Wannabeez Karaoke Bar & Grill

Sales Promotion Plan

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## Market Profile

Wannabeez Karaoke Bar & Grill is located in the downtown area of Kitchener-Waterloo, in Ontario, and is close to two universities: Wilfred Laurier University and the University of Waterloo; WKBG is currently the only karaoke bar in this area. Although this particular location has been in Kitchener-Waterloo for twenty-eight years, and has had many different names and themes during these years, the company has been taken over by new owners, Dave and Don Sanderson, who transformed this location into a karaoke bar. Dave and Don Sanderson want the bar to be both a full service restaurant and a bar, while offering customers different, fun, and exciting events, along with pub nights; Wannabeez Karaoke Bar & Grill is open Monday through Thursdays from 11:30 A.M. to 1:00 A.M., Fridays and Saturdays from 11:30 A.M. to 2:00 A.M., and Sundays from 11:30 A.M. to 10:00 P.M.. While at WKBG, customers are able to access the free wireless internet that is provided, while enjoying the casual atmosphere where they can meet and greet other guests, drink, eat, and enjoy the karaoke that is offered. The guests are not restricted to the main restaurant/bar area, instead they are able to book rooms for private functions; there is a large room available for guests to have a large private functions, such as a corporate event, as well as six small rooms that can hold up to ten people, for customers who prefer to have a smaller event. Since Wannabeez Karaoke Bar & Grill is located near two universities, their busiest days are from Friday, starting at noon, to Sunday, until their close at 10:00 P.M.; however, both Friday and Saturday nights are always packed, and there is a line up for customers waiting to get into WKBG. Thursdays are also considered a busy time, but not as busy as the weekend, when the students have no classes, and do not need to be up early the next morning; however, Monday through Wednesday are slow days, since the students are in classes and are working on their assignments and studying for tests.

Wannabeez Karaoke Bar & Grill offers a variety of food and beverage choices to their guests; however, they also have daily special items on the menu that customers can choose from, along with specials on their drinks that they offer. The menu items are a typical “bar/pub style”, such as: appetizers, soups, salads, burgers, wings, sandwiches, and seasonal entrees; they offer non-alcoholic drinks, such as water, juices, coffee, teas, and carbonated beverages, as well as alcoholic drinks, such as: cocktails, shooters, martinis, and a wide variety of domestic, premium, and specialty beers. The prices for their food and beverage items are priced similar to competitors; they prefer to compete with their competitors by using added value and strong promotions, instead of setting their prices lower than competitors’.

**Company SWOT Analysis**

In order to be able to create an effective sales promotion plan for Wannabeez Karaoke Bar & Grill, we need to create a SWOT analysis on the company; this enables us to look at the internal factors, the strengths and weaknesses, as well as the opportunities and threats of the external environment.

**Strengths**

* Located near two universities
* Only karaoke bar located in the Kitchener-Waterloo area
* Owners have experience owning and managing karaoke clubs
* People know this location to serve food and drinks
  + This location has be considered to be a restaurant/bar for twenty-eight years
* Guests are offered different, fun, and exciting events
* Offers free wireless internet and casual atmosphere
* Offers one large room, as well as six smaller rooms to guests for private events
* Offers both alcoholic and non-alcoholic beverages for different guests
* Daily special food items are offered, along with specials on drinks

**Weaknesses**

* The owners have only owned WKBG for 2 months
  + They are still trying to get a feel for the market located in the area
* Mondays through Wednesdays are slow for them
* Students start school in several weeks, which does not give the Sanderson brothers much time to figure out which promotions would work best
* Does not offer different food for their Asian customers

**Opportunities**

* The new owners can target the students from Asia, not only by having the only karaoke bar, but also by putting Asian food on the menu
  + Or offering a separate menu to these students
  + It will add more influence, variety, and a multicultural feel to the restaurant
* This is the only karaoke bar & grill in the area, which allows the owners to capitalize on a niche market

**Threats**

* Other bar & grills may decide to have a karaoke section
* During midterms and exams, there may not be a lot of revenue coming into the bar, since a lot of students may be busy studying

**Competitor SWOT Analysis**

Although Wannabeez Karaoke Bar & Grill is the only karaoke bar in the Kitchener-Waterloo area, there are still a lot of restaurants and bars in the area, that young professionals, students, and the faculty and staff can go to instead of WKBG; it is important to perform a SWOT analysis on the competitors, not just on the company itself. We need to look at the strengths and weaknesses of the competitors.

