regularly use television to spread their advertising messages. Sometimes broadcast media are referred to as mass marketing because national and worldwide audiences may view the same messages delivered using a particular broadcast communication channel.

The purpose of a broadcast ad or promotional message is the same as that of a printed one. Both types seek to clearly communicate a message to current and potential customers. However, unlike print advertising, broadcast advertising is subject to monitoring and limitations imposed by the Federal Trade Commission (FTC).

There are three rules that all ads must follow under the Federal Trade Commission Act:

- Advertising must be truthful and nondeceptive.
- Advertisers must have evidence to back up their claims.
- Advertisements cannot be unfair.

In general, an ad will be determined to be deceptive if it is likely to mislead consumers acting reasonably under the circumstances and if the deception itself is “material”—that is, if it is important to a consumer’s decision to buy or use the product. For example, if the number of calories in an entrée item is listed, the seller must have specific data supporting the statement.

In general, an ad will be determined to be unfair if it causes or is likely to cause substantial consumer injury that a consumer could not reasonably avoid and it is not outweighed by the benefit to consumers. Radio and television stations are required to ensure that commercials meet FTC standards before agreeing to broadcast them.

In addition to the FTC, other agencies regulate various aspects of food advertising. Each state has consumer protection laws that govern ads broadcast in that state. The Food and Drug Administration (FDA) oversees food labeling, and the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) has jurisdiction over alcohol labeling and advertising. Alcohol ads by their content or placement may not be directed to underage consumers. Some broadcasters and publishers place additional restrictions on where or when alcohol ads can run. Finally, there are also special regulations related to the use of words such as *lite*, *low-calorie*, and *healthy*. Some of these important and legally defined terms will be addressed in detail in chapter 10.

When managers decide to use radio or television as their communication channel, they purchase a spot. A **spot** is typically a 15- or 30-second broadcast time period on either radio or television, although occasionally it may run up to 60 seconds. In most cases, the longer the spot, the more it will cost to broadcast it. In addition to length, however, there are a variety of factors that affect the cost of a radio or television spot:

- **The popularity of the station broadcasting the spot:** Spots on very popular stations cost more than spots played on less popular ones.
- **The number of viewers or listeners who will likely see or hear the spot:** Spots during radio and television programs with high listener or viewership cost more than the same length of spot played during a less popular program.
- **The time of day:** Radio spots are most expensive during early morning hours and late afternoon hours, when the number of listeners is highest. Television spots cost most during “prime” viewing times, generally during evening programming.

Manager’s Memo

For guidance on how the FTC evaluates claims made in food ads, managers should contact the FTC to ask for a free copy of the *Enforcement Policy Statement on Food Advertising*.

For information about food product labeling, managers can visit the FDA’s Web site (www.fda.gov) or call the FDA Inquiry Line: 1-888-INFO-FDA.

For information about advertising related to meat and poultry, managers can visit the Department of Agriculture (U.S.D.A.) Web site (www.usda.gov) or call the USDA’s Center for Nutrition Policy and Promotion: 202-418-2312.

- **The number of spots purchased at one time:** Like many businesses, broadcasters frequently offer significant discounts to large-quantity customers. Thus, the price per spot is likely to be much lower for a manager purchasing 20 spots than for the same manager purchasing only 2.
- **The number of spots purchased over time:** Again, like many other businesses, broadcasters often offer lower prices to customers who buy regularly from them than to customers who buy only on rare occasions.

RADIO BROADCASTS

Just as there are principles for using print communication channels, there are principles that guide the use of broadcast channels. Managers developing radio ads should follow these five principles:

Principle #1: Get the Listener's Attention Immediately. In a radio ad, a business has only a few seconds to create listener interest. Many radio listeners are multitasking while listening to the radio, such as driving or working. For that reason, an effective radio message must grab the attention of the listener quickly and must maintain it throughout the spot.

