

## **Spend Your Money Where it Counts**

The automobile manufacturers have it all figured out. After much time and research, they have found ways to use the same base model for multiple brands with completely different quality perceptions. Lexus, Infiniti, and Acura for example, use many of the same structural systems, processes, and infrastructure as their less expensive sister brands – Toyota, Nissan, and Honda. The difference is often in the finishes, the accessories, and the package of services offered in conjunction with the purchase. The higher priced models will have standard features such as leather, upgraded trim packages, high quality sound systems, and potentially such luxuries as GPS mapping or standard vehicle maintenance programs. Their less expensive sister brands will not. In many cases, however, the base construction of the vehicles in both quality ranges is identical. The result is a choice made by the consumer as to what is truly important, and where one's money should be spent.

Similar decisions are made every day during the design and construction process. It is quite easy, and I must say extremely tempting, to upgrade light fixtures, seating, equipment, and specialty fixtures whenever the opportunity presents itself. The logic, justification, and proposed payback periods are often compelling. It is rare, however, that a construction budget will permit such an array of upgrades across the board. As a result, the ownership and design teams are faced with a never-ending stream of required decisions that must balance the available funding with the desired design impact.

When the budget begins to dictate that some of the furniture, fixture, or equipment elements must be scaled back, the potential upgrades must be prioritized to ensure that one will receive the maximum “bang for the buck.” It is here that I believe there is a tremendous opportunity for creativity. Spend your money where it counts! It is rather easy to lose sight of which desired elements are essential and which are expendable, and it is here that some creativity can help achieve some desired effects with minimal costs.

## What to Upgrade

The first question in my mind is how to approach the prioritizing effort. There are no easy answers, as every operation seeks to offer a unique experience.

However, the prioritization must start with the guest, and their experience. First, the most important elements of the experience must be established. If an establishment offers table-side preparation as a signature service, for example, the components used to create and deliver this service are important. Second, what does the guest experience directly vs. indirectly? In other words, what does the guest touch or focus on within close proximity? With which elements of the experience does the guest have limited direct contact?

Psychology plays a tremendous role in this process. To be truly successful at prioritizing, an operator must fully understand their target market ... and I don't mean the capability to rattle off facts about demographics. I mean truly understand what is important to the client base, so that the upgrades that are implemented have their greatest impact. For example, I was working on a restaurant that had a limited budget but desired an upscale, sophisticated environment. After much planning and after reviewing a number of different options, it was determined that the exhibition kitchen and the restrooms would receive significant investment. Why you may ask? There was a connection that was achieved through this approach with the restaurant's affluent client base. Investments were made to the same areas that the client base made in their own homes - their kitchens and bathrooms. As such, the specialty above-counter lavatories with wall mounted faucets in the restrooms and intricate tile work within the exhibition kitchen achieved maximum impact.

## Tricks of the Trade

There are ways to achieve a high perceived impact relative to the cost. One of the most common methods is the differentiation between what a guest can see and what a guest can touch. The rule of thumb is such that the items which can be touched should be of genuine quality, whereas the items that are only viewed can be downgraded, if the reduction in quality is not obvious to the guest. If we

were to consider the typical dining experience, for instance, the flatware, glassware, and linen should be of a quality level designed to match the desired quality level of the experience. These are items with which customers have physical contact.

When items are not within direct access of the guest, an opportunity exists to substitute materials that might achieve the desired visual effect, but might not be of the same actual quality level. For example, I have used copper plastic laminate in lieu of actual copper for soffits and shrouds on hoods in display kitchens. The plastic laminate, part of a line of metallic laminates readily available from a number of manufacturers, even featured a brushed finish. Furthermore, the plastic laminate required no additional maintenance (real copper would have) and is extremely durable ... at a fraction of the cost. In yet another example, consider the front desk of a hotel. The counter top could be actual stone, whereas stone accents on the wall behind the desk could be fabricated of faux material. The guest will come in direct contact with the check-in counter surface, and a vast majority will assume that the accents behind the desk are stone as well ... whether this is the case or not. Both instances offer methods for achieving a desired impact on the guest, but in an economical manner.

### You Can Always Upgrade Later

When making such decisions, keep in mind that the possibility always exists to upgrade certain elements later when additional funding is available. The copper laminate referenced above could easily be swapped out for real copper, should the desire and financial wherewithal exist. As such, items that are permanent or have a longer life should receive priority over those goods which would regularly be replaced within a few years. Window coverings, for example, would be a viable candidate for a later upgrade and economical alternative at the outset, provided that the selections fit within the décor and palate of the facility. Millwork and hard surfaced flooring, on the other hand, typically have a longer usable life and may not be the best candidates for substitutions. If handled correctly,

creativity and a little ingenuity can help create a desired effect for a minimal cost.  
Just remember to spend your money where it counts.