



# How to create a Restaurant Business Plan

A STEP-BY-STEP GUIDE



# Table of Contents

3	What Is a Restaurant Business Plan?
4	What makes a business plan so important, anyway?
5	Executive Summary
6	Company Description
7	Target Market Analysis
8	Sample Menu
9	Organizational Management
10	Restaurant Design
11	Location
12	Marketing Plan
13	Takeout and Delivery
14	External Providers
15	Customer Service Policies and Procedures
16	Financial Projections
17	Now It's Your Turn

# What Is a Restaurant Business Plan?

Whether you're opening a new restaurant or have already been in business for years, a restaurant business plan is critical for success. This plan is essentially the roadmap from which your restaurant develops its business operations and brand. Whether you're hoping to run a family-run pizza business or looking to create a fine dining restaurant shooting for a Michelin star, a business plan is an important and necessary step.

As critical as creating a restaurant business plan is, it may seem easier said than done. From a company description to customer service policies, there are a lot of moving parts that help a restaurant run its operation, and it can be overwhelming to think about writing it all.

That said, we have some good news: You don't have to feel like you're cooking without a recipe. **We created a step-by-step guide** to help you create a smashing restaurant business plan fit for the finest of eateries.

→ **To make this process a breeze, we've created an editable template for you to fill out as you go through this guide.**

[Click here to access the template](#)



# What makes a business plan so important, anyway?

Since drafting up a business plan can be time-consuming without the right help, many establishments skip this essential step. But, a well-thought-out restaurant business plan can help you and your staff know what targets to aim for and how to define success in your business. By developing each stage of your restaurant plan early on, you'll feel more confident as you structure, run and grow your establishment over time.

While you'll utilize your restaurant business plan as a GPS guide, it will also help you financially and organizationally. It may go without saying, but the better you plan for the future of your business, the better management practices you'll have in place for the long run. A master plan for your business will serve as your playbook to continuously go back to when making both big and small decisions.

Here are the essential pieces of a restaurant business plan.



# 1. Executive Summary

As you start your restaurant business plan, there should be one thing on your mind: an executive summary. What is that, exactly? Glad you asked! It not only acts as an introduction to your business plan, but it also summarizes the entire idea of your restaurant as a whole. Often, a business plan is made for investors, and the executive summary may be the only part that they look at, meaning it's important to include and this section will help lay the foundation for the rest of your business operations.



## Common elements of an executive summary include:

- **Mission statement:** A concise description of your restaurant's purpose<sup>1</sup>
- **Proposed concept:** The summary or outline of the restaurant idea
- **Execution:** How you plan to make this proposed concept work
- **Potential costs:** A brief overview of expected expenses
- **Anticipated ROI:** How much the restaurant is expected to make

## Here's an example of a restaurant mission statement to inspire you:

“ At The Neighborhood Cafe, we strive to be the go-to destination for the best home-style cooking in Nashville, TN. Our goal is to provide a warm and welcoming environment for our customers, whether they choose to dine in or carry out. We believe that delicious food should be accessible to everyone, which is why we offer affordable prices and generous portions. We believe every customer should feel like they are part of our neighborhood, and we're dedicated to providing the best possible service and experience to each and every person who walks through our doors.

