

RESTAURANTS:

GETTING BACK TO THE NEW NORMAL POST COVID-19

How to relaunch your
restaurant in a post
pandemic world





The World has Changed!

Here are SEVEN STEPS to look at: Many businesses will, or already have, failed post Covid19. Only the best will survive. How you do business from here on, has and will have to change. With the above in mind, your Restaurant Business promotion ideas will have to change.

Before you re-start promoting your restaurant, stop and think, how has business changed and how has life changed? We know 'Take-out Only' was an afterthought for many prior to COVID19. Should it be a staple business pillar? How can Take-out be done profitably? Is the food app delivery a sustainable solution? Should I have a separate Take-out menu with special take-out plates that are made to travel and present well and special pricing? Should you be building with take-out part of the solution, "What is my branding?" Failure to do that 'Branding' step first means you will likely have to redo a lot of promoting and marketing all over again which is a lot of time, money and effort!

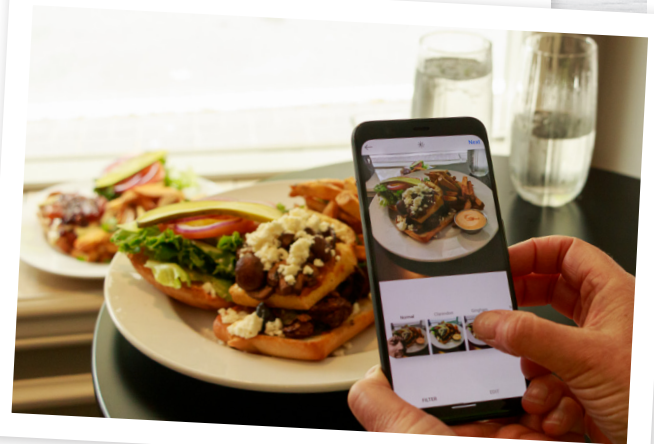
When the business does resume, what will it be like? Will it take off like a rocket because people are tired of being cooped up? Or will it be a slow return due to apprehension? Will a second Covid19 wave happen? More times than not, a smart business branding and marketing strategy is the best defence against empty seats and eventual failure.

First thing is to be clear with vendors, landlords and staff. Constant clear communication will be imperative if you want them to 'buy-in' on your ideas and plans; all of them are pretty good at reading and knowing what is true. If you want them to invest in your relaunch, they have to trust you. Secondly, You need to have a policy and procedure to deal with the new hygiene and social distancing. Are menus disposable (paper) with the eco-repercussions or is a simple colourful laminated that can be thoroughly cleaned? Public & staff washrooms will have to have a cleaning program and schedule. Condiments and table toppers have to be re-evaluated. Can cutlery be preset as before, or is it best to make it part of the presentation, maybe with drinks?

Re-create Your Social Media Presence

The world HAS changed! People swarming social media platforms like Facebook, Twitter, Snapchat and Instagram to find you and share experiences. Now more than ever, imagery is key in social media. It is critical that your business connects with customers who use those platforms, for many during COVID it became essential.

You Only Have 7 Seconds to Make a Great First Impression. If you don't have a specialist on contract, hire one. Social media is key to connect with your customers and showcase your restaurant by reinforcing your 'branding', including the new hygiene and safety concerns.



Brands give us feelings. That's why authenticity is so important

Tracy Landau, marketing lead of
food brand marketing and communications
consulting firm MarketPlace

Design a Functional Website

Having an online presence with an elegant and functional website is essential. One noticeable result from COVID is the importance to keep your website up-to-date. Many businesses had little focus on Take-Out services on their website and either had to scramble or rely solely on social media, resulting in inconsistent messaging. Get professional help to design and build a website that reflects your branding. Use only the best mouth-watering images. Use compelling content and share what's unique. List the menu, provide a schedule with hours, a map and clear instructions on how to connect with you. It is imperative the site is mobile friendly. Ensure your branding and messaging are consistent. Keep the website up to date!

Search Engine Optimization (SEO)

When people search for restaurants online, you want your name to come up first. Approximately 95% of web searches are Google and you need to be in the top ten! Update your business details on Google. Ensure your SEO includes Google Maps. Make sure your digital specialist can deliver on SEO and keep it up to date.

Create a Customer Rewards Program

A customer rewards program is an excellent way for restaurants to keep satisfied customers returning for future visits. Offering customers rewards based on amounts spent, you'll be able to maintain your most profitable customers. Incentives can include physical rewards, cash-backs, discounts, free appetizers – determine who your customer is. Ask yourself, are my best customers male or female? Who makes the decision on where to eat? What age and income bracket make up my best customer? Collect the data. Utilize the incentives to direct customers to slow time slots or more profitable products. Connect with your customers in a more personal way. Distribute customer feedback forms as a way to determine your service. You could use the database to send customers coupons on their birthdays and anniversaries or send out emails whenever there is a special offer or an event happening at your restaurant.

Advertise

You should be setting aside a budget for marketing and advertising. Often the number used is 5-10% of total sales in a competitive market. Decide on a balance or ratio between traditional and digital. Have a plan! and review it at least annually. Many of your customers may still prefer print, some will prefer digital. Can you use an app like Groupon or something else? If you need to shift clients to an earlier service offer a free appetizer at the time slot you want to fill. A lot of your competition will never re-open, obtaining new clients is critical



Offer Locally Sourced Food

It is the best way to build goodwill – promoting fresh ingredients you are supporting the local farmers who offer high-quality produce. Customers become more educated and conscious of the origins of their food. Topics that are hot in the foodie culture are sustainable, ethical and farm-to-table. Sourcing local means you're supporting your community.



Re-Calculate

Covid19 will no doubt weed out some competition, let us hope you are not one. There will also be a lot of people who have lost their previous work and think running a restaurant is easy. We know differently, it is a difficult job and although rewarding, money is not plentiful.

Tablespace with the new social distancing will be premium space. Restaurants and pubs will likely lose anywhere from a third to half the number of seats. It was hard to make money before, how will it be done with fewer seats? Revenue per client is critical, obtaining new clients is critical, take advantage of that fact. Margins have not kept up over the years. Margins have dropped, many restaurants struggle just to keep the doors open. The idea of having an extra month's rent in the savings account is a luxury most do not have. Margins have dropped to a single digit, a balanced lifestyle is impossible, work hours cut into family life, causing additional stresses. Employment benefits are almost unheard of. Educate the customer, if your product is better than average, then charge more than average.

The equations for your net profit margin and gross profit margin look like this:

Net profit margin = Revenue – All costs / Revenue

If a restaurant has sales of \$40,000/month sales and spends \$36,000 has a 10% net profit margin.

Gross profit margin = Revenue – Cost of goods sold / Revenue

The same restaurant that takes in \$40,000 per month in sales and spends \$24,000 in CoGS (only food and labor costs) has a 40% gross profit margin.

You will need both sets of numbers because they tell you different things.

The gross profit margin will tell you whether your restaurant is operating efficiently, it's the net profit margin that will tell you how much is left after you consider all the costs with running your restaurant. It is safe to say food delivery apps and reduced seats are going to have a huge impact. A slight dip in net profit margin can have a big impact. Any change can often mean the difference between continuing in business for another year – or shuttering forever.



For more information regarding
relaunching your restaurant
in a post pandemic world
or to discuss restaurant branding
and food photography contact:

Tim at Its-Photography.ca
tim.mcgrath@its-food.ca • www.its-food.ca
facebook.com/ITSFoodca