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Best Practices in Food and Beverage Management

Abstract

Reports of the death of hotel food service are highly exaggerated. Indeed, food service remains an essential part of many hotels' operations.

Keywords

hotel food service, food and beverage management, profitability

Disciplines

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Best Practices in Food and Beverage Management

by Judy A. Siguaw and
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Reports of the death of hotel food service are highly exaggerated. Indeed, food service remains an essential part of many hotels' operations.

One critical attribute of successful hotel food and beverage outlets is their ability to appropriately respond to the changing needs of the market while maintaining a profitable operation. Yet few hotel food and beverage outlets excel at this fundamental strategy. Instead, hotel food service is frequently characterized by generic restaurants that provide undistinguished menu items and offer guests a poor value-for-money proposition. Such hotel restaurants fail to provide menu choices, ambience, or service desired by the dining-out market (let alone their guests), and therefore they frequently operate at a loss. Indeed, some analysts have declared that hotel restaurants by their nature will lose money.¹

Recently, as part of a large, comprehensive study on best practices in

the United States lodging industry conducted by Cornell University's School of Hotel Administration,² we identified a group of best-practice food and beverage champions that had developed practices to successfully accomplish the strategic charge of profitably meeting customer needs. The champions selected via an intense screening process are The Boulders, The Breakers,

² The full study is available in: Laurette Dubé, Cathy A. Enz, Leo M. Renaghan, and Judy A. Siguaw, *American Lodging Excellence: The Key to Best Practices in the U.S. Lodging Industry* (Washington, D.C.: American Express and the American Hotel Foundation, 1999).

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¹ For example, see: Bjorn Hanson, "Hotel Food Service: Where's the Profit?," *Cornell Hotel and Restaurant Administration Quarterly*, Vol. 25, No. 2 (August 1984), pp. 92-96.

Exhibit 1

Overview of food and beverage best-practice champions

F&B champions	Practice initiated, developed	Measure of success
The Boulders	Food forager to improve quality of restaurant offerings	Increased food quality, decreased food cost, decreased wait-staff turnover, and increased prices, profits, and wait-staff gratuities
The Breakers	Single-theme restaurant concepts	Increased revenues
Country Inns & Suites	Co-branding of hotel and brand-name restaurant	Increased customer satisfaction, reduced hotel capital cost (from not building a hotel restaurant), increased lunch and dinner business
Four Seasons & Regent Hotels & Resorts	Single dining venue with broad cuisine choices (and two dining rooms)	Boosted capture rate of hotel guests; increased local patronage, labor-cost savings
The Greenbrier	Establishing resort as a center for culinary excellence, including a culinary-apprentice program	Maintained occupancy and reputation, retained skilled kitchen staff, increased off-season business
Hyatt Arlington Hotel	Reconceptualization and redesign of dated dining room, sports bar, and lobby lounge	Doubled revenues and cover counts, received rave reviews
The Pierre	Independent consultant made responsible for food purchases (with preferred-vendor program)	Decreased food and kitchen labor costs, reduced number of vendors
The Waldorf=Astoria	Applying revenue-management practices in all F&B outlets (plus staff training)	Doubled cover counts, increased effectiveness of F&B marketing, improved customer satisfaction
Walt Disney World Resorts and Theme Parks	Restaurants designed to provide a "touchable" experience	Achieved high customer satisfaction and return rate
Wyndham Hotels and Resorts	Upgrade of organization's food and beverage culture	Achieved higher average checks, increased staff earnings and retention, increased total sales, wine sales, and profits

Country Inns & Suites, Four Seasons & Regent Hotels & Resorts, The Greenbrier, Hyatt Arlington Hotel, The Pierre, Walt Disney World Resorts and Theme Parks, The Waldorf=Astoria, and Wyndham Hotels and Resorts (see Exhibit 1).³ Through their best practices, this select group demon-

strates the capability of executing on the strategic mandate of making money while responding to the needs of their target markets through revitalized food and beverage operations.

