**Case Study**

The information in the Case Study is used each week when writing the individual sections of the ***Marketing Communications Plan***.

One of your neighbors has just inherited a restaurant in a small town about 75 miles away. They’ve never owned or operated a business before, and know very little about marketing or the restaurant business. They now have a **Marketing Plan,** but need help with the **Marketing Communications Plan**.

**General Restaurant Information Provided by Your Neighbors:**

1. They want to keep the “family’s” restaurant as a legacy to their family members who left it to them. However, they will need to make money immediately in order to replace the income they lost when they quit their jobs to run the restaurant.
2. The restaurant has been losing sales/profits over the past few years.  Family members have had some health issues (and have since passed away) and have not had the time to manage the restaurant effectively.  For the past few months, the Chef and some of the servers have been keeping the restaurant open.
3. The restaurant has a good reputation in the small community.  The town has a population of 6,000 people.  It is in a good location (right off an interstate) and does additional sales catering to local businesses in the area.  Over-the-road semi-drivers say it is the best cup of coffee in town and town’s people know that you can always find the local sheriff and highway patrol officers eating there.  People are allowed to smoke at their tables and some people have stopped eating there because of the smoke in the dining room.  Also, you can see serving staff smoking between orders.
4. The restaurant has a good menu.  It has a lunch menu and a dinner menu.  They open at 11:00 am and they close at 7:00 pm CST seven days a week except major holidays.  They have daily “specials”.  For instance, on Monday it is meatloaf, Tuesday; roast beef, Wednesday; turkey breast, Thursday; pot pies, and Friday; fish.  The restaurant is famous for its homemade pie menu.  The Chef makes 15 varieties of homemade pies daily.  Customers can also order pies for holidays. People have asked to order pies online and pick them up at the store…but so far no online sales exist.
5. The restaurant is in the low to mid-price range.  But due to changes in the local community demographic may need to update/expand the menu.  Baby boomers are leaving the area and are being replaced by Generation X individuals and their young families. When eating there, you will see a wide range of customers from older truck drivers to young families, and even teenagers on a date.
6. The chef has been with the restaurant for over 25 years and has done a good job but is thinking about retiring in the next 3 years.  He believes in the local food movement and buys produce from local farmers.   The serving staff is composed of women (most in their late 60s) who call each customer by the name “honey” and have been with the restaurant for years.  It is a well known secret that their grandchildren come by each day for a soda pop and pie (most times they leave without paying).
7. The restaurant is located next to an interstate exit and is the only “family” style restaurant in a 20 mile radius.  However, there are a McDonalds, Subway and Sonic Drive-in restaurants located nearby.  McDonalds, Subway, and Sonic offer special deals throughout the week…for instance, McDonalds runs Shamrock Shakes in March, Subway offers $5.00 foot long sandwiches, and Sonic has happy hour soft drinks each day.  The family restaurant has relied exclusively on word of mouth advertising, but do support a local little league baseball team each summer which costs them $500.
8. The name of the restaurant is The Family Diner. While they are not open to changing the name, they are willing to review any changes to the brand and logo that might help the business. Right now, the logo is simply the name of the diner underlined in Veranda font using a light blue color.
9. The new owners are younger and while they want to maintain the legacy of the family, they are computer-savvy. There has been talk of starting a web site and using social media, but those steps have not been taken.
10. There are no loyalty programs or special promotions except for the daily specials.
11. Sales (revenue) for last year were $900,000, which is a 15% share of the market. The other eating and drinking establishments in the area spend approximately $500,000 a year (total for all) in advertising.