



# **Prospects of Culinary Business in Butwal**

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<p>Abstract:</p> <p>The purpose of this thesis “Prospects of Culinary Business in Butwal” was to find the scope and potential of restaurant business in Butwal. The main objective of the thesis was firstly to explore the current status of culinary business and secondly to find out different factors affecting the flow of customers in restaurants in Butwal. The thesis is based on both the theoretical and research-based method. Number of books, internet sources and literature reviews are the part of theoretical framework. The study of books and literature are based upon consumer behavior, marketing and market analysis. The market research was conducted that included the perspective of both the customers and owners in Butwal. The research questions constructed are linked with the literature part and the actual survey.</p> <p>A quantitative method was used by conducting a questionnaire survey of both customers and owners to gather the data. Questions related to personal preferences of customers and perspectives of owners like the type of menu preferred, expenditure behavior of customers, location and pricing, satisfaction and grading of health and sanitation were constructed. Owners of restaurants were asked about the business flow compared to past couple of years. The data was further analyzed and the factors affecting the satisfaction of customers based upon literature review and research questions are discussed and findings presented. From the survey it can be said that health and sanitation was the main factor affecting the</p>	

customer satisfaction. Moreover, location of establishment, price of product and the lack of quality food and service are the other main factors.

From the market research, potential of opening a graded restaurant in Butwal is very good as the reputation of restaurants operated currently is very low. Butwal which is a major hotspot for national and international trade, a religious place 'Lumbini' and hundreds of companies is a prime place for a new opening. Thus, a graded restaurant that would minimize all the factors related to dissatisfaction of customers has a huge potential and future in Butwal.

Keywords:	Culinary Business, Consumer Behavior, Customer Satisfaction, Marketing, Market analysis, Market potential.
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# 1 INTRODUCTION

Food and its development are the sum of many factors. The development of agriculture and technologies have created the foundation for the emergence of food cultures. On the other hand, the relationship between food and drink as well as the relationship between every day and holiday is one aspect of this change. People like to eat more than before, they want to experience more and more. Food security is a key factor (Boniface, 2003 p.14). Travelling refers to “The activity of person travelling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes not related to exercise of an activity remunerated from within the place visited” (Theobald, 1994, p.13). The same factor involves the art of Culinary business in use. People have to eat, they have to sustain, for this food is a vital aspect.

The supply of travel programs on exotic and more popular world shows food cultures has increased dramatically in recent times. Presentation and access to local food cultures has become a key part of the content of the programs. In addition, culinary books are becoming more common and distribution of recipes around the world in social media, such as blogs and other sharing services, has increased. Interest in food has grown in recent years and people want to try and experience more, both by themselves and by visiting various restaurants.

According to Pine and Gillmore (1999), the future of consumption is experienced. The prospective traveler is up to date, pensive, looking for quality and participation. People today are travelling more than usual. Tourists are more experienced now and have traveled many times, they are successful in a multicultural and demanding environment. This increased rate of travelling along with increased standard of living of people has increased the demand of culinary business globally.

## 1.1 Food as a Part of Personal Experience

Food is one of the most important parts of experience. The importance of food as a base of entertainment and experience has not explored as it should have been. However, the

social and cultural importance of food today has begun to gain its recognition. This also reflects a clear link between food and tourism (Hall & Sharples, 2003, p.1-9).

Understanding a particular culture is an individual's experience of the food of that culture. The traveler experiences the local culture best through locally consumed products, people living there and sights. Food is often the primary attraction factor. Food experiences affect the overall picture of traveling experience. This definitely effects the motivation and behavior of travelers (Boniface 2003, p. 27). Food has also been found to have a negative impact on the attitudes, decisions and behavior of tourists. For example, poor quality of food and service may even ruin a reputation. These primary factors definitely ruin the travelers' decision (Hall & Sharples 2003, p. 9,10).

Food is part of the expression of identity and culture. One concern in globalization is the impact of tourism and its effect in the loss of cultural diversity. Food is one of the most important things that reflect countries, regions and their culture. (Mitchell & Hall 2003, P.60) Food has contributed to the differentiation of objects. Therefore, the role of food in the marketing of tourist areas and in the attractions is so great. In many cities, the multinational population affects the available food supply. Both foreign and domestic tourists are increasingly interested in authenticity, which is believed to be local food and locality at all. Yet at the same time international chains are expanding. Tourism is one of the causes and consequences of globalization. Food is a vital part of personal experience.

## **1.2 Butwal**

'Top of the world' Nepal, is a place for thousands of tourists visiting. Green lands, forests, lakes, rivers and mostly tall snow-clad mountains are the main attractions. Many places with beautiful attractions to show up have huge potential of attracting foreign as well as domestic tourists and hence these areas are able to earn a huge amount of money.

Not very far away from India 'Butwal' is a growing hotspot for many visitors. Butwal is 262.2 KM away from the capital Kathmandu and only 26 KM away from India. It is situated on the low-attitude flat land (Terai). With the total population of 138,742 Butwal is junction to Bhairahwa, Tansen, Narayanghat. (Butwalmun.gov.np, 2018) There is a

direct highway connection between these places. People from different caste, religion and identity live here.

Moreover, Butwal is a major tourist destination in Nepal because of 'Lumbini' birth place of Lord Gautam Buddha. Buddha is regarded as the foundation of peace and is also known as "The Light of Asia". Compared to 2016 there was an increase by 20.75% in the number of visitors in Butwal and Lumbini area in 2017. The figure comprising 1.25 million domestic visitors while foreigners stood 301,240 and Indian visitors 155,444. The international visitors are mainly from Sri Lanka, Thailand, Myanmar, China, South Korea, Vietnam, Bhutan, Germany and Australia. (Kathmandupost.ekantipir.com, 2018)

Butwal is also known as the 'greenery of Nepal' and this is a place for thousands of workers. Here are more than hundred industries giving job to a huge population. Butwal is also known for commerce, industries and agriculture. 80% of the cultivated product in Nepal is cultivated here. This place is undoubtedly huge market share contributing place for the country's economy. People here are mainly farmers cultivating the products like rice, wheat, barley. The cultivated products are sent to India, Indonesia, China and some European countries.

### **1.3 Statement of the Problem**

Tourism is a key factor for the improvement of the economy of a country like Nepal. Being in a sub-urban area, tourism is the main earning for Butwal. Butwal is one of the industrial areas with a huge population. This place which is renowned for Buddhist and Indian tourists has a huge potential for tourism. On the other hand, the living standard of people in Butwal has totally changed and improved compared to the past. Thus, the number people going to restaurants for dining and tourists seeking a good place for food these days has increased. Unfortunately, there are not enough quality restaurants to cater for the huge number of domestic customers and tourists.

In this context, the present researcher is concerned to have a depth study about the Prospects of culinary business in Butwal. For this, the present researcher wanted to disclose the real situations of restaurants of Butwal.

## **1.4 Research Aim**

The general objective of this study is to describe about prospects of culinary business within Butwal and to find out the future scope of graded restaurant business. The possibility of opening a graded restaurant in Butwal by finding and evaluating different factors that have affected the flow of customers in restaurants is the central aim. There are not enough quality restaurants at the moment despite the improved standard of living and increased number of tourists.

**More specifically, the study has the following objectives.**

- To explore the situation of the restaurant business in Butwal.
- To find out different factors affecting the flow of customers in restaurants and
- To find out the possibilities, scope and future of a graded restaurant.

## **1.5 Research Question**

Even though, there is a huge population and flow of tourists in Butwal, why aren't customers satisfied with what they get from cuisines? This particular question has been a great concern for all. It is definitely an oversight of the government because a place like Butwal has a huge chance of earning a great amount of money and help in country's economy. Apart from governmental level, owners of restaurants, staff and the so-called management are responsible for the satisfaction of customers.

Taking into consideration, the missing link, objectives and statement of the problem, the present researcher has composed a set of Research questions (RQs) which is as follows:

1. What is the real situation of restaurants currently and what kind of restaurants and services are on demand?
2. What are the different factors that has affected the flow of customers? Are the customers fully satisfied for what they have received? What are the areas of improvement?
3. Is there a scope and future for a graded restaurant in Butwal?

## **1.6 Scope of the Study**

The present research is conducted in different restaurants located in Butwal. On the one hand this tried to find out the flow of costumers in recent days. On the other hand, different factors that has affected the flow of customers are analyzed as well. Different parts of customer's choice, their preferences and interest towards the food are discussed. The research is equally trying to explore the scope of restaurant business in Butwal and find out the scope and future possibilities of a new opening. This definitely helps for those willing to open a culinary business and find out the positive outcomes for its growth and development.

## **1.7 Significance of the Study**

The importance of this study is to focus on the situation of the restaurants within Butwal. Subsequently the study has been characterized by a number of different types of restaurants, which have mushroomed in response to the needs felt by individuals, families or group. The study will have a great significance for stake holders planning for investment in the area. Since there are number of ongoing projects for the better planning of the town, improving the standard of people living by improving the basic needs and huge investment in construction works of highways and the second international airport of the country currently under construction are the main factors that will directly impact the culinary business in Butwal.

Thus, the investigation and the comprehensive study in this field will gradually aware the people about the consequences, ensuring the attention on importance of quality restaurants.

## **2 REVIEW OF THE LITERATURE**

### **2.1 Introduction**

Food service today is as a basic part in Asian lifestyle. The Asian food today is equally dominant in international market because there are a lot of restaurants operated globally.

These establishments serve prepared food, beverage for public consumption. Consumers today are more sophisticated than the food industry has ever encountered. In future, friendly and good service is what will make a huge difference. People today are more concerned with daily diet and healthy life style. As a restaurant the primary function is the service of the food and beverages to the customers. The payment or the reward from the customers for the service and food directly helps in the net profit the restaurant generates. The quality of the service is the most important along with the quality of the food as it is perceived by the customers.

## **2.2 Food and tourism**

Culinary tourism can be described in a simple way “travel in order to search for, and enjoy, prepare food and drink” Wolf (2002, p. 5). Today the term hospitality has been in use for various purposes and in varieties of way. The use of the term is reflected in dictionaries as, ‘the act or practice of being hospitable; the reception and entertainment of guests or strangers with liberality and goodwill’ (The Shorter Oxford English Dictionary).

Tourism is directly interrelated with the term Hospitality. ‘Hospitality’ the term can be defined as the provision of the accommodation, foods and drinks. Moreover, the same term can be used in all the sectors that directly or indirectly deals with the hygiene of customers. This is in fact a provision for food, beverages and accommodation. This term can be investigated from two different contexts; academic perspective and secondly, through the professional or industrial perspective.

