

# The main stakeholders of tufail restaurant and bar marketing essay



## **1. 1 Introduction**

Situation analysis is important in any organisation because organisation might analysis both environments internal and external. Different methods are including with situation analysis like PESTLE, SWOT, Porter five forces etc. Tufail Restaurant and Bar are normally follows PESTLE in different situation.

## **Company Overview**

Tufail Restaurant and bar is one of the modern UK based Restaurant and bar. They found in 2004. It is popular at Gravesend in Kent. Because they maintain high quality foods, drink and world class service. Tufail Restaurant and bar is a Certificate of incorporation of a private limited company and under hospitality industry. It also got membership Certificate of Bangladesh caterers association UK (membership number 2447). In 2004 it has started a small operation (50 seats only and 10 staffs). They always try to satisfy their existing customers and find out new customers. It became brand name within two years local customers. In 2006, they extended another room with 50 seats to meet the customers need. And in 2007 they build a party room for customer's special arrangement like birthday party, wedding party and school party.

They added customers service, customers not only takeaway from restaurant but also delivery to customer house without delivery charges (within 30 min customers got food & drinks). In 2009 Tufail Restaurant and bar extended a takeaway which name " NAZFIA (KENT) LTD which situated in Gravesend (DA122RF).

5 main industry sectors of travel and tourism industry

Attraction and event sectors

Transport sectors

Travel organiser and intermediaries

Destination organisation sectors

## **Hospitality sectors**

Travel and Tourism Industry

### **Figure 1: Main sectors of Travel Tourism and Hospitality Industry (Lecture note)**

Hospitality Sectors

Hotel

Motels

Restaurant

Public House

Nightclubs

Cafes

## **Figure 2: Tourism sectors, which direct related with Hospitality (Field work)**

According to above figure Tufail Restaurant and bar under hospitality sectors.

### **1. 2 The main stakeholders of Tufail Restaurant and bar**

The meaning of a stakeholder is “ any group or individual who can affect or is affected by the achievement of the organization’s objectives” (Freeman 1984)

People who have any interest, positively or negatively impacted by in the restaurant, they are the stakeholder of Tufail Restaurant and bar. They want to develop relationship with stakeholder, because they are the most important for restaurant.

Tufail Restaurant and Bar rRRRestal

Employees

Directors

Managers

Customers

Suppliers

Bank

Local council /Authority

Stockholders

Government

Media

Hospital

Community

Competitors

Consultant / Legal

### **Figure 3: Stakeholder of Tufail restaurant & bar (Field work).**

Tufail restaurant has two different kinds of stakeholders which is, 1. Internal stakeholders and 2. External stakeholders. The following discussions identify who are the main stakeholders of Tufail restaurant and what are their main interests to Tufail restaurant.

1. Internal stakeholder: Internal stakeholders are who run the organisation, they are closely related with organisation and they work as day to day operation. So they are the inside in the restaurant. Internal stakeholders of this restaurant are.

Employees: Tufail Restaurant and bar have 16 high skill employees. They give best service to customers and try to retain existing customer and attracting new customers. On the other hand employee got good salary, two bonuses a years, got career by training.

Manager/ Chefs: They have one manager and chefs who looks after whole operation and customers' service department. They try to meet both employees and shareholder need and expectation. They analysis the customers need and demand. In the same way he got salary, bonus, profit share, social status.

Shareholder / Directors: He monitor both branch Tufail Restaurant and bar and Nazfia (Kent) Ltd. He also has share of both branch.

2. External stakeholder: External stakeholders are who normally not work in the organisation. They are neither insider nor direct relation in the organisation. But they play important role in the organisation.

Customers: They need good relationship with customers who buy the product. They are main source of income in restaurant. On the other hand customers got desire foods and service.

Suppliers: They deal with different supplier like – Gravesend Oriental foods Ltd, Essex poultry limited etc. They provide quality raw material, drink etc.

