



COST MANAGEMENT SUPPORTS

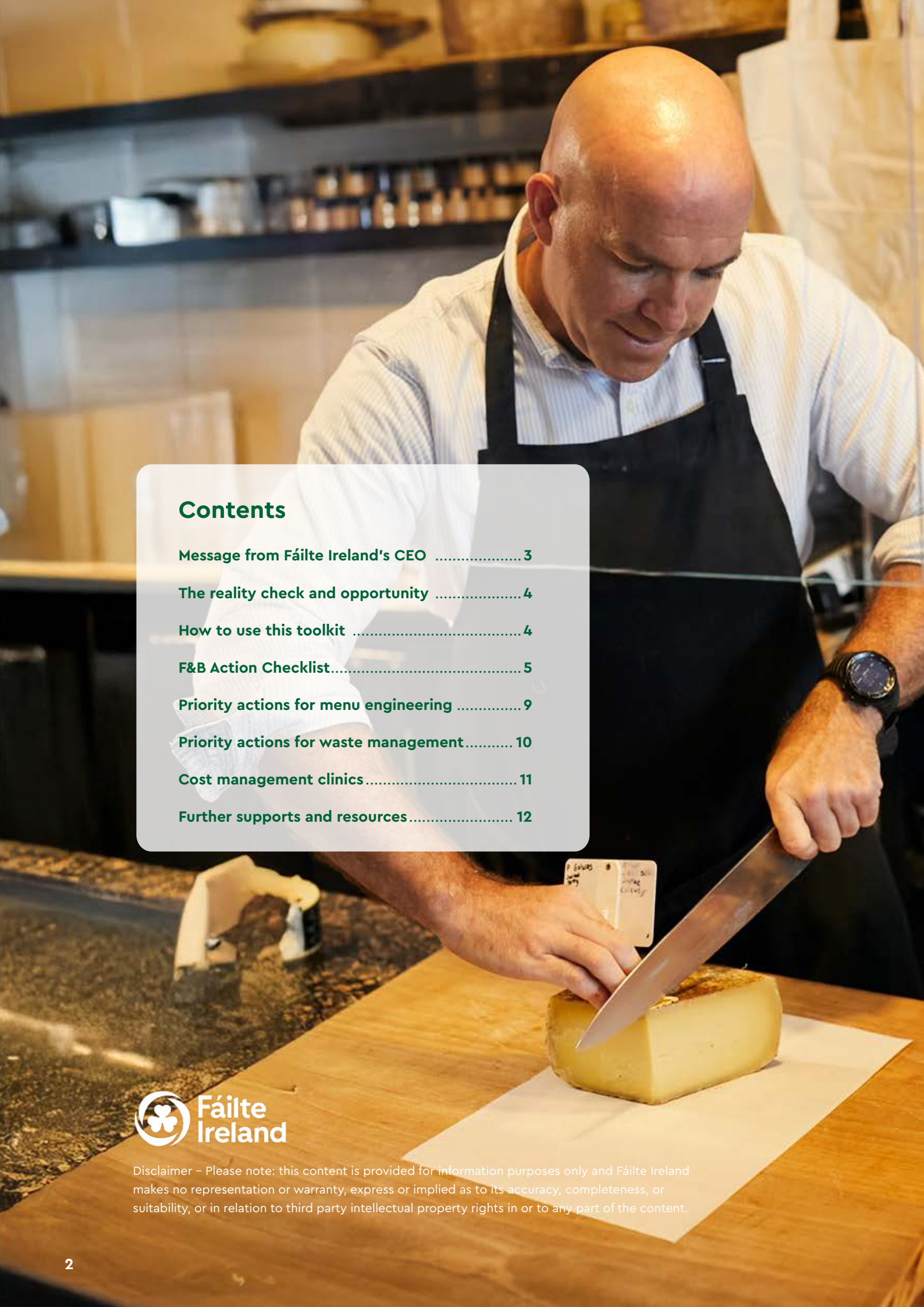
F&B

COST MANAGEMENT TOOLKIT

Immediate steps to tackle rising F&B costs

- ✓ Access quick wins across purchasing and waste
- ✓ Improve cost control without compromising quality
- ✓ Protect margins with smarter decisions





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Message from Fáilte Ireland's CEO



Running a food and beverage operation today comes with real and growing challenges. Rising energy, supplier and input costs are putting pressure on margins across the sector, often in ways that are difficult to predict or control.

