



10 COMMON **MISTAKES** RESTAURANTS MAKE



**THE
RESTAURANT
COACH™**

BUILD YOUR BRAND. STRENGTHEN YOUR TEAM. INCREASE YOUR PROFITS.



WELCOME TO THE RESTAURANT COACH™

When you work with an average of 400 restaurants a year you tend to see patterns. There are patterns of success and there are patterns of failure. My goal with Restaurant Masterminds is to give you the tools and information you need to build a brand that stands out in your market. Some of these things may be common sense. However, I think we all can agree that sometimes common sense is not that common.

Knowing what to do is very different than doing what you know. Many of the concepts we will discuss are no stranger to you. It might be that you have just forgotten and my mission is to give you a gentle reminder. If you found me via a blog post or attended a workshop I held, that says a lot about you. You don't settle for average. Average people don't look for ways to improve.



10 COMMON MISTAKES

Independent Restaurants Make

I want to review some of the most popular topics that I address in seminars, workshop, and in blog posts. Now this list is not inclusive or in any particular order. We tend to find that when you put things in numerical order people tend to take them at face value as a ranking of importance.

All of these common mistakes are areas that can be easily improved upon through a commitment to change and consistent action. That's up to you. My mission is to make you aware of common obstacles and to give you some tools that can allow you to implement change in your organization.



Head to Paper

Failing to capture all those little things. The details in your head. Putting them on paper will save you from the common excuse of “I have to do it all myself”. You must make a commitment to write down the standards that are floating around your brain. Trust us, without clear, concise, and a written process for everything in your restaurant you will never be able to maximize your true potential.

In the absence of standards, your team will make their own. The problem with that is many don't have the same standards as you. Setting expectations upfront is easier when you have a written format to use for training and also disciplinary measures. Michelin Star Chef and Restaurateur, Terrance Brennan says that, “the key to setting and maintaining high standards is having them written down. You must have communication with your team about what exactly you expect.”

Solution: Scheduled time to do a review of all your current systems. Is there anything missing? Does your training really dive into the details or more just the mechanics? If you don't like to type, invest in a software like Dragon Naturally Speaking. This talk to text software allows you just to dictate to a Word document. The PDF you are reading was created using that same software.

Everything to Everyone

This mistake is probably one of the most common ones. On the surface it might appear like a great idea to appeal to as many people as possible. The reality is that it is a long-term recipe for failure. Who is your ideal guest?

Now, before you say "everyone," please note this: you cannot be everything to everyone if you want to stand out in the market. You need to be dialed in for a specific target market. That requires knowing exactly who you are and what your brand is all about.

Solution: There is an exercise that consultants take people through when developing a marketing strategy called an avatar workshop. You will want to come up with an ideal story about your ideal guest. This is also known as developing a "buyer persona."

The more detail, the better.

You need to know the basics, including:

- Age
- Income
- Neighborhood they live in
- General demographic information.

