

Business Plan for Pelmeni Bar

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<p>The purpose of the current thesis project is to create a business plan for the Russian cuisine oriented casual restaurant located in a downtown area of Helsinki. The subject of the thesis is supported with necessary financial plans and the results approached using quantitative research method.</p> <p>The author has written this business plan based on the bunch of literature, which was reviewed. Mainly the literature list includes books about business plan development and sources used for the project's research process. Main goals and objectives of the thesis work are the settlement of the actual business plan for the restaurant industry, its planning, realization, financial support and implementation into real life conditions. The set objectives were reached throughout the product, operations and services development, their organization, promotion and financing. The key financial theories were approved in the practical part with the actual calculations and all necessary estimations. The author has also considered certain industry changes which might be applied for the further development of the project.</p> <p>The idea of the current thesis work belongs to its author and the business plan itself might be used as a tool for negotiations with potential investors.</p> <p>First of all, the author has completed the literature review as a basis for further building of the practical part. Then the author has conducted a survey in order to approve the information in the theoretical framework. The other chapters and subchapters were added to support the gathered information and fulfill the plot of the work.</p> <p>The outcome of the project helped the author to realize how many difficulties might be faced when establishing a new business unit especially in terms of financing. All the goals were reached and the final business plan can be used as a tool for the search of potential investors and the actual project implementation.</p>	
<p>Keywords business plan, Pelmeni Bar, Russian cuisine, feasibility studies, financing, Blue Ocean, strategy, development, competition, environmental analysis, product</p>	

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1 Introduction

It is a well-known fact that Helsinki is a popular destination for all kinds of tourists ranging from travelers taking a weekend city break to shoppers looking for a greater selection of products and competitive pricing. The city offers its visitors well-organized public transit system, a number of sites and landmarks to visit, world-class hotels to stay in and an assortment of restaurants, which offer a variety of dining experiences. The city also offers its visitors a number of Russian-themed restaurants among them. The thesis aims to estimate how well those restaurants meet the demand for Russian cuisine expressed by visitors as well as the local population. The author is studying whether a niche in the restaurant market exists and how can it be taken advantage of.

The idea of the following thesis work came as an outcome of the author's current job position. Being a part of Finnish hospitality industry the author has always been aiming to provide excellent service for tourists as well as for the locals. Nowadays it is essential to understand and follow tourism trends as well as to possess all the necessary information about events and other happenings. In order to deepen the understanding of the studied area and to obtain additional knowledge of the the possibilities the city of Helsinki has to offer and the potential it exhibits the author got in touch with local inhabitants, international tourists and exchange students using various communication tools. The aim of this work is to study Russian restaurant market capacity and to create a business plan for a restaurant that would fill the gaps not met by the competition.

At the moment, Russian cuisine is represented by five restaurants in Helsinki area. There are fine dining restaurants and cafes located at different locations around the city. It is a good option for those, who do not want to bother or have no possibility to travel to either Russia or Estonia. All restaurants are primarily located in the downtown area. Most of the restaurants, such as Saslik, Troikka, Kasakka and Bellevue are well-known for their long-time history, but may repel potential customers with the high price range policy (Aspiala, 2008). On the other hand, Blini restaurant, which has more café rather than fine dining style is located outside of the central area (Aspiala, 2008).

This café attracts locals with affordable menu, but none of the tourists will pass through the area of restaurant location.

Nowadays, the best way to get to the place of traditional Russian cuisine is to take a two-hour boat to Tallinn, Estonia or a visa-free 72h cruise to St. Petersburg. What if your time and financial resources are limited? This thesis project offers a great opportunity to develop a Russian-themed restaurant in the area of Helsinki, centrally located and with affordable prices. It may give you a picture of modern Russian cuisine from every day to special dishes in a comfortable and cozy atmosphere.

1.1 Problem Statement

Recently, there has been a growing interest towards Russian cuisine in the region of Helsinki. An increasing number of city guests are interested in trying Russian cuisine without visiting the country of origin. Following the local guide's recommendations, the author has been providing the already existing information to the guests. Lately, the author has discovered that Helsinki area is quite limited in the number of Russian restaurants offered to the visitors. Moreover, these restaurants are having a very unbalanced price range and location. Guests would have to either walk long distance throughout the downtown area or even take public transportation in order to reach the furthest restaurant locations. This factor might influence the overall guest experience and result in negative attitude.

1.2 Business Plan Introduction

The expected outcome should represent a business plan-based project of a casual dining place where both locals and tourists can get a taste of Russian cuisine. The whole work will be presented as a detailed business plan and will describe the author's idea step by step. It will form a Russian-themed diner with an average price category, centrally located where customers can find delicious food and entertainment. The thesis work is divided into theoretical and practical parts. The theoretical part provides feasibility framework, business plan development and project planning. In conclusion part the author has summed up all findings and creates a discussion whether all goal

and objectives of the work were finally reached. The practical part is covering practical issues such as design, target segments, marketing strategy and distribution, investments, environmental analysis, product and space, business structure.

The purpose of the present thesis work is to evaluate feasibility of the product-based project and compare the idea on paper to reality. The author has created a theoretical framework of the business, which later on is reflected in the practical part by using the obtained information from literature review. Each chapter and subchapter of the theoretical framework is followed by the same themed section in the practical part of the project.

The author of the project clearly realizes, that in order to get the financial support from investors, it is not enough just to arrange the idea discussion. The decision is to write a business plan with all necessary statements to clarify the business idea, its development and implementation into reality. The goal of the project is to form a tool for financial conviction of potential investors. The author has also met the certain list of limitations, meaning that all estimated numbers and calculations are approximate. These estimations depend on rapid market changes and development, changes caused by external factors (e.g. politics, economics etc.), internal factors (e.g. industry changes, food hygiene requirements, new competitors might enter the market share etc.) and so on. This part, the business plan itself can be found at the end of the theory part as an appendix (See Appendix 1).

1.3 Methodology

The author used quantitative method in order to collect potential customers' opinions about the developed project. All the participants answered the questions in precisely the same order to standardize the survey and turn it into a measuring instrument. In order to collect statistically significant amount of data, the author invited at least one hundred people to participate in the survey. Sufficiently large sample size provided results, which are unlikely to have occurred by chance allowing the author to base hypotheses on (Loraine, Christina, & Malcolm, 2006, 78). The survey also gave insights

on expectations people are having, the amount of money they are willing to spend, their cuisine preferences, eating habits etc (See Attachment to business plan 1).

Furthermore, the author also supplied the survey with visual images in order to understand whether potential customers possess at least some knowledge of Russian cuisine. The survey differentiated the participants by age, gender, nationality, place of residence. These factors might have influenced overall perception of the project idea by the survey participants. Collecting and analyzing the data gave the author a possibility to build a prototype model of the project which would respond to all the necessary conditions of entering a real market. Also, the final business strategy is set and all the further settlements taken into account.

2 Business Plan Development

This chapter of the thesis work discusses how the author started creating the business plan content and which steps were taken in order to do that. All the information represented in this chapter is evaluated by the author throughout the literature review of professional literature related to the topic. The author also describes the set of goals and objectives which have to be reached by the end of the project. In same subchapter, the author also mentions how she is going to reach them. Afterwards, the author is listing what she is going to sell, how it will be designed and operated. The last but not least the author is mentioning the business structure of the premises, which will be further developed in the practical part of the report.

Finally, the author decides to conduct the environmental analysis and discovers the process of doing it. In order to bring to an end the following chapter, the author decides to add the last subchapter about marketing of the project. It is essential part of any business plan, which will make the project completed.

2.1 How to Start a Business Plan?

Like any other business idea, it is wise to start a project with a well-thought-out business plan. It will express the business idea description and analysis of the business itself and provide details of its future development. It is important to mention that a well-done business plan will picture most of the financial aspects of the business like starting or expanding it. If there is not enough financial support coming from the project's starter a business plan will help to convince lenders and investors or bank representatives to realize it. Business plan will distinguish how the business will fit the current market conditions, business environment and the most important, competition. It might be affected, for example, by the local and outside competitors, different patents and franchises etc. (McKeever, 2012, 8.)

A business plan for the current project consists of few parts, such as business description, detailed process of business planning and operations, products and

services. One of the most important parts in the business plan is financial aspects. The author has also analysed the competitor environment, where it's planned to settle the business. It is essential to include such parts as marketing, advertising, the process of distribution and the others.

2.2 Goals and Objectives

The key point of any business plan is to create a picture of any business in theory. Practically, it might differ significantly from the numbers on paper. But on the other hand, it gives you and your investors a possibility to measure the chances of your business to succeed. Looking through the tables of contents of the following thesis work, it is fair to conclude that the business plan is aiming to prove economic and financial viability of the project. (McKeever, 2012, 9.)

All the subchapters of the theoretical part of the thesis work are directly connected to each other. It is necessary to keep a track of profit and loss forecast to project future sales, and therefore, to create sales revenue forecast. To convince the investors and lenders to choose your business for investing in, it is vital to obtain a sufficient cash flow plan to make sure that all the loan payments will be completed on time. The last but not least is a capital spending plan that investors and lenders will approve. (McKeever, 2012, 8.) If all necessary numbers are reached throughout the mentioned above calculations, it will mean that the entrepreneur is one step closer to launching the project in real life conditions.

2.3 Product, Operations and Services

Writing down all the numbers on paper, the author should remember to clarify how the business project will look like, how it will operate, what will it sell and how. Therefore, there is a list of things such as product, space, operation processes and services. All of them are described thoroughly in order to create a clear understanding of the business appearance. In the following project, the author gives a description of such things as menu, floor space, operating concept, logo and brand image. (Birchfield, 2008, 83.)

Business structure part is referring to a legal side of restaurant business settlement. This is, obviously, essential procedure for any kind of business. Its aim to obtain the juridical side of business together with hygiene licenses and alcohol dispensing regulations. In order to proceed the business process legally, it will be necessary to support the business project with insurance company agreement. (Walker, 2011, 183.)

2.4 Environmental analysis

In order clearly estimate the business plan success, it is always necessary to evaluate the current business environment where the actual business will be put. In this case, the author has conducted such analyses as competitor and market analysis, where all potential internal and external competitors are detected. After the competitor selection, the author decides to compare their services and facilities with the current business project. This analysis shows weak and strong points of competitors giving the author a plot to develop and improve the own business features and facilities. (Osterwalder & Pigneur, 2010, 200-201.)

The author performs competition evaluation in order to prevent the business from failing due to competitors in the surrounding area. Understanding competition is crucial to success of any kind of business. Also, an entrepreneur should always remember that the goal of a business is to satisfy customer needs. Therefore, thorough understanding of potential customers, their needs and mechanisms behind value perception is essential to start a business. (Porter, *Competitive Advantage*, 1985, 139). In order to differentiate from other businesses, the author implements elements of Blue Ocean Strategy in the project targeting the better market position. (McKeever, 2012, 111 (Kim & Mauborgne, 2005, 4.))

2.5 Marketing

It is good to look through all the possible future trends in order to ensure business safety since the restaurant industry develops and changes daily. You have to stay resistant to trend changes and be ready to solve all the unexpected problems and

issues. Stay flexible, apply effective marketing campaign and react fairly fast to keep a stable market position (Walker, 2011, 110).

In order to choose the right marketing tools, the author decides to define target customers of the business project. The author also creates and launches a special survey to find out the potential customers' opinion about the business project. It will help in further product and marketing campaign shaping. Afterall, the author sorts the potential customers into target groups and develops the marketing campaign using the analysed data. (Walker, 2011, 124.)

3 Project Planning

In order to start the actual business plan, the author considers some project planning steps. These steps should help the further development of the business plan and also make a certain base for certain steps in the practical part of the report. One of such steps is the competition evaluation. The author added this subchapter, because she thinks that it will become a good supplement for the environmental analysis. The literature review for this part revealed plenty of valuable information the author considered in the practical part.

Another subchapter describes the author's desire to use the Blue Ocean strategy for his business project. Therefore, the author has utilized the necessary information from the relevant sources and used the elements of Blue Ocean strategy in practice. Finally, the author considers very important to estimate some future changes. That author analysed few sources and tried to understand which of the future trends will be possible to implement for the current project.

