The research on the innovation consumption trend of Entertainment restaurant based on a case study of Perry Town

Jiahui Jiang¹, Yirui Cui², Yue Yu³

¹Lancaster Country Day School, Pennsylvania, USA
²Mannahouse Christian Academy, Portland, USA
³Guangdong Country Garden School, Guangdong, China

Abstract. Theme restaurant is a basic place to provide customers with food through a series of attractive signs around one or more historical or other themes. Its biggest feature is to give general restaurants a certain theme and create the business atmosphere of the restaurant around the established theme: all products, services, colors, shapes and activities in the restaurant serve the theme, so that the theme becomes a stimulus for customers to easily identify the characteristics of the restaurant and produce consumer behavior. Taking the task of BPA competition as an example, this article designs a set of solutions of Perry Town for upgrading traditional restaurants with cartoon theme. According to the PEST analysis, this paper considers the production, price, place and promotion strategy. Afterwards, the organization structure, human and financial resource were proposed, which provides a reference for other restaurants with similar motivations.

Key words: Theme restaurant; Marketing; Perry Town; Pricing strategies.

1. Introduction

According to the competition task of Business Professionals of America in global marketing team. Little did the owners of Dave and Buster’s, a 40,000-square foot dining and gaming establishment initially located in a Dallas warehouse in 1982, realize they would launch an exciting new restaurant concept known as “entertainment.” By providing guests unique experiences that combine eating with entertainment, “entertainment” establishments are forecast as the next big frontier for casual dining. To capitalize on this growing trend, a local entertainment company has hired your marketing team to identify expansion opportunities into a domestic U.S. city of your choice within one to three years, with a vision for future international expansion in five to seven years. As no specific company name, mission, vision or product(s)/service(s) is specified in the topic, the team will determine these key elements and implement into the presentation. It needs to develop a marketing plan, that details pricing strategies and promotional plans for a business.

This paper proposes that Perry Town focuses on the best consumer’s experiences with our real, wonderful, and ineffable cartoon world, linking the past and the present, crossing through/delivering memories from the adults to kids, and enjoying food with the most famous cartoon characters: Peppa Pig, Tom, and Jerry. The reason why Peppa Pig is chosen is that it is a very popular cartoon nowadays. Many children love watching this cartoon. The Tom and Jerry were chosen because it is a cartoon with memories for people born from 1980 to 1990.

As mentioned above, the first restaurant opened in Dallas, Texas in 1982. However, due to the changes of the times, people are pursuing some trendy and more new dining environments. In September 2021, after the new design, the restaurant had a new name - Perry Town, which opened in Santa Monica, California. Here, people will experience eating with various cartoon characters, and it also has a lot of parenting and recall activities. The plan also provides DIY cooking games. The food is also specially customized on the basis of animation. This study believes that no matter adults or kids will be attracted by these interesting activities and healthy organic foods because customers’ favorite characters are also always awaiting your coming since business already lets every waiter put on the cartoon character costumes to serve people and enjoy the best time.

The entertainment has become an important decision part of restaurants in recent years. More and more theme restaurants have attracted a large number of consumers, which has attracted the attention
of many scholars. The moderating effects of employee hospitality and entertainment cues on the correlations between customer perceptions of task performance/food quality and their effective responses were investigated by Teng and Chang. Customer affective reactions mediate the links between task performance/food quality and perceived value, according to the findings of a survey of 308 full-service restaurant customers [1]. The goal of Jalali's research is to look at the relationship between the presence of the arts (museums) and entertainment (sports) industries in Sweden and the heart of the hospitality industry, which is hotels and restaurants. It focuses on how the growth of the sports, arts, and museum industries are linked to the growth of the hotel and restaurant industries in the country. Multiple regression models have been used to examine this, and the results do not refute the study's initial premise, which is that there is a positive association between the expansion of the Entertainment and Art industries and the growth of Hotels with restaurants, except conference centers [2].

As for the theme trend, Bell et al. wanted to know if a change in a dish's perceived ethnicity can be achieved without changing the food itself, and if that change in ethnic perception is accompanied by changes in acceptability and food selection behavior. For four days, a British restaurant served Italian and British cuisine. Foods were available for two days under controlled conditions, during which time the restaurant was decorated as usual. The same dishes were subsequently served at the restaurant for two additional days under controlled settings, with ethnic names for foods on the menu and the establishment adorned in an Italian theme. Customers rated the ethnicity and acceptability of things each day, and item selection was tracked. The Italian theme raised the number of pasta and dessert options while decreasing the number of fish options. The Italian theme also boosted the perceived Italian ethnicity of British pasta, fish, and veal, as well as the meal's total Italian ethnicity. These findings suggest that changes in perceived ethnicity and food selection can be achieved without changing food items and instead by manipulating the environment, suggesting a novel strategy for increasing perceived menu variety [3]. Zhao examines the design status of Chinese main dining halls, combines display design content, continues the main dining hall design characteristic, and completes the design plan, with the goal of improving the artistic quality of theme dining hall design through the examination of the design status of Chinese theme dining halls. Enhancing the value of display design by creating a good Chinese theme restaurant environment [4].

