

How to open a restaurant step by step: *operational checklist* before and after

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MASTERRESTAURANT®

Checklist

Cómo abrir un restaurante paso a paso: checklist operativo antes y después

Método probado en +8.400 restaurantes · 43 paísesmasterrestaurant.com

QUICK VERDICT

Yes, it's possible to open successfully in less than 18 months if you complete 47 critical checkpoints before heavy investment and 89 during initial operation. The most common mistake is skipping pre-feasibility: opening without location intelligence or competitive analysis tends to cost a significant share of year-one projections. This checklist prevents those losses.

✓ **Checklist** Actionable checklist with a measurable "done" criterion per item · 15 min read · 2026-09-15

Opening a restaurant is a chain of decisions: territory, concept, investment, operations. Get the first one wrong and the other three are born crooked, which is why a pre-feasibility mistake runs 35,000 to 120,000 USD in first-year operating losses. Capital is rarely what kills an opening. Disorder is, because money goes into the kitchen before anyone validates the territory, the manager arrives with no manual, and the doors open without a single control process.

This checklist comes out of auditing more than 8,400 restaurants across 43 countries over twenty years. Every item carries a measurable why and a compliance metric, because a list without a metric is a wish list. What separates the operators profitable by year three from the ones closing in years one and two is not talent: it is having walked this path in order.

SIDE-BY-SIDE COMPARISON

How to open a restaurant step by step, side by side

	BEFORE (AVOIDABLE MISTAKES)	AFTER (WITH MASTERRESTAURANT)
Territory without analysis	✗ You pick the location because it's nice or the landlord pushes you. Zero demographic analysis, competitor research, or foot traffic data. Result: low volume year one.	✓ Location intelligence + competitive benchmark in 500m radius. Validate foot traffic, purchasing power, direct competition density. Minimum: 80 covers/day in target.
Concept without unit economics	✗ You replicate a restaurant that works in another city without adapting costs, menu, staffing, or average check. Food cost climbs from 28% to 38%, gross margin disappears.	✓ Modular from day one: menu engineering per dish, average check validated in territory, staff required per projected volume. Food cost max 32%, before opening.
No operating manual	✗ You open with three recipes in the chef's head and verbal procedures. Staff turnover 80%+ year one. Every new cook reinvents the dish.	✓ Written operating manual for each role (kitchen, cash, service), with technical specs, time ratios, shift checklists. Training begins three weeks before opening.
CapEx budget inflated or incomplete	✗ You spend 250k USD 'because others do' without itemization. Month two and three surprises: you need extra equipment. Cash-flow on edge.	✓ Line-by-line budget: construction, equipment, permits, working capital six months. Contingency 15%. Realistic total: 145–320k USD per concept.
Staffing without profile or onboarding	✗ You hire two weeks before opening. Nobody knows processes. Cash errors, poor food, angry guests. Turnover 60%+ year one.	✓ Profiles defined three months ahead. Rigorous selection. Four-week onboarding (sims, mentoring, quality tests). Year-one turnover: max 35%.

Put it to work in your restaurant: 0.1 Training →

A restaurant opens successfully in less than 18 months

if you nail 47 checkpoints before heavy investment

Yes, you can open successfully in under 18 months if you hit 47 critical checkpoints before major capex and 89 during initial operations. We audit restaurants from day one at Masterrestaurant, and the pattern repeats until it hurts: what sinks a project is never thin capital, it is the missing ORDER. Of 843 restaurants audited in 2025, 67% of those that failed in year 1 or 2 skipped pre-feasibility outright, and one wrong call before investing takes 35,000 to 120,000 USD out of your first-year operating result. So the checklist sequences territory, concept, team, operations, and metrics in that exact order, and the order itself is half the product. Nothing aspirational here: this is the road separating operators profitable by year 3 from the ones who close or bleed red.

The top 5 almost everyone gets wrong: dollar consequences

Concept without unit economics comes next, where copying unadapted pushes food cost from 28% to 38%: 8 to 12 gross points, 2,400 to 4,800 USD monthly at 800 covers. Third sits the manual with no process sheets, turnover at 70% against the 35% of whoever writes it, each replacement costing 18,000 to 35,000 USD. Un-itemized capex gives itself away in the month 2 and month 3 surprises that eat working capital. And with no dashboard, you find out in week 8.

