



Hotel Cuisine Promotions
Survey 2005

*Dining
Downunder*

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Introduction

This survey was conducted on-line at www.dining-downunder.com from January to June 2005 and was aimed at 4 to 5 star hotels around the world that hold regular cuisine promotions in their F&B outlets.

The survey was promoted to the hotel industry via;

- Direct email
- Forwarded email (viral email)
- Dining Downunder website, www.dining-downunder.com
- Vic Cherkoff's website, www.cherikoff.net
- Benjamin Christie's website, www.benjaminchristie.com
- Asia Cuisine Scene's weekly ezine, www.asiacuisine.com.sg
- Ehotelier's daily newsletter, www.ehotelier.com
- Philip Norman's Hotel Network, www.benjaminchristie.com/article/87
- Targeted hospitality sectors via PRweb, www.prweb.com
- Various industry forums on the internet
- Word of mouth

Over 660 hotel and resort staff responded to the survey, key positions included;

- General Managers
- Food & Beverage Managers
- Restaurant / Outlet Managers
- Executive Chefs
- Chef de Cuisines

The survey was conducted with over 500 hotels and resorts across 22 countries worldwide. Many hotel properties had multiple staff respond to the survey.

The main respondents to the survey were from the following hotel brands in order from the highest to the least;

1. Hilton Hotels
2. Starwood Hotels and Resorts (only Westin & Sheratons)
3. Hyatt International
4. Marriot
5. Intercontinental Hotels and Resorts
6. RadissonSAS
7. Various independent hotel brands



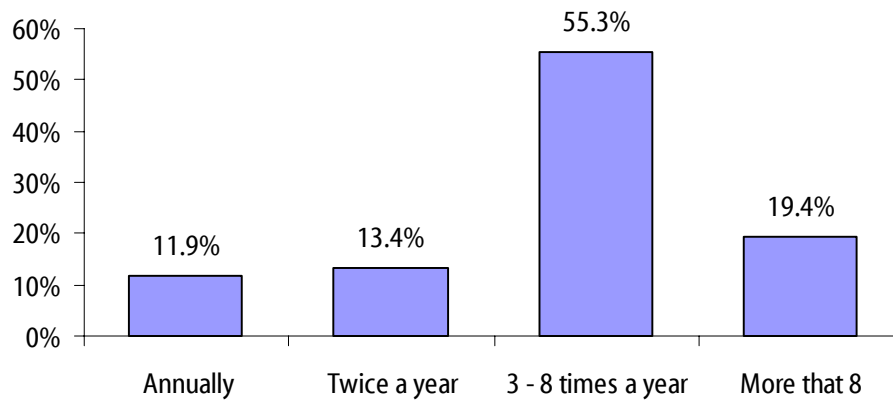
Key Findings

- Over 45% of promotions use a celebrity chef or a high profile chef to attract local and expat guests.
- Average budget for a Hotel Cuisine promotion is approx USD\$8,000
- Average promotional length is 5-7 days
- Extensive pre-promotion of the event in the media
- A promotional strategy with clearly defined outcomes, including profitability, is a key success factor
- 52% of promotions included some sponsorship support
- 72% of hotel promotions provide greater than 50 room nights
- 58% of all hotel promotions are considered successful

Hotel Cuisine Promotion Survey Questions

1. How often does your property run cuisine promotions?
2. Why run a cuisine promotion?
3. What cuisine is the most popular?
4. Do you feature a guest chef for cuisine promotions?
5. Is the reputation or celebrity status of the guest chef important?
6. Average length of a hotel cuisine promotion?
7. Does your hotel try to gain sponsorship for cuisine promotions?
8. Do sponsors feel that they got value for their investment?
9. Average budget for each cuisine promotion in US Dollars?
10. For what market segment is the cuisine promotion predominantly focused?
11. How many room nights does a cuisine promotion typically generate?
12. What factors contributed to your least successful promotion(s)?
13. Have your cuisine promotions been increasingly successful?
14. What do you feel makes a cuisine promotion successful?

1. How often does your property run cuisine promotions?



From the results, over 55% of hotels and resorts hold between 3-8 promotions per year whilst 19% run more than 8 events a year. So with over 74% of hotels planning events, developing a strategic plan for the event is critical not only for staffing, but for sponsors' remuneration and to maximise revenue.

To assist with this planning of events and promotions a link is below to a Food & Beverage Calendar sample which can be used to forward plan promotions.