3.1 Competition Evaluation

The formulation of a company strategy directly depends on its environment and activities. In most of the cases, companies are underestimating competition since they evaluate the competition environment too narrowly. There are listed the most important forces that drive competition in any industry and in any environment (See Figure 1). The company's key task is to rate these forces correctly and find the best position to defend itself from the possible outcomes of the actions of the forces. That's how the company's strategy will be shaped.

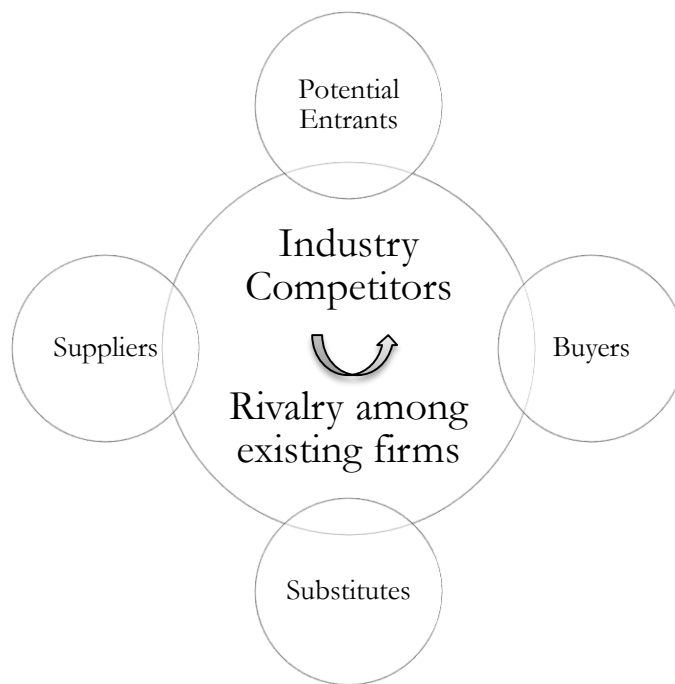


Figure 1. Five Competitive Forces That Drive Industry Competition (Porter, *Competitive Advantage*, 1985, 10)

All five forces are crucial in terms of forming a company strategy since they define the intensity of competition and profitability on the market. By creating a new business, especially in the Blue Ocean Environment, a restaurateur might develop a fertile base for new entrants since competition rules are not set yet in new environment.

According to Michael E. Porter, the new entrants usually bring new capacity, the desire to gain market share, and often substantial resources. (Porter, *Competitive Strategy*, 2004, 7.) This will also directly influence pricing strategies of the companies, which will be an additional threat of reducing profitability. In order to prevent this threat to enter the environment, the author of the project suggests to use a product differentiation as one of the six key sources to create a barrier. (Porter, *Competitive Strategy*, 2004, 9.) This method will allow Pelmeni Bar to form a brand identification, customer loyalty. Both can be reached through excellent customer service, positioning product differentiation and advertising on time. This particular barrier will stop possible entries by forcing them to overcome customer loyalty.

The next step in competition evaluation is to define the intensity of rivalry among

existing competitors. Since most of the competitors are positioning themselves as fine a-la-carte diners, they can, for example, change their pricing strategies in order to improve position or when feeling pressure from the others. (Porter, *Competitive Strategy*, 2004, 17.) Pelmeni Bar also contains elements of the Blue Ocean Strategy, which means stop trying to beat the competition by aiming totally different market share (Kim & Mauborgne, 2005, 6). But nevertheless, it is also always important to keep an eye on other competitors, because the rivalry between them directly affects each other and might influence the new business unit too.

Coming to the threat of pressure from substitute products, it is important to consider any other restaurant with different type of cuisine. For example, it might be chinese, japanese, ethnic, indian restaurants and so on. The level of pressure directly depends on the amount of profits of those restaurants and on trends influencing the product of the industry and their price performance. Therefore it is necessary to keep aware of what's going on in other restaurants around, but most likely those restaurants are already involved in the strong internal rivalry circle. (Porter, *Competitive Strategy*, 2004, 24.)

The threat of buyers pressure might be also a significant cause in business operations. When opening a new business, it is necessary to advertise and promote it correctly in order to attract customers before they can influence company's pricing strategy. If the affection is imminent, the company can face few switching costs. In author's opinion it is possible since the business is brand new and just developing its position on the market. In order to play with price, there can be special offers and campaigns arranged, as well as lunch discounts and dish of the day. (Porter, *Competitive Strategy*, 2004, 25.)

The last but not least threat to take into account is bargaining power of suppliers. According to Michael E. Porter's opinion, by threatening to raise prices or reduce the quality of purchased goods and services, suppliers can influence company's profitability. Moreover, this might cause inability to recover increased restaurant costs and return to the old pricing level. In this case, Pelmeni Bar takes a safe position since it is not a significant customer of the supplier group. There are much more restaurants

besides planned project that need support of suppliers. (Porter, Competitive Strategy, 2004, 28.) It is important to remember that eventhough the competitors might create a threat for a new business, they surely can strengthen company's competitive position in the industry. These competitors will serve different strategic purposes which will rise up Pelmeni Bar's sustainable competitive advantage and improve the structure of the restaurant industry. (Porter, Competitive Advantage, 1985, 311.) Meanwhile, the owner should keep an eye on competitors in order to prevent their entry to take over a new market share.

3.2 Blue Ocean Elements

When a new business enters a market, any businessman should always keep in mind that there are no permanently successful companies or industries existing. Therefore, it is necessary to learn how to adjust to the current market situation and maintain company's profits. In order to succeed, the owner needs to choose the right business strategy for a new project for its operating. (Osterwalder & Pigneur, 2010, 226-227.) For that purpose, the author took a decision to use elements of the Blue Ocean Strategy, which is not too popular on any market, but nonetheless exists. The author expects to avoid the high level of competition within the Red Oceans which is better for opening a new business. The author aims to build an uncontested market space through the Blue Ocean in order to grow customer's demand safely. By avoiding the major competition, it will be possible to win some time before the Blue Ocean will turn into the Red one. (Kim & Mauborgne, 2005, 18.)

It is vital to understand the core idea of the Blue Ocean Strategy itself. In order to create stable working business the restareuter should stop trying to beat up the actual competitors around. The author's aim is to put a new business into completely unknown market space. Then the business will start its growth without any sign of disturbance by other competitors. If the business owner will follow main principles of the Blue Ocean Strategy, he can count on project's success before the blue waters will turn into red. Historically, it turned out that all business strategies have been mainly invented and designed for competing in Red Oceans. Business owners had to find out

new ways of growing profits and reducing costs in order to survive. It is also important to remember that creation of Blue Oceans expands existing market's frames but on the other side gives the further development of the Red Oceans. (Kim & Mauborgne, 2005, 6.)

The Blue Ocean Strategy contains the most simple steps and by following them the author carried out a little research and a bit of market analysis. The new business should succeed in the most vital principle of the Blue Ocean Strategy – creation of a value innovation. This principle should embrace the whole strategy and activities of Pelmeni Bar's operation. According to Figure 2, by offering the unique product (authentic Russian dishes), customer's value will be created, which will further result in costs savings. All together these changes will result in a so-called Value Innovation.

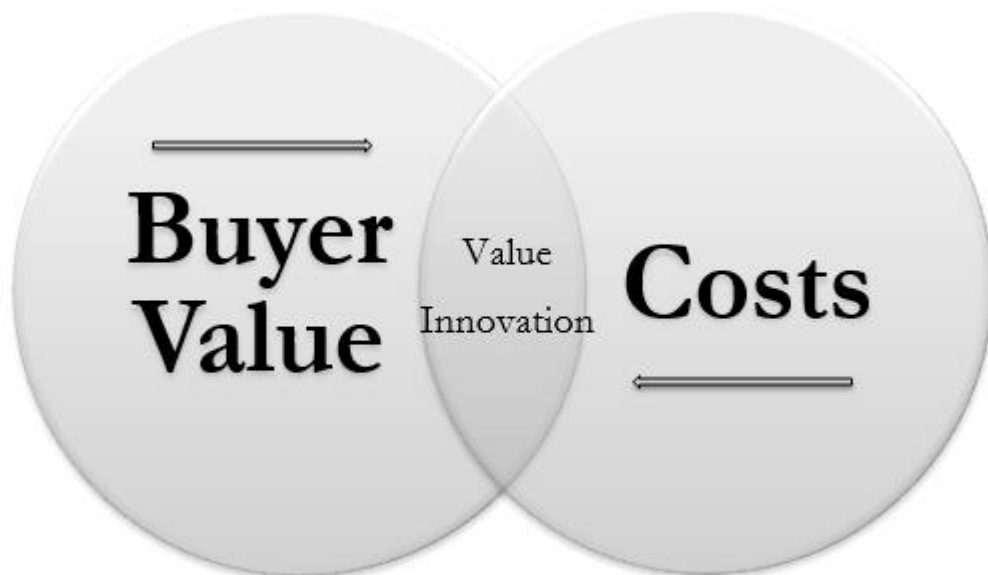


Figure 2. Creation of Value Innovation when using Blue Ocean Strategy (Kim & Mauborgne, 2005, 16)

This principle works only when both buyer's value and costs reduction are reached. In the Red Oceans, a customer primarily makes a decision based mostly on price factors, when in Blue Ocean it's balanced by creation of buyer's value. According to W. Chan Kim, Blue Ocean Strategy creates and captures new demand on the market and also breaks the value-cost trade-off (Kim & Mauborgne, 2005, 18). The author has decided

to look across time and try to consider external trends that might affect the new business over time. The future trends should be actively taken into account because they will directly make an impact and influence the key Blue Ocean Strategy's elements – the customer's value and company's business model (Kim & Mauborgne, 2005, 75).

3.3 Future Trends

While planning or creating any type of a new project such as new restaurant, it is always necessary to count in possible future changes and development. Nowadays, most of the industries are growing enormously including restaurant and hospitality sectors. Actually, it is crucial for any restaurant – existing or non-existing, to take into account that we live in the age of digital era and things are changing rapidly in any industry. (Brandau & Ruggless, 2013.)

There are quite many researches and investigations made to predict possible future trends on order to maintain the development level of companies, hotels, restaurants etc. It is hard to apply new changes to already existing companies, since it will change their daily routine, increase the costs, additional staff trainings will be needed and so on. It is difficult to predict future changes but it is possible to make new place flexible and adjustable in advance. (McKeever, 2012, 188.)

3.3.1 Advanced Kitchen Equipment

Designing advanced kitchen equipment, modern manufacturers allow restaurateurs to reduce kitchen's build-outs and increase space of establishment. It will also improve the level of ventilation and shorten time of food preparation. Nevertheless, the costs of such equipment will be rather higher but this will be a long-term and wise investment, especially for a new-opened venue. (Brandau & Ruggless, 2013.)

3.3.2 Combined Front and Back Lines of the Diner

Earlier, this restaurant trend could be mainly found in Asian diners, where the process of making sushi could be entertaining and exciting for awaiting guests. Nowadays, this

trend is spread more widely for a safety reason. Customers are becoming more and more alert and interested in the process of their orders preparation. Therefore, the entertainment part is rather secondary. The floor plan of Pelmeni Bar contains two kitchen spaces – one of them is the open-bar kitchen, where guests can watch their food being cooked. The second one is the closed space, where more complicated dishes will be cooked due to safety and hygiene reasons (Brandau & Ruggless, 2013).

3.3.3 A Place to Plug-in

In the age of smartphones, tablets and laptops, the demand of charging and plugging is growing rapidly. This emerging trend is uniting almost all customer segments and aging groups in order to spread, share and exchange information. Pelmeni Bar will also provide the Wi-Fi facilities, a bunch of sockets and USB-ports. (Brandau & Ruggless, 2013).

3.3.4 Digital Awareness

As it was already mentioned before, the Digital Era is still growing and developing worldwide and therefore, the new ways of paying and ordering have appeared. For example, according to opinion of Dennis Lombardi, the smartphone will become the wallet of 2020 (Lombardi, 2013). The same way menus are taking the electronic form and possibility of ordering on-line. As for Pelmeni Bar it will be also possible to make order and complete payment via restaurant's digital application. It aims to increase the speed of service and customers' satisfaction. (Brandau & Ruggless, 2013.)

