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STARTING A RESTAURANT BUSINESS IN SAINT-PETERSBURG- GUIDE FOR FINNISH ENTREPRENEURS

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DESCRIPTION

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<p>Name of the bachelor's thesis</p> <p>Starting a restaurant business in Saint-Petersburg: Guide for Finnish entrepreneurs</p> <p>Abstract</p> <p>Nowadays, restaurant business in Saint-Petersburg is very popular and it is a fast developing sphere of business. Finland is located very close to Saint-Petersburg that makes Russian market attractive to Finnish entrepreneurs.</p> <p>The main goal of my thesis is to make guide for Finnish entrepreneurs for starting the restaurant business in Saint-Petersburg. Knowing the order of the main steps you are able to open the restaurant in theory, it gives you more opportunities in opening a restaurant in real.</p> <p>The goal of my thesis covers following topics: how to choose successful location and premises for the restaurant, how to create conception, how to use SWOT-analysis to make different researches results of which give the basis for developing strategic goals and marketing plans on any levels of your business. The theoretical framework of this thesis also includes a short introduction about business plan, information about a technological project, menu, advises for recruiting staff and setting necessary systems of cameras observation, types of advertisements and necessary permissions for advertising a restaurant and possible risks which may arise after opening restaurant. Also my thesis includes a large list of different organisations which can be useful for any Finnish entrepreneur when creating restaurant business in Saint-Petersburg.</p> <p>Research method I used refers to qualitative research. I interviewed three restaurateurs from Saint-Petersburg with different level of experience. Questions were composed according to my theoretical framework. Results of interviews gave me an opportunity to know professional opinions and advices from people who are already in Russian restaurant business. Results of interviews showed that difference between the theory and a real practice is minimal and a foreign entrepreneur is able to start restaurant business in Russia and does not have to worry about any problems.</p>			
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1 INTRODUCTION

Nowadays, the restaurant business in Saint-Petersburg is very popular and it is a fast developing sphere of business. Every year amount of new restaurants keeps growing and its market is not full enough yet. In future I want to open my own restaurant therefore I am very interested in the chosen topic for my thesis. Knowledge and skills that I am planning to get preparing my thesis are very important and will be useful in my future professional life. On the other hand, my thesis can be also useful for Finnish entrepreneurs who want to open restaurant in Saint-Petersburg.

According to the research literature and different internet sources, there are no large differences between Russian and foreign entrepreneurs when starting a restaurant business in Saint-Petersburg. Both Finnish and Russian entrepreneurs should take the same steps and actions to open a restaurant: searching a good location, creating a concept of a restaurant, development of a good business plan, getting a document confirming the right of using the premises, getting all kinds of permissions, recruiting staff and so on.

Establishment dealing with foreign investments is a commercial organization that was founded according to Russian legislations. There is just the only difference, it is the taxes, after an entrepreneur has made a registration of his company in Federal Tax Administration, and he starts to pay special taxes of a foreign entrepreneur which differ from taxes for Russians. Also a foreign entrepreneur should get the permission for temporary residence in Russia in the Office of Federal Migration service.

Restaurant business consists of many small details and its success depends upon matching of all these details. The goal of my thesis is to make an introduction for Finnish entrepreneurs in the questions of opening a restaurant in Saint-Petersburg. I try to concentrate you on the ways of reaching a success as a businessman in Russia and give an advice of agencies which an entrepreneur can use to achieve the goal.

There are many steps which should be done when you want to open a restaurant. So, I decided to take into consideration those ones which may be useful for a Finnish entrepreneur. Theoretical framework of my thesis gives entrepreneurs the guideline

when opening the restaurant in Saint-Petersburg. It takes into consideration important things accompanying this process.

My thesis consists of six chapters. The introduction includes the short information of my thesis. When reading about restaurant business I was interested with the literature concerning with the beginning and developing of this business from old times. The second chapter of my thesis is the short history of the development of Saint-Petersburg restaurants.

The third chapter is a theoretical framework. It consists of nine parts. The first part deals with choosing good location for a restaurant and the characteristics that should be considered when choosing premises. The next one deals with creating of the restaurant conception, its elements and indicates the things which should be taken into consideration. In the next chapter of the theory is the understanding of SWOT-analysis, that is, what it is, why it is necessary for business, what kind of benefits this analysis gives and how to do it.

The content of a business plan was also studied, the necessary information can be found in my thesis now. In the next chapter the questions about the ways of creation a menu and a wine list, adding a new dish into the menu, making a design of a menu and about the pricing policy are considered. The separate chapter is devoted to the technological project.

The next chapter deals with systems of camera observation, including benefits of these systems, better places for their location, differences in their technical characteristics and prices. Some companies that sell and install these systems in Saint-Petersburg are represented in my thesis. In the next chapter of the theory the needed staff for the restaurant is discussed, that is its composition and quantity, and the ways of its recruiting.

Also a list of recruiting agencies, newspapers and popular Russian internet sites are shown in my thesis to help in forming the staff. On the other hand, staff can be completed by a restaurateur himself, without any help of agencies. Anyway, after recruiting the staff, a restaurateur should take some more steps, for instance, organization of the medical check up for employees.

The next chapter deals with advertising, its importance in the profit of a restaurant. Also possible advertising for the restaurant of Saint-Petersburg is represented in my thesis that is how much it is, how to advertise day of its opening. The other chapter deals with laws and legislation that should be taken into consideration in the registration of advertising, including permissions you should get for the placement of outdoor advertising, its signs, and why it is necessary to have coloristic passport. This chapter gives an advice on advertising agencies which can help to create the advertising of the restaurant. Then possible risks in opening the restaurant in Saint-Petersburg are discussed in the fourth chapter.

The fifth chapter deals with the qualitative research work. The research method is based on three interviews with Russian restaurateurs Alexander Protos, Anton Ponomarev and with Dmitriy Elesin. The aim of my research is to find out useful advices and get opinions about the restaurant business in Saint-Petersburg from the people who are straightly involved into this process. Obtained information will be useful for Finnish entrepreneurs, because of professional opinions and advices which can not be read in the books. Last chapters are devoted to the findings of the interviews, their results and the conclusion of my thesis.

2 HISTORY OF RESTAURANT BUSINESS IN SAINT-PETERSBURG

Saint-Petersburg was found in 1703 by Peter the Great and at the same time the first establishments of West European style started there. In those days Saint-Petersburg had only taverns, “potatory houses” and inns where people were able to drink only alcohol. At inns people were able to stay at night. After 1719 authorities started to fight with old customs of taverns. They forbade the selling of wine on credit or on bail. In 1770 the government legalized establishments. Inns served vodka, wine, English beer, coffee, tea, chocolate and tobacco. This type of establishments became a founder of modern restaurants. (Volkova et.al. 2008, 10-11).

All the establishments were located on the main streets in central part of Saint-Petersburg. As a rule the owners of restaurants were only the foreign people, because they knew this kind of business very well and had good experience. So, the first restaurant in Saint-Petersburg was founded in 1805 in Du Nord hotel. Russian

restaurateurs started to learn experience of foreign colleagues. In 1808 the oldest Russian restaurant *Inn of Palkin* was founded. The owner served foreign food and Russian traditional food like rasstegais, cabbage soup, and starlet fish. This restaurant first started to use the special diet lunch for merchants. All the establishments were opened only with the permission of the city authorities and all the owners had to pay taxes. Restaurant worked until midnight and served dishes of foreign cuisines and wines. (Volkova et.al. 2008, 14-16).

In 1835 government created the law which permitted to have establishments not only to merchants but also peasants. This law had the only demand that is one person was able to have only one establishment. In those days a contest between the restaurateurs began and they created new unusual conception for their restaurants to attract more customers. For example, an Italian confectioner opened the first café-restaurant in French style. He combined selling of wine, coffee, pastry, newspapers and magazines, games like billiards, chess and domino at one of the same premises. He broke stereotypes, so as at that time pastry and coffee were sold only in cafes, and billiard was played only in inns. The other restaurateur made a room for smoking and VIP rooms where it was possible to have lunch in private atmosphere. In 1836 any owner was allowed to have any amounts of establishments. (Volkova et.al. 2008, 16-17).

In the second part of 19th century Saint-Petersburg had already many restaurants with haute cuisine and excellent services. Luxurious restaurants were located in Nevskiy prospect, Bolshaya and Malaya Morskaya streets and Moika. Restaurateurs spent a lot of money on incredible luxurious interiors, singers and dancers, exotic drinks and food. Nowadays some of those restaurants still have been operating. I have mentioned about the restaurant *Inn of Palkin* above. This restaurant changed its location many times and now it is situated in a big house on the corner of Nevskiy and Vladimirskiy prospects. It is a luxurious and very expensive restaurant. Nowadays it is called *Palkin* in honor of its owner and has the greatest popularity in the city. (Volkova et.al. 2008, 17-22).

Middle class restaurants served clerks, workers. Cuisine and service in those restaurants were modest and had low price. (Volkova et.al. 2008, 23).

Lowest class establishment was a cheap canteen. Those canteens served only meat, bread and tea without any kinds of alcohol. In the beginning of the 20th century Saint-Petersburg had already approximately 650 different establishments. (Volkova et.al. 2008, 26).

Therefore Bolsheviks decided to close all luxurious restaurants, because of their bourgeois past. In those places cheap canteens for workers were opened. Restaurant business stopped its developing at all. (Volkova et.al. 2008, 33-37).

In the 1950's restaurants in Russia became a place where people could eat in cozy atmosphere. Restaurateurs started to create interesting conceptions again. In the 1960's the restaurant service was divided into luxury, highest, first and second categories. In the 1990's Russian restaurant business was developing very fast but after the crisis in 1998 it had a big recession. Only since 2000's restaurant business in Russia has been developing but very slowly. (Volkova et.al. 2008, 38-45).

