

# Planning a Menu For

Profit

### Sponsored by



### NATIONAL Street food Vendors Association





Author



### Executive Director

### STREET FOOD VENDORS Bills stopreon



## FOOD COST 101



### FOOD COST 101 MASTER \* CLASS

 $\frac{\text{MASTER} + \text{CLASS}}{\text{FOOD TRUCK TRAINING GROUP}}$ 

UNDERSTANDING FOOD COST

Single expense with 4 different but important measurements

Recipe Cost Actual Food Cost Sales Mixed Theoretical Food Cost Food Expense (invoice payment)



CALCULATING FOOD COST

By Hand By Calculator By App By Spreadsheet





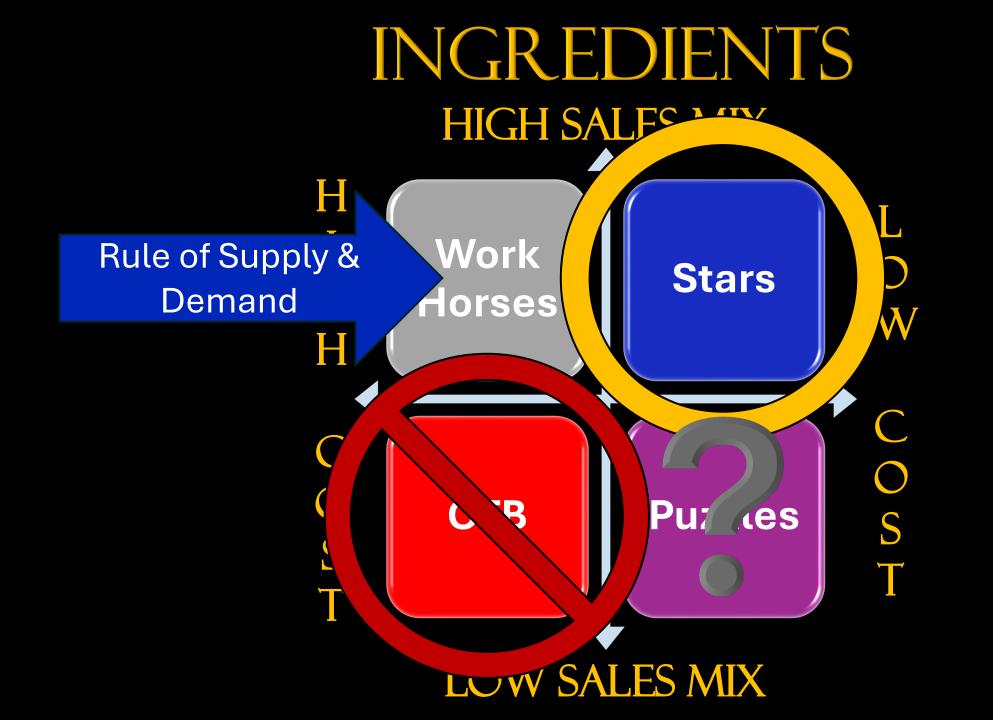
### WASTE CONTROL All Food Must Be Tracked

3 States of Food on inventory (waiting to be sold) on the POS (sold, discounted) being destroyed (waste)

Cores, peels, roots – anything purchased by weight

Burnt, dropped, returns, mistakes, if it goes in the trash, it get counted



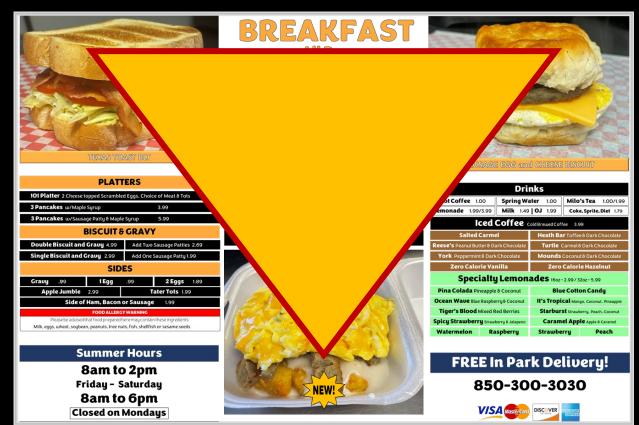


**INGREDIENT MANAGEMENT** Menu Streamlining: Focus on items that share HIGH SALES MIX common ingredients. Your personal fave that don't sell got to go. Н **Inventory Tracking**: Inventory tracking system Work to monitor ingredient levels. Get off your butt **Stars** G Horses and LOOK. Η Supplier Relationships: Negotiate favorable terms with suppliers to help manage costs. Buy local & cross promote for discounts. First-In-First-Out (FIFO): Label and date **Puzzles OTB** EVERYTHING. Including prepped foods. Storage and Organization: Use a wellorganized shelving system to keep ingredients accessible and in good condition. In storage if LOW SALES MIX you can see the walls, you have wasted space.

