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STARTING A RESTAURANT BUSINESS An opportunity for an entrepreneur

Thesis

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ABSTRACT

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<p>The main objective of the thesis was to find out the opportunities of a restaurant business in Nepal for the investors. This thesis explains about the food culture and restaurant history of Nepal. The aim of the thesis was to clarify the present market of restaurants and the possibilities for a new entrepreneur. The main purpose of the thesis was to determine whether the restaurant business would be viable and able to provide a good opportunity for those having an interest in food business.</p> <p>Starting and running a business without hindrances is not an easy task. The theoretical framework of the thesis consists of a general review of the restaurant business in Nepal, the importance of business planning and related theoretical issues. The theoretical approach of the report is based on several books, internet sources, magazine and blogs. The main theme of this research was to find out the present status of prevailing restaurants of Kathmandu.</p>		

<p>Key words Business plan, Entrepreneur, Food business in Nepal, Market analysis.</p>

CONCEPT DEFINITIONS

DFTQC	Department of Food Technology and Quality Control
HAN	Hotel Association Nepal
HRM	Human Resources Management
4PS	Product, Place, Price and Promotion
REBAN	Restaurant and Bar Association Nepal
SWOT	Strength, Weakness, Opportunities and Threats
VAT	Value Added Tax
WTO	World Trade Organization

ABSTRACT
CONCEPT DEFINITIONS

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1 INTRODUCTION

A good concept, idea and a proper study of the matters is necessary when an entrepreneur wants to start a venture. To launch a project, more than just an idea is needed. For instance, a feasibility analysis, business plan, capital and procedure of licenses are needed. A proper knowledge of the business and a good technique to use the business idea makes the chances of transforming a business idea into a profitable business.

As a developing country Nepal, still does not have that much research and practice that a restaurateur can come up with a new variety of food and menu that can be popular among other countries because a proper research can only clarify the popular dish, but the cuisine found in Nepal is healthy and delicious. Restaurant business in this modern era has become a famous and fast-growing business. Due to increment in craze of running one's own business, becoming an entrepreneur has created an environment where people choose this track to upgrade economic stability. As a previous restaurateur and having some skill and knowledge, one of us still have the passion in this business. So, writers are interested in opening a restaurant and have chosen the topic for their thesis. Similarly, the knowledge and skill gained during the thesis process will be useful for the future project and will be a guide for others also.

The theoretical part of this thesis is a key point in analysing the factors related to starting up a business. The theoretical part has five chapters. Chapter two gives the information about the restaurant business in Nepal. Chapter three reflects the knowledge of business planning and its theoretical issues. It gives the knowledge and importance of business planning while starting a business. Chapter four is focused on the entrepreneurs, characteristics, possibilities and obstacles for an entrepreneur in Nepal. This mainly highlights the required qualities to be an entrepreneur. Finally, chapter five is a reflection on the market analysis, planning. It represents several sectors of marketing a business or a product as well as features relating in identifying the competition. The 4Ps of the marketing mix and SWOT analysis will help the entrepreneur in identifying the situation of the market and use the required techniques to run the business in addition to the satisfaction of the targeted customers.

The thesis includes a special appendix devoted to restaurant business which discusses the common features of restaurants and identifies the required approach to handle a business. It provides visibility and a clear map of the business and vision to investors, possible partners or everyone who is connected to the business. The business idea and its development is a challenging task for the entrepreneur though it should be visible and clear. However, a business plan also should motivate the investors to invest in the estimated project.

The aim of this thesis was to provide proper guidelines for the entrepreneur to start a restaurant business. The objective of the thesis was to target the possibilities of operating the restaurant business and understand the policies and trends of the market. It also explains the challenges and obstacles of running a business in Nepal. The research aimed to find out if there is demand for new restaurants and whether there are possibilities for new investors and a favourable legal and administrative mechanism to establish new restaurants in Nepal? As a location for the business, Kathmandu has always been the first place to start up in Nepal. During the start-up process, there are some stairs that the entrepreneurs should climb up such as finding out a convenient location, creating a good business concept, and accruing sufficient resources, a good knowledge of business process, documental processes and a proper selection of the manpower. Another aim was to make a track for the future restaurant business or investors by keeping the thesis as an important document or a record.

In the research part of this thesis both qualitative and quantitative research were used. six restaurateurs in Nepal were interviewed through online. There were altogether 20 questions divided into 9 different themes. Similarly, the questionnaire survey was conducted with the customers of the Nepalese restaurant in Nepal. These questionnaires were submitted to different offices and colleges. The answers acquired through these interviews and the results of the questionnaire helped in finding out the possibilities of business and based on them it was possible to provide suggestions for further development of the business. The purpose of this was to evaluate the conceptual framework within which to find out the factors relating to running a restaurant business and its consequences.

2 ENTREPRENEURSHIP AND RESTAURANT BUSINESS

Entrepreneurship is said to have originated with the 18th century economist Richard Cantillon, who used it to identify the one who bore the risk, made plans, organized and owned production-land, labour and capital. They create a new business in the face of risk and uncertainty to make a profit and grow by identifying the opportunities. To succeed in an ever frenetic and competitive hospitality industry the entrepreneur must be energetic, motivated and driven. (Lasley & Lee-Ross 2009, 6-75.)

In the Collins dictionary (Collins 2008), entrepreneurs are described as “the owner of manager of a business enterprise who, by risk and initiative, attempt to make profits”. This definition emphasized that entrepreneurs not only own the business, but also manage them. It offers the prestige of being the person in charge. (Lasley & Lee-Ross 2009,49). An Entrepreneur not only runs the business, but also improves the existing ventures. For example, Michael Dell, The chairman and chief executive officer of Dell Technologies improved the process of selling computers by eliminating distributors and retail stores and selling directly to the customer. He was obsessed with taking the computers apart and putting them back together again. So, he changed the idea of doing the business. That means just running an enterprise is not a specific quality of an entrepreneur, but bringing any uniqueness is the ability of a good entrepreneur. (Collins 2008, 23.)

In the economic development and its stability, entrepreneurs always play a key role. They mobilize the idle savings of the people. With the help of entrepreneurs, youth can get the opportunity to reduce the unrest and social rest, which they face due to unemployment and social tension. The success of many developed countries is due to the presence of dynamic entrepreneurs. Through innovation, entrepreneurs exploit changes as an opportunity for business and service, responds to it and make changes in the organization and management. (Entrepreneurship Development & New Enterprise Management 2017,1-4.)

2.1 Traits of entrepreneurs

A prominent level of confidence, intense sense of competitiveness and creative ideas can make one business person successful. The individual responsibility for identifying a business opportunity and taking it from idea to implementation can be only be performed by those who have creative concept and bring some innovation in the organization. One needs to be focused on the work and have a good vision of the business. A qualified entrepreneur can handle all the matters and act as an innovator and strategic planner. (Essay UK, 2018.)



FIGURE 1. Traits of entrepreneurs (Adapted from Minority business development Agency)

The figure above illustrates the qualities of an entrepreneur. Entrepreneurs are a workaholic who enjoys the thrill of creating strategies and building product models. These characteristics can be described as follows;

A successful entrepreneur can be a person who has a special leadership which is followed by all. Doing business is not the only thing, but one should always have the goal to create a value even if there is unpleasantness at work. An entrepreneur creates an effective environment and motivates the team with confidence, foster the business up one step. Accepting the

changes and enjoying the challenges is a good personality of a good business person. Adapting the changing situation and motivating the team toward new goal and opportunities are the need and responsibilities of an entrepreneur. One should always be passionate about their ideas that steer the mobility and make the vision complete. (Minority business development agency 2010).

The capacity to tackle the problems makes the business person a legend. Neither cheating nor blaming others make one a credible business person but that is just a temporary way of escaping from the error that has been-made. A sustainable business holder maintains the integrity and proves to be credible. Making the best decision by accepting the risk without the fear of failure is the key factor in the success of an entrepreneur. One cannot be always right in sense of making plans, however they can also fail. Success can be gained after failure. So, entrepreneurs should always be ready to stand up in the worst situation.

One who does not know-about the competition and does not have essential information about competitors cannot lead long. Accepting one`s own weaknesses and others` strengths can help in being failure. In the restaurant business, feedback from the customers helps in improving the effectiveness. Entrepreneurs have the potential power that drives them to constantly develop innovative ideas and opportunities and improve the existing processes. Accepting the changes and changing the things according to the situation are the traits of a successful entrepreneur. This can help in improving the product, service and the process of doing business and success in business. (Minority Business Development Agency 2010.)

However, the definition can be different. The identification of an opportunity and getting into its depth and the act of delivering the new offering in a fruitful way makes the restaurateur the winner. Joseph A Schumpeter (2011,4-6) in Entrepreneurship Development has mentioned that entrepreneurs are those who raises money, gathers inputs and set the association running with the capacity to recognize. (Entrepreneurship Development 2011,4-6.)

2.2 Possibilities and challenges of business in Nepal

People always seek an opportunity to be forward and move towards prosperity. One, who devotes time, strength and effort can become an entrepreneur. They not only do for themselves, but also create an environment to show the capabilities and a way for the investors. According to the report of the Nepal Rastra bank (Migration and Remittance Fact book 2011.) remittance contributes 25% to the country`s GDP. This is a positive aspect, but many youngsters immigrate in search of a better life. These immigrants have also developed the habits of eating out. So, they go out for eating when they visit Nepal with their friends and families. (Migration and Remittance Fact book 2011.)

Similarly, Nepal has only one international airport in Kathmandu. There are numerous touristic places in Nepal, so travellers must enter Kathmandu as the first destination. The key in operating a business with low investment and with a high range of profit is starting a restaurant business. Proper planning with time management and arduous work can easily earn the trust of customers. Moreover, research has proved that 83% of consumers want quick service eateries and healthier eating options. Thus, if these concerns are maintained, then the opportunity to start up a restaurant business can be a remarkable opportunity for the entrepreneurs. It can be considered as a never-ending, fast growing and moneymaking industry. Not only the money, but a satisfaction that is gained by making the eateries more satisfied is also a gain from this work.

People shift to abroad in search of job, higher education and political disorder and changing lifestyles, i.e. desire to acquire the high standard life in urban areas. They learn the new rules and different cultures from there that means they also learn the food habits from that place. They learn the habits of eating out also. Similarly, they try to show the habits of eating out. These factors are driving the surge in food-service businesses because they want more restaurants and hotels. To start-up a business one needs start-up capital along with dedication, arduous work, perseverance and a desire to success. In Nepal as a destination here is a crisis all around for the water, fuel, electricity, communication and much more. This crisis also creates an opportunity because pain is an opportunity and people suffering from all these are desperately waiting to stay employed to handle their livelihood. (Thapa 2013.)

Currently, more than 400 restaurants and cafes are serving their cuisines in Kathmandu. Being different in nature among other business, restaurant business does not have the completion period. The Lack of proper planning and a good vision for growth leads in increase in expenses and capital expenditure. The lack of stability in the government, policies keeps on changing unexpectedly and this change creates a massive impact on the restaurant business because every time they change rules and increase the costs of raw materials in Nepal. All these can create cost overrun and the business in Nepal cannot maintain the projected cost. Nepal is rich in natural resources, but there is also the risk of a disaster such as flood and landslides which has caused many problems in delivering the required materials in Kathmandu valley. Food and vegetables in Kathmandu valley are delivered from various places of Nepal, where the road transportation system is in priority, so, problems with regular delivery must be faced by the marketers and the marketers cannot supply to the restaurant. For instance, Nepal has faced enormous loss due to an earthquake in 2015 which has made it difficult for many businesses to build and strengthen resilience (Rana 2017.)

Private entrepreneurs in Nepal have remained traditionally shy because of the limited financial resources, as well as the lack of adequate entrepreneurial education and training. Similarly, the low rate of return for the industrial investment, the shortage of protection to investors, the wide range of corruption in the public sector and the desires of people of becoming rich overnight has created obstacles for those intending to establish in the industrial sector. It can be concluded that political instability, the low level of confidence and the limited access to capital have become the main barriers of the entrepreneurs in Nepal. (Khatri 2003.)

2.3 Restaurant and its concepts

A business needs several factors for its success. Neither a business only with the management of internal matters can run nor it can succeed ignoring the internal characters. A restaurateur must keep his or her eyes open to find the essential issues that can make the business failure. One can think of these factors and make the business path run smooth.

Nepal became a member of world trade organization (WTO) in 2004, and since then food safety has become a principal issue and a priority of concern of the government. However, the regulation of the safety of the food was established in 1996. Department of food technology and quality control (DFTQC) has liable to enforces the rules and regulation regarding

food safety and quality management. A restaurant business needs to have standard and hygienic food that can be eaten by the customers, an appropriate food technology and training to staffs in order to get certificate from DFTQC. A business firm can be penalized (including sanction) if it is found to be responsible for producing and selling unsafe and contaminated food. (Bajagai 2012.)

To take the concept or the status of a restaurant to a higher level, several factors may play a major role. Customer satisfaction is a way to reach the targeted goals in eateries business. Building customer loyalty can be difficult, but if the business venture is started properly and executed in a correct way, profits can be increased through long-lasting relationship. A loyal customer never hesitates to pay, they can spend up to 67% than new customers. Increase in customer retention can lead a restaurant business for profits. A restaurateur needs to follow the global trends. Accepting change and making the customers convinced about the changes help in increasing customer loyalty. When the entrepreneur can establish a channel and become the first thing people think of when they think of eating out and choosing the food that the restaurateur serves, customer loyalty and attention automatically increases. (Rubright 2017.)

2.4 Food and cultures in Nepal

Nepalese believe that food and eating are all divine and food should be eaten in peace and in a joyful manner. Nepal is a small country populated by more than 100 ethnic groups speaking almost the same number of languages. The food varies according to the religion and other social factors. (Adhikari 2017, 10). One can easily imagine what food is. Food is any nourishing substance that is taken, drunk or taken into the body to sustain life, to supply energy, to continue growth which is solid nourishment different from liquids. Foods can come in all different flavours, shapes, size and varieties. (Scribd 2017.)

Food culture indicates to the practices, attitudes, but also to convictions and those networks and foundations encompassing the production, distribution, and utilization of sustenance. It also indicates some groups` definitions of the food that the thing which is tasty, healthy, socially suitable which the individual can consume. (Lexicon of food 2017). Understanding the culture differences and make the selling to ethnic markets is important though culture impact communications. The proper acknowledgement of culture can affect the ability to

enter the local markets, development and maintenance of business relationship and negotiating for successful deals in selling. Understanding the eating habits of people and making them convinced by accomplishing business objectives can be profiled as a long-term orientation project. (Carpenter& Dunung 2017.)

The food of Nepal is as diverse as the country itself. The Nepalese food is famous for its nutrition and appetizing taste. Nepalese culture is also a mixture of Indo Aryan and Tibeto-Mongolian influences where Nepalese cultures are mostly influenced by Indian, Mongolian and Tibetans. Dal-Bhat-Tarkari-Achar (Lentils soup-rice-curry-pickle) is the main and standard food which is rich in flavour and makes comprehensive use of spices and seasoning such as ginger garlic coriander and many more. Hence, Nepal with ethnic diversity also has diversity in eating behaviours along with varieties of food in different region (The Kathmandu 2016.)

2.5 Restaurant business in Nepal

This part mainly focuses on food culture and restaurant business in Nepal. The history of restaurant business will be discussed. Here the author has explained about the situation and opportunities of business in Nepal description and this that can provide a clear map on the possibilities of doing business in Nepal for the new entrepreneurs as well as the existing one can find the important information on upgrading the business.

Nepal is famous for the multiculturalism where food is also diverse as the country. So, with the variety of cultures, the food prepared in Nepal also has the unique taste and their own flavours. The trend of going out to eat in a restaurant and hotels and enjoying the food has made the possible stairs in opening restaurants for the interested person. Nowadays, not only the typical Nepalese restaurants are famous and have good business in Nepal but those with international cuisine with foreign atmosphere are also taking good market and are in demand. Nepal has all kinds of restaurants that can satisfy the customers` desired taste buds and palate of eateries. (Himalayan Footsteps 2011.)

