

To: Dr. Erika Paterson

From: Parsa Seyed Zehtab

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Subject: Proposal for Determining the Feasibility of Introducing Daily Specials to Increase Customer Volume During Dry Season.

Introduction

Cactus club cafe is a Canadian-owned chain of premium casual restaurants that originated in North Vancouver, British Columbia in 1988. Since then, 31 locations have been opened, and it has been a staple location for residents of the lower mainland to dine at. Although the popularity and success of the restaurant is well-established, during the months of January to April, known as the “dry season”, the restaurant experiences a downturn in customer volume. This in turn not only negatively impacts company profits, but also lowers the compensation servers and bartenders receive from tips. This formal report will investigate the causes of the downturn in customer volume during dry season. Furthermore, it will assess the feasibility for implementing a new marketing strategy that focuses on daily specials to increase customer volume during dry season.

Intended Audience

This will be a formal report addresses to Alexandria Lee, the head manager of Cactus Club Cafe Park Royal, and the Cactus Club Cafe head office in Vancouver, British Columbia.

Statement of Problem

Following the holiday season, from January to April, Cactus Club Cafe Park Royal, and other Cactus locations, experience a downturn in customer volume. The major implications of this problems are two: first, servers and bartenders experience a decrease in compensation, as their main source of income is customer tips. Second, decreased customer volume leads to decreased profits for the company as whole.

Proposed Solution

A potential solution for decreased customer volume during dry season is to introduce daily specials at Cactus Club Cafe. Specifically, Cactus Club Cafe Park Royal can be a pilot restaurant to test this solution. Many lower mainland restaurants, such as Earls and Tap & Barrel, have daily specials that increase their customer volumes, especially during the dry season. With the current rise in the cost of living, this years dry season has been especially difficult for servers and bartenders at Cactus Club Cafe. As such, the introduction of daily specials serves as a potential solution to increase customer volume during dry season, as it offers customers a way to save money while still dining out.

Scope

In order to investigate and fully understand what causes the dry season for Cactus Club Cafe, and how the restaurant can overcome it, I intend to investigate the following questions and lines of inquiry:

1. What causes customers to visit restaurants less during the months of January to April?
2. Is there a reason customers visit Cactus Club Cafe less during dry season? If so, what is/are the reason(s).

3. What causes customers to increase the frequency at which they dine at Cactus Club Cafe from May to Decemeber?
4. How important are daily specials in choosing a restaurant to dine at?
5. What factors drive the decision to chose a restaurant to dine at in general?
6. How is the current increase in cost of living affecting customers' decision to dine out at restaurants?
7. Will the introduction of daily specials during dry season increase the probability of customers dining at Cactus Club Cafe?

Methods

My primary data sources will include: consultation with the head manager at Cactus Club Cafe Park Royal, consultation with the head chef at Cactus Club Cafe Park Royal, and an anonymous survey shared with residents of the lower mainland. The survey will provide more information on the decisions customer make when choosing to dine out during dry season, and where they dine out. Secondary sources will include business and service industry publications on dry seasons, and a review of reports published by Statistics Canada and BC Statistics on the service industry.

My Qualifications

I have been working at Cactus Club Cafe Park Royal since 2020. I have worked as an expeditor, server and bartender, and experienced the businesses of the restaurant during covid, and post-pandemic. My almost three years of experience have given me ample knowledge about the functioning of the restaurant, and first-hand experience with the downturn in customers and profits during dry season.

Conclusion

This proposal has made clear that dry season not only negatively impacts company profits for Cactus Club Cafe, but also negatively impacts server and bartender compensation. By addressing the seven areas of inquiry mentioned above, I will come to a clear understanding of the causes of dry season and the feasibility of implementing daily specials to increase customer volume. With your approval, I will begin my research at once.