## **Main Stakeholders and both of their interest:**

Stakeholder

Stakeholders interest

Tufail Restaurant and Bar interest

Managers

Manager received salary, bonus, states, and power.

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Manager contributes their skills, expertise, coordinating organisational resources, responsibly, and knowledge.

Workforce

Induce wages, bonus, promotion etc.

Workforces contribute their skill

Shareholder

Dividends, profit

Invest capital

Customers

Value they feel they receive from organisation.

Money pay for the product/ main source of revenue

Suppliers

Revenue from sales

Providing reliable raw material

Other stakeholders of Tufail Restaurant and Bar.

Bank (creditors)

Hospital

The Government

Media

The community

Legal / consultants

### **1. 3 PESTEL analysis of Tufail Restaurant and Bar.**

Kotler (1998) analyse, that PEST analysis is more helpful strategic tool for making understand market growth and decline, business position, potential and direction for operations. Organisation going PESTLE analysis because, it is external and uncontrollable factors which influence or affect an organisations decision, performance and strategies.

Tufail Restaurant and bar

Economic

Political

Environmental

Legal

Social

Technological



## **Figure 4: The PESTLE analysis of Tufail Restaurant and Bar (Field work)**

**Political:** Government are controlled in different way of restaurant like labour law, tax, vat etc. Tufail Restaurant and Bar is facing big problem for labour. They have to pay more because of shortage of labour which affect of profit margin because they might not increase product price. On the other hand price is affected by VAT.

**Economical:** They faced problem from 2009 because of recession. Basically Restaurant income depends on disposable income of customers because it is a luxury not a necessity. Tufail Restaurant and Bar also affected by inflation. Supplier increase raw material price but they can not increase.

**Social:** Tufail Restaurant and bar try to change the attitude of customers to eat out (restaurant). They offer healthy foods because of local customers very much health conscious.

**Technological:** They are not using much latest technology in their operations but now a day most of the organisation use new technology and save time, cost, improve quality etc. So they have to up to date with changing technology.

**Environmental:** It is most important issue because of environment protection and environment legislation. Restaurant has to proper use everything like trade waste, oil, cloth etc.

Legal: They have to know environmental law, employee's law, health and safety law etc otherwise they can not continue business. So they always try to update with current legislation, regulatory bodies and processes.

## **1. 4 Main marketing issue**

Main marketing issues facing by the Tufail Restaurant and Bar at the moment. First of all they face big problem created by competitors. A lot of new Restaurant enters in market and existing restaurant give attractive offers with less price. So they lose their market share. Restaurant Environment is also important issue at the moment. They have to change/ create environment according to customers and employees need because of new generation and multi culture. Customers have less disposable income and not like to come frequently in restaurant. They are looking for less price of foods but restaurant foods is expensive. So they have to attract customers by advertisement, quality food with affordable prices. They need to do different kind of foods for different type of people (class, age, culture etc) lives in society. Tufail Restaurant and Bar has to prepare different type/ test foods for them. Suppliers increased the price of raw material which affects the price of foods and drinks but customers not like to pay because of less disposable income. So it became big issue to maintain standard quality and price. Restaurant need to pay more attention of media. They expenses big amount of money for advertisement to motivate to come restaurant. They play vital role attract the customers.

## **Task Two**

### **Marketing Report**

#### **2. Task Two- Marketing Report**

Introduction: In this task marketing report includes segmentation, targeting, position of this restaurant, then main product and service, pricing strategy, promotional mix, distribution strategy and extended marketing mix of Tufail Restaurant and Bar.

##### **2. 1 Segmentation, targeting and positioning strategy (STP)**

Philip kotler, mentions five type criteria of effective segmentation such as Measurable, Relevant, accessible, Distinguishable, Feasible. Marketing Segmentation means divided group of customers or market. Market segmentation is marketing strategy which segmenting a big market into subsets and targeted customers have common demand of goods and service. It is the most common technique to find right customers.