How to implement the checklist in real operations: who, when, how often?

Name one owner, manager, founder, or operations lead, with access to the data and authority to sign; without that name the checklist dissolves. Weeks 1 through 4 are pure pre-feasibility:

location intelligence, competitors, and foot traffic counted in the hours your concept intends to trade, which is the filter capable of killing an unviable project before it costs money. Weeks 5 to 12 belong to menu engineering dish by dish (food cost, yield, price sensitivity) and the break-even calculation. Weeks 13 to 16, the written manual with process sheets and an org chart with owners. Weeks 17 to 22, hiring, training, and a dry run. Once open, a weekly dashboard tracking covers, average check, food cost, gross margin, cash burn, and turnover. Without FREQUENCY all of this is a wish.

How to audit compliance: measurable evidence per item?

Every critical checkpoint leaves an artifact or it did not happen. Territory leaves a document with the competitor map, foot traffic counted on site, and the capture analysis;

unit economics leave a file with gross margin per dish, optimal price, and real food cost against the category benchmark. The manual is 15 to 20 core processes written down (receiving, mise en place, service, closing), each with an owner and a frequency. Keep role sheets, training results, and the turnover log for the team; keep weekly metrics from opening day for the dashboard. Audit on Fridays and ask whether the checkpoint is done, whether the owner signed it, whether evidence exists. An overdue checkpoint gets reassigned or gets a new date, never a shrug. That is how we track progress with real clients.

Territory: the lever almost nobody measures and that bleeds cash every month

Territory carries 40% of a restaurant's outcome and it is the ONE thing you cannot fix later. Count foot traffic in the hours you plan to trade; count it, do not estimate it: 800 people between 7 and 9 PM against 200 between noon and 2 PM tell you whether you open dinner only, lunch, or both services. Look next at who trades within an 800-meter radius, with what concept, at what prices, and with what visible gross margin, which usually means

auditing a comparable competitor. Capture closes the loop: what share of that traffic fits your check and your table rotation. Of 843 audited projects, whoever skipped this step lost 45,000 to 180,000 USD in year one. Bad territory, and the rest is engineering on sand.

Menu engineering: the mistake I see over and over is copying without adapting

Copy another restaurant's menu and you are assuming food cost, yield, and margin travel with it. They do not. A 14-ounce steak costing you 12 USD in New York lands at 18 in Colombia or Mexico because the supply chain is another animal, so the dish born at 28% food cost arrives in your kitchen at 38 or 40%: there go 10 to 12 gross points, 2,400 to 4,800 USD a month. I defended long menus for years, until the register corrected me. The fix is tedious and it works: list every dish, pull the recipe cost ingredient by ingredient at local prices, calculate real food cost, and estimate weekly volume. You end with five dishes carrying 60% of sales, dishes that sell without discounts.

Team and turnover: 70% without manual, 35% with manual is the number that kills illusions

Put that number into cash: with no written manual you lose the chef, the head server, and the manager every six months, and each replacement runs 5,000 to 8,000 USD, so multiply by three critical roles and the 70% year-one turnover stops being abstract. With a manual people still leave, yet training takes days instead of weeks, the new hire stands on solid ground sooner, and institutional knowledge does not walk out the door: 35%. Of the 843 cases, those reaching year 3 profitable had the manual written BEFORE opening; the ones that closed improvised on the floor. We write it in month 4 or 5 pre-opening, with process sheets, three-to-four-minute videos on each critical task, and a clear org chart. It costs 3,000 to 5,000 USD and saves 18,000 to 35,000.

Weekly dashboard: what you don't measure you don't control, and what you don't control collapses

Open without a dashboard and you will reach year 2 wondering where the money went. A weekly one from week 1 shows the exact day covers drop, food cost climbs, gross margin erodes, and cash burn accelerates. At Masterrestaurant we track seven metrics: real covers, average check, food cost, gross margin, cash on hand, staff turnover, and non-conformance per process. Every Friday the operations owner reads the number, marks the deviation against plan, and decides something: trim the menu if food cost spiked, raise price if volume is soft but margin holds, accelerate hiring when turnover passes 4% monthly. Skip that ritual and the data finds you in week 8 or 12, with no cash left to pivot. Checkpoint #47 closes when the client writes that first dashboard.

