



SUCCESSFUL RESTAURANTS

9 Essential Ingredients
of a Profitable Restaurant



**MULTIVARIABLE
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Why do some restaurants survive and thrive, while others fail?

As a restaurant owner, you pride yourself on being one of the small percentage of those who had the same dream, and made it happen. However, what got you here, won't guarantee long-term success; Are you prepared to adapt to the evolving market, the advances in technology, and the changing consumer? Do you know the number one factor that influences a consumer's restaurant choice? Hint: It's not all about the food. Whether your team is serving five course meals or "fries with that," one thing remains constant in the food and beverage service industry: **you are selling experience.** From the moment a guest walks through the door, all five senses should be engaged. In order to get that customer to return and refer your restaurant to their network, you must make sure that each experience adds to their loyalty. So, what influences a customer's overall experience? Keep reading to find out what you may be overlooking, or missing completely. These are the 9 ingredients for business success that cannot be improvised in order to elevate customer experience:



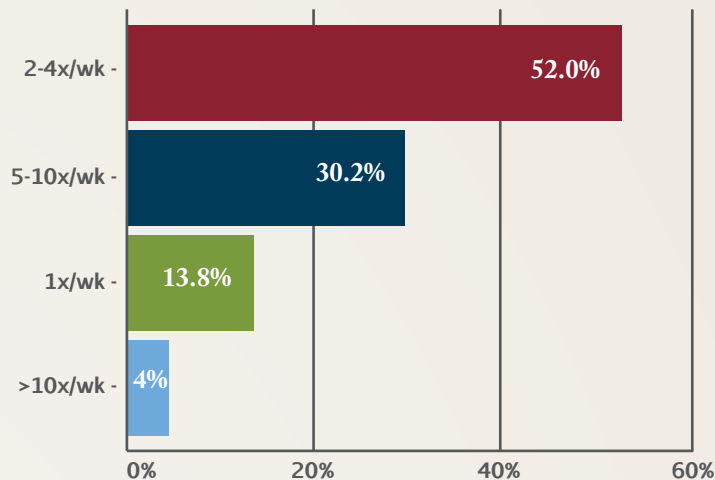
Key #1

BE OUR GUEST

In order to know what to bring to the table, who to market to, and where to start a future location, you need to know who you're serving, and what's important to them. Make sure you've done your research when it comes to demographics and psychographics. Demographics give you general information of a consumer like age, gender, and income, while psychographics tell you what a given population of consumer value. Of course, every customer wants speed, price, and quality; but today's consumer also considers factors like eco-friendliness, healthy and local options, and the use of technology for convenience. With that being said, do you know what consumers in your location are looking for? Investigating your guests, competition, and surroundings can make the difference between your restaurant's revenue baking or burning.

How frequently do you dine out?

(including breakfast, lunch, dinner, drinks)



6/10 Consumers are likely to make a restaurant choice based on its eco-friendly practices (NRA 2015)



7/10 Consumers are more likely to eat ethnic cuisine in a restaurant than cook it at home (NRA 2015)

34%

consumers say that technology makes them dine out more often (NRA 2015)



Key #2

YOUR #1 GOAL

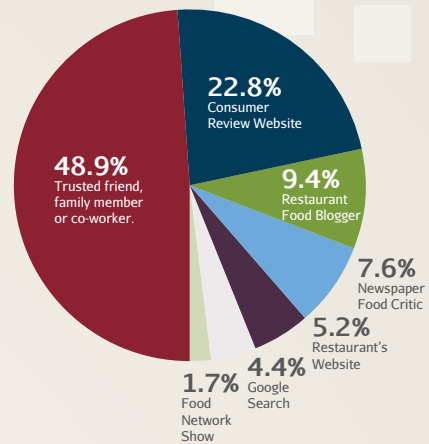
As much as word-of-mouth can help your business, it can also bring a significant amount of risk. That's why your number one goal must be to treat every customer like a Yelp reviewer. Meeting expectations isn't enough in today's world, you must exceed them; every customer, every time. Your team can give a hundred positive experiences to a guest, but it only takes one negative experience to send them and their friends elsewhere. Tracking satisfaction and the likeliness of referral (called the Net Promotor Score), is an excellent way to monitor your restaurant's reputation and make changes, before it's too late.



