

You've Got This!

What You Need to Know to Profit from
Consumer's Insatiable Appetite for Chicken



Chicken on the menu is money in the bank

Here's what you need to know about it

Anyone the least bit knowledgeable about the foodservice business understands that managing profitability can be a constant struggle. It's no surprise the top three highest margin restaurant segments (besides bar/pubs) are diners, food trucks and delivery-only. They all serve popular food at reasonable prices while keeping overhead low. Quick-service restaurants (QSRs) cracked the top ten for a slightly different reason. A high degree of systemization and portion control make QSRs more efficient than most at selling inexpensive food in high volume. Convenience stores are also realizing these margins in their own hot food programs. Today's c-store guests are buying more than gas – they're stopping by for breakfast, a quick lunch, or an easy dinner.

Serving chicken can help ensure that your c-store's hot food program is successful. Chicken has traditionally been the lowest priced and most widely consumed animal protein on the planet. You can get it anywhere, any time and just about any way. We explored the popularity of chicken in an earlier article, but it can be summed up in three words: Chicken Sandwich Wars. And that's just the sandwich.

You can drive down the street and get chicken for dinner by the bucket, by the basket, or straight out of a combi oven or rotisserie. You can get it on your salad or in your pasta. You can even get it for breakfast with your waffles. Menu-wise, chicken is not only popular – it's extremely versatile. You might even say fundamental.



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Five profitable points about chicken

In fact, you won't have to drive very far down that street to find a place that does **only** chicken. Some only do a certain kind – wings, chicken fingers (tenders), or rotisserie birds.

1 Chicken and Profitability:

Each part of the chicken is its own popular menu item.

- Whole roasted in a rotisserie or combi oven, served in quarters or halves
- 8-part bone-in deep fried, pressure fried
- Boneless breast and thighs, fried, grilled or barbecued
- Tenders/strips/fingers (from breast or tenderloin) deep-fried
- Wings deep-fried or baked
- Nuggets (tenderloin + various, frozen and prebreaded) deep-fried



2 The profitability of chicken is that it's easy to dress up or down and cover a wide range of price points. Chicken nuggets, the go-to snack for an entire generation, go for about \$.60 apiece. Fortunately, they only cost a dime to make. On the other end of the scale, you can hand build a huge, freshly breaded chicken breast sandwich on an artisanal bun with bacon and anything else you can think of for about two bucks and sell it for \$8.99. That's still cheaper than a loaded pub burger. You can even upgrade the upgrade by sliding that chicken breast into a fancy wrap and charging a dollar more. No matter what you're serving, you can shred any leftover chicken up the next day and use it for your other LTOs: inside chicken tacos or as a salad topper, for example.

3 Price. As far as proteins go, chicken is generally less expensive than pork, beef and fish, both at the wholesale level and certainly on most menus. This has a lot to do with its popularity, and popularity begets competition, innovation and efficiency. The poultry supply chain is well organized. There are 30 federally inspected, vertically integrated poultry production companies in the U.S. These companies work with about 25,000 family farms where 95 percent of all broiler chickens are raised, sixteen percent of which are exported around the world. Basically, you can get fresh chicken anywhere, any time.

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Where are the wings?

Recently, it's become harder (and more expensive!) to obtain chicken wings as supply struggles to keep up with demand. But for every pair of wings, there is a pair of chicken thighs selling for roughly half the price per pound and more than twice the meat per serving. Like wings, thighs can be served bone-in or boneless, breaded and deep-fried, baked or grilled. Plus, you can sell them at a much higher profit margin.

4 Chicken is convenient as well as efficient. The wide range of menu choices and pricing for chicken makes it easy to add as a menu item. Suppliers like the Webstaurant Store make it even easier by listing 78 different popular bulk frozen wholesale chicken products you can order online. Competition among foodservice equipment manufacturers, distributors and dealers have made chicken programs very efficient for the operator. The science of combi ovens allows even the smallest kitchens to run a profitable hot food program. Sizing the right equipment to your chicken items and volume will squeeze even more production costs out of your system.

