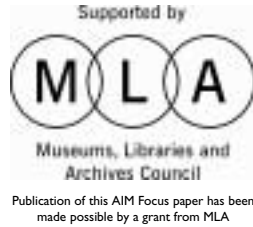


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Successful Museum Cafés

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Catering – the road to riches or ruin?

Cafés are rather like good exhibitions – the best need real passion plus good organisation to come alive and make money. The downside is that cafés are not static exhibits – food goes off, labour costs can ruin your budget and customers rightly don't appreciate queues, dirty tables or service without a smile.

A day out 'experience' is not complete without some food and drink. Smart coffee bars are well established in bookshops, garden centres, leisure attractions and department stores. Museums have little choice – they have to consider providing what the customer wants; catering is now wherever people congregate and there is no better setting than a busy museum or one that has a good location.

Catering is a great business with healthy margins, lots of feel good factor and a real capacity for creating a distinctive product. Quality food, drink and service can be a huge 'pull', rivalling the best of exhibits. There is no doubt a good café can dramatically increase museum footfall.

The range of catering options is large. Coffee kiosks, self-service cafés, assisted service coffee shops and full service restaurants are just some of the possibilities. Then you need to decide kitchen, no kitchen or the halfway house of a food preparation area with a simple contact grill. We find that an assisted service café with a simple kitchen is what suits most small museums.

Let's explore the business case. Museums that are highly seasonal or have generally low levels of visitors are going to find it hard to justify a catering business that incurs substantial staff salaries and potential food wastage costs.

In simple terms, expect a café to take £1 to

£2 per museum visitor and if a coffee shop is not taking six figures excluding VAT, you don't have much of a catering business. The mathematics are simple – at least 30% of the sales will be needed for the cost of food and drinks, another 30% to 35% for staff costs and 10% for other direct costs. More generous council labour rates, overtime payments and pension benefits can make staff costs spiral. Catering is rarely the path to riches unless occupancies are good and control rigorous.

Therefore, you should have an expectation of a turnover in excess of £80,000 to be thinking

of venturing into the new business of catering and turning a profit. The exception, and there are some great ones, will be where the café is a destination in its own right but then the success criteria will focus on the café's location and visibility. A further exception is where largely volunteer labour is used to keep labour costs in check.

There are small seemingly successful cafés ensuring their turnover does not exceed the VAT threshold (currently £60,000). Eyes open is the cry, as the operator may not always be recording all the sales (a no-credit card policy





Ferro Design

is always a give away) and payments to staff and suppliers may be the ubiquitous cash. Catering is a favourite target of HM Revenue & Customs and no museum wants to lose its café and staff overnight.

Objectives

Making money whilst pleasing customers is obvious but many museums want to increase their overall appeal, visitor numbers and repeat trade by offering a better visitor experience of which good catering is a vital ingredient. You may want to put your museum on the map. You might simply want to make more money by servicing the large numbers of people who already visit your site. In summary, it's not always about bottom-line profit.

Understanding your objectives and ensuring they are realistic is an excellent starting point.

First Steps

One hundred square metres is about the smallest space requirement for a servery/open kitchen, store and 40-person seating area. Electricity, drinking water, hot water, drainage and ventilation are essential.

The caterer will always want a highly visible, accessible location near the front of the building to maximise sales. Natural light, some sort of view and summer outside seating all make a substantial difference. Don't be surprised if sales are poor when you have hidden the

café in a corner with only artificial light and the dining experience of a broom cupboard. As with the museum itself, catering is about location, location and location.

Planning permission will be required and if a liquor license is wanted (useful for promoting Christmas parties and private functions) there will be all sorts of plans and approvals to obtain – police, fire and environmental health. You will need to register the food premises with your local council.

There are specialist foodservice consultants who can help with the process but ensure they are, like ourselves, truly independent of equipment suppliers. Expect to pay a fee and reckon on them saving you both time and money.

The Menu

Surprise, surprise: the menu is an all-important first step. Does the museum director have dreams of a destination restaurant? Is a local artisan going to home produce all the food? Are the customers happy with tea and a bun? Professional planning of the servery, kitchen, store and equipment can only start when the scope of the menu is established.

