Executive Briefs

Pricing: one price for *four* different channels is the leak

By **Diego F. Parra** · Updated 2026-08-17 · Costing & Finance

QUICK VERDICT

A restaurant charging the same price in the dining room and on third-party delivery does not have a pricing problem: it has structural capital leakage. Effective delivery cost — commission, co-funded promotions and refunds included — reaches 30%–40% of the total order (OPA!, 2026), so a dish with healthy contribution margin on premise can go underwater on the app while the management P&L stays silent, because almost no income statement splits revenue by channel. The fix is not a blanket 15% increase: build the price PER CHANNEL, with the Google Business Profile menu as the visible anchor price and the marketplace carrying its own loaded cost structure.

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One scene repeats in every pricing review I run with an owner: we open the POS, filter ninety days, and the hero dish — the one holding up the reputation, the one in every five-star review photo — turns out to be the biggest cash burner, because three of every ten units sold through a platform charging up to 40% of the ticket (OPA!,

2026) at the same price as the dining room.

The platform is not the culprit, and I got this wrong for years while telling operators to walk away from them: the culprit is that pricing is still kitchen arithmetic — plate cost divided by 0.30 — when in 2026 price is a commercial architecture decision driven by channel, by order geography and by the algorithm brokering it.

SIDE-BY-SIDE COMPARISON

Side-by-side comparison

	UNIFORM FOOD-COST MARKUP	CHANNEL-BASED PRICE ARCHITECTURE (MASTERESTAURANT METHOD)
Target food cost per dish	✕ Single 30% rule applied across all four channels	✓ 32% ceiling on premise and 22%–25% on marketplace, to absorb the 30%–40% effective channel cost (OPA!, 2026)
Labor cost as share of sales	✕ Ignored at pricing time; left as a P&L residue	✓ Loaded by format band: 36.5% full service and 31.7% limited service (National Restaurant Association, 2025)
Utilities (power, gas, water)	✕ Outside the calculation, treated as unavoidable fixed spend	✓ Charged to break-even using the real 2%–5% of total revenue band (Toast, 2025)
Food waste	✕ Never budgeted; shows up as month-end shrink	✓ Budgeted against the ≈US$72,000 per restaurant per year benchmark (The Restaurant HQ, 2025) and deducted from target margin
Management turnover cost	✕ Assumed to be an HR accident with no pricing impact	✓ Provisioned: replacing a general manager costs US$16,770 in hard costs (Black Box Intelligence, 2024)
Price visible on Google Business Profile / Maps	✕ Stale or missing menu; the guest discovers price on arrival	✓ Synced anchor-price menu that sets expectation pre-click and holds direct-order average ticket
Marketplace price delta	✕ 0%, out of fear of losing app ranking	✓ Delta computed dish by dish on elasticity and menu engineering, never a flat percentage
Pricing review cadence	✕ Annual or reactive, once suppliers push	✓ Quarterly, against projected real sales growth of +1.3% for the industry (National Restaurant Association, 2026)

1. A single price is a channel decision dressed up as arithmetic

Charging the same price in the dining room and on third-party delivery is not a pricing policy, it is a silent transfer of margin to the platform. The effective cost of third-party delivery, once you add commissions, co-funded promotions and refunds for incidents, reaches 30% to 40% of the total order according to OPA! (True Cost of Third-Party Delivery, 2026), while the food cost of a healthy dish rarely goes above 32%. There sits the leak: the chan-

nel costs more than the food. When an owner sends three out of every ten units of the signature dish through an app and keeps the dining-room rate, that dish stops funding the operation and starts consuming it. Fixing this does not require leaving the platforms, it requires accepting that price is a per-channel variable and not a number inherited from the recipe book. Govern with contribution margin in dollars and use food cost percentage only as a control alarm.

2. Which metric should govern the price list: percentage or dollars?

Two dishes at 28% food cost can leave four dollars and eleven dollars per unit, and in a service with tight table turns you want the server selling the eleven-dollar one even though the percentage is identical.

