

Unit economics for chefs: *before vs after* with Masterrestaurant

By  **Diego F. Parra** · Updated 2026-10-25 · Dark Kitchens & Foodtech

MASTERRESTAURANT®

Checklist

Unit economics for chefs: *before vs after* with Masterrestaurant

Method proven in 8,400+ restaurants · 43 countries

restaurantecercademi.co

QUICK VERDICT

Without unit economics per dish, the chef cooks blind. 68% of restaurants that close within 3 years *never measured* their unit contribution margin — they cooked well but didn't know how much they earned (or lost) on each order. With the Masterrestaurant method, chefs who started with an average food cost of 38% brought it to 28-30% in 90 days, lifting gross margin per dish by 12 to 22 percentage points. The result: average tickets 18% higher and positive weekly cash flow from the first month of adjustment.

✓ **Checklist** Actionable checklist with a measurable “done” criterion per item · 15 min read · 2026-10-25

How much it costs to produce a dish, and how much is left once that cost is covered — that's what unit economics measure, transaction by transaction, for a restaurant or a dark kitchen.

The monthly P&L blends fixed costs, variable costs and amortization and buries that question; unit economics don't let you hide, because they answer the one thing a chef-operator actually needs to know: does this dish make money or lose it, every single time it sells?

Margins are being squeezed from two directions in 2026: ingredient inflation (oils +31%, proteins +19% versus 2023) and delivery platforms keeping 18% to 30% of every ticket. Understanding unit contribution margin stopped being 'corporate finance' a while ago and became basic survival. Diego F. Parra and the Masterrestaurant team confirm it every week — full dining rooms, red numbers at month's end, and the root cause is always the same: nobody ever broke down cost per unit sold.

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Does Your Dish Actually Make Money? Measure Contribution Margin Per Unit

Only if the unit contribution margin -net selling price minus the dish's variable cost, raw ingredients plus packaging- stays high relative to that net price does the dish stand a real chance in 2026. Without that number the chef is cooking blind, and the data backs it up: 68% of restaurants that close within their first 3 years never measured margin per unit sold.

Delivery platforms pocket 18% to 30% of every ticket, ingredient costs climbed 19% to 31% versus 2023, and neither trend forgives a sloppy calculation. Diego F. Parra and the Masterrestaurant team run into it weekly: dining rooms packed every night, books closing in the red, and almost always the same root cause — nobody ran this number before the menu went to print.

Real vs Theoretical Recipe Cost: The Error That Destroys Your Food Cost

Six to nine percentage points: that's the typical gap between the food cost a chef thinks they're running and the one they actually pay, and it's enough to sink a dish. Most kitchens calculate off the theoretical recipe cost, skipping shrinkage of 5% to 12% and the portion drift that happens shift to shift.

That's why the Masterrestaurant method always starts from the real recipe cost — ingredients weighed on the line, not estimated from a supplier invoice — plus a shrinkage factor tracked across at least 5 consecutive services. The compliance bar is strict: theoretical and real food cost can't diverge by more than 3 points. A wider gap isn't bad luck; it's a standards or portioning problem bleeding cash on every ticket that leaves the kitchen.

Cost Separation: What Goes to the Dish vs What Goes to Break-Even Analysis

Payroll, rent and utilities have no business touching a dish's cost, yet loading them in is the single most common mistake Diego F. Parra finds when auditing restaurants: it inflates apparent food cost by 8 to 15 points and skews every pricing call that follows. The Masterrestaurant rule draws a hard line — a dish carries only its direct ingredient cost, raw materials plus packaging where it applies — while payroll, rent and utilities belong strictly to the break-even analysis.

Keep that separation clean and you can calculate exactly how many units cover your monthly fixed costs. At \$8,000 USD a month in fixed costs and an average contribution margin of \$4.80 USD per dish, that's 1,667 plates sold just to reach zero, before a single dollar of profit shows up. The compliance criterion is simple: dish cost includes raw materials and packaging, nothing else.

Net Delivery Price: Deduct the Commission Before You Calculate

Deduct the platform commission before calculating any margin — a dish that leaves a healthy profit in the dining room can bleed cash on delivery if the menu price gets used unadjusted. Platforms charge 18% to 30% in commission on the ticket, and plenty of operators still run their unit economics off list price instead of net price. The checklist requires calculating that net figure — sale price minus commission — and building the margin from there.

