

**MARKET SEGMENTATION RESULTS OF RESTAURANT SERVICES**

Starovoytova Y.Y., Chugunova O.V.

*Ural State University of Economics, Ekaterinburg, e-mail: lans-yana@yandex.ru*

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The article deals with the theoretical and practical aspects of marketing research in the restaurant business. Restaurant business seems to be prospective investment sector investment. Nevertheless, it is risky because of the high-level competition. Particularly, authors propose to use marketing research tools in order to segment restaurant service consumers. The specific features of restaurant business marketing research are examined. These features include following stages: desk research (literature study) aimed to identify the existing variants of the restaurant market segmentation; selection and description of special segments using the individual semi-structured interviews method according to the industry experts; detailed consumer segmentation using cluster analysis on the written survey data basis; interpretation of the cluster analysis results based on the industry experts views.

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Urgent aims of Russian economy development are its diversification and reduction of the commodity exports dependence, GDP growth maintenance at the expense of non-extractive sectors. In modern economies, developed countries services sector plays a very important role, however, it is traditionally weak point for the Soviet Union and, subsequently, Russia. This leads to a number of negative consequences for the economy of the country, particularly, to meet the demand for services abroad, a tourist attractiveness decrease of the Russian regions. Service business fall into the category of small enterprises often. Therefore, a lack of competence in the effective management of such companies not only leads to a decrease in the quality of customer service, but also adversely affects the development of appropriate small business sector, which does not allow using their full potential in terms of various levels budget replenishment and job creation.

One of the most important service industries is the sphere of public catering. Qualified catering service is one of the essential factors of leisure time organization, contributes to the demand for localization services in Russia, preventing its appreciation abroad.

Effective management of the restaurant business in the conditions of a competitive market requires the setting of marketing activity at the appropriate level. However, the purchasing behavior of the restaurant services consumers and their motives are heterogeneous, so the effective management of the restaurant now requires solving the problem of restaurant services market segmentation, which makes the topic research relevant.

Consumer research was conducted in the fifteen restaurants in an average price category in Yekaterinburg. Their owners gave an agreement to conduct a study. The research was conducted in a single way in all restaurants: ques-

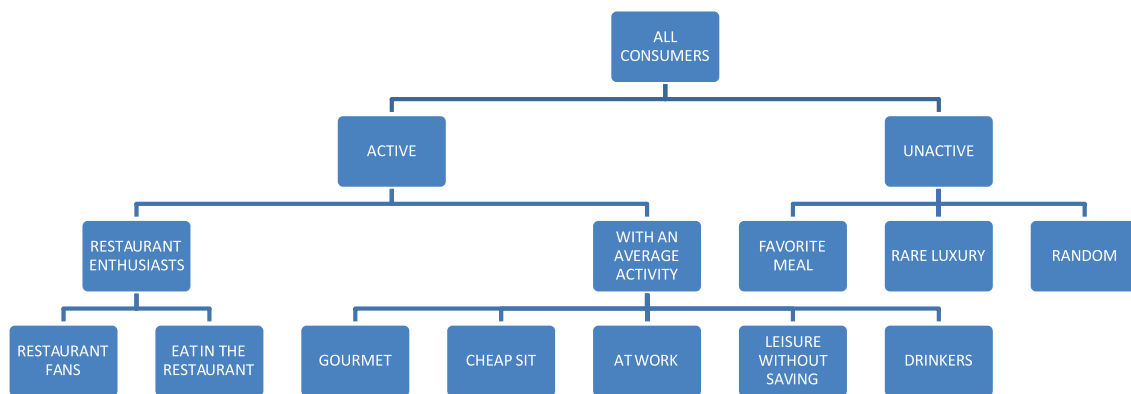
tionnaires and pens were placed sideways on the table, the decision on participation in the study was made by the respondents themselves.

The study received 265 completed questionnaires, 234 of which have been recognized correctly filled in the verification procedure prior to data processing (completely filled and do not contain explicitly information contrary to common sense – that is, for example, when filling out questionnaires inebriated visitors). In the case of significant internal contradictions that profiles were also culled as the purpose of this study was to allocate identifiable relatively homogeneous segments precisely, consumers whose behavior models were settled, and which are capable to tell about their consumer behavior. However, since some visitors consider the research process fun and provide answers lightly, the percentage of rejected questionnaires was substantial.

In accordance to the research plan, individual interviews with seven industry experts (representatives of the restaurant industry) were carried out. As part of the interview, the clustering results interpretation based on the practical experience of industry experts were discussed. Also segmentation bases and special segments were identified, according to industry experts, and could complement the cluster analysis results in terms of the segments identification that are important from the making marketing decisions point of view.

Cluster analysis results interpretation together with the industry experts view allowed to identify the following segments and groups of segments (Figure).

First of all, at the highest level there are two largest segments – “active” and “inactive” users the main feature classification of which is the frequency of restaurant visits (“active” users are those who go to the restaurant at least 1–2 times per month). They also believe that



The segments resulting after clustering results verification of industry experts

they are “well versed in the restaurants” and generally willing to spend more than inactive. They are also generally characterized by a well-established consumer behavior pattern, which is manifested, for example, a clear answer regarding the normal campaign purposes in a restaurant and situations of restaurant services consumption.