The beginning of the restaurant business was not there until the middle of nineteenth century. But, after that regional and national styles of foods emerged. Foods and drinks later on become the part of travel (Tannahill, 1988, p. 326). The transition of food and drink from the necessity to the status commodity is only possible with the enormous influence of food in place image and the destination (Hall and Mitchell, 2003, p. 76). The interrelation of food and tourism is not only the part of tourism industry but a major unit of personal experience too. There are a lot of people who travel for tasting different kinds of foods. The interrelation of food and the tourism has significant opportunities for sustainable development of rural area. More jobs are created and there is an increase in the sales of local products because of this. International relation is improved, and networks

are established between different stakeholders because of tourism (Hall, Mitchell and Sharples, 2003, P. 26).

### **2.3 Restaurant business strategy as a benchmark when creating the plan for a place.**

Benchmarking is not only to figure out and analyze what others have done. The main thing is how can things be adopted when it comes in the sense of practice. This helps in broadening the mind and generates new ideas that implies in business in an organization. The optimum result is, it enables us to work towards defeating the competitors (Stapenhurst, T. 2009, p.3).

When creating a plan for a particular place there are various cost related things that should be taken into consideration. The main leading indicator is the prime cost which can later on be broken down by the food and beverages. This finally helps in calculating and determine how much we can charge for our products and services. Doing so we calculate our profit. The calculations are supposed to be carried out weekly or monthly. The more calculations the better equipped we remain to make necessary changes in order to remain profitable (Stapenhurst, T. 2009, p. 13). Dealers and vendors will provide the whole chart of purchases we have made from them. This is other important and valuable information in determining the level of inventory.

There are various other things that should be taken into account when opening a new business or in fact a profitable business. We should never forget that the key thing to success is to involve skilled, educated and right people from the very beginning and choose “The Best” for the business. Adequate and proper staff resources understanding the fundamental rule in culinary business that every independent restaurant is unique is the most important thing to consider (Stapenhurst, T. 2009, p. 13).

Key Standards that restaurant should focus on:

- Prime Cost

This is the cost of sales both for food and beverages. This also includes all the payroll costs that includes management, hourly staffs and taxes, benefits, compensations and other related costs. Prime cost generally runs 60%-65% of the total sales in full service

restaurant and a little low in quick service restaurants. This all should be monitored in weekly basis to find out the problems. Dealing upon such problem quickly is important.

- Food Cost

The prime cost can further be broken down to food and beverages cost. In general, the food cost is 28% to 32% of the total food sales. The food cost also should be monitored in a weekly basis because this helps in maintaining the proper level of inventory. Sufficient and adequate amount of goods prevent wastage and spoilage.

- Beverage Cost

As like in food cost the beverages cost is important to monitor. Restaurant business should offer special beverages taking profit into consideration by providing beverages that are most profitable. Companies are able in monitoring and measuring the use of alcoholic beverages. This helps in ensuring that the correct amount of alcohol is being served for the type of the drink that is ordered.

- Payroll cost

This depends upon the type of restaurant whether the business is a full-service restaurant or a limited service. In a full-service restaurant, the payroll costs are around 30% to 35% where as low in a limited service one. This should be inclusive of all full-time salaries or hourly based salaries and their benefits.

- Planning

Benchmarking finally results in a huge data. There is a need of proper management of the data. Many of the projects fail when planning for improvements. Planning when put upon action needs a professional advice and suggestions. These all will ultimately help in flourishing the business and become one of the top performer of business.

## **2.4 Marketing and market analysis in Culinary Business**

This is a set of tools which is used by different companies and organizations in order to realize customer's wants and needs, and to promote services and products and finally sell them. Anticipating the demand, recognizing it, stimulating it in the best way and finally satisfying it or simply understanding the customers wants and demands is marketing (Holloway, 2004, p.7). Marketing always revolves around the expectations of the customers.

This can also be seen as a starting point for any company operations (Holloway, 2004 p.5). The comprehensive market analysis is to determine the market potential. The factor that motivates to invest in a food service facility depends on the ability of generating profit and return to the owner investors. The ability of generating the profit depends upon different factors like location of the restaurant, population available as a potential customer. The operated products and the services should always meet the need of customers.

#### **2.4.1 Service marketing**

When producing services there are various factors that need to be considered. Service differs from the normal product because it is intangible. Customer can only know about the service after they purchase something. It can neither be returned nor be stored. The only way to get compensation for a poor service is by making a complaint (Holloway 2004, p. 17). The other factor is heterogeneity. Unlike other products service cannot reach the same even quality since there are many variables. Most of the services are produced by service personnel and when dealing with people there are always uncertainties. The third factor is perishability. Unlike those physical products, services cannot be stored and sold later. The money made from the seat of a movie theatre or from a hotel bed is lost if no one makes a purchase. Thus, discount factors are included by many of the companies to make sure that they meet the sales quota for that particular day (Holloway 2004, p. 18). The last factor inseparability means that the service and the person conducting the service are inseparable. People are not always keen on returning to a place where they had poor service experiences even if the staff may not be there for second time. The first impression can always be the last one this is why proper training of the staff is a vital part for any companies (Holloway 2004, p. 18).

#### **2.4.2 Marketing restaurant services**

Restaurant services observe the tangible products and have varied means of mass production. In general customers also choose the restaurant not only to feed themselves but for the quality of its food. There will be a hesitation from customer to choose the restaurant again if the service quality is really low. But, if the quality of the food is low the customer ends up in not coming to the place again. Thus, food can be considered as tangible product

because it can be sampled beforehand. The set menu in the restaurant with well-trained chefs, the consistency of the food remains. In fact, the fast food restaurants are known for their ability to mass produce the same menu items consistently (Holloway 2004, p. 18). For this marketing restaurant service is very important.

### **2.4.3 Management of marketing**

Business today has become more customer centered. There is a high competition and consumers have multiple options to choose. Marketing management is the art of science choosing target markets and getting, keeping and growing the customers through creating delivering and communicating superior customer value (Kotler et al. 2012, 27). Because of high competition and options, it is very important to do proper marketing and management of this marketing is much more important. According to Kotler and Keller the main tasks in successful marketing are:

- Shaping the market offerings.
- Connecting with different customers.
- Creating successful business and a long term-growth.
- Building strong brands.
- Capturing marketing insights.
- Delivering the values and communicating them.
- Developing different strategies regarding to marketing and plans.

### **2.4.4 Market Analysis**

Today market is described as a collection of buyers that have particular need and sellers who can fulfil need through an exchange relationship. There are different elements like goods, properties, services, persons, places, organizations, events, experiences, information and ideas are different elements that can be marketed. (Kotler et al. 2012, 27-30)

Consumer market, business markets, global markets and nonprofit markets are the key four entities of costumer market. This encompasses all the companies that sell goods or services to the consumer. A non-profit market refers to companies selling to non-profit organizations such as schools or charities. Business markets encompass the companies that sell goods and services to business buyers (Kotler et al. 2012, 27-30).

The market environment of a company is made up from the micro- and macro environments. Factors such as the company itself, the size of the market, the suppliers, competition, customers and customer behavior are included in micro environment. Understanding consumer needs, wants and demands, and how to fulfill them is the base element of marketing are the different aspects we need to be aware of when dealing with market and its marketing. One way to analyze the current market is conducting a marketing research. Marketing research can be described as a systematic collection and analysis of data to help a company in marketing of its products. It can be used for figuring out who buys certain items, when do consumers do certain activities or where do they shop. If the company is interested in why consumers choose the things they do, a causal research is needed.

#### **2.4.5 Marketing Mix**

This is a set of tools and strategies that is used by most of the companies for the purpose of marketing. One of the most commonly known and mostly used marketing mix is known as the four P's. These stand for PRICE, PRODUCT, PLACE and PROMOTION (Kotler et al. 2012. p.38). The traditional four P's of marketing mix later on was criticized because it was much production oriented. Because of the same reason Kotler and Armstrong restated the P's as C's in order to make it more customer oriented rather than production oriented. Product should always meet the expectations of the customers. Product should be something customer expected to get. Moreover, price which is other important part should always be customer focused. The product customer expect should always have a good value. This doesn't mean that the product should always be cheaper but, this should meet the demand of customer with good value for money. The product with reasonable price should be available and easier to get. Thus, place is another important part of marketing mix. Advertising, selling, promotions of different sales are equally important for

selling of product. These all set should be used properly in order to deliver the message in the market related to the newly available product.



Figure 1: The traditional four P's of the marketing mix. (Holloway 2004, p.52)

#### 2.4.6 Target Market

The market target of the establishment is equally important as location. This determines the social class that will have an impact after the opening is done. A place where class B society thrives may be an important option to build up a midscale fast food restaurant. Since different restaurants cater to different people, no one aims to capture the whole market. However, doing so they might end up in confusion. People differ in many ways based upon tastes this ultimately gives a chance to the competitors to go after the narrow market segments (Kotler, P. 2005, p.48).

### **2.4.7 Population Demographics**

This is a term that is often used to describe population in size, structure and distribution. The number of people based upon different age, caste, religion best describes the size. This number of population are able to invest their income in outing and dining in the restaurants. The Population of a particular place directly impacts the business of the establishment.

### **2.4.8 Neighbourhood appearance**

The appearance of the neighbourhood significantly affects the market potential. The new development of the area can experience a rapid change, concept and this may quickly be rejected and become unpopular. The diversity of the ethnic composition may lead to be difficulty to find a product base that appeals to the number of customers. Number of other business operated in the same environment impacts the business. The level of fund available can also be linked to the factors related to neighbourhood. There might be various social factors that impacts the business such as industrial areas, slums, tourist areas. There are three factors that are necessary for success of a restaurant. They are location, location and location. The choice of the location however does not guarantee the success but will almost certainly guarantee failure.

### **2.4.9 Personal Preference**

The opening can go down and beat the normal odds against the success of the new restaurant. Thus, every business is built upon vision, goal and specific aim and the personal preference of the owner ultimately determines the style of the restaurant they start.

## **2.5 Consumer Behavior in Restaurant operations**

Consumer behavior is always related to the behavior of the group of the customers. This overall behavior is the economy. Predicting and interpreting the behavior of consumer and the decision-making process is always an important aspect in the research field. Understanding the behavior of consumers will definitely help the management to market their policies of benefits to the consumers.

### **2.5.1 Segmentation of Consumer characteristics**

A successful marketing needs to understand and connect with its customers. The characteristics of customers can be studied depending upon various factors like cultural, social and personal (Kotler et al. 2012, p.173). Culture influences the behavior, value of customer even if they do not realize it. The patterns of actions and behavior comes from culture that deems people doing right or wrong. The subcultures each cultural group has will provide more specific and often more meaningful identity for its members (Kotler et al. 2012, p.175).