3.3.5 A Taste of Home

This evolving trend is highly promoted nowadays. All over the world restaurateurs have noticed a coming back interest to a classic, national "home" cuisine. In order to add a little bit of modern view to traditional dishes, some of the restaurateurs try to "re-imagine" classics. For instance, the way of dish design and serving can be different from the original one (RTS, 2013). Particularly in Finland, this growing interest towards classics of various cuisines might be seen at the most popular culinary event –

Restaurant Day (Santala, Tuominen, Tuomola, & Vanamo, 2011). This event is now held worldwide in a quite big number of countries and its success grew enormously just within a couple of years. The key feature of the event is that it gives an opportunity to any person to open his own pop-up restaurant for one day. One of the reasons, why people have chosen to visit this event is to try home-made authentic food made by local people of different origins and nationalities. Same as this event, Pelmeni Bar might succeed since it serves the classics of original Russian cuisine.

3.3.6 Multi-functionality

This trend is intended to grow and develop since customer's expectations and demands for food are becoming more complex and exigent. The emerging idea for all restaurant owners nowadays is to combine few benefits of the place rather than a single reason to buy a product or service. For example, one of such reasons can become a well-balanced but at the same time delicious menu. Due to this trend, there is a new term appeared on the restaurant & food market – healthy junk food. It means that people are more concerned to keep on diet, but at the same time are interested in receiving a gourmet experience. (RTS, 2013.) Finnish people also tend to keep on healthy way of life, which resulted in high level health expectancy (The European Health Expectancy Monitoring Unit, 2010) and lower rate of mortality (Ainsworth, 2011). Pelmeni Bar will develop and obtain a well-balanced menu, with healthier versions of traditional Russian dishes and at the same time be gourmet convenient choice to its clients.

3.3.7 Small Business

As the author has mentioned before, the modern equipment will allow cutting the kitchen space and become more efficient in terms of food preparation. The market experts predict that this free space will be used more conveniently without cutting the seating area. (Brandau & Ruggless, 2013). Speaking of opening a new business in Finland, it is also important to remember the number of people living in the county, and in the capital region in particular. This factor will determine the size of a restaurant and in case of the further development – a number of chains. (Helsinki Region Statistics, 2012). It is also necessary to remember the tourist season, which according

to Economic and Planning Center of Helsinki is from May to September. This means that during these days the number of potential clients might increase. (Helsinki, 2009). For this tendency Pelmeni Bar will use an old solutions as many other bars and cafes in Helsinki area. It will open a summer terrace operating throughout the high season.

As an overall result of all described restaurant trends, the one and the most important idea of a diner should be the whole customer experience, and not just the food. The restaurant success will be able to grow without limitations dictated on the market by focusing staff attention on the customer and using a menu as a marketing tool, The food should be cooked carefully, which will make customers to return again and again. As once Patrick Dixon said: “It is all about creating a sense of expectation, theatre, occasion.” (Dixon, 2008.)

4 Economic and Financial Viability of the Project

The aim of the theoretical part of the following report is to forecast how much money will be needed to complete the desired restaurant project as accurate as possible. It is also necessary to calculate the approximate financial results of the project and to predict possible losses and difficulties. Possible profits and losses, sales revenue and other forecasts aid financial decisions-making during further business operations. (Cote, 2006, 249).

In other words, three most important questions to be answered in this chapter are:

- How big should the budget be for the project?
- How to wisely divide and spend the budget money?
- How to pay the loans back to banks and investors?

All the calculations are estimations, with an accuracy rate of minus or plus 10%. All the assumptions are financially realistic. They help to see the progress and development of the project's operation processes. (McKeever, 2012, 43).

4.1 Sales Revenue Forecast

In order to complete the profit and loss forecast first of all, it is necessary to project a sales revenue forecast. It shows possible future business profits. The sales revenue forecast consists of three vital parts:

- Sales Revenue. This is sales money, which business will make for a certain period of time such as week, month or year. In other words, this money is the income sales and gross sales of business (McKeever, 2012, 44.)
- Cost of Sales. These sales are variable costs of the restaurant project. They include all products and services that have been sold (Cote, 2006, 254.)
- Fixed Expenses. This is a set of certain expenses that must be paid on a regular basis every week, month or year. Usually, they do not vary each period and might include such things as insurance, rent, licenses costs, monthly check-ups etc. These

costs are fixed and are obligatory to pay whether the business is running well or not (Cote, 2006, 256.)

4.2 Profit and Loss Forecast

According to McKeever (McKeever, 2012, 129), profit and loss forecast is a foundation of any business plan. This forecast helps to determine how much you will sell and how much profit you will make. Profit and loss forecast will give the potential investors a point of view about whether a business project will succeed or not. Together with correctly calculated cash flow forecast, the profit and loss forecast shows how much money can be taken in and how much money can be spent in the future. In this case the cash flow forecast states that the money coming in will exceed the money going out by a healthy margin. (Fields, 2007, 47).

Overall, the profit and loss forecast is comprised of a range of things such as sales revenue, cost of sales and gross profit (%), fixed expenses, total fixed expenses and profit (or loss). Fixed expenses of Pelmeni Bar consists of the following: wages/salaries, payroll tax, lease/rent, marketing & advertising expenses, insurance, accounting/books, interest expense, depreciation, utilities, telephone/fax and supplies.

4.3 Capital Spending Plan

A Capital Spending Plan is a detailed, well-thought thorough plan of spending the money provided by investors for starting or expanding a business. This plan helps an owner to calculate the budget correctly and wisely make a list of things-to-do. Meanwhile this plan shows the investors and lenders how and what for their money will be spent. Therefore, they will take a number of decisions concerning the loans for the business, periods of payments, commission and few other things. (Fields, 2007, 41).

The Capital Spending Plan contains a list of items that an owner needs to buy before the business sales revenues are increased after the start of operating. The list may contain such things as equipment, fixtures, business licenses, opening inventory and many others (McKeever, 2012, 157.) All these things can be separated into two

categories: capital items and expense items. The first type of items are the ones, which last longer than a year and the second one are those, which last less than a year. Furthermore, capital items can be depreciated for tax purposes.

4.4 Cash Flow Forecast

Compare to Profit and Loss Forecast, where all calculations are estimated with plus and minus slight differences, a Cash Flow Forecast has to be developed more precisely. This forecast has a crucial meaning for any kind of business and an owner should know how to watch money coming in and going out of business. If the Cash Flow Forecast comes out to be positive, it means that the money coming in is exceeding the money going out. The main distinction of Cash Flow Forecast is that it shows the cash flow turnover in different time frames rather than Profit and Loss Forecast does.

The task of the owner is to learn how to maintain and keep that difference and pay the loans and bills on time without delays. The Cash Flow Forecast needs to be as accurate as possible and the amount of money to start or expand an existing business are comfortable to manage. The overall money amount will be divided into two categories – capital investment and initial working capital. The first one is meant to be spent before opening or expanding a business, since this is money an owner investing into it. The initial working capital is the money which is used to keep business working because it will take some time before it will show the annual profits. (McKeever, 2012, 159).

Usually during first few months the cash flow forecast shows the negative outcome. It is absolutely normal for a new opened business, but it is necessary to prepare enough money for initial working capital to keep business floating.

5 Evaluation of the Process

In the following chapter of the thesis work the author will discuss how the process of selecting the business model was completed. Also, another subchapters will present different stages of the business plan development. The final result of the project work can be found in the appendix part of the theory framework (See Appendix 1 – Business plan for “Pelmeni Bar”).

5.1 Business Model Shaping

In order to develop a concrete business strategy for the future business, it is vital to define what kind of business model will become a foundation for it. The author carried out the research for different types of the business models specifically for the restaurant industry. First of all, the author obtained the definition of the business model. According to Slywotzky A., a business model is defined as a process of how the company selects its customers, defines and differentiates its offerings, defines the tasks it will perform itself and those it will outsource, configures its resources, goes to market, creates utility for customers and captures profits. (Slywotzky, 1996).

Throughout the research process, the author has discovered different business models which already exist on the market in Helsinki. Among them are coffeeshops, plenty of fast food places, fine dining and casual chains. For the actual business plan, the author has reviewed the whole situation on the restaurant market in the city and then considered the business model for the future business. It came out that in terms of combination of cuisine, restaurant financial model and its type, the author decided to follow the casual dining business model. This particular business model is under represented in the segment of the Russian cuisine restaurants in Helsinki area.

Moreover, the author also added an open kitchen-bar space, which aims to boost the profit levels in this specific restaurant unit. The original idea of an open kitchen-bar space came from the similar experience of the sushi restaurants. There guests can expe-

rience the food process preparation in live mode. The author assumes, that this mixed business model would become an ideal match for the following business idea.

5.2 How I Built My Business Plan

This subchapter of the thesis work provides information about how the author has built up the actual business plan which can be found in the Appendix section. (See Appendix 1 – Business plan for “Pelmeni Bar”). All of the stages reflect the information the author gathered throughout the theory part development.

First of all, the author carried completed the competitor and market analysis. This is the most vital part of the business plan which gives the start for the business model generation. The outcomes of this stage are the selection of potential competitors and their review, Helsinki restaurant market review and the following of the current situation on market and finally, the comparison of competitors and developing business idea in terms of facilities and services. The last part of it helps to reveal the weak and strong sides of potential competitors and once again, supports the author’s ability to implement the gathered knowledge into the business strategy development.

The next stage of the business plan creation the author decides to select the groups of target customers. The author conceivably defined few potential groups of customers which were sorted into categories in terms of location, occupancy and activity. The author gives the detailed description to each potential target group in order to find out if the future restaurant will be able to satisfy their needs. Furthermore, the author also launched the survey and analyzed the gathered data to see if the real residents of Helsinki will be happy to visit the new restaurant unit. It turned out that the business idea represented in this thesis work seems to be quite attractive and might become a potentially successful business in the future.

The third stage of the business plan development is aiming to show different ways of attracting customers, in other words, the author describes various ways of business promotion, distribution channels implementation and other marketing. After the litera-

ture review on this topic, as a result, the author has selected a number of marketing tools in order to attract more clients and sustain their loyalty. For example, among them are: business page creation, usage of social networking promotions, bulletin boards, individual promotions and so on.

As the next step the author has chosen to present the actual product – restaurant and its image. The author thoroughly describes the floor plan of the premises, the inner space design, menu layout and some other important things. One of such things became logo and brand image of the restaurant. Results are shown in pictures in the actual business plan, the images of logo and symbols for the restaurant were developed. The floor plan is presented in a 3D model in order to show the completeness of the business idea. Menu is divided into few parts, the lunch menu is also included. There is also a menu pricing strategy presented in order to add additional information about the financial model of the project.

After the menu selection and floor planning, the author decided to estimate business operations and processes. In order to shape the operating concept, the author uses Birchfield's 5M model (Birchfield, 2008, 8.) This model includes such vital aspects as money, menu, market, management, method of execution. This model aims to help the author to line up the set results and to pool them finalizing the business model.

The last and the most important step of the business plan are the financial plans for the project. The author has to estimate the possible financial outcomes of the business development. This step includes such forecasts as sales revenue forecast, profit and loss forecast, capital spending plan and cash flow forecast. All the results show just the estimation, but the author tried to reach as accurate results as possible. These four forecasts should present what kind of sale roll the author expects from the business, how stable or unstable its profits and losses and how much money will be coming and going out of the business. Moreover, the author also estimates the start up capital, how big it will be and what it will include. These financial lists should be strongly convenient for the potential investors and future implementation.

6 Conclusion

Some businessmen say that it is almost impossible to guess and predict customers' preferences and values. Therefore, it reduces the possibilities to create a successful product or service to the zero point. It is hard to satisfy a customer almost in every market with such high speed of modern development. Also, multiple external factors such as global economics and politics might bring significant amount of influence to any industry including restaurants and hospitality. But many entrepreneurs do not give up and continue trying to enter markets with new projects and start-ups. The current project is one of these continuing attempts to figure out what does the modern client need and if the project can be viable in current restaurant industry in Helsinki area.

The author tried to express the idea of the following project as clear as possible and provided a detailed business plan as its plot. Carrying analytical and practical research throughout the project, the author has reached the core aim of the whole development process – the product seems to be enough competitive and unique to take its own little market share in Finnish restaurant industry. Moreover, the author has completed necessary analysis to rate possible competition of the market and also represented the project in terms of Blue Ocean Strategy. (Kim & Mauborgne, 2005, 7).

