



# The Restaurant Week Optimization Guide



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## RESTAURANT WEEK

# From surviving to thriving

Restaurant Week is a simple concept - a group of restaurants in a specific city or town join together to offer a three-course lunch or dinner at an affordable price. And then 2020 happened...

The core concept of Restaurant Week hasn't changed. Diners get a full taste of your menu with an appetizer, entree, and dessert that they otherwise may not go for or be able to afford. They get to experience new restaurants, and you get to experience new diners – but at what cost?

Restaurant Week always presents logistical and operational challenges. Turning a profit can be difficult when you're selling food at such a discount. And now you probably need to balance takeout container costs and the logistics associated with it. It's more important than ever that you get creative with what you're serving and how diners experience it – for Restaurant Week and beyond honestly.

Read on to learn about the benefits and setbacks of participating in Restaurant Week and similar events. Get an outline of the careful consideration and planning required for a successful run. And see some tips for making the most of these events for your guests, your staff, and your bottom line.



# It's no longer just Restaurant Week

There has been an onslaught of new food-themed days and weeks popping up across the country:

- LA Burger Week
- Nashville Hot Chicken Week
- Cincinnati Pizza Week
- Northside Sandwich Week
- Orlando Taco Week
- And on and on and on...

These evermore frequent events are essentially paired down versions of Restaurant Week. And they should be approached exactly the same way.

A hot chicken restaurant in Nashville has as much risk and reward during Hot Chicken Week as Restaurant Week - perhaps even more given that they're going up against niche competitors rather than the city as a whole.

So as we discuss Restaurant Week strategies throughout this piece, you can feel free to apply them to whatever food-themed week you're currently grappling with. Margins are margins. New customers are new customers. Your staff is still your staff. And money is still money.







# Is it worth it? A potentially expensive question

## Restaurant Week is restaurateur Russian roulette



If done well, Restaurant Week can be a boon to business, right a sinking ship, or put new restaurants on the map. If done wrong, Restaurant Week can be a complete disaster.

It's a classic risk/reward conundrum, but what do the numbers say?

### RISK

-  1. Guests who don't buy any additional menu items like alcohol and à la carte food
-  2. Guests who did not venture outside the prix-fixe menu

### REWARD

-  1. 11.46% increase in sales compared to the same week the previous year for participating restaurant in New Orleans according to a 2016 scholarly study
-  2. 80% of diners who try a restaurant during Restaurant Week are likely to return

**Up to a nearly \$3,000 fee to participate in Manhattan**



# The **benefits** of participating in Restaurant Week

Restaurant Week is great marketing. You'll attract a steady stream of new diners. Feed them well, offer great service, and provide a welcoming ambiance, and they're likely to come back. And who's to say you can't make some money off these new patrons while wooing them? Here are three Restaurant Week benefits further exploring the marketing and profitability:

**1 Money, money, money.** The data shows how a well-played Restaurant Week can be a windfall of cash on hand for you and your staff. Get butts in seats. Provide great service. Execute your special menu to perfection. Get paid!

**2 Capitalize on controlled chaos.** Over a third of customers exclusively get your pre-fixe offering. When else can you knowingly prepare for what 33+% of customers will do. Make your options delicious, high-margin, and easy to pick up. Pair that with some equally delicious and favorable beverage options, and reap the rewards.

**3 Expand your customer base.** Treat new patrons to a wonderful experience that inspires them to come back. And take advantage of amplified crowds to fill your restaurant during typically slow times like the middle of summer or dead of winter.



# The setbacks of participating in Restaurant Week

Restaurant Week brings unique challenges — from staffing issues to food costs and scaled preparation. Despite attracting new diners, you'll likely be forced to offer a limited menu and rushed service. That's not typically how your restaurant operates, opening you up to risky under performances from front-and back-of-house

**1 Service issues leave new diners with a bad first impression.** When your dining room is packed on a Tuesday — and you're serving a new menu — expect food delays and overworked servers that can't offer the personalized care typical of your restaurant.

**2 You'll probably run into people issues.** Employees hate Restaurant Week, especially the kitchen staff. It's long, tiresome, and repetitive. If that weren't enough, you could be short-staffed considering that your full kitchen staff doesn't typically work on slower nights.

