FOUNDATIONS OF
Menu Planning

Second Edition

Daniel Traster

Pearson

FOUNDATIONS
OF MENU PLANNING

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Second Edition

Daniel Traster, CCP

P Pearson

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To Rebecca, Elizabeth,
and Benjamin, for continuing to share, celebrate,
and support through all that life has to dish out.

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PREFACE

When I was a student in culinary school many years ago, I learned a great deal about a range of culinary subjects, but menu planning was not among them. After some time in the industry and years of creating numerous menus, I found myself working at two different culinary schools. In both cases, the schools subsumed menu planning under the subject of nutrition, as if the only challenge to writing a menu were to accommodate a special diet. This is not to say that nutrition is not a critical subject for a chef to study; however, the act of writing even the most basic menu is not as easy as it might seem.

Thousands of restaurants open across the country every year only to shut down after their first few years of operation. Plenty of chefs with spectacular culinary talent fail to tailor their menus to the local market. Others simply do not know how to price their menus effectively. Still others start off well only to see their profits erode over time under the yoke of a static menu. In all of these cases, the restaurants might have survived had they managed the menu-planning process better from the start.

These challenges afflict not only restaurants but all forms of culinary operations. Caterers, hotels, bars, and noncommercial operations all live or die by the effectiveness of their menus. Menus are marketing mechanisms, cost control tools, and critical communication devices. Without them, revenue and profits wither away. Sadly, anyone looking to study the subject would be hard-pressed to find a comprehensive, easy-to-grasp textbook. I believe culinary and hospitality students deserve better.

New to the Second Edition

This second edition includes updated and expanded content to reflect changes to the industry in the years since the first edition was published. Major changes and updates are described subsequently.

In order to showcase a wider range of modern approaches to food, nearly all of the menus in the text are new. These menus represent a variety of foodservice operations across the United States and reflect both regional and national industry trends. The book's pedagogical value has been enhanced through the addition of two new end-of-chapter elements: Case Studies provide more complex challenges to drive classroom discussion and the Capstone Project leads students through the process of creating their own menus rather than just reading about the theory behind menu planning. The Technology Assistance sections in Chapters 6 and 11 lead students through the process of creating their own templates in Excel to conduct recipe costing and menu analysis. Additional key updates are as follows:

- Changes in nutritional advice for menu planners as reflected in the *Dietary Guidelines for Americans 2015–2020* (Chapter 2)
- Shifts in modern menu pricing approaches from the traditional table d'hôte to the more modern prix fixe with supplemental charges approach (Chapter 3)
- The small plates trend in modern menus (Chapter 4)
- The trend toward signature cocktails made from house-crafted mixers (Chapter 5)
- The incorporation of industry terminology for menu content, including "menu copy," "descriptive copy," and "institutional copy" (Chapter 8)

- Software and other options for laying out the menu during the design phase as well as a discussion on the various ways to organize an online menu (Chapter 10)
- More detailed explanations on how to engineer menus for greater profitability after conducting a menu analysis (Chapter 11)

Finally, I have updated the PowerPoint slides, test bank, and teacher's manual to help teachers facilitate a lively and informative class.

The Book's Structure

Foundations of Menu Planning guides students through the menu-planning process in the same order in which a menu planner typically conducts the process in the real world. The book begins with the resources commonly used to understand and define a target market. The text then progresses to a survey of general nutrition concerns that most menu planners must address in their work. Two chapters on menu styles follow, highlighting how they differ and how different menus organize items under various headings to reinforce their company's brand and theme. The focus then shifts specifically to the unique elements of beverage menus. The book moves next to recipe costing and menu pricing to ensure future menu planners can learn how to make their menu items profitable, and then to a chapter on the art of writing appealing and accurate menu item descriptions, known as descriptive copy. A chapter on unwritten menus is included to address how to replicate the functions of a menu when the customer is not given a written menu. The chapter on menu layout and design guides readers through the process of selecting a menu design that supports the business's brand. The study of menu analysis and evaluation trains readers on how to engineer a menu to make it even more profitable with each iteration. The book closes with a discussion of the pros and cons of a menu-first approach to menu planning.

In addition to addressing the "how" of menu planning from a logical, sequential approach, *Foundations of Menu Planning* delves into the "why," so students understand the purpose behind each step. That the book deals with broad menu-planning concepts but also expounds upon variations specific to certain types of foodservice operations makes the material applicable to undergraduate culinary and hospitality students no matter where in the industry they work.

In addition to the primary content of the book, I have included several pedagogical tools to enhance the educational experience of the reader. Because words are no substitute for pictures of real menus, the book contains a great many images of menus from foodservice operations across the country. These menus (and other images) reinforce the book's narrative and illustrate how menu-planning principles are applied in the real world. In the math-based chapters, examples permeate the text to illustrate how each equation is executed in practice.

