

The menu: Food and beverage

Introduction

The menu is the primary selling tool of any establishment that offers food and beverage for sale. For the customer it identifies the items that are available, shows prices and any other charges and together with other external features may characterize the style of food service offered. From the establishments perspective the menu should meet the objectives of the marketing policy, the catering policy and the financial policy.

The marketing policy should guide the catering policy so that the products on offer and the style of operation best meet the needs of the target market. The catering policy is concerned with the size and style of menu to be offered together with an appropriate style of service and this will impact on space requirements, level and type of equipment purchased, and the level of skill and number of staff required. The financial policy aims to achieve revenue and profitability to budget through pricing, cost control and volume.



Chapter objectives

After working through this chapter you should be able to:

- Understand the differences between a Table d'hôte and à la Carte menu.
- Understand the basics of menu planning and menu design.
- Have a knowledge of menu pricing models and applications.
- Understand different types of beverage menus.
- Understand the need for accuracy and honesty in menu descriptions.
- Have a basic understanding of licensing and merchandising.

TYPE OF MENUS

Although there are many types of eating establishments offering many types of meal experiences, there are basically only two types of food menus: the *table d'hôte*; and the *à la carte*. From these two types of menus there are in practice many adaptations of each.

Table d'hôte

Table d'hôte means food from the hosts' table and may be identified by:

1. Being a restricted menu.
2. Offering a small number of courses, usually three or four.
3. A limited choice within each course.
4. A fixed selling price.
5. All the dishes being ready at a set time.

This type of menu usually contains the popular type dishes and is easier to control, the set price being fixed for whatever the customer chooses, or being set depending on the main dish chosen and occasionally may offer an additional item at a supplementary price. It is common practice in many restaurants for a table d'hôte menu to be offered to a customer together with an à la carte menu (Figure 5.1).

Table d'hôte menus can be offered for breakfast, lunch and dinners. Their many adaptations are used for:

1. *Banquets*: A banquet menu is a fixed menu at a set price offering usually no choice whatsoever to the customers, unless the client informs the caterer in advance that certain guests require, say, a vegetarian or kosher type meal, and is available to all guests at a predetermined time.
2. *Buffets*: Buffet type meals vary considerably depending on the occasion, and the price paid, from the simple finger buffet, where all items prepared are proportioned to a small size so



Figure 5.1
 Example of a table d'hôte menu
 (Source: Courtesy of Magnolia
 Restaurant, UK)

that the customer may consume it without the use of any cutlery, to the exotic fork buffets where hot and cold food is available and where many large dishes will be carved and portioned for the individual guest. Buffets are frequently prepared for such occasions as wedding receptions, press receptions, presentations and conferences. Buffets can be classified as a form of table d'hôte menu as they offer a restricted menu, a limited choice of only what is on the buffet; a predetermined set price and all the dishes are available at a set time.

3. *Coffee houses*: A coffee house menu is a more recent form of table d'hôte menu that is commonly used today in hotels and restaurants. This type of menu is characterized by:
 - (a) Being a set menu offered often for twelve to eighteen hours of the day.
 - (b) Being reasonably priced, with often each dish or section of the menu individually priced.
 - (c) Offering a range and choice of items that are suitable for snacks, light meals, lunch or dinner.
 - (d) Offering a limited range of foods that are either already cooked, are of the convenience type food category and require little preparation time, or are simple and quick to cook, for example omelet's, hamburgers, etc.
 - (e) A simplified form of service being offered, for example plate service, counter service, etc.
 - In some establishments the coffee shop menu may be replaced for two to three hours with a special breakfast menu offering a restricted choice when there is a need to serve a very large number of people in the shortest possible time.
4. *Cyclical menus*: These are a series of table d'hôte menus, for example for three weeks, which are repeated again and again for a set period of, for example, four months. These are often used in hospitals and industrial catering as an aid to establishing a pattern of customer demand for a menu item and as a result assist in purchasing, preparation of items and staffing requirements.

À la carte

À la carte means a free choice from the card or menu and is identified by:

1. Being usually a larger menu than a table d'hôte menu and offering a greater choice.
2. Listing under the course headings all of the dishes that may be prepared by the establishment.
3. All dishes being prepared to order.
4. Each dish being separately priced.
5. Usually being more expensive than a table d'hôte menu.
6. Often containing the exotic and high cost seasonal foods.

Part of an à la carte menu may contain a *plat du jour* or 'speciality of the house' section. This consists usually of one or two main dishes, separately priced, which are already prepared and change daily. À la carte menus are, because of their size and the unknown demand of each item, more difficult to control than the typical table d'hôte menus (Figure 5.2).

A special promotion menu is a form of à la carte menu which is at times offered to the guest in addition to the à la carte menu. This type of menu is concerned with the selling of a particular part of a menu to increase the interest for the customer,

A MENU FOR July	
Fresh bread & butter ~	£1.50
Green & black olives ~	£2.50
Strawberry Bellini ~	£6.00
SOUPS	
	£6.50
STARTERS	
	£9.50
	£9.00
	£8.50
	£9.50
	£8.50
Rice & Pastas	
	£11.00
	£12.00
	£11.50
MAIN COURSES	
	£16.00
	£15.00
	£13.00
	£15.00
	£16.00
<p>There will be a discretionary 12.5% service related charge added to your bill! Acorn House asks you politely to refrain from smoking, for every ones sake!</p>	

Figure 5.2

Extract of an à la carte restaurant (Source: Courtesy of Acorn House Restaurant, UK)

to increase the average spending by the customer and in turn to increase the turnover and profit for the caterer. Promotions may be made by specially printing attractive menus for such items as:

1. Shellfish, when an increased variety of shellfish and special dishes would be made available.
2. Soft fruits, when various types of berry fruits such as strawberries, raspberries, loganberries, etc. would be featured in special dishes.
3. The game season, when pheasant, grouse, etc. would be featured in pâtés, soups and special main course dishes.
4. Dishes cooked or prepared at the table, for example crêpes Suzette, steak Diane, etc.
5. Dishes that utilize seasonal produce many of which are included in the items above.

Activity 1

Design a simple table d'hôte menu suitable for a three star hotel restaurant. The menu should offer three courses and up to three choices per course. As this will be a fixed price menu you need to ensure that all dishes provide the desired contribution margin.

MENU OFFERING

Much has changed in the presentation and service style of the food and beverage offering. Traditionally high-level service consisted of trolley service where food was either cooked or carved at the table and vegetables were silver served or alternatively silver service where each component of the meal was served individually from silver flats or dishes. Table or family service followed this where the main item was plated and vegetables and accompaniments were placed in dishes on the table for guests to help themselves. At the lower end of restaurant service was plated service where the whole meal was pre-plated and finally self-service where the customer selected and collected their meal from a service counter. Menu development followed these service styles so that the more expensive trolley or silver service styles reflected in more expensive menu items, printing and general restaurant ambience. Changes in food presentation style initiated by nouvelle cuisine and continued through the development of celebrity chefs now finds plated service regarded as the normal choice in many of the world's top luxury restaurants. The chef literally creates the dish on the plate complete with vegetables, sauces and accompaniments creating a presentation or picture of the dish. Menus need to reflect this change in presentation style and the change in status of plated meals. In particular menu descriptions need to be both informative and accurate because all items are already on the plate and customers may dislike one component or have intolerance for some food items. Descriptions have also developed a wider range of and greater use of adjectives similar in many ways to that used to describe works of art, and for the chef restaurateur this is the image that they want to portray as part of the establishment's and their own identity.

Content of food menus

The content of food menus varies with the type of menu, the segment of the market it is aimed at, the occasion, the food cost available, the country or region, etc. Table d'hôte menus are often of three to four courses only. A hotel room service breakfast menu will offer three or four courses from both a traditional breakfast and a continental style breakfast together with a number of ancillary items such as newspapers, magazines or early morning beverages and will also offer a range of breakfast delivery times depending on the establishment.

