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# Establishment of a Vietnamese Restaurant in Rauma, Finland - A Business Idea

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**Laurea University of Applied Sciences**  
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## **Establishment of a Vietnamese Restaurant in Rauma, Finland - A Business Idea**

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The market for the ethnic food service industry in Finland, including the port city Rauma, is constantly growing, as a result of the increase in the ethnic population, influences of multiculturalism, and changes in lifestyles and dining habits. Having recognized those practices, a Vietnamese restaurant establishment, may be a good addition to the slow but growing food culture in Rauma. The purpose of this thesis is to provide an overview of important considerations before establishing a restaurant in general and to examine the feasibility of running a Vietnamese restaurant in Rauma. The aim of the author is to visualize this business idea through this thesis work.

The information and knowledge used in the thesis were gathered from books, the Internet and practical market research. The thesis started with theoretical framework, including a seven-step process to start a restaurant business in general, information about Vietnamese food culture, as well as basic information about Rauma city and its market for the ethnic restaurant industry. Another important part of this thesis is the empirical study which comprised both quantitative and qualitative market research towards the business idea. As a part of the quantitative research, a survey questionnaire was created and distributed to people living in Rauma in order to discover prospective customers' behaviors, demands and expectations towards the future Vietnamese restaurant. As a part of qualitative research, the researcher visited four ethnic restaurants which could be considered as competitors in the neighborhood and examined their menus, pricing structures, services and other additional factors to have a comparable basis for the proposed restaurant.

Analysis of the research results mainly revealed that Finnish people, in fact, do have perception, interest and positive attitudes towards Vietnamese food and its future establishment, even though some of them have never been in an ethnic restaurant. This indicates that the business idea of opening a Vietnamese restaurant in Rauma is feasible. In addition, the thesis could act as supportive materials and may be useful for people who are interested in doing business and would like to further study a similar matter.

Key words     business idea, ethnic restaurant, Vietnamese cuisines, Rauma market

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## 1 Introduction

Vietnamese cultural identities have evolved over thousands of years. Through many years of development, the unique Vietnamese food culture has become internationally known and left an impression on a large number of foreign visitors. Famous Vietnamese dishes have gradually strengthened their position and appeal in the world cuisines.

Dining is one of the imperative needs of our everyday life. Hectic pace of life urges people to work longer hours nowadays, along with the growth in number of Finnish households earning two incomes, parents have less time to prepare meals at home. Instead of spending the remaining energy after work to cook for a big group being aware that there will be plates to wash after all, many people have chosen to go to the restaurant with their family, friends or clients... to enjoy specialties and culinary delights which they might find difficult or not enough space to do it at home. Thus, the demand in dining conveniences emerged. (Fields 2007, v)

Constant changes in lifestyle partially affect Finnish food culture. Everyday life is less physically strenuous than before. Instead of creamy milk, many people go for lighter alternatives and monitor their fat intake. Microwave, pre-prepared food and eating out have become common, and time previously allotted for cooking is now utilized for other activities (Eat Finland 2015).

Young people today tend to favor fast food from stores such as Mc Donald's, Burger King, Deniss Kebab & Pizza, etc. These are foods containing high saturated fat which are not good for our health, prone to cause obesity and has carcinogenic. So in the long-term, traditional healthy food will be preferred and have a strong foothold in the market. Therefore, the food service industry has still been developing progressively with the variety of quantity and quality. The market for restaurant sector is increasingly attractive and attracts more investors as well.

Deriving from practical factors mentioned above, the essential need for delicious, healthy and nice looking food in Finland is recognized and Vietnamese cuisine is the one of the most satisfactory all-in-one options so far. Such demand is not only confined in big crowded cities like Helsinki or Tampere, but has also arisen in the ancient port city—Rauma, where its people are increasingly trying to mingle themselves with the country's food trends but always have to go to the nearest big city Turku. For this reason, together with the desire to partially help preserve and promote the value of Oriental cuisine in the industrialization and modernization era, I decided to work on the project: "Vietnamese Restaurant Establishment in Rauma, Finland - A Business Idea".

The purpose of this project is to reveal to the audiences the feasibility to start an ethnic restaurant business in Rauma via comprehensive theoretical background and empirical market

studies, as well as new perspectives about Rauma residents' preferences in term of restaurant choices.

## 2 Restaurant business—step by step

In the service industry with diversified forms and types of mysteries and pageantries, running a restaurant is not merely about trying to sell as much food as possible. It consists of a large number of different tasks that have to be completed before the operation can eventually be launched. One of the first crucial work is to be thoroughly prepared with knowledge of restaurant business. This part provides some theoretical background of establishing a new restaurant from scratch. Whether the new operation is a traditional dining restaurant, New York-style pizza brand, Chinese buffet or a small coffee shop, the following sections should be studied: concept, target market, location, menu, staffing, market, and financing. Figure 1 suggests the relationship between the restaurant and the market. The concept and market are central and supported by the surrounding hubs which the restaurant should develop. (Walker 2011, 69)

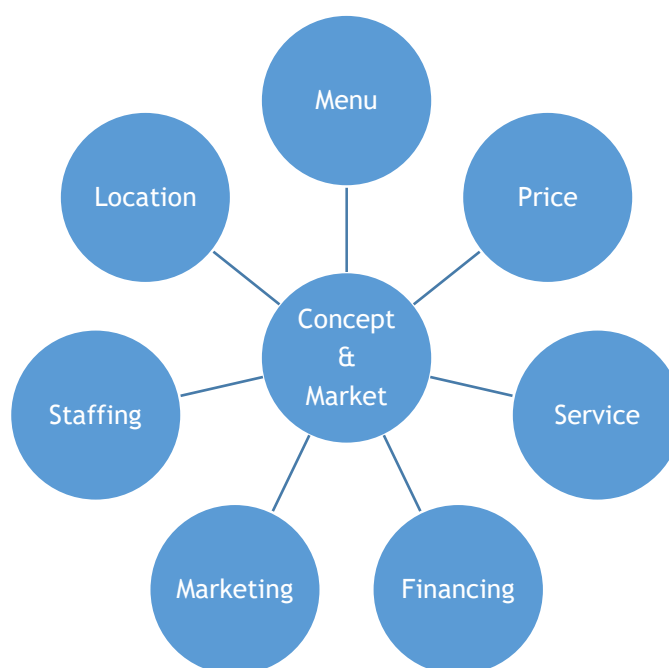


Figure 1: Restaurant and market relationship

### 2.1 Concept

The restaurant concept depends on the type of the owner you want to be (Mealey 2015). It is the image the owners want to present and the way customers perceive. The concept should be selected to appeal to certain types of customers who have the high possibility visit your restaurant—primary target customers. Without a tentative concept, it will be difficult to decide a

location, kitchen equipment, staffing needs or to do any market research and plan a feasibility analysis before the final decision whether to open an own restaurant. (Field 2007, 19)

Following global trends, one in three persons eats out at least once a week leading to a diversification in restaurants types and styles in order to cater to a specific kind of customers: from a hot dog stand to a sushi bar, a sidewalk café to Chinese cuisine or a family-run Italian joint (Godsmark 2005, 5). According to Walker (2011, 34-39) and Parpal (2015), restaurants come in all types and sizes and are categorized into three main formats, which are shown in the table below:

	<b>Quick-service</b>	<b>Casual dining</b>	<b>Fine dining Full table service</b>
<b>Definition</b>	Popular restaurants capitalizing on convenience, where food is paid before service. These restaurants are characterized by simple décor, limited menus at the cheapest price with quickest service. Some restaurants have dining places while some only possess drive-thru windows and take-out. This establishment often serves burgers, fries, sandwiches, chicken, hot dogs, pizza or ice cream.	Casual dining restaurants offer more extensive menus at a price that is perceived as good value and usually aim toward families. They employ waiters to take care of the customers. So patrons can either place and receive orders at the tables or order at the counter and have their meals brought to their tables.	The top establishment of the restaurant category ladder. They offer elaborate menus at a high end price and focus on the ambiance of their facilities. They employ chefs with culinary education and years of experience. Some restaurants require reservations in advance or a certain dress code while others do not. Fine dining restaurant gain values such as special cuisine, eminent chefs and unique décor.
<b>Price</b>	€8 or less with combo meals for more budget choices	Main courses range from €12-20 depending on geographical area	Usually €20 or more for entrées
<b>Service style</b>	Customers choose meals from the menu board on the wall and order at the service	Service style is less formal than in fine dining restaurants. Servers take orders after customers are	Top-notch and leisurely service style. The personnel are very well-trained and experienced. Wait staff take orders, send to

	counter with one or more cashiers.	seated by a host. The demeanor of servers may be more casual but still with efficiency and professionalism as customers expect.	the kitchen and serve the food to guests' tables. Stewards pay special attention to individuals and have excellent knowledge of food and wines.
<b>Atmosphere</b>	Simple dining area but decorated with bright and colorful photos of menu items and prices.	Depends on the menu concept but usually family-friendly with themed posters or homey décor, differentiated food offerings such as ethnic cuisine or a fusion of different dishes.	Fine dining restaurateurs always endeavor to create an exceptional dining experience that its spatial arrangement is very mindful designed. The lights, expensive glassware, silverware and music... showcase elegance and uniqueness.
<b>Advantages</b>	Quick service restaurants' success are usually thanks to service speed and overall consistency advantages. For example, "The big yellow M" has become a placeable and familiar icon of Mc Donald's wherever this product line restaurant is located.	Casual restaurants catch the current trend of a more relaxed lifestyle that attract wider customer groups more easily than fine dining establishments, especially families with children.	Artistic food presentation, service efficiency and impressive cleanliness. Frequently experienced and committed managers and servers. Chefs are also required a culinary degree.
<b>Examples</b>	Arnolds, Carrols, Heshurger, Rolls & Rolls Express, Sibylla (Fast food in Finland 2013)	Blinit, India House, Weeruska, Shanghai Cowboy, Street Gastro (Casual dining 2015)	Ask, Chef & Sommelier, Demo, Luomo, Olo (Michelin 2015)

Table 1: Restaurant concepts

The more judicious decision on restaurant format, the more accurate it helps to make primary estimates of what will be needed in terms of space, supplies, furnishings, and staffs. The choice of restaurant type and service style is closely associated to the kind of food served and its presentation. Pizza or kebab—for example, is in expensive, quickly cooked and can be delivered

undamaged—is a typical quick-service restaurant. Chinese food or other Oriental cuisines are well-suited for casual dining format. Inversely, an inspired French meal with perfect combination of colors and detailed garnishes containing hidden messages and meanings, is more suited to be served in an à la carte upscale restaurant. (Field 2007, 10)

No matter what concept to be opened, it is important to be flexible. The menu needs not to be so stand out as the concept is more convenience-oriented. The original ideas may necessarily have to be modified to keep in step with any change of competition and other conditions that come with establishing a new restaurant. (Walker 2011, 63)

## 2.2 Target market

Target market is a certain group or groups of individuals that the purposely devised concept is aimed to. Whatever the concept is, there must be a market to support it. Thus, a restaurant cannot survive without a market. (Walker 2011, 63)

One of the most crucial parts in restaurant business is doing market research. A thorough market study to understand what customers need help determine whether there are enough potential regular customers with enough disposable income to support the tentative restaurant and its concept. Despite of the fact that many first-time restaurateurs already had their attractive concepts, good neighborhood demographics, low rent facilities and so on which appear to be perfect, they still struggled at the beginning due to one most important thing: they had failed to read their market. (Field 2007, 16)

Since markets differ in intricacy and multifaceted nature, the number and type of research will likewise vary. It also depends on how well the researcher knows the market area and how exhaustive the research is undertaken. It is the quality that matters. (Field 2007, 19)

Typical approaches used to identify potential target customers are demographics and psychographics. Demographic segmentation includes gender, age, ethnicity, marital status, income, occupation, education level, household size, average rent of dwellings. Psychographic fragmentation relates to social class, personality, attitudes, values, lifestyles, AIOs (activity, interest, and opinion), spending and eating-out habits (Kotler & Keller 2006, 305). These data will provide some indications about customers' eating habits, their preferred favorite types of restaurants, favorite food and drinks, and thereby, applicable charged prices can be set.

Basic demographic information can be abstracted from The World Factbook Publication of CIA (Central intelligence agency), Statistics Finland, local public and university libraries, local business link office, professional market research services and direct interview with prospective

customers or even by solely personal observation. In addition, only the most up-to-date sources should rather be used as demographics often tend to change dramatically after some time. (Godsmark 2005, 97). Specialized demographic research companies charge a moderate price to provide these information within only 2 or 3 days. However, they do not research themselves but collect the information from other sources and compile it into usable forms. Not only large chains use such companies regularly but individual businessmen are also suggested to use them for time saving benefit. (Walker 2011, 96)

After conducting all the academic demographic research and having got an idea of who the potential target customers are, the next task to ascertain what kinds of food and beverages they like, types of restaurant they like to go and the ambiance that comforts them. The best means is to “shop the competition” - visit and eat at as many sorts of restaurants as possible, principally those that are highly occupied and unique, check their food lists and study the price ranges the customers are eager to pay for different levels of service. (Field 2007, 23)

In order to obtain a more specific evaluation of overall competitive environment, Fields (2007, 25) suggested a set of questions to consider when investigating the competitors: What is the competition’s unique selling proposition (USP)? Which restaurants sell similar food at similar prices? Are they formal or casual? What is the distance from competing restaurants to promising location? Is it easy to find and access competing establishments? What are the competitors’ reputations for food and services? What are the decors and ambiance like at competitors’ restaurants? What do customers like about their food and atmospheres? Are the competitors offering decent value at their cost? What are the occupancy rates of waiting areas and parking spaces at competing restaurants during the intended opening hours? and Do they offer take away or home delivery?

### 2.3 Location

In their publications, both Fields (2007, 27) and Godsmark (2005, 10) acknowledged that location is the key determinant for any successful restaurant. It is hard to affirm whether major city center or remote area is a perfect locale. A good location choice depends on the kind of restaurant and its clientele and only if it fits the given concept, because concept and location are interdependent, like the chicken and the egg (Walker 2011, 63). Market research will help identify either the suitable concept or location. One of them has to arrive first and the other can follow.