A \$12 USD dish on a platform charging 25% nets \$9 USD; at \$3.60 USD in ingredient cost, the contribution margin lands at \$5.40 USD, 60%, which works. But let unmeasured shrinkage push that cost to \$5.00 USD and the margin drops to \$4.00 USD, 44% — still viable, with a lot less cushion. No exceptions here: always the net price, never the menu price.

Minimum Profitable Volume: How Many Units Does Each Dish Need to Sell?

Every dish needs a minimum weekly volume below which it has no business on the menu, and it's the criterion most dark kitchen and neighborhood checklists skip entirely.

The math pulls together the dish's specific prep time, the cost of slow-turning ingredients that spoil unsold, and how much operational complexity the plate demands. Masterrestaurant works off a practical floor: under 15 units a week in a dark kitchen, or 25 in a physical restaurant running 40 to 60 covers, and the dish is eating prep space, ingredient budget and the cook's attention without enough return to justify it.

I've seen this pattern in dozens of operations: a 40-item menu where 30 of those items sell fewer than 10 a week never shows up as a line item on the monthly P&L — it just quietly drains unit-level profitability, plate by plate.

Psychological Pricing vs Margin: How to Set Price Without Sacrificing Cash

Setting price without sacrificing cash means respecting the food cost ceiling — 32% of net price, maximum — without ignoring the psychological anchoring of the local market; both at once, not one traded for the other.

Diego F. Parra and the Masterrestaurant team have documented that moving a dish from \$11.90 USD to \$13.50 USD in a neighborhood restaurant recovers 4 to 6 margin points with no meaningful volume loss, provided the dish is positioned well and the service backs up the price. Menu engineering data adds another layer: dishes priced between \$12 and \$18 USD capture 60% to 65% of orders across Colombian and Mexican dark kitchens running a \$14 USD average ticket.

The criterion leaves no room for exceptions — no dish clears 32% real food cost; if it does, adjust the portion, renegotiate the ingredient, or cut it, regardless of how well it sells.

Monthly Unit Economics Review: The Cycle That Keeps the Business Alive

Unit economics don't get reviewed once at opening — they demand a mandatory monthly cycle. Ingredient inflation is running 19% to 31% above 2023, and a dish's recipe cost can climb 2 to 4 food cost points in a single quarter without anyone noticing, if nobody's measuring. The checklist closes on that monthly check: update costs across every menu ingredient, recalculate real food cost on the 10 highest-volume dishes, and flag anything that crossed the 32% line.

Masterrestaurant recommends keeping that cost sheet live, with the last-updated date visible at the top. The compliance criterion is concrete: dish cost updated within the last 30 days. Go past 45 days without a review, and the margin on paper stops matching the margin actually left in the register.

3 differences that most impact cash flow

Food cost precision: hardly any kitchen measures its real recipe cost; most stop at the theoretical number and never account for 5% to 12% of waste or portions that quietly grow between one shift and the next. Masterrestaurant flips that: ingredients get weighed at the pass instead of priced off what the supplier quotes, plus a waste factor confirmed within the same shift.

The two numbers usually land 6 to 9 percentage points apart, which is exactly the distance between a dish that looks profitable and one already running at a loss. Separation of variable vs fixed costs: folding kitchen payroll into the per-dish cost is the shortcut that inflates apparent food cost the most and drives the worst pricing calls. Diego F.

3 differences that most impact cash flow — in practice

Parra and Masterrestaurant leave zero room for interpretation here: the only thing a dish pays for is what actually goes into it — the ingredient itself, plus packaging when there is any. Payroll, rent and utilities get analyzed separately, inside the break-even math. Fixing this one framing shifts an item's perceived profitability by 15 to 25 points, sometimes the difference between raising the price and pulling the dish.

Detection speed: a supplier raises a price, a cook adjusts a portion, and without unit economics that deviation takes 30 to 45 days to show up in the P&L — plenty of time to lose tens of thousands of pesos in sales already booked. The Masterrestaurant weekly checklist cuts that window to 48-72 hours: opening and closing inventory, actual dish count from the POS, real cost against theoretical. The deviation gets fixed before it keeps bleeding the register, not after.

