

**Brian Sheehan:** 0:05

Welcome to Retail Intel, the podcast where we dive deep into the dynamic world of commercial real estate. I'm your host, Brian Sheehan, and I'm thrilled to be your guide on this journey through the bustling streets of retail, the aisles of shopping centers and the world of property investment. With me today I have Sri Devel, the founder and principal at the Culinary CMO. This is Sri's second time on the show and we're thrilled to have her back. Sri began her career as a classically trained chef, graduating from the celebrated Art Institutes of California, and has achieved a level one sommelier rank with the Court of Master Sommeliers. Sri welcome, how have you been?

**Sri Devel:** 0:50

Thank you, I've been so good. How are you?

**Brian Sheehan:** 0:53

I'm great. You know it's been an interesting time at Pico. There's been a lot of growth, there's obviously a lot of activity in the restaurant sector and that was one reason I was really excited to have you come back on Retail Intel to talk about the kinds of things that you've been seeing. But before we get there, it sounds like you've got a new partnership kind of underway or in the works and I wondered if you want to talk about that for a second.

**Sri Devel:** 1:19

Yeah, absolutely. We have some really great things going on at the Culinary CMO. We have just been really able to hit a niche with restaurants and it's just been like had you told me 10 years ago that this could be possible like it's just like a dream. I get to work with these incredible chefs, I get to work with these incredible teams and really just help tell their story and it's just incredible. And I had a really fun chance meeting and FSR at conference that I was speaking at.

**Sri Devel:** 1:47

It was QSR and FSR and I had a great chance meeting with one of the owners of Archway, and so they're one of the leading print houses in restaurant and retail space, for really both, and so they were really growing their culinary side of print work, which is so funny because it's you don't think of us as doing a lot of print, but we actually really do and they have like a ton of solutions, and so it was really cool. We kind of talked for a little bit and then it was one of those things where like yes, this absolutely just works, so I'm able to offer my clients a really sophisticated print platform, and so that's just really cool to offer. Because I love to work with owner operators. I also represent a ton of franchise orders and franchisees, but it's really fun to be able to offer them solutions.

They work with a lot of the titans in the industry, like think Starbucks, young brands, like all these huge big brands. So if I'm able to offer sometimes smaller you know, smaller units and that type of stuff, the same kind of solutions and dashboards and those types of things, it's really cool.

**Sri Devel:** 2:49

It's really fun to see, because my goal always just with the Culinary CMO, was to always help and offer assistance in any way I can for restaurants and this was one of them, so it was really exciting. It was a really cool partnership. We've had a lot of fun. I've been working with them for about four to five months and they have a huge print house in Georgia and so I never knew I loved the South as much as I do, but Atlanta is like I'm like yes, like the culinary there. It's just amazing the restaurant. So it's been fun. It's been a great partnership. We've been able to offer a lot of solutions for a lot of my clients. So I think it's a really good symbiotic partnership that I never knew I needed.

**Brian Sheehan:** 3:24

Oh, that's great. You know, it sounds like it came about really organically and yeah, yeah. Then that kind of brings me to my next question, which is you know there's been a lot that's happened since we spoke last year in the industry and I'm curious, kind of what trends you're seeing, you know, that are really affecting your partners.

**Sri Devel:** 3:43

Yeah, absolutely, I think the biggest you know that are really affecting your partners. Yeah, absolutely. I think the biggest you know, like the elephant in the room, of course is food costs. Everyone from grocery all the way up to restaurants. It's just something that's happened and we've always felt it. We always try to control the controllables, and so food cost is always a controllable that we try to control, but, man, it's getting difficult. So I think that's the elephant in the room. It's just our costs are rising, so, unfortunately, we have to roll that over to our guests. So we hear it.

**Sri Devel:** 4:10

I think that's one of the big things that I've seen in trends. So kind of stemming from that is, you know, we've always been very smart at cross utilization or using the whole animal or vegetable or those types of things, but I do think that our menus are getting smaller and more precise, which actually helps us from bringing in too many products that don't get sold or we have minimal waste. So I think smaller menus, more precise menus, more focused menus on what the restaurant does well, and so they'll kind of lean into that, which is what I'm seeing. Also, probably in 2025, we'll see like a huge revival of the

martini, which is really funny because it's like, as a martini drinker, I'm like wait, where did they go? Remember about 1520 years ago? I mean, that was everywhere.

