

# The only thing missing in Rosebank is common sense!



By [Michael Said](#)

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Arriving at the new and almost completed Rosebank hub recently, situated between the Zone and the area that once housed Tijuana 220 and Baccarat, I discovered the place had changed quite dramatically since my days of body shots, Corona Beer and Gypsy Kings. You see back in the day, you could almost count the restaurants within 3km of us on one hand. There was Tijuana 220, Baccarat, Late Nite Al's, Moosehead, Bourbon Street and few others; today you would need a Cray Supercomputer to count the eateries, add up the setup costs, calculate the square meters, the seats, the wage bill, the rental bills and most importantly the turnovers required in order to pay for all of this.



Within a radius of a few hundred meters you will find, brace yourself... The Grillhouse, Katzy's, Mahi Mahi, Doppio Zero, Kuzina Greek, Koi, Motherland Coffee, Red Mango, tasha's, Pizza eVino, Vida e Cafe, Bombay Blues, Ocean Basket, Nino's, Kuai, Anat, Vanilla, Europa, Cranks, Bulldogs, Fornos, Mastro, Mugg & Bean, Mimmo's, Lulu's, Meat etc, Primi Piatti, Spur, KFC, Liquid Chefs, Kofe, Lattelicious, Nandos, Kung Fu Kitchen, Metzuyan, Rosebank Mews Café, Jabulani's, Tsunami, Sophia's and Zeffarino. Currently closed are Codes, Seattle, Steer's and Wimpy, and rumoured still to open are Butcher Boys, Fish Aways and Debonaires. (Of course I may have missed a few as I was only working on a Pentium 4.)

## Baffling amount of eateries

I would estimate that the close to 50 outlets cover 10 000 square meters of space! At an average rental of R300 that is a combined R3 million and that requires around R30 million in turnover to sustain that. Let's average the 'spend per head' off at R100 to be exceptionally generous and all you need are 300 000 paying customers every month to make this viable. So another zillion Rand has been ploughed into setup costs by unsuspecting, unprepared and over ambitious owners. Franchisors have once again allowed their charges to sign long term rentals in an untried and untested arena, landlords have let more space to eateries than anyone else (take a walk around and you will see most of the "Let" space is for restaurants, the rest has not even been filled yet), suppliers will be bracing themselves for a string of unpaid accounts, the public, with their very limited spending power, are even more spoiled for choice than they ever were and I am completely baffled by it all... I really believed that after 22 years in the industry, I had some small grasp on how things operate... Clearly *not*!

## Delivering the masses

It took me exactly 20 minutes to do the walk around, pen and paper in hand, another 15 minutes to do the math (I am a little slow) and the rest of the day to try and work out, unsuccessfully I may add, why no one else does these simple calculations. Of course there are long established Rosebank brands that have been operating for years. They will watch their market dilute and pray that out of somewhere an extra few hundred thousand customers will appear.

The Gautrain will open its doors one of these days and Standard Bank are set to open a Super Block in the area but will the Gautrain deliver the masses needed to sustain this monster and will Standard Bank staff leave the sanctity of the in-house canteen as they brace themselves for the next round of layoffs? The jury is out on this one!

## Bagging the customer

If you are one of those listed above, break away from the computer for a few minutes and pour yourself a stiff drink, you may need it. Once you have that out of the way, start working on these two questions, you are really going to need the answers.

**Question number one:** *Why will customers choose my store as they walk around? (What is unique about it, what is remarkable about it, what is memorable about it, what is pleasing about it?)*

**Question number two:** *If I am lucky enough that they have chosen my store above all others, what am I going to do to ensure that they return?*

If you are unable to answer both these questions with more than "Well the food is not bad and the service is OK," or "I will do specials," you need to go back to the drawing board and put in the work *now*! It is too late after they have left, with this many choices, don't expect any second chances.

The restaurant industry remains something I am truly passionate about and lately I have been told that my writing may deter people from entering the industry. That is *not* my intention; my objective is to see passionate, capable owners, thriving in and industry that is both exciting and highly rewarding and to warn the uninitiated that this is not for the faint-hearted and the dreamers. Do your homework, do the math! Do not rely on the landlord or the franchisor to do this for you, it may come as a shock to you, but they do not always have *your* best interests at heart.

## ABOUT MICHAEL SAID

Twenty two years in the hospitality industry, working from the ground up, has left Michael Said no wiser to understanding the workings of waiters, customers or franchisees BUT he insists he will keep on trying. In January 2006, he founded [www.brandStrategy.co.za](http://www.brandStrategy.co.za), which develops brand strategies and integrated marketing plans, including internal and external marketing policies and the overseeing of all ATL and BTL campaigns. Email Mke at [brandStrategy@gmail.com](mailto:brandStrategy@gmail.com), find him on Facebook and follow him on Twitter at [@mike\\_said\\_what](https://twitter.com/mike_said_what).

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