

FRESH IDEAS TO GAIN A COMPETITIVE ADVANTAGE

FIVE WAYS TO STAND OUT IN A CROWDED RESTAURANT WORLD

BY ECOLAB



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come from
SYSCO

ECOLAB

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>50%

of food dollars are now spent eating “out”—more than ever before.

The number of U.S. restaurants grows

10% annually.

Overview

MORE DOLLARS – SPREAD THINNER THAN EVER

Last year, for the first time ever, Americans spent more of their food dollars “out” – at restaurants and food service businesses – than they did on groceries.¹ So why did the National Restaurant Association name the top 2017 trend, “A challenging business environment”?² Because the booming consumer demand correlates with a boom in the number of restaurants nationwide.

- Across the U.S., the number of restaurants continues to grow roughly 10 percent annually.³
- Consumers are spending more money than ever at restaurants—but those dollars are spread thinner than ever.
- Overall restaurant revenues increased slightly in 2017—but specific cities, as well as many suburban and rural areas, failed to see this revenue growth.⁴
- Declining dinner traffic (a five-year trend) and the lowest lunch traffic in years led QSR Magazine to declare 2017 “the worst restaurant year since the recession.”⁵

With an overabundance of restaurants in most cities, growth – or merely staying afloat – is all about rising above the competition.

¹ U.S. Bureau of Labor Statistics

² www.restaurant.org/Downloads/PDFs/News-Research/2017_Restaurant_outlook_summary-FINAL.pdf

³ *Ibid.*

⁴ *Ibid.*

⁵ www.qsrmagazine.com/news/2016-was-worst-restaurant-year-recession

THE NOISE:

WHAT EVERYONE IS SAYING

When it comes to differentiating a restaurant, most restaurants make one or more of the three same claims. Not only are these generic claims difficult to back up, but if everyone is saying it, then it's just noise to consumers.

1 OUR FOOD IS BETTER

The most obvious way to attract customers – and the toughest sell in the restaurant business.

2 WE'RE CHEAPER

Every restaurant should aim to deliver value. But competing on price is typically not a sustainable strategy.

3 OUR FOOD IS UNIQUE

Twenty years ago, differentiating by cuisine was a fantastic strategy. Today, the glut of restaurants – and the average diner's familiarity with global cuisines – makes it difficult to truly be one of a kind.

OVERVIEW:

FIVE FRESH IDEAS TO RISE ABOVE THE COMPETITION

Today, savvy independent restaurant owners and managers are taking advantage of the agility of their small, locally run businesses to create powerful differentiators. This eBook highlights five unique strategies for rising above the noise in a crowded market to attract customers, deepen loyalty and drive growth.

1 CONNECT BRAND
WITH MEANING



2 FOCUS ON
CLEANLINESS



3 CONVENIENCE



4 ESTABLISH A
SUSTAINABLE
EDGE



5 PUT FOOD
SAFETY FRONT
AND CENTER



STRATEGY #1:

CONNECT BRAND WITH MEANING

Millennials are more likely to **BUY, SWITCH ALLEGIANCES** and even **SPEND MORE** at businesses with socially & environmentally responsible practices.

As millennials and Gen Z-ers rapidly take hold of the bulk of consumer spending, they bring different expectations for businesses – including restaurants:

- Diners want more than quality and value; they want to buy meaning and support causes.
- A company's social or environmental commitments are extremely influential in millennials' buying decisions.
- Socially and environmentally responsible practices make consumers more likely to buy, more likely to switch brand allegiances, more likely to recommend a brand, and even more likely to spend more money per transaction.⁶

This is a huge opportunity for independent restaurants that already have a head-start in the authenticity department.



⁶ www.centerforgiving.org/Portals/0/2006%20Cone%20Millennial%20Cause%20Study.pdf

PUTTING IT IN PRACTICE

KEY AREAS OF FOCUS

1

CONNECT THE MENU WITH A CAUSE.

A simple riff on the “our food is unique” claim is to connect the cuisine with a specific cause or set of values. For example, offer all-organic food, highlight local suppliers, or focus on vegan or vegetarian food, gluten-free options, or a menu that addresses other unique dietary needs.

2

TAKE SUSTAINABILITY BEYOND THE TABLE.

Demonstrate a wholesale commitment to social responsibility by highlighting sustainable and responsible practices beyond food sourcing. For example, start a composting program to reduce the amount of waste, highlight green cleaning practices including products that require less water use and warewashing practices that use less water and energy. Showing that your commitment to responsibility extends behind the scenes is a great way to establish greater credibility.

OUTSHINE THE COMPETITION: FOCUS ON CLEANLINESS

**UNCLEAN
RESTROOMS**
are the
TOP REASON
customers
DON'T RETURN
to a restaurant

There's no underestimating the power of first impressions. The aesthetic cleanliness of a restaurant space is a huge opportunity to attract and retain customers – or drive them away and destroy reputation.