**Brian Sheehan:** 4:56

When.

**Sri Devel:** 4:56

I was a server, it was like martini night, that was the night right, like you knew that you can make a ton of tips on that. So martinis are going to be making a big comeback and also, you kind of see, like in Vegas already, in those types of things like the supper clubs, like a little bit lean into a little bit more leisurely, you see those big overstuffed booths you see kind of like supper clubs or something like to be a part of. So it's like memberships, that type of stuff. We're seeing a huge comeback of that and I just think it's really cool and I think just the style it's a little bit like a nod to not the olden days, but you know, it's like Frank Sinatra era done really, really well and done that to a modern style. So I'm really excited to see that. I've seen that and a couple of the build outs that we're doing right now is really kind of a little bit of vintage, a little bit of modern, but just oh so cool. So lots of things in the industry happening. That's fascinating.

**Sri Devel:** 5:58

So what's bringing the martini back? You read so much and it seems like my experience has been people are consuming back there. I think they just did a huge layoff and one of them, and so it's just, the drinking is going down, which is a good thing. That also makes way for non alcoholic beverages. I don't know if you've experienced it as well, but you know the non alcoholic beverages right now they're using spirits that have no alcohol they're zero proof spirits and then they're including those in full handcrafted cocktails. So it's really cool. So you can sit down with your friend and you can order the martini. And then I can order a hibiscus cooler, but you don't necessarily know that it doesn't have booze in it. So I can drink with you and I can be there with you. It's kind of also enjoying the sober. Curious movement is huge and that's coming in really big.

**Sri Devel:** 6:41

I think wine you know wine will always have its moment. It's such like a food and wine right. It's such like a partnership that will never go away. But I think wine had a huge resurgence of, you know, making their way and everyone wanted to be more educated than wine, and I think it's just time. Remember the vanilla vodkas or the flavors vodkas? Had their time at one point, so now I just think it's like the true and classic martinis are coming back. I think it does pay a little bit into that you know kind of vintage era that a lot of the restaurants are going in, and so I just think it's on its way back, but people are

definitely drinking less Absolutely. So I think those who will be drinking will be partaking in martinis. It's coming back.

**Brian Sheehan:** 7:20

And it's just a part of the same trend that is bringing the supper club back. Talk what's what's going on with supper clubs?

**Sri Devel:** 7:27

I think so. Yeah, I just see that a lot. Vegas did it a couple of years ago and it's just kind of that more loungy, relaxed environment. It's not like you know country. It's very modern. It's very like vintage lighting with big overstuffed booths. It's kind of like a way of service. So it's definitely fine tuning service.

**Sri Devel:** 7:46

People aren't going out as much and so it's really when they go out, they expect an exceptional experience and something that our restaurants can offer to them as an exceptional dining experience. That's really what we strive for every day. So by kind of creating like this incredible service environment, I think it's just something really fun. I think it's just something really fun. I think it's going to be cool. It's definitely a design theme too. Even some quick service are going more vintage in style, which I love. But I just do like a huge and when I say vintage I mean like vintage elements. It's not everything it's. You know. They're kind of just playing back to what people are comfortable in and getting people to kind of relax a little bit longer for each experience, because we know you're going out less.

**Brian Sheehan:** 8:26

You see it in the fabrics, the materials they use, how they decorate the music kind of everywhere or just little moments in restaurants.

**Sri Devel:** 8:34

Yeah, colors, textiles, fabrics, it's a lot of deep, richer colors. Black has had its moment in restaurants for a long time now, especially barbecue and those types of things, which is rad, so to see like elements. You know, for so long black was only like an outline and now it's like the color of restaurants and it's really cool. So the darker, royal colors, richer colors, all of those things are really making a comeback and I'm here for it.

**Brian Sheehan:** 8:59

And to your point. So vintage is about making you feel more comfortable. You spend longer. Maybe you spend more while you're there.

**Sri Devel:** 9:08

Yeah, you're going out less, and that's just a proven fact. People are going out less right now. So it's one of those things that, okay, we want to be able to be your choice when you do go out. And how do you do that? It's the way we make you feel. So we make you feel comfortable, we make you feel non-rushed, we make you feel like you can stay with us. We don't have a 60 minute time limit like those times during COVID and all those things. You know like we're.