The percentage measures purchasing discipline; the dollars per unit pay the payroll, which in full service hit a median of 36.5% of sales in 2024 and 31.7% in limited service, according to the National Restaurant Association Restaurant Operations Data Abstract 2025. Under that structure, a price list built on percentages can be technically flawless and still fail to cover the roster. The right question is not how much the plate weighs, but how many dollars each seat leaves per shift. Below 500 thousand dollars a year, the only pricing decision that moves cash is applying a channel surcharge of 15% to 25% on the delivery menu, and doing it this week.

3. Under 500 thousand in annual revenue: price by channel, nothing else

In this band there is no analyst, no category manager, and the owner cooks or works the register; any pricing architecture that demands weekly upkeep collapses for lack of hands. The operating threshold is simple: if a dish's contribution margin after the platform commission falls under three dollars, that dish leaves the digital menu. With utilities eating between 2% and 5% of total revenue according to Toast (Average Restaurant Electricity Bill, 2025), there is no cushion left to subsidize someone else's orders. Diego F. Parra insists at Masterestaurant that this band stays in the analysis: it is where a pricing mistake kills first. Between 500 thousand and one million dollars a year, the decision is to build two menus with different prices and start measuring margin by time slot. A manager now exists who can sustain the discipline, and the gap between lunch and dinner is usually worth six to ten margin points on the very same dish.

4. From 500 thousand to 1 million: time to split menus and measure by daypart

The threshold I set is 8%: if the differential between the dining-room price and the app price does not clear 8%, the digital menu is working for free. Staffing risk shifts too, because replacing a general manager costs 16,770 dollars in hard costs according to Black Box Intelligence (State of the Restaurant Workforce, 2024), and a price list that squeezes the team to rescue margin ends up paying that bill twice a year. Once past a million in annual revenue, pricing stops happening dish by dish and moves to a popularity-and-margin matrix, reviewed every ninety days with POS data. Volume in this band turns any twenty-cent error into tens of thousands of dollars a year, and waste already weighs: average food waste cost per restaurant runs near 72,000 dollars annually according to The Restaurant HQ (Food Waste Statistics, 2025). The action threshold is a minimum contribution margin of nine dollars across the ten best-selling dishes.

5. Above 1 million: menu engineering from POS data, not from instinct

And here it pays to accept a paradox of the trade: raising the price of the most popular dish almost never sinks its demand, while raising it on the niche dish does sink it, because the guest who orders that one comparison-shops and the loyal guest does not. Above five million a year, the territory of the large-format themed concept or the restaurant signed by a media figure, price no longer chases cost coverage, it sustains a promise, and margin

gets defended through experience design rather than surcharges. A venue of that profile that caves to third-party delivery pressure and absorbs the 30% to 40% of the ticket documented by OPA! (2026) loses more than money: it erodes the price anchor it spent years building. My recommendation is firm, and I know it stings: in this band, third-party delivery is limited to a reduced menu of four to six items engineered to travel, with its own price, or it is not done at all.

6. Above 5 million: price becomes positioning and mistakes get paid in brand

Kitchen equipment for a mid-size venue already costs 50,000 to 150,000 dollars according to Rezku (2025); at this scale, that investment demands protection. From ten million upward, or inside a group structure, the decision turns institutional: you create a pricing committee with a fixed calendar, bands by market and veto power over platform promotions. Without that governance, each manager negotiates a private discount and the group discovers the leak six months into the bleeding. The threshold I use is three points: no unit may drift more than three percentage points from its market price band without central approval. The backdrop offers little help, since real projected sales growth for the U.S. sector in 2026 sits at just 1.3% according to the National Restaurant Association, and with expansion that thin, margin is earned inside the four walls. A group growing through new units rather than disciplined pricing is buying expensive revenue.

7. The scenario worth simulating before you move a single price

Before touching the menu, run this exercise: assume you raise delivery prices 12% and lose 8% of that channel's orders. What happens then? With effective commissions of 30% to 40% of the order according to OPA! (2026), the surviving orders pay considerably more margin than the lost ones contributed, and the kitchen frees capacity during the peak, which trims overtime on a payroll already representing 25% to 35% of revenue according to the U.S. Bureau of Labor Statistics. The outcome is almost always more cash on less volume. For years I recommended abandoning the platforms and I was wrong: the problem was never the channel, it was pricing inside it as if it were the dining room. Open the POS tomorrow, filter ninety days, and rank your dishes by margin dollars per unit.

