T.G.I. Friday’s Restaurant

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Executive Summary

T.G.I. Friday’s is a casual dining restaurant that has been a well-known chain since 1965. The theme of the restaurant provides a lively environment that keeps an engaging atmosphere where customers feel comfortable going. Friday’s has presented great marketing strategies over the years that have helped them become the restaurant they are today such as the Give Me More Stripes program and World Bartender Championship. Within the Grand Rapids locations, we have researched marketing strategies that will help the company generate more income. These possible marketing tools will create the company with an advantage over other competitors in their locations. By discussing the industry and the customers within the Grand Rapids area, we have figured out what will work and what hasn’t been as effective. The recommendations that are stated are the events and promotions we have planned for Friday’s. These events/promotions will help the company increase their overall sales. Although Friday’s is already engaged to different programs to benefit their company, there are many other strategies that will help benefit them. Friday’s needs to be more aware of the opportunities they are given, therefore creating a customer loyalty will only provide more possibilities for them overall. With all the changes they have been making throughout the company as a whole, Friday’s is heading in the right direction to build their customer loyalty.
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Background

T.G.I Friday’s was founded in 1965 in Manhattan, New York on the corner of 63rd Street and First Avenue by a perfume salesman named Alan Stillman. “Stillman decided that the coolest way to meet the stewardesses in his neighborhood would be to buy a broken down beer joint, jazz it up with Tiffany lamps and mod young waiters and christen it” (T.G.I. Friday’s, 2010). Their main plan was to have a place where single adults can go and enjoy themselves, which within the first year totaled $1 million in revenues. T.G.I Friday’s first started as a bar and later became a restaurant. After 10 years of Friday’s being established, over 12 restaurants were introduced in 9 states and were acquired by Carlson Company, Inc. Carlson Company is a global, privately held hospitality and travel company with a strong portfolio of leading brands (Carlson Worldwide, 2010). In 1974 Friday’s introduces their famous Loaded Potato Skins, which eventually became an all-time classic plate at Friday’s.

The specific business that T.G.I. Friday’s is currently engaged in is the casual dining restaurants business. T.G.I. Friday’s offers a casual dining experience unlike any other, where you can expect great food, drinks and plenty of fun to go around at 928 locations in 44 states and 61 countries (T.G.I. Friday’s, 2010). The décor, music, and lights of the restaurants provide a lively environment that keeps an engaging atmosphere for customers to feel welcomed. T.G.I. Friday’s overall business philosophy is great food, great drinks, and loads of fun. Their goals are all based on making the customers feel welcomed so they can have a good time while dining.

Carlson Restaurants Worldwide, Inc., the parent company of T.G.I. Friday’s restaurants, is dedicated to giving back to the community by sponsorships, organizations, fundraising, and volunteer work through; Make-A-Wish Foundation of America, America’s Second Harvest,
Boys and Girls Club of America, and Reach Out and Read. These organizations are chosen because T.G.I. Friday’s focuses on the diversity, education, hunger, and youth within in their corporation and so do these organizations.

T.G.I. Friday’s primary objectives as a company for the next five years are to maximize overall profits of the company, customer loyalty, and stock profit margin. The company is always looking to maximize their income as a whole but in order to do so they are going to first build customer loyalty. Having customer loyalty will bring customers “regulars” into the restaurant, which will keep sales increasing. By having customer loyalty that increases sales, the company will begin to maximize the stock profit margin. The stock profit margin will detect how much of the market T.G.I. Fridays is gaining. This is important because it shows T.G.I. Friday’s where they stand, which will make push them to achieve their objective of being the best restaurant with the highest ratings.

TFI Friday’s management team is working hard to keep their company expanding. They are always looking to push sales, services, facilities. While talking to Scott France, he mentioned to us a lot about the new menus that they are testing and new specials they are having. This shows that the company is looking for the best menus for each specific location. The company has multiple menus because at different locations their prices change and the menus have different items. They encourage the servers to be active, talkative, and fun with the customers, which shows their attitude as a whole company. Their facilities have changed into a new classy look over the last 10 years of so, to give customers a better outlook on the restaurant. The company is also engaged in a lot of programs and has their own events that keep the customers excited. Their Give Me More Stripes program offers specials to customers that sign up and whenever they go and dine there, they get points added to their card. After using a hundred of
more points, then one receives a bonus or special. This is a way for customers to keep coming back, as well as earn points every time they come in, giving them multiple opportunities for specials. Another event T.G.I. Friday’s has, that they created, was the World Bartender Champion (BTC). This used to be an event just for T.G.I. Friday’s bartenders, but turned into a massive competition between bartenders all over the world. BTC is a good way for customers to become more familiar with T.G.I. Friday’s as they enjoy the fun and excitement with one another. The company maintains their responsibilities and attitudes while being a casual dining restaurant atmosphere.

The company is always looking to expand their strategies to achieve their long term goals. Within the Grand Rapids area locations, T.G.I. Friday’s is achieving their goals by letting the community in on their specials and events through marketing. Marketing is a big advantage they are currently working on to let the Grand Rapids community become more involved with them. They plan on using all forms of media to get their name out there, and within five or ten years it will hopefully have an impact on the increase in sales. Overall T.G.I. Friday’s is looking to expand their marketing strategies so it will increase their sales and customer loyalty.

**SWOT**

**Strengths:**
- Well-known Chain
- First to start ½ off appetizers
- Multiple locations
- Famous Foods
  - Jack Daniel’s Burger
  - Loaded Potato Skins

**Weaknesses:**
- Bad Advertising
- On big opportunities with their specials and events
- Menu Prices
  - Economy
- Lack of Social Media
- Website
  - The menu is hard to read
Opportunities:
- ½ off appetizers
- Events
- Promotions
  - Awareness to customers

Threats:
- Competition
- Location Placement
- Economy
- Rising Food Prices
  - Different season, different prices

**SWOT Analysis**

The company is looking to expand their sales and build loyal customers. T.G.I. Friday’s has a lot of opportunities that can help their company accomplish their goals. Their strengths are their famous foods and were the creators of half off appetizers. They can take what they have going for them and advertise to get customers coming in and experience a great time at T.G.I. Friday’s. Although their opportunities and threats are weighing them down right now, their opportunities can help them in the right direction and succeed with the strengths of the company.

**The Industry**

T.G.I. Fridays is a part of the casual dining Industry. A casual dining restaurant is a restaurant that serves moderately-priced food in a casual atmosphere. Casual dining restaurants typically provide sit down table service with the exception of buffets style restaurants where the server is only responsible for bringing drinks to the table. Casual dining comprises a market segment between fast food establishments and fine dining restaurants. “Casual dining restaurants usually have a full bar with separate bar staff, a larger beer menu and a limited wine menu. They are frequently, but not necessarily, part of a wider chain, particularly in the United States. Entrepreneur Norman Brinker was the "father" of casual dining” (Mintel, 2010). Full-service restaurant chains have average checks of $8-20 per entrée. With an appetizer, beverage, and dessert, checks frequently come to $20 per person, although lunch specials are less than $10 for
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an entire meal are also common (Mintel, 2010).