3 THEORETICAL FRAMEWORK

This chapter presents information of the main steps in opening a restaurant in Saint-Petersburg: choice of the location and premises for the restaurant, a conception, and meaning of SWOT-analysis and rules of making it, the content of business plan, information about menu, a technological project, and systems of camera observation, staff and advertising.

3.1 Location

The first step in opening of any restaurant in Saint-Petersburg is finding the perfect location for its layout. In the restaurant business, location is the main factor of success and prosperity. When choosing the location for your future restaurant take into consideration some important items: human and transport flows, infrastructure, nearness to the subway, competitors, visibility of restaurant, its sign and a board. (Volkova et.al. 2008, 64-66).

Traditionally, democratic and luxury restaurants are located in the central part of Saint-Petersburg. Famous and popular restaurateurs or investors who like to risk, open conceptual restaurants in suburban parts of Saint-Petersburg. Cafes, coffee shops, fast-food restaurants, family style restaurants can perfectly work in big stores, business centers, in the streets with big traffic of people, near subways, in the center of the city and far from the central part of it. It is good to open fast-casual or dining cafes or fast food restaurants in airports or train stations. (Savinskaya [referred 7.04.2011]).

The location of the future restaurant should be studied just after finding the suitable place for it. For this, study the geography of district where a restaurant is planned to be opened. You should collect information about inner cycle: housing estates which located near your restaurant, firms, public institutions, banks and big stores. In this case, employees from big companies will be your customers and can have lunch in your restaurant. Presently top managers of big companies prefer to have meetings during their business lunches and a restaurant may be a perfect place for them. In the evening time, restaurants in central part of Saint-Petersburg are popular for different segments of people including different social levels of them, foreign tourists and students. Evening time is time for enjoying the dinner. (How to open restaurant – three steps to become success. [referred 5.04.2011]).

If you want to open a restaurant near a university, then you should consider the segment of students. As a rule, students have little money and therefore they do not make their choices based on the level of service and cuisine. They simply prefer having cheap but tasty food. (How to open restaurant – three steps to become success. [referred 5.04.2011]).

If a restaurant is located far from any places mentioned above, then you have to create your own conception differing from the other restaurants and suggest customers something new. Anyway if it attracts customers' attention very much it will not matter for them that the restaurant is located far from the center of the city. To achieve success this way you should make a lot of work for marketing and advertising. (How to open restaurant – three steps to become success. [referred 5.04.2011]).

But not only layout plays the biggest role in the choice of premise for future restaurant. After finding the location for the restaurant, start to analyze the premise

before its renting. Analyze amounts of meters of this premise, whether it is enough for a kitchen, a dining room and other special rooms or not. Perhaps it will be roomy enough for making a complete working cycle and a perfect kitchen but unsuitable for a dining room. It depends on whether it is situated in dwelling or not dwelling space, business or shopping center, premise without proper purpose or in a special premise for the restaurant. Amounts of stores (first floor, second floor, or basement) are also important. You are to control condition of its repair, availability of heating, system of electricity, sewage system, cold/hot water, ventilation system, air-conditioning system, possibility of re-development of this premises, amounts of entrances, height of ceilings, phone lines. (Savinskaya [referred 7.04.2011]).

If you decide to rent the chosen premise, you should take into account its price, juridical conditions of its renting. It should include a registration agreement and the duration of agreement. (Permission documents. [referred 5.04.2011]).

TABLE 1. Approximate prices to rent premises in Saint-Petersburg for the restaurant (agency - restate.ru)

District	Amount of square meters	Price, euro/per month
Admiralteiskiy (not far from Nevskiy), 3 min from underground of Sennaya square	230	4600
Kalininskiy, near underground of Square Mugestva	170	5727
Central, near new underground which will opens in 2012, 5 min from Nevskiy	350	13300
Moskovkiy prospect (Frunzenskaya underground)	555	4162
Prosvesheniya prospect (last underground station)	206	3090

3.2 Restaurant Concept

The restaurant concept includes a lot of features which should be decided by you. It is a prepared plan for your future actions. The restaurant concept gives you some ideas of necessary efforts to achieve the final purpose of establishing a new enterprise. (Concepciya restorana. [referred 8.04.2011]).

The main idea of a concept should be like a message which the customer gets sitting and having dinner in the restaurant and keeps it himself leaving the establishment. To attract more customers, an interesting legend or a special style for the restaurant should be created. The main goal of a concept determines the segment of future customers. (Concepciya. [referred 8.04.2011]).

When the decision for the message of the concept is completed, the entrepreneur should decide which format of a restaurant he is eager to have. For example, it can be a bar or a pub, an haute cuisine restaurant, a luxury restaurant, a buffet-service, a lounge bar, an open kitchen or others. Indeed you can define the elements of your restaurant. (Concepciya. [referred 8.04.2011]).

Next think a lot about the cuisine which the restaurant suggests. In fact, consider taste preferences of Russian people, their food habits and evaluate income level of customers segment of the restaurant. (Concepciya. [referred 8.04.2011]).

After that it is time to create the name for the restaurant. The proper name is a very important component to make this business successful. Moreover the name of the restaurant is not only a beautiful word; it is a characteristic of a legend or a fairytale of the restaurant. It should be closely connected with the main idea of the establishment. On the other hand correctly chosen name of the restaurant determines the future style of its interior or special unusual names for dishes. Furthermore the name of the restaurant must differ from other ones and determine ideas for future commercials and special offers, PR-actions. (Naming. [referred 18.04.2011]).

Every restaurant should have a special identify style which is used in its everyday activity. This style should be supported by its own logo, text signs, set of brand fonts, and set of special colors, business cards, brand folders and envelopes. In short the

restaurant needs all these things because the first visual contacts impress customers very much. For example the first impression of a beautiful sign or an unusual name of the restaurant can attract customers to visit this establishment once and just after visiting it, having dinner and spending a good time customers can evaluate quality of service, food, interior of the restaurant and come there again. (Concepciya. [referred 8.04.2011]).

Next step of concept includes creating the interior and external design of the restaurant. The expertise of various interior designer companies can be applied. They create the interior of the restaurateur's dreams. Besides, designers choose the furniture, different things for the decoration of the dining room and utensils (glasses, flatware, plates and so on) to create proper special style of the restaurant. In addition this part of the concept includes requirements for the style of establishment, describes expected atmosphere of maintaining design of an interior and impressions from an external design. This part of work can be shown like attachments of illustrative materials and a computer project in 3D model (Concepciya restorana. [referred 8.04.2011]). Then count the amounts of furniture and utensils which you need for the restaurant and define the price category and calculate overall cost. (How to create successful restaurant. [referred 8.04.2011]).

After that, work out the menu and the wine list. Then determine approximate amounts of dishes in every category of menu: appetizers, main dishes, soup, salads, desserts and so on. It depends on the type of the restaurant. Moreover, define pricing policy of the restaurant and count the sum of an average bill. (Concepciya restorana. [referred 8.04.2011]).

Next it is time to think about service in the restaurant. First of all determine the level of the service of the restaurant and think about its special style. Otherwise decide whether a waiter or a waitress will serve customers or customers will serve themselves in case of buffet style. (Concepciya restorana. [referred 8.04.2011]).

It is also important to determine the kind of staff units and quantity of employees, and calculate their approximate salaries. You must also think about basic requirements of the workers, what kind of skills and qualifications they should possess. After that

choose a dress code for the staff or create a new design of the uniform which excellently suits to the interior. (Concepciya restorana. [referred 8.04.2011]).

Then determine the concept of the internal marketing for example, an interesting design of the menu, compliments from a chef, special technology of taking the orders, perhaps using an iPad device, with this device a picture of a dish can be shown to the customer before his making the order and so on. It can be also special business lunches or playrooms for kids. Every chosen internal marketing service should have a description and recommendations how it can be included into the business and how to develop it. (Concepciya. [referred 8.04.2011]).

Next, choose the certain music for creating the special atmosphere in the establishment. It maybe the background music only or an invited DJ operating during the dinner time. In fact, in the evening special kind of the light and music are required to be in the restaurant. (Concepciya. [referred 8.04.2011]).

Now it is time to make a technological plan and determine the special kitchen equipment which a restaurant needs and calculate their approximate amounts. The chosen equipment should be carried in this plan. Then count the productivity of the equipment and its specification and make cost calculations. (Concepciya. [referred 8.04.2011]).

After that, set the working schedule of the restaurant, that is hours and days when it is opened for the customers. Besides, it is necessary to solve what forms of paying will be at a restaurant, either by cash or by cards. (Concepciya. [referred 8.04.2011]).

Then make previous estimate of the budget that you are planning to spend. And the last step in creating of the concept is a financial plan. This model should include a plan of the budget, cash-flow and estimated economical factors of the project. Financial plan shows how much money should be invested in this project and the term when they can be returned back to the entrepreneur and what profit he can get after that. (Concepciya. [referred 8.04.2011]).

3.3 SWOT – analysis

The state of the restaurant depends on the restaurateur's actions, how fast he can react on external influence to achieve success. When analyzing an external situation of the restaurant underline the most important factors of this period. Indeed, examination of these interrelated factors helps a restaurateur to solve some emergent problems. Trying to solve these problems, understand whether you can control critical factors or not and if they are internal or external ones. Different efforts should be done to change those factors in a good way for the restaurant. So, one of the most popular methods of analyzing is external and internal factors which affect on the developing of the restaurant and it is called SWOT-analysis. (Hmirova 2010, 44).

SWOT- analysis is a necessary part of the research work. It also is a strategic planning method using by the restaurant when its concept is created. So SWOT-analysis is a very important and obligatory preliminary step for creating strategic and marketing plans on any levels. Results of this situational analysis give the basis for developing of the strategic goals and objectives of the business. (Kadisheva [referred 11.04.2011]).