The Nepal hotel industries are perhaps one of the oldest commercial endeavours in the world. The first hotel established in Nepal was “Nepal Hotel” on 1951 to 1952 which hotel was closed in one fiscal year. In 1956 the hotel “Coronation” was opened in Bagbazar and it was

the first purposely built hotel in Nepal. Nepal is a rich country with natural resources, culture and tradition which has created an attraction on the tourism sector. So, there is a wonderful opportunity to start a restaurant with modern facilities and technologies. (Bogati 2013.)

Hotel Association Nepal (HAN) is the main leading association in the hospitality industry under which 300 hotels, resorts and guesthouses are registered in Nepal. This association has helped the members in maintaining a good business with high profile within government. The association has provided an opportunity to express the opinion and has influenced in making an impact on the decision-making process. Restaurant & Bar Association of Nepal (REBAN) together with HAN organizes various programs in association with Nepal tourism board and Department of Food Technology & Quality Control that has helped in training the chefs and also highlighting the Experience Nepal-Cuisine and Culture Campaign and supporting in globalizing the Nepalese cuisine. (Hotel Association Nepal 2018.)

3 BUSINESS PLANNING

A business plan determines what needs to be done, who will do it, targeted time and cost to accomplish the plan. It is the systematic arrangements of tasks to achieve the objectives. It can be taken as the road map that provides the direction of the future goal. The business plan includes not only the way but also covers company's vision, goals, name of management, and services too. (Clements & Gido 2009, 111). It includes all the methodologies and activities that one imagines are necessary for achieving the goal and a vision for the survival, prosperity and growth of the business entity. It is a mind makeup before the start-up and a requirement that needs to be made to identify the target market. The business plan is a living document that needs to be updated throughout the life cycle of the business. (The balance, 2017.)

Starting a new venture and running it up is like going on a tropical forest for a treasure hunt where one can get the rewards as personal satisfaction and on wealth also but where one needs to face the problems such as the danger lurking in the forest and getting the possibilities of going out of track which makes the destiny aware of the difficulties, problems and risks and comes with a solution for the further journey. A business plan is an operational plan that assists the opportunities ,helps to avoid the mistakes in developing production, marketing plans and works as a selling tool based on financial proposal. (Adhikari 2013)

3.1 Business Idea

Business idea is the framework that generally shapes the sense towards entrepreneurship. It encourages innovative ways of thinking when it comes to entrepreneurship and innovation. The Prominent level of competences and energies are essential for development of better business ideas. (Hougaard 2004.)

The way to understand the opportunities and to grab the situation is a skill of an entrepreneur. One chooses a business where the capital requirements, current trends and the amount of time can be managed and get the business up and run properly. It is a decision support document that emphasizes customer benefit, market and revenue mechanism. Each idea in the beginning has no commercial value even if the idea is brilliant. A possibility checks on that

idea gives a better information about the chances in the marketplace. An idea gets commercial value only when the market accepts it. (Venture 2017). An innovative idea gives the business room to grow. To create a good business idea, one should always try to estimate how the market will look like within a few years and the idea should be always distinct from the competitors. The entrepreneur should be up to date about the competition and the competitors. The best way to success in the market is to research properly and have exhaustive market information because major ideas fail through bad marketing. (Smarta, 2016.)

When a good business idea is found, it is better to take some time to evaluate the idea whether it works properly or not and do research and analysis to find out the potential of the idea. The very first and most crucial step is to identify the target market and find the potential customers of the business. Then one needs to know what makes the product or service different from others and why the customers choose the product. Another task is to find out about the competition. It is important to get an idea of who are the competitors and find out where the capital will come and the earning potential. These are the process in finding out if the business idea is going to work or not. This can help to avoid wasting time and money on a likely failure. The research on the business idea can help in creating a better business plan. (Gregory 2017.)

3.2 Benefits of a business plan

A business plan works as a road map that provides the directions for a business planner for future to avoid the bumps in the business path. The business plan is created at the beginning, but it must be checked from time to time review the model of the business and make changes according to the time and needs company. (Entrepreneur magazine 2017).

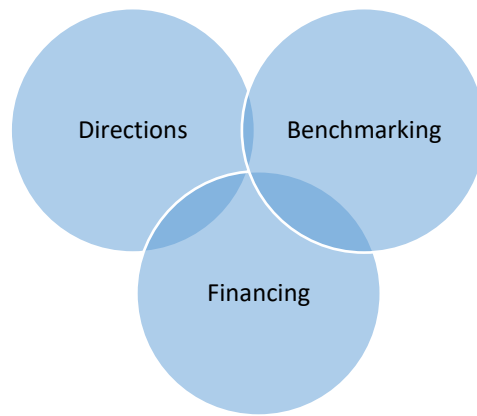


FIGURE 2. Benefits of business planning (Adapted from Chron)

According to Charmayne Smith in Chron (Smith 2004), a business plan helps to identify potential problems and opportunities that the business might face. Here Smith is describing the benefits of a business plan. Understanding the key benefits and considerations of each business structure can help one to pinpoint which one is the right one for the business avoiding the unnecessary penalties, fines and legal problems.

Without a direction, a business cannot go further. A plan is made with the research and the preparation, which broadens the understanding of the entrepreneurs. A well-prepared plan helps to compare the business's expenses against its customer demand, available finances and competition. The information on the plan helps to create proper methodologies to produce successful results. In the restaurant business, it is quite necessary to understand the customer demand and manage the finance to be able to meet the demand which can be well prepared through the business plan. (Smith 2004.) The business plan is prepared to define the business and what is its expectations in the future. It clarifies the purpose and the direction of the business and helps in finding the needed things and steps forward. A simple description about the business and its product or service are specified in the business plan which provide a detailed description of the offering to the ideal customers. (Burns 2018.)

To identify the success and failure of business strategies, a restaurant business needs a way to monitor the progression. The business plan provides the preview of the business's details. It also helps to identify and choose the factors that attract the customers to one's place for the required product and keep the same standard of satisfaction for the consumers in the future as well. (Smith 2004). The way of measuring the performance against similar-sized

businesses in the same business field that gives information on how the business can be improved is considered as benchmarking. It helps in reducing the costs and improves efficiency and forecasts the impact of any changes. (Business Queensland 2018.)

A business needs not only personal investments and savings, but one needs various aspects such as loans, grants and lines of credits. For Managing these matters and handling the work in critical situations also a business plan is required. A business plan includes all these factors as a supporting document where records such as tax returns, payroll information and bank statement are stated clearly. The business plan provides a convenient and well-organized location for these supporting items. (Smith 2017.). With real statistics, facts, figures and detailed plans the business plan can provide a better chance for the new business in attracting investors to provide the capital needed for the start up. A betterment in the complete business plan can show whether the business has the potentiality to make profits. (Burns 2018).

All the functional areas of the business are available on the business plan and it is a written structure of the whole business which helps in workout the necessary tasks of the business. It is a tool to make the thoughts and vision into reality by evaluating and modelling the venture in a path of profitability.

3.3 Human resources

Human recourse management plays a vital role for any business development. Human resource management is all about representation of one's business through one's behaviour. That means if a business has a positive interaction with customers, then they will visit again and again, but if the encounter is a negative one then the customer will never be back. So, it is crucial for any entrepreneur to hire the right person, train them, motivate them, and encourage them to stay in the company. Thus, all these things make a company run with satisfaction with positive working environment and benefits for everyone. This management process is called Human recourse management (HRM) which includes all the facts behind business development which all companies take. (Collins 2008,103).

It is always complex to work with people and adjust according to their behaviour and nature. The restaurant being a fast-paced business needs the support of Human Resource to maintain or manage the functional work such as recruitment, performance management and staying

in compliance with employment and food handling regulations. For example, most restaurant businesses serve alcoholic beverages. So, they should have TIPS certificate which certifies that employees that serve alcoholic beverages are responsible and can determine when customers reach consumption limits. Similarly, restaurant managers are responsible for managing work force issues, and that is why Human Resources train managers how to handle HR matters. In addition to these matters HR also works in surveying and setting competitive wages for company benefits. (Mayhew 2018).

3.4 Financing

Finance works as a role model in handling a business as it is a fund for the business. Money is the backbone and the strength of a business. Companies will be idle without an adequate budget and good management of the finance department. The business finance department is liable for monitoring all the financial activities within the business. Enhancing the profitability by identifying the ways to save on expenses with proper financial analyses is the responsibility of this department. (Sheahan 2017).

Financial institutions act as intermediaries between savers and borrowers and operates the flow of funds between them. When it is decided that the business venture is to start, the next step on the road is to think where the money will come from to fund the business. Self-financing is the first thing that comes in mind before the start-up. It is the form of financing used by most of the business start-ups. Bankers, venture capitalists or the government are other sources for financing. Friends and family are also the source of financing. They can be potential lenders or investors by providing the money as a help or by taking interest rates on the money they provide. However, all these parties want to have an accurate figure of money that one needs or wants to invest. So, the estimated expenses should be listed properly in a balance sheet, so the entrepreneur will be able to determine the net worth. (The staff of entrepreneur media, Inc 2018).

Finance is the core part in handling a business. Borrowing money from others when one does not have sufficient funds oneself is an effective way to be able to make an investment in the targeted field. It is a way of bridging financial difficulties and making a convenient path in the economic sector. In Nepal, one can have loans from banks and financial sectors after paying a certain amount of interest rate. Usually one must pay at least 11% of interest for

personal loans whereas the highest rate is 15%. Likewise, those who want to have the mortgage or home loans must pay at least 8,0% and the highest rate for this is almost 18%. These rates vary according to the banks. These can be increased and decreased according to the rules and regulation of the banks. (Trading Economics 2018)

3.5 Company Law and Formalities

A company is the legal entity that allows one to make or earn money through a certain type of business. The business either can be small or big with several partners. It is a legal authority that is obtained only after registering a company in the company register office, where the investor wants to start up the business structure. The Registration of a business permits the starter and the team members to produce, sell, service and make benefit. A Nepalese citizen or a foreign person can register a company in Nepal but it should be bound by the legal criteria of Nepal. Company registration provides a legalization in functioning and operating company according to law in Nepal. Office of company registration Nepal requires various documents from the one who wants to register a company. One should follow the documental process to register the company. They should have the documents like a memorandum of association, article of association, copy of citizenship of applicants, consensus agreement on behalf of a private company, approval of the related company if necessary. (Legal Zoom & Research Nepal 2017)

Before registering a company, one must decide what kind of a company is suitable for one's business needs. Currently, three types of companies can be established in Nepal according to the Companies Act 2006 (2063 B.S.). They can be registered as follows:

COMPANIES	MEMBERS REQUIRED TO OPEN	CAPITAL REQUIRED TO OPEN
Private limited company	Needs only one shareholder or promoter	Does not have any minimum capital requirement
Public limited company	Needs at least seven shareholders or promoters	10 million Nepalese rupees
Non-profit company	Needs at least five members	Does not require any form of minimum capital

TABLE 1. Formalities in opening a company in Nepal ((Neupane Law Association 2012)

The above table shows the company formats and the necessary formalities on operating a company in Nepal. According to Company Act 2006, a private company does not have any minimum capital requirements as a public limited company to register as a company in Nepal. A restaurant can be registered as a private company and it needs only one shareholder or a promoter. To register a company with minimum NRS 500,001 to NRS 2,500,000, an amount of NRS 9,500 should be paid as registration charges. It takes on average 15 days to register as a legal company in Nepal. As the investment increases the government fees also increases simultaneously. The registration of the business takes on average 15 days. (Neupane Law Association 2012).

3.6 Partnership and the related law

According to the Partnership Act, 2020 (1964) in Nepal, a business should be registered at a record of the Government of Nepal. While registering the company the persons agrees to divide the profits of the business that is carried on by the persons with single name with an agreement between each other. This agreement designates all the partners participating in the business for each partner or entitles any of them for the same on behalf of all others is characterized as a partnership. (Partnership act 1964).

There are several types of company firms in Nepal, so the investors and the entrepreneur has got assorted options for opening the firms. One can be a solo entrepreneur or join with others as a member of the cooperative or a partner with an entrepreneur. Among these, a partnership or team entrepreneurship is a form of business where persons join and establish a business together. A partnership firm is not a separate legal entity distinct from its members. It is a merely collective name given to the individuals composing it. Partnership is the result of a contract which does not arise from the status, operation of law or inheritance. Nowadays, young investors or entrepreneurs are interested in this type of business. It has become common for example among young experts from different fields. (Batra 2017). It is a contract where two or more people interested in business make contract, contribute the money for business to a common fund with the intensions of dividing both the profits and loss among themselves.

This type of a company is simple and inexpensive to set up with minimal reporting requirements where control and management are shared with partners and it is relatively easy to dissolve the partnership or to resign and recover the share. Each partner is liable for any sorts of business fail and is jointly responsible for any debts. (Small business development corporation 2017)

3.7 VAT

Value-Added Tax (VAT) is a tax that is charged on the consumption of products. It is normally collected by the emissary such as manufacturers, retailers, distributors and consumers indirectly rather than collected directly by the government. VAT decreases the probability of extortion because participants usually claim a credit for taxes already paid by the members. (VAT.com 2015)

Value-added tax is a tax which is charged on the sales of taxable goods and service and import and export. VAT is a modern tax system which is an effective means of collecting revenue as a rectified sales tax of the indirect tax system. It is referred as the resolution of income tax in Nepal. This system has made clarity in all kinds of transactions, and the government mobilizes its revenue through budget in development activities. VAT system in Nepal was started on 16th November 1997. Ministry of Finance is authoritative in collecting and managing the financial resources and public expenditure. In Nepal, the business owner must pay 13% VAT. VAT is a broad-based tax which is based on transfer, sales, supply, import and export of goods and service except some provisions. (Shakya 2009).

3.8 Risk management

Risk is uncertainty which can be defined as a simple concept, a way of thinking through and planning a program or project. It is the core planning challenge at the heart of business development and later, project management. It can be taken as a reason for investment- to find out the profitability by decreasing uncertainty and gaining benefits in terms of customer value and profitability. That means risk is a trade-off with benefits, opportunities, and pay offs. Risks include competition, unanticipated technology change, market shifts, business finance, workforce issues and challenges in the customer base. Risk management involves a

complete set of activities that are enclosed into the project planning process. (Barkley 2004, 1-7)

Risk management is essential for every small business to eliminate the exposures to loss faced by an organization or individual. Large companies employ a full-time risk manager to identify and take the crucial steps to protect the business firm against risks. Every business faces the same kinds of risks.

Development Risk	Can the original product or service idea be created?
Manufacturing Risk	If the product can be developed or produced in appropriate volume?
Marketing Risk	Manufactured product can be sold or not properly?
Financial Risk	Business will be profitable or not even the product is sold
Growth Risk	can profitability be maintained as the company grows and evolves?

TABLE 2. Five key risks in business (Adapted from Business Risk Management)

Identifying and measuring of risks are relatively straightforward. There are always challenges in every sector of business like competition, financial risk, risk from the unsatisfied customers but the challenges need to be determined and a step should be proceeded for the risk management. The above table shows five types of risks that can be faced during the establishment of a new business or buying an existing one. These five risks that one can face while starting a business are risks from development, manufacturing, marketing, financing and growth risks. Assuming risks means accepting the possibility of occurring loss and make one prepared to face the consequences of risk. Avoiding risks or preventing the risks involve steps to prevent a loss from occurring by adopting the methods such as staff training and self-insurance, and by implementing an effective risk management program business organization can protect their ability to stand and compete. (Frank 2008.).

4 MARKET ANALYSIS AND PLANNING

Marketing can be described as a phenomenon that can be approached in numerous ways. Before marketing was used to be considered as a set of tools and techniques and marketing remained the sole responsibility of marketing groups and the rest of the organization remained passive with the marketing. So, marketing has been described as a philosophy and a craft, focusing on the tools and techniques. (Grönsroos 2007, 265). According to Pinson (2008), analyzing the market with the appropriate choice of customers in accordance with the proper rules can edge the business to success. Identifying the customers who are interested in buying the product, and who wants to try the product, letting the customers know that you can meet their needs and finding the customers who can pay for one's product can lead to marketing and sales success. (Pinson 2008, 64-66).