Consumers are more likely to read online customer reviews for restaurants than for doctors/dentists, banks, hotels, stores, or salons. (Anderson 2013)

Consumers rank both user generated review sites and a restaurant's website evenly when it comes to importance in making a dining out decision. (Oliver, 2012)

Influences on Dining Decisions
(Oliver 2012)



65%

surveyed consumers are more likely to use a business which has positive online reviews. (Anderson 2013)

Key #3

DIFFERENTIATE OR DIE

Any restaurant can make food that tastes good. But, in order for you to not blend in with the rest, you need to crave uniqueness. According to the National Restaurant Association, six out of ten consumers say innovative food is an important factor when choosing a restaurant, so it may be time to get creative. Make up a new drink recipe, combine ethnic ingredients to make food fusions, or put your signature spin on a classic dish. The idea is to have your restaurant be the sacred keeper of a certain flavor.



Consumers say food they haven't tried before is an important factor when selecting where to eat. (NRA 2015)

60%

consumers consider themselves more adventurous than two years ago when it comes to food. (NRA 2015)

68%

adults said their favorite restaurant foods provide flavor and taste sensations which cannot easily be duplicated in their home kitchen. (NRA 2015)



Key #4

CHECK, PLEASE!

Knowing your numbers is about being proactive versus reactive. Whether you check them periodically throughout the day, every hour, or even every other day (whatever frequency makes sense for your business), staying on top of your sales gives you the power to influence the trend you're seeing. Feedback throughout your day/week gives you the ability to shift the results of how your day/week ends. If the numbers show a slow morning so far, publish a social media post with a special offer for lunch, happy hour, or dinner. If you see you have an extra amount of a particular ingredient that will spoil, send out an email promotion that its "avocado week". If you notice that you have too many people on hand, then you can redeploy them on marketing activities, administrative duties, or send them home to reduce the overhead altogether. All in all, knowing your numbers is crucial to your business' health. Just like your chef can't cook without knowing the recipe, you can't run a business without knowing your numbers.



8/10 consumers say they would go to a restaurant during off-peak hours if they received a discount. (NRA 2015)

Key #5

MAKE YOUR MENU SPECIALS, SPECIAL

Whether they're highlighted on a menu or described by a server, consumers tend to go with the dishes your restaurant recommends. This is your invitation to increase your profit margin. Do the same to your popular plates and customer favorites. Research shows that consumers will pay more for an item in order to not miss out on the limited quantity and perceived value.



Key #6

STREAMLINE AND DINE

Consumers of all kinds are keen to instant gratification. In order to keep up, you've got to make sure you're catering to every need quickly. Of course, this isn't possible without: efficiency, communication, and systems. Investing in specialized equipment, adopting new technology, and assigning accountability roles are all steps that will allow your team to serve faster, easier, and better. It may even benefit you to sit at your own table (or someone else's) and observe the dining process from start to finish, getting a better feel for which tasks could be tightened within your team. After that, treat yourself to some software research for dessert. There are plenty of new programs that make managing your operations a "piece of cake."



1/4 of consumers say technology options are important features that factor into their decision to choose a restaurant - this suggests that technology is rapidly becoming an expectation rather than a novelty when dining out (NRA 2015).

Key #7

BE SMART, STAY SPICY

It pays to consistently educate yourself about the latest industry developments, and purposes your consumers care about. Be an active seeker of improvement, and don't be afraid to experiment with what you've learned along the way. The world today offers a wealth of knowledge at your fingertips, and most of it is only a few mouse clicks away, so you should be building your entrepreneurial spirit with the newest trends, community events, and ways to get involved with greater causes. Today's shoppers are choosing to spend their money on brands that make them feel good about their purchases- restaurants are no different from retail in that aspect.



