

“9th Restaurant & Delivery”

Business plan for a local restaurant

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<p>This business plan will describe an integrated project, based on a real living district in the city of Moscow.</p> <p>The main idea if this project was to give the habitants of this district a good option to eat out. The second important goal of this project was to organize simple, fast and adequate delivery service, which is getting more and more popular in Moscow nowadays.</p> <p>As the project and business plan are concentrated only on the individual living microzone, all the numbers, figures and data will be given accordingly this microzone.</p>	
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1 Introduction

Restaurant business differs from any other business fields: it seems to be much easier than a rocket science, though there are quite a lot of the hidden pitfalls. Despite the apparent easiness of starting up the restaurant and so many new premises opening every now and then, 60 percent of the restaurant is failing in a first year, and 80 percent closes in five years (Feloni 25 February 2014).

This project will be made in form of business plan for a local casual restaurant in one specific area in Moscow. In this project I will try to consider such usual obstacles as poor location, strong competition, lack of well-trained personnel and not stable economy and offer a restaurant which will be able to function as a good unit.

Business plan is a written strategic plan for a company's future usually covering from three to five years, describing the current situation, the desirable improvement for the business in the future and a way to get there. (Entrepreneur 2015.)

Lavinsky (30 December 2014) also states that business is answering the list of questions in order to take one's organization where it wants to be, however the period it covers is one year.

According to Kotler & Armstrong (2016, 29), modern prosperous companies share a common trait of understanding their targeted customers' needs and knowing how to satisfy them. These companies work hard towards a long term customer relationship based on exchanging values with customers.

2 Restaurant Business in Moscow overview

The lifetime of a restaurant in Moscow, even the most fashionable, is very short - three or four years, maybe five years. In the World Book of bankruptcies restaurants are on the third place after the ready-made clothing stores and photo shops. Restaurateurs have to understand today they must either give more services for same prices or - with the same level of service lower the prices. The minimum margin in this business is 20%, average - about 25%, and if successful, it can reach 50-60%.

It is believed that Moscow does not have enough points of food services. According to statistics of the Department of Economic Development for 2013, in Moscow there are only 43 seats in café or restaurant for 1000 of citizens. This is almost three times less than in the average American city, and two times less than in French cities. This fact demonstrates a wide area for developing and creation.

2.1 Classifications of restaurants

The traditional classification established by GOST (National Standard) 50762-95, restaurants are divided into three classes: the elite (fine-dining), restaurants for the middle class, and fast food restaurants (MosPicnic, 2017). Fine dining restaurants differ from two other segments by refinement of the interior, the high level of comfort, a wide range of original, custom-made and branded foods and beverages and, of course, high prices. Middle-class restaurants offer its' clients comfort or theme-oriented atmosphere with varied menu for fair prices. Fast foods provide a standardized set of dishes, and for them, as a rule, characterized by self-service.

2.2 Delivery service

Important role in catering and service business in Moscow plays delivery option. Almost all middle-class restaurants and half of the premium ones put a huge effort and working on developing delivery service along with a usual restaurant operation process. Moreover, a new segment of fast-food restaurant which concentrating only on the delivery getting popular from day to day, because such companies do two important and win-win decisions: they slightly lowering prices in comparison with restaurants and attract attention by overflowing with advertising brochure, which are small and comfort in use, it can be easy stuck down on a fridge and be in plain view.

However, each day Moscow-city inhabitants making a decision on what they are going to have for lunch, or for official dinner, will they go outside just for a simple eat out evening

or they going to have a small personal event in small fine-dining restaurant. And it is very important to mention, may be it is even one of the main forming points for such business – people are ready to pay a lot for being sure they will receive what they want and already know. In this case – you have your favorite restaurant, which is local and independent, you fond of its menu and service. How big is chance, that if this restaurant will start to deliver your favorite dishes you would prefer it to any others? Almost 100%.

2.3 Zoning of the city

Moscow city is separated on dozens of administrative districts and microzones with different level of prosperity and financial well-being. Each of them is tending to establish its own, well-coordinated infrastructure with all needed and essential parts such as schools, medicine centers, grocery shops, different types of ateliers and working shop units, beauty salons and etc.

This project is created to meet needs of one microzone in comfort, cozy restaurant with acceptable prices where locals can have good breakfast, lunch or dinner, organize a birthday party or business meeting, and also can expect fast pedestrian delivery of their favorite dishes directly to their homes.

3 Theoretical framework

As it was already mentioned, this project will be conducted as a business plan. Each business plan nevertheless the object should contain the list of compulsory parts and plans. This business plan is not exclusion. First of all, the general concept of business plan has to be done. What does business plan contain? Lavinsky (30 December 2014) emphasises the following sections: company, industry, competitive and customer analysis, marketing, operations and financial plans, finally- management team. Although marketing plan gives answers to the questions listed by Lavinsky, it is important to remember that as a separate plan it covers more information.

After the core project goal estimated and the market analysis done, the marketing plan has to be made. To compose a brief company's goal which works effectively is quite a challenge: mission statement should be short yet specific, focusing on customers. Consequently, it should be market oriented and encourage both employees and customers by means of pointing out company's advantages (Kotler & Armstrong 2016, 65, 67). American Marketing Association (July 2013) defines marketing as "the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large". In a nutshell, that is what the marketing is –the process of building the relationship with customers through the wide range of value exchanging.

Then, very important role in business plan plays personnel plan, because you can never manage a business in restaurant field only by our own. Personnel planning is the process of deciding what positions the firm will have to fill, and how to fill them. It embraces all future positions; from maintenance clerk to CEO. However, most firms call the process of deciding how to fill executive jobs succession planning (The-definition, 2017). When starting you own restaurant you always have to be sure your workers will reply the organizational needs and rules.

4 Empirical part

The main goal of this project is to concentrate on specific district of the city of Moscow and provide a perfect restaurant and delivery service inside this district. We will be located in the easy to get point and will concentrate mainly on locals, who live nearby or close enough to come by feet or to receive pedestrian delivery directly to the apartment. The analyses will include location overview and market analysis and segmentation, organization description, competitive analysis, business concept, design and layouts, marketing plan, personnel plan, funding projections and sales forecast.

