



# Menu Engineering

Take menu development seriously if you want innovative items that add to brand value and the bottom line.

● **WITH THOUSANDS UPON THOUSANDS OF RECIPES,** cookbooks and products available, how does a restaurant company decide which items will go on its menu? Even in today's technology-enabled, profit-driven business environment, restaurant menu development remains a highly unscientific endeavor. From the smallest 12-seat independent restaurant to a 1,200-unit chain, the menu often is driven by personal preferences or gut instincts. Although the development process should not be devoid of these elements, it certainly shouldn't be governed by them.

Very often, a chef or culinary development team will come up with an idea that sounds great and may even look and taste great. But how does an operator know if it is the right item for the concept, customers and business goals? What guides a company through the process of

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menu engineering as opposed to simply creating new menu items in a vacuum? If your company does not have an articulated criteria and clear process in place, you could be missing some crucial opportunities to add value to your brand and revenue to your bottom line.

Simply stated, menu engineering is the discipline of combining art and academics to create menus that deliver your brand's culinary point of view – and does so profitably. Although some may argue that this approach stifles the creative process, the result is often quite the opposite. With guidelines and objectives in place, truly creative chefs become inspired in the menu development process.

## **MENU DNA**

The foundation of menu engineering is the one-third rule: One-third of the items on the menu should be propri-

etary, signature items; one-third should be traditional or familiar items; the final third should utilize the inventory and byproducts of the first two-thirds. This keeps inventory low, eliminates waste and ensures profitability. The truly creative chef can develop signature items even in the final, utilization category.

Of course, all of the items need to be relevant to your concept and express your culinary point of view. The “DNA” of your menu should support and enhance the soul of your brand. Each item should have a purpose and fit into your brand’s overall value proposition. If your brand’s message is, “We cook with a conscience,” then focus on the attributes of the menu item that reinforce that position, such as “Baby bokchoy steamed in a ginger soy broth and served in its own basket.” This is the type of item that shows guests you walk your talk.

For chains like Panera Bread and Corner Bakery, their DNA is “it’s all about the bread.” For Nathan’s, “it’s all about the dogs.” For Ruth’s Chris, “it’s all about the steak.” For Starbuck’s, “it’s all about the coffee.”

### PROFITABLE PROCESSES

The heart of a chain restaurant’s business is the high-quality food served to thousands of guests every day. The process of getting that food to the table is lengthy and complicated, typically involving numerous departments and many manual and system-related activities. To keep the restaurants fresh and exciting, menu and recipe changes are made frequently, which requires a great deal of planning, work and coordination.

Whether you’re running a large-scale, multi-unit operation or a corner coffee shop, the following menu engineering processes are applicable:

- A chef in a culinary center develops and tests recipes.
- Marketing and chefs write the menu descriptions.
- Food products are sourced, negotiated, obtained and distributed.
- Training materials and menus are designed, printed and distributed.
- Menu and recipe data are made available for the point-of-sale and food preparation process in the restaurant(s).
- Those overseeing operations train unit or shift managers.
- Chefs in individual kitchens make needed adjustments.
- Servers are trained in product knowledge and service protocols.

A broken, missing or incomplete process usually results in redundancies of data entry, flawed execution and late launches. Considering the investment in the development phase, it is incumbent on the operators that the systems, protocols and processes in place ensure an efficient and effective outcome. Mature companies whose systems are not fully integrated need to do “process mapping,” which will allow them to identify bottlenecks and inefficiencies that add cost and slow down the flow of activity.

Menu changes can generally be categorized as either promotions or base menu changes. Promotions often begin with a yearly promotional calendar created by the

marketing department or agency, but also involve personnel in operations and purchasing. Core menu changes are initiated by the chefs in the test kitchens and usually occur two to six times per year. Both types of menu changes eventually channel into the menu-planning department where the requisite menu and recipe data modifications are made.

Many of the successful chain operators have highly sophisticated business processes in place for developing both core and promotional menu items, and it can often take from four to nine months from ideation to unit roll-out. An efficient system that allows for such painstaking attention to process and detail is necessary. The mature chain’s lifeline to the consumer is through continuous, compelling menu promotions. The speed-to-market aspect is critical to keeping a fresh value proposition to the public. Without a streamlined process in place to ensure a steady stream of menu changes and promotions, a chain restaurant could lose market share very quickly.

### METRICS SYSTEMS

Each company should create a roundtable meeting involving the chef, marketing, purchasing, operations and a customer representative to establish the menu metrics that will provide the discipline for menu development.

Some of the metrics may include:

- Lifestyle drivers
- Food cost and price points
- Product availability
- Efficient use of equipment and labor
- Relevance to concept and to other menu items
- Relevance to category, day part or season
- Ease of rollout
- Ability to create a sustainable signature or dominate a category in your segment
- Packaging requirements

Insisting on strict adherence to the established menu metrics will ensure consistent and sustainable delivery of relevant and profitable items. All menu ideas should meet these metrics before any item gets on the menu. Having a clear understanding of the metrics will enable the culinary team to create within the guidelines, thereby helping the restaurant meet its customer satisfaction and profitability goals.

The process doesn’t end once the product reaches the dining table, however. Remember, a menu is like real estate – it has to provide rent to the owner. Operators must closely and accurately track the popularity and sales velocity of any new menu item, a task made easier by the technology enablers available today through most point-of-sale systems. With this knowledge at their fingertips, operators can build a trend analysis to validate or challenge items in development for the next menu change. 🍷

**Arlene Spiegel, FCSI, is president of the food and beverage consulting firm Arlene Spiegel & Associates Inc. She can be reached at 212-628-3232, arlenespiegel@aol.com.**