Class Four: Food and Beverage Concept Development

Objectives for Today:

Discuss Concept Development
Jump Start Course Projects

Hospitality Product Development

- People buy products in order to solve problems
- People attach value to products in proportion to the perceived ability of products to solve their problems
- Products get their meaning only from the viewpoint of the buyer or the ultimate end user
Considerations for Hospitality Product Design

1. Value resides only in the benefits that a buyer wants or perceives
2. Theme and concept have to target the needs of your buyer (solve their problems!)
3. Product Performance is key!
4. Primary Goal: Solvent, lifetime customers

Total Product Concept Applied to F&B Operations

1. Customers buy a “bundle” of value expectations, with the generic product being food/beverages
2. Food and drinks are the base
3. Consumer of today demands performance (What happens when we fail to deliver?)
Generic Product
- This is the rudiment that is the bare minimum for entering the market
- Having created this does not produce a sale of the product!
- Minimal expectations need to be filled

The Expected Product
- Includes generic product, plus the minimal purchase criteria that exceed the generic product
- Priced right, delivered right, serviced right
- Differentiation follows consumer expectations

The Augmented Product
- Exceed expectations by offering the customer more than she has been accustomed to expect
- Offer the consumer more than what he thinks he needs
- Augmentations are a means of product/service differentiation
- As products and markets mature, consumers gain sophistication, knowledge and power
- Focus on customer-keeping product augmentations
The Potential Product

- Test the customer's assumptions that she no longer needs any or all of your augmented product
- Offer the customer novelty experiences
- Create excitement beyond augmentation: how do we accomplish this
- Convert the everyday to a must do, or must see!
- Marketing process itself can deliver the potential

PART TWO: Jumpstarting YOUR concept

- Brainstorm with no real limits
- Use creative imagery
- Mindmapping techniques
- Solicit constructive feedback
Brainstorm for Concept and Theme

- What would my ideal restaurant be like?
- What are the most memorable experiences I have encountered, how can they be adapted?
- Discard limits regarding budget, location, scale, feasibility, focus on the possibilities.
- Start your idea files, and watch them grow.
- What hasn't been, done, what is being done poorly?

Mindmapping exercise

- Goal is to change your thought process.
- View the macro and micro elements on one page.
- Engage both sides of your brain!
- Process is dynamic, serves as a starting point.

Mind Map
Project Outline: Where you start

1. Define basic concept and theme (try to include location and consider competitive scope within the market)
2. Draft Menu
3. Begin Competitive Analysis
4. Nuts and Bolts = schedule of start-up costs

Questions About the Project?