4.1 Target Market

4.1.1 Location Analysis

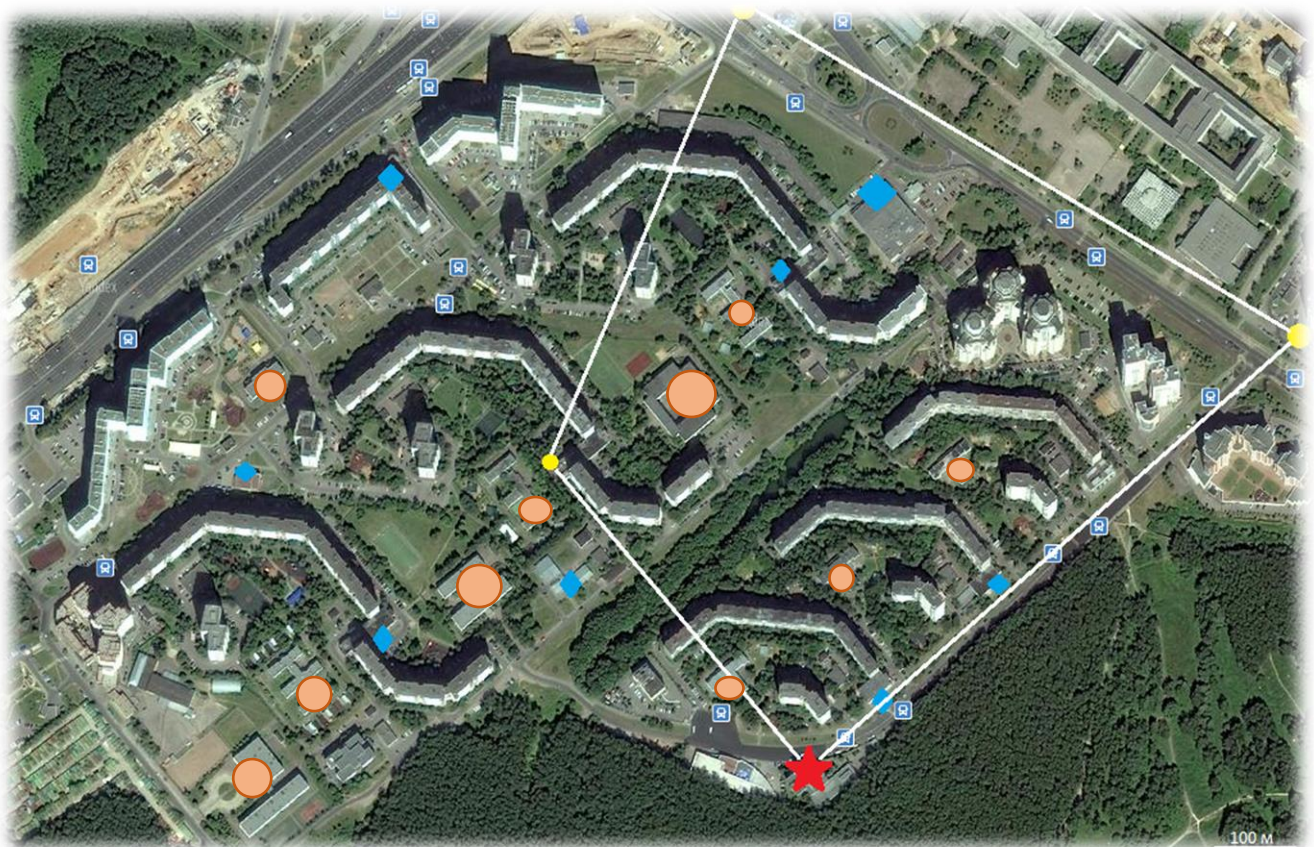


Figure 1. The microzone map

Blue lozenges - grocery stores; bigger lozenge – bigger store

Yellow dots – existing cafes and restaurants

Red star – estimated place for the restaurant

Orange circle – school or kindergarten

Green circle – sporting complex and swimming pool

The housing zone showed on the map-picture below is situated on south-westward part of the Moscow and counts average 30 000 inhabitants (Statistic data, 2017). Here are 4 schools and 6 kindergartens. The longest possible distance for pedestrian delivery – 750 m (approx. 10 minutes).

This microzone is considered as elite, because it is situated between two big forests, has comfortable planning and also has the main infrastructure units, needed for such district to provide its inhabitants comfort leaving. Half a year ago new underground station was built inside the district and now the huge flow of people who want to move in this microzone can be noticed.

Taking in to consideration amount of people living in operating space of restaurant and amount of schools and kindergartens it can be fairly said that at least $\frac{1}{4}$ can be direct clientele (7500 people approx.)

4.1.2 Market Segmentation

“9th Restaurant & Delivery” intends to cater to a special group of people. We want everyone to feel welcome and relaxed in a cozy atmosphere with a wide and familiar menu. It is our goal to have "something for everyone" every day on our menu. In looking at market analysis the following groups as targeted segments can be defined:

School students and their parents: a lot of families bring their children to school from other districts by car or by public transport. “9th Restaurant & Delivery” will be a perfect place to have a lunch both for parents and for students, or to order any kind of take-away if they have no time to have lunch or early dinner inside, or make time pass between school and sports courses. The most important issue connected with this segment more than with others – is parking. It is also a burning question all over the Moscow and people more likely to choose a place to eat out where the parking is easily available. The overall number of personal vehicles is growing from year to year and one family can have 3 or even more cars, obviously they need to be sure they will not have problems with parking and will not be worried about it. Talking about 9th Restaurant and Delivery there will be a lot of parking space allowed near by the restaurant (45 parking places approx.) and 15-20 parking place in the distance of 100 meters. Even if each and every guest will come by car parking question would be the last.