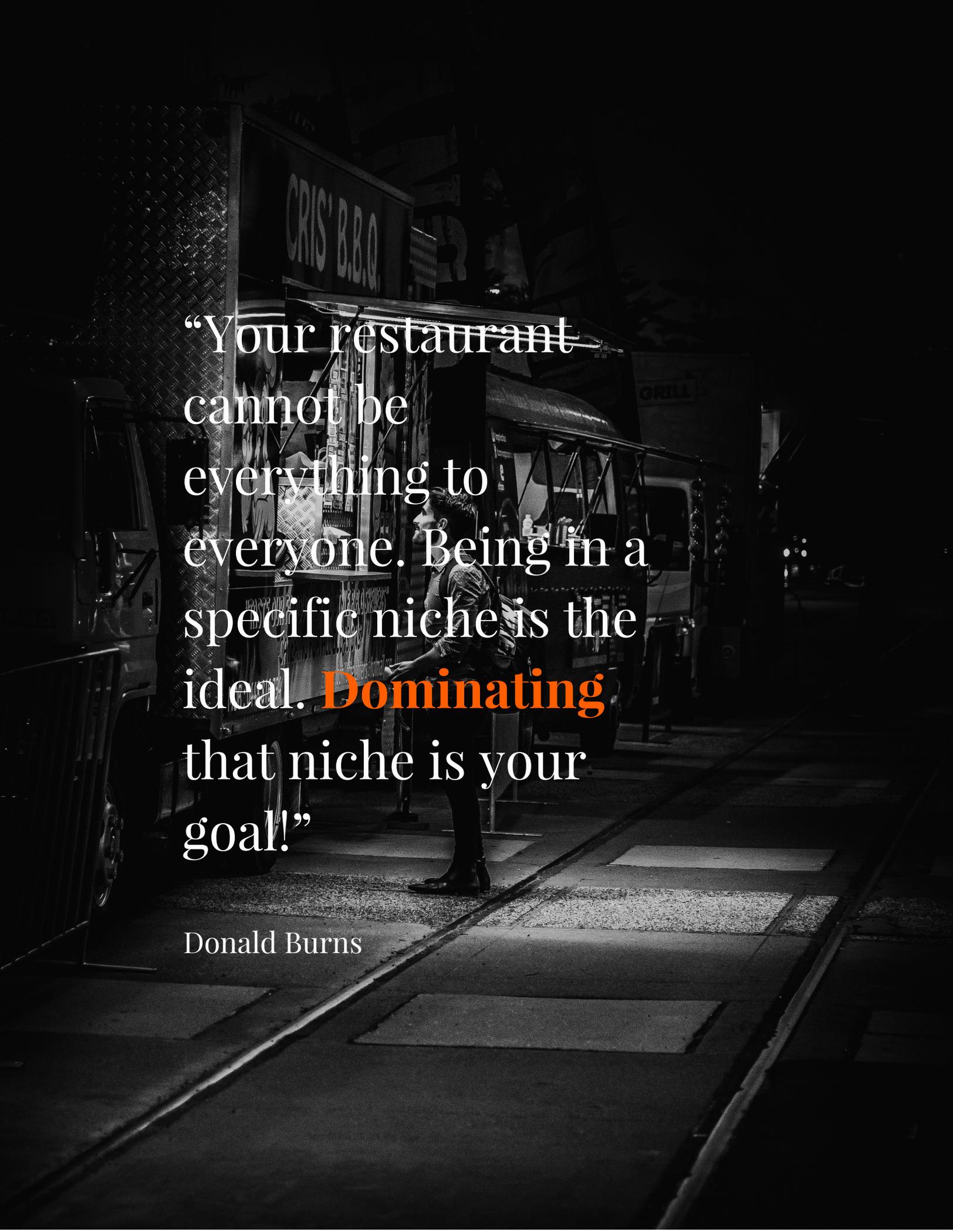
On top of this, you need to explore the psychographics.

What exactly are psychographics? These are more dialed in to a person's behavior.

Ask questions like:

- What kind of car do they drive?
- What grocery store do they shop at, Whole Foods or Market Basket?
- What kind of music they listen to?
- What are their hobbies?

These questions might seem kind of strange to ask when trying to figure out your ideal guest. However, they are critical to understanding where these people spend their money. If your brand can align with their spending habits and values, you have a good match.



“Your restaurant cannot be everything to everyone. Being in a specific niche is the ideal. **Dominating** that niche is your goal!”

Donald Burns

Opportunity Cost

Sometimes, there are a lot of soft costs hidden behind what might seem an easy process. Example: it might seem like a good idea to have multiple vendors. You get each one competing against each other for the lowest price. You have lots of options. Good for business, right?

Not so fast. Think of how much extra time is required from you or your culinary team to analyze multiple bids from multiple vendors. How about the extra time required to code and enter all invoices now?

