

The 12-Number Health Check

The twelve numbers to check every Monday, in every outlet

BACK OF HOUSE · FOOD AND BEVERAGE DEVELOPMENT · GULF AND EGYPT

Most operators track three numbers: sales, average spend, and covers. Those are the numbers the point-of-sale system hands you without being asked.

The three that decide whether the business survives — prime cost, occupancy ratio, and break-even — are almost never on the screen. They have to be calculated, and because they have to be calculated, they usually are not.

This is the one-page review. Twelve numbers, a benchmark range for each, and what to do when one is out of line. It takes about fifteen minutes on a Monday morning once your data is set up.

On the benchmark ranges below. These are typical for café and quick-service operations in the UAE. A fine-dining or a high-volume grab-and-go model will sit differently. Use them as a starting point and adjust to your own concept — the discipline of checking weekly matters more than hitting any single number.

The weekly twelve

1. Net sales, excluding VAT

What it is: Total sales after value-added tax is stripped out. Every other percentage on this page is calculated against this number, so if this one is wrong, all of them are.

Watch for: Operators comparing gross sales this month against net sales last month, and celebrating a 5% increase that does not exist.

2. Food cost as a percentage of net sales

Benchmark: Café 22-28% · Quick service 28-33%

How: (Opening stock + purchases – closing stock) ÷ net sales

If it is high: In order — check portioning first, then supplier pricing, then wastage, then theft. Most operators assume theft and it is almost always portioning. A barista pouring 20% over spec on every latte costs more per year than a dishonest employee.

3. Labour cost as a percentage of net sales

Benchmark: 22-30%

Fully loaded means everything: salary, accommodation, visa and medical, transport, gratuity accrual, overtime. Not just basic pay. Operators who track basic salary only typically understate this by six to nine points, which is the difference between a healthy business and a failing one.

If it is high: Compare your roster against your hourly sales curve, not against your opening hours. Most overstaffing happens Monday to Wednesday, in a business built around a weekend peak.

4. Prime cost — food plus labour

Benchmark: Café under 60% · Quick service under 62-65%

This is the single most predictive number in the industry. Under 60% and you have room to breathe. Over 65% and you are working for your suppliers and your staff rather than for yourself, regardless of how busy the room looks.

If you only track one number from this page, track this one.

5. Rent and occupancy as a percentage of net sales

Benchmark: Under 12% · Above 15% is a structural problem, not an operating one

Include base rent, service charge, chiller, and marketing fund contributions.

The trap: Leases signed against *projected* turnover rather than realistic turnover. A mall unit at 18% of actual sales cannot be fixed by better operations. That is a lease problem, and the only real remedies are renegotiation, a sales step-change, or exit. Recognising which category you are in early saves years.

6. Average transaction value

Watch: The trend, not the number. A falling average transaction value alongside flat sales means your traffic is up but your basket is shrinking — usually a menu mix or upsell problem, and much cheaper to fix than a traffic problem.

7. Transaction count

Watch: Weekday versus weekend split, and hour-by-hour. This number is what your labour roster should be built against. If you cannot produce a sales-by-hour curve, that is the first report to build.

8. Delivery share of sales — and net contribution after commission

Benchmark: Aggregator commission typically 25–30%

Calculate properly: menu price – commission – food cost – packaging – order-handling labour. What is left is your real contribution, and it is usually close to half of what the same item earns dine-in.

If delivery is above 40% of sales at dine-in pricing, you have a margin problem that growing sales will make worse, not better. Delivery is not the enemy — pricing delivery identically to dine-in is.

9. Wastage as a percentage of purchases

Benchmark: Under 2–3%

Track production waste, spoilage and staff meals separately. Lumping them together hides which one is actually moving.

10. Sales per labour hour

How: Net sales ÷ total hours worked

The cleanest productivity measure there is, and the fastest way to compare two outlets fairly. It exposes overstaffing that a labour percentage can mask when sales happen to be strong.

11. Break-even sales — daily and monthly

How: Fixed costs ÷ contribution margin percentage

Then convert it to covers. "We need AED 11,400 a day" is abstract. "We need 190 covers a day at our current average spend" is something a shift manager can act on before Thursday, rather than something an owner discovers on the 5th of next month.

Every operator should know this number by heart. Very few do.

12. EBITDA as a percentage of net sales

Benchmark: 15–20% is healthy for an established café · Below 10% means the model needs structural work, not effort

Earnings before interest, tax, depreciation and amortisation — in plain terms, what the business actually generates before financing and accounting entries.

How to score your week

Count how many of the twelve are inside their range.

Score	What it means
10-12	Healthy. Move your attention to growth and to the next site.
7-9	One or two structural issues. Fixable inside a quarter with focus.
4-6	The model is under strain. Stop discretionary spend and address prime cost and occupancy before anything else.
0-3	Do not open a second site. Fix this one first, or decide honestly whether it can be fixed.

The one habit worth building. Fifteen minutes, every Monday, same time, same sheet. Not because any single week tells you much — it does not — but because the trend across eight weeks tells you almost everything, and by the time a problem is visible in your bank balance it has usually been visible in these numbers for two months.

Back of House — we find the site, build the concept, write the systems, open the doors and structure the expansion. One partner across the whole lifecycle, across the Gulf and Egypt.

If one of these twelve numbers is out of range and you want to talk through what it is telling you, book twenty minutes. No charge, and no obligation to engage us afterwards.

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THE NUMBERS BEHIND THE COUNTER