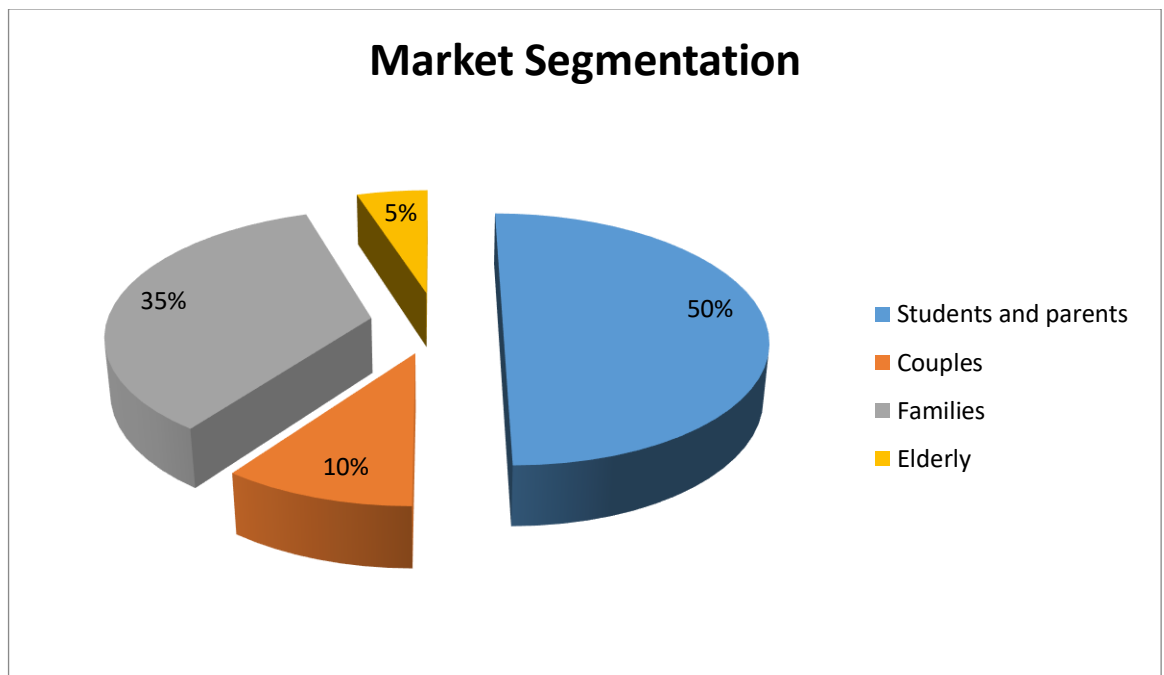
Happy Couples: The restaurant will have an intimate, sophisticated atmosphere that encourages people to bring dates and to have couples arrive. “9th” wants to be a search place where people meet each other and develop a network. These young cou-

ples are generally very successful but balanced and won't be spending as much on drinks and food.

Families: The perfect place for a family dinner. Families will come for the accommodative menu and friendly service. The excellent value in their meals will keep “9th” in favor with the parents. Also tired during the working week homemakers and business ladies will be happy to have a rest of cooking but still can please and satisfy their households with good food in right time.

The Elderly: Of course these people are not the main focus-group and hope for the profit, but at least once a month a pensioner couple can allow to have a good breakfast or dinner outside home and “9th” is going to make all best to provide them comfortable and pleasant time with tasty food and unobtrusive attention.

Table 1. Market Segmentation



4.2 Organization Description

“9th Restaurant & Delivery” is a 60 seat casual-dining restaurant.

The main goal is to concentrate on specific district of the city of Moscow and provide a perfect restaurant and delivery service inside this district.

We will be located in the easy to get point and will concentrate mainly on locals, who live nearby or close enough to come by feet or to receive pedestrian delivery directly to the apartment.

The area is in need of a warm and friendly place with excellent food. A place where you always know you will get good quality of food and service can spend a perfect time with your friends or family and can get range of different food types to your homes in no more than 40 minutes. "9th Restaurant & Delivery" will feature a cozy dining room, comfortable furnishings and decor with soothing warm tones. The sittings have comfy couches under big bra's and charming tables in the middle of the hall. It will be the perfect place for a bite to eat, for a drink or for a small business meeting, the main comfort place in the district to have a nice family dinner on weekends and to meet friends. For extra comfort and to please a large group of people we will make up special hours and offers.

The menu will be inspired from different countries' specialties and appeal to a diverse clientele. You can get Swedish specialties like meatballs and mashed potatoes, or we will also have a range of pasta dishes, different kinds of pizza and Japanize menu also. The menu will change every 5-7 months but keep the favorites. Prices will be competitive with closest places, but much lower than in city center. However, it is the strategy of "9th Restaurant & Delivery" to give a perception of high value than its competitors, through its food, service and delivery options.

The restaurant and delivery service will be open seven days a week from 10 to 24.00 during working week and from 12.00 till 24.00 on weekends. The restaurant will be casual dining in a cozy atmosphere. Warm colors, soft music, candles and uniritating art-works will create the spirit of the place.

The service will be relaxed, very friendly and correct. We will hire young people which live close to the restaurant and will do training, motivating and encourage them, and thereby retaining the friendliest most efficient staff possible.

Catering will also take part in restaurant's operations. We feel in today's hectic work schedule customers don't always have time to set up that birthday party or other event so 9th ready to help in organizing a birthday party for your children and for you.

An important, not to say the main goal of the restaurant will be delivery option covering the district radius, delivery will be pedestrian only. We want to offer and promise to our clients good and fast delivery of their favorite dishes for adequate prices.

"9th" is a great place to eat, combining a cozy, homelike atmosphere with good, interesting food. The mission is not only to have great tasting food, but have efficient and friendly service because customer satisfaction is paramount. We want to be the restaurant choice for all families and singles, young and old, male or female in this district. Employee welfare will be equally important to our success. Everyone will be treated fairly and

with the utmost respect. We want our employees to feel a part of the success. Happy employees make happy guests.

We will combine menu variety, atmosphere, ambiance and a friendly staff to create a sense of 'place' in order to reach our goal of overall value in the dining/entertainment experience.

4.3 Competitive Analysis

Our competitive edge is the menu, the chef, the environment, the management, the service and our friendly place! We will have an international menu and our food will be made with the freshest ingredients and produce available. The chef has an excellent taste for what good restaurant is and requires. Our environment is elegant and comfortable and our decor is warm and relaxing. Great service is very important to us. The management and servers will handle every detail and our atmosphere will make customers want to come back again and again.