5 Chicken is robust. As with all meats and fish, basic food safety precautions must be observed when handling raw chicken. But it is by no means delicate. You can buy it chopped already in parts or do it yourself, toss them around in a tubful of breading and drop it all in a fryer. You can buy frozen or refrigerated that can go straight into a combi oven. You can make use of practically the entire chicken by weight. Fried chicken also holds better and longer than other proteins, so you end up throwing less of it away. Adding a holding cabinet to your kitchen can also significantly extend hold times and further reduce food waste.



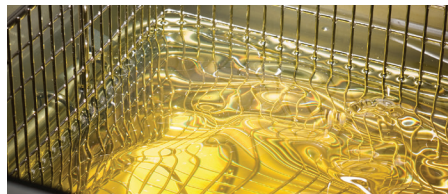
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Margins and operating costs

Operators typically target what's called *prime cost*, the cost of food and labor as a percentage of the menu price. There are rules of thumb that say food cost should be 34 percent of the menu price and that the national average prime cost is 65 percent. foodservice expert David Scott Peters coaches operators to aim lower. But he also says it doesn't matter if you run higher food costs with lower labor costs or higher labor with lower food cost as long they don't add up to more than 55 percent. This piece of advice fits well with the flexibility and versatility of chicken. Of course, there is a little more to it.

As a provider of equipment solutions, we think more in terms of cost of *operation*. This would include not only labor, but energy, utilities, floor space, maintenance and consumables such as oil. When you are able to reduce any of these costs, your net profit margin increases. With that in mind, there are three equipment "avenues" for chicken that will lead to lower operating costs and greater profitability:



Extended Holding Times

Controlling humidity is also the key factor when determining how long you can effectively *hold* food. That's why certain things like fish and rice are notoriously hard to hold. Chicken holds well, as we mentioned. But holding cabinets that can add, maintain, or reduce humidity let you hold chicken and other items for many times longer than those that do not.

Here's what long holding times can mean:

- Less waste: maintain the look, taste and texture of fried or grilled chicken for hours
- Cook in volume ahead of time, serve more orders more quickly during peak times
- Build and preserve your reputation for consistent quality and quick service
- Improve work flow and reduce handling/reheating

Oil-Saving Fryers

Many popular frying oils can cost as much per pound as whole chicken! Extending oil life has been the focus of fryer design and development for a number of years. In fact, pressure frying is popular in part because the lower cooking temperatures generated in a pressure fryer helps oil last longer. Low-oil-volume fryers are able to cook the same load in less oil because they filter more often and the oil level is topped off automatically. Today's fryers are also exceptionally energy and space efficient. And with automatic filtration and bulk oil disposal, frying has never been easier or less labor intensive. Fryers with auto-lift baskets are especially useful for c-stores because employees don't have to watch for the food to finish frying – it's automatically lifted out of the vat.

Combi Ovens

The New-and-Improved Rotisserie?

The same can be said of combi ovens, which are becoming more popular in the U.S. partly because they can roast whole rotisserie-style chicken in large batches quickly and consistently, all day long, at the touch of a button. With various attachments, you can roast a lot of different things in a rotisserie. But combi ovens are as versatile as the chicken on your menu. Not only can you roast – you can air fry, bake, smoke, steam, grill, and much more! With a combi oven, you can prepare whole birds and grill juicy chicken breasts and bake tray after tray of barbecue wings all from the same piece of equipment.

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How it all works

We've talked about the *advantages* of putting chicken on the menu. Let's see what that might look like in terms of equipment and operations.

Case Study

Kwik Trip Rolls Out Fresh Fried Chicken Program

Discover how this fast-growing c-store chain launched a highly successful fried chicken program at over 770 locations. [Read the case study here.](#)



C-Stores

A chicken "program" can be as simple as repurposing one corner of a convenience store to serve fresh breaded fried chicken with a fryer, hand breader, dump table and display counter warmer. Alternatively, a combi oven with built-in ventilation can go anywhere in the store. To double the throughput, add a holding cabinet. Now you can pack and serve orders from the holding cabinet while the next load is cooking.