**Strengths**

* They have been established in Kitchener-Waterloo area for a while
* Customers know that they are reputable
* Some offer food from other countries, such as Chinese and Thai
* Some cater to children
* Some are close to both universities, while others are only close to one

**Weaknesses**

* Karaoke is not offered
* They do not offer different, fun, and exciting events
  + Only events for birthdays and special occasions
* Some are not close to the universities

**Target Audience**

**Demographics**

The Kitchener-Waterloo area has seen an increase in population from 2006 to 2011. In 2006, there were 204,668 people living in Kitchener, while there were 97,475 people living in Waterloo; however, in 2011, there was a 7.1 percent change in the population of Kitchener, and it increased to 219,153 people, while Waterloo saw a smaller change of 1.3 percent, and the population increased to 98,780 people (Statistics Canada, 2013). The people who would be coming to Wannabeez Karaoke Bar & Grill are college students and young professionals; however, high school students may also come to WKBG after school to hang out with their friends and have some fun, eating the food and singing karaoke. In the Kitchener-Cambridge-Waterloo area, there are 234,900 males and 242,260 females living in the area, as of 2011; there are 477,160 people in total living in this area. The age distribution is as follows: 18.1 percent are between the ages of 0 – 14, with 18.8 percent being male and 17.4 percent being female; 69.4 percent is between the ages of 15 – 64, with 70.2 percent being male and 68.8 percent being female; and 12.5 percent is 65 years of age and older, with 11.1 percent being male and 13.8 percent being female. The median age of the Kitchener-Cambridge-Waterloo area is 37.6, which is a slight increase from 36.4, in 2006 (Statistics Canada, 2013). Wannabeez Karaoke Bar & Grill’s target market is between the ages of 15 and 40 years old; however, anyone is welcome in the restaurant. Focusing solely on their target market, the age distribution, taken from Statistics Canada, is as follows:

* 15 to 19 years of age
  + Males: 16,590; Females: 15,765
  + Total: 32,355
* 20 to 24 years of age
  + Males: 18,175; Females: 17,275
  + Total: 35,455
* 25 to 29 years of age
  + Males: 17,135; Females: 17,070
  + Total: 34,205
* 30 to 34 years of age
  + Males: 16,215; Females: 16,390
  + Total: 32,610
* 35 to 39 years of age
  + Males: 16,425; Females: 16,810
  + Total: 33,230

However, it is not enough to only focus on their target market, since they could have a market out there that they are not capitalizing on and could increase their profits, which makes it important to look at all the age groups, and make sure that are all being targeted to, even if it is only in a subtle way. Since WKBG would not be targeting the small children, in any way, we will not focus on them, instead we will focus on the adults; if children are taken to WKBG, it will be because their parents want to go. The age distribution for these other demographics, taken from Statistics Canada, is as follows:

* 40 to 44 years of age
  + Males: 17,295; Females: 17,700
  + Total: 34,995
* 45 to 49 years of age
  + Males: 18,980; Females: 19,400
  + Total: 38,375
* 50 to 54 years of age
  + Males: 17,350; Females: 17,955
  + Total: 35,310
* 55 to 59 years of age
  + Males: 14,570; Females: 15,305
  + Total: 29,875
* 60 to 64 years
  + Males: 12,060; Females: 12,880
  + Total: 24,935

People over the age of 60 would most likely not come to a karaoke bar and grill, instead they would probably chose a quieter place to go; they would probably only go to a karaoke bar if they were going to a business meeting, but that would be in the large private room.

