

## Marketing Plan for a Case Company

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<b>Degree programme</b> HOSBA	
<b>Report/thesis title</b> Marketing plan for a Case company	<b>Number of pages and appendix pages</b> <b>23 + 32</b>
<p>The major objective of this thesis is composing a concise, reliable and useful marketing plan for a Phimiso - My Sushi Café.</p> <p>The necessity of implementing the marketing planning and document a marketing plan with an action program arose when the case company experienced the negative affect of poor concept with misleading message and way too wide expansion of the menu. All of the above lead to outflow of the customers and stagnancy of the company.</p> <p>The final document covers the traditional marketing plan content, and suggests the renewed concept for the café with a more distinct positioning, shorter menu and more effective marketing actions towards customers.</p> <p>The project process is divided between two authors, each of whose is responsible for the corresponding stages of the marketing planning. After the information is gathered, it can be used in relevant parts of the marketing plan.</p> <p>Authors are using both primary research methods, including an owner interview and customer questionnaire, and observational methods and secondary research sources, such as web-pages, electronic articles, etc.</p> <p>The timing of conducting this project and writing the thesis is a bit more than one month.</p> <p>Results of the process is a documented marketing plan with a set objective for a period of one year, presented renewed concept and action program for the six months, composed in order to improve the company's performance.</p>	
<b>Keywords</b> Marketing planning process, marketing strategy, marketing plan	

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# 1 Introduction

Restaurant business differs from any other business fields: it seems to be much easier than a rocket science, though there are quite a lot of the hidden pitfalls. Despite the apparent easiness of starting up the restaurant and so many new premises opening every now and then, 60 percent of the restaurant is failing in a first year, and 80 percent closes in five years. (Feloni 25 February 2014.)

The reasons behind this dispiriting fact are among others a poor location, negatively influential economy, powerful competition, lack of personalized service and a way too big menu. (Rotelli 22 March 2013.)

The first ones are significant factors, but especially the last issue creates no solid foundation for the restaurant concept and the concrete value the company wants to offer to the customers.

The case company Phimiso - My Sushi café team has found themselves in this very situation. Starting their operations with a concrete business idea of Japanese café, with a differentiation in a delivery service, the café team was distracted by the wish to serve each and every customer, satisfy everyone's need. This led to increasing of the menu, by adding more alternatives to sushi, such as pastries, cakes, Russian cuisine main dishes, soups, etc. Though the menu was significantly changed, the name of the café, the style of logo in social media, even the web-page style weren't. The case company message became misleading, the quality of initial food option - sushi, consequently, became lower.

Therefore, café management has faced the inevitable problem of not growing, not attracting new customers and not remaining regulars. The necessity of changes became obvious.

As one of the authors, Anastasiia ladykina, has worked there as a manager assistant, she became interested in solving the existing issue. She approached Kiriaki Pavlidi in a matter of that issue, and after some consideration, the decision of writing marketing plan for a café was made.

Authors chose the marketing plan on the grounds of its direct connection to the issue and possibility of suggesting the solution.

## 1.1 Presentation of the commissioning party

Phimiso – My Sushi café was opened in Jakomäki, Helsinki, almost a year ago. The organizational structure of the café can be seen in the Figure 1 and the team consists of family members only. This café offers Russian and Japanese cuisines, salty and sweet cakes and pies, pastries. Also the company provides catering and delivery services and takeaway. The place where Phimiso – My Sushi Café is situated is relatively small and there are just 4 tables and 14 sets inside of the café, also in the summer time there is a terrace with 3 tables.

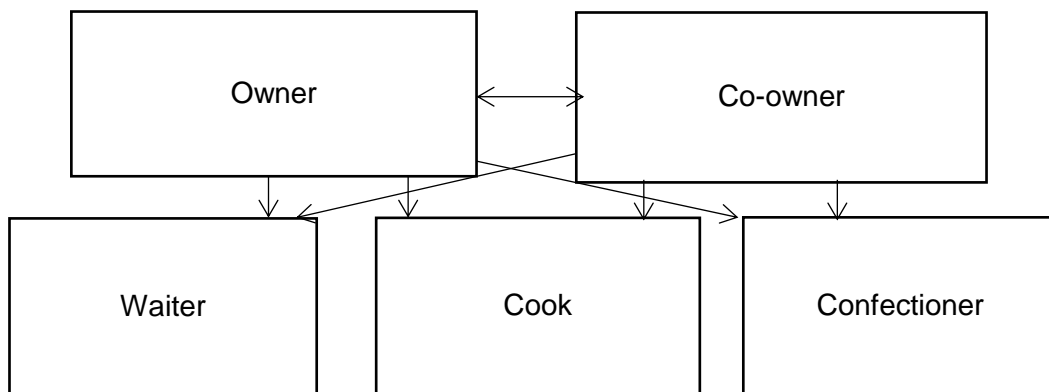


Figure 1. Organization structure of the case company

The idea of opening the café came to the owner several years before and she was working on it through writing a business plan. At first, the primary idea was to open a sushi café with a takeaway and a delivery service. The owner presented her business plan to the investors and they considered vesting in. The location and lodgment was found in Jakomäki. The sales and the amount of customers were growing precipitously during first 5 months.

The business started successfully, however after several months the demand started to decline and owners considered to expand the assortment of products in their café – to add cakes, pastries, catering and Russian cuisine – to please solitary clients. The variety of the orders increased but didn't raise sales. To determinate competitive advantage and exact concept started to be a challenge even for the owners. Thus the owners understood that they have faced the inevitable need of implementing new practices into every day operations. That's why Anastasiia ladykina started to work there.

Now the amount of customers and sales varies daily. The current turnover per month is about 5500€ and the amount of customers per day is approximately 20-25. The menu of Phimiso – My Sushi Café is still huge and contains all the previous ideas. It is open every

day from 11.00 to 20.00. From Monday to Friday the café serves lunch at 11.00-15.00, which represents mostly Russian cuisine. After the lunch, the café have a la carte menu with Russian and Japanese cuisine. Pies and some pastries are set in the windows.

## **1.2 Thesis objectives**

The objectives of this thesis can be divided into two interacting categories: thesis objectives and project objectives.

The former objectives can be listed as follows: composing the well-structured, easy to follow written work with a reliable and topic connected theoretical framework, which not only covers the existing theories, but shows the discussion and suggests new approaches. In the empirical part the objective is to analyse the project work in an appropriate way with a good proportion of critics and logical conclusions.

The thesis itself gives a firm support and limit to a final product of the project, the marketing plan.

The overall objective of the project is to conduct a marketing planning process, the results of which will be documented. The authors are aiming to use step by step approach of analysing the company, its competitors and environment, company's specifics, strengths and weaknesses in order to define the effective strategies and consistent action plan.

In the end, the project assignment is to compose a concise, reliable and effective marketing plan, which will help the company in solving its problems, will be effective in reaching its goals and be an exemplary document for the future marketing plans. Furthermore, the goal is to adapt the marketing plan to the needs and specifics of the case company, which is expected to make its content more realistic and relevant.

## **1.3 Structure of the thesis and limitations**

This subchapter briefly describes the thesis outline for a better understanding of the thesis structure.

The opening part of introduction presents the background of the project, the context of the decision concerning the main objectives of the project, the presentation of the commissioning party.

The theoretical framework constitutes, first, the overall context of the marketing plan which is the business plan. Then proceeds to marketing and marketing planning itself, where such points as mission statement and organizational objectives and strategies are discussed, along with marketing planning approaches. Then the marketing planning phasing for the case company is presented.

Theoretical framework is followed by the empirical part, where the details of the project itself are presented. First the background and scope for the project are justified. It is followed by the explanation of the project organization with a description of interest parties. Then the risk analysis with variety of possible risks is depicted, as well as phasing and tasks of the project, its costs and working methods of the thesis authors.

The empirical part proceeds with the description of the project implementation, where project research methods and project results are described

The principal part of the thesis finishes with the discussions, where conclusion of the project is presented, as well as recommendation for the case company and evaluation of the thesis process is discussed.

The marketing plan is attached as an Appendix 1. The marketing plan describes current company situation, its competitors and SWOT analysis as well as marketing strategies, including product, pricing and rebranding strategies.

The project is limited by the time of its implementation which is a bit more than one month. The time period is rather short, however it allows to implement a detailed work for the small business.

Second limitation is a consequence of the first one: the research process is limited to an interview with an owner and questionnaire for the customers and observational methods are partly used for the competitors' analysis, along with secondary research based on textbooks, web magazines and articles for a theoretical framework.

Third limitation connects with the marketing plan itself: authors cover the period of one year for the objective of the company's marketing management, and six months of action plan.

## **2 Theoretical framework**

In this chapter we would discuss the theoretical grounds for marketing planning. First, the general idea of business plan as a wider context for marketing plan will be presented briefly. The discussion will be followed by the major part which is the explanation and justification of the marketing planning process. Moreover, the stages of process will be clarified and its necessity will be justified. Finally, by analysing several approaches to composing the content of the marketing planning, the new approach will be presented and its content will be justified.

### **2.1 Business Plan**

Presenting a great significance for the business operations, marketing plan, however, constitutes the part of a business plan, and in many ways is influenced by it. Therefore, before starting to work towards marketing plan, it is highly important to understand what business plan features.

Business plan is a written strategic plan for a company's future usually covering from three to five years, describing the current situation, the desirable improvement for the business in the future and a way to get there. (Entrepreneur 2015.)

Lavinsky (30 December 2014) also states that business is answering the list of questions in order to take one's organization where it wants to be, however the period it covers is one year.