A la carte menus often differ for lunch and/or dinner periods, although it is not uncommon for the same à la carte menu to be offered throughout the day. In the UK, for example, traditionally the heavier type items, for example thick vegetable-based soups, farinaceous dishes, meat puddings, meat stews, steamed fruit and sponge puddings, would normally be found on a lunch menu; whereas the lighter and often more delicately flavoured dishes would be found on a dinner menu, for example speciality consommés, poached fish with delicate flavours and often

complicated garnishes, hot and cold sweet and savoury soufflés, etc. However, many of these traditional dishes now feature on menus at any part of the day as part of a marketing campaign in what marketers would refer to as retro dishes or dishes that were popular in the past, went out of fashion only to re-emerge once again on our menus. This applies particularly to dishes that nutritionalists suggest are bad for us, for example steamed suet puddings for which, nostalgia is a strong buying force. For a traditional full à la carte menu, the courses or sections of the menu would be divided up into a possible 14 sections. It is from this full outline of the sequence of sections that a table d'hôte menu or a special luncheon or dinner menu could be constructed. The combination of the various sections of the menu depends very much on the occasion, the prices to be charged and the wishes of the customer. There is an established order of sequence of sections of the menu, which by tradition are followed. This accepted sequence enables the caterer to compile the separate courses on table d'hôte and à la carte menus and to suggest to clients suitable special and/or function menus of varying lengths. It is very seldom the practice for all of the possible courses of a menu to be served, but as a general rule it is possible to state that when a large number of courses are served that the portion sizes are relatively small. The classical European menu structure identified by M. J. Leto and W. K. H. Bode consists of 16 courses excluding coffee. They are in order of service cold starter, soups, hot starters, egg and farinaceous, fish, small hot meat dishes, large meat joint, small cold meat course, sorbet, roast with salad, vegetable course, potato course, warm sweet course, cold sweet course, cheese course and fresh fruit.

Menu planning

As stated earlier the menu is the key marketing and selling tool available to the restaurateur and as such meticulous attention to detail is the key to making this work successfully and is a positive step towards a profitable food and beverage enterprise. The menu communicates a wide range of information to the customer both in terms of the words used to describe dishes, referred to as 'copy' and more subliminally through colour, layout, quality of material used, and style and needs to be reflected conceptually throughout the whole restaurant (Figures 5.3 and 5.4).

The menu, together with other physical attributes of a property contributes to creating a level of expectation from the customer. Meeting this customer expectation or in fact exceeding this expectation should be the primary objective of the restaurateur in the quest for a successful and profitable business. Because the menu plays such a pivotal role in operational style, pricing structure and overall concept design it is important at the planning stage that the location is right for the planned menu type, that the market exists within this catchments area and that it works with regard to the local competition. In an affluent residential area a small restaurant may be successful with high priced, high quality

In his new restaurant at the Compleat Angler hotel in Marlow, Dean Timpson explains that he can focus much more on the food offering. After more than seven years as executive chef at Marlow's Compleat Angler hotel, Dean Timpson was offered the opportunity of opening a restaurant with his name above the door at the 64-bedroom property.

Almost £1m was spent on creating fine-dining restaurant Dean Timpson at the Compleat Angler and the hotel's other eaterie, the brasserie-style Bowaters, by dividing the former Riverside restaurant in two.

Timpson explains that cooking for a far smaller number of covers than before and being able to focus exclusively on the restaurant – which is open for lunch Wednesday to Sunday and for dinner Tuesday to Saturday – is allowing him to significantly raise the level of cooking. He has also sourced new suppliers for the restaurant, so is working with the very best ingredients. At lunch, as well as the à la carte, Timpson offers a three-course market menu for £24.50, with three options per course. Crayfish and smoked salmon tortellini with red chard is among the current starters on this menu, with fillet of turbot with pea and truffle risotto among the mains, and passion fruit mousse with mango jelly and coconut ice-cream a dessert option.

In the evening, alongside the à la carte, a six-course tasting menu is offered and is selling strongly, with about 25% of diners choosing it. Meanwhile, the à la carte features five dishes at each course, with dishes selling evenly across the menu, says Timpson.

Duck eggs from a local farm are put to good use in a starter of poached duck egg with asparagus and morel foam (£10), while sautéed scallops with English pea purée and a confit of pork belly (£15) is a similarly seasonal alternative to start.

At main course Timpson is particularly proud of the loin of rabbit and langoustine with prune purée and cabbage (£24). 'It's a dish I've been working on for six years, and I've now got it exactly as I want it,' he says. 'It's a lovely balance between earthy, savoury and sweet flavours'.

Figure 5.3

New menu concepts can rejuvenate a restaurant

What's on the menu

- Duo of foie gras with pineapple purée and caramelized pineapple, £14
- Quail ballotine wrapped in Parma ham with rhubarb purée and pickled walnuts, £13
- Cornish red mullet with saffron mayonnaise and a tomato dressing, £12.50
- Roast suckling pig with pak choi and Granny Smith apple sauce, £26
- Cornish monkfish wrapped in Parma ham with marinated tomatoes and asparagus, £23
- Fillet of sea bass with orange dressing, baby spinach, clam and razor clam lasagne, £27.50
- Dark chocolate soufflé with mint ice cream, £7.50
- Strawberry parfait wrapped in chocolate with honeycomb caramel, £8
- Chilled apricot soup and apricot mousse served with champagne, £7.50

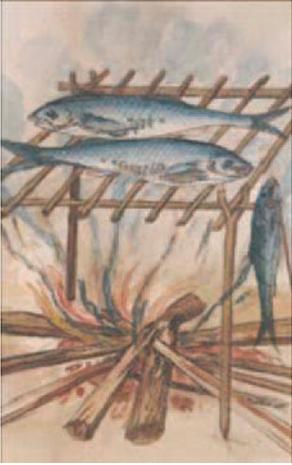
Figure 5.4

The Compleat Angler, Marlow, Buckinghamshire website: www.deantimpson.co.uk (Source: Caterer & Hotelkeeper, June 2007)

items and a low volume of customers whereas in a less affluent area, perhaps with a high student population on restricted budgets a small restaurant may have more success with a take-away menu. These two examples are rather polarized and often boundaries are not quite so clearly defined but it serves to demonstrate the need to consider these aspects before embarking on a restaurant style or menu plan (Figures 5.5 and 5.6).

Themes • • •

The design of a menu concerns more than the typography, colour, graphics, and shape or production material, important as these areas might be. Today's consumers are well aware of a modern computers ability to produce high quality print and graphics. With



EXHIBITION SPECIALS

Broiling fish over a fire, watercolour with touches of gold, by John White, about 1585. Probably American shad, a delicious tidal river fish. From A New World: England's first view of America, 15 March-17 June 2007, Room 5

BOSTON CLAM CHOWDER 7.50
 WHITE RICOTTA AND CHEDDAR CANNELLONI (V) 13.00
 baby spinach | crisp quail egg
 MAINE KINGCRAB CLAWS & CRAB CAKE 13.50
 avocado & mango coulis | cress salad
 NEW YORK STRIP LOIN STEAK 15.50
 mini baked potatoes | Savoy cabbage
 fried Café de Paris butter
 VANILLA & CHOCOLATE CHEESECAKE 5.80
 orange ceviche | strawberry sorbet

Prices are declared in £ inclusive of VAT at 17.5%. A discretionary service charge of 12.5% will be added to your bill. This is shared amongst the team.

Figure 5.5 Special event menu for exhibition at the British Museum (Source: Courtesy of DO & CO)

The Danesfield Afternoon Tea

Selection of Finger Sandwiches, a choice of Chocolate Chip, Plain or Fruit Scones, Cornish Clotted Cream, Rich Fruitcake, Shortbread, Home-made Dainty Cakes and Pastries, Selection of loose leaf teas.

£17.50

The Danesfield Champagne Tea

The Complete Danesfield Afternoon Tea. Served with a Glass of Laurent Perrier Champagne, Bucks Fizz or Champagne Cocktail.