- Dirty restrooms are by far the top reason customers choose not to return to a restaurant – far outranking poor food quality and poor service.⁷
- A positive aesthetic impression often overshadows other shortcomings.
- Half of diners say a clean dining space would lead them to return even after a poor service experience.⁸



⁷ http://www.checkit.net/wp-content/uploads/2016/09/The_Financial_Impact_of_Getting_Food_Safety_Wrong.pdf

⁸ Ibid.

PUTTING IT IN PRACTICE

KEY AREAS OF FOCUS

1

REVIEW CLEANING PROTOCOLS – CREATE A COMPREHENSIVE CLEANING PROGRAM.

Who cleans what, when, how and how often? If you don't have clearly defined processes and responsibilities for all spaces – floors, tables and chairs, kitchen equipment, wares, restrooms, etc. – then you're leaving the door open for a dirty space to devastate your business.

2

DO YOU HAVE THE RIGHT TOOLS FOR THE JOB?

Cleaning chemicals just keep getting better. Regularly talking with your vendor can help you upgrade to better, multi-use cleaning products that help you achieve an outstanding clean in less time.

3

MINIMIZE THE BURDENS OF CLEANING.

While outstanding cleanliness may literally outshine poor service, you shouldn't have to sacrifice service in the name of cleaning. Choosing the right cleaning products and tools – chemical dispensers to streamline prep work; multi-purpose RTU products that enable staff to clean a range of surfaces with a single spray – can give your service staff valuable time back, so they can focus on customers.

GIVE CUSTOMERS WHAT THEY CRAVE: CONVENIENCE

To-go services
INCREASED
33%
in 2016

Consumers are busier than ever and accustomed to right-now service and instant gratification. It's no surprise that to-go and delivery sales continue to skyrocket across every restaurant category. Restaurants of all types are racing to capitalize on this demand and make up for declining foot traffic.

- Third-party delivery services like GrubHub, UberEats, DoorDash and Amazon are growing rapidly.
- Takeout orders still outnumber delivery three to one.
- To-go numbers are up 33 percent over last year – and nearly 50 percent higher among the 18-34 demographic.⁹



⁹ www.restaurantbusinessonline.com/consumer-trends/consumer-carryout-craze#page=4

PUTTING IT IN PRACTICE

KEY AREAS OF FOCUS

1

OPTIMIZE STAFFING FOR SHIFTING CUSTOMER TRAFFIC.

As restaurants aggressively pursue growth in to-go and delivery areas, there's a need to reconsider staffing. These convenience orders tend to come in across a wider range of hours than the typical eat-in customers. While kitchen staff may feel the bulk of this burden, service staff can complete operating tasks normally saved for after-hours – equipment maintenance and facility cleaning, as well as ongoing training.

2

FIRST IMPRESSIONS ARE MORE IMPORTANT THAN EVER.

One thing often overlooked as to-go orders ramp up: the host stand/waiting area now plays a huge role in the customer experience. Moreover, if the extra traffic of to-go customers is not accounted for in your cleaning protocol, you risk tainting the entire customer experience – or immediately turning away potential customers.

STRATEGY #4:

ESTABLISH A SUSTAINABLE EDGE THROUGH SMART PROCESS

Sustainable cost leadership starts with **SMARTER PROCESS.**

Because most factors driving the increase in these “fixed costs” fall outside restaurants’ control, maintaining a low-cost advantage in any one of these areas is extremely difficult. But, here’s what a restaurant can control: internal operations and process.

Independent restaurants have a huge opportunity to build a cost-leadership strategy around smarter process and operational efficiency. In fact, while it’s easy to point to chain restaurants’ corporate support as their key to success, it’s more often the consistent, tightly run operations that keep chain restaurants humming along smoothly.



PUTTING IT IN PRACTICE



If you work in the restaurant industry, you know that great kitchens are highly regimented. In the kitchen, everyone knows the roles, responsibilities and strictly defined processes. The same should apply to other aspects of your restaurant's operations:

KEY AREAS OF FOCUS

1

SCRIPT THE CUSTOMER SERVICE EXPERIENCE.

It sounds odd to call the customer experience a process. But defining the entire flow of the ideal customer experience is key to delivering consistent, outstanding and efficient service. From hosts to servers to bussers, everyone that interacts with customers should understand this process from beginning to end. This not only prevents gaps in customer service, but eliminates redundancies and encourages teamwork that drives efficiency in the front of the house.

2

CREATE A REGIMENTED CLEANING PROGRAM.

In plenty of busy restaurants, the cleaning "program" is, "If it looks dirty, clean it," or, "Clean when you have time." But this indefinite approach leaves too much room for oversights and inefficiencies. A cleaning program should be regimented and detailed. Each space, surface and piece of equipment should have designated cleaning intervals and specific staff members assigned to them. Just as critically, the cleaning program should align cleaning products with spaces and surfaces. This ensures that staff are using the right product for the job, as well as taking advantage of opportunities to use disinfecting multi-purpose products to clean faster.

3

TRAINING IS THE FOUNDATION FOR EFFICIENCY.

In a perfect world, restaurant managers and operators would spend extended time on detailed, process-driven training for all new employees. But jam-packed schedules and constant turnover make on-the-job training the reality in the restaurant world. Fortunately, many vendor partners now offer extensive training resources. For example, leading cleaning product vendors can provide ready-to-use training materials – checklists, posters and even online training modules – and can even provide live, on-site training for new staff or for new products.