Must-have for family dining

Adding chicken favorites to an established menu can be a huge hit and a big money maker. Cracker Barrel Country Kitchen recently added an extremely popular fried chicken dinner to its main menu for the first time, adding two key pieces of Henny Penny equipment to its kitchen plan – the Velocity 8-head pressure fryer and the SmartHold humidified holding cabinet – along with a fresh-breading station and employee training. This program was rolled out across more than 650 stores and was the primary driver behind a 3.1% increase in average check.⁴

High Volume QSRS

Chains like Chick-fil-A, KFC and Zaxby's do essentially the same thing at much higher volume, using 8-head fryers and full-size holding cabinets. They also have more of a menu, which means multi-well open fryers for French fries, and prebreaded items like onion rings and nuggets. Almost every major "hamburger" QSR offers a fried chicken sandwich and tenders or nuggets. At last count, Wendy's had 14 different chicken sandwiches on its menu.

Breading & Seasoning

Signature Flavor

You cannot overlook the importance of signature breadings and sauces. Cracker Barrel reportedly spent years developing and testing its fresh breading before pulling the trigger on the fried chicken program. Sixty years on, KFC still manages to effectively advertise its products by touting a secret recipe of 11 herbs and spices. It doesn't have to be rocket science. You can find existing bulk-product breadings, seasonings and marinades for just about any taste. What's important to remember is that

Supermarkets

Fried + Rotisserie

Much like c-stores, supermarket delis have great success with both fried and rotisserie-style chicken programs. Whole birds are cooked in rotisseries or combi ovens and sold whole and as 8-piece packs in grab-n-go cases and heated merchandisers. Delis typically benefit from processing whole birds on site. Not only are they cheaper, but the ability to sell variable portions or leftovers as soups, salads and sides means nothing is wasted.

[breeding and seasonings are what give chicken its flavor, and how you bread chicken](#) has a lot to do with its texture. You can even enlist the help of your local Henny Penny distributor to find the perfect flavor profile for your menu – we offer an extensive collection of [proprietary breadings and seasonings](#).

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The ROI Chicken Kitchen

In the equipment business, we hear a lot about return on investment (ROI). We've been known to say a lot about it. There are plenty of ways to calculate ROI. But there are also lots of moving parts. Whether we're talking about one piece of equipment or an entire kitchen, it helps to approach ROI in more general terms. Your biggest concerns are kitchen space, equipment utilization and operating costs. The three are closely linked. No matter how much room you have, everything in there is costing you money. Make sure it's not being wasted.

Kitchen space will always be tight

- **Equipment must be space efficient, generally the narrower the better.** Keep required clearances in mind. Pressure fryers with rectangular fry pots can be narrower than round pots. Combi ovens that do not use boilers *are* narrower, but they produce less steam. Combi ovens with built-in ventilation hoods can be placed literally anywhere in the store.
- **When it comes to open fryers, consider your anticipated throughput.** If all you need are two fry baskets, the single-well Henny Penny Evolution Elite open fryer model is less than 19 inches wide. Or for large batch items, you might save space by swapping out two smaller open fryers for one high volume Henny Penny Velocity unit. Velocity Series open fryers can cook up to 8-head of chicken at once and are less than two feet wide.
- **Combi ovens can require a significant investment, but they can grill, roast, steam, boil and bake from the same bit of floor space.** It's a lot less expensive than purchasing an individual smoker, grill, rotisserie, steamer, and convection oven for one kitchen. Replacing unneeded equipment and freeing up floor space is a big part of a combi oven's ROI. The rest comes from fast, even, consistent cooking with less shrinkage and waste. You get bigger portions and better portion control.



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- **It's important to think in three dimensions.** If you don't need a full-size holding cabinet, look for one that fits on or below a counter. Stacking two smaller combi ovens gives you extra versatility and capacity when you need it, not when you don't. Henny Penny Team combi ovens are actually built that way, with separate cabinets and a single control center. The compact Space\$aver also comes as a Team unit, giving you twice the oven capacity from less than 22 inches of width.
- **Hood space is expensive. Plan accordingly.** If you're considering a combi oven and you're running short of space, consider the Space\$aver Team combi oven. It is narrow to begin with, has two separate cooking cabinets and you can get it with a self-filtering integrated hood. Problem solved.