8. What actually changes when price stops being a number and becomes a system

The real difference is not how much you charge but WHICH cost structure you compute against: a uniform markup starts from food cost, which in a healthy operation tops out around 32% of the plate, and ignores that the delivery channel adds 30% to 40% of the ticket in commissions, promotions and refunds (OPA!, 2026) — a variable cost larger than the food itself, invisible to kitchen arithmetic. The second change is the unit of measure. Food cost percentage is a control metric; contribution margin in currency is a decision metric. Two dishes at 28% food cost may leave four dollars and eleven dollars respectively, and in a service with tight table turns you want to sell the eleven-dollar one, identical percentage notwithstanding. The third one is geographic, and inside a local digital engine it is the piece almost nobody models: delivery radius defines the true cost to serve.

9. What actually changes when price stops being a number and becomes a system — in practice

An order at the edge of the polygon burns more courier minutes, more complaint risk and more chance of a bad review, so far-zone pricing should differ from near-zone pricing — something platforms allow through differentiated polygons and most operators never use. The fourth is corporate governance. When the price list lives in the

chef's spreadsheet, every increase depends on availability and mood; when it lives in the management P&L with an owner, a threshold and a date, pricing becomes auditable. That is exactly where a buyer's operational due diligence looks first, because an ungoverned price list is an implicit discount on the exit multiple.

POINT BY POINT

Decision table: common mistake versus the right method

PRICING CALCULATION BASE

A · UNIFORM FOOD-COST MARKUP	B · MASTERESTAURANT
Theoretical food cost times a fixed factor	Total cost to serve per channel, with commission and promotion loaded

Verdict: Channel-based calculation wins: marketplace commission outweighs the food itself (OPA!, 2026)

GOVERNING METRIC

A · UNIFORM FOOD-COST MARKUP	B · MASTERESTAURANT
Food cost percentage	Contribution margin in currency per dish

Verdict: Percentage controls, currency decides; rank the menu by absolute contribution

LABOR COST TREATMENT

A · UNIFORM FOOD-COST MARKUP	B · MASTERESTAURANT
A residue you see at month-end close	Format band charged to break-even: 36.5% full service (National Restaurant Association, 2025)

Verdict: Charging it to break-even, never to the plate, avoids inflated prices that kill table turns

PRICE VISIBLE ON MAPS AND SEARCH

A · UNIFORM FOOD-COST MARKUP Stale or absent Google Business Profile menu

B · MASTERESTAURANT Synced anchor price, set below platform price

Verdict: The anchor price migrates volume to the owned channel and returns full commission to margin

REVIEW CADENCE

A · UNIFORM FOOD-COST MARKUP Annual and reactive

B · MASTERESTAURANT Quarterly with a food cost variance trigger

Verdict: With 1.3% real growth (National Restaurant Association, 2026), cadence is the lever, not magnitude

OPERATIONAL DUE DILIGENCE RISK

A · UNIFORM FOOD-COST MARKUP

Ownerless, untraceable price list in a spreadsheet

B · MASTERESTAURANT Auditable pricing policy inside the management P&L

Verdict: A governed price list defends the multiple; an ungoverned one discounts it

SIDE-BY-SIDE COMPARISON

Symptoms of flat pricing WHAT BREAKS

- ✕ A single price across dining room, counter, own delivery and marketplace
- ✕ Food cost built on the theoretical recipe, with no real purchase variance
- ✕ Commission booked under marketing rather than plate cost
- ✕ Co-funded app promotions approved without simulating resulting margin
- ✕ Prices untouched until suppliers raise twice in a row
- ✕ A Google Business Profile menu months out of date, showing old prices

Decision architecture that holds EBITDA MASTERESTAURANT

- ✓ Four live price lists, one per channel, each with its own loaded cost structure
- ✓ Contribution margin in currency per dish as the governing metric, above percentage
- ✓ Commission, promotion and refunds charged to channel variable cost before setting price
- ✓ Menu engineering matrix run per channel: a star on premise can be a dog on the app
- ✓ Quarterly review with automatic trigger once food cost variance exceeds two points
- ✓ Anchor price published on Maps and direct ordering, always below platform price