What does business plan contain? Lavinsky (30 December 2014) emphasises the following sections: company, industry, competitive and customer analysis, marketing, operations and financial plans, finally- management team. As it can be seen from Table 1, these sections cover the influential business questions. Although marketing plan gives answers to the questions listed by Lavinsky, it is important to remember that as a separate plan it covers more information.



Table 1. Sections and questions of a business plan (Lavisnky 30 December 2014.)

Company Analysis	What services/products company offers and will offer in the future?
Industry Analysis	How big is company's market and what are the market trends?
Competitive Analysis	Who are company's competitors? What are company's strengths and weaknesses? What is the competitive advantage?
Customer Analysis	Who are the target customers?
Marketing Plan	What are the promotional tactics to reach target customers? What is the brand positioning? Pricing?
Management Team	The description of company's management team?
Operations Plan	What is the actions plan?
Financial Plan	What are the projected revenues?

Lavinsky (30 December 2014) continues that by answering these questions, specific business goals can be easily defined.

Thus, clearly defined business goals, in turn, create a relevant foundation for the marketing plan decisions.

## 2.2 Marketing and Marketing Planning

American Marketing Association (July 2013) defines marketing as “the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large”.

In a nutshell, that is what the marketing is –the process of building the relationship with customers through the wide range of value exchanging.

According to Kotler & Armstrong (2016, 29), modern prosperous companies share a common trait of understanding their targeted customers' needs and knowing how to satisfy them. These companies work hard towards a long term customer relationship based on exchanging values with customers.

Kotler & Armstrong (2016, 30) claim that building real, lasting relationships with customers is crucial especially in a hectic environment we live in now. That makes marketing and its management process as significant as never before.

To reach the customers successfully, marketing planning is implemented. The first step of this process not always but usually is a defining of a corporate strategy (Hollensen 2010, 2). Marketing activities cannot be separated from other business systems, such as corpo-

rate planning, because marketing planning itself constitutes the set of solutions for analyzing both external and internal conditions which potentially have an impact on profitability of sales. Furthermore, corporate planning is reflected in the mission statement and objectives of the marketing plan, fortifying the relevant and realistic basis for the marketing plan (McDonald 2008, 25, 30). That's why both mission statement and objectives of business must be conducted prior to marketing planning.

Logically, the corporate and marketing activities are summed up in corresponding strategies. As suggested by Wood (2013, 16), corporate strategy provides longer term goals, overall value composition and direction, and is implemented by business strategy. In its turn business strategy contains the market analysis, allocation of resources. Last but not least marketing strategy supports the former one and implements latter one by covering product or brand strategy, pricing and communication strategies. That's why corporate and business strategies should be planned prior to marketing planning as well.

However, in authors' opinion, the division for corporate and business strategies might be irrelevant for small businesses or start-ups, and therefore decrease the effectiveness of marketing plan. For small scope organizations authors suggest combining corporate and business strategies in order to have a more specific picture to implement in marketing strategy.

Brassington & Pettitt ( 2005, 389) defines marketing planning as a systematic way of forecasting the potential business environment in order to set the most realistic objectives and effective stances to succeed in that environment.

In turn, Wood (2013, 2) refers to marketing planning as "the structured process that leads to a coordinated set of marketing decisions and actions, for a specific organization and over a specific period ".

Why organizations need marketing planning? According to McDonald (2008, 8) marketing planning concentrates on composing the competitive advantage. Later Wood (2013, 3) suggests that marketing planning helps a company keep an eye on customer and market, analyse competitors, and at the same time evaluate the process of achieving or not achieving the goals.

Ideally marketing planning would lead to being ahead of competitors, which is especially crucial nowadays in the time of dynamic changes and innovations.

Kotler & Armstrong (2016, 655) proposes that having a detailed marketing plan will benefit to any type of organization whatever its goal may be.

The marketing planning should be organized systematically. Wood (2013, 4) suggests that the marketing plan constitutes the result of seven -stage marketing planning process. These seven stages of marketing process are presented in Table 2. However, the mission statement and organizational objectives must be already clear, as they influence marketing planning and its result. (Wood 2013, 19.)

Table 2. The marketing planning process (Wood 2013, 5)

<b>The marketing planning stage</b>
Stage 1. Analyse the current external and internal situation ( incl. external & internal analysis, SWOT)
Stage 2. Research and analyse markets and customers
Stage 3. Segmentation, targeting and positioning
Stage 4. Set marketing plan objectives and direction
Stage 5. Plan marketing strategies
Stage 6. Plan to measure progress and performance
Stage 7. Implement, control and evaluate the plan

In turn, McDonald (2008, 47) suggests slightly different approach to marketing planning, which is classified in Table 3.

Table 3. McDonald's strategic marketing planning process (2008, 47)

The strategic marketing planning process	The output of the marketing planning process strategic marketing plan contains
Phase 1. Goal Setting	Mission Statement Financial Summary
Phase 2. Situation Review	-Market overview: <ul style="list-style-type: none"> <li>• market structure</li> <li>• market trends</li> <li>• key market segments</li> </ul> Which leads to SWOT -Portfolio Summary -Assumptions
Phase 3. Strategy formulation	Marketing Objectives: <ul style="list-style-type: none"> <li>- strategic focus</li> <li>- product mix</li> <li>- product development</li> <li>- target customer groups</li> </ul> Marketing Strategies: <ul style="list-style-type: none"> <li>- product</li> <li>- price</li> <li>- promotion</li> <li>- place</li> </ul>
Phase 4. Resource allocation and monitoring	Resource requirements

Moreover, the author divides marketing plan into two: strategic and tactical marketing plans. The former one covers three to five years and presents the overall operational purpose, the latter one covers one year or even less, presenting detailed and scheduled actions to achieve the first-year goals of strategic plan. (McDonald 2008, 14.)

Wood (2013, 4), however, mentions that as marketing environment is highly changeable, the marketing planning should be a regular practice of analysis of actions workability, after which the strategic decisions should be made. Wood (2013, 2) adds that big scope organizations regularly compose different marketing plans for each brand and market, or other operations.

Probably, creating a long-term strategic marketing plan and short-term detailed tactical plan is still contemporary for large corporations, but smaller companies or companies operating in highly variable environments, has no purpose of doing so. Instead, they can insert the strategic decisions into short-term marketing plan in order to be more flexible and concrete and at the same time not forgetting the overall business picture.

As a case company is a small company, operating in a restaurant business field for less than one year with not clear concept, authors suggest combining different approaches to marketing planning which is visibly presented in Table 4.

Table 4. The marketing planning stages for a case company

Stage 1 Preliminary work	Mission Statement Business objectives Business strategies
Stage 2	Analysis of Micro- and Macroenvironment +Customer Insights + STP approach SWOT
Stage 3	Setting the marketing plan direction Marketing Strategies 4P's: Product Price Promotion Place
Stage 4	Monitoring marketing plan implementation and results
Stage 5	Documenting the marketing plan

Microenvironment analysis covers the following categories of business:

- the company, its departments, interaction and allocation of resources
- suppliers, their availability, costs and reliability
- marketing intermediaries, such as resellers and distribution firms
- publics, a potential interest group, such as financial publics or media publics
- customers, targeting to customer markets
- competitors, to create competitive advantage and position business effectively

Macroenvironment analysis covers following environments:

- demographic, considering population's size, location, etc.
- economic, considering economic factors
- natural, natural resources and environment
- technological, covering new innovations
- political, considering political influence
- cultural, forces influencing society perceptions. (Kotler & Armstrong 2016, 95-116.)

These analyses can provide marketers with current situation of business, both external and internal, which later will allow relevant marketing decisions be made.

In order to make marketing planning even more effective, we suggest adding customer insight to *customers* part. Customer insight can be collected through questionnaire. Moreover, as Hanlon (17 December 2013) states that segmentation, targeting and positioning approach is famous for assisting in providing engaging marketing messages to the audiences, and therefore has its focus on the audience itself, we suggest implementing STP approach right after customer insight. The process of STP approach is shown in Figure 2.

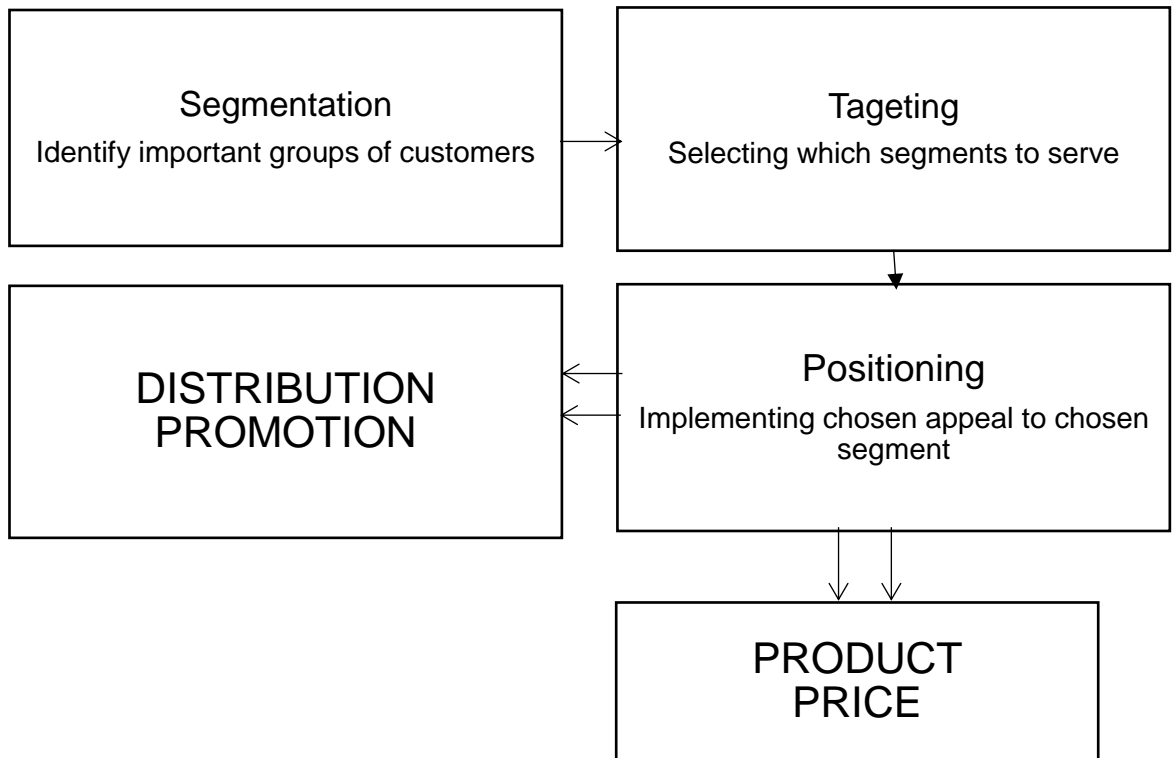


Figure 2. Segmentation, targeting, and positioning (Perner 2010.)