There is no exact guidelines in picking the best location for any particular type of restaurant. However, it is ideally a place with high convergence of potential customers at any time of the day. Locations within a community nearby a recreational area and center to business people,

moviegoers, shoppers and tourists, plus substantial pedestrian traffic 24/7 are simply prime locations. (Fields 2007, 28)

As a common fact, restaurant competition is fierce in large urban areas. Competitors tend to be attracted by prime locations which are ordinarily appraised with extremely high lease costs. Yet, the amount and intensity of existing rivalry are more important (Fields 2007, 27). Some restaurants even create their own locations. A place is created if good food, service and ambience are desirable. Practice shows that numbers of undesirable areas that have failed as restaurants for ten disparate owners are taken by an eleventh and eventually occupied with hundreds of customers within a couple of weeks (Walker 2011, 95). Again, market research plays a very important role. There is high possibility that non-prime locations become future prime locations once a redevelopment started after colossal housing demands had arisen. Such non-prime locations having the advantages of low rents and little competition may be ideal for new launched restaurants or foreign entrepreneurs with finite capital. (Fields 2007, 28-30)

To find out about future prime locations, real estate agents/brokers are the prime sources to answer questions about future gentrification and development plans for a specific market area. Other sources of information are local authorities, regional experts, chamber of commerce, banks and town or city planning officials. Besides, use of intuition, on-site study or own observance are also recommended when thinking about possible transition of the neighborhoods. (Walker 2011, 95)

### **Location criteria**

According to Fields (2007, 31) and Walker (2011, 94), depending on restaurant concept, service style, menu and management, there are particular criteria in site selection, all focusing on the potential market. Once a potential location's demographics is studied, factors to evaluate before deciding whether the location will work for the new restaurant are: access to utilities, zoning and codes, site visibility and accessibility from a major highway, traffic volume, and parking availability. These factors outweigh all expenses: leasing cost, remodeling cost, buying an existing restaurant. If a location fails to meet any one of these critical factors, there would be no point in examining that site further and it must be omitted as a restaurant location. (Walker 2011, 97)

#### **2.3.1 Access to utilities**

Drainage, sewage and utilities are crucial for any restaurant. If a site is not likely to be used due to the availability of certain utilities, or if it has major plumbing problems, it has to be rejected. (Walker 2011, 97)

Restaurants in large urban cities can operate at ease with profusion of electricity and natural gas lines while in rural areas, only bottled gas, which emits 25 percent less heat than natural one, may be supplied. Most electrical appliances work well with Finnish electrical system. However, a special need in different voltage power lines, 110-volt equipment or old buildings for instance, may cause troubles since these are not always readily available and upgrade or installation of extra lines can be very pricey. Consequently, if the site needs to be upgraded, the budget plan should be reconsidered regarding this big factor. It is also wise to negotiate for a lower rent or have the upgrading costs covered wholly or partially by the owner of the space. (Fields 2007, 31)

### 2.3.2 Zoning and codes

Different zoning laws among cities result in dramatically dissimilar costs and availability of a space. A change in zoning classification by local or state zoning boards could mean a change in hundred thousands of dollars. For that reason, before a site is committed, it is critical to verify that its current zoning suits the specific type of restaurant and the wanted occupancy level. Moreover, unless the future restaurant is not planned to sell alcoholic drinks which contribute to the high profit margin, locations restricted on alcohol sales are not recommended. (Fields 2007, 31)

In addition to local zoning regulations, the restaurant has to meet fire, health and building department codes. Whether it is a built restaurant or renovation from an existing restaurant, any work performed has to satisfy electrical and plumbing requirements of local building and fire departments. Codes must be meet are, for example, maximum occupancy limits, appropriate number and installation of fire exits, properly lit exit signs, fire extinguishers, smoke detectors, grease extractor and fire suppression sprinkler systems in the kitchen. (Fields 2007, 31)

It may be frustrating for first time restaurant owners to comply with all of the national and local codes, rules and regulations. Still, the time and money spent will be well worth it. In order to get a license, it is best to self-acquaint with all the stipulations, meet them and hire the right consultants or agents to help get through the approval process. (Fields 2007, 32)

While building a new restaurant from scratch is always stressful with probable unexpected delays in permits requisition, acquiring an existing restaurant has the big advantage of possessing an already established license that most of the local zoning investigations have been completed all the way through. (Fields 2007, 32)

### 2.3.3 Visibility and accessibility

Visibility is the state to which the restaurant can be seen easily for an acceptable amount of time. Ideally, the proposed restaurant should be viewable from both sides of the street. The more visible the restaurant is to pedestrians and motorists, the less money has to be spent on advertising. Corner locations are judged as more visible and easier to describe or give directions to. Moreover, cars almost always have to slow down or stop at crossroads and so are more likely to see the restaurant, indicating that corner locations are also more beneficial than those in the middle of a block. Traffic situation also affects a restaurant visibility. Fast traffic means more difficult for passing by drivers to notice the restaurant. Hence, it is important to check how seeable the restaurant site is when driving by at the speed allowed. (Fields 2007, 32)

Accessibility is also an important criterion. It relates to the ease with which customers may enter and leave the restaurant. An easy left turn or new traffic light inhibiting a left turn can either increase or decrease the sales volume by half. Since any traffic disruption in front of the site can be disastrous, it is vital to find out if there are any significant ongoing public projects—for instance, road repaving or new highways—that may redirect traffic far from where it is supposed to go: straight to the restaurant. (Fields 2007, 32)

In fact, there could be restrictions on the types and sizes of display signs allowed and changes to the frontage in the intended area, especially historic district or buildings governed by fussy and pedantic fault-finding bureaucrats. These may affect how the concept is expressed. Therefore, asking local trade groups and authorities about such restrictions is necessary. (Fields 2007, 32)

### 2.3.4 Traffic patterns

The number and patterns of foot passengers and vehicles in front of the business are good signs of customer attraction potential. A good and efficient way to check traffic condition is to stand at the site and count the number of pedestrians and vehicles at several times of the day, particularly during the planned opening hours; note down who form the traffic—office staffs, shoppers or workers—when observing it from all directions and on both sides of the street. (Fields 2007, 33)

The traffic is wished to be neither scant nor so heavy that customers cannot reach the destination. Most dining-out people selects close by restaurants such as near home, workplace or shopping center. Generally, customers are willing to spend averagely 15 to 18 minutes traveling to a full-fish or steak restaurant and a few minutes to fast food or take-away restaurants (Walker 2011, 100). So the imperative task is to check how long and easily it takes to and from the

proposed location by driving along the most used connecting routes. This is extremely important when the concept is aimed to convenience or the main meal period is breakfast and lunch as traffic congestion can take a traverse forever even within the shortest distance. (Fields 2007, 33)

Residential neighborhood, hotel, school, shopping mall, recreational facility, indoor area, central business district, industrial zone, parking place or public transport stations and freeway exit are landmarks that the closer the site is, the higher the traffic will be likely to occur. (Fields 2007, 34)

When obtaining startup financing, it is helpful and necessary to present official traffic counts in the business plan to the lenders as they can be useful indications to prior observations. Credible traffic count data sources are commercial and residential real estate developers, local economic development offices, chambers of commerce, local city planning and zoning departments and local transportation departments. (Fields 2007, 34)

#### 2.3.5 Parking availability

In some cities, a clear parking plan is required before any restaurant permit is issued. For example, to avoid parking jam in local neighborhood streets, some local ordinances may require on- or off- premise parking place. So if a restaurant cannot provide adequate space for parking, it should not be opened in that location, either. Therefore, contingent upon restaurant concept, geographical location and the planned serving time; any potential restaurateur should determine whether there are enough parking places, particularly during the expected peak hours. (Fields 2007, 34)

Parking will not be a problem if the restaurant is situated in large, densely populated urban areas where taxis, public transport, and parking garages are available. In contrast, it is even more important for suburban and rural restaurants that focus on convenience to have parking lot nearby because office and factory workers want a quick breakfast or lunch without taking time looking for parking. The more availability of convenient parking is, the more significant chance of success for every time-sensitive meal. (Fields 2007, 34)

If the restaurant has to provide parking, the first step is to check with local city about parking ordinances. Most ordinances allow a certain amount of parking and regulate a specific size for each parking place. A traffic lane should also be added when calculating needed space so that cars can easily enter and exit the parking lot. (Fields 2007, 35)

It is dangerous to assume that the customers can freely use adjacent building's parking lot. In most cases, local ordinances require authorization and a written agreement from the building owner. Parking lot owners can have unapproved parked cars towed away at their costs. So if the neighboring lot is found enticing but results in tickets purchase, the site owner should be asked whether they allow to post a warning sign for the customers. (Fields 2007, 35)

As all the information described, making a careful and firm decision requires a thorough study of series of complex issues. It is recommended to specify the order of priority of the issues mentioned above, keep an open attitude to other options, do researches and be ready to make one of the most important decisions to launch the business. Wherever the restaurant is, it matters more how the business is run once the right site has been chosen. (Godsmark 2005, 11)

## 2.4 Menu

Menu is the heart of a restaurant demonstrating everything it has to offer guests with food and beverages. It is the center of the restaurant business. The menu must reflect the restaurant concept and vice versa. None of all the elements contributing to the concept can define it better than the kind of food to be served. As there are numerous different types of restaurants, menus are consequently diverse. Customers go to restaurants for a pleasant dining experience and the menu is one of the most important factors for them when deciding on a restaurant. (Walker 2011, 114-115)

Planning a menu is a challenging task and deciding on what kind of food to serve is merely a start of the whole creating process. Some considerations that Walker (2011, 115) and Fields (2007, 63) both shared in common when constructing a menu are: target market's needs and desires, food trends, availability and affordability of ingredients, capability of chefs and consistency, equipment requirements and kitchen layout, price and pricing, and menu design and layout. These considerations are critical to success of the menu and the restaurant that corroborates the complexity of the restaurant business.

### 2.4.1 Target market

By conducting a thorough market research, questions concerning target market such as identified food and drinks, applicable price range or cooking methods, etc. are answered. The concept is generated based on what the customers in the target market expect and the menu has to satisfy or surpass their expectations. (Walker 2011, 115)

Having a general idea about the kind of food to serve is only a start, how to refine the idea is the next challenge. Supposing that the target customers are young and into something different, hence, ethnic cuisines are chosen. Yet how willing are they to try exotic dishes with original flavor made from unfamiliar ingredients and a lot of spices? Or do they prefer a milder Finnish version which is more or less familiar? Such ethnic restaurants unceasingly struggle when thinking of how much spicy is moderate for their hot dishes. The Finns' idea of "hot", in most cases, are significantly lower than those from the home countries. They cannot and therefore will not eat if the food is too peppery. In contrast, if it is too mild, the restaurant disappoints guests who are looking for authentic tastes. In brief, the challenge in this situation is to find a unique selling proposition that matches target customers' palates and appeal to an adequate number of them to make a profitable restaurant. (Fields 2007, 59)

#### 2.4.2 Food trends

Culinary culture in Finland, nowadays, are luckily broadening as it is all over the world (Eat Finland 2015). It has been reflected by an explosion of cookbooks, food magazines and TV cooking shows. Moreover, there are currently dozens of cooking academies in Finland educating thousands of students in gastronomy. (Fields 2007, 60)

Technology development and economical air tickets have increased Finns' trip abroad volume, both leisure and business, and dining is one favorite activity when overseas. Concurrently, increasing immigration over the past ten years has also added to the escalation of restaurants in Finland that serve foreign and ethnic cuisines from different countries (Immigration gain decreased from one year earlier 2015). According to the 2001 Ethnic Cuisines study of National Restaurant Association as Fields cited, about 75 percent of customers find foreign and ethnic food familiar, including French, Mandarin, Japanese and Indian. Linking the above factors, it is clear that under international influences, Finns are gradually getting more used to unusual and novel dishes and dining out in Finland is no longer only about meat and potatoes. (Fields 2007, 60)

In addition to the adaption of new kinds of food, diet and nutrition cannot be excluded from current food trends. Since nutrition value of food are increasingly concerned in restaurant menus, a higher demand for healthier items is arising leading to selections of special ingredients such as organic and local seasonal products which is wide spreading in Finland. The trend toward healthy food seems to stay, making seafood a leading role when planning a menu. Typically, sushi and ceviche are items that have proliferated in not only upscale and casual restaurants but also available in supermarkets and convenience stores. In fact, customers are ordering more seafood for main course than they did ten years ago, reported by 64 percent of surveyed

fine-dining restaurants and 44 percent of family-dining restaurants (Fields 2007, 61-62). Besides, increasing number of existing restaurants are offering more options for health-oriented customers such as vegetarian, vegan and raw fare. About 15 percent of restaurant goers look for vegetarian selections and at least 20 percent order meatless main dishes. Greater awareness of personal well-being and nutritious food has prompted operators to change to use healthier cooking methods and preservation techniques, for example switching from deep frying to poaching, steaming or roasting, and use 100 percent vegetable oil or olive oil which is cholesterol free instead of animal fat. A few restaurants even put the calories number beside each item of the menu. (Walker 2011, 121)

In summer, Finland's nature is very lush and rich in species, and collecting wild herbs is a part of traditional food knowledge that has become one of the popular food trends of recent years. Today, many chefs even pick wild herbs themselves to create distinctive dishes of their own. (Eat Finland 2015)

Some restaurants mix and match trends. Some chefs have a feeling and vision that diners want their food to be familiar but still with a little sign of foreign elements—perhaps a main taste, ingredient or cooking method (Walker 2011, 123). For example, many Asian bistros recognized general Finnish sense of taste and have creatively transformed many ethnic styles into something new and easy to adapt. Smoked, marinated or sautéed are terms that have appearing on more menus, signifying a trend to more flavorful dishes. More and more operators are applying this fusion approach to differentiate themselves from each other. (Fields 2007, 61)

Other forecasted menu trends, as Flavor and the Menu magazine published, include healthy eating focus, portion control, original ethnic cuisines, and exotic flavors.