If you have already had the place for opening of the restaurant you should know how to achieve good results from all basic requirements or make SWOT-analysis for it. SWOT - analysis is an acronym of the English words: Strengths, Weaknesses, Opportunities and Threats. (Kadisheva [referred 11.04.2011]).

This analysis is used to evaluate the strengths, weaknesses and opportunities of restaurant and threats to a project. When determine the strong sides of the project first try to understand benefits of the restaurant, and then weaknesses show the drawbacks of the project. Opportunities show external factors giving the restaurant some benefits on the market. Threats are factors which bring troubles to the project. So, Strengths and Weaknesses show the state of this business. Opportunities and Threats are concerned with external surroundings. (Kadisheva [referred 11.04.2011]).

So, after getting the results of SWOT analysis start to estimate the state of business itself, if the restaurant has internal power and resources for realization of opportunities and confront treats and which kind of internal weaknesses should be solved as soon as

possible. After finishing SWOT analysis a restaurateur can get a real picture of his business and it helps him to make right decisions to improve and develop his business. (Kadisheva [referred 11.04.2011]).

SWOT - analysis has one more benefit. If a restaurateur does not have special skills, practice or special diplomas to make this kind of analyses, it will not be a problem for his business. Special education for SWOT analysis is not obligatory. To make this analysis one should have an ability to think and an ability to look at his business, goals, objectives and problems from the other side. The main demands for it are not to give subjective assessment, like preferences or dislikes; but give only the objective assessment. When making this analysis a restaurateur should replace himself to another position: on the actual or a potential customer, a competitor and an outside observer. If it is possible to the entrepreneur to fulfill it then he can manage this analysis himself without any help for example the help of any special analytic organizations. (Kadisheva [referred 11.04.2011]).

Also the opinions from outside observers are welcome. Make easy questionnaire for asking the regular customers, the nearest competitors or leaders on the market some important questions for analysis. This kind of analysis can show negative or positive moments of the business which have ever noticed before. (Kadisheva [referred 11.04.2011]).

As a rule, the owners of their own establishments and most part of CEO's can not make an assessment for SWOT-analysis objectively. Their good education, knowledge and big experience can not help them in this work. Founders or owners of a restaurant can not do it because their imagination of success of their own business is very ambitious. They can not look through the work of a restaurant and estimate it as it can do disinterested outside observers. Internal audit of the restaurant and external audit are integral parts of SWOT-analysis. (Kadisheva [referred 11.04.2011]).

3.1 External audit or analysis of opportunities and threats of the environment

When you make external audit you should estimate the attraction of the market and other opportunities and threats of the outdoor environment. (Hmirova 2010, 44). When you evaluate the attraction of a market you should consider:

1. Market trends. It is necessary to describe developing of the demands in every segment of the market.
2. Behavior of buyers. It is necessary for the evaluation of buyers' behavior when they do purchase; using and possessing of merchandise, buying habits, influencing of some factors on the process making purchase, analyzing brand image or reputation of the restaurant.
3. The structure of sales. On this step evaluate expected state of distribution network, expectations and motivation of partners.
4. Competitive environment. Evaluate the market force of customers and suppliers, threat of products substitution and barriers to enter on the market.

(Hmirova 2010, 46-47).

Some factors of the external macro environment can influence on the success of the business, by the way business itself can not influence on them. Here are some examples of it:

1. Legislation and policy environment, its expected or possible changes. Legislations and normative documents can affect on the performance of a restaurant badly.
2. Economic situations in Russia. In these chapter possible big changes in its economics influencing on the business can be evaluated. Having enough time an entrepreneur should make a correct assessment of opportunities and threats of the economic situation, and timely make changes in menu or pricing policies of restaurant.
3. Socio-demographic factors and others.

(Kadisheva [referred 11.04.2011]).

When a restaurateur gets results of these analyses, he can start to think which trends his restaurant can use and find the ways for solving the threats. (Kadisheva [referred 11.04.2011]).

3.2 Internal audit an analysis of strengths and weaknesses of the company

Internal audit evaluates resources, business processes of restaurant and makes analysis of competitiveness. (Hmirova 2010, 44-45). During the analysis, sustainable competitive advantages can be confirmed or changed. The main factors for analysis are:

1. Management. It gives an opportunity to evaluate potential of employees, qualifications, motivation, loyalty.
2. Marketing (advertising, personal selling, PR). It gives an opportunity to compare and estimate the effectiveness of your own marketing efforts with competitors' advertising activities.
3. Staff. It gives an opportunity to evaluate staff skills and their interests, according to the motivation, goals and objectives of the business. Cost of keeping staff should be analyzed either.
4. Analysis of pricing policy, pricing elasticity of the demand, possibility of acceptable price, its comparison with prices of competitors, policy of discounts, and other programs to stimulate sales

(Hmirova 2010, 45-46).

It is not a full list of possible items for SWOT - analysis. It depends on the goals of the analysis, so its contest can be changed. Moreover, there is no need to analyze all of these factors each time when making SWOT-analysis. Then choose only those items, results of which are interesting for solving the problems or improving the business at the moment. It is very important because not only objectively evaluations but also the right choice of items for the SWOT - analysis help the development of a restaurant, its survival, growth and profitability. (Kadisheva [referred 11.04.2011]).

3.3 Steps how to make situational analyses, SWOT-analysis matrix

Step 1

Define the most important parameters for the analysis as it is suggested before.

Then analyze strong and weak sides of the business based on the internal marketing audit and on the results of questionnaire which you can get from customers and

competitors. Also results of this analysis give the entrepreneur an opportunity to improve his business and avoid possible threats. (Kadisheva [referred 11.04.2011]).

Step 2

Results of the step 1 are written into the matrix. Table 2 demonstrates the basic matrix of SWOT analysis. Table 3 demonstrates an example of the standard matrix of a basic SWOT-analysis. (Kadisheva [referred 11.04.2011]).

TABLE 2. Basic SWOT – analysis (Kadisheva [referred 11.04.2011]).

Title	Description
STRENGTHS SIDES	
WEAKNESSES SIDES	
OPPORTUNITIES	
THREATS	

TABLE 3. Example of standard matrix of basic SWOT-analysis (Hmirova 2010, 45-46).

STRENGTHS SIDES	OPPORTUNITIES
1. High quality of dishes 2. Availability of licenses 3. Skillful staff 4. Unusual concept of restaurant 5. Customers loyalty 6. Efficiency of advertising	1. Market is not full enough yet 2. High barriers to entry into the restaurant business 3. Behaviour of buyers 4. Using of the ecological pure equipment to save environment
WEAKNESSES SIDES	THREATS

1. Old equipment 2. Pricing policy 3. Rare renovation of the menu 4. Financial stability	1. New powerful competitors 2. Economic situation in Russia is changed (default) 3. A lot of corruption 4. Legislation is often changed
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Usually in practice of many Russian businesses it is the last step in using SWOT-analysis. Without having an experience in making SWOT analysis or business analysis can be stopped on this step. For solving more difficult problems you should make analysis more thoroughly (Kadisheva [referred 11.04.2011]).

Step 3

On this step, opportunities and threats identifying during the analysis should be divided into three groups: according to priority, necessity to concentration of efforts and resources and careful monitoring. Table 4 demonstrates an example of the matrix of threats. Table 5 demonstrates an example of the matrix of opportunities (Kadisheva [referred 11.04.2011]).

TABLE 4. Example of the matrix of threats (Kadisheva [referred 11.04.2011]).

Possibility to solve threats	Consequences of threats		
	Destructive (D)	Difficult (Dif)	Slight (S)
High (H)	HD New laws to get licenses	HDif New powerful competitors	HS
Medium (M)	MD A lot of corruption	MDif Legislation is often changed	MS
Low (L)	LD	LDif	LS Default in Russia

TABLE 5. Example of the matrix of opportunities (Kadisheva [referred 11.04.2011]).

Possibility to use opportunities	Influence of opportunities		
	Strong (S)	Moderate (M)	Small (Sm)
High (H)	HS Market is not full enough yet	HM Using of the ecological pure equipment to save environment	HSm
Medium (M)	MS Behaviour of buyers	MM High barriers to entry into the restaurant business	MSm
Low (L)	LS	LM	LSm

Step 4

This analysis is very important for choosing of the right strategic actions. Most of the businessmen skip this step. According to identified opportunities and threats, two-way of influence of main groups should be marked out: Opportunities – Strengths/Weaknesses sides; Threats – Strengths/ Weaknesses sides and create appropriate matrix (Table 6). (Kadisheva [referred 11.04.2011]).

This step is allowed to make the strategic conclusions according to made analyses, accurately to the structure of problems and objectives and ways how to resolve them with resources which the business has. Just this step of analysis determines the strategic targets for developing of the business. (Kadisheva [referred 11.04.2011]).

TABLE 6. Complete SWOT estimation (Kadisheva [referred 11.04.2011]).

	Description	Strengths sides		Weaknesses sides	
Oppor- tunities					
	...				
	...				
Threats					
	...				
	...				

Step 5

This is the last step. It is very important here to take into account the formulation of the strategic direction. The main strategy is formulated on the base results of the third, the fourth and the fifth tables of the matrix. (Kadisheva [referred 11.04.2011]).

The most priority parts are the strategic opportunities and threats which require the concentration of all necessary resources for their implementation and appropriation of threats requiring careful attention and constant monitoring. They must be under serious and strict control of the business owners. (Kadisheva [referred 11.04.2011]).

Both opportunities with ranking the way of releasing the required resources and threats with controlling all these resources have medium level priority. This control is made by the owners and managers. You can get investment from your own or available credit sources. (Kadisheva [referred 11.04.2011]).

Opportunities and threats to the current term are given at the lowest priority level. They are under the line management control. In this way you should use your own funding sources. (Kadisheva [referred 11.04.2011]).

The obtained results are formulated in the strategy of business, its aims and tasks. Also special software called “KonSi-SWOT ANALYSIS” is used for SWOT-analysis.