After the analysis of micro- and macroenvironment SWOT analysis can be implemented. The SWOT abbreviation stands for strengths and weaknesses, opportunities and threats, which are extracted from internal and external analysis correspondingly.

This assessment analysis is used to depict significant beneficial or disadvantageous factors of business. It also gives an accurate track of business situation. (Makos 31 March 2015)

Next step is setting the marketing plan direction and objectives. When doing so, it is crucial to remember the close connection of marketing program objectives with business goals, as well as the ability to measure the progress in reaching them. (Wood 2013, 88.)

In order to succeed in defining marketing strategy the marketing mix of 4P's is used, including place, product, promotion and price. Table 5 shows the content of each P.

Table 5. The four P's (Martin 5 August 2014)

P of the marketing mix	The topic it covers
Place	How the product reach the customer
Product	Tangible good or intangible service, which meet specific customer need Selling proposition The product benefits The potential customers
Promotion	Marketing communication strategies, including advertising, public relations, special offers, etc.
Price	The amount end user is willing to pay The clear link between the perceived value and this amount

Next step is monitoring the implementation and results of the marketing plan action program. In order to do so, after a year of marketing planning implementation, the NPS indicator has to be used. NPS stands for Net Promoting Score and is used to indicate the company's performance in the market. (Net Promoter Network 2015.) The usage of NSP indicator is extremely understandable.

According to Net Promoter Network (2015) in order to get results company must ask its customers about likelihood of recommendation of the company to friends or colleagues. Depending on their questions, the respondents may be divided into three categories: promoters, who represent loyal customers and will promote the business, passives, who are satisfied with the company performance, however not the most reliable customers, and detractors, the unsatisfied customers who can cause damage to the business. Promoters minus detractors equal Net Promoter Score and the higher it is, the better company performance is. (Net Promoter Network 2015.) In the Figure 3 the NPS calculations are shown.



Figure 3. NPS Calculations (Net Promoter Network 2015.)

The final step of marketing planning is documenting it in a clear and consistent marketing plan, which covers marketing decisions and actions, and constitutes the main objective of this work.

The content of marketing plan traditionally includes executive summary, current market situation, SWOT, objectives and issues, marketing strategy, action program, budget and control. According to Kotler & Armstrong (2012, 645) executive summary reflects overall picture of the organization, with the major goals and advices. The marketing plan traditionally starts with this section.

It is followed by current market situation section which covers targeting, product review and competitor review. They constitute the results of partially STP approach, macro- and microenvironment analysis. Next the SWOT is presented, which is expressed from micro- and macroenvironment analysis as well.

Then marketing strategies including positioning, product strategy, pricing and place strategies, and rebranding strategy are presented. As Kotler & Armstrong state (2012, 651) first four present marketing tools, which conclude the overall direction of the company.

Action program follows the marketing strategies section. It gives an exact plan of actions needed to be taken in order to achieve marketing goals.

In order to forecast the potential financial outcome and analyze the results of the marketing plan budget and control are used correspondingly. ( Kotler & Armstrong 2012, 653.) These sections finish the marketing plan.



### **3 Empirical part**

In the contrast to theoretical part, empirical part of the thesis covers the practical side of the project. Starting with background and scope of a project, where authors justify the reasons behind the project and their own motivation, the empirical part proceeds to the project organization and risk analysis with explanation of probable risks. Then the phasing and division of the tasks between authors are shown, along with working methods and costs of the project. Empirical part proceeds with description of project implementation, research methods which authors were using while implementing the project as well as conclusions and recommendations for the commissioning party. In the end the evaluation of the thesis process is presented.

#### **3.1 Background and a Scope for a Project**

The overall background of marketing plan is based on the needs of the commissioning party, as well as interests of the authors. An unclear concept and as a consequence the blur message of the commissioning company has led to extra expenses and lack of the customers, both walk-ins and regular. In order to change current situation the marketing planning is implemented and marketing plan is documented.

In particular, marketing field was chosen as authors' study interests lay in this field, which made composing marketing plan for authors- a unique case of studying through practice. Ideally, marketing plan will help company in assessing its current situation, suggest renewed concept, which is taking into account the business objectives and strategies, as well as influencing marketing strategy.

The final document will cover traditional marketing plan points, including current marketing situation, SWOT, and objectives, marketing strategy, actions program, budget and control. Marketing plan will provide the commissioning company the list of actions need to be taken in order to improve marketing performance, and the reasons behind them.

#### **3.2 Project Organization**

The project organization consists of a project team, the authors of the marketing plan, and the commissioning party, which is interested in improving the business.

The author's roles and responsibilities were divided accordingly to each one's experiences and preferring.

Anastasiia ladykina has been working for the case company for a period of six months as a manager assistant, which created a fruitful foundation for her to work on issues such as company, market description and budget.

In turn, Kiriaki Pavlidi has been an active participant of Haaga-Helia Start-Up School, and also was developing her business idea by composing business and marketing plans. Therefore in this project she is responsible for the marketing planning process and the content of the marketing plan.

The commissioning party is the end –users of the document. Its representative is company's owner Olga Närhi-Ratkovskaja. Her contribution is defining the business strategy, providing the internal company's information with details on business idea, concept, profit, also –needs and wants, and desirable results of the marketing plan. This internal information was collected through the interview.

In the end, Olga is the one who will be assessing the results of the marketing plan decisions.

### **3.3 Risk Analysis**

There are several categories of risks that authors can face throughout the working process: personal, working internal and working external.

The risks are specified in the Appendix 4.

### **3.4 Phasing and tasks project plan**

In order to compose marketing plan on time, the authors have created the schedule where the parts of the plan are divided between them. Also the realistic deadlines are set in order to document marketing plan and edit it if needed. The detailed schedule with tasks and deadlines can be seen in Appendix 5.

### **3.5 Working methods**

As seen in Appendix 5 some of the tasks are done in pair and some individually. However, all written work is completed individually. The authors are meeting each other in the beginning of every week to discuss the forthcoming job routine. In addition to that, every now and then it is necessary to talk over the phone or skype to figure out some issues and make sure authors have exactly the same ideas in mind.

Meetings with commissioning party are held once a week in order to lead the company's representative throughout the working process.

## **4 Project Implementation**

The objective of the project was to provide a commissioning party with a marketing plan, which would possess such characteristics as relevancy, liability and concreteness.

As stated in Appendix 5 the first stage of the working process started the 7<sup>th</sup> of November, however the preliminary work was done before that. In the end of October authors met each other to discuss the possibilities of conducting cooperative project. After this meeting, the decision to compose marketing plan for a case company was made. The reasons behind that were as follows: necessity of improving the case company performance, one of the authors' involvements in the case company operation, and an objective of implementing a practically useful document with a strong connection to a real business environment.

In order to conduct the project successfully authors decided to use the marketing planning approach, which was adapted to the specifics of case company.

After a first meeting, the authors have divided the responsibilities of marketing planning and agreed to meet each other or call to each other in order to analyse the gathered information together.

The final marketing plan is presented in the Appendix 1. It covers a traditional content of the marketing plan, including among others- executive plan, marketing strategies, competitor analysis, action plan for the six months, etc.

### **4.1 Research process for marketing plan**

The research process for the marketing plan was divided into two categories of primary and secondary based on the nature of the needed information. In order to gather information about the company, its structure, concept, its goals and issues, the interview with an owner was conducted, and observational methods to analyse the company image were used.

For the competitors' analysis as well as market analysis both secondary research and observation were used.

In the interest of gathering the customers' insights on the case company the questionnaire was conducted in addition to analysing the social media activity of the customers, and specifics of customer's behaviour at the café premises.

The research process was planned in advance. The questions for the interview and questionnaire were composed in order to find out the owner's and customer's opinions correspondingly. Among several steps of composing an effective questionnaire Wang (24 October 2014) suggests authors especially followed - keeping it simple by writing short and concise questions and connecting the research theme closely to business strategy. The questions were directed to define customer's behaviour at the premises, their food preferences and probability of recommending the café to friends or relatives.

The questionnaires were designed in a nice attractive manner, see Appendix 3 and left by authors at the café from 7.11 till 9.11 due to publicity of the café during these days. On the 9th of November the questionnaires were collected from the café and analysed. Based on the questionnaires results the graphs were drawn, which can be seen in Appendix 6. Unfortunately, there were only 15 respondents due to the lack of time and the events that were held during these days in the café.