The theory part has provided a foundation for the practical part. The author has conducted the number of research processes, literature review and some other preparations. The process of building the theory part helped the author to understand better the way of restaurant business functioning. After gathering all puzzle pieces for the theory part, the author was able to implement this knowledge into practical part development.

As a part of the learning process the most challenging was to collect survey data from potential customers in order to verify that the project will create additional value on current restaurant market. All of the survey participants have had different original, social and age backgrounds, which increased the number of target groups. If collected data showed that participated people would not be interested in opening another city

food point, the whole idea of the project would fail. Fortunately, it didn't happen and the final results of survey have showed positive perception of idea from the customer's point of view.

Finally, after getting approval from future clients, the author could finish the project and do such secondary things as marketing and advertising campaign development, brand image and concept development, floor plan and menu design. The author has also minded possible future trends and market changes and tried to adjust the whole concept as much as possible and make it flexible to changing conditions. For the further development, the author considers to use the actual business plan in real life and support it as a tool for seeking of potential investors. The author is now familiar with the whole building process of the business plan and also plans to use gathered knowledge for other future business projects. As recommendation for other start-uppers, the author suggest to conduct the relevant information research and literature review in order to prepare a good plot for the further business plan development.

During the whole process of the project development the author was pursuing such core aims as creation of customer value and establishment of customer loyalty. As an overall conclusion, the author's opinion is that the current project is presumably viable and can fit Helsinki restaurant industry in present market condition.

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Business plan for “Pelmeni Bar”

Kira Yukhanova

February 2014

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1 Introduction

This part of the thesis project is a business plan itself. It is the reflection and clear approval of the information the author has collected and analysed throughout the theoretical part. The following business plan is divided into few part supporting the idea the author has described in the Introduction chapter of the theoretical background. The business itself represents a Russian cuisine casual restaurant located in a downtown area of Helsinki.

The author decided to introduce the actual business plan with competitor and market analysis, then the target customers search. Afterwards, the necessary financial figures were obtained in order to approve that the project might take a place in a real life conditions. Furthermore, the author presented a well-thorough marketing campaign, operations and business running process. Finally, the author has selected the business structure and location of business.

The project is being run under the name of Pelmeni Bar, which combines a name of the main dish of the diner and a type of restaurant itself. (e.g. casual gastronomic bar) All information represented below belongs to the author of this thesis work and can be used only with the author's preliminary agreement.

2 Competitor and Market Analysis

In this part of the thesis work the author will describe all practical points for proving the feasibility of the project. There are few sections which will get a detailed description such as competitor and market analysis, target groups, launch of a survey, data and statistics collection and analysis and many others.

2.1 Selection of Competitors

There are five operating restaurants with Russian cuisine in the area of Helsinki. There are restaurants Saslik (ASrestaurants), Bellevue (Bellevue), Troikka (Troikka), Kasakka (Kasakka) and Blinit (Blinit). All of them operate throughout the whole year. All of the restaurants have their own website, except for the last one – Blinit. Since it is rather a fast food/café type, they frame restaurant visibility via a Facebook page. On one hand, they have a direct contact and access to customers and potential clients and also free advertisement with all necessary information in it. In terms of the project's concept, all of the places mentioned above can be partly regarded as competitors. Compare to fine dining places, the author's project will be more limited by the number and variety of dishes, but winning by the pricing strategy. Blinit café will score more with the low-price menu, but loose with location and the fast food concept. The author's project has the most powerful advantage above all. It is the very central location and unique atmosphere of the modern Russian cuisine.

Nevertheless, it is also necessary to remember about indirect competitors. Choosing the central location, it is important to consider all neighborhood restaurants and favorite places of city residents. The project's advantage is that it is the only place with the Russian cuisine in its surroundings since it is located in Kamppi area. It is easy to access, since it is 1 min away from the closest metro station and the bus station and only 5 min away from the main Railway station. In the following part of the thesis work, all five existing places with the Russian cuisine will be compared to the current project in terms of location, pricing, visibility, image and the others. There will be also provided statistics on the current situation at the restaurant market in Helsinki.

2.2 Helsinki Restaurant Market Review

According to Statistical Yearbook of Helsinki, there were 1265 restaurants with A, B and C licenses registered in 2012 (Lankinen, 2011). This number was growing rapidly throughout a year. At the moment there are 1562 restaurants enrolled into the biggest restaurant forum of Helsinki – Eat.fi (Aspiala, 2008). The restaurant sector is growing intensively together with the city’s economic, flow of incoming people, tourists, immigrants and the others. It means that the continuously going globalization results in higher demand of food places. (See Figure 3)

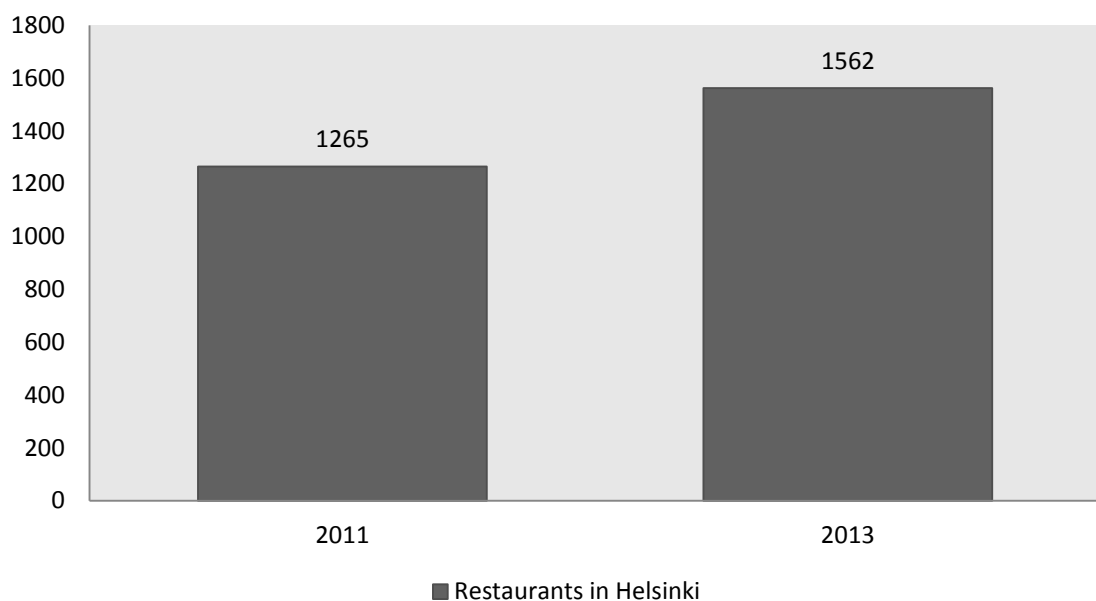


Figure 3. The Amount of Restaurants in Helsinki in Years 2011 and 2013 (Lankinen, 2011, (Aspiala, 2008))

The author decided to sort all restaurants by cuisine and type of the restaurant. The following diagrams show that the first place was taken by the number of European cuisine, since our location is in the Northern European region. (See Figure 4) The second place is taken by the Asian restaurants. It might be caused by the great number of foreign immigrants who chose to share their culture through the original cuisine. This wide list includes such cuisines as Thai, Chinese, Japanese, Nepalese, Indian, Korean etc. The last place was taken by all other types of cuisines, for example, Greek, Turk-

ish, Lappish, Tex-Mex and the others. Among all, there are five Russian restaurants, which is a very little number, compare to, for example, the number of Chinese or Turkish restaurants in Helsinki.

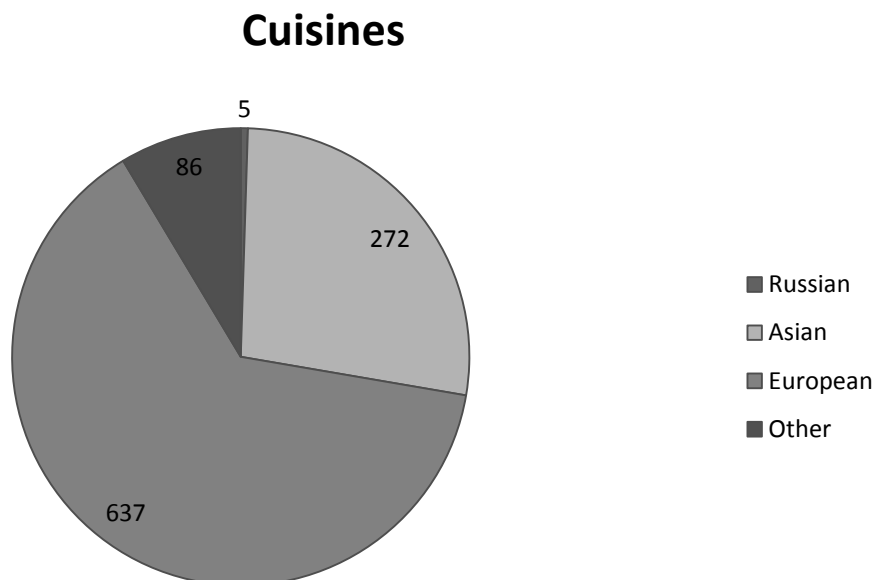


Figure 4. Types of Cuisines in Helsinki Restaurants

By taking a closer look at types of cuisines, the first place is shared by the fast food and cafes types. It means that most of the population of Helsinki prefers more casual dining, rather than fine dining, which took the last place on the list. It is interesting to notice that the second place was taken by people, who prefer to visit bars or pubs which also provide a food option. (See Figure 5)

One of the author's goals is by adding a new Russian cuisine restaurant, is to enhance and support such type of restaurant as casual. This type of restaurants is represented by quite many units in Helsinki area, but most likely, people usually mistake them for cafés (e.g. snack bars) or fine dining places. This is one of the reasons, why this category of restaurants is not presented in the pie figure below.

Type of Restaurant

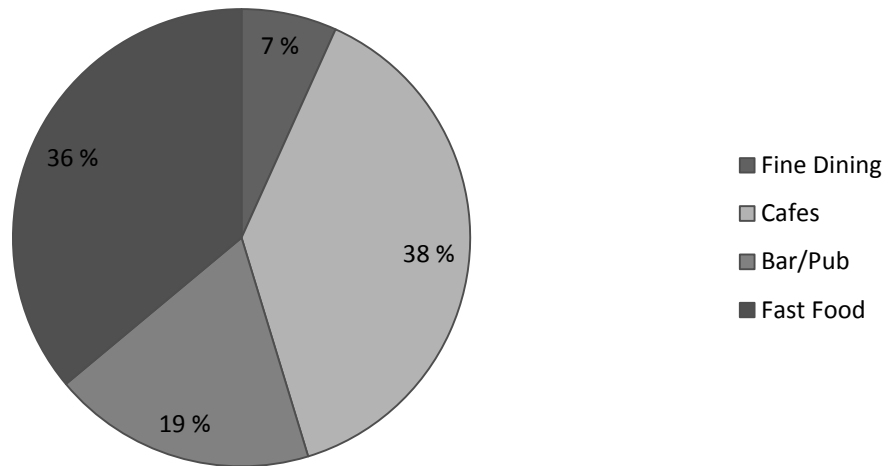


Figure 5. Types of Restaurants on Helsinki Restaurant Market

Since we have had an overall look at all kinds of restaurants in Helsinki, it is time for the detailed comparison of Russian dining places. 80% out of 100% of Russian restaurants belong to the fine dining type, when the rest 20% is a fast food /café type. In the following part the author will compare restaurants in terms of facilities, services and other aspects.

2.3 Facilities and Services

In order to compare facilities and services of the restaurants, it is wise to start with their visibility. All five restaurants have a website page. 4 out of 5 restaurants have a proper website, when restaurant Blinit is limited only by Facebook page. (Blinit) It means that it will be hard to access any restaurant information unless you are a Facebook user. Concerning language facilities, only 3 (Troikka, Saslik and Bellevue) out of 5 restaurants have menus and information at least in two languages – Finnish and Englssish. Restaurants Kasakka and Blinit have their web pages in Finnish only. It is good to notice that restaurant Bellevue and Saslik have information also in Russian and Swedish languages. This evaluation was conducted throughout reviews of the restaurants' webpages. In the author's point of view, by opening a Russian restaurant in a

Helsinki area it is possible to attract not only foreign tourists and local Finnish guests, but also local Russian and Slavic population.

