Restaurant Queuing Management in Experience Economy Era

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Abstract. Queuing up is a common phenomenon in catering enterprises. In experience economy era, consumers pay more and more attention to all-around experience during consumption. The implementation of effective queuing management plays an important role in improving customer satisfaction, cultivating loyal customers, establishing enterprise competitive advantage and increasing economic benefits of catering enterprises. This paper puts forward some queuing management measures for catering enterprises in aspects of reducing actual queuing time of customers, shortening perceived queuing time of customers, establishing compensation system for customers waiting for a long time and reducing queuing rate through demand management.

Introduction

Since its beginning, human economic life has experienced the four developmental stages of agricultural economy, industrial economy, service economy and experience economy. With the rapid development of social economy and the abundance of products, experience economy has gradually become the leading economy form after agricultural economy, industrial economy and service economy. Experience economy is a kind of brand-new economic form, which can meet people's various experiences. In 1999, Joseph Pine and James Gilmore, the co-founders of U.S. Strategic Horizon LLP, wrote a book Experience Economy, in which they defined experience as “Enterprises take their service as stage, goods as props and consumers as center, to create activities which can make consumers to participate in and recall thereafter” [1]. In the era of experience economy, the consumption needs of consumers no longer stay in the level of obtaining material goods, but expand to the spiritual enjoyment in the purchase and consumption process, that is, specific experience [2]. Accordingly, the enterprise is not only to provide goods or services, but also provides experience and emotional strength, in order to give the customers unforgettable pleasant memory. This paper discusses how to manage queuing in catering service industry, so as to help to improve client experiences.

Importance of Restaurant Queuing Management under the Background of Experience Economy

The inevitable choice to improve customer satisfaction. For catering enterprises, service production and consumption are synchronous, the customers arrive randomly, and customer arrival rate and service time are affected by uncertain factors, therefore service demand often exceeds their existing service ability. Queuing up is inevitable at this time. A lot of catering enterprises mistakenly believe that queuing up is a kind of recognition of the enterprises, because people are willing to wait for something good. But now catering enterprises are of huge scale and intense competition, and the customers’ experience needs are increasing day by day, so queuing up will
directly affect customer satisfaction. Therefore, investigation of customers’ waiting psychology and implementation of effective queuing management to shorten queuing time of customers is the inevitable choice for catering enterprises to improve customer satisfaction.

The effective means to cultivate loyal customers. In the era of experience economy, only the enterprises that can create and provide the customers with valuable and memorable experience, making them form a strong preference on their products and services and patronize continuously, will cultivate real and loyal customers [3]. If you let the customers to wait for a long time, beyond the limits of their psychological enduring capacity, the customer will not be pleased, even give up waiting, which will cause loss of customers, and in many cases it is the loss of regular customers. Excellent catering enterprises are good at seizing every opportunity to create pleasant experience for customers, including queuing up. Take Haidilao hotpot restaurant as an example, it has applied service concept to the extreme. Fruits, drinks, snacks, Internet, manicures, shoe shining service, etc. are provided free of charge within the customer waiting time. Besides, Chinese checkers and poker are also provided for customers arriving together to kill time, which can reduce their anxious psychology while waiting and shorten the perceived queuing time. The over-value service concept of “others don’t have but we have” is deeply rooted among the people, playing an indelible role in cultivating customer loyalty to Haidilao brand.

The important way to establish enterprise competitive advantage. In the experience economy environment, advertising campaign, price war and other measures used to adopt by catering enterprises in the past have lost their effectiveness, and the enterprises need to find new means of competition. Meanwhile, the pace of life of people becomes faster and faster in modern society and time is the precious resource of customers, so the time wasted in queuing up is also a kind of value loss for customers. The customers are more likely to buy quick services with short queuing time. Therefore, as a new means of attracting customers, making effective queuing management scheme, providing quick and personalized service and reducing customer's queuing time has got more and more attention of the enterprises day by day.

The important link to improve economic efficiency of restaurant. Effective management of restaurant queuing problem can optimize configuration of service staff, reduce human resource costs and improve service efficiency of catering enterprises at the same time. In such a way, more customers will be received within the limited time, creating more economic benefits for the enterprises.

Experience-based Restaurant Queuing Management Measures

Zhu Shuigen [4] points out that the food consumption is no longer simply to satisfy physiological needs, but is a kind of personalized experience of consumption to satisfy special psychological needs. In other words, the consumers are not just to satisfy their stomach to solve the problem of hunger when having meals, but even more important is to meet their psychological needs and social sense of belonging. Therefore, under the environment based on the experience economy, the catering enterprises with booming business should also pay attention to queuing management at the same time, make queuing a pleasant experience. On the whole, the problem of queuing up can be solved from the following several aspects:

To reduce actual queuing time of customers. The length of queuing time is an important standard to evaluate the customers’ tolerance on queuing up, thus the enterprises must reduce queuing time of customers. The most important way to reduce customer queuing time is to improve service operation efficiency of restaurant. With the same facilities and the same requirement level, service
operation efficiency of restaurant mainly depends on personal service efficiency of attendant and service matching degree among various positions. The improvement of personal service efficiency is based on experience accumulation, service training and efficiency concept. The enhancement of service matching degree among various positions depends on improvement of restaurant management level, cooperation and communication between positions, and the establishment of cooperation concept among staff. Restaurant management level is very important for its operational efficiency. So catering enterprises should frequently analyze the whole operation process from service product production to marketing, and find out the inefficient part to carry out optimization. Only after the service operation efficiency of restaurant is raised, can meaningless queuing time of customers be really reduced.