Families should also be a demographic that Wannabeez Bar & Grill considers; although this is a bar, there is also a restaurant section to it so families could bring their children with them when they come to WKBG. Although there is no children’s menu offered, the children may enjoy the karaoke aspect of the restaurant; in order to make children feel welcomed in the restaurant, WKBG could provide colouring sheets that children can colour while they sit there with their parents. In the Kitchener-Cambridge-Waterloo area, 46 percent of families are married without children, 6 percent of families are common-law with children, 40 percent of families are married without children, and 9 percent of families are common-law without children; this is important to look at when determining the target market, as we cannot assume that only the families without children will be attending this bar. There are 229,255 people, or 58.7 percent, who are married or living with a common-law partner; 50.5 percent are married, while 8.1 percent are living with a common-law partner. There are 161,560 people, or 41.3 percent who are not married, nor are they living with a common-law partner; 27.7 percent have never legally married, 3.1 percent are separated, 5.4 percent are divorced, and 5.1 percent are widowed (Statistics Canada, 2013). There 181,490 private households, or 100 percent, in this area; breakdown of these statistics, taken from Statistics Canada, are as follows:

* Couple-families living with children who are under the age of 24: 30.7 percent
* Couple-families living without children who are under the age of 24: 28.5 percent
* Lone parent families: 10.5 percent
* One person: 24.1 percent
* Multiple family: 1.9 percent
* Other: 4.3 percent

There are 181,495 structural type of dwelling, or 100 percent, in this area; the breakdown of these statistics, taken from Statistics Canada, is as follows:

* Single-detached house: 55.8 percent
* Semi-detached house: 6.6 percent
* Row house: 11 percent
* Apartment building (with five or more storeys): 10.2 percent
* Apartment building (with less than five storeys): 13.2 percent
* Duplex apartment: 2.8 percent
* Other: 0.2 percent

These statistics are important for Wannabeez Karaoke Bar & Grill to know in order to determine where their customers are coming from, and what kind of family they have, and what kind of home they live in.

There are two official languages spoken in Kitchener-Waterloo area, English and French; however, English is the most used language, with 74.5 percent of the population speaking it, and only 1.2 percent of the population speaking French. There are non-official languages spoken, with 22.6 percent of the population speaking them; the last of the population, 1.6 percent, has multiple responses (Statistics Canada, 2013).

**Psychographics**

# Budget

# Sales Promotional SMART Objectives

Our agency plans to attract at least 50 percent more Asians as the target market for the Wannabeez Karaoke Bar & Grill; this is because existing customers consist of not only local young professionals, but also university and college faculty and staff, as well as university and college students. It may increase dollar sales 30 percent or more on Mondays to Wednesdays from 5:00 p.m. to closing time, Thursdays from 4:00 to 7:00 p.m., and Fridays from noon to 5:00 p.m. People like places where there are friendly people to chat and to deal with and when there is a nice place to sit (Set Up My Restaurant, 2007). Attracting the Asian market can bring in a large amount of people to WKBG and continue to flourish the restaurant; it will increase diversity and multicultural branding from this customer influence. The purpose is for the entire target market to enjoy a welcoming, yet lively environment at WKBG.

To create a wider target audience by an increase of 25 percent in 2 months, we will add more Asian-style food, drinks, and Asian songs for Karaoke at WKBG; translations will also be provided on the menu for better understandability. The menu should offer signature and authentic one-of-a-kind items that are unique and excellent in taste; the purpose is to add variety, more options, and provide value, as well as knowing what the customer truly wants. Many restaurants also use reservation databases to track preference information to enhance their knowledge of how and what you like to eat and drink, when customers were last at the restaurant and what they ordered, etc. (Wilson, 2012). The atmosphere should be entertaining, clean, and comfortable for everyone; students in university and college, including those from China, Japan, and Korea, want a home-like feel at the restaurant too.