Over the past five years, the casual dining industry has definitely felt the impact of the recession that has taken over several states across the United States, especially Michigan. The result of people losing their jobs, working less hours, and financial insecurities has caused cash-strapped consumers to stay home and cook a meal than spend the extra money at a restaurant. “The casual dining segment has emerged as the poster child for recession-era restaurant industry woes, with the symptoms of declining customer counts and check averages, sales slumps and unit hemorrhaging, and even bankruptcies” (Mintel, 2010). Although the majority of segments in the food service industry have suffered to a certain extent during the recession, the casual dining Industry has been impacted the greatest. A reason for this is that consumers are starting to view fast casuals and quick-service as similar if not the same quality as casual dining but cheaper prices without having to leave a tip. Figure 1 below shows the current sales and forecast for the casual dining industry at current prices, 2005-15 (Mintel 2010): See Appendix A. Figure 2 shows casual dining sales at casual restaurants at inflation-adjusted prices, 2005-15: See Appendix B. Source: Mintel/based on U.S. Census Bureau, Economic Census; Restaurants & Institutions Top 400; GE Capital, Franchise Finance, Chain Industry Restaurant Review.

“For 2010, Mintel estimates casual dining segment growth of 1.9% in nominal terms, though only 0.1% after factoring for inflation. Moving forward, casual dining year-to-year growth through 2015 is forecast to be around 3% after adjusting for inflation” (Mintel, 2010). The growth assumes that future employment will become steadier in the near future which will likely result in greater consumer confidence and a higher disposable income. Restaurants employ 386,500 people in Michigan. “In 2010, Michigan’s restaurants are projected to register $13.4 billion in sales. Restaurant jobs represent 10% of employment in Michigan and it is projected
that by 2020, there should be a 5.6% job growth creating 21,700 new jobs (National Restaurant Association, 2010). This will most likely create a positive influence on the casual dining industry as the stress of financial struggles lessens and consumers begin to feel more comfortable spending that extra money.

The casual dining industry is attractive to a restaurant such as T.G.I. Fridays for several reasons. The casual dining industry is one of the largest industries in Michigan creating the opportunity for T.G.I. Fridays to gain a large market share and uphold a strong customer base. As stated previously, in 2010, Michigan’s restaurants are projected to register $13.4 billion in sales (National Restaurant Association, 2010). T.G.I. Friday’s has 928 locations in 44 states and 61 countries allowing them to gain a huge market share in the casual dining Industry.

“T.G.I.’s goal is to create a casual dining experience like no other; to offer great food, reasonable prices, and a fun/friendly atmosphere. T.G.I. Friday’s is all about representing quality and fun when it comes to their restaurant. Where people can go to the restaurant and enjoy the décor, music, lights and where the staff will continue to provide a lively, electric and engaging atmosphere” (T.G.I. Fridays, 2010). The casual dining Industry represents a casual atmosphere, reasonably priced food, and a sit down environment, all of which are incentives that Friday’s want to provide for their customers. Both fast food establishments and fine dining restaurants would misinterpret the environment, goals and atmosphere that Friday’s intends to provide for their customers. Fast food establishments would misrepresent T.G.I.’s goal of serving quality food as well as diminish the sit-down, fun and upbeat atmosphere that they want to incorporate for the theme of their restaurant. The fine-dining industry would be too formal, less upbeat and prices on the menu would be too expensive not be appropriate to the prices that T.G.I. Fridays want to offer their customers. With these objectives in mind, neither the fast food industry nor
fine dining would allow T.G.I. Fridays to give their customers what they are looking for. It has been reported in 2009 that people aged 25-34 who are mainly middle class visit casual dining restaurants the most frequently and are the main customer base. This is the target market which T.G.I. Fridays is aiming towards.

The main component that makes the casual dining industry unattractive to T.G.I. Friday’s for the past few years is the recession that consumers are having to deal with. The casual dining industry receives the most traffic and mainly attracts people from the ages 18-45 (Mintel, 2010). As mentioned previously, people aged 25-34 (who are mainly middle class) are the age groups of consumers that visit casual dining restaurants most frequently and are Friday’s main target market. During the recession, the middle class was affected dramatically, resulting in a huge loss in Friday’s customer base as well as many other restaurants. Ron Paul, president and CEO of Technomic Incorporation, stated that restaurants at higher price points are not being affected as much as casual dining restaurants such as Applebee’s, because their customers are not as impacted by the economic conditions. "Applebee's has said that they've lost something like 5-10% of their customers. Those customers have just basically stopped going there. They are lower income and they are either going to either quick casual or they're going to the grocery store. We don't know exactly where they're going but we know they're not coming to Applebee's. We think some of them have traded down to fast food or quick casual, that it's financially driven"(Ron Paul, 2010). Consumers facing job losses and tightened budgets are having a hard time justifying going out when they can to stay home to eat or trade down to quick service and fast casual restaurants that are offering value prices and improved quality. Industry demand has been cynical in the eyes of marketers and consumers due to the recession. The recession has resulted in tightened budgets of consumers, causing people to think twice about going out and spending
money. Budgetary problems of the middle class whom are casual dining’s main customer base is the main reason for decline in sales. Industry analysts have noted that the main reasons for squeezing middle class budgets are due to (Ron Paul, 2010):

- High fuel costs
- Rising interest rates (higher minimum credit card payments)
- Rising adjustable mortgage payments

T.G.I. Fridays is in the maturity stage of the product life cycle. “At maturity, the strong growth in sales diminishes. Competition may appear with similar products. The primary objective at this point is to defend market share while maximizing profit” (QuickMBA, 2010). In this stage of the product life cycle T.G.I. Fridays must focus on four main objectives:

- **Product** are being switched all the time, which create new products
- **Pricing** may be lower because of the new competition.
- **Distribution** becomes more intensive and incentives may be offered to encourage preference over competing products.
- **Promotion** emphasizes product differentiation.

Friday’s food features may be enhanced to differentiate the product from that of competitors. For example, T.G.I. Friday’s often switches their menu up offering different food, usually representing a theme such as the taste of the Caribbean. Friday had to adjust their prices on the menu to adjust to the recession and competition from other casual dining restaurants that were offering meal deals to attract customers. For example, they are now well known for their “endless lunch” starting at $6.99. T.G.I. Friday’s focuses on quality of their food and the
experience of their restaurant. To some consumers, their food has been perceived to be too expensive in comparison to their competing restaurants such as Logan’s Roadhouse. As an incentive to bring more people into the restaurant T.G.I. Friday’s offers “give me more stripes” program. The give me more stripes program is a free program that allows T.G.I. Friday guests to earn stripes. “One dollar spent on any purchase with food = 1 stripe. As a give me more stripes member, you are treated as a special guest, receiving free food, exclusive offers, benefits and more” (T.G.I. Fridays, 2010). This is a powerful reward program that gives Friday’s an incentive to come back. As for promotions, T.G.I. Friday’s in constantly promoting different items on their menu to spark customer’s interest and differentiate themselves from the competition.

As for the casual dining Industry, it is very difficult for new competitors to enter the industry. The porter’s model is an excellent model used to analyze a particular environment of an industry by five forces:

- Supplier Power
- Barriers of entry
- Buyer Power
- Threats of substitutes
- Degree of Rivalry

In today’s economy, competition is more cut throat than ever. Every restaurant is adjusting to the recent recession by lowering prices and offering meal deals. Starting a new restaurant is incredibly expensive and requires an extensive amount of upkeep. “They require more dining and kitchen space than fast-food joints, not to mention more people to cook and serve food. At the same time, they lack the premium prices that upscale restaurants use to generate larger margins per table. Caught in between market segments, casual dining relies on volume of customer to produce a profit and it's tough to draw customers in consistently during a recession”
Despite the recession, new restaurants have to face intense rivals. The intensity of rivalry is influenced by the following industry characteristics (QuickMBA, 2010):

1. Larger number of chain restaurants
2. Slow market growth
3. High fixed costs
4. Low levels of product differentiation
5. High storage costs/ high perishable goods
6. High strategic stakes

Ultimately, the stakes are high for any new company entering the casual dining industry during this time period because of the lingering effects of the recession. Outside influences, such as the rise of oil prices has also put a strain on people’s budgets resulting in them not wanting to drive as much because of high fuel costs.

