

Internet marketing case study: red lobster



**ASSIGN
BUSTER**

1. Why do you think Red Lobster relies on so much on Internet surveys to track customer opinions, preferences, and criticism? What are the advantages of online questionnaires versus traditional surveys conducted over the phone or through the mail? (Gideon Quarcoo) Red Lobster relies on internet survey for the following reasons: (source: Introduction to Marketing, by McDaniel, Lamb & Hair. Pg 284.) The internet is a phenomenon technological advancement that has happened to mankind and its benefits are enormous in every regard.

This is not to say that the use of the internet is without flaws. However, its benefits far outweigh its flaws. Individuals, groups, institutions or business entities rely on the internet for information, advertisement, etc. with no exception to Red Lobster. One important reason for Red Lobster relying on internet survey instead of the traditional method is that, the number of respondents that can be reached is more that which the traditional method can cover. Eg, according to our textbook, half adult population in the US alone go online to shop, find information, e-mail or visit chart room.

Because of the above information, it would be detrimental for Red Lobster to ignore the internet and conduct its survey using the phone or mail. Decision making can be better and faster using the internet since it provides unlimited access to information. Knowing this, Red Lobsters cannot do otherwise but to rely on the internet for data collection, analyzing, reporting and doing the necessary follow ups so as to address problems identified. The use of the internet also helps Red Lobster to improve the company's ability to respond quickly customer needs as well as changes in the market place.

This is very important for survival and growth of the company. Creating a long term relationship with customers can only happen if the needs of customers are identified and satisfied appropriately. Follow-up studies and tracking are made much easier and fruitful using the internet survey. Red Lobster would want to do a follow up on surveys conducted so as to correct errors made. Since the respondents are available via the internet, this can be done easily. Last but not the least, cost reduction is another reason for Red Lobster relying on the internet survey instead of the phone and mail.

Every business entity has one of its objectives to be profitability. This can only be achieved if cost is minimized as possible. Red Lobster is no exception to this profitability issue and would therefore look for opportunities to cut cost and maximize profit. The advantages of online questionnaires versus survey conducted over the phone or through the mail are as follows: Conducting internet survey is quicker than the traditional survey by the use of phone or mail. This saves a lot of time and energy on the part of the researchers and the respondents.

Cost involved is dramatically low as compared to phone or mail survey due to less time used. Questions and data are personalized to respondents as a result, the outcome of the survey addresses pertinent issues. Respondents are more willing to participate in internet survey since the hassle and tussle of less time coupled with the inconveniences of telephone calls or mail is avoided. There are some professions, for example accountants, lawyers, doctors, engineers that are referred to as the hard-to-reach as a result of their busy schedules.

This group of people can be reached easily by the use of the internet even if they are hard to reach using the traditional survey methods. Notwithstanding the advantages explained above, gestures, sounds, emotions, signs, reactions etc. which makes communication more meaningful is lost when using internet survey since there is no physical contact between the respondent and the researcher.

2. Go to [www. redlobster. com](http://www.redlobster.com) and click around. How well do you think the site appeals to the educated, affluent, and over 50 crowd that the chain wants to reel in? What are the primary messages that it communicates about the restaurant, and how effective are they? How does the Web site attempt to capture information about its customers? (Yunhen Tinoco) Red Lobster has changed its image to further reach out to its new crowd. I believe they are doing a great job in reaching out to the older, educated crowd. This is a group that is highly conscious about its consumption and enjoys eating out. The Web sites primarily messages are making smart choices, the freshest seafood, and it is marketing seafood as a healthy diet.

Making smart choices is seen throughout its Web site. It has links such as Smart cooking tips, Smart tips for dining, and eating smart. The menu has been changed to focus on its freshness. It has descriptive words as fresh, steaming, seaside, and wood-grilled, The Web site has a nutrition facts link, as well as a menu calculator that totals your meals calories, sodium, total fat, saturated fat, and carbohydrates. It also points out health benefits from Omega-3 fatty acids that are found in some fish and seafood. It's smart cooking tips is designed to provide healthier, fish and seafood recipes.

The 11 smart tips for dining out also revolve around methods in which you can eat healthier. After looking through the Web site we can see a few areas where it can capture information from its consumers. Information can be gathered by collecting data from its menu calculator. Research can be made by seeing what consumers are selecting as their meal. Collecting this data can help to catch any new trends based on what meals are being selected. Another form of information that can be gathered is consumer's geographic area. When you click to view the menu the Web site requires you to enter your zip code.

This information can be used to see when opening new restaurants. There is also an option to buy seafood online that can be delivered to your door overnight. Personal information can be collected from this feature. Another feature that the site provides is the option to sign up as a club member. By becoming a member Red Lobster will be able to track its customers buying behavior.

3. Red Lobster's closest competitor in the seafood dining business is Joe's Crab Shack. Check out their Web site at www.joescrabshack.com and compare it to Red Lobster's. How does their marketing approach differ? Do you think they are appealing to the same types of customers? How does the Web site try to get information from its customers? (Ngan) Red Lobster's closest competitor in the seafood dining business is Joe's Crab Shack. Looking through the website, Joe's Crab Shark approaches its market differently. "We did not just start with an idea for a restaurant. We did start with a road trip, a love for crab and a wild streak". They were very successful in

targeting customers who have excitement with freedom of life, who have easy-going minds.

These kinds of consumers enjoy eating out and enjoy the funny, humorous, activities in the restaurant. The primary messages from the website are “ getting fresh seafood, getting your hand dirty, having good friends and a sense of humor. Make all things real and a little bit weird”. Everything in the website is organized in a messy but funny way. The way they organize make us feel like we were freshly served on the beach. It has links such as seafood menu with bucket of shrimp, seafood fun-do, crazy food crab Dip...Joes’ connect its relationship to the community with the link “ crab and community”, local events to help out the community.

The area for kids menu on the website looks lovely with kids menu, some funny quiz and playing areas for beach buddies. On the website, there is a surf shop with collection with T-shirt with very Joe’s style and attractive bonus if gift cards are used. This is an extra-service beside the seafood. The Web site tries to get information from its customers from many ways. First, when you click to view the menus, you are required to enter your zip code, state and the city.

This information is used to track the frequency that seafood in Joe’s Crab Shark are used that area. Another option for information capture is Joe email area. There, customers are required to leave their names, email address, birthday, and favorite location so that Joe’s can update upcoming events to them. “ Contact us” is another section that needs to be collected with personal information. Beside, leaving comments is one of the ways so that

Joe's can understand consumers' needs and improve their service. Gift card is also a way to track consumer behavior