4.3.1 Main Competitors

The biggest competition for the project is created by few small cafes in the microzone and more by cafes and restaurants, which are located on 3-7 km from the microzone. Currently, many people who live in microzone drive four kilometers to dine out at acceptable level. With the redevelopment in district and with 9th Restaurant & Delivery, these people will be convinced to stay close to their homes and eat at our restaurant. There are two restaurants and one café in district that could make a serious competition at first. These are also only the three places in district, well-known and perceived almost like 'old neighbor'. Each of these restaurants will be important to the project because "9th" restaurant concept is going to combine the best from the competitors' way of doing business and improve it with range of decisions.

The first place is an 80 seat restaurant, open seven days a week and serves lunch and dinner located 1000m away inside the multi-level junction in a very hard to get place. Even if the menu is good, interior is stylish and comfort most of the times this place is empty because of stillborn location. It is never busy for lunch as well as at dinner time. Average check is 27 €. This information has been collected through personal visits and observations.

The second is a small, very old and scuffed café in the heart of district, opened 7 days a week from 10.00 am till 24.00. The capacity is about 60 sitting places, décor is very old and untidy, menu is Caucasian and Georgian (because owners are Georgian patriots) with rare inserts of Russian. Prices are very low, but in case of this place it is obvi-

ous that a low price is not the ultimate characteristic while choosing a place to go. Being quite honest about it, district inhabitants choose this place only because of option to drink cheap beer in warm premise. Average check is 13 €. This information has been collected through personal visits and observations.

The third place is a small restaurant for kids and their parents. It is a 30 sitting places restaurant with a game room and periodic entertainment for kids. The interior is very considered and well-accomplished, kids love this place. Menu is pretty big, but prices are slightly overestimated, but it is a working pricing decision, because parents are usually ready to pay a bit more just to spend some time in comfort with good food while their children are messing up with other kids. But this place totally is not for such people who getting edgy about noise and running children very soon. Average check is 30 €. This information has been collected through personal visits and observations.

Anyway, everyone that sells prepared meals is this competition though because we all compete for the same home meal replacement dollar. However, there are two segments of the restaurant industry that are our main competition: the casual dining restaurant concept and the fine dining value restaurant. If the value of the food and price and service is better at a fine dining restaurant than a casual restaurant, where will is a customer more likely to go?

The key is to deliver the best food at the best price with the good level of service. This is the definition of value. This concept is a motto of "9th Restaurant & Delivery".

4.4 Business Concept

The idea of this project was born when the need of conventional areas removed from the city center in the middle class restaurants became apparent. However, not so easy to rent some equipment, then create a small win-win menu made only from familiar items and start selling. This project is created on the base of observation and analysis of the needs of a particular area. The two main goals which this project is going to reach: the first - to create a place in which you want to return, where every guest will feel comfortable and will get the pleasure of their choice, of the interior and service.

The second – is to offer the residents of the area to reduce the concern about food, slightly clean out of the minds the eternal question "What will we have for dinner / lunch / breakfast today?" with the help of pedestrian delivery. It is important to emphasize that delivery is going to be pedestrian only, and only within that area, because the task of the restaurant is to fulfill its promises and deliver the client wishes to longer than

within 30 minutes. For comparison - the rest of the delivery services, which are not so far from the specified area need at least 70 minutes to do the same.

4.5 Menu Positioning

Before the full menu sample will be listed it is necessary to give a general summary and concept explanation. In the company description part it was stated that restaurant will mix cuisines of different world parts and countries to attract more clientele. Why it is efficient and profitable? The answer is simple – more diversity more people, but there is a need of full explanation. The main components of 9th Restaurant and Delivery menu are next: classic European with a Scandinavian notes cuisine, classic Italian cuisine, classic Russian cuisine, classic Japanese cuisine (mostly rolls, sushi and sashimi) and little participation of classic American cuisine. From the first look it seems that it is no need in so much fusion and so big diversity, but Russian guest is always a special and exacting guest, which got used to have as much options as it possible. The Japanese and Scandinavian cuisine now could be marked as “possible addition in the future”. Full menu sample in the appendix 2.

4.6 Design and Layouts



Figure 2. Interior examples



Figure 3. Interior examples 2

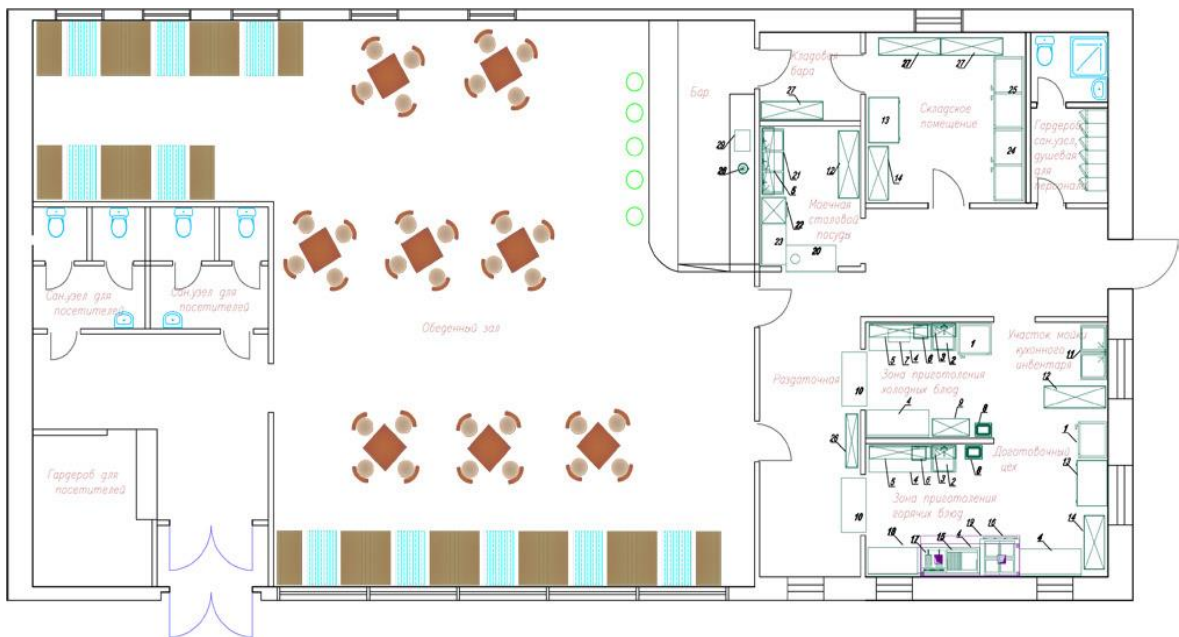


Figure 4. Design of premise

The main task for the interior to be performed is the creation of comfort and coziness. Soft, warm brown tones and colors, wooden surfaces, textile sofas in combination will give the feeling of relaxation and will not attract too much attention and have to not annoy.

