

In the restaurant business, the name of the game is getting customers to enter your doors and open their wallets. Restaurant owners are very savvy in this regard and there are many creative approaches to promoting used by different owners to increase their business and their profile in the community. One of the great things about running a restaurant, is the freedom that you have, as a business owner, to dream up and implement promotions for your establishment. But when you are coming up with ideas, don't forget to consider the insurance angle.

There is really no limit, beyond what you can dream up, to what you can offer your clients to get them in the door spending money with you. I suppose if you can get it by the health department, you could have dwarf bowling, or keg midgets or even goat dancing contests if you thought it would help you increase sales. But don't make the mistake of planning these promotions without considering the impact they may have on your [restaurant insurance program](#). You don't want to find out at renewal, or worse yet, after a large loss or accident, that what you were doing conflicts with your insurance plan or causes the insurance company to regard you as a higher risk.

Let's take a quick look at some of the more common promotions and how they might affect your restaurant insurance policy. One of the most common is drink promotions. There are happy hours, ladies nights, half price drink nights and drink specials. Each of these can be a successful way to increase your sales but it is important to keep an eye on the [ratio of liquor sales to food sales](#). There is a tipping point, beyond which your restaurant begins to look more like a bar to the insurance company and this can drive up the price of your liquor liability insurance or worse yet, can cause you to fall out of a preferred restaurant program, into one for higher risk establishments at a significant increase in premiums. That may be ok if you gain enough revenue to overcome the additional insurance costs, but you shouldn't go into a promotion flying blind on the insurance impact.

Another revenue enhancer that we see establishments trying is adding delivery services for their customers. There are auto insurance and some workers compensation implications here that should be considered before you make these changes to your restaurant. These include impacts on your protection and coverage as well as on your rates.

We also see restaurants staying open a bit later and essentially turning their establishment into a bar after they stop serving food. Often they add a dance floor and DJ or have other live

entertainment. These changes will all have large impacts on your restaurant insurance program and it is best if you bring in your agent for consultation and advice on the front end of these decisions. If you move forward without notifying your agent, you will lose the opportunity to factor in these changes in your overall return on investment for this plan, and you may find yourself in a position where you could even have trouble obtaining insurance protection at any price.

Restaurant insurance is a unique and tricky kind of policy and there is no doubt that you need a [restaurant insurance specialist](#) helping you with your insurance program. If you have the right agent and can form a partnership with your agent in helping you plan for the insurance impact of any major changes or promotions that you plan to implement, you will have a better big picture view on the true costs of your promotion or changes.

At [Clinard Insurance Group](#), located in Winston Salem, NC, we specialize in restaurants and we understand them. I have owned 4 restaurants in my lifetime so I know what restaurant owners struggle with day to day. I also know that not every restaurant has the same insurance needs so I developed 5 specialized insurance programs for the 5 broad categories of restaurants. I have a specialized program for [catering companies](#), a [bar and grill and tavern insurance program](#), a [fast food restaurant insurance program](#), a [fine dining restaurant insurance program](#) and a [casual dining restaurant insurance program](#).

. If you need help with your restaurant insurance, please feel free to call me, at 877-687-7557 or visit my web page online at www.TheRestaurantInsuranceStore.com.