In the following pages we first present the several practices that have been used by our food and beverage champions to provide their outlets with a competitive advantage. We then examine the measures of success and report the advice our champions give others on how to prosper with hotel food and beverage service.

The Best Practices

The best practices adopted by our champions can be broadly categorized into three areas. One group stresses providing a high-quality F&B product to their guests (comprising practices by The Boulders, Country Inns & Suites, Four Seasons & Regent Hotels & Resorts, The Greenbrier, and Wyndham Hotels and Resorts). A second group emphasizes the elements of restaurant concept and design in their best practices (namely, The

(text continues at the bottom of page 53)

³ For a summary of the study methodology, see: Laurette Dubé, Cathy A. Enz, Leo M. Renaghan, and Judy A. Siguaw, "Best Practices in the United States Lodging Industry: Overview, Methods, and Champions," *Cornell Hotel and Restaurant Administration Quarterly*, Vol. 40, No. 4 (August 1999), pp. 14-27.

Exhibit 2

Food and beverage best-practices cases, descriptions, implementation, contact people

F&B champion, Title of case	Description of case	Method of Implementation	Contact person
The Boulders <i>Food Forager to Improve Quality in F&B</i>	Created position of food forager to obtain the best fresh products, allowing creativity in the kitchen.	Forager first focused on buying the highest quality produce only within the state of Arizona, where the resort is located. Later, the forager broadened the search and expanded the number of items sought. Forager hotline keeps all F&B outlets apprised of incoming supplies. Menus are restructured around the products the forager finds.	Gray Ferguson, <i>food and beverage director</i> 602-488-9009 Fax: 602-595-4664
The Breakers <i>Annual Food and Beverage Staff Reorganization and Single-theme Restaurant Concepts</i>	Replaced formal-dining and casual-dining restaurants and bars with single-theme outlets to give the guest the choice of the cuisine desired rather than the choice dictated by guest attire.	Transformed old-fashioned formal dining room into a modern, Florentine restaurant; casual restaurant into a top-caliber steakhouse; main bar into an oceanside restaurant; and a Victorian restaurant into a southern Italian pasta house; plus opened a French Riviera-style restaurant.	Joanne Schultz, <i>director of food and beverage</i> 561-659-8434 Fax: 561-659-8452
Country Inns & Suites <i>Successful Co-branding with Established Restaurant Concepts</i>	Developed co-branding strategy to locate Country Inns & Suites adjacent to (co-owned) T.G.I. Friday's or Italiani's.	Seeks an "A" location that provides visibility, convenience, high traffic count, and proximity to dense residential areas for the restaurant. Positions restaurant at forefront of property.	Paul Kirwin, <i>president</i> 612-212-1326 Fax: 612-212-1338
Four Seasons & Regent <i>Informal Dining Venue and Alternative Cuisine</i>	Uses only one F&B outlet with two dining rooms. Provides cuisine choices of Alternative Cuisine, homestyle, and vegetarian options.	Single outlet allows for a focused approach for improving food quality and presentation, grasp of small details, and delivering of higher service levels due to small, qualified staff. Alternative Cuisine was developed in response to a need for healthier items, homestyle cuisine was added for frequent travelers who were tired of traditional restaurant food, and vegetarian was added due to increased trend of vegetarianism among guests.	Alfons Konrad, <i>senior vice president, food and beverage</i> 416-441-4306 Fax: 416-441-4381
The Greenbrier <i>Programs Establishing the Resort as a Center for Culinary Excellence</i>	Instituting a formal culinary apprentice program, a culinary school for guests, conferences and seminars with food critics and writers, and a high-school culinary-training program. Also publishes <i>The Greenbrier Cookbook</i> and sends newsletters to 600,000 guests.	Established relationships with principal culinary schools in the U.S. Opened formal, three-year apprentice program to graduates of two-year culinary schools or individuals with equivalent experience. Successful applicants work in all areas of the hotel's kitchens and attend formal classes. Promises permanent employment to applicants from local high school.	Rod Stoner, <i>vice president of food and beverage</i> 304-536-1110 Fax: 304-536-7860