One of the keys to compete successfully is to keep pace with latest culinary trends, which can shape the restaurant's opportunities to develop unique selling proposition. Some chain restaurants are recognized as so successful because they have pretty good visions and ideas of what customers are looking for. To get updated of current trends, thousands of dollars are spent for hiring specialists, who do research and analyze the market, study the competition and conduct intensive surveys. First time restauranteurs may not have sufficient capital to hire such research-and-development specialists like the chains do, yet there are still many ways to stay updated e.g. follow weekly trade journals (which often unveil chain operator's findings), read popular food magazines, browse for new released cookbooks from local libraries and bookstores, and especially eat at several types of popular restaurants. (Fields 2007, 62-63)

#### 2.4.3 Availability and affordability of ingredients

Continuing the supposition that the new restaurant is an ethnic one, any unusual ingredients must be ensured to be readily available and supplied from reliable sources and at reasonable prices. Taking advantage of the seasons also a wise option to overcome ups and downs in food prices when ingredients are at their lowest price and best quality. (Walker 2011, 116) In late spring and summer, meat and poultry are quite often more expensive, yet luckily fruits and vegetables just ripen mellow and at cheapest price. (Fields 2007, 63) Applying this to his coffee shop, the manager of California Café has the menu on his computer which allows him to quickly adjust the price, replace or remove an item in case of unexpected events. (Walker 2011, 116)

#### 2.4.4 Capability of chefs and consistency

Capability of the chefs to execute the menu successfully is a basic consideration. The restaurant needs adequately skilled personnel and especially a chef who understands its concept, labor as well as service requirements. Consistency in the quality and quantity is necessarily important and is maintained by the use of standardized recipes and cooking methods. Standardized recipes are ones that are carefully developed and have been tested over time indicating clearly the portion size, amount of ingredients and a step-by-step procedure to provide guests with consistently high quality food. The capability and consistency of the kitchen can also be influenced by elements such as menu complexity, the number of meals served and supervisors. Chefs and cooks today are approaching to the culinary art more innovatively and their creativity have been much improved by many fine culinary programs of local chefs' associations, vocational colleges and universities. (Walker 2011, 116)

#### 2.4.5 Equipment requirements and kitchen layout

In order to make the desired kind of food, any special equipment needed must be installed in a layout that ensures a systematic flow in the operational efficiency and maximizes production efficiency. Menu items should be selected to avoid excessive use of one certain equipment. For instance, slower service is a consequence of too many foods roasted at a same time as the roaster cannot handle them. Therefore, most menus are designed to begin with choices of appetizers that do not need the stove to avoid conflict with the preparation of main courses. Some appetizers are made in advance and stored in the fridge to be ready to serve, some may be prepared and fried when ordered. (Walker 2011, 116)

#### 2.4.6 Price and pricing

After all the mentioned requirements have been satisfied, it is time to decide how much to charge for each menu item. The choice of concept and target market are key determinants to the price structure. So the selling price must be acceptable to the target market and profitable to the restaurant. (Fields 2007, 65)

There are many ways to determine pricing. One of the most common methods used (by both first-time and experienced operators) when pricing the menu is “follow the leader”. In this method, items are priced based principally on competitors’ charges. However, this method only helps if the restaurant must compete or beat competitors in prices so as to survive, such as fast food restaurants where price is usually the key determinant in dining choices, or during economic recession. Follow the leader is a helpful method for those who do not have any better idea or price may be the decisive factor to them. Restaurant owners are advised not to automatically assume that higher prices mean losing customers to the competitors as this thinking can result in accidentally defining menu items as similar rather than distinguished, and hence missing an opportunity to increase the restaurant’s perceived value via own pricing structure. (Fields 2007, 66-67)

The following method suggested by Fields (2007, 68) may suit the best for diversified menus with menu items of different costs and prices. The basic idea of profitably menu pricing is to know the costs. As a general rule, the more expensive the ingredients and labor, the higher price should be set for the menu. There are two industry terms that should be familiarized: *food cost and food-cost percentage*. Food cost is the cost of ingredients, which are the groceries in the fridge, freezer, and in the storage room that will be used to make menu items. Food-cost percentage is the most frequently used percentage in restaurant business. The basic formula is of calculating a simple food-cost percentage is:  $\text{food cost}/\text{food sales} = \text{food-cost percentage}$ . For example, a chicken curry (including vegetables, bread and seasonings) costs €5 to produce and it sells for €20; the chicken curry’s food-cost percentage would be €5 divided by €20, or 25%. It means that with a 25% of food-cost percentage; in each euro of sales the restaurant makes, 25% would cover food costs-ingredients and the remaining 75% would cover all other operation costs e.g. rent, overhead, salary. (Fields 2007, 68)

Two other variations of this formula are:  $\text{cost}/\text{food-cost percentage} = \text{sales}$ , and  $\text{sales} \times \text{food-cost percentage} = \text{cost}$ . So to price a menu, the  $\text{cost}/\text{food-cost percentage}$  formula is applied. For example, the cost of a beef steak is €6 and the desired food-cost percentage is 30%, so the steak would be priced by  $\text{€}6/30\% = \text{€}20$ . This basic calculation becomes more complex when these factors involve: breakages, mistakes, spillage, returns to supplier, guest returns, employee meals, promotional meals and so on. (Fields 2007, 68)

A profitable price structure can be done only after food costs, labor costs, other overhead costs and desired profit are realistically projected. One of the most important estimates that must be made in the financial feasibility study is the estimated or targeted food-cost percentage. In most successful table service restaurants, the targeted food-cost percentage usually ranges from 28% to 35%. (Fields 2007,68)

#### Contribution margin

Contribution margin is the difference between the selling price and the cost of a menu item that will contribute to the coverage of fixed and variable costs. Simply, an item's contribution margin is its cost minus its selling price. For example, a salmon plate sells for €15 and costs €5, its contribution margin is €10 for every plate sold. This margin of €10 goes to pay for the fixed and variable costs, including surrounding plate costs such as sauce and vegetables. Thus clearly, the higher the contribution margin, the better. (Walker 2011, 122)

#### 2.4.7 Menu design and layout

Once all menu items are priced, it is time to consider the menu's look and feel. Menu's theme and colors should be consistent with the restaurant's ambiance. Once again, as mentioned in the food trends section, both Fields (2007, 77) and Walker (2011, 114) agreed that the best way to get ideas about menu design is to examine successful restaurants which have similar concepts and located in the same market area, and study their menus. When eating at competing restaurants, ask them what their best selling items are and find out where they are put on the menu. Researches have proven that eyes tend to focus on the right side of a book, magazine or menu, and the focal point is just above the center. Furthermore, it also indicated that when reading menus, many restaurant guests eat with their eyes. They are appealed to images, symbols and graphics. A picture of the special item put in that position, in this case, is worth even more than a thousand words. The menu is one merchandising tool that all customers will see. Thus, it is wise to use the precious minutes customers spend on the menu efficiently to maximize sales of items with high contribution margins and make profits. Illustration 1 and 2 display the focal point on the menu with single page and two or four pages. (Walker 2011, 138)

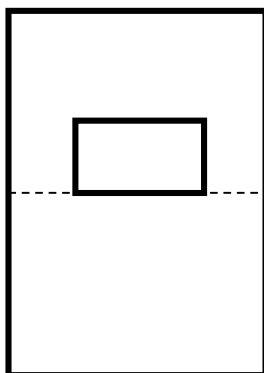


Illustration 1: Focal point of a single-page menu

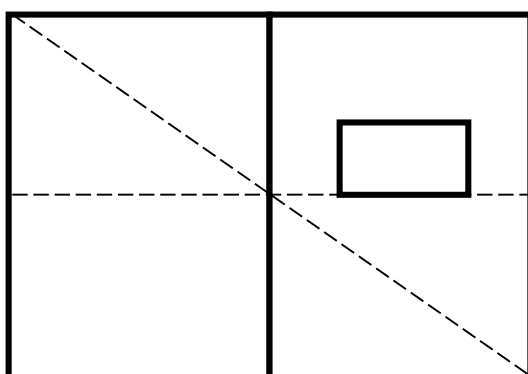


Illustration 2: Focal point of a two- or four-page menu

In addition to the optimal position for profitable items, Walker (2011, 114) pointed out a few rules when designing a menu which are shown in the table below:

Do	Don't
Use clear, easy to read font	
Use familiar, easy to understand vocabulary or appropriate language to target customers	Use too much terms or technical jargons that customers don't know
Use one or two columns for the layout, because more will make it too crowded	Use clip art as it will make the menu look less professional
Simply describing menu items instead of flowery language: a list of the main ingredients, how they are prepared, type of sauce (and any special ingredient if it is meaningful to guests) will suffice	Tell specifically number of food pieces would come in a dish so that it is easier to adjust in different situations
Use star or any insignia for special menu items to get customer attention	Use currency symbols which may remind guests about prices and make the menu look more expensive than it actually is
Use a symbol for potential allergic ingredients such as peanuts or shellfish	

Table 2: Menu design's dos and don'ts

If the budget does not allow to hire a professional menu designer, today, with a diversity of software packages available on the market, making own menu is much easy and has several advantages—flexible personal choice and change of layout, color, graphic, illustration and font style; records can be kept; and cost saving from expensive designers and printing houses. (Walker 2011, 138)

Appendix 1 and 2 illustrate the menu for restaurants Boulevard Bistro and Sorsanpesä in terms of menu design and layout.

## 2.5 Staffing

Once a concept is determined—including service style, menu type and atmosphere, is time to gather all the staff who will help turn the concept into reality. Finnish restaurant industry is an international and fast-growing industry with significant growth potential. It employs over 140,000 workers, or more than 11% of the labor force working in the private service sector in Finland (Hospitality Industry in Finland 2015). This is a good reminder of how important careful personnel selection is to the success of the restaurant. (Fields 2007, 157)

The first step in the process of recruiting staff is to specify exactly what the employees are supposed to do. The job description does not necessarily have to be as complicated as in big companies, it is important to list down duties and responsibilities for each job. And all the employees should know the restaurant's philosophy as well as the image that its owner wants to build in order to strive together.

There is no fixed answer for how many cooks and staff members a restaurant needs. It all depends on the restaurant type and size, volume, variety and complexity of the menu, cooking methods, staff knowledge and skills, kitchen layout and equipment selection. Normally, the higher the volume and the more complex the menu, the more hands are required to involve. In many cases, within a well-designed and laid-out kitchen, it is not impossible that a small but well-trained team can attain remarkable results. (Fields 2007, 158)

To perform all functions in a restaurant, the operation needs to be organized in a way that authority, responsibility, and communications and relationship between jobs are clearly laid out (Walker 2011, 323). Figure 2 is an example of possible organizational structure in restaurant business.

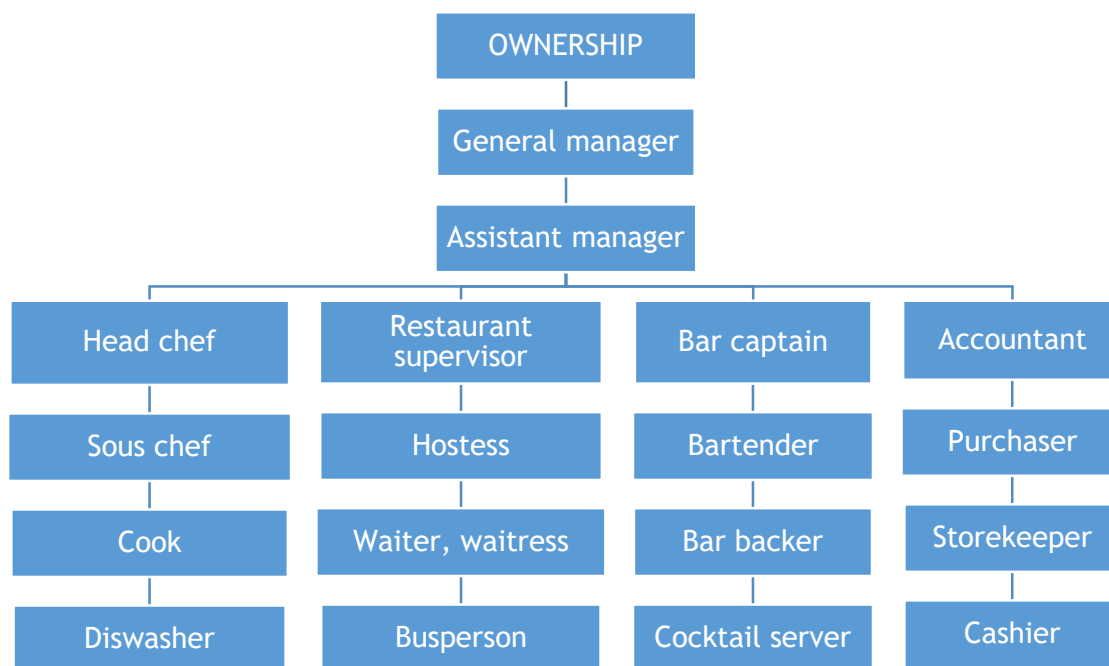


Figure 2: A hypothetical restaurant organizational chart

Some organizations have fewer levels of management that their charts are flatter than the mentioned one. Figure 3 shows an inverted pyramid - a variation of the flat organization chart in which the guests are on top and managers are at the bottom suggesting that managers need to support servers who are taking care of customers. (Walker 2011, 324)

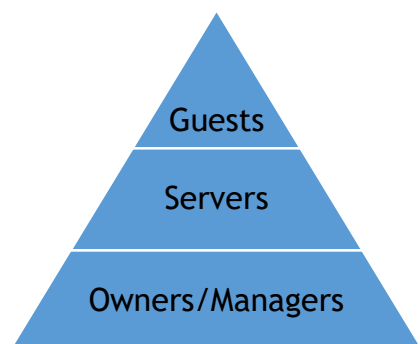


Figure 3: Flat organizational chart

### 2.5.1 Kitchen staff

The chosen menu, cuisine type and cooking style will determine the required skill sets and equivalent experience of the kitchen staff. For example, a sushi restaurant will probably need to recruit a sushi chef with expertise in picking the best fish in various types, the skills and techniques to properly fillet and prepare it, and the ability to perfectly cook the rice. In contrast, the requirements would be a lot lower in a local burger shop or hot dog stand. The amount and quality of preparation that can be done in advance is another key factor. Given limited

cooking time, previous thorough preparation makes cooking and presenting a sophisticated dish much faster and easier. The importance is to make sure that the staff have necessary skills corresponding to the intended concept and target customers' expectation in terms of quality, taste and presentation (Fields 2007, 158). Figure 4 illustrates a food process from receiving to picking up that kitchen staff are generally in charge of.



Figure 4: Food process

### 2.5.2 The chef

The concept will all decide whether a chef is necessary. In fact, numbers of first-time restaurateurs in quick-service and casual operations choose to start without chefs but their own family recipes and learn to how operate from others' mistakes. However, even if their recipes are wonderful, inexperienced restaurateurs are advised to consult a professional to help avoid hard knocks and thereby to save money, time and effort. Restaurant Wrapsody is an example. Even though its owner is a pretty good cook himself and confident in knowing what he needs for the restaurant, he hired a chef to create standardized recipes followings the menu concept and train his kitchen staff to make them accordingly. In that way, he can have time to focus on the business sections such as food and labor costs, menu pricing, marketing strategies. (Fields 2007, 158)

In order to find the right chef, a comprehensive understanding of the food concept is a must. Owners should eat at restaurants where they serve similar food items to the intended concept. If it is good, ask for names of the chefs and sous chefs for later contact. Regularly, many sous chefs are hoping to have their own names and may be interested in working with a new operator. Other recruiting ways are running job ads in local newspapers and Internet pages such as monster.fi, duunitori.fi, or the very popular mol.fi. (Fields 2007, 159)

A professional can help, for instance, with the kitchen layout and design, appropriate equipment selection, and hiring and training kitchen staff. Chefs, cooks and other kitchen staff do not only walk into kitchen and cook. They will need time to try, test and develop recipes not only for the market's taste but also for cost savings and promptness in prep and cook time. Therefore, early involvement of an experienced chef before openings is essential and could result in a compact but efficient kitchen, which will then save food and labor costs over time, as well as allow space for bigger dining area. (Fields 2007, 160)

### 2.5.3 Wait staff

Wait staff are the people who have first and direct contact with customers, making sure that they are provided with excellent service. No matter what kind of reservation (in person, via phone) and order (delivery, take away) is made, first impression is very important that the staff should be trained not to ruin it. (Fields 2007, 160)

The restaurant's identity and image will be somewhat reflected through the service staff, in the way they present themselves and also in their attitude. Before hiring new servers, it is necessary to have a few days or weeks trial. Qualities to look for during the trial are the ability to work under pressure and high endurance for stress and dissatisfaction. Attitude should always be opted over skill as it is easier to teach them the proper manner of greeting or serving than it is to teach attitude. Friendliness, enthusiasm, patience, and willingness to learn are other traits to help decide on new servers. Generally, good service results in good tips. So a good way to evaluate a server's performance is to see the amount of tips he gets from different types of customers. (Fields 2007, 161)

