

“a taste of the islands”

Restaurant and Bar

Marketing Plan

Bruce Yodis

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Hospitality and Tourism Marketing

Concept:

When you think of the Caribbean Islands what do you think about? Maybe it's enjoying a mojito or rum punch while lying on the white sand beaches staring out at the crystal clear ocean. Maybe it's a relaxing dinner enjoying some delicious Caribbean cuisine made with fresh ingredients from the islands. Or maybe you want to dance and party to the sounds of reggae or calypso music while on a sunset cruise. Well, that's what "a taste of the islands" is about. A Caribbean restaurant and bar where you can choose to relax and enjoy great Caribbean food or unwind and party at the bar.

The Caribbean islands are made up of over 35 unique destinations, each with their own unique cuisines. The restaurant will offer a taste of these different cuisines in a casual, relaxed atmosphere. Jerked chicken from Jamaica, conch stew or conch fritters from the Caymans, fried jackfish from St. Lucia, Cuban style baby-back ribs, crab claws from St. Thomas, or empanadas from the different Latin Caribbean islands. These are just some of the tastes from the islands that will be part of the upscale menu. Always, the food will be the finest quality and freshest ingredients, with service oriented staff that will provide the guest with the total Caribbean experience.

For a totally different experience the bar will be the place to go. While offering some of the same great appetizers and food items found in the restaurant, it will be a place to go unwind, let your hair down, and just have a good time. The bar will feature great beers and drinks from the islands, and of course a large variety of rums and rum cocktails. There will also be a variety of entertainment to enjoy and participate in every night. Dance to the rhythms of the night, sing along with the live karaoke, or learn some of the dances of the Caribbean's. For the techies, the table tops will have Microsoft Surface with games, videos, and even the menu. There will be something for everyone to have a good time. Every guest will leave having had an enjoyable and memorable experience.

Geographic Area and Competitors:

The planned location for the restaurant is in north Santa Clara in the area around Great America theme Park, Santa Clara Convention Center, Tech Mart, Santa Clara Golf and Tennis, and the 49er's headquarters and proposed stadium site. Other nearby venues are Mission College and Twin Creeks Softball complex. Currently there are two empty lots at the corner of Tasman Drive and Centennial Boulevard. One lot is slated for a parking garage while the other lot has no designs on it at this point. This is one location that could be good as it is across from the proposed stadium and next to the golf course and convention center. It also has access to the light rail and even the ACE and Amtrak trains.

In the area are several other restaurants that would be considered competitors of the restaurant and bar. The following are the main restaurants in the price range of "a taste of the islands" and/or have a lounge or bar. There is David's Restaurant at the golf course. They serve the golf course and local businesses, mostly at lunch. Their dinner crowd is very sparse and mostly guests from the golf course. They also operate a banquet building (owned by the city) where they have weddings, parties, and other special occasion events.

At the Hilton Hotel on the corner of Great America Parkway and Tasman Drive is La Fontana, a casual but expensive Mediterranean restaurant. They serve breakfast, lunch, and dinner mostly to the

hotel guests but also serve the convention center and local businesses. They also have a cocktail lounge that is open until 11:00PM each night. It serves mostly hotel guests and local businesses but does not provide entertainment.

Similar to La Fontana and on the corner across from the Hilton is a restaurant called TusCA in the Hyatt Regency Hotel. It serve Tuscan style food and also has a bar and lounge area serving the hotel guests, Tech Mart, convention center, and surrounding businesses. It serves breakfast, lunch, and dinner daily.

At the Marriott Hotel on Mission College Boulevard at Great America Parkway is Parcel 104. A fine food restaurant that serves American fare made with fresh, local ingredients. They serve the hotel guests for breakfast, lunch, and dinner and also attract customers from the local businesses. They are usually full for dinner and have a lounge that also fills up at dinner time serving drinks and appetizers. Parcel 104 closes for the weekend due to low traffic since Marriott is a business hotel and has low occupancy on the weekends.

On Freedom Circle near Marriott are two restaurants, Birk's Restaurant and Pedro's Restaurant and Cantina. Birk's is a high volume, high end restaurant known for their steaks, chops, and seafood. They serve the business community in the area for lunch and dinner Monday through Friday. They are open for dinner only on Saturday and Sunday, serving local residents and local hotel guests. They have a bar that is part of the restaurant serving the same drinks and food as the dining room.

Pedro's is a casual, mid-point priced Mexican restaurant with a very Mexican themed atmosphere. Monday through Friday they offer a happy hour with free food in the bar and outdoor bar area. They don't offer entertainment but have TVs with different sports being shown throughout the bar. They are open for lunch and dinner every day and offer a brunch buffet on Sunday from 10AM until 2PM.

On Great America Parkway near Highway 101 is Bennigans', an Irish themed casual restaurant with the same price point as Pedro's Restaurant. It also has a bar area in the middle of the restaurant that serves drinks, food, and provides TVs with sporting events. It is open for lunch and dinner for the local residents and business and is now open for a breakfast on the weekends.

There is also the fairly new Rivermark shopping center at Montague and Agnew Road. There are several restaurants in the center that are open daily. These include Piat's (a small upper-end, Italian restaurant, Red Robin (a gourmet hamburger place), and Yo-Yo Sushi Bar and Grill (a small, high-end Japanese restaurant, sushi bar, and bar).

Demographics and Target Market Selection:

The proposed location is in the center of the Silicon Valley triangle formed by Highways 101, 237 and 880. The area is mostly commercial with some new and older residential areas spread throughout the area. Therefore, the demographics during the work week include a high percentage of employees from high-tech companies such as Cisco, Intel, Nortel, Yahoo, Verizon, Oracle, and many other large and small companies. A large portion of these employees are educated, highly skilled workers with very diverse cultural and racial backgrounds. While there are more females working in the high-tech industry today, it is still dominated by the young, male engineer.