At Fáilte Ireland, we recognise the pressure this creates for businesses and teams. While many of these factors are outside your control, there are still practical steps within your business that can make a meaningful difference over time.

Small, consistent actions, from how you manage purchasing and reduce waste to how your team operates day-to-day, all contribute to stronger cost control. Building visibility, consistency and simple routines can help you protect your margins while continuing to deliver a great customer experience.

This F&B Cost Management Toolkit is part of our Cost Management Supports, designed to help busy teams focus on what matters most. It provides clear, practical steps you can apply at your own pace to strengthen performance and manage costs more effectively.

If you would like more tailored support, our new **Cost Management Clinics** offer one-to-one, free and confidential guidance with experienced advisors to help you explore your own business in more detail.

We're here to support you in taking practical action, building resilience and moving forward with confidence.

A handwritten signature in black ink, which appears to read 'Caroline Bocquel'.

Caroline Bocquel
CEO Fáilte Ireland



The reality check for F&B costs

Rising fuel, supplier and logistics costs are continuing to put pressure on tourism and hospitality margins. These increases are not always visible in one area. They are built into deliveries, ingredient pricing, energy use and day-to-day operations.

Many businesses are already feeling the impact through reduced profitability, even where sales remain strong. The most effective response is not to wait, but to take control of what can be managed day-to-day.

Businesses that do not act, risk gradual margin erosion that becomes harder to recover over time.

THE OPPORTUNITY FOR F&B

Businesses that actively review their food and beverage operations, reducing waste, tightening purchasing, and improving portion and menu control are already seeing meaningful savings.

This F&B Cost Management Toolkit focuses on 10 key areas where simple, practical actions can have the greatest impact on your F&B business.

HOW TO USE THIS TOOLKIT

This toolkit is designed as a practical action plan for tourism and hospitality businesses looking to reduce food and beverage costs and improve margin control. Work through each action step-by-step and tick off items as they are completed.

By focusing on these 10 core areas, businesses can take simple, practical steps to reduce waste, improve buying decisions, tighten controls and strengthen overall profitability. Keep the checklist visible, involve your team and review it regularly to support ongoing progress.

F&B Action Checklist

1

MENU ENGINEERING

Sell what makes you money



 ACTION	 CHECK
Plan your next menu update now (with a seasonal focus)	
Review sales data and check margins on your key dishes	
Prioritise high margin, easy to produce dishes	
Remove or address low profit items	
Reduce total ingredients across the menu	
Use seasonal and local ingredients where possible	
Cross-use ingredients across multiple dishes	
Update recipe costs with latest supplier pricing	
Ensure standard recipes are followed consistently by the team	
Promote high margin dishes through front of house staff	
Use specials to move surplus or slow-moving stock	

 See Priority Actions on [page 9](#) for more on saving costs through Menu Engineering.

2

WASTE MANAGEMENT

Waste is the silent profit killer – treat waste like cash



 ACTION	 CHECK
Prepare based on actual demand (not habit)	
Avoid over-prepping which can lead to waste	
Use trim and surplus in other dishes (e.g. vegetable stocks, sauces, soups)	
Review preparation waste daily	
Check plate waste regularly	
Adjust portions where needed	
Track spoilage and expiry	
Calculate and review food waste regularly	
Review bin contents weekly (spot patterns early)	

 See Priority Actions on [page 10](#) for more on saving costs through Waste management.

3

INVENTORY / STORAGE MANAGEMENT

Know what you have



 ACTION	 CHECK
Keep storage areas organised and accessible	
Check stock before placing orders	
Set and review par levels based on current demand patterns (not habit)	
Use oldest stock first (FIFO)	
Identify items nearing expiry and plan prep or specials around them	
Reduce emergency (expensive) top-up orders	
Maintain clear and accurate stock records	
Ensure correct receiving and storage practices	
Avoid overstocking short shelf-life items during uncertain demand periods	
Hold slightly higher stock on key long-life items (fuel/supply buffer)	

4

SMARTER PURCHASING

Buy better



 ACTION	 CHECK
Focus first on your top 10 spend items	
Compare supplier pricing with market alternatives	
Use volume and consistent spend as leverage to negotiate better terms	
Agree fixed-price terms for stable commodities	
Prioritise consistent suppliers over one-off deals	
Consolidate deliveries to reduce frequency	
Increase order value per delivery (reduce surcharges)	
Source locally where practical (reduce transport impact)	
Avoid duplicate or unnecessary ordering	
Identify alternative suppliers for key items (risk cover in case of supply disruption)	
Flag high-risk items (imported/volatile) and monitor closely	

