

The Plight of Reopening Restaurants

Written by Steve Marr
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Across the United States, more and more government leaders are permitting businesses to reopen. However, reopening frequently comes with additional expense because of regulations.

For example, as restaurants reopen the establishment is required to maintain social distancing inside the business. The difficulty restaurants face is understanding the economic viability of social distancing. The regulation means you may only operate at 50% of capacity.

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The difficulty for the restaurant is that they make their money on the weekend breakfast trade. I talked to the owner and the concern is that without packing the place during weekend times, the restaurant will become financially marginal. While they should be able to hang on for a while, keep in mind there will be employees who are not called back to work because they don't need as many wait staff during the weekend anymore.

Additionally, some customers will return more slowly because of concerns over potential COVID 19 exposure. I will probably be one of them. For a while, I won't show up early on Saturday morning at my favorite breakfast haunt because I know within a short period the place will be crowded with kids and a lot of people. I can't afford the exposure. This is a loss for the restaurant.

Additionally, many locations require staff to wear facemasks and possibly other personal protective equipment. Most restaurants are also instigating additional disinfecting steps to kill the virus. All of this incurs extra expense.

Another issue is the increase in the price of food. In many states, the price of eggs, bacon and other meats have increased. Restaurants know that there is a limit to how much price increase customers will accept as they return to the establishment.

Furthermore, laid-off restaurant workers, who generally earn lower wages, receive as much money by staying home as showing up for work. Some of these workers have already indicated they're not going to accept the recall to work.

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Meanwhile restaurant expenses, including rent or mortgage payments and utilities, will not stop.

There are steps that wise restaurant owners can adopt. While I've consulted with a number of restaurants, many have ignored my advice to capture customer email addresses. They rejected even the simplest idea of using a fishbowl to collect business cards for a monthly chance to receive a free lunch. Or they could offer five dollars off a meal or a free dessert as an incentive to get an email while assuring the customer you will not sell it or use it for any other purpose than occasional informational communication. You will earn back the five dollars with your first order from a customer.

Additionally, during these challenging days a restaurant owner needs to master Facebook, Twitter and Instagram in an effort to communicate timely and effective information to customers.

Your customers will want to know what steps you're taking to protect their health. They will want to know the best takeout options. One restaurant I wanted to call for takeout failed to answer their phone and had no information available online. Later I connected with the restaurant on the phone and they simply said "We want people to stop by and place their order. We will have it to them shortly." However, I don't want to wait for takeout. I want to call in my order and swing by in 15 or 20 minutes to pick up my food.

Jesus said, "Neither do people light a lamp and put it under a bowl. Instead they put it on its stand, and it gives light to everyone in the house." (Matthew 5:15, NIV) Part of providing light and highlighting your establishment is to utilize social media effectively as well as comply with all health regulations. In this environment, your business may depend on how well you adapt to the changed requirement for doing business. Be proactive as you reopen your business and protect yourself from becoming a negative statistic.