IN CONVERSATION WITH ...  
... DR THOMAS KYRITSIOS

Dr Thomas Kyritsis is the Programme Director of BBA Culinary Industry Management and MSc Culinary Innovation Management at Le Cordon Bleu. He has received a first class BA (Hons.) in International Hotel Management and a MA in Hospitality Management with distinction from the University of West London before pursuing a Ph.D. on the impact of shareholder activism on the corporate boards of international hotel chains.

Prior to his academic career, Thomas held a number of managerial positions in the hospitality industry in Greece and in the UK, in companies such as Hilton Worldwide, Doyle Collection, CCTvenues and Dorsett International.

Keeping Faith in Hospitality
Talent, Trends, and Entrepreneurship

As the world economies start to emerge from a year of lockdowns, some more quickly than others, the attention of hospitality business leaders has markedly shifted towards successfully preparing and managing reopenings. Many will now look to quickly rehire or attract new staff to their organisation. These businesses will be in competition with others, newly emerging start-ups and concepts which are looking to fill the gap left behind by distressed operators and to take advantage of extremely low occupancy rates on the local highstreets.

Putting the pessimists aside, one can therefore reasonably expect employment opportunities and prospects to significantly improve over the next few months and years. A welcomed message. With this in mind, I sought to exchange some views with someone who has his finger on the pulse at the ‘source’ for some of the talent in our industry here in the UK. Connecting with Dr Thomas Kyritsis, I was keen to understand whether the pandemic has diminished at all the appetite for individuals to join our sector in the first place. Thomas is Senior Lecturer at Le Cordon Bleu and Director for the Master and Bachelor programmes which the organisation runs together with Birkbeck College, University of London. Our conversation started on the impact of Brexit on education and the UK hospitality industry but quickly moved to other topics. Are industry executives still ‘taking the plunge’ to pursue their own entrepreneurial endeavours? If so, what trends or shifts in consumer behaviour should individuals keep in mind that might shape the industry ...?
Since 2016, the UK hospitality industry has feared an exodus of talent due to the regulatory consequences of the BREXIT referendum. With the pandemic having shut many operations, industry veterans now worry about a further outflow of talent, causing a significant tightening of an already difficult recruitment market. Have you observed a drop in demand from individuals wanting to enter the sector?

TK: Last year, the industry has certainly faced significant difficulties. Yet, this has not deterred students nor experienced industry executives to invest into training and education, and we have not observed a ‘flight of talent’ from hospitality either. On the contrary, we experienced a year-on-year increase in demand for the higher education programmes offered by Le Cordon Bleu and Birkbeck. This demand has been driven by both international, non-EU students and the domestic market.

However, speaking with colleagues from other universities indicates – at least anecdotally – that Brexit has impacted their recruitment efforts from the EU. The Universities and Colleges Admissions Service (UCAS) puts things into perspective by reporting an overall decline of 40% in the number of EU applications for the upcoming intake (September 2021). Yet, this is contrasted by an uptick of 17% of non-EU applications. It seems these ‘global’ source markets might help to ‘soften any potential blows’. The UK’s new ‘Graduate Route’ (to be introduced in July of this year) will allow international students who meet certain set criteria to work for a maximum period of two years here in the UK – I expect this to further bolster demand.

From our perspective, and looking back at the last couple of years, it is noteworthy to mention, though, that we have seen a shift in and a diversification of the student profiles for our professional cookery courses. For example, we have noticed a marked uptick of interest from ‘career changers’. Now we have, besides the young career starters, numerous TV hosts, chemical engineers, doctors, and computer science engineers in the classroom and even a professional snooker player and international gold medal champion as well as an ex-Microsoft executive. I suspect this bodes well for the future hospitality talent pool.

Yet, it would be foolish to ignore the fact that – by and large – the industry as a whole still has an image problem here in the UK. Until this is fixed, and we become a more attractive employer of choice, scarcity of talent will remain an issue. Unfortunately, all too often the conversation from the press and hospitality scholars is centred around pay or working hours. However, despite the fact that we have a long way to go, there are operators that have taken steps to improve the industry’s image by focusing on the overall employee experience and staff/skills development. One way to tackle the ‘image problem’ is by highlighting that a career in hospitality can be very diverse and lead to different professional paths – some of our students become journalists, food critics or food photographers, others stay in ‘operations’ or become nutritionists, TV and radio presenters, wine agents or retailers! And some really leverage their hands-on know-how and experience, as well as the business skills learned to become entrepreneurs.

You reference the opportunities the sector provides for individuals to pursue entrepreneurial endeavours. From your conversation with the industry and students, are people still taking the risk of “setting up shop”?