Much more difficult task is lightening – it should be not too bright and not too dark inside the restaurant. Large goffer lampshades of pastel color will be controlled in brightness depending on the time of day. In the evenings candles on the guest tables will be provided.

Interior decor will be restrained, but not boring. A special role in the interior will play the bar, where some fresh fruits and small cocktail decorations will be located. Bar showcase will be made of glass and be highlighted by LED strips, creating the effect of the diffusive light.

The rest room is a face of each restaurant. The toilet rooms will also have a smooth lighting, pastel colors and aroma diffusers with a pleasant aromas will be set up.

4.7 Marketing Plan

Taking into consideration that the general target group count approximately 30000 of people living in one microzone, such marketing tactics as cold calls, e-mailing and media-stars involvement are not rational – even doing the advertise we still need to keep the idea of “chamberness” to save the status of unicity.

Therefore the next steps will be launched.

First of all, a big banner has to be established under the main entrance with a message about opening soon. People have to aware that in nearest time they will have a new, re-branded their personal place to rest and to eat a good food

Local Store Marketing

Make a brochure for grocery-stores in microzone to provide to future guests the information, containing interior pictures of our restaurant, menus, prices and date of opening just to make them aware.

A-frames with same information.

News-sheets on the information placards through the district.

Local Media

Newspaper campaign - placing several large ads throughout the month to deliver the concept to local area.

Direct mail piece - containing interior pictures of the restaurant, menu, and an explanation of the concept,

Website,

Target marketing to businesses for regular business lunch and dinner entertaining,

Promises and special offers.

Three weeks before opening the new brochures will be distributed. These new brochures will inform inhabitants about grand opening and special offers, discounts and gifts for those who will come.

4.8 Personnel Plan

We believe the personnel plan is in good proportion to the size of the restaurant and projected revenues. The staff will include 28 full-time employees who will work a total of 1323 man-hours per week and generate an average weekly gross payroll of 2,385,25 € for the first year in business.

Personnel Layout

Chef with considerable experience

Sous chef with considerable experience (1).

Cold kitchen cooks (3).

Hot and pasta kitchen cooks (4).

Sushi cooks (2)

Dishwashers and people cleaning the restaurant (3)

Managers (2)

Full-time servers (6)

Full-time delivery boys (2).

Full-time bartender (2).

General manager

Table 2. Payroll projections.

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Total
chef	€ 724,00	€ 724,00	€ 724,00	€ 724,00	€ 724,00	€ 724,00	€ 724,00	€ 724,00	€ 724,00	€ 724,00	€ 724,00	€ 724,00	€ 8 688,00
sous chef	€ 579,00	€ 579,00	€ 579,00	€ 579,00	€ 579,00	€ 579,00	€ 579,00	€ 579,00	€ 579,00	€ 579,00	€ 579,00	€ 579,00	€ 6 948,00
cook cold 1	€ 463,00	€ 463,00	€ 463,00	€ 463,00	€ 463,00	€ 463,00	€ 463,00	€ 463,00	€ 463,00	€ 463,00	€ 463,00	€ 463,00	€ 5 556,00
cook cold 2	€ 463,00	€ 463,00	€ 463,00	€ 463,00	€ 463,00	€ 463,00	€ 463,00	€ 463,00	€ 463,00	€ 463,00	€ 463,00	€ 463,00	€ 5 556,00
cook cold 3	€ 463,00	€ 463,00	€ 463,00	€ 463,00	€ 463,00	€ 463,00	€ 463,00	€ 463,00	€ 463,00	€ 463,00	€ 463,00	€ 463,00	€ 5 556,00
cook hot 1	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 6 084,00
cook hot 2	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 6 084,00
cook hot 3	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 6 084,00
cook hot 4	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 6 084,00
sushi 1	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 6 084,00
sushi 2	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 507,00	€ 6 084,00
cleaning 1	€ 181,00	€ 181,00	€ 181,00	€ 181,00	€ 181,00	€ 181,00	€ 181,00	€ 181,00	€ 181,00	€ 181,00	€ 181,00	€ 181,00	€ 2 172,00
cleaning 2	€ 181,00	€ 181,00	€ 181,00	€ 181,00	€ 181,00	€ 181,00	€ 181,00	€ 181,00	€ 181,00	€ 181,00	€ 181,00	€ 181,00	€ 2 172,00
cleaning 3	€ 181,00	€ 181,00	€ 181,00	€ 181,00	€ 181,00	€ 181,00	€ 181,00	€ 181,00	€ 181,00	€ 181,00	€ 181,00	€ 181,00	€ 2 172,00
manager 1	€ 347,00	€ 347,00	€ 347,00	€ 347,00	€ 347,00	€ 347,00	€ 347,00	€ 347,00	€ 347,00	€ 347,00	€ 347,00	€ 347,00	€ 4 164,00
manager 2	€ 347,00	€ 347,00	€ 347,00	€ 347,00	€ 347,00	€ 347,00	€ 347,00	€ 347,00	€ 347,00	€ 347,00	€ 347,00	€ 347,00	€ 4 164,00
server 1	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 2 280,00
server 2	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 2 280,00
server 3	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 2 280,00
server 4	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 2 280,00
server 5	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 2 280,00
server 6	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 190,00	€ 2 280,00
bartender 1	€ 210,00	€ 210,00	€ 210,00	€ 210,00	€ 210,00	€ 210,00	€ 210,00	€ 210,00	€ 210,00	€ 210,00	€ 210,00	€ 210,00	€ 2 520,00
bartender 2	€ 210,00	€ 210,00	€ 210,00	€ 210,00	€ 210,00	€ 210,00	€ 210,00	€ 210,00	€ 210,00	€ 210,00	€ 210,00	€ 210,00	€ 2 520,00
delivery 1	€ 130,00	€ 130,00	€ 130,00	€ 130,00	€ 130,00	€ 130,00	€ 130,00	€ 130,00	€ 130,00	€ 130,00	€ 130,00	€ 130,00	€ 1 560,00
delivery 2	€ 130,00	€ 130,00	€ 130,00	€ 130,00	€ 130,00	€ 130,00	€ 130,00	€ 130,00	€ 130,00	€ 130,00	€ 130,00	€ 130,00	€ 1 560,00
g.manager	€ 750,00	€ 750,00	€ 750,00	€ 750,00	€ 750,00	€ 750,00	€ 750,00	€ 750,00	€ 750,00	€ 750,00	€ 750,00	€ 750,00	€ 9 000,00
total	€ 9 541,00	€ 9 541,00	€ 9 541,00	€ 9 541,00	€ 9 541,00	€ 9 541,00	€ 9 541,00	€ 9 541,00	€ 9 541,00	€ 9 541,00	€ 9 541,00	€ 9 541,00	114 492 €
Labour tax 13%													14 884 €
Total payroll													99 608 €
weekly	2 385,25 €												