£24.50

Cream Tea

Choice of Loose Leaf Teas served with a choice of Chocolate Chip, Plain or Fruit Scones, Strawberry Jam and Cornish Clotted Cream.

£10.50



Figure 5.6 Afternoon tea menu at Danesfield House Hotel

a little sophisticated software and a good quality colour printer production of high quality colourfully designed menus with large amounts of graphics is relatively simple and inexpensive. A catering business, therefore, relies more heavily for its overall design appeal on what and how it describes the menu items. The use of language often causes difficulty particularly mixing different languages, for example English and French. By adding French the restaurateur may seek to add classical named dishes but by mixing the language the dish is described in pseudo-English or French and often becomes an unrecognizable hybrid. If part of the restaurant's theme is to represent another country then the menu may be written in the corresponding language but it is essential that an accurate description of each dish be given properly translated into English. In this way special themes or events can be reflected in the menu design and content (see Figure 5 2).

Menu presentation

Comparatively lower production costs and modern materials should ensure that menus are always kept clean and presentable. Damaged, soiled menus or those that have prices overprinted or in some cases where new prices have been stuck over existing prices are not acceptable and customers will regard the establishment as being of a low standard.

Menus should be easy to read, clear and precise and enable a customer to calculate approximately how much they are likely to spend and show clearly if any additional charges are to be made, for example service charge. Menu items should have accurate descriptions where required, reflect the expectations of customers in terms of the style of restaurant the menu portrays and the service style they should expect. The menu should reflect the restaurant offering in line with current market trends and customer expectation. 'Menus should be designed to market the restaurant, entice diners to eat. The average customer spends only two minutes reading the menu. The term "reading" may be an overtly optimistic expression of what is no more than a quick scan. In only two minutes your menu must communicate the full range of food and beverages offered and sell the guest on what to purchase to both satisfy them and your financial objectives', Bates (2004, p. 30).

Activity 2

Design a leaflet that can be handed out to customers as they leave the restaurant informing them of a special event of your choice. Use the typography, colour, graphics, and shape or production material to support the text and reflect the type of event you are offering. Once complete pass to a friend or colleague and see if they have all the information they need to make a decision about attending from the information and style of your leaflet.

Layout of the menu

The larger the menu the more time consuming it is for customers to make their selection of food or wine. However, if it is too short customers may not be entirely satisfied by what is offered. Caterers need to adjust the length of their menu to the particular needs of their customers; bearing in mind that the longer a menu becomes the more management control will be necessary. What often is particularly confusing and embarrassing – unless the customer is very knowledgeable – is the length of wine lists offered in many restaurants. Unless wine lists of this type are extremely well laid out and contain additional help to customers to aid their selection, they will do very little to help the potential sales of a restaurant. The layout of a menu should take into consideration how a customer normally reads a menu. This is illustrated in Figure 5.7. This skilled use of the important areas on a menu must be utilized to enable an establishment to achieve its budgetary targets.

Size and form

The size and shape of a menu can add to and complement the uniqueness of the facility. A food or beverage menu must be easy for the customer to handle and in no way confusing to read. The various forms that the menu can take are unlimited, from a menu chalked up on a blackboard, to a large illuminated display board with photographs, conventional menu cards, tent cards, placemats, menus printed in the shape of a fan or even hand printed onto silk handkerchiefs as mementoes for the guests at a banquet. There are cost implications, particularly where the services of a professional printing company are involved and therefore consideration for the length of time that a menu might be used or the level of soiling that might be expected should be included as part of the decision-making process.

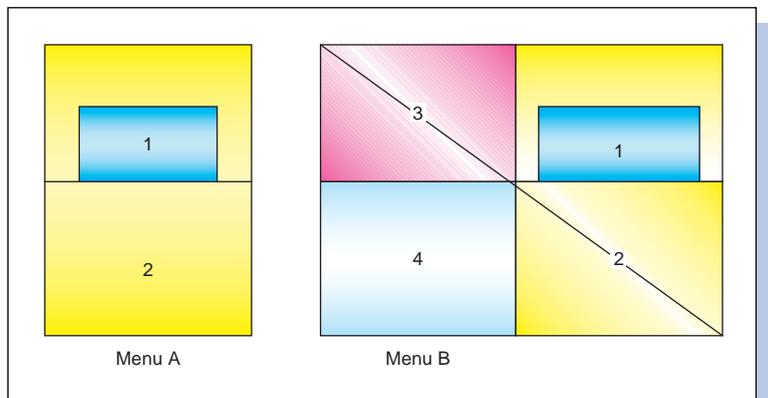


Figure 5.7
Menu layouts and how guests read a menu

MENU PRICING

Menu pricing needs to fulfil two needs, for the caterer the need to make adequate profits and for the customer the need to satisfy getting value for money. In both cases the requirement for accuracy is paramount. Customers today are more sophisticated in their dining habits, more people eat out, many are well travelled and nearly all have gained perceptions of quality and value for money from watching celebrity chefs and other food programmes on television. Some aspects of profitability are discussed in Chapter 7 but essentially profitability as far as the menu is concerned has three elements: margin per item, sales mix and volume. A restaurateur's policy on pricing should take a holistic view of the business and include expected return on investment, market demand, competition, where price should be measured against quality, industry standards for style of operation, location, particularly where this may impact on business overheads including staff costs, rents and council charges.

The research shown in Figure 5.7 is taken from work done at the Culinary Institute of America in California. Because much of the time spent on analysis of profitability and pricing, often referred to as menu engineering, it is easy for restaurant owners to lose sight of the fact that they are actually talking about pounds, dollars, euros, etc. and that percentages do not always reveal the true story as shown in Figures 5.8 and 5.9.

Pricing models

There are a number of well-established pricing models commonly used some of which are better suited to commercial undertakings whilst others are more frequently used in 'not for profit organizations'. In this respect benchmarking against others in the sector may provide a good 'feel' for a suitable pricing model.

Cost plus pricing • • •

Cost plus pricing takes the ingredient or food cost element of a menu item and simply adds a predetermined multiplier or markup. Most commonly used where a simple pricing model will provide the desired return and there are few additional costs. Typically, this could be something like a house wine where little further expense will be incurred and the restaurateur simply multiplies the buying price by say three, so cost price is £4 selling price becomes £12 plus or including any sales tax. This simple pricing approach may aid decision making when for example on the telephone to a supplier or perhaps in a market. By simply applying a set multiplier they can get a good estimate of selling price (see Figures 5.8 and 5.9).

Alternatively by adding a fixed markup of say 150% the wine becomes £10. This simplistic pricing method also allows the chef or buyer to make quick purchase.

MANAGER ONE

For illustration, let's take a look at a series of simplified menu abstracts from three different managers pricing the same menu. In the first example, you'll see that this manager budgeted for a 33% food cost and took the safe route to achieve that goal by setting the pricing on each of the individual menu items to meet that same percentage. Safe, because no matter what the customers order, theoretically his food cost should come in on budget and everyone should be happy. Right? Well, before we answer that, let's look a little further.

Item	Selling price	Sold	Total sales	Cost per unit	Margin	Total cost	Profit	FC%
Roast chicken	\$9	9	\$81	\$3	\$6	\$27	\$54	33%
Grilled veal chop	\$36	1	\$36	\$12	\$24	\$12	\$33	33%
Sautéed Salmon	\$13.50	4	\$54	\$4.50	\$9	\$18	\$36	33%
Total		14	\$171			\$57	\$114	33%

MANAGER TWO

Our second manager used a different approach to menu pricing. Using the same menu items, but raising the price on the chicken by \$3 and lowering the price on the veal by \$12 the natural reaction of her customers was for them to buy less chicken and more veal. And what about the food cost percentage? It went up of course, to a whopping 40%, but the profit went up as well – in fact, by quite a bit. She deposited more money in the bank even though her food cost comes in at five points higher than that of manager number one. Manager number two focuses on real dollars, not just percentages.