5

MENU DESIGN & LAYOUT

Influence what customers buy



 ACTION	 CHECK
Highlight high-margin dishes on menu	
Position key dishes in high-visibility areas	
Simplify menu layout	
Reduce menu size where needed	
Rename dishes to increase perceived value (AI is a handy tool to help)	

6

ENERGY USE

Control kitchen habits



 ACTION	 CHECK
Turn off idle kitchen equipment	
Switch on equipment only when needed (avoid early start-up)	
Avoid unnecessary preheating	
Batch cook where possible	
Keep fridge/freezer doors closed	
Check seals and temperature controls	
Maintain equipment regularly (efficient energy use)	
Match equipment size to task	
Reduce cooking during off-peak periods where possible	
Group cooking tasks to minimise repeated energy use	

7

COST CONTROL

Keep it consistent



 ACTION	 CHECK
Weigh key ingredients (especially protein)	
Standardise portions (use scoops/measures)	
Use plating guides/photos	
Review top cost items weekly, not monthly	
Monitor actual vs theoretical food costs for accuracy	
Adjust portions or pricing when needed	

8

THE TEAM

Control through people



 ACTION	 CHECK
Brief team regularly on cost priorities	
Reinforce portion control	
Train front-of-house team to promote high margin dishes	
Highlight waste and attach a € value	
Assign clear ownership (stock/food cost)	
Reduce unnecessary staff meals or untracked usage	

9

BEVERAGE

Protect high-margin sales



 ACTION	 CHECK
Train new recruits on standard pour measures	
Use correct glassware consistently	
Control free pouring	
Review cocktail recipes and costings	
Minimise waste from fresh ingredients (fruit, garnishes)	
Introduce high-margin non-alcoholic options (e.g. Mocktails)	
Track draught and post-mix yields	
Prevent unrecorded drinks (staff or giveaways)	
Store beverage correctly to reduce spoilage	
Check line cleaning and calibration (avoid hidden loss)	
Monitor high-cost items (spirits, wine) closely	

10

OPERATING AWARENESS

Look at the full picture



 ACTION	 CHECK
Review top cost drivers weekly (food, labour and energy if possible)	
Identify where money is being lost	
Review margin, not just food cost %	
Identify inefficiencies in service or preparation	
Make productivity a priority	
Optimise usage of available tech systems and support tools	
Watch for sudden price spikes for supply issues in the coming months	



Priority actions next steps

Now that you have reviewed and actioned the checklist, consider focusing on priority actions in menu engineering and waste management, starting on page 9. These areas typically offer the quickest and most visible opportunities to reduce costs.

Priority actions for menu engineering

The following priority actions in menu engineering can deliver immediate savings while also strengthening overall cost control across your food and beverage operation.

Start by setting a review timeframe. Menu engineering should be completed monthly, quarterly, or ahead of any seasonal menu change. Involve key members of your F&B team in the process to ensure decisions reflect both operational realities and commercial priorities.

1 Review your menu performance using profit and popularity. Assess which dishes are both selling well and delivering strong margins. Focus on identifying which items to promote, improve or remove.

TIME TO COMPLETE: 30 – 60 minutes using recent sales reports

KEY INFO NEEDED: Sales data, recipe costs, current menu pricing

POTENTIAL IMPACT: Improving the mix of high-margin dishes can increase overall profitability by 2–5%

FOCUS: Prioritise high-margin, high-volume dishes first

2 Simplify your menu and reduce ingredient complexity. Menus with too many dishes or ingredients increase waste, purchasing costs and operational complexity. A more focused menu improves consistency and margin.

TIME TO COMPLETE: 1–2 hours (menu review and adjustment)

KEY INFO NEEDED: Full ingredient list, supplier pricing, usage frequency

POTENTIAL IMPACT: Reducing ingredient range can lower waste and purchasing costs by 5–10% on selected items

FOCUS: Cross-use core ingredients across multiple dishes

3 Keep recipe costs aligned with current supplier pricing. Supplier prices are changing more frequently than ever, and recipes costs can quickly become outdated. Keeping costs up to date ensures your pricing and margins remain accurate.