<http://www.dining-downunder.com/downloads/food-beverage-calendar.doc>

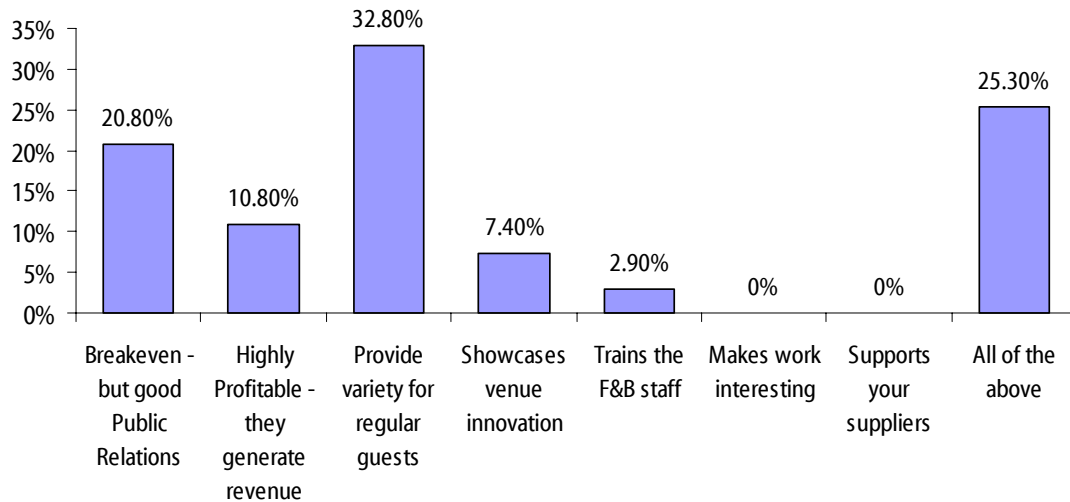
An ideal starting point is to look at what opportunities exist around which to stage a particular event: When are the country's national celebrations; are there clearly defined or well known cultural dates or events; can sporting days be used as a national focus for particular counties.

For example key dates cultural dates for Australia include;

Australia Day	26 th January
ANZAC Day	25 th April
Melbourne Cup	1 st Tuesday of November

Other ideas could be to hold events in-conjunction with a particular country's trade organisation, Trade Commission or Embassy. For example, the Australian Trade Commission may be facilitating an Australian Aboriginal Art exhibition or Australian Fashion, business or other event. Why not secure the event for your hotel and add value to the occasion by integrating an Australian focus on the food and beverage in one or more of your outlets. The strategy is to optimise operations and if an event is to be held, how can it be rolled out to encompass numerous interests, gain media exposure from various angles, attract a wider audience and obviously, maximise revenue potential?

2. Why run a cuisine promotion?



An initial presumption is that F&B outlets that are struggling from poor patronage would benefit most from a week long promotional focus featuring guest chefs. This lift in publicity may provide the catalyst for in-house guests to dine on-premise; for casual diners to visit; and to elevate brand awareness and drive business up as the promotion is something different and is seen in the market place as being innovative.

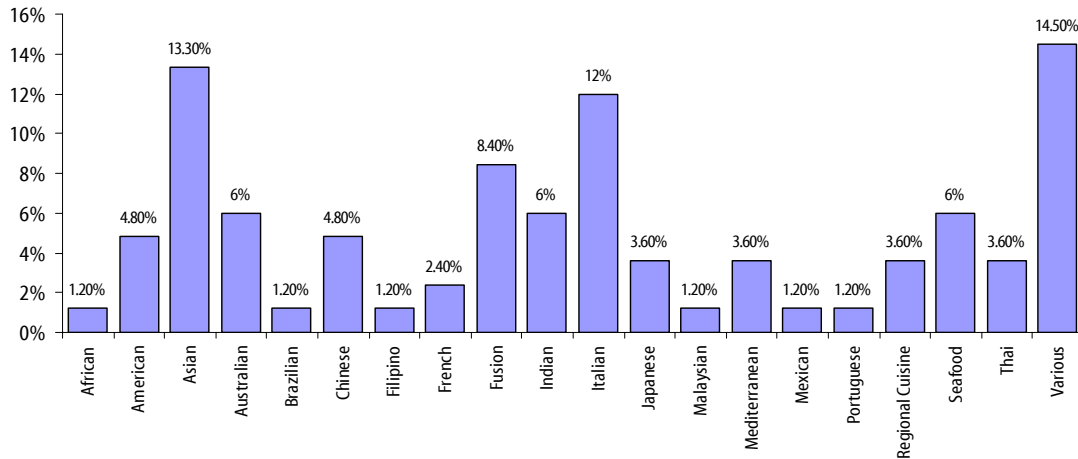
However, for popular food outlets there is still good reason to run cuisine promotions since it generates interest and provides regulars with more reason not to move to other venues. After all, Coca Cola is the leading brand of cola and still proactively and annually, continues to spend a significant amount of its revenues in holding its lead.

