

Review Paper

Business Planning and Marketing of Gastronomic Projects in the Hotel and Restaurant Industry

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ABSTRACT

The successful formation and implementation of a gastronomic project in the hotel and restaurant industry require careful business planning and a developed marketing strategy. A gastronomic project is a unique product; it is necessary to highlight its difference from competitors and create a favorable image. Marketing can help achieve the performance of a gastronomic product even with a small number of tourists. The article reveals the definition and features of gastronomic tourism and also shows its beneficial effect on the development of the region. The activities that are necessary for the development of a gastronomic project are given. The main participants in the gastronomic project are listed. In addition to restaurants and hotels, Food and Beverage Businesses, Travel and Hospitality Businesses, and other related businesses take an active role in gastronomic tourism. And as target consumers – various groups of gastronomic tourists. Gastronomic projects in the hotel and restaurant industry, the uncertainty of the external environment, innovative nature, and dependence on a large number of participants require careful analysis and correct assessment of the situation, and as a result of careful business planning and development, marketing strategy. The article lists the main stages of the formation of business planning, lists the main sections of the business plan, as well as the main steps and features of the marketing strategy. As a result, the mechanism of formation and implementation of the marketing strategy of gastronomic projects in the hotel and restaurant industry is considered.

HIGHLIGHTS

- ① Gastronomic tourism, with one of the highest profit and work multipliers in its and akin fields, is a field of the economy that can be a “growth point” and the foundation of significant prosperity for the whole region.
- ② The stimulation of the development of gastronomic tours is predetermined by its specialization, categories, functions, and advantages, which should include the rapid turnover of capital in this area, high profitability, the possibility of creating new jobs, a positive impact on the formation of the image of the territory, and the popularization of the country as a place for gastronomic recreation, synergistic influence on the development of other areas of activity.
- ③ The success of a gastronomic project depends to a large extent on careful business planning and a developed marketing strategy.

Keywords: Business planning, gastronomic projects, hospitality, hotel and restaurant industry, marketing

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Gastronomic tourism is a non-mass type of tourism that is not associated with paid activities, involving the movement of people relative to their permanent place of residence in different countries of the world, including rural, urban, and gastronomic mono-tours with a particular specialization (honey, wine, agro, fish, coffee, tea, cheese, fruit, and berry, mixed, etc.), categories and contingent of visits to these tours, the effectiveness of which depends on public awareness, status and prestige of the event (Singh, 2019; Bertan, 2020; Nesterchuk *et al.* 2021).

The development of gastronomic tourism positively impacts the local economy, employment and heritage and creates unique opportunities to promote a national and regional brand.

To develop a gastronomic project in the hotel and restaurant industry, several measures are needed to help increase the competitiveness of the gastronomic tourism product. These activities include:

- ♦ development of a competitive offer of a gastronomic tour;
- ♦ protection and recognition of local products through labeling and designation of their place of origin;
- ♦ ensuring the professionalism of human resources through the transfer of gastronomic knowledge;
- ♦ guaranteeing food safety by supplying products that do not pose a threat to health;
- ♦ establishing links between products and regions through the development of gastronomic tourism routes;
- ♦ the revival of specific tourist destinations through festivals, events related to gastronomy;
- ♦ taking a proactive approach to creating an image in all major media channels, tourist guides, gastronomic blogs and social networks;
- ♦ develop the export of food and beverages and create a network of high-quality restaurants (Bashynska *et al.* 2019; Anusha & Padma, 2022).

Despite the comprehensive study of the phenomenon of gastronomic tourism, its economic aspects require research and improvement; thus, the purpose of the article is to study the business planning and marketing of gastronomic projects in the field of hotel and restaurant business.

Theoretical and methodological basis: what is gastro tourism

The travel business is significantly changing, especially with the latest COVID-19 pandemic (Nesterchuk *et al.* 2021; Selvanathan *et al.* 2021; Tufnell *et al.* 2021). In addition to moving away from mass tourism, tourism today tends to increase the demand for unique experiences. Business tourism has also changed and has had a significant impact on the profits of city hotels and restaurants. During the pandemic, many managers and executives of companies stopped spending money and time on travel and meetings and switched more to online communication (Selvanathan *et al.* 2021). Border closures and other restrictions have also reduced the flow of tourists. As a result, many hospitality businesses have begun to redesign their business models and offer services that previously had little impact on their bottom line.