TIME TO COMPLETE: 10–15 minutes per key dish



KEY INFO NEEDED: Latest supplier invoices, portion sizes, recipe specs

POTENTIAL IMPACT: Prevents margin erosion and supports timely pricing decisions

FOCUS: Update high-volume and high-cost dishes first

4 Design your menu to guide customer choice. Menu layout, positioning and wording directly influence what customers order. Small changes can shift demand towards higher-margin dishes.

TIME TO COMPLETE: 30 – 60 minutes review

KEY INFO NEEDED: Current menu layout, sales mix reports

POTENTIAL IMPACT: Shifting customer choices can improve margin without changing prices

FOCUS: Position high-margin dishes in key areas (e.g. top right of menu)

Use clear, appealing descriptions

Keep menus concise to avoid over-choice

Highlight local suppliers to add value and support pricing

Priority actions for waste management

The following priority actions in waste management can deliver immediate savings while also strengthening overall cost control across your food and beverage operation.

1 Track and review food waste. Understanding what is being wasted and why is the first step to reducing it. Focus on identifying patterns across preparation, spoilage and plate waste.

TIME TO COMPLETE: 5–10 minutes daily

KEY INFO NEEDED: Prep waste, spoilage, plate waste observations

POTENTIAL IMPACT: Businesses that track waste typically reduce it by 10–20% over time

FOCUS: Identify repeat issues and act quickly

2 Align production with actual demand. Over-production is one of the biggest drivers of waste. Production should reflect real demand, not habit or over-caution.

TIME TO COMPLETE: Ongoing (daily adjustment)

KEY INFO NEEDED: Sales patterns, booking levels, historical demand

POTENTIAL IMPACT: Reducing over-production can significantly lower food waste and improve efficiency

FOCUS: Smaller batches, more frequent prep

3 Use surplus and trim effectively. Ingredients that are often discarded can be repurposed into other dishes, reducing waste and maximising value.

TIME TO COMPLETE: Minimal (integrated into prep routines)

KEY INFO NEEDED: Current prep processes and recipes

POTENTIAL IMPACT: Reduces waste and improves yield from purchased ingredients

FOCUS: Stocks, sauces, soups and specials

4 Control spoilage and storage losses. Poor storage practices and weak stock rotation are major sources of avoidable waste.

TIME TO COMPLETE: Daily checks (5–10 minutes)

KEY INFO NEEDED: Storage conditions, expiry dates, stock levels

POTENTIAL IMPACT: Reducing spoilage delivers immediate cost savings

FOCUS:

Apply FIFO (First In, First Out) consistently

Store items correctly

Identify and use at-risk stock early

5 Review plate waste and portion sizes. What customers leave behind is a direct signal of over-portioning or dish imbalance.

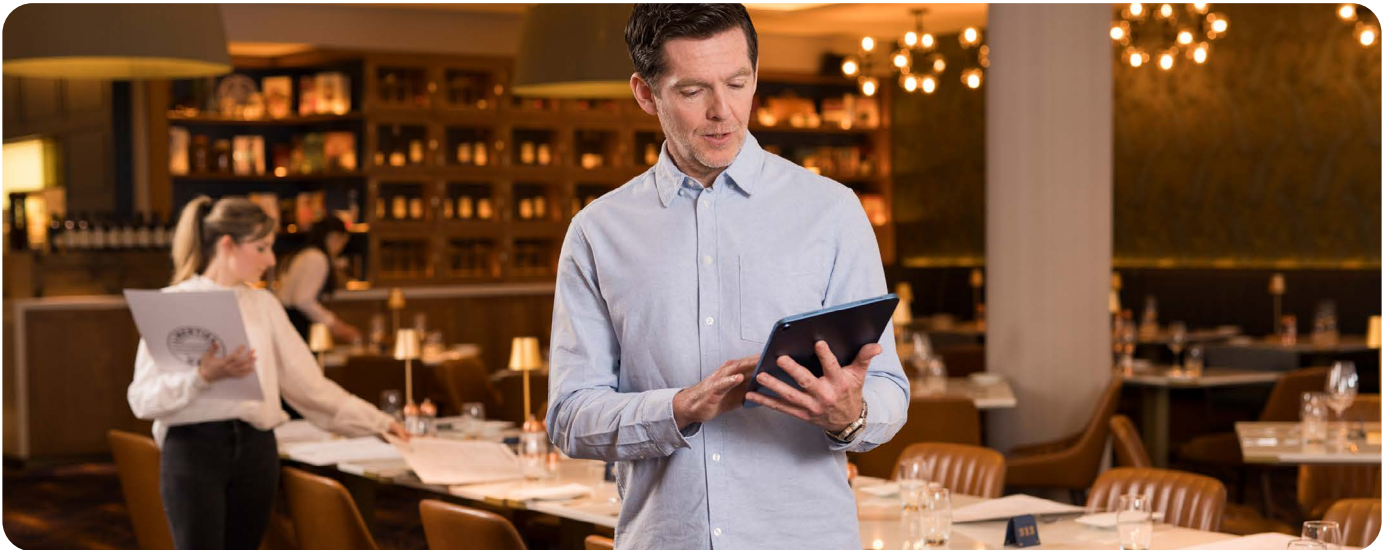
TIME TO COMPLETE: 5 minutes observation per service

