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MARKET RESEARCH FOR VIRTUAL RESTAURANT IN TURKU

– A business idea

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APPLIED SCIENCES

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Abstract

Virtual restaurants are 100% delivery oriented restaurants, which means the only way you get in contact with the restaurants is digitally via application or website and the only face to face contact is made during the food deliver. For the research, deductive approach is being followed. Deductive approach which is also known as top down research of reasoning meaning that, conclusion is derived through logical reasoning based on assumptions and theories. In this research, quantitative research design is being applied. Quantitative research design refers to the type of research where numerical data are examined and are analyzed applying statistical and graphical methods. Here data are collected in standard manner through a survey.

From the primary data collected, it seems that people are interested in the idea of a virtual restaurant that provides cheap restaurant quality food as 95% of people has choose restaurant food for what they are having now and they are willing to order food in a regular basis if it comes at a reasonable price, which makes the idea of establishing a virtual restaurant possible. As there seems to be need of something alternative to the restaurant food that is cheaper then what is found in the restaurant.

KEYWORDS:

Market research, Virtual Restaurant, Business idea.

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LIST OF ABBREVIATIONS (OR) SYMBOLS

Abbreviation	Explanation of abbreviation (Source)
GEM	Global Entrepreneurship Monitor

1 INTRODUCTION

The world has become digital now, it has made our world easy to live in. 83% of global customers use on average 2.23 devices simultaneously. (STEIN, 2016) Digital is driven by speed, scope and scale. (Kent, 2016) People nowadays prefer to shop online and number of people going online shopping is increasing every year. (Eater, 2016). From which entrepreneurs are taking a lot of advantage. There are several advantages for business to go online, some of the major advantage would be to have larger customer pool, supplying on demand and cost efficient. Along with entrepreneur's customers are also profited by it, as they get maximum option (from where to buy and what to buy) and at lower cost. (origon)

Food is an essential part of our life; everyone desires to eat fresh and tasty food. But if one wants to have a good meal then one must either cook or eat from a restaurant. After working for whole day very few people have the desire to cook, the time when one of the family members used to stay at home and cook is way past gone, now a day almost every member of the family has their own professional life. Eating fast food or readymade box or frozen food has become a habit rather than a choice for most of the people as restaurants are expensive and cannot be afford by everyone.

1.1 Reason behind the research

I have always been a food lover, and I am always eager to eat different kinds of food that I have not tried before. I myself try to cook different dishes that I see on the television and talking about television I am a big fan of cooking shows. My love for food and cooking has been there for a long time. In 2012, I came to Turku, Finland from my home country Nepal, after I came here and till now I am a part time working student. I was keen to try Finnish Food and other ethnic foods that were available here, but the restaurants were expensive for me, yes there were school canteen which was affordable and I could have my lunch over there, but that was not enough for me I wanted to try more. Then out of curiosity I asked my friends what they used to eat when they are at home, if they cook themselves or did they eat out or something else? I got different answers but among them the most common were fast food, eating frozen food or some junk food from store, I could understand that as I had passion for cooking but due to the tiredness from work

and school I end up doing the same thing. I would get exhausted at the end of the day. There were handful of them who replied, in the restaurant but they also found it expensive and tiring as they had to get ready or put some efforts to go to the restaurant to eat or for take away and ordering the food would be adding more expenses. Which made me think and is the reason behind by research topic: -

1) Is there a market for virtual restaurants in Turku?

2) Are they looking for cheaper alternatives to the restaurant available in the market?

1.2 Virtual restaurant

Virtual restaurants are 100% delivery oriented restaurants, which means the only way you get in contact with the restaurants is digitally which is via application or website and the only face to face contact is made is when the food is being delivered to the customers. (Eater, 2016) This reduces the total cost of the product by eliminating some of the service and fixed cost that another restaurant must charge. Delivery Via other restaurants is possible but it would be much more expensive then eating in the restaurant itself due to the additional cost for the delivery. In virtual restaurant food is delivered to the customer desired location in a pre-given specific time. So, Virtual restaurants are perfect solution for the people who must or prefer eating restaurant food but do not have time or do not like to visit a restaurant.

1.3 Turku as a market place

Turku is the oldest city of Finland, with an area of 306.4 per square km and having 757 people per square km. (Satistical data about Turku, 2016). It is a multicultural city as there is 130 different nationalities living there and about 14000 people of its population mother tongue is not Finnish or Swedish. (Turku, 2016). There are altogether 92 restaurants in Turku among them 5 are targeted towards the youth. (Visit Turku, 2017) Government highly supports entrepreneurship in Finland, the regulatory environment is perceived more suitable than any other EU member states on average. According to Global Entrepreneurship monitor (GEM) Finland is in the top 10 spots with regards to

government approach to entrepreneurship which is supported by the ease of doing business index and by the global competitiveness index result. (Sanna, 2015)

2 THEORETICAL FRAMEWORK

2.1 Market segmentation

Segmentation is one of the key factor for the success of business, it can be being categorizing a market with pre-determined mindset. (Whalley, 2010)It is about knowing which is the proper market for your product? Lot of time and money will be wasted unless proper segmentation is done. "You must recognize that you can´t do business with everybody," Effective segmentation can be referred as when customers having similar need are categorized together and where each category or segments varies in the pattern of demand from other category or segment in the market. (Whalley, 2010)

There are many variables that are used for segmentation, some of the popular variable are: -

Geographic variables: which generally refers to a certain area or region.

Demographic variables: which refers to personal statistic such as income, gender, education, occupation and others.

Psychographic variables: which refers to life style, personality, values and attitude.

Behavior: refers to people who are loyal to the brand, in what amount do they use the product, buying status and role, user type and other similar variables.

After the segmentation is done, the next step would be choosing if we are targeting a single segment or multiple segment. This choice can depend of many factors such as the level of competition, size of the market, advantage over the competitors. (Whalley, 2010)

2.2 Postioning

It is an important topic to discuss about, whenever starting a new business. If a business wants people to buy their product, then they must give answer to the question, why should they? What so special about their product? So, positioning means to let the

people know why their product stands out against other alternative products or explaining, why do the customers need their products? It is about educating people about that unique benefit that the product brings into their life. Positioning is also important for the entrepreneur to keep their mid set and remember why they are in the market. A Product may have several features, but companies who creates the product need specialty. (Brand Zero, 2014)

2.3 Branding

Brand is something that comes into the mind of the people while buying some categories product, even though there may be lot of product of the same category people when trying to buy a certain product, thinks of a single product or brand. It is not just about the symbol or the logo. "Brand is today´s content brokers. They need to offer more than just a product but an experience that´s worth sharing." (Prinz, 2014) People have different perception and importance for a brand. Some people follow the brand because of the trust, some are loyal and some brand help people to reflect themselves, but ultimately the reason are to find a solution that they can rely on for certain problem. For example, urge to have fast food in cheap price, the name that pop-up in most people mind is Mc-Donald's. There is always a reason behind choosing a product over another. In the past, companies used to Influence brand, big companies would advertise and say that their product are in fashion and is what that´s in the trend. But due to the rise of technology people could explore more and find a product that is suitable for them, which gave power to the people to influence the brand. People are the one who decide which brand succeeds and which brand will fail. (STEIN, 2016). In today´s world social media plays a huge role in the day to day activity of people lives, being so important part of people life´s there is no doubt that how highly a brand can be influenced by social media. It is an alive safe house for the brand, where brand is kept collectively. Companies use different digital medium to interact or come up in contact with customers. Social media has become one of the major platforms to advertise the product. Digitalization has helped to get information about the customer with a new way of keeping track of the customer in a bigger scale. (Brand Zero, 2014)

2.4 The extended marketing mix

The term marketing mix came to the context in 1940s, but it was made popular when marketer E. Jerome McCarthy described the four strategies all starting with P that a company must consider succeeding. Since, the four strategies which were product, price, promotion and place only took in account the companies which sales product and did not considered the service market so a new concept with 7 strategies known as the extended marketing mix or 7 Ps of marketing mix came into existence. (Udemy Blog, 2014)

2.4.1 Product

Product is the component which the customer gets in return for the price they have paid, it also includes the services provided by the seller. There are many ways to categorize the product and some of them are: -

Service product- These types of product are essentially intangible, mostly specialized on a certain area. It is sometimes hard to differentiate between a product and service. For example: Buying or paying for the picture in the Photo studio. Services sector are hard to identify beforehand as it mostly consists of afterwards experience. Core services and Supplementary services are the types of serves. Core services is referring as the services whose primary purpose is transaction, for example services provided by the lawyer, saloon. Supplementary services are the services that are rendered as a corollary to the selling of a product that is tangible, for example Delivery featured provided to the customer by the restaurant.