Continued on next page

Food and beverage best-practices cases, descriptions, implementation, contact people (concluded)

F&B champion, Title of case	Description of case	Method of Implementation	Contact person
Hyatt Arlington Hotel <i>Redesigning and Revitalizing a Food and Beverage Outlet</i>	Dated dining room, sports bar, and lobby lounge were reconceptualized into Mediterranean-cuisine restaurant.	Comprehensive research and analysis indicated likely success of a fusion of contemporary and Mediterranean themes. Floor-to-ceiling windows replaced one side of building, and Martini bar complemented redesigned restaurant.	George Vizer, <i>general manager</i> 703-525-1234 Fax: 703-875-3298
The Pierre <i>F&B Cost-plus Purchasing Agreements</i>	Has given financial responsibility for food purchasing to an independent consultant.	The consultant and executive chef write specifications for food products; consultant negotiates contracts with a single vendor in each food category on a percentage mark-up basis. Consultant audits the vendors' books annually.	Franz Klampfer, <i>executive chef</i> 212-838-2000 Fax: 212-826-0319
The Waldorf=Astoria <i>Revenue Maximization for the Food and Beverage Department</i>	Instituted revenue management for all food and beverage outlets, scheduled staff more efficiently, and repositioned outlets to attract non-hotel markets.	Each unit developed a plan to increase revenue and profitability, with a focus on reducing labor costs. Matched staffing levels with expected volume of business. Trained line staff to ensure the highest level of service.	Christophe Le Chatton, <i>director of food and beverage</i> 212-355-3000, ext. 4804 Fax: 212-872-7272
Walt Disney World <i>Providing a "Touchable" Dining Experience</i>	A "touchable" dining experience is provided via the atmosphere and the food to transport guests to another setting, another country, or another culture while they dine.	Theme restaurants are designed to be as authentic as possible in the décor, menu, beverages, and service. Line-level employees are empowered to make decisions with respect to service recovery.	Dieter Hannig, <i>vice president of food and beverage</i> 407-566-5800 Fax: 407-560-9131
Wyndham <i>An Integrated Approach to Food and Beverage</i>	Created "Best of Class" program to upgrade the food and beverage culture.	Reengineered menus and recipes; reconceptualized restaurants; modified dining rooms and introduced exhibition kitchens; upgraded table tops and uniforms, and china, glass, silver, and specialty merchandise; developed seasonal F&B festivals and promotions; promoted F&B products within the hotels; recruited culinary talent; obtained unique product from vendors; implemented wine-by-the-glass program; developed server-training program emphasizing product knowledge and up-selling; implemented wait-staff incentive programs; and reinvented room-service standard operating procedures.	Patrick Colombo, <i>vice president of food and beverage concepts</i> 214-863-1000 Fax: 214-863-1665

Note: The case titles correspond to the cases written on each champion in: Laurette Dubé, Cathy A. Enz, Leo M. Renaghan, and Judy A. Siguaw, American Lodging Excellence: The Key to Best Practices in the U.S. Lodging Industry (Washington, D.C.: American Express and the American Hotel Foundation, 1999).

Breakers Hotel, Hyatt Arlington Hotel, and Walt Disney World Resorts and Theme Parks). Finally, The Pierre's and The Waldorf=Astoria's best practices focused primarily on controlling costs and generating additional revenue (see Exhibit 2).

Focus on Product Quality

The problem for The Boulders was that the variety and quality of the produce it was obtaining were not up to the resort's high standards. As a result, the food and beverage department's culinary passion

seemed to be declining along with the quality of the food ingredients. The resort's management responded by creating the position of food forager, who initially focused on buying high-quality produce locally (i.e., in Arizona).



