

 **MAINESENSE**

MAKING SENSE OF YOUR FOODSERVICE BUSINESS

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by Gerry O'Brion

THE RESTAURANT FORMULA

By Gerry O'Brion



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Building a Powerful and Profitable Restaurant Brand

Have you noticed that some restaurants seem to be packed every night of the week, while others struggle from the outset? Fifty percent of restaurants fail in the first three years. What is it that separates the most successful restaurants from all the others?

Restaurant success isn't luck, it doesn't happen by chance, and it's not just about working hard or putting in long hours. Restaurant success is a formula. To understand the formula used by the best concepts, I've talked with hundreds of restaurant owners, managers, franchisees, and executives, from single-unit operators to billion dollar brands. Those discussions have been distilled into a simple framework that any restaurant can use to become successful, stay successful, or turn it around when things go wrong.

The Restaurant Formula™ itself is not complicated, but it is extraordinarily powerful when it is executed well. It is the foundation of all successful restaurants. So if you want to open a new restaurant, improve your restaurant success, or turn around a restaurant that is failing, this is the formula.

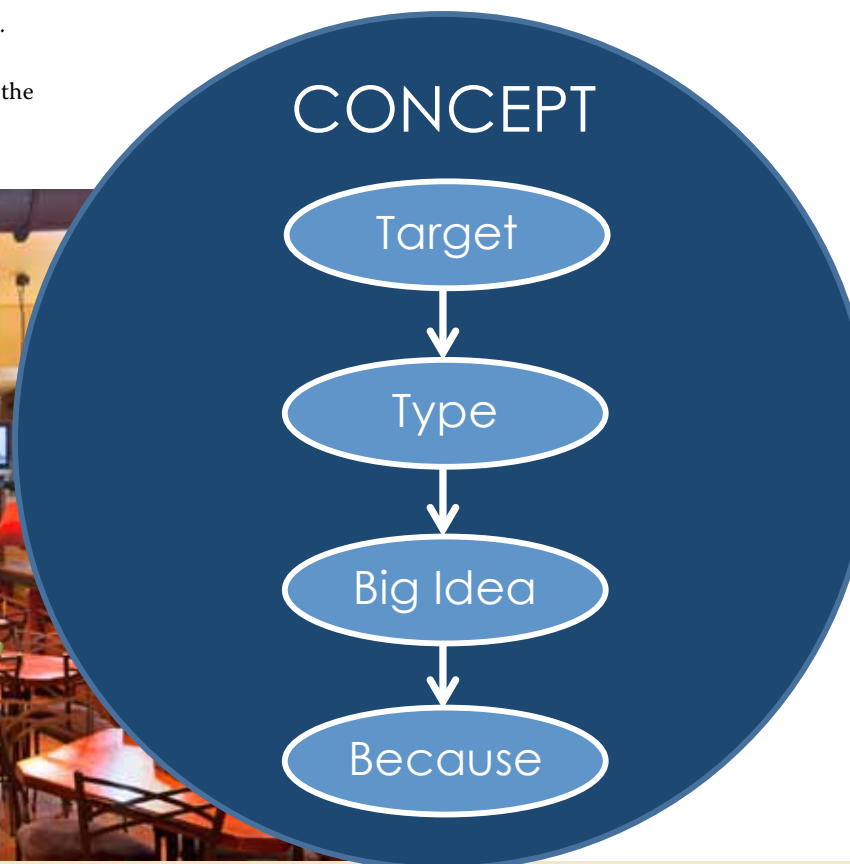
The Restaurant Formula™ has two parts: the **Concept** and the **Critical Success Factors**.

CONCEPT

The center of your restaurant formula is your **Concept**. What's a Concept? Think of it this way: if you were to tell someone on the street about your restaurant, it's the one-sentence description you would give them to get them running to your doors. Crafting your Concept is the foundation of everything else you do. It sits at the center of your restaurant success.

To be successful, your Concept must be differentiated from the competition in a way that is *compelling for your customers*. There are sophisticated, intricate Concepts, such as four-star fine dining, and there are simple Concepts, such as \$1-a-slice pizza. Both can make lots of money and have lines out the door. The key is to create a Concept that is in demand by customers, stands out from the competition, and makes you money.

The Restaurant Formula Includes Four Parts of Creating a Great Restaurant Concept:



Target

Your **Target** is a description of the ideal customers you want to attract. Picture a restaurant perfect for moms with kids. Now picture one for bikers. Finally, picture one for raving football fans. Did you picture the same place each time? No, yet many restaurant owners think, “Well, my target is anyone who is hungry...” The secret is that the clearer you are about your ideal customers, the clearer they’ll be that you’re ideal for them. They’ll love your concept and bring others like them. You can even target certain customers on certain nights. A night that is perfect for them can be as powerful as a concept that is perfect for them.

Type/Category

Your **Type/Category** is simply the Type of restaurant—quick serve, fine dining, fast casual—and the Category—pizza, burgers, Mexican, etc. Many restaurants are nothing more than a Type and Category. When that’s the case, they are a commodity. Customers have no reason to eat there vs. any of the numerous options out there.