Non- durable goods- The goods which are used in the process of consumption and which do not last long. Like fresh food bought from the market. (Whalley, 2010) (Udemy Blog, 2014)

2.4.2 Price

Various strategies are used when pricing a product. Some of the strategies are: -

Cost plus pricing – Here the cost of the product is calculated by adding a certain amount, the expected profit with cost. This strategy is mostly implied in services and tangible product. (Lopez, 2015)

Price discrimination pricing – This strategy is used increase sales revenue and to cover maximum market share by applying different price rates for the same product. There is different approach to change in price in this strategy. some of the approach are-

- Demand based strategy- In this approach the buyers gets the discounted amount according to the quantity bought or willing to buy.
- Activity- People have different paying capacity, a full-time worker is capable of spending more than a student. Thus, creating a special pricing according to the activity of the customer. (Lopez, 2015)

Geographical pricing- It is an obvious strategy used by the companies as the price may increase or decrease in certain areas due to the availability of the goods and the shipping cost added to the goods.

Optional Product pricing- In this strategy, the seller intends to increase the price by adding special features or adding extra benefits to the product that the customer has bought. In this type of strategy, the actual product is kept quiet low so that it lures the consumer to buy the additional features.

Two-part tariff pricing – Service provider mostly used this kind of pricing strategy. Lump sum money is charged which is generally known as registration or access fee. Afterwards cost may be charged according to the use of service.

Economy pricing- This kind of pricing strategy is generally applied by product or production oriented companies. Limited expenses are made during marketing and manufacturing of the product.

Penetration pricing- This strategy is used to increase the customer, at the beginning the price is lowered to increase the market share. After the targeted market share in obtained the price is increased to its actual value. (Whalley, 2010)

2.4.3 Place

Choosing the location is vital for any company, it is question of getting goods to the consumer and the channel of distribution. It is very important to have a great location for a business to reach its customers as long distance will be both time and money consuming.

2.4.4 Promotion

It is about communicating with the customers about the given product. It consists of all the tools required for marketing communication. There are different ways to promote a new business such as providing some discount or adding some benefits to some early buyers, Creating an awareness program, sampling. (Whalley, 2010)

2.4.5 Physical evidence

It is material part of service, it may seem that there is no physical evidence in service but in-service sector some companies heavily rely on physical evidence for their business. Examples of physical evidence used in service sector are: -

Ambience- It is about the non- physical environment such as sound, temperature smell and color.

Corporate branding- These consist of sign, symbols and artefacts of the respective company on the service they are providing for example the napkin and packaging consisting the brand symbol or name of a restaurant. (Marketing teacher)

2.4.6 People

Service sector are mostly specialized in something, so they need people who are good at the thing that they are offering to the people. So, the term people in the marketing mix refers to the people who are involved during the service of the company. Some of the ways where people can increase the value of the experience of the customer as part marketing mix are: -

Training- It usually begins at the beginning when work is started. It helps the worker to understand and deal better. Giving some introduction about the company and the work they are doing are one of the part of the training.

Personal selling- There are various type of personal seller and some of them are Product delivery sales person, the internal sales person who takes deliveries, the external sales person who works in field, technical sales person and creative sale person who creates the demand.

Customer service- These are the experts in certain fields that guides people for different purpose such as finance, technical support, communicating to the sales man etc. (Whalley, 2010)

2.4.7 Process

It refers to dealing with the customers and the capability of the company to provide the service to the customer, it is about dealing with the complains, foreseeing the problems before they come out. It is a medium to generate output.

Marketing and many steps of process that comes altogether to become an overall marketing process. Example of this would be combining the telemarketing and internet marketing.

It is used to control the marketing mix. (Whalley, 2010)

2.5 Swot analysis

Swot is a business analytical technique use to determine the future of an organization. This technique demands to identify the Strength, Weakness, Opportunity and Threats of the current organization has in the market in respect to its competitors. It is a popular and versatile tool, which involves lot of subjective decision in each stage. Therefore, should not be followed step by step instead should be used as a guidance. SWOT analysis considers both the capability and resources of an organization which are internal factors and how can it can survive against the competitors and keep on meeting the demand of the people which is the external factor. (FME, 2013)
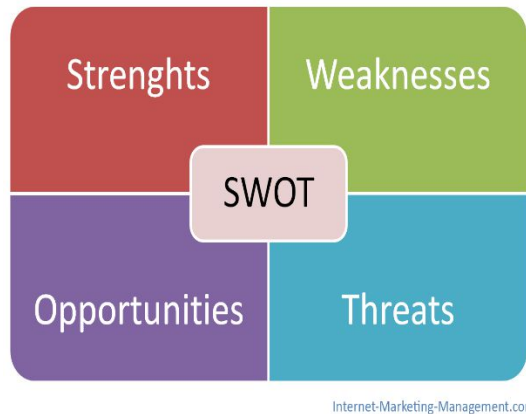
Figure 1. Swot analysis (Swot analysis, 2014)

Strength - As the name implies, strength in swot analysis refers to as the characteristics which makes the company stand out from its competitors. It is the reason why a person wants to invest in an organization, having the confidence that the business will survive in the market.

Weakness- In simple definition, weakness is the competitive disadvantage of an organization. It is a bug that needs to be fixed. It is important to figure out the weakness of a company so that one would be aware about the problem and then would be able to take steps regarding that problem.

Opportunities- There is lot of factor that affects a business such as change of taste or lifestyle of the customers, change or advancement in technology, change in government policy and other external activity. Such changes can be explored only through continues evaluation of the market. Successfully figuring out the market situation and using those opportunities is vital for the company to excel and for having the competitive advantage.

Threats- Threats are the external factor that can or will affect the organization. For these kinds of factors the only way out is taking preventive measures as there is no control over it. Thus, it is very important to figure out about the potential threats so, that the organization can prepare and come up with the plan that would minimize the impact of the issue. Early knowledge of the threat will give more time to come up with plan on how to deal with them and will also have an advantage over the competitors.

Swot analysis of Virtual restaurant

Strength	Weakness
- Cheap - Time saving - Online filter - Suggestions	- Distance issue - Trust issue - Variation in menu
Opportunities - Business to business dealing - Creating a chain	**Threats** - Low market share - Bad reviews - Other restaurants that delivers food - Cheap alternative source of food - Foodara and wolt

Table 1 : SWOT analysis

The strength of opening a virtual restaurant would be it would be cheaper compared to the dining restaurant both for starting a business and the price of the product. As the extra cost of assets and human resource would be minimized. It is time saving for the

customers as they must wait for the food in restaurant and reaching the restaurant takes time. Whereas in virtual restaurant you can order food from anywhere and would be delivered at the desired time. Filters will help the customer to decide what food to eat according to what kind of food they want to eat in that day, example a customer wants to eat spicy food that has chicken in eat, by choosing those to characteristics option having the customer choice of food will be displayed. The history of the customer will also be saved so that food can be suggested according to their taste, if there is change or something new in the menu.

The main weakness would be the limitation of customer that can be reached as there would be a limitation on the number of people living within the radius of the distance covered by the restaurant. The other weakness would be trust issue, since it is virtual people can doubt on the sanitation of the restaurant and the quality of food. People may doubt that the product may vary from what it has been advertise, as returning the food will consume a lot of time.

The opportunity of dealing with other business as the source of food of their employees cannot be neglected, the employee can choose their own food and could be delivered all the food at the same time reducing the delivery cost and making food cheaper. To cover additional market business chain can be establish as minimum capital is required to establish this business

There are lot of threats as competition is high in food business, people have lot of alternative sources of food. Business lie foodara and wolt would have large variation of food to choose from as the number of restaurant in Turku is high. Since, the business intends to cover huge market share it would not be possible to do so at once and it will take time to reach the people and make people trust the business. There is always a possibility of getting bad reviews from the customer due to various reason, such reviews will discourage new customer two give a try.