What appears as the easy route, actually is not very cost-effective. We tend to assess our organization from a cost standpoint and not an opportunity standpoint

Solution: When you are presented with an opportunity, write down all the options that are associated with it. Like a massive brainstorming session. Look beyond the cost and try to dial in on long-term benefits.

Chasing The Savings

Let's make this clear: you cannot save your way into profitability. It just can't be done. There are so many dynamics in restaurant success and while financial sensibility is truly one of them, it cannot be the driving factor. Too many restaurants focus in on just trying to control their food cost through purchasing. If you've ever heard of The 40 Thieves of Food Cost you will notice that only one out of the entire list is related to the price you pay. All the other factors have to do with what you can control day-to-day in your restaurant.

Portion control, receiving, par levels for production, waste sheets, organizing storage areas... These are the real food cost killers. They're also something that you can control right now.

Solution: Take a look at other areas on your P&L like labor cost, linen, entertainment, credit card expenses, and others that might be off the radar. It's always good to give them a review every quarter.



Making Busy Busier

If you don't have an active plan for marketing your restaurant, then don't be shocked by random results. Most restaurants that do not have a strategic marketing plan tend to unconsciously market on days that are generally busy anyway... Friday and Saturday. When they do this they just make busy times, busier. The downside is that we don't need to drive traffic towards already busy nights that will tend to overload the restaurant. It's easy to justify increased traffic by saying it equals increased sales.

Yes and no.

While you do want to market and keep your restaurant full on weekends. You also want to market to those slower days that tend to become a thorn in the side for many restaurant operators. Overloading the restaurant on busy nights can actually damage a brand long-term. Guest complaints, long ticket times, and product not at standards are common issues that happen when you make busy nights, even busier with misplaced marketing.

Solution: Have a marketing plan that you follow to make sure to fill in those slower days. Keeping your brand what is known as "top of mind" requires consistent and steady marketing effort. Get creative on ways to drive traffic toward slower days, without compromising your brand.

Incomplete Customer Journey

There is a process to everything and knowing the precise journey your guest will take from first being introduced to your brand to leaving your restaurant after visiting is a multistep process that many overlook.

Some overlook the beginning of the journey when customers are first coming in contact with your brand. Things like your website, social media, and being able to be located on Google maps are little things that make a big difference in the mind of the guest. Others miss out key elements in the middle like the “to bite check back” and bathroom cleanliness. Perhaps towards the end of the journey with cashing out the check or even saying goodbye and thank you.

Solution: It is important to constantly review and improve your customer journey and steps of service. Once again going back to setting standards and expectations, do you have a clearly defined customer journey? Is each step detailed with what exactly is expected from every member on the team? Do you have timing standards in place? How long after a guest sits down should they be greeted by a member of the team? Remember, if you can't measure it, you can't manage it.

Hiring on Demand

If you read any news about the restaurant industry you will surely see the topic that many describe as “the war for talent”. The problem is that this is a self-induced issue caused by hiring on-demand. When you are only hiring because you need to fill a position with a warm body, that's what you tend to get. It definitely is an “employee market”, in the sense that there are way more job openings than there is top talent. If you only advertise when you are looking for someone to fill an immediate need you tend to get desperate to fill that position. Panic hiring is never the answer to build a deep bench of superstars.

Take a look at the book titled, **Topgrading** by Brad & Geoff Smart. Here is what the book can do for you:

Whether you are an owner of a 10-person company, CEO of a 100 restaurant chain, or manager of a small café, here's a scenario you probably can relate to:

You have a mixture of talent, and your marginal performers cause you the most frustration. You'd like to spend more time helping your high performers achieve even more, but chronic low performers take up too much of your time and your high performers' time ... and those low performers drag down your entire organization. You value talent ...you really do, but you only have about 25% high performers. You try to coach the poorer performers, but ... it rarely works.