The third objective is to divide the three rooms into smaller rooms within one month, in order to drive more customers in. A KTV (karaoke television) will be included, where the target audience may get together with friends or colleagues and share a bond. The purpose is to make sure that customers can still hold private activities for special events and meetings, such as birthdays or farewell parties; in addition, free cake and decorations will be included at no extra cost. WKBG should put this in consideration, because smaller, yet well-polished rooms can bring more convenience for the existing customers; furthermore, it gives the restaurant the advantage of putting more use with smaller rooms. Dividing a room can improve its efficiency, provide the illusion of distinctly separate areas or simply increase its visual appeal (Cockrill, n.d.). Therefore, this will let the target market perceive WKBG as more than just a typical full restaurant and karaoke bar, but a favourite place to come visit often in downtown Kitchener-Waterloo.

The fourth objective is to increase traffic on Mondays to Wednesdays by 30 percent or more within 1 month. The idea is to introduce “Happy Sing-a-Long Hours” where KWBG will charge customers eight dollars that will cover the cost of karaoke during those hours. WKBG wants to increase the headcount; with a “cheap karaoke hours” deal, it is likely that additional customers will come in from 5 p.m. to closing time on Mondays to Wednesdays. Although WKBG will be offering cheap karaoke hours during these times, customers will need to pay full price for food and drinks; not only will the target market go to WKBG, but sales can be generated from customers purchasing drinks and food. Allowing “Happy Sing-a-Long Hours” can certainly give the target market a good opportunity to spend quality time for social interactions with others, which will extend their stay at the bar. It is also great for young professionals, since they wish to feel at ease after work with their colleagues and co-workers. This will appeal to the university and college students, since they are on a budget; they will enjoy the idea of coming to WKBG, after class, to hang out with their friends and perform karaoke for a discounted price.

We want to increase awareness of WKBG by at least 35 percent within 2 months, because the goal is for the business to be known as the only karaoke pub, bar, or restaurant located in Kitchener-Waterloo. A contest will be held with the prize of winning an iPad Mini; contests are a great way to keep the target market interested in the restaurant as they want to win something, but especially entice participation. As well, increasing awareness and providing information will let the audience to be informed about the company and its events and menu items, before creating positive word-of-mouth or buzz in the local area. Both of the existing and new customers, specifically university or college students, want to do something fun and relaxing in Kitchener-Waterloo; therefore, while they are in town, WKBG will immediately come to their minds. Local, weekly alternative newspapers or other types of published material, such as door-to-door flyers, direct mail and coupon books, are great ways to build brand awareness through print (Burke, n.d.). Raising brand awareness from a local perspective can surely indicate a 30 percent growth or higher in dollar sales for WKBG.

The next objective is to increase brand and customer loyalty by 25 percent in approximately 2 months; offering membership or loyalty cards, while receiving 10 percent off on a food or non-alcoholic drink item of their choice, can be a major advantage for WKBG, since the target market can feel emotionally connected to the restaurant and karaoke bar. WKBG should be advised to put added value into these loyalty programs, because the target audience wants to receive something that may benefit them, without being seen as just “monetary” customers. Not only does a loyalty programme provide a practical, hard reason for continuing to buy (the accumulation of points toward a reward, or higher levels of service) but it also provides information about the customers that allows their needs to be met more efficiently and effectively (Clark, 2010). Customer loyalty programs can serve a competitive advantage amongst other restaurants and bars located in downtown Kitchener-Waterloo; this may increase the number of customers coming to WKBG, because they will be fully engaged and happier with staying in the loyalty program.

The seventh objective is to collaborate with other local businesses in Kitchener-Waterloo within 3 months; this will give WKBG a competitive advantage to promote special offers to an even larger crowd, but also be connected with them on a higher level. Collaborating with local businesses, such as restaurants, radio stations to help out with a certain event such as party, or even a hotel can draw in different customer segments from the area; this may increase dollar sales efficiently and generate higher revenue, especially in the fall season. It will benefit WKG itself and customers alike, because there could be a range of available options for them to choose from. Perhaps partnering with a culinary arts program can provide customers to receive a 10 percent discount to take cooking classes there, which would be a valuable experience; even donating some of the proceeds for charity would be favourable. Customers will enjoy knowing that their dining dollars are going towards a good cause (BuzzTime, 2013). The intention is to build a community with the target market and be a leading restaurant compared to the competition.