Market analysis is a well-managed system that edges to an integrated set of marketing decisions and actions, for a specific work or management and over a specific time based on current internal and external situation. It is a clear course of plan to reach for customers, developing the market share and increasing profits. The Marketing plan for every business category should be different. The same plan cannot work for every type of a business. According to Marian Wood (Wood 2010) in "Essential Guide to Marketing Planning" one can capture the place in people's heart and make them like the product as a brand, obviously customers will think of that particular brand and purchase the product. The Marketing plan keeps one focused on the customers and helps to identify what one's organization can do for the customers. (Wood 2010,1-2).

The Market plan or analysis is a process of learning about potential customers, their buying behavior, choices, their capacity to pay and their needs, competition and the challenges. It helps in categorizing the targeted market. For example, for a shoe company, one cannot target everyone as a customer just because they have foot. One needs to think about fashion, the customer's style and choice which makes it easier to market and sale in the market. The

target market of the restaurant business should include user persona and characteristics such as age, income and location, market size. (Kerr 2018).

Restaurants are an essential part of any country. Analysing the market before starting or launching a new product can help the company or the owner in knowing the needs and wants of the customers. It can find out the current market trend and the situation and plays a major role in anticipating the success and the failure. This leads the entrepreneur recognizing the customer's thoughts and can adapt or change the product, taste or quality to meet the needs of customers. (Entrepreneur 2017).

4.1 Analysis of market

Market analysis is an important part of the business plan which needs to demonstrate both the expertise in the particular market and the attractiveness of the market from a financial standpoint. It is both qualitative and quantitative assessments of a market, it looks into the size of the market in volume and in value, various customer segmentation, target market, market need, competition, barriers to entry and regulation. These steps help in analyzing the market. In a restaurant business, one needs to take a local approach and effort to estimate the market around the targeted area. (The business plan shop 2018).

A thorough analysis of market conditions is essential before starting a new venture or developing a suitable business plan for the existing project which has a key role in the profitability of the restaurant. To identify the opportunities in business, the existing business can conduct the analysis to improve both the quality and quantity of sales and the beginners can project the sales volume. Conducting a Market analysis in the restaurant business helps in providing valuable information on market conditions. It can be used to estimate the financial potentials of a business venture. (Ryan & Chrisler 2003).

The Market analysis is essential in every business plan, and it should be done at first if one is starting a new venture or analyzing the existing business also. The target market should be always wider than that the owner of business is thinking. The market of the restaurant should target the ones who live within the driving distance, not only the regular customers. Market analysis also helps in knowing the market size and its growth and makes it possible to view the total market of the business. By segmenting the market, one can specify the needs

of the customers. Needs differ between different segments. Families might need quick service and a peaceful environment whereas younger customers may need space for gathering and late-night service. So, the ability to verify the customers and providing them the quality service is an essential art of market analysis and planning. (Entrepreneur, 2005).

4.2 Market Analysis Through SWOT

SWOT analysis is a business frame that helps in identifying and analyzing different internal and external business factors. the SWOT analysis has four elements (strength, weakness, opportunities and trends) and these elements will help to highlight business possibilities and market opportunities for the beginners. For instance, this analyzing practice can discover a market entity and support to identify market possibilities by highlighting different alerting points of strengths and trends in a business. In other words, the idea of collecting data from Swot analysis is to observe positive aspects as well as negative aspects. Once the Swot elements are found, decision-making in the competitive market becomes much easier and effective for any business environment



FIGURE 3. SWOT analysis (strengths, weakness, opportunities and analysis). (adapted from Community box 2017)

SWOT is a tool to recognize the strength and weakness, along with an opportunity and threats. It is a useful tool specially developed for business and industry and for the work of the community health and development, education, and even for personal growth. It is used

to research the capabilities for the new creation and find out the possible changes that can be adjusted with proper plans. It creates possibilities for the new efforts or generates solutions to problems. A business entrepreneur can use it to clarify directions and choices with an identification of opportunities for success. (Community Tool Box 2017).

SWOT analysis helps in identifying the key regions of marketing. Doing business or starting business locally or extending internationally includes various challenges and obstacles. Competition, high wage rate, the lack of expertise in the targeted sector, the lack of a proper place, possibilities of damage and wastages of products, the distance from the city area, the lack of proper time and the lack of knowledge of paper work can all cause risk and danger for proper running of a business.

4.3 Market planning

A restaurant market planning is a plan for success. Effective restaurant marketing must be created on the base of truth and better knowledge about the market, competitor, customers, financial history, the industry and outside forces that will impact the business. Good marketing is about solid operational execution, proper positioning. It is necessary to keep the track of the income, customers and check averages through price increases, suggestive selling programs and few new techniques. (Allen 2012).

Every company requires a good market planning for the success. It does not matter if the principles and the strategies of every successful industry or company remains same, marketing plan is the overall company road map for selecting the accurate targeted market by satisfying consumers in that segment. Market planning has four basic steps (Tay 2014)

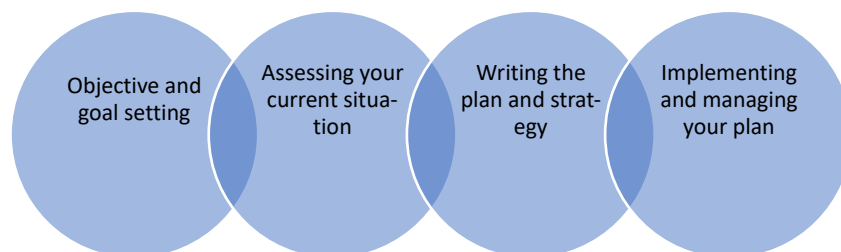


FIGURE 4. The marketing planning Process: Four Steps to Success (Adapted from Tay 2014)

The above figures describe the steps in the success of a business. The marketing planning process can be categorized as below:

In a business, there should be always an end date of a work or project before one can determine when to start. There should be a knowledge of the targeted customers, estimated achievements within a few years and a margin about the profit. Many organizations are utilizing the S.M.A.R.T. (Specific, measurable, attainable, realistic and time-specific) format to identify their achievable goals and comparing this with their own vision to shape the final market planning. Before setting out the profit it is useful to analyse the current position of the market and identify what one already has. It will be more effective and economical to use or restructure the present environment than to bring in outside talent. SWOT helps in analyzing the current situation of work teams which can help in considering whether the marketing objective is effective or not. (Tay 2014)

The Market plan should always be able to perceive the aspire customers and take action towards delivering the product and service to them. The strategies should always be affordable and flexible and should contain the information about the right product, price, place and promotion. The market plan should have a procedure in recognizing what parts of the service and product lines must be supported and which must be reduced and sold. The last step is when the plan is ready, and it is time to put it into action. The steps that have been outlined work as a guide for achieving the organizational goal and objectives. If the current strategies are working, then the managers should be flexible and always ready to put it into action. Opportunities and risks may not always correspond to the ones listed in SWOT analysis, so the consumer demand, channel diversification, competitive responses and supply cost changes can affect the outcome and management of the plan. (Tay 2014)

4.4 P`S Marketing mix

According to McCarthy 1960, in Mindtools, 4Ps is a way of expressing the marketing mix. It is a tool that can help in enriching the components of marketing mix where a new product is launched into the market, which helps to know the market related to price, product, promotion and place to meet the targeted need and demand that the product and service offers. It can be used to assist the way of taking a new product to the market. (McCarthy 1960)

The marketing mix is used to ensure the results after putting the right product in the right place and to ensure the creation and execution of a successful marketing strategy. It is not only used to satisfy the customers and the seller, but it is also a key factor in a product's success. It is a good place to start when one thinks through the plans for the product or service.

4.4.1 Product

Product can be identified as a tangible or an intangible service that can meet a specific customer need or demand following a product life cycle. Marketers must be sure that they have the right product which is in demand on the market and then expand the product mix by diversifying and increasing the depth of the product line. (Cleverism 2014)

Product can be taken as an appliance that can satisfy the wants of the client. It has a certain life cycle, which consists of the growth phase, the maturity phase and the sales decline phase. So, it is important to reinvent the product to stimulate more requirement when it reaches the sales decline phase. For instance, the entrepreneurs should develop the product that can meet the customers need. (The Marketing Mix 2015)

4.4.2 Price

Price is the real amount that the end user pays at the end for a product. Price directly affects how the product is sold. Price is linked to what the perceived value of the product to the customer rather than an objective costing of the product on offer. Price should be always preferable according to the perceived value otherwise the product or service will not sell. So, it is always crucial to know how a customer reacts or see what the marketers are selling. Distribution plans, value chain costs and mark-ups as well as how the competitors price a rival product affect the price. (Cleverism, 2014.)

The price of a product depends on different variables like the manufacturing cost of the product, advertising and marketing expenses, distribution costs. The price always must be such that the buyers can take the burden of price changes in that period. In the restaurant

business, before deciding on the price competition should be taken into consideration and pricing can be increased and decreased accordingly. (Bhasin 2018).

4.4.3 Promotion

Advertising, sales promotions, exclusive offers and public relations are included in promotion in addition with marketing communication strategies and techniques. The way of promoting the product, price and the end user by the marketers must be applicable. Marketing the product or promoting is different aspect, it needs to be differentiate. Promotion is just the communication aspect of the entire marketing function. (Cleverism, 2014).

Promotion indicates to the advertising and selling part of the product to the customers by the seller or the marketers. It is used to make the customers understand what the product is and the purpose of using it. Promotion means to make the customers clear that the product can satisfy their needs. For this the marketers should have the appropriate way to influence the targeted purchasers of the product through feasible techniques. The techniques should be such which can lead the business in the way of success. Promotion involves advertising, public relations, personal selling and sales promotions, where advertising is the key element in which radio, television, print and many more can be used as a method for promotion. (Professional Academy 2017.)

4.4.4 Place

Place is concerned with how the product will be implemented or handed over to the final consumer. The placement strategy will assess what kind of a way or channel is most suited to the product and how it is accessed by the consumers. Distribution is the key element of placement. The marketing manager needs to evaluate placement options to know where the customer is interested to buy the product and the knowledge about the costs related with using the placement options. (Cleverism, 2014)

The place is a distribution channel which is used to get the product to the customers. The channels of distribution should be viable for the customers because the customers only buy the products which can influence them when the channels of distribution are good. One can choose the sales method whether directly to the customers or retail sales. Retail sales can decrease the pressure on managing the distribution system. The place should contain a better location and better distribution channels. Intensive distribution, exclusive distribution, selective distribution and franchising are the strategies in distribution and these channels should be effective in answering where the clients want to have the product. Where do the customers go for the product- a store or online? How effective and different is the distribution strategy from the competitors? The placement of the product should always be accessible to the potential buyers. (The marketing mix 2015)

5 RESEARCH METHODS

Research is a scientific and systematic search for the information on a specific topic. It involves collecting, organizing and evaluating data as well as defining and redefining problems. The aim of research is to find out the truth which is hidden and which has not been discovered yet. It is a comprehensive and persistence search for knowledge and understanding of social and physical phenomena and a systematized effort to gain new knowledge. It is an inquiry of truth which is done with proper study, observation, comparison and experiment. The purposes of the research may be different, but the main purpose is to discover answers to questions through the application of scientific procedures. It is the greatest tool to succeed in business in competition. (Kumar 2011).

To analyse the frequency with which something occurs or the hypothesis of a causal relationship between two variables, research methods are used. The main research approaches are the quantitative approach and the qualitative approach. when applying the Quantitative approach, the collected data is put to a rigorous quantitative analysis in a formal and exact

manner whereas qualitative approach refers to a subjective assessment of opinions, behaviours and attitudes to generate the results with the help of in-depth interviews, focus group interviews and projective techniques. (Rao 2017,1-4).

Competition in a business sector or in a company is common and it helps to provide quality service to the customers and increase the profitability of the business. To succeed in that competition and gain sustainable profit, research is an essential component. To collect the essential information and make the information an evidence, research works as a remarkable method. The research methodology is performed in structural or numerical method. (Kumar 2011)

5.1 Quantitative Research Method

Quantitative research is essential factor in collecting numerical data to explain a phenomenon, particular questions. In qualitative research methods data are analysed mathematically based methods. It is theoretical, providing a concise overview of issues of quantitative research which is innovative, clear, concise and accessible. (Balnaves & Caputi 2001).

The key features in conducting the quantitative research method is the use of instruments such as tests or surveys to collect data, and reliance on profitability theory to check statistical hypotheses. It is a method to increase objectivity, applicability and generalizability of findings. It can be taken as a magnet that influences project together. (Harwell 2018,148-152)

5.2 Qualitative Research Method

Qualitative research generates better information than quantitative research methods. The varieties of methods that are used to collect information on qualitative research include interview, observation, text analysis and case study. Hence, qualitative research needs a flexible approach in designing and conducting the research and the researchers can choose the appropriate system to conduct the research. It can be used for pragmatic reasons, in situations where formal, quantified research is not necessary. It tends to collect a great deal of `rich` information about comparatively less cases other than the more limited information about each of the large number. In-depth interviews, group interviews, participant observation are used in qualitative research method. The results gained from this research are more understandable to those who are not statically trained. (Veal 2006).

Qualitative research can be described in contrast to quantitative research which dominates the body of scientific work undertaken in social sciences, including business research. It is concerned with the interpretation and understanding and does not entrust on affiliated theoretical and methodological concepts. The process of evaluating and interpreting the research data needs to go hand in hand with the method choices one will make and research design of one's own study in general. (Eriksson & Kovalainen 2014,4-7)

5.3 Validity and Reliability

Reliability is limited where one can obtain the same answers by applying the same instruments more than as before. If the research is concerned with the high standard reliability, then another researcher should also be able to find the same results by implementing the same method of research under similar circumstances. Research reliability can be categorized in numerous ways such as test, retest reliability, parallel forms reliability, inter-rater reliability and internal consistency reliability. (Dudovskiy 2017)

The research part of this thesis was reliable because the data collected were the reflection of what the customers felt about the restaurants. It is a clear reflection of what they feel. The questionnaire was conducted in March 2018. The online survey process in Nepal is not so easy and applicable because people do not usually like to use online methods to answer in a survey. The questionnaires design for the research were distributed in different colleges and offices for two weeks in Kathmandu, Nepal. The number of respondents was very high, and these colleges and office responded quite well, so it was really very easy in collecting the research papers from there.

Validity is essential in finding the results of a survey. It is taken as a matter of concern for all types of studies. It explains the whole empirical concept and forms, and whether the results gained meet all the requirements of the scientific research methods. Internal validity mandates the process of experimental designs` structure and involves all the trace of the scientific research method and external validity is a technique of identifying the results and questioning whether there are any possibilities of causal relationship. (Shuttleworth 2017.)

Validity in this thesis is fundamental in evaluating the measure. To be sure about the validity of the thesis, the authors of the thesis conducted the questionnaire. The research in this thesis is valid because the data and research questions were surveyed in a systematic way.

5.4 Questionnaire Design

Questionnaire survey is based on the information got from the respondents. The certainty of what the respondents feel or say depends on the power of recall, on their honesty and on the format of the questions that are included in the survey. Questionnaire design involves the information gathered from the individuals using formally designed questions. It is necessary to be confirmed why the research is done before designing the questionnaire. At first it is necessary to be sure about the research problems, and then the research requires to list out the information required. After this only the researcher can conduct the survey. A good knowledge or in-depth study about the research problems makes it easy to gather the required information. (Veal 2006, 231-249).

Questionnaire design is the heart of the survey where the creation of questions perfectly extends the opinions, exposures and attitudes of the public. A good question creation and can help in creating good measures. It is a multistage process which needs special attention. In general, simple and concrete language must be used so that the respondents can understand the questions easily. Similarly, the placement of the questions can also have an impact on the result. It can effect on sampling the results if both the respondents and the surveyors cannot understand each other properly. (Pew Research Center 2018).

5.5 Interviews

An Interview is a way of acquiring useful information from the participants` experience and it is more personal than the questionnaires. An interview can be completed on the basis of the information what the respondents say. The purpose and the methods of the interview should be made clear to both the interviewee and the interviewer so that the interviewee can answer the interview efficiently. (Valenzuela & Shrivastava 2002).

A semi-structured interview is a qualitative method of research where there is a pre - designed outline of the topics with the opportunity for the interviewer to test the themes. The materials in this type of an interview is systematic and comprehensive and it works well when the interviewers have experience or prepare thoroughly. It is different than delivering

a questionnaire in a face-to-face interview. It should be taken into consideration that all the topics of the interview are covered or not and placing improperly designed questions can also make difficulty in discussing the important topics from the interviewee. (Erikson & Kovalainen 2016).

