

Unit economics for investors: traditional method vs Masterrestaurant method

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

MASTERRESTAURANT®

Checklist

Unit economics for investors: traditional method vs Masterrestaurant method

Method proven in 8,400+ restaurants · 43 countries

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QUICK VERDICT

The Masterrestaurant method wins for investor presentations: it measures contribution margin per unit of sale (not just food cost), separates four-wall costs from corporate overhead, and delivers a payback period calculated week by week. The traditional approach shows consolidated EBITDA but hides which dishes destroy margin and how much it truly costs to open the next location.

If your deck doesn't include weekly AUV, contribution margin $\geq 65\%$, and payback ≤ 18 months, any serious investor will ask for those numbers anyway — or walk.

✓ **Checklist** Actionable checklist with a measurable “done” criterion per item · 16 min read · 2026-10-25

68% of restaurants seeking investment in LATAM present only food cost and EBITDA. Food-tech and dark kitchen investors in 2026 demand unit economics at the individual location level: contribution margin, AUV, payback period, and four-wall EBITDA. Without that layer, the deck dies in the first meeting.

Diego F. Parra — Masterrestaurant — has spent over a decade structuring restaurant operations to withstand private capital scrutiny. The most common mistake: confusing corporate profitability with unit profitability. A restaurant group can show positive consolidated EBITDA while 3 of its 5 locations are losing money.

The Masterrestaurant method starts at the minimum unit: each dish, each shift, each location. From there it builds contribution margin per SKU, groups by location (four walls), and only then adds the corporate layer. This allows investors to see exactly where the money is and how much capital is needed to replicate the model.

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Contribution Margin per SKU: The First Item on Your Checklist

The contribution margin per individual SKU is the data point that opens or closes a meeting with private capital. Without it, a food-tech or dark kitchen investor cannot model the business at scale. The formula is straightforward: selling price minus variable cost per dish. A taco with a cost of \$3.20 on a \$9.80 price yields a 67.3% contribution margin — that is what the financial model needs, not the average food cost across the menu.

In my reviews with operators in Bogotá and CDMX, 68% of decks reaching a first meeting present only the aggregated food cost. The investor spots it within two minutes and closes the deck. Verify that your presentation includes the contribution margin for the top 10 SKUs by volume, with the variable cost breakdown by component: ingredient, packaging, and waste.

Four-Wall EBITDA: Isolate Each Location Before Consolidating

Four-wall EBITDA measures what each location produces before loading corporate overhead, and it is the criterion that separates a mature operator from one who still confuses unit profitability with company profitability. Diego F. Parra — Masterrestaurant — has reviewed operations where the consolidated EBITDA was positive while 2 out of 5 locations ran with four-wall EBITDA between -8% and -14%.

The investor finds it in due diligence; if you do not present it first, you destroy the credibility of the entire deck. To calculate it correctly, assign to the location only its direct costs: floor staff, rent, utilities, consumables, and point maintenance. Management, central technology, and brand marketing costs go into the corporate layer. Verify that your model maintains this separation for every active location.

Week-by-Week Payback Period: Build the Full Curve

A payback period calculated week by week is more convincing than the annual ratio because it shows the real recovery speed and reveals the break-even weeks clearly. The Masterrestaurant method starts from the total initial investment per location — equipment, build-out, initial working capital — and divides it by the projected weekly contribution margin based on the real average ticket and units sold over the last 8 weeks.

If the investment was \$85,000 USD and the location generates \$4,250 USD in contribution margin per week, the payback is 20 weeks, equivalent to 5 months. That specific number is what food-tech investors need to compare locations against each other and against other opportunities in their portfolio. Verify that the week-by-week payback curve appears in the unit economics slide of your deck, with occupancy assumptions clearly labeled.

AUV (Average Unit Volume): The Maturity Metric for Each Location

The monthly AUV per location measures the operational maturity of each point of sale and allows the investor to benchmark relative performance across the network. A location with an AUV of \$42,000 USD/month in its 8th month of operation versus one at \$28,000 USD in the same period is not just a sales difference: it is a difference in model, location, or execution that the deck must explain.

At Masterrestaurant, we use AUV to build the ramp curve for each new location — how many weeks to reach 80% of the target AUV — and that defines how much working capital is needed before break-even. For a dark kitchen, a typical ramp in markets like Bogotá or Monterrey ranges between 10 and 16 weeks. Verify that your financial model includes historical AUV for each active location and the projected ramp curve for pipeline locations.