Each chapter concludes with a summary of the chapter's main points, comprehension questions to ensure that students have grasped key concepts from the chapter, and discussion questions to push students to think beyond the chapter and to apply the learning to their own personal experiences. The discussion questions do not necessarily have a single correct answer, but they can spark class discussions to help students probe challenging menu-planning concepts. For more extended analysis of each chapter's content, most chapters now include a case study at the end of the chapter. Chapters 6 and 11 also include a section to guide students through the process of setting up their own worksheets, complete with formulas, in Excel or similar software. There are many products available for purchase that claim to perform recipe costing and menu analysis, but there is no reason a menu planner should remain dependent on purchasing additional software when the process of setting up one's own template is easy enough to learn.

A Note on Gender and Pronouns

Readers will notice that the text alternates by chapter between male and female pronouns. While men and women both have much to contribute to and learn from the culinary industry, the English language makes gender-neutral communication difficult and clumsy. Rather

than using "he/she" or similar constructs, I have opted to use male pronouns in the odd chapters and female ones in the even chapters. The use of one set of pronouns in a given subject area is not meant to insinuate anything about the relationship of one sex to that particular material. Rather, the alternation is an attempt to convey the relevance of the book's entirety to both sexes equally.

How to Use This Book

Students: This book includes a great deal of information. Trying to understand and retain it all becomes much easier when you realize that the world is your classroom. As you read through each chapter's content, see how the lessons apply not only to the menus included in that chapter but to the menus located in other chapters as well. Do not quickly gloss over the menus just to finish the chapter; instead, read and analyze them carefully to understand them better. The menus included in this text have been selected as excellent examples of various approaches to menu planning, but you can learn from foodservice operations' menus in your neighborhood and online as well. Just as you develop your palate by tasting food critically and thinking about what you would do differently, start to look at menus critically to consider how you might improve them. By applying this book's lessons to your own restaurant experiences, you'll secure your learning for the future and more easily employ it when you need to create a menu.

Teachers: As a former culinary educator, I have written the book to accommodate the realities of teaching in a classroom. The opening chapter is shorter than average to allow sufficient time for coverage on the first class day when introductions and syllabus distribution are necessary elements of that first session. Similarly, the final chapter, also brief, gives you time to conduct a course review prior to the final exam or to have your students present their capstone projects. With twelve total chapters, the book is flexible enough to be used effectively in a quarter or a semester system school.

The book includes not only comprehension questions that may be assigned as homework, but also discussion questions, case studies, and a capstone project for those of you who would like your students to go through the step-by-step process of designing their own menu. My intention in including these additional end-of-chapter tools is to help your students effectively apply chapter material to the actual process of menu creation.

Finally, no textbook is complete without a range of supporting material for students and instructors. This text's teacher's manual includes not only key chapter points but also recommended in-class educational activities and assessments. PowerPoint slides of the chapters and a test bank are available as well. To access supplementary materials online, instructors need to request an instructor access code. Go to www.pearsonhighered.com/irc, where you can register for an instructor access code. Within forty-eight hours after registering, you will receive a confirming email, including your instructor access code. Once you have received your code, go to the site and log on for full instructions on downloading the materials you wish to use.

What's at Stake

Most culinary professionals know the statistics showing the vast percentage of restaurants that fail in their first few years. Surely, other types of foodservice operations face similarly grim odds. Many students come to culinary school with dreams of opening their own businesses, and of course, a strong desire to learn how to cook really well. Yet of the many reasons that so many foodservice businesses shut down prematurely, the chef's inability to cook doesn't even make the top ten. A poorly written menu, on the other hand, sets a restaurant on the road to certain failure. A great menu may not guarantee a company's success, but it provides a strong foundation on which the business can build.

No book is perfect, but I sincerely hope that students will find *Foundations of Menu Planning* an informative, inspirational, and comprehensive study of the subject matter. Writing an effective menu is no easy task, but with the right book and the right teacher menu-writing skills can be learned. Through this book, I believe readers will gain an understanding of the menu-planning process and the ability to create an effective and profitable menu as they head off to become successful industry leaders.