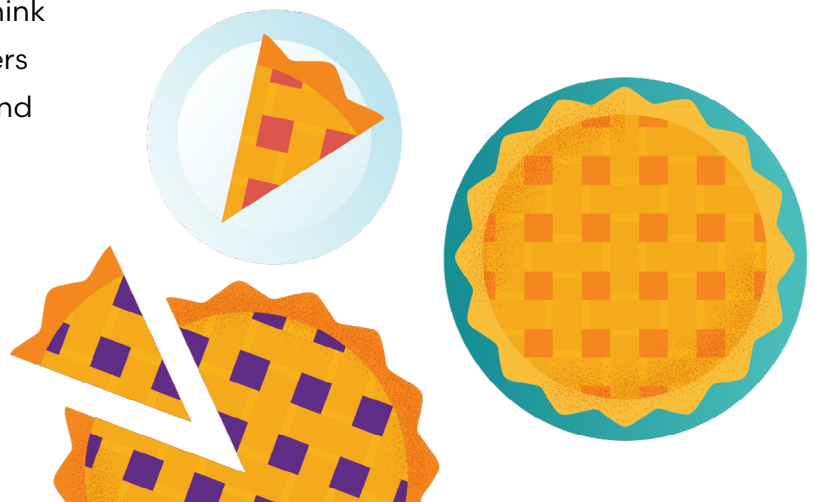
## 2. Company Description

This is where you can get the reader excited about what unique offerings will be brought with the opening of your business. Think of your company description as the restaurant's introduction to the world. The description of your establishment will not only raise awareness of your new business but also solidify your restaurant's brand in the market. This section should include your establishment's service style, restaurant size and seating capacity, general ambiance, options for styles, seating, lighting and other fixtures, operating hours, style of cuisine, peripheral service offerings, unique selling points and any other important or relevant information.

Your company description is the content that diners will most likely first come into contact with either on Google Business or on social media — meaning it's important! Think about what you want your future customers to know about you and your restaurant, and make sure you include those details in this section.

### Example:

“Neighborhood cafe will be a family-run restaurant, with Matt and Nancy Meier bringing experience in food service and related hospitality fields. The concept of Neighborhood cafe is to offer home-style cooking for diners looking for delicious comfort food in the Nashville area. The layout will be comfortable and cozy, with several metal light fixtures and a bright color scheme to bring a warm feel to the space. It's expected that at least 30% of the business will be carry-out, but the space will be able to accommodate a maximum number of 75 diners at once. The restaurant will be open every day with expected hours of operation being from 10 A.M. to 9 P.M.





# 3. Target Market Analysis

Your target audience is the group of consumers — in your case, diners — that you're attempting to attract with your restaurant.<sup>2</sup> These people will be the most likely to purchase from your establishment, and they'll be an important part of decision-making from here on out. Determining your target audience will help you understand who it is that you're trying to serve, what these people want from your restaurant, the common behaviors of this group and where to best reach them.

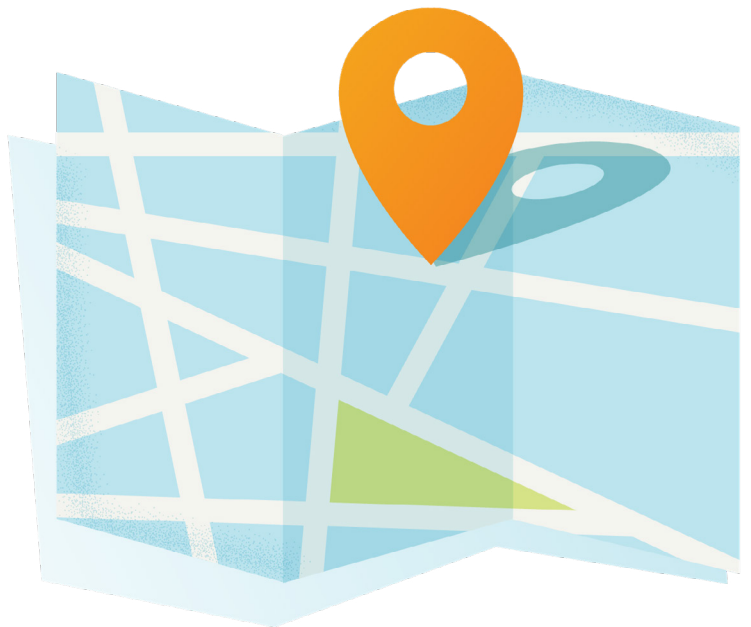
To establish your target audience, think about who it is that your restaurant will most successfully serve. Then, list out the expected traits and specific needs of this group of people:

- **Age**
- **Gender**
- **Location**
- **Education**
- **Socioeconomic status**
- **Pain points**
- **Dining style**

The more specific you are during this step of the process, the easier it will be to create marketing to reach them.

## Example:

“The demographics of the four zip codes comprising the residential population of our primary geographic target market reveal characteristics very supportive of a viable customer base for Neighborhood Cafe. Our primary area consists of some 30,000 households, with the average person being a 40-year-old female adult. About 65% of the target population has a college degree. Approximately 22% have incomes of over \$50,000, with 36% having income of \$30,000 to \$49,000. They don't mind waiting in line for their meals, and they'll typically dine in because they value family time and conversation.