STRATEGY #5:

PUT FOOD SAFETY FRONT AND CENTER

75%
of customers would
NEVER VISIT
a restaurant
implicated
in a food safety
incident.

Nothing is as instantly devastating as a food safety incident. A broad study found that 75 percent of customers would never visit (or never return) to a business implicated in a food safety incident.¹⁰ Social media amps up this threat, as incidents (and even rumors) spread like wildfire.

Restaurants can fight this threat head-on by drawing customers' attention to the food safety measures they're already taking. This proactive approach gives customers immediate peace of mind—perhaps the most valuable aspect of the customer experience.



**Most customers would
WILLINGLY TOLERATE
POOR SERVICE in a
restaurant with a
GOOD FOOD
SAFETY REPUTATION.¹¹**



¹⁰ www.checkit.net/wp-content/uploads/2016/09/The_Financial_Impact_of_Getting_Food_Safety_Wrong.pdf
¹¹ Ibid.

PUTTING IT IN PRACTICE

KEY AREAS OF FOCUS

1

LEAN ON PARTNERS FOR FOOD SAFETY EXPERTISE.

Most restaurant veterans are well-versed in basic food safety practices. But it's hard to keep up with rapidly evolving regulations and tightening requirements – especially when they vary from state to state and city to city. Leading cleaning chemical vendors are Service Safe-certified and know the latest food safety standards and best practices inside and out. Leaning on this consultative expertise can help you conduct food safety audits to ensure your restaurant maintains compliance—and, more importantly, to keep your guests safe.

2

CONSIDER FOOD SAFETY AUDITS.

Most restaurants don't take a second look at their food safety practice until an incident occurs – and by then, the damage is done. Forward-thinking restaurants are shifting to a proactive approach to food safety, bringing in expert partners to conduct regular food safety audits. These audits not only identify gaps and risks, but give your vendor an opportunity to ensure you have the right products and chemicals in place to maximize risk mitigation.

3

SHOWCASE YOUR FOOD SAFETY PROGRAM.

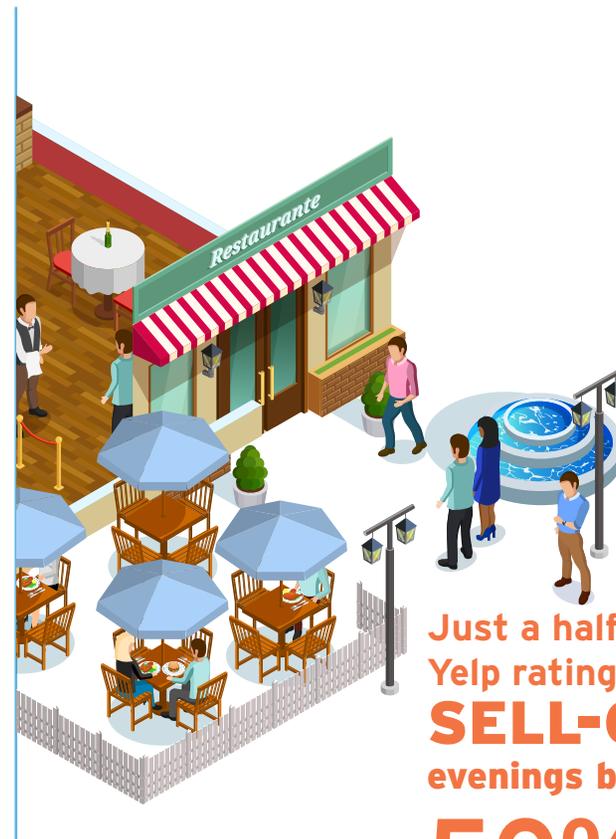
Many restaurant experts now recommend that every restaurant post their food safety/hygiene certificate right at the front door or entryway. But many restaurants are going even further, making food safety products and process visible to the customer – from placing hand sanitizer dispensers in the dining area, to posting food safety protocol in plain view. This front-and-center approach establishes a solid foundation of food safety, providing assurance and comfort to the customer and setting the stage for an outstanding experience.

Small changes. Big Impacts.

For independent restaurant owners and managers juggling busy schedules and neverending urgencies, it's important to remember that every small change adds up to big impact:

- Competition is only growing more intense. The line between success and failure is razor-thin.
- A half-point rise in a restaurant's Yelp rating increases sell-out evenings by almost 50%.¹²
- Focus on small steps: fixing one process for a tiny gain in operational efficiency; adding a small convenience to improve the customer experience

Successfully implementing any one of the strategies discussed in this eBook can have an enormous impact in differentiating your restaurant, attracting and retaining customers, and enabling you to not just survive, but thrive in a crowded market.



Just a half-point rise in
Yelp ratings can increase
SELL-OUT
evenings by almost
50%¹²

¹² www.theatlantic.com/technology/archive/2012/09/slight-changes-in-yelp-ratings-can-mean-huge-losses-for-small-businesses/261943/

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