Wyndham created a "Best of Class" program to upgrade its entire food and beverage culture.

Later, though, the forager traveled farther afield and took on the additional responsibilities of purchasing spices, shellfish, cheeses, and meats. To keep the kitchen apprised of what items are coming, the forager uses a hotline to report expected delivery dates and expenditures. The Boulders' chefs then adjust menus based on the incoming items. Consequently, the food ingredients are of the highest quality, and the chefs have the chance to experiment with a continuously changing menu.

Also seeking to instill a passion for food and beverage, Wyndham Hotels and Resorts designed its "Best of Class" program, with the overall objective of making Wyndham a leader in food and beverage innovation, quality, and service. The Best of Class was a wide-ranging effort that involved both sides of the house (as depicted in the accompanying collateral material). The chain (1) reengineered menus and recipes; (2) reconceptualized its restaurants; (3) modified dining rooms and introduced display kitchens; (4) upgraded table tops, wait-staff uniforms, china, glass, silver, and specialty merchandising pieces; (5) developed seasonal food festivals and beverage promotions; (6) promoted F&B products within the hotels; (7) recruited outstanding culinary talent; (8) collaborated with food vendors to obtain distinctive products and with wine vendors to upgrade wine lists and conduct tastings; (9) implemented a wine-by-the-glass program using premium varietals with high brand awareness; (10) developed a server-training program that emphasizes product knowledge and upselling techniques; (11) implemented incentive programs designed to motivate servers to become better educated about food and wines being served; (12) reinvented room-service procedures by providing training in proper service etiquette, modifying training

videos and manuals, and upgrading equipment; and (13) revised in-house marketing materials, such as menus and in-room directories.

To deliver high-quality food and beverage products to its guests, Country Inns & Suites chose to develop a co-branding strategy with restaurant brands that are co-owned by Carlson but freestanding, primarily T.G.I. Friday's or Italiani's. This practice ensures the guest access to a high-quality, brand-name restaurant on site, but it eliminates the capital cost of building a generic restaurant in the hotel. While the core concept of locating a limited-service hotel adjacent to a restaurant is not new, Carlson's approach to the strategy is innovative, since it owns all the brands.⁴ To implement this co-branding strategy, Carlson seeks a large, "A" location that will support the restaurant, which is built at the forefront of the property for visibility. Both the restaurant and hotel benefit from this arrangement.

The goal of Four Seasons hotels is to be rated as having one of a given city's top three restaurants. To achieve this goal the chain offers a single restaurant in its hotels—but that restaurant has two dining rooms, one more formal and one less formal. Thus, with a single F&B outlet the hotel can offer two dining rooms that differ in design, but that share the same menu, chefs, line cooks, and kitchens. Compared to having multiple outlets, this approach allows its F&B staff members to provide greater attention to food quality and presentation, to focus on small details, and to deliver higher service levels via a small, highly qualified staff. In response to guests' stated desire for alternatives to a heavy, meat-based cuisine, Four Seasons has broadened its menu choices to include its trademark

⁴ Among the brands expressly pursuing a strategy of locating next to restaurants in the 1980s was Days Inn.

Alternative Cuisine, comprising a nutritionally balanced menu of alternative meals, vegetarian dishes, and homestyle preparations. Alternative Cuisine items are low in fat, cholesterol, sodium, and calories to correspond with guests' greater interest in health and fitness. Similarly, vegetarian recipes have been added to the menu in response to an increased trend of vegetarianism among guests. Homestyle recipes, on the other hand, are just what the name implies: they have been developed from the chefs' favorite family recipes. The latter cuisine choice suits travel-weary guests who wish for a home-cooked meal.