**Sri Devel:** 9:31

The pendulum has swung so far the other way. Come and sit with us, chat with us a while. You know your server knows your name, kind of the cheers bar that everyone wants. I kind of feel like that's you know you pull up and you know the bartender, she knows your drink and it's definitely going to return to that. I'm really excited for it. It's very personable, it's bringing personality back to service and it didn't go anywhere. But it's one of those things that people are leaning into. It's you know it's. We want to make you feel like you need to be with us on those nights that you go out. And so how do we do that? We definitely create a brand around making you feel comfortable.

**Brian Sheehan:** 10:04

You talked earlier about some of the pain points that restaurants are experiencing. One of those is cost. What else are you seeing that they're struggling with?

**Sri Devel:** 10:15

Food cost is just one of the biggest challenges right now and it's always something that we've dealt with. We always know that it's a commodity. It's going to go up and down. We know that if the Midwest has a freeze, tomatoes and spinach are going to go up. We know that the farmers were dealing with a lack of water for some time in California so it skyrocketed. We're really lucky because of you know that the way that trade goes and that type of stuff, that we really can get anything from anywhere, Sometimes it just comes at a cost and so some restaurants are choosing just not to do it.

**Sri Devel:** 10:45

You know they're not choosing to do the \$600 case of avocados anymore, so they may substitute with something else or even change a menu ingredient where the old school hospitality was like at any cost, like someone's got to run out and go find avocados or somebody's got to go do this to do that. So now chefs are kind of looking at their menu

and they're like, okay, well, we can't offer this. And some chefs are leaning in and saying, okay, well, we're going to offer a superior product, but the price has to be adjusted, and so sometimes there's a little bit of pushback with that, but really again, what we're here to do is just offer like an incredible dining experience for guests who come in. But food costs is there. It's always been there, but it's definitely a challenge right now, I think, for wine. There was like a glass shortage in Italy, I think, so a lot of the wine that was coming out of Italy had to be a little bit more expensive or it was delayed, so a lot of our glass bottling was an issue. I think that's since been resolved. And then just kind of what we discussed is people are just going out less, and so it's really just being that top of mind being that choice.

**Sri Devel:** 11:41

When people are going out, our restaurants need to be where you want to go, and so that's several different ways. You know the culinary CMO. We do the multi channel approach. So then the way anyone consumes media, you find us, and so that's what we offer to our restaurant partners. But when you do go out, we want you to think of us, and so it's definitely a challenge right now and it's something that has been for a bit. You know, like the COVID era. Everyone wants to forget and nobody wants to remember those times, especially in the restaurant industry. But yeah, I do feel like it's just a different set of challenges. People are more cautious of spending money just because things are so expensive right now.

**Brian Sheehan:** 12:21

And yet there's so much innovation, so many exciting things happening in the restaurant industry. I mean, it's one of the reasons I love getting to talk to you and you work with really interesting fast growing brands and I'm curious if there's some things you know that they all have in common, kind of what's happening with those brands that are growing quickly right now.

**Sri Devel:** 12:41

Yeah, absolutely. I think the brands that are expanding are thinking outside the box. So they're thinking, you know, maybe a different state or they're thinking of expanding in different ways. The best thing that you can do when you expand is just really be true to who your brand is. Don't try to be everything to everyone, but also embrace the community and do those types of things, which is so huge and kind of knowing where you're going and what those people are really into, right. So I think identifying and locating your best market is probably the first one. They're embracing communities that are similar to where they've had success in other communities or different cities or different centers or those types of things. I think, especially when working with like a

real estate partner, it's really finding out the demographics, the psychographics, what people spend all those forgive me, I don't know the name, but it's what real estate officials will offer to like restaurant owners Like, hey, this is, you know how this center performs and I think, really taking a look at that and diving in and then also just talking to other restaurant partners around you, you know what is their successes and what are those things. You know restaurants are just a really risky business and so it's always good to kind of hear what people are doing.