The number of tables a server in charge depends on the restaurant type and size, expected level of service, and volume at peak periods. The best way to have an idea about appropriate staffing is to visit restaurants with similar concept and operation, observe and count the numbers of tables per server and get the insight. (Fields 2007, 162)

In order to succeed in providing proper service, after hiring, the restaurant must prepare staff with proper training. Questions both new and regular customers frequently ask are: What is good here? What's the best selling item? and What do you recommend? Like mentioned above, with today's diet- and fat-conscious food trend, another common question is: What might you suggest that's tasty but light? or Do you have vegetarian, vegan, gluten free options? Some customers even ask for a taste description if the food contains any exotic or unfamiliar ingredients. These kinds of questions are sometimes used to express friendliness from customers, however, in most cases, it's a bona fide service inquiry. A clumsy answer like "Everything" or "We sell a lot of that" normally leads to a common complaint concerning service, which is unknowledgeable wait staff about restaurant's offerings. Thus, to make staff confidently reply to such questions and to have menu items sold, the best way is to familiarize them with the actual taste, flavor and composition of the restaurant's food and drinks. To do this, for instance, employees at restaurant Zuni were allowed to have any starter, soup or salad on the menu which were priced less than 8 dollars, for free; or any main course priced less than 17 dollars at 50% discount. Periodic wine tasting days were also arranged in cooperation with major suppliers who were willing to provide wines for free as the more knowledgeable Zuni's staff were about their wines, the more they can sell them. (Fields 2007, 162)

In addition to the smooth first contact with customers, accidents and mistakes can happen at any time. Therefore, it is very important to have the staff trained to address and solve problems immediately. This will help minimize the damage and enhance the chance to regain customer satisfaction and loyalty. From his own experience, Fields (2007, 163) said that although servers' immediate respond to customer concerns is crucial, most customers want someone from management to come over and assess the situation. This reassures customer's importance and recognition, and helps avoid later negative influences an incident causes in customer dining experience. (Fields 2007, 163)

Discussing the training part, regardless type or size of the restaurant, a written and detailed document about policies and procedures should be made so that staff duties and responsibilities cannot be vague or hearsay. The document can be a simple two-page handout regarding for example, dress code, dining room and bar set-up procedure, while dining room is open for business, dining room and bar closing procedure, and general regulations. (Fields 2007, 163-166)

## 2.6 Marketing

Business Dictionary (2016) has defined marketing as the management through which products and services move from concept to customers. Marketing is the philosophy that companies should understand customer needs and make decisions in accordance with those needs better than the completion, in order to achieve their satisfaction. In restaurant business, marketing is all the activities intended to attract people to the restaurant. (Walker 2011, 63)

Marketing is a broad concept including sales and merchandising. While sales focuses on the needs of the seller, marketing focuses on the needs of the buyer. Sales is a part of marketing that concerns itself with the tricks and techniques to stimulate the patron to want what the restaurant offers and exchange their money for foods and services. Marketing is concerned with the values that the trade wants to give. Its efforts are to discover, create, evoke and fulfill customer needs. Thus, it is important to distinguish these terms as most restaurants often approach marketing with a sales objective, which is a big mistake. (Walker 2011, 423)

Regardless the concept, there are many inexpensive ways to market the proposed restaurant before opening day. Followings are some traditional grassroots marketing methods that businesses commonly use in restaurant industry:

Advertising – This is the promotional mix part that people usually think of when concerning a marketing plan. Each form of advertising has advantages and disadvantages. The big disadvantage is that this costs money. So developing relationships with many media companies and their representatives are recommended and have a fair trade with them.

Sales promotion (Incentives) – Operators apply this type of marketing when they want to thank customers for choosing their restaurants, entice them to try a new product, and thereby increase the restaurant’s recognition in the target market. It is also a way to encourage the staff to increase sales.

Visual promotions & affinity merchandises – These small items easily grab customers’ attention and is an inexpensive way to promote the restaurant.

Publicity – In this method, public relations are operators’ strategy in presenting the restaurant to the public. Publicity is considered valuable as the restaurant receives endorsement from the media and more importantly, it is free. (Barringer 2002, 4)

The ideal restaurant experience varies from guest to guest, some diners seek for convenience, some for good service or elegant atmosphere. Despite these differences in expectation, the quality of food, indicated by surveys, is most important to customers in restaurant selection because all patrons have the same basic need—hunger. A happy customer can result in free marketing, which is known as word-of-mouth advertising. Word-of-mouth, or endorsement, is the cheapest but most effective form of marketing. Unlike other methods, it is generally seen to be objective and reliable. If a restaurant can get customers talk positively and frequently about it, success is achieved beyond expectation. (Walker 2011, 422)

Table 3 suggests possible marketing methods used in restaurant business.

<b>Advertising</b>	<b>Sales Promotions</b>	<b>Visual promotions &amp; Affinity merchandises</b>	<b>Publicity</b>
Newspapers & magazines	Recognition	Signs	Press releases
Posters & leaflets	Samplings	Packaging	Sponsorships
TV & radio	Coupons	Match boxes	Charity donations
Display signs	Gift certificates	Stationery (pencils, pens)	Community involvement
Social media (Facebook, Twitter, Instagram, Pinterest)	Rewards	Discount 10% on opening days	Events/ Festivals (Restaurant Day, World Village Festival)

Transit (taxi, bus, bus stop)	Staff contests	Hats, T-shirts	
Local tourist information office/ Local tourism publications		Free ice-cream cones for children customers: under 8	
Directories (hotel, airport, rental car agency)			

Table 3: Possible marketing methods

In initial business orientation, it is advisable to consult with experts in the industry, restaurant owners in contact, and go to eat at different restaurants in order to draw comments and conclusion. (Barringer 2002, 8)

## 2.7 Financing

Financing is a paramount and indispensable task to determine how much money, time and effort should be invested for the dream restaurant. In fact, it is quite difficult to give a specific number to the question “How much does it cost to open a new restaurant?” as this number depends on the size, location, business form and the food served. For example, with a relative high capital, it is likely to invest in a Vietnamese Restaurant, European, or Italian cuisine with several levels of luxurious or affordable. With a modest investment, it is possible for fast food shop, chicken wings or hotdog food stall. (Fields 2007, 7)

To determine whether the intended operation is financially viable, a pro forma budget or financial plan/financial feasibility study needs to be prepared. A pro forma budget encompasses a forecast of sales and estimates of the expenses needed to produce those sales and make a profit. It is an essential document to attract potential investors to consider whether they should invest in this new restaurant. Moreover, an objective pro forma budget can be used to monitor current operations by comparing initial projected budget with actual figures, check whether the operation goal is met and make suitable adjustments to improve profitability. (Fields 2007, 36)

The data used to prepare the financial plan should come from own market research in which its result should be as objective and realistic as possible. A very common mistake many restaurateurs often make is that they simply make romantic assumptions without bother to prepare financial projections. Conservatively forecasting sales and realistically estimating expenses is the way to avoid such mistake. (Fields 2007, 37)

### 2.7.1 Forecasting sales

The first step in doing a financial feasibility study is to forecast sales volume—a calculated guesswork. The information to use is from research of the target market such as unique selling proposition, competitors' prices, target customers' spending habits, market saturation of similar concept, and seating capacity. A sales forecast should include these six components: the open days of the week, hours of operation and the respective meals served (lunch only, lunch and dinner, or dinner only, etc.), estimated average guest check per meal period, seating capacity, estimated guest counts or seat turns per meal period, and measurement period (daily, weekly, monthly, annually). (Fields 2007, 38)

The hours of operation should be determined based on the proposed concept, location and demographics of the target market. A good common way is to refer to the competition's hours of business and combine them with own market research to see if there is a need for, for instance, early morning breakfast or late night bar, and the like. (Fields 2007, 38)

Average guest check is the total sales divided by guest counts. Since at this stage an official menu is developed yet, average check can be estimated by investigating in the area, what price range target customers would be willing to spend for similar food and beverages, especially those with similar concepts. The aim of doing this is not simply to copy the competition's prices but to evaluate the market's pricing structure and therefore determine what the market will bear. It is better to separate these average checks for each meal period since portion sizes, prices, and customers' dining habits vary in each meal period and because the sales and staffing level need to be compatible. For example, very often dinner portions are bigger and prices are higher than that of the same menu for lunch. In addition, usually more customers order alcoholic beverages and desserts for dinner that makes its average check higher than at lunch. (Fields 2007, 38)

Guest count is simply the total number of guests visiting the restaurant over a specific period. Seat turn is the number of times each seat is occupied during a meal period. For example, if the restaurant had thirty seats and served ninety customers during dinner, the seat turn would be ninety divided by thirty, which is three. When estimating guest counts or seat turns, it is important to remember that the operation will experience different levels of business every day, week and month of the year and therefore, sales will change due to seasonal fluctuations and daily business level.

- An example of seasonal fluctuations is that in some cities, restaurants usually face a decrease in sales from mid-July to mid-August when local residents leave town for vacation. Talking to operators in the area about their fluctuations while doing market

research is a good way to obtain the information. Other sources are the local restaurant association, chamber of commerce, and local food and beverage vendors and purveyors.

- Business level varies according to location and market on a daily basis. Some places are busier for breakfast from Monday to Wednesday while some areas are busier for dinner from Friday to Sunday and so on. Again, researching the competition is the best way not only to gauge the volume of business, but also to estimate revenues and expenses. (Fields 2007, 39)

To shadow the restaurant operations and track ongoing progress, a financial measurement period is needed. Any desired period of time can be the measurement period. However, it is important to have both short- and long-term periods. For the initial pro forma budget, the best accounting periods are weekly, monthly and yearly. (Fields 2007, 39)

Having got all the above factors, a daily sales forecast is created by multiplying estimated average food and beverage check per guest by the number of guests per meal period in every day of the week that is open for operation. For example, if the average food check per customer is €8 and the restaurant is expecting 30 customers for lunch on Mondays, the estimated food sales would be €8 times 30 equals €240. For weekly sales forecast, it is simply calculated by summing the estimated daily lunch and dinner sales. (Fields 2007, 39)

The forecast of sales volumes for the first few months should consider the fact that it takes time, usually a few months, for customers to recognize there is a new launched restaurant and that a large number of people are attracted to the new restaurant. It is recommended to keep a sales history from day one. Over time, with experience, the margin of error in estimating total sales generally declines. (Walker 2011, 455)

### 2.7.2 Estimating expenses

Once the sales figures are estimated, the next step is to allocate expenses to the forecasted sales, allowing to reveal a profit or loss margin. Budgeting expenses is not as subjective as forecasting sales but the outcomes should be reasonably reliable. Expenses may be budgeted according to two main categories: fixed and variable: (Walker 2011, 455)

Fixed costs are generally unaffected by changes in volume of business—that is, they remain the same no matter how the business performance changes. Examples of fixed costs are rent, salaries, insurance premiums, licenses and fees, and depreciation on equipment. Rental and occupancy costs (real estate taxes, personal property taxes, insurance on building and contents,

depreciation, and amortization expenses) can be determined by contacting local commercial real estate brokers or property owners. Local utilities companies can provide good estimates about utility costs as soon as they have full information about the projected number, type and size of ovens, fryers, freezers, and HVAC control system, etc... Loan payments and interest rates can be obtained by talking to bank officers. Similarly, licenses and fees can be estimated by talking to an accountant or lawyer experienced in restaurant sector. Other fixed costs such as telephone, insurance, pest control, and trash removal are available by calling up to pertinent service providers. (Fields 2007, 44)

Variable costs, in contrast, vary according to sales volume. Examples variable costs are food and beverage, labor, and marketing (including sales, advertising, and promotions). While salaries of the owner or manager and some permanent employees may remain fixed for a period, a certain portion of labor costs may change proportionately according to sales, prominently service and kitchen staff. Due to low and high season, the number of service and kitchen staff is increased or reduced accordingly, so is the number of their working hours, pay rate, or number of skilled and unskilled employees; which all have influence on labor costs (Fields 2007, 41). Payroll taxes and related benefits (employee's compensation insurance) are the largest operating costs in most restaurants. Such costs usually consume for up to 60% to 65% of a restaurant's budget. However, clever management and control over variable costs can make it viable to create satisfactory profit. (Walker 2011, 457)

Similar to projecting average guest check in the sales forecast, when the final menu is not probably ready, estimates of food and beverage costs is best obtained by selecting a sensible food and beverage cost percentage at other similar concepts in the neighborhood. This can be done by consulting local restaurant association or an experience accountant whose clients are similar restaurants, or creating a hypothetical menu and pricing it. National figures are not recommended as ingredients prices differ from town to town and from season to season. (Fields 2007, 44)

For other variable costs such as cleaning supplies, laundry and stationery, local providers can give good guesstimates based on expected number of customers per week. Tableware and glassware replacement cost can be determined by asking owners or managers of restaurants with similar type and size, or a local experienced accountant or consultant. (Fields 2007, 45)

### 2.7.3 Profit or loss

Any first-time owner needs to keep in mind that the primary reason to open and run a restaurant a should be to make profit. Profit is calculated by subtracting estimated total expenses from forecasted total sales.

If the sales projection is conservative and cost estimation is realistic, and the result is zero or a negative number, it implies that the proposed restaurant is not financially viable and should not be pursued. In this case, the sales, rent, food and beverage and labor cost in the financial feasibility plan should be all reviewed. For example, as food and labor costs account for 60% to 65% of a typical restaurant's budget, restaurateurs can check if it is possible to reasonably decrease these costs without having to change the concept. Additionally, menu prices could also be increased but still in a competitive extent. Rent and occupancy, which is generally a major fixed cost in most operations, can be reconsidered by looking for other less costly premises in a wider radius instead of best positions right in the center. (Fields 2007, 46)

Appendix 5 is an example of a financial feasibility study. If the review still does not create any positive figures, the last option besides giving up the idea is to go back to the starting point, study the market more carefully and determine another unique concept that can yield more sales or less expensive to operate. (Fields 2007, 46)

### 3 Vietnamese food culture - The beauty of balance

Among all Vietnamese cultures, perhaps its cuisine is one of the most accessible arrays expressing unique cultural characteristics of the country. The international trade has allowed people to have access to many different dishes in the world. Particularly in big cities, catering services specialized in foreign cuisines have been growing quickly in number, size and abundance. There are Cambodian markets, China Towns, Japanese food courts "Little Japan" and a wide range of 5-star restaurants serving European premium dishes. However, facing the situation of massively penetration of other food cultures, local Vietnamese food has never weakened. Rice is still indispensable in three meals a day of the Vietnamese and other traditional dishes such as braised catfish or sour vegetable soup are still attractive to any Vietnamese person. The strong position of Vietnamese cuisine in the wave of globalization and cultural mix lies in simple secrets: balance and harmony. (Hyman 1993, 78)

In correlate comparison with other European countries - which is considered the "giant" of the world culinary arts with a rich history of aristocratic cooking, Vietnamese cuisine still has its outstanding features. While French cuisine is famous for its principle of maintaining completely fresh taste of raw materials, the seasoning step is mostly based on three basic spices which are salt-pepper-sugar, Vietnamese spices are stronger and much more plentiful. French beef steaks can be very appealing thanks to the mildly sweetness of medium cooked beef but is still "neck and neck" when compared Beef rolls guise leaves or charming Hue beef noodles of Vietnam. (Hyman 1993, 96)

### 3.1 Featured characteristics

Vietnam is an agricultural country belongs to the hot, tropical monsoon climate. Vietnam's territory is divided into three distinct regions North, Center and South. The geographic, cultural, ethnic and climate characteristics have defined typical characteristics of the cuisine of each region and domain, which contributed the abundance and diversity of Vietnamese cuisine. It is a food culture using a lot of vegetables (boiled, fried, pickled or eat raw), various types of soup especially sour soup, while the number of dishes with animal origin nutrition are less often. Most commonly used meat are pork, beef, chicken, ducks, and several kinds of seafood such as shrimps, crabs, fish, clams, mussels, snails, oysters, etc. Dishes made from less common meats such as goat, snake, turtle or tortoise are not the main meat source, sometimes are considered specialties and only used in some certain festival occasions with alcoholic drink. Vietnamese cuisine also has some vegetarian dishes following Buddhist religion that are not made from animal sources but plants and vegetables. However, there are very few vegetarians in the community, except for monks living in the pagoda or seriously ill people who must diet.