TK: Le Cordon Bleu has always been known for having helped shape the careers of some of the best chefs, food enthusiasts, and hospitality professionals around the world – this has certainly not changed. Just a few months ago, we launched a new book ‘A Culinary Journey’; gathering 70 recipes from our alumni around the world. It very much showcases our students’ rich career paths and diverse experiences where talent and savoir-faire find success. Flipping through this book one is reminded that, in the last decades or so, we have observed more and more chefs developing their own brands, setting up their own businesses, and moving from restaurants into retail. This is part of the reason why
our curriculum focuses strongly on nurturing critical thinking, business skills, and concept development. Market research and ‘sniffing out’ the latest trends is part of the journey to potentially, or eventually, become an entrepreneur.

Notable examples of Le Cordon Bleu alumni who set up successful businesses include Virgilio Martínez, chef patron and founder of Central (Lima, Peru) and Lima (London, UK) restaurants; Gary Yin, chef and owner of King’s Joy (Beijing, China), a three Michelin star vegetarian restaurant; as well as Nina de Bouyalski, chef and founder of Esperluette (Bali), pastry and coffee shop. Other alumni who have pursued different paths include Michael Swamy, chef, author and food stylist; Luisa Fernanda Gallego, co-founder of the international creative pastry and bakery salon of Colombia, and Luciana Berry, winner of Brazil’s Top Chef (2020) who is a private caterer and consultant.

Based on the feedback we are getting from our current student body, I suspect this entrepreneurial route has now become an even stronger motivating factor for them to pursue a career in hospitality. And rightly so – post Covid, the sector provides plenty of opportunities to ‘leave a mark’. Consumers are hungry (quite literally), to dine-out, to socialise in bars, restaurants, and other hospitality venues, and to experience a more elaborate taste palette than perhaps the traditional homecooked meals they have had for the past 12-months. At the same time, third party delivery companies and dark kitchens have thrown for many restaurant players a lifeline during the pandemic – they have shown the value they can bring to the table and how they can, to a certain extent, de-risk start-ups but also support established restaurants to diversify their target market and revenue streams. Perhaps this could be the start for a more successful collaboration (admittedly, though, pricing and commissions still remain hotly debated topics...). Either way, our students recognise the potential.

Delivery platforms are not foes of the industry and dark kitchens can be an excellent way to try out new concepts before formally committing to paying rent in a fixed location. With remote and flexible working likely to stay, in some shape or form, the delivery market is bound to go from strength-to-strength – no wonder then that Euromonitor estimates the ghost kitchen market to potentially be worth US $1 trillion by 2030...! We’d like to think that our future graduates at Le Cordon Bleu and Birkbeck, University of London will be driving some of that value creation with their own entrepreneurial adventures.

“...The pandemic has had people craving comfort food. Simultaneously, though, we observed a strengthening of the trends towards wellbeing and improved nutrition. Where do you see opportunities for food entrepreneurs?

TK: Covid-19 has certainly affected consumers’ tastes, preferences, attitudes, and behaviours as it relates to food and drink – time will tell how long-lasting those impacts are. Pre-pandemic, experts already talked about the fact that ‘free-from’ products, although targeting niche markets, have become mainstream. I thus suspect that, if they have not already, health and wellbeing will become much more of a priority for consumers in the foreseeable future. Many have had the time throughout the past 12-months to consciously evaluate their lifestyle choices – and decided to make marked changes to the way they live... For example, according to the Independent, although alcohol consumption from 1990 to 2017 has increased globally, in Europe and more specifically in the UK alcohol consumption has dropped. Having gotten used to supporting neighbourhood shops and restaurants, I also believe quite a few consumers will seek to continue supporting local communities, thus giving rise to more individualistic restaurant concepts, homegrown produce, and the like. Community-led food projects, such as Eataly or Mercato Metropolitano are a good example of that.

However, for every movement there is a countermovement. I do not doubt for a second that grab-and-go, fast-casual, and fast-food concepts will continue to thrive. Consumers are continuing, perhaps increasingly so, to look for value for money as well as convenience. The demand is therefore there – and let’s not forget that fast food and fast
casual operations also have lower overheads and a higher turnover of covers, thus creating attractive margins in challenging economic times. This is why we have read in the past few months of so many fast casual and grab-and-go concepts making big announcements about their ambitious growth plans here in the UK (e.g., Wendy’s, Popeyes, Jollibee).

Looking more holistically at the industry, what are the trends that today’s aspiring food entrepreneurs should bear in mind? Are there major shifts in the business landscape or consumer behaviour?

TK: Broadly speaking, a few things spring to mind – mainly, the continued drive towards informality, the growing importance of sustainability and digitalising the customer journey and experience, as well as a further diversification of business models centred around membership models or home delivery.