2.6 Business model canvas

In 2010, Alexander Osterwalder and Yves Pigeur contributed in business model and introduced business model canvas. The template of business canvas model helps to

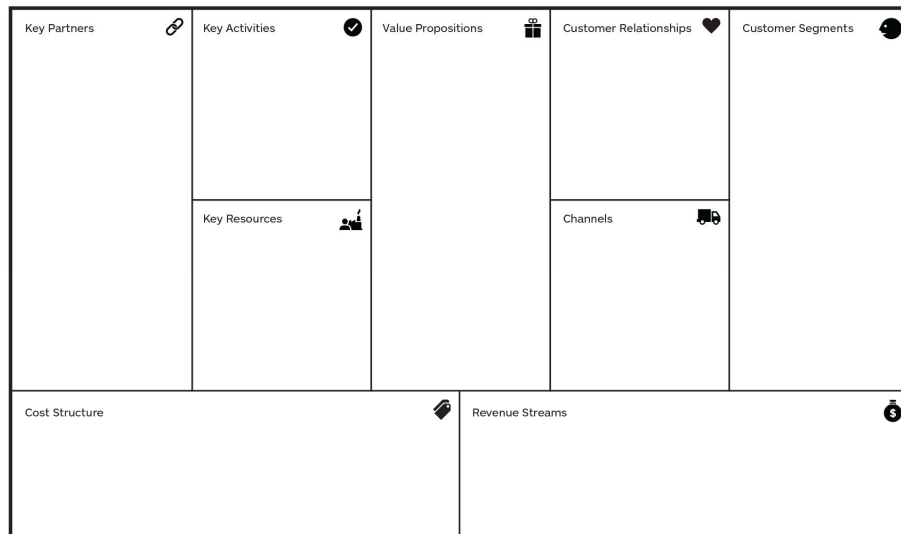answer the question "how" and "why" did the company choose to do so for sustainable future.

Figure 2 Business canvas model (Business model canvas, ei pvm)

The model consists of nine building boxes for business plan, by carefully analyzing and planning what goes in the boxes a person will be able to create a sustainable base for a business plan. Here the key activities refer to the step taken to create value proposition. Here the value proposition connects the infrastructure of the company, which are key activities, key resources and key partners with the customers. (Lund, 2013)

Business model canvas for virtual restaurant

Key partners : Suppliers Customers Investors	Value proposition: Home delivery food at a cheaper price. Detail information on ingredients used	Customer relationship: Virtual contact. (subscribe and login) Informed User friendly	Consumer segmentation Location: Turku Youth
Key resources: Premises Startup loans Chief	High quality packaging system Tracking system Variation in menu	Channels: Social network Flyers Referring benefits	

Table 2 Virtual restaurant business canvas model

It is very important to have a proper supply chain, as fresh food is required in daily bases and since one of the objective is to have low priced food, it is very important to sort out where to get the best price ingredients. Efficient and economical method of delivering food should also be discussed to assure the objective of low pricing. Since, the basic idea is to cover maximum market sale and supply good at a lower price, publicity of the restaurant is very important to run the business in profit so it can reach maximum people. Publicity will be done via Social network such as Facebook and twitter, also through flyers and poster. To reach and have maximum customer, there would be a benefit for those who refer the restaurants to friends and family, the refer would get special discount

and offers, the person referred to would have to mention the name of the refer to get the benefit. Customers are the source of cash flow in a business, so it is very essential to give importance to the customer and to make sure they are fully satisfied.

Investors are the core partners to run business, they are the reason for the funding of the business. Having dependable investors gives the confidence and a chance to make changes to the business if things does not work out well.

Even though the restaurant in virtual the location plays a very important role, as having the restaurant or kitchen at the right place where customers can easily be reached saves time and money.

The heart of the restaurant is the chief, the person responsible to create the product of the business, it is very important to have a chief that can deliver quality food as it is the reason why customers pays. The plan is two have two or more than two chiefs so that long opening hours can be maintained and there would be variation in the menu so that the customer does not get tired of eating the same food. Along with the menu full ingredients data will also be provided so that the customers will know what they are eating. After quality food has been produced it is very important to package the food properly, so that the customers receive hot and fresh food. The customers will also be able to track the food delivery system, so that they would have a good idea when the food will be delivered at their place.

The source of contact which will be the website and app should be user friendly so that people do not feel confused and it would be simple for them to register. Various filter method will be added so that it would be easier for people to sort out which food to eat. Chat bot which is an artificial intelligence chatting bot, will also be added to the website and app so that immediate response will be available for the customers.

Based on the primary data collect the best option for the sustainability of the business would be to give priority to the youth as they are more likely to use apps and internet for the source of food. The customer will be limited to certain radius of the restaurant in Turku so that the quality of the food is not compromised and going for long distance will increase the price which goes against the objective of the business.

3. Research Methodology

The purpose of the research is to find out the possibility of having a market for a virtual restaurant and for this research the theoretical frameworks has reflected as guidance to start a new business. So, it would be easy to derive conclusion and explain how this business idea has the potential to be turned into a profitable brand. Since, the idea is to open a restaurant in Turku, a survey was sent to the people living in Turku by posting the survey link to several Facebook group. Interview will also be taken from the members of different restaurant located in Turku. The survey and interview will then be analyzed to come up with the conclusion i.e. if there is market place for a virtual restaurant in Turku.

For the research, deductive approach is being followed. Deductive approach which is also known as top down research of reasoning meaning that, conclusion is derived through logical reasoning based on assumptions and theories. As per Ketokive and Mantere, "Deductive reasoning occurs when the conclusion is derived logically from a set of premises, the conclusion being true when all the premises are true." (Mark saunders, 2016)

2.7 Research design

In this research, quotative research design is being applied. Quantitative research design refers to the type of research where numerical data are examined and are analyzed applying statistical and graphical methods. Here data are collected in standard manner through a survey and it is important that the point view for the question of each participant should be the same so that dependable data could be collected. (Gronhaung, 2002)

For quantitative data collection, an online survey questioners will be send to people living in Turku. The survey strategy is recognized as authentic by people in general and is usually easy to understand. (Mark Saunsders, 2016)

2.8 Data collection

For this research to come up with rational conclusion both secondary and primary data were collected. Secondary data which are not collect by the researcher himself,

secondary data are collected mostly through report from different department, census, annual account and from another people research. (Mark Saunsders, 2016)

When there is not enough data to reach a conclusion and the researcher must find the required data himself through various medium such as survey, interview, observation etc. It is known as primary data. In this research, primary data are collected via semi-structured Survey. The survey of 15 question was prepaid and the survey link was posted in different Facebook group. The Facebook group was chosen based on involvement of residence of Turku. The survey was kept active for 5 days from 29th may to 2nd of June.

2.9 Sampling

Sampling allows researchers to minimize the number of data to be collected and generalize. As a researcher must generalize from the minimum data collected it is very important that the representative samples are dependable, as this will be providing the point of view of the whole targeted population. There are two types of Sampling, Probability sampling also known as representative sampling and non-probability sampling. (Whalley, 2010)

Since, the research was done to find out if people living in Turku are interested in the virtual restaurant. Thus, it was very important to choose a sample hence purposive sampling method was applied. Purposive sampling which is also known as judgmental sampling allows the researcher to include or exclude cases according to the suitability of the research answer. As per Neuman "Purposive sampling id often used when working with very small samples such as in case study research and when you wish to select cases that are particularly informative." (Mark saunders, Research methods for business students , 2016)

2.10 Realiabilty and Validity

It is very important for the collected data to be dependable, as it would be used to come up with a conclusion on the matter of whether there is a market for virtual restaurant. Since, the targeted group of people is people living in the Turku area, there is a possibility that people living in other areas will also answer the questioners. Those result will not be counted to collect more accurate data and opinions of Turku residents.

For the reliability of the data collected to answer the research question, the target response was 100, which could not be achieved as only 40 people respondents to the survey. Thus, minimizing the probability of reliability and validity.

3 DATA ANALYSIS

Data were collected from the online questioners; each question asked to gain knowledge on the consumer lifestyle of food. There was total of 15 question all together in the survey, the questioner was designed in a simple way so that it would be easy to answer. The total number of respondent were 40 and among them 38 were in Turku. Since, the survey was intended for only people living in Turku, the other two would be neglected. Thus, resulting into 38 answers to analysis. The objective of the survey is to find out the if there is a market place for a virtual restaurant in Turku or not. Since, the question is simple and the graphs provided are self-explaining, there will only brief explanation on the data analysis.

