Airmen can use their meal cards in any dining facility on an Air Force installation; but this is a young, mobile demographic that commonly lives outside the gate and chooses restaurant options within the nearby community.

“What can we do about that?” asked Col. Sandra Adams, commander of the Air Force Services Agency. “We need to change the way we do business.”

Where Air Force Food and Beverage is going in the next five to 10 years to make it a stronger competitor for the dollars airmen spend on meals was a topic at the recent Armed Services Food and Beverage Workshop at the Crowne Plaza Riverwalk in San Antonio, Texas, July 17 – 22, 2011.

In the Air Force, customers do not have to stay on the installation. “That’s what our customers are doing every single day, and we have an opportunity to turn that around,” she said. “We have competition, and we have to try and figure out how to capitalize.”

Illustrating the point, Adams cited figures showing that 20 percent to 30 percent of people on a meal card used Air Force dining facilities compared with 70 percent who dined somewhere else. Other options are easy to find; typically Air Force installations have 40 or 50 restaurants nearby that compete with dining facilities for patronage.

“We just need to change our mindset,” she continued.

The workshop gave the Air Force the opportunity to talk with the other services, share ideas and learn about different approaches to doing business. “If you can’t see your business, your food operation, operating off base,
then this conference is for you,” Adams said. “We have to see ourselves as competitive.”

The Armed Forces Food and Beverage Workshop is an opportunity to address the common problem of responding to the growing number and variety of competition options available outside the gate, said Gary Scheer, director of Coast Guard Morale, Well-Being and Recreation (MWR).

“GRINDING IT OUT TOGETHER”

To Dick Crawford, vice president of government relations (retired), McDonalds Corp., the challenge is to recognize what brings commercial food and beverage together with the military. Both are global; have young work forces, high turnover and training issues, and compete for a “share of the stomach” where disposable income is spent, he explained in “Grinding It Out Together.”

For the Air Force, it really makes sense to steal ideas from those competitors shamelessly, Crawford explained. “We cannot continue to do business the same, we’ve got to evolve beyond food and beverage facilities in the Air Force,” he said.

Talented people working in Air Force Food and Beverage need to know they are part of a food and beverage environment that is larger than the Air Force, and that others have faced these challenges and have best practices that can be applied, he continued.

They also need to think that the challenges ahead were faced by others, know you are not alone, and that there are new alternative ways to come up with a solution rather than simply resorting to what was always done.

Finally, they need to steal good ideas, share best practices and think about professional development: how to grow yourself with ServSafe certification and going green.

QUALITY OF LIFE

The Air Force Food and Beverage program provides mission sustenance and food and beverage opportunities to enhance the service member’s quality of life, and it is taking steps to better compete with choices outside the gate.

It is a big business. Air Force Food and Beverage in fiscal 2010 had sales of $252 million for 93 million meals in 276 operations.

It does not, however, escape the economy. “What they experience on the outside is exactly as we do on the inside of the gate,” said Fred McKenney, chief of Air Force Food and Beverage Division, Air Force Services Agency.

Air Force programs to improve customer utilization include: “Football Frenzy,” which provided customers an opportunity to win a trip to the Super Bowl and generated $750,000 in sales plus 34,209 new customers; “Air Force Hoops,” which provided customers an opportunity to win up to $10,000 that generated sales of $51,000; and a scholarship program that awarded 25 $1,000 scholarships for college in a year.

Limited-time offers are an effective way to increase customers and refresh menus as well as explore new ideas and trends. These can be used in any operation, including dining facilities. “You have to continue to put new things on,” he said.

Food Transformation is an initiative that represents the Air Force’s commitment to investing in and updating food service with contemporary items, increasing hours of operation and reducing costs. Established in World War II, Essential Station Messing is not well utilized; only a third (30 percent to 35 percent) of airmen eat one meal per day in Air Force dining facilities.

In October 2010, the Air Force began a contract with Aramark to begin food transformation at six test locations. The Air Force is also gradually rolling out a campus dining option that enables customers to use Essential Station Messing cards in dining facilities as well as in bowling centers and most nonappropriated-fund activities at these six test locations.

“We’ve now spread out that customer base,” McKenney said. “The biggest thing is to offer them the largest number of options we can.”

TECHNOLOGY

The Navy is also working to compete better for dollars that might otherwise be spent elsewhere. In galleys, the Navy revised its food management system, introduced credit card payments for sailors
and made the menu cycle and master load list for ashore similar to that followed by ships. On the Morale, Welfare and Recreation (MWR) side, additional concepts are being developed, such as Tex-Mex and Spins for bowling alleys.

Technology is also being utilized to improve the Navy food service customer experience. “Dine on the Go” is an online ordering system where customers anywhere in the world can access the menu, order and pay for food.

“We see this as a growth tool,” said Ray Nevin, food and beverage program manager, Navy Ashore Feeding, for Commander, Navy Installations Command (CNIC). He considers this particularly important in areas where take out is popular, such as California and Nevada.

Testing is underway on a system in which customer orders going into the kitchen system are interpreted instantly by computers for nutritional content with analysis of the meal components printed on the receipt along with suggestions, such as drink water not soda.

Going a step further, the Navy developed a passbook with partners in fitness, and is asking sailors to save the receipts. The fitness center stamps the passbook each time the sailor reaches a set fitness level and awards points that can be accumulated to earn rewards.