To be successful in the casual dining industry during this time there are key factors that a company must keep in mind. With the economy playing a huge role in consumer’s purchase decisions, providing meal deals and promotions is a big incentive to attract customers. Especially during the recession, almost all casual diners have had to adjust their menu prices in order to retain and attract customers. Now that the recession is over, people are still hesitant with spending their money and are continue to look for the best deals and discounts. For example, Logan’s Roadhouse 2 meals for $14.99. Another key factor is to stand out. To be successful companies must differentiate themselves from their competition. “Over the years, the casual dining Industry has been a bit of a “wear out” where the restaurants all have started to blend together and the experience tends to be very similar from one restaurant to another for the consumers” (Horovitz, 2010). Menus and even promotions are starting to become too much alike which results in people getting bored and not wanting to spend the money to go out when it’s the
same experience every time. People are looking for a different experience from one restaurant to another including different menus, change in atmosphere, and product innovations.

The next factor is to insure quality of food. Fast food's quality has gone way up, but the prices have risen relatively slowly. At the same time, casual dining's food quality and innovation stagnated. Fast dining and fast food restaurants continue to improve quality with lower costs than casual dining restaurants, for example, Panera Bread and Qdoba” (Horovitz, 2010). There are a number of factors people look at before choosing a restaurant to go to and a survey taken of 2,000 people 18+ said “menu items that I like” is the leading driver (mentioned by 72% of casual dining customers). A good dine-in experience, value for the money, and best-tasting food are close behind, all tied in the second spot, with 66%”(Mintel, 2010). Why would people spend 20 dollars for a meal when they can spend $10 at a fast food place with similar quality?

Improving service is the last key factor. “Slow service and discourteous staff have given casual dining a black eye, lengthy waits for meals don't reflect how Americans eat,” (Horovitz, 2010). Living in such a fast paced nation, people want to get their food as fast as possible or at least in a reasonable time frame. Waiting too long for a meal can result in angry customers, bad experience and a negative impression on the restaurant. This can result in the loss of customers, to other restaurants and even fast dining chains. “A number of factors vie for the top spot in casual dining selection factors, with “menu items that I like” the leading driver (72%). A good dine-in experience, value for the money and best-tasting food are close behind and tied in the second spot, all with 66%. Findings suggest that the core competencies of quality food at a good value coupled with atmosphere are more likely to draw customers than other, more “trendy” features such as healthy food, natural and organic offerings, and convenient ordering option” (Mintel, 2010).
The External Environment

The main external factor affecting the casual dining industry is the recession and the economy. People are on tight budgets and unwilling to pay extra to go out to eat. “At dinner time, the most important day part for casual dining chains, 85 percent of surveyed consumers agreed that they are eating at home more often, either cooking, or more likely, sourcing prepared meal solutions from various food retailers. But other options are also popular-independent and fast-food restaurants are being used as substitutes for casual dining by over one third of respondents” (Restaurant News Resource, 2010).

Another huge factor affecting all restaurants in all segments is seasonal changes.”When compared side-by-side, 72% of restaurant owners and operators state seasonal changes is the most cited factor in causing sales fluctuations of 20% or greater in their business” (Mintel, 2010).

The main factors that contribute to seasonal sale fluctuation are:

- Temperature changes
- Weather changes
- Individuals' moods with regard to local travel and food preference

These main factors of seasonality cause significant sale fluctuations over the course of the year a majority of restaurants. During this time period, most restaurants offer coupons in the mail, advertise special offers, and present promotions in order to attract more customers.

The biggest influence upon Industry demand right now is the discounts and meal deals offered from companies to lure their customers in. The biggest influence upon Industry demand right now is the discounts and meal deals offered from companies to lure their customers in. Discounted meal deals, price fixed menus, and coupons have been the primary method of encouraging traffic into casual dining restaurants. In addition to offering regular meals at set
pricing, these initiatives have also taken the form of providing the option of smaller-portion meals for a reduced price. For example:

- **Applebee’s** 2 for $20, also includes a shared appetizer and two entrées.
- **O’Charley’s** “Ultimate Choices” menu spreads 12 entrées across three price levels ($7.99, $8.99 and $9.99). Choices include a 12-Spice Chicken Panini at the lowest price and Grilled Salmon & Rice Pilaf at the top.
- The Create-Your-Own-Combo deals at **On the Border**, with two items for $6.99, three items for $8.49 with rice and beans.
- **Logan’s Roadhouse**: Provides two full meals for $14.99 as well as a three course dinner for $19.99
- **Chili’s** LTO has cycled on and off menus, morphing from the “3 for $20” to the current “$20 Dinner for Two,” and includes a shared appetizer and two entrées. The former version included a shared dessert.
- **T.G.I. Friday’s** endless lunch for just $6.99. All you can eat including a soup, salad, bread sticks and a drink.

“Eating out less in general because of budgetary reasons is by far the leading reason for casual dining customers eating out less this year (80%). This drives home the importance of promotional messages that let customers know that there are budget options available and that knowing the price of a meal before going out helps to fit it into the budget” (Mintel, 2010).

**Competitive Situation**

In the area that Friday’s occupies in Grand Rapids, Michigan there are three strong direct competitors. These three competitors consist of two locally owned restaurants and one major
chain restaurant. The two locally owned restaurants are Uccello’s Ristorante (family owned restaurant) and Brann's Steakhouse and Grille (another family owned restaurant). The major chain competitor that is in the area would be Logan’s Roadhouse. Ranking these competitors against Friday’s in this Grand Rapids area, they would go as:

1. Uccello’s Ristorante
2. Brann’s Steakhouse and Grille
3. Logan’s Roadhouse

One of the main reasons that these restaurants rank in this order of strength is because Grand Rapids has a tendency to choose locally owned businesses over chain/franchise style businesses. Since this is the case, in the past year, Uccellos and Brann’s have been gaining a lot of strength by shaking up their approaches and getting their name back out into the community. Logan’s follows behind these two locally owned restaurants because of the fact that it is a chain restaurant and it is not one of the most popular in Grand Rapids. They are competitive in the same category as Friday’s, and have gained some strength overall in the last year, but they are still not overtaking any markets.

_Uccellos Ristorante_

The principle competitive strength for Uccellos happens to be the same as Brann’s, in the fact that they are a well known local family with a well known local business. With their main strength being known for their homemade family Italian food, this restaurant thrives in Grand Rapids with a large target market ranging from college students to the mid forties range pending on the time of day. They do a great job of reaching out to all ages as well as the dining scene and sports bar scene.
Looking into the marketing strategy for Uccellos, it really does not consist of very much. Uccellos marketing strategy is very simple with not a lot of different components. They use three different advertisements/marketing tools that have seem to work for them very well. The use of electronic media such as commercials and social media, website advertisement, and fundraising for college/sporting events are the three common ways they market.