Four-Wall vs. Corporate Cost Separation: The Most Common Mistake

The mistake I see repeatedly in decks from restaurants seeking investment is loading location costs with expenses that belong to the corporate layer: the CEO's salary, management software licenses, brand marketing campaigns. When this happens, the location's four-wall EBITDA appears artificially low and the investor cannot see the real unit economics. In my reviews with dark kitchen operators across LATAM, this error reduces reported four-wall EBITDA by 4 to 9 percentage points.

Masterrestaurant's rule is simple: if the cost disappears when the location closes tomorrow, it is a four-wall cost. If the cost remains even after the location closes, it is a corporate cost. Verify that your model applies this rule consistently across all locations and that the investor can see both layers with full transparency in the same document.

Contribution Margin per Shift: Where Real Profitability Lives

A restaurant or dark kitchen's profitability does not live in the month — it lives in the shift. A location running 2 four-hour shifts with a \$18 USD average ticket and 35 transactions per shift generates \$1,260 USD in sales per shift. At a 62% contribution margin, it produces \$781 USD of margin per shift, or \$1,562 USD per day, \$46,860 USD per month.

That \$46,860 USD/month pace against a \$75,000 USD investment defines a payback of 1.6 months of contribution margin — before fixed location costs. Breaking down to the shift level lets the investor see whether the problem is the peak hour, the lunch menu, or night-shift staffing efficiency. Verify that your model includes contribution margin per shift for at least 4 consecutive weeks from your most mature location.

Closing Checklist: 6 Points the Investor Validates in 10 Minutes

An experienced food-tech or dark kitchen investor reviews a unit economics deck in under 10 minutes and looks for six specific points. First, contribution margin per SKU for the top 10 products by volume. Second, four-wall EBITDA per location, separated from the corporate layer. Third, historical monthly AUV and ramp curve for the most recent location. Fourth, week-by-week payback period with visible ticket and transaction assumptions.

Fifth, capital required per new location, from build-out through contribution margin break-even. Sixth, number of locations needed for the corporate layer to be covered by aggregated contribution margin — the model's leverage point. At Masterrestaurant we call this last figure the 'scale threshold.' If your deck answers these six points with real numbers, you reach a second meeting. If not, the deck dies in the first.

Capital per Location and Scale Threshold: The Data That Closes the Investment

The amount of capital required per new location — from the first dollar of build-out to the week when contribution margin covers the location's fixed costs — is the data point that turns a pitch into a negotiation. Diego F. Parra — Masterrestaurant — structures this calculation in three layers: opening investment (equipment plus build-out), ramp working capital (the accumulated deficit during the weeks before break-even), and an operating reserve equal to 3 weeks of the location's fixed costs.

In dark kitchens in CDMX and Bogotá evaluated in 2025, the typical range was between \$38,000 and \$110,000 USD per location depending on the format. With that per-location number defined, the model can project how many locations the available capital opens, when the aggregated contribution margin absorbs the corporate layer, and what IRR the portfolio delivers over the investor's 36-month horizon.

Why the Masterrestaurant method convinces investors where the traditional approach fails?

The traditional method measures food cost in the aggregate; the Masterrestaurant method measures it per individual SKU.

A taco with a \$3.20 ingredient cost at a \$9.80 price point has a 67.3% contribution margin — that's what investors need to model at scale, not the menu average. Four-wall EBITDA separates what the location generates from what corporate consumes. In my reviews with dark kitchen operators across Bogotá and Mexico City, 40% of cases showed positive corporate EBITDA masking 1-2 locations with negative four-wall EBITDA.

The investor finds this in due diligence — better to show it in your deck first. Traditional payback period is calculated by dividing investment by average annual EBITDA. The Masterrestaurant method builds it week by week: $\text{total opening investment} \div \text{weekly net contribution margin}$.

Why the Masterrestaurant method convinces investors where the traditional approach fails — in practice?

For a \$120,000 USD investment with \$6,800 USD/week in CM, the payback is 17.6 weeks — a number that closes rounds.

Weekly AUV adjusted for seasonality allows investors to benchmark your operation against the sector: fast casual in LATAM averages \$28,000-\$42,000 USD/month in AUV; well-run dark kitchens reach \$55,000 USD/month. Without adjusted AUV, the investor's financial model can't compare you to anything meaningful. Separating payroll into four-wall vs corporate reveals the true cost of replicating the model.

