

DWI: The sobering facts

The lower proof restaurant

by James E. Peters

"The most reliable way to anticipate the future is by understanding the present," says John Naisbitt in *Megatrends*.

By recognizing emerging societal trends regarding eating and drinking habits, progressive restaurateurs can anticipate change, adapt, and profit.

In many ways, the restaurant/beverage industry has responded to changing consumer tastes by providing a wide range of new products. Sugar-free and caffeine-free soft drinks, low-fat and low-sodium foods, fresh fruit and vegetable salad bars, and menus offering a variety of poultry, seafood and vegetarian dishes illustrate the range of products the industry is willing to provide and is indicative of how flexible the industry has become.

Whether the result of trends toward health-consciousness or the anti-drunk driving movement, the evidence is clear: alcohol beverage consumption has stabilized and is showing indications of decline. The acceptance of "light" beers (capturing more than 20 percent of the beer market) and the recent introduction of low-alcohol and alcohol-free beers and wines reinforce the new controlled drinking habits of many consumers. The restaurant operator who meets the demands of this growing market of moderate, responsible drinkers will realize an increase in sales and profits.

Years ahead of the United States, Australia began making changes in its "pubs" as a response to concern about alcohol abuse and drunk driving. A recent article in an Australian newspaper quotes Dick McQuire, president of the Queensland Hotels Association. "A restaurant or bar should be a place where a family, social group, business contacts and individuals can relax, be entertained, enjoy a good meal or simply have a quiet drink in comfort." He goes on to say that (in Australia) "The image

of the pub as an all-male swill has disappeared forever. Go into most pubs today and you will find young couples, groups of women from the local tennis group, mothers with young children and senior citizens either having a pub lunch or relaxing over a beer or soft drink."

Australia's new drinking culture is not unique. Other cultures, including that of the United States, are exhibiting interest in a new attitude toward drinking. How can the restaurant/beverage industry acknowledge the change and attract the new consumer? Norman E. Zinberg, a Harvard researcher, and his associate, Kathleen Fraser, are among those who define standards or cultural variables which appear to be directly correlated with controlled drinking behavior. Incorporating these standards into a restaurant's marketing and operations would appeal to the new American consumer.

The following are some of these standards:

- Emphasize group drinking.
- Associate drinking with eating.
- Accept non-drinkers as graciously as drinkers.
- Include all age groups and both sexes in the drinking situations.
- Absolutely disapprove of inappropriate behavior when drinking (violence, aggression, overt sexuality), and protect patrons against such behavior.

Promoting group drinking

In order to appeal to groups, it is important to examine the decor and environment of the lounge area. Does the bar, which is more suited to attracting single drinkers, take up a greater portion of floor space than the tables and chairs? Is seating arranged to adapt to different size groups? Is there adequate dance floor space? Are there sections which are quiet and allow group discussion? What activities are avail-

able to encourage socializing? Is music the only form of entertainment, or are there nights offering comedy acts, celebrity performers, films or videos? Lectures or debates concerning controversial topics might appeal to some consumers. Offering wine-tasting, beer-tasting or food-tasting nights could also spark interest. How about cooking lessons, dancing lessons, magic shows? The possibilities for encouraging group activities are limited only by the imagination.

In promotions and marketing, it is important to focus on the activity rather than on the drinking. Happy hours, originally designed to promote socializing, have become no more than price wars in some communities. It is these promotions which have led to public outrage, and some states are considering banning happy hours altogether.

Not all restaurant operators are opposed to these bans. Raymond Murgia, executive vice president of the Massachusetts Restaurant Association, states that "Anyone can give something away. The successful restaurants do not have to give away drinks. They provide good service, entertainment, quality food and drinks at reasonable prices to bring customers back."

Promoting alternatives

Giving away food during happy hours is certainly one promotional strategy growing in popularity, but that can be costly. One establishment, known for its "munchie" food during happy hours, tried a new approach. Rather than giving the food away, they developed a "munchie menu," making food available at all times. During happy hours, they changed their policy of "two-for-one" drinks to "two-for-one" munchies.

There were many benefits to this. First, customers had food available

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Casa Cares.

