



# Free thinking

The MA's latest Freehouse 500 business club meeting at Leicestershire's Stapleford Park features insights on collecting customer feedback, saving money by going greener, digital marketing ideas and tweeting in more trade. **Tony Halstead** reports

## Secrets of success

Providing the "wow" factor lies at the heart of customer service at the Bulls Head, Repton, Derbyshire, run by BII Licensees of The Year 2010 Richard and Loren Pope. The couple bought the freehold from Punch 12 months ago. Attention to detail



Richard Pope

has paid off and latest figures for 22 weeks' trading in their fourth year saw business grow by 49% year-on-year. The pub's retail offer is harnessed around a feature wood fired pizza oven, a popular outside terrace seating 170 people, good cask ale, great food and "bubbly, sparkling staff" who care about their customers and the business in which they work.

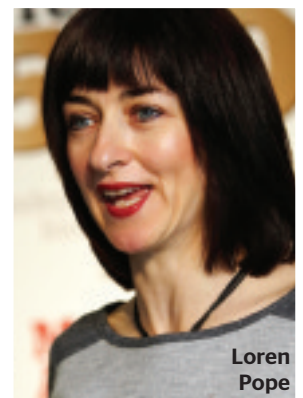
The Bulls Head website has also made a huge contribution to the success of the operation. It is currently securing between 200 and 400 visits per day and 18% of all bookings at the pub are now made on line. Its also provided the business with a vital and growing database of customers. The Popes say they are always trying to provide something different through one-off events and a retail package which makes them stand out from rival pubs. These include

the Bulls Head's theme running across the business from bicycle seats used as a bull's head feature in the bar and steaks and burgers branded with the Bull's Head logo.

The Pope's also use music to add personality to their service. Anyone celebrating a birthday receives an unexpected musical overture to make them feel extra special and a cinema-style voiceover is used to tell customers when its last orders.

“**Anyone celebrating a birthday receives an unexpected musical overture to make them feel extra special**”

Customer service levels are measured through a "satisfaction box" inviting departing visitors to post tokens in five different marked slots starting with poor rising to excellent with staff receiving incentives according to how well they have been judged.



Loren Pope





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### Going greener

“Necessity is the mother of invention,” says Richard Slade, licensee of the Battlesteads, Wark-on-Tyne, Northumberland, Green Pub of The Year and winner of the *Morning Advertiser’s* 2010 Great British Pub of The Year.

Five years ago when Slade and wife Dee realised there was insufficient (and expensive) electricity to service their remote countryside inn they decided to explore alternative sources of energy.

Tips included: using a water displacement device in toilet cisterns, which saves ½-litre every flush; appointing an in-house green champion; siting recycling banks in the car park.

Every area of the Battlesteads operation is now geared to the cause of energy efficiency from the collection of rain water to an eco friendly self sufficient herb and vegetable garden which supplies the pub’s kitchens.

One startling statistic has seen the pub’s heating costs reduced by almost 50%. “We’ve gone from zero to green in five years and its been an amazing journey,” said Slade.

Installation of the carbon neutral biomass boiler enabled the Slades to make a huge saving on the pub’s heating bills. Switching from oil-fired heating to the wood-chip biomass system meant bills dropped from £22,000 to just £3,480 per year.



### Growing cask ale sales

Quality beer, the right range of brands, the right price and good cellar management are four of the key elements which make up a successful cask ale offering, said Wells & Youngs strategy manager Paul Smith.

He said these four elements added up to a good reputation which enabled licensees to make more money.” He said licensees had to balance the number of casks ordered each week with the number of handpulls on the bar suggesting that two containers per week should flow through each pump.

“The average pub is now selling less beer and as the rate of sale goes down quality begins to suffer. Stocking policy depends on weekly volume sales,” he suggested. Smith warned of price cutting on cask ale which was seen by most consumers as a quality product.

“Research shows that cask beer can sell best when sold at the same price as lager,” he told delegates.

Freehouse 500  
 business partners



Dee and  
 Richard Slade



## Soft drink opportunities

Continued growth in the eating out market can fuel vital extra sales for licensees provided brands are properly marketed and promoted to customers, said Alex Lund, Coca-Cola Enterprises' shopper marketing manager for pubs, bars & clubs.

Lund said 60% of people eat out in the UK every month and the market is set to grow despite a tough economic outlook. "When you consider 34% of people order a soft drink with food it makes good promotion of brands vital," she said.

Tips for capitalising on soft drink sales revolve around presentation and serve, a visible point of sale price point together with high profile marketing of products in pubs and bars.

"We find pubs often do not give soft drinks priority and licensees tend to keep them almost hidden. A list of drinks written on a menu plus branded pictures of drinks will drive sales of soft drinks higher."