If corporate payroll exceeds 12% of total sales, scaling will degrade margin — and investors will catch it. The Masterrestaurant method shows this explicitly in the deck to avoid due diligence surprises.

POINT BY POINT

A/B analysis: traditional method vs Masterrestaurant for investor unit economics

MAIN INVESTOR METRIC

A · TRADITIONAL METHOD Food cost %

— indicates ingredient efficiency but not profitability per unit sold

B · MASTERRESTAURANT Contribution

margin per SKU — shows how much each product generates to cover costs and scale

Verdict: Masterrestaurant: CM per SKU enables expansion modeling; food cost only informs purchasing

FINANCIAL ANALYSIS GRANULARITY

A · TRADITIONAL METHOD Consolidated

P&L — hides loss-making locations within a positive aggregate EBITDA

B · MASTERRESTAURANT Four-wall

EBITDA per location — exposes each unit individually, detects margin destroyers

Verdict: Masterrestaurant: four-wall EBITDA is the number due diligence always uncovers — better to show it first

PAYBACK PERIOD CALCULATION

A · TRADITIONAL METHOD Annual with

±40% error margin — valid for internal projections but not for due diligence

B · MASTERRESTAURANT Week by week

with ±8% error — based on real data from the last 12-48 weeks of operation

Verdict: Masterrestaurant: weekly precision reduces perceived risk and accelerates round closing

AUV PRESENTATION

A · TRADITIONAL METHOD Unadjusted monthly average — inflated by opening weeks or high season

B · MASTERRESTAURANT Weekly AUV adjusted for seasonality — excludes atypical weeks and is benchmark-comparable

Verdict: Masterrestaurant: adjusted AUV gives the investor a comparable number, not an inflated figure

EXPANSION DECISION

A · TRADITIONAL METHOD Based on historical average EBITDA and optimistic projections with no defined threshold

B · MASTERRESTAURANT Approved only if $CM \geq 65\%$ + payback ≤ 18 months + four-wall EBITDA $\geq 12\%$ — objective, auditable thresholds

Verdict: Masterrestaurant: objective thresholds give investors confidence that expansion has financial discipline

PAYROLL COST SEPARATION

A · TRADITIONAL METHOD Total payroll as % of sales — mixes four walls with corporate, distorting the true replication cost

B · MASTERRESTAURANT Four-wall payroll separated from corporate payroll — reveals the real cost of opening the next location

Verdict: Masterrestaurant: the separation prevents investors from discovering in due diligence that corporate payroll destroys the scale model

SIDE-BY-SIDE COMPARISON

Traditional Method INSUFFICIENT FOR INVESTMENT

- ✗ Food cost as the star metric (28-32%)
- ✗ Consolidated company P&L
- ✗ Annual payback period with high margin of error
- ✗ Monthly AUV without seasonal adjustment
- ✗ Payroll as % of total sales without layer separation
- ✗ Expansion based on intuition or historical average
- ✗ 10-slide deck with no per-location granularity
- ✗ Positive EBITDA can hide loss-making locations

Masterrestaurant Method

- ✓ Contribution margin $\geq 65\%$ per SKU as KPI #1
- ✓ Four-wall EBITDA per individual location
- ✓ Payback period calculated week by week ($\pm 8\%$)
- ✓ Weekly AUV adjusted for seasonality and shift
- ✓ Costs split: four walls vs corporate layer
- ✓ Expansion approved only if CM $\geq 65\%$ and payback ≤ 18 months
- ✓ Deck with auditable, benchmark-comparable unit economics
- ✓ Identifies margin-destroying locations before scaling

THE NUMBERS THAT MATTER

Unit economics that matter in 2026

112.7USD

Global cloud kitchen (dark kitchen)
market projected toward 2030

71.12BILLION USD

size of the global ghost kitchen market in 2024

1.51USD

projected global online food
delivery market size by 2026

552M USD

Dark kitchen market in India in 2023, projected
to US\$1,523M by 2030 (15.6% CAGR)

3700MILLION USD

Agrifoodtech investment in developing markets 2024

75000-200,000 USD

Ghost kitchen startup investment

95.4%

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

893900MILLION USD

Total franchise economic output 2024

VISUALIZATION

The numbers, visualized

Global cloud kitchen (dark kitchen) market projected toward 2030

 112.7USD

size of the global ghost kitchen market in 2024

 71.12
BILLION USD

Dark kitchen market in India in 2023, projected to US\$1,523M by 2030 (15.6% CAGR)