## 4. Sample Menu

One of the most crucial factors of any restaurant business plan is the menu. The right entrees and drinks will draw a hungry crowd, making this an essential component for your bottom line. Often, the first thing people look at is a restaurant's food lineup when deciding where to eat, so this stage is your opportunity to excite people with what your business will bring to the table (literally).

You probably already have some menu items and meals in mind, so it's time to **mock up your own menu design**. As you create a sample menu, think about how many items you're hoping to display and **how much the entrees and drinks will cost**. Just ensure you reference back to their restaurant mission and concept which should drive your menu choices. Don't forget to fluctuate prices of raw goods and keep potential interest rate hikes in mind to understand what actions can be done to keep your expenses low.<sup>3</sup>

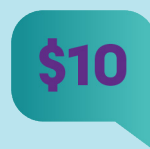
### Tips for building a winning menu:



Tailor your menu design and descriptions for your target audience



Keep menu descriptions short and concise—use chatGBT to help you write!



For prices, stick to simple numerals with no dots or dashes in between



Use call-out boxes and bold text



Utilize your restaurant's brand colors and fonts



# 5. Organizational Management

Before your restaurant can begin serving food, you'll need some employees to join your team. Don't panic: You don't have to have your entire staff laid out and hired already. Just ensure that you know what positions will most likely be needed to run your business smoothly and efficiently, and have a few people on board that can vouch for your restaurant plan. A key position to hire right away is a restaurant manager who can help organize your business practices. [Click here](#) to reach the seven must-have qualities of a successful restaurant manager.

Some of the most **common restaurant positions** you'll most likely need include (but aren't limited to):

- Fast food attendant
- Busser
- Food runner
- Cashier
- Dishwasher
- Barista
- Prep cook
- Expediter
- Host/Hostess
- Server
- Pastry cook
- Bartender
- Line cook
- Sommelier
- Kitchen manager
- Sous chef
- Catering manager
- General manager
- Maintenance person
- Executive chef
- Food and beverage manager

You'll also want to develop a plan for what **onboarding and training** will look like when you do start to hire staff.



## 6. Restaurant Design

Restaurant interior design is crucial for your customer's experience. The **ambiance and floor plan** impact how they perceive your business and whether it's a good enough place to eat at. In fact, even the color of the walls and types of flooring can impact people's moods and how they feel while in your restaurant.<sup>4</sup> This portion of your restaurant business plan will be a spotlight on your creative thoughts and ideas about what you're hoping the establishment will look and feel like for customers and

employees. You don't have to be a designer to make this section really stand out!

To visualize and display your design ideas, put together a mood board of your vision, including colors, kitchen equipment, seating arrangements, employee uniforms, lighting and more. Your restaurant brand should shine through your setup and speak to what type of experience you'd like your customers to have.



# 7. Location

You may already have a specific location picked out or even have a building purchased. If so, this section is less of a concern for you. It's important to ensure that your location is going to benefit you rather than hurt your business. If you still need to find the right space to host your business, the location you end up choosing should be in line with your target market and be an easily accessible place for them to eat.

To have the most success, do your competitor research on the area to know what other establishments you'll be competing against and what types of food are already available through these restaurants. You want to enter a market where you can grab diner's attention with new offerings rather than rival existing ones.

## Tips and tricks for scouting the best restaurant location:

- Be sure there's space for delivery and drive-up orders
- Have a professional inspect the location
- Look at the history of the building and its turnover rate



# 8. Marketing Plan

With so many restaurants vying for customers' attention, marketing is extremely important for getting diners through the door (or onto your website).

**A restaurant marketing plan** is a blueprint for all potential advertising and outreach. Because 90% of diners research a restaurant online before dining and 57% view restaurant websites before making a decision on where to eat, displaying your brand well is extremely important.<sup>5</sup>



**90%**  
of diners research  
a restaurant online  
before dining



**57%**  
review restaurant  
websites before  
making a decision  
on where to eat

## Your restaurant marketing plan should include:

**Measurable marketing goals:** What is it that you want to accomplish through your marketing efforts? These goals could be brand awareness, lead generation, customer retention, website traffic or revenue.

**Marketing budget:** How much money are you going to spend on your advertising efforts?

**Marketing strategy:** What efforts are you going to choose to effectively reach your target audience? How are you using social media as a part of your marketing strategy?