Vietnamese food does not use much oil nor rare ingredients like abalone, shark fin or edible bird's nest. The cuisine conquered people by its frugality, moderate in tastes as well as nutritional values from the ingredients. Discussing moderation of tastes and seasonings in cooking, Vietnamese cuisine also expresses its distinctive harmony by well balancing sour - spicy - salty - sweet, none of which is dominant in the food plates. The sour vegetable soup contains sweetness of pineapples, sour from tamarind or vinegar and little spicy from chilies, all together combined creating a uniformity and moderate. (Hyman 1993, 80)

Another trait more or less distinguishes Vietnamese cuisine with some other countries is that Vietnam cuisine also focuses on delicious dining rather than only nutritious target. Therefore, in culinary system, the Vietnamese have only a few dishes that are fussily cooked, thoroughly stewed like Chinese cuisine, or inclined to garnishment with high aesthetics as Japanese cuisine, but tend to mix the ingredients in a subtle way to make the food tastier, or use chewy and crunchy materials that are very interesting to enjoy even though they are not very high nutritious e.g. bamboo shoots, chicken legs, animal organs.

### 3.2 Principles of combination

Not being known for rare and precious, expensive or exclusive ingredients, Vietnamese diet is built on the foundation of casual, affordable but ample foodstuffs. Coordinating various types of protein, fiber and especially spices, Vietnamese dishes become harmonious and incredibly palatable.

Especially in condiments, there is a series of different categories such as scallion, coriander, perilla, dill, marjoram or fermented products like vinegar, rice wine; from plant spices such as garlic, lemon grass, galangal, ginger to spices from animals such as fish sauce and dipping sauce. The diverse and flexible combination between such condiments has created just the right flavor, not too sweet, fatty, spicy or salty, for Vietnamese cuisine.

Vietnamese cuisine follows two principles that are Yin yang balance and Five elements correspondence.

### 3.2.1 Yin yang balance

The harmony advantage of Vietnamese cuisine derived from traditional idea of yin yang balance. Yin represents the “shady side”, darkness, softness and passivity while yang means sunny, tough, and proactive. This philosophy believes that everything in life has both negative and positive side and the two factors always go together making up the nature of the existence of the world.

Dining is not an exception to this principle. A Vietnamese meal contains within itself the deep philosophical values of yin yang balance and Five elements - two principles combined in cooking in order to reach the harmonious beauty in accordance with aesthetic standards of the Vietnamese. Specifically, a dish must contain both yin yang states in a way that provides a balance beneficial for the body. The raw materials with cold (yin) nature as to go along with hot (yang) and spicy seasonings and reverse. (Tsubaki 2014)

Ingredients which cannot be combined in a dish or eaten at the same time as it will not be delicious or potentially harmful to health have been concluded into experiences and handed down through generations. Generally, in daily meals, this Yin yang rule is more clearly shown. For example, hot and spicy food are usually balanced with sourness. Sea food are cold, good to be used with ginger, lemongrass or garlic. Cold and flu patients need to drink ginger water, taking steam bath with lemongrass or pomelo leaves. Duck meat (considered cold nature) is suitable to eat during summer time with ginger fish sauce (hot nature). Contrariwise, chicken and pork are hot nature, suitable to eat in the winter. (Vietnamese food 2010)

### 3.2.2 Five elements correspondence

Deepening a little further into the collaborated development principles of Vietnamese ingredients and cooking methods, it is surprising that the Five elements are applied quite strictly. Five elements are born from Yin yang, representing 5 alternate states of the universe: Metal, Wood,

Water, Fire, and Earth. Each pair of these elements, if combines correctly, will mutually support each other. On the contrary, they will result in restraint and destroying each other. In cooking, Vietnamese people are highly focused on the selection of appropriate pairs of ingredients and spices that reach the mutual Five elements state to bring the flavor and nutritious effect of the dish to its highest value. (Five element acupuncture theory and clinical applications 2016)

Correspondence	Five Elements				
	Wood	Fire	Earth	Metal	Water
5 Tastes	Sour	Bitter	Sweet	Spicy	Salty
5 Organs	Liver	Heart	Spleen	Lung	Kidney
5 Colors	Green	Red	Yellow	White	Black
5 Senses	Sight	Touch	Taste	Smell	Hearing
5 Nutrients	Carbohydrates	Fat	Protein	Minerals	Water

Table 4: Five elements correspondence

The Vietnamese have classified spiciness, minerals, large intestine into Metal; sourness, starch, gallbladder into Wood; saltiness, liquid, kidney into Water; bitterness, fat, small intestine into Fire and finally sweetness, protein, stomach into Earth. Fire gets along well with Earth, so ingredients with natural sweetness such as snakehead fish is a very good match to prostrate knotweed (a kind of bitter leaf).

Vietnamese delicacies are sometimes a unity of 5 elements of heaven and earth, which completely demonstrates all the abundant shades of natural flavors as well as moderate nutritional values for the body. For example, in a Phở (Vietnamese rice noodle soup) bowl, it is easy to see a combination of all ingredients, smell, taste and color: lean beef (Earth), tendon (Fire), salty broth (Metal), spicy chili and ginger (Water) and sour fresh lime juice squeezed on the surface (Wood).



Illustration 3: Vietnamese noodle soup “Phở”

#### 4 Rauma city

Situated on the west coast of Finland and founded in 1442, Rauma is the third oldest town in the country with approximately 40,000 inhabitants. Rauma is known for its maritime and paper industry, the long tradition and high quality bobbin lace-making, and especially the well preserved wooden architectures of its center—Vanha Rauma, which was recognized as a UNESCO World Heritage Site. Vanha Rauma consists of some 600 old wooden buildings and covers an area of 70 acres. Walking around Vanha Rauma gives wanderers the feeling of stepping into a fairy tale: the colorful wooden houses, decorative gates, cobblestone roads and beautiful public buildings. All together remind an atmosphere of the long-forgotten past. (The beautiful town of Rauma 2015)

##### 4.1 Accessibility

Though it is a small town, Rauma has very good connections to other major cities either by plane, train, bus, own car or even by boat. The nearest airport is located in Pori, the neighboring city. Turku airport is also another option which may provide better connections overseas.

The passenger rail directly to Rauma was closed in 1988. However, it is possible to travel by train with VR ticket to Kokemäki, where the passengers will be transferred to a bus heading to Rauma without extra charges.

Traveling by bus is chosen by most tourists thanks to Satakunnan Liikenne Oy's well connection to other cities. Savila is the hub of local buses while the long-distance bus station is located in Rauma center. Passengers will be taken directly from Pori, Turku, Tampere and Helsinki (sometimes with one transfer at Huittinen). Timetables can be found on Matkahuolto website.

Good road connections allow easy self-driving southerly to Turku (90 km) and Helsinki (via Turku/Huittinen, 250 km), eastward to Tampere (via Huittinen, 145km) and northward to Pori (50 km). The west of Rauma is the sea.

Although there is no commercial passenger traffic by sea since the port of Rauma serves only freight ships, many tourists, especially Finnish, make it to Rauma with their private yachts and are welcomed at a few guest harbors around Rauma. (Rauma 2015)

#### 4.2 Restaurant market in Rauma

The idyllic city of Rauma features numerous restaurants and eateries offering locals and visitors unforgettable dining experiences. The options vary from Mexican grills to authentic Italian, cozy family atmosphere to athletic environment, from the terrace of a sailing ship to a panoramic view in a water tower. Especially, ethnic operations are also available for Asian-oriented diners or people who seek novelty and originality. The availability of several patterns allows everyone to indulge themselves in something. (Restaurant 2016)

Despite many attempts, no specific market research about the food service in Rauma has been found. Local businesses seem to normally operate with regular activities. Essential statistics, degree of competition, or ups and downs in the level of business are not gathered or, if available, disclosed. There is no basis to certainly confirm if the appearance of another ethnic restaurant, in this case, Vietnamese cuisines is a success or failure. Therefore, it is utmost essential to conduct researches about this market focusing on customer needs and interest in the future Vietnamese establishment.

### 5 Market research

Market research is any organized effort to gather, analyze and interpret information about a target market or customers using statistical and analytical methods to gain idea or to support decision making. It provides comprehensive and accurate data about the existing and prospective customers, the competition and the industry as a whole. Through market research and proper planning is the foundation of any successful business venture to help avoid common mistakes, reduce the amount of time and substantial resources, thereby reveal to restaurateurs the feasibility of a tentative concept. (McQuarrie 2015, 18)

## 5.1 Quantitative research—Survey

Survey is one of the inexpensive primary research methods which gathers original information directly used for the researcher's purpose instead of existing sources like the internet, libraries or local councils. Survey allows the researcher have control over the type of giving questions and information gathered. This kind of research is very time-consuming to gather and analyze; however, its results can be highly valuable (Market research methods 2014). Survey is conducted by asking concise and straightforward series of questions to a sample group of target market. The sample should be sufficiently large that the results will be reliable and statistically valid. (Market research techniques 2015)

Considering the proposed project, this method is chosen as it collects information directly from future customers to provide the most accurate results as possible. Applying this method, a 15-question questionnaire concerning the idea of opening a Vietnamese restaurant in Rauma was created in both paper and electronic version, with the assistance of Google Forms. The paper forms were distributed, mostly on weekend afternoons, to pedestrians in the city center and took them approximately five minutes to complete. The electronic form was sent to all the local university and high school students' via email as well as to the researcher's local contacts. The response collecting time was two weeks. Appendix 1 contains the questions used in the survey.

## 5.2 Qualitative research—Benchmark

Benchmark is a powerful tool used to get better insights of customer's interests, feelings and attitudes, and improve the opportunity for growing sales. It can be effectively used in almost all areas of the business. There are several ways to benchmark the business, such as, contacting the industry association for information about performance standards, use a commercial benchmarking company with a certain fee, or comparing own offerings with the competitors' product and service practices. Qualitative data can take more time to be analyzed and interpreted than quantitative information. (Benchmarking your business 2016)

In contrary to survey, benchmark allows the researcher to clearly understand how the current completion has been doing, discover their strengths and weaknesses and thereby, have better starting point for the new restaurant. To implement this method, the proposed restaurant was benchmarked by visiting neighbor ethnic restaurants to examine their menu items and selling prices, review their food and service quality, experience the atmosphere, and observe customers' actual dining behaviors. Other comparing factors such as design, convenience, cleanliness, and extra entertainment were also concerned in the implementation. Each restaurant was visited for at least two times and in different meal periods to ensure reliability and consistency

of some factors of the outcomes. The benchmarked competitors are namely Wen Jing, Min Yuan, Lungi Asian, and Everest 8848. These operations were believed to be competing restaurants primarily due to their similar ethnic food offerings, location in the city center, and similar service style.

## 6 Research result

### 6.1 Survey

The quantitative research has provided a lot of helpful statistics giving a general idea of the target market. According to the result, of total 128 people surveyed, the number of men and women responding to the questionnaire was almost equal which were 63 and 65 respectively.

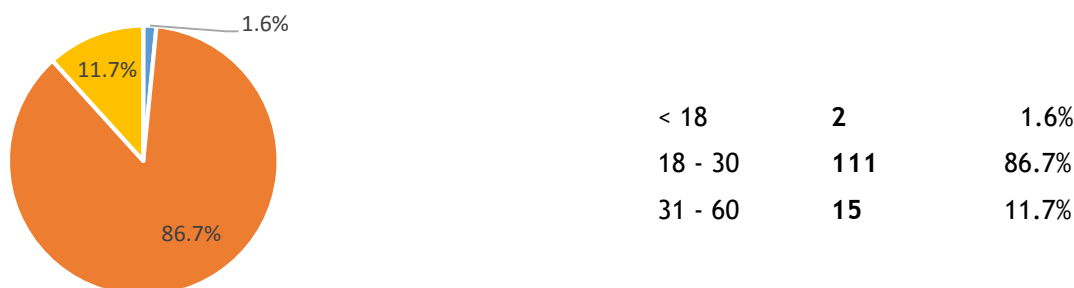


Figure 5: Age distribution

Despite the general aging population in Finland, it is clear from figure 5 that a vast majority of the people participating in the survey were in the age between 18 and 30 years old, the age with overflowing vitality and carefreeness to spend money, a very small fraction were underage teenagers and the remaining minority belonged to the 31-60 age group.

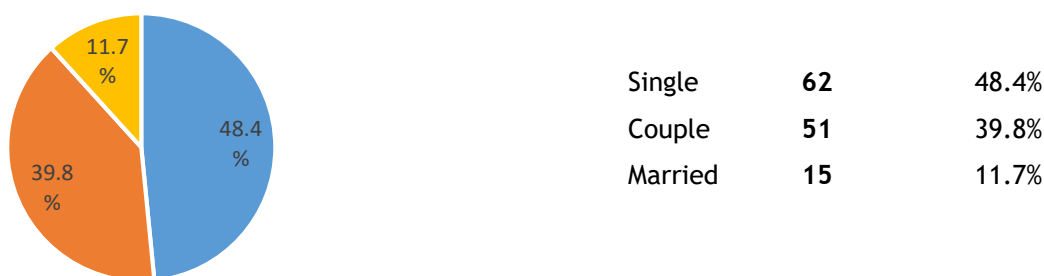
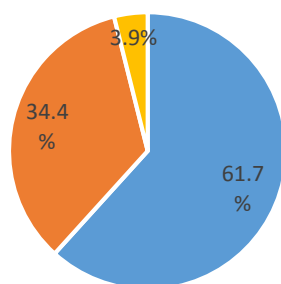


Figure 6: Marital status

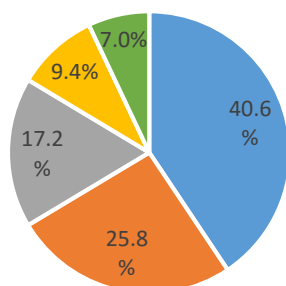
Each segment in figure 6 validates the marital status of the surveyed participants. As can be seen, almost a half of them were unmarried, two fifths were cohabiting couples and the smallest proportion already had families.



