

**KNOW
YOUR
BEEF**

SELL THE SIZZLE

PROFIT WITH CANADIAN BEEF

The higher perceived value of Canadian Beef allows you to create highly-valued menu items which, in turn, increases your bottom line. Does it make sense to sell as much beef as you can, despite the food cost? Most definitely!

Higher Perceived Value Pricing means setting the price of menu items at a level that offers good return while still being able to sell the item in reasonable quantities. "The lowest price in town" is never a good long-term success strategy. You need to understand how much your customer is willing to pay for the food quality and service you provide. The exact selling price you charge will depend on a number of factors including your concept, your customer demographics, your competition, and the day-part the meal is being served. This varies for everyone but there are some specific opportunities that operators have in common to maximize "Perceived Value" pricing.



SIX STEPS TO SUCCESS WITH CANADIAN BEEF

1. BUY QUALITY

How you merchandise your menu has an impact on its perceived value, but each meal still has to consistently deliver quality and a great eating experience. When it comes to beef you get what you pay for. Because beef pricing is generally dictated by supply and demand dynamics there are seldom any deals on beef – especially at foodservice. Most guests are looking for a tender, juicy, and flavourful steak, not the cheapest steak available. Work with your supplier to ensure that your beef specifications include the following measurable quality attributes:

- **Highly marbled beef** – marbling is the small flecks of intramuscular fat in the lean of the muscle, which contributes to juiciness and flavour. Marbling is measured by the grade (A, AA, AAA, and Prime) and its determination is a function of the Canadian Beef Grading Agency (CBGA).
- **Well-aged beef** – the term “aging” refers to the length of time beef is stored under controlled conditions while naturally occurring enzymes within the meat slowly break down some of the connective tissues that contribute to toughness. This is an important component to a great steak. The aging process usually occurs at the distributor level and is primarily “wet aged” in cryovac. For most beef cuts 21 days aging is optimal.
- Choose **the right cut of beef** for your application. Price doesn’t always dictate quality and won’t necessarily mean a better eating experience. How the product is cooked impacts greatly on the finished steak or roast. Familiarize yourself with the various cooking techniques and what method each cut performs best under. It is recommended that you work with your beef supplier to determine which cuts will work best for your operation.





2. EXECUTE ON THE QUALITY

Proper receiving, handling, storage, and food safety techniques play a big part in the quality of the finished product. For example, if frozen beef is not properly tempered (defrosted), quality will deteriorate and may also introduce unnecessary food safety risks to the product. Think of your decision to purchase high quality beef as only the first step to deliver a quality beef program in your foodservice operation.

Steak doneness is one of the most important factors in determining a quality steak. In fact, recent surveys have shown that 50% of customers say getting their steak done the way they like it is the biggest determining factor to a great steak experience. Getting steak doneness right is a team effort, starting at the table. Remember, one person's idea of "medium-rare" may not be everyone's.

3. COMMUNICATE QUALITY

With your decision to purchase and promote a high quality beef program on your menu you must take every opportunity to communicate this quality to your guests. Once they appreciate that the quality of your beef means a more enjoyable eating experience, they will understand the increased menu price.

When talking quality on your menu, in point of sale materials, or through your staff, make sure you relay the quality factors that your guests understand and that influence the eating experience. For example, "We select only Canada AAA beef to ensure a juicy and flavourful steak every time" or "Our beef is aged a minimum of 21 days for maximum tenderness."

With your beef dishes generating some of the highest revenue on the menu, your time is better spent communicating the quality of these items rather than other items on your menu like pasta dishes which historically generate less food margin. Steaks and roasts are not a "hard sell" to guests, they just want to know that they are going to receive value and have a great experience.

4. KNOW WHERE YOU STAND

Unique Selling Proposition

Many questions need to be answered when building your menu concept and your training support for staff. The first step is to identify – and stick with – your Unique Selling Proposition (USP).

The same idea applies to choosing your Canadian Beef program: You should first understand and work with pre-determined attributes that will help you consistently deliver on the promise that has been communicated to your guests.

Creating a program that is recognized and endorsed by all members of your team will ensure that your guests are greeted with a strong impression of your signature menu options.

Functional & Emotional Attributes

For simplicity's sake, we will focus on two types of attributes that will help you determine your Canadian Beef program's qualification criteria and help you explain your program to staff and guests: Functional and Emotional attributes.

Functional attributes influence the palatability of the final product and are **SPECIFIC, REGISTERED** and **MEASURED**.

- Grade
- Age
- Thickness of fat
- Cut profile
- Beef / size of muscles
- Box size
- Inspection
- Certifications

Emotional attributes do not affect the palatability of the final product but account for “feelings” about your program and ultimately affect perceived value.

- Locally sourced
- Produced by family farms
- Sustainably produced
- Hand selected
- Recognized by celebrity chefs
- Brand recognition
- Unique menu presentation

5. TRAIN YOUR STAFF

Ensure your staff has the necessary knowledge and tools to make your beef program succeed. Just like the point of sale material on the table, if your staff cannot speak to the quality of your beef program and make informed recommendations to your guests, then they can't contribute to the menu upsell.