7/10 wish restaurants would offer breakfast items throughout the day. (NetWaiter, 2015)

83%

smartphone users surveyed said they use their phones to determine where to eat while traveling. (NetWaiter, 2015)



Key #8

WHAT YOU OUGHT TO KNOW

For the first time, technology is seen to be a major influencer for restaurant selection. Convenience via technology is key, and doesn't show signs of slowing down. Mobile applications such as Eat24, PostMates, and GrubHub act as a virtual waiter, benefitting busy millennials everywhere. Similar websites are available for larger catering options, and have expanded the palate of customer experience. The technology, however, doesn't stop there. From ordering for the family on an iPad, to vending machine wine bars, the majority of consumers emphasize their wants for more tech for their taste buds.

Also growing in popularity is the availability of organic ingredients, locally sourced items, and a variety of healthy options. With more people being educated about their own health than ever before, the demand for healthy convenience is soaring across all demographic categories. Attention from consumers is also being shifted towards a healthy ecosystem and economy. The National Restaurant Association reports that 60% of consumers say they are more likely to pick a restaurant that offers menu items that were grown or raised in an organic or environmentally friendly way, which is a 5% increase from 2014. People are not only concerned about what they're feeding themselves, but also what their meal costs the community around them.

69%

of consumers say they are more likely to visit a restaurant that offers locally produced food items compared to 64% in 2014. (NRA, 2015)



6/10 consumers are likely to make a restaurant choice based on its eco-friendly practices. (NRA 2015)



7.5/10 consumers are more likely to visit a restaurant that offers healthy options. (NRA 2015)

7.5/10 consumers consider convenience to their home or office as an important factor for choosing a restaurant (NRA 2015)

Key #9

HIRING THE RIGHT PEOPLE

What happens when the general manager is sick? Do numbers reflect badly? Are there more guest complaints? Hiring strategically can save you a sleepless night, and effective onboarding can lead to a more cohesive team when things go awry. Instead of looking for someone who can hold 8 hot plates at once, hire the person who can serve 8 tables while keeping a smile. Finding your managers more focused on dealing with personnel issues? A team building day can move mountains. There are many ways to guide your crew to 5 star customer satisfaction ratings, many of which can eventually be delegated to management, and taken off your plate.



Conclusion

You've read the stats, learned the facts, and now it's time to get to business. Focusing on the bottom line, remember why you chose this path: to make good food for good people, while making good money. Keeping your goals within reach, and your mindset on track - savoring the parts of your business that fuel the most growth opportunity. Leave the spatula to our team, and we'll help flip your restaurant to "sunny-side up." Are you ready to take your restaurant to the next level? Start building your future now by answering some key questions on the next page.

Ask yourself the following questions:

Do you understand who you serve and what's important to them?

Do you know the descriptors of your ideal customer?
And hint, it's not age range or household income.

Do you treat every customer like a yelp reviewer?

Can you succinctly describe what makes your restaurant unique?

Do you know the numbers that drive your revenue and profit?

Do you know your high profit margin items
and make those your daily/weekly promotions?

Do you have a database of existing loyal customers that
you can easily and quickly advertise your promotions?

Do you consistently seek out areas of improvement?
Marketing? Customer service? Technology?

Do you know your break even on a daily, weekly, monthly basis?

ALL DONE?

Now it's your turn to get some answers.

Contact us today and let's figure out where to go from here.

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Business Background Questionnaire

Name: _____ Business Name: _____

Business Phone: _____ Mobile: _____

Address: _____ Email: _____

CONFIDENTIALITY NOTE: The information contained within this questionnaire is confidential information, intended only for the use of your ActionCOACH and the person completing this questionnaire. If the receiver of this questionnaire is not the intended recipient, the receiver is hereby notified that any dissemination, distribution, copy or publication of the questionnaire is strictly prohibited.

Introduce Us To Your Business

To get started, we'd like you to tell us a little more about you and your business. The following questions have been designed to help us identify key profit building opportunities within your business, so that we can prepare to have a productive face-to-face meeting.

