



MERIDIAN MARKETING GROUP

CORPORATE CAMPAIGN FOR NEW CLIENTS

CAMPAIGN -A-

Description:

This campaign consists of targeting corporations in your restaurant's geographical market with a total of up to 1,000 letters.

| | |
|--------|-----------------|
| Small | 1-25 Employees |
| Medium | 26-99 Employees |
| Large | 100 + Employees |

Challenge:

To increase traffic flow during weekday lunches by attracting employees, executives or professionals, (those who fit the profile of already loyal customers) and others that may have never visited the restaurant.

Approach:

The Restaurant Owner is to identify approximately 6 different corporations within a certain radius of the restaurant. MMG will then put together a cover letter addressed to the proper authority and a letter addressed to the employees that will include either:

1. Restaurant information with incentive
2. Restaurant information without incentive

This letter will communicate a combination of the following restaurant characteristics:

- the restaurant's location
- its proximity to the prospects workplace (walk- time or drive-time)
- parking facilities, valet service
- type of food
- reputation
- pricing
- description of the "Daily Specials"
- the ambiance
- the turnaround time for lunch
- the possibility of private tables and settings for business discussions and negotiations
- meeting facilities
- special events or features.

Arrangements will be made with the corporation's proper authority to have the letter distributed to every employee of the organization via internal mail or e-mail.



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Possible Results:

Results will vary according to three factors:

1. Number of employees reached
2. Relation between the employee profiles and actual restaurant customer profiles
3. The corporation's agreement to participate (success rate so far: approx. 60%)

Money Facts:

If this campaign introduces 30 new lunch customers at an average lunch bill per person of \$12.50, then the gross immediate return will be \$375 (30 customers x average bill of \$12.50 = \$375).

If these people become loyal customers by coming back at an average of two visits per month, then the additional residual value of the promotional campaign for the year is: \$9,000 (\$375 x average of 2 visits per month x 12 months = \$9,000).

Implementation of Campaign:

MMG will contact the Restaurant to determine the intended campaign date. The Restaurant in turn, will supply MMG with a list of a least 6 different corporations they wish to target. If this is not attainable, MMG will research the corporations in the immediate surrounding areas.

Please Note: The willingness of the targeted corporations to participate, are factors out of MMG's control.



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RESIDENTIAL CAMPAIGN FOR NEW CLIENTS

CAMPAIGN -B-

Description:

This campaign consists of targeting residents in and around the restaurant's geographical market with a total of up to 5,000 letters.

Challenge:

To increase traffic flow during weeknights and weekends by attracting residents from households that will not only try the restaurant for the first time, but also become loyal repeat customers.

Approach:

The restaurant will identify through the **Loyal Repeat Customer Definition Form**, the characteristics of the average repeat customer who presently comes to the restaurant. Through a demographic analysis, MMG will proceed to identify households in the immediate area (according to drive-time and convenience to the restaurant) that fit the profile of the target market identified by the restaurant. Therefore, only the highest potential area(s) will be mailed.

A letter will be designed to reflect certain characteristics of the restaurant:

- the restaurant's location
- its proximity to the prospect (walk-time or drive-time)
- parking/valet facilities
- type of food
- reputation
- pricing
- description of the "Daily Specials"
- the ambiance
- convenience for family celebrations (private reception rooms, corner of restaurant, etc.)
- special events or features.

In addition, the Restaurant may choose to include with the above letter, their menu, introduce new services, introduce existing services, (i.e. catering).

An incentive can be used depending on the type of restaurant. The households that will respond to an incentive will have the characteristics of an existing repeat customer. Therefore, the chances of conversion for loyalty and repeat business are higher.



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Possible Results:

Direct mail results for this campaign will vary between 1% and 5%

Results will vary with:

- Timing of mailing (day, week or month)
- Incentive or not
- Type of households mailed
- Number of households mailed

Costs:

There are additional mailing costs for this campaign. Bulk rates apply.

Once Meridian has assessed your target market and researched the criterion of your average client, we will match this information against a few potential mailing lists, which will include full name and address. With the lists selected and the number of pieces to be sent, the mailing must then be prepared for the post. There will be additional costs to the restaurant for mailing preparation.

Therefore the count of letters to mail is determined by the number of households in the targeted areas.

Money Facts:

If 4,000 letters are mailed and the response rate is 2.5%, then 100 new households would visit the Restaurant.

If these 100 people come accompanied with an average of 1 guest (a very conservative number), it would mean that at least 200 people would experience the restaurant.

If the average bill is \$20.00 per person then the immediate gross return of this campaign is \$4,000.

If these customers were converted into loyal regular customers who come to the restaurant 3 more times in this same year (a conservative average), then the residual value of this campaign would be \$12,000. (200 people x \$20.00 average check x 3 times per year = \$12,000).

In summary, the total gross return for this campaign would then be \$12,000.

Implementation of campaign:

The restaurant owner must contact MMG at least 6-8 weeks prior to the anticipated mailing date in order to schedule this campaign.



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LOYAL REPEAT CUSTOMER DEFINITION FORM

1. What is the average age group of your dinner clients? _____

2. What type of food do you serve? _____

3. What is the average bill for dinner per person? _____

4. What percentage of guests bring their children for dinner? _____

5. What percentage of your dinner clients come to the restaurant:

1 to 6 times per year? _____

6 to 12 times per year? _____

12 times or more? _____

6. What percentage of full capacity are your Saturday night dinners for the months below?

Example: 100% = restaurant full
50% = restaurant half full

January to March? _____

April to June? _____

July to September? _____

October to December? _____

7. The average income bracket of your clients:

Under \$20,000 _____

\$20,000 to \$30,000 _____

\$30,000 to \$50,000 _____

\$50,000 to \$75,000 _____

\$75,000 plus _____

8. What percentage of your clients are:

Blue collar workers (manual work): _____

White collar workers (office work, sales rep.): _____

Professionals: _____

Entrepreneurs, Managers, Directors : _____