To shorten perceived queuing time of customers. Customers’ evaluation of queuing up is related to actual waiting time, but not entirely depends on it \([5]\). The queuing time perceived by customers also affects their evaluation. What’s more, perceived queuing time is more important than actual queuing time. So the restaurant should take effective measures to shorten the queuing time perceived by customers. The following measures are available: First, provide the queuing customers with recreational activities. Boring waiting will make customers feel longer time, so the restaurant should let customers have something to do to distract their attention while queuing up, such as to provide customers with newspapers and magazines, play music or video. In such a way, a relaxing and comfortable atmosphere will be created for customers, letting them pass the waiting time more quickly. Second, reduce the customers’ anxiety. From the psychological perspective, the customers’ anxiety comes mainly from their uncertainty about queuing time, so the restaurants need to explain the cause of queuing up and necessary waiting time to customers in time. Besides, the restaurants should also properly care for the customers or provide menu to them in advance. These practices can let the customers understand that the restaurants know they are waiting, and make the customers aware of the beginning of service, which can greatly reduce their anxiety level. Third, provide fair service. If customers find while queuing up that the late comers accept services much earlier, this unfair phenomena will soon transform into anxiety about queuing up and complaints toward service providers, which will become the vent. In practice, the enterprises usually reserve priority for customers in certain market segment for benefits (rather than efficiency), which is believed to have the tendency of discriminatory treatment. For enterprise management, these rules are is understandable, but keeping the customers with priority away from the queue of ordinary service customers and hiding such "unfair" priority can reduce the customers’ anxiety caused by the feel of discrimination.

To strengthen reservation management to reduce queuing rate of customers. Queuing up in dining peak is inevitable. On the one hand, the restaurants can make preferential prices for off-peak hours to divert customers; on the other hand, they can minimize the number of queuing customers and the waiting time via reservation management. The restaurants should strengthen reservation management by opening various reservation channels such as phone and network, design rational reservation process and service standards, and determine reasonable reservation and queuing rules, to encourage customers to make reservation to inform restaurants of their consumption needs in advance, so that the restaurants can arrange capacity, raw materials and services ahead of time, realize effective management of customer needs and reduce queuing time of
customers. It needs to emphasize that the restaurants should offer reserved customers with authentication, and the restaurant managers should make reasonable estimation of the restaurants’ service ability to control the reservation amount, to make sure the reserved customers will be served.

*To make queuing as extension of service.* It is especially important to effectively manage customers’ queuing up under the background of experience economy. Queuing up usually appears before service. If the restaurants turn a blind eye to customers queuing up, it will inevitably lead to the loss of customers. But if customer service is extended to queuing up, with the customers provided with surprising services to create great experience after they arrive, then queuing up can also be a pleasant experience. “Haidilao” has become one of China's 100 top enterprises in catering industry, and the most important rule is to make customers happy while queuing up. "Haidilao" has made great effort in queuing up because customers are easy to lose in this aspect. Specific waiting area with comfortable environment is arranged, and free fruits, drinks, snacks and manicures, shoe shining service, Internet, telephone service, newspapers, toys and other recreational items are provided for customers in such area. Some outlets even offer awards for customers who successfully finish puzzle game. “Haidilao” also creates children's park and provides the customers who come to dinner with baby with baby-sitting service. It is these extended services that leave the customers a deep impression. Such services bring them value-added experiences and make queuing up become one of the features and signs of Haidilao.

*To establish compensation system for customers waiting for a long time.* If the customers have been queuing up for an extra long time than usual, in addition to necessary explanation and apology, the restaurants should also establish rational and feasible compensation system for customers. For example, American Cititel Hotel regulates that the customers waiting for more than 10 minutes but no more than 20 minutes after scheduled time will be provided with free drink; if the customers have been waiting for more than 20 minutes, the meals will be paid by the hotel. Inspired by this, domestic catering enterprises can formulate effective compensation scheme according to their actual situations. Customers with/without reservation shall be considered respectively in the compensation scheme, and such scheme shall be flexible for customers to choose, such as providing customers with special drinks or dishes, meal discounts, additional services, etc.

**Summary**

Queuing up is a common phenomenon in catering service industry and will not disappear completely. In experience economy era, catering enterprises must pay attention to queuing management, which can help enterprises to improve customer satisfaction, cultivate loyal customers, establish enterprise competitive advantage and even increase economic benefits of the catering enterprises. Reduction of actual queuing time and shortening of perceived queuing time of customers are the two important aspects to solve the problem of queuing up. Some concrete measures can be implemented, such as improving the service operation efficiency of restaurant, providing recreational activities and fair services, etc. Besides, effective marketing methods should be adopted to reduce queuing rate of customers and extend the services to queuing link, so as to create unexpected good experience for customers. If the customers have been waiting for an extra long time, compensation system is needed to make up for their lost time value.
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