Same techniques apply to the owner interview. It was conducted by Anastasia Ladykina in an informal style on the 7th of November. However, due to time limitations and unwillingness of business owner to provide more information, the results of the interview weren't as satisfactory as expected. The detailed information concerning the financial accounts was hypothesized by the authors. The interview can be seen in the Appendix 7.

The secondary research was implemented throughout the working process by both authors using mainly Internet web pages.

The observational methods were used in analysing company's image in social media, on the web-page and in the café itself.

The marketing for the case company was based on McDonalds and Woods approaches and adapted to the company's specifics. Authors decided to follow Kotler & Armstrong's content of marketing plan.

## **5 Discussion**

Marketing plan for a case company Phimiso - My Sushi Café is a good example of the marketing analysis significance in a business operation of any kind. By analysing and re-researching the company organization, its internal and external factors, the authors realized that in order for business to grow, its concept and, therefore, its strategy should be changed, or better to say, renewed.

The results of the marketing plan have shown that the customers tend to prefer Russian cuisine over the rest of the menu, the company pricing is way too low even taking into consideration its relatively low fixed and variable costs and the menu is extremely expensive.

### **5.1 Recommendations**

Authors recommend the commissioning company to start from the change of the menu, which will lead to a new concept, name of the café and logo. The emphasis should be made on Russian cuisine with a smaller variety of options in the menu and higher quality. It will create a perfect foundation for a distinct positioning on the market, after which other marketing strategies should be implemented. These include pricing strategy based on competitors' prices, leading to increasing of the current prices yet leaving them a bit lower than the competitors'. Furthermore, the product strategy must result in differentiation of the food on the grounds of its local origin and freshness. Then the marketing communication strategy should result in more active, regular and consistent interaction with customers.

### **5.2 Evaluation of the thesis process**

Thesis process was as expected extremely concentrated and effective. As the time period for conducting the project research, composing marketing plan and writing the thesis itself was rather limited, authors were reaching the milestones with a higher level of motivation. During the thesis process there were no disagreements between authors about the direction of the marketing plan and actions need to be taken by the case company.

Moreover, every stage of the process was done by the responsible author, meeting the deadlines set in the beginning of the working process.

As the objectives were set realistically, authors are quite satisfied with the final document. Although some personal risks such as lack of motivation and time were avoided, the lack of practical skills and wider range of knowledge created obstacle in achieving the desirable results while composing the marketing plan.

Furthermore, the risk that owners will not be satisfied with the results can remain, as the marketing plan assessment will take place only in June.

As a result of intense work on the project, authors have not only learnt how to work as a team, dividing the responsibilities, trusting each other and contributing equally to the project, they also have learnt how to search for the reliable sources and limit the information based on the real needs of the case company. They also studied the marketing process in practice, even though its scope wasn't big. Furthermore, authors realised the significance of the extracting the most crucial information in order to get the effective results that can actually change the company performance and support its business strategy.

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## Appendices

### Appendix 1. Marketing Plan



## Marketing Plan for Phimiso – My Sushi Cafe

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Bachelor's Thesis  
Degree Programme in Hotel,  
Restaurant and Tourism Man-  
agement  
2015



# 1 Executive Summary

Phimiso – My Sushi Café has not very stable position of Helsinki restaurant market now. The amount of customers varies daily. The weather and week day can have a great impact on the customer flow. The current turnover per month is about 5500€ and the amount of customers per day is approximately 20-25.

The main objective of the case company is to raise month sales in 2016 to 12000€. Break-even point should be achieved in 3 years. The amount of daily customers should rise to 60 people per day.

As Phimiso – My Sushi Café has no specific and distinct concept, it is impossible to determine product and competitive review and target segmentation. That's why company should launch new well-defined and clear concept – reducing the assortment of food and concentrating on Russian national cuisine.

As the primary consumer target is low to middle income families and couples who want to eat tasty Russian food and to feel the restaurant atmosphere, the “slow food for the price of fast food” position was determined. Competitive advantage of the case company is home-made Russian national food cooked from local ingredients by inexpensive prices.

The competition on the market isn't very intensive. There are only 5 Russian cuisine restaurants in Helsinki. Thus, there are two direct competitors and three indirect.

New marketing communication strategy will focus on value proposition of the case company “we give clients more for less money”. It will be done in the modern way using social media, web page and flyers.

Also the case company changes their pricing strategy to the competitor-based to compete successfully on the market.

Action plan is designed for 6 months.

The means of achieving the planned figures are done through re-organizing the main concept, rebranding the café and new advertisement company which will be focused on the main target groups.

## 2 Current Marketing Situation

Phimiso – My Sushi Café entered Helsinki restaurant market practically a year ago, in February 2014, by a family. At first, the café was offering only sushi delivery service and takeaway. As it was new concept to Helsinki restaurant market (no sushi delivery existed), the turnover of the café started to grow from 4000€ to 7000€ per month and the amount of customers varied from 20-40 persons per day. (Olga Närhi-Ratkovskaja 2015.)

A few months later, the case company expanded the assortment of products as a part of its future growth strategy. It added sweet and salty cakes, fresh pastries, catering service and Russian cuisine items – soups, main dishes and desserts. But sales kept on practically same level and even started to decrease.

Now Phimiso – My Sushi Café offers a wide menu including Japanese and Russian cuisine, cakes and pastries. It also offers cakes to order, thematic parties and catering service. The turnover is about 5 500€ per month and the publicity of the place gives 20 – 25 clients per day.

Nowadays there are billions of small, middle-size and large restaurants, cafes and bars which are opened worldwide. Every day millions of restaurants open their doors to the customers, for example: there are 84 257 (year 2014) in Shenzhen, China, 36 571 (year 2015) of restaurant items in Los Angeles, USA and 24 360 (year 2014) in London, England. (World Cities Culture Forum 2015.) Restaurant business affects the interests of virtually the whole population national ones who live in a certain area, as well as tourists that are coming there.

Restaurant service market started to grow rapidly in Finland after the war. The Olympic Games in 1952 brought a lot of tourists and visitors to the country, that's why many bars, cafes and restaurants were opened in Helsinki. Also the Finnish alcohol policy was changed. In fact it was the end of the severe restrictions to the restaurants and the customers were supporting new rules. As the amount of restaurants started to grow extremely, the interest of consumers and the competition increased. New and innovative ideas began to come from Southern Europe, for example: first Irish pub was opened in Helsinki. In 1990's and 2000's global and local fast-food chains entered the Finnish restaurant industry.

According to the Trip Advisor there are about 1 112 restaurants and 120 cafes in Helsinki, Finland, in 2015 year. (Trip Advisor 2015.) The average bill depends on the format of the

place: in fine-dining restaurant it will be about 50-60€ per person without alcohol, in casual-dining restaurant – 35-40€, in fast-food item – 7-15€, in café – 6 - 10€.

However, according to the news service Yle, in last year, Finnish Hotel and Restaurant Association told that losses in hospitality are growing, at least in twice times and sales in many restaurants declined by tens of percent. The reason for the reduction of customers and sales are justified by the increasing interest to the neighboring country which is less expensive - Estonia, as well as a significant outflow of tourists from Russia. (YLE 2014.)

It is well-known that the situation in the market is influenced by political and economic situation in the country and in the world.

But the competition is more intensive than in the last year as evidenced by the number of restaurant service start-ups. Statistic Finland states, the turnover in the hospitality industry increases by 3, 7 percent from the last year. (Statistics Finland 2015.)

All in all, there are 50 French, 76 Italian, 79 Japanese, 46 Mediterranean, 27 Mexican and 5 Russian restaurants and 50 cafés. (Trip Advisor 2015.) Thus, for getting a market share in such a competitive and tense atmosphere, Phimiso – My Sushi Café must focus on certain target segments with its advantages that could be appreciated by those segments. (Kotler & Armstrong 2016, 657.)

## **2.1 Market Description**

The main target segments in Phimiso – My Sushi Café are families with children, couples, locals and construction workers whose job is nearby. Practically all of the customers are originally from Russia or Estonia that's why they prefer home-made Russian cuisine to which they are accustomed in their home countries. All of the target groups are living in Helsinki: in Jakomäki, Mailmi, Itäkeskus, Tikkurila and neighboring areas. In the table below, we show the main target segment, their needs and wants and the advantages of the café to the customers to fulfill their needs.

Table 1. Target segment in the case company

Target Segment	Needs and wants of customers	Advantages
Families with children	Home-made and fresh Russian food (soups, main dishes and desserts), cakes to order, traditional Russian cakes and pies, takeaway and delivery, friendly and cozy atmosphere, children menu and playing area, middle price	<ul style="list-style-type: none"> <li>• Home-made, fresh and just cooked Russian cuisine at cheap price</li> <li>• Lunch menu (11-15)</li> <li>• Children menu</li> <li>• Playing area</li> </ul>
Couples	Home-made and fresh Russian food (soups, main dishes and desserts), cakes to order, takeaway and delivery, friendly atmosphere, middle/cheap price, lunch menu, native language	<ul style="list-style-type: none"> <li>• Great assortment of national Russian cuisine including starters, soups, main dishes, pies, pastries and cakes</li> <li>• Varieties of coffee and tea, including organic</li> <li>• Non-alcoholic soft drinks</li> </ul>
Locals	Home-made and fresh Russian food (soups, main dishes and desserts), cakes to order, takeaway and delivery, the nearest location, middle/cheap price, coffee and tea takeaway	<ul style="list-style-type: none"> <li>• Delivery services</li> <li>• Takeaway</li> </ul>
Workers	Home-made and fresh Russian food (soups, main dishes and desserts), pie and coffee takeaway, lunch menu, delivery, cheap price, advantageous location	<ul style="list-style-type: none"> <li>• Service on Russian language</li> </ul>
Walk-ins	Different pastries and cakes, coffee and tea, lunch menu, takeaway, middle/cheap price	

## 2.2 Product Review

The case company should present a new concept of the café which is focused on target segments and their needs shown in Table 1. The menu will be based on Russian national cuisine. All ingredients are local which results in freshness and better quality of the food. The renewed menu is presented in the tables below.