6 DATA ANALYSIS AND RESULTS

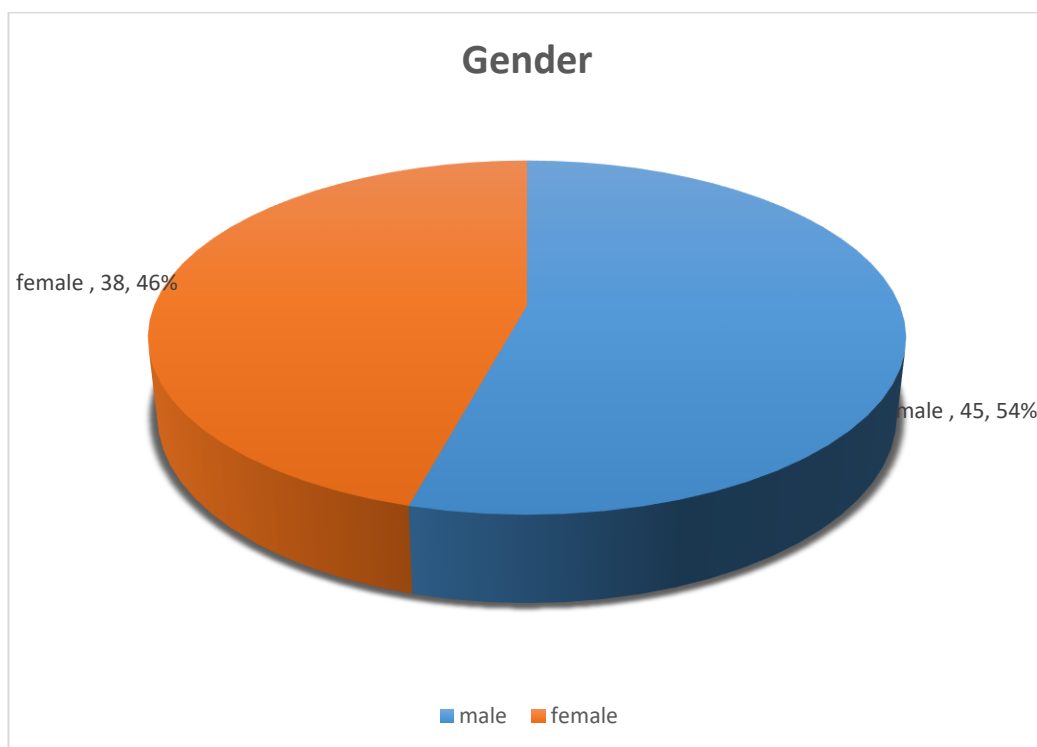
Data analysis involves analysis and clarification of the figures and numbers. It is the way of systematically applying statistical or logical methods to explain and manifest and evaluate the data. An essential component of ensuring data integrity is the analysis of research findings. (Responsible Conduct in Data Management 2018)

During this survey, the data were collected through different methods, including qualitative and quantitative research methods. The qualitative research method involved interviews whereas quantitative research methods included a questionnaire. The questionnaire was distributed to different offices and colleges in Kathmandu whereas the interviews were conducted with the six restaurant entrepreneurs in Kathmandu valley. Those data and information collected from the respondents were analyzed. Questionnaires were carefully checked and analysed. The interviews were recorded, and this information helped the authors to analyze the essential information for the thesis.

6.1 Analysis of the Questionnaire

For the questionnaires, first the founder members of the reputed college and the chairpersons of the well-known offices were contacted. Those members from the offices and colleges were made convinced about the research and were asked for the co-operation. All the members from these organizations responded very well and the research was done in in the planned time. During this research, a questionnaire survey was conducted with the customers of restaurants. The questionnaire paper was distributed to the customers in the office and college. At least 100 printed papers were distributed among the customers. The papers were distributed on 20th of March and were collected after 10 days on 30th of March. Mostly, the students from the college responded very quickly and were also more in numbers. The staff from the office accounted for only 40% of the respondents. because of this, the author contacted the Directors of the offices and the founder of the college to distribute the printed version of the questionnaires. With their help 83 papers were collected. The questionnaire survey is enclosed as the Appendix 1. The questionnaire included two types of questions as

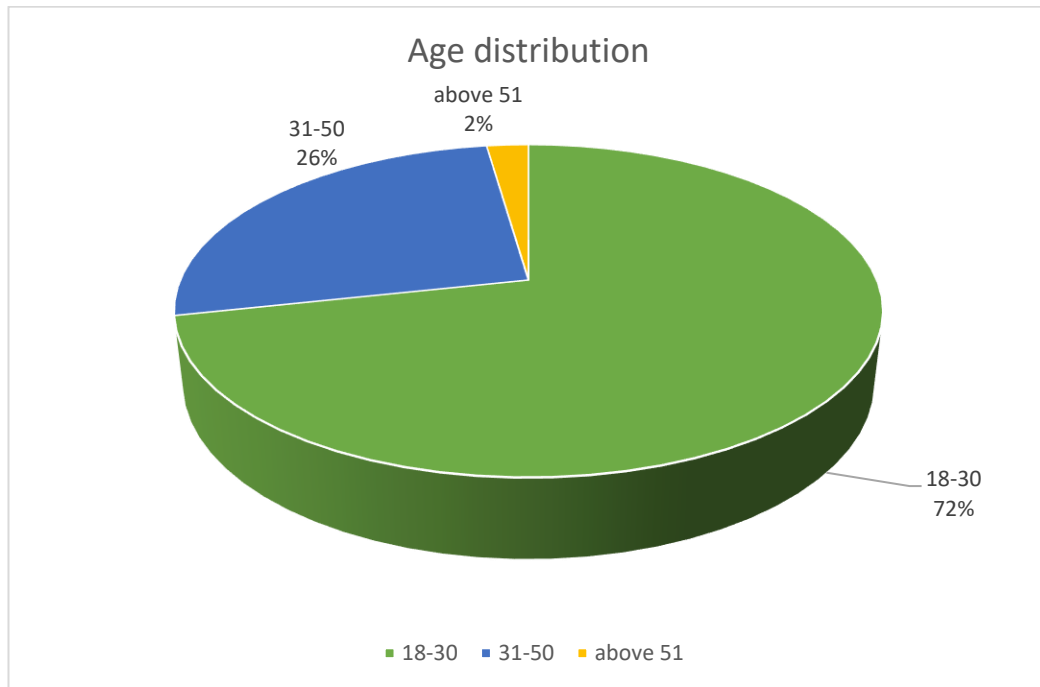
there were 17 close-ended questions and 2 open-ended questions. In the open-ended questions, the respondents were requested to express their experiences of being a restaurant customer and provide their thoughts, comments, suggestions and recommendation for the further improvement of the restaurant business in Nepal. This method can help to get into the heart of the customers where they can express whatever they are in need or whatever they feel they do not really get from restaurant service. The respondents had expressed their feelings very effectively in the open-ended questions. They expressed their both bad and pleasant experience of being a customer in restaurant. Some said that Nepalese restaurant owner and the staff members treated very well. Food in Nepalese restaurant had good variety and taste. Customers wanted to go out to eat even though they have their options like food from home, office and colleges. They had suggested that Nepali restaurants still need to update the menus according to season and festivals because same kind of menu does not work always. Some of the customers had faced late delivery in restaurants so, they had suggested to improve the service and maintain the standard of the place.



GRAPH 1. Gender

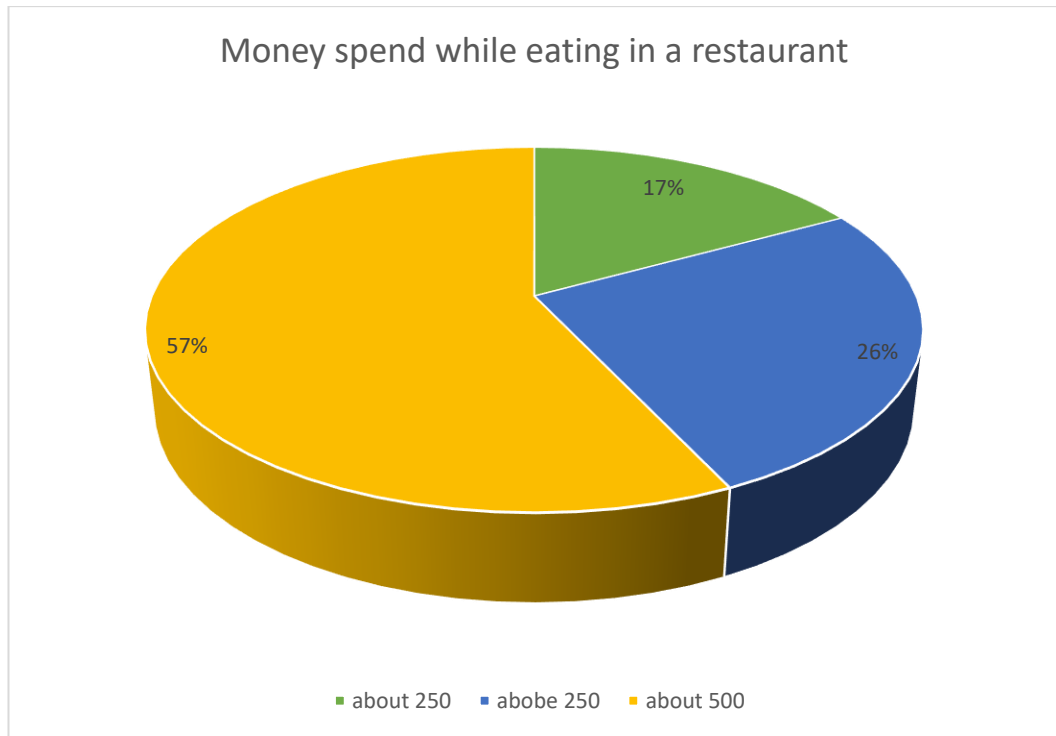
Graph 1 shows the proportion of male and female who participated in the questionnaire survey. A total of 83 people participated in this survey of which the number of males was 45 and the number of females was 38. From this graph, it can be figured out that the number of

male respondents is higher than the number of female respondents. Thus, 54% of the respondents were male and 46% were female.



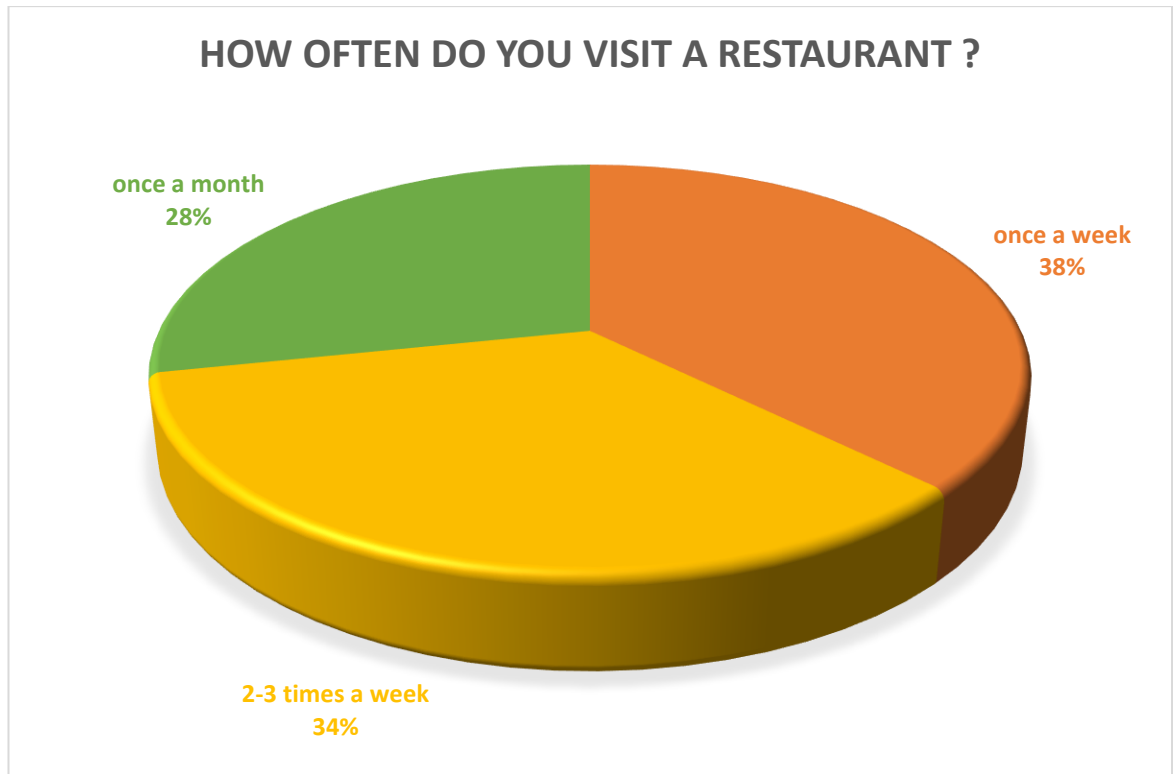
GRAPH 2. Age distribution of the respondents

Graph 2 shows the age distribution of the restaurant customers. Altogether there were 83 respondents who participated in the survey. There were only two respondents who were aged over 51. As a percentage it was calculated as 2%. Similarly, 26% of respondents were aged between 31 to 50. The highest number of respondents was the age between 18 to 30 which accounted for 72% of the total. This states that young people are more interested eating than the elder ones.



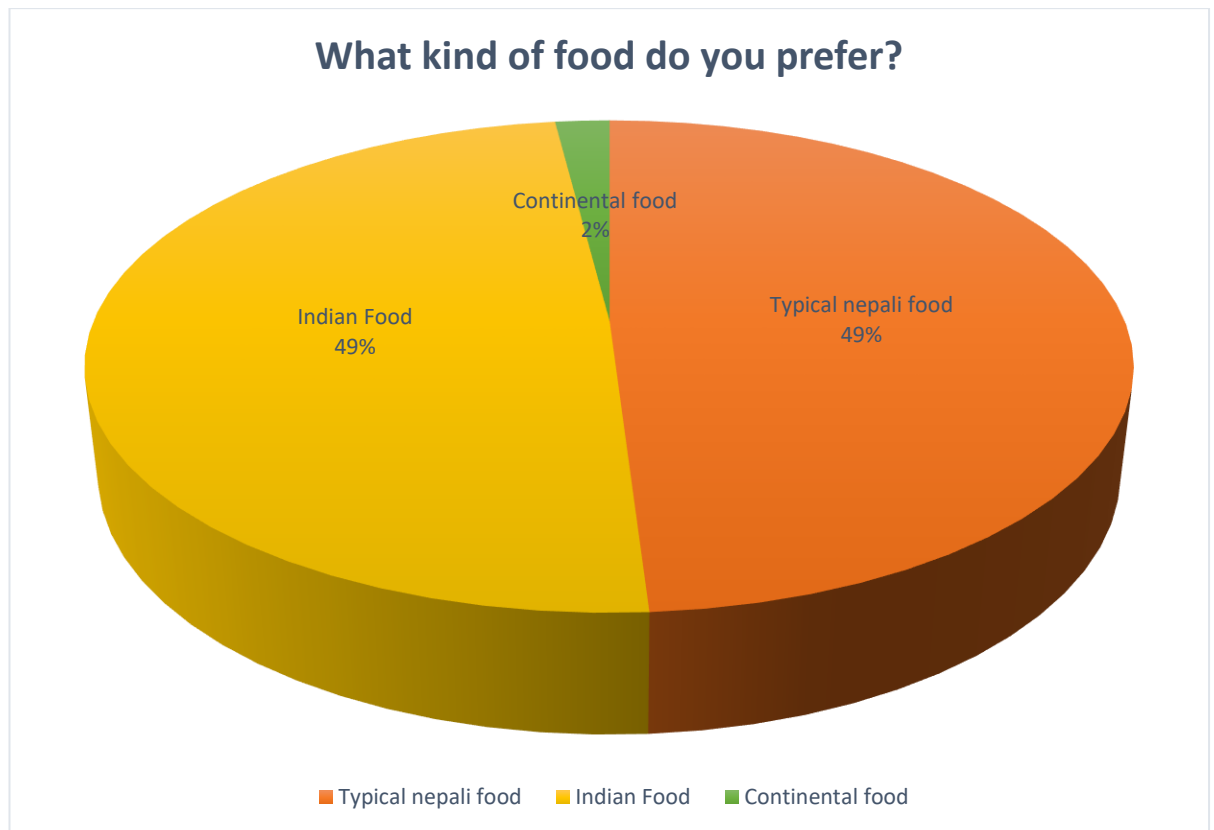
GRAPH 3. Money spend while eating at a restaurant

The respondents were also asked how much they spend on average when they go into a restaurant for eating. Among the three options, the percentage of respondents who spent about NRS 500 was the highest with 57%. Similarly, the respondents who spent above NRS 250 was 26% and the percentage of the respondents who were ready to spend about NRS 200 was 17%. Among 83 respondents the number of respondent spending about NRS 500 was higher than other options. From this survey, it can be calculated they can pay a good amount if they get what they search for in a restaurant.