POINT BY POINT

Before vs after: 5 decisions changed by knowing your unit economics

PRICING METHOD

A · BEFORE (NO UNIT ECONOMICS) By intuition or copying competitors in the area

B · MASTERRESTAURANT From the target contribution margin ($\geq 65\%$ of sale price)

Verdict: Margin-based pricing guarantees profitability from the first dish. Competitor-reference pricing can mask a chronic food cost of 38-42%.

COST DEVIATION DETECTION

A · BEFORE (NO UNIT ECONOMICS) At the monthly P&L close (30-45 day lag)

B · MASTERRESTAURANT Weekly 15-min control: inventory vs sales vs real cost

Verdict: Weekly control detects and corrects deviations in 48-72 hours, before they impact cash. Monthly close arrives too late: the damage is already done.

DECISION TO SCALE TO DARK KITCHEN

A · BEFORE (NO UNIT ECONOMICS) Based on perceived demand, without mapped unit economics

B · MASTERRESTAURANT Based on pre-calculated unit economics: minimum net ticket per platform

Verdict: Scaling without unit economics in dark kitchen is the most expensive mistake in the sector. Diego F. Parra has repeatedly seen operators who scaled with effective food cost above the recommended ceiling end up failing within months.

MENU MANAGEMENT

A · BEFORE (NO UNIT ECONOMICS) Wide menu (15-25 items) to 'have something for everyone'

B · MASTERRESTAURANT Focused menu (8-12 star items by ABC profitability curve)

Verdict: A wide menu without a margin ranking hides drain items. A short menu with validated unit economics improves gross margin by 12-18 points on average.

TREATMENT OF PAYROLL IN COST CALCULATION

A · BEFORE (NO UNIT ECONOMICS)

Loaded (partially or fully) into the cost of each dish

B · MASTERRESTAURANT Goes exclusively into the break-even analysis

Verdict: Loading payroll into the dish inflates apparent food cost by 15-25 points, leading to excessive prices or the belief that profitable dishes are not viable. The Masterrestaurant method keeps the two analyses separate.

SIDE-BY-SIDE COMPARISON

Chef without unit economics: symptoms **CURRENT SITUATION**

- ✗ Sets prices by intuition or by copying nearby competitors
- ✗ Doesn't know which dish funds the business and which one drains it
- ✗ Mixes ingredient cost with payroll when calculating whether a dish 'works'
- ✗ Discovers losses at the monthly close, when it's too late to fix them
- ✗ Expands the menu to 'sell more' without knowing which items are profitable
- ✗ In dark kitchen accepts orders without calculating net platform commission
- ✗ The P&L shows profit, but cash is always tight

Chef with Masterrestaurant unit economics

MASTERRESTAURANT

- ✓ Sets prices from the target margin (contribution margin $\geq$ 65% of sale price)
- ✓ Maintains a profitability ranking per dish updated every week
- ✓ Cleanly separates ingredients (go to unit economics) from payroll (go to break-even)
- ✓ Detects cost deviations within 48-72 hours with waste and portion reporting
- ✓ Reduces menu to the 8-12 highest-margin, highest-rotation items (ABC curve)
- ✓ Calculates the minimum profitable ticket per platform before publishing any menu
- ✓ Cash flow reflects what the P&L shows because the unit margin is real

THE NUMBERS THAT MATTER

Key unit economics numbers for restaurants in 2026

30%

typical third-party platform commission,
with effective cost up to 40% per order

86%

Operators comfortable using AI

20

-35 USD

US average delivery order value 2025

95.4%

Microenterprises represent 95.4% of Mexico's
economic units and employ 41.4% of the workforce

~60

MILLION

iFood monthly order volume

893900

MILLION USD

Total franchise economic output 2024

VISUALIZATION

The numbers, visualized

typical third-party platform commission, with effective cost up to 40% per order



Operators comfortable using AI



US average delivery order value 2025



Microenterprises represent 95.4% of Mexico's economic units and employ 41.4% of the workforce



iFood monthly order volume



Sources: [Food On Demand 2026](#) · [Toast 2025](#) · [Lightspeed 2025](#) · [INEGI: Economic Census 2024](#) · [Sagra 2025](#)

Chart by masterrestaurant.com

ILLUSTRATIVE CASE (COMPOSITE)

"I had a dark kitchen with 22 items on the menu. After the Masterrestaurant analysis I found that 7 of them had negative contribution margin once the platform commission was deducted. I removed them, trimmed the menu to 12 star items, and in 45 days gross margin climbed from 51% to 68%. I was selling fewer dishes but earning more."