Item	Selling price	Sold	Total sales	Cost per unit	Margin	Total cost	Profit	FC%
Roast chicken	\$12	5	\$60	\$3	\$9	\$15	\$45	25%
Grilled veal chop	\$24	5	\$120	\$12	\$12	\$60	\$60	50%
Sautéed Salmon	\$13.50	4	\$54	\$4.50	\$9	\$18	\$36	33%
Total		14	\$234			\$93	\$141	40%

Figure 5.8 Sales mix matrix

Competition pricing • • •

Competition pricing as the name suggests copies the prices of competitors. As a short-term strategy this may achieve increased business but it can easily spiral out of control into a price war. What are unknown are the competitors cost structure and margins maybe severely compromised.

Rate of return pricing • • •

The basis for this method is an attempt to establish a break-even matrix based on predicted costs and sales. So, for example, if a

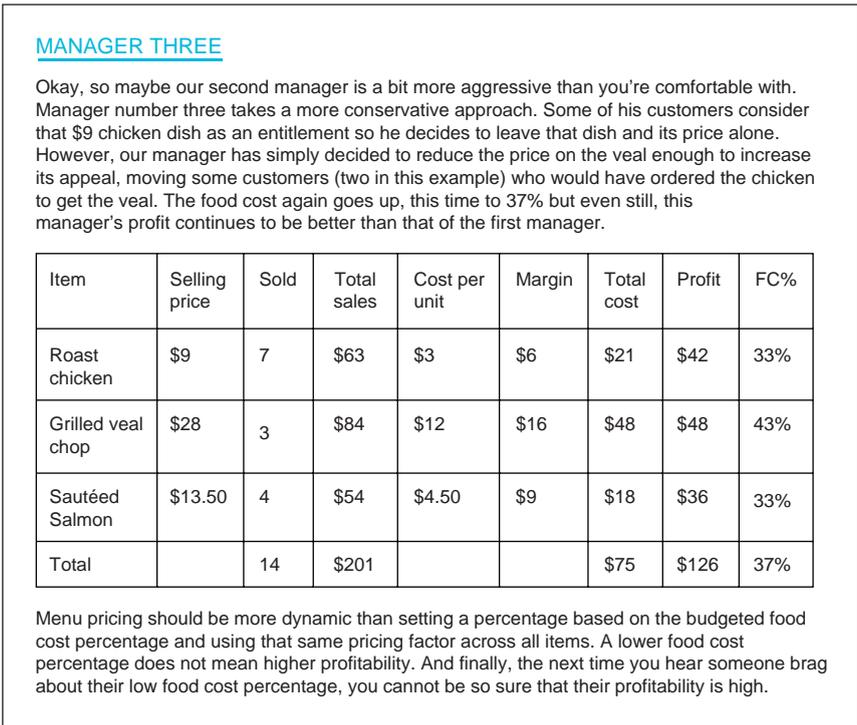


Figure 5.9 Sales mix matrix 2 (Source: Adapted from Marriott Streamlines Menuing. Lodging Hospitality, 2007)

restaurant investment is £300,000 and the required return on this is 20% then the restaurant seeks profits of £60,000 per year. By modelling the costs, sales price and volume the emerging data will indicate what levels this needs to be in order to achieve the desired return. It would then be necessary to take it a stage further and carry out a feasibility study to see if the model fits the operational style of the restaurant. This model is unlikely to give definitive menu prices although they may be indicative and therefore help in the initial restaurant setup decision.

Elasticity pricing • • •

This pricing method considers the market and its sensitivity to price change. If the restaurant operates in a market where price is a determinant of demand a lower price may increase volume sufficiently to give better profitability. The market may also allow supply to be a determinant of price thereby allowing price increase without undue effect on volume. Fast-food operations, particularly branded burger restaurants in urban areas have been demand led and very price sensitive, particularly when market share becomes an important aspect, however when these same restaurants are located on motorway service stations they become supply led and prices can increase.

Backward pricing • • •

Backward pricing considers what the customer or market will bear in terms of price. Often used in manufacturing, for example confectionary or canned drinks less common in restaurants but useful when trying to establish or develop a new product. Requires fairly accurate ingredient and processing costs to be established and relies heavily on volume forecasts.

Prime cost • • •

Prime cost and its variant actual cost endeavour to provide more accurate cost models. Prime cost attempts to calculate labour cost in addition to food cost and actual cost attempts to include overheads. Both of these may be modelled via data from electronic point of sale (EPOS) systems over time and may also be benchmarked against industry standards for the sector. For example, it may be established that Pizzeria's have an average food cost of 20%, an average labour cost of 30%, average overhead costs of 30% and require a return on investment of 20%. In this model if pizza ingredients cost £1 the operator has £1.50 towards labour, £1.50 towards overheads and £2 towards return on his investment that equates to a selling price of £5 plus sales tax where applicable. Whilst this model is more sophisticated and has the propensity to be more accurate modelling against industry standards or using data from the operations EPOS system can be misleading. In the first cost matching across all categories may not be possible and in the second EPOS data by its nature is historic and previous sales may not be attainable in the subsequent trading period, a drop in volume will load each remaining sale with additional levels of cost.

Departmental profit margins • • •

The approach to menu pricing must follow from the outline of the basic policies and from the determined departmental profit targets. Each department will have a significant role in the total organization and its individual profit targets will normally be unrelated. For example, in a hotel the profit required from the à la carte restaurant may well be far lower than that of its coffee shop. The existence of the à la carte restaurant may be mainly of an image status for the hotel as against being a major profit contributor. What is necessary is for the total sum of the individual departments' contributions to equal (at least) the desired contribution to the revenue for the whole establishment.

Differential profit margins • • •

It is unusual to apply a uniform rate of gross profit to all of the items found on a food menu or beverage list, although this simplistic method of costing can at times still be found in the non-commercial sector of the industry. In the non-commercial sector of the industry one of the advantages is that where a uniform rate of gross profit is applied (e.g. 60%), reference to the takings can

quickly show the costs at 40% gross profit irrespective of the sales mix and an immediate comparison can be made to the actual usage of materials. The reasons for not applying a uniform rate of gross profit in the commercial sector are those stated in Chapter 7, that is, it ignores such things as capital investment; it emphasizes the cost too much; it ignores competition; etc. Further, it could distort the range of prices and values of items on a menu in that a low food/beverage cost item would end up being priced at a very low price, while a high food/beverage cost item would be exorbitantly priced. In addition, it does not allow any flexible approach to the selling of items. Differential profit margins take into account the sales mix of items from a food menu or beverage list and hopefully provide the competitive balance of prices so that in total it is attractive to the customer and achieves the desired gross profit and revenue for the department.

Special pricing considerations

Sales tax • • •

Depending on the government in power, it is likely that some form of sales tax may be enforced during its period of office. It is important to the customer to know whether prices displayed or quoted are inclusive of this sales tax or not. Additionally, the caterer needs to realize that any money collected on behalf of the government has at some time to be paid to that government and that it should not be included when calculating revenue or average spend figures, etc.

Service charge • • •

This is an additional charge, made to customers, at a fixed percentage of the total cost of the food and beverage served. The fixed percentage is determined by management, printed on the menu/beverage list, with the objective of removing from the customer the problem of determining what size of tip to give when in a particular establishment. As this charge is to be distributed to the staff at a later date, usually on a points system, it should be treated similarly to a sales tax and not included in the calculation of revenue for food and beverages or in the calculations of average spend figures.

Cover charge • • •

This is an additional charge to a meal in restaurants to cover such costs as the bread roll and butter and items included but not priced on a menu. Care should be exercised as to whether to implement this or not as it is most likely to cause aggravation to some clients when it is applied.

Minimum charge • • •

Restaurants to discourage some potential clients from using the premises and to discourage clients from taking up a seat and only purchasing a very low priced item often enforce this.