It was surprising to see that out of all the respondents surveyed that only 10% of hotel cuisine promotions are reported as profitable. While there is value in gaining advantage from additional exposure, a reputation for innovation and events, profitability should be seen as the number one reason for holding events. Perhaps the concepts employed and the approach taken could be optimised or massaged until a desired profitability is reached to add to the wider view of other rewards and indirect profits.

By way of example, Australian Cuisine Promotions conducted by Dining Downunder have seen hotels realise a 17-25% net profit during promotions. We suggest that reasons for our success include;

- Extensive media coverage and marketing during the promotion
- Australian native ingredients are seen as innovative hence the promotions are leading edge in a culinary sense
- Australia has become a culinary destination which people want to experience
- Australia's growing reputation for producing premium wines

3. What cuisine is the most popular?



The results for the most popular cuisines are not really surprising with Asian and Italian cuisines significantly out in front. These days, most 5 star hotels feature either an Italian or an Asian (and generally Chinese, Thai or Japanese) outlet of some sort. These food styles can also both be designed to have a low cost of sales as pasta, noodles and sushi can be relatively inexpensive compared to some other cuisines. However, pricing will tend to be towards the cheaper end, rising in proportion to the sophistication of the cuisine offering.

The challenge, in this increasingly globalised world, is that to generate new interest, rekindle established business or to continually improve the food service offering, it is essential to strive for continued development and increasing showmanship with each promotion simply to stay ahead of the competition. This competition might even be the last promotion run in house as a constant stream of promotions can become mundane in themselves without a rising degree of newness, excitement and innovation.

A few interesting things to note include the following points;

- Cuisines such as Japanese and Thai, although very popular around the world are rarely the focus of cuisine promotions. This maybe due to the existence of hotel outlets already showcasing these cuisines; challenges of language with invited Thai chefs; the requirement of importing a wide array of culturally specific ingredients; or the specialised culinary training to put it all together in an authentic fashion.
- Australian cuisine, like Indian and most regional cuisines, are beginning to get on the radar as being trendy and are gaining an awareness as an opportunity. Many travellers (hotel patrons) now recognise that Australian contemporary food is more than a 'shrimp on the barbie' but a sophisticated kitchen with a large number of unique and indigenous ingredients.

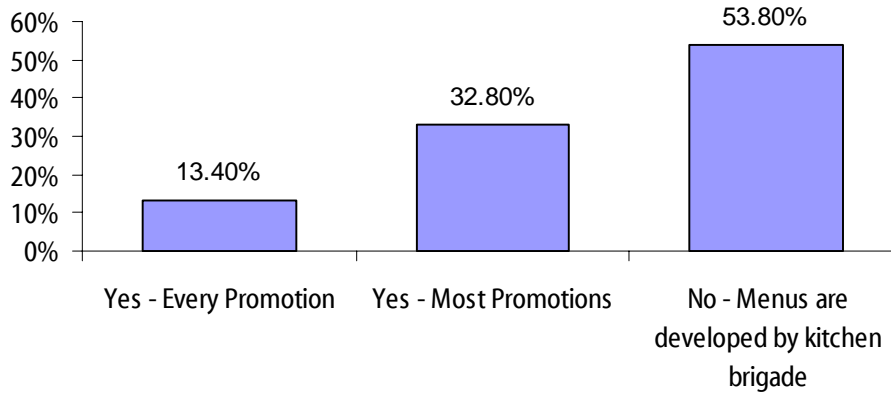
However, there are very few chefs in Australia, who are capable of creating distinctive, interesting and noteworthy menus which feature an authentic Australian cuisine (and also happen to leverage cultural shows of fashion, art, indigenes or music or equally complement business, trade or government activities).

Historically, most 'Australian events' have promoted pedestrian ingredients such as beef, lamb, seafood, cheese and wines merely produced in Australia and passing this off as Australian cuisine. In reality, it is only the skilled, considered and educated use of indigenous ingredients which are truly unique and interesting and a reflection of our authentic food style. Perhaps this is why most Australian cuisine promotions over the last 20 years have been non-profitable or only just revenue positive and only through the reliance of the generosity of sponsors for product or financial contribution.



Australian Chef, Vic Cherikoff demonstrating paperbark smoked snapper for Prague chefs at the Corinthia Tower Hotel, Prague

4. Do you feature a guest chef for cuisine promotions?



While it may be expedient for in-house chefs to fabricate menus and present an ethnic cuisine promotion as a simple hotel event, it is unlikely that this will maximise the efforts made. Local media are unlikely to do more than provide a vague mention and the impact will always be for in-house guests and the limited number of locals devoted to the cuisine.