The Greenbrier has instituted several practices to establish itself as a center for culinary excellence. The resort had to address two major problems, both of which stemmed from its remote location. First, for a time the resort was having difficulty attracting and retaining experienced culinary personnel. To end a constant cycle of recruiting and training workers and to improve the food product being offered to guests, The Greenbrier established a three-year culinary-apprenticeship program. The resort recruits candidates from principal culinary schools in the United States to complete an apprenticeship in all areas of the kitchens, as well as attend classes. Because the program runs for three years, the apprenticeship has helped to stabilize the kitchen staff. Further stability comes from an agreement with the local high school by which the resort will provide permanent employment to interested students. The second problem is attracting guests during shoulder and off-season times. Continuing with its theme of culinary education, The Greenbrier established cooking classes for guests and promoted symposiums conducted by food critics and writers. The Greenbrier issues a quarterly newsletter to 600,000 guests and has

published *The Greenbrier Cookbook* to further identify the resort as a culinary center—and to remain in contact with potential guests.

Restaurant Design and Conceptualization

The common thread of the following cases that feature restaurant redesign is that the existing restaurants were operated in a functionally competent fashion. They had lost their competitive spark, however (or stood in danger of doing so), because of changes in guests' preferences. In response, operators took a lead from freestanding restaurants and focused tightly on customers' current wishes for theme-based casual dining.

The Breakers recognized that the public has long had an aversion to hotel restaurants, which stems from the days when hotel restaurants tried to have some of every variety of food they thought a guest might desire—none of it particularly distinguished and all of it seemingly overpriced. In response to guests' negative feelings about hotel restaurants, many hotels have dropped food service entirely, but this option is not open to a five-star hotel or resort. Instead, The Breakers chose to create its own strong restaurant identities through single-theme outlets that replaced the resort's existing formal- and casual-dining restaurants and bars. The practice not only helped The Breakers change the public perception of hotel restaurants, but it allowed guests to choose their cuisine according to what they wanted to eat, rather than what they wanted to wear. Thus, the resort's old-fashioned formal dining room became a modern, Florentine-style gourmet restaurant. The owners converted the former casual dining room to a top-caliber steak house—with ambience to match. Perhaps most strikingly, the resort converted its main

bar and lounge, which had virtually no business during the day, to a beautiful ocean-side seafood restaurant. The former Victorian restaurant became a southern-Italian-style pasta house, and the Beach Club was converted to a French Riviera-style restaurant. Thus, the resort now has five restaurants that feature their own distinctive décor and ambience, without a loss in food quality.

The food and beverage outlets of the Hyatt Arlington Hotel similarly had lost their customer appeal because of their dated concept and design. After the hotel undertook a comprehensive market-research study, the hotel's managers selected a restaurant theme that blends contemporary (post-modern) and Mediterranean concepts. In developing the new theme, the hotel replaced the restaurant's outer wall with floor-to-ceiling windows to transform the previously dark and unimaginative restaurant into a sun-drenched venue splashed with the Mediterranean's vivid colors. To complement the new restaurant, the hotel installed a quintessential martini bar.

Walt Disney World Resorts and Theme Parks has long recognized the value of themes to a guest's experience—not only in its parks, but also in its many restaurants. Consequently, WDW set out to create a "touchable" food-service experience for the guest that combines design, décor, ambience, food, service, and entertainment in such a way as to stimulate all of the senses, not just the palate. The idea is to "offer a personal experience which is highly customized, memorable, and judged by our guests to be worth the price," remarked Dieter Hannig, vice-president of food & beverage.

With more than 500 theme food-and-beverage outlets, WDW's managers realized that a restaurant's

Walt Disney World's F&B Awards: A Sampling

Since 1989 Walt Disney World properties have earned more than 100 food and beverage awards. Listed below is a representative sample of those honors.