Principle #2: Picture the Listener. Consider that the listener is standing right in front of the announcer who is delivering the message. A good radio spot should convey all the personality and enthusiasm present in a personal conversation. If the radio voice sounds insincere, mechanical, unenthusiastic, or lacking conviction, it will have a negative impact on the message being communicated.

Principle #3: Read Proposed Copy Aloud Prior to Broadcasting. Just as it is important to proof copies of printed material, it is critical to listen to the radio spot before it is broadcast. People do not usually talk the same way they write. To illustrate, the first sentence that follows is grammatically correct, but formal. The second sentence is casual, the type of statement a friend might make to another friend in a quick conversation.

1. It is truly the best steak that I have ever eaten!
2. It's the best steak I ever ate!

Note that the formality and familiarity implied by the speaker of each statement is quite different. Each could, perhaps, be appropriate in a properly constructed radio spot, but the choice of which to use is one a manager should make only after hearing each of them read aloud, in context.

Principle #4: Summarize the Message. A radio ad should summarize its single most important point at the end of the message. Of course, that assumes the listener has been sufficiently interested to stay tuned throughout the entire message. Summarizing the message is done to enhance message retention and explains why so many broadcast advertisements end with a statement that starts, “So remember . . .”

Principle #5: Make Ads Stand Out. Radio ads work best when they create mental images for the listeners. Listeners may picture themselves eating dinner in a beautiful dining room or on a relaxing outdoor patio with a beverage. They may even picture themselves splurging on an item for which they have been saving money. But these mental pictures develop only when a manager is able to make his or her ad stand out from the barrage of other ads listeners hear in a given day. The use of music or other sounds, humor, irreverence, and clever writing are all methods those who produce radio ads employ to make their ads stand out, be memorable, and be effective.

TELEVISION BROADCASTS

Because of television’s ability to convey visual images, the broadcast principles for this medium vary somewhat from those of radio. There are four television-specific principles managers should follow:

Principle #1: Choose Programming Partners Carefully. Managers communicating via television should carefully match the networks and programs on which they are advertising with their own brand image and with their target customer demographics. Most basic cable networks offer a wide variety of programming to fit the needs of viewers. Managers can capitalize on the growing number of television stations to direct their messages to specific groups. For example, an establishment has created a new “Healthy Fresh” summer salad menu featuring seasonal and locally grown fruits and vegetables. The establishment manager wants to communicate this fact especially to female customers. In this case, choosing a network whose viewership is targeted more toward women could effectively capture that audience.

Principle #2: Look Professional. Broadcast network advertising can be expensive, but managers should not skimp on production costs in this media any more than they would skimp on print costs. Television viewers are sophisticated and will reject commercials that are badly scripted or poorly produced.



MANAGER'S MATH

Tammy is the manager of Armand's Hyde Park restaurant. She is considering buying spots on a popular local radio station. The station manager is offering Tammy two different packages. The first package includes 20 spots of 30 seconds each. The second package includes 50 spots of 30 seconds each. The first package sells for \$1,000, whereas the second package sells for \$2,250. In each case, the ads will run during the same time periods and on the same days.

1. How much will Tammy spend per spot if she purchases the first package?
2. How much will Tammy spend per spot if she purchases the second package?

(Answers: 1. \$50 per spot; 2. \$45 per spot)

Principle #3: Understand Reach and Frequency. In broadcasting, **reach** is the estimated number of unduplicated audience members that tune in to a particular channel or program at least once during a reported time period. **Frequency** is the average number of times a single viewer is exposed to an ad during a given time period. Many experts believe a television commercial must be seen multiple times if it is to achieve its maximum impact. Therefore, careful consideration of these two similar, but not identical, terms is essential because both are used often in reference to broadcast advertising.

Principle #4: Show, Don't Just Tell. Like radio, television lacks the ability to effectively measure response to its ads. It can measure viewership, but not the subsequent action taken by those viewers. It is essential that the medium does what it does best—present a visual image. Television is a visual as well as audio form of media. The importance of using television to “show” as well as “tell” is continually affirmed by those who use television to creatively tell their story using pictures and sound.