The summarization of the survey answers

Choose   you   age   group
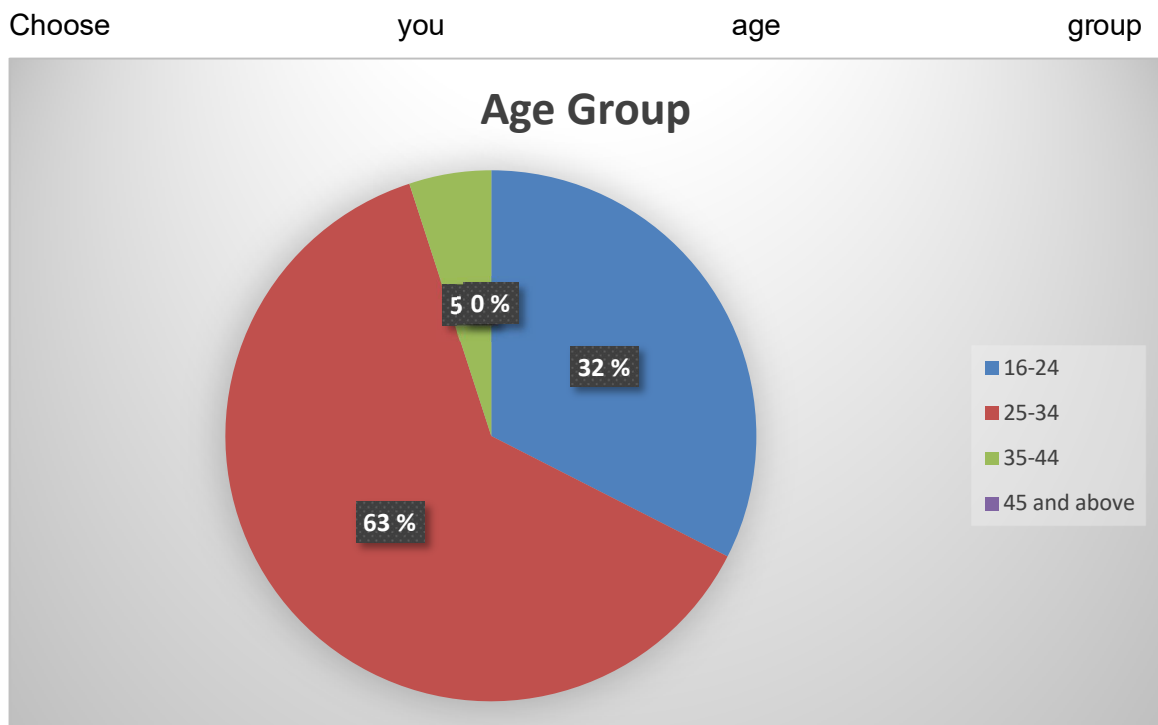
Figure 3 Age group

Q.1.As seen the in the figure the highest respond came from the age group of 25-34 with 23 respondents followed by 16- 24 age group with 13 and 35 to 44 with 2. Since, the survey was posted in Facebook groups, the respondent was likely to be young generation. Youth are the ones who are more open to new digital approaches and are the most excited to try new things specially in digital world. The age group seems to be

suitable for the intended industry. It can be said that the question was answered as expected.
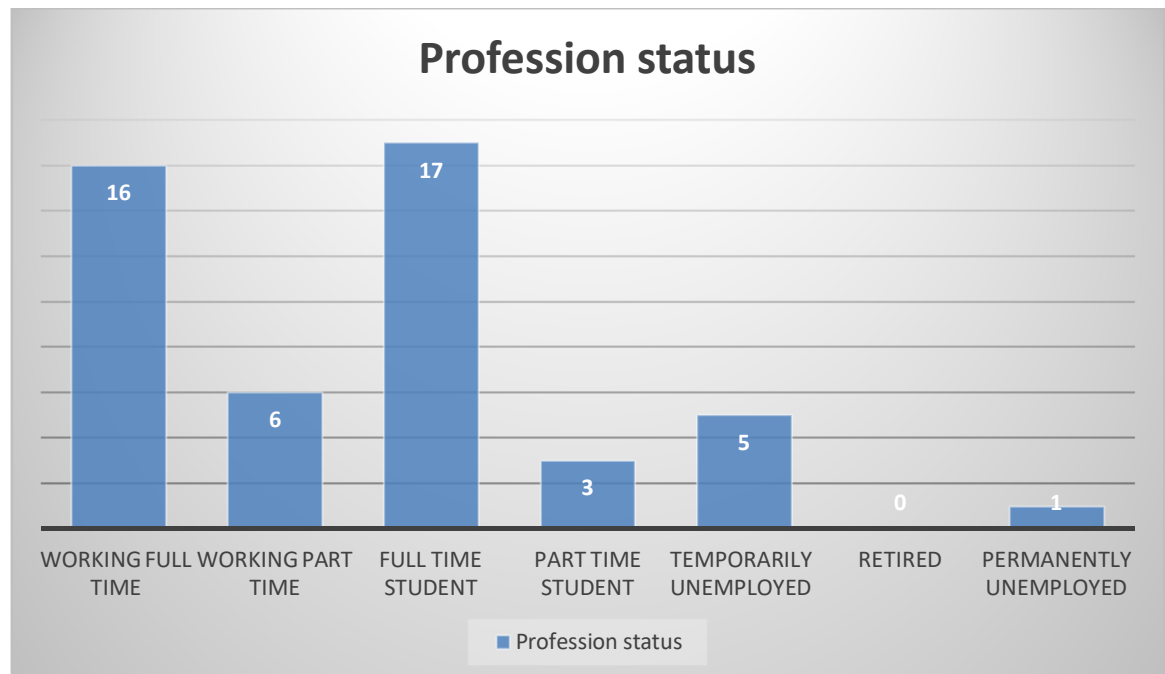
Your current status?

Figure 4 Profession status of the respondent

Q.2.As shown in the graph the number of full time workers and part time students are high that is 16 and 17 respectively. Amazingly 4 people are working full time workers and students. It is without a doubt that both the profession takes lot of effort, thus not having so much time to cook. It was important for this survey to get high number of response in these categories to determine the market segmentation, that is to target student or workers. 4 out of 6 of part-time worker are also full-time student which makes them more in need of virtual restaurant as they most likely would not have spare time. 5 are temporarily unemployed and one respondent is permanently unemployed. 3 are part-time student from which 2 are part-time working as well.

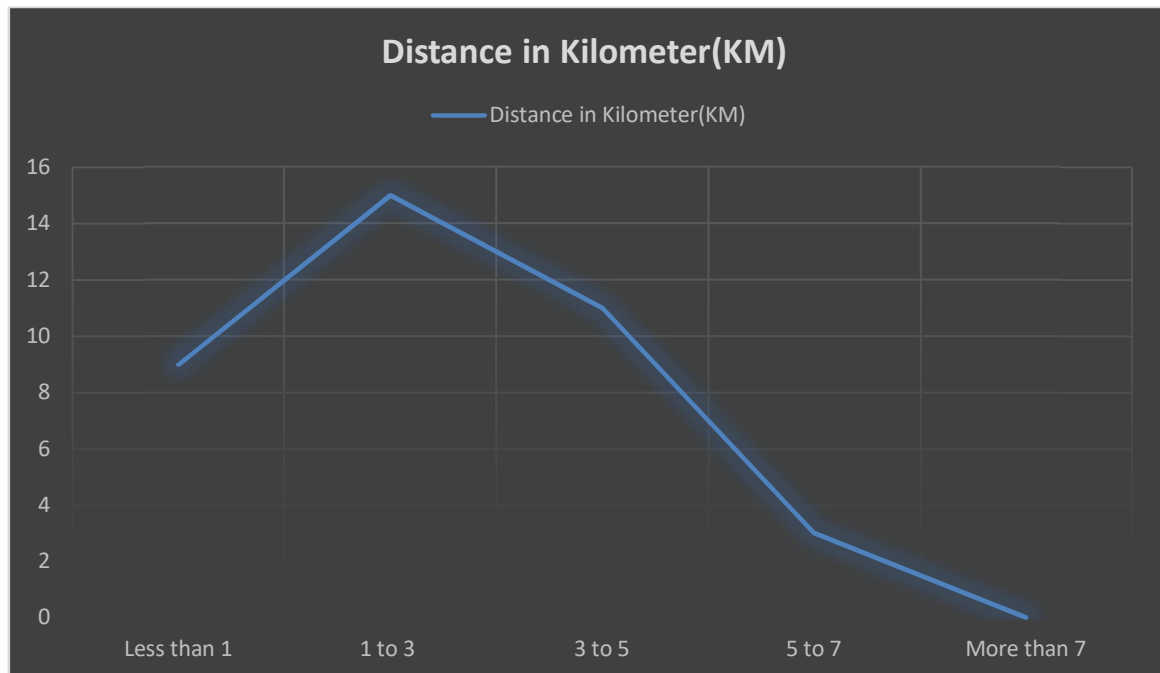How far from the Turku city center are you located?