Take every opportunity to pass on your knowledge so that serving staff can effectively merchandise the menu to the guest. There are a number of things you need to keep in mind when training wait staff.

- **Keep it short** – Attention spans are often short so keep to the point.
- **Make it visual** – Again, it is much easier to train if you are using visual aids like our Steak Cooking video or your own slide presentation on beef quality.
- **Communicate why this information is important** and what is in it for them when they are successful. Point out that bigger cheques mean bigger tips. Stick to information they can use with the guest – you may want to briefly discuss the quality of Canadian cattle but this is likely not relevant for the service staff. Concentrate on descriptions of the menu items, grade, aging, cooking, and doneness, and how to deal with issues at the table such as over-cooks.
- **Involve the kitchen** – The back of the house is often ignored so if the chef can participate and back you up, the whole training process gains more credibility. They may also be able to communicate procedures to help ensure smooth service.
- **Put the training to the test** – Reinforcing knowledge through testing is proven to be beneficial.
- **Bring leave-behind materials** for reinforcement and to train new staff.



6. TRAIN YOUR CUSTOMERS

There is a lot of misinformation about what makes a good steak. Many consumers believe what they're told by so-called experts, whether right or wrong. And to most restaurant patrons, the staff and management are experts on the items sold on the menu but remember, your guests were someone else's guests before and who knows what they were told about quality beef. Your job is to clear up the "smoke and mirrors" and teach your guests what really makes a great steak.

Communicating your beef quality and teaching your guests the "hows" and "whys" of quality beef will benefit you very quickly. Assuming their steak is tender, juicy, flavourful, and cooked to perfection, having the added knowledge of what contributes to steak quality will undoubtedly have your guests searching the town for similar quality steaks. You will have set a new standard of excellence with your guests and now they know where to go to meet their expectations.

Your guests will become your best form of marketing – knowing what makes a great steak and where to find it. There is an old school of thought that says all recipe information and kitchen operations are closely guarded secrets but that approach is a thing of the past. With the popularity of open-style kitchens, the promotion of fresh and quality ingredients, and the increase in restaurant-style cooking shows, clearly your guests want to know what they are eating.

If you buy quality beef and consistently deliver quality steaks and roasts, flaunt it at every opportunity. This will enhance the perceived value of the menu and thus generate added revenue and grow your business.



PURCHASING BRANDED BEEF PROGRAMS

Beef programs come in many forms, from very high quality branded programs to commodity boxed programs. The two main differences between the high end and the low end are usually Quality and Price. Though the programs offered in different markets will vary, you will usually find a number of different beef brands, ranging from the very high end to the very low end. Below are examples of different brand levels and the characteristics of each.



GENERIC BRANDS are those beef brands that do not implicitly incorporate quality attributes into the specification but are often packaged to resemble more high quality brands found in the marketplace. Generic brands could be nothing more than commodity beef in a custom box. The success of these brands relies heavily on brand recognition as opposed to science-based attributes affecting tenderness, juiciness, and flavour.

PROS:

Possible brand identity

CONS:

Unclear specifications,
questionable content



COMMODITY BEEF is beef packed in packer boxes and only grade-based. Commodity beef makes up the majority of beef sold at foodservice but fails to deliver on a number of fronts, including sizing, trim specification, box size, consistency, aging, and breed. The clear advantage of commodity beef is price and availability but it comes at a huge concession – specifically the other attributes that help ensure quality beef.

PROS:

Price, availability,
grade-specific

CONS:

No other quality attributes
incorporated, inconsistency
of product, large case
size, market driven pricing,
difficult to market to guest



GRADE-BASED PROGRAMS are not beef brands. Rather, they are simply a grade. For example, “Joe’s AAA Beef” is simply commodity beef that graded Canada AAA. In other words, there are no defined measurable quality attributes, beyond grade, that contribute to tenderness, juiciness, or flavour. There is sometimes confusion about what constitutes quality beef and grade is only one of many measurements of quality. Additionally, if we look at the Canada AAA grade, there exists considerable difference between the top end of AAA (moderate marbling) and the bottom end of AAA (small marbling). Without a range of marbling specified, the marbling levels will fluctuate significantly within a given grade.

PROS:

Grade-specific,
grade verified

CONS:

Can be expensive (depending
on grade), inconsistent
specifications beyond grade,
inconsistency in marbling
levels within the grade



CERTIFIED BEEF BRANDS almost always incorporate quality attributes designed to deliver great steaks and roasts. Measure of grade, aging, sizing, trim, and sometimes breed are specified for consistency. Examples of certified beef brands are Certified Angus Beef and Sterling Silver. There is no doubt that these are high quality beef brands but they come at a very high premium. Because their specification includes only the top part of Canada AAA, there is a limited supply and, therefore, higher prices are usually charged. Not all certified beef brands include all quality attributes as part of their specification so be sure to find out what is included in the brands in your marketplace.