- > **Identify base for segmenting the market.**
- > **Develop profiles of resulting segments.**
- > **Develop measures of segment which attractiveness.**
- > **Select or specify the target segment.**
- > **Develop positioning for each and every target segment.**
- > **Develop marketing mix (7p) for each target segment.**

## **Market segmentation**

### **Targeting**

### **Positioning**

Figure 5: Six steps in market segmentation, targeting and positioning (P. Kotler, Gary Armstrong, John Saunders, Veronica wong-1999)

Market segmentation: There are lots of reasons for market segmentation of Tufail Restaurant and bar such as

Segmenting for customers' different want and need.

Segmenting accounting customer buying attitude.

Customer buying power, resources, buying practise etc.

For the above reason organisation do market segmentation. They just divide the large market into small group which it has similar need, demand and buying attitude.

Tufail Restaurant and Bar segment their market, according to customers need demand, perception and behaviour and reach potential customers and maximise profit.

Demographic segmentation: Market are divided into such as groups -Age, family size, sex, marital status, Income, occupation, education, Religion, nationality etc.

English

XXX

Indian

XXX

European

Male

Female

Figure 6: Segmenting base on sex and nationality (Field work)

Geographic segmentation: Market is divided into such as groups - Region/city, Den city, Climate, Zip codes etc.

Dartford

XXX

Gravesend

XXX

Northfield

XXX

Greenhithe

Christian

Muslim

Hindu

Figure 7: Segmenting base on city and religion (Field work)

Psychographic segmentation: Psychographic segmentation are included -  
Social status, Lifestyle-type and Personality.

Old

XXX

Adult

XXX

Child

High class

Mid-class

Low-class

Figure 8: Segmenting base on Social status (Field work)

Behavioural segmentation: Market is divided into such as groups -knowledge, attitude, product consumptions related behaviour, type or volume or frequency of product uses etc.

English

XXX

Indian

XXX

European

Heavy user

Mid-user

Low-user

### **Figure 9: Segmenting base on volume of uses. (Fieldwork)**

#### **Targeting**

After segmentation of market, organisation need to select, how may or which one to target. Tufail Restaurant and Bar are normally targeting 18 to 50 ages, high and medium class, with in Kent area.

## **Positioning**

“ The way the product is defined by consumers on important attributes the place the product occupies in consumers minds relatives to competing products” (Principles of marketing chapter 9, pp 442) They are presenting different way their product and service to consumers.

Tufail Restaurant and Bar are normally used demographic segmentation (different age, religion, sex people), physiological segmentation (basically looking for high class meddle class customers) and behaviour segmentation.

## **2. 2 Main product and service**

Tufail Restaurant and Bar main product are Indian foods and drinks. They are making different kinds of Indian curry but according to customer choice.

They try to serve fresh foods and drinks to customers. Tufail Restaurant and Bar always maintain high quality foods and service because most of the customers high and middle class. They have large stock of different type wine, beers, soft drinks, ice cream, tea, coffee etc.

Key service to customers.

Individual customer service.

Arrange birthday party, wedding party, business meeting etc.

Advance booking by phone, online, fax.

Takeaway from restaurant with special discounts.

Delivery to customers' house.



Customers could pay by any debits card, credit card, check and cash.

Special care by restaurant staffs.

Car parking facility near to restaurant.

Clean toiler, heating system, air condition facility, digital music, T. V

Customer could use free internet, telephone.

Good environment in overall restaurant.

Main aim of this restaurant, customers finished their meals with happy and satisfaction. They always looking or research for new customers' service which added value of the restaurant. They arrange comfortable seats, extra space for enjoy with family or friends . Tufail restaurant and Bar offers standard atmosphere and quality service.

## **2. 3 Pricing strategy of Tufail restaurant and Bar**

It is exchanged between customers and organisation that customer give money to organisation and received value or benefit. Pricing strategies is important in any organisation because you might not change or set the price frequently. So before set the price, organisation has to understand basic things such as-

How much is the product or service cost?