One of these trends is the development of gastronomic tourism projects. All over the world, authentic restaurants, farms, and hotels began to appear, attracting foreign tourists and the local population.

The basis of gastro-tourism is the products that are characteristic of the given area and are identified by territorial characteristics. These products act as a way to attract tourists to their destination. Gastronomic tourism is based on the original culture of the terroir with its unique characteristics of culture, terrain, landscape, products, methods of preparation, serving, and various dishes. All this characterizes the culinary identity of the direction. Despite the specialty being in the center of gastronomic tourism, it is not its only component. Suppose that one restaurant is located on a picturesque island in the middle of a lake and prepares absolutely amazing dishes from local products according to an old recipe and prepares wine from special grapes harvested from the vineyards of the local valley. Possessing sufficient production capacity, unique products, good service, and adequate restaurant capacity, its owner can organize gastronomic tours for tourists from neighboring regions and foreign tourists. The restaurateur produces a sufficient amount of grapes and food on his own. An assistant with his boat carries out the delivery to the restaurant on the island. Customers are delighted with the

service and cuisine. The flow of tourists is starting to grow. And the restaurateur decides to expand the capacity of the restaurant and organize the export of specialities. The reality is that desire alone is not enough to expand a business and make it effective. Gastro-tourism unites various areas of the territory's company, forming an interconnected chain of complex interactions between producers in the primary and secondary sectors, hotel and restaurant industry enterprises, retail trade, markets, farms, logistics firms, and travel companies.

Thus, the key stage in the formation and management of gastronomic tourism in the destination is the analysis, identification, and inventory of all opportunities and the formation of all links in the chain of food production (Guidelines, 2019).

It is not just the development of a separate unit, in our case a restaurant, that is important. Since there will be no raw materials without quality products, without logistics, there may be interruptions in the supply and delivery of tourists, hotels will increase the length of stay of tourists, retail stores will increase sales of gastronomic products, knowledge centers, and cooking schools will train qualified specialists. The organization of culinary festivals will attract more excellent flow of tourists.

The key players in gastronomic tourism work closely with each other, offering a comprehensive gastronomic product to target consumers. Food and Beverage Businesses, Travel and Hospitality Businesses, and other related businesses are the subjects of gastro-tourism. And as target consumers – various groups of gastronomic tourists (Fig. 1).

