

Hooters restaurant essay examples

[Business](#), [Management](#)



Hooters Restaurant is an American restaurant chain that has grown to become a globally recognized brand in casual dining. This research paper will focus on one of its branches located at the Mall of America in Bloomington, Minneapolis. The paper will identify its strengths and weaknesses in a changing business environment. This study will also examine the current business operation state and emerging trends in the market. Finally, it will suggest ways of improving operation and cementing the business position in the future.

Hooters Restaurant

Hooters are the trade name of a chain of restaurants located in over 455 locations all over the world. The restaurant is present in 44 American states and is therefore part of the American eating experience (Hooters, 2012). The restaurant is famous for its waitresses who are young and attractive. The company dresses them in provocative uniforms, which give them the sexual appeal, which is part of the ambience. Since its inception in 1983, these women have remained the main attraction of the bar especially because they are friendly and interact easily with the customers. The restaurant was designed to be the best male hangout joint (Brizek, u. d). The beautiful girls, sporty ambience, and casual dining experience have been very effective to this day. As time went by the restaurant, management diversified its clientele to include women and children. Over time, Hooters has become a family restaurant.

Hooters restaurant located on the fourth level of the Mall of America in Bloomington, MN a suburb in the state of Minneapolis. The restaurant offers

a good balance between quality and value for money. The customer service is good and the food is served soon after an order has been placed (Helyar, 2003). The atmosphere in the restaurant is happy and friendly. The waitresses are always happy and seem eager to assist the clients. The restaurant is also open for several types of service from an early lunch at 11.00am to late night drinking at 1.00am on weekends. For over 25 years, the restaurant has continued to grow and expand into other countries. This is because it developed from a brilliant idea that discovered a gap in the market and developed a product/service to fill it (Brizek, u. d). The business model of sports-oriented restaurants with good service and fair prices and a casual atmosphere has been replicated countless times. The secret to the success and longevity of Hooters can be found in its efficient management, strong brand name and focus on customer satisfaction (Hooters, 2012).

Restaurant viability is dependent on several factors ranging from strategic goals during the planning process to the daily operation of the business. Internal and external factors determine largely the viability of a restaurant concept. Internal factors have more effect than external factors. Internal factors include the strategy, product on offer, management, financial factors and organizational culture (Helyar, 2003). External factors on the other hand are political factors, legal requirements, economic environment, technological advancements, and the socio cultural environment.

Chart Showing the Impact of Various Factors on Restaurant Viability

Hooters biggest strength is a strong brand name. The style of and quality of service is known regardless of the location of the restaurant be it in the USA

or abroad (Hooters, 2012). The restaurant has a casual sporty décor and ambience with high stools around the main bar and comfortable table settings for table service. The attractively dressed waitresses serve the clients in a friendly and relaxed manner. The speed of service is also very good with an order being served between 5-8 minutes. The menu is also well known. Burgers, chicken wings, sandwiches, seafood, wine and beer are the predominant menu items.

The style of service is also strength for the restaurant. Hooters are one of the few restaurants in Bloomington Minnesota to fully use sexual appeal as a marketing strategy to gain advantage in the market (Helyar, 2003). The Hooters girls in the restaurant are very attractive as is the tradition with this chain of restaurants. Unlike other restaurants, there are no male waiters. The girls are however very effective. They also maintain a very relaxed, happy, and friendly atmosphere and deliver the orders very quickly. The restaurant is the best place to relax after hours of shopping. The location allows the restaurant to attract a wide range of customers from families to the traditional clientele of men. Cash and credit cards are accepted including the Hooters Master Card introduced in 2005. The Mall of America is one of the largest malls in the United States. The store serves over 40 million tourists from England, Sweden Japan, Korea, France, Germany, and Canada. The restaurant has the opportunity to offer these visitors a taste of American hospitality.

The restaurant is open to everybody; there are no restrictions on dress code as would be the case with high-end restaurants. On any given day one can

meet guests in suits as well as shorts enjoying the ambience and service. The restaurant offers happy hours from Sunday-Thursday at \$ 6. 50 a pitcher. The bar changes in to a sports bar in the evening and takes a more mature ambience where children should not be allowed in, especially on Friday and Saturday. Since Hooters is generally associated with male clients who would appreciate the attractive waiters more, the restaurant is working on changing this perception. On Wednesday, the restaurant has a “ What Women Want Wednesday.” Everything that a female customer wants is 20% off the menu price (Hooters, 2012). This tactic is effective in attracting women to the establishment. More families are also choosing to eat at the restaurant because it offers good food at very fair prices. The chicken wings are also sold on attractive offers especially for families like “ All the Chicken Wings You Can Eat For \$9. 90 per Person” (Hooters, 2012).

