



Promotions to Fill the House

EARLIER THIS YEAR Nancy Wilhelm—owner of the tony Tabu Grill in Laguna Beach, California, where entrée prices start at \$34—noticed an uptick in empty tables, which threatened her bottom line.

“We had to do something,” she says. Her nine-year-old restaurant, a popular spot for locals celebrating special occasions, began offering a four-course, set-price dinner menu for \$25, and available Sunday through Wednesday nights only. “It’s an opportunity for people to

come in who wouldn’t normally, and anything’s better than an empty seat.”

Restaurants are responding to tough economic times, in which fewer people are eating out and spending is less indulgent, by rolling out innovative pricing strategies.

Maggiano’s Little Italy, an upscale chain of 44 Italian restaurants, began offering *On the House Classic Pastas* in 2009. Each of nine pasta dishes, including Mom’s Lasagna and Spaghetti & Meatballs,

includes a free take-home portion.

“We went to the drawing board and started talking about how we can deliver affordable dining options that are consistent with our brand,” says Michael Breed, director of marketing. “We were inspired by Italian-American families where you never leave someone’s home empty-handed. It’s a way for us to express our heritage of generosity, and like most restaurants, we are combating affordability.”

Since introducing the pricing

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ON SLOWER NIGHTS, SUNDAY THROUGH WEDNESDAY, TABU GRILL IN LAGUNA BEACH, CALIFORNIA, HAS A FOUR-COURSE, SET-PRICE DINNER SPECIAL.

strategy, the number of first-time guests has increased by 4 percent. And, even more impressive, forty out of each 100 guests order an *On the House Classic Pasta*, proof that it's been a success, Breed says.

Direct-mail marketing is how Maggiano's Little Italy snagged new customers, using the special promotion as a hook.

Similarly, Salvatore's Restaurant owner Sal Lupoli offered a promotional hook—a freebie—to entice people to check out his fifth location, in Andover, Massachusetts. For the grand opening, he offered a "buy one, get one free" deal to attract locals in this town of 30,000 people to check out the Italian-cuisine restaurant—and also thank loyal patrons of his other four eateries.

"The message we want to send is very clear: We're a family-owned and-operated business, and we're creating opportunities for families during these economic times," said Lupoli, who quietly marketed the deal at the other Salvatore's Restaurants.

He didn't want a swarm of people to arrive, thus cheapening the quality of service provided that night. "You have to be careful that you're still offering them the kind of experience that they'll want to come back for."

Tabu Grill's Wilhelm also keeps promotions close to home, distributing postcard-size fliers in her restaurant that describe the coming week's menu in hopes diners will plan a repeat visit sooner rather than later.

She also invites staff at local resorts (Laguna Beach thrives on traffic at its many upscale resorts) to visit Monday nights when the menu is discounted 50 percent for members of the hospitality industry, a strategy that successfully garners many concierge recommendations. { BY KRISTINE HANSEN