- "Award of Excellence" (1999), from *Wine Spectator* magazine, awarded to Victoria & Albert's
- "Best Wine and Spirits Restaurant of the Year" (1999), from *Santé* magazine, awarded to California Grill
- One of the "Top Ten Sports Bars in the Country" (1998), from *USA TODAY*, and one of the "Top Five Sports Bars in the Country" (1998), from *Men's Health*, both honors awarded to ESPN Club
- "Best Kids' Menu" (1998, Readers' Choice Foodie Awards), from *Orlando Sentinel*, awarded to Chef Mickey's
- Among the "Best New Restaurants" (1998), from *Esquire*, awarded to Citricos
- "Best Cover" (1998), from *Restaurant Forum*, awarded to Flying Fish Cafe
- "Restaurant Wine Award" (1995), from *Wine Enthusiast*, awarded to Artist Point
- "Most Imaginative" (1993), from the National Restaurant Association, awarded to Grand Floridian Cafe
- "America's Best Bar Menu" (1993), from *Cheers* magazine, awarded to Crew's Cup Lounge
- "Top of the Table" (1991, first place), from *Restaurant Hospitality* magazine, one each awarded to Beaches and Cream Soda Shop and the Yacht Club Galley

design is crucial to providing the "touchable" experience for the guest. Each restaurant is designed to be as thematically authentic as possible so that all elements of the physical facility and operations combine to transport the guest to another setting, country, or culture. The dining adventure is intended to produce the feelings, tastes, sounds, and excitement the guest would experience at the actual locale being replicated. Access to the restaurants is designed to be easy and uncomplicated. Accordingly, many restaurants are freestanding so that guests do not have to walk into hotel lobbies or down corridors. Further, line-level employees are empowered to make decisions to improve service recovery and ensure a great dining experience for the guest.

Controlling Costs

Our last two champions focused on costs and revenues in the food and beverage arena. The Pierre focused

on upgrading its restaurant's purchasing function—that is, setting specifications, selecting vendors, obtaining best prices, and monitoring receiving. However, The Pierre's management was concerned that controlling purchasing activities would divert the executive chef's attention from the kitchen's culinary creations. To allow the executive chef to focus on the menu the hotel delegated financial responsibility for food purchasing to an independent consultant, who worked with the chefs to develop specifications for all food products. The consultant analyzes available foodstuffs and may recommend changing specifications if a less-expensive item can be substituted without comprising quality or when off-site preparation would be equally good but less expensive than preparing the food item on site. The consultant also trained kitchen employees to adhere to strict receiving standards. Most important to cost control, the consult-

ant negotiated contracts with each vendor specifying that the vendor would earn a given percentage profit over its cost. (Some existing vendors may have blanched at this proposal, but most signed on to keep the hotel's business.) To ensure that costs are in line and that vendors are fulfilling their agreements, the consultant regularly audits inventory and cost lists from each vendor and annually audits the vendors' books to verify that the vendors are accurately stating the cost of each item.

The Waldorf=Astoria's management also believed that the revenue potential of the hotel's food-service operations was not being achieved, but they looked beyond cost controls. Instead, the hotel took several steps to boost F&B revenue—instituting a revenue-management program, implementing cost-cutting measures, training chefs to schedule employees more efficiently, and repositioning F&B outlets to attract guests from outside the hotel. The hotel created a marketing position to coordinate the marketing efforts of all food and beverage units and to help implement revenue-maximization efforts. Service-recovery systems were improved. The hotel trained line employees on wines to improve their efforts in selling and serving wines. A new restaurant-reservations system was introduced to improve dining-room use, cut telephone use in restaurants, and improve communication with guests. Lastly, a dining-out program, which allowed servers and kitchen employees to dine in various Waldorf=Astoria restaurants, generated many ideas for improvement and created an increased awareness of food and service quality.

Success of the Practices

The success of these practices can be gauged by various indices, depending on the practice. The food

forager program at The Boulders, for instance, improved the quality of the food and lowered food costs. With new and interesting foodstuffs, the chefs have developed distinctive menus that allowed price increases—boosting average checks and profits. As a result of the increased average check, wait-staff gratuities are higher and employee turnover has been reduced. The resort also implemented menu meetings in which chefs explain their creations to servers. Chefs are once again passionate about their creations, and the meetings have created a greater rapport between the front and back of the house.