< €1,000	79	61.7%
€1,000-5,000	44	34.4%
€5,000+	5	3.9%

Figure 7: Monthly income

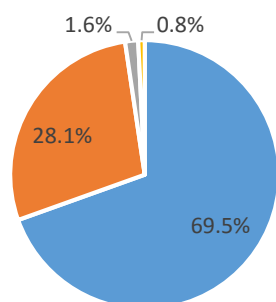
Similar to figure 6, figure 7 is also divided into three portions clarifying the amount of money each respondent earns a month. As most of the respondents were under 30 year-old singles, people with monthly income below €1000 not surprisingly took the largest part of the figure whereas earnings of the other one third ranged from €1000 to €5000, and a mere 3,9% earned more than €5000 per month.



3 times a week	9	7.0%
Once a week	33	25.8%
Once a month	52	40.6%
Few times a year	22	17.2%
Other	12	9.4%

Figure 8: Dine out frequency

As clearly demonstrated in figure 8, once a month was the answer of two in five respondents regarding the number of times they go to a restaurant. Meanwhile, a quarter ate out as more often as once a week and 17,2% had scattered frequencies of restaurant visit during a year. While only some 7% would go out to eat steadily 3 times a week for a meal, the other 9,4% did not seem to be enthusiastic about eating at the restaurant that the frequency was very different depending on their moods and occasions, namely twice a month, once per two months, or even once a year, and so on.



Only main course	89	69.5%
2 items (soup/salad)	36	28.1%
3 Items (including side dish)	1	0.8%
Full course	2	1.6%

Figure 9: Items ordered per meal

Figure 9 shows the number of menu items a person order for a meal period. Merely main course understandably seemed to be sufficient for slightly less than 70% of those surveyed whereas more than a quarter would like something more to accompany with the entrée such as appetizer or dessert, and a tiny minority (2,4%) would order three items or have a full course to fully enjoy the food experience.

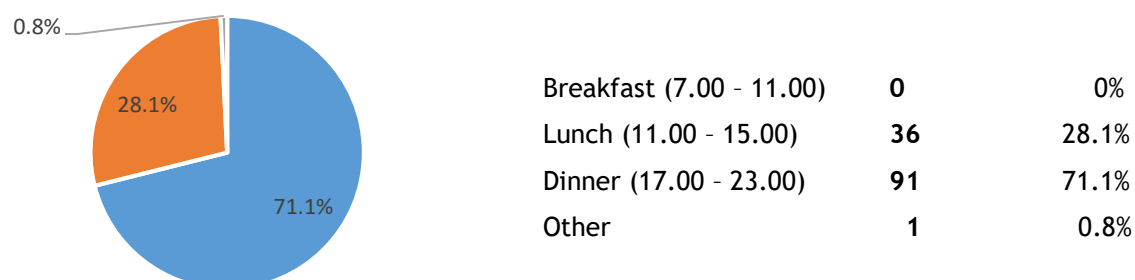


Figure 10: Preferred meal period

Considering the best time to have a meal out as indicated in figure 10, predictably, a large proportion of the participants (approximately 70%) preferred to go to the restaurant for dinner. While 28% would go there during lunchtime, nobody seemed like to spend their morning time outside for breakfast, and the trivial remaining fraction had more particular need for meal time than the plurality.

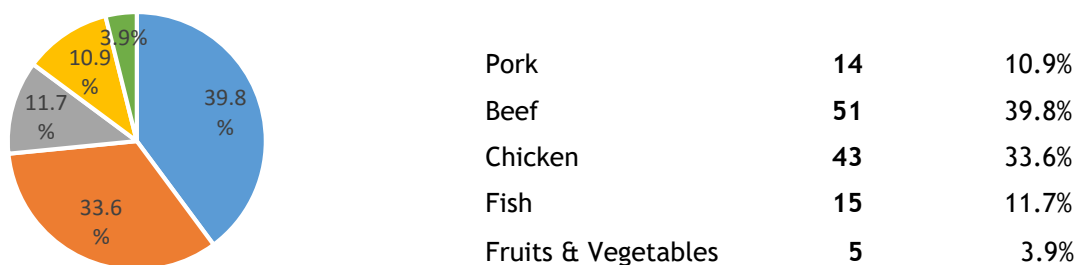


Figure 11: Favorite food source

The data from figure 11 clarifies the participants' selections between different sources of food for their meals. Specifically, beef prevailed over other alternatives to be the most desirable option which accounts for some 40% of the result whereas another one third favored chicken more as their main food supply. Meanwhile, fish and pork shared relatively same portion of averagely 11%, and the rest minority would rather choose to go vegan instead.

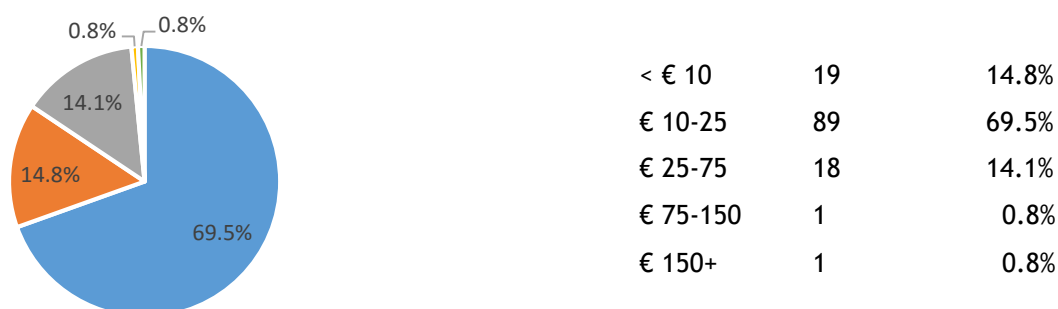


Figure 12: Dine out budget

Evidence in figure 12 states that no matter what the level of their income is, the price ranges that most of the surveyed people normally spent for eating in a restaurant were between €10 and €25 as expectation. Below €10 and €25-75 price range shared almost same proportion of about 14,5%. As few as merely 2% would spend up to €75 or more for a restaurant delight.

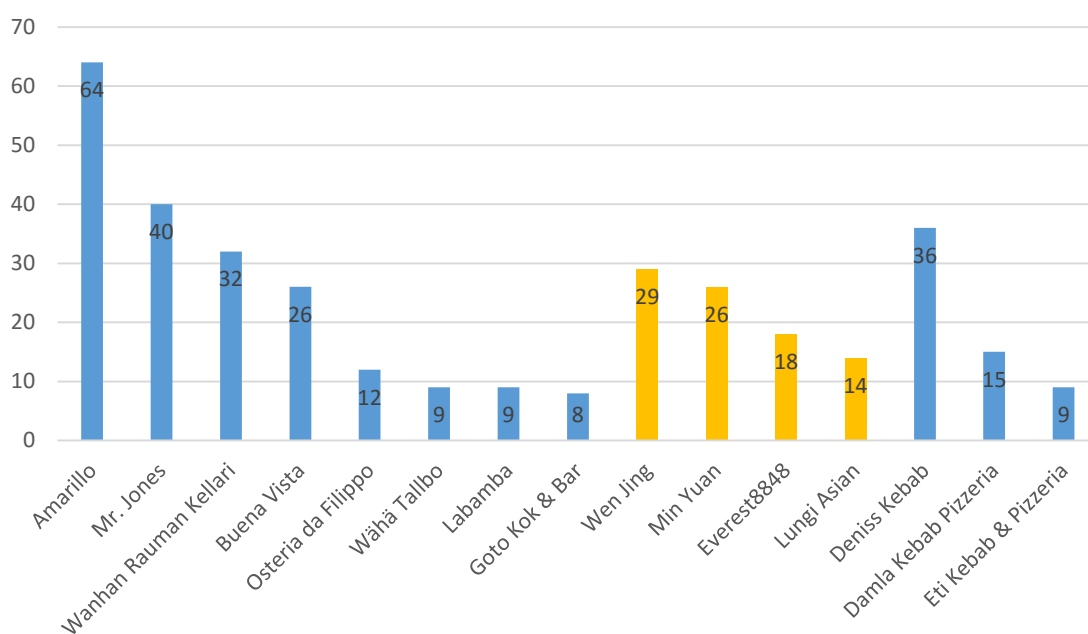


Figure 13: Most visited restaurants

Asked to opt 3 over 15 popular restaurants in Rauma to be regularly visited, as shown in figure 13, a half of the people in question voted for the Mexican style Amarillo which is situated right the city center. Casual dining Mr. Jones and the familiar Turkish quick-service Deniss Kebab were ranked the second and third position with similar portion of 31% and 28% respectively. Though ethnic restaurants were not chosen as the most favorite places, this sign does not necessarily mean customers do not like Asian food but rather an opportunity for the subsequent operation to learn from its competitors and improve to be better than them.

Discussing interior design, Amarillo once again, has shown its superiority in the competition with 18,5% of the respondents voting for its decoration. Mr. Jones apparently was the runner-up with 14,3%. Surprisingly, the modern kitchen Lungi Asian was ranked number three in this criterion although it was not much a regular choice of many people.

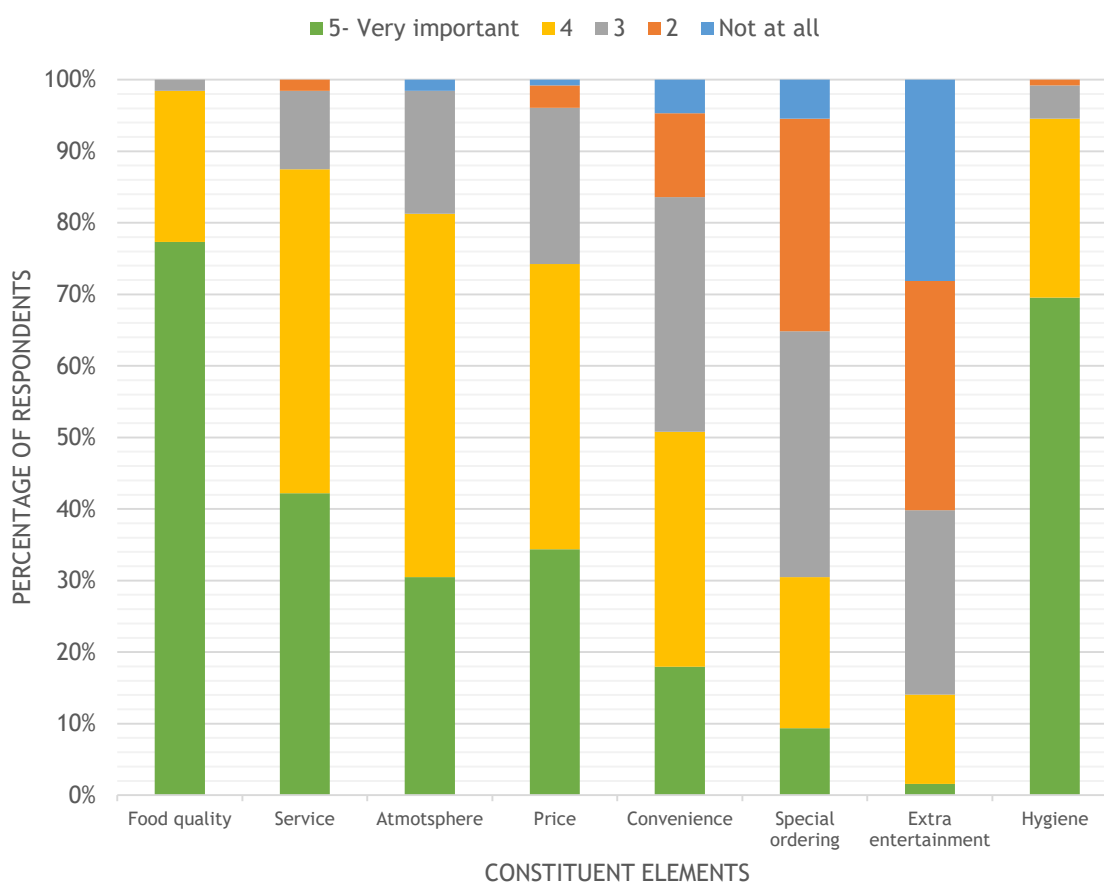
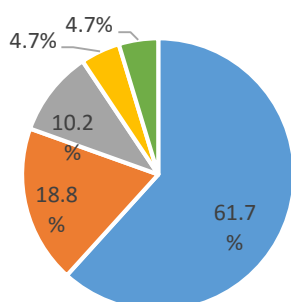


Figure 14: Importance level of different factors

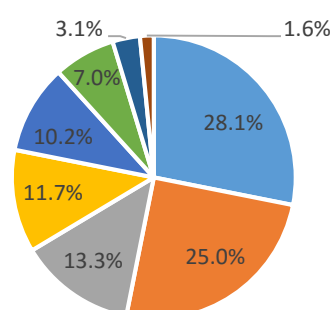
Figure 14 presents the importance level of different elements that constitute a restaurant on a scale of 1 to 5 (1 = Not at all and 5 = Very important). As a common fact, the decisive factor for customers on a restaurant must be the food quality which was proven by almost 100% of the respondents giving score 4 and 5 for its importance. Good service and dining environment were both assessed as much important as good food to averagely 85% of the surveyed ones. While price and discount programs were critical to three quarters of the respondents, half of them paid great attention to convenience of a restaurant such as location, takeout service or home delivery, especially the distance from their place to the restaurant, as displayed in figure 15. Special ordering to customize one's meal as desired and extra entertainment did not seem to be a concern to 70% and 85% of the people respectively. However, according to figure 16, if there is any kind of entertainment offered, nearly 30% would like to have a drinking bar opposing to the second highest proportion—a quarter who prefer something gentler like instrumental soft music. Last but not least, 95% of them considered hygiene, specifically cleanliness of the

dining room and restroom, food safety and sanitation in preparation and cooking phases, a relatively important factor contributing to the overall dining experience.



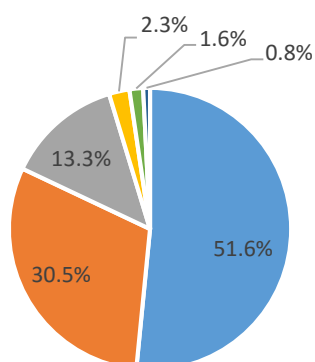
Distance	79	61.7%
Take-away	24	18.8%
Home delivery	13	10.2%
Online & phone order	6	4.7%
Other	6	4.7%

Figure 15: Convenience



Live soft music	32	25%
Jazz & lounge	17	13.3%
Classical	4	3.1%
Pop music	15	11.7%
Drinking bar	36	28.1%
Acts as a cultural hub	13	10.2%
Book club	2	1.6%
Other	9	7%

Figure 16: Extra entertainment



Internet	66	51.6%
Recommendation	39	30.5%
Randomly visit	17	13.3%
Newspaper	2	1.6%
Flyer/Leaflet	1	0.8%
Radio	0	0%
Other	3	2.3%

Figure 17: Marketing approach

Figure 17 suggests possible marketing methods used for the new restaurant. Due to the popularity of technology, online advertising seemed to be the most applicable approach to more than half of the respondents who often searched the Internet to find a restaurant. Nearly one third normally referred to a friend for trustworthy recommendations and around 13% would just pick a restaurant randomly. Very few to none of them looked for a restaurant traditionally on newspapers, radio or flyers.