On the other hand, social factor includes reference groups such as family and friends. This group is asset group of people that a person uses in order to determine accepted behavior or ideas. This can be divided into primary and secondary groups as well. The first group consists of people that interact with each other daily bases. Family members, friends, co-workers and so on. The secondary group are more formal and less interactive. This group consists of people such as religious or political. The family is one of the most influencing group. The family of orientation is the consumer's family of origin, the parents and siblings. Factors like age, occupations, personality self-concept, lifestyle and values come under personal factor. But, these factors can be influenced by the reference groups and some are self-concepts and ideas (Kotler et al. 2012, p.177).

### **2.5.2 Purchase decision behavior and process.**

The consumer buying behavior can be described in four different types as per to Kotler and Armstrong. When the purchase involves a large amount of money or some other type of risk to the consumer complex buying behavior is undertaken. The perceived risk makes the consumer highly involved. They might even go for the higher price because it is a brand they know (Kotler and Armstrong 2008, p.177-179).

Dissonance- reducing behavior is quite similar to the complex buying behavior but, in this situation, the product is something that cannot really be chosen by the perceived brand differences. Habitual buying behavior occurs with low-cost items and has very low consumer involvement. Kotler and Armstrong say that the consumer might go for a certain brand out of habits or beliefs but the next time they choose next brand. Basically, there are people who buy the same thing out of their habit ignoring the brand and its loyalty.

There are five different stages regarding the actual purchase process. Need recognition, information search, evaluation of alternatives, purchase decision and post purchase behavior. These all stems seem to be skipped by all the costumers when buying low cost products or habitual buying. For marketer's information search and evaluation of alternatives are the most important ones. Most of the information costumers seek comes from the commercial thus it can affect the consumer's decision. Post purchase behavior is also affected by quality control (Kotler and Armstrong 2008, p. 152).

The "need recognition" when a consumer gets discrepancy between the desire they have and the actual state can be explained in various situation. Availability of the product is the main situation. The other equally important aspect is whether the consumer is fully satisfied with the available food product or not. Moreover, the desire to experience the new product is also equally important. The information searching that is totally depended upon consumers previous purchase experience is other equally important stage. Whereas, availability of other options and its evaluation for the purchase is the final stage. These all evaluations are based upon the quality, brand, pricing and service consumer gets for the product (Kotler and Armstrong 2008, p.177-179.)

The decision-making process in terms of culinary art can be influenced by various factors. Properties of the food, consumer factors and other possible outside environmental factors has a lot to play. Dealing and reducing the hunger is the main purpose of eating. However, the level of satisfaction describes more for the buying process (Kotler and Armstrong 2008, p.177-179).

### **2.5.3 Customer Satisfaction**

Customer satisfaction is one of the aspect that is directly linked with the expectations of customers. Customers will only be satisfied if their demands and expectations are met. Thus, there is a linkage between satisfaction and management of marketing regarding how to keep their customers satisfied. This is complicated because same product can leave one customer satisfied while leave other unsatisfied. The customer's feeling of the product and their pleasure or dissatisfaction that has resulted from comparing a product's performance or the result against their expectations is satisfaction (Kotler and Keller, 2006, p.144).

The main assets of the restaurant business ‘Consumers’ always seek for convenience, the value of the service and the entertaining environment away from the stress of the daily life. Restaurants are the establishment that fills those needs of the consumers. The operation of restaurant has to play a great role related with the behavior of the consumers. There are different but common reasons for consumer dissatisfaction. (1) poor food quality, (2) pricing, (3) service, (4) uncooked meals, (5) poor sanitary, (6) too crowded eating establishment, (7) noisy, (8) parking, (9) rude staffs, (10) too small portions. Nevertheless, satisfied customer is a real asset for the company. One brings two and the trend grows.

However, there are several reasons for dining outside the house. People today are sophisticated, they are becoming more comfortable and easy living. Since no one has to clean up and prepare food at home outside dining are becoming more and more popular. Celebrations of different occasions, throwing treat at someone are often celebrated. Convenience and good way to relax restaurant business are becoming more and more popular.

## **2.6 Review of the Related Policy Development of Butwal Municipality**

There are number of policies that has been reviewed in order to recognize the scope of culinary business in Butwal. (Butwalgov.np, 2018)

Nepal is undergoing various changes in terms of political status from a decade time. Different tenures of elected representatives come and expire in very short span of time. The Butwal Municipality has poured millions of rupees in building roads, parks, spaces, rest houses and covered halls. As in other municipalities, a political mechanism consisting the number of nominated representatives of major political parties are responsible in passing the budget. The government of Nepal understanding the value of tourism and the development of infrastructures related to this field divides the fund to related sectors. Hence, there are a lot of pending projects for the building of graded restaurants. Highly focusing on the “Lumbini area” as a major spot for tourism industry there are number of projects related to culinary business from public and private sectors both. The growing number of tourists and the interest of locals of outside dining is the main reason Butwal Municipality has been allocating a major portion of its budget to carry out developments projects favoring the culinary business (Butwalgov.np, 2018).

Budget from the municipal level regarding the growth of culinary business of the municipality has increased. According to the GTZ supported for the Urban Development a huge amount has been invested. Rs. 79,605,928 in 2013/14. Out of this, the municipality spent Rs. 46,791,083 in development expenditure and Rs. 30,804,852 for town level development and 159,966,231 in other development activities. Similarly, the budget of 2016/17 was Rs. 148,087,987. Out of this, Rs. 87,546,862 went under the capital investment head, Rs. 366,68,106 for town development activities and Rs. 8,151,759 for other development activities. (Anon, 2018) The budget of 2016/17 was slightly higher with more than 150 million rupees, or sixty percent of the budget, going to capital development. One of the interesting things is that the volume of money spent on other development activities also increased (Butwalmun.gov.np, 2018).

### **2.6.1 Investment in Culinary Sector**

**Hill Park Budget.** Butwal Municipality allocated 8.1 million rupees this year for the development of Hill Park Bus Stand. This is the highest amount of money allocated by any municipality for the construction of any single project. This year it is proposing additional money to the Hill Park Development Project in the eastern part of Butwal. The municipality has already allocated Rs. 20 million to the project over the last five years. The budget is earmarked for infrastructure like drinking water, road, public building and picnic spot. Municipal officials said they needed more money to complete the project in the future. Although the budget allocated for Hill Park development directly goes to the account of Hill Park Protection Council, the money is distributed under several sub-titles under other development activities. In 8 and 9 wards of the municipality, 2.4 million rupees is allocated for the construction of a ticket counter at the western gate of the park (Butwalmun.gov.np, 2018).

In another case, a covered hall has been a priority municipal project since its inception four years ago. The municipality has spent 800,000 rupees on the project to build an international standard hall. This year, another 800,000 rupees has been set aside. Lumbini Sports Club, which has been given the responsibility to build the covered hall, is not mentioned anywhere (Anon, 2018).

There is still a huge investment in different hotels and restaurants in Butwal. Investment of more than 500 million for Hotel Denovo with standard delux rooms, hotel Darcy situated near to bus park in Butwal and private investments to establish different restaurants in different locations are ongoing as well. The opening of the luxury hotels that ultimately impacts the trade and other related business is an important factor for increasing tourism.

Policies in terms of culinary business for the better place for tourists are under construction and development from municipal level. Development of the new restaurants, different routes directly connected to different tourist hotspots are the example. The second International airport of the country under construction in Bhairahwa only 20 KM away from 'Lumbini' is the greatest factor for growth of culinary business in this region. The number of tourists will raise rapidly once the construction gets over. This national policy of airport will have a huge impact in culinary business. Different new hotels under construction, international airport and the budget from national level for the improvement of the restaurants are the main factors that will help the culinary business go high in Butwal.

The supply of good drinking water supply system which is a major factor that effects the culinary business is still a problem in Butwal. The availability of basic needs like drinking water, roads, schools and health posts are far from directly benefitting the common people. The demand of the locals regarding to the improvement in the culinary sector by first improving the basic things official answers "This is a very well-planned idea to cover up the huge budget spent in different project. If the money is allocated clearly, many will raise questions" (Butwalmun.gov.np, 2018).

There are series of other projects that are under construction. Forests conservation, sports and basic need improvements are all done for the improvement of the standard of the living. The major eight lane highway directly connecting Bhairahwa and Butwal is a major improvement that will help for the transportation of people. Restaurants that are available at different locations currently have already started to gain profit from it. The huge investment from government level for this is a great policy that directly helps in increasing the flow of tourists. Not to forget, country's second International airport is under construction in Bhairahwa only 20 KM way from Butwal.

### **3 RESEARCH METHODOLOGY**

This chapter has been specially developed for the purpose of establishing the information in the prospective of the study following different methodologies. The purpose of overall work of research methodology in the study is to understand the prospects of culinary business in Butwal. For this purpose of the study, the chapter as a whole has been developed into distinctive sections to deal with a number of relevant methodological constructs related to the present study. This chapter presents the description of the nature of the data and the procedures for collecting the data and analyzing it.

With an idea of attaining the overall objectives of finding the customer's personal experience of restaurants in Butwal, this study attempts to identify the different perspectives of customers choice regarding restaurant, menus, frequency of visit amount they expend when outing and so on and from owner's perspective the targeted age group, targeted customers and business flow as compared to the past.

#### **3.1 Quantitative research method**

This is the statistical, numerical analysis of the data collected from questions, surveys or even by manipulating the pre-existing data. Quantitative research method generally concentrates on gathering the data in the form of numbers and evaluating the data across different sectors, group of people or by explaining the particular phenomenon. (Bryman & Bell, 2015) The quantitative method is the effective method that is used gain the customers preferences and opinions.

Quantitative data analysis is chosen in this thesis. The main reason is the thesis subject. Since the objective is to find the overall customers preferences, their views and opinions quantitative research method carried out in the form of questionnaires would provide more reliable result. The quantitative research method uses number and is statistically analyzed and interpreted. (Bryman & Bell, 2015, p.339-362)

### **3.2 Nature of data**

The data used for this research is mostly primary data. The data is collected from the set of questionnaires. The set of questionnaires is prepared based on the research question to find where there exactly is the possibility and potential in market to start up a new culinary business in Butwal. The questionnaire is distributed to 30 customers and other set of questionnaires prepared for the owners of the company. 10 most popular restaurants were selected, and the owners were provided the questionnaires. The Examination of the pre-determined theories based upon the present context is usually performed by quantitative research (Bryman & Bell, 2015). Thus, the present study is based on quantitative approach. Customer's and owner's survey is conducted through the set of questions to obtain the primary data under the quantitative approach.