Spirits and mixers also presented big sales opportunities



Alex Lund

especially if quality brands were used, drinks were perfectly served with a visible price point. Lund said big calendar events such as Christmas presented a big opportunity and Coca-Cola Enterprises would again be promoting its Designated Driver Scheme offering free soft drinks for drivers, with special packs available to licensees.

## Heart of the community

Traditional pub entertainment such as live music nights and quizzes forms the core business of community pubs such as the Thatchers Arms at Mount Bures, Essex. But co owner Mitch Adams said embracing the internet and social networking sites are now just as vital in the fight to attract customers through his front door.

The former Mitchells & Butlers manager believes sites such as Facebook and Twitter will be increasingly used by customers deciding how and where they spend their leisure time. Adams believes proper use of internet technology has overtaken traditional forms of advertising and marketing.

He said even if pubs boasted a strong retail package of food, cask ale and entertainment, profiling what you do to the biggest audience is a pre-requisite for trading success.

"Most of your customers are probably using Facebook for example, and don't think its just younger people who tend to use



Mitch Adams

it." Adams said: "We have 800 followers on Twitter and its being used more and more by our customers. Its become really important in dealing with customers and suppliers, many of whom are on it," he added. Successful events at the Thatcher's Arms have included pie and piano nights and christmas carol nights hosted by the local vicar.



Matt Brand

## Beer thinking

Major beer brands such as Carlsberg can help licensees maximise big events in their pubs and attract more customers, said the company's on trade category insights manager, Matt Brand.

He said pubs faced more competition than ever in a tough market and understanding what drove consumers into pubs and the on-trade in general had become essential. "Carlsberg aims to provide brands that satisfy different consumer needs and occasions and aims to provide marketing support that helps you," he said.

"It's how you make an event

special enough to make people leave their homes. Try something different such as suggesting a trade up across a food and drink offer to achieve a better margin," Brand suggested." Ask yourself what you are doing on a particular night to persuade people to visit.

Put on an event linked to food which can make a quiet night into a busy one. Brand said the "lifestage cycle" meant different age groups and different social groups demanded a different type of on-trade experience. Pitching the right event and the right retail offer could make a big difference.

## Accommodation and "spork" dining

Drinkers and diners are increasingly demanding flexible bars and restaurant service together with luxury facilities in letting bedrooms, according to Glyn Williams, PR & marketing consultant for the Crown at Woodbridge, East Suffolk, winner of the Alastair Sawday's 2010 Pubs With Rooms award. Williams said the boutique townhouse inn's success was down to, "listening to what people want."

The Crown had pitched its offer to meet customer preferences. "We are what people want us to be across all areas of the business. For instance we encourage stand-up drinking in our bar especially during the Friday teatime shift because that is what people want when they have finished work for the week."

The Crown has four eating options in terms of tables and seats including a highly popular "spork" menu - simple food served informally in dishes with a combined spoon and fork utensil.

The pub's 10 en-suite bedrooms

are individually designed with a wealth of facilities and extras, bringing five-star hotel luxury into a pub environment. Rooms were designed by Bentheim of Chelsea and each boasts a plasma flat TV with Sky, DVD player and Italian lighting.

The Crown also operates a bespoke outside catering service which is also set to expand into a home food range.



Glyn Williams



## Star attractions

Ben Jones, co-owner of the Michelin-starred Olive Branch at Clipsham, deliberately avoids calling the inn a restaurant. "We avoid the word restaurant and always refer to the Olive Branch as a pub," he stressed, making the point that the best gastropubs are always careful to retain a warm welcome for local drinkers.

The Olive Branch, which was the second pub to be given a Michelin star, derived a massive boost from the award. But Jones admitted once the celebrations died down the hard work really began.

He said the pub's mission was always to deliver more than expected but cautioned against over ambition. "Never over promise and even hold a little back," he recommends. "Our mission is one where we aim to make every customer feel special," he stressed.

Consistently good food, high levels of service and knowledge

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**We keep the bar area separate and do not take bookings here. We always encourage the locals to come in**



of the customer were three of the big drivers of the business. Regular staff briefings and management meetings ensured accurate feedback of information and ensured all levels of staff remained aware of guest information and operational issues.

Recruitment, however was a big problem for the Olive Branch because of its location which meant staff were often sourced locally. "When we find the right candidate locally we find they tend

to stay with us which gives us the opportunity to give them the right training and responsibility," Jones revealed.

He said winning the Michelin star was a "surprise" and it changed the business for the better. "However we keep the bar area separate and do not take bookings here. People can sit in the bar to eat if they want but we always encourage the locals to come in. We try to keep the rustic charm of the place," he said.

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Freehouse 500 is a business club for the UK's top freehold pubs. Two business club meetings are hosted by the Morning Advertiser and our Freehouse 500 business partners: Carlsberg UK, Coca-Cola Enterprises, Bulmers and Wells & Youngs each year. If you are interested in being part of Freehouse 500 please email [Helena.Merrell@william-reed.co.uk](mailto:Helena.Merrell@william-reed.co.uk) for more information.