Daniel Traster

ACKNOWLEDGMENTS

ABOUT THE AUTHOR

Keith Erickson

Daniel Traster, CCP, has over eight years of formal culinary arts education experience, mostly at the program management level. He worked as the Dean of Culinary Arts and Hospitality Management at Stratford University in Falls Church, VA, and as the Academic Director for Culinary Arts at the Art Institute of Washington. Additionally, Traster served two years as the Chair of the Cooking Schools and Teachers section of the International Association of Culinary Professionals after two years as the section's Vice-Chair. Currently working as a culinary and education consultant for multiple organizations and as a writer, Traster has relished the opportunity to experience firsthand the wide range of career options available in the culinary field. Prior to teaching, Chef Traster cooked in various types of foodservice operations including "Bagels and . . ." in New Jersey; the Four Seasons Hotel in Philadelphia; Provence Restaurant in Washington, DC; Occasions Caterers in Washington, DC; and as a private chef. Over his career, he has served on the boards of the Restaurant Association of Metropolitan Washington and its Education Foundation; the Nation's Capital Chefs Association (a chapter of the American Culinary Federation); the Epicurean Club of Washington; and the National Capital chapter of The American Institute of Wine & Food. Chef Traster has also served on the advisory boards for DC Central Kitchen, the Center of Applied Technology North, Stratford University, and Lincoln College of Technology. A strong believer in lifelong education, he holds a B.A. in English and Theater from Yale University, an A.O.S. in Culinary Arts from The Culinary Institute of America, and an M.S. in Adult Learning and Human Resource Development from Virginia Tech. In addition to this text, Traster has authored *Welcome to Culinary School: A Culinary Student Survival Guide* and *Foundations of Cost Control*, both published by Pearson. Daniel Traster lives with his wife, Katie, and his daughter, Abigail, in Washington, DC.

As any textbook can be improved through the collective input of culinary school students, teachers, and industry professionals around the country, Daniel Traster welcomes feedback, comments, and suggestions for future editions. He can be reached via email at WelcometoCulinarySchool@gmail.com.

CHAPTER 1

Factors That Define a Menu

INTRODUCTION

What is a menu? In the most basic sense, a menu is a list of products that may be purchased at a foodservice establishment, but a menu can and should be much more than that. A menu is a communication vehicle that describes for the clientele each dish's components. It markets food and drink to encourage sales. Used as a control mechanism, it helps to keep a business efficient, functional, and profitable. The menu can add to the dining experience by providing history, entertainment, and support of the restaurant's theme. An effective menu meets the needs of both the business and the guests.

Menu planning is the process of creating a menu that achieves all of the aforementioned goals and more. Proper menu planning does not operate in a vacuum but rather begins after a significant amount of research. After all, a menu planner cannot meet the needs of a foodservice establishment and a customer base if he does not first know what those needs are. A menu planner begins by analyzing each of the variables that impact a menu, so, too, this text opens with a study of the multiple factors that define a menu.

CHAPTER 1 LEARNING OBJECTIVES

As a result of successfully completing this chapter, readers will be able to:

1. List several factors that impact and define a menu.

2. Describe how a menu supports a brand.

3. Define a market using demographic and psychographic studies.

4. Describe how staff skill levels, equipment and space constraints, and product availability define a menu.

5. List all of the stakeholders commonly involved in the menu-planning process.

CHAPTER 1 OUTLINE

Which Comes First, the Menu or the Market?

Learning Objective 1
List several factors that impact and define a menu.

A menu planner does not create a menu solely out of instinct and personal preferences. There are many factors that impact and define a menu, and the menu planner must take all of them into account throughout the menu-planning process. The menu planner must consider the logistical constraints of the operation, such as employee skill levels, available

kitchen equipment, work flow, and product availability. Stakeholder needs help define the menu as does the business's brand. Finally and equally important, the composition and desires of the market and the presence of competing businesses all impact the final menu.

Because a menu often determines which individuals from the broader market will choose to patronize an establishment, a business should begin by first analyzing the potential market and then tailoring a menu to meet the needs of one or more segments of that market. Creating the menu first can lead to a business that appeals to a market segment that does not exist in that community. For example, a chef may envision a restaurant that serves the most upscale cuisine in the world, but if his restaurant is located in a blue-collar town with an average household income of $30,000 per year, the locals will likely not dine there.

With a new business, an owner typically identifies a target market and then attempts to envision a brand that will appeal to that customer base. A brand is a business's identity, its soul. It is the set of qualities and characteristics that people associate with the business and often the reason that they spend their money there. A foodservice operation's mission and vision, its décor and location, its style of service, and, yes, its menu all define the business's brand. While the items on a menu may change, the "feel" of the menu (price point, cuisine, types of ingredients, caliber of cooking, etc.) usually does not. For example, a restaurant that serves local, organic, from-scratch dishes at a high price point on one menu will not likely change to a low-cost, mass-produced burger and fries menu during the next round of menu revisions. The brand draws customers, and a properly constructed menu supports the brand. For existing businesses, a menu overhaul continues to support the operation's brand and the needs of the business and the market. A business may choose to modify its brand, but the menu should follow and support a carefully considered brand change, not the other way around.

A business that attempts to be all things to all people ultimately ends up appealing to no one; its undefined brand fails to fully meet the needs of any target market. Identifying a target market and determining the type of business that might meet the market's needs is no easy task. Fortunately, there are several tools available to assist a menu planner or business owner in defining the local market segments: demographic studies, psychographic studies, competitive analyses, and feasibility studies.