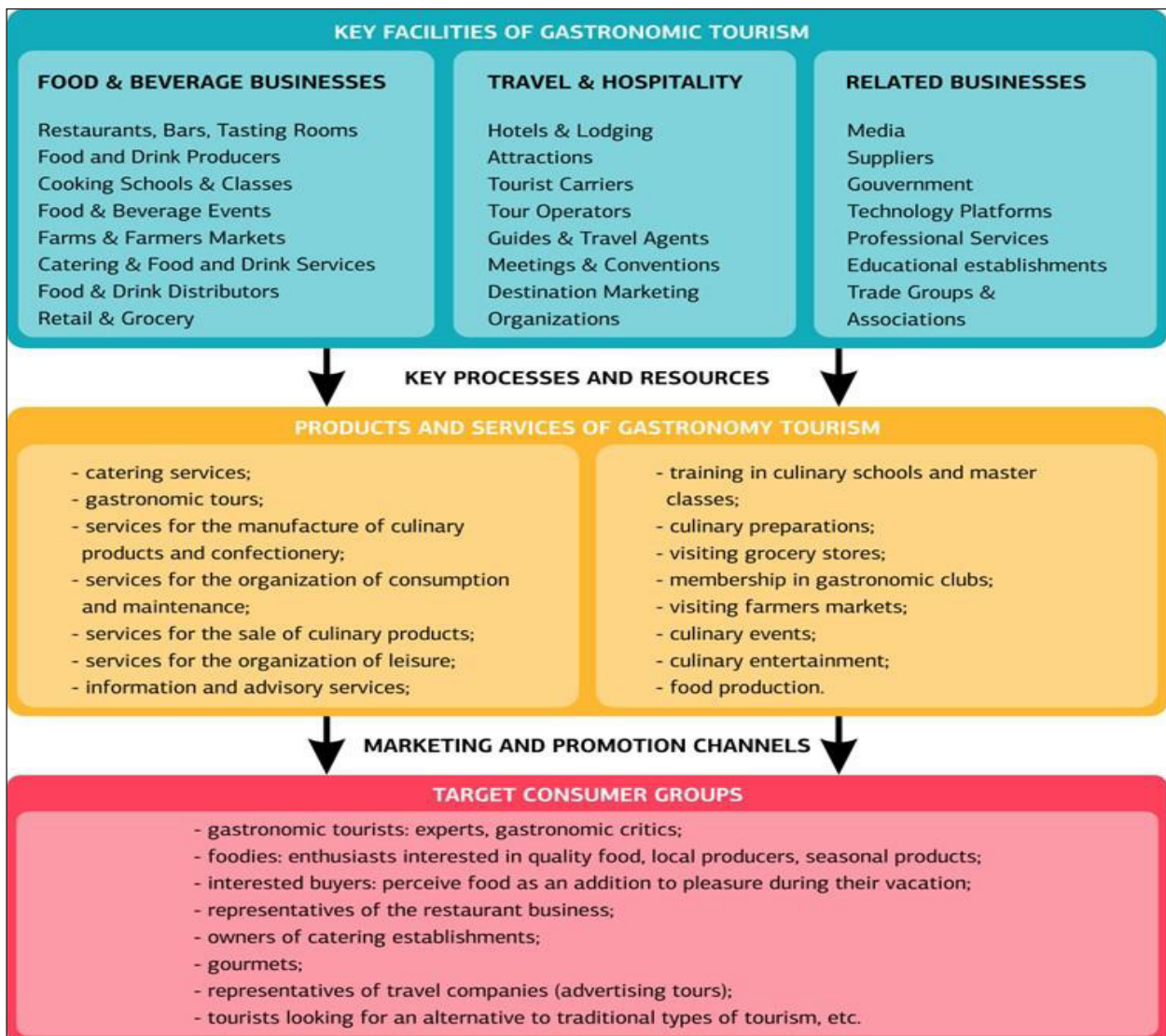


Fig. 1: Interaction of food tourism participants (developed by the authors based on (Nesterchuk *et al.* 2021; Benko *et al.* 2022))

To connect all these elements, think over the key stages, and create an effective gastronomic business, enterprises in the hotel and restaurant industry need careful business planning and a well-developed marketing strategy. Adhering to a clear strategy, the tourist destination will turn into a holistic gastronomic landscape, with stable economic development of the entire region.

Business planning of gastronomic projects

Gastronomic projects in the hotel and restaurant industry, due to high competition, the uncertainty of the external environment, innovative nature, and dependence on a large number of participants require careful analysis, correct assessment of the situation, and the use of various planning mechanisms.

Such planning is a backbone economic canvas on which the methods, tools, and methods the enterprises of hotel and restaurant tourism carry out their activities are based. The business plan will reduce the adverse impact, predict changes in the needs and tastes of tourist demand, forecast the dynamics of tourist demand, significantly adjust the direction of supplies depending on the season and changes in demand, and reduce the shortage of directions, etc.

If a business or a tourist destination prioritizes the promotion of gastronomic attractions, the need to develop such a business plan is due to the following tasks:

- ♦ ensuring the coordination of efforts to achieve the set goals;
- ♦ motivation of the head of the enterprise to determine the methods of achieving the set goals;
- ♦ determination of the necessary resources and performance indicators of the enterprise;
- ♦ formalization of functions and responsibilities of employees of the enterprise;
- ♦ preparation of the enterprise for changes in the market environment;
- ♦ the possibility of continuous monitoring of the results of entrepreneurial activity;
- ♦ establish a framework and strategize for future activities that all involved agents must

undertake within a given period for further development (Singh, 2019; Benko *et al.* 2022).

Service and tourism enterprises have several features and limitations that affect planning and implementing business projects.