Menu pricing applications

The exact method of pricing used by an establishment will depend on such matters as which sector of the industry the establishment is in; the level of profit/subsidy required; its basic policies; etc. It is important though to remember that the price in itself can be a valuable selling tool and a great aid in achieving the desired volume of sales. Whilst menu pricing is not quite a science there are a number of ways that the restaurateur can remove some of the guesswork by adopting one or more of the pricing models previously discussed.

Table d'hôte menus • • •

This type of menu is characterized by being a restricted menu, offering a small range of courses with a limited choice within each course and at a fixed selling price. The price may be just one price for any three courses chosen, or may vary in price depending on the main course chosen.

The method of pricing chosen should take into account the departmental profit required and the differential profit margins of the menu. Based on the forecasted sales take-up by guests, the *average* should be taken to fix the price. The average may well be the true figure, rounded off, when the objective is to attract as many customers as possible to choose from the menu; or alternatively, it may be an *average plus* figure when it is being offered with an à la carte menu and it is not desired to encourage too many guests away from the à la carte menu by making the price differentiation too attractive.

À la carte menus • • •

This type of menu is characterized by being a larger menu than a table d'hôte menu offering a greater choice of courses and dishes within each course, and each item being individually priced.

The method of pricing here is again to take into account the departmental profit required and the differential profit margins for each course and then to price each item separately using standard recipes. In addition, note should be taken of the potential sales mix within each course so as to achieve the desired profit margin.

Banqueting menus • • •

This is a specific type of table d'hôte menu offering normally no choice to the customers. The specific difference in pricing this menu is that apart from the food and often the liquor, all the additional items are normally priced and charged separately. Examples of such items are flowers for each table, a band, meals and refreshments for the band, services of a toast master, hire of a microphone, printing of a special menu for the function. Many companies are now trying to customize this restricted choice, for example Marriott have created a package for business functions that combine menu choices with technology requirements banqueting style operations as shown in Figure 5.10.

Figure 5.10

Designing menu options for customer needs. (Source: Brand Report, Lodging Hospitality 2006)

Marriott International recently introduced new menus for its meetings and events at all Marriott and Renaissance properties. The company states that the new menuing process will make it easier for meeting planners to choose and customize items for their events and to communicate their selections.

The company surveyed meeting planners and Marriott personnel to help design the menus. As a result, planners can now select from an a la carte menu of meeting choices – breakfast, lunch, dinner, beverages, breaks, receptions and technology – in one user-friendly and colourful document.

The pricing of a banquet menu for a client is commonly found to have a flexible element to it, in that it is not uncommon for a banquetting manager to offer additions to a menu at no additional cost to the client in order to obtain the business during a slack trading period or for a particular gap in a week. For example, the banquetting manager may offer as a free addition to the standard printed menu such things as a soup course, a sorbet, *petits fours*, etc. Further, the charge for the hire of the function room may be reduced or removed altogether (see also Chapter 19).

Pricing of beverages

The method used to price beverages is similar to that for pricing foods. As in the case of foods, first, the departmental profit target and gross profit percentage should be set, followed by differential profit margins based on the sales mix achievable. The sales mix breakdown depends on the type of operation and how detailed the breakdown of sales is required. The gross profit percentage of house brand beverages (i.e. the particular brand of beverage that is offered to the customer, when a specific brand is not requested) is usually higher than on other brand beverages as it is normally made available by the supplier at a special discounted rate (see Table 8.8 for an example of differential profit margins applied to a bar).

Pricing may be more accurately calculated for beverages as little, if any, processing of the drinks takes place; drinks being purchased by the bottle (e.g. beer, wine) or by a specific stated measure (e.g. 6-out) from a bottle of known standard size (e.g. wine, 75 cl). The mixing of drinks is, like food, usually prepared using a standard recipe particular to an establishment.

Subsidized operations

There are many operations within the non-commercial sector of the industry that are subsidized in some form or other. Subsidies may take the form of completely free premises, capital equipment, services, and labour or the catering department may be required to pay a percentage of these costs with the balance being the subsidy. Pricing in this situation may, for example, require the sales revenue to cover the food costs only; or food costs plus specific named expenses (e.g. all labour); or food costs plus a named percentage (e.g. 20%) as a contribution to all overheads. Pricing in this situation is frequently done on a cost

plus basis, depending on the level of subsidy. When more than the food/beverage cost has to be recovered, it is important that prices are competitive enough to encourage a high enough volume of sales.

Recipe costing and menu testing software, for example StarChef.NET (www.chef365.com/) or fourthhospitality (fourthhospitality.com/fourth/RandM.html) are readily available allowing the restaurateur to compare performance of various menu items using different recipes for price comparison.

Menu engineering examined by authors Kasavana and Smith (1982), and Keiser et al. (2008) consider the menu in terms of cost, margins and volume analysed to identify menu items under four performance types, namely, plowhorses, stars, dogs and puzzles (see Figure 5.9). Plowhorses are highly popular menu items with average to low contribution margins, stars are highly popular menu items with high contribution margins, dogs have low popularity and low contribution margins and puzzles have low popularity but high contribution margins. As we can see this analysis focuses on the contribution margin, that is the difference between the cost of ingredients and the selling price for each menu item. This is a relatively straightforward approach with information readily at hand but it ignores both overhead and labour costs that are more difficult to attach to individual menu items. Attaching a level of work output or productivity is time consuming, may vary over time or by staff member. Overhead may be averaged across each menu item but this may be grossly inaccurate. Ignoring either of these has the potential to be very misleading as the following example suggests. Let us examine the 'Stars' a high volume and high contribution menu item like Pizza. The ingredient costs for a cheese and tomato pizza are very low in comparison to selling price yielding on average a gross margin in excess of 85%. However, making pizza is a time-consuming process and cooking pizza is energy intense because a high oven temperature needs to be maintained throughout the service period. In many cases pizza is also finished as the order is received into the kitchen so in addition to the preparation time it is labour intensive at the time of sale requiring the restaurateur to plan labour levels accordingly.

Pricing remains a relatively flexible task, depending on the ease and cost of menu printing and should be considered with a view to appealing to the target market and restaurant sector in which it is situated. Pricing to low may make to item attractive but will not generate the desired return, pricing to high may put customers off.

Adding value

In pricing a menu it is necessary to consider the relationship between menu items so that the pricing structure appears balanced and acceptable in today's marketplace. A general observation suggests that starters and desserts are priced at similar levels and main dishes on an upward sliding scale starting just higher

than the most expensive starter or dessert. For the caterer it is necessary to give some consideration to ingredient costs but these generally only represent between 20% and 30% of the menu price averaged across the whole menu and a more detailed explanation of this is given in Chapter 6. From the customers perspective however, the ingredient value often has everything to do with the perception of value of the price being charged. It is this dilemma that makes pricing a difficult and complex process because much of modern pricing is based on perceptions of added value, supply and demand, trends and fashion, perceptions of quality and market forces and it is the caterers responsibility, skill, training and value adding techniques that allows high profits to be made on low ingredient costs. As an example, let us consider one food item that has been around for at least the last fifty years, the fish cake. Fish cakes were one of the staple food items used in welfare catering, cheap and easy to produce, ideal for using up fish and potato leftovers and easy to buy in ready-made. Using fresh ingredients it typically costs less than one-pound per portion to produce and using leftovers the cost is literally pence. In a staff restaurant they may sell for three to four pounds per portion, in a typical high street restaurant, with the addition of a few salad leaves, a little flavoured mayonnaise and an imaginative menu description they will sell for ten or eleven pounds per portion and in both restaurant examples, through appropriate marketing it allows the caterer to capitalize the value added and the customer to consider the item value for money. In this way items on the menu with relatively low food costs and therefore high contribution margins are beneficial to profitability. Reputation also allows the restaurateur to add value to the dining experience so for example, a restaurant that can claim to have three Michelin stars may offer an exclusive menu that commands a substantial price (see Figure 5.11).