**3 You'll have operational issues too.** Get ready to deal with amateur clientele who isn't used to the food and service you're providing. They may be used to chain restaurants or fast-casual service — so take your time if they have questions about your menu and try to be accommodating when they ask for ketchup with their steak. Also, be prepared for no shows because people make reservations at multiple restaurants during Restaurant Week because they're scared they won't be able to get in.



# Operational strategies for Restaurant Week **success in 2021 and beyond**

## Be intentional and know your goals

Go into Restaurant Week knowing exactly what you want to achieve. If you want to make money, capitalize on the increased crowds and push out some new high-margin menu items. Or if you want to impress and acquire some new long-term customers, stick with your classics even if it comes at a loss.

Regardless of what you choose, you simply need to choose and then be intentional in hitting your goal. And take advantage of today's increasingly affordable restaurant software to guide you. Lean on your food costing and recipe management software to balance delicious menu items with favorable margins. Or leverage restaurant marketing loyalty programs to engage new customers, thanking them for coming in and encouraging them to come back during normal service.







## Differentiate menus for different patron experiences

We're still not quite done with this pandemic in the US. And even after it's completely managed, you can expect an increase in patrons still opting for takeout or delivery. So you need to have an operational plan that considers patron experiences across whatever your offering. Is full-service dining room the same as eating on the sidewalk? It could be or it may not be. You need to determine if the experience warrants a different approach.

We know how different takeout and delivery experiences are. So quit trying to serve these patrons crispy fried foods that will inevitably get soggy. If your tartare needs to be served ice cold, maybe reserve it for dine-in only.

Take advantage of these unique situations and make it easier on yourself and staff by designing menu items that are optimized for the eating experience. It's a little more work for you on the front end, but everyone wins when it's all said and done.

## CHECKLIST

# Ask yourself these questions when considering whether to participate in Restaurant Week

Restaurant Week needs to add value to your organization. All of the standard challenges of running a restaurant are amplified, requiring thoughtful preparation in order to execute successfully. Deciding whether to participate takes careful consideration. Use these questions to help you decide.

### Big-Picture Goals

- ✓ What are your goals? Awareness? Visibility? Community participation? Make money on otherwise slow nights? Social media buzz?
- ✓ Who is your target market? New diners, on-the-fence diners, or diners that frequently eat elsewhere? Perhaps diners who are normally out of your price range?
- ✓ What does success look like?



## Operations

- ✓ Can you appropriately staff to accommodate?
- ✓ Is your staff prepared? Is your kitchen prepared? Is your bar prepared?
- ✓ How many reservations should you take?
- ✓ What type of inventory increases are you projecting and can your vendors handle it?
- ✓ Will participating in Restaurant Week interfere with your current clientele's experience and alienate them?
- ✓ Will it compromise the integrity of the experience you strive to provide, giving new guests the wrong impression of a normal dining experience in your restaurant?
- ✓ Do you have the tools and infrastructure to support the surge in reservations and food service?

## Menu

- ✓ Is your menu easily transferable to a pre-fixed menu?
- ✓ Is your pre-fixe menu priced appropriately based on your target margins?
- ✓ Can you accommodate different dining experiences with a single menu?



# Prepping for Restaurant Week

For an event as atypical as Restaurant Week, preparation is everything. You must analyze food costs and create a pre-fixe menu that's just right. You must collaborate with kitchen and service staff to make sure you're ready for a rush of guests. If you prepare accordingly, you'll execute flawlessly.

## Prep the back-of-house



**Collaborate, don't dictate.** Collaborate with kitchen staff on menu creation, staffing, and training. The cooks need to have a say in what you're serving. They need to be able to know if they can handle the rush of customers to come. If managers are simply dictating the menu to the kitchen, it's going to get ugly.



**Don't put a complicated dish on the pre-fixe menu.** Some menu items are complex, requiring multiple burners, lots of ingredients and a timely cooking process. Leave those items off your Restaurant Week menu. They're too taxing on the kitchen. Instead, offer easy-to-manage items that are still authentic to your restaurant.