You occasionally replace one, but:

- *Want ads don't find good enough candidates.*
- *Resumes are suspect—C Players hype their resumes to look like A Players.*
- *Your competency ("behavioral") interviews are not very revealing.*
- *Reference checks are generally worthless.*
- *Too often the people hired disappoint you.*
- *All those mis-hires are VERY costly.*

Solution: Learning how to interview better is key to selection. The other is to have a continuous recruiting plan in place. You should always be hiring. If you want to attract top talent, then you need to cast a wider net. ***Always be recruiting.***

Employee as a Liability

In business when we look at balance sheets, there are two columns: assets and liabilities. A common mistake some restaurants make is that the owners and managers treat the staff as if they are liabilities. Have you ever heard of the Pygmalion effect?

The Pygmalion effect (also known as the Rosenthal effect) is a principle that resonates with the Law of Attraction. What you expect, you tend to get. Now, that might sound a little Pollyanna and fluffy BS however, it is backed by research.

In 1964, a Harvard psychologist by the name of Robert Rosenthal visited Spruce Elementary School in San Francisco. He administered standard IQ tests on the students and told the teacher that some of the students would bloom academically. Just as he predicted, the students he selected did exceed. What the teacher did not know was that Rosenthal chose the students randomly.

The mind is like a rudder in the sense that what you expect, you tend to get, much like a self-fulfilling prophecy. If you think your staff is lazy, then you tend to have lazy staff. If you think your staff is a bunch of thieves, you probably will have a few in your business. Seek and you truly will find.

Solution: How would your team change if you changed your expectations of them? What if you commonly told people on your team that you believe in them and they had something amazing inside of them just waiting to rise up and shine in the world? What if you look for the good in people? Being a cynic is easy. Easy will never make your restaurant outstanding.

Lack of Brand Identity

Branding 101: Your brand is **not** what you say it is, **it's what your guests say it is**. Here is the major dilemma, if you're confused about your brand, how do you think your guests feel?

Brand expert, Karen Post describes the 3 common brand mistakes:

Whether you're a 5-star rock star chef, an owner of a small, outdoor cafe, or a partner in a group of trendy sports bars, your brand matters.

We're not talking about your new logo or your latest promotional campaign, either. Those are important elements, but your brand is the sum of all that you do. It's what your customers, employees, the media, and even your personal relationships think, feel, and expect from you or your establishment.

Your brand is the cumulative result of the perceptions and realities that manifest over time. Your brand is about creating a reputation and image — from what people see, to what they hear, to what they experience day in and day out.

As entrepreneurs, restaurant operators, and food and beverage leaders, we don't control the final impression of our brands. That's the role of the audience we serve and connect with. We do, however, drive a large share of those opinions and views by the decisions we make concerning our brand planning and execution.

When world-class athletes compete, they play hard and strive to be on top of their game at every match. When food and beverage professionals and the establishments they lead compete, they need to work smart and stay on-brand. Here are three common blunders restaurant operators make that hurt their brand and their business' bottom line. Are you guilty of any of the following?

1. Skipping the brand plan and just start buying stuff.

Not having a brand plan is a plan to fail. Your plan does not need to be a 50-page document, but at a minimum, it should concisely define your brand essence.

This means being able to answer the following:

- What is your purpose? To make money, have fun, create jobs, help the local community?
- What values drive your brand?
- How is your brand different?
- What is your brand personality and what is your promise to your customers and employees?

Once all of this is ironed out, your brand plan should next address this question:

How will you make your story stick in customers' heads?

Too many operators decide on their brand name and then start buying stuff. This is no better than flushing cash down the toilet. Instead, get the brand plan down and make investments like furniture, signage, and even uniforms that align with what your brand stands for.

2. Falling in love with something for the wrong reasons.

Yes, it's exciting to be a part of designing a brand experience, coming up with a name, developing the concept, etc. Creativity is a very emotional endeavor and for an entrepreneur, it can be a channel to let your passions flow.