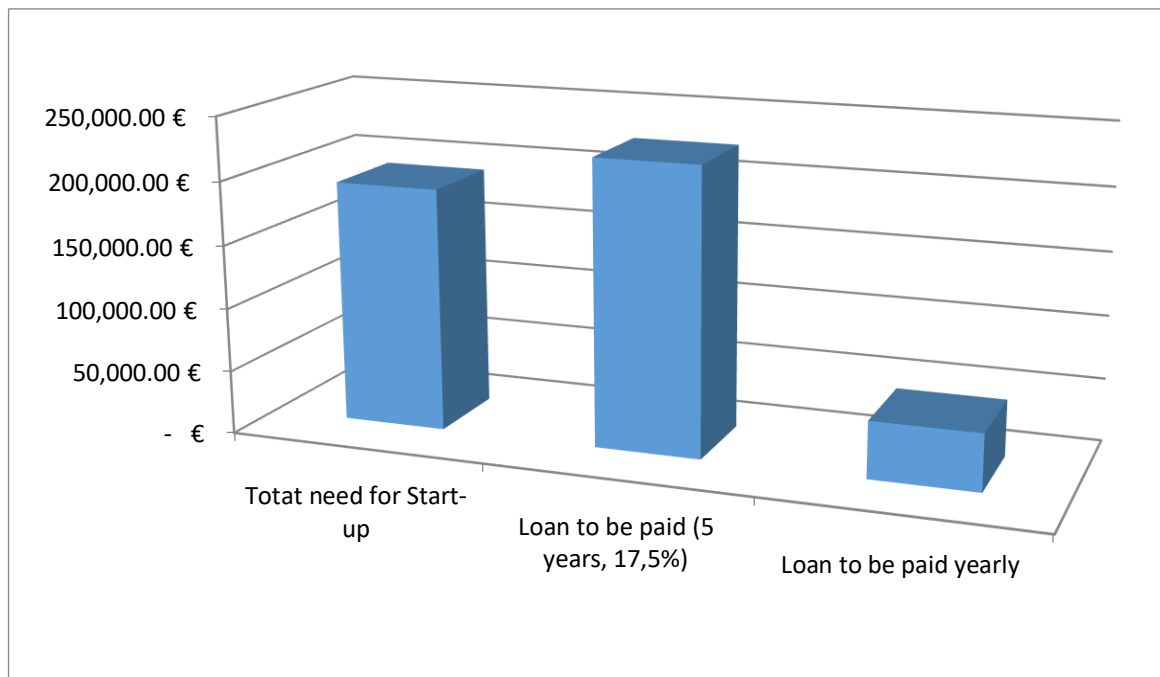
On the table above the main payroll projections are shown. According to the plans no changes in personnel are expected. Total monthly payroll payment is going to be 9,541 € and will be paid in two parts (advance payment and leftover).

4.9 Total Funding for Start-Up

The total need of money for start up the “9th Restaurant& Delivery” is 191 832,69 €.

The annual interest rate will be 17,5% for five years, wherefrom the total amount to be paid (225 403,41€) comes. All the calculations made are in appendix 2.

Table 3. Total Funding for start-up.