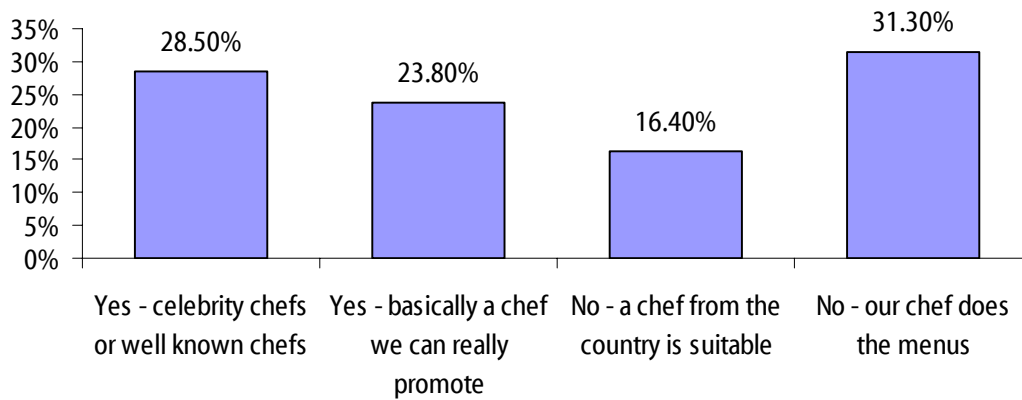
Featuring guest chefs takes the promotions to a totally different level in proportion to their reputation. Media will make a greater contribution to the success of the event with interviews of the chef(s) and their expertise in this regard can also have a major impact on the broad interest generated in the promotion. Government instrumentalities such as trade organisations or business groups are able to capitalise on high impact events for trade shows, product launches or government initiatives such as FTAs or political or strategic alliances. This takes the promotion well beyond the pitch to only in-house guests and out to the general, business and government communities.

The presence of specialist chefs will naturally lend an authenticity of cuisine and allow the culinary exchange with chefs from other related and non-related properties leading to recognition of the innovation of the hosting establishment. This can influence closer cooperation between hotels which can have advantages during peak accommodation times. Additionally, a hospitality luncheon or chef's table event can add to the professional exchange of new cuisine trends, introduce new ingredients and facilitate networking opportunities.

Perhaps the most important human resources impact of using invited chefs for promotions is that the specialist chef will make a significant contribution to the skill set and knowledge of the kitchen brigade. Indeed, this should be an important stated outcome of the promotion and time set aside for the communication of the particular knowledge the guest chef brings. Holding a particular cuisine promotion with little or no follow up inclusion of the ingredients or finished dishes in hotel outlet menus misses some prime benefits of running the promotions and does not optimise the outcomes of the events.

Considering the above benefits of guest chefs and the comparable effort in holding the promotions, limiting these events to the existing kitchen team seriously compromises the outcomes and reduces the efficiencies of operation.

5. Is the reputation or celebrity status of guest chef important?



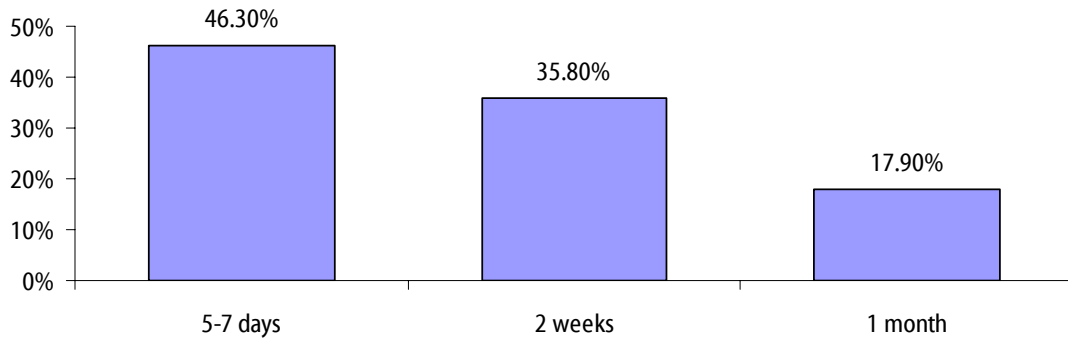
Any guest chef can be promoted and their abilities can be supported by skilled in-house teams. However, the reputation of the guest chef should positively contribute to successful events and even more than compensate for the generally higher remuneration of recognised chefs. Often it is the reputation of the guest chefs which bring in a significant number of patrons to the events and allow for on-going media exposure to link the host hotel's brand to the featured chef.

Considering the above results and if in-house chefs are discounted as not comparable in terms of delivering full benefits as against the other 3 responses; over 76% of respondents considered reputation and promotional ability as important against less than 24% who accepted any chef from the country of the featured cuisine.