The beauty of a traditional café is that it can be designed to be customer friendly and cost effective in terms of labour costs and skills. Self service of as many items as possible is the key. Why should your costly staff be dispensing cold drinks when a refrigerated

self-service display will do the job much more effectively?

Cold savoury food revolves around filled sandwiches and baguettes. Life starts to get more challenging with the provision of hot food. Soup is an easy win and jacket potatoes and toasted sandwiches/panini are popular. Hot food brings up the question of whether a 'customer waiting' system (using numbers, flags, wooden spoons or whatever) is needed to avoid the queue becoming unmanageable.

More complicated hot food may take you into the realm of needing cooks, more complicated equipment, extract ventilation and more complexity. The food menu will allow you to specify the correct amount of equipment in the least amount of space and enable the utility requirements to be correctly sized.

Cakes and traybakes are central to most cafés. Customers buy with their eyes, and good display (just as with your exhibits) is vital. Cream cakes will need refrigerated display but don't chill the remainder of the cakes to death – the starch in cakes appreciates ambient/room temperature storage. Home-produced scones, particularly those baked on a daily basis, are highly popular and profitable. Local suppliers of cakes can be a real plus but do carry out and record a risk assessment of how they are produced and stored.

Protective film (but never cling film and preferably not those cloudy plastic domes) will of course be required to protect the food but try to ensure presentation is as innovative, imaginative and appealing as the displays in the rest of the museum. As display professionals you really can provide some inspirational merchandising advice to the catering industry.

Most catering outlets now have quality espresso coffee equipment that avoids the powder and concentrate systems of old. Espresso is somewhat of a misnomer in the UK since we favour milky drinks such as cappuccino and café latte so make sure the coffee machine copes with a high volume of refrigerated milk storage, heating and dispense.

The cold drink menu will allow the correct sizing of a refrigerated self-service display cabinet. Freshly squeezed orange juice is a winner although just beware of the cleaning implications of the 'squeeze-on-demand' machines. We tend to recommend bottled soft drinks rather than the great margin, post mix/syrup system on the grounds of better quality and flexibility.

We believe selling confectionary is an admission of the caterer's failure to provide interesting high margin cakes and pastries. Just calculate the margin and cash profit on a 45p Mars bar (less than 10p) and on a £1 brownie (more than 60p).

You must be aware of the growing trend for locally sourced products and organic items – even the motorway service areas have them. Are we looking after all the expected

customer groups – babies, toddlers, children, and the elderly – with appropriate menu offers?

Consumer concerns need to be taken into account. Peanut allergy is potentially fatal. The use of animal fat has important religious implications. The sensible catering manager will keep abreast of the issues of additives, genetically modified foods, non-sustainable food stocks (such as certain fish) and fair trade issues.

Above all, exercise discipline with the menu. It should not indulge a chef's fancy or be sales-man-led. It is not a retail shop where extensive choice is good – a vast range of similar products leads to customer confusion and slow café counter service speeds. The menu can stay the same for extensive periods as it is rare for a museum to have repeat visitors on a weekly basis. Menu discipline should lead to the tasting of all products prior to their appearing on the menu, greater consistency and higher quality.

Café Food Categories

Sandwiches, Baguettes and Baps

Toasted Sandwiches / Panini

Jacket Potatoes

Soup

Salads

Crisps

Hot Food

Cakes and Traybakes

Biscuits, Cookies & Flapjacks

Pastries, Danish and Scones

Home-baked Items

Ice Cream

Hot Drinks – Coffee, Tea, Chocolate

Cold Drinks – Juices, Smoothies, Waters,

Child Offer

Condiments and Preserves

Design and Equipment

Having worked out the café location and menu you can now sketch out the ideal customer flow, servery and kitchen staff work flow and equipment listing. This is often the time to involve a kitchen designer and/or equipment supplier but make sure they have a specific knowledge of café operations.

Common mistakes at this stage include having just one long counter in a busy café (queues build up for the hot food and those just wanting a coffee and cake have to tediously wait in line) and including items such as salad bars that have notoriously slow self-service times. Good design can feature a number of separate food counters, a large element of self-service (including hot drinks) and really appetising presentation.



Ferro Design

You should be aware of the trend to 'contact grill kitchens' where this one humble piece of equipment is all that is used to cook a wide variety of panini, breakfast and short order grill items. The full kitchen fit-out of old is fast becoming an unnecessary expense.