**Sri Devel:** 13:51

A lot of people who are building right now are taking over second and third generation sites for obvious cost reasons. Building material is insane, and so it's just one of those things that I think they're really looking for prime location, prime opportunities. But then also, you know second or third generation sites that they can go. Okay, well, you know, I know a stove went in here because it's already piped forward or plumbed forward or whatever. So it's like I don't have to do that and that's a \$15,000 savings. So I think people are really looking smart, especially those smart operators. I work with a team that is just probably the best operators I've ever seen and they're going in. You know they're like okay, we want a second or third generation site, we want this community. They're partnering with their restaurant partner and they're really getting some good results with they're going to go across the country and they're really excited. We're really excited about that opportunity because it just seems like a perfect fit for us and it's just going to be incredible.

**Brian Sheehan:** 14:56

Yeah, and adapt and fit, and earlier we talked about a concept that's moving from California to the Carolinas. Maybe you can talk about some specific ways they're doing that.

**Sri Devel:** 15:02

Yeah, absolutely. So they're keeping their units in California, so they're just expanding and they selected North Carolina. So it's Mama's Comfort Food and Cocktails. They are so close to my heart. I just absolutely love that concept. It is just the best concept with the best comfort food.

**Sri Devel:** 15:16

And so they've had some wild success in California and they really are in growth mode right now. So it's I'm really excited to see them grow. Those were the operators that I was talking about. They are just the best operators I've seen. They have just the greatest team. What they're going to be doing is taking one of their general managers, who is



actually from Virginia, I believe, so she's from the East Coast and she's going to be moving to North Carolina for their first unit. They have South Carolina already signed, so there's just like some really cool growth opportunities. So they're going into communities. They partnered with their real estate, you know, expert, and they really found a location. That's really great, and so we're really excited about it.

**Sri Devel:** 15:56

And what we are doing is making sure that the brand is our brand and this is what we love. This is how we've had success, and so really what we wanna do is really lean into the branding. So it's a really fun concept. There's lots of bright colors, there's fun fonts. We do like subtle little rebrands every two years, which is, we may introduce a new font or a new style or a new background or something like that, and I know to the modern person that seems super silly. Okay, just change your background. But one of the things that we do is we stay consistent. So then you get brand recognition and brand recognition whether in California or North Carolina, but to where we just really stay true to the brand and it's a fun brand.

**Sri Devel:** 16:36

So I think people are excited. People are already excited about it through the press releases and all the things that we've done. I don't think they'll open until maybe June, but it's a really cool concept that I think people will be really excited about. And one of the things that they've done is they've always pretty much doubled down into community. They've always supported the high schools and any sort of charity that is local to the community. We've donated over a million dollars to the schools and the education systems of the communities in which we support, and that's something that's really true to both of the owners is that they support the communities. One of the owners is actually moving to North Carolina, so he'll be there, so he's going to fully embrace it. I think he had some ties there prior.

**Sri Devel:** 17:21

So he's going to go back home and he's going to bring the concept with them and it's like. It's a like soul food, country food. It's just delicious, like a ton of comfort food and amazing cocktails.

**Brian Sheehan:** 17:34

I mean a lot of great reasons to be looking at the Carolinas for growth, and I guess that kind of answers my question. He was moving home or they were moving home and built this concept in California Southern comfort food. Now they're going to take it back. So if



you went to Mama's in Southern California, turn around, end up backing the Carolinas and walked into a Mama's, it would still look and feel kind of like the same place, right?

**Sri Devel:** 17:58

100%. So, yeah, it's real, true comfort food, and so they'll take it nationwide. I'm excited for their growth period right now. It's really exciting.

**Brian Sheehan:** 18:07

Talk about, I guess, the importance of community involvement. The retailers and restaurateurs that I speak with that seem to kind of outperform the size of their space in terms of sales. You know, really do a good job of that and it seems a little bit like a secret sauce. How do you do that effectively? You know, how do you engage effectively with your local communities to build loyalty?