**Be smart about inventory.** Got lots of pork shoulders in the freezer? Make carnitas. Over-ordered large bags of masa last month? Make tortillas. Be strategic about the inventory you already have in-house.





**Work the margins.** Consult your restaurant inventory software to learn which products are trending downward in price. Short-rib getting less expensive? Put it on the Restaurant Week menu. Crab going up? Don't offer the crab salsa. You're basically serving three dishes for the price of two, so they can't be too expensive to create.



**Don't submit your menu until the last moment possible.** Giving yourself some extra time to prepare will allow you to be smart about food pricing, prep difficulty, and execution.



**Align your Restaurant Week menu with your everyday menu.** If you typically offer premium cuts of meat, don't skimp out during Restaurant Week just because the margins aren't pretty. You might lose money, but you can never lose your authenticity as a restaurant.



**Test out new Restaurant Week dishes in the days and weeks leading up to the event.** This allows for the back-of-house to dial in the recipe, costs, and pickup process while also giving the front-of-house a chance to taste any new items.

## Prep the front-of-house



**Set realistic expectations with staff.** You know the nights will be grueling and the money won't be typical. So say so. Giving your employees realistic expectations is a great way to make sure they're not shocked during the week.



**Staff up.** If you think your typical Tuesday night staff can serve a Restaurant Week rush, think again.



**Reiterate service standards.** Sure, Restaurant Week is difficult but service should not suffer. You must keep your standards high or you'll have trouble retaining new diners.



**Train servers to be patient with novice diners.** You're in the hospitality business first and foremost, so act like it. Sure, Restaurant Week doesn't draw your typical clientele and they still might need some gentle coaching through the ordering process.



**Train staff ahead of time on new menu items.** When servers get questions, they need to provide answers — not run into the kitchen to ask a busy chef about a nuance of the foie gras. Train staff members beforehand on things like food allergies, ingredients, and preparation.



**Collaborate with your team on how best to prep.** The people on the front lines are going to have great advice on how to prepare for the storm ahead. They serve guests all the time and have strategies for succeeding on the busiest of nights. So seek their help!

# Thriving throughout Restaurant Week

New menu? Novice customers? Packed dining rooms? They're no match for your team — if you follow these steps.

- **Restaurant Week is all about managers.** Managers must roll up their sleeves and lead by example. During Restaurant Week, they need to empty trash cans, bus tables, run food, and roll silverware. If your cooks are coming in three hours early to prep — managers should too.
- **Remind staff that Restaurant Week is a long-term strategy.** Consistently communicate the benefits to your staff as they slog through a tough week. It'll help them stay motivated.
- **Build in some breathing room!** Take 20-minute breaks from seating people so servers and kitchen staff can catch up.
- **Don't take too many reservations.** A big misconception is that you should serve as many customers as possible during Restaurant Week. The more tables you turn over, the more money you make. Right? Wrong. Limit the number of patrons you serve so you can be more hospitable to each group. You'll not only provide a better dining experience, you'll ease pain points for kitchen and dining room staff.
- **Diffuse problems and manage emotions.** Your staff is going to be stressed out. Remember that certain job functions may need additional help, like the front desk hosts or bartenders. Give them a solid strategy to passfy waiting guests — like passing out hor dourves or champagne.



- **Gamify service and cooking milestones for employees.** Give out rewards based on achievements during Restaurant Week. Sell five expensive bottles of wine? You get one free. Get called out in a Yelp Review, you get a paid day off. When your people compete, your guests are sure to benefit.
- **Take extra care with new clientele.** Managers should come to their table and chat. Don't just fly by. Ask why they chose this restaurant. Offer a free dessert. These extra touch points from management can get people to actually come back after Restaurant Week concludes.
- **Everyone should be prepared to help kitchen staff.** They have the hardest jobs during Restaurant Week. They're executing a new menu in conjunction with the normal menu — so help them out if you have the opportunity.
- **Work clean.** Loose peppercorns and spilled tomato sauce never helped a chef create a beautiful dish faster. So work clean! At night, take some time to clean and prepare your station for the following day. This easy but necessary step will keep you ahead of the game.
- **Accommodate the “extra” request.** Be ready for requests from novice diners who may need some extra time ordering or thinking about the menu.
- **Have your employees' backs!** Always support your staff if they're being harassed by guests. This happens more often with novice diners. During Restaurant Week, you can't simply take the guest's side in every situation. If your staff does not feel supported, they'll leave.
- **Don't get drunk or come to work hungover.** Wait until Restaurant Week is over to cut loose. It's only a few days.





