

A guide to starting a new hospitality business



Managing Director of Chiller Box, Marios Poumpouris has had the drive and determination to help start-up businesses since he experienced challenges himself many years ago. As a qualified Chartered Surveyor and Project Manager, with a passion for the hospitality industry, he had a food vision he wanted to get off the ground. When looking for expertise, he found it difficult to find the right information and know who to trust to help him develop his burger concept. This motivated him to change his business plans and support others going through the start-up or business development process via Chiller Box. To be a part of a start-up journey is so fulfilling, especially when you see those visions become a reality and business dreams come true.

There isn't a particular size or type of business that the Chiller Box team like to work with. It excites them to be involved with any individual or group wanting to bring a new concept or project to marketplace. Sometimes they will work with complete newcomers to the industry and other times it may be a chef or a general manager (GM) who wants to open their own place. Having the expertise and experience to give guidance and direction is so rewarding, and the team are there to fill that knowledge gap. For example, an experienced chef probably hasn't designed their own kitchen before, whilst a talented GM may never have been through a construction project. Chiller Box helps these people realise their dream.



It is a great time to start planning a new business. Whilst that may sound strange with COVID19 still causing disruption, this situation is not forever. The landscape is going to be a new one for the hospitality industry and people can't wait for it to be over. The lack of socialising has made people realise how important hospitality is. So, with the right offer, there are some exciting opportunities out there. It will be easier to acquire premises this year with better negotiating opportunities on things like rent.

Ten things someone wanting to start a hospitality business should consider

1. **The concept** - Have a clear understanding of the type of offer you want to provide. Think about the food type you will cook, the drinks you will serve and your target demographic.
2. **Location** - If you look at the nature of this virus, and what we saw happen in the summer of 2020, city centres may take longer to return to normality and suburbs could be busier in the short-term. You need to think about the position on the high street as visibility is important. Location could also involve looking at a prime location which may be more expensive, against a secondary site. This could be a lot cheaper but less prominent or have other drawbacks.
3. **Type of premises** - Think about the size of the venue you will need for your business to be a success. Do you want an outside area to allow for additional dining? You must also check it has the correct planning permission for hospitality use whether that's a bar, pub or restaurant.
4. **Fit for purpose** - This is where bringing Chiller Box in early to look at premises with you will really help. For a hospitality business, the expert team will look at the technicalities of creating a kitchen and getting ventilation into the premises. There have been times when the Chiller Box team has gone with a client to look at a building and although they have found a way it would have been very expensive to develop. It's this type of advice that helps a client decide whether to go ahead with their plans for a particular premises or walk away. Sometimes it's better to wait a little longer for the right venue.



5. **Planning** – The Chiller Box team have worked on planning elements for many years and can advise you on the processes you need to go through. They would also help you to factor this into timescales as this is an element of the project where you will need to wait for permission.
6. **Approvals** – Approvals go beyond the planning as whilst it may have permission to be a restaurant, there may be strict rules around noise levels or smells. Sometimes landlords add their own restrictions too so make sure you check those. For example, premises in a shopping centre will have rules set by the landlord for the whole centre. This could be on something such as the amount of power, water or gas you are allowed to use.
7. **Utilities** – Think about the supplies you will need into your business. This will vary according to the concept. For example, Chiller Box has helped a client who serves Thai food which means needing a good gas supply for cooking with a powerful wok burner on a daily basis.
8. **Access** – You not only need to look at access for daily deliveries, but also for the building of your business. Kitchens can often be in the basement, upstairs or at the back of buildings and you will need to get large ovens, fridges, freezers and other commercial equipment inside. There are often creative ways to do this, but it can add cost. For example, we built a commercial kitchen on the first floor and it involved a 5am road closure and a crane to get catering equipment through an upper floor window.





9. **Use professionals** – It is important to have a good professional team around you. This could include experts in catering equipment, design, licensing, construction and architecture/interior design. A commercial fit out is very different to an extension at home, so although you may have contractors you have worked well with in the past, they may not have the expertise for a commercial hospitality project.
10. **Finance** – Think about the finance you will need to get this project fully off the ground. There's often costs you may not have considered until you start talking to professionals. We have ways we can help clients to raise finance in the early stages of a project, including leasing equipment rather than full purchase.

Market research is key

Make sure you complete market research. This should include seeing what else is in the area and thinking where your concept fits in. Think about your demographic and whether this will be high end. Look at general trends in food around the world. When Marios was considering starting his own burger concept, he did a considerable amount of research, including travelling to the United States. Although it is not something you can do right now, travel is a great way to get new ideas and experience different styles of cooking.



Who will succeed?

To be a small business owner you need to be a certain type of person. You will need grit and determination as there are many challenges along the way. To work in hospitality, it is important you are tenacious and a people person. You also need to be someone who focuses on the detail but is always keeping an eye on the bigger picture. Accept there will be highs and lows and it is definitely not for the faint hearted but ultimately you are the master of your own destiny and the rewards for running a successful business are absolutely worth it.



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