### **3.3 Sample Size and respondents**

Sample is a group of people chosen as respondents for the research or survey. The aim of this thesis is to find the possibilities of graded restaurant in Butwal by evaluating the factors affecting the flow of customers. Thus, the sample was chosen among customers from various background and the owners of the restaurant. Questionnaires were distributed to 80 customers and 10 different restaurant owners. However, because of various language barriers and respondent's way of responding to the questionnaires, most of the questionnaires were left partially filled. The researcher had to leave out 50 partially filled different responses from customers. Authentic and fully answered questionnaire were finally taken into data calculation and analysis.

Thus, the sample of respondents for the current study consists of 40 respondents consisting of locals, few tourists and owners of different restaurants. 10 restaurant owners and 30 different customers are the sample of respondents for this research. Sample consists of those customers we were observed taking at least a meal and service from restaurant. The theories of customer satisfaction indicate that customer's satisfaction tends to be elaborative and extensive for the quality of food and service they get in the restaurant.

### **3.4 Questionnaires**

In general, commonly used data collection methods in quantitative research are experiments, surveys and observations. In addition, this research is more objective because the sample group in many cases is very short (Bryman & Bell, 2015, p. 256-276). Comprehensive questionnaire is developed based upon the review of the literature.

The set of questions for the current research consists different questions pertaining to different personal perspectives regarding the restaurants service, quality of food, type of menu preferred, frequency of visit and amount customers spend in their outing. On the other hand, questionnaire composed for the owners deals with the targeted age group, targeted customers, business flow and overall satisfaction rate. (See appendix for the copy of questionnaire). The first set of questions are for the customers and the second set of questions for the owners. The questions are composed and will deal with the fact to find more the number of customers who are unsatisfied with the restaurants currently in the area. Altogether the questionnaire comprises of 35 questions. Most of the questions are general introductory and service and personal perspectives related questions.

### **3.5 Data Analysis**

The major tool used for the analysis for the obtained data is Excel. This set of tools is used for the summarizing purpose. The graphs and the charts are prepared using Microsoft excel in this research. The descriptive statistics analysis is conducted to describe the main featured of the data quantitatively. In the analysis at least one cross tabulation analysis is conducted to study the relationship between different variables.

The research questions are answered by the combination of the existing information, theories and will justify it with the primary information discovered for the study. The theoretical framework will be compared to the practical methods when it comes in use by different restaurant business.

### **3.6 Confirmation of Validity**

In order to test the validity of the evaluation tool which is used for this study, the researcher has prepared questionnaire for the field study. Respondents as well as their answers will be the part of the actual study process. Questions been answered, the researcher prepared tabular will justify.

### **3.7 Mechanism for Field Works**

The present researcher personally conducted the survey for the purpose of conducting this research with minimum errors. For this, the researcher contacted the different restaurant owners via online and processed the survey. A major strength of online surveys is convenience. Respondents can choose the best time for them and can spend as much time as they want. The researcher conducting the survey saves a lot of time and work. The tabulation and analysis of the data is also easier. (Evans & Mathur, 2005)

The content of survey was collected and recorded. This also used a pre-designed framework crafted in a form of recording diary following the pattern of open-ended questions. Questionnaires for the costumers & Questionnaires for the Restaurants. Each selected restaurants, staffs and locals was given a unique pseudo name for the purpose of hiding their real names. Such coding is established to protect the anonymity of the participants and their respective institutions. (Evans & Mathur, 2005)

## **4 DATA PRESENTATION AND ANALYSES**

This is an important part and the major portion of any project. The clarification relies on analysis and presentation of facts of any project work. Moreover, the indorsed terminations and recommendations drawn are based on the data acknowledged and interpreted by the researcher.

The survey was arranged and allocated to different restaurants and customers within different areas of Butwal. The questionnaire was categorized into two groups. One for the customers and the other one for the Restaurants of Butwal. The author of the thesis was able to contact the different restaurant owners by phone and party agreed to fill of the

questionnaire Each and every question were mandatory thus each respondent has answered all questions.

Below are the results for different questions.

## **4.1 Results and data presentation from customers perspective**

To signify the feedback from the customer, 30 customers of various age and academic background were preferred as sample. The illustrations given below represents the prospective of customers based on the frequency of their visit, like how regularly they go out for dining, what kind of restaurants and menu they prefer, how much they spend while going in the restaurants, if they are satisfied with the service delivered. Also, how they evaluate the hygiene and sanitation in F&B provided by Restaurants in Butwal.

### **4.1.1 Frequency of Visit**

Most of the analyses show that, to get new customers it costs more to a company than to hold the ones it has. One of the finest way to make sure the customer will come back is by gratifying guests with stupendous customer experience. No any policy or publicity will trump that. Beyond that, generating the repeated business is generally a matter of rising the regularity of a customer visit. If there is a visit from a particular customer once a month the opportunity is to bump that up to two or three times a month. If it is once a week than it is for at least more than one time. To increase the visit frequency, it's helpful to understand why the customers aren't coming more often in the first place.

Price is considered as a great reason in the food economy. Some customers may think prices are ok for an occasional treat, but not for a regular meal. If we want them to come more frequently, we need to offer products at accessible price points. If our price is slightly greater than the competitor's price than the chance of losing the visit of customer increases. We also need "everyday low prices." A discounted price may drive an increase in traffic during the promotional period, but visit frequency is likely to revert back to its normal level afterward.

The meal occasion is the other reason that impacts the frequency of visit. Some of the customers might think the restaurant for only one type of visit. They may use as a take

away place for dinner or the customers might have listed the restaurant in the quick lunch place too. To increase the frequency of the visit it is necessary to keep them in several mental files. Some of the franchises have brought up the idea of meal combos, like meal for two, family packages. These are the growing trends now days too.

The loyalty programs like rewarding the points, punch cards will definitely help in increasing the frequency of the visit. Instead of emphasizing the things we do to serve them well and showing our loyalty to them customers requires being loyal with them. In the perspective of restaurants in Butwal the collected data suggests that since customers are more likely to select the restaurants wherever they like because of wide varieties of available fast food centers, tea shops and restaurants there is no such specific place they would like to go time and often. But, once the customer chose a place for dining they are more likely to go there for second more times.

The data was collected in order to evaluate whether the people in Butwal have a trend of going to the restaurants time and again or not. This helps in finding in whether there is scope for the opening of a new business. If people do not have not trend of going for outside dinning, then it is not worthwhile in opening a business.

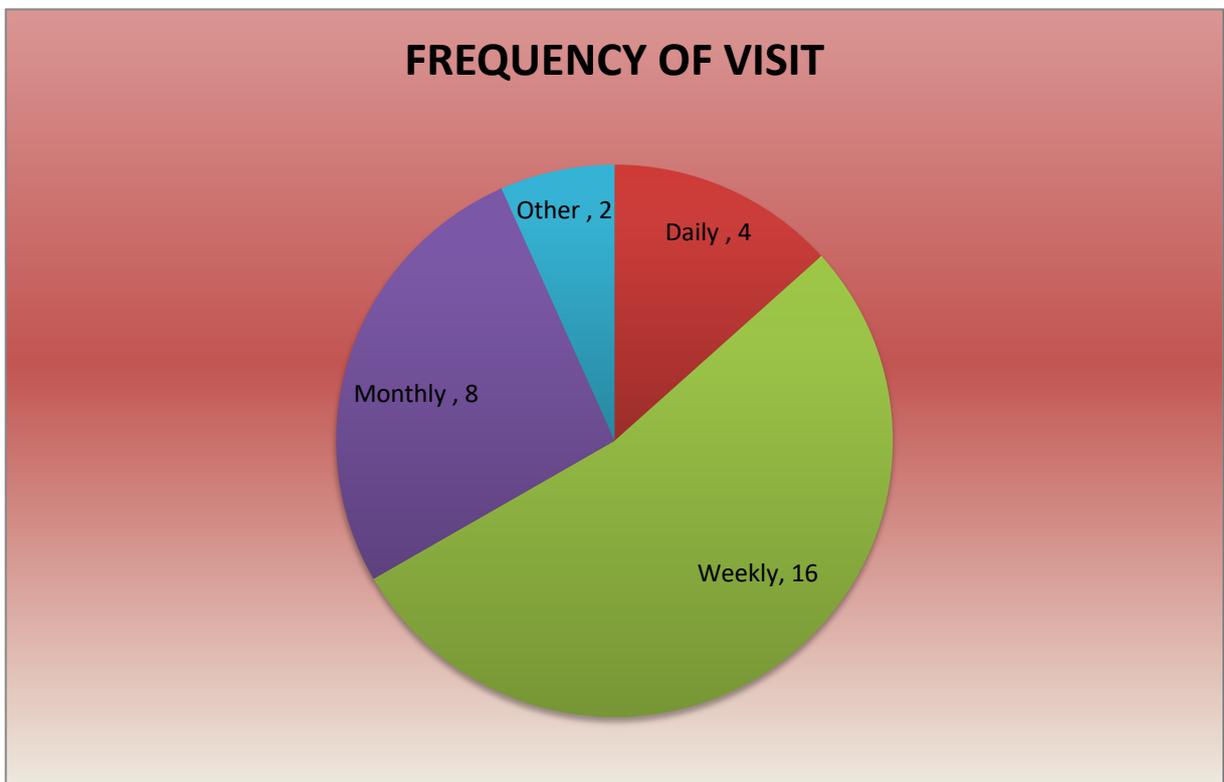


Figure 2. Frequency of Visit in Restaurant

As asked in question 5 in the customers questionnaire the frequency of visiting the restaurant in weekly basis is higher compared to monthly and daily. People preferred going to restaurant in a week time rather than daily. However, compared to daily basis people visiting restaurant monthly are higher. 16 respondents stated that they visit restaurants weekly whereas daily visitors are 4 and monthly visitors are 8 of total respondents. Not to forget that post purchase behavior is also affected by quality control. This directly or indirectly affects the frequency of the visit (Kotler and Armstrong, 2008).

#### 4.1.2 The expenditure Behavior of Restaurant Customers

The data was collected in order to know about the weekly expenditure by locals going to restaurants in Butwal. (Figure 3) This also has a connection with the frequency of the visit as people spending more amount of money would have a more frequent visit for outside dining.