Big Idea

Your **Big Idea** is where a commodity becomes a *Concept*. This is the unique value or experience you deliver to your guests. It could be a unique environment, it could be classic recipes from the Old World, or it could be a great place for kids. What are you all about?

Because

Finally, what’s your **Because**? Your Because is what lights your *Big Idea* on fire. It makes your *Big Idea* believable and repeatable. It will ignite your word of mouth and social media. Think of Chipotle. Their Big Idea is sustainability, and that’s true, because they use products that are hormone-free, non-GMO, etc.

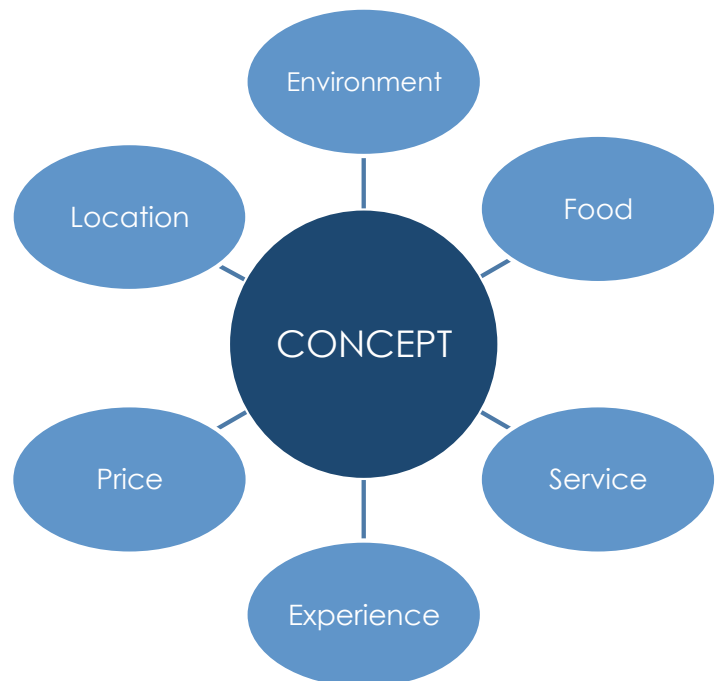
Think of it this way: if one of your raving fans was telling a friend about your restaurant, how would he or she finish the sentence: “You have to go there because...” What is the specific, unique, and compelling thing your fan would say to his or her friend? Your Because should make your Big Idea more believable and repeatable.

Having a clear, powerful concept helps everything else you do in your restaurant, from hiring to menu design to service. When your employees know what you stand for, they know how to treat the guests in every situation.

CRITICAL SUCCESS FACTORS

While your Concept is important, it will only attract customers if it is executed effectively. There are six **Critical Success Factors** for executing a great Concept. Most restaurant failures happen because they are not executing well on these factors. Having a powerful Concept combined with excellence in execution is a winning combination.

The Restaurant Formula Includes Six Critical Success Factors:



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Food

Of course, your food is the foundation of your entire restaurant. People want to eat food that tastes good, is consistent, and is accurately made. If you don't provide this, people probably won't be back.

Service

Many restaurant owners underestimate the value of good service. Good service makes your food taste better, your prices lower, your environment cleaner, and your location more convenient. Research shows that when your service is excellent, consumers perceive that everything else is better. And, importantly, their intent to return is much higher.

Great restaurants find repeatable ways that their staff can create surprising service. Make great service part of the DNA of your restaurant.

Environment

Even in a chain, the environment can vary dramatically from one restaurant to the next, even hour by hour. Is your environment clean, and do guests see the staff cleaning consistently? Are the bathrooms clean? Is the trash empty? Is the music at the right level? We get used to being in the restaurant because we're in there every day, day in and day out. Guests see it through different eyes. They only see our environment briefly, so everything stands out. Not only will they notice, they'll take pictures and post them on social media if they see something particularly bad. On the other hand, a clean, inviting environment will make them want to come back frequently.



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Experience

Creating a memorable experience turns customers into fans. When that happens, they share pictures, stories, and come back often. Your experience has partly to do with your environment, partly to do with your service, and partly to do with your food. It engages your guest on an emotional level. Great experiences don't happen by accident; you have to create them. When a guest leaves your restaurant, what is the experience that you want him or her to repeat to others?

Location

Yes, your restaurant may already have a location that is not changeable in the short term. But how do you leverage the location you are in? Who is around you? How are you delivering an experience that is perfect for their needs?

Price

This section could also be called "value." The prices you can charge are directly related to the value that your customers get from everything you do. Value can be enhanced or reduced by everything in your Restaurant Formula. Your goal should be that every element in the Formula adds to the value you deliver. Value isn't just one element. It's not just portion size, or food quality; it's the whole package.

The Restaurant Formula™ program is available exclusively through Maines in your area.

If you want to drive more sales, attract more customers, generate more profit, and ignite your word-of-mouth marketing, ask your Maines representative about using The Restaurant Formula™ in your restaurant.

Gerry O'Brion is a speaker, author, and the creator of The Restaurant Formula program. Gerry is the former VP of Marketing for Red Robin and Quiznos. He also worked on brands such as Coors Light and brands at P&G such as Crisco, Spic-N-Span, and Mr. Clean.