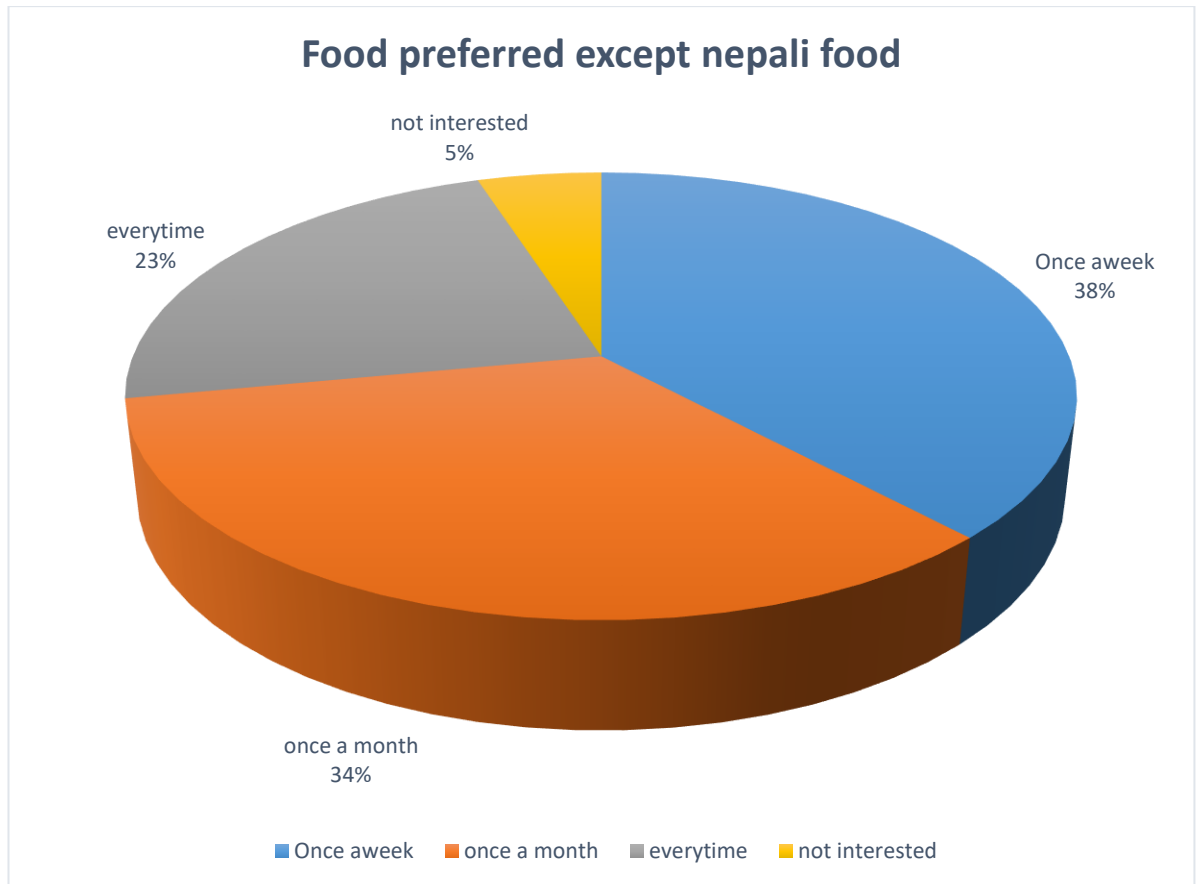
GRAPH 4. How often do you visit a restaurant?

In the survey, respondents were asked how often they eat out and Graph 3 shows how frequently the respondents visit the restaurants. They were given three options such as once a week, 2-3 times a week and once a month. Of the three options, the respondents for 2-3 times a week were chosen by a total of 34% of the respondents. Similarly, 38% of the respondents chose the option once a week. This is the highest number of the respondents among the three. The number of respondents who visit the restaurant once a month was 28%. This shows that the number of customers visiting a restaurant had not much difference between the given three options. People, depending on their interest, income, time and family background have their own way of visiting the restaurants.



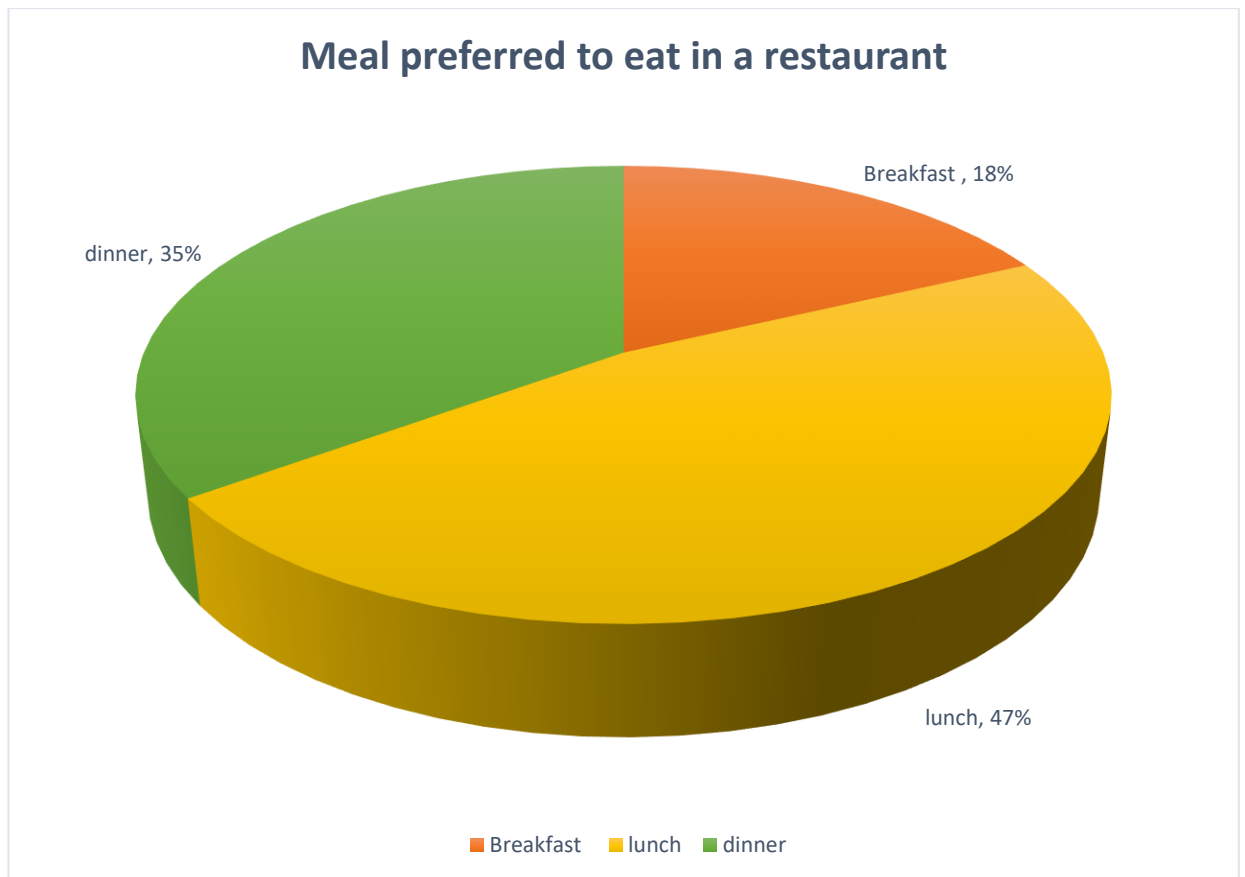
GRAPH 5. What kind of food do you prefer to eat?

Graph 5 shows the type of food the customers prefer to eat while eating in a restaurant. Three options were given, which were continental, typical Nepali and Indian food. The same percentage of the respondents preferred continental and Nepali food. The percentage of those was 49% for both. Similarly, the percentage of respondents who preferred Indian food was only 2%. This reveals that people are still in search of typical Nepali food, even when eating out and are also interested more in continental food than the Indian food. Nowadays people travel abroad for study, fun and work, so they are familiar with foods from these places. So, restaurants with continental food or typical food have a high demand and can have a good chance in existing in the market.



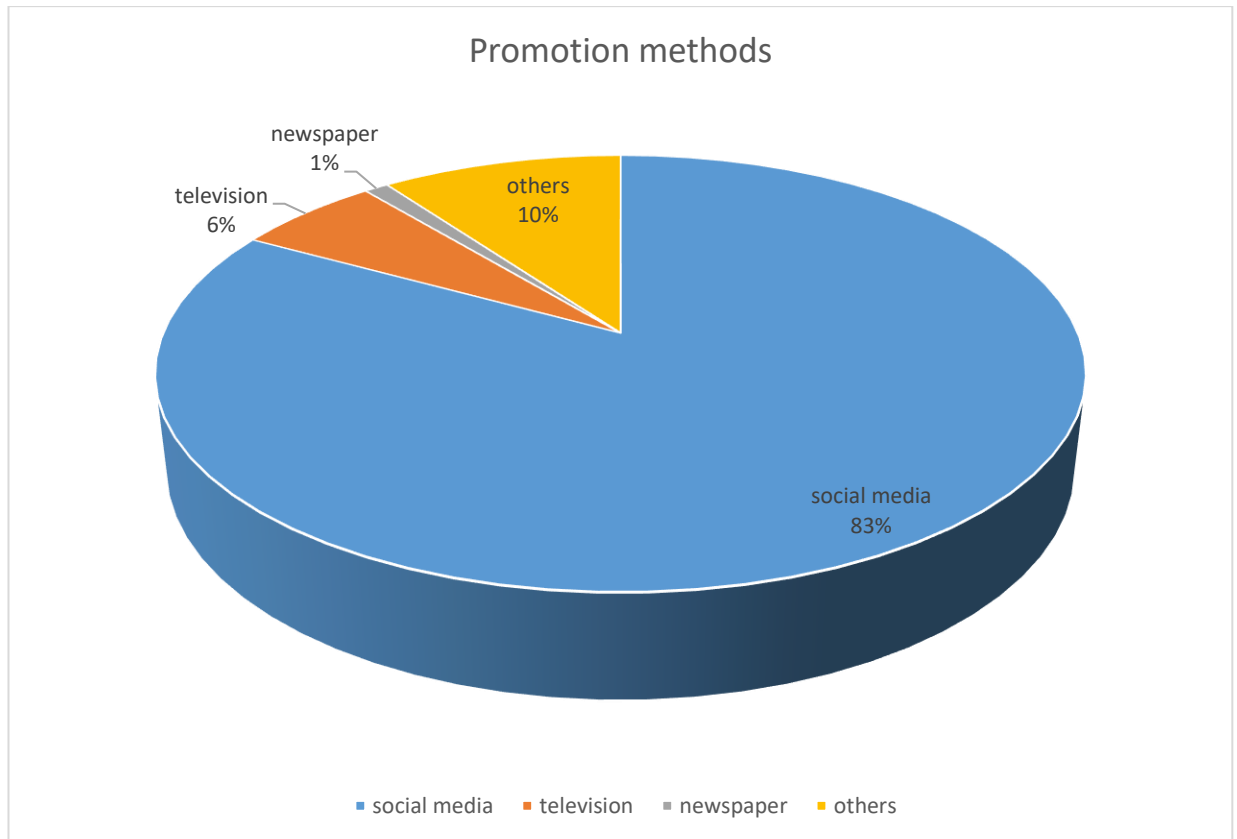
GRAPH 6. How often do you eat other except Nepali food?

Every customer does not have the same kind of taste of food and same choice on selecting the food. The survey was to find out how often the customers eat other than Nepali food. Four options were given on this. The results revealed that 38% of the respondents like to eat other food once a week. A total of 34% like to eat once a month, and 23% like to eat every time when they visit a restaurant. Similarly, 5% were not interested in eating other than Nepali food when they go out to dine. This survey showed that people are still like Nepali food, but they like to have some other food than Nepali food. They also want to taste other food and enjoy the flavor of other food as well. The Highest number of respondents want to taste other food every week when they visit a restaurant.



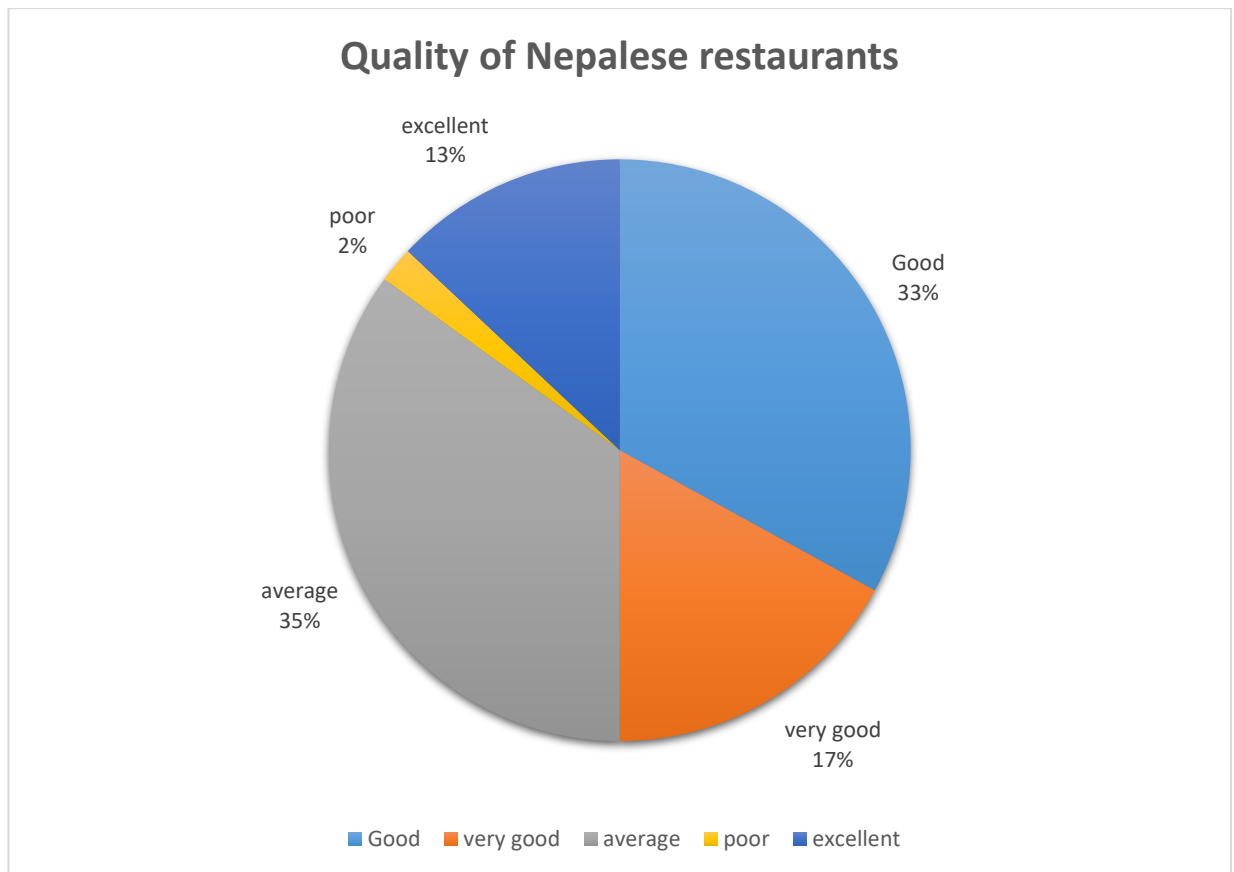
GRAPH 7. Meal preferred to eat

The respondents were asked what meal they prefer to eat in the restaurant, this question was asked to find out which meal the customers prefer to eat in a restaurant. The reason behind this question was to find out on what meal the restaurateur should focus to increase the number of the customers. According to the survey, 47% of the customers were interested to visit restaurants for lunch. A total of 35% were interested in having dinner at restaurants. Similarly, only 18% were interested in having breakfast in restaurants. The result showed that the new entrepreneur can target their customers mainly for the lunch or dinner more than that of breakfast. People are out for work, school, visiting and for other purpose more often in the daytime than in the morning. So, they wanted to have lunch out at that time. This survey suggests that those restaurants focusing on the customers for lunch and dinner can have a good amount of the customers.