MENU KNOWLEDGE

When we consider that a menu is the primary sales tool for any restaurant operation it follows that product/menu item knowledge is important. Aside from issues concerning allergies, special diets or preferred tastes discerning customers will expect waiting or sales staff to have a thorough understanding of all dishes both in terms of ingredients and preparation and cooking. Good menu knowledge is an essential aid in the sales process, it provides an opportunity to discuss and where appropriate to up-sell more expensive or more profitable dishes. It also gives the customer assurance that the establishment is managed professionally.

Sales mix

Although generally food costs only account for 20–30% of menu item cost averaged across the menu there are often considerable variations. It may be seen from the example above that different

MENU SAMPLE FOR TASTING MENU
ONE HUNDRED AND FIFTEEN POUNDS

NITRO-GREEN TEA AND LIME MOUSSE (2001)
OYSTER AND PASSION FRUIT JELLY, LAVENDER
POMMERY GRAIN MUSTARD ICE CREAM, RED CABBAGE GASPACHO
QUAIL JELLY, CREAM OF LANGOUSTINE, PARFAIT OF FOIE GRAS
OAK MOSS AND TRUFFLE TOAST
 (Homage to Alain Chapel)

SNAIL PORRIDGE
 Joselito ham

ROAST FOIE GRAS
 Almond fluid gel, cherry, chamomile

'SOUND OF THE SEA'

SALMON POACHED WITH LIQUORICE
 Artichokes, vanilla mayonnaise and 'Manni' olive oil

BALLOTINE OF ANJOU PIGEON
 Black pudding 'to order', Pickling brine and spiced juices

HOT AND ICED TEA (2005)

MRS MARSHALL'S MARGARET CORNET

PINE SHERBET FOUNTAIN (PRE-HIT)

MANGO AND DOUGLAS FIR PUREE
 Bavarois of lychee and mango, blackcurrant sorbet,
 Blackcurrant and green peppercorn jelly

PARSNIP CEREAL

NITRO-SCRAMBLED EGG AND BACON ICE CREAM
 Pain perdu, tea jelly (2006)

Selection of wines by the glass to accompany this menu,
 Available per person at £90, £145 or £295 (min. two)
 This menu is designed to be enjoyed by the whole table

An optional 12.5 per cent service charge will be added to your bill

Figure 5.11 A tasting menu from the Fat Duck at Bray (*Source: www.fatduck.co.uk/menu_degustation.html*)

food or beverage items may carry significantly different levels of profit contribution. Other examples include the cost of making a soup as compared with an offering of smoked salmon or the cost of producing a steak and Guinness pie as opposed to an offering of grilled steak and although these dishes in themselves invite pricing differentiation overall the menu needs to have a complementary pricing structure so that the differentiation appears well

structured and meets all the other pricing criteria for customer acceptability. Sophisticated sales data analysis through the use of EPOS systems allows the caterer to examine changes in profitability as changes to the mix of sales go through the system. Analysis of the sales report will identify sales trends and the effects that these have on profit margins, service requirements and kitchen production. By making adjustments to menu content the caterer is able to manipulate sales mix that can influence revenue, service and production demands. The manipulation of menus or menu engineering, mentioned earlier in this chapter is examined in more detail in Chapter 7 but essentially as one approach to sales analysis it provides the caterer with intelligence on how the menu is performing and suggests areas for further analysis. The level of sophistication for menu planning that EPOS systems provide and the reports they generate are examined in more detail in Chapters 6 and 7.

Nutrition

The 21st century has seen much public concern over the nutritional content of food. The provision of food and beverage in certain categories of establishment has required caterers to pay particular attention to nutrition and traditionally these have included schools, hospitals, prisons, the armed forces and any establishment regarded as having a 'captive market'. More recently public awareness has made nutrition or rather the lack of the correct nutrition a greater concern across the whole strata of society. Obesity at all ages, poor eating habits within the school meal service leading to poor eating habits later in life, levels of nutrition in hospitals and care homes as changes in demographics lead to a more elderly population the part that food plays in behavioural studies both for school children and prisoners. Whilst food remains fashionable and trendy in other sectors of society, lifestyle, image and high-level publicity for more healthy food means that caterers in all sectors need to take account of nutrition as part of their regular review of menu planning and design.

Group activity

One of the popular recommendations for a healthy lifestyle is eating five fruit and vegetables per day. Below you will see a list of five vegetables and fruit. Divide the group in half, one group to defend this selection the other to argue against.

Bananas, baked beans, canned tomatoes, potatoes and seedless grapes, each of these has both good and less good attributes, discuss.

Menus and the law

There are a number of legal issues connected with the preparation of both food and beverage menus. As stated earlier in this chapter, menus need to be accurate but they also need to be

honest in their descriptions of what is on offer. The law requires that all descriptions applied to meals or their accompaniments must be accurate, whether given in writing or by illustration, on menus, blackboards, windows or any other means, including verbal descriptions by staff. Food labelling law states clearly that failure to inform customers honestly or to give misleading information is an alleged criminal offence. The legal framework and enforcement of compliance in these areas is part of the responsibility of the local council Trading Standards department. The local council also has responsibility for issues concerning public health via the environmental health department and liquor licensing.

Food description problems

Using the term 'chicken fillet' or 'chicken breast' on a menu implies that you are providing a whole unprocessed product. If you then use a product where packaging is labelled 'reformed' or 'chopped and shaped' then it is not an unprocessed product and therefore the menu description should reflect this. An example of an item that commonly causes problems in this respect is the dish Chicken Kiev described as a chicken breast stuffed with garlic butter coated with egg and breadcrumbs and deep fried, it is a product that is commonly 'bought in' rather than made on the premises and a close examination of the label will reveal that it is often a reformed reshaped product. Furthermore to use the term 'home-made' when the product has in fact been bought in or 'home cooked' when the product is merely an assembly of convenience products put together and cooked is also an offence so, for example, opening a can of stewed steak and kidney into a dish then adding a frozen pastry lid and baking it in the oven would not constitute a home cooked steak and kidney pie. Some products are required to contain minimum quantities of ingredient before they can be sold, for example burgers have to contain a minimum of 80% meat before being sold as a burger. Descriptions of cooking methods also come under scrutiny; roasted joints of meat that have been steamed and flash roasted should not be described as roasted meat. The roasting process is a clearly defined process (please see Chapter 6) and is not the same as the process available in highly technical ovens that use very low temperature steam over a long cooking process. This process considerably reduces weight loss because the product does not lose much moisture and is subsequently coloured via a short period of high temperature. Whilst this process has obvious advantages for the caterer the end product bears little resemblance to a properly roasted joint. Other common terms used in error are cheese when it is a cheese substitute, smoked when really the product is smoke flavoured and butter when margarine is used. There are a further range of descriptions about which the caterer needs to be completely certain, which are factually correct before using them, for example stating that food is fresh or low calorie, that it is suitable for vegetarians, vegans or coeliacs, that it is a proprietary

brand product for example Hellmann's mayonnaise when it is for example a decanted Tesco own brand product, that a product has come from a certain region for example Scotch beef when it is not from that region or where to your knowledge ingredients used have undergone an irradiation process and this is not declared. In making statements concerning the weight of a menu item, for example steak, it is important to state that the weight quoted is when raw, a 160g fillet steak will weigh up to 40% less if cooked to well done. Chapter 6 gives an example of a food specification and these can be written for most menu items which will enable more accurate menu descriptions to be followed.