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THE NUMBERS THAT MATTER

Hard indicators governing price in 2026

40%
of the total order is consumed by third-party delivery effective cost (top of the 30%-40% band)

36.5%
of sales goes to wages and benefits in full service (2024 median)

72000 USD
is the yearly food waste cost at an average restaurant

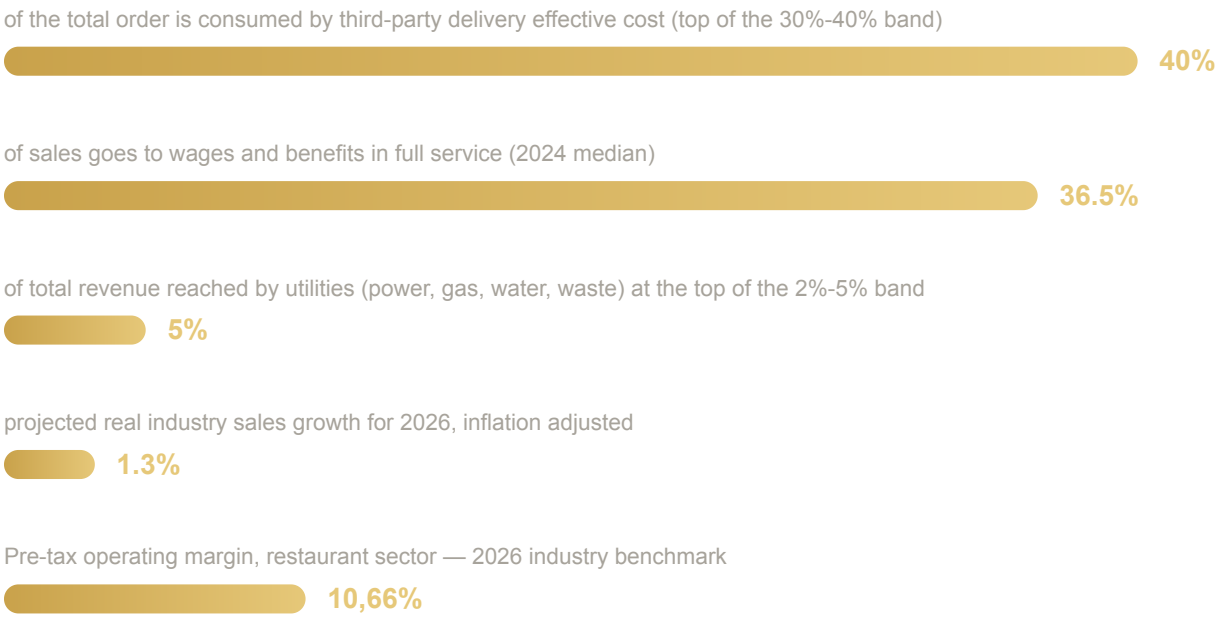
16770 USD
in hard costs to replace a general manager

5%
of total revenue reached by utilities (power, gas, water, waste) at the top of the 2%-5% band

1.3%
projected real industry sales growth for 2026, inflation adjusted

VISUALIZATION

The numbers, visualized



Sources: OPA! — True Cost of Third-Party Delivery 2026 · National Restaurant Association, Restaurant Operations Data Abstract 2025 · The Restaurant HQ — Food Waste Statistics 2025 · Black Box Intelligence 2024 · Toast — Average Restaurant Electricity Bill 2025

Chart by masterestaurant.com

REAL CASE

“We ran the same price on premise and across three apps because our previous consultant said raising it would sink our ranking. Diego F. Parra sat us down with the P&L open and split revenue by channel: 34% of volume came through platforms where effective channel cost ate almost 40% of the ticket, so fourteen menu items were selling below contribution margin. We raised marketplace prices dish by dish, between 12% and 22% depending on elasticity, pulled hot-line food cost from 34% down to 30%, and published the anchor price on our Google listing. Direct ordering went from 9% to 21% of volume in five months and EBITDA gained four points, same kitchen, same crew.”