**Sri Devel:** 18:33

Absolutely so it's. You know, loyalty also is both ways right. So for your guests and customers to be loyal, they have to be loyal, and so one of the things that I see a lot of restaurateurs do that it just isn't necessarily. In my opinion, the right way to do it is they'll just kind of spot check, like they'll just get like a banner and then okay, well, we're up at the high school, so we know one of the things that Mamas Come for Food and Cocktails does is they lean in, and so it is. You know, donations in our industry our margins are so small, so to take the stance that they are going to contribute to the communities in which they serve, that's a big deal and that's a huge financial commitment, especially when everyone is cutting back and everyone is doing less right? So what they do, they do just about the opposite of spot check. So they actually, you know auction baskets, and then they're supporting the swim team and then they're supporting the baseball team. It's not just one high school, it's all high schools. They do a really amazing program called give back days, and so the give back days are one of the things where a lot of restaurants will do it. But the way that mamas does it and so, consistently, it's a really big deal, and so they have a really cool formula to where they'll do it. So it's 20% if you have less than 40 people and then it's 30% if you have 50 or more. So, really like, it's really upon the group to really get their group there, but then mamas will write the check. So it's just one of those things. We offer a space for them at no cost. They can come in and eat and dine and then we donate like up to 30% of their ticket back to the group and it's just something really cool. But they do it and I would not be exaggerating to say that they do this 365 days a year. And again, it's something that a lot of restaurants will just be like oh my gosh, another gift card. Oh my gosh, another donation. Oh my gosh,

another charity. It just starts to add up and, like I said, mama says donated a million dollars and that's part of their business practice. So they have that worked in.

**Sri Devel:** 20:26

But I hear so much from other restaurants that are just like I. You know, this is \$300 for this month that we get hit up for. Or, you know, you'll ask the community involvement or something like hey, can you give me oh goodness, I forget what it's called like a 501c3 or whatever that form is or something. And they're like, oh well, we don't have it. And it's like, well, we do need that to offer. There's so many things, but I do think that that is a huge part of the concept.

**Sri Devel:** 20:53

Success not only great food, great service, amazing cocktails, but also just the community, is something that they've really always just dove into. They have a second concept called Dos Amigos Cantina, and they do the exact same thing and it's just, that's packed. You'll go in there and they have anywhere from 20 to 50 people who are there on a community engagement that they have helped facilitate, like Mamas has helped facilitate. It's just, it's really awesome, it's just really cool. And I just don't see people doing it. And a lot of times you get some pushback like, hey, we have this great opportunity to be a part of this, and they're like I'm sorry, I just don't have the cash for it. And and I understand that too, I really really do Like, look, our margins are so thin, especially now. So I see a lot of people pulling back on donations or just, you know, a community involvement. It's the exact opposite of what Mama's Comfort Food and Cocktails do. They do a really exceptional job at that.

**Brian Sheehan:** 21:46

It sounds like it can't be a part-time thing. Don't look at it as a part-time thing.

**Sri Devel:** 21:51

Yeah, don't spot check.

**Brian Sheehan:** 21:52

And also there's a little bit of faith and trust that if we give until it hurts, it's going to come back to us.

**Sri Devel:** 21:58

Yeah, definitely.

**Brian Sheehan:** 22:00

That's fascinating.

**Sri Devel:** 22:02

It's got to be the thought process, it's got to be like the mission of you know. It's got to be just a part of your everyday business. And that's what they do. It's again, I see it when you spot check and you buy this banner and you buy this quarter page ad and the football thing, then it's like it really does have to be accumulation, not just a one-off.

**Brian Sheehan:** 22:19

The economics, as you mentioned, are so important in the restaurant industry and this sounds like kind of a relatively smaller group, although they've got multiple locations, different concepts. I wonder if you could talk about how single smaller unit operators that don't have the buying power of the Starbucks or even some larger brands? What are some principles for how you go about managing your margins and control costs?