**Calendar:** How often will you create marketing content, and who will be in charge of it? For more information on how to use national food holidays to help guide and direct your marketing calendar, [download our National Food Holidays Guide](#).

# 9. Takeout and Delivery

Having reliable **delivery** and **takeout** services is pretty important for most target audiences. In fact, **51% of consumers said if they cannot order delivery or takeout from a restaurant, they probably won't visit them for dine-in as often.**<sup>6</sup> We know by now that having these services as part of your restaurant service plan can really benefit you in the long run.



If you're hoping to have takeout and delivery capabilities at your restaurant, Grubhub makes it easy. Whether you want to use your own drivers or our professional fleet, we offer:

**Grubhub Delivery:** Our fleet of Grubhub Drivers pick up and deliver orders to your customers' doors. We coordinate and pay the delivery drivers — all you have to do is provide the food.

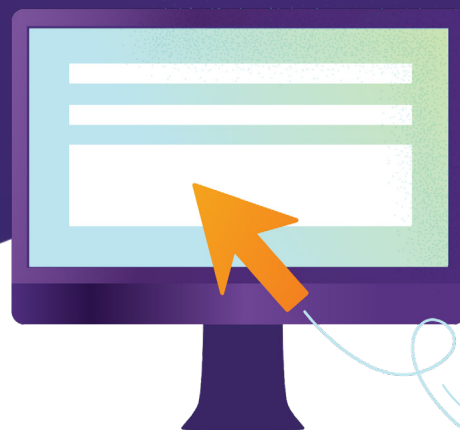
**Supplemental Delivery:** Utilize our delivery fleet of 300,000 drivers to widen your customer base.

**Self-delivery:** Use your own drivers to deliver Grubhub orders to diners. You have full control over delivery and fees, but benefit from Grubhub online ordering.

**Pickup:** Set up a Grubhub account to accept pickup and deliver orders from your customers, letting you reach new customers and increase sales.

Using a third-party delivery service is a great way to market your restaurant and provide a valuable and convenient service to your customers. Make takeout and delivery two things you don't have to worry about when it comes to business planning with **Grubhub for Restaurants** in your corner.

# 10. External Providers



To make your restaurant a reality, you'll likely need a bit of help. Make a list of any external companies or software you plan to use or hire to get your restaurant up off the ground. This could be accountants who you wish to balance your books or designers who can help make your design dreams a reality. This list may also include **outside suppliers** for your food and beverages. Who is it that you want to partner with when it comes to receiving your raw ingredients and materials? Do you want to **source locally** or use a distant distributor? Whoever it is that you want to potentially work with, write them down!

Luckily, when you join Grubhub you not only do have your food delivery and pickup service partner chosen, you can also simplify your order and menu management using Grubhub for Restaurants' **easy technology integration**. Our tech integrations allow orders to come from the Grubhub app or Grubhub.com directly to your kitchen.

A successful digital presence isn't complete with online ordering. That's why many restaurant owners are turning to **Direct** — a free branded ordering site that helps grow your business by reaching new customers and driving orders directly from your restaurant. Plus, restaurants have access to:

- \$0 marketing, hosting and delivery fees
- The ability to customize your site with logos, colors and fonts for a branded online experience
- Access to promotional tools and customer data
- Enhanced business profiles for direct ordering

Some other technology and machinery your restaurant may need include:

- Reservation platform
- Table management solution
- Payment processors
- Kitchen display systems
- Employee scheduling software
- Event management systems
- Point of sale