Table 2. New Russian menu in the case company

<b>Starters</b>	Stolichnij salad	Salad "Dressed herring"	Vinegret	Mimosa salad	Blini: • Smetana • Chicken • Meat
<b>Soups</b>	National Russian Borsh soup	Famous Solyanka soup	Homely soup with meatballs		
<b>Main dishes</b>	Beef Stroganoff	"Lazy cabbage rolls"	Grandma's Meat Cutlets with Grecha	Kiev Chicken with potatoes	Pelmeni: • Chicken • Meat • Potato
<b>Pies</b>	Pie with cabbage and egg	Pie with meat	Pie with cottage cheese	Pie with apple	Pie with cowberry
<b>Pastries</b>	"Potato"	Honey cake	Éclair	Jumble	Cottage cheese pie

Lunch is from 11 to 15. A-la carte time starts from the end of lunch time and on weekends. Pies and pastries can be bought in the café during the whole day and cakes should be ordered at least 2 days before receiving. Takeaway and delivery service spreads on all of the menu items.

Table 3. Examples of cakes to order in the case company

<b>Cakes to order</b>
Medovik cake
Napoleon cake
Chocolate cherry
Smetannik cake
Avangard cake

Table 4. Lunch menu in the case company

Monday	Borsch and Beef Stroganoff
Tuesday	Stolichnij Salad and "Laze cabbage rolls"
Wednesday	Homely soup with meatballs and Kiev Chicken
Thursday	Vinegret and Grandma's Meat Culets with Grecha
Friday	Solyanka soup and Pelmeni with meat

Lunch also include water, coffee, tea and bread.

Lunch options vary from day to day. Customer can choose from two options: ordering both dishes at smaller size for 10€ or pick either of two with bigger size for 7€

The catering menu could be introduced later when the amount of customers grow.



Phimiso – My Sushi Café provide friendly, warm, cozy and homely atmosphere as it is a family style café. The interior in the café won't be changed completely and it can be seen in Appendix 2. The service will be provided in three languages: Russian, Finnish and English.

### **2.3 Competitive review**

As was mentioned earlier Helsinki restaurant service market is growing despite of the external factors: outflow of Russian tourists, the euro exchange rate and changing economic and political situation.

As there are only five Russian cuisine restaurants and cafés, the competition is not very intensive. In these terms, the case company reviews all three restaurants and two cafes: Saslik, Troikka, Bellevuet, Blinit and Pelmenit, which represent two categories of competitors: direct (Blinit, Pelmenit) and indirect (Saslik, Troikka, Bellevue).

The competitors with brief information are listed here:

- 1) Saslik is the most famous Russian restaurant in Helsinki. It has a forty-year history. The restaurant takes customers to the 19 century, when Russia was a Tsarist Empire. The interior is luxury, chic and expensive. Saslik offers Russian cuisine starters, soups, main dishes and desserts. Also it has a great variety of traditional alcohol and non-alcohol drinks and proposes private rooms for any events and three packages with music, performance and food. The most well-known dish is bear. The prices are very high but Saslik has a great and renowned image. (Saslik 2015.)
- 2) Troikka is also a well-known Russian restaurant in Helsinki. It was opened in 1920s. The interior and atmosphere is similar to Saslik restaurant – it is tsarist, smart and expensive. Every picture on the wall has its own history. Troikka's regular menu consists of national Russian food and traditional drinks. The restaurant offers three menu sets by the prices which can compete with Michelin restaurant's prices. All in all, prices are quite high but customers can afford them for their unforgettable experience.
- 3) Pelmenit is a small café in Kallio, Helsinki. It was opened several years ago and it has very casual and plain atmosphere and interior. The menu contains dishes from Russian national cuisine by medium prices. Pelmenit offers only soft and hot drinks and beer. It also has takeaway service. Overall Pelmenit looks like refectory which cheap prices and scanty interior. (Trip Advisor 2015.)
- 4) Blinit is also a small café which has more than tenth year history. It offers Russian national soups, salty and sweat pancakes and pelmeni. Blinit has takeaway and

order by web-site services. Also the café introduced three types of bonus cards for loyal clients. The interior is quite simple but cozy. Blinit has similar to Pelmenit café prices. (BLINIt 2015.)

- 5) Bellevue was opened in 1974 and it has a great and very interesting history. Since 1974 the restaurant is focused on traditional Russian cuisine and later national beverages. Bellevue has lunch and Christmas menus and also the four menu sets. In 2010 the restaurant won a Michelin star and in 2013 the “Certificate of Excellence” on Trip Advisor. Obviously, prices in Bellevue are high and the interior is classic, old-fashioned and chic. (Bellevue 2015.)

To sum up, all of the competitors have good location (in the center of Helsinki), big assortment of Russian traditional cuisine, long history, recognizable brand, strong and positive image and, of course, their specific and loyal target groups. All strengths and weaknesses of the competitors are presented in Table 3.

Table 5. Competitor’s strengths and weaknesses

Competitor	Strengths	Weaknesses
Saslik	Location, big assortment of food and beverages, good service, long history, brand and positive image, qualification of staff, event packages	High prices, half of the dishes are not Russian cuisine
Troikka	Location, big assortment of food and beverages, long history, good service, brand and positive image, qualification of staff, menu sets	High prices, half of the dishes are not Russian cuisine
Pelmenit	Location, Russian national cuisine dishes, positive image, takeaway	Poor interior, bad service
Blinit	Location, Russian national cuisine dishes, positive image, bonus cards (loyalty system), takeaway, food order system	Simple interior, bad service
Bellevue	Location, big assortment of Russian national food and beverages, long history, good service, brand and positive image, qualification of staff, menu sets	High prices

Thus Phimiso – My Sushi Café has national Russian food, cheaper prices, plain but not poor interior, friendly and democratic atmosphere and it is family-run – that’s the main factors that distinguish the café from the competitors.

### **3 SWOT**

SWOT analysis covers the basic strengths and weaknesses of the case company and defines main opportunities and threats with which the café could collide.

#### **3.1 Strengths**

##### 1) Diverse menu

The case company has Russian cuisine menu which consist of eight different salads, soups, main dishes, pie, pastries and cakes to order.

##### 2) Home-made food

All dishes which are served in the café are home-made by cook who has thirty years' experience in cooking Russian national cuisine.

##### 3) Friendly and cozy atmosphere

As the café is small there are only 4 tables and 12 to 14 sets. The café's interior is simple but stylish. It is decorated with flowers, candles and different statuettes. The personnel are friendly and communicative.

##### 4) Own confectionery production

Cakes, pastries and cupcakes are made in the café's kitchen by confectioner who has 20 years of experience in this field.

##### 5) Low prices

Phimiso – My Sushi Café has democratic and inexpensive prices in comparison with the competitors.

##### 6) Takeaway and delivery service

The café offers both services. Delivery order is made through web-site and it is free in the neighborhood or after the 50 euros payment for the food.

#### **3.2 Weaknesses**

##### 1) Unknown brand

Phimiso – My Sushi Café is opened less than a year and in comparison with the competitors has practically no formed image.

##### 2) No marketing strategy and specific concept

There is no marketing strategy and specific concept in the case company now. Some ideas and thoughts of owners are put together and implement into life. Unfortunately, on practice, it leads to decrease of customers and turnover.

##### 3) No experience in restaurant business

Both owners have no experience and professional knowledge about restaurant industry. However, two staff members are well-experienced only in cooking.

4) Not central location

Phimiso – My Sushi Café is located in Jakomäki and it is 16 km away from the center of Helsinki.

5) No alcohol license

As the place of the café is very small, it is impossible to have alcohol license.

6) An expansive menu

The menu offered at the café is way too big for the small starting up company.

### **3.3 Opportunities**

1) Not intensive competition

Due to competitor review, there are only 5 Russian cuisine restaurants in Helsinki. All of them have own history and a stable position in the market and, in fact, they don't compete with each other. Also the location of the case company is far from these restaurants.

2) Increase of the demand for Russian cuisine

As the owner of Phimiso – My Sushi café mentioned in the interview, half of their customers are Finns who likes Russian food. (Närhi-Ratkovskaja 7 November 2015.)

3) Restaurant market growth

Due to Statistics Finland restaurant industry is growing despite economic situation. (Statistics Finland 2015.)

4) Support for small businesses in Finland

There are several organizations in Finland such as “Central Chamber of Commerce” and “Entrepreneurs in Finland” that helps and supports small and middle businesses with financing for example.

5) Increase of paying capacity

As the tendency of “eating out” is still growing, especially on lunch time, customers are spending more and more in the restaurants and cafés.

### **3.4 Threats**

1) Old image connected with sushi

Customers can remember Phimiso – My Sushi Café as a place where sushi were served and it can make negative impact on the new image – don't satisfy expectations.

2) Poor reputation before rebranding

Customers can remember bad experience in Phimiso – My Sushi café before rebranding – no clear concept, huge and unbound menu and bad service.

3) Changes in the political and economic situation in the country

The politic and economic situation in the world is not stable now because of the last accidents in big European cities.

4) Decrease of the purchasing power

As the economic situation in the world isn't stable, salaries and social packages may be reduced and because of that the purchasing power could decline.

