

The ingredients needed to start a restaurant as a new entrepreneur

 By [Banele Rewo](#)

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You hate to hear it but maybe you have personally witnessed it by now. South Africa has the highest unemployment rate; Covid-19 has resulted in thousands of businesses closing its doors and thousands have been retrenched and the hospitality industry was one of the first to feel the tremor of any financial upset.



Source: www.pexels.com

Young people across the country, especially in the townships, are going into the food sector at the end of the value chain en masse. The obvious reason is that just about everyone can make food and everyone needs to eat every day. The covert, yet most overwhelming reason, is that the value chain is tightly locked for young Black South Africans.

Many have no choice but to start restaurants and other informal food trading businesses. If you are one of the people intending on such, there are a few red lights that you need to watch out for before you waste money and time.

Start with starters, not the mains

Before you buy equipment and look for a place to rent, start with your desired menu from your own kitchen. Sell your menu to friends and family by offering to cater to small events such as stokvels and small celebratory events. This way you will be

able to earn guaranteed money even before you buy stock. These types of group customers pay deposits and the event is only one day. You can easily meet your sales targets and profits with each event.

It's easy to think you rather make money every day and consider operating every day. But truth is, the food business does not make money every day, but rather spends money every day. With events coming in few and far between, it means costs are few and far between, but every event pays your profit before you turn on a stove. If you operate for a year or two like this you are most likely to amass the necessary capital and most importantly the customer track record that will be excited to come to your restaurant when you open.

To sell food, start by selling an experience

Everyone seeks food, but very few sell experiences. There are thousands of people making the same food you are making with a few variations. The era of the restaurant will soon come to an end for many restaurants who survived the economic pandemic we are in. The restaurant's future will sell the full experience of a restaurant because they will understand that competition is not the next restaurant, but the customer's couch, TV and food ordering apps.

Create an environment around where you sell your food, a lifestyle, a look and a type of person to enjoy your food and they will send an engaging message to the desired target market.

Food is not for the mouth, it's for the eyes

People eat with their eyes before they can taste the food. Competition in the food industry has risen with more and more restaurants opening and more online. The market needs food sellers and caterers who can stand out in their communication otherwise you run the risk of losing business to a point of bankruptcy. Underinvesting in your images will turn your stoves cold before you serve up your first meal. Never allow yourself to post grainy or fuzzy photos no matter how excited you are to post. Bad pictures will do more damage than good because the internet never forgets.

Serving food is the last part of your job

If you ignore the important parts of the business, you will pay a high price to learn what you could have learned for free. Look for cheaper suppliers with great quality products and test your desired menu items before you go into business. Failure to do so will result in a post on social media with customers complaining about your product. You may never recover from bad press especially when it comes to food. Find out how food is priced and what costs are involved. The distance to acquire your stock needs fuel and that means money. Most people only calculate the cost of major ingredients and neglect other costs they figure they do not affect the price of bread, all costs affect the price of everything in the food business. You must know how much one single slice of bread costs you acquire, transform and sell.

ABOUT BANELE REWO

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