What type of business are you in? _____

What specific services do you provide? _____

How many staff do you currently have? _____ A year ago? _____

What is your approximate annual revenue? _____ A year ago? _____

What is your Net Profit Margin? _____ %

Describe your target market(s): _____

How long have you been involved with / owned the business? _____

What were your goals when you started, or took over the business? _____

How many hours do you work now? _____ How many would you like to work? _____

How much income do you take home now? _____ How much would you like? _____

Do you have a business plan? ☐ Yes ☐ No Do you have a marketing plan? ☐ Yes ☐ No

If yes, how often do you measure your progress against the plan? ☐ I don't ☐ Monthly ☐ Quarterly ☐ Annually

If you had one wish for your business in the next 30 days, what would it be? _____

Who other than yourself is involved in the decision making process within your business? _____

Is there anything else you'd like to share about yourself or your business? _____



Select Your Top 5-7 Business Priorities

Sales & Marketing

- ☐ Having turn-key, persuasive and inexpensive ways to generate more leads and prospects for my products and services.
- ☐ A step-by-step marketing plan that significantly increases my new customers, revenues and profits without taking all my energy away from day-to-day business.
- ☐ Creating customer focused advertising and online marketing strategies to draw willing buyers to my business every week.
- ☐ The most effective sales appeal for my products and services that uniquely sets my business head and shoulders above my competition.
- ☐ To build a more motivated, professional and profitable sales or telemarketing force that creates a far stronger sales conversion and average sale value.
- ☐ Having a strategy that will compel my former and inactive customers to come back and buy from me again and again.
- ☐ Boosting the average sale value and creating a far better sales result from every customer that we are currently doing business with.
- ☐ Introducing new and more profitable product lines or services to both win new customers and extend the value we provide with our existing ones.

Team Building & Leadership

- ☐ Helping me develop and build strong leadership skills and attributes so I can not only manage, but truly lead my people and my company.
- ☐ To help me find or re-find my passion and get my heart and mind back focused on enjoying running and building the business again.
- ☐ Using a recruiting system that is both efficient and effective to help me add the right, motivated and great people to my team.
- ☐ Developing an ongoing training system so people are more effective and more productive at their jobs and are ready for promotion as the company goes on.
- ☐ Training my team so they deliver superior levels of customer service and create raving fans and repeat buyers time after time.
- ☐ Helping me and my team get better use of our time and stop working reactively, and become more pro-active about building the company.

Running Your Business

- ☐ Developing a clear and powerful set of both personal and business goals and having a vision for my company.
- ☐ To get myself the freedom of more time away from the business, still knowing it is growing and creating increasing profits without me there.
- ☐ To help me understand how to re-invest my profits back into the business or how to make profits and invest them for passive income outside of my business.
- ☐ Getting a solid business plan of action so I and my team are focused on doing what matters, what is important and what will get the biggest results.
- ☐ To get the business and my people to a stage where they can run it profitably so I can take some time out each week and vacation each year.
- ☐ Developing a straight forward succession plan so I can replace myself with the right people at the right time and allow them to run it without me.
- ☐ Expanding the operation to multiple outlets or multiple territories so I can take advantage of an already solid and profitable business model.
- ☐ Creating a franchise system that both sells and creates profitable franchisees who can afford to pay me serious royalties.
- ☐ Assistance with taking the company international to profit from global markets, global costs and global currency values.

Systems

- ☐ Having a system for controlling, managing, and reporting the company finances so I can know I am building real profits.
- ☐ Working 'ON' my business rather than 'IN' it and create a systems dependent company rather than a people dependent one.
- ☐ Developing an organized chart and position descriptions and getting the company administration handled.
- ☐ Building consistency of delivery into my products/services giving better levels of service and more rewarding customer experiences.

Coaching

- ☐ Having a Hotline to a great coach who can help me stay focused, answer my most important business questions and help me grow the business.
- ☐ Other _____





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