Figure 5 Respondent distance from the Turku city center

Q.3This question was asked to know about the distance from the city center because it is not possible to deliver food at a long distance and it know that what is the opinion of people living near the city center. As there is a high possibility that the restaurant will be launched near the city center. The question was a success as all the response came from the desired distance. It is without a doubt that shorter the distance less would be the price for delivery. The maximum people (15) seems to be in the distance of 1 to 3 km. 11 people are located within 3 to 5 km of the city center, 8 are located less than 1 m of the center and   3 are located 5 to 7 Km of the center.

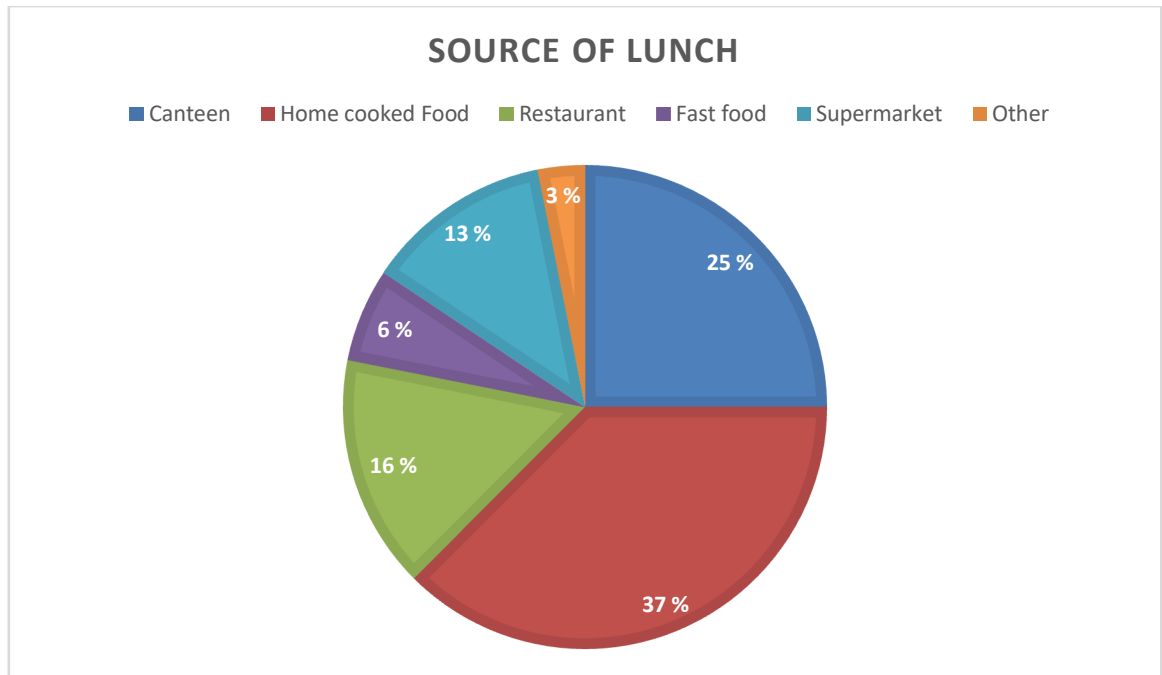What is your everyday source of lunch?

Figure 6 Respondent daily source of lunch

Q.4The question was asked to know about the current source of where they get their lunch. This question will help us to understand where people usually have their lunch and is there a need of food delivery and this meal time. As seen in the pie chart about 37% people eat home cooked meal, 25 % have their lunch in the canteen, 16 % have lunch in restaurant out 10 people eating in restaurant 3 occasionally have food in their canteen and 8 are full time workers and 2 are part- time workers. 12 % are having junk food or frozen food as the source of their meal. 6% are eating fast food which is mostly considered to be unhealthy and 3% do not have lunch.
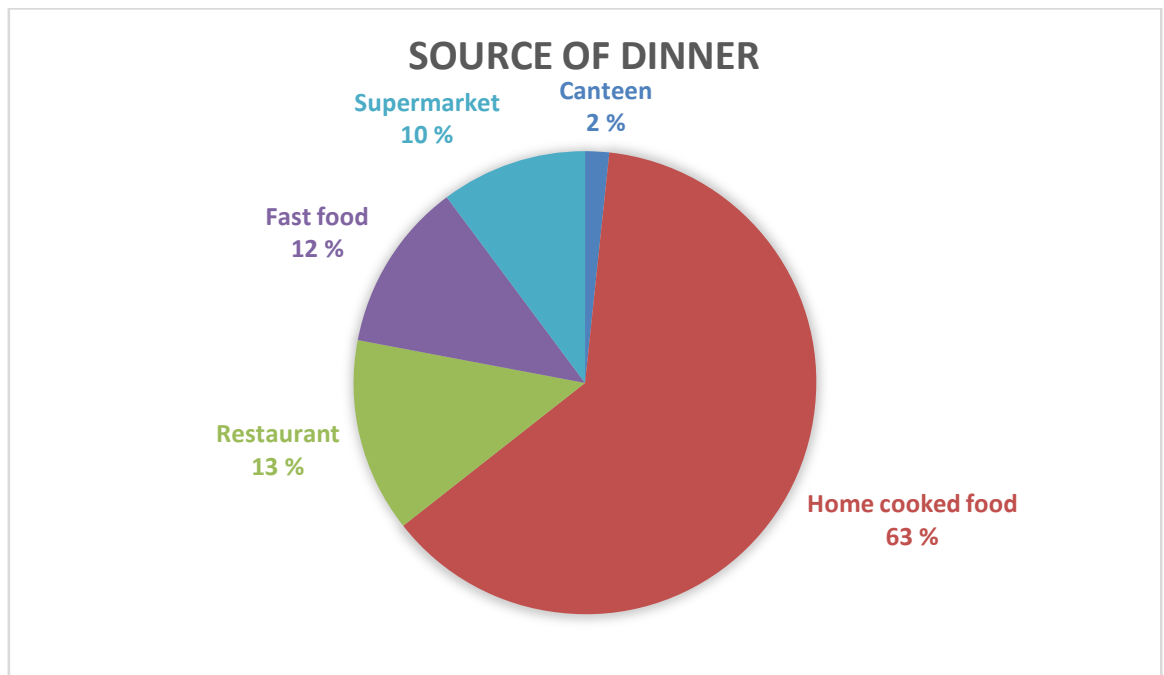
What is your everyday source of Dinner?

Figure 7 Respondent daily source of dinner

Q.5The question was asked for the same reason as the lunch, here because of the absence of canteen in the answer has varied compare to the lunch, people seems to cook more often for the dinner meal which is about 63% of the total survey answer. Similarly, 13% eat in a restaurant, the number in restaurant has decreased as restaurant charges more for dinner. the number of fast food eaters has increased as it is now 12%. About 10% people buy food from the supermarket.

How satisfied are you from the current source of food?

Figure 8 Satisfaction of respondent on their current source of meal.

