

Sneaky restaurant tricks: Ten to watch out for

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Restaurants are feeling the pinch in two directions. With money tight, consumers are cutting back on how often they dine out. Meantime, food costs more. Way more.

Egg prices have doubled in the last six months. Dairy, chicken, beer and bread crumb prices are all climbing higher. Even when the core commodity escapes the trend, packaged ingredients and other restaurant supplies are more expensive as the costs of transportation climb due to higher fuel prices.

When people do go out, they are ordering less. "Appetizer sales are down. Dessert sales can almost disappear," says Dan Simons, principal at Vucurevich Simons Advisory Group, a restaurant consulting firm. "And the most expensive items on the menu aren't sold as much."

Restaurants know there's a limit to how much they can raise prices without driving off already broke customers. So for now, many are looking for ways to raise prices and cut costs that won't be too obvious.

The next time you go out — if you can afford to go out at all — see if you can find your favorite restaurant working any of these old gimmicks. Read on and you may even learn some tricks you can use to stretch a buck in your kitchen at home:

Cut back on portions:

Restaurants normally spend between 25% and 40% of their budgets on food, according to Barry Brown, president of Profit Strategies Solutions, which sells software for restaurants to manage inventory and profitability.

So if they can make a smaller hamburger and still sell it for the same price, their profits go up. Milk shakes at family diners that could once be split three-ways may now truly be single serve. There are reports of some restaurants buying smaller plates so customers won't notice they have reduced portions and chefs won't be tempted to heap on food to make dishes look appealing.

Eric Arthur, president of Marketplace Management Group, a restaurant procurement company in Collierville, Tenn., expects to see more junior-sized portions offered on menus. "You might have a shot-glass-sized dessert. It gives the customer the opportunity to say 'I can still have some dessert' and it gives the owner the opportunity to still add a dollar to the bill," says Arthur.

"Americans have been kind of spoiled. We have supersized everything," Arthur says. "That's not necessarily the way it is in the rest of the world."

Cut back on the most expensive ingredients:

Maybe the recipe calls for five sticks of butter. In good times, the baker adds six because she thinks it tastes better. But in tough times, she'll stick to five (or worse, substitute a

stick or two of margarine in the recipe). The chef may prefer to load up on shrimp when preparing his signature gumbo, but he knows his job depends on restricting the number to four or five per serving.

Brown recommends restaurateurs get very strict about standardizing portions at times like these. They might tell their cooks, for example, to use 10% less chicken in entrées or chop off less of the strawberry when they make shortcake. "Usually, either they switch to a scale or offer additional training," says Brown.

Managers may shift to dishes that call for less expensive ingredients — for example, from beef to chicken or from chicken to pasta. Consumers may want these lower priced alternatives, and restaurants like them because they can often make a higher profit margin on them.

"If you see a resurgence of liver and onions, don't be surprised," says Simons. "It's an old school comfort dish for a lot of people and the cost is low."

Maybe the chef used to get the highest quality beef available. Those generous days may be coming to a close. If you see a menu item for some kind of marinated steak, it may be a flank steak, a cheap, tough cut that has been marinated and pounded to submission, said one chef at a private club who asked not to be identified. You may see more items with ground chuck, otherwise known as hamburger.

One chef who works with VSAG says that he makes up for the everyday image of hamburger meat by insisting on only the freshest beef from his vendors. "I know it's not super fancy, but if prepared well it is heavenly," says the chef. "It is all about the age of the chuck: the fresher the better! 'No age please,' that is what I insist to my vendors when ordering chuck."

Cut back on freshness:

Food distributors are charging restaurants fuel surcharges these days because of high gas prices. So, restaurants are trying to cut back on the number of deliveries they get. Instead of getting fresh produce every day, they get bigger quantities less frequently.

Other kitchens may switch to frozen for items that they rarely use but want to keep on hand, such as avocados.

Use everything (even if that means recycling items):

Here's a simple example: The chef may prefer to discard tomatoes that aren't the ripest red. But, these days, to make use of every last tomato ordered, you might see a few green slices make their way onto your hamburger.

Restaurants also need to be extra-efficient about using everything they buy. In order to be prepared for a dinner rush, they need to have lots of extras on hand — rolls, desserts, side dishes, cuts of meat for entrées. But if they have a slow night, they don't just throw the extras out.

An efficient manager knows how to use every last piece of food. That new special soup? Could be just an excuse to use some meat and vegetables they got for another dish but

didn't sell. A salad bar can be the serving site of last resort for cheese or vegetables that are about to turn. See lots of chili? It may be a disguise for leftover hamburger. Bread pudding? That's yesterday's Danish. Homemade croutons? A great use of stale bread. Potato skins? A terrific way to use the leftover baked potatoes (which have to be baked in advance because they take so long.) Potato soup? More rerun potatoes. You get the message.