The primary limitations include:

1. restrictions on tourist demand. For example, the hotel business is limited in production activity during the high season due to a fixed number of accommodations;
2. restrictions in the tourist offer are associated with the availability of tourist resources in the region;
3. time constraints: a relatively short period of tourist activity requires an active marketing policy for seasonal programs with alternative motivation;
4. legal restrictions: for example, the legislation defining the responsibility of tour operators, limitations on recreational land use, service standards in various service and tourism enterprises, etc.;
5. lack of resources: restrictions on natural resources, finance, professional staff, gastronomic and related infrastructure.

These restrictions should be taken into account during pre-project studies when developing a business plan for the development of gastronomic projects in the hotel and restaurant industry, which consists of four main stages (Fig. 2).

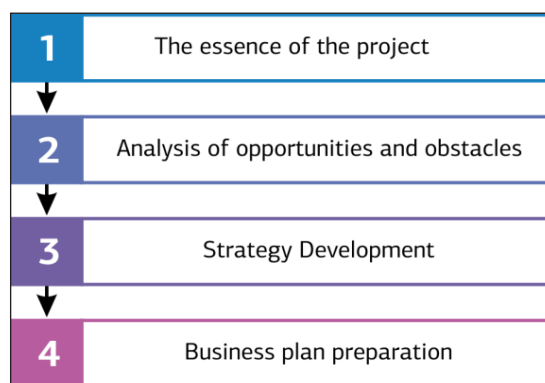


Fig. 2: Pre-project research in the development of a business plan (developed by the authors)

Stage one: When defining the essence of a project or business idea, the company's profile is investigated, an analysis of the product portfolio is carried out, and the main direction of the business is established.

Stage two: Analysis of opportunities and obstacles is a PEST analysis (political, economic, social, technological, and natural factors affecting the activities of an enterprise), an analysis of the market and its consumers, and analysis of competitors.

When developing a business plan for a gastronomic project, considering its specifics at this stage, it is relevant to consider the possibilities of territorial (regional, local) development of the sphere (Table 1).

Table 1: Assessment of the possibilities of territorial (regional, local) development of gastronomic tourism

Indicators	Characteristic
General information about the object	<ul style="list-style-type: none"> ◆ square; ◆ the number of inhabitants; ◆ structure of the economy; ◆ geographical position.
Landscape characteristics and natural recreational resources	<ul style="list-style-type: none"> ◆ rivers and lakes; ◆ hills; ◆ hydromineral resources.
Analysis of the gastronomic component	<ul style="list-style-type: none"> ◆ availability of a national or regional gastronomic product; ◆ local culinary history and heritage; ◆ features of the gastronomic product; ◆ definition of traditional production methods and tools; ◆ availability of qualified personnel.
Service and tourism infrastructure	<ul style="list-style-type: none"> ◆ transport; ◆ connection; ◆ hotel and restaurant facilities; ◆ farms and fisheries; ◆ markets and manufacturers of gastronomic products; ◆ opportunities for additional events.
Current and prospective tourist routes	<ul style="list-style-type: none"> ◆ length; ◆ organization of places for stopping and resting; ◆ availability of places for tasting and master classes.
Economic assessment of types of services and tourism	<ul style="list-style-type: none"> ◆ costs of time and material resources ◆ the share of tourism in the regional gross product; ◆ the average amount of consumer spending; ◆ scope of service; ◆ income from tourism

Stage three: The development of a strategy has the following main components:

- ◆ setting business goals;
- ◆ determination of the strategic position;
- ◆ analysis of alternative strategies;
- ◆ the choice of a growth strategy.

Stage four: Directly developing a business plan.

The structure of a business plan for a gastronomic project of an enterprise in the hotel and restaurant industry is not strictly regulated; it must be presented in a form that allows the interested person to get a clear idea of the planned business and the opportunities for participation.

An example of the structure of a business plan is shown in Table 2.

For the most complete and vivid expression of the goals of creating a business plan, additional sections can be included if required by a gastronomic project.

The structure and content of a business plan are the main components on which a lot depends on implementing a gastronomic project (Lombardía *et al.* 2021; Anusha & Padma, 2022).

Currently, in practice, many products are used that simplify the preparation of a business plan. There are special programs through which you can draw up a planner and calculate the leading indicators of profitability and efficiency of the project. Also, special programs are used that are intended solely for developing marketing strategies, as well as for describing production processes.