The quality of food is also very high. The restaurant is reputed as serving the tastiest chicken wings in Bloomington. The wings, which are sold at \$ 0. 25 each, are spicy and well done. The rest of the menu consists of a range of fast foods such as burgers and seafood. The Cuban sandwich is quite good. The restaurant has a good collection of wines although it is better known for its beer. The restaurant also serves some vegetables such as fried French beans. There is fresh salad for those who like healthy food options.

The management, just like that of the rest of the Hooters outlets is guided by clearly laid down rules and operational guidelines, which regulate the operation of the business. All decisions such as choice of suppliers, employment terms, and conditions for staff and type of service are stipulated

in these regulations. The restaurant therefore faces no major challenges on finances, company policies, and organizational culture. Whenever problems arise, managers are guided by the accepted regulation to solve these issues.

Hooters Organizational Structure

Hooters of America Incorporated

Franchise holder (where applicable)

Vice president for operations

Restaurant Manager

Service manager/ chief cook/ human resource manager

Supervisors

Hooter girls

Cleaning staff/bas boys

Weaknesses

Hooters is viewed as an adult restaurant as opposed to a family place. This is especially because of the provocative way in which the waitresses are dressed (Baker, 2000). The location of the restaurant within the American Mall makes it a prime location for families. However, this is not the case because of this perception as an adult joint. Instead, families prefer to eat in fast food joints such as McDonald's (Brizek, u. d). The patronage of the restaurant is majorly that of young men and women. The company has tried to change this by offering special discounts for women and children. These

schemes have been relatively effective. A lot remains to be done to make the restaurant a place of choice for families.

Another weakness for the restaurant is its limited exploit the fast food service. The restaurant's model and style of service is a long-standing tradition and is incorporated into its structure (Brizek, u. d). Fast food joints are the most popular eating-places within the mall. Hooters may not be able to take full advantage of this because it concentrates more on table service. An expanded capacity to sell fast food will enable it to take advantage of this new trend.

Employee turnout is another form of weakness at the restaurant. The waitresses always seem to be changing. This has been attributed to the working conditions, which are said to sexually exploit the women. According to the service manager, only 50% of the waitresses have been working at the restaurant for the last 12 months or more (Baker, 2000).

The restaurant was faced by a lawsuit and negative publicity when former waitresses claimed to have been sexually harassed by managers and customers. The three women held a packed news conference with representatives from women rights and anti-pornography groups.

Areas of Improvement

In order to attract more of the families that visit the mall to shop, the restaurant should create more offers for this class of clients. Offers on family packaged meals and attractive menus for children will help to make the food more attractive to this clientele. Introduction of healthier food options such

as salads and fruits will also bring health conscious mothers. A wider range of food options will also be a good tactic. Introducing light meals, which do not deviate much from the original meal, will help attract families, which do not want to eat fast foods. A few baby chairs can also be available on request to help mothers feed younger children.

Another area of improvement is the brinks and beverages menu. The restaurant has a limited range of drinks available to its clients. The most widely available drink is beer, which is sold in pitchers. This is good for the sports bar theme, which the restaurant takes in the evening. However, during the day, this is limiting. A wider range of drinks should be introduced to the menu. Where the law permits more wines and spirits should be introduced. The management should also improve on the hygiene standards especially in the kitchen. Basic practices like hand washing before food preparation and service should be emphasized.

Current State of the Business

The restaurant industry is estimated to generate over 500 billion dollars in revenue annually. As a business venture, restaurants have the potential of being very profitable. The industry employs over 15 million people, which represent 10% of the American workforce. The National Restaurant Association reported that the industry created over 560, 000 jobs since the beginning of the employment recovery period. The casual dining segment in which hooters operates employs about 15% percent of these employees. This segment is second to the fast food outlets, which account for 40% of restaurant industry. In recent times, a new segment has been emerging.