Uccellos is known for offering both casual dining as well as the sports bar atmosphere. A person can come into Uccellos and order anything from a burger, to a salad, wrap, or their specialty Italian food. At the same time they are able to offer the simple appetizers and drinks with a sports bar atmosphere for the fans.

This is an advantage because they are able to use a broader target market to bring in potential customers. Having a broader target market can help with potential customers because it allows for them to attack a larger number of people altogether. This means that the more people you attack, the higher percentage of people you have a better chance to bring in to the business.

This is also a disadvantage in the fact that by broadening the target market, the business is wasting time and money on obtaining many people who have absolutely no interest in their restaurant. Another disadvantage is that they are trying to combine different segments of sports bar leisurely fun with casual dining.

The market segments that Uccello’s is reaching out to are based on which atmosphere they are trying to sell. When they are trying to sell their casual dining and quality food atmosphere their market segments (or their customers) would be people aged 28-40 males or females. This is more of the normal quieter atmosphere during dinner time that they can enjoy a nicely cooked meal.
The other market segment comes with the sports bar atmosphere, where Uccello’s focuses more on the 21-28 range. This would pertain more to males, but could also have some females. This is the segment that wants to have the later hours, more TV’s, and drink specials all night long. They are there for sports, drinks, appetizers, and social times.

Sales promotions range for Uccello’s from having half off appetizers at night, to drink specials daily, to every day food specials. The half off appetizers happens at night for them during the week days and starts at 10:00pm. This was something that was originated by Friday’s. The drink specials always change based on happy hours and what current promotion is running at the time. This can change from actual drinks or to seasonal beers that they might be carrying. Finally, Uccello’s is known for having every day food specials. An example would be buy one get one free wet burritos on Tuesday, or it could be never ending pasta on Thursdays.

The pricing approach to Uccello’s food is the same as Friday’s takes to their food. They feel that their food is at a higher quality than most restaurants in the area, so they feel they should be able to charge a dollar or two more on certain meals. Also, being a locally owned business, staying afloat tends to be harder which might also drive them to have slightly higher pricing than a lot of the major chains in the area like an Applebee’s.

The biggest difference between this competitors product over Friday’s is the fact that they are a local company that is locally know. It all come back to being local in this case because when talking to a lot of different people, they will say that well its local so I am feeding back into Grand Rapids. Also, with being local they know how to adjust certain items, specials, or foods on their menu to fit the people of Grand Rapids. This gives them an advantage of not having to make a whole nation happy, instead making just this target area happy.

*Brann’s Steakhouse and Grille*
Again, the same principle competitive strength with Brann’s is that they are a well known local family that owns a well known successful local business. They are competitive in the fact that they have great locations and offer a premier sports bar and casual dining atmosphere for its customers. Another competitive strength that they hold is that they are well known for their steaks and grille style foods, which are known to be high in quality.

The overall marketing strategy that Brann’s has taken to recently is that they are trying to go “in your face” style of marketing. They have started this by taking a whole new marketing approach, starting with the use of social media. Now that Brann’s is on Facebook and twitter, they are using it to their full advantage. They have updates every day at minimum and promote all of their specials along with pictures, events, and much more. This is their new quick way to attack some of their target market that uses social media. They also have taken advantage of recreating their website and remodeling each of their businesses to look a lot nicer. This makes it nicer for their customers and also gives them a reason to at least come in one time to see the new looks.

The products and services that Brann’s offers are similar to Friday’s, but at the same time are more focused towards the steaks and grilling of items. Brann’s is known for its high quality steaks (sizzler) and chicken products as well as pretty much anything cooked on a grill. They also are well known for their bar style food that is offered while watching the big game on TV. These products are an advantage because it targets a lot of males ages ranging from 21-45. This age range is large because steaks are a common male food, and mixing that with football and drink specials fulfills many of this target markets needs. This is also an advantage because they are able to mix in sports and sporting events at their restaurants to start new promotions to satisfy customers.
The disadvantage of these products is for the female markets. The females may not be attracted to the sports bar atmosphere that consists of drinks, steak, and lots of sports. Although Brann’s does offer some casual dining as well as a new fuller menu, at this time it will be filled with more of the target market (males ages 21-45) maybe pushing away some of the women. The market segments that Brann’s is offering to is the sports bar male ranging in age from 21-45 years of age. Brann’s has recently installed 170 flat screen TV’s in their new remodeling so that the game is not missed from any angle. This segment is a large part of Grand Rapids, since athletics tends to be a large part of Grand Rapids.

Brann’s has taken a few different forms of advertising to get their name out there lately. The most obvious one is to anyone who is on Facebook right now and is a fan of their page. It is possible to find a numerous postings from them each day, getting their name and specials out as much as possible. Secondly, they have taken over a few billboards around Grand Rapids getting their name out to anyone who is driving by. This is smart because they have utilized high traffic areas that promote a local restaurant in that area. Finally, they are known for their famous Brann’s commercial. This commercial plays on many stations during games and other events that their target audience might be watching.

Brann’s is known for a lot of its sales promotions that deal with sports, but have also tried taking on some of the common ones in the area. They have tried starting their own appetizer special that makes all appetizers $3.99 (certain ones at least). They have also started up their thirst and ten promotions that run during football season to promote many of their drink specials they offer. Finally, another major promotion is there economy priced dinner at 13.99. This is a way to show they can offer quality foods for a decently low price, and is their way of competing in the area.
Customers prefer Brann’s to Friday’s a lot of times because like Uccello’s it is a local business trying to make it. These owners have all grown up in the area and are well known and liked by many people. Word of mouth travels fast when someone is well known, liked, and tries to make an impact in the area. Another reason Brann’s is preferred is because of the types of food (including the quality) that they offer for certain prices. Brann’s has found a way to have a lot of sales and promotions that allow their meals and drinks to be cheaper. This helps them draw in customers in an economy like today.

Logan’s Roadhouse

Logan’s Roadhouse is a well known national chain that has its own competitive strengths. Their main competitive strength is the fact that they are a national chain. This allows for people to see them all over the nation and not just in one town. Being a national chain also allows for the business to have a lot of stability not only financially, but customer based as well. It is easy to say that any restaurant in the business that has its own stock market listing and it is at $26.00 a share is stable.

Logan’s marketing strategy, at least in the Grand Rapids area, seems to be related to TV advertising and a few billboards. These ads can be seen on TV and the most commonly known one was the ad including three new steaks. Logan’s also has a corporate run social media department. This consists of keeping it to one page for the restaurant and trying to hi-light the new openings, menu changes, drinks, and etc. Overall, most of the marketing strategy for Logan’s is based off of corporate and how they decide to advertise for the company.

Logan’s roadhouse is well known for its offering of high quality steak dinners as well as for their free peanuts with every meal. They do offer a full menu that is very similar to T.G.I. Friday’s with right around the same costs. This could be seen as either an advantage or
disadvantage based on the consumer. If a consumer tries both and like one better they will choose it because the prices are the same, but the quality is different. If one is cheaper in price, then the quality might be cheaper and that could come back to cost them in the end.

Along with their specialty being high quality steak dinners, one of the biggest attractions of going to Logan’s is their free peanuts at every meal that a customer can just throw on the ground. This is a huge advantage because this is not common for many, if any area restaurants. This could also be seen as a small disadvantage for a few small reasons. The first being with so many people with peanut allergies, they cannot step foot near a Logan’s. The second disadvantage being that some people do not want to be walking on peanut shells and might find this place too dirty to end up eating.

