TIPS FOR PROFITABLE MENUS

A well-designed menu will draw guests in, address their needs and maximise revenue. Discover how to strategically design your menu with these simple and subtle principles.

1 USE GOOD DESIGN PRINCIPLES

- Ensure your paper or digital menu design matches the **character and design of the bar.**

- Include images. Research shows that **drinks images can increase sales.**

- Split drinks into sections but maintain **a consistent look and feel.**

2 CLEAR AND CONCISE LANGUAGE

- **Use simple language** to explain items on your menu.

- Include descriptions for your most **profitable or premium items** to help them stand out and **increase perceived value.**

3 CAREFULLY CONSIDERED LIST

- The more options on the menu, the harder the decision is to make.

- A well-structured menu should include **5-8 items per section.**

- If you need to remove drinks, **remove those that have the highest pour cost percentage** or those that are average in terms of profitability and popularity – this allows you to focus on more profitable options.

4 PRICING

- Having your **most expensive drinks at the top of the menu** can make everything below seem more reasonable.

- **Avoid currency signs**, this activates the concept of cost and undesirable 'pain of paying'.

- Decimal-less pricing **signals quality and luxury** increasing guests perceived value.

BAR NAME

SIGNATURE COCKTAILS

BULLEIT OLD FASHIONED
Bulleit Bourbon, Simple Syrup, Aromatic Bitters, Orange peel.
12

KETEL ONE VODKA & SODA
Ketel One Vodka, Soda Water, Lime Wedge
11

JOHNNIE WALKER HIGHBALL
Smooth, sophisticated, and classic, with luxurious oak flavour, a smokey finish and a hint of citrus and sweet vanilla.
13

CAPTAIN MORGAN DAIQUIRI
Captain Morgan Rum, Lime Juice, Simple Syrup, Garnished with a Lime Wedge
10

WHISKY SOUR
Whisky, Lemon Juice, Simple Syrup, Egg White, Lemon Wedge
9.50

DON JULIO BLANCO MARGARITA
Don Julio Blanco Tequila, Agave Syrup, Lime Juice, Lime Wedge, Salt
12

TANQUERAY GIN & TONIC
Tanqueray London Dry Gin, Tonic Water, Lime Wedge
10

Check out these five simple steps for creating stand out digital menus.

CALCULATING POUR COST PERCENTAGE OF DRINKS

Easily identify your most profitable drinks from your least by calculating the gross profit from the drinks on your menu.
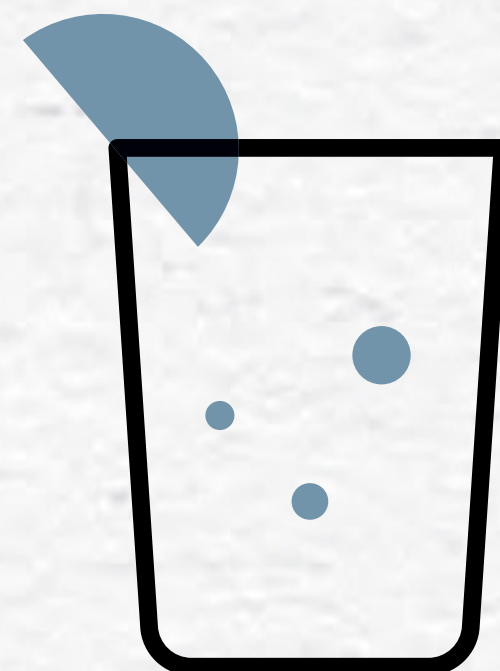
$$\text{POUR COST PERCENTAGE} = \frac{\text{COST OF INGREDIENTS}}{\text{DRINK SALE PRICE}} \times 100$$

FOR EXAMPLE:

MOSCOW MULE

COST OF INGREDIENTS – $1.99
DRINK SALE PRICE: $9.50
PROFIT: $7.51
POUR COST PERCENTAGE: 20.9%
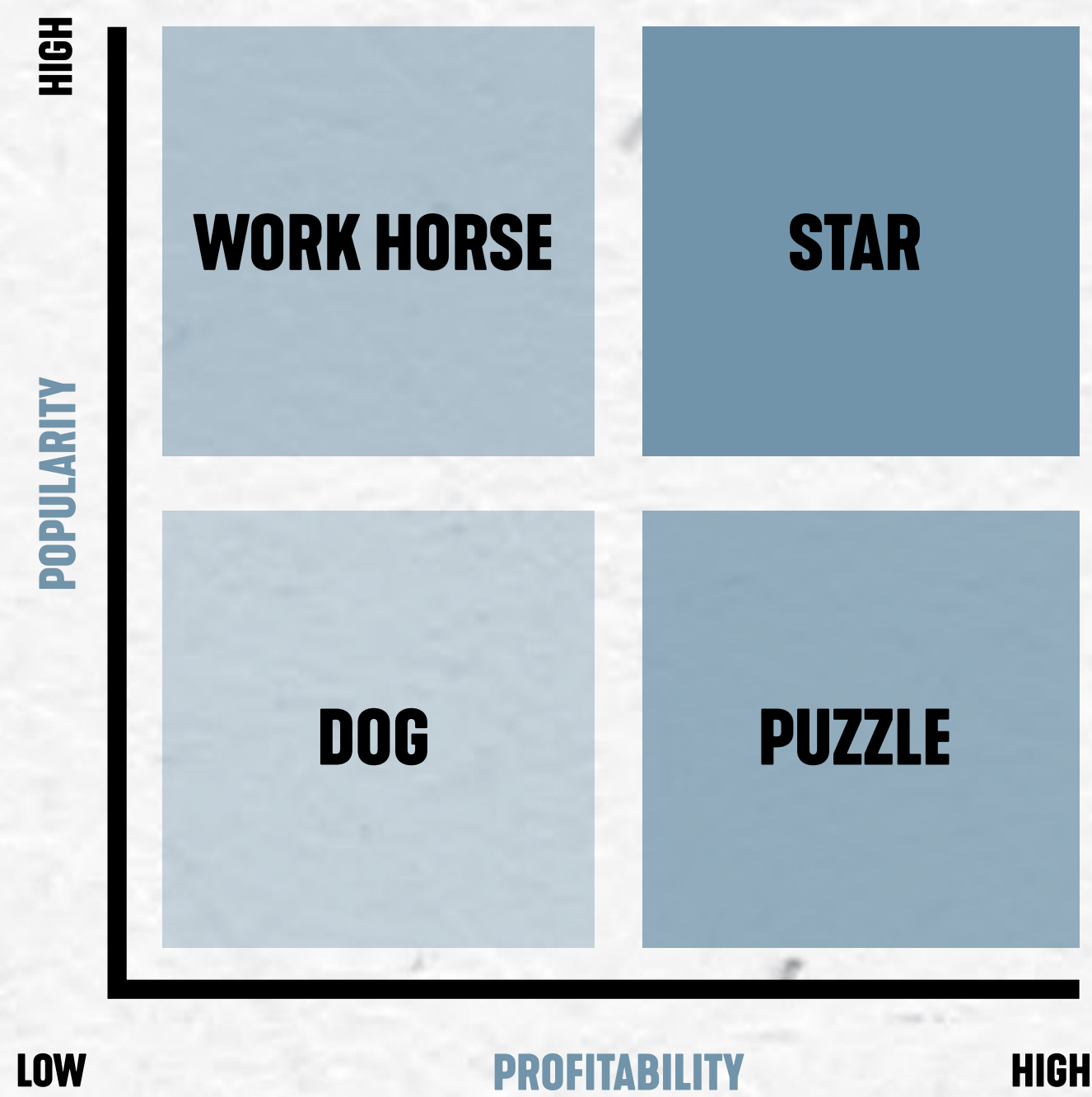
PROFITABILITY RATING: MEDIUM

Typical bars have an average pour cost percentage of around 18-28% (Bev Spot). The average bar has a pour cost of 20% which is considered a good target.

Once you have identified the pour cost percentage of all the drinks on your menu, rank them from lowest to highest.

Drinks with higher pour cost percentages are least profitable and you should consider removing these to focus on those which generate most revenue.

MENU ENGINEERING MATRIX

Consider each item on your menu in terms of profitability and popularity, this helps you identify which categories each serve falls into, which will inform strategic decisions and actions when it comes to designing your menu.

HIGH

POPULARITY

WORK HORSE	STAR
DOG	PUZZLE

LOW   PROFITABILITY   HIGH

DOG

Low profit margins and are not popular drinks.

Either remove this from the menu or rethink the serve ingredients/ description to increase profitability.

STAR

High profit margins and popular.

This drink performs well, but you could attempt to draw guests to them more using good design principles, e.g. a call out box, a coloured background, different font etc.

WORK HORSE

Low profit margins but popular.

Look at your costs or pricing to see where you could improve. You could also try replacing ingredients with a more premium option to elevate the serve.

PUZZLE

Good profit margins but are not popular drinks.

Move or highlight this drink on the menu – positioning it as a special or 'Bartender recommendation'. You could also consider renaming or changing description.