Evaluating customer satisfaction is also important. The Navy purchased a customer survey system for $1,500 plus $100 a month for the service to collect instant feedback. The survey system features a calculator about the size of a Kindle e-reader that is given to customers who submit answers to key questions before leaving the facility, such as: “Would you recommend this restaurant to another customer?” Operators are notified of the survey results and can find the guest and take steps to fix any problems.

“We get our data instantly, seven days a week,” Nevin said.

The Navy is focusing on partnering with national associations, e.g., joining the National Restaurant Association (NRA). Additionally, MWR directors received 15 hours of instruction by NRA toward certification in cost control.

Another step toward improving operations is the development of a Web site featuring Navy-specific business resources and tools, including business plans, mystery shopper training tools, and health and wellness plans.

The Navy, Nevin says, ranks as the 173rd largest foodservice operation in the country, while the military overall ranks 12th. CNIC galley feeding comprises about 80 facilities serving nearly 30 million meals a year compared with the command’s commercial side’s sales of $137 million in 440 outlets, including coffee shops, clubs and catering centers. About half (52 percent) of commercial sales are returned to the system.

SOCIAL MEDIA

Involving customers through social media is a tactical, realistic opportunity. The No. 1 truth is that people want a say, and social media is a platform to have their voice heard.

“Social Media: Marketing for Small Facilities” encouraged Air Force Food and Beverage facility managers to create community input programs. “It’s all run by the community,” said Mike Cearley, senior vice president, digital services, Fleisman-Hillard. “It just opens managers up to what the community wants.”

For the military, the question is how to apply this strategy, such as asking patrons for their favorite nearby restaurants and items, and incorporating the ideas into the menu, said Janise Murphy, president, southwest region, Fleisman-Hillard.

To popularize participation, customers who submit suggestions that are used can then be featured as the person who contributed the feedback. “People love the idea of sharing what they know,” she said. “Anytime you can have feedback show up on your menu, it’s really positive reinforcement.”

An audience member uses Facebook to increase patronage, posting pictures and captions on the Facebook page, such as: “This is what you missed at the club.”

“That’s how we’ve actually gotten more patrons to visit,” the member said.

Another audience member who posts photos and videos on the facility Web site to increase traffic also finds that people tag themselves to connect with friends.

Murphy and Cearley consider social media useful for distributing content and opening communication to receive or solicit feedback. Sharing another idea, they passed on a promotion in which the restaurant lets customers compete to be “mayor” with the winner receiving free wings on Wednesday. Any purchase counts toward being “mayor.”

Foursquare is a location-based smartphone application that lets users share their location with friends while also collecting points. A bowling center uses the application, giving visitors a free lunch if they check in with Foursquare.

Installations were interested in steps to drive cus-
Customer interest to eat in or go to the bowling center. Murphy suggested asking patrons for family recipes or even a video featuring someone explaining how to make the dish. It could even be for meals celebrating a holiday.

From the audience came the suggestion of inviting students to be a part of a family Christmas or Thanksgiving. Students who opt not to go home can spend the holiday with a permanent party or government employee instead of being alone. Also, students new to a base can sign up to be hosted by a local family. In either case, pictures can be posted on the Web site.

Twitter is another channel to reach customers. It can be a way to give customers a look inside, such as having the baker tweet about new bread, croissant or other creations. “The way they keep in touch is with their Twitter feed,” said Cearley, noting this is something that can be used at the very local level.

Murphy suggested posting a video of a buffet online, and having a host who knows the customer base provide commentary.

Another suggestion was a contest to find the most creative place to put a bumper sticker featuring the club name, with the winner getting free dues for a year. Inspiration for the idea came from a hotdog outlet that had its bumper sticker on a camel’s posterior.

With all the attention on nutrition and emphasis on education about eating right, a suggestion was made to invite groups to the club, such as partnering with Weight Watchers and highlighting menu items with point values or a book club with customers having the opportunity to write a review.

On installations where there is a high population of children, a kids club could be organized. Someone reading a book to younger kids or older kids who read could be rewarded.

Fort Carson chefs broadcast kitchen demonstrations over local media and invite local Girl or Boy Scouts to visit the kitchen with the chefs.

Cooking classes are a way to raise awareness. One installation organized a weekly cooking class for children aged 9 to 12; it started with two attendees and is up to 20. For adults the same strategy can be used, and enhanced by explaining how to pair wine with the meal.

Murphy suggests a community-relations variation in which a chef from the nearby town is invited to conduct a demonstration.

Of course, a drawback of social media is the potential for negative comments and whether or not to remove any. “We always tell people to let it run its course,” Cearley said. “People are always going to have opinions.”

QR CODES

Cell phones are another way to involve Air Force Food and Beverage customers and gauge their satisfaction. “I’m trying to find youthful target markets who are going to tell me how they feel,” said Susan Korbel, who heads a market research firm in San Antonio.

This group is hard to get feedback from. They do not like kiosks or personnel interviews. “You’ve got to find a way to reach everybody,” she said.

Mobile phones are good for reaching this group because using one is considered fun, and QR (quick response) codes are simple to use. The small, square pattern contains a unique “smart tag,” or selection-based search feature that can be set up to direct customers to a Web link or even dial a number to take feedback by phone. Scanning the code can also get a coupon or some other reply, or simply go to an ad.

Restaurants can use the QR code to supplement table tents and signage. Access is available wherever the consumer is, and it adds place to the sight and sound of television, radio or print advertising.

Smartphone subscriptions are growing, and a majority of owners are male. In 2009, 26.1 million, or 17 percent, of all cell phone subscribers used smartphones. “We’re now way up there,” Korbel said.