The next facilities the author will compare are location of the restaurants. As you can see from the Figure 6, most of the restaurants are located outside or on the edge of the central area of the city. With the red dots the author has shown the possible location of a new business – far away from the direct competitors.

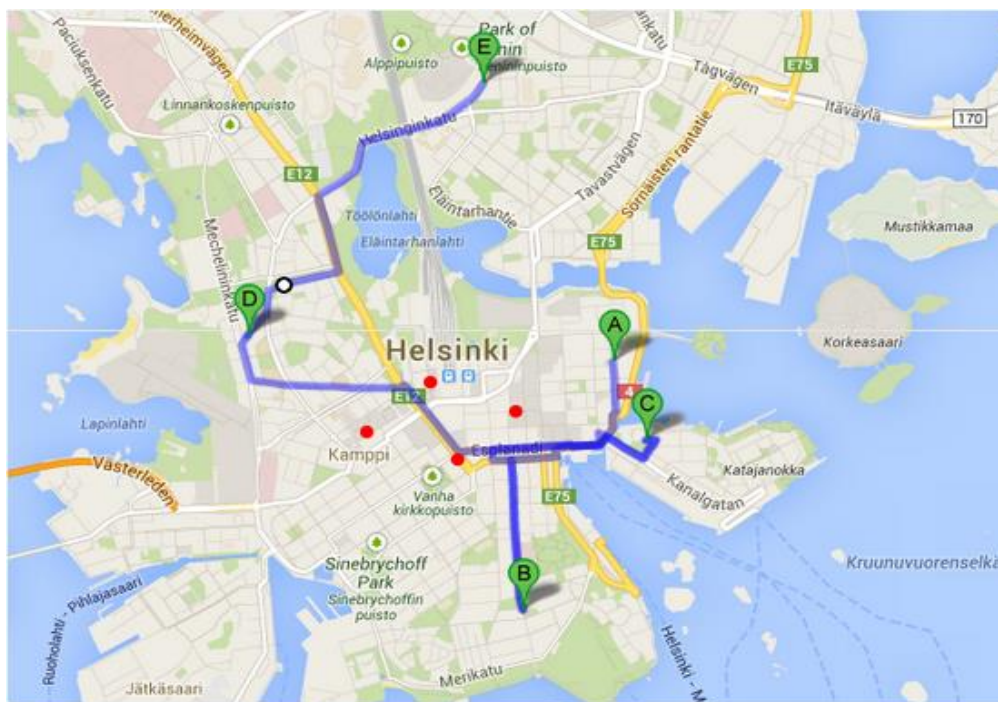


Figure 6. Location of Potential Competitor Restaurants in Helsinki Area

A location for the new project the author has been choosing carefully. Located in the heart of the city, Pelmeni Bar will be attractive as a place for a casual dining and also as a night life bar. Or may be a person, who is waiting for a train or a bus will seek for a nice and comfortable lunch place and find out about Pelmeni Bar. At the final stage of the market research the author will compare all five restaurants and the new project in the matters of overall services and facilities. (See Figure 7)

Restaurant name/ Service & Facility	Saslik	Troikka	Bellevue	Kasakka	Blinit	Pelmeni Bar
Restaurant Type	Fine Dining	Fine Dining	Fine Dining	Fine Dining	Fast Food	Bar / Pub
Web Page	Yes	Yes	Yes	Yes	Facebook	Yes
Language facilities (web)	Finnish English English	Finnish English	Finnish English Russian	Finnish	Finnish	Finnish English Russian
Opening hours	Mon - Sat 12.00 – 23.00	Tue - Fri 17.00 – 22.30 Saturday 14.00 - 22.30	Tue - Fri 11.00 – 24.00 Saturday 17.00-24.00	Tue - Fri 17.00 – 24.00 Saturday 15.00 – 24.00	Sun - Fri 11.00 – 21.00 Saturday 11.00 – 22.00	Sun - Thu 11.00 – 23.00 Fri - Sat 11.00 – 02.00
Lunch service	No	No	Yes	No	Yes	Yes
Location (from Central Railway Station)	2,5 km	1,8 km	2,2 km	1,3 km	3,0 km	< 600 m

Figure 7. Facilities and Services of Potential Competitor Restaurants

As you can see from the table above, the new project has some competitive advantages against the other restaurants. Although, it is not the only Russian restaurant in Helsinki, it is the first open kitchen bar-concept restaurant providing Russian cuisine. Central location of the new project gives an easy access to bus, railway and metro services within a short distance. It also gives a place a big advantage in winter time compare to other restaurants. When all five Russian restaurants have a very simple or no concept at all, Pelmeni Bar will blend Russian kitchen with a hint of entertainment and an open

kitchen bar area. This will create a unique atmosphere and additional value for those, who seek something special throughout Helsinki restaurant experience. It is a perfect opportunity to try Russian dishes for reasonable prices and watch their creation in a live time mode.

3 Target Customers

In this part of the thesis work, the author will present the potential target groups of customers for a new project. The process of selecting the target audience of the restaurant will clearly help for the further promotion campaigns development (Foundation, 2007, 111.) The author will describe each group separately and explain, why in his opinion it was added to the target list. The table below is the final list of target groups. (See Figure 8)

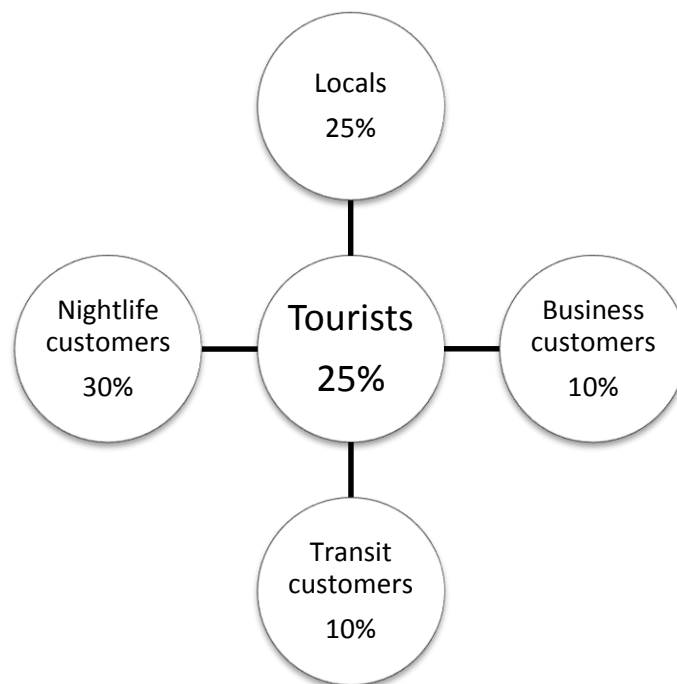


Figure 8. Potential Target Groups of Pelmeni Bar

3.1 Tourists, Transit Customers and Shoppers

When tourists come to Helsinki, it gives them a great opportunity to visit neighbor countries, such as Sweden and Estonia. When these two have developed strong cooperation with the capital of Finland, Russia also decided to be involved. The most difficult part to pay a visit to Russia are the visa requirements. At the moment St. Peter's Line Company has introduced visa-free cruises to St. Petersburg. But what if a tourist is limited by time and really desires to experience a taste of real Russia? Pelmeni Bar

can provide this service, with an excellent location in the very city center and also with an opportunity of live kitchen show.

Transit customers and shoppers are people, who located around the transport stations areas. The new project is surrounded by bus, metro and railway stations and also the shopping centers. It might become a transit stop for those who are waiting for their bus or train or just want to take a little break between intensive shopping walks.

3.2 Locals, Business Customers and Nightlife Clients

If you check the list of various restaurants in Helsinki, you might be surprised how many cuisine options it can provide. It means that local population is also interested in discovering different cuisines besides traditional one. Pelmeni Bar can also become a nostalgic island for those who left Russia and moved to Helsinki on a constant basis. This list might include not only ex-Russian citizens, but also Ukrainians and Belarusians.

Pelmeni Bar will always start its working day providing a lunch option besides a regular menu. Since the bar will be surrounded with office buildings, shopping malls and transport stations, it might become a cozy and comfortable spot for spending nice lunch time. On the weekends it can become a perfect “after party” place for having a relaxing brunch.

The last aimed group of customers is the nightlife seekers. These people are looking for a pre-party place before the further going out or for a nice relaxing bar atmosphere with affordable prices and tasty food. As it was already mentioned, the new project could become also a very popular brunch place for tireless party lovers.

3.3 Survey Launch and Data Analysis

To make sure that potential customers will support the idea of a new restaurant in Helsinki area, the question survey was created. (See Attachment to business plan 1) It contained 12 questions. The first group of questions was aiming to collect personal data of

respondents such as age, gender, nationality, occupation and living period in the capital area of Finland. The other group of questions determined the overall attitude of respondents to the restaurant industry in Helsinki and particularly to customers' budget, frequency of restaurant visits and interest to new restaurant openings. Final few questions created an image of potential customers' awareness of Russian cuisine and Russian restaurants in Helsinki area. There were five age groups participating in survey, multiple nationalities, local residents and tourists. The total amount of respondents was 100 persons which will provide a good ground for results analysis.

At the age section there were five groups participating such as under 18, from 18 to 25, from 25 to 35, from 35 to 50 and over 50. The most of respondents were people of age from 18 to 35. The few others were the oldest age categories. Coming to nationality question, the total number of nationalities participating is 23. The 50% of respondents were representing Finland. In terms of occupation most of respondents were working or studying or both. Most of the respondents have been living in Helsinki for a few years and therefore possess quite a good knowledge of local restaurants.

Respondents' budget showed the results of 10 to 20 (50%) and 20 to 30 (39%) euros spending per visit when the number of visits varied from once or twice a month (45%) to once or twice a week (23%). Since the following survey was held in European region the most of respondents were representatives of European nationalities. It means that in the question of type of cuisine the leading answer was European type. On the other hand quite many participants (25% and 7%) prefer Asian and other types of cuisines. However, the big number of participants prefers to visit restaurants once or twice a week, most of them choose to visit cafés (36%) or fine diners (31%). This means the higher amount of money spending per visit. Also, it is interesting to notify that significant number of people takes drinking & eating strategy going to bars and pubs that serve food (27%).

Coming to the final part of survey participants answered questions about Russian cuisine and Russian restaurants in Helsinki area. More than 60% of total number of respondents has never been to Russian restaurant though they have been living for a

while in a capital area. 14% of people have never heard of any Russian restaurant in Helsinki area. This result might be caused by existing restaurants' location in suburbs of the downtown area. Only 1/4 of total respondents has been to a Russian restaurant. One of the most important questions of survey was if respondents wanted to taste new cuisine and develop their experience for affordable price. Though not so many people were acquainted with Russian cuisine in Helsinki area, 80% of respondents were eager to try Russian food in a new restaurant. The last question of survey was aimed to check participants' knowledge about six popular traditional Russian dishes. Among them were soups, salads, pastry and some other. In author's opinion this particular question can help in the future menu development. The leaders of the list became Blini or Russian pancakes – 91% and Pelmeni – 61%. Most of the other dishes also have shown quite high results – about 50% each.

4 Distribution Channels and Other Marketing

After the process of picking up the right target customers and reviewing their budget abilities and interest to the project, it is the time of reaching them. There are multiple ways of product delivery to the customer. It is the way to communicate with the customers staying close to them and increase the profitability of the business. By using different methods of distributing the product you will be able to reach multiple target groups of customers. It may vary by, for example, aging, occupation, budget etc.

(Foundation, 2007, 9).

Since advertisement costs might come up to a very high levels, it is important to watch the budget and even better, to create a Marketing Budget. First of all, you need to state the goals for your marketing campaign. For the following project they are:

- Preopening promotion budget
- Monthly on-going advertisement

After all it is fair to calculate if the chosen methods are cost-effective or not and which measures need to be taken. You have always to remember that there are also low-cost but not less efficient ways of reaching the customers such as word of mouth and social networking. (Foundation, 2007, 34) At the digital age, these two ways might be the most effective and rewarding ones. They help to rise up awareness of the business and therefore to increase business' profit. (Jorgensen, 2003, 11).