BEVERAGE MENUS/LISTS

The criteria used to prepare a wine menu, or drinks list, are the same as those used when preparing a food menu as outlined earlier in this chapter. Wine menus and drinks lists fall under the requirements of licensing regulations some of which are described above and these can change from time to time and those operating licensed premises need to be aware of these changes. The use of the wine menu, or drinks list, as a selling tool cannot be emphasized enough. Customers eating in a restaurant do not have to, and will not feel embarrassed if they do not purchase a drink. It is the caterer's ability to interest and gain the confidence of customers that is likely to lead them to purchase a drink. Most beverages require fewer staff to process them and the profits from them is therefore higher than those from food and so it goes without saying that this is an area that requires time and attention from the caterer to obtain the full benefit. Beverage lists should be specifically prepared for the particular unit in which they are being sold, because the requirements vary greatly. A restaurant themed to a country or region might offer both food and beverages from that area's wines and beers. To use a general-purpose wine menu may not be suitable but such is the power of 'brands' it might be prudent to include a few as these are likely to aid sales. What is also important with beverages is that there should be a follow-through with the correct serving temperature being adhered to and the correct traditional glassware used, particularly when available to make the brand. The sales of wines and cocktails in hotels and restaurants are generally lower than they should be for such reasons as poor selling, overpricing and the snobbery that goes with wines and cocktails which tend to put customers ill at ease.

Types of beverage menus/lists

The various types of beverage menus are numerous, but for simplicity they may be grouped as being of six kinds: full wine menus, restricted wine menus, banquet/function menus, bar menus, room service beverage menus and special promotion beverage menus.

Within this general heading wine menus may be subdivided as follows:

1. *Full wine menu or lists:* This kind of menu would be used in an up-market hotel or restaurant where the customers' average spend would be high and where the time available to consume their meal would be likely to be in excess of one and a half hours. Like all menus, a full wine menu is difficult to design. Certain wines must be on the menu if a restaurant is of a particular standing; it is the question of the selection of wines within the various types based on the manager's experience and the analysis of customer sales that make it difficult to keep a correct balance and restrict the choice to reasonable limits. A full wine list may resemble a small book, often being of 15–40 pages in length. Because of the size and cost it is often the practice to have the menu contained within a quality cover and to be of a loose-leaf form so that the individual pages may be updated when required and replaced (Figures 5.12). It is also the practice for many restaurants to give a brief description of the major types of wine as well as provide a map to show the origin of the wine. The price range for this type of menu is high because of the quality of the products. The layout would usually be in the following order:
 - (a) House wines
 - (b) Champagnes and other sparkling wines
 - (c) Red wines
 - (d) White wines
 - (e) Port, sherry, liqueurs



Figure 5.12 Wine list extracts (Source: Courtesy of Acorn House Restaurant)

- (f) Cognac, armagnac, gin, vodka, vermouth, whisky
 - (g) Beers, lagers
 - (h) Mineral waters, fruit juices.
2. *Restricted wine menus or lists*: This kind of menu would be used in a middle type market operation where the demand for a full wine menu is very limited. It is also likely to be used when a highly skilled wine waiter is not required and where the waiting staff serves all food and beverages. The planning of a restricted wine menu is difficult and can best be done by an analysis of previous wine sales. It is usual that this type of menu would feature a few well-known branded wines with which the majority of customers can identify. The price range for this type of menu would be lower than that of a full wine menu and would need to bear some relationship to the food menu prices. Another feature on a restricted menu is likely to be the sale of wine by the carafe and by the glass.
 3. *Banquet/function menus*: This type of menu is of the restricted type in that it will offer fewer wines than a full menu. The contents of the menu will depend very much on the type of banqueting being done, but in general it is usual to offer a selection of wines with a varying price range so that it will suit a wide range of customers and their tastes. Again, banqueting wine menus will usually list some well-known branded wines. A point which must not be forgotten with branded wines is that customers frequently will know the prices charged for them in the local supermarket or wine store and therefore the caterer must be very careful as to the markup on these wines so as not to create customer annoyance.
 4. *Bar menus and lists*: This type of menu is basically of two types – the large display of beverages and their prices which is often located at the back of or to the side of a bar and is often a legal requirement in many countries; or small printed menu/lists which are available on the bar and on the tables in the bar area. The large display of menus and prices would be in a general type of bar where the everyday types of drinks are served; the small printed menus/lists being found in lounge and cocktail bars. The cocktail bar menu/list usually contains cocktails (Martinis, Manhattans, etc.); mixed drinks (spirits with minerals); sherries and ports; liqueurs and brandies; wine (often by the glass); and minerals and cordials. The layout for a cocktail bar menu/list need not follow any set order, the emphasis for the layout being on merchandising specific items.
 5. *Room service beverage menu*: The size and type of a room service menu will depend on the room service offered. For a luxury type unit the menu will be quite extensive, being a combination of items from the full wine list and from the bar list. In a middle type market unit the menu is likely to be quite small, being a combination of items mainly from the bar list plus a few wines only from the restricted unit wine menu/list. Because of the high labour costs for room service staff, a practice today in many hotels is to provide a small refrigerator in each bedroom stocked with a limited quantity of basic drinks.



Figure 5.13 Extract of a beverage menu (Source: Courtesy of Wagamama Restaurants)

The market for champagne and sparkling wine has shown accelerating growth since 2003, now worth an estimated £1.22 billion. A number of factors including changing habits in leisure and in eating and drinking have contributed to that growth, as has also the greater exposure to and familiarity with all types of sparkling wines. Among the many factors that have buoyed demand, price discounting has also played its part, becoming a prevalent feature of the market. There is also the presence of competitively priced own-label champagne and sparkling wine.

Figure 5.14 Growth in demand for champagne (Source: Mintel intelligence report Champagne and sparkling wine, UK, 2006)

- There are many types of beverage units available specifically for use in bedrooms, some of which include a computer-based control system, which automatically records the removal of any item from the unit and records it as a charge to the customer (Figure 5.13).
6. *Special promotion beverage menus*: This type of menu may take many forms from a free pre-function reception to promote a particular beverage, to the promotion of after-lunch and after-dinner liqueurs by the use of attractive tent cards, or to the promotion of the cocktails of the month. Fortunately the suppliers willingly give assistance with beverage promotional menus by providing free advertising and promotional material and by offering the particular beverage free or at a special purchase price (Figure 5.14).

Activity 3

Design a cocktail of your choice with a list of all ingredients in accurate measurement together with the method for making it.

Now design a simple tent card including price, name of drink, an accurate legal description that also makes it sound exciting and interesting.

Licensing

The new Licensing Act 2003 came into force on 24th November 2005, the key aims of which are to allow more flexible opening hours, provide a single premises licence to supply alcohol, regulated entertainment and refreshment late at night and provide a new system of personal licences relating to the supply of alcohol. A full explanation of the 2003 act can be found on the UK government website. The local authority rather than the magistrates' court issues premises licences and personal licences. For most restaurateurs applying for a licence will be done through a solicitor or specialist agency and will require the applicant to have as a minimum qualification the National Certificate for Licensees or the National Certificate in Licensed Retailing.

Description on beverage menus • • •

Much of the regulation that covers food menus also applies to beverage menus or wine lists but there are additional regulations concerning portion sizes. Beer and cider can only be sold in 1/3 pint or 1/2 pint or multiples of 1/2 pints unless sold in cans or bottles. Any glass used to sell draught products must be crown stamped unless dispense is by pump measure. Spirits must be sold in measures of 25ml or multiples thereof. A notice must be displayed in the bar area informing customers of the measures served. Wine sold by the glass can only be dispensed in measures of 125ml, 175ml or multiples thereof and any glass used to sell wine by the glass must be crown stamped. Unstamped glasses may be used where wine is sold either by the carafe or the bottle. It is interesting to note the mix of both imperial and metric measure that is enshrined in licensing regulations. As with branded food items one branded spirit, beer or soft drink cannot be substituted by decanting into another branded container so Sainsbury's Cola cannot be sold as Pepsi Cola and Sainsbury's vodka cannot be sold as Stolichnaya. It is an offence to adulterate beer or spirits with water or other substances to make it go further.

The general rules for the serving of wines

The practice of serving a different kind of wine with each food course is seldom observed today other than for the very formal occasion or for a special gastronomic event.