How much are your competitors' charges?

How much customers willing to pay?

So Tufail Restaurant and Bar are normally consider above question before set the price and also analyse or bargaining between buyer, competitors, suppliers etc.

## **General Pricing approach**

Cost based approach

Value based approach

Competition based approach

Cost plus pricing base.

Break even point, no profit no loss.

Target profit by set the pricing.

Value based pricing which normally follow them

Going rate or seal bid pricing by competitors.

Tufail Restaurant and Bar are normally cost plus pricing and target profit pricing. But organisation might select one or more pricing approach to calculate price.

**Internal factors:**

**Main Marketing objectives.**

**Marketing Mix (7p) strategy costs.**

**Organisation for pricing.**

**Pricing Decisions**

**External factors:**

**Nature of the market need and demand.**

**Competition of them.**

**Other environmental factors (economy, resellers, government)**

Figure 10: Factors affecting pricing decisions (P. Kotler, Gary Armstrong, John Saunders, Veronica wong-1999)

Pricing strategy is mostly determined by the company target market and positioning objective. Main objective of pricing strategy are profit maximise, leadership in market share and product quality, stay in the market.

Quality

Economy

(Low price & quality)

Premium

(High Price & Quality)

Skimming

(High price but low quality)

Penetration

Low price but high quality)

Price

Figure 11: Price strategy (class lecture note)

Premium pricing: Premium price means high quality product with highest price. These products are produce only those groups of customers who seek good quality not price. Tufail Restaurant and Bar are basically produced high quality product and service.

Penetration pricing: Producing a high quality product and charging lowest price. Organisation wants more market share and when organisation starts new business then they follow this strategy. Tufail restaurant and Bar wants to increase market share. So they try to reduce the price.

Economy pricing: Organisation maintain economy quality product with lower price. It is opposite pricing strategy of premium pricing. But this restaurant are followed this strategy.

Skimming pricing: They provide a low quality product and charging highest price. Tufail Restaurant and bar might set price by using other pricing strategy in near future such as.

Psychological price

Product line price

Optimal product price

Captive product price

Product bundle price

Promotional price

Geographical price and

Value price.

Tufail Restaurant and Bar is following premium price and have main concern product and service quality high because they basically looking for high and middle class customers. On other hand they also follow penetration pricing strategy to increase market share.

## **2. 4 Promotional mix**

Marketing communication process is known as promotional mix which include advertising, sales promotions, public relation, personal selling, sponsorship, print material, direct marketing.

Direct Marketing

Advertising

Personal Selling

Public Relations

## Sales Promotion

### Promotional Tools for Tufail Restaurant and Bar

#### Printed Material

#### Sponsorship

#### Figure 12: Promotional mix tools (Field work)

**Advertisement:** It is paid form or most common way to aware the customers. It is include- T. V, radio, newspaper, magazine etc. it is expensive but easy way to reach the ultimate customers. Tufail Restaurant and Bar is normally used local newspapers and Kent magazine.

**Sales Promotion:** It is the most common tool of promotional mix and it is short period of time. The main aim is to increase market share for long term. It includes discount, samples, coupons, rebates, price off, premiums etc.

**Public relation:** It is the lower promotional cost but build awareness and credibility. Public relation includes press relation, new product publicity, lobbying and counselling.

**Direct marketing:** Tufail Restaurant and Bar sand letter, email, phone call, fax etc to direct communicate the customers. It is also less cost to promoting the product because they large information about customers details.

**Personal selling:** To make sales through oral presentation in point of sales, door to door sales, face to face. It is also known as sales force. Main aim is encourage the customers to buy the product and service Tufail Restaurant

and Bar are normally used advertising, sales promotion, printed material, direct marketing as a promotional tool in different situation. They give advertise regularly in local newspaper and some time in different type of magazine. They give 10% discount to regular customer, customers who collect foods from restaurant. They give 20% discount in special event. Tufail restaurant and Bar has customer detail who ones come in restaurant and also collect information from different source. They try to communicate with customers frequently through phone call, email, letter etc. They also are again and again leafleting to customer's door to attract.