The following project's target groups are sorted into the two main categories and three subgroups. Two main groups are dividing potential customers by their origin – local or tourist. Three other subgroups are defining potential customers by their current activity such as work, leisure and transfer. The following ways of reaching potential target customers should attract their attention and wake their buying behavior.

4.1 Creation of Business Web Page.

In the age of fast developing technologies and digital progression, there are many tools available for distributing new and existing products directly to the potential clients.

These tools are also low-cost but high-effective. Creation of business Web page is one of them. It will get the client the full access to company's information, activity and events. (Foundation, 2007, 34). The creation of Web page will make the company more visible and attract more potential customers since they will know in advance what to expect from the restaurant visit. This will make them feel more comfortable in terms of menu knowledge, working hours and pricing. The Web page can become also a great source of advertisement; it will be possible to publish different campaigns, promotions and events there. (Jorgensen, 2003, 101).

4.2 Creation of Facebook/Trip Advisor Page

Social networking is very popular for the last few years. Quite many people of different ages are using them daily to communicate with each other and also learn information of companies, restaurants, places etc. without accessing their individual web pages. Social Networks give the opportunity of free-of-charge connection to clients and potential clients and represent a net word-of-mouth effect. The advantage of using Social Networking is that it allows access not only to potential target groups of customers but to anyone else. There are quite many travel sites nowadays which let people to search necessary information and plan an ideal trip anywhere. This travel sites, for example, TripAdvisor provide all vital details, opinions and reviews about hotels, restaurant and tourist attractions all over the world. It is a good chance for a hotel or restaurant owner to receive feedback from their customers, which can give an additional promotion to a place. Also, it is possible to contact and reply to reviews of customers which will positively influence the reputation of the place. (Kaufer, 2000).

4.3 Placing Leaflets

It is possible to place advertising leaflets at Offices, Railway Stations and Information Bureaus, Hotels. The target customers of Pelmeni Bar are tourists, working locals, travelling people and so on, it would be wise to place brochures and leaflets at their possible locations. These locations can be hotels and informational points for tourists, business centers and office buildings for local working customers, railway station's info

desks and ticket offices or waiting areas etc. It will provide information about the restaurant and may also contain some kind of discount or promotion offer.

4.4 Advertisements in Print Media

This advertisement is placed in Local Newspapers, Magazines. Since printed advertisements and placing them in local newspapers and magazines is more expensive than just the word of mouth and social networking, it is important to fill them with a right content. Try to avoid cliché-filled marketing copy because it will not definitely attract any customers. It is important to describe the selling product differently than other restaurant owners. You have to show that your product is unique in all ways. One of the ways to sell the product successfully is to follow the AIDA principle when creating sales materials. This principle consists of four simple steps you need to follow:

- attention (to attract attention of potential customers by unusual headline or powerful introduction);
- interest (to create an interest for potential customers by stating your unique selling position or strategy);
- desire (to develop desire to come to the restaurant by specials description, pictures etc.);
- action (to push potential customer to complete the action of visiting property). (Jorgensen, 2003, 109).

4.5 Advertisement on TV/Radio

At this part of promotion it is good to follow the KISS principle. It means: “Keep it simple, stupid”. In other words, people usually watch TV and listen to the radio to spend their spare time, relax, to learn something new, to hear news. The advertisement should not be long and tiring, but brief and informative, which will also shorten ad’s costs. Information content should be built the way that it will attract potential customers’ attention. (Jorgensen, 2003, 92).

4.6 Bulletin Boards

There are always a couple of bulletin boards in each grocery store or even gas station kiosk in Finland. Even nowadays it is still popular to place ads, advertisements, lost/found information there. Local people, especially families, frequently read through these boards and place ads themselves. It keeps information exchange stable within local community and attracts additional category of people who do not have, for example, Internet access.

4.7 Email Collection after Official Opening

After the official restaurant opening and its work, all individual customers will get an opportunity to prolong their experience by further communication via e-mail. According to Amy S. Jorgensen (Jorgensen, 2003, 108) communication via e-mail may save time and costs of regular postage. It also lets the customers to feel more special by getting promotions and limited offers privately.

4.8 In-restaurant Promotions

When customers have already made decision to visit a restaurant it is still possible to increase the profit of their stay by additional promotions inside the property. It can be dessert offers or new product promotions or a restaurant specialty. The ad should be visible and understandable to the customer but not annoying. The restaurant staff can also promote on-side when taking orders or getting the bill to the customer. (Jorgensen, 2003, 10).

5 Product and Space

This subchapter describes the actual product of Pelmeni Bar and how it will be served. Another part of the subchapter describes specially designed space of the restaurant. First of all, the author will form an actual menu list in order to verify the restaurant's idea and Russian cuisine performance. Secondly, the author will provide a detailed floor plan of Pelmeni Bar space to make sure that the bar-concept will fit into the restaurant area.

5.1 Menu

The author of the project is concerned that the Russian cuisine will be highly appreciated, first of all, by local population of Helsinki area residents. It caused by blending food habits and traditions of both Russians and Scandinavians. Historically, the food of northern communities was simple and hearty and food habits were influenced by climate conditions. According to Pamela Kittler (Kittler, Sucher, & Nahikian-Nelms, 2011, 171), dishes were dictated by what could be grown in the cold, often damp climate. Both Russians and Scandinavians tried to preserve certain amounts of food by drying, pickling and fermenting it. Also, the seafood and fish were dominating in meals of Scandinavians and Russian population, living in the coastal area of the country. All these prerequisites made the direct impact on modern food customs of both nations.

In Russian czarist times, people with a high-leveled welfare ate four complete meals per day. The majority of the population had a different diet and never ate as often. The meal habits of the last ones took a place as a basis for a present-day Russian diet. Commonly used dishes are meant to fulfill a person and give enough energy until the next ingestion. Though quite many traditional Russian habits were washed off through Soviet Union times, one part of the traditional czarist evening meals, zakuski (meaning "small bites"), is still a part of the dinner in Russia today. (Kittler, Sucher, & Nahikian-Nelms, 2011, 175). This is a wide range of appetizers which is very popular in a modern Russian cuisine.

The menu of Pelmeni Bar will express the blend of traditional food habits in a modern interpretation. In order to adjust it to the modern Finnish healthy lifestyle habits, it is planned to order all ingredients and products from the local suppliers.

(FennopromoLTD, 2012). The author plans to develop loyalty and trust of the customers throughout cooperation with the local community. The food menu will contain three classic sections, such as appetizers, main course and desserts. It will be easier to select items for the whole order when in some restaurants, for example, there is a separate menu for the last meal course. This might become a clear misstep since the customer won't be even able to preserve some part of his choice for dessert. (Marvin, 1992, 62) Those who order such menu items as pelmeni and blinis will be offered to take a seat at the open kitchen bar area. The beverage menu will contain alcoholic and non-alcohol drinks for any taste. In addition to a-la-carte menu, a typical lunch menu will be provided. It will operate between 11 a.m. and 15 p.m. aiming to attract local office workers. The menu will also contain low-lactose and gluten-free dish options. The further menu description can be found below with a price list along.

As John R. Walker said: "The menu and menu planning are front and center in the restaurant business. Guests come to restaurants for a pleasurable dining experience, and the menu is the most important ingredient in this experience." (Walker, 2011, 53). As it's commonly known, the menu design and layout have been also called the silent salespersons of the restaurant. The Pelmeni Bar menu will be neat, easy to read and not too extensive. The lunch menu will be designed separately and given out only during the lunch hours. To avoid discomfitures of using different menus, the author has decided to combine food and beverage menus into one. The menu layout will reflect concept, atmosphere and of course the cuisine of the restaurant. (Mill, 2001, 126).

The pricing of the menu will be cost-oriented or, in other words, based on the food costs. This pricing strategy is one of the most commonly used approaches in the industry. (Mill, 2001, 68). Restaurant menu items are meant to supplement its image and also to address the target market. To get the final cost of a dish, it is necessary to add certain percentage to the basic food cost in order to maintain profitability level of

the restaurant. (Walker, 2011, 55). All the margins for Pelmeni Bar menu items are quite good and the average price of the products is more than casual. The author expects the high level of turnover which will result in high level profits. (See Figure 9)

<u>Menu</u>	<u>Portion/Cup</u>	<u>Purchase</u>	<u>Selling Price</u>	<u>Margin</u>
<i>Zakuski/Starters</i>				
Pickled Herring	portion	0,70 €	3,90 €	82,1 %
Pickled Mushrooms	portion	0,50 €	2,90 €	82,8 %
Pickled Veggies&Herbs	portion	0,50 €	2,90 €	82,8 %
Salo w. rye and garlic crackers	portion	1,70 €	6,90 €	75,4 %
Pirozhki Basket	5 pieces	1,50 €	5,90 €	74,6 %
Eggs stuffed w. Red caviar	portion	3,50 €	13,50 €	74,1 %
<i>Main Courses</i>				
Borsch Soup	portion	3,00 €	6,50 €	53,8 %
Shchi Soup	portion	2,70 €	6,50 €	58,5 %
Solyanka Soup	portion	3,50 €	9,90 €	64,6 %
Russian Chicken Vermicelli	portion	2,70 €	5,50 €	50,9 %
White Mushroom Soup	portion	3,50 €	5,50 €	36,4 %
Russian Salad	portion	4,00 €	10,50 €	61,9 %
Vinigret	portion	3,50 €	8,50 €	58,8 %
Veggies & Smetana	portion	2,00 €	5,50 €	63,6 %
Kotlety w. mashed potatoes	portion	3,50 €	11,50 €	69,6 %
Beef Stroganoff	portion	3,50 €	13,50 €	74,1 %
Meat Zharekha	portion	3,00 €	10,50 €	71,4 %
Zharkoe a-la-Russe	portion	5,00 €	16,50 €	69,7 %
Golubtsy	portion	2,70 €	11,50 €	76,5 %
<i>Garnish</i>				
Fried Potatoes	portion	0,20 €	0,80 €	75,0 %
Boiled Potatoes	portion	0,20 €	0,80 €	75,0 %

Mashed Potatoes	portion	0,20 €	0,80 €	75,0 %
Rice & Veggies	portion	0,50 €	0,80 €	37,5 %
Stewed Cabbage	portion	0,50 €	0,80 €	37,5 %
Boiled Buckwheat	portion	1,50 €	3,50 €	57,1 %
 <i>Dessert</i>				
Oladushki	portion	1,50 €	5,50 €	72,7 %
Syrniki	portion	2,00 €	6,90 €	71,0 %
Pirozhki	portion	1,70 €	5,90 €	71,2 %
Syrkovaya Massa	portion	2,00 €	4,90 €	59,2 %
 <i>Open Kitchen Bar</i>				
Blini	2 pieces	1,50 €	5,50 €	72,7 %
Pelmeni	10 pieces	3,00 €	7,50 €	60,0 %
Vareniki	10 pieces	3,00 €	7,50 €	60,0 %
 <i>Lunch</i>				
Option 1	combo	6,00 €	9,90 €	39,4 %
Option 2	combo	6,50 €	12,90 €	49,6 %
Option 3	combo	6,50 €	12,90 €	49,6 %
 <i>AlcoBeverages(incl. VAT)</i>				
Vodka	shot	1,00 €	3,00 €	66,7 %
Moonshine	shot	1,00 €	3,50 €	71,4 %
Beer	glass (0,5l)	2,00 €	5,90 €	66,1 %
Wine	glass(16cl)/bottl	3,70€/17,00	7,90/29,90€	53,2%/43
	e	€		%
Russian Champagne	glass(16cl)/bottl	0,60€/3,50€	4,00/16,90€	85%/79%
	e			
Tequila	shot	1,00 €	5,00 €	80,0 %
Cognac	portion (2cl)	1,50 €	7,00 €	78,6 %
Whiskey	portion (2cl)	1,50 €	7,00 €	78,6 %
 <i>Non-alcoBeverages</i>				
Coffee	cup	0,50 €	1,80 €	72,2 %
Tea	cup/pot	0,15/0,45€	3,00€/9,90€	95%/95%

Kvas	glass/pot	0,7/1,50€	3,50€/10,90	80%/86%
			€	
Kefir	glass	0,50 €	3,00 €	83,3 %
Lemonade	glass	0,40 €	2,50 €	84,0 %
Juice	glass/pot	0,20/1,20€	3,50€/10,00	94%/88%
			€	
Water	pot	0 €	0 €	
Average price			6,30 €	
Average margin				66,5 %

Figure 9. Detailed Pelmeni Bar Menu with Purchase and Selling Prices and Margins Included

5.2 Floor Plan

Pelmeni Bar's floor plan contains the dining hall, kitchen area, storage/staff room, two toilets spaces and a back office room. The space size varies on each room's purpose. All the size dimensions of the facility are shown on the floor plan below. There is an open kitchen bar area in the middle of the dining hall. It is the main concept idea of Pelmeni bar and therefore it takes the central part of the facility area.