Equipment that saves you money while it's making you money is worth the price

- **Newer equipment tends to be more energy efficient.** But cheaper equipment may not be as well insulated. Look for the ENERGY STAR mark. Not every kitchen equipment category is rated, so examine manufacturer specs closely for energy-efficient features and claims.
- **Batch cooking – cooking ahead of time in large batches and serving on demand –** is a good utilization strategy that not only gains efficiencies with volume but also balances high-energy cooking with low energy holding.
- **Lowering the oil temperature when fryers are idle saves energy and helps your oil last longer.** Look for fryers with energy management features that do this automatically.
- **Oil-saving fryers with automatic top-off and express filtering can double the life of frying oil.** Add in good frying practices and you're looking at well over [\\$1000 in oil savings per vat, per year!](#)
- Features like LED lighting and heat exchangers in combi ovens **help moderate ambient conditions and lower overall energy use.**

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Automation helps reduce mistakes, waste and labor costs. So does a safe, well-planned kitchen with equipment that is simple to use

- **Advanced equipment can give you precise and consistent performance as long as everyone knows how to use it.** We say the simpler the better for a busy kitchen c-store crew, where new workers are showing up all the time and multiple tasks are being managed at once. Touch-screen controls with a graphic interface require minimal training to operate. Look for built-in safety features and ergonomic design for repetitive tasks.
- Equipment that is easy to clean and maintain **reduces unproductive labor hours.**
- **Work flow is important.** Prep and refrigerated storage areas on the perimeter should flow toward more active cooking, holding and staging. Holding cabinets with flip door panels allow frequent access in tight spaces. Holding can also be distributed between large quantities in out-of-the-way cabinets and modular drawer-pan units near staging for quicker service and reduced congestion.
- **Food safety is really important.** In general, cooking and holding should be adjacent and ideally centrally located. Raw chicken prep areas should be separated from cooked food prep, such as salads, sandwiches and sides. Hand sinks should always be handy.



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Life is better with the right partner

People love chicken. And there's a ton of chicken places out there. That's good news, if you're contemplating a start-up or looking to add chicken to the menu. There are so many ways to make chicken and just as many ways to make money at it. Not to put too fine a point on it, but if you aren't doing chicken, you probably should be.

If you do have chicken on the menu, it's a good time to freshen up the choices and evaluate your system. Do you have the right equipment? Are your operating costs too high, your ROI too low? Are you getting the service and support you deserve? Are you by any chance looking for a partner that's been helping the world's largest chains serve chicken for over 60 years?

Henny Penny is that partner. We *are* the chicken experts. Just ask successful c-store chains like 7-Eleven, Buc-ees, Circle K, or global QSR brands like KFC, McDonald's, Inspire Brands... [and more here](#). We have the equipment, accessories, breadings and seasonings – basically everything you need except the birds. We also have what no one else in the industry can offer: a global network of local distributors dedicated to the Henny Penny brand and to supporting your efforts, day in and day out with all the parts and service you'll ever need.

[Look for more](#) from **You've Got This!** It's our way of drawing a big circle around all the ways that chicken continues to grow in popularity, how to make money at it, and why chicken will continue to flourish in a time of rapid change.

— *Your friends at Henny Penny*

For more information about Henny Penny products and service, please visit hennypenny.com or call 800 417 8417.

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Sources

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² <https://www.nationalchickencouncil.org/statistic/broiler-industry-key-facts/>

³ https://www.fsrmagazine.com/expert-takes/two-food-cost-myths-hamstringing-your-restaurants-recovery?utm_source=Operations%20Insights&utm_medium=email&utm_campaign=20210322

⁴ <https://www.fsrmagazine.com/chain-restaurants/cracker-barrel-has-high-hopes-fried-chicken>