The last objective is to encourage a trial purchase by 50 percent of the target market within 3 months, by giving away coupons and samples at the restaurant. University and college students, faculty and staff, as well as local young professionals want instant gratification; reward incentives that are immediate are favoured more, rather than those that are delayed. Giving away free samples and trail offers is a win-win business strategy for both companies and consumers; the practice is a tried and true one which has proved successful time and time again (Goessl, 2009). If WKBG would like to launch a website, e-gift certificates or e-coupons can go a long way for customers to accept the offer online, or send as a gift to family, colleagues, and friends; it will be good to expand the local Kitchener-Waterloo area, by reaching out to other new markets. To entice a rise in customers, small products such as coffee mugs, shot glasses, pens, buttons, stickers, and hats containing the WKBG logo will be given to them as free giveaways at WKBG; offering free gift certificates for a limited time, such as for an hour to the first twenty customers, who come in the bar, can be another option. In addition, the target market may likely go to WKBG again, as a result of liking these items, which can turn them into loyal customers before they make repeated purchases.

**Sales Promotion Strategies**

In order to bring in more customers, and to increase revenue, WKBG will be hosting an event called “Happy Sing-a-Long Hours”; this event will be held every Monday through Wednesday nights, starting at 5:00 p.m. and ending at the close. This event will also be held on Thursday afternoons, starting at 4:00 p.m. and ending at 7:00 p.m., as well as Friday afternoons from noon to 5:00 p.m.; this event will bring in more people during these times because it is not focusing on the alcohol part of the karaoke bar, but rather on the karaoke itself. Students, faculty and staff, young professionals, as well as people just looking to have fun, can come into WKBG and enjoy a fun and relaxing time performing karaoke with their friends and family; it is a good way to de-stress, after a long day of work or school, and to regroup before starting a major assignment. During “Happy Sing-a-Long Hours”, Wannabeez Karaoke Bar & Grill will charge every customer eight dollars which will cover the cost for karaoke for those hours, and will allow customers to sing as long as they want during that period of time; customers will not be charged by the hour in “Happy Sing-a-Long Hours”. Although WKBG will be offering a cheap price for customers to come in, they will be making their money from drinks and food; customers will only get cheap karaoke, they will still need to pay full price for drinks and food.

Since one of the target markets of Wannabeez Karaoke Bar & Grill are young professionals, WKBG can also be a place to hold meetings. Business meetings can be held in the large private room, with a room divider that slides out if there are more than one businesses meeting on a particular day; this divider will not only give the businesses privacy, but it is also sound proof, since it is similar to an actual wall that slides out. After the business meeting ends, the young professionals can relax and sing karaoke, in order to have fun and socialize after the meeting; there are nice couches for people to enjoy in the private rooms, and beverages, such as tea, coffee, and water, will be served. The large private room is not the only room that can be used for business meetings, if there are smaller meetings of 10 people or less, the small karaoke rooms can be used. This will encourage the young professionals to come to WKBG for their meetings and will encourage them to come there more often because of the valued experience that they received previously; WKBG will not only earn revenue from them booking the room, and any drinks and food that they purchase during the meeting, but also for the karaoke that the use after the meeting.

There are a lot of Asian students, from China, Japan, and Korea, who are coming to Wannabeez Karaoke Bar & Grill and it is important to make sure they feel welcomed there; since English may not be their first language, nor may they be very fluent in the language, WKBG should offer different translations for the menu, such as Chinese, Japanese, and Korean, underneath the English language. Aside from the different translations on the menu, the translations should also be displayed on the karaoke system, the customer can choose which language they would like to use; this will enable the Asian students to be able to know how to use the karaoke system or to order the food. Although this not a normal sales promotion, it is still considered a promotional tool since it will attract a lot of Asian customers and, in turn, they will spend a lot of money on karaoke; WKBG can advertise that they have the different translations in the colleges and universities through posters and flyers. The translations should not just include the menu and the karaoke televisions, but rather include the coupons and other promotional tools as well.