Demographic Studies

A demographic study compiles certain data about the population in a given area. If a potential business owner knows exactly where he wishes to open his business, the demographic study should reflect the population of the small area around that location—a zip code, for example, rather than a large city or a state. The smaller the area studied, the more accurate the depiction of the local market will be. Menu planners can acquire demographic studies through the local chamber of commerce, local government, or Census Bureau. (Explore the website of the United States Census at www.census.gov to find demographic data for any U.S. state, county, or city.) A demographic study typically includes the following information:

Age. Listed as both raw numbers and percentages for a series of age ranges, age tells the menu planner whether the local customer is more likely to be older or younger. The foodservice needs of teenagers, middle-aged adults, and seniors will vary greatly from each other.

Marital Status. Singles and married couples may visit restaurants during different hours or prefer different types of establishments.

Housing Type and Household Size. Larger households (families) have different dining needs that impact business decisions from table sizes to menu options. Depending on the area, the ratio of apartments to houses may suggest the level of disposable income locals have to spend in restaurants.

Gender. Owners may choose to adjust their business concept to meet the needs of one sex if the population is significantly tilted toward men or women.

Ethnicity. People from different ethnic backgrounds may prefer different kinds of cuisines, particularly ones that reflect their family's country of origin or historical roots. For

example, a significant population of Salvadoran immigrants may prefer classic dishes from El Salvador.

Religion. Individuals from some cultures may have religious dietary restrictions or food taboos as well. Offering fish during Lent for a Catholic community or kosher foods for an Orthodox Jewish community will appeal to that segment of the local market.

Education. Often, people with higher levels of education seek out healthier foods, display a greater willingness to try unfamiliar foods, and have more disposable income to spend on dining out.

Occupation and Income. The average income and popular occupations alert a business owner to the price point that is most likely to appeal to the local community.

Vehicles. When fewer locals own cars, a business should be located where people can access it easily on foot or via public transportation; otherwise, the restaurant may need to appeal to a larger audience beyond the local area.

Psychographic Studies

Psychographic studies provide insight into the values, interests, and habits of the population studied. Such studies provide information on how people get involved in the community, what their hobbies are, where they shop, what sports they support, where they spend their free time, and what their opinions are on a range of subjects from politics to business to education.

While all of the psychographic data contributes to a more complete depiction of the average customer, the most important data for a foodservice business owner reveals where and how people spend their money on food. If most of the population eats at home except on special occasions, a restaurateur may choose to create a destination restaurant. However, all of the psychographic data must be taken in context. If the town has a huge interest in sports but has only recently grown large enough to support any restaurants at all, perhaps the time is right to open a little sports bar.

Embedded within psychographic data may be a market's receptiveness to current and emerging trends; however, menu planners may need to research the specific trends themselves. For example, in 2016, culinary trends included farm-to-table menus, environmental sustainability and local sourcing of ingredients, healthier and less meat-focused dishes, small plates (tapas, mezze, etc.), artisanal products, in-house canning and curing, and the use of social media applications in restaurants. Menu planners may discover emerging trends by reading periodicals and blogs, or they may travel to see the dining patterns in trendsetting cities. Most importantly, before deciding to factor for a trend in a menu, the smart planner confirms that the target market values the trend. A large city's restaurants may boast several of the trends mentioned earlier, but if the citizens in a nearby small community only want large, meat-heavy portions of fried food when they go out, a trendy vegetarian tapas restaurant will not draw their business. Similarly, customers may prefer to follow trends for special occasion meals but revert to comfort foods during the week. Just as a menu planner should know the current culinary trends, he should also know whether the psychographic studies of the target market depict people who are trend followers or customers more set in their ways. If the market changes its tastes in the future, the business should adjust with the next menu revision.

Competitive Analyses

Demographic and psychographic data can be hard to interpret if the business owner or menu planner has no familiarity with the local food scene. A competitive analysis describes the foodservice competition in the area and informs a menu planner of the likely competitors to a given business concept. Such information helps a restaurateur or menu planner theorize whether a restaurant would fulfill a customer need that is currently unmet in the community or if the business concept has been so overdone in the market as to make a similar business unsustainable. Culinary entrepreneurs should investigate other businesses to see whether similar concepts might attract more customers by providing better service or cheaper prices. A little historical research may also suggest which business concepts have consistently failed in the area.

WHO IS DOWNTOWN?

Downtowners are a diverse group of workers, residents and visitors. It is a relatively young population, with high levels of income, education, and professional accomplishment.

The LIVE segment is characterized by young (average age 38), upwardly mobile professionals, the largest proportion of whom are employed in arts and entertainment, and business, professional, educational and medical services. A majority of respondents live in South Park, The Historic Core or Bunker Hill.