You can also download it from the Internet links written in Appendix 3. (SWOT-analysis. [referred 9.04.2011]).

3.4 Business plan

Business planning in restaurant business evaluates effectiveness of the business project, reduces risks. It is an operational plan of successive actions, obtaining credit or investment money to open a restaurant. Business plan saves your investments during realization of the planned project and prevents extra costs. (Development of business plan. [referred 19.04.2011]).

All calculations and a conception are made for the already chosen premises where the restaurant is placed. Business plan should include the following information:

1. Description of a project
2. Marketing Analysis
3. Analyze of competitors
4. Items of realization of this project
5. Marketing strategy
6. Items of specific works which should be done (list of works, dates of duration and fulfillment)
7. Items of arising costs in making documents and permissions
8. The calculation of customers' attendance, the sum of average bill and revenue
9. Offers in planning of all premises in the restaurant (dining room, kitchen, storage area and so on)
10. Plan of costs for construction premises and different repair works, include electricity, water supply, ventilation
11. Plan of costs for the design work of the restaurant, including the style of a brand and a web design of the internet page
12. Demands to needs of a staff such as employees' skills and required experience
13. Development of a working schedule and a job description for staff, corporative rules for employees
14. Plan of costs salary for staff
15. Plan of costs for necessary equipment, utensils, uniform for workers
16. Recommendations for making the menu

17. Recommendations for selection of different suppliers
18. Financial plan (pivot table of all regular and non-regular costs with revenues, calculations of the profitability and return of investment)
19. Analysis of risks and guarantees

(Development of business plan. [referred 19.04.2011]).

Business plan also includes the information about the development of a restaurant for the next two years. Usually restaurateurs make two different business plans: for internal and external uses. Plan for external use is made for investors. This plan usually looks better than a real situation; a lot of things are hidden. Business plan for internal use is made for own use. If you make business plan for internal use, it will bring you more success and benefits, because you can take into consideration much more questions then you are to write in the external business plan for investors. By the way, investor has the right to insist on writing the external business plan to be sure in seriousness of the project. A good investor can be lost in case of ignoring this demand. (Development of business plan. [referred 19.04.2011]).

Business plan helps an entrepreneur to reach many goals. Business plan, like a personal diary, step by step said to an entrepreneur how to organize and make success of new restaurant business. Some parts of business plan can be presented to your companions or existent staff, and then they can perceive the owner not like a boss but as a colleague. It gives them motivation to work better and understand an expected result of his plan to achieve when project will be realized. (Business plan of restaurant. [referred 19.04.2011]).

3.5 Menu

The menu is a “face” and a cause for the pride of the restaurant. Menu should satisfy the chosen concept and cuisine of a certain restaurant because they underline a format of the establishment. On this base the type of a menu (a la carte, buffet menu, children menu, special offers, lunch sets and so on) should be chosen. Clearly the menu must be represented on a language of that country where it is opened. In Russia a menu should be made in Russian. Saint-Petersburg has many foreign tourists. If a restaurant does not want to lose its foreign customers it should have the menu in English as well. (Menu for the restaurant. [referred 18.04.2011]).

Before creating the menu an entrepreneur should familiarize with the menus of restaurants of his possible competitors. Advantages and disadvantages of their menus should be determined. And only after analyzing this question it is time for creating of the own menu. (Menu for the restaurant. [referred 18.04.2011]).

The content of the menu should be easy to understand and satisfy curiosity of the customers. Usually a menu of restaurant is made by a chef with an owner of the restaurant. It is useful to make description of dishes with difficult names. A chef must decide what main ingredients of dish should be specified in the description for clear understanding of customers. Besides a chef has to conceal their own secret ingredients that he uses to create a delicious flavor for their dishes, it helps to differ one the same dish cooking in different restaurants (Fedcov 2010, 18-19).

Also a chef should make a list of interchangeable ingredients that can change similar ones during the process of cooking in case of a sudden absence of necessary one. Otherwise a chef should use ingredients only from that list to delete customers' dissatisfaction by your restaurant. Also you should write out ingredients which can be dangerous for the health of a customer who has allergic reactions (garlic, shrimp, onion, spices and so on). (Menu for the restaurant. [referred 18.04.2011]).

All dishes in the menu can be divided on the appetizers, salads, soup, main course, desserts, and non-alcoholic beverages. This segmentation depends on the type of the menu. By the way, every section can have several parts. For example, appetizers can be divided into following: fish appetizers, meat appetizers, hot or cold, with vegetables, specialties from a chef and so on. So, you should determine dishes and amounts of them in every section. After that the chef should prepare all the dishes from the menu and serve them. Entrepreneur should organize their degustation. You can invite professional taste persons or invite all staff and friends to try them to collect their opinions which can help to make changes in the taste of dishes or get to know that everything is ok. (Menu for the restaurant. [referred 18.04.2011]).

The next step is the approval of new dishes. Every dish from the menu should have a technological card. In these cards you can find description of recipes of the dishes and their preparation in detail. Technological cards are necessary for other cooks either to

create dishes in fixed proportions without chef's help. After that make calculation cards and on their base an accountant makes calculation of dish, amount of portion. Then it should be approved by the owner and just after that a dish can be added into the menu. (How to make the menu. [referred 6.04.2011]).

For creating the list of wine and other alcohol beverages professional sommelier can be invited. He chooses kinds of wine and other alcohol drinks that well suit to dishes of the menu and appropriates conception of your restaurant. Also he connects prices of wines with level of the restaurant. Depending on the level of restaurant an amount of alcohol items for every category of beverages are chosen. It can range from 50 to 100 and more different kinds of wines and other alcohol drinks. Every wine list in restaurants should include: red, white and rose wines, strong alcohol, low-alcohol drinks, and cocktails. (Wine list for the restaurant. Innovations on industry. [referred 19.04.2011]).

Wine list or list of alcohol beverages should have an interesting design and its own folder that is separately from the food menu. Wine list consists of the description of all wines or other alcohol beverages. Information includes the correct name of wine, its vintage, region of production, producer, alcohol content (%), volume of bottle and price. Wines selling by glasses should be written separately in other category of wine list. To make this menu more interesting you can write simple advices for the consumption and best combination of every wine with dishes. Also you can indicate favorite wines of a sommelier. (Wine list for the restaurant. Innovations on industry. [referred 19.04.2011]).

Not just the names of dishes but also a design of the menu plays a very important role. For the design of a menu you can use different fonts, formats, colors, pictures of dishes and so on. Many different variations of the menus exist; a restaurateur should just choose the best suitable one to the interior of the restaurant. Unusual decorated menu attracts customers' attention more, and they spend more time learning it. Also for that information about history of dishes, short poems or jokes can be written, and also working hours of the restaurant, food delivery service, information about credit cards or about banquets or special events, DJ's, special offerings and so on. All these things arouse customers' interest and it can raise level of sells of the restaurant. (Menu for the restaurant. [referred 18.04.2011]).

The next step is creating the pricing policy. Usually a restaurateur focuses on prices of nearby restaurants and sets the same prices in his own restaurant. The level of markup price of dishes can be ranged between 300-500 %. This method of pricing is very important for establishments that are situated in the central part of Saint-Petersburg, because there are many similar restaurants and if you set prices higher than your neighbors, customers prefer to avoid your establishment and you lose your business. To attract more customers for your restaurant choose good quality food and service with reasonable prices. Furthermore business lunch and children menu should have minimal price. (Pricing policy of menu. [referred 18.04.2011]).

3.6 Technological project

So, the premise for the restaurant is determined. To be sure that this premises fit to the restaurant you should make a technological project. Technological project can be carried out by companies that have official license to make such projects. Technological project consists of graphical schemes and text parts with their explanations and calculations. Project complies with standard documentations: Government standards (GOST); Sanitary-Epidemiological standards (SanPiN); Building regulations (SNIIP). Technological plan include:

1. Explanatory notes to the technological project consist of the information about the type and production capacity of restaurant; number of seats; calculation of menu; style of customers' service
2. Explication (square in meters of all premises)
3. Technological project of restaurant premises is made according to the law demands, it has to consider that flows of raw materials and already prepared food should not be crossed with each other
4. Plan of arrangement of equipment in production area and furniture in dining room
5. Mounting floor plan of premises with points of reference equipment to electricity, sewage system, hot/cold water
6. Specification of equipment (size, consumption, quantity, producer, price)
7. Specification points of reference

8. Technological tasks for development: water supply and sewage system, electricity, heating, ventilation and air conditioning, architecture part and constructive solutions
9. Estimated price of choosing equipment

(Technological project for the restaurants, cafes, canteens, bars. [referred 20.04.2011]).

As a result, having a whole packet of approving the technical documents, one can start to make reconstruction of premises for the restaurant legally and correctly, and know the cost of materials according to the list of performed works. Besides, extra material spending for repair works can be avoided. (How to open restaurant from idea to opening. [referred 18.04.2011]).

3.7 Systems of camera observation

System of camera observation is the most effective system for tracking situation in the restaurant. System consists of equipment and programs (cameras of observation, screen and digital video recording and so on). This system gives you a lot of benefits. The first one, video observation provides safety of the restaurant. Security can watch everything happening in every premises of a restaurant in a mode of real time and can respond to everything that happens there. The second, every violation will record on cameras and police or owner will quick determine who started it. The third, the owner gets the opportunity to observe the quality of employees' works, communication between waiters and customers, how they serve them and prevent pilferage and theft. And the fourth, the owner being outside his restaurant (at home, in an office, a car, or even in other country) is able to observe everything what happens in his restaurant, internet is only necessary for this. (Installing systems of camera observation. [referred 21.04.2011]).

Restaurant should have cameras under main and back entrance – to provide customers safety; in a cloakroom – to prevent theft; in a dining room – to perform the control of customers and staff; in the kitchen – to make control of food preparation and check how staff observes sanitary rules; in warehouse – to prevent theft by staff; and under cash register – to make control of money. (Cameras observation on cafes, restaurants. [referred 21.04.2011]).