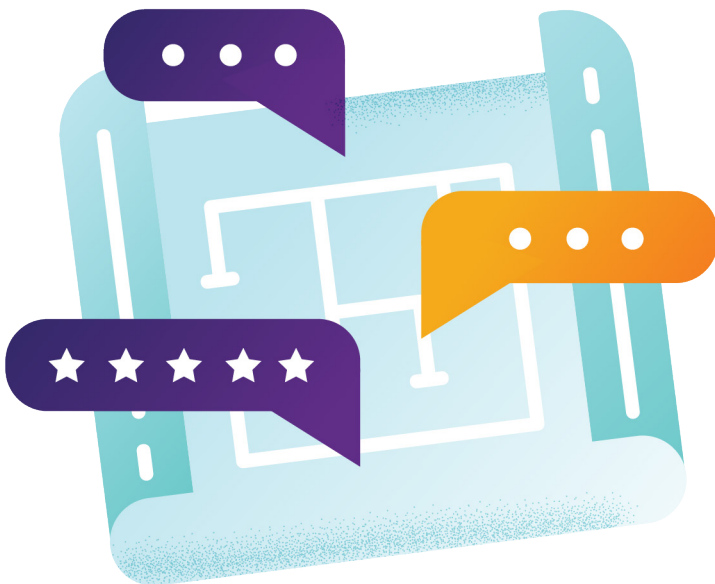


# 11. Customer Service Policies and Procedures

Of course, as a restaurant owner, you want your diners to have an amazing customer experience both in your restaurant and online. This all starts by establishing and enforcing customer service policies and procedures prior to opening. Have a blueprint for how certain situations will be handled and what you'll do if problems arise. For example, if a customer has an issue with the food, your entire staff should know how to handle the circumstance and what to say to the diner. Then, ensure that your staff is all on the same page about your

expectations for them and consistently utilize the same guidelines and approach.

Also, make sure that your staff and future customers know what specific service values, reward programs, policies and procedures are in place and how these will be enforced and encouraged. This will give your diners insight into how you're serving them and ensure a 5-star experience. List out your expectations as an essential part of getting your restaurant off to a successful start.



## HOT TIP!

Create a **blueprint** for how certain situations will be handled and what you'll do if problems arise.

# 12. Financial Projections

While the financial projections section may appear lower down on your business plan, it holds significant importance in your restaurant planning process. This is especially important if you're using this plan as a means to gain startup funds or additional capital after you're already operating your establishment. Forecasting for your restaurant can give you an idea of how much money you'll need to get started, break even and start making a profit. But, until you're actually operating, you'll be using projections.

**Refer to these questions to help get a better idea of potential costs and earnings:**

- Based on your menu, how much will the average customer spend?
- How many people can you expect to visit the restaurant during opening hours?
- What are the nearby restaurants charging?
- How much does the necessary equipment cost?
- How much will the rent be for the location?
- How much will employees be paid?
- What other expenses will I need to consider?

Your projections should be based on market research, actual expenses and projected income, giving you a five-year look at everything.



# Now It's Your Turn

Now that you understand the various steps for creating a strategic restaurant business plan, it's time for you to create your own. This plan is a key component of your restaurants' operational foundation, and will be a playbook for you to refer back to whenever you make business decisions. Give it the time and energy necessary to complete it fully. That may mean you set aside time to really think through your answers, consult trusted advisors and fill out each section with processed and detailed answers.

→ **Click here to open your own editable Restaurant Business Plan**, and refer to this guide for assistance as you complete each section of the template with your own restaurant's information.



#### Sources:

1. [https://www.grammarly.com/blog/write-a-mission-statement/?gclid=CjwKCAjwiOCgBhAgEiwAjb5whGn0Db6fmBkJ4pudqXfxm4\\_l\\_9J8yFMAx60\\_L1dEQ7Y\\_cm3b2zlsaxoCCakQAvD\\_BwE&gclsrc=aw.ds](https://www.grammarly.com/blog/write-a-mission-statement/?gclid=CjwKCAjwiOCgBhAgEiwAjb5whGn0Db6fmBkJ4pudqXfxm4_l_9J8yFMAx60_L1dEQ7Y_cm3b2zlsaxoCCakQAvD_BwE&gclsrc=aw.ds)
2. <https://www.thebalancemoney.com/what-is-a-target-audience-2295567>
3. <https://restaurant.org/education-and-resources/resource-library/restaurants-streamline-menus-to-combat-higher-costs/>
4. <https://www.colorpsychology.org/>
5. <https://www.lightspeedhq.com/blog/hospitality-trends/#:~:text=Restaurant%20Digital%20Marketing%20Statistics,50%25%20in%20the%20previous%20year.>
6. <https://get.grubhub.com/resources/restaurant-online-ordering-report/>

PUT YOUR NEW RESTAURANT  
BUSINESS PLAN TO THE TEST WITH

# **GRUBHUB FOR RESTAURANTS**



Go to [get.grubhub.com](https://get.grubhub.com)  
and get more orders today.



FOLLOW US ON INSTAGRAM FOR MORE  
TIPS [@GRUBHUBFORRESTAURANTS](https://www.instagram.com/grubhubforrestaurants)