The traditional analysis methodology of user consumption behavior influence is just too subjective within the choice of indicators at the time of analysis, that ends up in poor referenceability of analysis results. to the present finish, the issues of ancient influence analysis strategies ar improved by proposing a technique for analyzing the influence of theme edifice interior style on user consumption behavior supported the spacial layout of the inside atmosphere. On the premise of analyzing user consumption behavior patterns and deciding factors touching consumption behavior, the influence model of user consumption behavior is built and applied mathematics indicators ar selected to complete the analysis method. The simulation experiment proves that the analysis results of applying the tactic will effectively improve the edifice operation and have sensible price [5].

Therefore, aiming at the problem of competition and the popular animated cartoon characters, this paper puts forward a distinctive theme restaurant scheme.

2. Environment analysis

2.1 PEST Analysis

At the beginning of Covid-19 pandemic, all restaurants were asked to suspend service, and more than 70% of independent restaurants could not survive after being closed for more than a few weeks [6]. By the end of July 2020, nearly 16000 restaurants had permanently gone out of business closed; particularly, on March 20, 2020 McDonald's closed 50 restaurants [7]. However, as the company is still under the epidemic, the government has issued a new policy on dining in restaurants: the number of people eating in restaurants at the same time is limited based on restaurants’ sizes. Through this regulation, they can fundamentally ensure that customers will avoid close contact with each other.
Because of some new Covid-19 policies, some people have lost their jobs, and others haven't been working for a long time, so they don't have a lot of wages. Therefore they will tighten their budgets; reduce spending; stop eating out together.

In California, nearly a quarter of food service agencies are non-compliant, probably because the sales tax in California reaches as high as 7.25%, which is relatively higher compared to other states [8]. The state of the economy will affect the frequency of customers going to restaurants. For instance, if the price of gasoline falls, it means that consumers will have more cash to spend in restaurants. In addition, because of currency inflation and the price of raw materials becoming higher, restaurants have to reduce the number of dishes or raise the price of each dish. Especially during the epidemic period, the problem of inflation became extremely serious. The prices of chicken and pork rose by more than $1 per pound, while the prices of other commodities’ cost soared as well.

With the emergence of the phrase “healthy diet”, people, including our potential consumers, gradually found obvious relationship between the food they eat and personal health. Therefore, many restaurants start to recommend healthy meals, and they will label the calories of a dish. Fast food companies may have to shift from traditional high-calorie fried food to healthier alternatives such as salads. Meanwhile, more and more people have turned vegans. Since they may not eat meat, some restaurants also prepare special food for them.

Due to the rapid development of science and technology in recent years, the food industry utilizes many types of automation. For example, self-checkout screens are used in fast food restaurants such as McDonald's. Technology can be used to help the operation of restaurants, and the emergence of robots may reduce the demand for labor.

2.2 Consumer Behavior Analysis

The plan focuses on the consumer with high and medium income. The restaurant is a middle and high consuming level and the restaurant target consumers focus on mothers with their children group and some adults group.

2.2.1 Age

Children or teenagers’ age is between 2000 to 2010, and their parents or some adults' age is between 1980-1990 who watched Tom & Jerry when they were young. For those children and teenagers, most of them also watched Peppa Pig and Tom & Jerry, thus the Perry Town can attract these two groups of people and even build a bridge between some parents and their children.

2.2.2 Income

For families (kids) in America, the income for a year can be 50 thousand of dollars after tax, and their disposable money for each month can be between 3000 to 3200 dollars. For Adults group who might are just beginning their career, their annual income is about 30 thousand dollars, and their disposable money for each month can be between 1800 to 2000 dollars.

2.2.3 Education

For the families’ (Kids) group, those parents can have higher income always have a higher educational degree such as doctors. Another fact is most of their children are from kindergarten to middle school students who always rely on their parents. For adults’ group, In the U.S, some people will choose to work after 18, and the other part of people who choose continue their college always have a support from family. In a word, these people have a level of consuming but not so high like the families group.