Modern market offers a lot of different systems of camera CCT (Closed Circuit Television). If your restaurant has an exclusive design, do not worry that cameras will destroy it. Cameras have several different types: tiny; hidden from view; external cameras. Systems of camera observation differ from each other by technical characteristics:

1. Color of image (black and white or colorful);
2. Type of recording device;
3. Recording characteristics (motion detection, external security sensor, recording activations by a signal from system and access control, scheduled (by day of week and time of day), duration of video recording, temp of record (depends from amount of frames per second)
4. Remote control of cameras observation (zoom; turning function)
5. Characteristics of cameras (display resolution, sensitiveness, with microphone or not).

(Technical characteristics systems of camera observation. [referred 21.04.2011]).

Saint-Petersburg has plenty of companies which installing systems of CCTV. For example “Dipol service”, “Technoresurs”, “Promstandart”, “SVS-security video systems”, working at this market since 2000. (Links of these sites check in Appendix 4)

Price at the installing system of CCTV depends on square meters of restaurant, amounts of cameras, their functions and technical characteristics, quality of equipment, producer and installing work. Every company has free engineers which visit a restaurant and create technical plan according to the wishes and demands, and then report the final cost. (Pricing policy of cameras observation. [referred 22.04.2011]).

3.8 Staff

50% of financial success is known to depend on the qualification and behavior of employees. Proper chosen and well trained staff plays a very big role in the restaurant

business It is necessary to start seeking skilled employees much earlier than a restaurant will be opened. (How to find staff for the restaurant. [referred 19.04.2011]).

First and very important employees for the business are managers and a chef, because a restaurateur needs their help in the beginning of creating and developing his business. It should be considered if a chef is a foreigner and came from abroad; the process of getting Work Permit for him can take much time. (How to open restaurant from idea to opening. [referred 18.04.2011]).

Staff should be found shortly before the date of opening, because employees are to be trained. Booklets with the information about the restaurant can be created for employees; it may include interesting facts, legend of the restaurant, and information about cuisine and food culture of chosen cuisine, backgrounds of dishes, and ways of serving customers and so on. (How to open restaurant from idea to opening. [referred 18.04.2011]).

In the search, refer to special recruitment agencies which can provide the owner with necessary employees. The most popular agencies in Saint-Petersburg are “Kelly Services”, “Ankor”, “ANT-group“, “Imperia cadrov“. (More information is represented in Appedix 3). Also an advertisement can be located on special internet resources for those who seek jobs. (Look list of popular resources in Appendix 3). Or the owner can publish his advertisement in all possible Mass Media devoting to the market of jobs (for example, newspapers “Rabota dlya vas”, “Vacansiya”, “Telegramma Job”, “Professiya”, daily newspaper “Delovoy Peterburg” in Russian and English language), in leaflets, flyers, on the sites of the popular social nets like Facebook, V Kontakte, Twitter. (More information is represented in Appendix 3-4). Both a manager and a chef can be asked to carry out the search of staff themselves. It can be the best way, because both a manager and a chef form the team for their common future work.

Depending upon the type and the concept of a restaurant following employees can be necessary for the working process: a cook, a bartender, a hostess, a manager of a dining room, an administrator, a sommelier, waitresses/waiters, an accountant, a cleaner, a human who makes dishwashing, DJ's, a security, a musician, singers, a repairman, an electrician. Amount of cooks, bartenders, waiters/waitresses, hostesses

and other staff depends on the size of your restaurant and the quantity of seats in a dining room. (How to open restaurant from idea to opening. [referred 18.04.2011]).

TABLE 7. Approximate salaries for staff in Saint-Petersburg

(<http://spb.rosrabota.ru/vacancies/food/>).

Staff	Luxury, euro/per month	Middle class, euro/per month	Fast-food, euro/per month
Cook	625-1000	450-550	300-400
Waiter	300-500	200-300	-
Hostess	400-500	375	-
Bartender/waiter	560	500	-

When recruiting the staff for the restaurant, check marks of medical examinations and hygiene certification in their medical books. Everybody should have a medical book and make medical control with hygiene certification two times a year. The next step is the presentation of the schedule to them. Then professional duties for every position of employees and workbooks should be developed. (Permission documents for staff. [referred 18.04.2011]).

Before the date of opening an entrepreneur is to have a meeting with his staff and tell them about expectations from the working process and wish everybody to follow corporative rules. (How to find staff for the restaurant. [referred 19.04.2011]).

3.9 Advertising

One goal is to open a restaurant; another goal is to make it profitable. Very important instrument to achieve the second one is advertising. There are a lot of marketing methods and different advertising types that make the establishments successful. Every type operates well with different conceptions of restaurant. Also a segment for customer's attraction should be considered. Creating advertisements make accents on the picture. Picture always looks delicious and calls watering into mouth. (Fedkov 2010, 197-198). Here is a list of possible advertising in Saint-Petersburg:

1. Outdoor advertising can include: signs, directional signs, billboards and so on. You should determine the segment of customers of your establishment and outdoor advertising show them the way before a door of your restaurant (Outdoor advertising). (Links of agencies you can find in Appendix 5)
2. Underground advertising has several types: light box; scream (frame); banner; sticker; paper poster (Links of agencies you can find in Appendix 5)
3. Advertising in the internet. Nowadays this is a very popular and cheap way to advertise your restaurant because the internet has a lot of very active users who are potential customers of restaurants. Internet marketing uses a very simple form of promotion. First of all you should create your own restaurant site with many tags (key words) which users of the internet often search in popular searching systems like Google and Yandex, its Russian analog. They are reported to use for getting useful information of a specific establishment. To raise more visibility of the site in searching results you can pay Google or Yandex for it. It will rise up amounts of site visitors and attract more customers to your restaurant. After that you should register on all famous catalog-sites to promote your restaurant, make a banner advertisement and take into consideration groups on famous social nets such as Facebook, Russian analog of it is V Kontakte, Odnoklassniki, Live Journal, Twitter and so on. You can inform your customers about new events, special offers, new menu or recipes; photos of dishes of your restaurant and get their opinions with the help of these sites that help you to improve everything in the work of your establishment. Also you should write about your new place in blogs, on forums and write as a customer your positive opinion. It will arouse more interest from customers. (Links on all recognize sites you can find in Appendix 5-6)
4. Advertising on radio gives an opportunity to inform about new establishment different segments of people. (Links of agencies you can find in Appendix 6)
5. Public relations (PR). You can order and pay or not order information in magazines, newspapers about your restaurant. This method of advertising can include creative, positive or negative opinion about your restaurant; also it informs a lot of people.
6. POS materials, this type of advertising can include: branded cards with restaurant, flyers, brochures, matches, balloons, cigarette lighters, pens, chewing gums and candies, special branded packages for take away food, and other staff which will remind the customers about your restaurant.

7. Internal marketing is an important form of marketing also. It can work if you create special events or offers for customers, if you give special gifts or discount cards or programs for them. So, in this case everything works good, that means exceeding the expectations of customers. (Advertising for restaurants. [referred 25.04.2011]).

TABLE 8. Approximate cost of advertising (<http://www.rekol.ru/price/>.
<http://www.reklama-metro.ru/price.php?page=production>. <http://www.radio-spb.ru/>).

Type of advertising	Cost, euro
OUTDOOR ADVERTISING	
Design of outdoor advertising	from 25
Design of outdoor advertising and design of facade sign	from 37,5
Development of brand style, logo	from 185
Facade signs with lights	from 125 for 1 square meters
Facade signs without lights	from 100 for 1 square meters
Directional signs	from 187 for 1 sign
UNDEGROUND ADVERTISING	
Light box	from 25 to 38 for per thing
Banner	from 70 for per thing
Sticker under door of train (depending from size and amount of advertising)	from 157 (100 things) to 2365 (1500 things)
Paper poster	from 207 (for 500 tings) to 640 (for 5000 things)
ADVERTISING ON RADIO	
To produce advertising	from 2500

By the way, knowing the date of opening of the restaurant, first of all make a press-release of this event in the most appropriate form to represent it to your future customers. This advertising contents information about the date of opening; the concept of restaurant; the menu and the program of opening. (Restaurant business or how to open restaurant. [referred 25.04.2011]).

Every type of outdoor advertising should be registered and have a passport of advertising place. Russia has Federal law about advertising 13.03.2006 N 38-FL. If at least one of the required items of this law is not satisfied, you will never get necessary permissions. (To get more information about this law check link in Appendix 4).

Before you order the production of outside advertising you should get permissions from the following Saint-Petersburg organizations:

1. Committee of city building and architecture (KGA)
2. Committee of State control, use and protection of historical and cultural monuments (KGIOP)
3. State administrative and technical inspection (GATI)
4. State inspection of traffic safety (GIBDD)
5. City center of advertising placement (GCRR)
6. Committee of city improvement and roads sector (KBDH)
7. Federal Protection Service (FSO)
8. City advertising and information of Committee of press and interaction with mass media (GU GRiI) (Registration of advertising. [referred 25.04.2011]).

Committee of press gives the final permission for placement of the advertising. This permission is valid during 5 years. List of necessary permissions depends on a type and a placement of outside advertising. (Links on these entire organizations look at Appendix 4). (Registration of advertising. [referred 25.04.2011]).

Registration of the facade signs requires the permissions from the Committee of City Building and Architecture. This permission is valid during 3 years. If it is an old building then it is necessary the permission from Committee of State Control of using and protection of the historical and cultural monuments too. Any advertising on facade of a building should have a document confirming legality of this placement. (Registration of advertising. [referred 25.04.2011]).