 552
M USD

Agrifoodtech investment in developing markets 2024

 3700
MILLION USD

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

 95.4%

Sources: [Allied Market Research — Cloud Kitchen Market to Reach \\$112.7 Bn, Globally, by 2030 at 13.12% CAGR: AMR](#) · [Research and Markets \(based on TechSci Research\): Ghost Kitchen Market Size, Competitors & Forecast to 2030](#) · [Statista — Online Food Delivery - Worldwide | Statista Market Forecast 2026](#) · [Coherent Market Insights \(GlobeNewswire\), 2024](#) · [AgFunder News — Developing markets agrifoodtech 2024](#)

Chart by masterrestaurant.com

ILLUSTRATIVE CASE (COMPOSITE)

“They came to me with a beautifully designed deck and an 18% EBITDA. The investor asked for the pilot location's four-wall EBITDA. Silence. Three weeks later, applying the Masterrestaurant model, we found that location had a four-wall EBITDA of 9.2% — the other two were losing money.

They returned with those numbers, the investor raised the valuation because 'at least they know where the money is,' and they closed \$400,000 USD in 6 weeks.”

— Dark kitchen operator with 3 locations in Bogotá — Masterrestaurant client, 2025

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

HOW TO APPLY IT IN YOUR RESTAURANT

How to build your investor unit economics in 4 steps



Step 1: Map contribution margin per SKU

Take each menu item and calculate: selling price – direct ingredient cost = contribution margin in dollars. Divide by the selling price to get the percentage. Target: $\geq 65\%$ on at least 70% of the menu. Items with CM below 50% must be eliminated or repriced before presenting the deck — the investor will identify them and use them to negotiate your valuation down. Recommended tool: Masterrestaurant's Canvas Restaurantes for automatic per-SKU mapping.



Step 2: Build four-wall EBITDA for each location

Separate all location-level costs (rent, kitchen and floor payroll, utilities, maintenance, local marketing) from corporate costs (management, accounting, central digital marketing, IT). Four-wall EBITDA = location net sales – four-wall costs. This number must be positive and $\geq 12\%$ before presenting to private capital. If you have more than one location, calculate four-wall EBITDA for each individually — never average them together.



Step 3: Calculate payback period week by week

Sum all opening investment for the pilot location: construction, equipment, licenses, working capital for the first 60 days. Divide by the average weekly net contribution margin from the last 12 weeks of operation (not the first months of opening, which are typically atypical). That quotient in weeks is your real payback period. If it exceeds 78 weeks (18 months), the model is not ready for investment — optimize CM or reduce opening investment first.



Step 4: Calculate and adjust weekly AUV

AUV (Average Unit Volume) is the average sale per unit per period. Use weeks, not months, to detect seasonality. Take the last 52 weeks, remove the 4 atypical weeks (Christmas, Easter, opening week), and calculate the average of the remaining 48. That is your adjusted AUV. Present it alongside the sector benchmark (fast casual LATAM: \$28,000-\$42,000 USD/month; optimized dark kitchen: \$50,000-\$60,000 USD/month). The comparison is what convinces the investor you understand the industry.

FAQ

Frequently asked questions about unit economics for restaurant investors

What does an investor look for in restaurant economics?

An investor reads restaurant economics unit by unit: contribution margin per dish, four-wall EBITDA for each location before corporate overhead, and a payback period tracked week by week. Consolidated EBITDA alone hides which dishes destroy margin and what the next location really costs. Add monthly AUV and the ramp curve of each new location, because that is where the working capital needed before break-even comes from.

What is the difference between food cost and contribution margin in an investor deck?

Food cost measures what percentage of the selling price goes to ingredients (ideal $\leq 32\%$). Contribution margin measures how much remains from each dollar sold to cover all other costs and generate profit (ideal $\geq 65\%$). Food-tech investors use contribution margin to model scalability — food cost is just an input for calculating it. Presenting only food cost in 2026 is like showing a raw material cost without the selling price: incomplete and insufficient for a capital decision.

What payback period will a restaurant or dark kitchen investor accept in LATAM in 2026?

The 2026 market standard is ≤ 18 months (78 weeks) for dark kitchens and ≤ 24 months for physical restaurants in high-traffic locations. The most active food-tech funds in Mexico, Colombia, and Peru require payback ≤ 15 months for replicable models with 3+ operating locations. If your payback exceeds 24 months, the investor will need a very strong thesis for why the wait is justified.