### MENU ENGINEERING

**Psychology of Menu Design:** 

- Highlighting: Use design elements like bold fonts, colors, or graphics to draw attention to high-profit items or specials.
- **Grouping**: Group related items together to encourage upselling and cross-selling.
- Anchoring: Place high-profit items near expensive items to make them seem more reasonably priced in comparison..

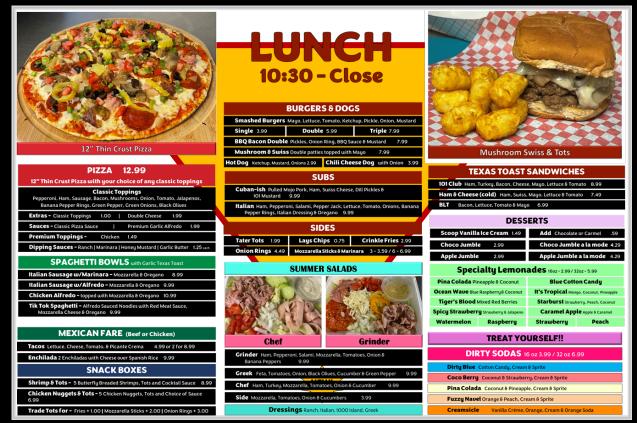


**1.Menu Item Placement**: Position your most profitable items in the "Golden Triangle" on your menu. This is the area where guests' eyes naturally gravitate when they first look at the menu (usually the **top right or center**).

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2.Monitor and Update Regularly: Replace or revamp underperforming items and adjust prices based on customer feedback, food cost changes, and sales mix trends.

**3.Offer Limited Choices**: Too many choices can overwhelm guests leading to decision fatigue. and streamline operations. Ensure each item serves a purpose and remove those that don't contribute to your pocketbook.



**Cost-Based Pricing**: Your Food Cost must be placed in a breakeven analysis which accounts for all your

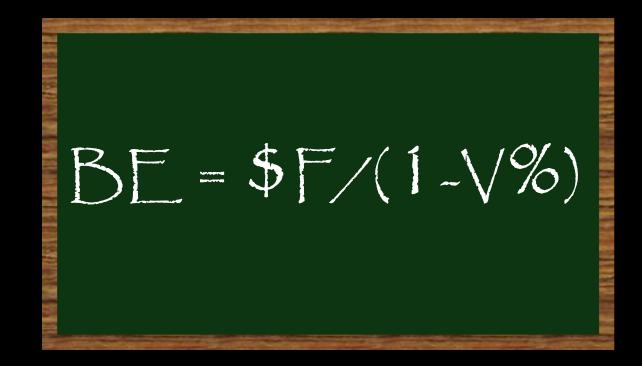
#### other expenses

**Competitive Analysis**: Research other food trucks and brick-and-mortar restaurants with similar menus.

**Value-Based Pricing**: What do your guests perceive as value in your food. Portion, Taste, Convenience, Uniqueness.

**Dynamic Pricing**: Fancy business term for discounting during slow times to drive sales OR pricing based on events, festivals, or catering.