Saint-Petersburg has a lot of objects of architecture. Most part of signs placed on the walls of old buildings. If you want to change a facade of the building, so harmonize its coloristic passport. Coloristic passport includes the information about architectural characteristics of an object and surroundings; details of painting and decoration; texture of surface. Processes to get necessary permissions are similar with registration of outside advertising. (Agreement of advertising. [referred 25.04.2011]).

The next step is getting the certificate from the Bureau of Technical Inventory (BTI). Every district in Saint-Petersburg has its own bureau. Therefore a Bureau of the

certain district of the city should be chosen, according to the location of the restaurant. (Link with addresses and phone numbers of BTI in Saint-Petersburg you can find in Appendix 4). (Agreement of advertising. [referred 25.04.2011]).

Saint-Petersburg has plenty of advertising agencies. Qualified specialists help you during the whole process from creating of a unique style to installing of advertising. Also they make project of your advertising and help to get all necessary permissions in a short time. Price for advertising depends on the size; amount; your wishes; quality of used materials and so on. As a rule, advertising agencies report that they make all kinds of advertising, but in real situation every agency has just one or two specialists who are good just in one type of advertising. The best advertising agencies in Saint-Petersburg are presented in Appendix 3, and they are divided into the groups according to their creative and popular power. It helps in finding the necessary agency. Also sites have examples of different advertisings which they have already made earlier. (List of advertising agencies look in Appendix 5-6). (Advertising for restaurants. [referred 25.04.2011]).

TABLE 9. Approximate price in agencies which helps to get permissions for advertising (<http://www.rekol.ru/price/>)

Type of service	Price, euro
Agreements of signs, facades board with KGA	from 250
Agreements signs with KGIOP	from 125
Agreements adverting of roof constructions	from 500

4 RISKS TO OPEN RESTAURANT IN SAINT-PETERSBURG

It is not a secret that restaurant business has high risks of investments. Thanks to this feature, restaurant business differs from other kind of businesses. It happens because not every element of this business can be calculated and be under control of restaurateurs. For example customers can change their opinion about the restaurant; prices on raw materials or taxes on alcohol can be risen up; or customers do not understand chef's culinary ideology; possible crisis; changing laws; mismanagement; chosen segment of customers are unable to pay. All of these factors can reduce

attendance of customers of your restaurant and accordingly you can lose your money. (Egerton-Thomas 2001, 24-26).

The big risk to open restaurant is absence of enough money for its future maintenance. Many new restaurants in Saint-Petersburg are closed before getting profit because they do not have enough funds. Entrepreneurs should remember that a restaurant will be repaid from 6 months to 3 years and just after that profit will be done. During all this time a restaurateur has many expenses: rent paid; salaries for staff; food cost; pay every month for utilities (electricity, gas, light and so on); service and repair works of equipment; pay every month for credits in bank and many other costs. So, before opening of restaurant make a lot of financial calculations and define available money for maintaining of your business after opening or you need to attract extra investments in your business. (Roberts [referred 26.04.2011]).

Other kind of problem you can meet is an effect of a new start-up. Opening a new restaurant, you open a new place for customers, it will attract them a lot, and also advertising helps here. So, this step is very important, because you should justify and exceed expectations of your customers. If you will not justify and exceed it, your customers will stop to visit your place. It will be very difficult to get them to return to your establishment. (Roberts [referred 26.04.2011]).

Other kind of risk is unusual conception of your restaurant which doesn't have analogues in Saint-Petersburg. For example you want to bring something new for Russian customers from Finland or other country. You think that it is a very interesting idea, other restaurants do not use it yet and you will become popular. But you should consider Russian habits and preferences; because popular conception abroad can't find fans in Russian community and you can lose your money. Otherwise it can attract a lot of attention from customers and you will become rich very fast. (Restaurant business. Analytical material. [referred 16.04.2011]).

Other kind of risk is a lot of competitors. It is known, that five from ten new restaurants in Saint-Petersburg are closed because can't resist on competition. Entrepreneurs should know that every class of restaurants has their own rules in the competition. Restaurants of high level or luxury restaurants usual have famous owners. As a rule, the name of an owner is a brand of the restaurant. It provides the

restaurant to be succeeded. For new unknown restaurateurs it is very difficult kind of competition and not popular because of long time of repairs. Restaurants of middle class have other forms of competitions. It is a location and a creative concept to attract a lot of customers and have big turnover of money. In general, Saint-Petersburg competition of restaurants can be divided into location; pricing; intersegment. You can choose appropriate methods of competition according to your business. (Competition. [referred 28.04.2011]).

So, if you want to be successful in Russian restaurant business then you should expect the worst results but hope for the best. This concept helps you to avoid or prevent any complicated situations or risks in your business because you can find success solutions in time (Reducing the risks of opening a restaurant. [referred 26.04.2011]).

5 RESEARCH PROCESS

This chapter will discuss about interviews with three restaurateurs from Saint-Petersburg, how data was collected, analyzed and findings from the interviews.

5.1 Interviews with Russian restaurateurs as a research method

During the process of study at Mikkeli University of Applied Sciences I had a course “Basics of Research and Development work”. After finishing this course I got knowledge of two research methods: qualitative and quantitative ones and how to collect and analyze data for research and development work. So, that is why the process of choosing necessary research method was easy for me. My thesis will give me an opportunity to apply my knowledge practically.

An interview is the best method of collecting information from people, who involved into process of restaurant business. I took three interviews from restaurateurs of Saint-Petersburg. To achieve this goal I used qualitative research. The reason why I have chosen this method to collect information was to know face-to face opinions of restaurateurs on different questions which arose during leaning of theoretical background and to get advices from their practice life and to know their opinions about future of restaurant business in Saint-Petersburg.

Qualitative data provided me individual answers from every restaurateur. Collecting qualitative data involves recording an individual's exact words then analyzing what was said and done in great detail. (Adams 2006, 76).

By the way I chose three restaurateurs with different level of experience from high to beginner; I think it would be more interesting to know opinions of such different people. I think that collected information will help Finnish entrepreneurs to choose cuisine which will be popular in Saint-Petersburg in future. Right choice of cuisine will help to create a conception of restaurant according to preferences of Russian people that brings you a success.

I composed questions for interviews based on theoretical framework of my thesis. I divided questions into ten parts according to order chapters of my thesis. At the beginning of every interview I asked restaurateurs about location of the restaurant, type of cuisine, working hours, type of service and when restaurant was founded. It gave me a previous picture of a restaurant. I created twenty one questions for interviews, for example what kind of personal qualities should have foreign entrepreneurs to become successful in Saint-Petersburg, I asked questions about location, conception, SWOT-analysis, technological project, systems of cameras observation, staff, advertising, risks, about future of restaurant business in Saint-Petersburg.(see questions on Appendix 1-2).

Interviews were conducted as semi-structured ones. It means that I asked questions by my schedule but some questions I skipped because a restaurateur had already given the answer on it in my previous question. Sometimes I changed the order of questions depending on the answers of interviewees. I recorded necessary information in my notebook. Restaurateurs spent on every question as much time as they could, I didn't interrupt them. Sometimes it took much time, sometimes it took less than one minute. Interviews were done in Russian then I translated them into English. Two interviews were done outside the owners' restaurants and the third one was taken in the restaurant of the interviewee. It gave me an opportunity to examine the restaurant inside, evaluate its location and atmosphere.

I can say that it was very difficult to have meetings with restaurateurs. I tried to have the meetings with seven restaurateurs but I was able to interview only three of them. Other four restaurateurs had different reasons to refuse me. One restaurateur told me that he did not know me and did not want to spend time speaking with an unknown student. It sounded quite rude. The second one told me that he did not want to give his thoughts about future of the restaurant business and advices which somebody was able to use in his own business, in other words he did not want his information to be useful for new competitors. The third restaurateur had just opened a new restaurant and she was very busy with it. The next restaurateur would like to give me an interview but at that moment he was abroad.

5.2 Data collection and analysis

As I have told before, I interviewed restaurateurs with different level of experience. Alexander Protos was the first. He works in restaurant business many years and he knows the ins and outs of restaurant business. He saw developing of restaurant business in Saint-Petersburg from 90's. He helped to create restaurants of different levels and made them successful: pizzerias, restaurants of middle class and restaurant of high level were among them. Beginners of the restaurant business often ask his advices and opinions about different details and how to improve their work. Interview lasted two and half hour.

The second interview was taken with a restaurateur who opened his first restaurant with his friend on January, 2011 year. His name is Anton Ponomarev. He lives by the life of his restaurant and regularly he creates and objectifies new and new ideas of how to improve it. The name of his restaurant is "Makaronniki". By the way I had meeting with him in that restaurant. Its address is 16, Dobrolubova prospect. His establishment is located on the roof of the business center and has huge windows all around of restaurant including its roof. This is a very lightly place with beautiful view on Saint-Petersburg and very nice and polite staff. The cuisine of the restaurant is in Italian traditions. Restaurant works from 12:00 p.m. till 12:00 a.m. Sum of average bill (without drinks) are approximately 22, 5 euro. Interview lasted 35 minutes.

The third interview was taken with Dmitriy Elesin. It is he who works with a big team of friends in a project of a new restaurant which will be opened in the beginning of

June. This restaurant will be located in the central part of Saint-Petersburg not far from the Hermitage museum. The address of this establishment is 13, Malaya Morskaya Street. The name of the restaurant is the *Ghosti*. Cuisine of the restaurant will be blended both Italian and French. He showed me interior pictures of this restaurant and they looked very nice. The restaurant will have two floors. First floor will be for a cafe, where customers can buy different French and Italian baking and take them away or have fast service by waiter/waitresses if they are in a hurry but still want to eat in a cafe. The second floor will be for the restaurant with Italian and French cuisine where customers can enjoy with meal in relaxed atmosphere. Café will be opened at 9 a.m. and customers going to work will be able to have tasty breakfast. Sum of average bill will be approximately 50-62 euro. Interview lasted 50 minutes. After the interview, Dmitriy invited me to work in this restaurant.