If you think you've had one too many to make the drive home safely, don't worry. Just tell your friendly server or barkeep and they will gladly call a cab to take you home and give you a cup of coffee while you wait. The coffee is on the house and the first ten dollars of the cab ride from the restaurant is compliments of Casa Gallardo.

We're also keeping our Cantina Kitchén open until last call if your predicament calls for therapeutic munchies. Why are we making this offer? We like to make sure you get home safely.

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throughout the evening, increasing overall lounge sales. Second, rather than giving the food away, they covered the costs. Finally, a more responsible drinking environment was created. Customers paid full price for drinks, there were fewer incidents of overconsumption, and a more stable, mature clientele evolved.

One third of the American adult population does not drink alcoholic beverages. Another third are light or moderate drinkers, and only one third of the population can be classified as heavy drinkers.

According to a spokesman for a major brewery, "Eleven percent of the population consumes 56 percent of the beer produced; we have to change our marketing to appeal to the 89 percent of the population who are responsible drinkers."

The restaurant industry would do well by following the same advice. Many consumers are seeking low-alcohol and non-alcohol beverages because of the fear of being arrested for drunk driving as well as a concern about health and fitness. The expansion of the salad bar concept into fast food restaurants indicates how far-reaching this trend of health-consciousness is becoming.

Today, restaurants compete in how large and diverse salad bars are. The restaurants of the future will compete in their selection of low-alcohol and non-alcohol beer and wine as well as how creative and appealing their "juice bars" are.

In a report *Reduced-Alcohol Beer: An Idea Whose Time May Have Come*, John G. Nelson, a research analyst for Brown Brothers Harriman & Company of Wall Street, writes that "... alcohol-free or no-alcohol beers also have a place in the U.S. beverage market." According to Nelson, "The potential users of the low-alcohol and no-alco-

hol beers include current light beer drinkers, athletic beer drinkers, beer drinkers who do a lot of physical work around their homes, and women beer drinkers." When would these beers be consumed? "Besides all current beer-drinking occasions, incremental occasions for beer drinking might include lunchtime, following physical activities (especially weekend afternoons), or in the evening at home from 8:00 pm to 11:00 pm.

In addition, sponsors of sporting events, concerts, picnics, or other activities where beer drinking is traditional and driving home a necessity, the "fifth inning," "halftime" or "intermission" beer could be a reduced or no-alcohol beer, allowing participants to continue drinking but avoid the dangers of driving drunk.

Low-alcohol and no-alcohol wines are also becoming more readily available. These products are generally packaged in the traditional manner with cork and lead tops. With bottled water consumption increasing 125 percent in the past decade, many more products are entering the marketplace, some plain and some fruit flavored.

Finally, the standard juice market—orange, grapefruit, tomato, and pineapple—is expanding to include apricot, blackberry, cherry, cranberry, raspberry, strawberry, guava, papaya, pear, mango, and peach. These juices provide additional options to customers.

The clever restaurateur will realize the untapped market for promoting these products. Not only is it necessary to make them available but it is important to promote them in creative and appealing ways.

Appealing to all ages

Three major social forces are making it necessary to examine marketing strategies for the beverage industry and shift the focus away from the young and single market. The baby boom generation is approaching middle-age years, women are entering the workplace in greater numbers than ever before, and many people are working beyond the traditional age of retirement.

New figures from the Bureau of Labor Statistics show the times are changing. For the first time in history white male workers became a minority in 1983; they now make up 49.3 percent of the civilian labor force, down from 62.5 percent 30 years ago. The most dramatic change has been the rise in the number of working women, who have gone from 30.9 percent of the work force to 43.5 percent in the past three decades. The BLS predicts that between now and 1995 nearly two-thirds of all new workers will be women. These changes in women's role in the economy will affect the beverage industry in two ways. First, there will be a new market of consumers seeking products and services appealing to their demands. While trying to capture this new women's market, promotional strategies will have to shift from the standard ladies night. Today's woman wants a place where she can meet with other women to discuss work, conduct business or just socialize. Ignoring this market can be costly in today's competitive market.