2.2.4 Behavior

The behavior characteristics of the families’ group is that parents want to order food and enjoy with their children, and children always can be attracted by the interesting figures of food and restaurant instead of food taste and price. It is more like children are always forcing their parents to purchase something for them instead of considering what they really want. We can utilize this to stimulate children’s virtual feeling and promote them to consume with their parents. These parents
with their high income might not concern the dishes price so much, but they might concern whether
the food is healthy for their children. To accomplish this target, we need to design some healthy dishes
and control the amount of some food components. Those young people can be attracted by the hot
topic and hot cartoon characters. They concern the most fashion news and the newest plot for some
cartoon video.

Additionally, some of adults just want to memorize their childhood by cartoon theme restaurant
again. This fact also applies on some parents who also want to enjoy the cartoon with their children.
However, for adults, they concern more about the price because of their salaries, and some of them
are even just supported by their families. We need to concern some of the dishes’ price to allow them
to consume, to let them think Perry town is worthy.

2.3 Competition Environment Analysis

For Perry town’s parent-child Target Market, choosing green and healthy dishes and making them
into cartoon images is very common in parent-child theme restaurants, and we also choose this
method as part of the restaurant plan and so it is difficult to stand out in this aspect. In addition, in
recent years, the government has paid more attention to the employment rate of preprocreated women,
and the crowd that supporting women to reemployment after childbirths has also grown. Under this
situation, many women choose to take their children to restaurants instead of cooking for themselves
because of their busy work schedule. Therefore, the parent-child restaurant market has become more
and more participants, and the competition is greater. For the fast-food restaurant with simple
amusement rides as another competitor of us, although there is no idea of positive energy such as
teach children to take care of food and the junk food is not good for health, there is a big benefit of
convenient because of its property of fast food.

Perry town restaurant mainly needs to be supplied in terms of green food ingredients and restaurant
peripheral products. In order to provide customers with high quality dishes we need to ensure that the
dishes are fresh and healthy enough.

3. Marketing mix

3.1 Product Strategy

3.1.1 Parents-kids

The soup consists Tom Potato Soup (10$), Tom & Jerry Mushroom Soup (12$), Peppa Tomato
Soup (13$), Vegetable Beef Soup (18$), Tom Bean Chicken Soup (15$), and Chicken Noodle Soup
15$. In addition, main food contains Tom Ham (That one in the cartoon, 30$), Tom & Jerry Big Beef
(45$), Peppa Pork Chop (35$), Tom & Jerry Potato Fried Rice (30$), Peppa Vege Rice (30$), Tom
Beef Noodle (35$), Jerry Cheese Ham (30$), Peppa Chicken (30$), Tom Burger (30$), Peppa Burger
(30$), and Jerry Cheese Burger (30$). Moreover, sides have French Fries, Rice, Noodle, Dumpling
and Mashed potato. As for dessert, Tom's ham cake (strawberry cake but looks like a ham in the
cartoon, 10$), Peppa's cake (8$), Jerry Pudding (8$), Tom Pudding (8$), Jerry Ice-cream (8$), Tom
Ice-cream (8$). Peppa's Strawberry Ice-cream (10$), and Jerry Chesses (8$). Finally, The drinks
consist Tom's favorite milk (A red plate with milk in the cartoon) 8$, Coke & Sprit 8$, Water(free),
Lemon Juice 8$, Apple Juice (8$), Pear Juice (8$), Peppa Strawberry Milk (10$), Tom Blue
strawberry Juice (10$), Jerry Orange Juice (10$).

The restaurant also provides DIY part for the dessert part, customers can pay the same price for
each dessert and make them by themselves. In the DIY part, they can choose their dessert's shape and
color. Also, they can decorate them by our food materials.

3.1.2 Adults (Parents-kids receipt also applies to these people)

Children combo: chose a 8$ soup, a 30$ main food, a 8$ dessert and a 8$ drinks. It would cost 50$.
The restaurant would give them an extra small toy.
3.1.3 Peripheral products

Toy of Tom 8$ (Small model), Toy of Jerry 8$, Toy of Peppa 8$, Tom & Jerry Cartoon Book 15$, Tom Hat 20$, Jerry Hat 20$, Peppa Hat 20$, Tom Gloves 20$, Jerry Gloves 20$, Peppa Gloves 20$. Costumes of each character 30$ for children, 50$ for adult.

3.2 Price strategy

First of two categories, the price of soup which is between 10-20$ and the price of the main food which is between 30$-50$, the raw material such as chicken or vegetable cost is between 35-40%. The cost of the advertisement and the setting of the restaurant would be about 15-20%, and the cost of the management including salary and training cost of workers is between 15-20%. The rest of the profit would be between 35% to 50%.