That's all good. But don't get married to ideas that don't move the dial forward on your path to success. Be open to letting them go. Inject some logic into your choices and bounce things off your target audience, not your family members and best friends. They often won't tell you the truth and they're not likely experts. This includes selecting a name that you're crazy about but that no one can spell, let alone pronounce. Or worse, you choose a charming location with no parking, sitting in a flood zone. I'm not suggesting you let go of your ingenuity, but do always keep the customer experience in mind — it's a critical part of your brand.

3. Throwing consistency out the window.

Consistency sets expectations for customers. Consistency molds your brand and reputation. Brand owners who set a high standard and diligently practice consistency in their brand delivery, from their food to service to communications, and add fuel to their brand tank make all other marketing efforts more effective.

Solution: Improve your consistency by implementing these benchmarks:

- Use checklist training for your staff with clear guidance on service policies.
- Use photos of food presentation standards for kitchen and service staff.
- Create promotional materials that strictly follow a brand's visual look and feel. This means sticking to a simple color palette, limiting your typefaces to two or three, and making sure they send the right message. The integrity of your logo must also be protected with consistent use of the right size. Select art and images carefully to create a memorable pattern.
- Establish a common content voice and personality in both internal and external communications.

Whether you are a small or large operator, being **on-brand** every day is a doable task and can produce happier customers and fatter bottom lines. It just requires making decisions on what you stand for and having the discipline to execute your brand story.

Training vs Learning Culture

School is never out for professionals. The old saying that “learners are earners” is true. The more you learn and grow, the more value you can bring to the market. If you are a leader, the more you learn about communications, management theory, marketing, service, operations, team dynamics, and personal development, the more you are worth. Now if you think that can all happen during your 40-50 hour work week then I have some sad news for you...it's not going to happen.

Write these words down: Learn It, Train It, Apply It!

You have to push past your comfort zone if you want to grow. Now pushing past your comfort zone is not as easy as people think. But hey, if it was easy then everyone would do it. There are basically 5 key challenges you must contend with to break free of your comfort zone: authenticity, competence, resentment, likability, and morality. Sometimes you only hit a few of these challenges and you might be able to work through them. Other times you are going to get slapped upside the head by all 5 and that feels like running into a brick wall. Coaching is an effective tool to get people through the comfort zone they tend to stay close to. To learn you need to get beyond your comfort zone.

After you learn it you need to train, train, and train some more to develop the new behavior or skills. Without enough training you will just slide back to your comfort zone. Here is where most restaurants fail. **Not training enough.** They train the team when they are brought on and maybe (just maybe) train them once in a while. Few restaurants make the effort to really become world class at training. **Whatever you think is a good amount of training, honestly probably is far below the level you need to be at. The best way to make this change into more training is to shift your culture from a training culture to a learning culture!**

Training cultures just do the normal training curriculum that focuses on job skills. You train at the on-boarding phase and maybe a class every six months.

Maybe you hand out a book for people to read however, there is no discussion or agenda to extract the information and apply it to the business. Training cultures do the minimum needed. They are average.

Learning cultures focus on developing not just skills, they go beyond to enhance people skills. Restaurants truly get better when you have better people working in them. Work on the real skill sets that hold people back: communications, social skills, body language, building rapport, organization, focus, and personal accountability. These are the skills that will transcend your restaurant to the legendary level. Make an investment in developing your people and they will build your business. Most restaurants focus too much on building business and sales. People often are an afterthought. **Change that equation and you'll change your business for the better.**

Conclusion

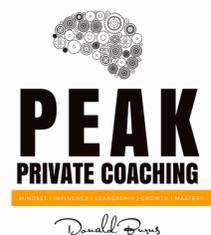
I think you'll see the common thread among most of these mistakes is the inability to make adjustments and change. Restaurant Mssterminds will challenge you to look at your restaurant and yourself in new ways. If that makes you a little uncomfortable, good. *That is a great place to start.*

