

Michael Aronovici: The Shift He Is Telling Restaurant Clients to Get Ahead Of

Michael Aronovici says restaurant and investment groups should fix margin and diversify revenue before they commit to another round of growth.

Montreal, Quebec Oct 9, 2026 ([IssueWire.com](https://www.issuewire.com)) - Michael Aronovici has spent the past decade advising restaurant and investment groups on expansion strategy, financing, menu repositioning, margin improvement, entry into packaged goods, supply chain optimization, market assessments, and marketing effectiveness. He is President and sole owner of Interaction Restaurants Group, a consulting, management, and holding company.

Lately, he says the calls he gets have changed shape.

"A few years ago, almost every conversation started with growth. Where should we open next. How fast can we scale," Aronovici says. "Now the first question is usually about margin. That's the shift I'm telling clients to pay attention to, because it changes what work needs to happen first."

Margin Before Growth

Aronovici's view is not that growth is wrong. It is that growth plans built on thin margins eventually catch up with a brand.

"I've built and sold businesses by growing them, so I'm not against expansion," he says. "But opening more locations on a margin structure that's already strained just multiplies the problem. The groups doing well right now fixed their unit economics first and then grew."

He points to menu repositioning as one of the more direct levers available to operators. Pricing, portioning, and ingredient choices can be adjusted without a full rebrand, and the effect on margin shows up quickly.

Packaged Goods as a Second Line

One area Aronovici has advised clients on is entry into packaged goods, extending a restaurant brand into retail products sold outside the four walls of a location.

"It's not a fit for every concept, but where it works, it gives a brand a second revenue line that isn't tied to table turns or foot traffic," he says. "For groups worried about how dependent they are on one format, that matters."

He is careful to frame this as one option among several, not a universal answer. The decision depends on the brand, the category, and whether the operational capacity exists to support it.

What Changes When Supply Chains Get a Second Look

Supply chain optimization is another part of Aronovici's advisory work, and he says it often gets less attention than it should.

"Supply chain work doesn't get the same excitement as a new location or a new product line, but it's

where a lot of margin actually lives," he says. "Groups that go back and really look at their supply chain, not just once but on an ongoing basis, tend to find room that a menu change alone won't give them."

He describes this as a discipline rather than a project with a start and an end date. The groups that treat it that way, he says, are the ones who keep finding savings instead of finding them once and moving on.

The Message to Investment Groups

Much of Aronovici's advisory work involves investment groups evaluating restaurant assets, which brings market assessments into the conversation alongside operational questions.

"Investors looking at a restaurant business need to separate a brand's growth story from its margin story," Aronovici says. "Those are two different conversations, and conflating them is how deals get priced wrong in either direction."

He says marketing effectiveness is part of the same review. A brand can be spending well against a growth goal and poorly against a margin goal, and the two require different measures of success.

"My advice to clients right now is simple," Aronovici says. "Do the margin and diversification work before you commit to the next round of growth, not after. It's a lot harder to fix unit economics once you've scaled a problem across fifty locations than before you've scaled it at all."

To read more, visit the website [here](#).

About Michael Aronovici

Michael Aronovici is President and sole owner of Interaction Restaurants Group, a consulting, management, and holding company based in Montreal, Quebec, Canada. Over more than 30 years, he has built and sold restaurant brands including Pizza Hut Quebec, the Cultures restaurant chain, Salisbury House, and Starbucks Coffee in Eastern Canada, and introduced P.F. Chang's to the Canadian market. He holds a Bachelor of Commerce (Great Distinction) from McGill University and is a CPA with a specialization in M&A. He has served on the boards of the Canadian Restaurant and Foodservices Association, the National Restaurant Association, Prime Restaurants Inc., and Meditrust Pharmacies.

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