In order to cater to the Asian students, and possibly young professionals, Wannabeez Karaoke Bar & Grill can add some easy Asian food to the menu; these items can include beef balls, popcorn chicken, fish balls, noodles, and other quick and easy items to make. The Asian customers will stay longer in WKBG, since they do not have to go out for food that they prefer and come back once they have eaten. Aside from just Asian food, songs can be added to the karaoke system; the Asian customers will become loyal to the bar and grill, since they will feel comfortable singing something that they are familiar with. The song list can be provided from the college or university students.

For any customers that book a private room for a birthday party, WKBG will create, and give away, a free birthday cake to the party; the cake will be tailored to the way that the customer would like it, and include the personalized name. The karaoke room will also be decorated, by WKBG, for the birthday party; the decorations will include balloons, a “happy birthday” sign, streamers, party favours, etc. WKBG will create their own birthday song, like so many other restaurants do, and it will be played by the staff of Wannabeez when they bring out the cake. The birthday person will also receive a free drink of their choice, as long as it is non-alcoholic; it will not cost a lot for these, and it will gain loyalty and repeat purchases by the customer. Wannabeez will build a good relationship with their customers by doing this, and people will be more inclined to tell their friends, family, and co-workers about the bar and grill, through word-of-mouth.

Wannabeez Karaoke Bar & Grill will be dividing the large room into smaller rooms: a 40 capacity room, two rooms with a capacity of 20, and four rooms with a capacity of 10; the reason that the rooms will be divided into two smaller rooms is because each room is only going to have one karaoke system, with two microphones, since two different songs cannot play at the same time in the same room. The current room with a capacity of 125 is too big to be used for karaoke; there will be long waits for a person to get their chance at karaoke. In total, the number of rooms that Wannabeez Karaoke Bar & Grill offers to their customers are: one room with a capacity of 40 people, two rooms with a capacity of 30 people, two rooms with a capacity of 20 people, and four rooms with a capacity of 10 people. All the rooms are able to be used for the same functions, depending on how large or small the group of people are who need the room; however, normally business meetings, birthday parties, farewell parties, graduation parties, etc. would be held in the three larger rooms, while the six smaller rooms are available for guests to come in and have some fun with a few friends, family, and/or co-workers. By having more rooms for karaoke, revenue will be increased for KWBG since we will be able to charge customers on more rooms; however, on Friday and Saturday nights, customers will be charged extra for the room, since these are the busiest nights. By setting an extra charge on these rooms, on weekend nights, will help WKBG to avoid the customers who just come in and sing, while not purchasing any alcohol; the standard for each room, on the weekends is as follows:

* Standard of $500 for the room with a capacity of 40
* Standard charge of $400 for the rooms with a capacity of 30
* Standard charge of $300 for the rooms with a capacity of 20
* Standard charge of $200 for the rooms with a capacity of 10

During the slower days and nights, the rooms will be available for a cheaper price, since we want to encourage more people to come in to the bar and grill during these times; the standards for the slow days are as follows:

* Standard charge of $400 for the room with a capacity of 40
* Standard charge of $300 for the rooms with a capacity of 30
* Standard charge of $200 for the room with a capacity of 20
* Standard charge of $100 for the rooms with a capacity of 10

The standard charges for the slow days and nights, as well as the busy nights on Friday and Saturday will include discounts on food, and non-alcoholic drinks, for the amount of time the customers are using the rooms; however they will be required to pay full price for the alcoholic drinks.