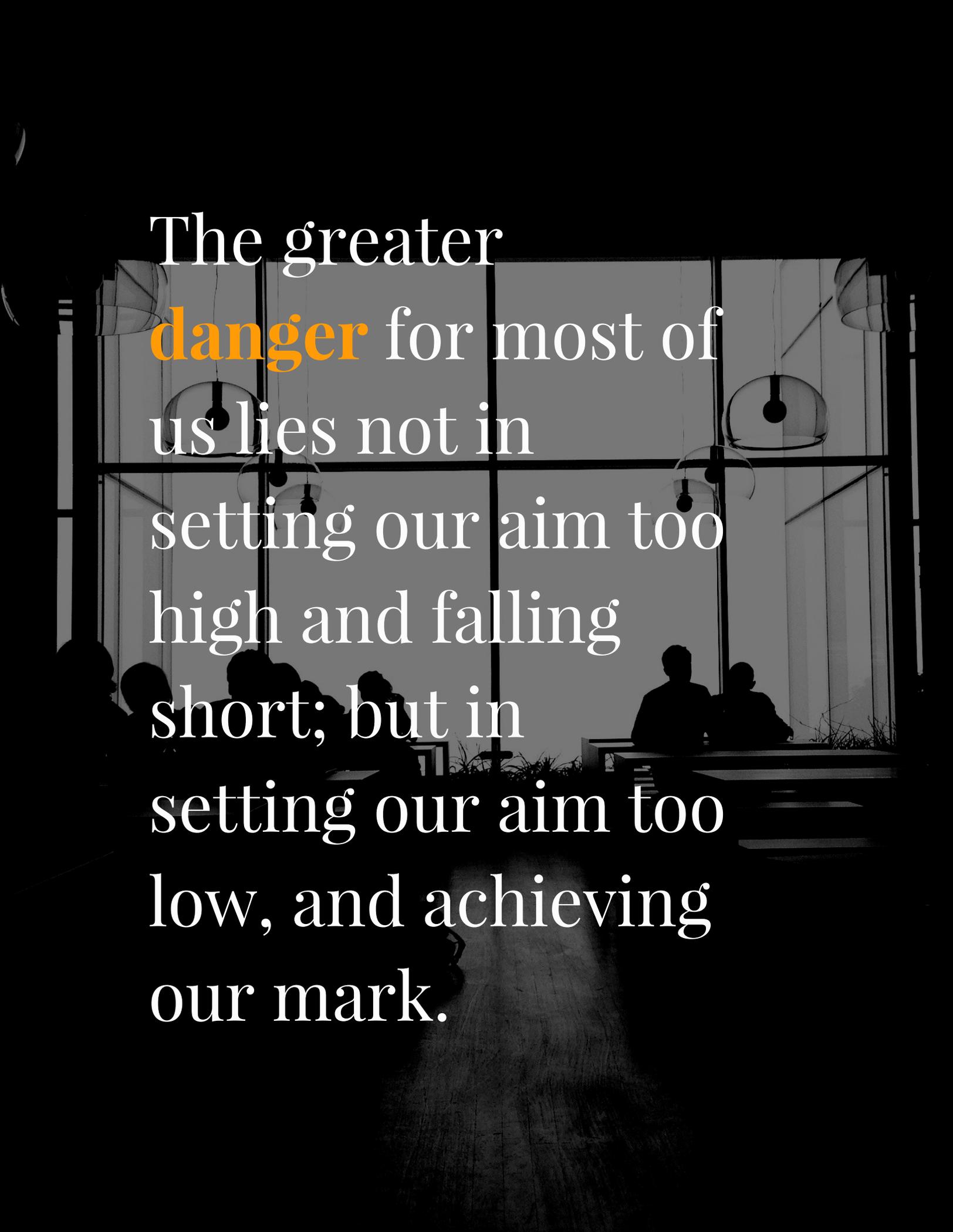
Remember: change the way you look your restaurant and your restaurant will change.

Donald Burns

The Restaurant Coach™

THE RESTAURANT
profit roadmap





The greater
danger for most of
us lies not in
setting our aim too
high and falling
short; but in
setting our aim too
low, and achieving
our mark.