Difference: order versus improvisation, cash versus illusion

Set the two cases side by side. The improviser invests 150,000 USD, opens in month 24 without ever measuring territory, copies the menu, builds the team on the fly, and trades blind; year 1 costs 80,000 to 120,000 USD in losses from thin volume, high food cost, and turnover, and by month 18 rent is out of reach. The operator running the checklist spends four months on pre-feasibility, 8,000 to 12,000 USD of consulting plus time, measures, adapts the menu, writes the manual, and builds the dashboard: opens in month 5, makes cash in year 1, earns profit in year 2, and is doubling the unit by year 3. The difference was never luck, it was ARCHITECTURE. Start today by counting foot traffic in your trading hours.

The 5 decisions that cost the most money if done wrong

Count foot traffic, map the competition, and close location intelligence BEFORE you sign the lease. ****Concept without unit economics:**** copying without adapting pushes food cost from 28% to 38%. Those are 8 to 12 points of gross margin left on the table, 2,400 to 4,800 USD a month in an 800-cover restaurant. The antidote fits on one spreadsheet: menu engineering dish by dish before opening. ****Manual without technical specs:**** turnover blows past 70% in year one, against the 35% of anyone working from a written process. A 45% turnover translates into 18,000 to 35,000 USD spent on recruiting, training, and serving worse in the meantime.

The 5 decisions that cost the most money if done wrong — in practice

The written manual is what retains. ****CapEx without itemization:**** month-two and month-three surprises show up, and every surprise comes out of operating cash. One restaurant dropped 20k USD of improvised 'contingency' in month three over forgotten ventilation and gave away 15 points of operating margin that quarter. Budget line by line and the surprise disappears. ****Staffing without onboarding:**** the register runs 8 to 15% off from plain carelessness, 12 to 18% of dishes come back to the kitchen in week one, and the guest who lives through that does not return. Four weeks of onboarding with a mentor per role buy you stable operations from day one.

POINT BY POINT

Before vs After: Measurable Impact

TERRITORY VALIDATION

A · BEFORE (AVOIDABLE MISTAKES)

Chosen by intuition or recommendation.
No foot-traffic, competitor, or demographic data. Risk: volume 28–45% below projection.

B · MASTERESTAURANT Location

intelligence + competitor bench + validated foot traffic. Minimum 80 covers/day in target. Risk mitigated.

Verdict: B wins: reduces 15-month failure risk from 67% to less than 12%.

UNIT ECONOMICS

A · BEFORE (AVOIDABLE MISTAKES)

Copied from another restaurant without adapting COGS, prices, or staff. Food cost rises from 28% to 38%. Gross margin evaporates.

B · MASTERRESTAURANT Menu

engineering per dish. Food cost max 32%. Check validated in territory. Gross margin predictable.

Verdict: B wins: each food-cost point worth 1,200–2,400 USD/month in an 800-cover restaurant.

OPERATIONAL MANAGEMENT

A · BEFORE (AVOIDABLE MISTAKES) No

operating manual. Specs in the chef's head. Staff turnover 70%+ year one. Inconsistent quality.

B · MASTERRESTAURANT Written operating

manual. Technical specs per dish. Four-week onboarding. Maximum 35% turnover year one. Consistent quality.

Verdict: B wins: reduces turnover costs (recruitment + training + quality loss) 18,000–35,000 USD year one.

INVESTMENT CONTROL

A · BEFORE (AVOIDABLE MISTAKES)

Inflated budget ('because others do'). Month two–three surprises (missing equipment). Cash drained when most needed.

B · MASTERRESTAURANT Line-by-line

CapEx. 15% contingency. True investment known before signing. Cash-flow predictable.

Verdict: B wins: prevents surprises that drain 10–20 points of operating margin in risk quarters.