With the right approach to drawing up the main sections of this document, you can not only attract attention from investors and at the same time receive funds to finance a gastronomic project but also avoid many mistakes and problems during the implementation of the project. For a business plan to be of the highest quality, paying attention to many elements is necessary. It is essential to clearly adhere to the structure and describe all actions in terms of effectiveness.

RESULTS AND DISCUSSION

Today, in the center of any travel, there is a real immersion in the life and "I"; therefore, the deeper the tourist can develop it during the journey, the more in demand the product becomes. Tourism is

Table 2: An example of the structure of a business plan for a gastronomic project

Section title	Содержание
1. Summary	A brief overview of a business proposal that can attract partners and investors' attention and stimulate them to consider the plan further.
2. Description of the company	Basic information about the company: development history, management data, organizational structure, economic indicators, credit history, development prospects.
3. Description of products and services	Specificity of the tourist gastronomic product and service: advantages, uniqueness, functionality, quality; the life cycle of a product (service); formation of a product policy, the possibility and necessity of development, expansion of the range, change of products and services.
4. Market research and analysis	<ul style="list-style-type: none"> ♦ researching the development trend of the industry, studying the experience of similar enterprises, conducting PEST-analysis; ♦ presentation of the real and potential market capacity, the study of potential consumers, market segmentation; ♦ studying the competitive environment.
5. Marketing plan	<ul style="list-style-type: none"> ♦ pricing: identification of external factors influencing the choice of the pricing goal, pricing strategy, pricing tactics method, depending on the behaviour of competitors and consumers, the formation of costs for products and services, the establishment of differentiated prices; ♦ distribution system: determination of the plan of loading the enterprise by commodity groups; calculation of the volume of sales in physical and value terms; calculation of sales by planning periods; ♦ promotion of goods and services: defining the goal of advertising, characterizing the target audience, analyzing and choosing promotion channels, developing a media plan, developing a final promotion plan for planning periods.
6. Production plan	The production program of the enterprise, a description of the production process, resource endowment (equipping the enterprise with equipment, material resources and stocks). The hospitality industry emphasizes identifying an acceptable location, reducing overhead costs, obtaining the required equipment, and increasing competitiveness through staff recruitment and training.
7. Organizational plan	"Project roadmap", organizational structure, legal support and project implementation schedule, a personnel plan.
8. Financial plan	Investment plan (calculation of the required capital, sources and financing schemes); profit and loss plan; cash flow plan; balance.
9. Project efficiency	Calculation of the project efficiency. The section, as a rule, includes calculations of the following indicators: <ul style="list-style-type: none"> ♦ Accounting Rate of Return; ♦ Internal Rate of Return; ♦ Net Present Value; ♦ Discount Payback Period; ♦ PI.
10. Risk analysis	<ul style="list-style-type: none"> ♦ legal, production, marketing, financial risks; ♦ analysis of the sensitivity of the project for changes in key indicators

one of the areas that stimulate the development of the economy. The regions are actively working to create their image in the struggle for tourists and investments.

Since tourism is not a manufacturing industry, it must be synchronized with the promising sectors of the region's economy. This is an area marketing planning paradigm. The development of any territory, increasing its tourist attractiveness, begins with an inventory of available resources.

Nowadays, many countries and regions are developing gastronomic tourism. This is well understood in Europe. At the same time, you need to understand that no tourists would go somewhere just for one dish. For example, wine-makers no longer only sell the idea of proper wine consumption for oenophiles but add agritourism, family, and art tours to it. The more impressions the route prepares for the tourist, the sooner he decides to go on a trip.

The modern tourist needs to be given several

reasons for staying in a particular area. Gastronomy can attract guests for a couple of days. For example, it can be a visit to a gastronomic festival, a trip to a farm, a master class in fishing or cooking fish, etc.

Gastronomic tourism, the youngest type of tourism, is about 20 years old; at the same time, it is one of the most complex objects of management and marketing because it is a complicated set of relationships between many participants and their diversity.