Logan’s marketing segments (area wise) can be found on their website. According to the website, “Logan's believes in selecting quality restaurant sites in metropolitan markets with attractive demographics. We also select sites in smaller markets where the appeal of the Logan's concept, together with fewer competing casual-dining restaurants, provides an attractive opportunity for Logan's”. One of the major points about the market segment that Logan’s is heading towards the red meat segment; this is because 45% of their sales from the menu come from steak dinners alone.

Logan’s normally uses only four different styles of advertising. The four big main styles consist of commercials, billboards, social media, and website advertisement. The commercials and website have the most amount of money spent on them. Commercial productions as well as paying for time slots can add up very quickly. The website consists of paying a website coordinator to do the work and keep it updated. Social media is a great free tool that they keep up
to date on a constant basis. Although it is free, they are paying to someone in the marketing department a salary to keep this as well as other marketing projects up.

Logan’s takes the pricing approach almost the same as T.G.I. Fridays does. Logan’s charges a little bit more than the normal Applebee’s middle of the road restaurant would charge. The food quality (especially the steaks) at Logan’s is known to be high and therefore there is a reason to charge that little extra bit. Pricing also changes slightly based on the area and demographic that is around that specific Logan’s restaurant. A Logan’s in the middle of Chicago is going to charge more than a Logan’s over in Comstock Park.

The main reason that Logan’s is chosen over T.G.I. Fridays would be the atmosphere that the consumer is looking for. When going to a Logan’s compared to a Friday’s there is a large difference in atmosphere. T.G.I. Fridays is more of an upbeat, trendier restaurant that offers high quality food for a reasonable price. When going to a place like Logan’s, a customer gets more of the classic, old school roadhouse feeling that is brought to life in a more upbeat way. The website states that, “Logan's Roadhouse revisits the classic roadhouse from days past and brings it to life in a modern way through its welcoming hospitality, attentive service and kickin', upbeat atmosphere. “Come as you are, grab an ice-cold longneck, enjoy a fresh, mesquite-grilled steak, and tap your toes to the rockin' roadhouse sounds. Make lifelong friends. It's a real American tradition” (LOGANS).

This competitor shows a little threat in the fact that they could take away from the customer base of T.G.I. Fridays. The great thing about that is that they also pose opportunity to allow T.G.I. Fridays to compete and be forced to come up with new and improving ideas. This is a healthy thing for a business so that they do not get stuck in the same process over and over. This allows give the opportunity for T.G.I. Fridays to try and attract new customers.
Most Vulnerable

The most vulnerable company out of the three would have to be Logan’s. The other two have a large following in Grand Rapids since they are locally and grew up in the area. They have multiple locations and are doing quite well with business. Also, they are keeping up with the times and are using their resources productively. This is happening by doing such things as remodels, opening up new locations, taking advantage of social media, and more. Logan’s being a chain a lot of their choices come from corporate, which means they might not be as able to adapt to changes in Grand Rapids. This leaves them in a position of trying to retain customers with the values and ways they built their chain up.

Possible New Competitors

Looking at the Grand Rapids market, a lot of new competitors make their way through because they see Grand Rapids as a test market. One restaurant that is new in Grand Rapids that could make an impact would be Twisted Rooster. This is a new style restaurant (1 of 13 in the US) that has sprouted up in Grand Rapids that is making a hit.

This restaurant is known for taking normal foods and twisting them a little bit differently in new ways. An example would be Buffalo Chicken Mac and Cheese. This dish consists of Red Hot grilled chicken, cavatappi noodles, bleu cheese, scallions, tomatoes and pried parmesan. The other big kick about this restaurant that could impact the industry is its uses of only Michigan made products. They get all of their ingredients from the farms and producers of food in Michigan.

Competitive Changes

The main competitive changes that are always there and out of the control of the restaurant are the reality of new restaurants popping up and competitions trying to go to local
menus. New competitors popping up have never been an out of the blue, new thing for T.G.I. Friday’s but it is something they have no control over. This means that T.G.I. Friday’s needs to find a way to keep up with these restaurants and make sure they are retaining their customers and not losing them to the competition.

The second major change, new local menus, is out of the control of Friday’s although they could easily counter that by trying to get corporate to allow them to try it out. Consumers like the thought of having food that is home grown, bought from their local economy, and helping out local businesses. This could impact Friday’s in trying to retain consumers as well as bringing in new consumers.

**The Customer**

The customer is the most important part to any revenue based business. Without knowledge of your customer base and their tendencies it is impossible for a business to reach the full potential and stay successful. Since T.G.I. Fridays is a casual cuisine, we found a lot of information about the typical casual cuisine target market and that gave us a brief overview of what to expect our target market to be like. Talking to Scott gave us a much clearer idea of what our target market and customer is. This conversation lead to further discussion about the type of promotional ideas we should have.

The target market for T.G.I. Friday’s is males and females between the age of 22 and 55. This is seen as the working class. Our restaurant was originally intended as a bar that singles could come and meet others so it really isn’t a family restaurant. We want adults to have a nice restaurant where they can come and socialize and eat good food. Our menu fits our customer base, seeing that we target the working class. We feel that this age range wants a restaurant with quality food still at a reasonable price so that is what Friday’s offers. Our customer group has
seen some decrease in the past years due to the recent recession and the harsh financial times our country has experienced recently.

The potential customer that the company has not yet got in touch with but should, especially in the Grand Rapids area, is the age range of 18-21. This is the college crowd that does eat out a lot. In Grand Rapids there are several colleges in a very small radius. This is a large market of people who will spend money if influenced to. Other restaurants like Applebee’s have done deals to attract this crowd and have been extremely successful so it would be a very good idea for Friday’s to get into this market also. Promotions of deals and events will help get this market interested into our restaurant.

Friday’s has seen a decrease in sales over the last 5 years along with all other casual cuisine restaurants. People are not eating out as often as they were previous of these 5 years. This has slowed the industry down much but many companies, like us, are doing many things to keep the revenues coming in. We have lowered prices to our foods and drinks to accommodate the decline of people eating out. It is important for us to promote things to get people back out of their homes and into the restaurants.

The Marketing Mix

Distribution Channels

The distribution channel for T.G.I. Friday’s is very simplistic, Fridays (the vendor) directly to the customer (the consumer). In many cases Fridays does sale directly to the customer with no intermediaries. This way is the common way a restaurant operates business. Fridays has done something different over time though and began putting some of their entrees and appetizers in frozen form and selling them in grocery stores like a Meijer’s. This form of reaching the consumer started around the time the recession started because of the noticed trend
that the consumers of the fine cuisine dining were no longer eating out at restaurants. This use of an intermediary is not common in the restaurant business but has been very useful, using the mindset that if the customer won’t come to us, we will come to them. This has allowed Friday’s meals and different offers to maintain in the minds of their loyal customers during the rough financial times our country has faced. This method of using an intermediary is not used by any of our primary competitors so we have complete control of that use of sales and marketing. The potential in this territory is big. During a time where it is common for consumers to stay home and not eat out, being able to have Friday’s products available so they can eat at home is huge. This allows consumers to continue to eat the Friday’s foods they love to eat and keeps the company name and products in their head. When they do decide to once again start eating out, they will have the knowledge that they like many of Friday’s products and will continue to eat their foods. Friday’s has penetrated this channel well and since they are the only company of their main competitors using this channel they have full control.