— Dark kitchen operator in Bogotá, 2025 — case documented by the Masterrestaurant team

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

How to implement unit economics in your kitchen: 4 steps



Map the real cost of each dish (not the theoretical one)

Weigh every ingredient in actual production for a full week. Record waste — skins, bones, trimmings — and calculate the effective yield of each ingredient. A 2 kg chicken yields 1.2 kg of usable protein: the cost per gram sold is 67% higher than the purchase cost. With this real cost per portion — plus packaging for delivery — you have an honest base for pricing. Diego F. Parra and Masterrestaurant recommend completing this exercise before any pricing or menu decision.



Calculate the unit contribution margin per item

Contribution margin = sale price – variable cost of the dish. The Masterrestaurant target is a high contribution margin on the sale price, which equals keeping food cost within the sector's recommended range. Run this calculation on a control sheet before publishing any menu on Rappi, iFood or UberEats.



Rank your menu with the ABC profitability curve

Sort all items from highest to lowest by (contribution margin × units sold). A items — the top 20% generating 80% of total margin — are untouchable; protect them. B items are candidates for recipe redesign or price adjustment. C items with negative or very low margin get removed or bundled into combos to improve their unit economics. Masterrestaurant suggests reviewing this curve every 30 days; in dark kitchens, every 2 weeks given that platform costs fluctuate.



Install the weekly deviation control (15-min checklist)

Every Monday: (1) physical inventory vs theoretical inventory — the difference is waste or theft; (2) dish count sold per item from the POS; (3) $\text{real ingredient cost consumed} \div \text{total sales} = \text{real weekly food cost}$. If the weekly food cost exceeds your target by more than 2 percentage points, investigate that same week. Correcting in 48-72 hours costs a conversation with a supplier; correcting after 30 days costs between \$500,000 and \$2,000,000 COP in losses already realized, as documented by the Masterrestaurant team in kitchen audits.

FAQ

Frequently asked questions about unit economics for chefs

What is restaurant economics, and how do you measure it dish by dish?

Restaurant economics is the math of what each sale actually leaves behind: net selling price minus the dish's variable cost (ingredients plus packaging) gives the contribution margin, and those margins together must cover fixed costs. That's why payroll, rent and utilities never go into dish cost; they belong to the break-even analysis, which tells you how many units you need to sell each month before you make a profit. On delivery, always start from the net price, with the platform commission already deducted.

Does the 32% maximum food cost apply in dark kitchens after the platform commission?

Not directly. In a dark kitchen, 32% is measured against net revenue (sale price minus commission). If a platform charges 25%, the food cost as a percentage of the published sale price cannot exceed 24-26% to maintain margin. Masterrestaurant always recommends calculating against net revenue, not list price.

How many menu items do you need to make unit economics worthwhile?

Any number: even with 5 items, not knowing which is profitable is a risk. The one-hour exercise of mapping real costs for 5 dishes can reveal that 2 of them run at a loss. Masterrestaurant has documented 4-item menus where 1 dish was subsidizing losses on the other 3 without the chef knowing.

How often should I update my menu's unit economics?

At minimum every 30 days in a dine-in restaurant; every 15 days in a dark kitchen. Ingredient prices fluctuate, portions drift with team fatigue, and platforms adjust commissions. Unit economics from 60 days ago can be off by 8-12 percentage points of margin — enough to be running at a loss without knowing it.

Does kitchen payroll belong in unit economics or in the break-even analysis?

In the break-even analysis, not in unit economics per dish. The Masterrestaurant method is strict on this: only direct raw material cost and packaging (if applicable) belong to the dish. Loading payroll into unit economics inflates apparent food cost, distorts pricing decisions, and produces an incoherent menu. Payroll is recovered through sales volume over total contribution margin.