— Operations director of a three-unit full-service group, revenue band of 1 to 5 million USD a year, after the pricing audit with Masterestaurant

HOW TO APPLY IT IN YOUR RESTAURANT

Executive roadmap in three phases

1. **Phase 1 · Weeks 1-3 — Split the P&L by channel (deliverable: contribution margin matrix by dish and channel)**
   Nobody can price against an income statement that lumps dining room and platform into one sales line. Pull ninety days from the POS, charge each marketplace order its real effective channel cost inside the 30%-40% band (OPA!, 2026), and compute contribution margin in currency, dish by dish, channel by channel. Success metric: 100% of the menu with known contribution margin across all four channels and the below-zero list identified before day 21.

2. **Phase 2 · Weeks 4-8 — Differential repricing and per-channel menu engineering (deliverable: four live price lists)**
   No flat percentage applies here. Each dish gets its delta from elasticity, position in the menu engineering matrix and weight in average ticket; digital-channel dogs come off the app menu, not the dining room one. Set the food cost ceiling at 32% on premise and pull it to 22%-25% on platform. Success metric: zero dishes with negative contribution margin and food cost variance under two points against the theoretical recipe by the close of week 8.

3. **Phase 3 · Weeks 9-16 — Migrate volume to the owned channel with the local digital engine (deliverable: published anchor price and measured direct funnel)**
   Every point of volume moved from marketplace to direct ordering is worth more than any price increase, because it returns the whole commission to margin. Sync the anchor-price menu on Google Business Profile, run geotargeted paid media over the profitable delivery polygon, and sustain the five-star review flow that governs Maps position. Success metric: direct ordering climbs from single digits to ≥20% of volume while utilities stay inside the 2%-5% revenue band (Toast, 2025).

FAQ

Boardroom questions

What does it cost NOT to fix pricing this year?

It costs the entire digital channel margin. If a third of your volume flows through platforms whose effective cost reaches 40% of the order (OPA!, 2026) and you charge the dining-room price, every unit sold there drains cash. With real industry growth projected at just 1.3% for 2026 (National Restaurant Association), no volume covers that gap.

Will raising prices on Uber Eats or Rappi sink me in the algorithm?

Not automatically. Ranking weighs conversion, prep time, cancellation rate and rating, not absolute price alone. A delta computed dish by dish, backed by correct photography and kept promise times, holds position. The mistake I see again and again is a flat 20% across the whole menu, which does collapse conversion on the most elastic items.

What food cost ceiling should I set per dish?

32% is the MAXIMUM tolerable, not the target. Payroll, rent and utilities — the latter running 2% to 5% of revenue per Toast (2025) — never load onto the plate: they are covered from break-even. On marketplace, drop the ceiling to 22%-25%, because the channel takes its cut before the dish leaves the kitchen.

How often should the price list be revised, and who owns that decision?

Quarterly, with an automatic trigger once food cost variance exceeds two points. The owner is general management, not the kitchen, because price is a management P&L decision. And provision for it: replacing a general manager costs US$16,770 in hard costs (Black Box Intelligence, 2024), so turnover in that seat freezes the price list for months.

DATA & SOURCES

Sector data 2026 (official sources)

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

Metric	Benchmark 2026	Source
Variación regional en la tasa de incumplimiento de préstamos SBA para restaurantes	**8.7 puntos porcentuales**	Crestmont Capital — SBA Loan Default Rates by Industry 2026
Aumento de los precios de menú en EE. UU. entre febrero 2020 y abril 2025	**+31%**	National Restaurant Association / BLS — Menu Prices
Inflación interanual de comida fuera de casa en EE. UU. (mayo 2025)	**+3.5% (el ritmo más lento en 16 meses)**	National Restaurant Association — Inflation

Metric	Benchmark 2026	Source
Aumento de costos de comida y de mano de obra del restaurante promedio en 5 años (EE. UU.)	**+35% cada uno**	National Restaurant Association — Menu Prices
Pico de inflación de precios de restaurantes en EE. UU.	**8.8% en marzo de 2023 (mayor en más de dos décadas)**	National Restaurant Association — Menu Prices
Gasto en alimentos de los operadores 2024	**34% de las ventas (2024)**	TouchBistro 2024 (vía Apicbase)