“Active” segment, in turn, divided into two smaller segments, very active “fans restaurants” and diverse group of consumers “with an average activity”.

“Restaurant Enthusiasts” are a relatively homogeneous group of wealthy people who enjoy restaurants, due to the variety of situations and motives – from business meetings to the new culinary sensations search. They can afford to go to different restaurants and order expensive dishes.

“Restaurant Enthusiasts” were divided into two groups: “frequent visitors”, the characteristics of which are broadly in line “restaurant fans”, and a special group of “eat in the restaurant” – it includes mainly provided by middle-aged and elder men, who not only actively use restaurants for relaxation. They use it as a substitute for home-made food. In other words, they can afford to eat in restaurants. Note that this does not mean that these individuals do not eat at home, but at least sometimes, they are characterized by the restaurant services consumption in special situation as a simple home-meal replacement.

Consumers “with an average activity” cluster was more heterogeneous.

In particular, the following segments included therein:

1. “Gourmet”. They visit restaurants alone by themselves (often – together as a small group) to try something new; they are fans of new culinary sensations. They haven’t such financial secure as active users.

2. “Cheap sit”. By the consensual respondents opinion of industry experts it is one of the largest segments in the survey. They are people who consider restaurants primarily as an opportunity to communicate in a pleasant atmosphere, and then as an opportunity to enjoy the gastronomic sensations. They often do not order a full meal, and eat 1–2 dishes, they do not tend to eat hearty. Often they are friends, especially girlfriends, or couples who come to talk firstly and pass the time, but not to eat. As a rule, people with secondary (low) income of all ages.

3. “At work”. The relatively narrow consumers segment who use the restaurant mainly due to the work need, for example, for business meetings. Note that the “frequent visitors” also use restaurants in connection with work, but for them it is not the dominant use of the situation.

4. “Leisure without saving”. People with different income levels. They visit restaurants not very often, but regularly and not seek to save. According to industry experts, this segment can be further classified into two more, depending on income level:

- “Rest without saving – secured” – people with middle and high income for whatever reasons, their restaurant visits are not very common; many of them are enough economically simple and could afford more frequent visits.

- “Rest without saving – living beyond their means” – mostly young men, not enough secured, but those looking for to impress. Interviewed experts believe in the existence of this segment and suggest that during questioning its representatives overestimate their income. For this reason, the segment can be “not visible” when clustering.

5. “Drinkers”. It is also narrow segment including people who love to drink beverages in restaurants. We note that the surveys were conducted not in pubs but quite respectable restaurants, so

this “drinkers” segment should not be confused with customers of pubs, taverns, etc. In this case, they are primarily friends especially middle-aged and older men, well-being enough.

We have examined the segments included in the “active” group (Figure). Another spin-off from clustering a group of segments called “inactive”, which reflects the low frequency of visits by representatives of this group of restaurants. Within this group was able to identify the following segments:

- “Favorite meal”. Small segment with an interesting model of consumer behavior, mainly – women with low and middle income, which rarely go to the same restaurant, retaining the loyalty to not only the restaurant but also a particular dish served there. They do not order a full meal. They go to a restaurant with a company, not alone.

- “Rare luxury”. Representatives of this segment are people with middle and low income. They visit restaurants rarely as an opportunity to have a good time. However, they are generally more selective in their spending than the segment “Rest without saving.”

- “Random”. Strictly speaking, it can not be called a market segment, in the sense in which it was considered in the first chapter. This group is characterized by a rare visit of restaurants and not formed, hardly determined preferences, but their profiles were not discarded in the course of preliminary data due to the lack of obvious internal contradictions.

- “The fragmented responses”. Difficult to interpret the clusters formed by respondents who visit restaurants not necessarily rare, but give enough consistent answers (for example, due to negligence or lack of cooperation).

Let us show the segments identified by experts that were obtained through interviews with industry experts (and which are “special” segments from the identification method point of view, the expert survey).

As can be seen from the Table, industry experts could be called a sufficiently large number of slots allocated on different segmentation bases. In conjunction with the segments derived from the analysis of primary data, an extensive restaurant list obtained can be used as a basis of its marketing policy.

The segments of the restaurant market, identified by experts

Base of segmentation	Identified segmentations
According to the situation of use	Banquets (including holidays, “corporate parties”, weddings and so on)
	Business lunches (lunch), breakfast
	Breakfasts
	Sports broadcasts
	Beer drinking
	Romantic evening
	Family hike (with children)
	Meeting with friends (friends)
	Impulse buying
	Live music/entertainment
According to the cuisine	Fans of “understandable” (usual) food
	Lovers of Japanese food (sushi)
	Fans of other ethnic cuisines (by type of cuisine)
According to the social group belonging	Stable elite social groups
	Stable social groups, interest groups / hobbies
According to geography	Market walking distance (local market)
	Short trip Market (walking distance is difficult, but you can quickly get to call or on the road)
	Remote Market (it takes a long time to get to the restaurant)
According to the information search	Active users who use the internet to search for restaurants/offers

Thus, the problems related to the market segmentation and the target segment choice consist part of the marketing activities, known as the marketing plan. The restaurant market segments composition, which was presented above, requires the development of appropriate guidelines for the composition application in the process of catering enterprise marketing planning. In other words, the define of the restaurant planning marketing process with regard to the results of the present study previously obtained is to be done.

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