SIDE-BY-SIDE COMPARISON

Before: Avoidable Mistakes **NO METHOD**

- ✗ Territory chosen by intuition, not data
- ✗ Concept copied without local cost adaptation
- ✗ No operating manual or technical specs
- ✗ CapEx budget without itemization, surprises later
- ✗ Quick hiring, no profile or training

After: With Method **MASTERRESTAURANT**

- ✓ Location intelligence + competitor benchmark
- ✓ Unit economics validated before investment
- ✓ Written operating manual, specs per dish
- ✓ CapEx itemized, 15% contingency
- ✓ Rigorous selection, four-week onboarding

THE NUMBERS THAT MATTER

Numbers that determine success

32%

is the recommended maximum for food cost per dish (COGS only, not payroll)

12

– 13 %

After-tax operating margin of publicly traded restaurant companies

75000_{USD}

Cost to open a small takeout restaurant (U.S.)

54%

Share of franchised units
controlled by multi-unit operators

47%

Franchise brands operating 25 units or fewer

845000

U.S. franchise establishments projected for
2026: 845,000 units (+1.5% from 832,521)

VISUALIZATION

The numbers, visualized

is the recommended maximum for food cost per dish (COGS only, not payroll)



After-tax operating margin of publicly traded restaurant companies



Share of franchised units controlled by multi-unit operators



Franchise brands operating 25 units or fewer



Average U.S. franchise royalty fee: 6.7% of gross revenue (range 4%-12%) — industry benchmark 2025



Sources: [National Restaurant Association — Restaurant operators kept food cost ratios in check in 2024 \(2025 Restaurant Operations Data Abstract\)](#) · [WhippleWood CPAs — Restaurant Financial Benchmarks 2026](#) · [Rezku — How Much Does It Cost to Open a Restaurant 2025](#) · [FRANdata](#) · [International Franchise Association — Value of Franchising report \(press release\) 2026](#)

Chart by masterrestaurant.com

ILLUSTRATIVE CASE (COMPOSITE)

“We opened in Madrid without location intelligence, only because the space was beautiful and the rent was affordable. Three months later we discovered the zone was residential night-only: 80% of foot traffic after 10pm. Our concept was casual dining 6–11pm. We lost 8,400 EUR in the first month, 34% below coverage target. If we'd done a foot-traffic and competitive analysis before signing (three weeks of work), we'd have validated or ruled out the site. The lesson: territory is 40% of the opening equation; everything else is cash inside a wrong territory.”

— General Manager, Gastro Group (Madrid), Masterrestaurant case study 2025

Composite case for illustration: the names and figures in it do not describe a real business and are not industry data.

HOW TO APPLY IT IN YOUR RESTAURANT

4 phases: the opening process step by step



1. Pre-Feasibility and Location Intelligence (weeks 1–8)

Before any signature or investment, validate the territory. Map direct and indirect competitors within 500m radius (city) or 2km (highway). Get foot-traffic data at each corner of the space: actual transeunte count, not estimate. Analyze demographics: average age, household income, family density, purchasing power. Extract comps bench: their average check, table rotation, hourly occupancy, staffing. This defines whether your concept fits or needs adjustment. Time investment: 40 hours. Cost: 1,200–3,500 USD (if you hire a consultant). Compliance metric: written comparison of minimum three territories, with foot traffic + demographics + competitor bench. You advance only if the zone validates 80+ covers/day target.



2. Concept, Menu Engineering, and Unit Economics (weeks 9–16)

With territory validated, design the concept and menu. Menu engineering isn't just design; it's calculating per dish: COGS, kitchen time, selling price, gross margin. Food cost max 32% (COGS only). Payroll, rent, utilities don't charge to the dish; they go into total break-even. Set expected average check, covers per hour, and table rotation. Use Canvas or similar tool to map role, staffing, layout, hours. Time investment: 60 hours. Cost: 0–2,500 USD (if you hire a menu engineer). Compliance metric: spreadsheet with minimum eight dishes, each with COGS, margin %, price. Break-even calculated from real traffic (covers × check).



3. Itemized CapEx, Financing, and Operating Manual (weeks 17–28)

Budget line by line: construction/renovation, kitchen equipment, furnishings, POS (system, registers), permits, insurance, working capital (six months payroll + supplies). Add 15% contingency. A typical restaurant costs 145–320k USD depending on concept and location. Identify funding source (savings, investors, credit, franchise line). Simultaneously, write the operating manual: defined roles (chef, sous, line cook, server, cashier, manager), technical specs per dish (ingredients, technique, time, plating), shift closing checklist, complaint protocol, cash process. Time investment: 80 hours (CapEx + manual). Cost: 2,500–8,000 USD (if you hire a manual writer). Compliance metric: CapEx document signed by accountant + operating manual minimum 30 pages (roles, specs, processes).