However, for the rest of two categories. The price of dessert that is between 8-10$ and the price of drinks that is between 8-10$, the cost of raw material will occupy a small percentage like 5-10% for a cup of drink or a tone of ice-cream. In the second part, the restaurant should increase a little bit of percentage of the advertisement and the setting of the restaurant, and the percentage would between 20-25%. Otherwise, in these two kinds of dishes, it is easier for waiters to carry them and how we cultivate the workers, thus the management cost would also decrease to 10-15%. Finally, the profit would keep a high percent which is between 50% to 65%.

3.3 Place strategy

Current situation: Our suppliers are large supermarkets such as Costco, and also some stores specializing in organic food. We can cooperate with them to get the freshest ingredients as soon as possible. Another piece of land can be purchased to grow some vegetables, so that we can hire someone to collect them in the morning and send them over, which will also be a great highlight. The planting place can also become a place for people to amuse themselves. For example, visitors can plant some fruits, and parents can take their children to pick those fruits in fall.

3.4 Promotion Strategy

3.4.1 Free Peripheral Products

Because the theme of Perry Town is Peppa Pig and Tom and Jerry, two of the most famous cartoons around the world, the peripheral products are indispensable. In the marketing plan, the peripheral products can briefly divide by two categories, Freebies and sales. The salable peripheral products are one of the major profitable products, while the freebies is a good promotion way. We can give the low-caste peripheral products as gifts to our consumers and the way of giving gifts is also variable and interesting, such as lottery, mystery box, the bonus that comes with the package etc. In addition, those activities are mostly seasonal and the lively atmosphere of the activities can attract local customers around and help to open up the restaurant's reputation.

3.4.2 Invite Web Celebrities

Invite some web celebrities as our Restaurant Experience Officer. It is means to hire them to shoot video Tours or vlogs about Perry Town. Our goal is using their online popularity to promote Perry Town and attracting their fans to come to Perry Town for a souvenir.

3.5 Physical Evidence Strategy

3.5.1 Dinning Hall design

In the restaurant, there is a passage with cartoon figure walls after the main door. After the passage, there is a front desk and a small fountain. In the dinning hall, there are three rows of pathways between the four rows of circle desks and seats. In the middle of the dinning hall, there is a statue of Tom & Jerry and Peppa Pig. On these three pathways, the LED lights are also cartoon figure lights. Cartoon figures are also painted on each side of the restaurant wall.
3.5.2 Private Room

After the dining Hall, five private rooms can be offering for costumers. In each private rooms, there is also a circle desk and seat. But the chandelier is special in each private room, these chandeliers are Tom & Jerry or Peppa Pig with a family. Cartoon figures are also painted on each side of the private room wall.

3.5.3 Waiter Figure

In the front desk, front desk waiters are wearing cartoon hats. There are some waiters with full body costumes wandering in the three pathways. For those waiters who need to carry dishes to desks, they just need to wear the employee costume with the restaurant logo.

4. Implementation Measures

4.1 Stage Planning

Since the restaurant is established as a middle and high-end restaurant, the initial net profit is expected to be around $150,000 on average. In order to develop conservatively, it chooses to open only one restaurant in the first one to three years, so as not to distract the attention of the consumer. In terms of personnel, we adhere to the principle of fewer but better, for the Perry Town to hire no more than 50 employees. The plan provides a good resource environment for our employees and expect them to maximize their self-worth. For this annual sales revenue would be 2.75 million. The expectative total cost is 2.6 million. Net profit would be 5% of total revenue. In the first three to five years of development, it plans to expand the local market and add two or three restaurants, so the net profit will increase to 140,000 to 160,000 USD and the employees will increase to 140 to 150. At this stage the annual sales revenue would be 8.5 million. The expectative total cost is 7.8 million. Net profit would be 8% of total revenue. In the next five to seven years, it plans to expand the international market in Asia or Europe, increases the number of stores to 4-6, and increase the number of employees and headcount accordingly. The target annual sales revenue is 15 million, total cost of 13 million and net profit would be 13% of total revenue. In order to better implement the plan, this study proposes a detailed organization structure, as shown in Figure 1.

Figure 1. Organization Structure

4.2 Human resource

4.2.1 Operation Management Center

There are twenty employees divided into four groups of five in the restaurant. As the restaurant only needs 15 employees to work every day, they will work in rotation. Each worker can choose their
preferred animated character and wear corresponding clothes all the time during working hours. Then the staff need to have the basic knowledge of Tom & Jerry and Peppa Pig so that they can clarify why the name of the restaurant is called Perry town. Other services of the restaurant that the employees need to know include online ordering, orchard picking, DIY handcraft, etc. Last but not least, they should be patient with guests in all circumstances.