The core aim of the following design of the project is to enhance and maintain the good level of restaurant operations. There is enough space between tables and wide walking aisles, so the wait staff will feel comfortable and customers would not feel embarrassed. According to John R. Walker, an overall objective of layout planning is to minimize the number of steps the wait staff and kitchen personnel must take. (Walker, 2011, 147). Due to high utilities costs, such as water, gas and electricity, it is hard to preserve a high level quality service, outstanding design and overall comfort. Therefore, the equipment of Pelmeni Bar will be high innovative, with high-speed ovens and environment-saving fridges etc.

The open kitchen bar is aiming to create unique and interactive atmosphere. It is essential to order special kitchen equipment for that zone and take care of ventilation paths in order to take the cooking smells out and keep necessary sanitary level. For this part of the kitchen, John R. Walker advises to use shiny stainless-steel counters and utensils. (Walker, 2011, 151). That will, in his opinion, attract more customers who want to see a cooking show alive. The optimal amount of seats for Pelmeni Bar was calculated based on the space size and the desired amount of turnover. The total amount of seats in the dining area is 80 and at the open kitchen bar 14. (See Figure 10)

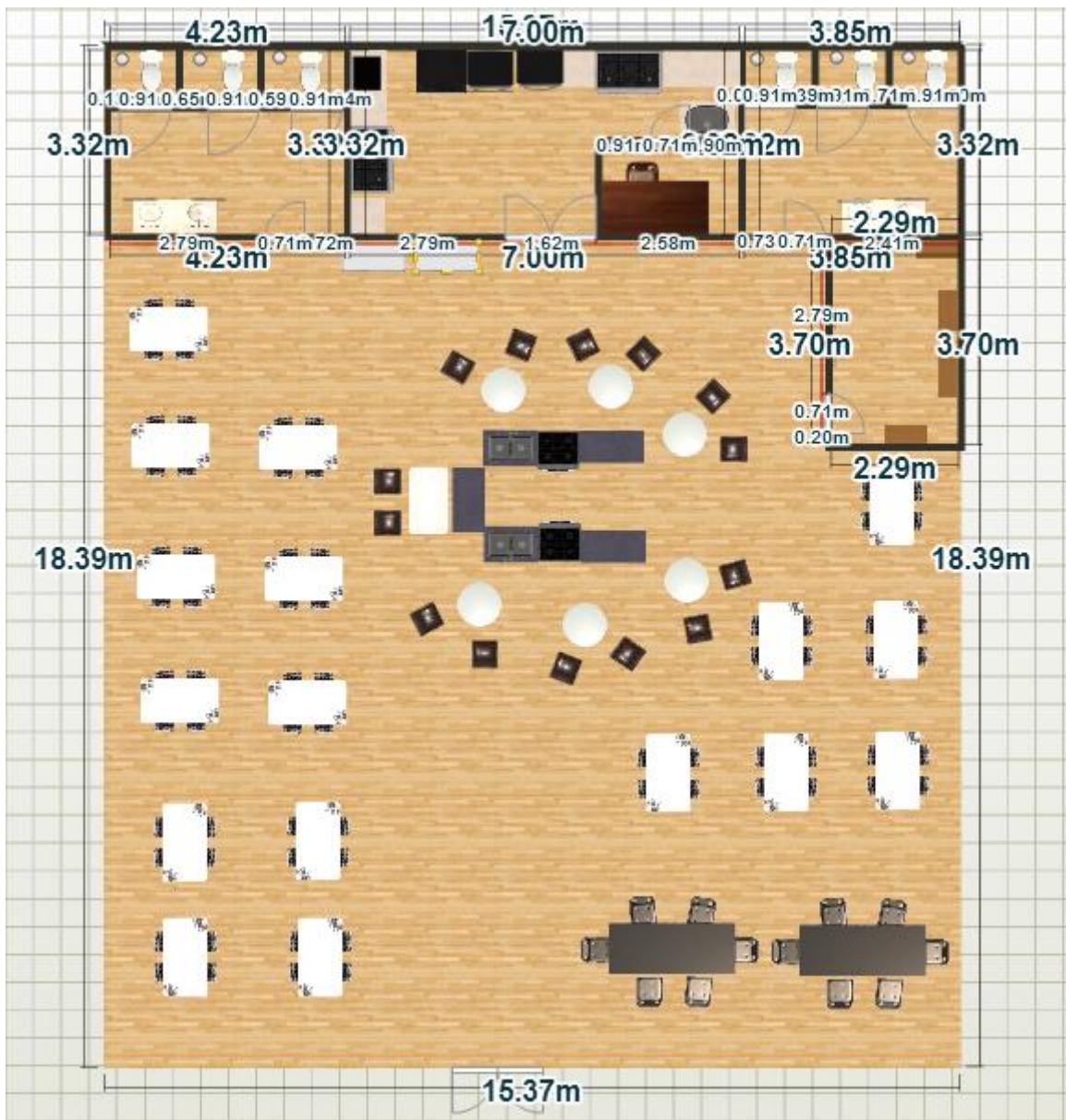


Figure 10. A Detailed Floor Plan of Pelmeni Bar with Space Measurements

The overall impact and experience of customers should consist of four essential dimensions, such as, quality of food, service, price and atmosphere (Mill, 2001, 173.) It is usually assumed, that lunch will take as an average 30 min, so it means that it should result in a double turnover per hour. The dinner will take a little longer, as an average 40-60 min, so there should be more ways how to attract more customers besides charming pricing strategy and tasty food. Since the author has already described both food quality and pricing strategy, the service processes and the atmosphere could get a little bit more of attention. When people go out for lunch they are limited by time and their principles are more concerned on food and beverages consuming by them. When they go out dining they expect to have more than just food and beverage experience. On the other hand, the dinner takes a place during the evening hours, which means that people might be seeking more for psychological experience rather than physical. (Mill, 2001, 174).

The concept idea of the dining experience of Pelmeni Bar is to cater not only high quality delicious food, but also fulfilling and positive emotions to its customers. Around the common dining area the author will place modern ball-shape lamps spreading soft lights in order to create relaxing atmosphere. (Marvin, 1992, 44). Around the open kitchen bar area the lighting will be concentrate around the cooking zone to accent clients' attention on the exciting food preparation process. (See Figure 11). The layout of equipment is arranged correctly, it creates safe, ergonomic and suitable for work areas. All the equipment should be selected according to certain purposes and tasks.

The rightly organized space will result in high-level employee productivity and efficient restaurant operations. Besides well-matched design and layout of facilities, the restaurant operations also depend on staff trainings provided on time and thoroughly thought management policy.



Figure 11. Design and Interior Layout of Pelmeni Bar's Floor Plan in 3D

5.3 Logo and Brand Image

In order to strengthen Pelmeni Bar's image and improve customer awareness of what stands behind it, it is essential to develop the correct logo for the whole place. The restaurant logo should clearly reflect and represent its atmosphere, products and services. According to John R. Walker, so-called restaurant symbology, which might be expressed on napkins, waiters' uniform, tablecloths, will help to create the additional unique atmosphere for the clients. (Walker, 2011, 79). The author has developed a unique logo for Pelmeni Bar project so it will give certain associations to clients about the restaurant. (See Figure 12)



Figure 12. Logo Image for Pelmeni Bar Project

On the picture the author has placed the name of the restaurant written in a font, which partly refers to the Old Russian font (Fonts2u, 2005.) The logo was made in two different colors and might be represented on service uniform, table clothes, and business cards. The entrance signboard image is the last one the Figure 12. The author decided to put a Russian doll as a symbol in order to simplify the image associations for customers and potential clients. This symbol should link them directly to the original cuisine of the restaurant.

6 Operations and Business Process

6.1 Operating Concept

According to John C. Birchfield, the concept of a foodservice operation is the overall plan for how it will meet the expectations and needs of the intended market. The term concept development means literally the design of facility in terms of price, menu, service, décor and location. For further successful restaurant operations, it is necessary to obtain the theme and the mode of the facility service. (Birchfield, 2008, 4). The author has decided to use the Five-M's strategy in order to implement the concept successfully and to complete the concept development. (See Figure 13)

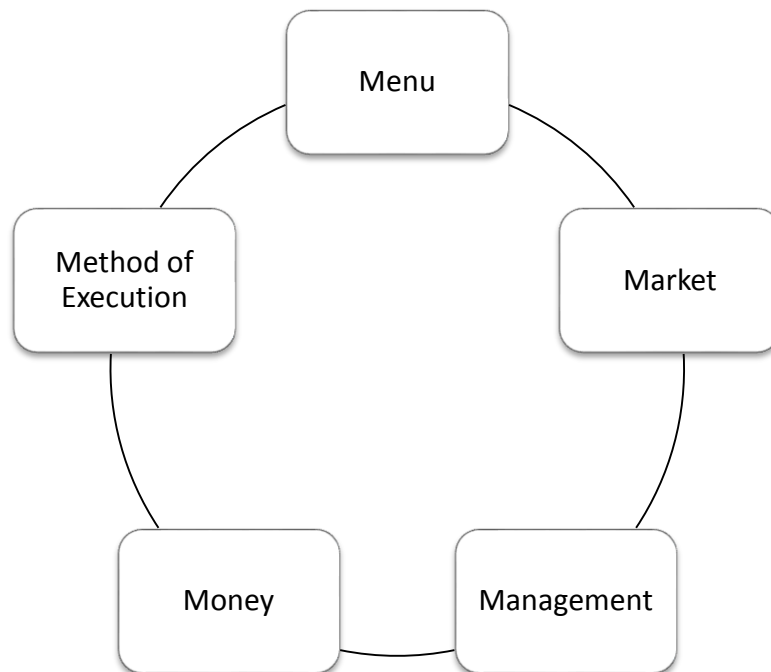


Figure 13. Five M's of concept development (Birchfield, 2008, 8)

6.1.1 Menu

Originally, the author of Pelmeni Bar project has decided to set the concept of a single-unit restaurant. This concept is more flexible for development rather than a chain-unit restaurant concept, because there is no need to develop a certain product brand image

and line dishes in order to perform the chain branding. The author of Pelmeni Bar considers the unit as a theme restaurant, since it will stick only to Russian cuisine and perform various dishes of this particular cuisine.

6.1.2 Market

Pelmeni Bar's market can be identified as large enough and both local and international. The competition evaluation showed that there is a place for such a niche and that the market. The need for such product is checked by launching a special survey, which data was analyzed afterwards.

6.1.3 Money

To list all the costs and to prognose profits, the author has completed the number of calculations in the following chapter. These calculations can forecast the possible operating process of the restaurant and also to build a base for obtaining funds. The process of finding investors and receiving the loans will define whether the concept can be turned into real life situation or not.

6.1.4 Management

This is probably the most important element of the whole scheme in achieving success. Pelmeni Bar's management besides its owner will consist of restaurant manager, shift managers, chef and sous-chefs. The restaurant manager will be responsible for overall general restaurant operations, revenue management, staff trainings, complaints handling and decision making. The shift managers will be responsible of delivering excellent service throughout their shifts, general staff training, managing the service processes. Chef will be in charge of all kitchen work, cooks and sous-chefs. The last ones will take care of food quality, preparation, service and time-management of kitchen work. The success of correct management organization will lead to success of financial operation.

