RECIPES FOR REOPENING

REIMAGINING THE FUTURE OF FOOD & BEVERAGE









Hawaii's food and beverage sector is one of the industries hardest hit by the pandemic. As the economy slowly reopens, there are many questions surrounding what the future looks like for restaurateurs and food operators. From supply chain challenges to preparing the physical workplace for a safe reopening, it will feel like spinning multiple plates in the air while trying to balance on a high rope. The green light to reopen is June 5th and while it's an exciting time to look forward to, there is much to tackle before opening the doors to customers again.

ProService Hawaii partnered with the Hawaii Restaurant Association to host a discussion with industry titans about how the future is shaping up for one of the state's largest economic sectors.

The featured panelist included:







Jason Wong President

Don Murphy Owner

Erik DeRyke Vice President. Growth & Retention

Here are our key takeaways.

1. It's a Stair-Step Recovery

While you plan for reopening, be mindful of every decision and consider your bottom line. The road to profitability will require small steps in operational efficiencies and sales maximization. Many factors play into whether or not you can sell what you have and at price points that allow you to just break-even. You should be considering that food manufacturers are shifting operations from retail to food service sizes again, so meat and produce orders may be backlogged. Plan ahead! Take stock of what you do have and be flexible in your menu. Should you be pivoting from expensive steaks to \$10 plate lunches? Or do you need to add high demand, essential items to each ticket to increase the sale? Maybe add a dozen eggs, a gallon of milk, toilet paper, or even alcohol to take out orders. Be creative in your approach to maximizing each sale in simple-to-execute ways so you can get back to profitability.

Also, be flexible in how you approach implementing safety in your space. One example given was modifying your HVAC system to circulate more outside air into the restaurant to lessen virus exposure. Or set tables out on the sidewalk or curb to creatively use that outdoor space while addressing social distancing measures. Leveraging technology is also a trend that may be here to stay with some restaurants considering table-top devices for ordering and auto-gratuity, lessening human interaction with staff. Jason Wong of Sysco concluded this point by saying how the industry operated before will be no more. It will take everyone to work together and be flexible in order to revive the sector.

2. Have a People Strategy

Bringing the *right* people back to work at your business is an integral part of the solution to a successful reopening. There is a direct correlation between having a dedicated team and a seamless recovery. Think about the key individuals who contribute positively to your business' culture and its operations. If you're dealing with hesitant employees who don't want to return for various reasons, this is an opportunity to double down on the culture you wish to maintain. And for those willing to come back, make them feel appreciated. Panelist Erik DeRyke of ProService Hawaii, works with many restaurant clients and he shared how one client is considering a "Thanks for coming back to work bonus." Be thoughtful in what they are sacrificing by coming back, but communicate your expectations at the same time.

3. Time to Think Like a Startup (Again!)

Restaurateurs are the epitome of entrepreneurship and entrepreneurship isn't for the faint of heart. The road to recovery for the food and beverage industry will require everyone to think like a startup again. Don Murphy of Murphy's Bar & Grill shared that because restaurants are now competing with other food service models (i.e., "grocernaut" concepts where grocery stores sell prepared meals), every restaurant is going to have to think uniquely about what they plan to do in this new era. Especially with tourism shuttered, you need to implement immediate changes that allow you to break even without the visitor market.

Consider current innovations that will be here to stay and keep those successful tactics even after reopening, such as customized meal kits or heat & serve food that is easy for home preparation. Perhaps keep curbside pick up for take out only. Reimagining the food and beverage industry means going down that entrepreneur checklist: Have a strategy, be ready to pivot on that strategy, find your niche, and do the best you can!

Mahalo to the Hawaii Restaurant Association for partnering with us on this innovative discussion. For more restaurant guidelines on how to reopen, <u>click here</u> for HRA's **COVID-19 Re-Opening Guidance** publication. Or <u>click here</u> for ProService Hawaii's guide for **Restaurant Best Practices**.