The WORK segment tends to be older (average age 45), and are more likely to be employed in the fields of business, professional, finance, insurance, real estate, and government, in positions such as professional/senior staff or top level executive/managers. They are more often homeowners and work primarily in the Financial District (and to a lesser extent, Bunker Hill and South Park).

The LIVE-WORK segment is even younger (average age 37), with higher income and education, and is more likely to be self-employed or an entrepreneur/ business owner.

GENDER	Live	Live/Work	Work	Visit
Male	43%	47%	31%	36%
Female	57	53	69	64

AGE	Live	Live/Work	Work	Visit
18 - 22	1%	2%	1%	3%
23 - 29	18	19	12	11
30 - 34	22	25	13	12
35 - 44	25	24	24	24
45 - 54	16	19	26	24
55 - 64	10	10	21	20
65+	6	3	3	11

KIDS	Live	Live/Work	Work	Visit
Yes	11%	17%	26%	18%
No	89	83	74	82

RELATIONSHIP	Live	Live/Work	Work	Visit
Married	32%	37%	46%	38%
Living together	20	16	12	12
Single, never married	36	35	27	33
Other	12	12	15	17

ETHNICITY	Live	Live/Work	Work	Visit
Caucasian (non-Hispanic)	47%	48%	41%	43%
Hispanic/Latino	17	19	22	24
Asian/Asian American	17	18	15	13
African/African American	8	3	8	8
Pacific Islander	2	1	1	1
Native American	1	1	--	1
Other group	3	5	3	3
Prefer not to answer	6	5	9	7

EMPLOYMENT STATUS	Live	Live/Work	Work	Visit
Employed full time	61%	76%	93%	53%
Employed part time	4	4	2	6
Self-employed	7	18	3	13
Not employed	28	2	2	28

FIGURE 1.1

This segment of a larger demographic and psychographic study includes information on the places people visit in the area and the types of retail shops they patronize.

Reprinted with permission of The Downtown Center Business Improvement District.

MEDIAN HOUSEHOLD INCOME	Live	Live/Work	Work	Visit
Under $40,000	15%	8%	5%	19%
$40,000 to $74,999	18	21	24	26
$75,000 to $99,999	14	17	15	12
$100,000 to $149,999	21	20	21	15
$150,000 to $249,999	16	19	17	10
$250,000 and over	5	7	7	3
Prefer not to answer	11	8	11	15

EDUCATION	Live	Live/Work	Work	Visit
Less than high school completed	--	--	--	1%
High school or equivalent	11	6	8	10
Trade school/community college	13	14	20	21
Undergraduate/four-year college	42	45	46	40
Graduate or professional degree	34	35	27	29

INDUSTRY OF EMPLOYMENT	Live	Live/Work	Work	Visit
Arts & entertainment (artist, actor, writer, production, etc.)	21%	9%	2%	13%
Architecture, design	3	10	10	4
Business/professional/technical services	13	19	24	13
Educational services, health care & social assistance	13	5	5	11
Financial services and insurance	6	10	15	4
Government (including military)	5	7	14	6
Information media, telecom., Internet & data processing	4	5	4	5
Manufacturing (apparel, hard goods, etc.)	3	2	1	2
Medical/health services	10	2	2	8
Non-profit/civic/religious organizations	4	3	5	5
Real estate (e.g., development, brokerage)	4	9	8	7
Other	11	15	11	19

JOB TITLE	Live	Live/Work	Work	Visit
Professional or senior staff (including educators)	41%	41%	46%	33%
Clerical or general staff	9	11	25	15
Top level executive/manager	15	13	12	9
Technical/development staff	7	5	7	5
Small business owner/entrepreneur	5	10	2	9
Independent consultant, contractor or agent	6	8	2	11
Writer, artist, entertainer	6	7	1	7
Other	12	6	6	11

FIGURE 1.1 *(Continued)*

ACTIVITIES

Downtowners engage in a broad range of social, cultural, and entertainment activities, and are more likely to do them Downtown than in other parts of LA. This is especially true for sporting events, concerts, trade shows and tours. Generally, the residential and live-work populations have the highest rate of participation.

The most popular activities range from museum exhibitions and concerts to nightlife and sporting events, while the most frequented venues include "mainstream" locations such as Staples Center, high culture establishments like The Music Center, and more "niche" attractions such as ArtWalk.

Downtowners also actively frequent retail-oriented locations such as FIGat7th, Grand Central Market and LA LIVE, and public places such as Pershing Square, Grand Park, and the Los Angeles Public Library.