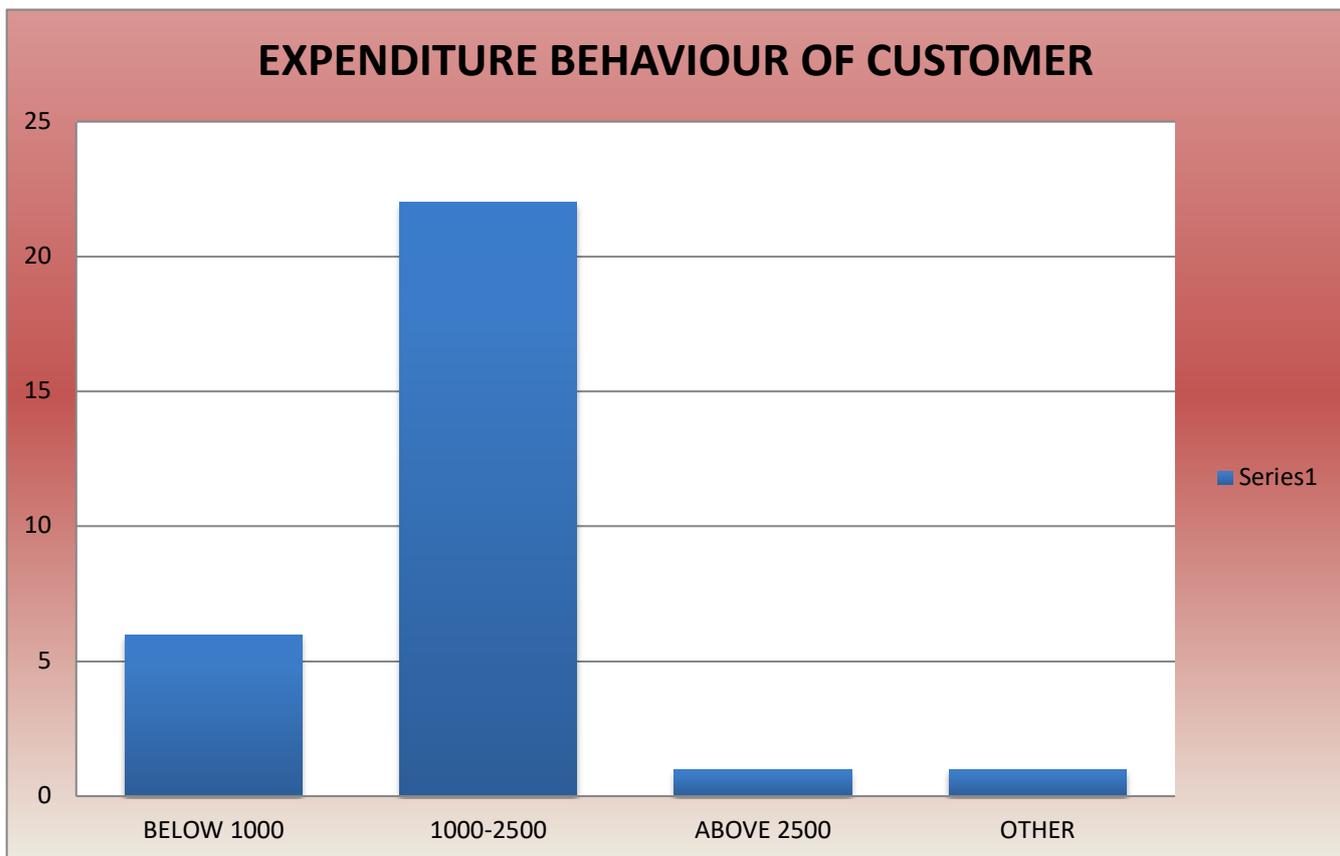


Figure 3. Monthly expenditure by customers in restaurant

As asked in question 6 the amount of money customer spend in a week time in restaurant 20 respondents stated that they invest more than one thousand rupees in a week going to restaurant, People spending more than 2500 Rupees are very few. This proves that people are price concerned and are well known about the budget they separate for outside dining and restaurant visit. Spending Rs. 1000-2500 in average in a week time is a bigger investment in Nepal. The purchase decision customers once make followed up by their post purchase behavior somehow effect the amount they spend in restaurant (Kotler and Armstrong, 2008).

#### 4.1.3 Types of Restaurant Mostly Prefer

This statistic above shows the types of restaurant preferred by locals for the dining purposes in Butwal. In general, fast food restaurants and family type restaurants are popular in Butwal.

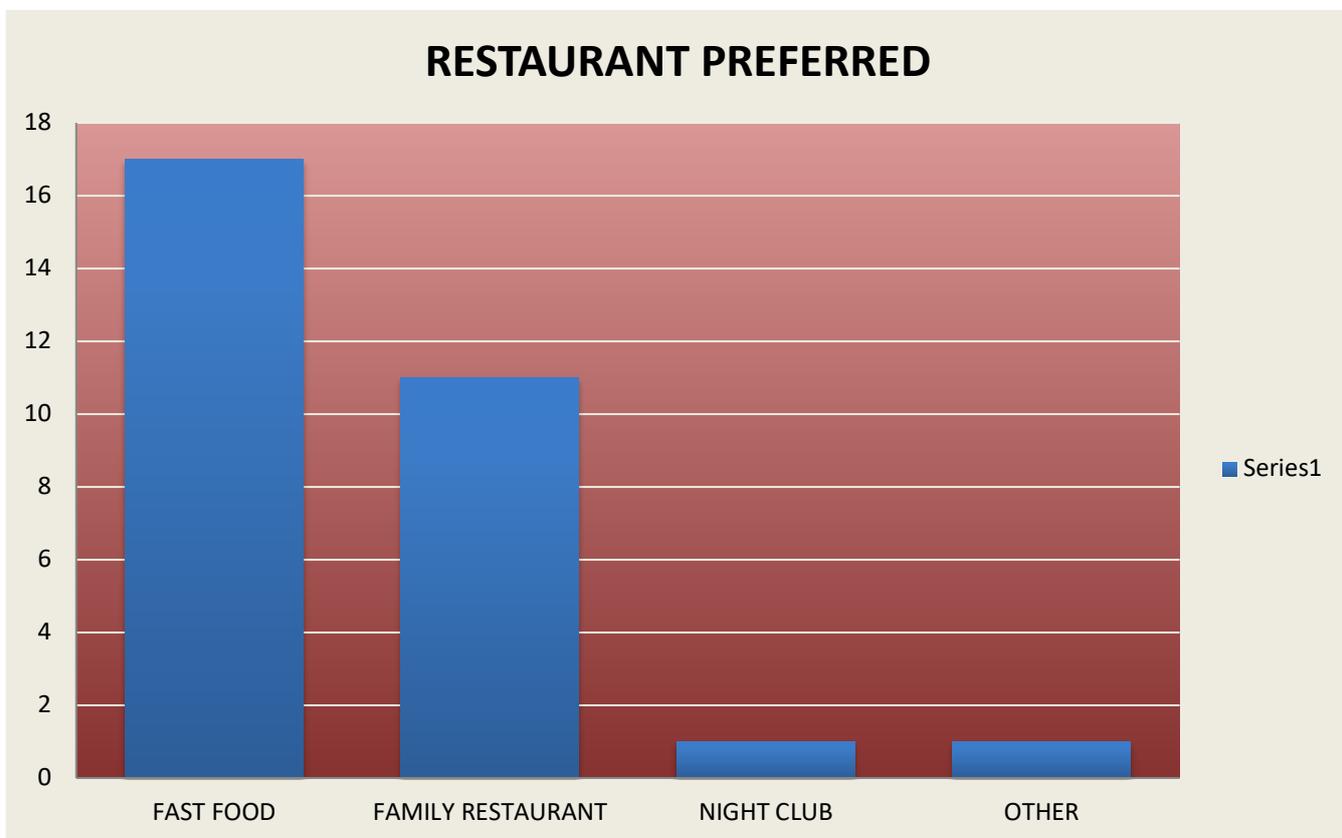


Figure 4. Types of Restaurants local prefer to go.

As asked in question 7 types of restaurant mostly prefer; like in General, during the survey more than 50 percent of the respondents stated that they prefer fast food type of restaurant for their dining purposes. Night clubs are observed to be very less popular among the locals while family restaurants are popular than others. This also proves that family restaurants that have both fast and quick service facility are more likely to become more popular in Butwal.

#### 4.1.4 Type of Menu Prefer

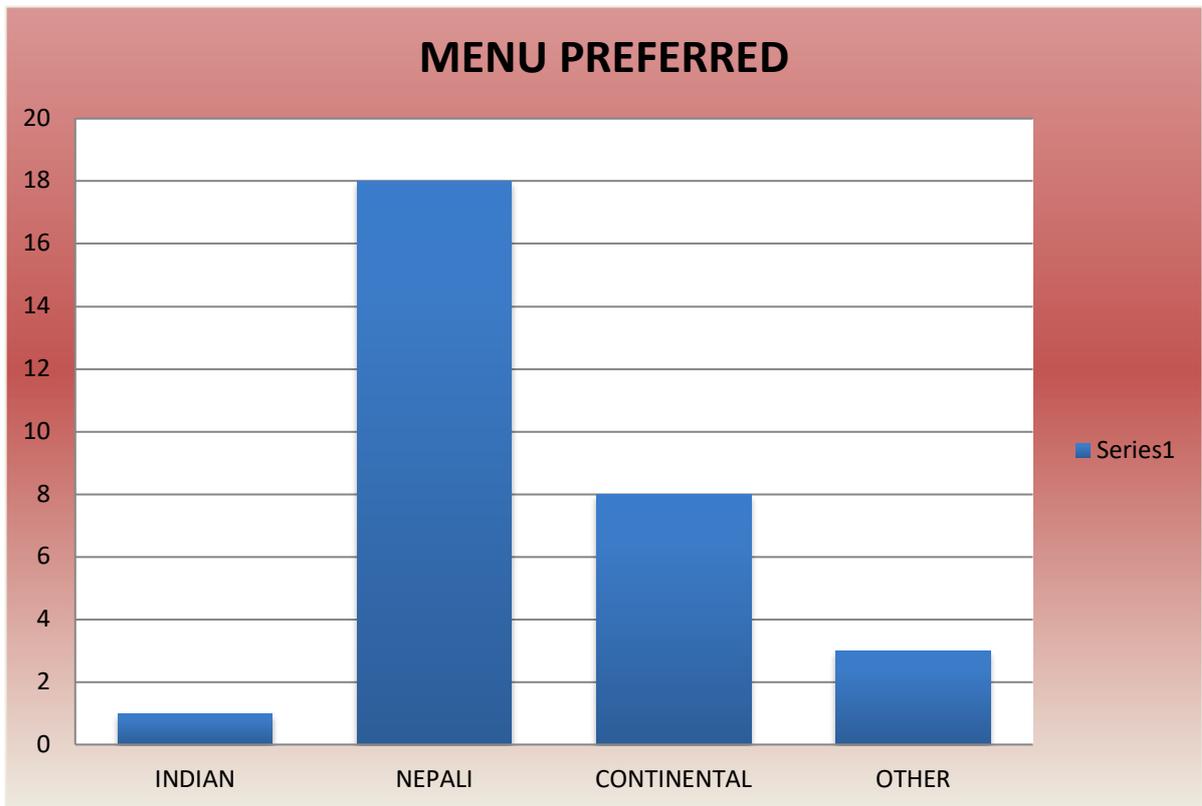


Figure 5. Types of Menu preferred by Customers

As asked in question 8 the type of menu customer prefer, Nepali menu is mostly preferred by customers. More surprisingly continental food is more in demand and preferred rather than Indian foods.