The geographic scope of television advertising ranges from advertising within localized communities using local-only channels on cable stations, to coverage using nationally distributed channels such as ABC, NBC, CBS, and FOX. Regardless of the broadcast partner, managers have a powerful communications ally when they choose to broadcast their promotional messages.

MAIL

Direct mail is one of the easiest communication channels to use. Unfortunately, it is also one of the most often misused channels. **Junk mail**, the type of mail that is routinely seen as a nuisance and that is often discarded without opening, is not an effective communication device. But traditional direct-mail services can be creatively combined with high-quality print pieces to create and send items such as personal letters, flyers, newsletters, and coupons.

With the advent of email, some managers may feel using traditional mail services no longer makes sense as an effective way to reach customers. Other managers, however, recognize that an effective mail piece can be a very powerful way to communicate a message.

The principles of creating print-based communication pieces covered previously apply to items mailed to customers. There are several additional principles to consider when using the mail communication channel:

Principle #1: Handwrite Addresses. Hand writing addresses on mailings sent to smaller groups of targeted customers make a mailer stand out from the stacks of junk mail potential guests regularly receive. Fairly or unfairly, preprinted

address labels shout “mass mailing!” and “junk mail!” In contrast, addressing by hand adds a personal touch.

Principle #2: Use Colored Envelopes. Because most mail comes in white envelopes, colored envelopes immediately seize a recipient’s attention. The use of colored envelopes is a very simple and low-cost way to make mailings stand out.

Principle #3: Use Real Stamps. Put stamps on the envelope (instead of using a meter) for the same reason addresses should be handwritten—to personalize the mailing. This principle is even more effective when the stamps have food or travel themes related to the hospitality business.

Principle #4: Keep a Consistent Look. Keep a consistent look for repeat mailings. Target customers will come to recognize an establishment’s mailings, menus, newsletters, postcards, or other communications on sight.

Some managers will no doubt continue to believe that email has made so-called **snail mail** (the traditional form of mailings) obsolete, but that is certainly not true. When managers take the time to target the right audience and to make traditional mailings interesting and attractive (*Exhibit 7.3*), they consistently discover just how effective mail can be!



WHAT'S THE FOOTPRINT?

Whether it is called direct mail or junk mail, everyone who has a mailbox knows that it is a large and growing problem. Increasingly, eco-concerned customers are opting out of receiving advertising-related mail because of its negative environmental impact.

Junk mail delivered to an “address” rather than an individual used to be seen merely as an annoyance. Today, its senders are just as likely to be seen as doing real damage to the environment, and that is certainly *not* a message establishment managers want to send to their customers!

Exhibit 7.3



Personalized touches help mailings stand out.

Pros and Cons of Traditional Communication Channels

Managers who use traditional communication channels realize that each has its strengths and weaknesses. No one communication channel is perfect for every operation, every situation, or every budget. Managers must select the channel based on a number of considerations. *Exhibit 7.4* summarizes the pros and cons of some of the most popular forms of traditional communication channels typically used by establishment managers.