Q.6People seems to have been highly satisfied with their current source of food as the average is 7 out 10. Here 1 means that the respondent is dissatisfied with the current source of their meal and 10 being highly satisfied with the current source of meal. The question gives a view about how the people feel about the current source of food. Only 2 out of 38 has rated under 5 which show that people are happy with what they are having, but since high number of people are cooking at home, now the question arises what if people are provided with alternative sources are people willing to change their sources?
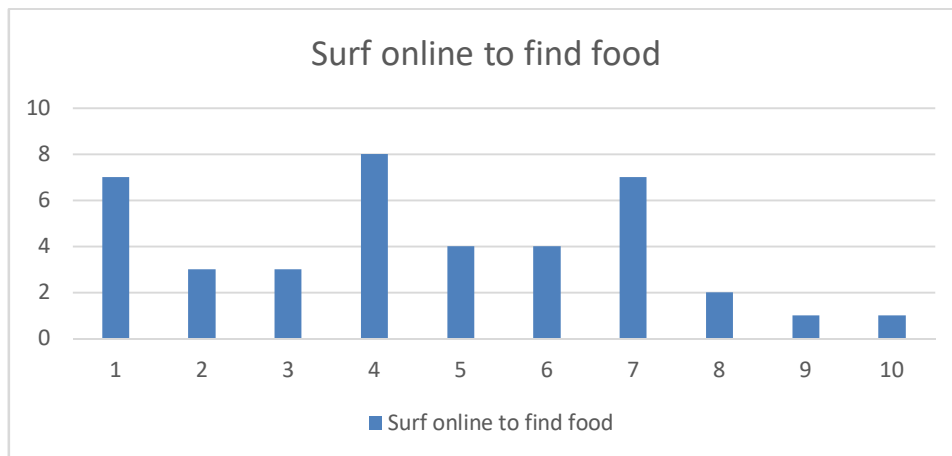
How often do you surf online to find food?

Figure 9 How often do the respondent use online sources to find food.

Q.7The question was asked to know that how often people use internet to find food. Surprisingly the answer was way low than expected. In the question, the respondent was asked to choose from 1 to 10, 1 being the never use internet to look up for food and 10 being every time. 18% answered they never use internet to search for food. The maximum which 20% gave 4 which can be assumed they sometimes look for food in the internet. 18% gave 7 meaning that they often look for food in the restaurant. For this survey question the average weight is 4.55 which does not work in the favor of this survey.
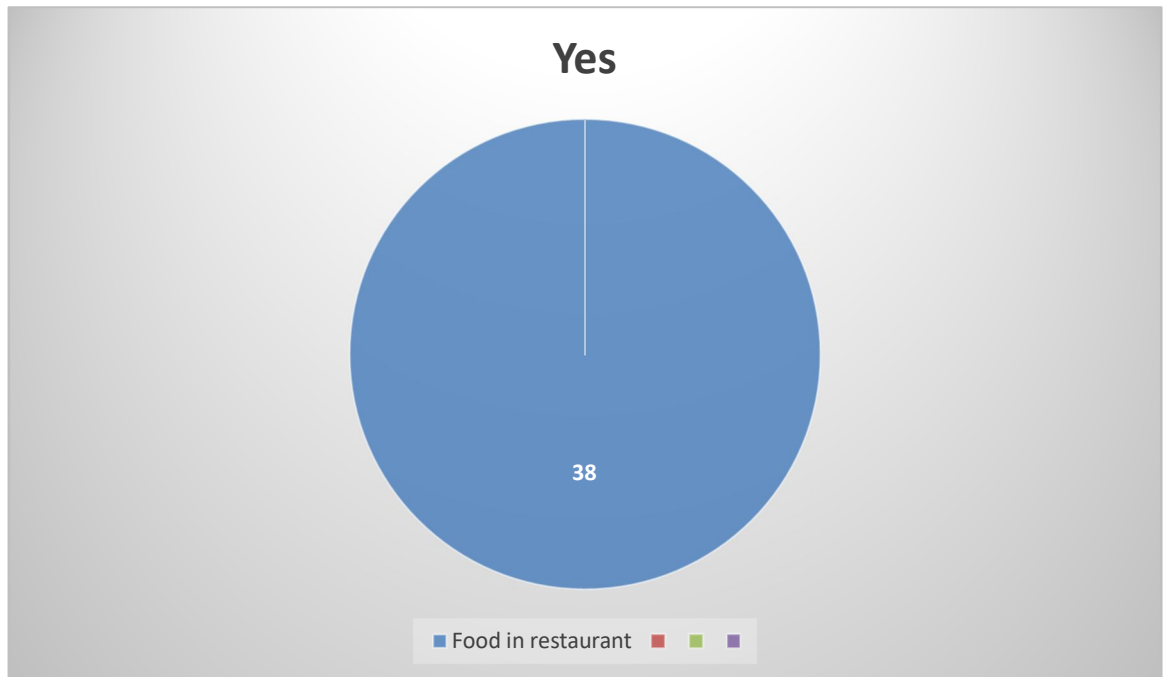
Do you like to eat food served in a restaurant?

Figure 10 respondent opinion on restaurant food.

Q.8The question was to know if people like food served in restaurant or not and 100% answered they like eating food at a restaurant which works completely in the favor of the research.

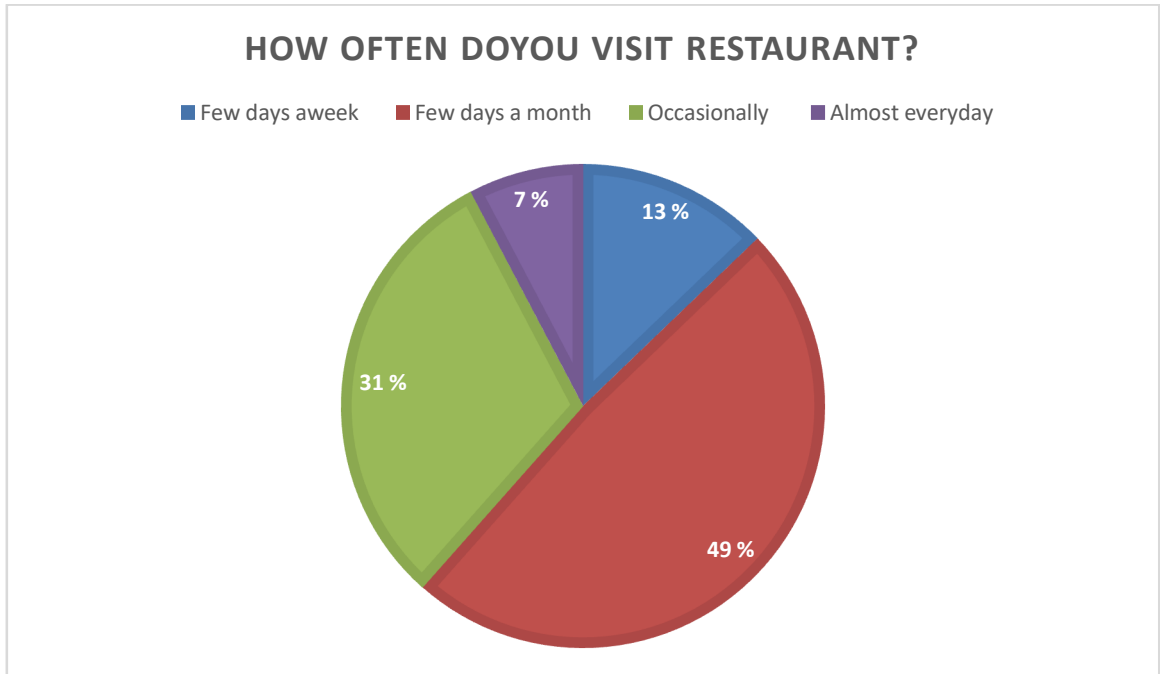How often do you visit a restaurant?

Figure 11 Respondent restaurant visit information

Q.9 Almost half of the respondent 49% to be exact visits a restaurant few time of month, which shows that most of the people do want to eat the food provided in a restaurant. 7% of the people eats at the restaurant almost every day. 31% of people visit restaurant occasionally even though they like the food served in the restaurant.

How expensive do you find restaurant food?

Figure 12 Respondent opinion on the price of food at a restaurant.

Q.10.This question was asked to find out if the price was the reason people do not visit the restaurant so often. the result of the question was positive as people did find the restaurant food expensive, few people though it was okay but high number of people thought it was expensive. Their choice of answer was kept 1 to 10 to know the how expensive each respondent felt.