The strategic interests of the gastronomic project participants in the hotel and restaurant industry can be fundamentally different. Restaurants, hotels, speciality producers, government agencies, locals, and real and potential tourists may have different goals and desires.

Therefore, it is vital to develop a marketing strategy for a gastronomic project, which will consider the project as a uniform complex of assets, goods, services, and customers and the integration of the interests of participants in the production process of a gastronomic tourism project.

The main stages of marketing planning for developing a gastronomic project in the hotel and restaurant industry are shown in Fig. 3.

The marketing strategy of a gastronomic project aims to gradually solve problems to achieve the goal in the long term. Drawing up a strategy involves specifying a goal and determining measures to achieve it, that is, planning ways of implementation.

Also, the marketing strategy concerns future ways to increase the competitiveness of the subjects of the

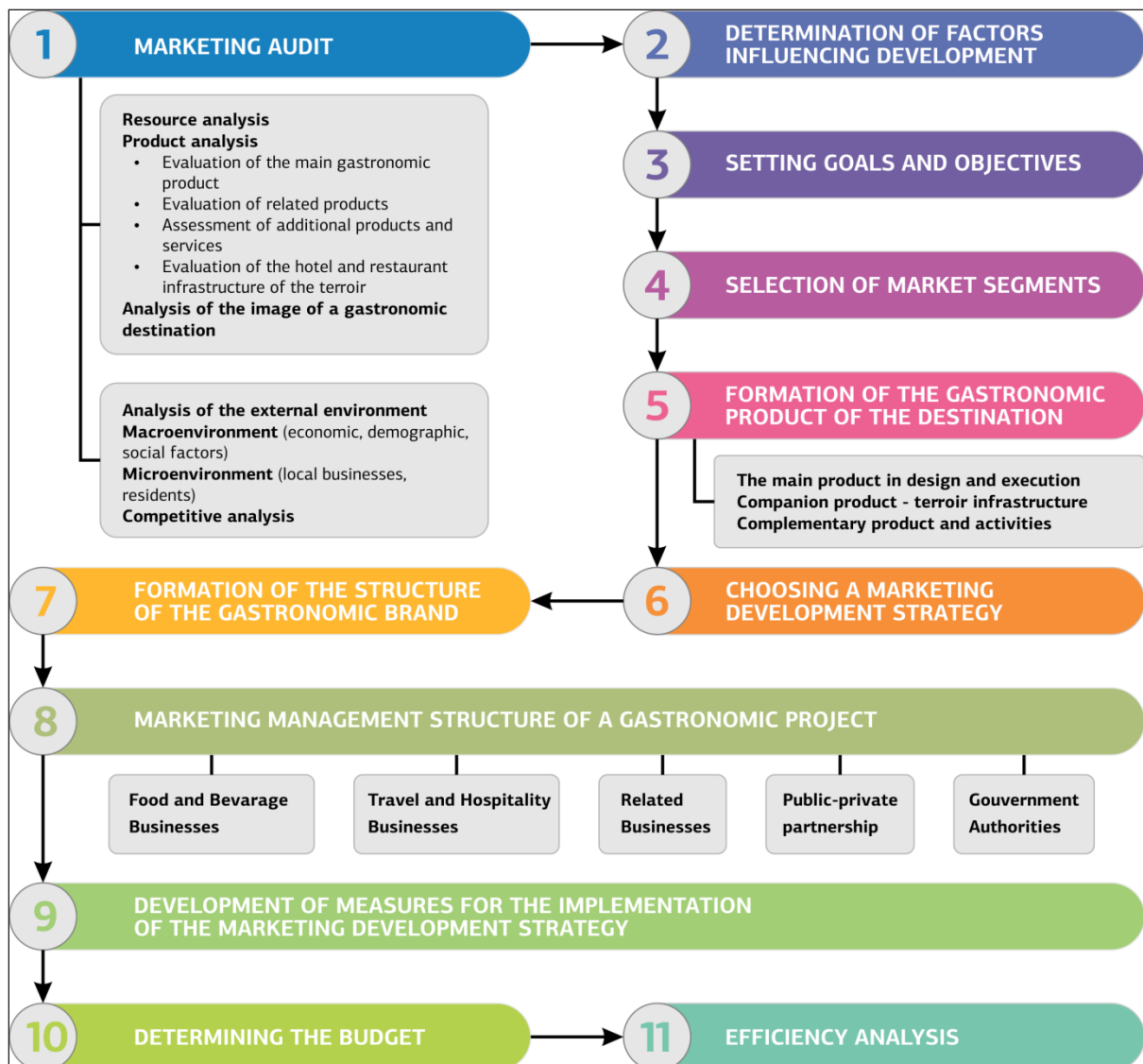


Fig. 3: Stages of developing a marketing strategy for gastronomic projects

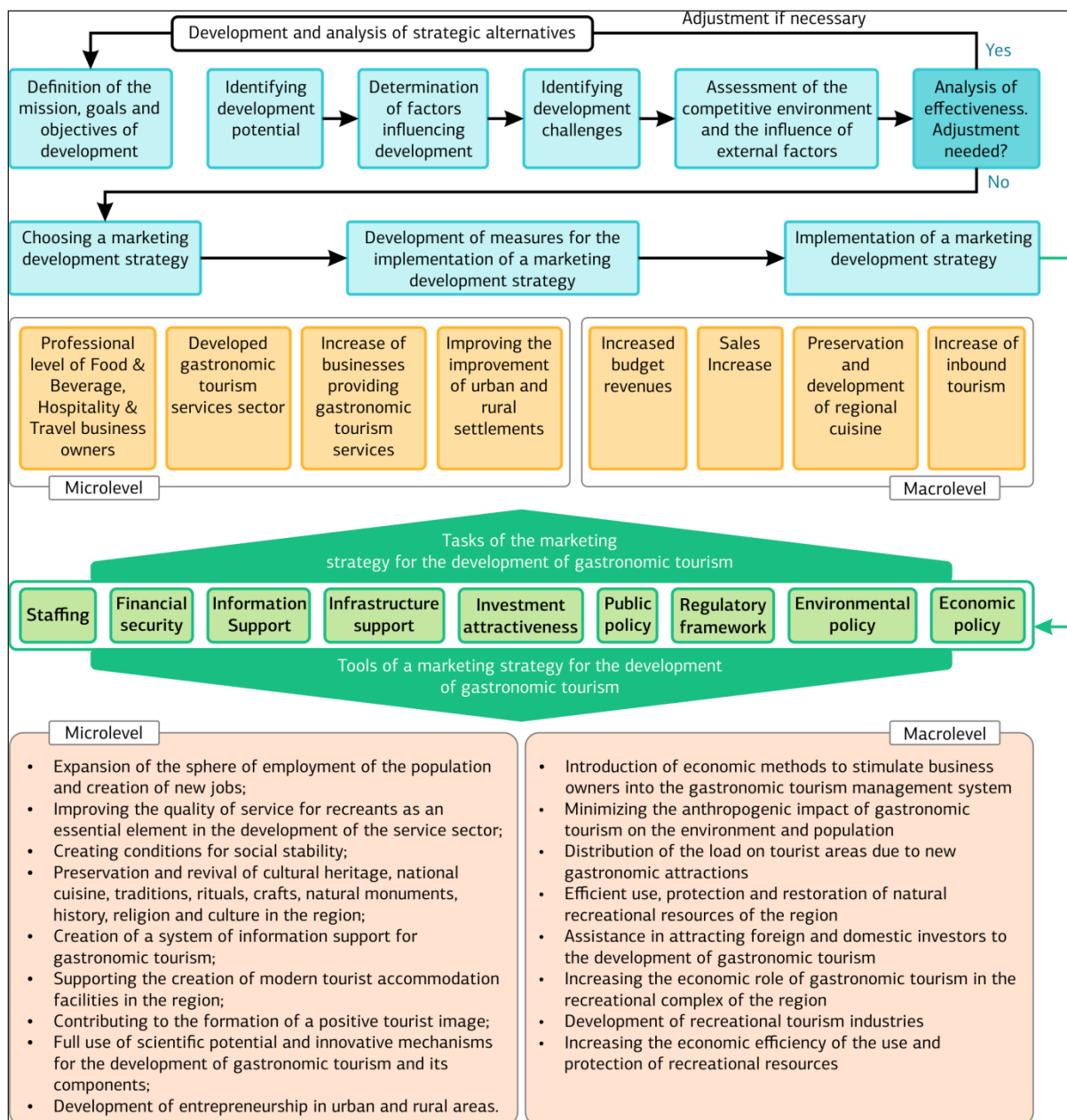


Fig. 4: The mechanism for the formation and implementation of the marketing strategy of gastronomic projects