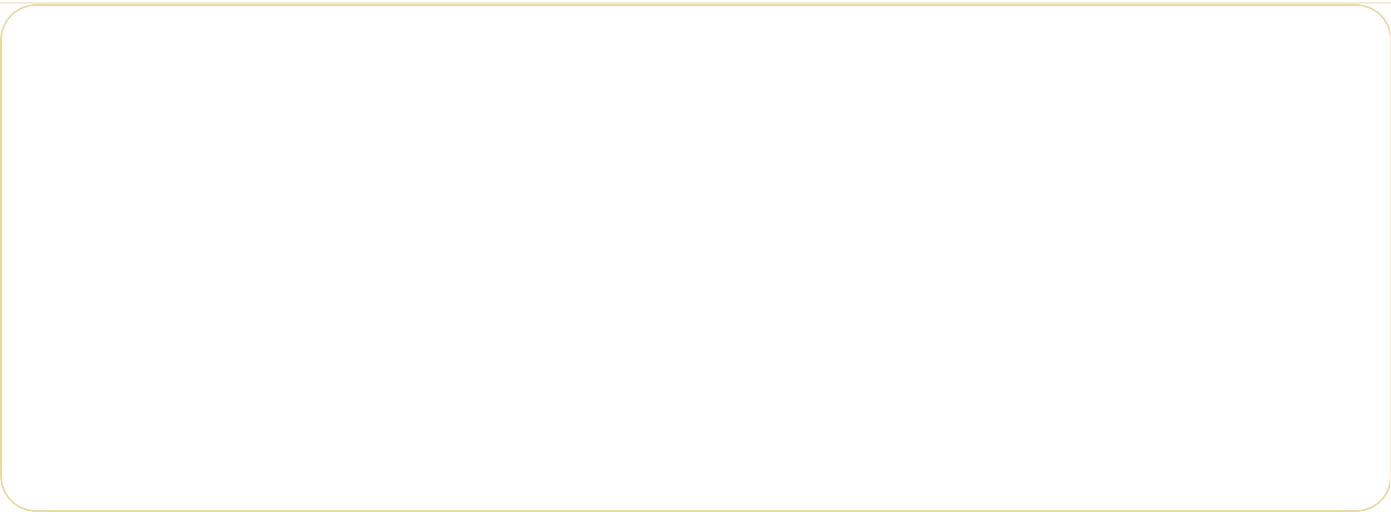
DATA & SOURCES

Unit economics for chefs by the numbers (2026)

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

Metric	Value	Source
iFood active users, the leading delivery app in Latin America (Brazil), peak in Q3 2024	alrededor de 12.2 millones de usuarios activos (T3 2024)	Sensor Tower — Top 5 Food Delivery Apps in Latin America Q3 2024 Performance (2024)
PedidosYa weekly active users in Latin America, upper end of the Q3 2024 range	entre 4.8 y 5.3 millones de usuarios activos semanales (T3 2024)	Sensor Tower — Top 5 Food Delivery Apps in Latin America Q3 2024 Performance (2024)
iFood monthly orders in Brazil, up from about 70 million on average to the 100 million milestone in August 2024	100 millones de pedidos mensuales (agosto de 2024)	Bloomberg Línea — Rappi y iFood: ¿qué le depara a las apps de delivery ante reformas y presión por rentabilidad en Latam? (2025)
Share of Mexican internet users who use delivery apps, per the Mexican Online Sales Association (AMVO) (2023 article)	83 % de los usuarios de internet en México (2023)	The Food Tech citando a AMVO — El delivery de alimentos y bebidas sigue creciendo (2023)
iFood's share of monthly active users among Latin American delivery apps, the concentration context behind delivery app algorithms (2024 year to date)	40 % de la cuota de MAU en LatAm (2024)	Sensor Tower — Fragmented LatAm Food Delivery Market Evolves Amidst Uber's Exit (2024)
PedidosYa's share of monthly active users across Latin American delivery apps (2024 year to date)	19 % de la cuota de MAU en LatAm (2024)	Sensor Tower — Fragmented LatAm Food Delivery Market Evolves Amidst Uber's Exit (2024)

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