2. 5 Distribution Strategy - Distribution strategy is play key role of the organisation and effective distribution strategy increases sales and profit. But most of the organisations fail to maintain effective distribution strategy because they not properly communicate with intermediary, fail to up to date distribution strategy, do not find new distribution channel etc. So organisations have to improve their distribution strategy. Tufail Restaurant and Bar should follows.

Create a mapping product to end customers.

Understand the customer's preference which channel they like.

Create new distribution channel which easy compare with exist one.

Analysis and compare of competitor distribution strategy.

Distribution channel

Level -1

Level -2

Level -3

Level -4

Manufacture

Manufacture

Manufacture

Manufacture

Retailer

Retailer

Retailer

Wholesaler

Customers

Customers

Customers

A

Wholesaler

Customers



### **Figure 13: Four-distribution channel (Lecture note)**

There are no intermediaries in level-1 from organisation to customers. They direct handover their service or product to end customers. Level-2, organisation uses one intermediary which is retailers. They handover product and service to retailers and customers buy from them. Then Level-3, most of the large scale organisation uses or follows this strategy. There are two intermediaries such as wholesalers and retailers. Wholesaler collect product and service from manufactured and handover to retailers. After that retailers sell to end customers. Finally Level-4, in this level, organisation uses three intermediaries such as wholesalers, company A, and retailers. In same way product and service come from manufacturer and handover one intermediates to other and finally reach to consumers hands.

Tufail Restaurant and Bar are most of the time used level 1 distribution channel, manufacture to customers. They might not use any intermediary for serve the end customers. Customers normally come in restaurant enjoy foods and drinks. Some time they call for foods or drink and restaurant direct delivery (they have own delivery van) to them. They also use level-2 distribution channel, manufacture to retailers to customers. There are many pubs in this town, they are not making foods. They just take order from customers and inform us, and then we are making foods and delivery to pubs.

## **2. 6 Extended marketing mix**

Now a day most of the organisation implements the extended marketing mix such as people, process, and physical evident because people are vital for organisation. They give quality service to satisfy or retain customer.  
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Organisation needs proper process to delivery the product and service. If any problem in process then they might not got proper out put. Tufail Restaurant and Bar thinks that first impression is the best impression and good outlook also important.

People (High skill staffs)

Physical evidence (out look)

Process (start to finish)

Figure 14: Extended Marketing mix (Lecture note)

People: If the staffs are happy then easy to achieve goals of the organisation. So they play important role such as keep the customer's happy or satisfy, they are face of the organisation. Tufail Restaurant and Bar is always looking for high skill and experience staffs. On the other hand customers looking for quality service which might match. So restaurant is recruiting and training right staff in right position and got competitive advantage.

Process: It is the way of prepare and delivered product and services. For example-Tufail restaurant and bar take order from customers then place it to kitchen for making it. After that they serve or delivery to customers. If this process is delay or slow then customers will dissatisfied. So process is important to finish up (started to end) the product and service.

Physical evidence: Physical evidence is more important for Tufail Restaurant and Bar. If environment or out look is not good then customer will not come. Customers want something different to eat or drink from at home. It is

intangible just good feeling about your logo, branding, layout etc. Tufail Restaurant and Bar tries to create good impression and atmosphere to their exiting and new customers.

## **Task Three**

### **Market Research**

#### **3. Task Three- Market Research**

##### **3. 1 Introduction:**

Peter Chisnal (1992) Market research is important for the disciplined collection and evaluation of specific data for help suppliers to understand their customer needs and want better. There are lot of reason for market research such as customers or market needs, market size, advantage over competitors, business strategy, find out expected area, retain the customers, find out new issue, reduce risk, advertising and promotions assessment, price setting and research , product testing, product research, brand research etc. So organisation gives more priority for customer satisfaction and better service because they play main role of the business. According to Robinski (2004) our business might not run without customers because they buy our product and service. As early as possible adapt the customers needs then stronger your company's reputation. Tufail Restaurant and Bar's some time do market research internally (own expert) and some time externally (market research firm).