Advertising and Promotions

Over the years the company has changed their advertising slogans, but all have one common similarity. All of their slogans have to do something with the word “Fridays”. Their new slogan is “In here it’s always Friday”, which fits the restaurant perfectly. Their old slogan used to be “Give me more Fridays”, which in similar to the new slogan. As you can see from the two slogans, the old one is from a customer prospective and relates to “In here it’s always Fridays”. The new one shows that the company has made a change and every time you walk into the restaurant it feels like a Friday. Within the past couple years Friday’s have remodeled most of their locations, changed their slogan, and has a variety of different menus.
Their main purpose of the company’s current advertising and promotion activities are for their customers to be more aware of their products and overall changes. The company has been making changes for several years, which shows the customers how much the company cares. Since the franchise takes out a certain percentage of the advertising budget, Scott was only able to give us a rough estimate of how much he receives, which was about $300,000. With five locations, he has to manage his money well and come up with marketing strategies that best suit each store. The franchise has commercials for all the locations, therefore spending money within the community might be challenging. The commercials are based on the various new products that Friday’s is currently offering. For example, one of the commercials was about their new Caribbean food products. After researching the numbers that we were given, we found that a great amount of our budget will be focused on the events through the different forms of media such as: billboards, radio, print media, and social media. The budget is determined through the corporate offices where we aren’t allowed to have those numbers, but we do know that Scott receives 2% of the overall Friday’s revenue (Personal Communication, November 14, 2010).

There are a couple of special trends that Fridays does as a company. The company engages in two specific events that sticks them out over other casual dining restaurants. Their Give Me More Stripes program is based off the how frequently one comes in. If you sign up for this program, you receive points every time you go there and eat. After 100 points your bonus and specials go up and this is where you receive better discounts. This is a great program for them because it keeps the customer coming back. Another big event they created and still do each year is called the World Bartender Championship. This is where the best bartenders from across the world compete with their tricks and what not. Nearly 7,000 Friday's bartenders from 60 countries entered this year's World Bartender Championship. The ten finalists exhibited their
knowledge and showed off their flair through months of local, regional, divisional and national competitions to reach the finals (T.G.I. Friday’s, 2010). This is a fun, exciting event that represents T.G.I. Friday’s as a whole.

When looking at advertising and promotions for a restaurant, it can be hard to figure out how to measure the effectiveness on them. One of the main ways to measure the effectiveness of advertising is to see what the regular volume of consumers walking through the door is and the money spent (sometimes which items are bought) and compares the same categories after the advertisements have been places. This allows for a comparison before and after advertisements and gives at least a rough estimate on whether or not they are useful. Sometimes if it is digital advertisement it can be measured through that program online or by online trackers.

Since Friday’s is a privately owned company, they are not allowed to give any information relating to advertising effectiveness or sales prices. It would be implicated that if they are using as many different styles of advertisement (not including TV), that they are having a decent effect (in a good way) on the businesses in Grand Rapids. An example would be the way they placed their billboards strategically enough that a high volume of people see them.

When looking at the way that they measure their advertising, it seems that it is about the only way to measure something of that sort. The only other way to measure this information would be to use surveys, which they also do, but just seeing a difference in numbers is the best. This is adequate because it shows a difference between before and after and has to do with specifics, including numbers of people, food amounts, or food that is being bought. This is the most information the company can get without asking each and every person what brought them in.
Pricing

With T.G.I. Friday’s being a part of the casual dining segment, their pricing strategy is to focus on moderately priced food in order to attract their target market customers. “Casual dining has always counted suburban baby boomers and lower-income families as its base.” (For example, more than a third of Applebee’s customers earn household incomes of less than $50,000 a year.) There’s nothing wrong with this, of course, except that retirement-scared boomers and lower-income workers have been the first to cut back on spending (Fehrman, 2009). In order to continue to bring traffic into the restaurant, Fridays has come up with incentive programs, coupons, meal deals and discounts for their customers. T.G.I. Friday’s has focused on keeping retaining their current “loyal” customers as well as bringing in new by offering a series of different promotions. For example, “in 2009: 10 Meals for $9.99; Buy One Lunch, Get One Free; Five Cent Appetizers; and the World's Largest Inauguration Party. For the month of May, Friday's unveiled its most desperate promotion yet -- it would offer all 16 full-portion sandwiches and salads for $5, its lowest price since the first Friday's opened in 1965” (Ferman,2009).” In response to the recession “54% of families are dining out less often, 38% are dining out at less expensive restaurants, 29% are ordering less expensive items at restaurants”(Mintel, 2010). Since restaurants have took one of the biggest hits from the recession, it imperative for companies to adjust their prices in order to fit consumer needs.

Scott France, the director of operations, makes pricing decisions for the locations that he is in charge of based on the demographics, success and failures of the local restaurants. Corporate always has the final authority when pricing problems or questions arise. T.G.I. Fridays uses a number of different promotional and advertising tactics in order to inform their customers of their most recent promotions, in hopes to gain customer attention. T.G.I. Fridays creates
T.G.I. Friday’s Restaurant

commercials, billboards, coupons, reward programs (give me more stripes) in order to inform customers of their latest promotions and most recent food developments. Casual dining restaurants have been making drastic price cuts in order to stay afloat. American Families’ perceptions and attitudes have changed in wake of the recession. Consumers are very aware of competitive prices in the Industry, and during a time period with such budget conscious consumers, if a restaurant does not offer some form of discount or value menu, there is a good chance the restaurant’s sales will suffer severely. “Many of the segment’s players have been hampered by the recession, with QSRs ramping up menus, including “value menus” that attract budget-conscious diners, the rise of fast casual chains with sit-down restaurant-style foods at lower prices, and expanded prepared-food offerings by specialty grocers. Ultimately, in the eyes of the casual dining customer, the time, tip, and money one spends there are making all of these lower-priced choices a more attractive dining option” (Mintel, 2010).

“One of the four major elements of the marketing mix is price. Pricing is an important strategic issue because it is related to product positioning. Furthermore, pricing affects other marketing mix elements such as product features, channel decisions, and promotion. When developing a new product or service, there is a general sequence of steps to be followed (NetMBA, 2010):

1. Develop marketing strategy - perform marketing analysis, segmentation, targeting, and positioning.
2. Make marketing mix decisions - define the product, distribution, and promotional tactics.
3. Estimate the demand curve - understand how quantity demanded varies with price.
4. Calculate cost - include fixed and variable costs associated with the product.
5. Understand environmental factors - evaluate likely competitor actions, understand legal constraints, etc.
6. Set pricing objectives - for example, profit maximization, revenue maximization, or price stabilization (status quo).
7. **Determine pricing** - using information collected in the above steps, select a pricing method, develop the pricing structure, and define discounts.

All these steps are used, not necessarily in this order when a company decides to develop a new product or service.

**Recommendations**

Based on the research we conducted and the strategies they take as a company, we found creative promotional ideas for the company. The four main recommendations that we thought would be most useful for the company are; T.G.I. Friday’s Night Delight, Bingo Menu, Holiday Cheer, and Comedy Night. Although those were are main recommendations that would be best for the company, we also thought of a couple more that included different forms of marketing such as social media and sponsoring.