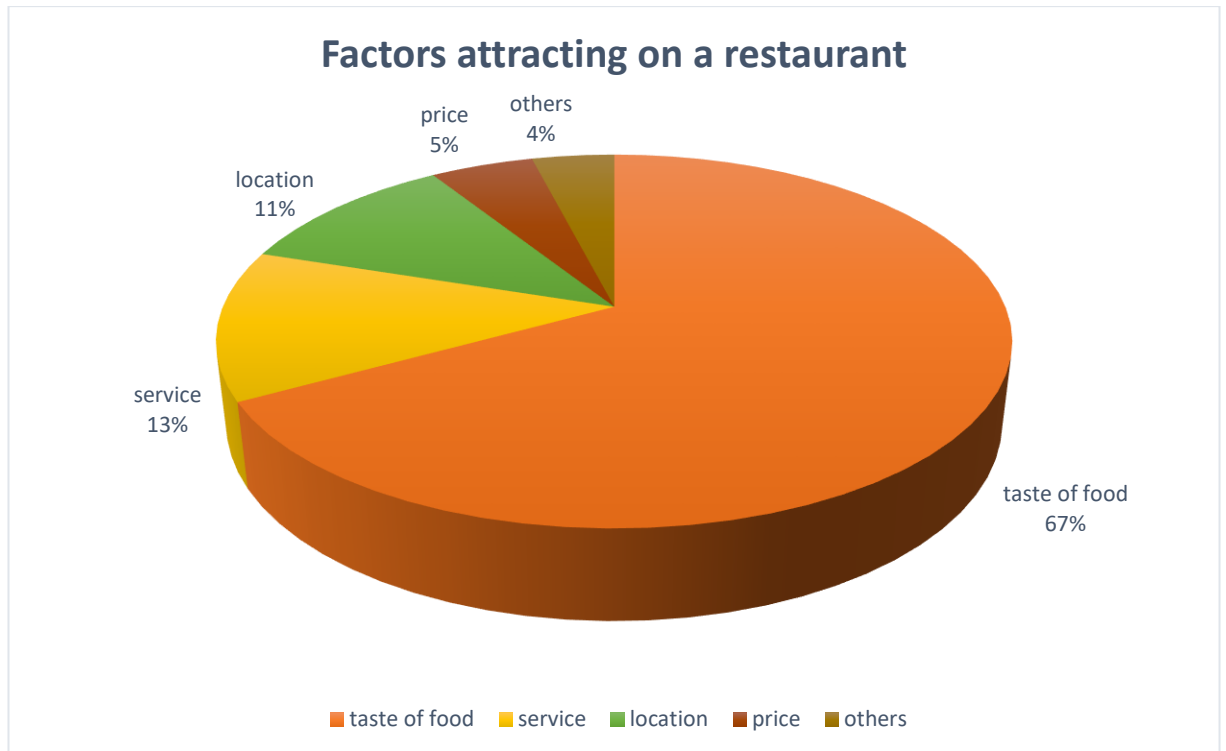
GRAPH 8. What are the effective ways of promotion of a restaurant?

There is always a need to promote a new business to attract new customers or the existing ones. Promotion helps in existing the business in the competent world. There are quite many media for working in the promotion field. The respondents were asked about the effective ways of promoting restaurants, and four options were given. A total of 83% respondents chose social media as a medium. Those who choose Television as a source accounted for 6% and newspaper was chosen by only 1%. In one option respondents were given a chance to write some other source than these given sources. Altogether 10% chose other media such as friends, family, relatives and mouth to mouth source in promoting a restaurant.



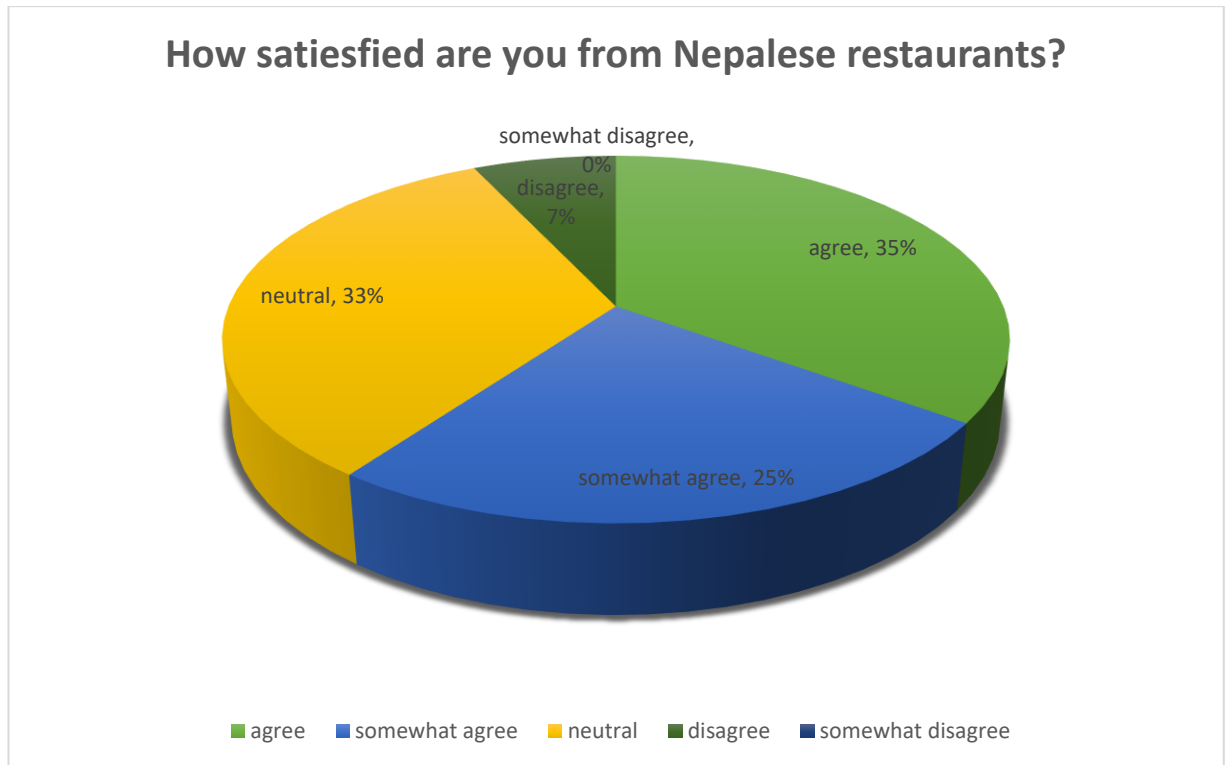
GRAPH 9. What do you think about Nepalese restaurants?

Graph 9 shows the quality of Nepalese restaurants in the eyes of the customers. Five options were given for this question, and 13% said the quality was excellent, 17% chose the option very good, and 33% expressed that the restaurants are good. Similarly, 35% of the respondents choose average and only 2% said that the quality of the Nepalese restaurants was poor. This survey showed that the quality of the Nepalese restaurants is in average stages. This survey showed that qualities of Nepalese restaurant is average and needs to have some changes in terms of food, service and these qualities should be maximized.



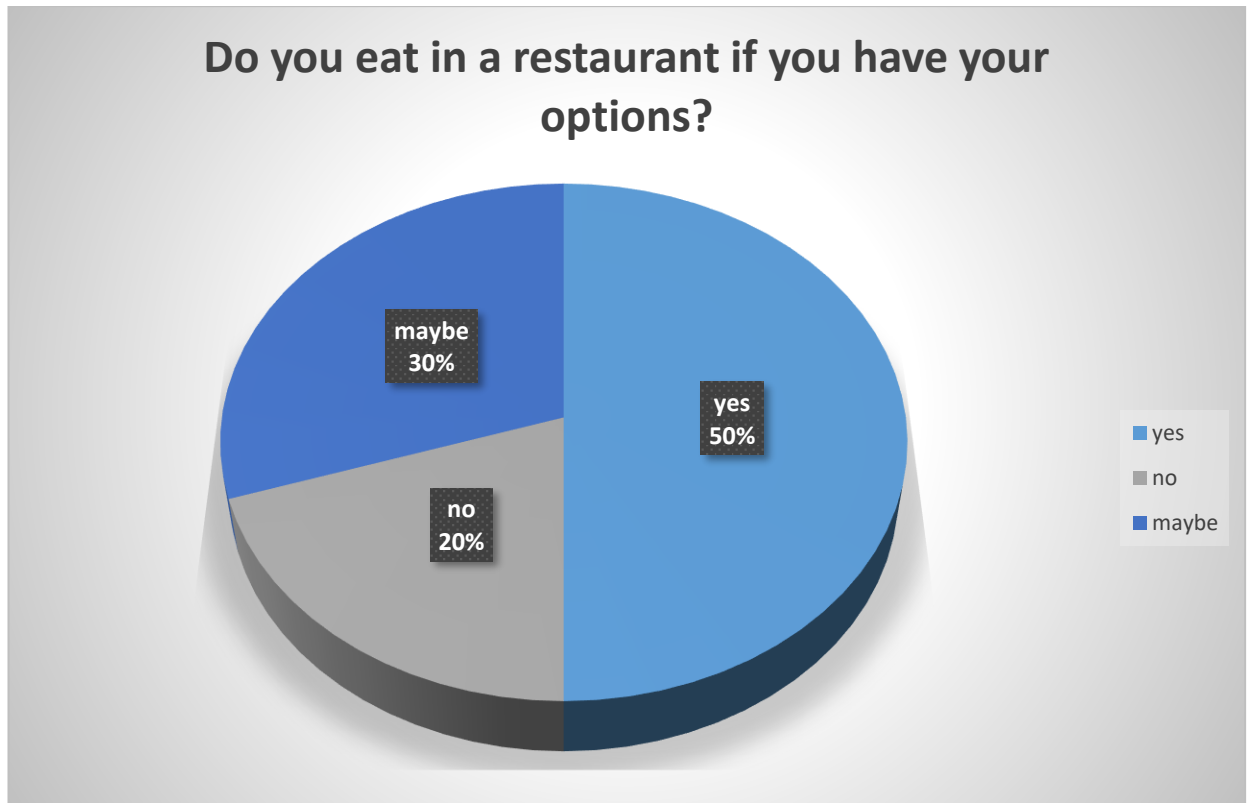
GRAPH 10. Factors attracting on a restaurant

The chart above illustrates the crucial factors in attracting a customer in a restaurant. There were five options given, and in the last option the respondents could write the answer in their own words. A total of 67% of the respondents selected the taste of food, and 13% were interested in service as a factor in attracting customers in a restaurant. Similarly, 11% considered the location as a key factor. Only 5% were concerned about the price while visiting a restaurant. Moreover 4% of the respondents were interested in all these factors, they expressed parking facilities, cleanliness, hygiene and family environment as reasons behind visiting a restaurant. This survey showed that customers considered several factors before going out for eating.



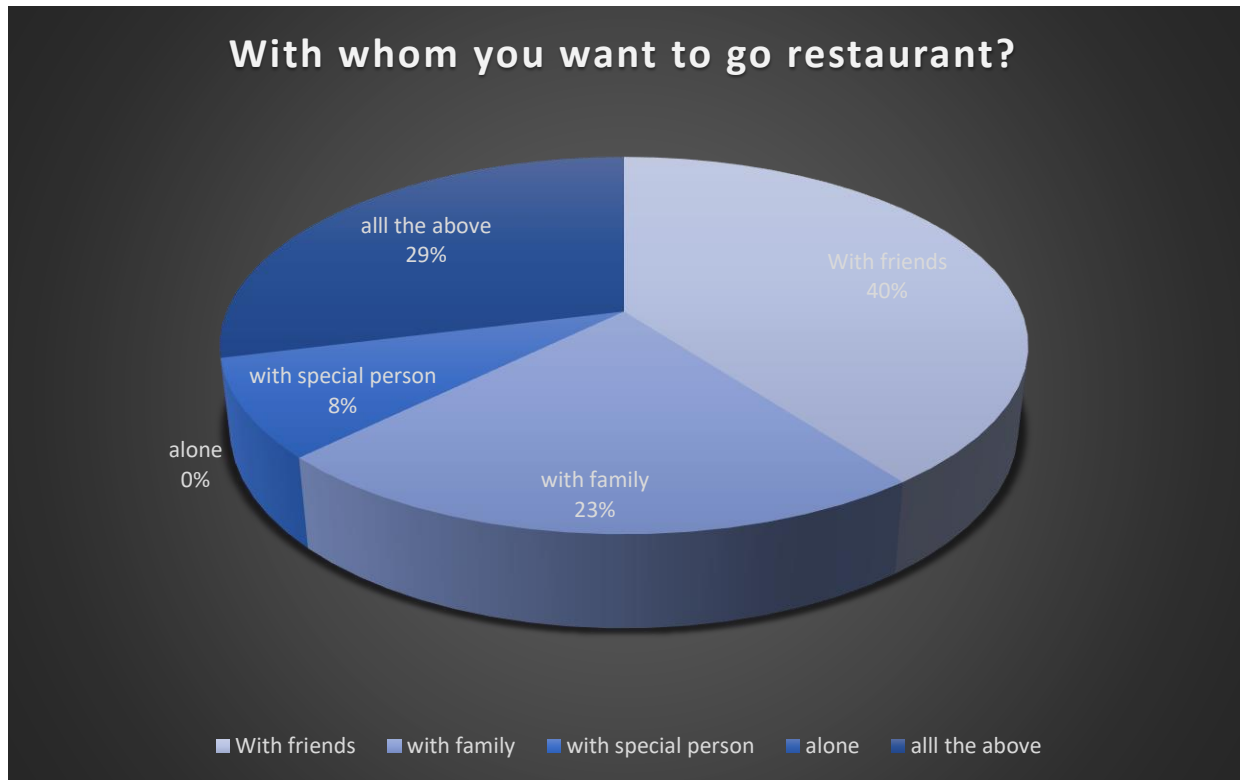
GRAPH 11. How satisfied are you with Nepalese restaurants?

The chart is about how satisfied the customers are with the Nepalese restaurants in Nepal. According to the survey, 35% of the respondents were satisfied while visiting the Nepalese restaurants. Altogether 25% stated that they somewhat agree that they were satisfied with the Nepalese restaurants and 33% chose neutral. However, altogether 7% chose that they were disagree that they get satisfaction in restaurants but none chose the option somewhat disagree. This chart shows that on average, customers are satisfied with the Nepalese restaurants in Nepal.