Exhibit 7.4

TRADITIONAL COMMUNICATION CHANNEL PROS AND CONS

Type of Medium	Pros	Cons
Television	<ul style="list-style-type: none"> • Can target specific markets • Can reach a large population • Provides video and audio • Provides specific timing of ads 	<ul style="list-style-type: none"> • Usually has higher costs • Provides limited time for conveying message • Technology exists that enables viewers to avoid commercials • Is transitory; viewer cannot look at ad again
Radio	<ul style="list-style-type: none"> • Has lower cost • Can target specific markets • May reach a relatively large population • Provides specific timing of ads 	<ul style="list-style-type: none"> • Lacks visuals • Allows limited time for conveying message • Is transitory; listener cannot listen to ad again
Newspaper	<ul style="list-style-type: none"> • Can target a local area • Usually has lower costs compared to other channels • Provides shorter lead time for ads 	<ul style="list-style-type: none"> • Is highly competitive with other ads • Has shorter life span; usually discarded daily • Provides lower production quality
Magazine	<ul style="list-style-type: none"> • Can target very specific markets • Has longer life span • Provides high-quality production 	<ul style="list-style-type: none"> • Provides longer lead time for ads • Is usually most costly print media
Direct Mail	<ul style="list-style-type: none"> • Can target very specific markets • Provides greater control over content 	<ul style="list-style-type: none"> • Requires accurate, timely data • Is easy to ignore • Has high cost per exposure • Creates negative image
Outdoor	<ul style="list-style-type: none"> • Provides high reach rates • Has lower cost per exposure for broad target audiences • Allows targeting an audience by location 	<ul style="list-style-type: none"> • Is ineffective for targeting small markets • Is sometimes limited by local regulations • Has longer lead time for ads

INTERNET-BASED AND WIRELESS COMMUNICATION CHANNELS

While the traditional methods of communicating with target customers are still extremely useful, there can be no denying the increased importance of Internet-based and wireless communication channels. **Internet-based communication channels** include those computer programs that allow for one-way or two-way communication between Internet users. **Wireless communication channels** include those computer-based and non-computer-based systems that deliver information via public airwaves. Today's managers can take advantage of several such systems: web sites, email, social media, and cell phone applications (apps).

For example, if an establishment creates its own Web site and then uses that site to post information about a new fall menu, the operation is using an Internet-based communication channel (Web site) to deliver one-way communication to its target customers. If the same establishment uses a cell phone app that allows customers to give the managers feedback about the proposed menu, the establishment is using a wireless communication channel.

Some Internet-based and wireless communication channels permit two-way communication between a business and its customers. The advantages to businesses of providing two-way communication opportunities are clear. Using the Internet to provide only one-way communication would be the equivalent of a telephone conversation in which the message sender could say anything he or she wished but the person receiving the call could not respond. In the same way, one-way communication approaches do not take advantage of the full range of possibilities that the Internet and many wireless communication options now offer.

It is most likely that managers will continue using traditional communication channels to send messages to their customers. It is equally likely, however, that the use of nontraditional communication channels will continue to grow. For that reason managers should become very familiar with the effective use and management of Web sites, email, social media, and cell phone apps.

Web Sites

Restaurant and foodservice managers have traditionally favored localized communication channels ranging from radio spots to printed telephone directory advertisements. The managers' reason for using these channels was sound: It helps them reach local consumers who are their primary target markets because these individuals are the ones who actually visit the establishment. The use of a Web site broadens the reach of an operation tremendously; however, the fact that Internet users can access a local establishment's Web site across the globe does not mean that the establishment's target market has expanded across the globe.

Manager's Memo

A Web site is useful only if it is seen. Managers can influence the number of times their Web sites are seen by understanding how those who search the Internet are directed to different sites.

Although Google, Bing, Yahoo, and other currently popular search engines may use slightly different methods to direct Web users to the sites of restaurant and foodservice operations, in most cases managers can improve the number of visitors to their Web sites by following three basic approaches:

1. Use words that accurately and uniquely describe the operation for those diners searching for a specific operation type (for example, *steak, Chinese, pizza, or sushi*).
2. Include the operation's location or map for those diners searching for an operation "nearby" the diner's current location.
3. Provide links to complementary Web sites such as local attractions and events for those who may be directed to the operation's site from another site.

The reach of the Internet is important for managers to understand. To illustrate, consider the manager of an Irish-themed establishment who hires a company to increase the quality of Internet search results when potential customers search for "Irish Pub." If the establishment is in a city with a large number of out-of-town visitors, it may make sense to widen the reach of the establishment's Web site beyond the local area. However, if the operation is not catering to tourists, such an Internet presence may be a waste of scarce marketing dollars.