Pour weaker drinks:

Your favorite bartender is probably not stingy with portions. Bartenders have a way of pouring generous drinks and maybe even offering one on the house. But now his boss may be breathing down his neck to ensure he is not so glad-handed.

The biggest wasted item at restaurants that Brown sees is liquor. "It isn't necessarily theft, just over-usage of the item," Brown says. "It's not even that they're sloppy or generous. It's just not being a machine." Now the price of beer is rising, putting owners on high alert.

Bartenders can easily over-pour a drink without even trying (of course, the potential for a good tip doesn't exactly disincentivize them). In the United Kingdom pubs must sell liquor in 25 ml or 35 ml servings and have bar gadgets that pour exactly that amount. Maybe they'll start becoming a common sight in the U.S., too.

Switch to a cheaper brand of certain ingredients:

Restaurant owners have become compulsive shoppers. That's quite a change. Eric Arthur says restaurant owners normally stick with the same supplier year after year, almost like baseball players stick with lucky socks. Now they're trying many suppliers and many brands.

For restaurant owners who are less fastidious on quality, a switch to a cheaper supplier can mean lower quality. If your favorite grilled cheese doesn't taste quite as good as it used to, a change in supplier could well be the reason.

Don's Dock in Des Plaines, Ill., is one of the most popular seafood restaurants in the Chicago suburbs. Owner Andrew Johnson, whose family has been in seafood for 70 years, is determined not to skimp on the fish and shrimp. "With our seafood, we're not going to sacrifice the quality," Johnson says. "We just shop around more."

The huge hike in grain prices means that a bag of breadcrumbs went from \$19 a bag to \$37 over the last year. Instead of shifting to a lower quality, Johnson spends more time comparing prices. "For breadcrumbs there used to be one or two suppliers. Now we have six or eight purveyors," Johnson says.

Switch to cheaper toilet paper, take-out containers and bags:

"Paper and disposables, oh my gracious, that's the very first place I start," says Arthur. "There are big bucks, I mean, big, big bucks in that." Sometimes owners can get the same items for less if they just spend more time shopping. Or, they may decide that food quality is sacrosanct but napkin quality is not.

Arthur asks restaurant owners what they pay for cups and trash bags and is often surprised by the answer. "Someone may be paying \$80 a case for trash bags that they could be buying for \$20," he says. "Do you know how many extra sandwiches they'd have to sell to make up that \$60?"

Push the highest profit margin items, not the best-tasting ones:

"Most restaurants want to sell the best thing on the menu," says Arthur. "They're not thinking, 'What's the thing I'm going to make the most money on?'" That changes once they figure out their food costs.

Often the signature dish may not be all that profitable. But a pasta dish can offer a low cost for the eater and a drastically lower food cost for the restaurant. Arthur recommends restaurants look to add low cost, high margin dishes. In other words, it's better for them to make \$2 off a \$12 entrée than to make \$2 off a \$25 dish — even though making the \$25 dish may be more fun.

Another technique: A restaurant that uses a professional menu designer will steer eaters to the high margin items. Big chains are already well-practiced in this mystical art; now smaller restaurants are seeing what a boost it can give their bottom line, says Michael Kristof, president and creative director of [Kristof Creative](#), a Nashville, Tenn., design firm.

"There's a psychology to it, an engineering the placement of things," says Kristof. "The first and last item in a category are generally the most selected items. So that's where you would put your highest margin item." Profitable items may also get stars or boxes around them. You may see prices de-emphasized. Kristof steers restaurants away from the typical diner menu where all the prices line up in a column.

"That's the last thing you ever want to do — the number one biggest mistake," Kristof says. "People easily see the prices and start shopping by price. Price should be the last consideration. People on budget are going to do that anyway but you don't want to force it on them."

Slowly raise prices so it's not as noticeable:

Restaurants normally raise price only once or twice a year. Now you'll see many more increases along the way. That's because prices are moving as much in a month as they used to in a year.

Andrew Johnson has had to raise prices four times in the last two months at his seafood restaurant. He now prints only 500 menus at a time instead of 5,000. He used to check his ingredient prices every couple months; now he makes sure to look every week.

Eric Arthur says restaurant owners are always reluctant to raise prices, fearing they'll drive off customers. But he's worked to convince his restaurant clients that in this downturn, the only restaurants that survive will be the ones that raise their prices regularly to keep up with costs.

Beg for sympathy from your customers:

You may start seeing signs about higher commodity prices. Or news articles pinned to

the window. Or hear desperate justification of the higher prices in a conversation with the owner. They want to make sure you know they're not just being greedy.

Most restaurateurs are passionate about keeping their food quality up and won't compromise on their signature dishes. But with customers cutting back on dining out and food prices soaring, they have little choice but to find creative new ways to trim costs.

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