



Benefit from creating reactions

At the SCORE national convention in Las Vegas a few weeks ago, we heard from Jon Taffer, star of the Spike TV show "[Bar](#) Rescue." As a turnaround consultant, Taffer recommends mentoring and is a strong supporter of SCORE.

Having spent almost 30 years in the bar and restaurant [business](#) as a manager, operator, owner and consultant, Taffer's popular show gives failing nightlife establishments one last chance at success. He takes on one bar each week and delves into every business facet of running a bar — from creating a profitable drink and [food](#) menu to music and management of crowds and employees.

[Restaurant](#) and bar ownership continues to be one of the most requested areas of mentoring at SCORE. Many entrepreneurs pick this category because it seems like it would be a fairly easy business to learn. Taffer pointed out that the industry is actually very complex.

"The reality is this is a really hard business," he said. "You're going to be working 16-18 hours a day."

In addition, as is evident by the high number of closures in the area, this is a high-risk business. Taffer says the No. 1 reason is lack of capital during the crucial startup month, but it's also about failing to put the right systems in place.

He recommends a concrete accounting system, and tells owners to be constantly concerned about price points. He says that people don't go to the place with the lowest prices; they're looking for an experience.

In this tough economy, business owners often use that as an excuse for declining sales and poor traffic. Taffer is quick to point out that we all know of [businesses](#) that are successful in spite of that.

"Every time I hear a bar owner complain about the economy, I point out that someone in his same area is doing a great business," Taffer said. "What is that business doing differently? Why are customers lining up at their doors?"

He says that it's all about creating reactions. People don't leave a place talking about the low prices; they talk about the experience. He challenges owners to create something special that causes a reaction.

Smaller, more intimate atmospheres are attracting customers, and "infused concepts" — ones that combine food, drink and ambience — are also popular right now. Taffer said that the hot concepts change, and bar and restaurant owners need to stay on top of industry trends.

With almost 30 years in the business, Taffer has started, flipped or owned more than 600 bars and clubs in his career. His show — recently renewed for a second season — proves that failing establishments can be saved.

Taffer said that one of the toughest things to overcome is resistance to change, but if an entrepreneur can make it through that, the end result is higher revenues and happier guests and employees. That's a lesson that most businesses can apply.

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