## 6.2 Benchmark

The results from this qualitative method have shown the researcher a more accurate picture of the competitors' present values, disadvantages, and business volumes as well as customers' preferences on different factors regarding dining in a restaurant. The following table demonstrates major findings of the research by comparing them with each other. The reviews of those findings were not based on subjective opinions but general thinking of Finnish people that the researcher had gained from own observations and personal experience.

Factors	Restaurants			
Potential benefit	Wen Jing	Min Yuan	Lungi Asian	Everest8848
Name	Fairly okay	Fairly okay	Easy to pronounce	Hard to remember
Type	Buffet	Casual dining	Buffet & À la carte	Buffet & Casual dining
Seating capacity	48	16	25	15
Seat turns per hour	3	1,5	2	1,5
Signs recognition	Easy to see	In Mandarin language, difficult to confirm if it says Min Yuan	Easy to see	A little small
Exterior design	Typical Vanha Rauma's style (wooden building)	Clear Chinese style	Ordinary	No special design, only a Nepalese flag
Interior design	- Mainly Finnish style but with some Chinese orange lanterns and paper fan - Unpleasant chairs	- Clear Chinese theme with mainly red lanterns - Not so relevant table cloths - Quite dark to see the food	Mainly elegant white color	No prominent style but some Nepalese embroidered carpets on the wall
Food diversity	Yes: Chinese food & sushi	Yes: Different Chinese dishes	No	No
Food quality	- Okay taste - Cold temp	- Delicious taste - Hot temp	- Fine taste - Hot temp	- Okay taste - Chilled temp

<b>Portion size</b>	Free choice	Big	Free choice	Free choice/ Big
<b>Quality consistency</b>	No: sometimes too sweet, sometimes too sour	No: sometimes a little too salty	Yes	Yes
<b>Beverage diversity</b>	No: Water, tea & coffee	Relatively diverse	Yes including alcoholic beverages	No: Water, tea & coffee
<b>Beverage quality</b>	Okay	Okay	Good	Okay
<b>Service</b>	Waitress were shy and didn't smile	- Slow cooking time - Nice waitress	Professional	Friendly waiter
<b>Price</b>	Cheap buffet €10,50	Acceptable - Starter & dessert €3,5-€7 - Main course €15-€17	Cheap buffet €8,50 Expensive À la carte €20	Expensive - Main course €15-€19
<b>Discount</b>	30% for children	No discount	No discount	10% for student
<b>Location</b>	Center: market square	Center edge	Center: market square	Center but in a small alley
<b>Take away</b>	No	Yes	No	Yes
<b>Home delivery</b>	No	No	No	No
<b>Parking</b>	Yes	Yes	Yes	No
<b>Restroom cleanliness</b>	Clean	Clean but looks old and matte, not shiny	Clean	Okay
<b>Extra entertainment</b>	Soft Chinese music	Soft Chinese music	No	No
<b>Grade</b>	8/10	7/10	6/10	5/10

Table 5: Comparison benefit matrix among local ethnic restaurants

As shown in table 5, Wen Jing and Min Yuan have the highest overall score which can be seen as the strongest competitors. Although the operation has been launched for only one year, Wen

Jing has shown its financial advantage as the biggest in all four compared restaurants which can accommodate nearly 50 guests at a time. By concentrating on only one type of business—buffet, there is no suspicion this is the destination where customers can have the widest selection of dishes. Moreover, as most of local customers spent about thirty minutes to maximum one hour for a meal and sushi normally make them full quite fast, this restaurant also had the highest number of seat turns in every hour. Yet, this might also be the reason why the food taste was not so outstanding and the temperature of readymade dishes, mostly sushi, was generally chilled to cold. In brief, to explain for its most popular choice among others, the reasonable charge compared to the market price with several options of dishes might outweigh other additional factors to be the most obvious strengths of this restaurant.

The second choice Chinese restaurant Min Yuan is the one shared most similarities to what the future operation is intended to be. The premises, from outside to inside, clearly showed an explicit Chinese theme where red was the predominant color and paper lanterns were main ornaments. The concept was more enhanced by soft traditional Chinese background music and a happy Chinese waitress. The menu contained several popular delicacies from China and the food was cooked with ingredients imported from Asian countries providing an authentic dining experience. Despite the authenticity, these tastes were merely favored by original Asian patrons or Finnish customers who are used to and like original Asian flavors. However, quantity did not seem to be what this restaurant owner was aiming to but quality and loyalty. The restaurant had succeeded in maintaining a certain number of regular customers that made it one of the most popular site for a friends gathering, coworkers' lunch break, or a family dinner in the area.

Owned and run by a native Finns who had travelled to many Asian countries and tried local dishes, Lungi Asian gained the highest average score in all criteria. The subtlety is clearly reflected from the very first stage customers get contact to the restaurant—its name which includes the word “Asian” as an evident indicator of Asian cuisines offerings. In term of food quality, it succeeded in making dishes from different Asian countries including Vietnam by minimizing strong and pungent spices and altering with familiar seasonings found in the local. Though the food did not have authentic flavors, it suited the mild appetite of most natives. The restaurant also well conformed with ordinances and regulations on hygiene and food safety with partially open space kitchen that customers can monitor the preparing and cooking process. In addition, only employees with qualifications in restaurant service were hired to minimize risks at work and ensure highest customer satisfaction. Deep understanding of Finnish culture and local customers' preferences together with a wide knowledge of Asian dishes might be good explanations for its long lasting business and also why the patrons were mainly from Finland.

Another common ethnic restaurant in Rauma, Nepalese8848, has completely different way of management and offerings to other competitors that made it a little difficult to compare their food in term of taste and deliciousness. Although it is said to be a buffet restaurant, few choices of dishes made it lose quite some points in the menu diversity criterion. Therefore, its consistency of current food quality as outlined in the above table, in this case, did not help to improve the overall score. However, the service, neither as professional as expected in an à la carte nor required to be so in this concept, was relatively fine with friendly Nepalese waiter and waitress taking good care of customers during their visit. To recap, this might be a good choice for who would like to try exotic cuisines from the distant mountainous country without having to go abroad but not a regular destination due to its limited food choices.

Despite mentioned advantages of the competitors, the tentative restaurant is not planned to do better than them in all areas but would rather focus on one aspect that is thought to be its most distinctive feature, for example authentic Vietnamese taste, and try to improve as much as possible what the completion has not done well.

## 7 SWOT analysis

Originated by Albert Humphrey in the 1960s, SWOT analysis or also known as SWOT matrix is a structured planning method used to specify strengths and weaknesses, and identify opportunities and threats of a project or business venture. Identification of SWOT is particularly important because it can work as a powerful strategy tool to help uncover later planning steps to achieve the set objective. Table 6 is the SWOT analysis for the Vietnamese restaurant idea. (Fine 2009, 14)

	Positive	Negative
Internal	<p><b>Strengths</b></p> <ul style="list-style-type: none"> <li>• First exclusive Vietnamese restaurant in Rauma</li> <li>• Exotic food with authentic taste</li> <li>• Unique style and theme</li> <li>• Reasonable price</li> <li>• Existing ingredients supplies</li> </ul>	<p><b>Weaknesses</b></p> <ul style="list-style-type: none"> <li>• Insufficient funds</li> <li>• Inadequate understanding of market</li> <li>• Lack of marketing expertise</li> </ul>
External	<p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>• Curiosity of customers</li> <li>• Healthy food trend</li> <li>• Tourist attraction</li> <li>• Menu diversification</li> </ul>	<p><b>Threats</b></p> <ul style="list-style-type: none"> <li>• Advantages of competitors: reputation, location, finance, and loyal customers</li> <li>• People may be too shy or scared to try new food</li> </ul>

Table 6: SWOT analysis

On one hand, the new establishment has many strengths to exploit, especially its novelty and uniqueness as it will be the first and only one Vietnamese restaurant in Rauma. The uniqueness can be seen from the concept itself, the relating food and service offerings which will then lead to the chosen décor and theme color. Discussing food and beverages, thanks to the abundant food sources of a tropical country, the restaurant is confident to offer a wide range of exotic dishes made only from original materials to create the most authentic flavors as possible. In addition, increasingly expansion of Vietnamese communities all over Finland has given the restaurant another big advantage of existing suppliers of Asian ingredients in nearby cities which consequently leads to reasonable menu prices. The restaurant can also be considered as a monopoly business in the market that may bring many opportunities to expand the scale and brand in the future.

With the strengths mentioned, the restaurant has a lot of opportunities to further develop since its appearance will stimulate the curiosity of people who like to try something new. It will be then the job of the owner or operator to find suitable tactics to satisfy and retain those customers at the same time have them spoken positively about the restaurant. Seriously concerning about customer's health besides making profit, the restaurant will become a sustainable business that stay long and strong in the market by cooking only healthy menus from fresh ingredients. The place can also as a cultural connecting hub for the locals and tourists to broaden their network while enjoying tasty delicacies. Once the restaurant has a certain number of customers and adequate budget, there will be chances for the menu to be even more diversified in order not to disappoint its regular patrons.

On the other hand, there are also some weaknesses of the new restaurant that has to be understood to eliminate threats from the external environment. Most first-time owners have neither adequate understanding of the target market nor marketing expertise to effectively introduce the new restaurant to customers. In term of financing, without external funds, solely equity capital will not be sufficient to start a business and it will be even worse to run out of budget while the restaurant is in the middle of operation. To avoid these situations, a detailed financial plan has to be prepared to specify the capital requirement and initial investment needed before committing to any substantial sources. An objective and conservative financial plan showing potential profits will attract investors and lenders to enhance the probability of the project. Therefrom, larger budget can be spent on more thorough market researches or on marketing specialists to help solve the above matters.

Competing restaurants nearby represent a threat to the new operation, especially when it is going to launch similar ethnic concept even the types of food are different. Competitors have the advantages in terms of reputation, good location, and existing loyal customers. Besides its absolute strength as the only Vietnamese restaurant in the area, this exclusiveness can also be

another threat to its owner when a majority of the customers in Rauma are circumspect Finish who may be too shy or feel unsecured to try unfamiliar dishes before becoming regular customers of the restaurant.

To sum up, even though there are definitely some advantages for the owner in executing this restaurant idea, the bigger number of advantages outweighs those to bring great opportunities for the project to be viable.

## 8 Project evaluation

### 8.1 Socio-economic implications

Once the restaurant is established, it can create up to 5 job positions for local people and helps increase income for retailers to small scale farmers by consuming a large amount of raw materials. Operation of the restaurant will also contribute a part of taxes to the government. As the restaurant will always operate under the criteria of freshness and cleanliness, customers' health will also be improved by consuming only healthy dishes. In addition, the restaurant may be an ideal destination that can attract more tourists to Rauma and satisfy the need of who like to enjoy Asian culinary culture, and at the same time contributes to the diversification and the development of local food service industry.

### 8.2 Environmental impacts

During the implementation of the project, its impacts on the ecological environment are inevitable. However, such impacts are not going to be so large and in an acceptable extent. Specifically, the restaurant kitchen will be equipped with deodorization and smoke decontamination system, ensuring limited emission of greenhouse gases to the environment at a standard safety level. Fresh food such as meat, fish, and vegetables are detoxified with ozone before being processed. The restaurant garbage containers, waste pipelines are complied with stipulated standards of food safety in restaurant construction. Regular check as well as system handling are also carried out to ensure not to affect the living environment of the neighborhood.

## 9 Conclusion

The thesis content is divided into three major parts: theory, background information and market study. The theory section concerns steps to open a restaurant business in general. The background information part gives the readers basic knowledge about Vietnamese food culture, the target market Rauma and its food service competition. The empirical part focuses mainly

on market research and interesting findings about the locals' preferences in term of food experience.

Establishment of Vietnamese restaurant is not based solely on simple profit purpose but the project idea derives from practical needs with the hope to promote the unique culinary culture of Vietnam in Finland. Not only the project meets customers' desire of trying and enjoying exotic dishes, but it also contributes to the social and economic benefits of the host country. Besides financial issues which can be solved by applying for sponsorship or looking for investors, perhaps the one of the biggest challenges of this project is to make Finnish people in a small town like Rauma overcome their conservativeness to try unfamiliar food before having them as potential regular customers.

The main aim of the thesis is to find out whether it is possible to open a Vietnamese restaurant in Rauma where its competitors already have certain positions in the market. The outcomes of the research and SWOT analysis revealed that there is still space for another ethnic operation in Rauma and a high possibility that it would succeed in the future. Therefore, the project is feasible. In addition, as this is initially a business idea, a detailed business plan and larger scale market research are essential in order to make this idea into reality.

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2. The menu at Sorsanpesä featuring its specialties by visual images
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4. Sample weekly sales forecast
5. Sample financial feasibility study - Pro forma operating budget
6. Survey questionnaire distributed to residents of Rauma
7. Benchmarked restaurants

## Appendix 1. Single-page menu at Boulevard Bistro, in Härmä, Kauhava

**Boulevard BISTRO****ALKURUOAT/SALAATIT**

TOAST SKAGEN (L).....11,90  
- saaristolaislimppua, lämminsavulohta,  
käsinkuorittuja katkarapuja, vihersalaattia,  
kuivatua sipulia ja fillimajoneesia

BROILERSALAATTI (G).....13,90  
- paahdettuja siemeniä, rypäleitä, marinoitua  
tomaattia ja sipulia sekä Parmesan-majoneesia

MOZZARELLASALAATTI (L,G)...pieni 9,90...iso 12,90  
- yrttimarinoitua Mozzarella-juustoa, paahdettuja  
siemeniä, rypäleitä, marinoitua tomaattia ja  
sipulia

**PÄÄRUOAT:**

HIILLOSTETTUA LOHTA (M,G).....20,90  
- marinoituja kasviksia, yrttiöljyä ja  
perunasalaattia

GRILLATTUA BROILERIA (G).....17,90  
- marinoituja kasviksia, valkosipulistikettä ja  
Parmesan-röstiperunaa

YLIKYPSPÄÄ PORSASTA (M,G).....17,90  
- ylikypsää porsasta ja revittyä härkää  
punaviinikastikkeessa, retiisi-coleslawta ja talon  
maalaisranskalaisia

GRILLATTUA NAUDAN ULKOFIILETÄ 180g (M,G)  
- vihersalaattia, BBQ-majoneesia ja  
röstiperunaa.....25,90

BISTRO BURGER.....17,90  
- chili-sämpylä, naudan täyslihapihvi 160g,  
pekonia, marinoitua tomaattia ja sipulia,  
salaattia, savujuustoa ja BBQ-majoneesia.  
Lisäkkeenä maalaisranskalaisia ja  
valkosipulimajoneesia

**JÄLKIRUOAT:**

VALKOSUKLAAPARFAIT.....5,90  
- marjapyrettä

SUKLAABROWNIE.....5,90  
- raparperi-Dominokeksijäätelöä

GELATO DOLCE JÄÄTELÖÄ (G).....5,90  
- valikoima oman jäätelötehtaan  
italialaistyypisiä jäätelöitä ja kinsukastiketta

**PIZZAT:**

PEPPERONI.....7,90

KINKKU-ANANAS.....7,90

KINKKU-ANANAS-SINIHOMEJUUSTO.....7,90

KINKKU-TONNIKALA.....7,90

FANTASIPIZZA.....10,90  
kolme täytettä valintasi mukaan

**PREMIUMPIZZAT:**

SAVUPORO.....10,90  
- savuporoa, punasipulia, salaattia ja  
paprikamajoneesia

HÄRKÄ.....10,90  
- ylikypsää härkää, tuoretta ananasta, paprikaa,  
chiliä, maissinachoja ja valkosipulimajoneesia

BBQ-KANA.....10,90  
- kanaa, Aurajuustoa, tuoretta ananasta, BBQ-  
kastiketta, vihersalaattia ja valkosipulimajoneesia

**LAPSILLE:**

KANAKORI JA RANSKALAISET (L).....6,50

NAKKIKORI JA RANSKALAISET (L,G).....6,50

LIHAPYÖRYKÄT JA RANSKALAISET (L,G).....6,50

Lastenannoksissa lisäksi kurkkua, tomaattia,  
salaattia ja majoneesi-dippiä.

