

Avendra Services Group

Profit Improvement Programs

Avendra Services Group can dramatically improve your profitability and cost management even if you think you are operating efficiently.

Now you can leverage Avendra's team of industry experts who know first-hand the operational side of your business. We can provide your property with a wide range of operational, profit improvement and best practices consulting services, including:

- Menu Engineering Analysis
- Labor Analysis
- Food Cost Improvement Analysis (Product Substitution Analysis)
- Compliance Analysis

Benefits to you:

Improved Profits—By recommending operational changes that can result in substantial savings for your property

Additional resources when you need them— Tap into our expertise and free up your time to focus on areas more pressing to your business

Actionable results—Avendra's experts don't just tell you what is wrong, they provide a thorough plan and steps for addressing your unique situation

Follow through—And we're available for follow up visits to ensure your efforts remain on track

Who We Are

Avendra is North America's leading procurement services company serving hospitality-related industries. Avendra customers gain access to contracts leveraging \$3 billion of annual purchases, expert advisory services and in-depth purchasing data and analysis. Through Avendra, customers obtain substantial savings on their purchases and other value added services to improve their operations and bottom line results. Formed in 2001, the company is headquartered in Rockville, MD and has regional offices throughout the United States and Canada.



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Food Cost Improvement

Avendra Services Group works closely with your Food & Beverage operations to identify product alternatives that achieve additional product cost savings that can be implemented without sacrificing product quality.

We review food spend data and then work directly with your F&B staff to understand relevant product applications and recommend meaningful cost savings opportunities.

- Review property invoices for all food purchases for a 1-3 month period
- Develop a prioritized list of potential product savings opportunities based on spend volumes
- Review recipes, menus and the menu item sales mix
- Establish a product cutting/testing process to compare current products to suggested alternatives
 - Work with your F&B operations to finalize the product savings recommendations

Benefits to you:

- *Knowledge*—Improved understanding of F&B operations
- *Informed Options*—Insight on cost-saving product alternatives
- *Reduced Costs*—Reduced product costs while maintaining guest satisfaction

Deliverables:

After the on-site review, ASG will issue a detailed report outlining individual product savings opportunities as well as a summary of the overall impact the final recommendations will have on your F&B costs.

Labor Analysis

Avendra Services Group can help you reduce labor costs without sacrificing service, product quality or your guests' experience. We can work with you to make this process manageable and provide effective, real-life solutions that meet your demanding criteria.

Avendra Services Group will perform an on-site review of your property's labor management practices with focus on the following four key areas:

- **Volume Forecasts:** Establish metrics measuring accuracy of demand forecasts and employee productivity
- **Resource Analysis:** Maximize productivity of current labor pool and identify effective outsourcing strategies
- **Scheduling:** Reduce overall cost of your resources by establishing the right mix of full-time, part-time and on-call staffing
- **Measurement/Reporting:** Establish labor staffing guidelines and measure compliance vs. actual hours ensuring accurate and consistent time and attendance tracking

Benefits to you:

- *Accurate Demand Forecasting*
- *Effective Utilization of Labor Supply*
- *Efficient Labor/Scheduling Guidelines*
- *Measurement Metrics and Reporting Methodologies*
- *Competitive Analysis*

Deliverables:

After the on-site review, ASG will issue a detailed report outlining labor management improvement opportunities as well as a summary of the overall financial benefit to the property. Follow up visits ensure your efforts remain on track.

Compliance Analysis

Avendra Services Group can uncover product savings opportunities by completing an item-level analysis of your recent purchases. We can provide a customized view of your procurement efforts by collecting and reviewing invoice detail from a recent period and comparing it to your own customer specifications or to current Avendra contracts.

ASG reviews purchasing information and recommends item/supplier changes to ensure greater compliance to desired guidelines and identifies opportunities for cost savings:

- Review of invoices over recent periods
- Determine where current specifications are being met
- Identify cost differences between non-compliant and compliant items
- Recommend compliant suppliers

Benefits to you:

- *Cost Savings*—Additional cost savings tracked to the item level
- *Insight*—Identify non-compliant items, suppliers or distributors
- *Improved compliance*—Greater adherence to corporate, property or other defined specifications/guidelines
- *Tailored Solutions*—Customized view of your procurement efforts

Deliverables:

After the on-site review, ASG will provide a detailed report outlining item-level cost savings opportunities plus a summary report identifying the overall product savings available by converting purchases to the correct items.

Menu Engineering Analysis

Avendra Services Group's team of Food & Beverage experts can identify ways to lower your operation's food cost percentage. This analysis helps you focus on actual profit returned from a menu rather than the customary focus on the percentage cost of menu items.

This quantitative analysis will help improve your menu's profitability by:

- Identifying products that require re-pricing, re-plating or re-costing
- Suggesting products which may benefit from marketing through menu placement, emphasis or highlighting
- Recommending item substitution or elimination

Benefits to you:

- *Improved Profits*—5%–20% menu profit improvement
- *Better Decision Making*—Optimized menu-mix based on what-if analysis (quantity/cost/price)
- *Competitive Insight*—Product/menu price comparisons to your competition
- *Actionable Solutions*—Presented with specific steps that can be quickly implemented

Deliverables:

After the on-site review, ASG will issue a detailed report outlining specific areas of menu improvement opportunities including a menu scorecard, cost/margin analysis, an optimized menu-mix and an explanation of results.

For more information, please visit www.avendra.com, call 866-AVENDRA or email ASG@avendra.com.