*Friday Night Delight*

We really liked this promotional event. Since the name of the restaurant is T.G.I. Friday’s we felt its only right to have an event on Friday nights. This event is for our 18 and older crowds with drink specials for the 21 and UP. There will be appetizer specials the entire night as well. Since the original intent of the restaurant was to be a bar for singles to hang out and mingle, we felt this will work perfectly with that mindset. At the 28th Street Fridays, there are about 5 or 6 colleges in a small radius so if we feel that is a very good market to invest time and industry to attract to our company. Advertising would be done through small sponsorships around these schools, through flyers and through word of mouth. We felt that, when thinking of events or places to go out to at night, the most common way that we know of a place is through word of mouth so if the word gets out about our new deal and the things we are doing on Friday nights, it will be a huge splash.
Bingo Menu

One recommendation for T.G.I. Friday’s would take care of a common problem that many people have when going into a restaurant to eat. According to the Pew Research Center, “This problem consists of consumers coming into a restaurant that always have the same meal every single time they visit” (Pew Research Center, 2010). By doing this, consumers are neglecting the many other amazing choices that could be new favorites.

If some food items get neglected too long sales might drop on that item and it could be pulled from the menu. Also, it can sometimes put a damper on the great variety of food that can be offered. It is shown in research done by Pew Research Center, “66% percent of Americans eat the same meal at restaurant every time they are there. 68% of men eat the same and 62% of women eat the same” (Pew Research Center, 2010). This is why the introduction of a BINGO Menu program would be the perfect recommendation to cover this problem.

When talking about a BINGO Menu, T.G.I. Friday’s has a large enough menu to put together this program. Basically, A BINGO Menu would consist of twelve different items on the T.G.I. Friday’s Menu, ranging from appetizers to entrées and finally a couple desserts. It can be any sixteen items on the menu and even after a few months or after a new menu comes out, they can remake a new BINGO card. The key rules that would be involved with this BINGO Menu would be:

1. Each person who comes in will be asked by the server if they would like to see and try out one of our new BINGO Menu cards before they choose their drinks
2. The card will be handed out and the rules will be on the back of the card as well
3. When a person orders something that is on the card (Only one appetizer, entrée, and
dessert per visit) the server will make a special mark/punch on the card. (This could also
be used in co-op with the stripes card to keep track).

4. Each time someone gets a four in a row a.k.a. BINGO, they will receive a free appetizer
or entrée (Scott’s choice) on T.G.I Fridays.

5. If someone fills the whole card by trying each item on the menu then they will receive a
free dinner for two or a free three course meal (appetizer, entrée, and dessert).

This program could also be run through the Stripes program to keep track of results. This
could allow for a boost in stripes based strictly off of one promotion. This would also make it
easier on the servers and not have to punch or mark anything, just swipe a card that would have a
list of all meals.

This program is unique to any other restaurant in the area. The only restaurant group that has
done anything close to this is the GR8 Eats pack (Bagel Beanery, Beltline Bar, El Barrio,
Sundance Grill and Bar, and Prime Time Pub). The way they completed this was to have them
go to each different place and try a specific food. According to Dining Guide Research, “This
jumped sales in their restaurants by 15% each restaurant and found new loyal customers for
each” (Dining Guide Research, 2010).

With Fridays, they have prime shopping locations that allow for them to cover the Grand
Rapids area completely and have a large base of consumers. This will allow for not only
promotions of this event to get the word out, but word of mouth in general to help out. With
three locations in prime shopping areas (Rivertown Mall, Woodland Mall, and Alpine Shopping
area), and one in the highest volume (downtown) this allows for a high volume of people to see
this promotion.
If done right, the return on investment could be huge and it could be a promotion that lasts for a long time. It may even catch on and become something that T.G.I Fridays is known for. According to Dining Guide Research, “The return on investment according to for GR8 Eats was 15% per store” (Dining Guide Research, 2010), it would be assume that since Fridays have four of the same stores; the sales would increase by at least 25% if not more.

Holiday Cheer

The Holiday Cheer’s main objectives for the company is give and receive, as people are doing around the holidays anyway. Our plan is to have a big Christmas tree at every location, where customers bring in a $5 or more present for an organization and then receive a gift. The customers will be able to grab anything off the tree and then can use the discount or special they choose and use it at any of the five surrounding locations. By doing this event, T.G.I. Friday’s is building customer loyalty because the organizations they are helping as well as the recognition they give to each customer. T.G.I. Friday’s will be working with Make-A-Wish Foundation and the Boys and Girls Club because these are two organizations Carlson Company already works with. We plan to advertise this event through multiple radio stations such as 100.5FM Soft Adult Contemporary, 97.9FM Rock Alternative, and 104.5FM Top40/CHR. Depending on the spot times and different seasons throughout the year, prices change for every radio station.

Top 40/CHR, 104.5FM is a good radio station to advertise in during the holidays because from the beginning of November through the end of December there is only Christmas music being played. Although prices change during different season, our frequency with this radio station will increase, this brings more customers. An estimated rate for a 30 second spot on this station is around $112, but this rate varies 10 times less than an actual rate because I was only a student, therefore they wouldn’t give me actual rates (Gaebler, 2010).
Rock Alternative, 97.9FM is another good radio station because we are trying to target as many different age rangers as possible and this station is aimed towards young adults. After talking to their advertising department, there was an idea we never would have thought of which is called seize the deal. Seize the deal for this radio station reaches over 82,000 listeners and it is cost free for the company. T.G.I. Friday’s will come up with a deal with the radio station and then they will mention their specials and events throughout the day. Depending on how many listeners during those times, T.G.I. Friday’s receives 10% of the income (Personal Communication, December 9th, 2010). This is a good way to just get their name out there and still receive income at the same time. The average rate for a 30 second prime time spot is around $80-$150.

For this event we will always be advertising on 104.5FM which is a top40 station that is aimed towards teenagers to young adults. Since we are not asking for a big amount of money for the present, this station can reach many participants for Friday’s. The average rate for a 30 second spot during 5-8pm is $125 and for a 60 second spot during the same times its $165.

The research that is being conducted throughout this event is based on the advertising departments of each radio station. They wouldn’t give specific numbers because it would a waste of time for them as a company to talk to someone that is not fully interested in actual prices. After the research, we found the prices to not be too expensive for each station, therefore for this event it will be able to be cost worthy enough for the company.

Comedy Night

Another event we researched and thought would be effective for T.G.I. Friday’s is a comedy night for college students and adults. The main objective for this event is to gather people to have a good laugh along with good food. We plan to have the adult comedy night at the
Alpine and Grandville restaurants and the college comedy night at the Downtown and 28th Street locations. These were placed according to their restaurant atmosphere and location placement.

The adult comedy night will be held on a Saturday night and college students on Thursday. Saturday’s are good adults because they are busy with their families and work during the week. Thursdays are good will college students because most students don’t schedule class on Friday’s; therefore their weekend starts on Thursday. On the night of the events we plan on having drink specials during different time slots. From 9-10PM it will be $1 you call it and from 10-12PM it will be $2 you call it. By doing this is will increase the customer’s awareness of Friday’s specials and the fun in having a comedian there.