Two excellent modern items of equipment are the small bake-off oven located on the

servery back counter (for that tantalising aroma of fresh croissant) and the expensive, but ultra-fast turbochef oven.

Staffing

Recruitment is invariably difficult, more than you may have found on the museum side of your business. No evenings are a plus to catering staff but the seven day/weekend shift has its drawbacks.

The manager is a key appointment and his or her success will be demonstrated by correctly priced quality food, little wastage, safe working practices and a happy, cost effective staff.

Most cafés use competent home cooks and avoid the difficulty and expense of recruiting chefs. The quality of bought-in items gets ever better, and whilst 'home cooked' is a terrific selling point, the reality is that the baking and culinary skill set is hard to come by.

Basic food hygiene training for all staff is essential. The law and your reputation demand that your staff have good personal hygiene and follow safe food practices. You would be well advised to have a specialist catering induction as well as your standard museum programme.

Covering long opening hours has a serious implication for café labour costs, and a worthwhile footfall plus control of rotas is vital if the café is going to stand any chance of making a profit. If labour costs are eating up

Café Typical Equipment

Refrigerated servery counter

Non-refrigerated counter space for cake display

Coffee machine – automatic or semi-automatic

Instant hot water unit

Soup kettle

Contact grill

Jacket potato oven

Refrigerators and freezers

Convection (bake off) oven

Microwave oven / Turbochef

Hot display unit

Multivend refrigerated drinks unit

Dishwasher

more than 40% of your sales ex-VAT, you are mis-managing or in trouble or both.

Contracting Out

There is no absolute right or wrong to the in house/contract out debate – successful (and disastrous) examples of both exist. If you or one of your senior staff is passionate about food, prepared to champion the café, taste food before it appears on the menu and take responsibility for its success or failure, run the café yourself. You are well used to managing risk, employing staff and will surely have the common sense to learn the black art of catering.

If your catering operation is of sufficient size (probably £150,000 p.a. or more) you may want to consider asking a specialist caterer to run it for you on a concession basis. This is already a popular route for museums to consider given the specialist management, improved buying power and attractive concession fees available.

The only advice we would always give is make sure you have professional input before contracting out. Signing up to 'profit sharing' and apparently high concession percentages can come back to haunt you.

Professional quarterly auditing of catering operations is a good idea whoever is the caterer so that you can be reassured that sales and customer satisfaction are being maximised.

Legislation

You must be aware of the latest Food

Hygiene (England) Regulations 2006 and their implications. Prosecutions do arise from catering premise owner/operators failing to demonstrate 'due diligence' that they have operated safe systems of work.

The Food Standards Agency www.food.gov.uk publishes helpful free booklets including:

- Starting Up: Your first steps to running a catering business
- Safer Food, Better Business

Key Food Safety Issues

Cleaning – scheduling

Cooking – heating to specific temperatures

Chilling – temperature recording

Cross-contamination – separating, covering and dating food

Other relevant legislation includes The Food Premise (Registration) 1991, Price Marking (Food & Drink on Premises) Order 1979 and Health and Safety at Work Act.

A HACCP (Hazard Analysis and Critical Control Point) system of food safety management should be put in place with documented records and regularly monitored by a specialist independent consultant.

You should also check that COSHH (Control of Substances Hazardous to Health) regulations are being observed with cleaning chemicals and their storage in the café and kitchen area.

Merchandising

The display skills so evident in most modern museums can be used to excellent effect in the café. Good signage, bold offers, meal deals, informative ticketing, 'new' products and tiered displays should all be employed.

Checklist

A management checklist would include:

- Legible menus and merchandising tickets
- No undue queuing times
- Fresh appearance and quality of food
- Uniformed smiling staff
- Safe and hygienic food practices
- Correct food cost
- Correct labour cost
- Growing average spend per transaction

Turpin Smale Foodservice Consultancy specialises in the foodservice sector and advises museums, leisure attractions and retailers on catering and café solutions. Chris Brown FHCIMA FCSI is Director and Co-owner and can be contacted on chris.brown@turpinsmale.co.uk or telephone 07876 233405. www.turpinsmale.co.uk



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