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TIME TO RETURN TO THE BASICS OF THE INDUSTRY



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John Foley is the restaurant advisor for AllBusiness.com and, and has designed, created, owned, operated, closed and sold eight individual restaurants in a decade. His success in the restaurant business was mere happenstance. After buying a grocery store in St. Paul, Minnesota to run as "a hobby", he and his then girlfriend, now wife, Kranston, were catapulted into the culinary profession after realizing that prepared food offered a higher margin than groceries and that by cooking, they might be able to recoup the losses experienced from running a business as a hobby. Subsequently, they opened The Cottagewood Store in Deephaven, MN, catering to the affluent residents of Lake Minnetonka. They created various restaurant concepts, selling the last in 2000 to develop an Internet company. Today, Foley works in publishing and on writing a book; "Faux Pas is French for Restaurant." He resides in California wine country with his wife.

The current economic downturn continues to present daily struggles for the nation's restaurants adding stress and financial concerns to not only restaurant owners but to the employees who keep the industry moving. Considering the industry is the second largest employer in the country next to the government, further decline in volume could affect the economy more than many analysts even consider.

Keeping that in mind, now is the perfect time to return to the basics of the industry and put the customer first and taking advantage of an economy that seems to be leveling the playing field.

Here are a five points that may make the challenge of daily operation seem more worthwhile while increasing business and revenue...

1. **Be Neighborly...** There is no substitution for personable service. One of the advantages of being a small operator or the owner or manager of a small multi-unit group is that you make the rules. Don't be afraid to offer a complimentary dessert or cocktail to a customer. Think about picking up one table's tab every night. Make it an event. The neighbors will show up and word will spread.

2. **Recession Acquisition...** As strange as it may seem, now is the perfect time to buy another restaurant. Prices are down owners are tired and if you have an idea for a multi unit group and a little cash, times are perfect for culinary acquisitions. Last week Sondra Bernstein, owner of The Girl and the Fig in Sonoma, California opened Estate, www.estate-sonoma.com her largest property yet. The culinary entrepreneur took over the historic Sonoma home, which has been a restaurant for decades quickly did a cosmetic remodel, injected new lie, a creative menu, and will not only add revenue to her four unit company, but from all the reviews will add profit to the bottom line.
3. **Amuse Bouche causes Word of Mouth....** Joe Rombi, the recent topic of a New York Times' story, has for a decade offered diners a complimentary Bruschetta before they order. It is a welcome tasting on the table and customers do mention the complimentary generosity. Create something – a signature- that the chef can send out to welcome the guests. Word will spread and the advertising costs nothing. The other evening I was in a newly opened restaurant and the Amuse Bouche was merely marinated slivers of celery, three Muscadet grapes and a dollop of Ricotta Cheese. I was eating at the bar as was the couple next to me. The entire bar was talking about "the cute little appetizer that everyone was getting". You would have thought it were a new concept.
4. **Competition Collaboration....** Difficult times bring people together. It has happened in communities across the country time and time again. Take it upon yourself to bring your neighborhood competitors together and develop a plan to attract customers. Develop a frequent dining card with each restaurant on it and set the rules so that a customer receives a complimentary appetizer, entree or bottle of wine once all the restaurants are checked off. Have a floating special night where each restaurant as a night and they have to feature a special on that night for a special price. Publicize it at each other's restaurants. Finally, get the local newspaper involved. Advertising in papers across the country is down. Negotiate with the paper to run a special promotion for your special promotion.
5. **Kids Eat Free...** Have a family night. Kids are not a major attraction in most restaurants. Yet, in slow times, more mouths translate into more dollars. And, most families with children eat early. Remember kids love spaghetti. But, no mother would ever let her kids eat spaghetti without trying it first. It's a great way to get the parents to try one of the most profitable dishes in the world. Don't ever think that because it's for kids it doesn't have to be great. Finally, family night is a simple way to get another turn into an evening that may limp along without ever filling the dining room. And nothing adds life to a dining room like customers – with kids.