##### **3. 2 Aim of market research**

Tufail Restaurant and Bar is doing market research mainly to understand customers need , wants and satisfaction, competitors analysis, and increase  
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market share. And also find out level of customers dissatisfaction, why not repeat business, why increase uncertainly, high product cost, inflation etc. Anyway they want to achieve high level of customer's satisfaction.

### **3. 3 Process of marketing research**

Market research process is essential for every organisation because every stages of research are familiar with organisation problem and well design and structured.

There are four stapes of marketing research process.

Defining the problems and market research objective

Developing the research plan and collecting information

Implementing research plan collecting and analyzing data

Interpreting reporting and findings

Figure 15: Marketing research process, Philip Kotler (2006)

#### **First steps-Defining the problems and research objective**

Tufail Restaurant and bar has a specific objective of market research. They have to know, why they going for market research? So Tufail Restaurant and Bar is needed to identify problem. After identify, they need to define the problem. You may waste your time without define the problem. For this reason, manager should properly explain the actual problem or research objective to researcher.

## **Second steps-Developing the research plan for collecting information**

It is most important steps of market research process because information and developing data collection plan. There are two types of data which researcher needed both such as primary and secondary data.

### **Primary data**

Primary data are collected by researcher himself. Different ways we may primary data collect such as research approach, contact method, a sampling plan and research instrument.

Research approach:

Observational research: Observation research most popular because directly or indirectly observing for collecting data. It is relevant people, action and situation.

Survey research: Survey research might be structure way or unstructured way and it is flexible and lower cost. Survey research might be direct approach, when research ask question directly for example - Do you happy Tufail restaurant and Bar service? Or indirect approach for example - What type of service expected from this restaurant?

Experimental research: before launching or adding new product, organisation should use simple experiment.

Contact method:

Mail questionnaires: It is very low cost to gate information. So researcher has to prepare simple and clear question to responder and give them longer time then telephone.

Telephone interview: It is very quick way to collect information or feedback from customers. Researcher might skip the question if customers not understand the question.

Personal interview: Personal interview are widely use in tourism industry. Researcher has to contract with customers for interview in any place of at home, office, on the street etc.

A sampling plan: Researcher is collecting or gathering information from large population by taking sample. They have to understand sampling unit, sample size, sampling procedure.

Research instrument:

Questionnaire: It the most common way of survey. Researcher prepares a set of questionnaire and give to present customers for answer.

Mechanical instruments: They might also use mechanical instrument to collect primary data.

Advantages of primary data:

They might get current data or information of the organisation.

Up to date data which match with market research.

It is original or raw data.

Disadvantages of primary data:

It is expensive for collecting data.

Researcher must have high skill or knowledge.

It takes lots of time to gather data.

Hug volume of data.

There are two types market research such as qualitative research and quantitative research.

Qualitative research: Qualitative research is analysis data which not numerical like attitude, feeling, and motivation of product uses etc. We could not count. For example- why do customers prefers foods one restaurant to another? There is several method of qualitative research such as- depth interview, observation and experiment research, focus groups etc.

Advantages:

> It gives a depth understanding.

Disadvantages:

Qualitative research might find only minor problem not big issue.

Researcher needs high skill or very much knowledge.

Qualitative research sample size small.

It difficult to analysis the results.

Researcher is not got accurate satisfaction.

### **Quantitative research:**

Quantitative market research is concerned about numerically which statistically analysis. Quantitative research methods are surveys, questionnaires and testing, experiment.

Advantage:

It is easy to analysis the results.

Quantitative research is provided standard data.

It is more acceptable and accuracy.

Disadvantage: