

Good example of essay on restaurant business analysis

[Business](#), [Marketing](#)



**ASSIGN
BUSTER**

Our analysis describes the specifics of restaurant industry across 5 markets – CTX, Dallas, Houston, LA, San Francisco and WTX. All facilities are grouped according to their size. Restaurants with the area between 4000 and 6000 square feet are considered medium, 6001-6150 – large, over 6150 –very large. Our key findings are outlined below:

We may infer that larger size of the restaurant is not necessary associated with higher average sales. The table of Average Restaurant Total Sales by Size and Market is provided below:

According to this chart, Really Big restaurants have the largest average sales among their competitors only in SF and LA. Dallas, Houston and WTX are dominated by large restaurants, while CTX is the only region where medium restaurants have the biggest average total sales. In addition, we may suggest that San Francisco is has the biggest overall volume of sales compared to other markets. Another interesting observation is that WTX market is the only region which does not have any medium sized venues. If we analyze business efficiency based on the dollar amount of sales per square foot, the picture will be as follows:

If we were to analyze business efficiency based on the average sales per seat, our analysis would produce approximately similar results:

Medium restaurants seem to have highest average sales per seat in CTX (around \$95000 per seat), Dallas (\$105000 per seat) and Houston (\$90000 per seat). In Los Angeles and San Francisco Really Big venues demonstrate the highest average sales per seat with \$122000 and \$138000 average sales respectively. Since there are no medium restaurants in WTX, large venues lead the average sales per seat in that region.

First, we may see that really big restaurants in CTX, WTX and Houston market do not use advertising at all, probably, because big restaurants are already well known. Secondly, it would be reasonable for some restaurants to start using advertising to boost their sales. In particular, this relates to large restaurants in CTX, Dallas and Houston and medium restaurants in San Francisco. At the same time, large and medium venues in LA shall reconsider using advertising services, as it appears that advertising does not contribute to higher sales volume in that market. Really big restaurants in Dallas shall also review their advertising contracts. Advertising imposes additional costs, however, it does not seem to improve sales in those markets.