

How to Write a Restaurant Business Plan

A great business plan for restaurants will provide you with a detailed roadmap through the planning and execution stages of opening a restaurant. It will also cover the key areas important to investors or help you get approved for loans. A business plan is the fundamental starting point for your startup restaurant. This guide will step you through each part of a business plan, why it's included, what it means and how to write it. Restaurant owners need to be able to write a business plan, and we'll show you how!

What's in a Restaurant Business Plan?

An understandable frustration that new restaurant owners face is the daunting task of writing a whole business plan. By taking each section of the business plan as a separate project to complete, you break it into more manageable parts. Indeed, each piece of a business plan is a separate area of study and research.

The following summarizes the function and purpose of each part of a business plan for your restaurant:



Executive Summary

Although this is at the front of your business plan, it should be written last. After all, a summary is an overview of everything contained in the business plan. It should be concise but also highlight the best features of your restaurant with a little bit of boasting.

When you've completed all the other steps, you'll have the confidence to know what you want to say in your executive summary. Put your best foot forward and tailor it to appeal directly to your prospective audience.

Company Overview

This is where you describe in detail your restaurant concept. Start with an introduction summarizing and selling your restaurant concept. Talk about your unique selling proposition and how you envision the customer experience. Include a detailed section on your menu and how it is unique, appealing and profitable.

Talk about your location and why it's special, include information about your specific design choices such as colors, furnishing and what makes it appealing. Also, be sure to craft a unique background story of the restaurant. Imagine something you might see on a placemat.

Tell the homespun, underdog story about your inspiration for opening the restaurant. Include a bio for each of the owners and investors, what their experience is and what they bring to the table. Show how this unique mix creates an extraordinary "power team" that will drive the success of the restaurant venture



Industry Analysis

Use this section to justify why you're opening this kind of restaurant and why you're in the right place at the right time to do what you have in mind. Ultimately, the answer should be because it's profitable.

Back up the claim of profitability with charts, industry data, and demographic research. Include other market research that you've done such as interviews, test marketing and really make the case that this is a great business opportunity based on the numbers.

Describe your target customers, why you chose them and how they will drive your success. Provide detailed projections of sales and back it up with good data such as median income of the area, average check size, expected number of customers served.



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Marketing Plan

Return to the topic of your specific target market and give details about their unique lifestyle needs, their preferences, values and what media they consume. List the specific ways you plan to communicate with your target customers to attract and keep their business.

Include the costs associated with the different marketing streams you're pursuing to reach your targets and why you're choosing these methods. Give details about why your marketing will appeal to the target and include samples.

Explain your marketing tools / CRM methods and if you're going to work with outside marketing, PR or media consultants or handle it in-house. Quantify your success with marketing and what you predict the cost of the marketing will be and how much you anticipate the marketing to bring in.

Like everything in business, marketing should have an ROI and a way to measure how the upfront cost will generate value.

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Operations Plan

This part of your business plan can form the basis for your employee handbook. Describe in as much detail as you can your full operating procedures and company policies. This section includes things like, how employee hiring and training will be handled, what the specific roles and skills each team member will have and what they are responsible for in their role.

Give a full description of what the system is. Think about how your front of house and back of house brigade will be structured and why. Give specific written policies and procedures about how the guest will be greeted, seated and served. How will the kitchen function during service, during prep, cleaning, and inventory?

Provide information about your supply chain, who your vendors will be and why you are choosing them and how much they charge. Explain what the benefits are of doing things the way you have chosen.

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Financial Plan

In this section, you describe how you're going to pay for all the things you gave a description of in the rest of the business plan. This area is the cold hard numbers area of the business plan. Support your assertions with facts, figures, data, graphs, and charts.

Talk about your startup capital and how much the anticipated total investment is. Break down where the money is coming from and how much. If there are loans, or if you're trying to get a loan give projections about how long it will take to pay back.

Likewise, if you have investors or are seeking investors, show how long you project before they break even and begin to make a profit. How much profit can they expect to make year upon year? Give a clear breakdown of your budget, where you will be spending cash and why. Include sample financial statements based on your analytical predictions.

Restaurant Business Plan Design

There is no substitute for good research and a clear focus. However one of the goals of a business plan is to strike a professional balance between form and function. If you are going to be sending your plan around to investors and partners, you want to design an attractive restaurant business plan document that includes pictures, colors, and graphics that support the vision and represent your brand.

This is your vision, and your business plan represents not just your dream of being a restaurant owner, it is the first material step toward bringing it to reality. You want something you can be proud of and inspired by, and good design can definitely do that.

While it's vital not to spend cash unnecessarily during the startup phase, consider working with a professional designer familiar with putting together attractive restaurant business plans, to give you the professional look and edge you need to be noticed in this competitive industry.