Interviewees spoke a lot about this business, but it is not necessary to publish their exact answers in my thesis. I could not get answers on some questions such as names of agencies that they used to buy or rent premises for the restaurants. Two restaurateurs didn't tell me which agencies installed them the systems of camera observation and which agencies recruited staff for them. These questions are considered to be secret among restaurateurs because of presence of the competition.

So, having received the results from the interviews I can compare them with theoretical framework and make conclusion of my thesis.

5.3 Findings from interviews

In this chapter I represent questions which were asked the restaurateurs. I planned them before interviews and then have made summary of their answers on every question. The questions were divided into parts according to the order of chapters in my thesis. Let Alexander Protos be the first respondent; Anton Ponomarev the second respondent and Dmitriy Elesin the third one.

1. What kind of personal qualities should a foreign entrepreneur have to become successful in Saint-Petersburg?

All respondents told that a new restaurateur should be flexible depending on situations and does not feel sorry for money, because restaurant business in Saint-Petersburg

will demand much more money to spend them on planned before. “Walk on the heads” that means to get success you should go further and don’t care what other people think, you should be selfish.

2. How did you choose the location for the restaurant? What principles did you guide?

First respondent said that a location in central part of Saint-Petersburg is not necessary. It only costs more money for its renting or purchasing of premises. When choosing the location for his restaurant he considered amount of money which he was ready to spend. Restaurants can be successful in districts where most part of people live and premises for it will be much cheaper. The second respondent said that he considered a view from the windows of his restaurant. The third respondent said that his team considered tourists flows, closeness to museums, located closeness hotels, underground. He is planning to open his restaurant in 2012. This team knows many regular customers from other popular restaurants and they know that central part of Saint-Petersburg will be best to attract them.

3. What way of getting premises would you advice? Is it profitable to buy premises for the restaurant or better to rent them?

First respondent has big experience in restaurant business and he said that it is better to buy premises for the restaurant because rental agreement can finish earlier then it is planned. Second respondent said it is depending from amount of money. Buying premises is very expensive. He rented premises for the restaurant for three years. Third respondent also said that buying premises is very expensive. His team bought the first floor, but the second floor they rented for five years and in future they are planning to buy it too.

4. Did you choose premises for the restaurant with the help of agencies or friends?? Which agencies did you use?

All respondent used the help of agencies but they refused to tell their names. They said that it is secret information.

5. What format of establishments are the most popular in Saint-Petersburg now?

All respondents answered that restaurants of middle class are popular nowadays. Two respondents added also fast-food establishments.

6. Russian people are known to be open to new experiments, to everything new and interesting. The same situation occurs with cuisine. What principles did you consider when choosing the cuisine for your restaurant?

All respondents were guided by their own tastes and considered fashion on cuisine among costumers. The third one also underlined that he chose Italian and French cuisine, because Italian meal is very popular in Saint-Petersburg and on the other hand, few restaurants have French cuisine.

7. What is the most popular cuisine in Saint-Petersburg?

All respondents marked Italian and Japanese cuisine. The first respondent added some ethnic cuisine: the Ukrainian, Georgian, Mediterranean, Chilean cuisine, but it is only if a restaurant advertises itself widely.

8. Fortunate name for the restaurant is very important. How did you select the name for your restaurant?

All the respondents said that a name for the restaurant burst upon them, without helping of any experts.

9. Do you use the SWOT-analysis for determining the state of your business and getting timely information of possible threats? How does it work?

All respondents use this type of analysis. It is a very popular method. The first respondent said that he used this analysis when he was choosing a district for his restaurant and evaluating the segment of his future customers. Also he recommended doing the SWOT-analysis in two months after opening the restaurant to evaluate the state of your business and then do it regularly. The third respondent said that the SWOT-analysis helped him to create a conception for the *Ghosty* restaurant differing from other ones.

10. How long did you wait for approving your technological project?

All respondents said that it took about a month, and even one or two weeks.

11. Systems of cameras observation are very important for the restaurant. Can you advise me proved and reliable agencies installing them or even brands of those cameras?

This information was said to be secret, and they refused to the answer it.

12. How did you choose specialists helping you at different stages of the development of your restaurant?

The first respondent said that he used recruitment agencies. He said that Saint-Petersburg has many good agencies but he doesn't want to make advertising to them. The next respondents answered that they were guided by the help of their friends and buddies.

13. Restaurant business in Saint-Petersburg is known to have deficiency of good skilled workers. How did you form your staff? (By the help of agencies, newspapers and so on).

The first respondent said that he used internet and recruitment agencies for searching workers. Then, sometimes he visits universities or colleges which train future specialists for restaurant business and invites the best students to work or to have practice in his restaurant. Either he visits courses of professional development and invites the best students to work. The other two respondents said that they had a lot of buddies and they invited them from other restaurants because of better conditions that they have there.

14. How did you find a chef for the restaurant?

All the respondents answered that they enticed the chefs and other cooks by the help of recruitment agencies or from the other restaurants offering them higher salaries.

15. How often do you train the staff?

Respondents make the short training of staff before the shift daily, and the degustation of new dishes and wine weekly. Once a month managers of restaurant organize a big training for all staff.

16. What is the salary for your waiters, chefs, cooks?

A salary for a waiter is approximately 250-375 euro per month; it is without tips and other bonuses. Chefs' salary is said to be the secret information because a competitor can offer higher salary, as a result a restaurant can lose his chef. They proclaimed only the minimal salary for a chef, it is approximately 500 euro. It depends on the level of

the restaurant and bonuses getting at the end of month. Cook's salary is from 300 to 625 euro per month.

17. What kind of advertising do you use? How much money do you spent on advertising? What percent of your income do you spend on it? What advertising agencies can you advice me?

Respondents said that the most popular types of advertising are newspapers, radio, billboards and internet and POS materials. They use it to advertise their restaurants.

The third respondent said that he placed advertising of his restaurant in fitness clubs, hotels and in brochures for European tourists.

18. What mistakes can a preliminary entrepreneur do? How can he avoid them?

The first respondent mentioned about a big list of possible mistakes. I think it is useful to know how to avoid them. New restaurateurs should not consider themselves as the cleverest, they should forget about families or girlfriend/boyfriend as minimum as six months while the restaurant would be opened, because restaurateur should spend twenty four hours for the opening a restaurant, only then success may come. Depending on different situations, an owner of the restaurant should make all kinds of work himself. It may be a dishwasher, a waiter, and a bartender and so on. It brings respect of his staff and brings more profit without losing money and business develops without stopping. Entrepreneur should not be greedy when choosing specialists. He should use only high quality fresh products for cooking and count everything in the restaurant to avoid theft and pilferage to save money. The second respondent said that preliminary entrepreneur can have problems if he chooses a bad location, bad quality of cuisine, rude staff and so on. All of these factors are contributed of losing customers and money by an entrepreneur. The third respondent was sure that the restaurant *Ghosty* would lose the segment of customers because of banning to smoke inside the restaurant.

19. What kind of risks can new restaurateurs meet?

Respondents said that if premises were rented, then there was a risk that their owner gapped rental agreement before its ending. In this case a restaurateur could lose a lot of money. The other risk is that restaurateur is greedy when choosing a qualified

manager, so an unqualified manager can ruin his business. The next risk is survival between competitors.

20. Nowadays restaurant business has a big business struggle. How can a new restaurateur survey without losing himself among competitors?

Respondents agreed on this question. It is very important to have cozy atmosphere, tasty and high quality food, good service, and interesting unusual conception differing from all the others restaurants and create new events or special offers rising up customers' interests to your restaurant.

21. What do you think about future of restaurant business? What are the scenarios or prospects in business, for example cuisine?

The first respondent believed in the future of restaurant business in Saint-Petersburg. It means that quality of food, service, interior, atmosphere and price will conform to European restaurants. All respondents agreed that Italian, French cuisine would stay popular. The first respondent said that American cuisine would become popular too. He was sure that now such popular Japanese cuisine would not be popular anymore. The second respondent supposed that Asian cuisine would become very popular. The third respondent was sure that Uzbek, Georgian, Armenian cuisine would be very popular. The first respondent was convinced about future popularity of Georgian cuisine.

5.4 Results of the findings from interviews

Interviews gave me useful information which I was not able to read in the books and in the Internet before. Now I can formulate findings of my thesis. The first is that the location for the restaurant depends on not only from the characteristics that I described in chapter 2.1 but also from the preferences and ambitions of a restaurateur.

The other finding concerns the rent of premises. Restaurateurs prefer to buy premises, but it is too expensive, therefore some of them ought to rent them. But it does not prevent them to be successful. My finding shows the popular formats of establishments and reveals the most popular cuisines in Saint-Petersburg.

SWOT-analysis is approved to be a very useful method to evaluate the state of business. A technological project is known now can be approved from a week to a month. Without doubt, a very important finding is concerned with the staff. Interviews show the other way of finding the qualified workers. Also the average salary of a waiter, a chef, and a cook per month is learned in the thesis.

Finding about advertising reveals with new places where advertising can be placed. Some important findings about possible beginners' mistakes in restaurant business in Saint-Petersburg became obvious now. Risks that entrepreneurs can have are compared with the theoretical framework in the chapter 3. And the last finding gives the information about the future of popular cuisine in Saint-Petersburg.

There was the only problem with the findings, and it concerned the choosing of agencies used by the restaurateurs when they started their businesses. Three of the interviewees said that it was the secret information.

All these findings can help a Finnish entrepreneur to make the right decision in the studied questions when he is going to open a restaurant in Saint-Petersburg.