Downtowners utilize a range of transportation modes, including car, Metro, bus, and increasingly, walking. They are also particularly receptive to the BikeShare concept. *(See page 11)*

For information about DTLA, Downtowners show their community-orientation with the highest proportion relying on word-of-mouth. L.A. Downtown News and Los Angeles Times run 2nd and 3rd. Not surprisingly, this Internet-savvy population also frequently turns to web sites such as DowntownLA.com. *(See page 11)*

MOST FREQUENTLY VISITED LANDMARK VENUES

Venue	Regularly	Occasionally
Staples Center	8%	38%
Dodger Stadium	6%	25%
Exposition Park/USC	6%	23%
The Music Center	5%	21%
Downtown LA Art Walk	7%	21%
LA Convention Center	2%	21%
MOCA Los Angeles	3%	19%
Waly Disney Hall	3%	18%
City Hall	6%	12%
Cathedral of Our Lady of the Angels	3%	10%

■ Regularly
■ Occasionally
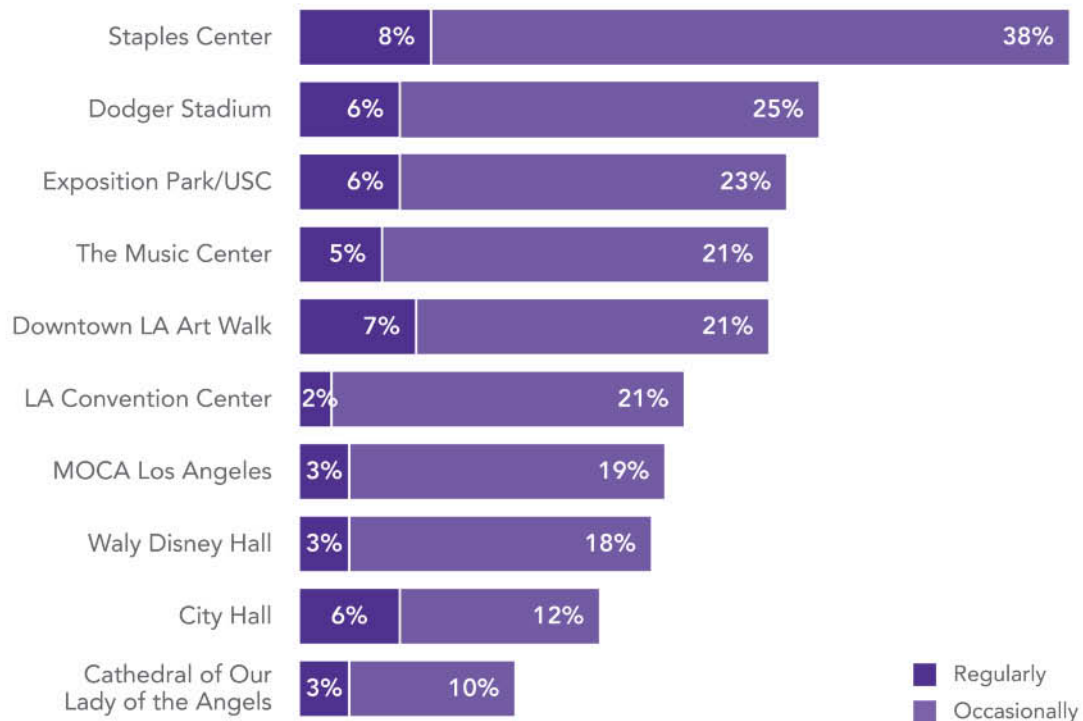
NOTE: The Broad opened on September 30 and so was not included in the survey

FIGURE 1.1   *(Continued)*

SUPERMARKETS: AVERAGE SHARE OF TOTAL SHOPPING

Downtown share of supermarket shopping

32%

68%

Untapped potential for Supermarket Chains

Where they shop

Ralph's	75%
City Target	57%
Smart & Final	30%
Walmart	15%

What they want

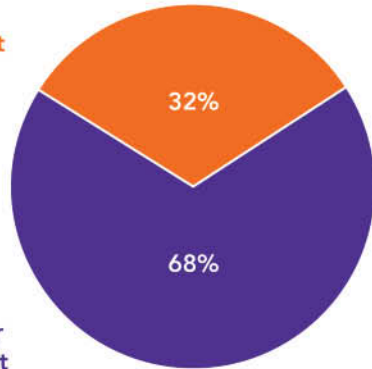|	
Trader Joes	90%
Pavilions	35%
Bristol Farms	34%
Gelson's	32%
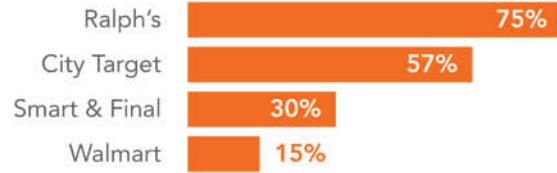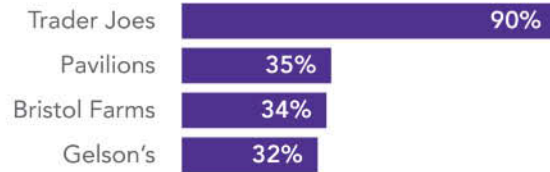
NOTE: Whole Foods opened on November 4 and so was not included in the survey