The principles of effective Web design could fill many books. Many of the print-based communication principles used to create effective hard-copy documents, such as using easily readable type and carefully proofreading written work, apply to the onscreen print of an operation's Web site. Similarly, the principles of high-quality television advertising, such as ensuring professionalism in the final product and the effective use of imagery, are applicable to videos posted on a Web site. Because Web sites offer more than just print and videos, there are some additional aspects of managing the communication-related portion of a Web site that managers should understand. These include the placement of critical information on the operation's site:

- Location and driving directions
- Hours of operation
- Menu
- Promotions
- Links or instructions for making reservations (if applicable)
- Links or instructions for placing carry-out orders (if applicable)
- Links to social media sites
- Contact information by email and phone number

Email

Email is certainly one of the most commonly used marketing tools. Like many other technologies unique to the Internet, email communication is sent and received primarily via the use of text and graphics. Communicating effectively involves taking the same care and time involved in creating print-based messages.

When communicating via the Internet, managers must understand that there are risks involved in taking an overly casual approach to communications. Tech-savvy managers understand that every email they write has the potential to be posted across the globe. It is, after all, the World Wide Web! The marketing implications of email communications being posted for millions to see are many. Managers should be careful not to give out personal information about themselves or others. They must be aware of the real risks involved in communicating with people they cannot

see and may never meet in person. It is extremely important to stay professional and to avoid inappropriate humor and sarcasm, as well as commenting on sensitive religious, political, or social issues. Managers can never assume that emails will remain private, so they must be very careful about what they write in them.

Establishment managers should follow proper protocol in the development and distribution of their operation's emails:

- Use the “subject” line to emphasize the main point of the email; for example a “special” or an “upcoming event.”
- Begin with a greeting.
- After the greeting, get straight to the point.
- Remember that the email could be read by, literally, everyone in the world and thus is a public document.
- Be polite and respectful of the reader.
- Keep it short.
- End with a call to action (for example, “contact us for more information” or “book your reservation now”).
- Close by signing the email with the sender's full name and contact information.
- Proofread very carefully before hitting “Send.”

Managers should recognize that there are also ethical and legal issues related to using the Internet for communication. Unsolicited email or other forms of communication is called **spam**. Spamming sends large numbers of unsolicited emails. There are many spammers and the amount of unsolicited email grows daily. Spam costs productivity and may result in potential damage related to fraud and infected files. As a result, consumers are increasingly wary about opening emails unless they are from a trusted source, and spamming has been the subject of legislation in many jurisdictions. Managers using email as a communication device must recognize these concerns and heed them. Managers planning to use email extensively are well advised to seek the counsel of legal advisers familiar with applicable Internet communication-related laws.

Social Media

Increasingly, Internet users participate in social networks. **Social media networks** consist of individuals who stay electronically connected for reasons that include friendship, common interest, romantic relationship, or shared knowledge. Some individuals in a social network, called **contacts**, spend significant amounts of time maintaining the connection. Others may spend much less time.

THINK ABOUT IT . . .

If you received an email from an establishment you had previously visited, would you open it? Would your response be the same if you had not visited the establishment?

From a manager's perspective, the most important aspect of social media is that it readily allows customer-to-customer communication. The result is that managers cannot control this nontraditional communication channel. However, managers should not underestimate how much they can influence it.

Rapidly increasing numbers of customers of all ages consult social network sites prior to making dinner reservations, ordering takeout food, or choosing a pizza delivery company. As a result, those managers who use social media sites most effectively position themselves for success. Those who do not risk being left behind. Managers need to understand how social media networks operate and how they can be effectively used as an emerging nontraditional communication channel.

It is important to understand that communication is the primary reason for the existence of social networking sites. Users of social media sites register to use the sites, create content, connect with like-minded contacts, and exchange information. Creative managers have employed a variety of strategies designed to create an active social media presence to attract large numbers of contacts. Those that been successful recognize that when it comes to having meaningful social media conversations, there must be someone available to communicate. Some managers mistakenly assume a social media page is simply a Web site. However, the two are not synonymous. In most cases, Web site visitors seek information. Social media users seek two-way communication. A social media page that does not allow for two-way communication is unlikely to return positive results.