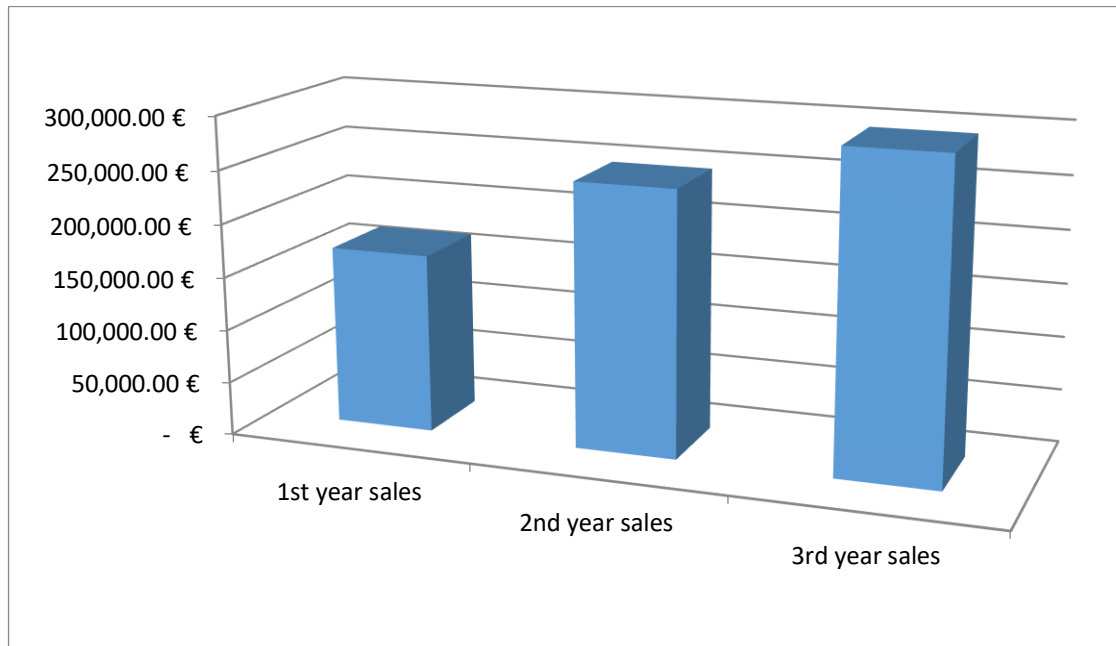


4.9.1 Sales Projections

Talking about sales projections, we are forecasting 167 927,04 € sales in the first year of operating, first year is the hardest one and that would be a big luck if the restaurant will get some profit. The second and the third years look more promising and we are hoping on good reputation and customer loyalty, earned during the first year of operations. Slightly increasing the average check seems very usual practice in picking up the speed of continual development.

The main goal on this stage is to provide to the customers good quality of food and service, show them the advantages of “9th Restaurant & Delivery”, make a mash on it in simple words and make them willing to pay a bit more. All the calculations are presented in the appendix 1.

Table 4. Sales Projections.



5 Conclusion

For the conclusion and after all researches and calculations made I can say that this project can be successful, but a lot of other internal and external work has to be done. It is not enough to understand the people's needs, even if you think you know them for a long time and live with them for your life. You have to obsessively believe in what you are going to do and during the making of this restaurant and any project alive. Economy in Russia is not stable, and it is much more inconstant in Moscow, so if such a dream is about to come into life the entrepreneur and founder has to be strong and sure he or she will be able to bring it to the end.

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Appendices

Appendix 1. Guest-sales projections

January - March (2nd year)	Weekdays	Weekends	Total	Delivery service	Weekdays	Weekends	Total
Amount of guests	3060	1176	4236		840	480	1320
Average check	10,62	12,80			11,50	15,70	
Total sales (3 months)	32497,20	15052,80	47550,00		9660,00	7536,00	17196,00
April - June (2nd year)							
Amount of guests	2940	768	3708		840	432	1272
Average check	10,62	12,80			11,50	15,70	
Total sales (3 months)	31222,80	9830,40	41053,20		9660,00	6782,40	16442,40
July - September (2nd year)							
Amount of guests	2820	720	3540		900	456	1356
Average check	10,62	12,80			11,50	15,70	
Total sales (3 months)	29948,40	9216,00	39164,40		10350,00	7159,20	17509,20
October - December (2nd year)							
Amount of guests	3120	1200	4320		1080	528	1608
Average check	10,62	12,80			11,50	15,70	
Total sales (3 months)	33134,40	15360,00	48494,40		12420,00	8289,60	20709,60
Total sales restaurant (2nd year)			176262,00				
Total sales delivery (2nd year)			71857,20				
Total sales (2nd year)			248119,20				

January - March (1st year)	Weekdays	Weekends	Total	Delivery service	Weekdays	Weekends	Total
Amount of guests	1980	648	2628		240	168	408
Average check	9,60	10,38			10,10	14,50	
Total sales (3 months)	19008,00	6726,24	25734,24		2424,00	2436,00	4860,00
April - June (1st year)							
Amount of guests	2160	816	2976		600	360	960
Average check	9,60	10,38			10,10	14,50	
Total sales (3 months)	20736,00	8470,08	29206,08		6060,00	5220,00	11280,00
July - September (1st year)							
Amount of guests	2340	912	3252		720	408	1128
Average check	9,60	10,38			10,10	14,50	
Total sales (3 months)	22464,00	9466,56	31930,56		7272,00	5916,00	13188,00
October - December (1st year)							
Amount of guests	2700	1032	3732		840	456	1296
Average check	9,60	10,38			10,10	14,50	
Total sales (3 months)	25920,00	10712,16	36632,16		8484,00	6612,00	15096,00
Total sales restaurant (1st year)			123503,04				
Total sales delivery (1st year)			44424,00				
Total sales (1st year)			167927,04				

January - March (3rd year)	Weekdays	Weekends	Total	Delivery service	Weekdays	Weekends	Total
Amount of guests	3300	1248	4548		1020	528	1548
Average check	11,62	13,40			12,00	16,50	
Total sales (3 months)	38346,00	16723,20	55069,20		12240,00	8712,00	20952,00
April - June (3rd year)							
Amount of guests	2880	792	3672		960	480	1440
Average check	11,62	13,40			12,00	16,50	
Total sales (3 months)	33465,60	10612,80	44078,40		11520,00	7920,00	19440,00
July - September (3rd year)							
Amount of guests	3180	1008	4188		1020	528	1548
Average check	11,62	13,40			12,00	16,50	
Total sales (3 months)	36951,60	13507,20	50458,80		12240,00	8712,00	20952,00
October - December (3rd year)							
Amount of guests	3480	1320	4800		1380	600	1980
Average check	11,62	13,40			12,00	16,50	
Total sales (3 months)	40437,60	17688,00	58125,60		16560,00	9900,00	26460,00
Total sales restaurant (3rd year)			207732,00				
Total sales delivery (3rd year)			87804,00				
Total sales (3rd year)			295536,00				

Appendix 2. Needed Funding

Purchase of products to be sold	7 246,37 €
Rent	28 985,50 €
Interior Expenses	3 347,82 €
Technical Equipment	1 884,00 €
Machines	29 500,00 €
Wages	114 492,00 €
Alcohol Licence	580,00 €
Start-up Cash	5 797,00 €
Total need for start-up	191 832,69 €
Long-term interest	17,5%
Loan to be paid (5 years)	225 403,41 €
Loan to be paid (yearly)	45 080,68 €
Loan to be paid (monthly)	3 756,72 €
Loan to be paid (quarterly)	11 270,17 €