HEALTH & BEAUTY: AVERAGE SHARE OF TOTAL SHOPPING

Downtown share of Health & Beauty shopping

24%

76%
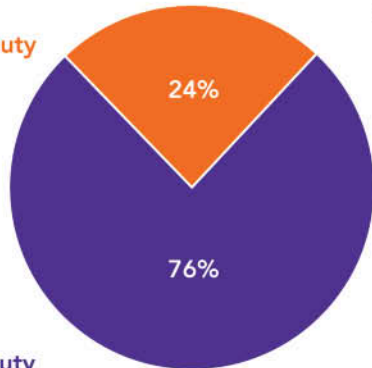
Untapped potential for Health & Beauty stores

Where they shop

Bath & Body Works	48%
Mac Cosmetics	32%
L'Occitane	17%
Aesop	5%

What they want

Sephora	72%
Ulta	50%
The Body Shop	35%
AVEDA	30%
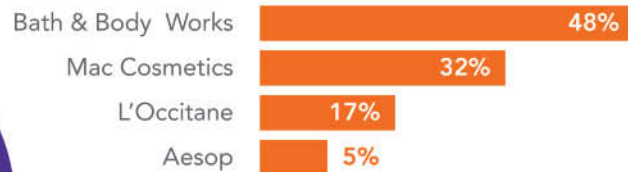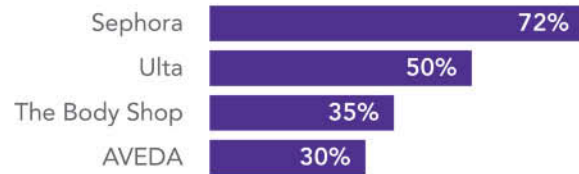
CLOTHING/APPAREL: AVERAGE SHARE OF TOTAL SHOPPING

Downtown share of Clothing shopping

33%

67%
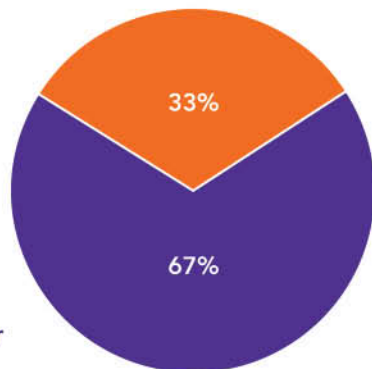
Untapped potential for Clothing Stores

Where they shop

H&M	49%
Zara	41%
Urban Outfitters	24%
American Apparel	17%

What they want

Banana Republic	38%
Forever 21	37%
J. Crew	33%
GAP	30%

FIGURE 1.1   *(Continued)*

Feasibility Studies

A feasibility study combines demographic, psychographic, and competitive analysis data to determine whether a business is likely to succeed. Prospective business owners should hire professionals who specialize in these types of studies to get the best results. Not only does their expertise help them to compile the study more efficiently and accurately, but because they have no emotional investment in a given business concept, their analysis is also likely to be more objective than a potential business owner's would be.

Generating a Menu from the Data

Studies provide useful data, but generating a menu from that data requires some interpretive skill. A menu planner must hypothesize the needs of the various market segments and then see which of those market segments' needs are not being met by the competition. A restaurateur should not be put off by a similar competitor, but he should determine whether the market is large enough to support both his concept and competing businesses. If the market is already sa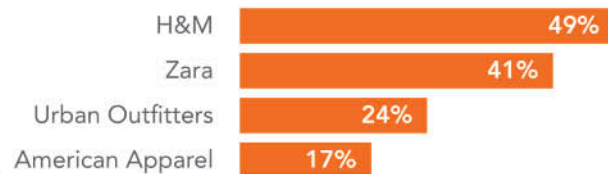turated (unable to sustain another similar business), the newcomer to the market may do better by targeting a different market segment. However, menu planners and entrepreneurs should always confirm that there is a large enough market to sustain a given business concept even if there is no competition. For example, a hip, loud, experimental restaurant targeted at 20-somethings will fail to find customers in a retirement community with no one under the age of 55. Sometimes, competition for a particular market segment does not exist for a reason.

Analysis of the various market studies may reveal obvious constraints to a menu. The market's average income, for example, may limit the menu's flexibility with price points. If a target market does not usually spend more than $30 per person for dinner, then the menu's prices should permit a guest to order one or two courses with drinks for that price. A restaurant that exceeds a market's typical price point may need to focus on special occasion business, as it is unlikely to attract regular customers.