A second major mistake some managers make is using their social media presence only to advertise specials. In essence, these pages become Web-based flyers intended only to increase sales. While this approach may attract some attention in the short run, this limited use of the two-way communication channel underuses the more dynamic features of social media networks by stifling the ability for customers to provide insight and feedback.

Visitors reviewing an establishment's social media presence want to know about new and exciting things happening at the establishment and how these changes might impact them. Following are examples of the types of information an operation might post on a social media site:

- Descriptions of new menu items
- Lists of daily or weekly specials
- Articles about locally or nationally famous guests who have dined in the establishment recently
- Releases related to the hiring of a new chef, server, or bartender

- Links to positive reviews posted on other social media sites
- Details on events or promotions
- Coupons
- Holiday greetings

Many establishments also now give customers the ability to make reservations from social media sites. This type of information sharing allows customers to feel a part of the operation, which in turn leads to greater customer loyalty.

Viral communication is another characteristic of social media. In traditional communication channels, a business communicates directly with a customer and, perhaps, the customer provides feedback. With viral communication, a business communicates directly with a single user or set of users. Those users share the message with their friends. The message sharing is user driven, as friends share with other friends. The potential for a message to reach more customers is incredibly powerful and relatively inexpensive.

The world of social media, like the restaurant and foodservice world, continues to evolve. The most popular social media sites of today may or may not be the most popular sites of tomorrow. However, it seems likely that social media sites will continue to provide a virtual platform where everyone can communicate more freely. Social media sites can help coax feedback from those who may not be comfortable giving it in person. They may also help members strengthen their social relationships with others. Managers who understand social media networking and seek two-way communications with their guests can take advantage of these networks.

Whether they are in charge of a single operation or a chain, today's managers recognize that social media conversations are a huge and still-growing part of how guests form and share opinions with each other. Being part of that guest-initiated conversation allows these managers to be proactive in shaping how their establishments can advance in an evolving communication environment.

Cell Phone Applications (Apps)

A **cell phone application (app)** is a computer application that runs on advanced cellular phones. A cell phone app is an add-on or collection of data that allows cellular telephones to do things that are usually unrelated to making telephone calls.

The vast popularity of cell phones has created yet another nontraditional communication channel. This wireless communication channel sometimes bypasses the Internet and sometimes incorporates it. In both cases, customer

⁴From shgww.com/archives/885?pfstyle=wp (accessed December 7, 2011).

THINK ABOUT IT . . .

Which social media sites do you use? How would you recommend managers use those sites to effectively communicate with their customers?



BY THE CUSTOMER/ FOR THE CUSTOMER

The complete list of social media sites is ever changing and includes a variety of target-market-specific sites. Here are some of the most popular social media sites of which technology-savvy managers should be aware:

- Facebook
- FourSquare
- Google +
- Groupon
- LinkedIn
- MySpace
- Orkut
- TripAdvisor
- Twitter
- Urbanspoon
- Wikipedia
- Yelp
- Zagat

Current consumer research indicates that nearly 90 percent of computer users look at online ratings and reviews of establishments and nearly 50 percent will refuse to book a reservation without first reading a review⁴

demand and changes in customer lifestyle have resulted in the need for managers to better understand this increasingly popular communication channel.

When dealing with nontraditional communication channels, it is important to keep up to date with recent technological trends and advances. For example, in the 2010s, teenagers in large numbers abandoned the use of email in favor of texting and social media. At the same time, large numbers of older consumers increased their use of email, which, to these users, is still a new form of communication. As a result, products and services geared toward teens may be better marketed through social media and cell phone apps, while email may be the preferred method for reaching older consumers.