We plan to advertise through radio and by sending out postcards regarding each event. For this event, advertising on 97.9, 101.3, and 104.5 will be the most effective to reach out to customers. Ninety-seven-nine’s rates are $80-$150 during prime time spots and 101.3 will be around $112. These two radio stations reach completely different crowds therefore for each event it will expand its frequency and bring in the right customers. The average rate for 104.5 is around $125 for a 30 second spot. This station reaches all kinds of listeners because of their top 40 music, so our listeners will become familiar with the event that is occurring. Another advertising strategy was sending postcards through direct mail. We will spend them according the each location and weather it’s for the college students or adults. After researching the prices for postcards, we were quite surprised. For sending 2,500, 5” x 7” postcards it only costs $380 (Color Printing Wholesale, 2010). If we advertise this event properly, T.G.I. Friday’s will be able to throw these comedy nights monthly, which in hand will increase their revenue.

For our comedians, we choose to use two completely different guys so that they fit both the college students and adults. Both comedians are from the Grand Rapids area and have been
doing this for over ten years. Mark Tripp, the adult comedian, is a delightful performer who enjoys making clean clever comments about today's headlines. Perfect for any audience and never offends or embarrasses. He rates start from $300-2000, depending on the event. For an event like this, we have estimated around $1000. Jason Cooper, the college comedian, incorporates a variety of “pop” culture references, funny stories, and off the wall “one liners”. Jason Cooper fits the position perfectly because he tells it the way it is, the way it was, and the way it should be. His rates are $700-2000, also depending on the event. We suggested also around $1000 for his performance.

Social Media Usage

With social media becoming as large as it has, “500 million active users on Facebook” (Facebook, 2010) and “150 million active users on twitter” (Huffington Post, 2010), it hurts a business to not utilize social media as well as they could. Social media is the new age of advertising and promotion for businesses that can either make or break a business with consumers. With T.G.I Fridays trying to be that trendier restaurant, aiming for a younger target market, social media should be a huge tool to utilize.

Facebook

“Facebook is the number one social media being used on the planet at this moment” With this being said businesses are researching and taking advantage of all the free advertising and promotions they can get. Facebook has gotten to the point where conferences are being held based strictly on how to use Facebook as a tool and specific jobs are being created just to manage social media in general. The main reasons that a Facebook page could make or break a business are because of the following:
1. Under usage of a Facebook page can lead to a consumer thinking that a business is lazy. If a business can’t take care of a Facebook page, how can they take care of a customer with quality?

2. A Facebook page being hard to find can be a huge issue. If someone is taking the time to find a specific business and it takes too long, there are too many competitors out there for them to switch their minds into finding.

3. Free advertising for a company is always a plus. Instead of paying numerous prices to have advertising that maybe at the very most 100,000 people might see, why not get a free advertisement that a possible 500 million people could end up seeing.

4. Many ways to link advertisements to the Friday’s website, promotion, coupons etc. With other advertisements they see just that ad and nothing more. Even if they are intrigued by the ad they are left with nothing.

5. Facebook users search and spend more amount of money on businesses than regular people.

T.G.I. Fridays in Grand Rapids does not utilize their Facebook very well. When searching for theirs, it took a minimum of twenty minutes and only two were found out of the four restaurants. With this being said, Fridays is missing a large amount of money that is being spent by users. First, according to Business insider, “36% of users on Facebook look for coupons for businesses and restaurants online” (Yarow, 2010). Also, According to Web Pro News, “Facebook users spend on average 2% more money overall at restaurants than non users” (Jasra, 2010). When look at two percent it may not seem that large, but when thinking about how many users use Facebook, and take all of the money spent by each user and add it up, two percent is a large
number. This large number is an opportunity for T.G.I Fridays to grab at and put in the profit columns.

Twitter

“Twitter is being utilized by 150 million users every day” (Huffington Post, 2010). This is a large amount of people who receive little tweets about people, businesses, and celebrities. “Not only are there just 150 million users which is a large amount, 300,000 new users sign up daily” (Huffington Post, 2010). This is pretty much an endless number of possible consumers that could potentially want to try out Friday’s not only in the Grand Rapids area, but also across the nation.

The second and third major statistic that proves that Friday’s needs to get on the social media bandwagon in an organized way are the amount of users who look on twitter for promotions and coupons and the money spent by twitter users. According to the Business Insider, “It has been proven and researched that 60% of twitter followers of businesses look for specials on twitter before going out.” (Yarow, 2010). This is potential to get promotions out to many more users who are looking to get out somewhere. The other major statistic that is related to the Facebook is the money spent by users of twitter. It is proven by Web Pro News that, “Twitter followers are known for spending .75% more on businesses that they follow” (Jasra, 2010). Again, this is a large chunk of money that is being missed by T.G.I. Fridays over the organization of their social media.

For a possible recommendation, T.G.I. Fridays could go as far as hiring a social media employee that could handle all of these needs. “The average social media marketer salary ranges from 426000 to 446000” (Pay Scale, 2010). This might seem like a chunk of money to spend just for social media, but the ROI could be pretty much endless, with 2% of money sitting out there.
Budget

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<tr>
<td><strong>Friday Night Special</strong></td>
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<tr>
<td>Radio Ad (3 stations PT-3 months)</td>
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<tr>
<td>Phone In (Direct Mail)</td>
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<tr>
<td>Social Media</td>
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<td><strong>Total</strong></td>
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<tr>
<td><strong>Special Dieting</strong></td>
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<tr>
<td>Fish &amp; Chips</td>
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<td>Condiments</td>
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<td>In-store Flyers</td>
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<td>Out-of-store Flyers</td>
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Conclusion

Overall, T.G.I Fridays has great restaurants in the Grand Rapids areas. When looking through the research and questionnaires, it seems that a lot of people have either forgotten about or have not been to a T.G.I. Fridays in a while. With the correct marketing and utilizing the research that has been create for T.G.I. Fridays this thought about Fridays in the area can be changed. Utilizing major marketing research consists of starting to attack the numbers game. When the market is showing Fridays a certain trend or a trend that could be started, they should take advantage of it. When looking at the current marketing trends and opportunities, Fridays has taken advantage of some, but with the recommendations in this paper it is possible to take a larger share fo the
market. When these opportunities have been taken advantage of, hopefully a new thought (even better than now) about Fridays in the Grand Rapids area can be seen by the target market plus more.
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WTRV-FM-MI-Radio-Advertising-Costs++24468


### Appendix A

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales at current prices</th>
<th>% annual sales change</th>
<th>Index 2005 = 100</th>
<th>Index 2010 = 100</th>
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### Appendix B

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<td>2015 (fore.)</td>
<td>130.5</td>
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</table>
BAR WARS
Wednesday December 8th @ 7pm!
T.G.I. Friday’s Restaurant

**INTRODUCING FRIDAYS’ ENDLESS LUNCH**

**YOU GET IT ALL:**
SOUP + SALAD + BREADSTICKS + DRINK

**LAUGH. EAT. REPEAT.**
Add $2.00 after 4pm and on Saturday and Sunday.

**GOOD THINGS HAPPEN IN 3s!**
GET A STARTER, ENTREE AND DESSERT FOR JUST

$12.99!

**STARTERS**
- Caesar Wedge Salad
- Southwest Nacho Salad
- Fried Calamari
- Breadsticks
- Chips & Dips

**ENTREES**
- Grilled Chicken Breast
- Chicken Alfredo
- Southwest Chicken Enchiladas
- Chicken Parmesan
- Sizzlin’ Sirloin

**DESSERTS**
- Chocolate Pudding Cake
- Mocha Chocolate Chip Cookie

**RESTAURANT LOCATIONS**

**WANT EVEN MORE PERKS?**
- BUY 3 Gets 1 FREE
- Download the App

**WOW UP FOR MORE STRIPS!**