6 CONCLUSION AND FURTHER RESEARCH

My thesis is believed to be useful and interesting both to me and foreign entrepreneurs. In the beginning of my thesis I made an introduction of development restaurant business in Saint-Petersburg. I think that it is quite interesting information. One of the main goals of this work was to make the guide for Finnish entrepreneurs, who planned to start restaurant business in Saint-Petersburg. On the other hand it is very close to my interests because I also plan to open my own restaurant. Writing this thesis I got useful basic knowledge that helped me to understand the whole picture of organizing the restaurant business in Saint-Petersburg. I am sure that reading my work, Finnish entrepreneurs can understand the main items of organizing restaurant business in Saint-Petersburg too. They are almost the same as in Finland.

First, search of perfect location for the layout. The following items usually must be considered: human and transport flows, infrastructure, nearness to the subway,

competitors and others. Making a concept for the restaurant you are eager to achieve the final purpose of establishing. Chosen format of the restaurant, its cuisine, the menu and the wine list, the interior and external design, working schedule, technological and financial plans and some other items must be included in the restaurant concept. To analyze external and internal factors affecting on the developing of the restaurant, SWOT-analysis should be conducted. Besides that, any entrepreneur should consider high risks of investments in the restaurant business. All these and some other items are similar in both countries.

The only thing that a Finnish entrepreneur should do is to get the registration of his company in the Federal Tax Administration and have the other kind of taxes in difference with Russians, and of course, a foreign entrepreneur should not start his business without a permission of the Russian Federal Migration service.

There are many different literatures connecting with the restaurant business but I tried to collect only interesting and really useful information. The process of writing began from the researching of big amount of literature and internet sources. They helped me to form the content. By the way, I would like to use internet sources more then books because it is the newest and fullest kind of information. Chosen theoretical framework completely explains the aims and plan of actions for beginners of the restaurant business. So, the main goal of my work was achieved.

Writing theoretical part I planned to interview three or four restaurateurs. I created more than 20 questions for the interview based on the theoretical framework of my thesis. It was difficult, but I appointed meetings with some restaurateurs who agreed to give me interviews. By the way, I tried to find restaurateurs with different level of experience: from an expert to a beginner. I am sure it is interesting and useful, because it gave me the chance to collect and compare different points of view. I interviewed restaurateurs at the beginning of May. The restaurateurs gave me the whole information of restaurant business and realistic understanding of different questions at the same time. The results of the interviews are formulated in the chapter 4.4. I am a little bit sad that restaurateurs didn't advice me any agencies that they were cooperated with. It complicated my achieving the goal, but anyway I made big research and found many agencies myself. I divided it into the groups and added into the Appendices according to the chapters of my thesis. (see Appendix 1-2).

After the opening of the restaurant and it is operating for few months I suggest conducting a customer research to know if they are satisfied and what they would like to improve in the work of the restaurant. Also it is possible to make SWOT-analysis to know the state of business, threats and opportunities for improving its service.

In case, if a restaurant was opened but did not bring profits and customers avoided this establishment, then I would suggest to make research to find the reasons and decisions of this problem.

For further research I suggest to make the business plan for the restaurant in Saint-Petersburg considering all examined information from my thesis and try to find an investor to realize this project. It would be a quite interesting process.

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QUESTIONS FOR INTERVIEWS

1. What kind of personal qualities should a foreign entrepreneur have to become successful in Saint-Petersburg?
2. How did you choose the location for the restaurant? What principles did you guide?
3. What way of getting premises would you advice? Is it profitable to buy premises for the restaurant or better to rent them?
4. Did you choose premises for the restaurant with the help of agencies or friends?? Which agencies did you use?
5. What format of establishments are the most popular in Saint-Petersburg now?
6. Russian people are known to be open to new experiments, to everything new and interesting. The same situation occurs with cuisine. What principles did you consider when choosing the cuisine for your restaurant?
7. What is the most popular cuisine in Saint-Petersburg?
8. Fortunate name for the restaurant is very important. How did you select the name for your restaurant?
9. Do you use the SWOT-analysis for determining the state of your business and getting timely information of possible threats? How does it work?
10. How long did you wait for approving your technological project?
11. Systems of cameras observation are very important for the restaurant. Can you advise me proved and reliable agencies installing them or even brands of those cameras?
12. How did you choose specialists helping you at different stages of the development of your restaurant?
13. Restaurant business in Saint-Petersburg is known to have deficiency of good skilled workers. How did you form your staff? (By the help of agencies, newspapers and so on).
14. How did you find a chef for the restaurant?
15. How often do you train the staff?
16. What is the salary for your waiters, chefs, cooks?
17. What kind of advertising do you use? How much money do you spent on advertising? What percent of your income do you spend on it? What advertising agencies can you advice me?

APPENDIX (2).

Appendix on several pages

18. What mistakes can a preliminary entrepreneur do? How can he avoid them?
19. What kind of risks can new restaurateurs meet?
20. Nowadays restaurant business has a big business struggle. How can a new restaurateur survey without losing himself among competitors?
21. What do you think about future of restaurant business? What are the scenarios or prospects in business, for example cuisine?

SWOT-analysis

Here you can download program of SWOT-analysis software call “KonSi-SWOT analysis: <http://www.swot-analysis.ru/index.html#SWOT%20ANALYSIS>

STAFF

Here is a list of best recruitment agencies in Saint-Petersburg:

“Kelly Services” <http://www.kellyservices.ru/web/ru/services/ru/pages/>

“Ankor” <http://www.ancor.ru/locations/petersburg/>

“ANT-group” <http://www.antgrup.ru/about>

“Imperia cadrov” <http://www.imperia.ru/ru/>

You can place advertisement on the special internet resources which are special for people who seek job:

<http://spb.rabota.ru/>

<http://spb.superjob.ru/>

<http://www.restoclub.ru/vacancy/>

<http://spb.vacansia.ru/>

<http://www.profjob.ru/>

<http://spb.hh.ru/>

You can public your advertisement on the sites of the popular social nets:

<http://www.facebook.com/>

<http://vkontakte.ru>

<http://twitter.com/>

You can public your advertisement in newspapers like:

“Rabota dlya vas” <http://spb.rabota.ru/agency104767.html>

”Professiya” <http://www.professia.info/price/?r=0&prof=price>

“Delovoy Peterburg” <http://www.dpgazeta.ru/>

“Vacansiya” <http://online.vacansia.ru/>

“Telegramma Job” <http://www.telegramma.info/pricejobs.shtml>

SYSTEMS OF CAMERAS OBSERVATION

Companies which installing systems of cameras observation:

“Dipol service”

<http://dipol-service.ru/services/videomonitoring/cafe/>

“Technoresurs”

<http://www.spbstr.ru/2008-10-14-15-02-30.html>

“Promstandart”

<http://www.promstandart.su/videonabludenie/reshenie-dlya-kafe.html>

“SVS-security video systems”

<http://svssystem.ru/2010071351/ustanovka-sistemyi-videonablyudeniya-dlya-restorana-ili-kafe.html>

ADVERTISING

Sites of organizations where you should get permissions for outdoor advertising:

<http://www.kgainfo.spb.ru/> - Committee of city building and architecture (KGA)

http://www.gov.spb.ru/gov/admin/otrasl/c_govcontrol - Committee of State control, use and protection of historical and cultural monuments (KGIOP)

<http://gati-online.ru/> - State administrative and technical inspection (GATI)

<http://www.gibddspb.ru/> - State inspection of traffic safety (GIBDD)

<http://www.gcrr.ru/> - City center of advertising placement (GCRR)

<http://www.spbdorogi.ru/> - Committee of city improvement and roads sector (KBDH)

<http://www.fso.gov.ru/> - Federal Protection Service (FSO)

<http://www.gov.spb.ru/gov/admin/otrasl/committee/press> - City advertising and information of Committee of press (GU GRiI)

<http://www.consultant.ru/popular/advert/> - Federal Law about advertising

<http://spb.gdeetotdom.ru/information/hotline/1444289/> - Bureau of Technical Inventory (BTI)

Popular searching systems:

<http://www.google.ru/webhp?hl=ru> - Google

<http://www.yandex.ru/> - Yandex

List of advertising agencies in Saint-Petersburg:

DESIGN OF OUTSIDE ADVERTISING:

- “Viradge” <http://www.viraj-spb.ru/uslugi/vse-uslugi.html>
- “Rekol” <http://www.rekol.ru/>
- “3Z media” <http://www.3zmedia.ru/index.php?main=catalog&id=53>
- “Prefix Pro” <http://www.prefix-pro.ru/narugkamenu/narujka>
- “ART Dialog” <http://art-dialog.ru/services/outdoor/>

UNDEGRAUND ADVERTISING:

- “Reklama v metro” <http://www.reklama-metro.ru/>
- “TEC” <http://tecspb.ru/reklama-v-metro.html>
- “Metro 812” <http://www.metro812.ru/>
- “Art dialoge” <http://www.art-dialog.ru/services/metro/>

BANNER ADVERTISEMENT ON FAMOUS SOCIAL NETS:

- “Mir reklami” <http://internet.reklamy.ru/context/example/99.html> On this agency you can order advertising on all popular social nets:
 - Facebook <http://www.facebook.com/#!/>
 - V Kontakte <http://vkontakte.ru>
 - Odnoklassniki <http://www.odnoklassniki.ru/>
 - Post mail.ru <http://www.mail.ru/>
 - Live Journal <http://www.livejournal.com/>
- “V Kontakte” http://vkontakte.ru/ads.php?act=union_create_ad
- “Twitter” <http://twitter.com/>

ADVERTISING ON RADIO:

- “Generation Brand” <http://www.ragb.ru/media/radio.php>
- “Radio-Spb” <http://www.radio-spb.ru/>

POPULAR ADVERTISING SITES OF RESTAURANTS:

- <http://spb.menu.ru/people>
- <http://www.restoclub.ru/>
- <http://www.the-village.ru/flows/spb/posts>
- <http://www.restoran.ru/spb/>
- <http://www.rest.gorodovoy.spb.ru/>
- <http://spb.allcafe.ru/>
- <http://www.cafespb.ru/>