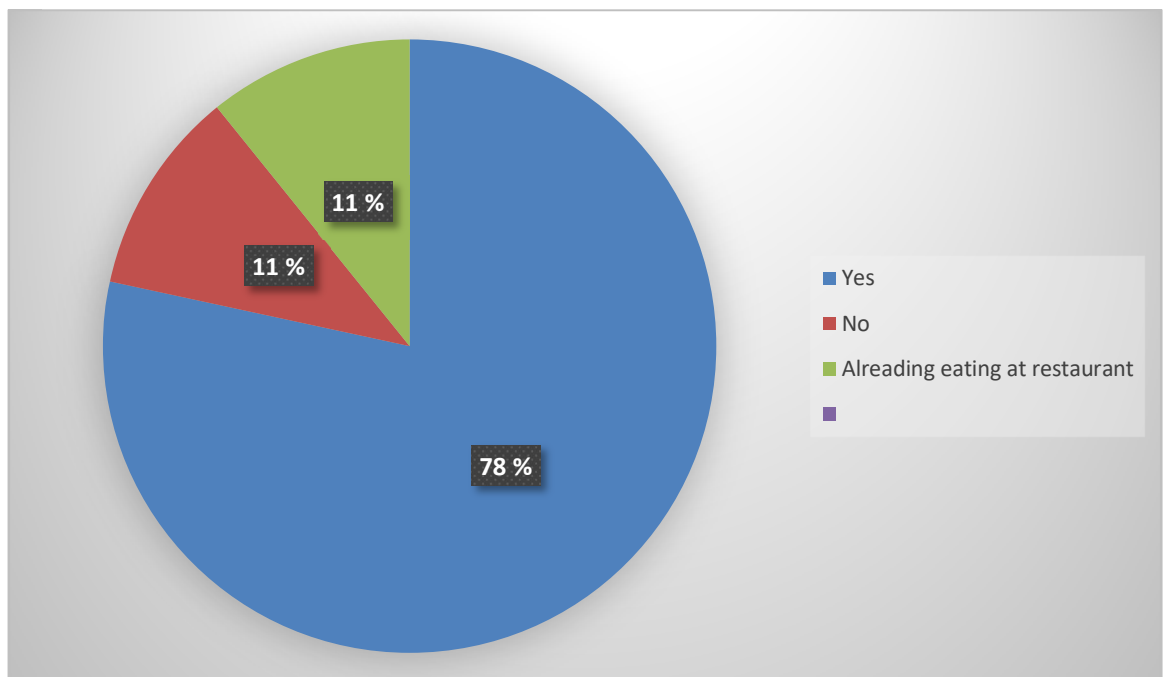Q.11.Would you choose restaurant food over what you are having now if it comes at reasonable price?

Figure 13Respondent response on change in source of food.

The question had the huge impact upon the success of the virtual restaurant as 78% of the people are willing to change their current source of food, if restaurant food comes at a reasonable price and 11% were already having their food at a restaurant. Only the other 11% were not willing to change their current source of food over restaurant.

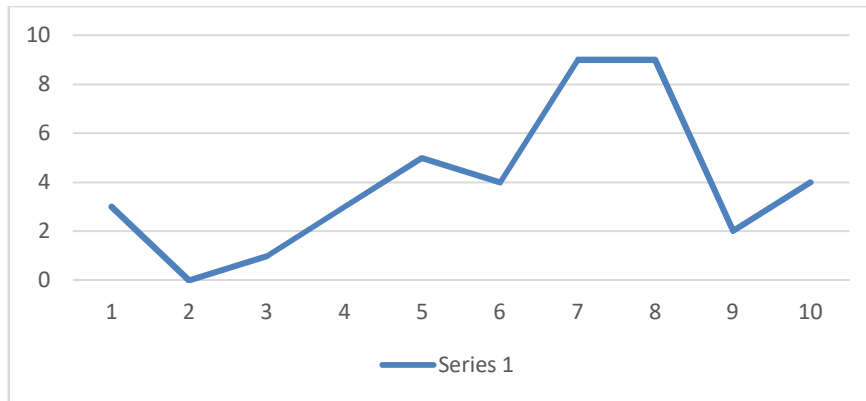Q.12.Would you prefer to eat you daily meal at home or eat out?

Figure 14 Respondent opinion on where they like eating.

The line shows where the respondent prefers to eat 1 being eat out and 10 being at home, it seems that people intend to eat at home by a huge margin compared to people liking to eat out for their daily meal, which is a positive point for the research.

Q.13.Would you be interested if food was delivered at your location around the price range you can afford?
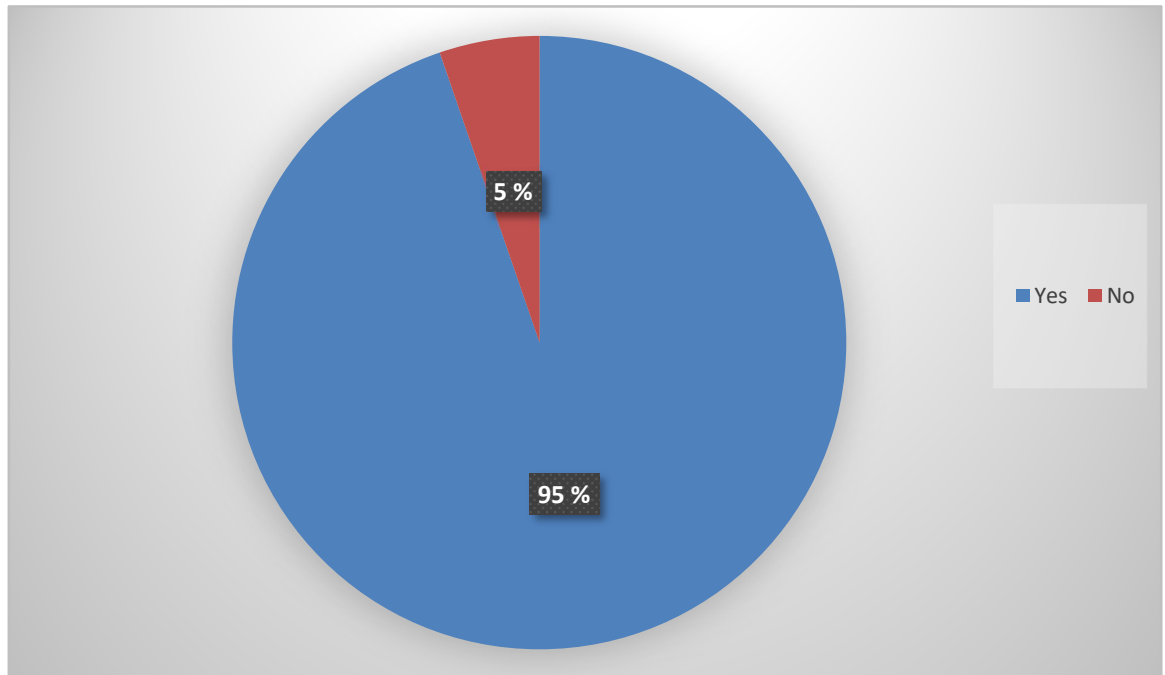

Figure 15 Respondent interest in Virtual restaurant

95% has given a positive response to the answer. Which act in the favor of the research. Which also tells that people are interested in food being delivered at home.