#### 4.1.5 Customer Satisfaction

Food and its quality seems to be accepted as a fundamental component to satisfy restaurant customers. This has been concerned and overlooked in restaurant service quality and

satisfaction studies. The investigation was also to know how food quality is perceived in relation to satisfaction and behavioral intentions in mid to upscale restaurants. Thus, each and every manager, owners and all related to food and its proper handling should be aware of food quality and attributes that elicit customer satisfaction and enhance return visits in the restaurant business. As already discussed in the literature section there are various ways for customer to get dissatisfied (Kotler and Keller, 2006, p.144). Quality of food and service, health and sanitation of the restaurant are the main reasons for customer in Butwal to be dissatisfied.

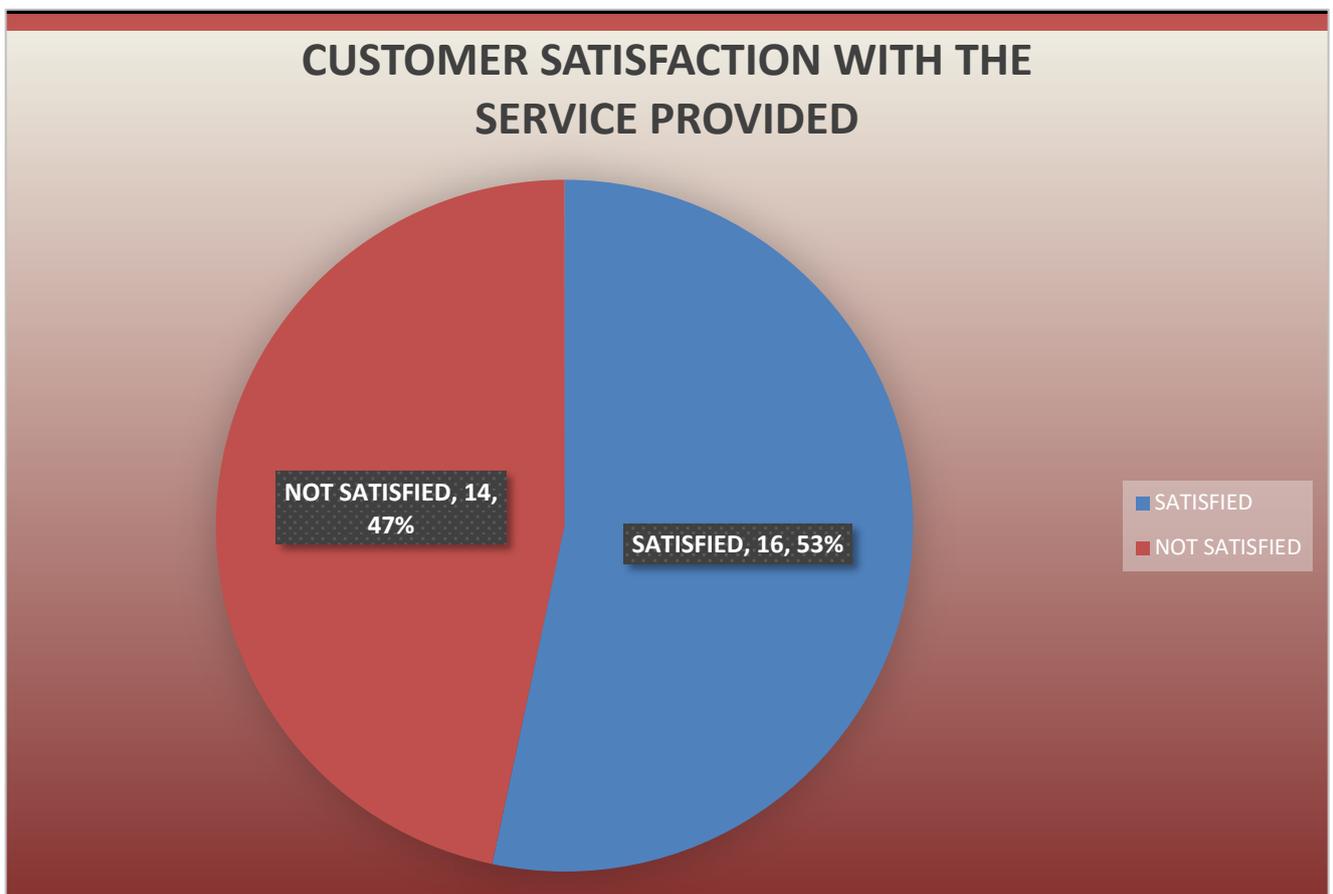


Figure 6. Customers Satisfaction rate overall.

As asked in question 11 whether customers are satisfied with the service provided or not, 14 respondents stated that they are not satisfied with the services provided by restaurants of Butwal. The results for not satisfying customers is high because most of the restaurants

lack good quality and proper hygiene and sanitation. Also, the pricing and quality of food along with the service are other factors that has affected the satisfaction rate of customers.

#### 4.1.6 Grading of Hygiene & Sanitation in F&B Provided by Restaurant

Hygiene and sanitation is most in restaurant operation. Clean and tidy environment attracts more and more customers. A restaurant that maintains good cleanliness and hygiene gets rewards by time and often visit by customers. This is a huge aspect that effects the frequency of visit to a particular place. Out of those different factors for dissatisfaction of customers, hygiene and sanitation always comes on top (Kotler and Keller, 2006, p.144).

Hygiene is the important thing that needs to be taken care of. Personal cleanliness confirms good hygiene. No any non-working persons should be restricted from food and service area. Each and every employee should have clean outer garments and wear effective restraints. No bare hand should come in touch with food and ready to eat food materials. Suitable utensils, paper, tongs or gloves must be used. Maintaining the temperature of food, handling it properly and more importantly knowledge about storage of food in right temperature is much more important. Cooling and heating of food, date marking, cleanliness are the most important things and these all ultimately helps in satisfaction of customers. Nevertheless, the level of satisfaction describes more for the buying process.

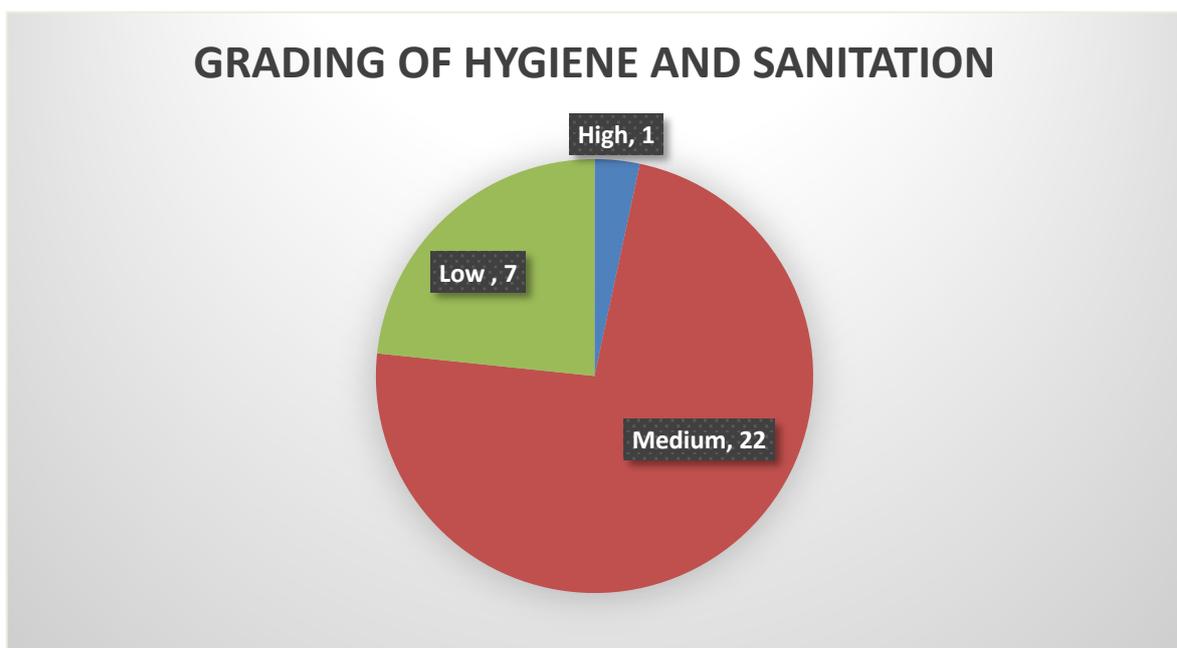


Figure 7. Grading of health and sanitation from customer's perspective.

As asked in question 12 regarding to the grading of hygiene and sanitation provided by restaurants of Butwal, most of the customers or respondents are not satisfied with the proper sanitation of the restaurant. 22 of the total restaurants marked the sanitation medium and 7 marked and really low. Only 1 out of 30 respondents rated the quality of sanitation and hygiene as high. This concludes that the health and sanitation is the major issue of restaurants in Butwal.

## 4.2 Data Presentation from owner’s perspective.

10 Owners of various restaurants in Butwal were chosen for the study of “scope of restaurant business in Butwal.”

### 4.2.1 Targeted Age Group

Since Butwal is a tourism area mainly restaurants under operations are focused on foreigners. However, regarding locals a different survey was taken. Most of the managers and owners were asked about the targeted age groups for their business. Based upon the type of the restaurants varied views were presented.