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## Bring the movies to your pub

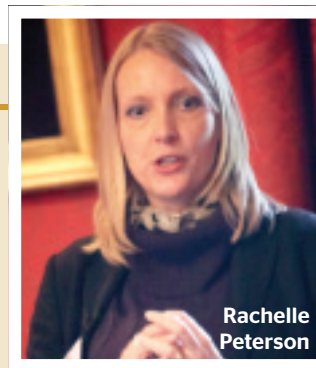
Want to increase your bottom line? Why not attract extra trade by showing films in your pub. Film nights could bring in new customers and may deliver a significant new stream of income for licensees, said Rachelle Peterson, director of commercial sales at Filmbank.

Filmbank, a joint venture company owned by Warner Bros. & Sony Pictures, specialises in bringing the newest films to fee-paying customers an average 12 weeks after cinema release and before they go to DVD.

Typically it gives pub operators a six to eight week window to show films before they are released on public sale.

One way of operating film nights could be a package which includes a meal, drink and film for one all-in price. Peterson suggested film nights could also be used for promotional events, fund-raising, and product launches besides film club nights.

For these commercial screenings where customers pay a fee a Single Title Screening Licence (STSL) is required. These screenings are charged at £79 minimum guarantee or 35% of the film ticket sales whichever is greater. Also available to non paying audiences is the Public Video Screening Licence (PVSL). This licence is issued annually on May 1st and is perfect to create ambience or it



Rachelle Peterson

can be used to keep the children amused in the play areas.

A PVSL costs as little as £81, plus VAT, per annum depending on the pub's weekly footfall. The average UK pub pays around £250 per annum. Both licences can work in tandem or could be used separately. In either case a current PRS licence is required.

## Ideas for digital marketing

Digital marketing has become one of the most simple and effective ways to advertise a pub and its events, said internet entrepreneur Robin Brattel.

Brattel, chief executive of Inapub.co.uk which holds details of 24,000 UK pubs and 8,000 events on its website, said internet marketing was a proven customer and licensee communications tool.

He told delegates at least 71% of the UK population was now online and 75% used the internet each day with 32% aged between 18 and 34. Significantly he revealed 78% now used social networking. "It's a low cost way to tell your customers what your



Robin Brattel

up to, like putting an 'A' board outside your pub," he said.

Brattel said an estimated 71% used Google, keeping up with things like special offers. He also stated that mobile phones were set to increase their importance as a communications tool.

Brattel's tips included joining Facebook and Twitter, promoting an on-line presence, obtaining e-mail addresses of customers and holding a monthly draw. He warned against inadvertently passing on customers' email addresses and urged caution over how websites handled customers, particularly when it came to criticism of the type found on sites such as Trip Adviser.

## Are you serving your customers?

Mystery diners, reviewers and brand auditors can give licensees invaluable feedback about the retail quality of their operations, said business consultant Steven Pike. But just as important were the views of ordinary customers who visit pub websites and fill in satisfaction cards.

Pike, who is a director of The Mystery Leisure Company which analyses up to 150 guest visits to pubs and restaurants each day, said accurate feedback was vital for operators to capitalise on their strengths and address their weaknesses.

"It's all about making sense of the information you receive and analysing it. You want to look at what people are saying about different parts of your service so you can take out relevant comments about aspects of your operations," he said.

"Feedback, comments and information are fairly quick. There is a wealth of information which can be unravelled apart from the obvious customer comments," he added.

Pike said operators can reap extensive data and information from detailed performance



Steve Pike

breakdown about every area of a retail offering from the moment a customer walks into a premises to the moment he settles his bill.

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## My idea of the perfect pub

Customer surprise and "weird beers" provided the focus to Charlie McVeigh's talk. McVeigh runs three London Draft House sites with the most recent at Tower Bridge.

The former journalist said the company's culture is to do for beer what our culture has done for food and wine over the past 20 years. His pubs serve an eclectic range of beers sourced from all corners of the globe with a special place reserved for niche cask ales.

"Good staff are at the core of what we do. They need to be



Charlie McVeigh

both passionate with the product and the customer. People may come into your pub and know what they want but the secret is to sell them beers which are outside their comfort zone." McVeigh encourages sampling by customers and says his pub is the home of the third of a pint measure.

"We do not have recognised brands, but our beer selection means many customers return. Niche beers come at a price and the cost of a pint is £3.40 but returns an impressive 70% gross profit." He also charges a 10% premium on third pints and 5% on halves. "We want to showcase beer by taking its provenance, cellaring and serving seriously," he adds. The Draft House Group is also committed to serving fresh locally sourced British food."