

By Leslie James

Do Your Vendors Help You Make Money?

Your initial reaction is NO! My vendors cost me money. In fact, I am the customer and I am writing them the check that makes them money not the other way around.

That is true...you are the customer and you do write them a check for their products and services. Their success depends entirely upon your success.

If you don't make money...they don't make money.

Too often I see restaurant owners and operators take the approach that they are in this thing alone. Really nothing could be further from the truth.

Vendors can help you make money. I guarantee it!

And that is where the question comes back to you. Do **YOUR** vendors help **YOU** make money?

Have you selected the best broad-line distributor, the best soft drinks, the best meat company, the best produce, the best condiments, the best accountant, the best P.O.S system, the best cleaning supplies, the best training tools, the best appetizers, the best equipment manufacturers, the best coffee, the best small-wares, and the best of every other item you need to operate a successful restaurant. Or have you just went with the cheapest or the most convenient?

I have been in this business as an owner, operator, consultant, and corporate executive for nearly twenty years and let me clearly state to you... "All vendors are NOT created equal, and simply choosing vendors based on price, will result in you getting cheap stuff at a cheap price that could easily cost you a fortune in the end."

You must consider quality, taste, durability, yield, features, benefits, and branding when you are making purchasing decisions. You must consider the length of the potential relationship, the support structure provided, the expertise offered, and the partnership offered when you are choosing vendors.

Do you realize that the best people to learn strategies and ideas for making any restaurant business run more smoothly and profitably are the people who offer their products, services, and expertise to this industry every day of their business lives?

The lady who you talk to about your P.O.S. system should be a wealth of information, not only about her system, but what others are experiencing in the business and how her system can help you increase your sales and

profits. The guy who works at XYZ Company manufacturing restaurant equipment should be an equipment expert and can help you with kitchen ideas, designs, layout, and flow. Your distributors should have a ton of food expertise and even a chef available for you to consult with when you need to.

Vendors are depending upon your continued success and continued purchases for this relationship to be beneficial to them. Because of this they have a lot of interest in your restaurant becoming successful too. If you get a



customer to give your restaurant a try, do you want them to be a one-time customer or a customer for life?

Vendors...most vendors, want long "win-win" relationships just like you do.

Here are 5 things to help you determine if **YOUR** vendors help **YOU** make money.

1 Knowledge: Is my rep from XYZ Company knowledgeable about not only the product he/she is selling, but about my business, the industry segment I am in, the market place I do business in, and the restaurant industry as a whole? Is the company willing to share best practices? Do they participate in industry events and publications targeted at improving the sales and profits in restaurants and improving performance in the restaurant industry as a whole?

2 Support: Can I pick up the phone and call someone (anyone) at XYZ Company at anytime to get questions answered and concerns addressed? Does the company have access to outside consultants that can

help answer questions and enhance results?

3 Credibility and Reputation: Do others in the industry (especially people in the industry I respect, other vendors, consultants, other restaurant owners and operators) respect the products and services provided by XYZ Company? Do my patrons respect the products and services provided by XYZ Company?

4 Investment: Is the vendor willing to invest the necessary time and resources to provide me additional assistance and expertise both short-term and long-term to help make me more profitable?

5 Relationship: Do I trust the company and the people I am doing business with? Do I like their staff? Do I believe they are committed to my success? Do I see myself enjoying the relationship long-term?

Take the time to hand select the "right" vendors. If it makes you more money, it's worth your time. **\$**



Ad Space #09