5) Increase of the competitors

As restaurant market is growing, people open new restaurants, cafés and bars and join the tense competition in this sphere. .

SWOT analysis which is presented in the Table 6 helped to find out internal factors of the cafe: strengths which should be monitored and developed, and weaknesses which should be modified into strengths or gotten rid of; and external factors: opportunities and threats.

Based on SWOT analysis the case company owner can conclude that, at best, her business will develop further, and at worst – bad image and service, lack of specific concept and right marketing strategy can reduce the flow of customers. Therefore, next strategic directions to increase revenues and attract more customers, will be the re-branding the café, choosing precise concept and marketing strategy and improving service skills of the personnel.

Table 6. SWOT analysis for the case company

<p style="text-align: center;"><b>Strengths</b></p> <ul style="list-style-type: none"> <li>• Diverse Russian cuisine menu</li> <li>• Home-made food</li> <li>• Friendly and cozy atmosphere</li> <li>• Own confectionery production</li> <li>• Cheap prices</li> <li>• Takeaway and delivery service</li> <li>• Creation of new marketing strategy</li> <li>• Understanding of the client's portrait</li> </ul>	<p style="text-align: center;"><b>Weaknesses</b></p> <ul style="list-style-type: none"> <li>• Unknown brand</li> <li>• No marketing strategy and specific concept</li> <li>• No experience in restaurant business</li> <li>• Not central location</li> <li>• No alcohol license</li> </ul>
<p style="text-align: center;"><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>• Not intensive competition</li> <li>• Increase in demand for Russian cuisine</li> <li>• Restaurant market growth</li> <li>• Support for small business in Finland</li> <li>• Increase of paying capacity</li> </ul>	<p style="text-align: center;"><b>Threats</b></p> <ul style="list-style-type: none"> <li>• Old image connected with sushi</li> <li>• Bad image before rebranding</li> <li>• Changes in political and economic situation in a county</li> <li>• Decrease of purchasing power</li> <li>• Increase of the competitors</li> </ul>

## 4 Objectives and Issues

The case company has several objectives for the first year: business and marketing goals.

### 1) Business objectives

Owners set the following financial targets: the month sales in 2016 should rise to 12000€. Break-even point should be achieved in 3 years.

### 2) Marketing objectives

With the help of successful marketing strategy, positioning and promotion of the café, following objectives should be achieved: attraction of new clients and “old” customer retention, increase of brand awareness, growth of the amount of followers in Facebook and VK to 1500 people and raise number of daily clients to 60 per day.

Main issue of Phimiso – My Sushi Café is the absence of clear and specific concept, which leads to misleading advertisement actions, also lack of professional knowledge and experience. To avoid these issues and to consolidate the position of their café on the restaurant market, the owners should choose well-defined concept and marketing action program.

## **5 Marketing Strategy**

Marketing strategy of case company includes developing a “better quality for lower price” positioning based on fresh and home-made food and good service by the price of fast food. Primary consumer target is low to middle income families and couples who want to eat tasty Russian food and to feel the restaurant atmosphere. This target can be described geographically by place of living (Finland, Helsinki), demographically by age (24-65) and by family status (marriage, children) and culturally by place of birth (Russian, Estonia). Secondary target is working people whose job is nearby and they want to have healthy and homely food for lunch by affordable price.

### **5.1 Positioning**

Case company will be positioned on “slow food for the price of fast food” value proposition. It will differentiate the company from competitors by features of the product: Russian cuisine, good quality of food, local ingredients, restaurant atmosphere, friendly service and all these for low price. Competitive advantage of the case company will be fresh food made by local inexpensive ingredients by moderate price. Marketing will be focused on competitive advantage and will inform that case company is more than just a small café: the café team cares about the customers not about their money.

### **5.2 Product Strategy**

All the features of the case company are described in product review. As awareness possesses and customer flow will grow, more positions can be added to the regular menu. As an example, seasonal dishes and beverages could be added. In summer time cold borsch, okroschka, rassolnik, saslik, kisel and kvas could be appended.

The service style should stay both highly professional and a bit informal, casual, family-like.

### **5.3 Pricing**

The case company will have a competitor-based pricing strategy. Previous prices which were set in the cafe are too low. Suggested prices for case company are presented in Table 7.

Table 7. New Prices for the case company

<b>Name of dishes</b>	<b>Price</b>
Lunch (soup + main dishes/salad + main dish)	10,00€
Lunch soup or Lunch main dish	7,00€
<b>Soup</b>	
Borsch	8,50€
Solyanka	9,50€
Soup with meatballs	7,50€
<b>Salad</b>	
Slolichnij Salad	7,50€
Salad "Dressing herring"	7,50€
Vinegret	7,50€
Mimosa salad	7,50€
<b>Main Dish</b>	
Beef Stroganoff	10,00€
"Lazy cabbage rolls"	9,00€
Grandma's Meat Cutlets with Grecha	9,00€
Kiev Chicken	9,00€
Pelmeni with meat	8,70€
Pelmeni with chicken	8,50€
Pelmeni with potato	7,00€
Blini with smetana	5,90€
Blini with meat	7,10€
Blini with chicken	6,90€
<b>Pies</b>	
Pie with cabbage and egg	3,20€
Pie with meat	3,50€
Pie with cottage cheese	3,20€
Pie with apple	3,20€
Pie with cowberry	3,20€
<b>Pastries</b>	
"Potato"	4,00€
Éclair	4,00€
Honey cake	6,20€
Jumble	3,00€
Cottage cheese pie	3,00€



Table 8. New Prices for cakes to order for the case company

<b>Cakes to order</b>	<b>Prices</b>
Medovik cake	40,00€
Napoleon cake	43,00€
Chocolate cherry	54,00€
Smetannik cake	43,00€
Avangard cake	44,00€

#### **5.4 Place Strategy**

The location of the case company should be changed. The future place should have more publicity although it should be located in the residential districts where the target segments are living and spending much of their free time. It could be located near the metro station or malls.

#### **5.5 Rebranding strategy**

Name of the case company, logo, menu and prices will be changed as well as a main concept. Rebranding strategy was chosen for the differentiation of the brand – to strengthen its uniqueness and to increase the target audience.

The new name of the company and logo will be chosen by the owners. The menu will be narrowed and focused on Russian traditional cuisine. The prices will be raised. The interior will be decorated more in Russian national manner. The restyle of the web-site, Facebook and VK pages are included in action program.

#### **5.6 Marketing Communication Strategy**

Marketing communication strategy for a case company will be done in the traditional way through social media, web page and flyers. Obviously, the “word of mouth” advertising will be used. As the budget of the café isn’t very large now, low-cost marketing tools will be used. The advertising in Russian newspapers such as Spector, Helsinki News and Terve could be involved in the future.

##### **1) Social media**

The case company has pages in Facebook, VK (Russian social network) and Instagram. The information about rebranding of a company will be announced there. Every day some

posts about daily lunch menu, advertisements and photos will be presented. Local network Foursquare will be also used by the company.

2) Web page

The web-site should be updated with new information and menu. If there are new for the customers as sale or rebate, it will appear in the new field. The order system and e-mail should be checked twice a day.

3) Flyers

New style flyers will be sent by post in the neighborhood when café will be renewed and also put in all Russian clubs and studios. Flyers should include the information about features of the company and contacts.

## 6 Action Program

The new concept will be introduced in January 2016. The action program is designed for first six months to achieve the primary goals and is presented below.

### 1) January

The name and logo of the company should be updated. The menu has to be reformed with new menu items, prices and background. The interior of the cafe company should be renewed with the help of small Russian national style decorations such as little matryoshka and samovar. The flyers and all the booklets have to be refurbished as well as the web, Facebook, Foursquare and VK pages.

### 2) February

The rebate to attract customers could be done. For example: to make a cake buffet by the ticket price of 12€ on Saturdays and Sundays. Or to make loyalty cards, where every fifth lunch costs half of regular price. Also social media should be completely edited and monitored.

### 3) March

Invite two interns in order to raise the quality of service and implement the measuring of the effectiveness of actions taken earlier, by the means of survey the main question of which where the customers heard about the company.

At least two waitresses should be employed.

### 4) April

Start searching for a new place for the café that will have better publicity. Monitoring overall management system as well as social media tools should be implemented.

### 5) May

The advertisement in Russian newspapers: Spector, Terve and Helsinki News can be published. Catering menu could be introduced to the customers.

### 6) June

The NSP indicator could be used to measure the effectiveness of rebranding and the implementation of new concept and strategy. Seasonable dishes could be added to the regular menu such as okroschka, rassolnik, cold borsh, sasilik, kvas and kisel.

## 7 Budgets

The case company's goal for the first year is to raise month sales to 12000€ with different prices on the dishes. The projected fixed cost will be 3600€. The expected operating ratio will be about 30% and average price of the dish will be 7,00€.

The volume of sales will be:  $3600/30\%=12000\text{€}$

Break-even point will be achieved in 3 years.

Break-even calculations:  $12000/7=1714$  customers per month

To sum up, the case company should serve about 1714 clients monthly.

## **8 Control**

The case company will control the implementation and the results of the marketing plan through the Net Promoting Score (NPS) indicator. Owners of the café will ask clients about likelihood of recommendations of the café to the friends or family. After analyzing the answers, the customers will be divided in three categories: promoters, passives and detractors. After counting the amount of each rank, the formula of NPS will be used to understand the results: promoters minus detractors. The higher number is, on better position of the company has. The first NPS survey should be implemented in the end of the action program, and be implemented every year regularly.