**Sri Devel:** 22:47

Yeah, it's really control the controllables. That's a saying that we say in the industry all the time. There's only so many things that you can control. It's a science, right, like managing a P&L for a restaurant. There are so many line items that just take and take and take. A lot of people don't understand that. Even just swiping your credit card at a restaurant, well, guess what we owe you know, anywhere between 2.1 and 3% of that credit card swipe. I mean it's just at every turnaround there's somebody taking away from that dollar and really, if you talk to most owner operators or chefs or anyone like that, all they want to do is offer just a great experience for their guests. That's just truly what keeps them going during the day. So the economics are tough and restaurants are notorious for our margins being so thin. There's a ton of competition, so you always have to separate yourself, and so you have to really know your brand, know what you offer, know the food that you offer, and then just keeping the controllables in. So that would be. You know your, your labor, your food costs. Those are your two biggest ones, and then you know you also have to factor in your rent, which is always a big one, and then you have water and sewage and trash, and it's just crazy. So we just deal with so many different variables that if you can control the controllables, at least you know that you have like your operating costs dialed. So your sales we go through like a performance exercise, right. So like when you do performance you do forecasting or you try to see like that's really just a guess, you're just guessing that on this Saturday night you're gonna do 300 covers and then you staff accordingly, and so it's like okay, you have your staff coming in, because you hope that you have 300 covers coming in. If by chance you're only gonna hit like 190, you gotta be able to cut your costs and labor or do it somehow in food costs or cross utilization of your food, making sure that that zucchini appears in

six different plates. So you have six different options to get rid of the zucchini that you just offered. Again, performa blast, performa.

**Sri Devel:** 24:43

Weather is huge, especially in California. It rains and we're like, wait, where'd the people go? It's like the craziest thing. We're like did nobody leave their house? But on the flip side, if we have a steakhouse or a pokey concept, like it would rain and people were like, oh, we don't want cold food. I'm like, well, the rice is hot, we have soup. You know, you have all these different things that people start to think differently. So again, if you can control your controllables, really know how you're doing your performa and what to expect.

**Sri Devel:** 25:10

So a lot of times when we do forecasting we'll look at the weather, we'll look at the 14 day weather. When we're doing labor, we're looking at okay, what's in town? Do we have anything fun? I have a concept in Arizona and we were talking about doing a shoot or meeting or doing something and they're like, oh my gosh, the Arabian horse conference is in town. So we're just slammed. And I'm like Arabian horse concept, like what, what are you talking about? And they're like, oh my gosh, it's huge in Arizona and they're a steakhouse in Scottsdale and they're like that's our exact demographic. So we're going to be slammed, we can't do that weekend. I was like, ok, so they're laboring up on those weekends because they know they're going to be busy knowing what's going on in your community, the weather, all these things. Control your controls.

**Brian Sheehan:** 25:52

We talked earlier about how important delivery still is that even kind of a trend, although it really ramped up during and after COVID, right.

**Sri Devel:** 26:02

Yeah.

**Brian Sheehan:** 26:03

But you had mentioned to me that you know that's something that's no longer optional.

**Sri Devel:** 26:07

Yeah.

**Brian Sheehan:** 26:08

And if you're a restaurant thinking still about integrating delivery services, what challenges do you face bringing that online?

**Sri Devel:** 26:17

Absolutely so. A lot of the big players in this space that we call them 3PL, the three party delivery leaders. Those services are so expensive and they're expensive for us. Some of them charge anywhere, like if you're a really big franchise. I've seen it get down to about 19%. I think that's the lowest I've ever seen. I've seen it get down to about 19%. I think that's the lowest I've ever seen. Most of the time it's 28 to 30%.

**Sri Devel:** 26:38

And so these delivery providers, they don't have overhead costs, they don't have employees, they don't have all these things. But it's just, it's a necessity because of the way the generational difference, right. So we would hardly get delivery unless it was pizza. Like that was really all we delivered back in the day, right, like my kids keep laughing at me because I said back in my day I'm there, right, so back in the day it was really pizza and sometimes you got Chinese food. Like those were the two that were notorious for delivery. Post COVID.

**Sri Devel:** 27:08

I was working with concepts who didn't have third-party delivery and they were freaking out because they're like we're not going to get any sales, we can't deliver. They were trying to find delivery their own and now kind of how everything is just mellowed out. You know it's been three years obviously, but the way that it is it's just. You see it as growth and I've seen some restaurateurs see it as well. We're open anyways, so I might as well be getting those one or two extra plates per hour because they have labor. So it's helping offset labor costs.

**Sri Devel:** 27:36

But in offsetting labor costs you owe 30% to the third party delivery drivers. So it's still like a four letter word for us until we can figure out how to do it and not and not just destroy our bottom line because our food cost doesn't change. Just because they're taking 30% doesn't mean that our food cost, like we a lot of times, we don't have that on a menu item, we don't have that margin. But again, my son he's 14. I got him a 200 door dash gift card for christmas because that's all he wanted. Like convenience is just a part of their life. Now they don't know anything different. They grew up in a time where everything was being delivered of course amazon.