Q.14How often would you order food if the food was delivered at your desired destination in the price range you can afford?
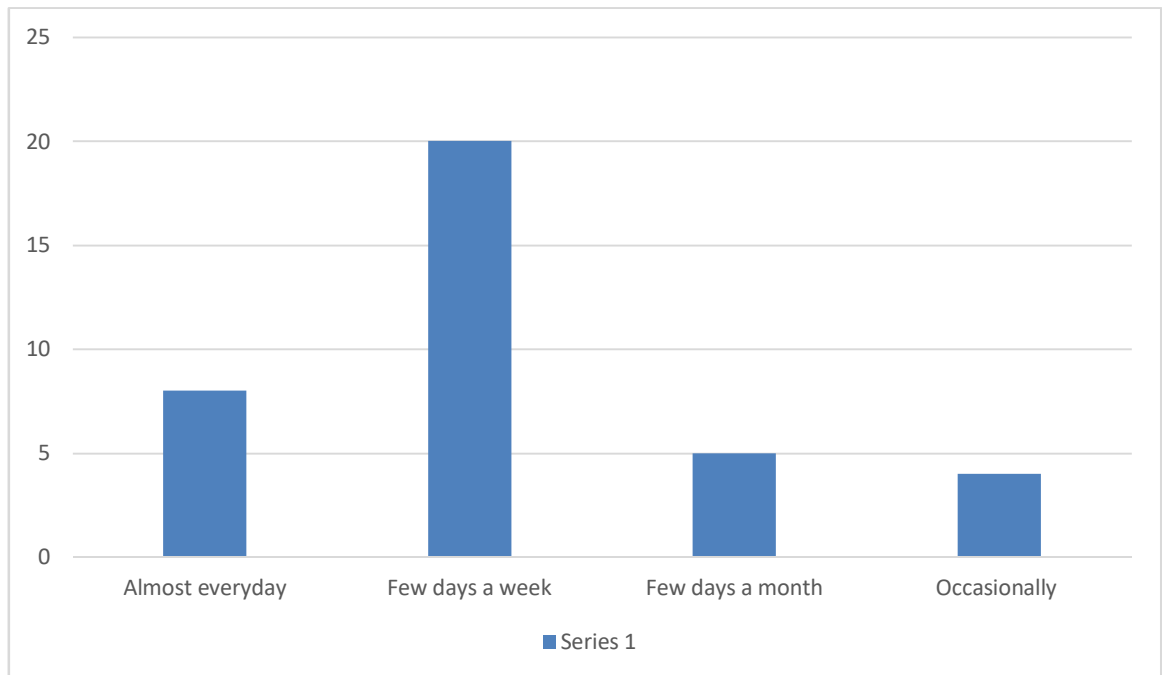

Figure 16 Responded ordering from virtual restaurant

Here more than 50% of people are willing to order food in a regular basis (few days a week) if it comes at a reasonable price, which is a drastic change in the opinion of the people when they were asked how often do they visit restaurant. The number of people willing to eat restaurant food everyday has also increased. Thus, giving a hint that somehow price of the food in restaurant was the reason for not visiting the restaurant as often as one would like.
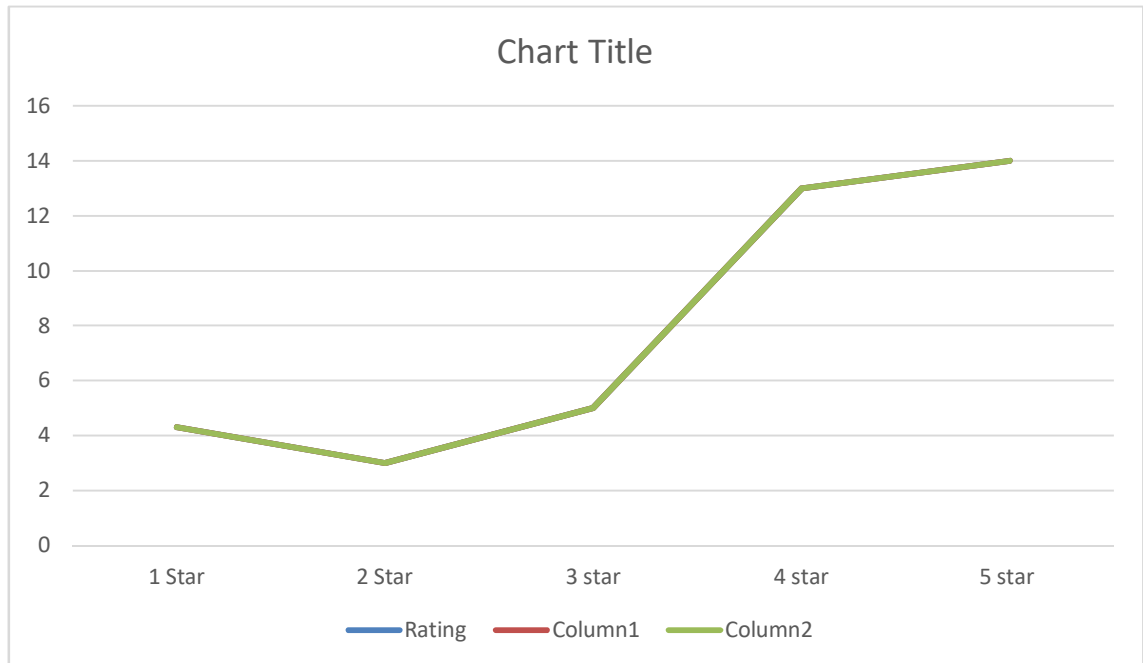
Rate the idea.

*

Figure 17 Rating the idea

The average rating of the idea is 3.85 which is a good sign, as people seem to be interested in idea of a virtual restaurant. only 6 people seems to be less interested in the idea out of 38 as 3 of them has rated 1 star and 3 of them 2 stars.

4 CONCLUSION

Is there a market for virtual restaurants in Turku?

according to the primary data collected through survey, it shows that there is a market place for virtual restaurants in Turku. people feels to enjoy eating foods at home more often than eating outside. delivering food at home eliminate the extra work of choosing the restaurant and reaching the restaurant. through virtual restaurant it will be much easier as virtual restaurant are accessible from anywhere and does not use much of their time. having lots of restaurant in Turku the competition seems high. so, the problem of getting customers confidence may arise. taking the look at SWOT analysis, there are lot of characteristics of virtual restaurant that will help virtual restaurant to sustain in the market. using the discrimination price strategy, it would be easy to get more customer by offering them low price products and as the primarily data collected shows that people are willing to have restaurant food more often if it comes at lower price. it seems that there is high chance for virtual restaurant to success in the market.

 Are they looking for cheaper alternatives to the restaurant available in the market?

In the survey, there was one question asked that how often they visit restaurant and maximum number of people visited the restaurant few times a month. and the other question was asked how often would you have restaurant meal if it comes at cheaper price and delivered at home and maximum number of people change their answer to few times a week which shows that they are looking for some cheaper alternatives. lot of people found restaurant food expensive and relied on other source of food. everyone like to have restaurant food. there is a high chance of people ordering from virtual restaurant if the quality of food is maintaining and it comes at a reasonable price. it can be assumed that people are willing to try virtual restaurant as positive response are collected from the survey. the only question now would be how cheap the food price can be made and would it be possible to provide food in the budget people are expecting for this further research is required upon the cost structure.

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Appendix

QUESTIONERS

Choose your age group.

1. 16-24
2. 25-34
3. 35-44
4. 45-54
5. 55-64
6. 65 and above

- 2

Your status? (multiple choices)

1. Working full time
2. working part time
3. Full time student
4. Part time student
5. Temporarily unemployed
6. Retired
7. Permanently unemployed (unable to work due to sickness, independent means)

- 3

How far from Turku city center are you located? (In KM)

1. less than 1
2. 1-3
3. 3-5
4. 5-7
5. 7-9
6. More than 9 ... please specify

- 4

What is your everyday source of lunch? (multiple choices)

1. Canteen
2. Home cooked Food
3. Restaurant
4. Fast food
5. Super market (Frozen food, junk food)
6. Other (Please Specify) [   ]

- 5

What is your everyday source of dinner? (multiple choices)

1. Canteen
2. Home cooked food
3. Restaurant
4. Fast food

5. Super market (Frozen food, junk food)
6. Other (Please Specify) [   ]

- 6

How satisfied are you from the current source of food?

1   2   3   4   5   6   7   8   9   10

Dissatisfied   Fully satisfied

- 7

How often do you surf online to find food?

1   2   3   4   5   6   7   8   9   10

Never   Every time

- 8

Do you like to eat the food served in a restaurant?

1. Yes
2. No

- 9

How often do you Visit restaurants?

1. Few days a week
2. Few days a month
3. Occasionally
4. Almost everyday

- 10

How expensive do you find restaurant food?

1   2   3   4   5   6   7   8   9   10

Not expensive   Very expensive

- 11

Would you prefer restaurant meals over what you are having now if it comes at a reasonable price?

1. Yes
2. No
3. Already eating at a restaurant (almost every day)

- 12

Where would you prefer to eat for your everyday meal?

1   2   3   4   5   6   7   8   9   10

I like to eat out

I prefer to eat at home

- 13

Would you be interested if food would be delivered at your location (home or office) around the price range that you can afford?

1. Yes
2. No

- 14

How often would you order food from restaurant if it would be delivered at your desired destination at the price range you can afford?

1. Almost Everyday
2. few days a week
3. Few days a month
4. Occasionally

- 15

Did you like the idea of introducing a virtual restaurant in Turku?

o Rate the idea

Finish Survey