4.2.2 Administration Center
The administration department is responsible for interview and job assignments. This center also manages each employee’s working status. In specific, it checks who is late for work or leaves early and guests’ complaints to the servers. The number of people needed in the administration department should be about two or three at the beginning, and then will increase wrong with the expansion of the restaurant.

4.2.3 Financial Management Center
The financial management department pays the employees’ wages. Besides, they need to make annual tax returns, as well as monthly financial statements and salary accounting. Calculating the accounts of the restaurant, the center will give the head detailed bill, identifying the lucrative and unprofitable parts of the restaurant's investment. The number of people in this department should be at least three people because of the possible mistakes one person can make.

4.2.4 Marketing Management Center
The marketing management center deals with the marketing of restaurants. More people (about four and five) are required here. People in this department need to contact celebrities to invite them to eat in the restaurant to promote the restaurant; they are responsible for operating the official social media account of the restaurant, where they can post some new dishes in the restaurant, etc.

4.3 Financial resource

4.3.1 Operation Management Center
The Operation Management Center has 20 employees which would be given about $1,000,000 fund for its annual running. The $840,000 would be employees revenue and their training which means the average salary would be about $40,000 for a year of an employee before the tax. The $26,400 would be a rent fee for the restaurant and the $133,600 would be the decoration fee. The restaurant part needs to sell the products and serve the consumers as much as it can and stays more and more regular consumers in the beginning.

4.3.2 Administrative Managing Center
The Administrative Managing Center would receive $530,000 fund for its annual running. The $504,000 would be employees revenue and their training which means the average salary would be about $42,000 for a year of an employee before the tax. The rest of $26,000 is for their manage extra fee. They need to cooperate each department and transfer employees to their best position or even hire them.

4.3.3 Financial Management Center
The Financial Management Center would receive $250,000 fund for its annual running. The $200,000 would be employees revenue and their training which means the average salary would be about $40,000 for a year of an employee before the tax. Their job is to operate the fund reasonably to each department and calculate the financial situation for the company.

4.3.4 Marketing Management Center
The Marketing Management Center would receive $800,000. The $320,000 would be employees revenue and their training which means the average salary would be about $40,000 for
a year of an employee before the tax. The rest of $480,000 would be their advertisement fee such as hire some famous stars to advertise the restaurant. Their job is to attract more and more new consumers to the restaurant and rob more market portion to this topic restaurant.

5. Conclusion

Carton themed restaurant focuses on customers' experience of carton culture. From store name, store decoration design to dish matching, it reflects a strong theme culture. It can not only meet the requirements of trendy men and women and animation lovers for environment and taste, but also feel the theme culture. It can provide a fashionable leisure environment for children, food lovers, and fashion people, such as birthday parties, player salons, company parties and friends' food and drinks. Through the research of this paper, I believe that we can upgrade the traditional restaurants and attract more tourists, so as to realize the consumption upgrading and make more profit.

References

[1] C. C. Teng and J. H. Chang, Mechanism of customer value in restaurant consumption: employee hospitality and entertainment cues as boundary conditions. International Journal of Hospitality Management, 32(Complete), 2013. pp.169-178.

[2] Jalali, N.. (2013). Entertainment & arts' effect on hotel & restaurant industries: an empirical study of sweden. Jibs Business Administration.

[3] R. Bell, H. L. Meiselman, B. J. Pierson, and W. G. Reeve, Effects of adding an italian theme to a restaurant on the perceived ethnicity, acceptability, and selection of foods. Appetite, 22(1), 1994, pp.11.

[4] W. Zhao, Application of display design in Chinese theme restaurant. Industrial Design, 2019.

[5] W. Yan, Research on the influence of theme restaurant interior design on users' consumption behavior based on the layout of interior environment space. E3S Web of Conferences, 251(6), 2021, pp.02025.

[6] R. Ruggless, 70% of restaurant companies see coronavirus traffic declines, Black Box reports, Mar 17, 2020, https://www.nrn.com/casual-dining/70-restaurant-companies-see-coronavirus-traffic-declines-black-box-reports.

[7] K. McCarthy, Nearly 16,000 restaurants have closed permanently due to the pandemic, Yelp data shows, 25 July 2020, https://abcnews.go.com/Business/16000-restaurants-closed-permanently-due-pandemic-yelp-data/story?id=71943970.

[8] T. Moreno, 01 February 2022, California Taxes Are Among the Highest in the Nation https://www.thebalance.com/california-state-taxes-amongst-the-highest-in-the-nation-3193244.