

Building a Successful Partnership with an External Caterer

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Agenda

1. Catering Trends
2. Pros & Cons of Contracting Out
3. Market Analysis
4. Caterer Feedback
5. Catering Contract Options
6. Conference Aston Case Study



Catering Trends

- Technology enabling change
- Informal dining – grazing (but high food specification)
- Retro styled food & ‘Borough Market’ presentation / provenance
- Allergens, vegan offers and healthy foods are now mainstream
- Private dining, special occasions & personalisation



Pros & Cons of Contracting

Outsource Advantages	Outsource Disadvantages
<ul style="list-style-type: none">• Access to catering expertise at a senior and operational level• Potential for a guaranteed income• Focus on meetings experience	<ul style="list-style-type: none">• Senior manager to manage contract• Align to organisational goals• Control is exercised through the original agreement
In-House Advantages	In- House Disadvantages
<ul style="list-style-type: none">• Complete control of the commercial opportunity and ownership of the entire delegate/visitor experience• Flexibility to change service offer and innovate• One team, with strategic focus and vision	<ul style="list-style-type: none">• Take all financial and operational risks in operating costs• Senior team has to focus time and resources on the catering operation• Measuring success and benchmarking has to be developed internally

Market Analysis - Caterers

**Large Global
Companies e.g.
Compass Sodexo, Elior
Aramark**

**Mid sized UK
Companies e.g. Baxter
Storey, CH&Co**

**Small Companies circa
£50m turnover or less
e.g. Wilson Vale,
Aspens**



Caterer Feedback

- To work with clients that they get on well with
- Teams are honest and transparent
- Want long term contracts
- Working relationship that can make changes

Above all both parties can make a profit

Profit levels from 5% to 10%

Capital investment requires 5+ contract years

Financial Model / Options for Catering Contract

**All catering
in-house**

Profit Share

**Cost Plus
Contract**

**Commission
Based
Contract**

Background

- Catering and cleaning in scope
- Previously contracted out to Sodexo
- Old contract did not work; too complex with limited cohesion
- New contract tendered in 2016 awarded to Wilson Vale



Tender Process

- Define what good looks
- Align to core values
- Be clear on equipment
- Allow time for the tender
- Market analysis, sell proposition
- Reference sites critical to making decision



- Managed through a set of KPI's
- Regular meetings and reviews
- Driving innovation
- Contract scope has flexed with development changes at CA

Action	By who	Frequency of check (minimum)
Breakfast conversion of room only sales reakfast - Achieve a minimum of 31% of room only bookings	CAFC	Monthly
Dinner/Bar Meals - Achieve the agreed forecast for bar meals & walk-in diners as indicated in the 1 / 4 forecast	CAFC	Monthly
BAR/Liquor - Achieve the agreed forecast for bar sales as indicated in the 1 / 4 forecast	CAFC	Monthly
Achieve agreed sales targets and conversion rates - report monthly	CAFC	Monthly
Attend CA sales meetings and actively assist. Record meetings and issue minutes- attend the 1/4 sales meeting	WV	Quarterly
		Monthly Total
		Potential Total
		Var to potential



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