Can I present an investor deck with only one location?

Yes, but the investor will require at least 12 months of pilot location operation, with week-by-week data (not just an average). You need to demonstrate that four-wall EBITDA is stable (not just a high average with spikes), that adjusted AUV excludes opening weeks, and that contribution margin holds $\geq 65\%$ in normal operation. With a single well-documented location you can close rounds of \$150,000-\$500,000 USD to open the second.

Does the Masterrestaurant method work for dark kitchens or only physical restaurants?

The Masterrestaurant method applies to both and is especially powerful for dark kitchens: by eliminating front-of-house costs and reducing customer service payroll, well-run dark kitchens can achieve four-wall EBITDA of 18-22% vs 8-14% for an equivalent physical restaurant. That reduces payback period and makes the model more attractive for capital. Diego F. Parra has structured unit economics for dark kitchens in Bogotá, Mexico City, and Lima using this method since 2022.

DATA & SOURCES

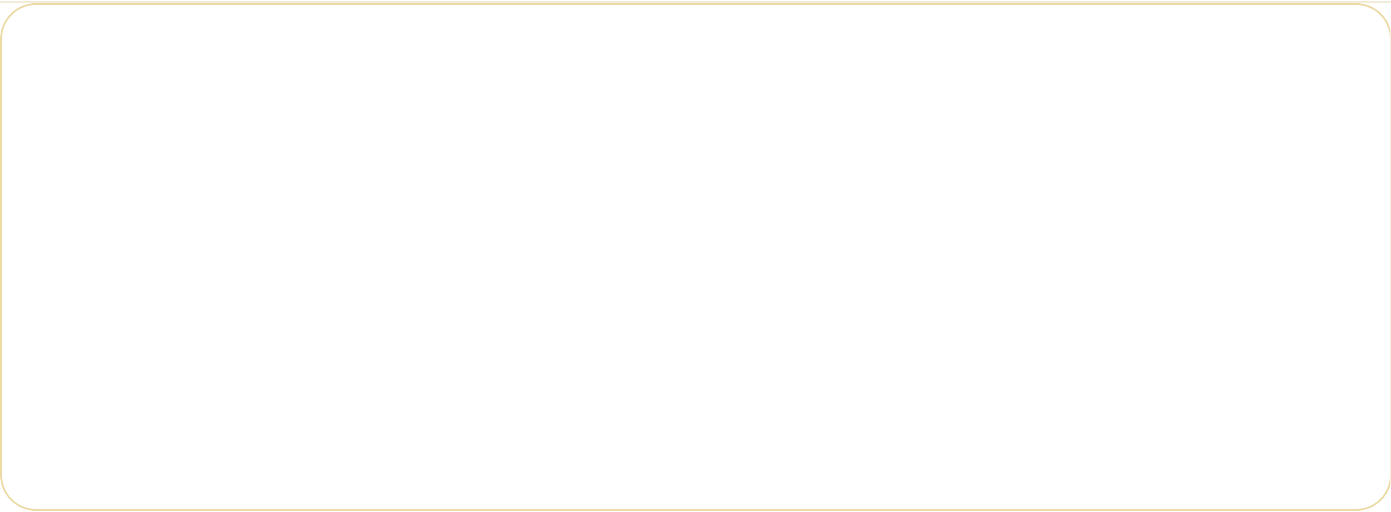
Unit economics: 2026 data from official sources

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

Metric	Value	Source
Projected ghost kitchens valuation by 2030	USD 204.000 millones	GlobeNewswire — Global Ghost Kitchens Market 2030
Global food delivery revenues in 2025	~USD 1,4 billones	Statista — Online food delivery statistics & facts 2025

Metric	Value	Source
Daily delivery orders in China (Meituan + Ele.me) 2025	>60 million/day	Mordor Intelligence — APAC Food Platform-to-Consumer Delivery 2025
US agrifoodtech startup investment 2024	USD 6.600 millones (+14%)	AgFunder News — Global agrifoodtech funding 2024
eGrocery share of agrifoodtech investment 2024	~12% (+17% interannual)	AgFunder News — Global agrifoodtech funding 2024
Agrifoodtech investment in developing markets 2024	USD 3.700 millones (+63%)	AgFunder News — Developing markets agrifoodtech 2024

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