Australian Chef, Benjamin Christie conducting a cooking class at the Hilton Hotel Nagoya

6. Average length of a hotel cuisine promotion?



The ideal promotional period may be the short 7 -10 day stretch (and preferably running from Thursday to the second Saturday) but it may not maximise the opportunities afforded by guest chefs. Certainly, costs for the guest chefs can be reduced by lesser days but the shorter period does not effectively amortise the total cost and effort of promoting the event, decorating the venue, disrupting routines and providing reasonable exposure for the hotel's brand as well as those of partner companies and sponsors.

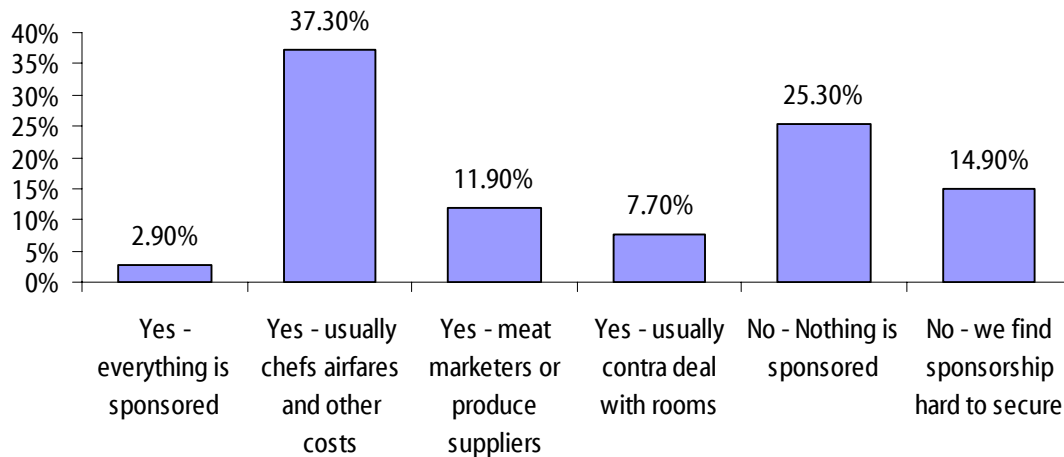
In practice, a two day, initial settling in period is essential for mise en place preparation, establishing logistics of delivery and staff training, together with exposure building through written, on-line and radio media interviews, television appearances and in-house PR integration. The first day of food service irons out the bugs before developing into a routine yet special offering.

Cooking classes for Hotel club members and invited guests is another addition to the revenue options and merchandising items such as the guest chef's cookbooks, specialised ingredients and gift items can form part of the mix as well.

The inclusion of 3 or 4 day associated events, festivals or shows strategically leverages potential revenues as does the most important profit builder - the promotion and hosting of a gala dinner.

As with all well executed activities, timing is all-important as there is little point generating substantial media exposure after the guest chefs have gone home and the promotion is winding down or finished. This has been reported as a common occurrence with various markets in the past.

7. Does your hotel try to gain sponsorship for cuisine promotions?



Interestingly, over 40% of respondents either could not obtain sponsorship or ceased trying to obtain sponsorship.

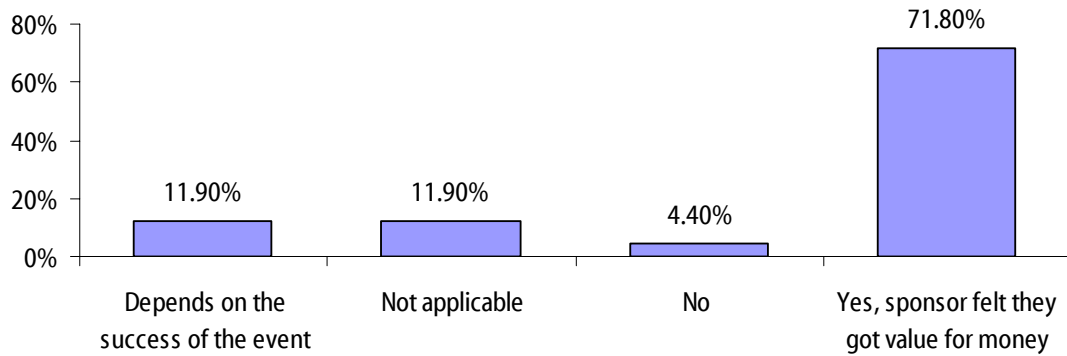
By comparison, over 52% found some sponsorship for their past events.