The choice of wine by a customer is highly individual and the once traditional rules of what wines should only be served with a particular food are not always observed today. Some aspects of

the practice that have stood the test of time and are accepted and commonly practiced today are:

1. The progression of wines in a menu would be that light and delicate wines are served before fuller bodied wines, that simple wines are served before the higher quality wines and that young wines are served before the older wines.
2. When several wines are to be served with a menu the order of serving is normally accepted as being first a dry white wine followed by a red wine and finishing with a sweet white wine.
3. Wines from several countries may be served with a meal providing that there is an affinity between the different wines and that they are accepted partners with the food.
4. Champagne may be served throughout a meal with dry champagne being served with all courses other than with the sweet course when semi-sweet champagne would be better suited.
5. Rosé wines may also be served throughout a menu although it would be unusual for a formal or special gastronomic occasion.
6. Dry white wines are normally served with fish, shellfish and white meats such as poultry, pork and veal.
7. Red wines are normally served with red meats, for example beef, and with game, for example all game birds, venison and hare.
8. Sweet white wines are normally served with the sweet course.
9. Port is accepted as being ideal for serving with cheese and dessert.

MENU MERCHANDISING

The efficiency by which menus are merchandised to customers can affect the demand for the use of the food and beverage facilities as well as influence the selection of items and thereby the sales mix of an outlet. The menu is without doubt one of the most important sales tools that caterers have but which unfortunately they often fail to use to the best or fullest advantage. As mentioned earlier in this chapter, it is necessary for all menus to be correct against the checklist of general presentation, cleanliness, legibility, size and form, layout and content. We are concerned here with the way in which caterers can most efficiently utilize the menu to optimize their sales. The merchandising of catering operations involves the point of sale promotion of their facilities using non-personal media. Unlike advertising it is not a paid for form of communication, but like sales promotion is more concerned with influencing customer behaviour in the short term.

Once customers are inside a restaurant they have already made their decision as to the type of establishment they wish to eat in; their subsequent decisions are concerned with what particular aspects of the product they will now choose. Customers may decide to eat at a restaurant because they have seen it advertised, and will therefore bring to the restaurant pre-conceived ideas as to the standard of food, level of service, etc. that they will receive. It is important at this stage that the point of sale merchandising of the restaurant should support its advertising campaign in

order to achieve a sense of consistency and totality. For example, if the restaurant has been advertising speciality dishes for a particular week, these must be available when the customer arrives at the restaurant.

The major types of merchandising that may be employed by a catering operation include the following.

Floor stands

Floor stands or bulletin boards are particularly effective if used in waiting and reception areas to advertise special events, forthcoming attractions, etc. In these areas in hotels, restaurants and clubs, people may be waiting in a queue or for the arrival of other guests, and therefore have the time to read the notices on these stands. In the workplace they can be placed in areas with a high throughput of pedestrian traffic, for example in corridors, and in general locations where people congregate such as beside vending machines. The announcements on these stands must be kept attractive and up to date or the messages grow old and ineffective. Some self-service operations use floor stands at the head of the waiting line to show the menu in advance and selected specialities of the day.

Posters

Posters have a wider circulation than the previously described floor stands. They may be displayed in reception areas, elevators, cloakrooms, in the restaurant dining area itself, in fact they may be placed in any strategic positions where people have the time available to read their messages. Consideration must not only be given to the area in which these advertisements should be placed, but also their positions within these areas. In elevators, for example, they are often placed at the back when the majority of people face forwards or look upwards as soon as they enter a lift and therefore only give a poster at the back a momentary glance. Similar thought should be given to the position of posters in reception areas; for example, their height should be at eye level and they need to be placed away from the entrance and exit doors which people tend to pass through quickly.

Wall displays

Illuminated wall displays are used extensively by fast-food operations showing enlarged colour photographs of the food and beverages available. They are also used by wine bars, cocktail bars and lounges and look particularly attractive at night. Blackboards are often found in pubs, bars, school cafeterias and theme restaurants where the dish of the day and other specials can be changed regularly along with their prices.

Tent cards

Tent cards are often placed on restaurant dining tables to promote special events, attractions, etc. Regarded as a valuable merchandising tool because guests will almost inevitably pick the card up and read it at some point during the meal, and they may even take

it away with them. They may be used to advertise special dishes or wines, or announce forthcoming events such as a Christmas Day menu or New Year party. Again, these cards should be changed regularly to hold interest and must always be up to date and clean. In hotels or other operations which have a variety of catering outlets, these tent cards are very useful in advertising the other facilities within the same establishment. In a cocktail bar, for example, tent cards may be used to advertise the à la carte restaurant, and in the restaurant the customers' attention may be drawn to special function arrangements the operation offers. This type of merchandising can help to make customers aware of the operation's alternative facilities and hence boost sales in these areas.

Clip-ons

Menu clip-ons are most commonly used in restaurants to advertise speciality items, plats du jour, special table d'hôte lunches offered in an à la carte restaurant and so on; they may also be used on wine lists to promote a particular wine or region. Both tent cards and clip-ons are useful tools for the hotel or restaurant to feature the higher profit earning food and beverage items.

Summary

- Menus, whether for food or beverages have significant impact on attracting diners to an eatery.
- The colour, design and content descriptions all play their part in persuading diners to enter the premises.
- The menu becomes the key selling tool together with service staff that promote profitable dishes and drinks.
- The menu aids the creation of a theme or style and promotes creativity and expression for both kitchen and service staff.
- The menu produces the revenue and with careful management can deliver high profitability.
- Provided that other aspects of the meal experience meet customer expectations the menu can become a talking point long after the customer has gone.
- It is of the utmost importance that the menu reflects accurately and honestly the food and beverage product being sold so that customer expectation and restaurant delivery match.

Further study options

From reading this chapter you will realize that creating a menu verges on being both an art and a science. Whilst all menus should have a good nutritional content, customers are generally more informed and are more interested in what they eat, and those used in school meals, the prison service and hospitals

have a particular need for nutritional content to be at the forefront of design. It therefore makes nutrition an interesting topic for further study. Most hospitality courses include something on nutrition but for those with a particular interest there are a number of texts available. The Manual of Nutrition is a UK government publication produced by the Ministry of Agriculture Fisheries and Food (MAFF) and provides a basic text from which to start. Menus are also the main tools restaurateurs use to generate revenue and profit so it makes sense to examine further the various pricing models mentioned in this chapter and in Chapter 9. In addition there are a number of basic management accounting and menu engineering texts available, *Management and Cost Accounting* by Drury and *Menu Engineering a Practical Guide to Menu Analysis* by Kasavana together with *Analysing and Controlling Foodservice Costs* by Keiser, which covers both subjects are all good examples. For those interested in the design side of menu presentation, whether for special events, seasons or promotions the ability to print menus in-house, especially for one-off events or promotions, or to produce eye-catching website designs are useful skills to acquire. There are a number of further study options. Attending a short course at your local further education college will teach you, even with modest computer software, how to produce good graphics and layouts. There are also useful texts and software on graphic design, the use of colour and website design, SerifSoftware (www.freeserifsoftware.com/) and *The Non-Designer's Design Book*, 2nd edition by Robin Williams are good examples.

Case exercise

You are the food and beverage manager of a three star city centre hotel. Following refurbishment and recent changes to licensing law you have been asked to produce a new bar tariff and wine list.

Using various sections of this chapter design the process you would adopt to complete this task and the rationale for your choice.

Review questions

1. The menu is described as a primary selling tool, what guidelines are used to ensure this is the case?
2. What are the two main types of menu from which others are derived?
3. Consider three key factors in designing a menu layout.

4. What is meant by 'sales mix' and why is it so important?
5. There are a number of different menu pricing models, what is different about the 'prime cost' method?
6. Menu engineering is a useful sales' analysis tool, what are the four descriptors used and what do they represent?
7. In what situation would you expect the 'nutritional content' of a menu to be particularly important?
8. Statements made on a menu are contractual, what implication does this place on the caterer?
9. What type of menu is most likely to have both imperial and metric units of measure?
10. How would you describe menu merchandising?

Further reading

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