KEY INFO NEEDED: Returned plates, portion sizes, customer feedback

POTENTIAL IMPACT: Adjusting portions can reduce waste and protect margins immediately

FOCUS: Review portion consistency across team members





Pricing – don't forget

Pricing is one of the fastest ways to protect margin, but it must be managed carefully. Small, regular adjustments are more effective than large, reactive changes. Review pricing alongside cost increases, not months later.

Where price changes are not possible, consider adjusting portion size, recipe composition or presentation instead. Focus on protecting the margin of your best-selling and highest value items first. Clear communication with your team ensures changes are applied consistently and confidently with customers.

Cost Management Clinics – F&B

Fáilte Ireland is also offering Cost Management Clinics for businesses seeking deeper insight into F&B cost savings. These sessions go beyond the basics, providing detailed explanations, and Q&A opportunities with experts across each of the 10 focus areas.

If you feel you need more information or customised advice after implementing the basics, attending a clinic can help “fill in the gaps” without overwhelming you in the initial stages.



Request here



Further supports and resources

1 F&B 360° is a strategic leadership support designed by Fáilte Ireland to help General Managers and F&B leaders of Hotels & Attractions to strengthen performance, increase profitability and future-proof their F&B operations without adding pressure to busy teams.

[Express your interest here](#) for the next intake of participants, which will be for a new programme in autumn 2026. Included is expert 1:1 guidance from experienced national and international business advisors; a tailored commercial roadmap focused on your biggest opportunities for cost reduction and revenue generation; masterclass series across strategy development, menu engineering, F&B concepts, F&B skills development, marketing, sales and events and F&B operational excellence.

2 Fáilte Ireland's learniFi Live offers short, interactive workshops designed to help your business thrive. The workshops generally last for two hours, and the interactive format helps you make the most of your learning experience. [Browse the schedule here](#) to find the right sessions for you and your team.

3 Sign up here to learniFi to access a range of on-demand learning in **F&B Finance**. The following courses are available to you anytime, anywhere to learn at your own pace:

- ✓ [F&B Finance – Calculating the Theoretical Food Cost](#)
- ✓ [F&B Finance – Cost of Sales and Gross Profit](#)
- ✓ [F&B Finance – Menu Engineering and Upselling](#)
- ✓ [F&B Finance – Pricing Food & Beverage Products](#)
- ✓ [F&B Finance – Managing the Purchasing Cycle](#)

4 Fáilte Ireland's Breakfast Innovation Toolkit – [access here](#) – has helpful downloadable tools and templates to optimise efficiencies. With topics ranging from re-engineering your breakfast menu to measuring impact and the bottom line, it has been developed to guide you through the process of reviewing and refreshing the breakfast offering. Supporting materials to the eight modules in the toolkit include top tips, templates and guidance materials as well as a free to download food cost calculator (Module 5).

5 The Irish Hotel Federation Skillnet (IHF Skillnet) delivers best practice learning and development opportunities designed for the specific needs of the Irish hotels and guesthouse sector. Through high-quality, subsidised training and events, it supports Irish members, to strengthen their competitive advantage, enhance productivity and develop highly capable, confident workforces. [Review programmes here](#).

6 The Restaurant Hospitality Skillnet focuses on supporting those in employment within the Restaurant and Hospitality Industry. Training courses help member companies upskill their current workforce and train those new in the business. This allows each member company to remain competitive, retain staff and ensure they have the necessary tools to stay relevant and deliver quality produce and customer service in a very competitive industry. [Review programmes here](#).





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