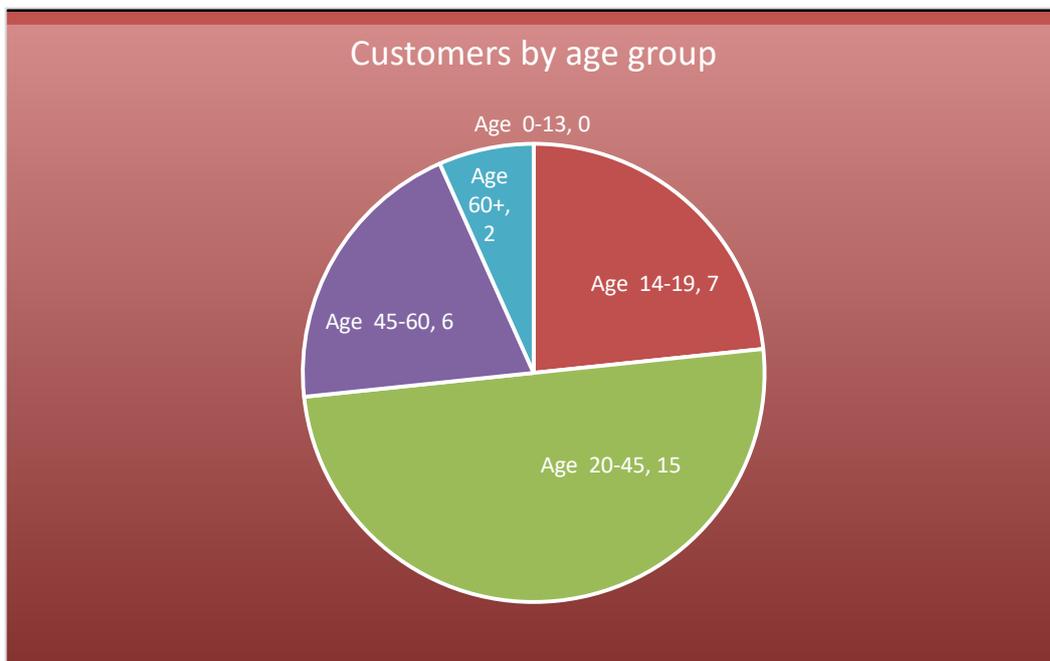


Figure 8. Targeted age group from owner’s perspective

As asked in question 8 the targeted customer and age group by the owners of restaurant, the middle age group are highly targeted. Teen agers and adults are the second targeted age groups. While very few children and elderly people are targeted. This is simple to understand that they were money centered as most of the age group in between 15-50 are the money expending age group. Thus, most of the restaurant owners seemed to be targeting these age groups.

#### 4.2.2 Business Flow as compared to past

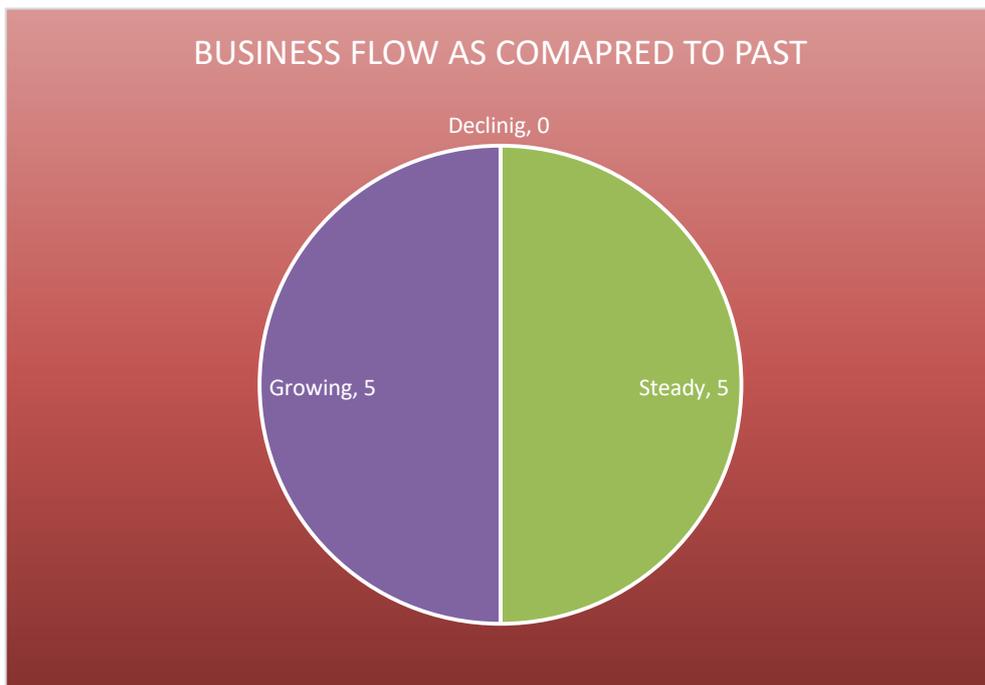


Figure 9. Flow of business as compared to past.

Effect of the election in the business flow in restaurant was a major finding of the study. As asked in question 7 in the questionnaire provided to owners, statistic above shows the business flow as compared to past, during the survey owners of restaurants were asked, in general how is the business flow after election of Nepal as compared to past? According to their survey the conclusion is that none of the restaurant owners say that it is declining while fifty percentage stated that it is steady and is growing as compared to past.

#### 4.2.3 Targeted Customers

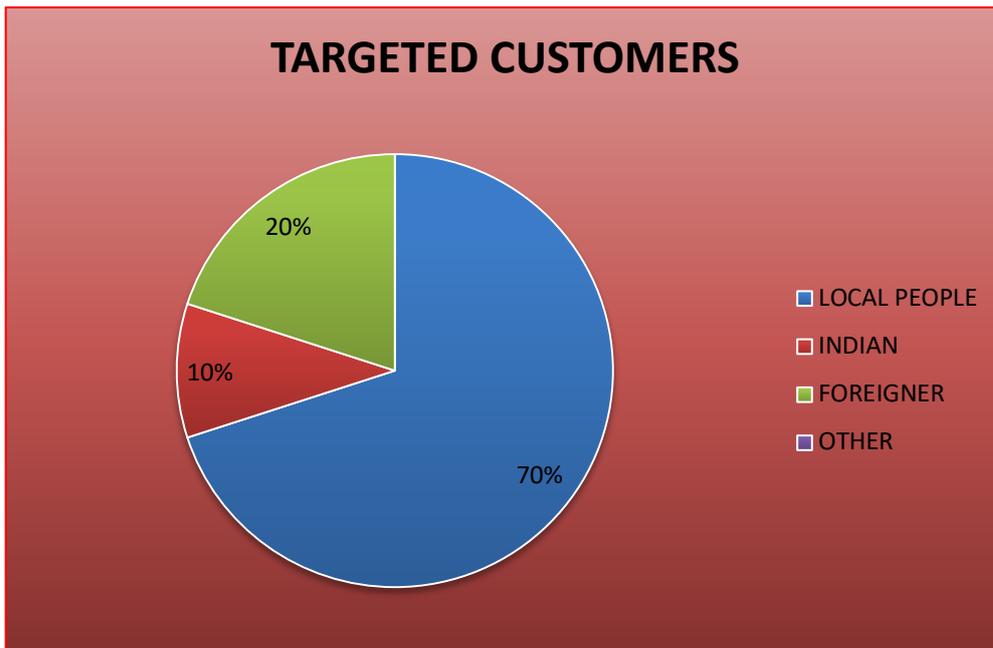


Figure 10. Targeted Costumers from owner's perspective

As asked in question 8 the targeted customers, statistic above shows the target customers of restaurants in Butwal, during the survey owners of restaurant were asked, who are your target Customers? And a multiple-choice question was given which includes local, Indian, foreigner and others. According to the survey the conclusion is that 70 percent restaurants target customers are local, twenty percentage of restaurants are targeted for foreigners, and ten percentage of restaurant are targeted for foreigner.

Table 1. Cross tabulation result for expenditure and frequency of visit

Column1	Column2	Column3	Column4	Column5
Total Expenditure in month time	Frequency of visiting te restaurant			
	Daily	Weekly	Monthly	Other
Below 1000(6)	2	3	1	0
1000-2500(22)	2	15	5	0
Above 2500(1)	1	0	0	1
Other	0	0	0	1

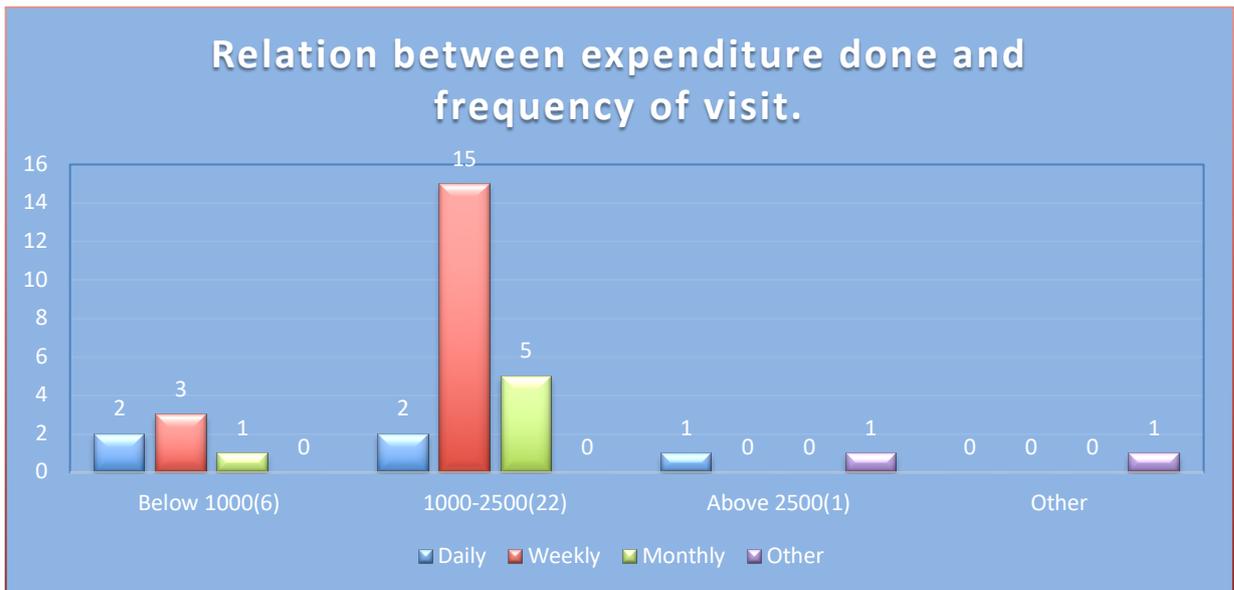


Figure 10. Relation between expenditure and frequency of visit.