PROS:

Quality-based attributes, brand owner marketing support, menu marketability, sometimes offer a guarantee

CONS:

Highly valued, limited supply, limited cut selection, sometimes confusing marketing messages and claims

MERCHANDISING BEEF

In most Foodservice operations, you have a number of opportunities to influence the guests' decision around menu selection. The objective in merchandising should be to:

- **Send a clear message** to the guest about the quality, specialties of the house, and style of service the guest should expect.
- **Showcase what is new.** Restaurants are venues for new culinary trends and guests often come to a restaurant with the objective of trying something "new."
- **Influence the guest** to select items that the operation not only does well, but are profitable too. This type of merchandising is often done in the form of "specials" or theme nights.

Taking full advantage of all merchandising opportunities will contribute to a successful beef program.

THE LOBBY is often the first opportunity to influence guests' purchasing decisions. Tasteful quality messages such as: "We serve great Canadian 'AAA' beef!" demonstrate that the operation cares about the ingredients they purchase. This works well for both steak houses and traditional restaurants alike.





A WELL-WRITTEN MENU that emphasizes quality is part of every successful steak program. Good menu design takes into account not only where items are placed, but also how the items are communicated. Optimizing where items are placed and understanding how a menu is read is part of menu engineering. Highlighting beef features with different colours, photography, larger text, etc., will draw the guest's eye directly to that area. Once you have the guest's attention, it is very beneficial to use the menu to drive home the restaurant's demand for quality offerings. Obviously not all operators will purchase 'AAA' beef, but all Canadian beef is high quality and can be effectively marketed as a premium item. Some examples of impact statements are:

- **We are proud to serve** only high quality Canadian 'AAA' beef, carefully aged 21 days to help develop the best flavour, lightly seasoned and grilled to perfection.
- **In keeping with our commitment** to offer the finest in Canadian ingredients, all our beef dishes feature only Canadian 'AAA' beef, aged for 28 days in order to showcase the best our land has to offer.
- **Our beef is Canadian 'AA'**, aged 21 days for the most tender, tasty beef in town.
- **We proudly feature 21 day aged 'AA' Canadian roasts and steaks** – we stake our reputation on it!

When it comes to beef, “quality” includes those attributes which most affect the dining experience: grade, age, cut, and safety.

Whenever possible, the menu and staff should communicate these quality attributes in terms that the guests will understand. There is a relationship between price and quality; consumers do not want a cheap steak – they want a great steak. Other descriptive and appetizing words like seared, hand carved, succulent, fire roasted, herb crusted, pan roasted, oven roasted, spice crusted, glazed, sizzling, and well-marbled add to the excitement.



THE TABLE is a well used but often *misused* opportunity for merchandising. Table tents can inform your guests directly about specials or feature items even before your wait staff provides information on what is new or special. Most restaurants are busy places with lots of distractions. Some key things to keep in mind when merchandising on the table are:

- **Keep it clean** – Faded and bent tent cards or cracked plastic holders send the wrong message about the quality of the food guests should expect. A table is better off bare than with old and tired point of sale.
- **Keep it new** – If the steak sandwich special has been up for two months, it's time to change the special or update the look. When the point of sale never changes it becomes part of the scenery and has lost its sales effect. There are lots of good merchandising materials available. Pick materials that will increase your contribution, make a quality statement, and will be relative to the day part.
- **Market to the day part** – Too often you can find point of sale advertising orange juice in a family restaurant at dinner time. Ensure that your table messaging remains relevant throughout the day – and entices customers to return later for something new.
- **Promote the right items** – Operators don't take great food cost to the bank, but rather the contribution margin that the menu items generate. Instead of focusing on food cost, promote more profitable menu items with higher contribution margins – such as those featuring high quality Canadian Beef.

MENU ENGINEERING

Though some restaurants sell art, sauces, clothes and other products, most foodservice operators only sell the items listed on their menu, making menu space very valuable 'real estate.' And since operators are trying to maximize every sale from the menu, the profitability of each item must be accurately calculated, constantly updated, and forever analyzed. With a fixed number of guests dining daily, the profit generated per item, or Food Margin, should be the primary consideration when developing a menu.

Traditionally, Food Cost has been the determining factor for menu development. While this method is a great system for managing the efficiency of an operation – controlling waste, over-portioning, theft, etc. – it does not address the "opportunity" of a menu item. Basing menu decisions solely on Food Cost lends to 'shopping on price' rather than 'shopping on quality.' In other words, purchases are limited to items that achieve a certain food cost while items that potentially contribute higher margins are not considered.

Beef consistently out-performs other proteins when it comes to Food Margin, often despite a higher Food Cost. Because of beef's higher perceived value, merchandising quality beef entrées on your menu is a sure way to increase the overall profitability of your operation. Not only will beef contribute to margins, a well-executed beef program will drive traffic to your restaurant, generating increased sales.

The process of merchandising a menu is sometimes referred to as Menu Engineering. This complex analysis looks at each item on a menu and how it contributes to the overall profitability of the menu as a whole. Savvy operators are constantly analyzing and tweaking their menus to generate top dollar.