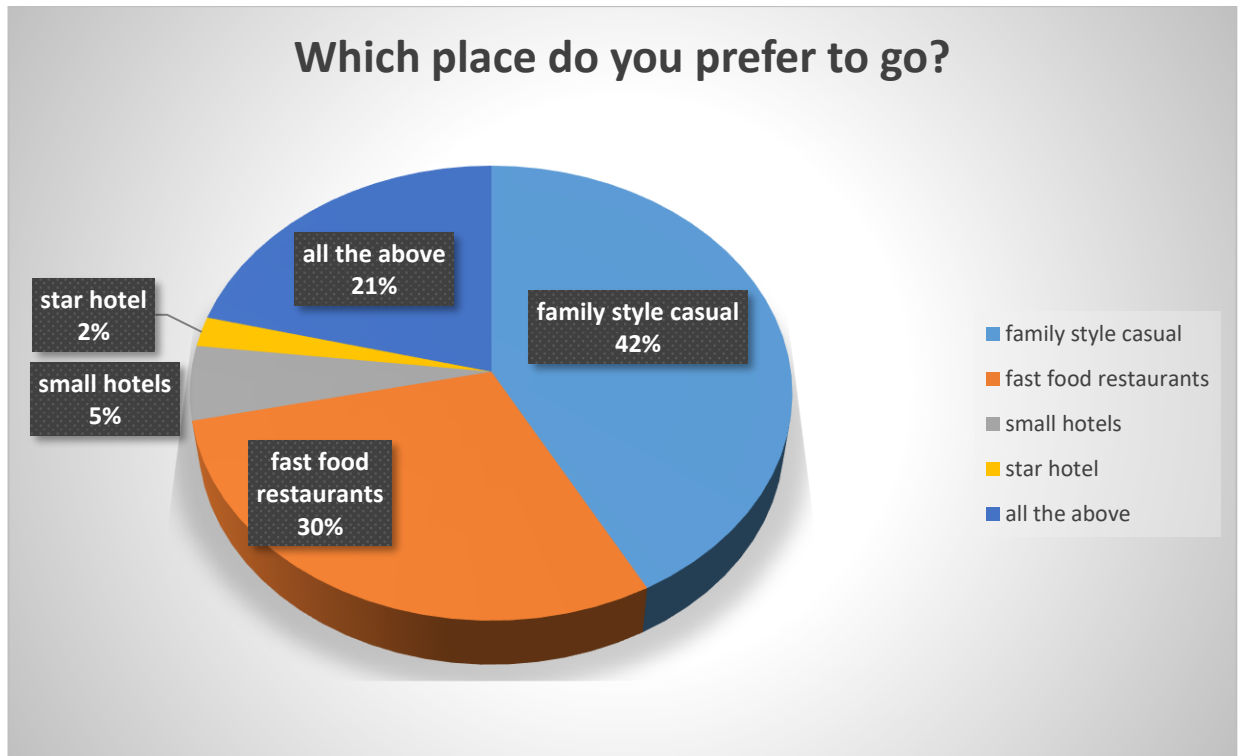
GRAPH 12. Do you eat in a restaurant if you have your own options?

A question was asked to find out whether people eat in a restaurant or not if they have their own options such as food available in offices, colleges. In this question respondents were given three options: yes, no or maybe. However, among the total respondents, 50% said “Yes”, 20% chose “No” and the remaining 30% of them chose “Maybe”. According to this, restaurants in Nepal are high in demand as customers wanted food from restaurants even if they have food from their own. They want fast service and quality in both service and food.



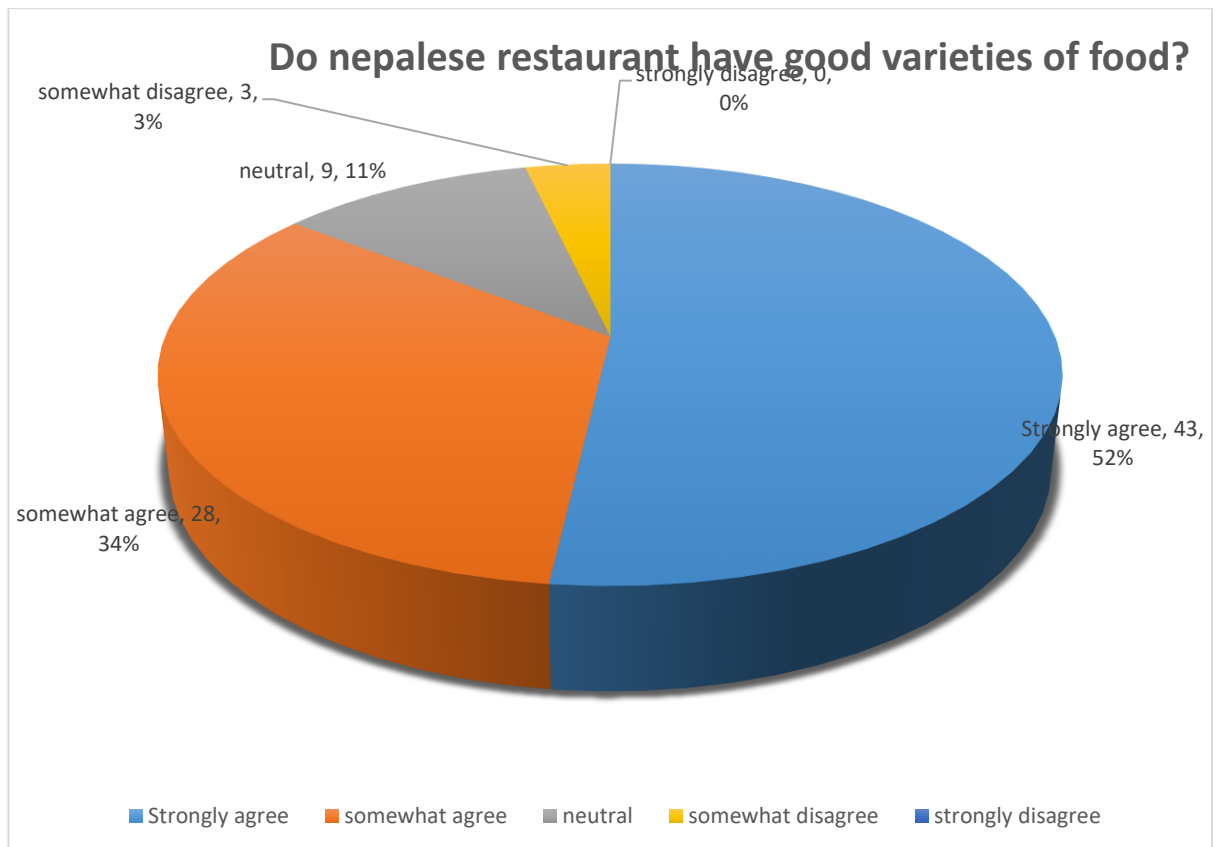
GRAPH 13. With whom do you want to go restaurants?

Above graph shows the respondents for the question- with whom do you want to go restaurants? Five options were given no one chose to go alone to eat, whereas only 8% wanted to go with special person in restaurants to eat. Similarly, 23% wanted to go with their families and 40% wanted to go with friends. Of the 83 respondents, 29% were ready to go out for eating with all the above persons. Young customers wanted to spend time with friends and have food, so it shows that the percentage of those who are interested in having friends while eating in restaurants was the highest among all.



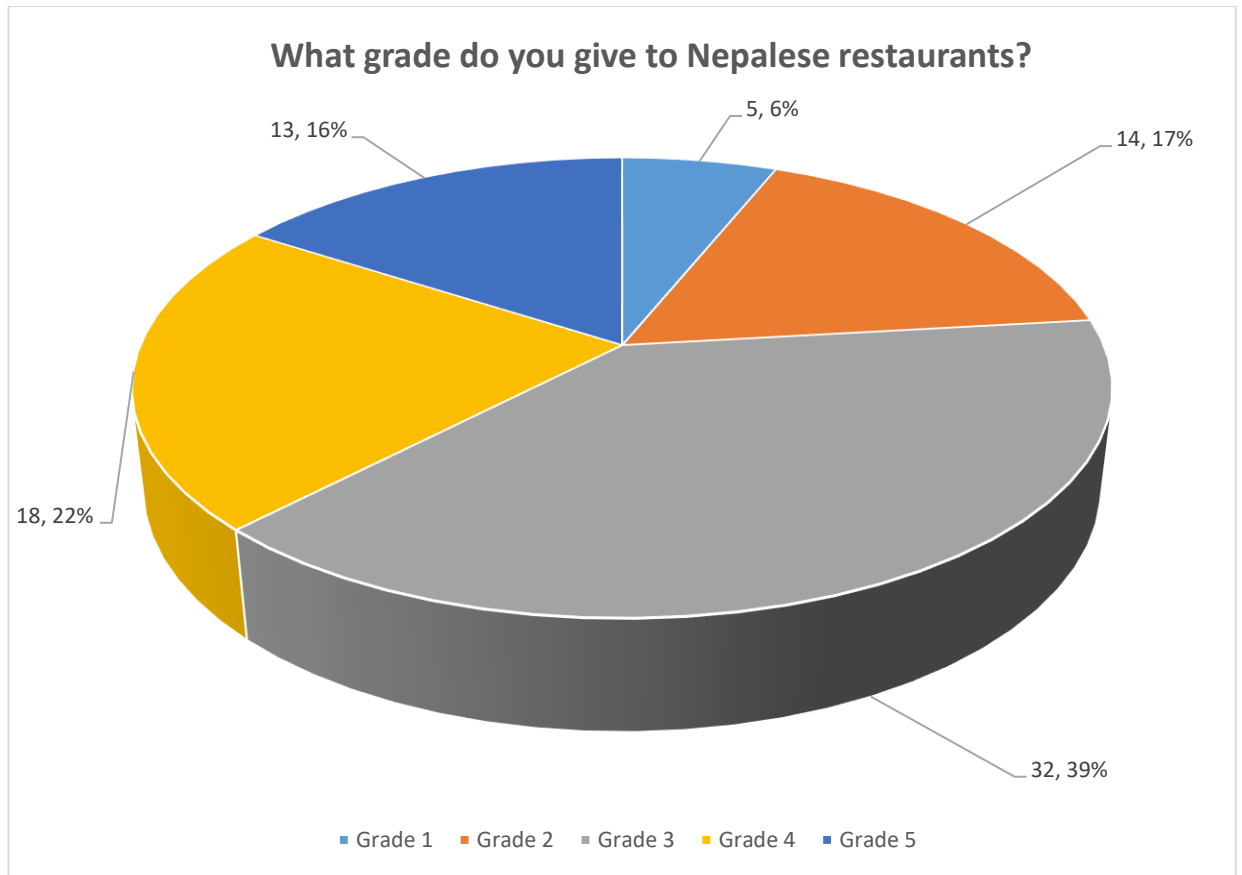
GRAPH 14. Which place do you prefer to go?

In a survey, there was a question about the place preferred by the respondents in relation to the type of restaurants, and surprisingly among the respondents who wanted to eat out with family casual restaurants accounted for the highest percentage with 42%. Similarly, the percentage of respondents who wanted to go to fast food restaurants was 30% and the percentage of respondents who like to visit small hotels was 5%, and those who preferred star hotels accounted for only 2%. Those who like to eat in all the above places accounted for 21% of the total. Among 83 respondents for this question, the graph shows the percentage of respondents who chose family style casual restaurants was higher and those for star hotel was comparatively less than other options.



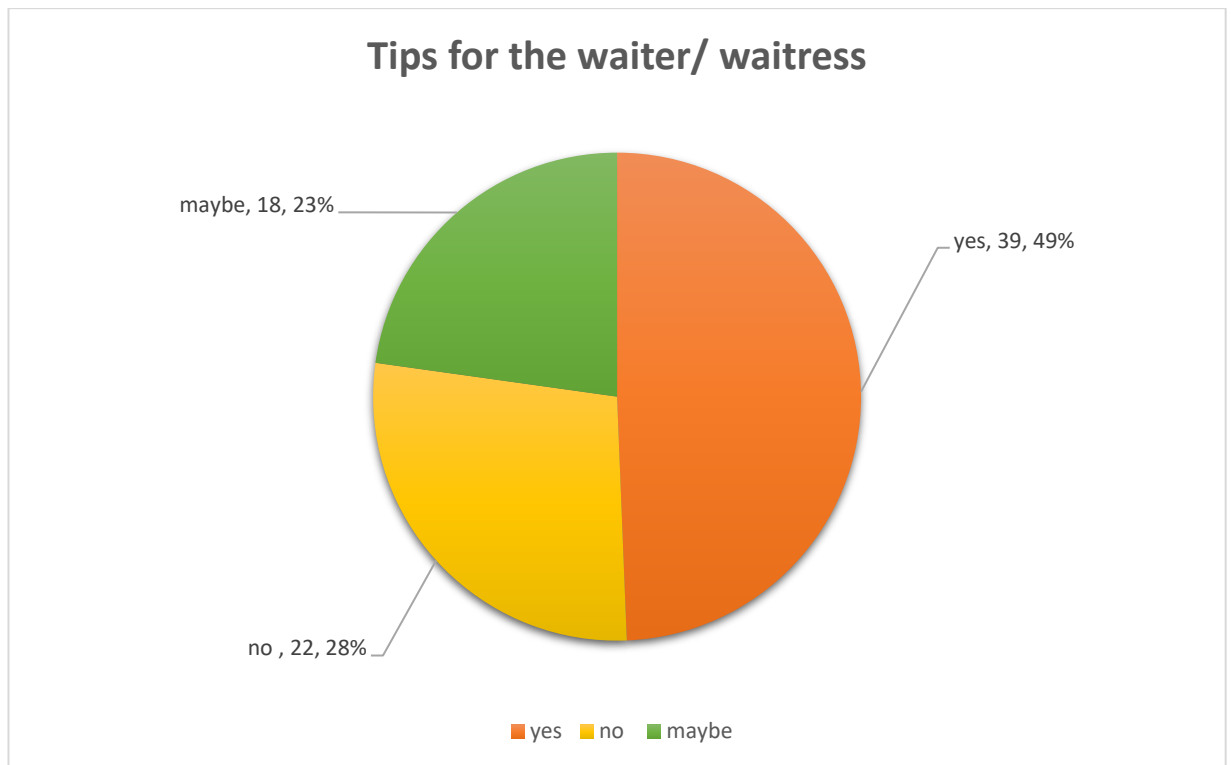
GRAPH 15. Do Nepalese restaurants have a good variety of foods?

In the survey, respondents were asked about the varieties of food. Five options were given for the questions. According to the result of this question, the percentage of those who strongly agreed that Nepalese restaurants have a good variety of food was 52% which 43 respondents among was 83. The percentage of those for somewhat agreed was 34%. Similarly, 3% chose to somewhat disagree, but there was no one who chose to strongly disagree. The percentage of respondents for neutral was 11%. This survey suggests that Nepalese restaurants have a good variety of food and customers are also in search of several types of foods to eat.



GRAPH 16. What grade do you give to Nepalese restaurants?

The survey was performed to find out what grades the respondents would give to Nepalese restaurants. These number indicates the quality and grade of the restaurants from 1 to 5. The percentage of respondents who chose grade 1 were 6%, respondents for grade 2 were 17%. For the above questions 39% of the respondents were grading the restaurants with 3, 22% of the respondents were grading with 4 and those for grade 5 was 16%. Here grade 1 indicated very poor, 2 indicated poor, 3 indicated good, 4 indicated very good and 5 indicated excellent.



GRAPH 17. Tips for the waiter/ waitress

Graph 17 shows the question asked to find out whether the respondents want to give tips for the waiter and waitress in the restaurant. Three options were given and 49% of the respondents wanted to give tips, 28% did not give any tips and 23% chose the option maybe.

6.2 Analysis of the interview

In this study six restaurant owners were interviewed through the Skype and Viber conversation. All the interviewees were excited and curious about the interview and they were also glad that they had got an opportunity to express their feelings and experiences and they were grateful that the thesis was about restaurant business. The authors had tried to include the interviews of respondents from different restaurants in Kathmandu. Interviews were carried out with the interviewees on different days.

The below table shows the restaurateurs` name, restaurant name, the date of starting the business and the date and times of the interviews. All the interviews are referred to as A, B, C, D, E and F.

Interviewees	Name of restaurateurs	Restaurant name	Date of starting	Date and time of interview
A	Amir Khadka	Bardali restaurant and bar	2013	20 th April 2018 00.10.23
B	James Malakar	Highway restaurant	2013	23 rd April 2018 00.12.01
C	Upendra Tandukar	Peepalbot lunch & Bar	2011	12 th April 2018 00.10.30
D	Umesh KC	Bishram Batika Restaurant	2003	20 th May 2018 00.15.20
E	Krishna Raj Maharjan	Bishram Batika Restaurant	2003	21 st April 2018 00.13.10
F	Namaraj Budathoki	Pyarafit Newari khaja ghar	2016	28 th April 2018 00.10.15

TABLE 3. Interviews details

When the interviewees were informed about the interview and the thesis about the restaurant business, all the interviewees expressed great understanding and were ready to give time to express and share their feelings and experience. All the interviewees had gained experience in the restaurant business except the interviewee F. He had just started his business in 2016 and had not gained as much experience as the others.