6.1.5 Method of Execution

The last element of concept development consists of three vital sub-parts, such as production methods, control systems and personnel. The menu of Pelmeni Bar contains only authentic Russian dishes based on traditional recipes. On the other hand, all these dishes are widely popular in modern Russian cuisine and production processes can be easily adjusted to modern kitchen equipment and facilities. All the dishes will be performed by professionally skilled employees, which will maintain the restaurant concept.

Control systems will be introduced in the restaurant concept and results will be summed up annually. The control systems will involve cash and transactions control, sales and profit analysis, labor control, quality control, safety and security control, sanitation norms control and many others. (Birchfield, 2008, 11). The top-management of the restaurant will administer these control systems. The labor force is the essential element of the restaurant concept development. The feasibility of the restaurant project determines the number of full- and part-time workers, the number of working hours, schedules and benefits. Also, the level of menu complexity defines the number of kitchen staff required and the amount of other labor costs. Pelmeni Bar's concept development is a reflection of the market demand, blend of qualified service and authentic menu which should be complemented by the right inside décor.

6.2 Business Structure

One of the critical decisions that the owner of a new restaurant needs to take is choosing a business structure for his new venue. The particularly chosen business structure will directly affect the future restaurant operations and legal part of the business (incl. taxation processes, liability and transfer processes etc.).

Among all popular types of business structures the author has decided to pick a Limited Liability Company form. This form allows the owner of the business to get a personal financial security in terms of company's losses. It means that all personal funds and properties of the restaurant owner will stay untouched in case of profit failures and debts payments delay. Though this form of business structure won't allow the transfer-

ability of the company, it gives the greater flexibility in business organization and restaurant management.

The LLC is easier to establish rather than other forms of business structures. There is no need in regular shareholder meetings, board of directors and other formalities which are more specific for corporate type of business structure. This also means that all profits spending will be more flexible but of course within some certain frames. (Rotelli, 2013)

In order to run the restaurant successfully, it is important to state the roles of each party of LLC in special agreement. The messages from managers to their subordinates should be clear and not confusing. All important decisions should be taken by the top-management and the roles of the other investors should be also described carefully to prevent future misunderstanding and misleading actions. (Wade, 2006).

7 Financial Plans

7.1 Sales Revenue Forecast

In case of Pelmeni Bar, the more detailed Sales Revenue Forecast is listed below. (See Figure 14) One of the most vital tasks is to estimate the sales amount per week. The sales amount per week varies depending on the day of the week. From Monday to Thursday and on Sunday, Pelmeni Bar is open 12 hours. During these days sales are based on lunch service and evening a-la-carte meals. Pelmeni Bar offers extended opening hours on Fridays and Saturdays since these days are the most popular days for dining out. Besides a-la-carte, a customer is able to have a brunch in the morning and stay longer during the night before going out elsewhere. Sales contain double turnover for averagely full restaurant during lunch and brunch hours. Evening customers spend longer time at the restaurant, which results in a greater amount of money being spent. Higher profit also includes alcohol beverages consumption.

Weekday	Operating hours	Total sales/day	Total sales/week
Sun - Thu	11.00 - 23.00 (12h)	5 000 €	25 000 €
Fri - Sat	11.00 - 02.00 (15h)	7 000 €	14 000 €
Total sales/week			39 000 €
Sales (VAT 13%)			5070 €
Net Sales			33930 €

Figure 14. Estimated Sales Revenue Forecast for Pelmeni Bar on a Weekly Basis

It is also important to mention the proportions of food and beverages sold, compare to different times of work day and day of the week. The chart below shows the estimated sales based on one week. (See Figure 15)

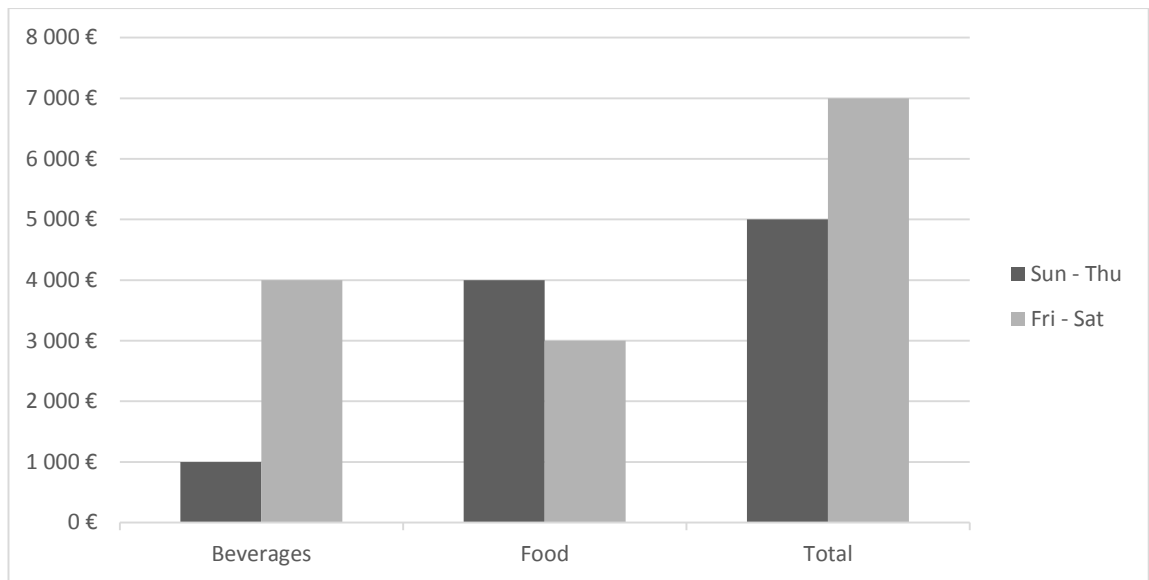


Figure 15. Estimated Sales of Food and Beverages on a Weekly Basis

7.2 Profit and Loss Forecast

The Profit and Loss Forecast for Pelmeni Bar contains such important aspects as sales revenue, gross profit and net earnings. (See Figure 16) All calculations are done for the annual period of 12 months. The fixed expenses include wages, rent, insurance, miscellaneous, marketing and advertising, utilities. The most expensive fixed cost is labor force. The overall amount of people per day working at the restaurant is ten persons. These people are a shift manager, two waiters, two cooks. There are two shifts at the restaurant, so the amount of personnel needed per day doubles. In order to get net earning results one should apply corporate tax to gross earnings.

	12 months
Sales Revenue	1 872 000 €
Costs of Sales (22,4%)	-419 328 €
Gross Profit (%)	1 452 672 €
Wages	198 000 €
Rent	144 000 €
Other expenses	40 000 €
Interest Expense	0 €
Depreciation	0 €
Total fixed costs	-382 000 €
Operating income	1 070 672 €
Earnings before taxes	801 328 €
Income taxes (20 %)	-170 666 €
Net earnings	630 662 €
Labor costs / month	19 000 €
Total labor costs / year	228 000 €
Employee turnover ratio	41,6 %

Figure 16. Estimated Profit and Loss Forecast for Pelmeni Bar for the Annual Period of 12 Months

7.3 Capital Spending Plan

A Capital Spending Plan for Pelmeni Bar includes all the necessary things, which are needed to launch the start-up project. (See Figure 17) These are machinery & equipment, furniture, interior design, pre-opening advertising, formation expenses, wages, initial stock and cash and miscellaneous investments. Furniture, interior design and wages are the largest investments. In order to deliver the outlook of the restaurant concept these investments are essential. Machinery and equipment are large investments as well. However, before the restaurant actually succeeds it is unnecessary to purchase all the machinery and equipment. It is possible to rent them until a certain moment

when the profits are high enough. The rest of the money shall be invested into pre-opening advertising and miscellaneous needs.

<u>Type</u>	<u>Price</u>
Machinery & Equipment	10 000 €
Furniture, Interior Design	15 000 €
Pre-Opening Advertising	3 000 €
Formation Expenses (LTD)	2 500 €
Wages	15 000 €
Miscellaneous	2 000 €
Initial Stock and Cash	10 000 €
Total Investments	57 500 €

Figure 17. Capital Spending Plan for Pelmeni Bar including all necessary investments

7.4 Cash Flow Forecast

In the following section, the author represents the chart that concerns cash flow. This forecast is estimates as accurate as possible as all other forecasts. In the chart below (See Figure 18) it shows the possible cash flow forecast for the annual period (e.g. 12 months). For example, it can be clearly seen that during the summer period, there is the peak of profit raise compare to the winter times. It is important to consider seasons in such business, because, for example, there is a higher tourist flow during the summer times and also people are tend to visit restaurant rather in warm times than in winter. Between the August and September the rate is especially high, because the summer season is just about to over and most of the inhabitants of Helsinki are returning from vacations. The high rate can be seen also during the March, when the spring season is just about to start in a while, and also in December because during the winter holidays both locals and tourists are coming to have a meal. However, the rate will stay unstable according to the certain season to come.

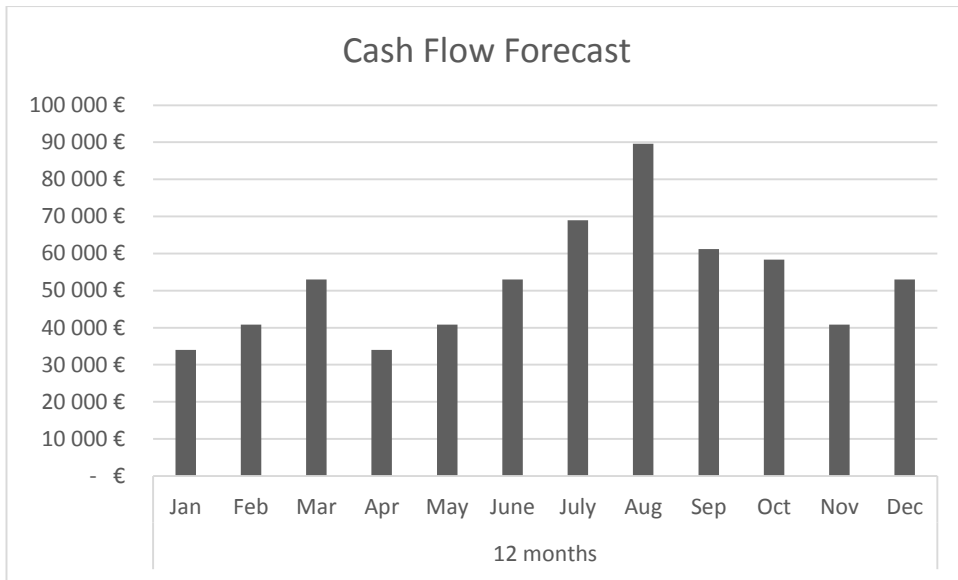


Figure 18. Cash Flow Forecast for Pelmeni Bar.

Attachment to business plan 1 – Survey for potential customers

The list of questions used for the survey creation for potential customers of Pelmeni

Bar:

1. Age (open question)
2. Gender:
 - male
 - female
3. Nationality (open question)
4. How long have you been living in Helsinki?
 - Less, than a year
 - 1-2 years
 - 3-5 years
 - More than 5 years
 - I am from Helsinki
5. What is your occupation?
 - Student
 - Tourist
 - Work
 - Job/Education exchange
 - Other
6. How often do you visit restaurants in Helsinki and Helsinki area?
 - Few times a week
 - Once or twice a week
 - Once or twice a month
 - Once or twice per half a year
 - Once or twice per year
7. How much is usually your average restaurant bill (per person)?
 - Less than 10 euros p.p.
 - 10-20 euros p.p.

- 20-30 euros p.p.
 - 35-50 euros p.p.
 - Over 50 euros p.p.
8. Which cuisine do you prefer?
- European and American (e.g. American, Italian, French, Finnish)
 - Asian (e.g. Chinese, Japanese, Korean, Thai, Indian)
 - Other
9. What type of restaurants do you prefer?
- Fine dining
 - Cafes
 - Pub/Bar
 - Fast food
10. Have you ever been to any Russian restaurant in Helsinki?
- Yes
 - No
 - Never heard of any
11. Would you try an affordable fine Russian cuisine in Helsinki and Helsinki area?
- Yes
 - No
12. What do you know about Russian cuisine? (multiple choice)
- Shchi



- Pelmeni



- Olivier Salad



- Pirozhki



- Solyanka



- Blini (Pancakes)



- Other