# Advertising Strategy

**Evaluation Plan**

To determine the results, and overall success of WKBG, creating an evaluation plan will be essential to find the true value of the business and for its customers. One ideal method is to conduct a customer survey; these surveys will include comments and ratings by the specific target market, based on the level of service they received, the purchases they made, the promotional offers they were given, and the overall atmosphere of the place. An emerging trend, with customer satisfaction surveys, is to use sample segmentation when performing the surveys; with segmentation, surveys can be directed at a specific type of customer, allowing the company to see how different demographics respond to the company’s offerings (ICMI, 2011). Customers can give important feedback that is valuable, because their answers or opinions may help WKBG improve their business; these surveys should be on a monthly basis to gain beneficial insights, since WKBG can make small changes every now and then.

The next method will be to determine the number of contestants who have entered the contest, whether is it at the restaurant or online; this can be useful to see how many customers were actually interested in participating in the contest. It will also let WKBG know if they should do a similar contest again. Every contest should be monitored during the entire time period that the contest is available for, before the closing date; however, if the contest does not guarantee good results, then perhaps a different contest should be created instead.

Since WKBG wants to increase trial among targets, coupons and discounts should be redeemed to determine the success of the restaurant; this can assist in finding out if the coupons and discounted offers are increasing for customers. We also want to find out how many free giveaways were given to them, at the restaurant; the more they are given away, the better, because that would mean customers are continuously coming to the bar. We want to make sure that they are taking advantage of these good deals or prices, and if they are satisfied with the value – these sales offers need to be cost effective; otherwise, if the numbers are lacking, trial purchases would not be in consideration. As well, it is important to see how many gift certificates and coupons are being used by customers making purchases on the WKBG website too. If the coupons are valid for one month, they should be closely evaluated before, during, and after this promotion to see if sales have significantly increased or decreased.

Another method is to use a customer database system to track each and every taste and preference of each person that has been at WKBG. This enables the company’s staff to more easily communicate with and market to their customers (CRM, 2013). It should be monitored on a bi-weekly basis, at least, because we want to know what the customer actually wants, depending on their demographic, psychographic, and behavioural profile in the local Kitchener-Waterloo market; it is preferable to keep track of current and new customers.

The next evaluation will be to track how many loyalty cards have been collected so far, since WKBG would like to know if their loyalty program is actually progressing well; the purpose is to increase brand loyalty, and we want to see if customers are using their loyalty cards to receive special rewards. WKBG should also be aware of how this kind of loyalty program is making a positive or negative impact on their incremental sales. They need to “understand the direct and indirect impacts of these efforts including marketing response, purchasing response as well as non-transactional responses (i.e., advocacy, opt-in, check in, etc.)” (CMB, 2013). A loyalty program will be ineffective, if it is not inducing enough motivational behaviour by its target audience.

To determine if there is a rise in sales revenue or profit, WKBG should keep track of drink purchases from “Happy Hour”, especially at the end of Mondays to Wednesdays nights; if total sales are increased from the “buy one drink, get one free” offer, then “Happy Hour” should never be discontinued. To determine the increase in sales due to the sales promotion, the company must establish the level of sales that would have taken place without the promotion; the company must compare this estimated level of sales to the actual sales that took place over the evaluation period to get the increase resulting from the sales promotion (Markgraf, n.d.). However, if total sales are not improving in terms of dollar sales, during these specific days, then another promotion should be integrated.

The final evaluation method is to see if there is an increase in traffic of the target groups or overall success, especially with the division of the rooms for multiple purposes, and widening the customer base, including collaboration with local businesses; WKBG should keep track of the number of customers visiting the restaurant on a daily basis, especially during seasonal time periods, such as this upcoming fall. The key component to maximizing your business’s profits will be understanding the types of sales that make your customers happy—as well as those that make your company grow (Markowitz, 2011). Determining the high drive of traffic will be useful to find out if the sales promotions are creating optimizing results for the karaoke bar grill; this will also be useful if a growth in traffic means more people are coming back, and those that do will likely be the most loyal and best customers.

**Appendices**

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