**Sri Devel:** 28:14

you know like oh, I got deodorant last night, I'm gonna put it in and it will show up on my doorstep in the morning. But it's just one of those things that it absolutely is a necessity that we're a part of that, because it's also a marketing tool to be found on these things. Like a lot of times, like people will go to Google to find like best steak house near me. If people are anticipating a delivery, they'll go to DoorDash or Grubhub or Uber Eats and then they'll go on that and be like oh, what's the best Chinese near me? Because I want it delivered to my house. So it's also a marketing tool.

**Sri Devel:** 28:41

There's a lot of companies right now. I know pot menu does a good job of it, owner calm does a good job of it as well, but they're offering like solutions to that. But they take a piece too, and so it's like everyone's like well, we can compete with them because we're going to take less, but it is offering solutions to the restaurant partners. That isn't 30%. So it's, you know, if the restaurant partners can take that in themselves, it's a huge benefit. You do lose a little bit of that marketing power to being found on there, but again, you're not paying 30%, so that could be a wash depending on how you look at it, but it's absolutely especially for any sort of quick service restaurant, like any QSR. The third party delivery is just. It is what it is Like. You have to do it. That's what people expect from you.

**Brian Sheehan:** 29:23

Interesting, though I guess, like everything there's, it sounds like there's innovation in that space as well.

**Sri Devel:** 29:29

Thank goodness, yeah, I love like I don't get delivery at my house just for the principal alone. But I just feel like for so long they just like you know I get really protective of the industry if you can't tell but it's like for so long there was just no other options and they just weren't giving. And it was like you know, unless you had like a 300 unit chain, they weren't even looking at you or talking to you. So it's kind of like I think I have like post-traumatic from that so I'm just like, oh, I don't really love them, but it is what it is right. So there's going to be innovation, there's going to be people who mimic them and can do it a little bit differently. That favors more our industry, because really they you know, third party delivery was not built to favor the restaurant industry. It was built to favor the behaviors of the modern day consumer.

**Brian Sheehan:** 30:17

Well, and to your earlier point about community engagement, you know, if there's a local restaurant that I love, sort of regardless of what platform they're using, if I'm really

involved and engaged in the community, you know that customer is probably going to find out who you're running with. Yeah, and get that app and order from them, right?

**Sri Devel:** 30:33

Yeah, and you'll see, like a lot of times we do it a lot, it's marketing, so order from them, right? Yeah, and you'll see, like a lot of times we do it a lot, it's marketing, so we do this for our partners. But we will, basically, when you order from DoorDash or Grubhub, we'll put a slip in there that says order straight from our website and save X amount because we have to upcharge that guest. You know, that's like the joke, it's like the \$17 latte from Starbucks and they're like oh, but it showed up on my doorstep so I don't care, and you're like okay, so we've had to learn and evolve as an industry to unfortunately, charge the guests that fee. Because, again, a lot of times on our menu items we don't have the 30% to cover it. Like that's wild.

**Brian Sheehan:** 31:08

So and that's why I pick up a lot of my own food too.

**Sri Devel:** 31:11

Yeah, yes, and that helps, I promise you it does. Or downloading the restaurant's app or going directly to their website, because now, as we're seeing, like the innovation, there are people who are competing with these big, you know titans in that industry, but it's like there is an opportunity where you can order on their website and then we can tap into a driver who can have it delivered to you, and so we see that as a great benefit. So if you can go directly to the restaurant's website, as opposed to the third party, or if you can order directly from their app they're now evolving into having their own delivery systems, but it still it helps a ton.

**Brian Sheehan:** 31:45

Well, Sri, it was great speaking with you today. Thank you for taking the time to help educate our listeners about some of the exciting trends you're seeing in the restaurant industry and some best practices for restaurant operators. You can connect with Sri at Sri at the culinary CMO dot com.

**Sri Devel:** 32:02

Yeah, I'll be there.

**Brian Sheehan:** 32:05

Thank you.



**Sri Devel:** 32:06

Awesome. Thank you so much. It was so good to speak to you.

**Brian Sheehan:** 32:08

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