# Sustaining momentum after Restaurant Week

You've done it. You've conquered Restaurant Week. Time to kick back and have a stiff cocktail, right? Yes, but realize the hard work is far from over. Now it's time to debrief, reward high-performing employees, turn up the marketing to new customers — and most importantly — give your team time to recover.



## Management gives credit where it's due

**Debrief.** Go over what worked, what didn't and how you'll get better next time. Remember, there's always another Restaurant Week right around the corner.

**Give out bonuses to high performers.** Offer bottles of wine or gift cards to other restaurants in the area. (Maybe you can even swap gift cards with a neighboring restaurant.)

**Encourage fun.** Go out for drinks. Grab dinner. Sing karaoke. Get the staff prankster to pull a good joke on somebody. Anything that lightens the mood is helpful.



## Optimize food costs and inventory

**Calculate your profits and losses.** It's a sad truth that many restaurants lose money during Restaurant Week. Between the participation fee, discounted food, and operational chaos, it's tough to turn a profit (unless you followed the steps in this guide of course). As soon as Restaurant Week ends, calculate your food costs.

**Take inventory.** Revisit your inventory management software. Were you able to deplete items you intended to get out the door? What did your food costs look like? Contact food vendors if you're running low on important items and make sure you're prepared for the "normal" week ahead.

**Highlight "specials" that are higher-margin dishes.** You'll likely have to recoup some profit in the following week or have food leftover that didn't sell. Create specials that will entice diners to higher-margins dishes or help get excess food out the door before it spoils.

**Use left-over inventory from Restaurant Week dishes for family/staff meal.** This not only helps you deplete food items that could otherwise spoil, it creates a "family meal" that rewards employees for all their hard work.

**Don't let labor costs get out of control.** Making up for the additional labor necessary from Restaurant Week is crucial. Calculate how much you've already paid in overtime. Aggressively make cuts, have managers (on salary) pick up the slack to get hourly employees off the clock. Managing labor costs is huge, don't let them get out of control.



## Turn Up the Marketing

**Get new diners to follow you on Instagram and other social platforms.** Perhaps offer diners a free drink if they follow you on social. It'll pay off too. When they're scrolling through their timelines and see a pic of the truffle edamame dumplings they loved at Restaurant Week, it could entice them to return.

**Remember what they ordered so you can impress them when they come back.** "We have the Monkfish you ordered last month" is the kind of thing that can truly impress a new diner and keep them coming back.

**Review your reviews (and respond to people who were negative).** With food quality and service potentially compromised, you're likely to get a few bad reviews online. So address them head on. Explain that Restaurant Week brings a unique set of challenges. Show them you're genuinely sorry they had a bad experience and offer them an incentive to come back (like free entree or round of drinks.)



# You have the power to make Restaurant Week great

Surviving Restaurant Week is no easy task, and thriving during it is twice as difficult — but we know you're up to the challenge. If you follow the steps in this guide, you'll skillfully prepare your staff, properly entertain new diners, and get them coming back again and again.

Restaurant Week and derivatives are only gaining popularity — and these events can no longer be a money-losing venture that angers your staff, scares away regulars, and fails to impress new guests. You've got to make Restaurant Week work for your business. If you do, you'll have packed dining rooms, a smoothly running kitchen, and excited guests trying out creative new menu items.

We hope this guide serves you well in making Restaurant Week a great experience for everyone involved.

**Good luck!**





## Take control of food costs with xtraCHEF

xtraCHEF has prepared a delectably affordable platform for optimizing everything from AP automation and invoice management to food costing and inventory intelligence. Give everyone on your team, from kitchen staff to accountants, the tools and insights they need to improve productivity and increase profits every week of the year - including Restaurant Week!

xtraCHEF helps restaurant groups to automate and optimize back-of-house operations to scale time-consuming tasks related to ordering, accounts payable, budgeting and forecasting, inventory, and food cost and recipe management.

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