Perhaps these figures reflect the difficulties of pedestrian promotions and unpromotable chefs. Fortunately, they also allude to opportunities which still exist with a change of paradigm: In these days of saturated media exposure (it is estimated that we each get 3000 impressions of advertising and marketing by companies each day) and considering the competition for audience attention, innovative food promotions are still a highly creative and impactful method of not just building hotel brand awareness (entertaining guests, attracting new business and generating profits) but also in assisting food and beverage suppliers, airlines and tourism operators and government and NGOs to showcase their wares.

Hotels should reframe their promotional activities to include partner companies who jointly share in the benefits of increased business. Hotels should not expect suppliers to donate product or cash without a commensurate return over time. These days, beverage companies are more willing to contribute to a promotion featuring their brands if a 3 or 6 month order is placed prior to the event and they become partners throughout the proceedings. Travel companies could maintain a table in the hotel foyer with posters, leaflets and brochures along with personnel who can sell tickets to the destination of the originating cuisine. Naturally, the reputation of the chef(s) can be used to herald the event with audio-visual displays, television replays or other demonstrational activities.

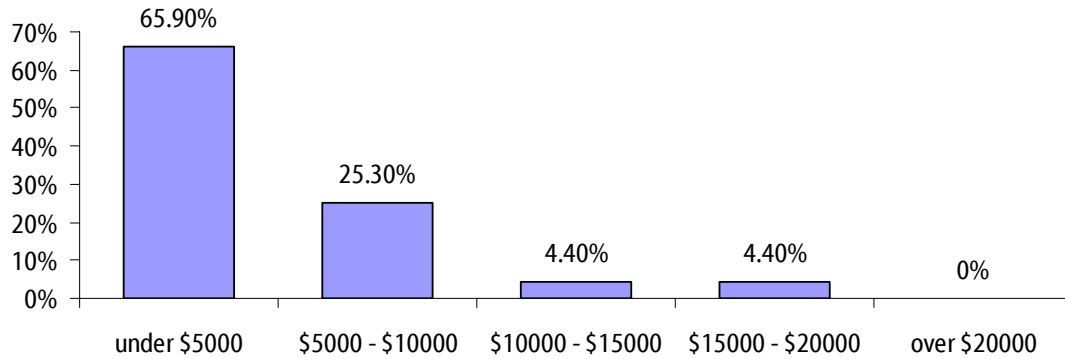
Another method of supporting partner companies is to integrate hospitality luncheons or chef's tables where the guest chefs provide a qualified endorsement through the experience and representation of associated products. For example, Australian cuisine promotions could feature a trade event for invited chefs from neighbouring properties with a meal showcasing paired Australian wines and beers; selected olive, macadamia nut, cottonseed or mustard seed oils, infused and otherwise; products such as dessert mixes, chocolates, value added seafood, poultry and meat products, bakery lines and so on. The promotion needs to be regarded as a vehicle with the hotel supporting the conveyance of the information and communication for their partners. There needs to be hard outcomes set and realised rather than the spuriously ineffective 'logo hanging' of days gone by.

8. Do sponsors feel that they got value for their investment?



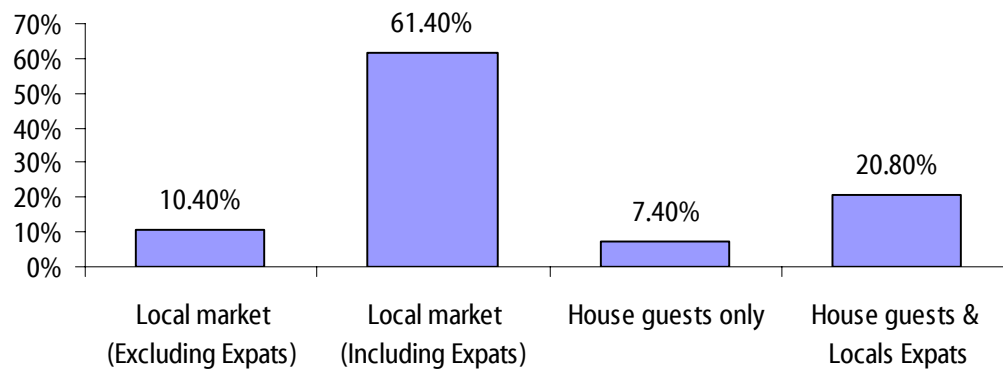
It would be gratifying to accept this as fact with the anticipation of sponsors lining up to participate in future events. However, considering sponsorship is becoming increasingly more difficult to obtain, it belies the point that past events have only delivered perceived value from the perspective of the respondents and might diverge were we to have surveyed sponsors of past promotions.

