

Fridays at Four
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As always we start each edition with a book recommendation. WE have been reading Personality Not Included, written by Rohit Bhargava. He is the senior VP of digital strategy for one of top media firms in the world. He shares his UAT theory, which means how to be unique,authentic and talkable.

Another good book that will have you thinking about how food makes it from field to our table, you might want to read Moveable Feasts by Sarah Murray.

We have talked here before about digital signage and how it is going to make the difference in pushing consumers at the point of sale. Check out a company called ZipCast. And this prediction on the out-of-home advertising industry. Revenues have now risen 25 percent annually, to \$2.6 billion by 2011, and is now the second fastest growing ad medium,next to the internet.

This comes from an article called the Future of Shopping that I picked up on Southwest Airlines...a new marketing term and one that will become more important in the future. Customer experience management. And how are retailers doing this when a customer enters their store? Try video footage,sophisticated eye-tracking software,and detailed 3D computer models of store layouts to study how shoppers interact with retail spaces. Here's another term that will be coming our way soon...Mobile analytics. This is the science of being able to keep track of unique visitors to a cell phone web site and gather demographic information on users, by for example tracking it back to your cell phone and knowing information from age, to zip code to the last time you visited that site.

Arlin Wasserman, vice president of corporate responsibility for Sodexo recently spoke about sustainability and the challenges that come with that term. "Food production accounts for 34 percent of water use in the U.S and 40 percent globally. Food production accounts for more than 10 percent of energy use in the U.S. and and 15 percent globally. Sustainability is becoming an increasingly personal issue" –Food Management Magazine May 2008

Chris Testa in the latest issue of BevNet talks about the marketing trifecta. He states that as marketers "we are striving to create PODs (points of difference), create these on our PDPs (primary display panels (signage) and favorably at POS (point of sale). New offerings or new menu items that last over the long haul, are successful at combining the right mix in all three areas.

The high oil prices are having an impact in all areas, none more than food. Many venues like to point to the success of an event, show or concert by the increased gross sales from last year. Many times I hear carnival operators report that our gross sales were up from last year by ____ percent, or a food vendor make the same statement. AS you measure the gross sales increases this year, you may want to factor in what is called the inflation factor. If you can establish what the ticket price for a ride or game was in 2007, or the average menu price for your vendors, then compare that with 2008, you are likely to find that little of the increase was created by new purchases. Most of the increase is likely to be a factor of the same number of purchases, just at a higher price point. If you can track this, you will have a better measure of the true increase in sales, and the amount of increase that is based on new purchases versus only price increases. Lets take a quick example. Lets say that the _____ Fair in _____ had gross food sales in 2007 of \$500,000. In 2008, those sales increased to \$550,000, an increase of 10 percent over the prior year. However, by knowing what the price levels were in 2007, the Fair noted that overall food prices had increased by 15 percent Fairwide. Had sales increased to match the 15 percent price increase, sales should have risen to \$575,000. Another method to track this is one of the major features of the program that GF Strategies provides for our customers. GF Strategies keep records of the total transactions rung up by all vendors on a yearly basis. These figures can be compared from year-to-year, giving our clients a clear picture each day of the event as to whether the total number of actual customer transactions have increased or decreased over the prior year.

The bottom line can tell you many stories, and one of the most important in this year, is to be able to measure whether you have retained your customer counts, and along with that have they made more net purchases or less. Just raising pricing to achieve a higher gross may not work in 2008, as consumers make their spending decisions.

We close this issue with a quote we liked from Lawrence J. Peter.

“You can always tell a real friend. When you,ve made a fool of yourself, he doesn’t feel you’ve done a permanent job”.

Let us know what you think of Fridays at Four, now in our fourth year.

Feel free to send it along to your other contacts.

And if you are looking for a company to visit your venue and analyze your food and beverage revenues, contact us by email at **HYPERLINK**

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