

“BETWEEN A ROCK AND A HARD PLACE”

WHAT SUCCESSFUL FOOD SERVICE OPERATORS MUST FOCUS ON FOR 2012



As many of us are tuned into our latest news broadcast or internet web page it appears that doom and gloom about our economy is everywhere. Sometimes I believe we are just in a “crisis of confidence” fed by our need to be connect-

ed to information 24/7. As an operator what is the right choice to make about your menu selections, price points, and staffing levels all while delivering an exceptional product to a guest base that is looking for more value for their spend today than ever before. We will all continue to struggle with vendor supply costs that continue to be high as the on-going toll of drastic weather events hits our supply chain at the very base level affecting all costs before it arrives to your dock. So what tools are at my disposal to deal with all of this instability?

The dreaded question of should I raise menu prices? Casino 101 tells us that food (Fuel for gamers) should always be offered at a discounted price so our players feel they are getting a bargain for playing in our facility. I look at this position from two angles, for those of us who have multi tiers of dining offerings we look to minimize price increases for the entry level dining tier such as fast food counters or snack bars. A great place to look for revenue increases in these areas is to begin with beverage prices. Is there an opportunity to make small increase of five or ten cents? Are your fast food menus offered a la carte style or bundled with side dishes and beverage included? Making changes in offerings or bundling can add to an increase in your check average and improve perceived value in these areas. Limiting your menu offerings can also increase check averages and improve transaction time at the POS station as well.



For mid-tier al la carte dining facilities moderate price increases are reasonable as your guests will have dined in other restaurants in your vicinity and have experienced entrée salads, gourmet sandwiches, and home comfort food menu entrées well over \$10.00. The \$10.00-\$17.00 price point range is where much of our dining revenue is generated from and is the most competitive in nature. Careful consideration here in making the right choices for increase can greatly affect the price value perception a guest will have of your operation and therefore a decision to make a return visit or not. Your menu analysis should yield the right answers of what items to maintain at their current price point for the good of the community perception of your restaurant against those choices that will serve your bottom line the best. A careful review of portion sizes can also help make decisions to maintain current price points while portion size becomes smaller.

Top-tier dining menus can absorb larger price increases. This is not a “pseudo tax on the rich” but a realistic move that guests who dine at this level understand has happened to all of the venues they frequent. Guest feedback is to be expected here but people will pay for top quality as long as you deliver on the experience they expect when paying top dollar. An alternative to ease the increase may be to consider doing some beverage related discounts for wine sales or incentives for off peak business levels during the mid-week. Even Guests who spend at this level like to know there are value options available to them and this sets a up an extra visit to your outlet.

Staffing level choices will be tough for 2012 as investing in salesmanship training for your staff is the biggest key to drive your sales. Establishing incentives that involve the employee competing against themselves to raise their check averages using their sales history is the most effective in motivating your entire team to move forward. Cross training in the back of the house is a must to enhance skill sets. Reviewing new revenue opportunities such as food to go, family style meal options,



developing limited catering menus for your outlets and utilizing dining room space in off peak times to offer to larger groups are all things that should be considered.

2012 will be another transitional year as we all hope to see things turn around and our “Crisis of Confidence” replaced with a healthy appetite from our guests for more of what we do best!

Scott Kidd was named vice president of food and beverage at the Oneida Nation's Turning Stone Resort Casino in August 2010. He has more than 25 years of experience in the resort food and beverage industry. At Turning Stone, he oversees all of the food and beverage operations at, including

more than 15 restaurants, catering for hundreds of business meetings and wedding receptions, all beverage operations, room service and the employee cafeteria, as well as a staff of more 1,100 people.

A graduate of famed Culinary Institute of America in Hyde Park, N.Y., Kidd was most recently vice president of food and beverage at Thunder Valley Resort and Casino in Lincoln, Calif. Before working at Thunder Valley, he was executive chef and executive director of food and beverage at Barona Valley Ranch and Casino in San Diego. Earlier in his career, he served as executive chef with Grand Canyon National Park Lodges in Arizona and executive chef at Knott's Berry Farm in California.

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