9. Average budget for each cuisine promotion in US Dollars?



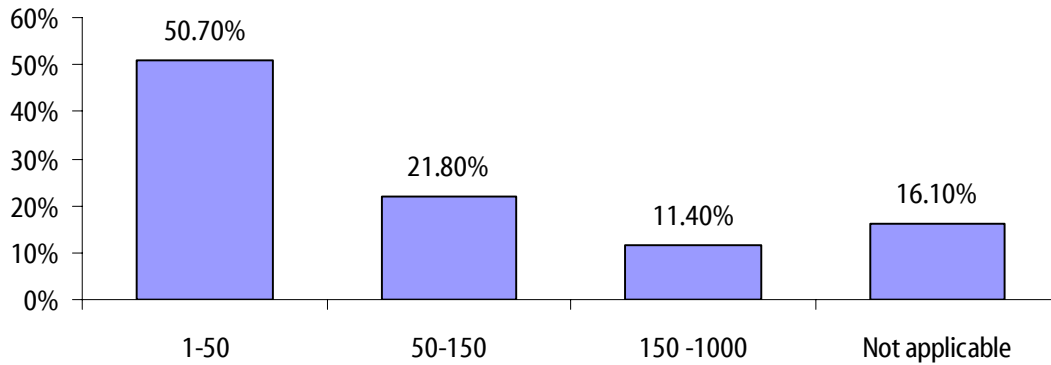
Accepting that the budget for nearly all promotional events provides little change from US\$10,000 sets the break-even profit target. Perhaps it is only fair that guest chefs be asked to provide proof that their contributions to past events in other properties have achieved these figures.

10. On what market is the cuisine promotion predominantly focused?



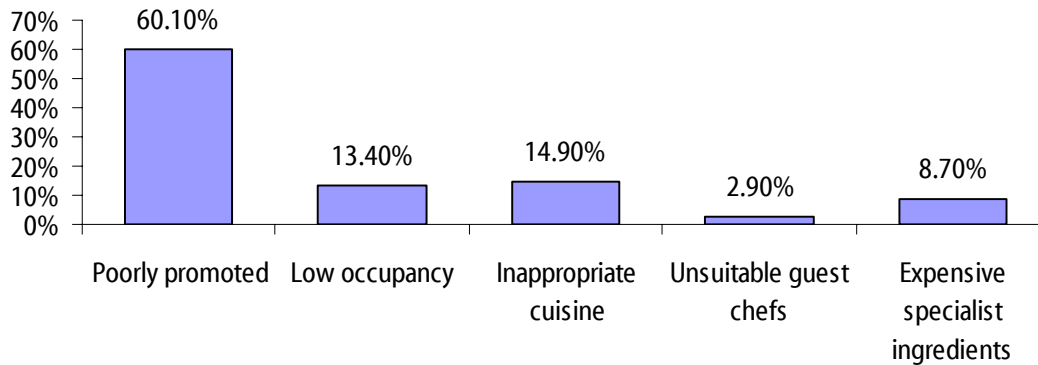
It is not unexpected that cuisine promotions are targeted at the widest possible audience which means the media need to be as much a partner in the event as suppliers, airlines and the guest chefs. For this to occur, the event needs to be innovative, interesting and different to the mainstream promotion in the marketplace.

11. How many room nights does a cuisine promotion typically generate?



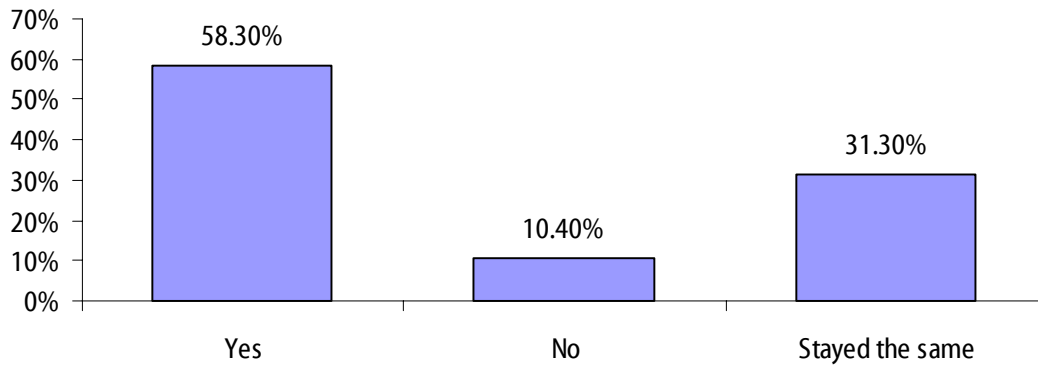
A 50% increase in room nights from a promotional event needs to be part of the strategy of revenue benefits and if occupancy is already over 50% then arrangements with partner hotels need to be included in the mix. This pre-supposes some profit sharing from accommodation spill-over as an additional revenue source.