- **Informality:** In the past, we have already seen a notably shift towards ‘informality’. A formal service and atmosphere are no longer attractive to many consumers – or just for very select occasions. Instead, customers opt for dining experiences that offer a relaxed service in an inviting environment – this has already caused a redesign of the service experience and the customer journey. At the high-end, it has become a lot about pairing things back, about simplicity – less is definitely more, and there is an even stronger focus on quality. However, we have also observed a notably shift towards greater engagement between staff, guests, and the food. People show a genuine interest in the menu. Provenance has thus become quite important. Going forward, I believe more fine dining operators will try ‘breaking the mould’ by focusing on ‘informality’ and ‘accessibility’ – similar to what Daniel Boulud offered in September of 2020 with his casual pop-up dining experience at his flagship restaurant ‘Daniel’ in New York.

- **Sustainability:** Of course, there is also the topic of sustainability – it has grown in importance over the past few years. Consumers are aware of the impact the industry causes to the environment, and their choices are more and more influenced by the extent that restaurants adopt sustainable and ethical practices. This is not just a fad – the Sustainable Restaurant Association was launched in 2010 with just 50 members, nowadays it has more than 7,000! Articles about some of the UK’s best sustainable restaurants are also frequently featured in online foodie and travel resources such as the Olive magazine, Foodism and Country & Town House, to name a few. Going forward, I believe there will have to be a lot more transparency about where restaurants are getting their food from, how they engage with or support the local producers, and how aspects such as food wastage are handled.

- **Digital Experience:** I mentioned earlier the changes in the fine-dining segment. As it relates to fast food, fast casual, casual, and grab-and-go concepts, I believe we have to talk about the impact of technology. Here, the customer experience has definitely become more digital – and I suspect this to continue. It does not only impact the way we pay and order but also the way brands engage with their customers. Managing these digital relationships will not be easy as younger generations, such as Millennials and Generation Z, are savvy and know what they want. Operators will need to look at technology as a consumer-experience facilitator to compete successfully in the market. Mobile ordering and contactless payments are standard practices; so, what comes next? Several companies explore innovations that will allow them to transform digitally. For example, Chilango recently opened its first digital-only venue in Croydon, including a fully digital ordering system (digital kiosks or in advance through its website). McDonald’s has tested AI which scan license plates (with customers’ permission) to predict orders and it has also tested the idea of voice assistants to improve its drive-thru experience.

- **Membership Models:** I believe the pandemic has also taught some of us a good lesson. Many restaurants have, out of necessity, toyed with
the concept of membership or subscription services – the idea seems to have legs. In the UK, for example, M Restaurants offers its members exclusive access to their lounges and benefits such as complimentary breakfast, discounts on food and beverage and access to events (masterclasses, tastings and talks). In the US, Michelin-starred restaurant Quince in San Francisco has created a new membership based-model with its sister restaurants and its affiliate farm (Quince & Co). This model offers to its members a dining credit, quarterly boxes with seasonal produce and pantry products, and educational workshops such as beekeeping and olive oil pressing.

- **Home Delivery/Meal Kits:** The online delivery market was increasing at a significant rate before Covid-19. During the pandemic it has become even bigger and very important for hospitality operators. The main aggregators, Just Eat, Deliveroo and Uber Eats, drive the market; however, the pandemic led to the growth of another segment – DIY meal kits. Changing consumer behaviour resulted in high demand for companies such as Hello Fresh and Gousto. According to the Financial Times, from July to September 2020, Hello Fresh reported sales of EUR €970million compared to the same period the year before... These meal kits have given the opportunity to many hospitality operators to diversify their revenue stream during the pandemic. Casual food from brands such as Pizza Pilgrims and Patty Bun, as well as fine-dining from the likes of Le Gavroche, Simon Rogan, and Lyle’s have both been embraced by consumers. Although many believe that the re-opening of the sector will slow down the DIY meal kit market, I believe that more operators will explore this avenue.

### About the Author

Thomas Mielke is Co-Founder and Managing Director of AETHOS Consulting Group – an established human capital advisory and executive search firm focused on hospitality, travel and real estate. He is a fully certified executive search consultant by the AESC, and has grown leadership teams on behalf of operators, private equity investors, institutional funds and family offices across Europe, Middle East and Africa.

Acting as a trusted advisor, Thomas equally supports organisations in identifying and developing values and best practices that define and foster a corporate culture and consults his clients on talent management programs. He holds a BSc in International Hospitality Management from Ecole Hôtelière de Lausanne, has authored a broad variety of articles on leadership, recruitment and talent management, and has participated in and chaired numerous industry panel discussions. Thomas can be contacted on tmielke@aethoscg.com