## Appendix 2. Interior of the cafe





Appendix 3. Questionnaire for the customers

*Phimiso—My Sushi Cafe*

# Questionnaire

**YOUR OPINION MATTERS**

**Your age:**

- 18-24
- 25-30
- 31-40
- 41-50
- 50-60
- Starting from 61

**Gender:**

- Male
- Female

**RATE OUR KITCHEN:**

Excellent

Very good

Good

Fair

Poor

Bad

Terrible

Do You like our café?

- Yes
- No

How often do you go to our café?

- Everyday
- Once a week
- 2-3 times a week
- Once a month

Which niche do You prefer in our café?

- Japanese cuisine
- Russian cuisine
- Cakes and pastry
- Catering

Can You rate our service starting from 1 to 5:

- 1
- 2
- 3
- 4
- 5

Can You rate outlook of our café starting from 1 to 5?

- 1
- 2
- 3
- 4
- 5

Any comments?

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Would You change something in our café?

- Food assortment
- Food Portions
- Interior
- Service
- Location

Would You come back to our café?

- Yes
- No
- Maybe

Would You recommend our café to Your friends?

- Yes
- No

**Your family status:**

- Single
- Married
- Divorced
- Boyfriend/girlfriend

*Thank You very much!*



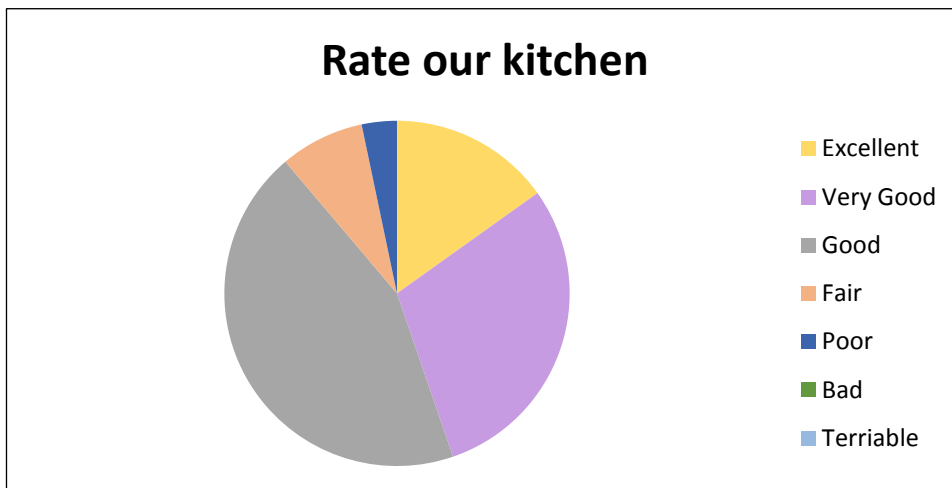
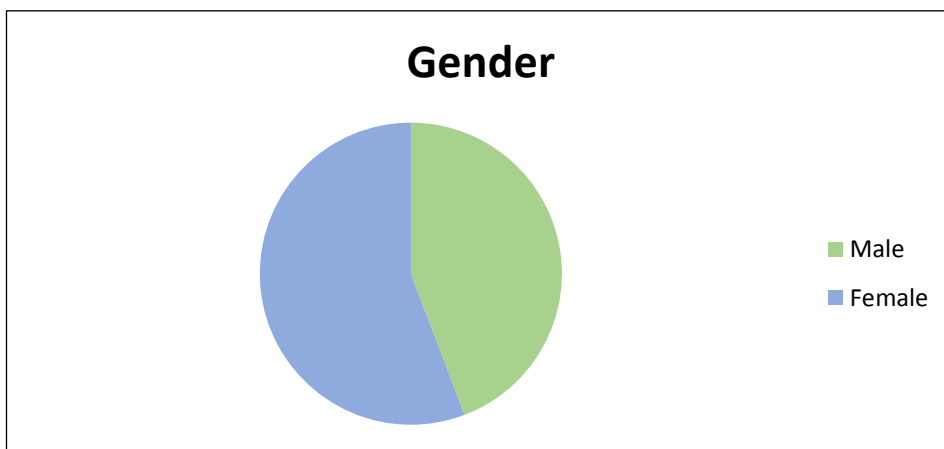
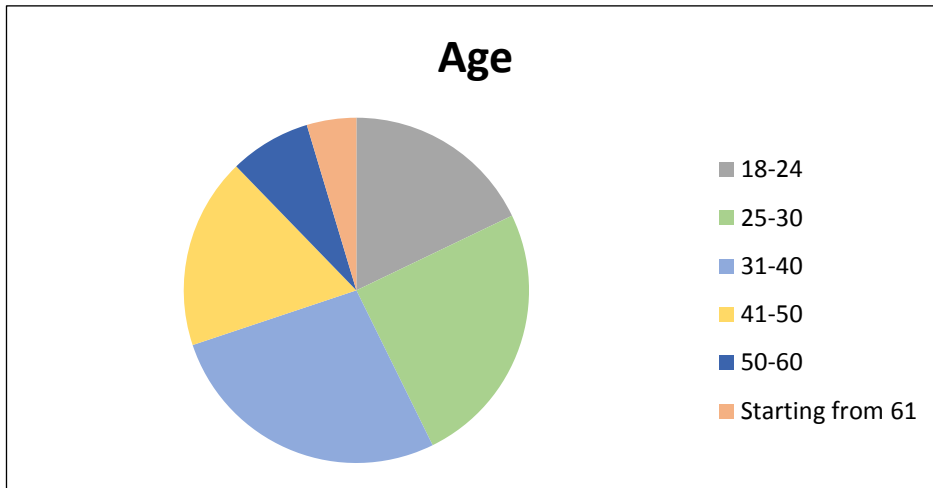
#### Appendix 4. Risk analysis

Risk Category	Risk Description	Risk Probability
Personal	<ol style="list-style-type: none"> <li>1. Lack of knowledge</li> <li>2. Lack of time</li> <li>3. Lack of motivation</li> <li>4. Lack of practical skills</li> </ol>	<ol style="list-style-type: none"> <li>1. High- the authors have some experience in composing marketing plan but not enough</li> <li>2. Medium-the authors have arranged their own schedules in order to manage writing marketing plan</li> <li>3. Low- the motivations are well – defined, as the marketing plan has to be done not only for university, but for the commissioning party</li> <li>4. High-as stated above the authors haven't had much experience in the field</li> </ol>
Working Internal	<ol style="list-style-type: none"> <li>5. Over-detailed information which will mess up the marketing plan decisions and make them neither logical nor concrete</li> <li>6. The marketing plan will not be supporting the business strategy</li> <li>7. The marketing plan decisions will not be relevant for the business</li> <li>8. The marketing plan decisions will not be possible to implement</li> </ol>	<ol style="list-style-type: none"> <li>5. High- the lack of experience can lead to irrelevant information in the marketing plan, which in turn leads to not effective decisions</li> <li>6. Average- theoretical framework helps authors remember the importance of interaction between business objectives and marketing</li> <li>7. Average- by limiting the area of planning till one year, analysing the current situation and company's needs, authors decrease the probability of this risk</li> <li>8. Low- all the marketing actions are realistic and not expensive to implement</li> </ol>
Working External	<ol style="list-style-type: none"> <li>9. The information provided by the commissioning party will be either irrelevant or not full enough</li> <li>10. The marketing decisions will not satisfy the company's owners</li> </ol>	<ol style="list-style-type: none"> <li>9. High- area which cannot be controlled by the authors</li> <li>10. High- same applies to risk 10</li> </ol>

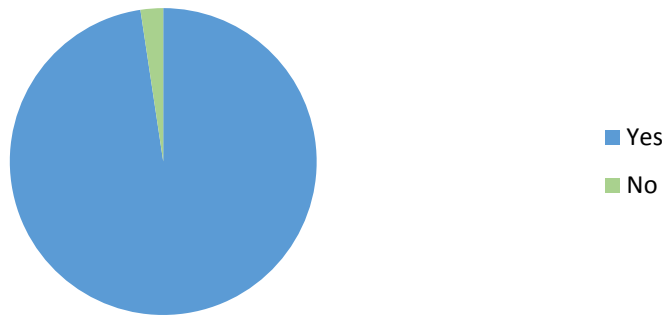
## Appendix 5. Working schedule

Tasks	November	December	Responsible
Interview with owner	7.11		Anastasiia
Questionnaire for customers	7.11 – 9.11		Anastasiia & Kiriaki
Collecting information about company	7.11 – 8.11		Kiriaki
Executive Summary	9.11 – 12.11		Kiriaki
General description of the company	9.11–13.11		Anastasiia
Objectives and issues	9.11 – 13.11		Anastasiia
SWOT	9.11 – 13.11		Kiriaki
Market description	14.1 – 16.11		Anastasiia
Competitors analysis	14.11 – 16.11		Anastasiia
Positioning	14.11 – 16.11		Kiriaki
Targeting	14.11 – 16.11		Kiriaki
Rebranding	14.11 – 16.11		Kiriaki
Action Program	15.11 – 17.11		Anastasiia & Kiriaki
Budget	15.11 – 17.11		Anastasiia
Control Program	15.11 – 17.11		Kiriaki
Recommendations	16.11 – 17.11		Anastasiia & Kiriaki