Popular apps allow users to surf the Internet, post information to their social media accounts, or play games. Like all communication channels, the goal for a cell phone app is to allow enhanced interaction between a

Exhibit 7.5



business and its customers. Restaurant- and foodservice-related apps allow users to get directions to establishments, preview menus and promotional materials, make reservations, and post reviews to social media sites. Social couponing apps allow users to download discount coupons directly to their phones, rather than having users print out the coupons. Some apps even allow customers to track delivery orders and pay for their food using the phone. Customers like the mobility, utility, and convenience using innovative cell phone apps. As handheld computing devices become more widely adopted, managers should track this communication channel to improve two-way communication with customers (*Exhibit 7.5*).

Managers using cell phone apps can implement a variety of activities:

- **Data Collection:** Managers can ask customers to join their loyalty programs by texting them via their mobile phones. Managers can also group their customers under various lists and subgroups and can allow customers to easily unsubscribe from messages by sending a text message to the operation. Mass texts can be used to communicate a variety of information to guests.
- **Event Promotion:** Mobile marketing technology lets operations hold mobile marketing campaigns, where restaurant and foodservice guests have a chance to win a free dinner, coupon, or gift card for a special upcoming event. When customers come in the door for the special event or promotion, instead of a paper coupon they can show the message on their phone that brought them to the operation for a special drink, reduced dinner price, or waiver of entrance fee.

- **Cell Phone App Marketing Campaigns:** Managers can tailor mobile marketing campaigns based on customer's personal information and preferences or even the day's weather forecasts. These marketing campaigns allow establishments to have locally based, dynamic campaigns that create personalized, direct marketing. Some text-messaging software applications that are tailored to the restaurant and foodservice industry are easy to use, Web based, affordable, and do not require installing any special software. Managers should continually monitor advances in this rapidly changing area.

THINK ABOUT IT . . .

What phone apps do you use most frequently? What additional features would you like to see added to this app?

SUMMARY

1. Identify the principles of effective print-based advertising.

Print is one of the oldest and easiest means of business communication. The best print-based communication pieces use a simple layout. They send a single clear message and stress benefits to readers rather than the seller's product or service features.

To increase effectiveness, the best print pieces include pictures and other graphics. Print pieces use captions when they include photos. Despite the higher cost, the use of color is highly desirable. Finally, high-quality print-based communication pieces are very carefully proofread prior to their printing.

2. List the principles of effective broadcast-based advertising.

Broadcast media typically refers to radio and television. An effective radio spot immediately grabs the attention of the listener. It seeks to talk to the listener as if the announcer were in the same room. Radio spots should be carefully proofread prior to broadcast, should be summarized near the end of the spot, and most important, must stand out from other ads.

The best television ads are professionally produced and are placed on networks and programs that reflect the target markets of the operation being advertised. Managers using this medium understand reach and frequency as well as the importance of using creative imagery to produce memorable communication pieces.

3. State the principles of effective mail-based advertising.

While sometimes neglected, traditional mail service can still play a critical role in a manager's marketing plan. To be effective, mailing addresses should be handwritten and the pieces should be mailed in colored envelopes using stamps, not stamp meters. Consistency of look is also important for mailings, so that customers can immediately recognize the mailed piece as coming from the same establishment.

4. Summarize the effective use of Web sites and email in marketing.

The effective use of Web sites in marketing calls for managers to recognize that a Web site can combine the best features of print and video. The information to be listed on an operation's site should include such items as the operation's location, hours of operation, menu, and current promotions. Other key areas that lead to effective marketing include instructions for making reservations or placing orders. Managers should also ensure their sites are easily located by those using search engines to aid in their establishment selections.

Emails can also be used as an effective marketing tool. Areas of importance when using emails for marketing include recognizing that emails are public documents that may be viewed by many people. Offensive language or images should never be included in a manager's email. To be most effective, emails should be short and targeted and allow for easy opting out by those who no longer wish to receive them.