The above table and chart both shows the inter-relation of the expenditure done by the customers in a month time and frequency of the visit. As it can be seen from the data that most of the customers are weekly customers with expenditure range between Rs.1000 to Rs.2500. Customers with less expenditure have a less frequency of visiting the restaurant while the one with more than Rs.2500 expenditure preferred going for outing in a month time. This concludes that well-off people go to restaurants for dining more frequently than others.

### 4.3 Discussion

In this part of the thesis the results from the empirical research, the questionnaire in this case is summarized and analyzed based on the theoretical framework.

Nepal is rich in culture and traditions. Among many cities in Nepal, Butwal is one of them where most of the events and activities take place. The panoramic and scenic beauty attract people from different parts of the world for holidaymaking, sightseeing, mountaineering, trekking etc. thus contributing to the development of tourism industry in the country. Butwal can be considered as the best place for people to start catering business and it is for this reason the writer chose to study the potential and scope for a restaurant business

in Butwal. But, it can clearly be noted that the customers preferences, satisfaction rate was much less than it really should have been. This suggests a possibility for a graded restaurant.

Though Butwal do not have any legal history about when restaurant business started in Butwal. The first catering took place during the coronation of His majesty's king Mahendra. With the development of the tourism and economic activities, the catering business started to flourish in the capital region. The trend slowly and gradually started to flourish in the whole country. Today large number of people is employed in this business. But, despite so many popularities and potentiality for the development of the tourism, no signal for the development of the hotel existed.

Though the number of catering establishment in Butwal has mushroomed rapidly, the number of proficient and specialized catering establishment is still being backward. Customers satisfaction which is supposed to be the key for business was found to be very low. Hygiene and sanitation, location of the establishments and the price things are other important factors contributing a lot for customers preferences, choice and outside dinning. (Kotler and Keller, 2006, p.144)

The study showed that most of the catering business are carried out by the people who have completed a basic level of education and who were unaware about the concept of what actual catering deals with. After going through the research, it came to be clear that many of the catering industry have been owned by that people who do not have any genuine idea related to catering. In addition, staffs had insignificant knowledge regarding the service, hygiene and sanitation. This has almost degraded the reputation of the catering industries at present.

The research approved that the passion of making intense money and ignoring the required quality food along with service and sanitation are the main reasons behind awful failure of restaurant business in previous years. These all aspects affected the customer satisfaction as discussed in literature part. The business flow is in same average throughout all seasons. As like in all restaurant business the weekends tend to be much busier than other normal week days. Males involving in the restaurant business are comparatively higher than females.

The other important factor for the growth of the business is the market analysis and marketing. For this the prime location, different marketing policies should be build up initially. Marketing mix and the value of 4ps should be understood clearly (Holloway 2004, p.52). Proper management of marketing and marketing restaurant services is most for the restaurant operations (Kotler et al. 2012). Market analysis and marketing is a huge lack in Butwal specially in restaurant operations. None of the owners have done an effective market analysis and marketing regarding their business. This is also reflected from the low frequency of daily visit in data presentation section.

Most of the owners want more security and development of Butwal as a tourist area and this all concludes that there is a huge possibility of culinary business in Butwal.

The political stability is the plus point to start the restaurant business in Butwal. As compared to the last 2 years, the business of restaurant in Butwal has grown up these days. The improved political situation and people's attention to hygienic food is increased recently. Despite the fact that there are number of restaurants mushroomed all around the city the required quality service related with hygiene and sanitations is very low. This has also concluded that there are very less quality graded restaurants in the area.

#### **4.3.1 Key Success Factors**

Depending upon whether we are opening a new restaurant or trying to expand our existing business in a multi-unit chain, the winning principles will help us to improve and increase the chance of success. The “winning concept” that means a better chance of long term success than some vague notion. It is always best to set up the goals and decide the ways that measures the success of the restaurant. The “longevity” as the art of being able to maintain success over time while adjusting to meet the changing demands and buying habits of the customer. We always need to know that to open a business is not a major thing but to maintain the success over a long period can only be termed as “winning”.

Moreover, “Consistency” in business is another important thing. Right implementation of systems and procedures ensures the consistency of the business. Most of the restaurant that were under operations did not have the consistency moto. They were much into

business and profit as soon as they started the business. That ultimately hampered the long run of the business.

Most of the organizations under operation want to be busy but the ‘winning concept’ seems to have a broad appeal and well-developed point of difference. This ultimately helps to dominate the market. The first-place customers choose to go out for dining is the one that has a good ‘market appeal’. ‘Expandability’ always helps to improve the consistency of the quality and service. The operational system and management are the expandable parts where all the systems are already developed and waiting to be implemented. The other important part ‘pricing’ is a very big trick in business operation. This involves a designing an appealing selection of menu items that are competitively priced in the market. The pricing of the item needs to be priced in such a way that we can operate profitability and importantly offer targeted guests a good price/value relationship.

Market research and selection of the prime location as other important aspects discussed above are other key factors for business success. The business concept that fits into the neighborhood and the customers targeted should have its own preferences. The detailed meetings with restaurants managers and owners helps in finding trick in obtaining best practices and critical information.

## **5 CONCLUSION**

Due to the modernization and busy schedule, people do not have sufficient time for themselves. People prefer eating outside. However, the establishment of such restaurants that would meet the demand of people in Butwal hasn’t been able. The latest trend for such full-service restaurants is increased with growing financial prosperity and the salaries. On the other hand, the culture itself has changed and become more modernized. Higher quality of food along with customization are the basic needs of the consumers for fine dining. For selecting a new establishment consumer depends a great deal upon friend’s suggestion and recommendation. The appearance and the location definitely impact personal choice.

Restaurants have evolved in hospitality and tourism industry as early as the sixteenth century and was later on been commercialized globally. This study “Prospects of Culinary

business in Butwal” was done to find out the scope of restaurant business in Butwal. Butwal being the center and junction for many national and international business people, has a huge possibility for the people willing to start up the business in this area.

The political instability of the country is not only hampering the hospitality business but overall all business. But, as compared to last couple of years the political situation of the country has improved a lot. The recent election and the political stability in recent days also has helped to grow up the business.

There are various lacks in restaurants business recently in Butwal as different factors have already been discussed above. A quality and a graded restaurant can definitely fulfill the demand of customers. Minimizing those negative factors that have affected the rate of customer satisfaction a graded restaurant will ensure the quality of food and best service reach to customers. Every restaurant should be aware about the hygiene and sanitation regarding food service concerning health hazards. In the context of country like Nepal market analyses and marketing is most. This increase awareness among people regarding daily diet, value of hygienic food, health and sanitation in a restaurant.

Owners of the restaurant business should be aware of hospitality and different terms associated with it. Special attention should be given to customer satisfaction by improving the price of product, hygiene and sanitation of both place and food and all other factors. Special training should be provided to the employees in regular basis related to food hygiene, sanitation, grooming and quality service. There should be constant cooperation and coordination between top level and the lower level employees to maintain efficient and effective workflow.

The organizations should make strategy to attract the customers of all groups rather than focusing on youngsters only, thus the owner of restaurants should concentrate on such ambience that attracts customers of all age groups. Not only focusing on how to make extra profit, attention should be given to customers satisfaction. Hygiene and sanitation of restaurants should be properly maintained. If all these things are taken into consideration and attention is given to each small aspect related to food, its quality and service a graded restaurant has a bright future in Butwal.

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## APPENDICES

### Questionnaires for the Costumers

I am the student of Arcada University of Applied Sciences. The research, "Prospects of Culinary business in Buwal," acts as a partial fulfillment of the requirement for bachelor's degree in International Business. I sincerely request you to fill up this questionnaire form which is to be utilized as a reference for the preparation of project report. This survey will be for educational purpose only.

Please be assured that your response to the questionnaire will be kept confidential.

1. Age: -
2. Sex: - Male      Female
3. Marital status  
Married      Single
4. Occupation: ..... -  
.....
5. How often do you go to restaurant for dining?  
Daily      Weekly      Monthly  
Other.....
6. How much money do you spend in going to restaurant in a week?  
Below 1000      1000-2500      Above 2500  
Other.....
7. What type of restaurant do you mostly prefer?  
Fast food      Family Restaurant      Night club  
Other.....

8. What type of menu do you prefer?

Indian                       Nepali                       Continental

Other.....

9. When was the last time you went to restaurant?

.....

10. How much money did you invest last time going to restaurant?

Amount:

11. Are you satisfied with the service provided by the restaurant?

Yes                       No

12. How do you grade the hygiene and sanitation in the food and beverage provided?

High                       Medium                       Low

13. Are there sufficient restaurants in Butwal?

Yes                       No

14. In which area do you think the restaurant should be established?

.....

15. According to you what type of restaurant should be established?

.....

16. What implications can be drawn for the proper management of restaurant in Butwal?

Please comment: -.....

## Questionnaires for the Restaurants

I am the student of Arcada University of Applied Sciences. The research, “Prospects of Culinary business in Buwal,” acts as a partial fulfillment of the requirement for bachelor’s degree in International Business. I sincerely request you to fill up this questionnaire form which is to be utilized as a reference for the preparation of project report. This survey will be for educational purpose only.

Please be assured that your response to the questionnaire will be kept confidential.

### Part I

1. Name of Establishment: .....
2. Date of establishment: .....
3. Type of establishment: .....
4. Location: .....
5. Educational background of owner: .....

### Part II

6. Capacity of Restaurant in cover: .....
7. In general, how is the business flow after election of Nepal as compared to past?  
Declining      Steady      Growing

If declining reason: .....

8. Who are your target Customers?  
Local people      Indian      Foreigner  
Other: .....

9. Which type of menu does the customer mostly prefer?

Indian                       Nepali                       Continental

Other: .....

10. What is feedback from customer?

Excellent                       Satisfactory                       Unsatisfactory

11. Which is your busiest season?

.....

12. Which is your busiest day?

.....

13. Which is the busiest time?

Morning                       Afternoon                       Evening

Part III

14. What is the proportion of employee involved in service?

a) Male                       b) Female

15. Please mention the no. of employees by the nature of job.

A) Management level

a) Male                       b) Female

B) Service level

a) Male                       b) Female

16. What is the initial capital of your establishment when you started the business?

Capital:

17. What is the monthly expenditure of your establishment?

Monthly expenditure:

18. What is the average Profit or loss in month?

Profit  loss

Amount:

19. What implications can be drawn for the proper management of restaurant by Butwal municipality or Government of Nepal? And has there been any effect in restaurant business because of the earthquake?

.....

Thank you.