A restaurant in this area would serve the employees of these companies for week day lunches and early dinner hours. Although there are some restaurants in the area they are relatively few compared to the number of workers in the area on weekdays. The employees often must drive further to find a place to eat, as the current restaurants can be crowded at lunch time.

While the area is dominated by commercial buildings, there are also homes made up mostly of residents from Santa Clara and Sunnyvale. Looking at these cities' demographics will give an idea of the type of people who live the area. Both cities' demographics are so similar that they can be discussed as a single entity. While 54% of the people are married, only 29% of the homes have children living in them. The population is fairly young with 54% of the people ranging from 20-49 years old with the median age being 36. Also, 9% are in their 50s and another 6% are in their 60s.¹

Other information from the 2008 census indicates 55% of the population, 25 and older, has an associate degree or higher. The median income per household is \$85,700 and median income per family is \$101,700. Of the employed civilian population 16 years old and over, 53% are in management or professional and related occupations, 21% are in sales and office, while 14% are in a service career. Males make up about 51% of the population. 60% of the population was born in America and of those not U.S. born, 44% are naturalized U.S. citizens. Of the foreign born population, 68% are from Asia, 16% are from Latin America and 11% from Europe.²

Looking at the data it can be seen that the largest segment of the work week population and the permanent residents are educated, skilled, professional workers with well paying jobs. Many of these are either not married or are married without children. These are the people that the restaurant and bar will target as a whole. Since the restaurant and the bar will have two different atmospheres, the target market can be further segmented by age. The restaurant will target more of the older demographic in the target market, those in their 40s and 50s. The bar will target the younger demographic, those in their 20s and 30s from the target market.

This target should work well during the work week when there are many more people fitting the target market demographics in the area. However, the weekends might require a second target market, as the housing density is not as dense as other areas of Santa Clara, Sunnyvale, or other South Bay cities. Due to this, and the fact that the hotels are mostly business hotels which have low occupancy on weekends, some of the restaurants are either closed or only open for dinner on the Saturday and Sunday. Although the primary target market will exist on the weekends in the form of residents, there is not a large enough market to be open for lunch. On weekends, "a taste of the islands" will only be open for dinner service.

However, there exist some other segments to bring in business on the weekends. Great America is open on weekends from March through October which could provide guests from those who are leaving the park. The Convention Center has some events, such as Home and Garden shows, that occur on the weekend which could also be a source of guests for the restaurant and bar. David's has weddings and banquets that could provide guests who want to continue the party. Also, the proposed 49er stadium, if built, would provide a great opportunity for the restaurant and bar before, during, and after the games or other events.

Market Positioning:

“a taste of the islands” will be positioned in the market using differentiation. Both the restaurant and bar will use differentiation positioning but each through different attributes. The restaurant will differentiate itself through the cuisine. In the immediate area there is no Caribbean food restaurant. The closest is the “The Island Grill” in the Clarion Hotel in San Jose near the airport. It is about 10 minutes away but it is not truly a Caribbean restaurant as it serves food from islands around the world. There are two restaurants, Coconuts Caribbean Restaurant and Bar and Mango Caribbean Restaurant and Bar, in Palo Alto about 20 minutes away. These three are all mid-priced with entrees between \$10 and \$20. The most popular Caribbean restaurant in the south bay and peninsula is Back A Yard Caribbean American Grill. This Menlo Park restaurant has a low-priced menu (entrees from \$9-\$15), and as the name implies, not fully Caribbean.³

The restaurant portion of “a taste of the islands” will serve fresh, authentic, upscale Caribbean cuisine with entrees in the \$18-\$30 range for dinner. This is in the same price range as the better restaurants in the target area but higher than the four Caribbean restaurants listed above. These restaurants are outside the target area, therefore, as long as “a taste of the islands” food and service quality stays at the expected high level, people will consider the perceived value to be better than the other Caribbean restaurants that they would have to drive longer distances to. It will not only be the best Caribbean restaurant in the South Bay and peninsula, it will be the only true Caribbean restaurant in the South Bay.

The bar will also distinguish itself from the other restaurant bars in the area. All of the restaurants in the area that have a lounge provide drinks, a place to hang out and talk, and maybe flat-screen TVs to watch sporting events. However, none of them provide entertainment. To go to a bar that has entertainment such as dancing, music, karaoke, other guest participation events and games, you need to drive outside of the area. The closest place is Dave & Buster’s at the Great Mall off Tasman Drive in Milpitas. The main draw there is the video games, meaning there can be many unsupervised kids until 10PM and supervised children until 11PM. After 11PM is for adults only but seems to target the younger generation, those from 21 to 30.

The bar will offer the same things as the other local restaurant lounges, such as great beers and cocktails, appetizers and food items from the restaurant kitchen, and widescreen TVs to watch local sports teams and other sporting events. The bar at “a taste of the islands”, however, will provide nightly entertainment in different forms so that there will always be something for everyone.

Technology will also help to provide the differentiating factor. The bar will be one of the first, if not the first, in the area to use the Microsoft Surface technology in their table tops. The bar will always be on the lookout for new technology that can help improve the customer experience without losing that personal touch that is so important in providing the total customer experience.

Endnotes:

¹ Zillow Local Info, <http://www.zillow.com/local-info/>

² 2008 US Census, http://factfinder.census.gov/servlet/ADPTable?_bm=y&-geo_id=16000US0669084&-qr_name=ACS_2008_3YR_G00_DP3YR2&-context=adp&-ds_name=&-tree_id=3308&-_lang=en&-redoLog=false&-format=

³ Yelp, http://www.yelp.com/search?find_desc=caribbean&find_loc=San+Jose+CA