Theme 1 was about the investment and the knowledge they had before starting the business. the interviewee A had started the business with two other partners with a budget of NRS thirty-two lakh (Around three thousand €). He had ten years' experience of working as a cook in a well-known 5- star hotel. That had attracted him to start the business. Now he is running the restaurant alone. The Interviewee B was a business student, so he had an interest in opening his own business. Without any experience, but with a dedication and interest he

had started a business with around four thousand euros. The Interviewee C bought the existing business from another person. He also had experience of running a small hotel in his own house. Later he owned the business. The Interviewees D and E were from the same restaurant. They are running the business in partnership. They started the business in 2003. So, they have now expanded their business quite well. The Interviewee F is a new entrepreneur. He started his business in 2016. He had taken a training of cook and had worked as a cook in another restaurant. All the interviewees had started their business with around four thousand euros except the interviewees E and F. They had started their business with only 1500 €.

In Theme 2 the interviewees were asked about the satisfaction with the income and what lead them to start a restaurant business. The Interviewee A was attracted because of his experience of working as a cook for 10 years, and B said that his education in business studies and interest in cooking attracted him to start the work. The Interviewee C had an experience of running a small hotel and F told that he had had a training on cooking. The Interviewees E and F were trying to start their own business. So, they tried to start a restaurant business as a test. They wanted to know how it will go if they start a restaurant where they can have food from their organic farming. All the interviewees had some experience, dedication and interest in doing some work on food business that had made their business running in an effective way, and everyone said that they are still happy with the income.

In theme 3 interviewees were asked about the workers, their selection and training. All the interviewees cleared that the selection of the staffs for the restaurant is based on the size of the business that means for a small hotel one can have 2 or three employees and for a restaurant and can have more than 3 employees. The Interviewee A mentioned that he has only four employees, and B and F also said that they have only three employees. The Interviewee C had 8 employees in his restaurant. Similarly, the Interviewees D and E had 10 employees as they have a guest house too. The interviewees were asked about the selection of staff and training for them. The Interviewee A mentioned that he selected the employees according to the work experience and he himself is an experienced cook. So, he gives training to them and arranges some expert cooks to train his employees. The Interviewee B said that he got references from relatives for the people who had already worked before in a restaurant. He had not arranged any kind of training for the staff. Similarly, the Interviewees C, D, E and F also selected the staff if they had previous work experience. They also mentioned that they

have not arranged any kinds of training to the staff. They also expressed that the staff changes from time to time, so it is not worth to train them. However, it is good to select the staff if they have already worked somewhere else.

The questions in Theme four were related to the selection of the place for the restaurant and the types of popular restaurants in Kathmandu valley. This theme addressed the needs of a proper place for starting a restaurant business. The Interviewees A and B has mentioned that the places that one knows and people living there can be good because one can know the accurate place and types of food that people prefer. B mentioned that he already had that place in his mind in which a large number of people used to roam and which was neat and clean. The Interviewee C mentioned that those places where the locals and tourists can travel and rest for a while and enjoy the food can be ~~the~~ proper places to start a restaurant. The Interviewees D and E selected those places with natural beauty and peace where one can relax and enjoy food without crowds and noise. So, they are running their business in the same kind of a place where the customers can enjoy the natural beauty, boating as well as organic foods. The Interviewee F had selected a place where the customers can come with their vehicles or by foot, where one can attract the local ones with visitors as well as foreigners. So, he has his business in the center of the city.

All the interviewees mentioned that restaurants with typical Nepali food and international cuisine, and also KFC are popular in Kathmandu valley. They said that normally Nepalese as well as foreigners also like to have local foods like Momo, spaghetti, Thali sets and meat products.

Theme 5 was about customers and the service provided to the customers. These questions were to find out about the types of customers and the types of service they need and what the restaurateurs provide to the customers. All the interviewees mentioned that regular local customers as well as foreign tourists visit the restaurants. Foreigners also like to have local food with international cuisines. The Interviewee A provides all kinds of foods with the home delivery system. The Interviewee B has 15-hour service every day from 6 am to 9 pm including delivery system. The Interviewee C has local foods with beverages. He has facilitated the customers with a discount card. Customers visiting five times a month can get an offer of NRS 500 when they visit the fifth time. The Interviewees D and E also have arranged foods and beverages with a fishing opportunity to the customers. Customers can go fishing

and have the fish dish in the restaurant. The Interviewee F has foods with a home delivery system as well as karaoke where customers can sing with friends and families.

The questions in Theme 6 were related to risks and their avoidance. This question was to find out what kind of risks one can have and how to avoid the risks. The Entrepreneur A mentioned that some customers are aggressive and complain about even a small matter, so they need to be handled effectively. Competition in the market place and political instability in the country also can create risk in handling the business. The Interviewee B mentions that due to irregular electric supply, the shortage of cooking gas as well as strikes create a risk in the business sector. Other four interviewees also mentioned that the unstable price of food products, the annually increasing price, the undeclared shortage of gases and the lack of nightlife as well as the lack of proper knowledge can create risks in the restaurant business.

In addition, the lack of experience, a change in business model and overconfidence in one's own idea can also cause problems. The Interviewees D and E thought that if the government policy about the provision in using and selling the tobacco was implemented properly, it would also affect business significantly. The Interviewees explained that some risks are unpredictable, but some risks can be avoided through one's own skills. Having proper knowledge of business, training the staff and oneself and starting a business after analysing the targeted place properly can help avoid the risks.

Theme 7 was to find out about the future of the restaurant business and the possibilities for a new entrepreneur. The Interviewee A mentioned that if the restaurateur can place the restaurant in the center area where customers can enter easily and has hygienic food and polite workers, then the restaurant can run for a long-lasting period. The interviewee said that if the restaurateur has the patience to handle all kinds of customers properly and tackle all the situations, then he or she can also have a future in this business. The interviewee C expressed that there is high competition nowadays in the hospitality industry, so to maintain one should have trained workers, hygienic food and affordable price. These factors attract customers. The Interviewees D and E had found many opportunities in this business. They facilitate the customers with tasty foods, peaceful environment with good customer service. So, they find opportunities for the existing and the new entrepreneur also. The Interviewee F considered himself new in this business. He started the business only after he felt that he can start the business with his skills. He mentioned that if one starts the business after researching the

place and having enough capital, one can run a business and have the opportunity in the restaurant business.

In Theme 8 the interviewees were asked what kinds of qualities the restaurateur should have to increase the number of customers. All the interviewees in this question mentioned that the seasons, the weather and the political situation mostly have an influence on the flow of customers. So, these factors should always be considered and provide uniqueness in taste of foods as well as the looks of the restaurant should be maintained. The Interviewees D and E felt that the whole team of the restaurant should be cooperating with each other. Mostly, the customers should be treated well, and both the owner and the workers should be trained and well mannered. The Interviewee A thinks that the restaurateur should also have knowledge of how other business people handle the business how to tackle in the competition and make changes on the service provided to the customers so that the business would not be affected.

At the end the interviewees were asked if they could recommend others to start a restaurant business. Here also the interviewees mentioned that one can start the business, but before that they should train themselves. They need to have enough knowledge about restaurant business and an idea how to treat and behave with the customers and how to manage them without losing them. There is a good chance in this business. They said one can be a successful entrepreneur if one recognizes the opportunity. They also requested the Nepalese youths who are studying abroad to return and do something when they complete their education. There are many chances in Nepal, but one needs to know about them. So, they recommend others to start this business when they have a proper idea about the business, proper selection of place where the business is to start and enough capital.

6.3 Findings and Suggestions

In the research, it was found that the habit of eating out is increasing day by day because of the busy schedule. People like to go out, gather and enjoy in a restaurant. Nowadays people are migrating abroad in search of a job and better education, so they are also bringing the habits of outing and are interested in fast foods. Similarly, due to the lack of enough space also events and parties are organized in restaurants and hotels. This has created a great opportunity for the fast food owner and the big hotels as well. The respondents of the questionnaire are still in search of better places and good food with quality services.

The research in this thesis was to find out about the importance and possibilities of restaurant business. It shows that all interviewees are satisfied with their business. Sufficient knowledge, good maintenance of restaurant and hygienic food attract the customers. So, it is necessary to treat the customers as if they were one's own family members and make them satisfied. Customer satisfaction is the priority in hospitality service. First the restaurateurs should be satisfied with their work which makes them energetic to meet the demands of the customers. One needs to research properly before starting the business. Those with trained workers, effective communication skills and behaviours can tackle the business hindrances efficiently. There is an opportunity for the new entrepreneur also if they can take the chances and are ready for the future situation. There are high possibilities of expanding the restaurant business in Nepal even in high competition also. So, the results showed those who want to start a restaurant should manage better the staff and provide them training from time to time and update their menu and provide the food according to the customers desire and foods favourable according to the seasons.

7 CONCLUSION

During the process of writing the thesis the authors collected quite much knowledge in starting a restaurant business by themselves. This chapter summarizes the findings of the study. The authors got the opportunity to interact with the restaurant owners and understand their views and thoughts about the restaurant business as well as their experiences. The purpose of this thesis was to find out the present situation of restaurant business focusing on the possibilities for the new entrepreneurs to start new restaurants. The research was carried out with a questionnaire survey along with the structured interview. The collection of data was done with the help of administration of a reputed college and a private office in Nepal. The respondents showed greater response and co-operative while collecting the data. Similarly, the interviewees were also curious and glad to share their feelings and experience. They manage their time even in their busy schedule. The main reason behind choosing this subject was that one of the authors had already worked as a restaurateur and was interested in working in the same field after completing the study. The authors hope that the information, data and results from this research will be helpful for those who want to start their own business.

The main aim behind writing this thesis was to find out or show the possibility of running a restaurant business in Nepal. The number of eateries from outside the Kathmandu valley and foreigners in Nepal is increasing day by day. The number of immigrants moving from the rural area to the urban area in search of jobs and better education is increasing. Similarly, the unstable political situation and Maoist civil war has directly affected the rural area due to which the people from that area are migrating to Kathmandu valley. Due to the increasing demand of the nuclear family, people love to live in a small family and both the parents work. So, because of this they have less time for cooking, which means they need to acquire food from the restaurant and hotel. Those who are working also cannot take food from home. All these factors have created an opportunity to start food business and serve them.

The research aimed to provide information on the necessary legal procedures for opening a restaurant business in Nepal, and the theoretical part emphasizes the restaurant business, its

possibilities and challenges in Nepal and the importance of the market planning, proper business planning. The empirical part of the thesis included a semi structured interview, including the customers view and opinion on restaurant business which has cleared the possibilities of starting one's own business in Nepal.

The customers and the owner of the restaurant shared their views and experiences. During the process of this thesis, the authors had an opportunity to learn in depth about the customer's concept, about food business and their interest in going out to dine. During the research, it was clear that the customers are satisfied with the restaurants available in Kathmandu valley. The restaurateurs provide the food and facilities, that meet the customer's choice and need. This means the satisfied customers are the means to attract new customers because satisfaction is the key point in running a business efficiently. Similarly, there are still some dissatisfied customers. They expressed their opinion about the food, service, quality and experience about their dining and wish to have a restaurant where they can have food to their taste and wish.

The research in this study has helped the authors to know the views of different respondents like the student and the employees from different organizations who participated in the survey. The research has proved as positive and has provided a step in forwarding the career and developing the professional life of the restaurateurs. The respondents and the interviewees were positive about the research and were also satisfied with this business which means a positive track for both the existing and new entrepreneurs in the food business with the best knowledge in meeting the customers' needs and demands.

With the help of the interview, the authors find out that if the business person can satisfy the customers with service, good behaviour and tasty food, the business can work easily and can deal with any kind of situations. The authors learned much about running a restaurant business and sustaining the business through research work.

Based on the study it can be concluded that a business owner should select the right place, hygienic food and trained workers who behave politely. And a proper handling of business even in worse situation and competition can make one business owner a successful entrepreneur. Marketing of the restaurant also plays a vital role in the success. In this modern era, an entrepreneur must have qualities such as hard working, punctual, an idea to handle the staff,

changes the working style with time and situation and the sufficient amount of capital to run a business. It has been a way to learn about the various sectors in restaurant field and has made the authors motivated in starting up a business and curious in applying the knowledge gained during the thesis writing. The research has helped in finding out the problems that the customers of restaurants face in Kathmandu valley. Based on this research, it can be concluded that the prices in the restaurants must be affordable so that the students can also visit the restaurant regularly. The staff in the restaurants should be co-operative and smiling to the customers. The marketing methods in this business must be used frequently, though advertising is not done properly in this business. the customers also commented that most of the restaurants do not have a sufficient number of workers, so they must wait for a long time during lunch hour. So, the restaurateurs can think on these matters and develop their businesses. Similarly, the new entrepreneurs who are planning to open a restaurant can also study these factors and start thinking of a better plan and work model. The research has helped the authors in obtaining a good knowledge of the restaurant business and has sharpened their knowledge to work with better plan and management in future.

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APPENDIX

We PRAKASH THAPA and BINA THAPA, Centria University of Applied of Sciences, Jakobstad are writing our final thesis. To finish the project, we need to analyze some facts about restaurant business, its possibilities and challenges. So, its feedback should be conducted to find out the possible factors.

So, we kindly invited you to take part in this survey. We highly appreciate your participation and will be always grateful towards you. Here, we have added some questions about the restaurants in Kathmandu valley. Response to this survey will be voluntary. Your answers will help us in improving the qualities and the service of restaurant business and will be a stair in identifying the problems needed in this area.

Gender

Male

Female

Age group

18-30

31-50

50 above

How frequently do you visit a restaurant?

Once a week

2-3 times a week

Once a month

How much do you spend when you go out to eat?

About 250

Above 250

Above 500

APPENDIX ½

What kind of food do you prefer?

- Typical Nepali
- Indian Food
- Continental

How often do you eat other except Nepali food?

- Every time
- Once a month
- Once a month
- Not interested

Which meal do you prefer most to eat at restaurant?

- Breakfast
- Lunch
- Dinner

What are the effective ways of promotion of a new restaurant?

- Social media
- Newspaper
- Television
- Others

How do you think about the quality of Nepalese restaurant?

- Poor
- Average
- Good
- Very good
- Excellent

APPENDIX 1/3

What is the crucial factor that attracts you in a restaurant?

- Service
- Taste of food
- Location
- Price
- Something else

Nepalese restaurant gives you full satisfaction?

- Disagree
- Somewhat disagree
- Neutral
- Agree
- Somewhat agree

How often do you like to visit restaurants?

- Once a week
- Every 15 days
- Once a month
- Never

Would you like to eat in a restaurant if you have your own options?

- Yes
- No
- Maybe

APPENDIX ¼

How would you prefer to go to restaurants?

- Alone
- With family
- With friends
- With special person
- All the above

What type of place do you like to prefer?

- Fast food restaurants
- Family style casual
- Small hotel
- Star hotels
- All the above

Do Nepalese restaurants have good varieties of food?

- Strongly disagree
- Somewhat disagree
- Neutral
- Strongly agree
- Somewhat agree

What grade do you want to give to Nepalese restaurants in general?

- 1
- 2
- 3
- 4
- 5

APPENDIX 1/5

Do you like to give tips for the waiter/waitress?

Yes

No

Maybe

If you would like to express the experience that you got in restaurants?

Do you have any comments, suggestions and concerns?

APPENDIX 2

Theme 1

When did you start your business? How much did you invest in the beginning?

Do you have any kind of knowledge on business before?

Theme 2

Are you satisfied with the incomes?

What attracted you to start the business?

Theme 3

How many workers are there or needed to run the business?

How do you select the workers?

Do you arrange any kind of training to the staffs?

Theme 4

How do you choose the location for the restaurants?

What kind of restaurants are popular in Kathmandu?

What kind of cuisine is popular?

Theme 5

What kind of customers visit here?

What kind of service are you serving to the customers?

Theme 6

What kind of risks can new entrepreneurs meet?

How can one avoid the risks?

What kind of marketing methods do you use?

Theme 7

What do you think about the future of restaurant business?

Are there possibilities to establish a restaurant for new entrepreneurs?

Theme 8

Do you recommend others to start restaurant business?

What qualities should restaurateur have?

Theme 9

What factors influence the increase and decrease in customers?

What suggestions can you provide to improve number of customers?