Wyndham's "Best of Class" program also reenergized the chain's F&B culture—resulting in a 15-percent increase in total sales and a 40-percent increase in wine sales. Since costs were controlled as part of the program, the hotels enjoy a 55-percent profit flow-through on the newly generated revenue. As at The Boulders, Wyndham's higher average checks have increased staff earnings and improved retention. In addition, the promotion of high-quality food has upgraded the chain's overall image.

At The Breakers the new theme restaurants have increased F&B revenue by 70 percent over the last four years, with much of the growth being fueled by the substantial amount of local business attracted by the new outlets. Likewise, the Hyatt Arlington Hotel has doubled cover counts and revenues since its restaurant renovation, and the restaurant receives rave reviews.

One of many reasons that guests choose to stay at The Greenbrier is its excellent culinary reputation. Thus, its reputation as a center for culinary excellence plays an important role in maintaining guest-room occupancy. The ability of Walt Disney World Resorts and Theme Parks restaurants to provide a

"touchable" dining experience contributes significantly to WDW's profitability. Furthermore, both the number of return guests and percentage of satisfied customers are high—and several WDW restaurants have won awards in recent years (see the box on the previous page).

The Country Inns & Suites co-branding strategy has been a winning situation both for the hotels and for guests. For guests, having a popular brand-name restaurant adjacent to the hotel ensures that their dining needs will be satisfied. For the restaurant, the hotel guests account for 15 to 20 percent of its business. For the hotel, the proximity of a name-brand restaurant is an amenity that can encourage guests to book a room.

By using an independent consultant to negotiate with vendors and to monitor the F&B purchasing function, The Pierre was able to reduce food costs by approximately 5 percent and kitchen labor costs by 2 percent. In addition, the number of vendors used has decreased, resulting in greater efficiency for the hotel. Finally, The Waldorf=Astoria's revenue-maximization strategy improved cover counts by a staggering 100 percent, while increasing wine sales and guest satisfaction.

Insights

Our food and beverage champions offer the following advice and observations to managers seeking to implement similar programs: (1) the foundation for successful implementation is meeting challenges with enthusiasm and passion; (2) some practices, such as food purchasing by an independent consultant, may not be warmly received by staff or vendors but the commitment of upper management and a demonstration of benefits will help gain acceptance; (3) those practices that require constant adaptation (like the food forager) will not work in a

rigidly structured organization; (4) co-branding strategies are suitable only when the hotels are partnered with restaurants that are targeting the same market segment; (5) hotel F&B outlets' development must incorporate the guest's total experience (and focus on competing with freestanding restaurants); and (6) resources must be focused on a relentless commitment to food and beverage consistency, even when business is slow.

Profitable and Vital

Contrary to much conventional wisdom, the experience of these F&B champions shows that hotel restaurants can not only turn a profit, but can contribute greatly to the hotel's overall competitive position. We note, however, that virtually all the F&B champions are operating in the upscale, deluxe, and resort segments of the lodging industry. While many hotel restaurants at all levels struggle to turn a profit, the actions of our champions indicate that the downward trend of hotel restaurants can be radically reversed by focusing on guests' needs. As Rod Stoner, vice president of food and beverage at The Greenbrier, pointed out, managers must stay abreast of industry trends, study the programs of other properties, and seek distinctive ideas for adaptation to their own hotels. This overview of best-practices in food and beverage champions provides a starting point for what Stoner suggests. We hope that those managers seeking to revitalize or maximize the revenue potentials of their F&B operations will carefully examine the practices discussed here and will continue their progress by also investigating the practices of other properties and other industries. As a result, forward-thinking managers will be able to identify those best practices that will serve as the catalyst for improving customer satisfaction and financial performance. **CQ**