

10 Numbers for Restaurant Success



What every restaurant owner should know.

It's easy to add up your receipts at the end of the night, but are you really getting the full picture of how your business is doing? We have 10 numbers every restaurant owner should know — and how you can use them to understand your finances and operations.



1. Total Revenue

It's not as simple as just how much money you make.

Ask yourself — what's your most profitable time of day and day of the week? Are certain dishes ordered more than others? Where are your biggest spenders coming from?



2. Number of Tickets

Track how many tickets per shift you generate to get a sense of your efficiency at different times. Are tables being turned as quickly as they can be? Is your flow through as efficient as it can be? Are there hours in the day that could use a happy hour or daily special boost?

Also, divide revenue by number of tickets to see which servers are encouraging larger spend per ticket through upselling.



3. New Versus Repeat Customers

New customers can help grow your business by replacing customers lost through attrition. Repeat customers help continue to grow your business through word of mouth, and are a lot easier to keep than to replace.

Do you know who spends more — new or repeat guests? Where are your new customers coming from? Which are more valuable to your business?



4. Web Impressions

An OpenTable survey showed an **overwhelming 93 percent of consumers** will look at a restaurant's menu before they head out to eat, which makes it imperative to have a menu that is appealing to both customers and search engines. Sixty-five percent of American adults regularly search for restaurants on their smartphones. They use third-party mobile apps and visit restaurant websites to aid their decision making. Do you know how many people visit your website? Is it mobile-friendly? If not, you could be losing customers.

Are your website and Yelp pages up-to-date with menus and photographs? Can customers find you on Facebook, Twitter, or Instagram? How many "regulars" do you have there?



5. Review Ratings

Reading reviews can be traumatic, but knowing how your restaurant rates — and why — can help you make smart decisions about your menu and more. Plus, customers who receive responses to their comments from restaurants return for another **visit 20 percent more often and spend 16 percent more** when they do.

Don't just focus on food. Positive ratings for service, cleanliness, value, and overall experience are often stronger drivers of repeat business than food alone.



6. COGS

COGS (Cost of Goods Sold) is the cost to your restaurant for the food and beverage it sells. The simple calculation is (Beginning Inventory) + (Purchases) – (Ending Inventory). Don't just go by purchase prices if you maintain a large stockpile of inventory.

Knowing how much ingredients for each dish cost, down to the penny, also helps determine what parts of your menu make you money — and which may need to be tweaked.



7. Inventory Loss

Waste is often an easily forgotten expense when calculating costs. Is your kitchen using the first-in, first-out (FIFO) method to avoid spoilage? Is there unnecessary waste during the preparation process?

Meal comps (to employees and dissatisfied customers) and theft should also be tracked to keep your management team aware of abuses or areas of improvement for their team.



8. FF&E

The cost of FF&E (furniture, fixtures, and equipment) — as well as rent/ mortgage on your space — is unavoidable, and has to include routine or emergency maintenance, particularly on kitchen equipment.

Is every device you have in your restaurant energy-efficient? Saving money on older models may make sense until you look at your electricity or gas bill, or the overall needs of an efficient kitchen.



9. Payroll & Overtime


Staff salaries are likely one of your most significant expenses as a restaurant owner. How do you balance base pay with overtime demands? Do you have enough employees to cover every shift? Or too many during slow periods?



10. Marketing Costs

Are you using your limited marketing dollars wisely? Newspaper ads don't drive business like they used to, and coupons or the promise of discounts can undermine the value of your food.

Restaurant owners may want to instead consider partnering with a loyalty program which brings in customers willing to pay full price in exchange for earning rewards.



“Because of our partnership with Rewards Network, every night we get new customers, which is unbelievable. We’re a small family business, so all the new business that we get is extremely helpful.”

— Troy Ganter, Rewards Network client
Papa Hughie’s Seafood World, Lighthouse Point, FL

Want to learn more about how Rewards Network can help your restaurant grow?

Contact us today:

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or visit **[RewardsNetwork.com](https://www.RewardsNetwork.com)**

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