

Adding catering as a revenue channel: What QSRs and fast casuals should consider



How does a QSR or fast casual brand decide when, or if, it should add catering? Pizza Marketplace spoke with Anne Dickson, president of PigOut Catering, a franchised catering business, on why catering can be both a challenge and a revenue channel for both QSRs and fast casuals.

Pizza Marketplace: What might be an incentive for QSRs or fast casuals to start catering?

Anne Dickson: There are many perks of catering that can benefit QSRs and fast casuals. One major incentive is that it helps extend the brand - customers love convenience and if your company offers an outlet for this, it will lead to higher satisfaction. By extending your brand through catering, it opens the window for more opportunities, such as corporate events, parties, fundraisers, weddings, etc. Fast casuals and quick service restaurants can benefit their brand tremendously by opting in catering.

Pizza Marketplace: Is catering better for fast casuals than QSR? Why or why not?

Catering can benefit both fast casuals and QSRs, however, it may be a better option for fast casuals. This is because QSRs typically do not have a large menu. An important component of the catering business is a varied and flexible menu, which is more readily found in fast casual concepts. It allows the brand to determine what people would want on a catering menu as well as create a menu specific to an event.

Pizza Marketplace: What are some catering do's and don'ts starting out?

When first starting out, the main do is getting the right vehicle. This is essential in the catering industry. The vehicle must comply with the state's mechanical refrigeration requirements and be able to keep the food safely hot or cold. It is also necessary that the catering vehicle be easily accessible for moving around in and standing up to allow a more efficient execution. A major don't when first starting out in catering is making the menu too complicated. It is vital that the items on the menu are able to go back to the correct temperature after travel time. A recommendation is to keep the menu simple. Don't offer the whole menu when catering - only choose those items that can be reheated.

Pizza Marketplace: How can restaurants determine if catering is right for them?

There are many factors that a restaurant should determine before deciding if catering is right for them. One main component that should be considered is the equipment capacity. If a restaurant is maxed out and full nearly all the time, they should not think of catering as they may have a limited capacity. The resources, such as storage and refrigerator, might not be able to handle the extra food catering would use. Another factor is making the decision of delivery or take out. If a restaurant chooses delivery, it will require a vehicle and dedicated drivers. If a restaurant is considering catering, it must look from all angles and ensure that this decision would better help their brand, rather than fail to achieve the overall goal.