Businesses that merge the convenience of fast food service with better quality food and lower menu prices compared to casual dining outlets like Hooters. Major players in this segment are Firehouse Subs, Chipotle, Moe's, and Panera.

The restaurant, which is located on the fourth level of the Mall of America, is right across Bloomingdale's. This is the entertainment level. Movie theatres are located on this floor. Other restaurants are Cantina #1 restaurant and the Skydeck Sports Grille. Other competitors are located on the 3rd level, which has the most number of restaurants and shopping stores. This floor alone has over 20 eateries posing the biggest competition to Hooters on the fourth floor. The 4th floor is only 70% occupied; it therefore has less traffic compared to the lower floors, which have many stores. Ruby Tuesday is one of the restaurant franchises within the mall, which poses competition to Hooters.

Ruby Tuesday is one of the three restaurants, which operate successful chains across the states. The other two are Applebee's which operates 1, 841 units, Chili's which owns 1, 210 units and Ruby Tuesday, which owns 882 joints. In recent times Hooters has had to deal with Ker's Wing House a fast growing chain of restaurants, which uses a carbon copy of Hooters operation model and style of service. The restaurant currently has 20 outlets and continues to grow in size and popularity. Wing house girls dress as provocatively just like Hooters girls. The restaurants also spot a sporty décor theme. Hooters has in the past successfully sued the company for brand infringement. The company was forced to change its name to the present

one and its uniforms to the current black ones. Ker's Wing House reacted to the efforts by Hooters to suppress competition by suing Hooters for trying to suppress them using poor publicity. Wing house won the lawsuit and was awarded \$1.2 million (Hayes 2005)*

The restaurant at Bloomington carries out the traditional style of service that Hooters is best known for providing. The menu is limited to the basic food items offered by Hooters, which are fries, burghers, sandwiches, seafood entrees, steak, and beer. The restaurant's specialty is spicy chicken wings, which are always sold in very attractive offers. The restaurant also designs special menus for the football season. Clients get to enjoy specially prepared items, which are not regularly on the menu. Young attractive women dressed in Orange shorts and tight tee shirts, in a fun and enjoyable atmosphere, serve guests (Goto, 2003).

The management is also keen on ensuring that the restaurant remains the restaurant of choice for current and future clients. All customer complaints are always promptly handled. During service, whenever the waitresses forget to serve an item ordered for, they apologize and promptly bring it as soon as they are made aware of the error.

The facility is also well advertised. The restaurant uses social media to promote itself and its offers to its customers. Potential clients are directed to the restaurant by maps posted on its site. There is also information on the location for parking reserved for Hooters customers. These promotional activities ensure that the restaurant is always packed even when there is no big match. It is common to find queues at the door on busy days.

Improving the Restaurant

68 % of Hooters customers are male between the ages of 25-54. The biggest motivation to this group of clients is the Hooters girl who serves them. This is the business model that has given the business the success it has enjoyed to date. It is therefore not easy for the franchise holder to drastically change the business model. Stiff competition from similar restaurants such as Ker's Wing house and other food outlets and emerging consumer patterns may force the business to effect some changes.

In a research conducted by South Carolina State University on the issues facing Hooters, 37% of the consumers surveyed regularly used curbside take-away joints and take-out services at full service restaurants instead of table service. 38% of hotel managers surveyed believe that a take-out service is an emerging trend which restaurants must take full advantage. To take advantage of this new trend, hooters should promote its casual dining services and increase its capacity to carry out take out services. This includes making its take out service numbers readily available. It should also improve the speed of delivery of take-out orders.

More clients are looking for healthy eating options at favorable prices. People have become more discerning regarding their health statuses and such people are willing to pay a few more dollars for healthy foods. Hooters should come up with a healthy food menu with salads, fresh fruit juices, and fewer fried meats. This will enable the restaurant to tap into this emerging consumer taste. It will also give it a competitive edge over fast food joints

and high-end restaurants, which offer these options at significantly higher menu prices.

The restaurant should also diversify its products to include a wide range of services. Products such as private parties and themed nights should be promoted and popularized. This will create niche business for the restaurant and increase its sales. They could also sponsor more local sports events and charities such as breast cancer awareness programs. These corporate social responsibility activities will improve restaurants image in the community and increase good faith in its customers.

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Contemporary

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