Certain menu constraints only become obvious with personal knowledge of the community. Consider a restaurant targeted toward seniors. While most older patrons prefer quieter dining rooms with sufficient lighting for menu reading, all seniors do not prefer the same limited menu selections. Some mature diners prefer the comfort foods of 1950s America, while others opt for ethnic foods reminiscent of their foreign travels. Softer foods may be a physical necessity for certain seniors, but others may prefer the variety of textures that lend interest to a typical dish. Whether seniors favor cosmopolitan or homey fare may not be obvious from a demographic or psychographic study, but some familiarity or interaction with local senior citizen groups may provide a definitive answer. Making assumptions based on stereotypes alone can lead to an underperforming and ineffective menu, but proven behaviors for a market segment allow a menu planner to design a product for a built-in audience. Fortunately, psychographic studies and competitive analyses describe the proven spending patterns of the community as a whole, if not for each individual market segment.

Logistical Constraints on Menus

Learning Objective 4
Describe how staff skill levels, equipment and space constraints, and product availability define a menu.

Once a business owner and menu planner have selected a business's target market and brand, they should next determine any other factors that would limit a menu's feasibility. Menu planners should avoid writing a menu that the staff cannot execute. Listing barbecue on a menu makes no sense if the restaurant cannot fit a grill or smoker into its kitchen. For a menu to be feasible and profitable, it must make efficient use of the employees' skills, the physical space, and purveyors' available products.

In a new restaurant, the menu determines the caliber of employees sought and the minimal equipment required for the kitchen. However, menu planners must keep in mind that future menu changes will be impacted by that first menu. Equipment purchases and staff skill levels should be versatile enough to support the business's brand in future menu

iterations. For established operations, the menu planner must account for the existing equipment and staff limitations in the menu-planning process.

Employee Skill Level

Complex menus with lots of handmade components per dish typically require highly skilled labor. The same is true for menus that call for servers to perform some form of cooking or carving tableside. Since a higher-caliber workforce often necessitates higher wages, the employee skill level required to execute a menu impacts the menu's price point.

If an existing business has a kitchen team that is only capable of reheating and plating prefabricated dishes, then the menu planner must create a menu that does not exceed this skill level. While the employees could be replaced with a more highly trained staff, to do so would increase labor cost and call for significantly higher menu prices. If the business has been successful and a change in prices would undermine the brand, replacing the workers with a higher-caliber team could drive away business and erode profits. Similarly, there is no value to writing a menu that exceeds the current staff's abilities. The employees would likely put out substandard food that does not meet the menu planner's or manager's goals. If managers choose to train the employees to increase their skill level, they should confirm the training's effectiveness before the new menu is put in place.

Whereas a new restaurant does not have the skill-level constraints of an existing operation, it does have some staffing limitations that impact the menu. As mentioned above, a higher-caliber staff requires higher wages. Additionally, some communities may not possess the trained workforce envisioned by the menu planner. If none of the restaurants in a given community prepare their food from scratch, most foodservice workers in the area will have had no opportunity to practice or learn a higher level of culinary skill.

Equipment

Equipment availability places significant constraints on menu planners and what their menus can offer. The most obvious limitation stems from cooking equipment. A kitchen that consists of nothing more than ovens and a deep fryer cannot effectively serve a la carte sautéed or grilled foods. Chefs can create a workaround for certain pieces of equipment—steaming in a pot with a basket rather than in a commercial steamer, for example—but such equipment alternatives should be kept to a minimum. In the steamer example, a pot with a basket could probably handle a single component for one dish, but it would significantly slow production if four entrées required steamed ingredients.

Refrigeration also impacts menu choices. If a kitchen only has a single-door, reach-in freezer, the number of frozen menu components offered on the menu should be limited. Because more extensive menus require larger storage capacity for ingredients, a small kitchen with little refrigeration and dry storage space will perform better with a small menu rather than with a larger set of offerings.

Work flow also comes into play when deciding upon a menu. If a kitchen is laid out with a set number of workstations, the menu should attempt to balance the amount of production coming from each station. For example, if a restaurant kitchen has only a grill station and a sauté station, it would not make sense to write a menu with six grilled items and only one sautéed dish; otherwise, the sauté cook would be fairly idle while the grill cook becomes overwhelmed. It would be better to divide the menu such that half of the dishes come from one station and the other half from the other station.

While a brand-new establishment may design its kitchen around the opening menu, the menu planner should consider whether or not the initial menu inordinately constrains future menus. If the vision for a restaurant is to serve a variety of modern American dishes cooked in a range of ways, it would not make sense to open with an all-barbecue menu that requires a large bank of smokers on the hot line. To do so would effectively force future menus to replicate the barbecue theme. That said, if a restaurant is going for a specific theme (like barbecue or fried seafood), it may make sense to design a menu that begs for a hot line of all one piece of equipment (all smokers or all fryers, for example).