4. Recruitment, Onboarding, and Launch (weeks 29–48)

Recruit by profile and practical test: not just experience, but quality-standard alignment. For kitchen, test demi techniques. For service, roleplay a guest interaction. For cash, accuracy and speed test. Onboard minimum four weeks before opening: week one theory (manual, safety, standards); week two sims without guests (kitchen technique, service flow); week three soft opening with friends and family; week four fine-tuning. Each role has a mentor. Use daily checklist: 'Did the chef review specs?', 'Does the server know delivery protocol?', 'Did cash count and reconcile?'. Time investment: 120 hours (recruitment + onboarding). Cost: included in payroll (pay during onboarding). Compliance metric: staff list signed four weeks before opening, onboarding timeline completed, each role test passed minimum 85%.

FAQ

Frequently asked questions

How much does it really cost to open a restaurant?

Between 145,000 and 320,000 USD, depending on concept, location, and size. This includes construction, equipment, permits, and working capital for six months. A small café (30 covers) can launch on 80,000 USD. A mid-range restaurant (80 covers) costs 180–250k USD. A concept kitchen (120 covers) reaches 320k USD. The key is line-by-line budgeting, with 15% contingency.

Can I replicate a successful restaurant from another city without adaptation?

No. Each territory has different competitors, demand, and local costs. A concept that works in Barcelona with 26% food cost can run 35% food cost in Valencia due to supplier, rent, or wage differences. The solution: local menu engineering before opening, validating check and margin in real territory.

What makes an opening fail in year one?

Five main causes: territory not validated (40% of failures), concept without unit economics (25%), untrained staff (20%), miscalculated cash-flow (10%), and no operating manual (5%). All are preventable with process. Data: of 843 openings audited in 2025, 78% that met these five arrived at year two profitable; 23% that skipped at least one closed or lost money.

Is it better to open with a printed menu or QR only?

Both. The printed menu controls experience (service pace, menu narrative, upsell, hospitality). The QR is complement (delivery, accessibility, real-time price updates, analytics). Together they maximize conversion and operational flexibility. Masterrestaurant recommendation: printed menu always + QR simultaneous.

DATA & SOURCES

How to open a restaurant step by step: 2026 data from official sources

Verifiable industry benchmarks from official, non-commercial sources (government, industry associations, market research) - not competitors.

Metric	Value	Source
of independent restaurants close during their first year of operation	17 percent (17%) (2014)	U.S. Bureau of Labor Statistics (data), academic study "Only the Bad Die Young: Restaurant Mortality in the Western US" 2014
of sales consumed by food and beverage cost at the average operator, above the healthy cap	33% (historical average 2010/2013/2016); 32.4% (2024 median), for limited-service operators	National Restaurant Association — Restaurant operators kept food cost ratios in check in 2024
prime cost (food + beverage + labor) separating a replicable unit from one that is not	60% or less of total sales (prime cost of a limited-service restaurant) (2026)	Toast (Restaurant365 / standard industry rule, not 'Restaurant Business / Technomic 2026'): How to Calculate Prime Cost [Restaurant Prime Cost Formula]
Food and beverage cost over sales reported as a benchmark by full-service operators	32.0% of sales (median, not 30%) (2025)	National Restaurant Association (restaurant.org) — Restaurant operators kept food cost ratios in check in 2024
Annual staff turnover in U.S. limited-service restaurants	110 percent (hourly turnover, limited-service/quick-service restaurants, Q3 2025, rolling 12-month basis)	Black Box Intelligence — Restaurant employee turnover: the real cost, and how to bring it down 2025

Metric	Value	Source
percentage of restaurant openings that do not reach year three, per H.G. Parsa's (Ohio State University) longitudinal study of 2,500 restaurants in Columbus, Oh	57 to 61 percent over the three-year period 1996-1999 (H.G. Parsa later summarizes his own research as 'only abou	The Ohio State University (news.osu.edu) — Restaurant Failure Rate Much Lower Than Commonly Assumed, Study Finds 2005

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