**Bundle and Combo Deals**: Create combo meals or bundle items to encourage customers to spend more.



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	QUICK SHOP EVALUATION				
Competitor Name					
Date Location					
How long was the line?					
How long did it take you to reach the cashier? (deduct one point if takes longer than 1 minute per guest abead of you)					
Was the cashier greeting friendly?	YES	NO	3	(	
Any suggestive selling?	YES	NO	1	(	
What was the process to pick up the order? (Name, number, pager, cell phone messa alert)	ıge, a	чРΡ			
How long did it take to get your food after the order was placed?					
Was the wait acceptable to you?	YES	NO	1	(	
Did other guests seem happy with their food and the service time?	YES	NO	1	(	
How was the food handed out?					
Were you thanked and invited back?	YES	NO	1	(	
	Gre	eat	3		
How does the food look? (Not burnt, crushed, sloppy, etc.)	Ave	rage	1		
	Ba	be	0		
Was the food appropriately hot, cold, fresh, crispy, tasty?	YES	NO	1	(	
Did their line maintain after your order was placed?	YES	NO	1	(	
Did the staff seem focused on serving guests and appeared to be hustling? No personal chatter.	YES	NO	1	(	
Was the interior clean and organized? (As best you can tell without appearing nosey)	YES	NO	3	(	
Was the exterior clean and the menu easy to read and understand?	YES	NO	1	(	
Enough room to handle the line (Or if one developed) without blocking other people trying to get around.	YES	NO	1	(	
Enough parking?	YES	NO	1	(	
Social media presence? Does truck list social media?	YES	NO	2	0	
Responds to every comment.	YES	NO	2	(	
	YES	NO	2	(	
All accounts active. (If they are open each account should at least one post from that day)			1	(	

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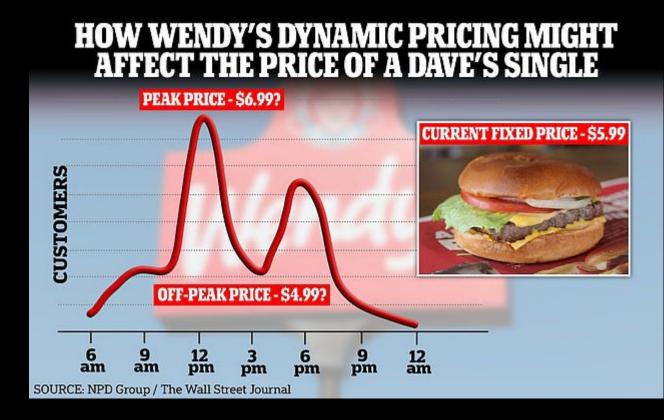
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**Experiment and Analyze:** Don't be afraid to experiment with pricing AND don't view your pricing through your personal price tolerances.



#### **8PC CHICKEN + 8PC TENDERS FILL UP**









COMBO

8 pieces of our

freshly prepared

chicken, available

in Original Recipe

or Extra Crispy, 2

choice, and 4 **biscuits** 

large sides of your



Our Chicken Sandwich (An extra crispy file

with premium pickles, mayo, on a brioche-style

Classic Chicken \$10,99

Sandwich Combo

hoice of The Classic and/or Spic medium drini

\$9.59

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#### **Understand Your Market**

What is Your Target Guest: – Blue Collar, Professionals, Family, Teens, Children, Shoppers Analyze: Local Competition, Trends & Fads Leverage: Local Ingredients, Regional Favorites and Your Specialties

#### **Menu Design Principles**

**Balance Simplicity with Perceived Variety:** Three to four main lines with condiment variety. **Highlight Signature Dishes:** What is your truck famous for? **Menu Layout:** Golden Triangle, Colors, Boxes, Graphics

#### **Cost Control and Pricing Strategies**

**Calculating Food Cost Percentage**: Open Inv + Purchases – End Inv = Actual Food Cost. Then Compare to Theoretical Food Cost

Manage: Portion Control, Waste Tracking, ALL food is accounted for.

#### **Guest Appeal & Experience**

**Craft a Menu:** Must Appeal to Your Target Guest Pool **Seasonal & LTO Menu Items:** Keep Guests Coming Back and Breaks Menu Fatigue **Visuals and Branding:** Use Your Food in Photos, Daily Presentation Must Match Photos.

#### **Operational Efficiency in Menu Planning**

**Maximize Kitchen Efficiency:** Reduce 360's and Back & Forth Motions. Time Goals for Everything!

**Streamline Prep and Cooking Processes:** Think Faster, Hotter, Colder, - Challenge Your Thinking.

**Inventory Management:** Everything Must Have a Basis in Sales Histories & Projections.

#### **Analyze & Improve Your Menu**

Solicit Feedback: Seek Reviews, Listen for Verbal Feedback, Read Social Media Comments Analyze Sales Mix: Refine Your Menu Based on Trends in Sales Mix and Seasonality Refresh Your Menu: Predetermine a Schedule or Trigger to add LTO's, Drop Low Sales, Low Profit Items.