	Total Sales (1st year)	Total Sales (2nd year)	Total Sales (3rd year)
	167 927,00 €	248 119,00 €	295 536,00 €
Excluding VAT (18%)	30 226,86 €	44 661,42 €	53 196,48 €
Operating Income	137 700,14 €	203 457,58 €	242 339,52 €
Property Tax (2,2%)	3 029,40 €	4 476,07 €	5 331,47 €
Income Tax (20%)	27 540,03 €	40 691,52 €	48 467,90 €
Wage Tax (13%)	17 901,02 €	26 449,49 €	31 504,14 €
Social Tax (34%)	46 818,05 €	69 175,58 €	82 395,44 €
Net Income	42 411,64 €	62 664,93 €	74 640,57 €

Appendix 3. Menu Sample

Menu The “9th”

Breakfast (Monday – Friday until

12.00; Saturday – Sunday all day)

Croissant

Croissant with ham and cheese

Homemade pancakes with lightly-salted salmon, lemon and herbs

/or with caviar/ jam/ sour cream/ honey/ condensed milk

Boiled egg 3/7 minutes

Baked omelet (2 eggs) with additional ingredients:

cheese/ mushrooms/ tomatoes/ onion/ herbs/ bacon/ ham/ bell peppers

Porridge

oat/ rice/ millet/ buckwheat

Curd pancakes with additional ingredients:

jam/ sour cream/ condensed milk/ honey

Hot and cold appetizers

Mozzarella caprese

Assorted bruschetta (3 pc)

*tuna with onion/ “Forshmak” with her-
ring/ tomatoes with basil*

Potato vareniki

Baked eggplant with parmesan

Mix of olives

*Cheese plate (Goat cheese, Brie, Gor-
gonzola, Edam, Grana Padano)*

Meat plate (mix of cold meat snacks)

Pickles

*Big company plate (mix of cheese
plate, meat plate and pickles)*

Salads

Caesar salad

with chicken breast/ with shrimp

Fresh vegetable salad

Russian “Olivier” salad

Russian “Vinaigrette” salad

Greek salad

Rucola salad with shrimp

Soups

Borsch

Chicken noodle soup

Solyanka

Porcini mushrooms cream soup

Rassol’nik

Soup with vegetables and meatballs

Pasta

Fettuccine with shrimps

Spaghetti Carbonara

Papardelle with salmon and herbs

Spaghetti Bolognese

Lasagna

Pizza

Focaccia

Pizza Margherita

Pizza Salami / Spicy salami

Pizza with ham and mushrooms

*Pizza four cheeses (Mozzarella, Em-
mental, Parmesan, Gorgonzola)*

Pizza with tuna (Rucola and onion)

*Pizza Tropicana (Ham, pineapple and
oregano)*

Additional ingredients:

*bacon/ salmon/ mozzarella/ champi-
gnon mushrooms/ fillet of chicken/
vegetables*

Main dishes: Fish

Sea bream (grilled or steamed)

Salmon (grilled or steamed)

Codfish fillet with backed vegetables

Main dishes: Meat

Chicken breast (grilled or steamed)

with a sauce to choose:

cream/ mushroom/ spinach

Ribeye steak

T-bone steak

Grilled beef medallions

Beef Stroganoff

Sides

Vegetables (grilled or boiled)

French fries

Mashed potatoes

Buckwheat

Broccoli with olive oil and garlic

Potatoes (fried or boiled)

Deserts

Cheese cake

Napoleon cake

Apple strudel with vanilla ice cream

Tiramisu

Medovik

Fresh fruits and berries

Ice cream

Drinks: non-alcoholic

Tea

Milk Oolong

Earl Grey

Green tea with jasmine

Camomile

Assam

Mint/ lemon/ honey

Coffee

Espresso

Double espresso

Cappuccino

Americano

Latte

Cacao

Water and soft drinks

Bon Aqua (still or sparkling)

Coca-cola (Coca-cola Zero)

Fanta

Sprite

Tonic

Bottled juice (tomato, cherry, peach, apple)

Freshly squeezed juices (orange, lemon, grapefruit, carrot, celery, apple)

Drinks: alcoholic**Beer**

Sibirskaya Korona

Hoegarden

Stella Artois

Bud

Beck's non-alcoholic

Aperitifs

Martini Bianco

Martini Extra Dry

Vodka

Beluga

Smirnoff

Russian Standard

Rum

Bacardi Superior

Bacardi Black

Bacardi Gold

Tequila

Cazadorez Blanco

Whisky

Dewar's White Label

Johnnie Walker Red Label

Jack Daniel's

Jameson

Chivas Regal 12 y.o.

Bitters and Liqueurs

Campari

Jagermeister

Bailey's

Sparkling Wines

Abrau-Durso

Russian Champaign

Martini Prosecco

Martini Brut

Wine by glass (150 ml)

White

Sauvignon Blanc Chardonnay. Chile

Tai Pinot Grigio. IGT. Italy

Homemade wine

Red

Cabernet Sauvignon. Merlot. Chile

Chianti. Conti Serristori. Italy.

Homemade wine

Wine list

Red

Kindzmarauki Royal Wines Georgia

Saperavi Georgian Royal Wines

Vistaflor Malbec – Sangiovese Mendoza

Chianti Querceto Chianti DOCG

White

Tsinandali Iveria Georgia

Cono Sur Bicicleta Sauvignon Blanc

Pinot Grigio Carnevale di Venezia IGT

Mill Cellars Chardonnay Australia

Rose wine

Marques de Caceres Rosado/ Rioja

DOC

Separately (on individual sheet)

Kids menu

Chicken noodle soup with meat balls

Fish soup with meatballs

Chicken rissoles with side dish

Fish rissoles with side dish

Sides

french fries/ mashed potatoes/ noodles/ rice

Spaghetti Bolonese

Chicken breast (grilled or steamed)

Ice cream

Milk shakes

Japanese menu

Sashimi

salmon/ tuna/ unagi/ sea scallop

Rolls

Sake maki/ Unagi maki/ Kappa maki/

Tekka maki/ Avocado maki

Philadelphia roll

Classic California roll

California with tobiko roll

Spicy tuna roll

Futomaki roll

Warm shrimp tempura roll

Soups

Miso soup

Tom Kha soup

Hot and cold appetizers

Edamame beans

Kaiso salad

Shrimp Gyoza

Thai noodle