5. Explain the importance of social media in marketing.

The use of social media network sites is virtually exploding. Managers can use these popular networks to communicate new menu items or specials, provide details on upcoming events or promotions, and link to positive reviews posted on other social media sites. It is important that managers understand communication via social networks is a two-way process. Using social networking sites only to sell products to those on the network is a poor long-term strategy. A better strategy is to use social networking sites to develop strong two-way communication links and, as a result, create customer loyalty.

6. Describe the importance of cell phone applications (apps) in marketing.

The continued creation of new and innovative cell phone apps will likely ensure that this channel's rapid expansion continues. Cell phone apps allow users to see menus, make reservations, track deliveries, and pay for products. As digital communication steadily moves away from traditional computers and toward wireless devices, the smaller size and portability of cell phones no doubt makes them a communication channel that will continue its rapid expansion.

APPLICATION EXERCISES



Exercise 1

Write a statement suitable for posting on your establishment's social media site (200 words maximum) that announces the hiring of a new chef. Remember to focus on how this news benefits your customers, not just about how it benefits the establishment. Be creative as well as professional in the creation of your posting.

Exercise 2

Compose a short message suitable for sending to your customers' cell phones (100 to 150 characters maximum) that announces a two-for-one appetizer special available at your establishment next Friday only. Be creative as well as professional in the creation of your tweet.

1. Do you think your customers will want to read your two entries?
2. How do your two messages address the AIDA areas you learned about in this chapter?

REVIEW YOUR LEARNING



Select the best answer for each question.

1. What does the letter *I* represent in the AIDA communication concept?
 - A. Interest
 - B. Integrity
 - C. Innovation
 - D. Inclusiveness
2. Which is the oldest form of customer communication?
 - A. Mail
 - B. Print
 - C. Radio
 - D. Television
3. What type of photo would likely draw the most attention to an ad?
 - A. Closeup of the establishment's printed menu
 - B. Exterior shot of the establishment's building
 - C. Cooks preparing food in the kitchen
 - D. People eating in the establishment
4. Which factor is most likely to impact the price of a radio spot?
 - A. The operation's service type
 - B. The type of food advertised in the spot
 - C. The number of listeners who will hear the spot
 - D. The market segment of the establishment purchasing the spot

5. **An establishment specializes in family-friendly cuisine. Which of the following types of television networks would likely be the best fit?**
 - A. A news network
 - B. A travel network
 - C. A sports network
 - D. A cartoon network
6. **Which is one way that managers can increase the likelihood that a mail piece will be read?**
 - A. Using plain white envelopes
 - B. Using preprinted address labels
 - C. Using stamps rather than a meter
 - D. Using a different graphic design for each mailing
7. **Which communication channel has features that allow customers to get real time–updated driving directions to establishments of their choice?**
 - A. Web sites
 - B. Printed maps
 - C. Social networks
 - D. Cell phone applications
8. **Which Web sites would make the best link partners for a manager of a fast-casual restaurant?**
 - A. Web sites for professional food societies
 - B. Web sites for attractions located near the establishment
 - C. Web sites that provide real-time stock market reporting
 - D. Web sites promoting economic development in the operation’s city
9. **How should managers begin their emails used for marketing their operations?**
 - A. With a call to action
 - B. With a greeting to the reader
 - C. With information about who should read the email
 - D. With the name and contact information of the sender
10. **Approximately what proportion of computer users have viewed online guest reviews prior to selecting an establishment?**
 - A. 1 to 25%
 - B. 26 to 49%
 - C. 50 to 74%
 - D. 75 to 100%

**FIELD PROJECT**

Consider two pieces of print, broadcast, or mailed pieces of advertising from one or more establishments in your area. Carefully evaluate the messages of these two communication pieces. Then answer the following questions for each piece.

1. How does each piece's message address the key AIDA areas:
 - Attention
 - Interest
 - Desire
 - Action
2. Describe the target market each piece seeks to reach.
3. How might you transform each piece of one-way communication into an interactive, two-way communication?