

Eight business tips for millennial entrepreneurs in the hospitality industry

With an increase in boutique coffee shops, edgy cafes and creative eateries, the hospitality industry is becoming increasingly competitive for the millennial generation. Budding entrepreneurs, however, should not be discouraged. In the UK the coffee shop market has enjoyed its biggest [period of growth](#) since 2008 with the market rising by 37 percent over the past five years, up from £2.4bn in 2011 to £3.4bn last year.

By following the steps below, entrepreneurs will give themselves the best possible chance of long term success.



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1. Choosing your location

Location is everything, and one of the main reasons for this is the cost. You will need to consider whether it is more cost-effective to rent or buy the property. Also research the marketplace, who else is offering catering in the area, look at their menu, prices and services. You may even consider buying a van if the location turns out to be a drawback, you can always move.

Tip: [Count the traffic volume](#) in an hour during different times of the day.

2. Adapt the space to suit your needs

Each company has its own image, and you have an amazing opportunity of changing the interior layout and décor to suit your image to perfection. You should think about the key areas of the property, and where each one is best placed from a functional perspective. With free websites like Autodesk Homestyler, you can start designing your floor from scratch.

Tip: Make sure that you are catering for any customers who want to take food away rather than eating in. If you are running a coffee shop, offer discount to customers who use their own travel mugs.

3. Acquire eco-friendly high-quality equipment

There are lots of things you will need to purchase when starting a catering business. Look for savings where you can but make sure the equipment you are choosing is reliable. Keep an eye-out for refurbished items, or items being sold from

businesses in other locations that have closed.

Tip: You can find end of the line or [refurbished equipment](#) for cheap

4. Consider your menu and manage waste

The food and drink that you serve can make a huge difference to your clientele. Although you may wish to cover all bases, it's better to have a small and select offering at first while you are setting up, so choose items that are simple and in season. There are [schemes whereby small businesses can have their food waste collected](#) and diverted away from landfill.

Tip: Know plenty of information about the food you offer on your menu – because people are interested, and they will ask!

5. Get to know your suppliers

The suppliers you use are incredibly important, as it means you can be sure of good value, high quality products at all times. To help with this, you need to [develop a good relationship with the suppliers that you use](#).

Tip: If you haven't yet chosen who to use, it's a good idea to chat to other local business owners in a similar situation, as they will be able to tell you who's good – and more importantly who's not.

6. Promote your business before opening

The chances of huge numbers of people just dropping by your establishment are low – however the modern age of social media gives you a great chance to advertise before your big opening day. There is also a lot to be said for using more traditional media such as radio and TV – many local stations will be free to advertise on, so it is worth thinking about.

Tip: You could try running a competition offering a free drink on opening day, for example, and people will share your posts and therefore spread the word.

7. Test your business before you open

There may be a lot of attention on your business on the actual day of opening, so if there are going to be any issues, it's important that these are ironed out well in advance. This should be done well before your opening, to give you the chance to change anything that might be needed as a result of the feedback that you are given.

Tip: It is a good idea to invite a small group of friends or family for a practice evening, so that you can run as if you were open, and then gather feedback at the end.

8. Make sure people want to come back

If your customers don't have the best possible experience every time they visit you, there is always the chance that they choose not to come back, and to go elsewhere the next time they are looking for somewhere to eat or drink in the local area. Not only does good service make people more likely to come back

Tip: Set-up a form of loyalty scheme. This could be something like collecting coffee stamps, and having each 5th coffee free. Hopefully, when they visit they bring along different people each time, too, and this serves to spread the word even further.

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