12. What factors contributed to your least successful promotions?



The real estate parallel of location, location, location for hotel, resort and cruiseship cuisine events is promotion, promotion, promotion. The corollary of this is that there needs to be some substance to the promotion for the effectiveness of the activities to be realised.

13. Have your cuisine promotions been increasingly successful?



While nearly 60% of respondents were obviously positively predisposed towards their past promotions over 40% had seen no growth with a quarter of these noting a negative trend. This indicates significant room for enhancement and experienced promotion chefs should be enlisted to ensure the 'Kaisen' effect of incremental (or dramatic) on-going improvement be realised.



Australian banqueting mise en place in the cold kitchen at the Hilton Nagoya

14. What do you feel makes a cuisine promotion successful?

A cross section of comments;

- Have a well planned promotional strategy with clearly defined outcomes of profit and other benefits
- Good PR, good chefs, value for money and be unique
- The right chef. A character or a chef with personality; the exposure before the promotion
- A marketable and personable chef
- Good promotion aimed at the local market
- Promotions prior to the event. There is a big difference if there is sufficient promotion time and the right market is targeted.
- Team work with airlines, hotel, sponsors, embassies and consulates
- Good timing with new cuisine concepts
- Marketing plan with brand name sponsors
- Combination of the theme; the variety of the food; the promotion and advertising
- Promotion and marketing
- Advertising - using more media than just magazines and newspapers
- Food offers - making a wider choice in terms of themes and in multiple outlets
- Building up of loyal following in terms of new and exciting promotions
- The proper PR before the event
- Giving patrons something that is otherwise unavailable both in terms of food and wine
- Cuisine, service, ambiance and most important guest chefs that are also great speakers
- Originality - well advertised - support from all hotel employees
- Value for money is the key. Don't think food cost; think profit.
- combination of menu, Chef visibility, marketing and external advertising, beverage packages and add ins, period of the promotion,
- Correct venue (some outlets do not go well with promotions)
- Name chef - sufficient lead time for advertising
- Press releases sent to media and journalists.
- Reputation or celebrity status of guest chef
- Affordable guest chef
- Celebrity chef
- Food has got to be interesting enough for guest to try
- Celebrity chefs if one's budget allows for it. Brings the guests in.
- Exotic expectations; something entirely different; experiencing new culture
- The right cuisine, Chefs, Tourism boards, Sponsors
- Good value for money is crucial. Keep in line with guest expectations.
- Creating a feeling of exclusivity to the promotion on offer
- New cuisine and good guest chef

Conclusion

There is still significant value for hotels, resorts, spas, cruise ships and other tourism and hospitality operations in running feature cuisine promotions with invited specialist chefs from the countries of choice. These events can realise substantial profits while building brands of the host venue, partner companies and associated organisations. The reputation of the guest chef(s) (along with professional promotional support material) can be utilised effectively to garner strategically timed media attention leading to increasing the awareness and hence, profitability of the event.

A well run promotion can leverage other events such as fashion, art, music, indigenous, tourism, business or trade shows and festivals. Opportunities also exist to amortise expenses and build revenues from cooking classes and capitalise on merchandising related items eg artefacts, giftware, cookware, ingredients, CDs, DVDs and cookbooks.

By way of example, the authentic Australian cuisine promotion has been used as an effective model or yardstick to compare the uniqueness, interest level and distinctiveness of other events and to inspire and stimulate ideas for other authentic food experience presentations.



Australian sushi at the Solomar Hotel, San Diego

About Dining Downunder Promotions



Dining Downunder Promotions is the event management division for the TV cooking show, Dining Downunder™ and is a joint venture between Cherikoff Rare Spices and Chefs Australia.

Dining Downunder conducts Australian promotional events at hotels and resorts around the world and showcases the native ingredients and authentic culture Australia has to offer.

To view Dining Downunder's latest promotional brochure (500k)
http://www.dining-downunder.com/downloads/Food_Event_Promotions.pdf

For more information on Dining Downunder Promotions visit
www.dining-downunder.com/promotions.asp





vic cherikoff



Cherikoff

Practice safe cooking - always use 1 condiments

For over 23 years, Vic Cherikoff has pioneered the development of an authentic Australian cuisine based on indigenous ingredients he has worked at commercialising.

Nowadays, thousands of chefs in over 35 countries choose Vic Cherikoff's premium blends of Australian herbs, spices, syrups, sauces and other ingredients.

Chefs enjoy the quality, versatility, flavour and economy of the range which includes Wattleseed, Oz Lemon, Wildfire Spice, Aniseed Myrtle and Yakajirri to name a few.

For more information and recipes visit the website.

www.cherikoff.net