Recent census figures show the over-55 age group as the fastest-growing population segment. With few financial obligations, these consumers seek places to be entertained and socialize. Market studies show that the 30 million households headed by someone 55 or older have a

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projected after-tax income of more than \$500 billion. Collectively, they represent a \$60 billion market and a per capita income 25 percent above average. The creative restaurateur will want to find ways to reach this growing market as well.

In short, the restaurant of the future will be one which appeals to both sexes and all age groups.

Server responsibility

Twenty-three states have dram shop statutes and sixteen have common law liability. A recent case in New Jersey, holding a social host responsible for injuries caused by an intoxicated guest leaving his party extends liability beyond the commercial establishment. The trend towards holding the server of alcohol as liable as the drinker is one expected to continue for many years. It also demonstrates the growing social standard that inappropriate behavior when drinking (violence, aggression, overt sexuality) is absolutely disapproved, and protection against

such behavior is offered by the "sober" or less intoxicated.

As gloomy as this might at first appear, many restaurant operators who have taken steps to reduce their liability are realizing an increase in business.

Besides making basic changes in operations such as eliminating happy hours, promoting more food, offering designated driver programs or other alternative transportation programs, and expanding the selection of alternative beverages, these operators have initiated server training programs.

The more comprehensive server training programs provide bartenders, waiters, and waitresses with a perspective on their specific roles in the establishment's overall course of operations and their responsibility to the public. These programs use an extended series of small group discussions to develop specific communications skills for intervention and conflict resolution. In addition, the course provides knowledge of alco-

hol's effects on customers. Rather than viewing themselves as easily replaceable laborers with justifiably low status, trained servers develop a feeling of pride in the observational and communications skills they have attained.

The confident attitude stemming from recognition of these professional abilities can bring about concrete benefits for the restaurant. The success of a restaurant depends upon the persuasiveness of servers; providing thorough training can enhance a server's ability to please the customer. Meanwhile, the server learns to better control the drinking behavior of the customers, diverting potential problems before they escalate into crisis situations. Trained servers can be looked upon as a high yield investment.

David Waddington, a Connecticut café owner and secretary/treasurer of the Connecticut Café and Restaurant Liquor Council, analyzed his entire operation a few years

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ago. While many of the bars and restaurants in his community were competing for the young drinker, he created an "entertainment club" for the over-30 crowd.

Dancing, live entertainment, DJ's playing music from the 50s and 60s, and creative promotional strategies attract responsible drinkers, willing to pay for what they want: "a comfortable social environment with good food, fair prices, and attentive service," explains Waddington. He says that his low-alcohol and no-alcohol beers, wines and 'mocktails' are attracting a new clientele. Waddington realizes the lost sales over the years from his lack of creativity in catering to his more responsible drinking customers. Today, things are different. Many of his customers who "do not like to drink more than one or two" appreciate the alternative beverages available.

He notes, "These customers are ordering the \$2.25 mocktails rather than a dollar soda." Bartenders also find it helpful to offer a customer ap-

proaching the limit a low-alcohol or no-alcohol beer or mocktail. "Providing the alternative to the customer makes it easier. It reduces embarrassment and the customer can have a beverage similar in taste and appearance to what he had before.

Employees at Waddington's enjoy coming to work. According to Waddington he and his staff remember the days when the main promotional strategy was the happy hour. "Half-price drinks certainly brought more customers into the bar. But it cost me more to serve the drinks—not only the cost of goods—but an increased labor cost to serve the extra drinks. Advertising, cleaning-up afterwards, replacing broken glasses and repairing damaged furniture and walls also increased my costs. I attracted a young crowd, and although we checked ID's, some underage drinkers got in. This caused problems with the town and licensing board. Losing your license for a couple of days can wipe out any profits you might make by the extra

sales during happy hours. Happy hours were not that happy."

Today, employees do not serve as many drinks; however, they are making more in tips and have fewer difficulties with intoxicated customers. "With full prices for drinks there are more dollars in the register and in the tip jar.

"Customers come to my club for the entertainment. They know the staff and get good service. I offer a variety of programs and my happy hour now features food and a folk singer. The environment is more relaxed, and I never worry about underage drinkers. We are getting more people ordering the alternative beverages, which pleases me, because there is a greater profit in them." Overall, it appears that Waddington has realized that when it comes to pleasing his customers less is definitely more. □

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