hotel and restaurant industry through the qualitative development of socio-economic, demographic, political, socio-psychological, material and technical, natural, environmental, medico-biological, cultural and historical factors, as well as marketing support, state support, the public image of the region. Thus, a strategy involves planning for future development to achieve a specific goal.

The complex process of interactions of a gastronomic project involves searching for ways to develop gastronomic tourism based on balancing this process with the strategic socio-economic region's macro-and micro levels.

The mechanism for the formation and implementation of a marketing strategy for gastronomic projects in the hotel and restaurant industry is shown in Fig. 4.

It includes the processes of developing a marketing strategy and its implementation and tools and the main subjects of the process.

The proposed mechanism for the formation and implementation of a business plan and marketing strategy for the development of gastronomic tourism in the hotel and restaurant industry is based on interaction with the central executive authorities that regulate tourism, as well as with legislative

bodies, executive authorities in the region and business entities to solve problems development of gastronomic tourism at the regional level.

CONCLUSION

Gastronomic tourism today is a rapidly developing type of tourism. Unlike classical tourism, it has several features and characteristics inherent in it, namely:

- ♦ absolutely all countries have conditions for the development of culinary tourism;
- ♦ lack of seasonal nature of recreation (for any time of the year, you can choose the appropriate tour);
- ♦ the ability to be a constituent element of any tour in one way or another;
- ♦ gastronomic tourism affects a large number of related businesses.

Thus, the stimulation of the development of gastronomic tours is predetermined by its specialization, categories, functions, and advantages, which should include the rapid turnover of capital in this area, high profitability, the possibility of creating new jobs, a positive impact on the formation of the image of the territory, and the popularization of the country as a place for gastronomic recreation, synergistic influence on the development of other areas of activity.

At the same time, this generates high competition in the struggle for tourists both between enterprises and between destinations, regions, and even countries.

Successfully implementing a gastronomic project in the hotel and restaurant industry requires a clear business plan and a carefully thought out marketing strategy.

Business planning and marketing strategy for a gastronomic project will be successful if several positions are observed:

1. The presence of a body that is responsible for the planning and implementation of the business plan and marketing of the gastronomic project. The role of organization and experience in managing marketing initiatives is critical to the implementation of marketing strategies. Many countries have various destination development,

tourism development, tourism offices, and other organizations. These organizations are initially created and maintained by the territorial authorities, but they work in close cooperation and support the local tourism industry.

Such a public-private partnership will be an effective model for managing the marketing of a gastronomic project.

2. Interconnection and consistency. Since the marketing of gastronomic projects is associated with numerous participants in the process – authorities, businesses, local residents, individual goals must correspond to the general strategic goals of destination marketing. Success can be achieved only when marketing goals and strategies are aligned with everyone involved in the marketing process. Suppose each of the participants implements his strategy. In that case, the tourist does not receive a complete tourism product, does not create a complete view of the destination, and does want to visit it. Unanimous consent and consensus should be reached when planning. Therefore, all market participants should be involved in the development of the destination's marketing strategy.
3. Gastronomic tourism products should be developed in terms of tourist attractiveness, which is focused only on the target segment of tourists. It is necessary to exclude the assessment of the content of any one group of participants in the marketing planning process.
4. A gastronomic project's business plan and marketing strategy must not be a government official decree. This is primarily a work plan of action. For effective implementation, it must be evident to all stakeholders, including local residents.

Gastronomic tourism, with one of the highest profit and work multipliers in its and akin fields, is a field of the economy that can be a "growth point" and the foundation of significant prosperity for the whole region. When promoting gastronomic tourism in the region is essential to realize that the mere presence

of a gastronomic product and tourist resources does not make a destination attractive to tourists.

The success of a gastronomic project depends to a large extent on careful business planning and a developed marketing strategy.

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