**M=MAIDOTON L=LAKTOOSITON G=GLUTEENITON**

Lisätietoja tarjoiltavista annoksista sekä  
allergioita ja intoleransseja aiheuttavista  
raaka-aineista saa henkilökunnalta.

Appendix 2. The menu at Sorsanpesä featuring its specialties by visual images



## Appendix 3. Sample restaurant marketing plan

Date	Promotional Activity	Charitable Organization	Number of People	Cost	Target Market
01.02				€100	
22.05				€500	
	<b>Sponsorship</b>	<b>Organization</b>	<b>Number of People</b>	<b>Cost</b>	<b>Target Market</b>
08.03				€200	
15.08				€1000	
	<b>Advertising</b>	<b>Company</b>	<b>Number of People</b>	<b>Cost</b>	<b>Target Market</b>
15.01				€1500	
20.06				€2200	
	<b>Dues</b>	<b>Company</b>	<b>Number of People</b>	<b>Cost</b>	<b>Target Market</b>
20.11				€800	

<b>Total Promotional Budget</b>		<b>€6300</b>
---------------------------------	--	--------------

Appendix 4. Sample weekly sales forecast

<b>Assumptions: Seating capacity = 30</b>			
	Lunch	Dinner	Bar
Business hours	11.00 - 15.00	17.00 - 22.00	21.00-3.00
Average starter	€3.50	€4.50	€4.050
Average main course	€4.50	€12.50	€12.50
Average dessert	€3,00	€3.00	€3.00
Average beverage	€4.50	€4.50	€4.50
Soft drink/ Juices	€2.50	€2.50	€2.50

		Average check	Covers	Number of orders	Total sales	TOTAL FOOD SALES	TOTAL BEVERAGE SALES
<b>MONDAY</b>	Lunch		35				
	food	€ 8.00		35	€ 280.00		
	beverage	€ 4.50		7	€ 31.50		
	Dinner		45				
	food	€ 15.00		45	€ 675.00		
	beverage	€ 5.50		36	€ 198.00		
	Bar/lounge		30				
	food	€ 7.00		15	€ 105.00		
beverage	€ 6.00		30	€ 180.00	<b>€1,060.00</b>	<b>€ 409.50</b>	
<b>TUESDAY</b>	Lunch		45				
	food	€ 8.00		45	€ 360.00		
	beverage	€ 4.50		9	€ 40.50		
	Dinner		55				
	food	€ 15.00		55	€ 825.00		
	beverage	€ 5.50		44	€ 242.00		
	Bar/lounge		40				
	food	€ 7.00		20	€ 140.00		
beverage	€ 6.00		40	€ 240.00	<b>€1,325.00</b>	<b>€ 522.50</b>	
<b>WEDNESDAY</b>	Lunch		50				
	food	€ 8.00		50	€ 400.00		
	beverage	€ 4.50		10	€ 45.00		
	Dinner		60				
	food	€ 15.00		60	€ 900.00		
	beverage	€ 5.50		48	€ 264.00		
	Bar/lounge		40				
	food	€ 7.00		20	€ 140.00		
beverage	€ 6.00		40	€ 240.00	<b>€1,440.00</b>	<b>€ 549.00</b>	

THURSDAY	Lunch		60				
	food	€ 8.00		60	€ 480.00		
	beverage	€ 4.50		12	€ 54.00		
	Dinner		85				
	food	€ 15.00		85	€ 1,275.00		
	beverage	€ 5.50		68	€ 374.00		
	Bar/lounge		50				
	food	€ 7.00		25	€ 175.00		
	beverage	€ 6.00		50	€ 300.00	<b>€1,930.00</b>	<b>€ 728.00</b>
FRIDAY	Lunch		60				
	food	€ 8.00		60	€ 480.00		
	beverage	€ 4.50		30	€ 135.00		
	Dinner		150				
	food	€ 15.00		150	€ 2,250.00		
	beverage	€ 5.50		120	€ 660.00		
	Bar/lounge		80				
	food	€ 9.00		40	€ 360.00		
	beverage	€ 6.00		80	€ 480.00	<b>€3,090.00</b>	<b>€1,275.00</b>
SATURDAY	Lunch		125				
	food	€ 8.00		125	€ 1,000.00		
	beverage	€ 4.50		63	€ 283.50		
	Dinner		150				
	food	€ 15.00		150	€ 2,250.00		
	beverage	€ 5.50		120	€ 660.00		
	Bar/lounge		75				
	food	€ 9.00		38	€ 342.00		
	beverage	€ 6.00		75	€ 450.00	<b>€3,592.00</b>	<b>€1,393.50</b>
SUNDAY	Lunch		150				
	food	€ 8.00		150	€ 200.00		
	beverage	€ 4.50		75	€ 337.50		
	Dinner		50				
	food	€ 15.00		50	€ 750.00		
	beverage	€ 5.50		40	€ 220.00		
	Bar/lounge		25				
	food	€ 9.00		13	€ 117.00		
	beverage	€ 6.00		25	€ 150.00	<b>€2,067.00</b>	<b>€ 707.50</b>

WEEK TOTALS	
Food sales.....	€ 14,504.00
Beverage sales .....	€ 5,585.00
Overall.....	€ 20,089.00

## Appendix 5. Sample financial feasibility study - Pro forma operating budget

	Weekly	Monthly	Annually	% of sales
<b>REVENUES</b>				
Estimated food sales	14,876.40	64,414.81	772,977.74	73%
Estimated beverage sales	5,502.23	23,824.66	285,895.88	27%
Total sales	20,378.63	88,239.47	1,058,873.62	100%
Food cost (30%)	4,462.92	19,324.44	231,893.32	22%
Beverage cost (20%)	1,100.45	4,764.93	57,179.18	5%
Cost of sales (1)	5,563.37	24,089.37	289,072.50	27%
<b>Gross profit</b>	<b>15,041.69</b>	<b>65,130.53</b>	<b>781,566.39</b>	<b>73%</b>
<b>FIXED OPERATING COSTS</b>				
Rent & occupancy	1,625.87	7,040.00	84,480.00	7.97%
Utilities (oven, fryer, fridge)	609.95	2,641.10	31,693.25	2.99%
Telephone	51.00	220.83	2,649.94	0.25%
Advertising	102.00	441.66	5,299.87	0.50%
Insurance	85.68	370.99	4,451.89	0.42%
Exterminator	30.60	132.50	1,589.96	0.15%
Chef/kitchen manager	856.79	3,709.91	44,518.95	4.20%
Owners salary	1,264.79	5,476.54	65,718.44	6.20%
Manager	652.79	2,826.60	33,919.20	3.20%
60% kitchen & service wages	2,672.38	11,571.39	138,856.71	13.10%
Payroll taxes	652.79	2,826.60	33,919.20	3.20%
Employees' compensation	265.20	1,148.31	13,779.67	1.30%
Insurance				
Licenses & fees	61.20	264.99	3,179.92	0.30%
Trash removal	153.00	662.48	7,949.81	0.75%
<b>- Fixed costs (1)</b>	<b>9,084.04</b>	<b>39,333.90</b>	<b>472,006.83</b>	<b>45%</b>

	Weekly	Monthly	Annually	% of sales
<b>VARIABLE OPERATING COSTS</b>				
Repairs and maintenance	81.29	352.00	4,224.00	0.40%
Water and serve	40.65	176.00	2,112.00	0.20%
Credit card charges	386.14	1,672.00	20,064.00	1.90%
Cleaning supplies	203.23	880.00	10,560.00	1%
Laundry	203.23	880.00	10,560.00	1%
Paper supplies	81.29	352.00	4,224.00	0.40%
Tableware and glassware Replacement	40.65	176.00	2,112.00	0.20%
Miscellaneous	81.29	352.00	4,224.00	0.40%
40% kitchen & service wages	1,829.10	7,920.00	95,040.00	9%
Payroll taxes	203.23	880.00	10,560.00	1%
Employee' compensation insurance	81.29	352.00	4,224.00	0%
Social security and medicare tip taxes	203.23	880.00	10,560.00	1%
<b>- Variable costs (2)</b>	<b>3,434.64</b>	<b>14,872.00</b>	<b>178,464.00</b>	<b>17%</b>
Operating profit before depreciation (EBITDA)	2,239.17	9,695.61	116,347.28	13.50%
- Depreciation	136.69	591.86	7,102.27	
Net income	1,741.58	7,541.03	90,492.33	10.50%
Investment in restaurant			213,941.88	
Overall return on investment			$\frac{90492.33}{213,941.88}$	43%

## Appendix 6. Survey questionnaire distributed to residents of Rauma

3/21/2016

Vietnamese restaurant in Rauma

[Edit this form](#)

## VIETNAMESE RESTAURANT IN RAUMA

Our team seeks to open a unique Vietnamese restaurant in Rauma. To help with this, below is a simple questionnaire deigned to gather information about potential benefits and drawbacks to opening a new restaurant in Rauma. We would appreciate a lot if you can take a moment completing this survey. Your opinions matter.

The result will be also available to whom it may concern.

\* Required

### 1) Your gender \*

- Male
- Female

### 2) Your age \*

- < 18
- 18 - 30
- 31 - 60
- 61 +

### 3) Marital status \*

- Single
- Couple/Cohabiting
- Married

### 4) Monthly income (EUR) \*

- < € 1,000
- € 1,000 - 5,000
- € 5,000+

[https://docs.google.com/forms/d/1G1RAQuvFRXNS201XNsYvAIPDwl8O6Y7wVc\\_XAiIcIlM/viewform](https://docs.google.com/forms/d/1G1RAQuvFRXNS201XNsYvAIPDwl8O6Y7wVc_XAiIcIlM/viewform)

1/5

3/21/2016

Vietnamese restaurant in Rauma

**5) How often do you eat in a restaurant? \***

- Everyday
- 3 times a week
- Once a week
- Once a month
- Other:

**6) How many items do you often order for a meal? \***

- Only main course
- 2 items (could be soup/salad and main course)
- 3 Items (including side dish)
- Full course

**7) What time do you prefer to visit a restaurant? \***

- Breakfast (7.00 – 11.00)
- Lunch (11.00 – 15.00)
- Dinner (17.00 – 23.00)
- Other:

**8) Which food source do you prefer? \***

- Pork
- Beef
- Chicken
- Fish
- Fruits & Vegetables

**9) How much do you spend normally for eating in a restaurant? \***

- < € 10
- € 10-25
- € 25-75
- € 75-150
- € 150+

**10) What are the 3 restaurants in Rauma you like to visit regularly? \***

Choose 3 applicable

- Min Yuan Chinese restaurant
- Wen Jing Chinese restaurant
- Everest 8848 Nepalese restaurant

[https://docs.google.com/forms/d/1G1RA0uvFRXNS201XNsYvAIPDwI8O6Y7wVc\\_XAiCiIM/viewform](https://docs.google.com/forms/d/1G1RA0uvFRXNS201XNsYvAIPDwI8O6Y7wVc_XAiCiIM/viewform)

2/5

3/21/2016

Vietnamese restaurant in Rauma

- Lungi Asian
- Deniss Kebab
- Damla Kebab Pizzeria
- Amarillo
- Labamba
- Mr. Jones
- Byssa
- Buena Vista
- Goto Kok & Bar
- Wähä Tallbo
- Osteria da Filippo
- Eti Kebab & Pizzeria
- Wanhan Rauman Kellari
- Other:

**11) Which design/decoration of those 3 restaurants do you the most? \***

Choose only 1 design you like the most

- Min Yuan Chinese restaurant
- Wen Jing Chinese restaurant
- Everest 8848 Nepalese restaurant
- Lungi Asian
- Deniss Kebab
- Damla Kebab Pizzeria
- Amarillo
- Labamba
- Mr. Jones
- Byssa
- Buena Vista
- Goto Kok & Bar
- Wähä Tallbo
- Osteria da Filippo
- Eti Kebab & Pizzeria
- Wanhan Rauman Kellari
- Other:

**12) When choosing a restaurant, how important are the following factors? \***

5 is the most important

5                      4                      3                      2                      1

---

3/21/2016

Vietnamese restaurant in Rauma

Price & discount	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Food quality	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Atmotsphere/Dining environment	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Friendly/Fast service	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Convenience/Location	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Hygiene	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Special ordering/Customizing your meal	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Extra entertainment	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**13) Considering the convenience of a restaurant, which one is the most important to you? \***

- Distance from your place to the restaurant
- Take-away service
- Home delivery
- Online & phone order
- Other:

**14) What kind of extra entertainments you are interested if offered in the restaurant? \***

- Live soft music (instruments)
- Jazz & lounge
- Classical
- Pop music
- Drinking bar
- Acts as a cultural hub
- Book club
- Other:

**15) How do you inform yourself about a restaurant? \***

- Internet
- Flyer/Leaflet
- Newspaper
- Radio
- Recommendation from friends

[https://docs.google.com/forms/d/1G1RA0uvFRXNS201XNsYvAIPDwI8O6Y7wVc\\_XAiCiIM/viewform](https://docs.google.com/forms/d/1G1RA0uvFRXNS201XNsYvAIPDwI8O6Y7wVc_XAiCiIM/viewform)

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3/21/2016

Vietnamese restaurant in Rauma

- Randomly visit
- Other:

**16) If you have any comments, please don't hesitate to leave here:**

**Thank You for your help and completing the questionnaire. If you wish to hear more about the result, please share with us your contacts:**

Your name, email, phone

*Never submit passwords through Google Forms.*

100%: You made it.

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Link to the online questionnaire:

[https://docs.google.com/forms/d/1G1RA0uvFRXNS201XNsYvAIPDwl8O6Y7wVc\\_XAiCitM/view-form](https://docs.google.com/forms/d/1G1RA0uvFRXNS201XNsYvAIPDwl8O6Y7wVc_XAiCitM/view-form)

Appendix 7. Benchmarked restaurants