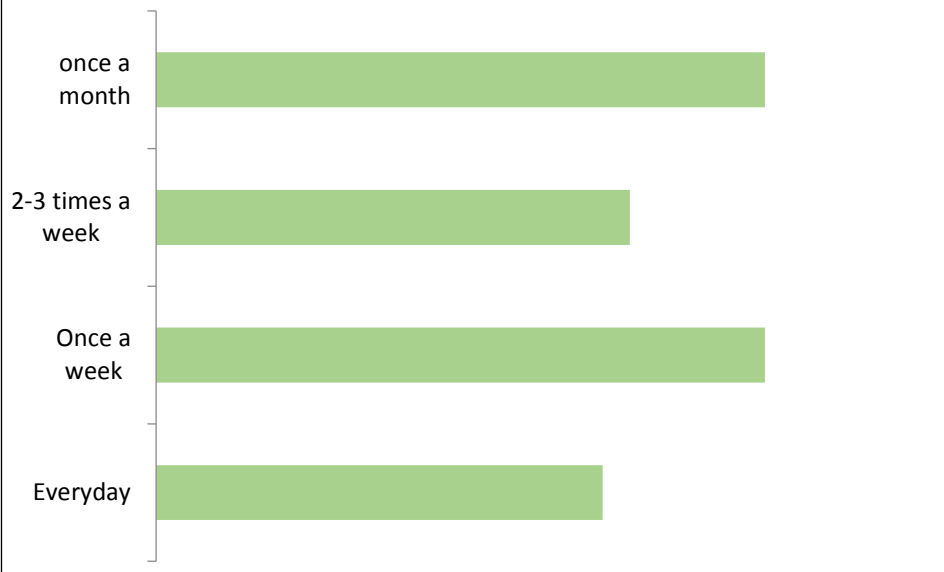
## Appendix 6. Questionnaire answers



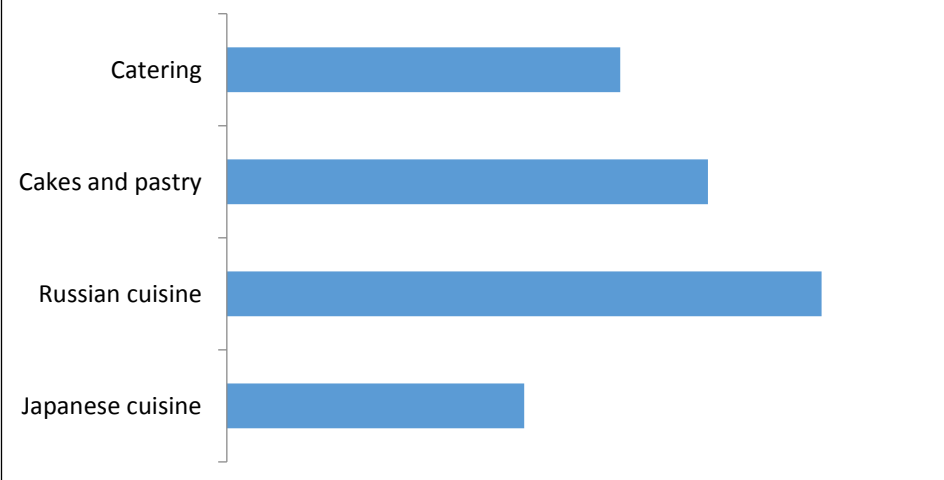
## Do you like our café?



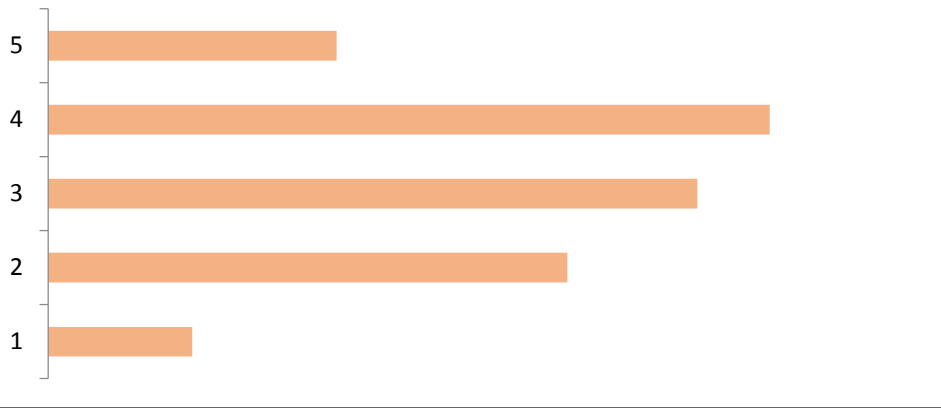
## How often do you go to our café?



## Which niche do you prefer in our café?



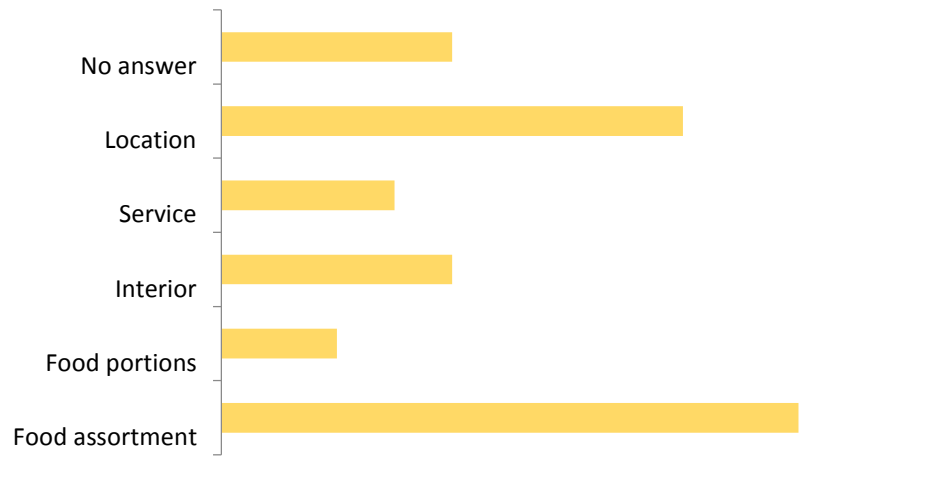
### Can you rate our service starting from 1 to 5?



### Can You rate outlook of our café starting from 1 to 5?



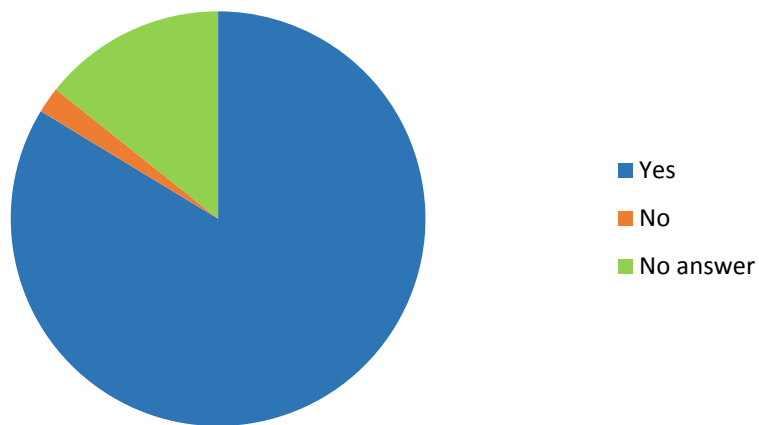
### Would you change something in our café?



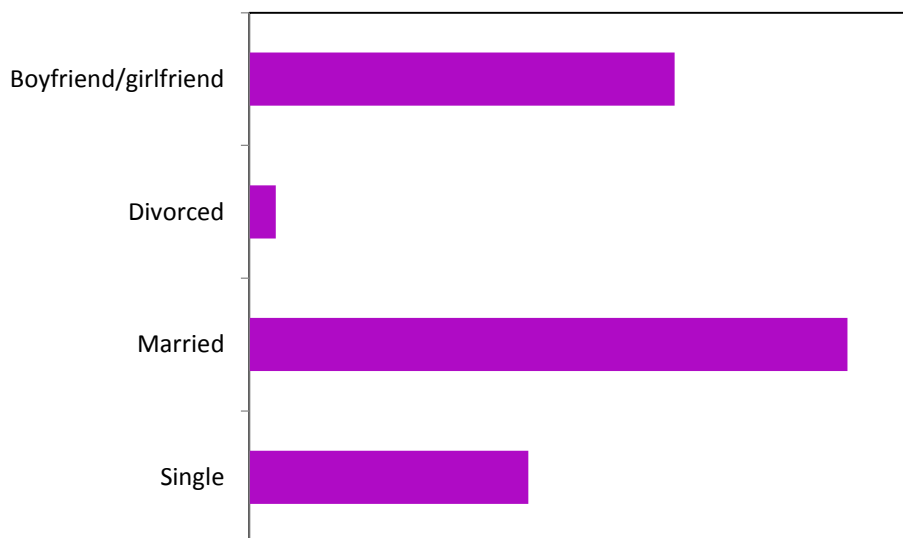
### Would you come back to our café?



### Would you recommend our café to your friends?



### Your family status:



## **Appendix 7. Interview with Owner of Phimiso – My Sushi Café**

The interview with Olga Närhi-Ratkovskaja took place in Phimiso – My Sushi Café on 7.11.15.

1. What was the starting point for opening a café?

Actually, I thought about opening my own business long time ago but I had no specific idea and money, of course. After some changes in my life, I started sitting at home and cooking. My preference was sushi. After some time, I uploaded photos of my food on my page in VK and Facebook and my friends started to ask if they could order sushi from me. That's how I started to cook not only for my family. As the amount of orders was growing my husband and me started to think about opening a sushi café.

2. So first and main idea was a sushi café. What was the main concept?

It was a sushi café with delivery service and takeaway. The menu consisted of European and Japanese style sushi similar to those that they serve in Russian sushi-bars - such rolls as Philadelphia, California and others, and also baked rolls. Here, in Helsinki, there are no sushi restaurants that serve these kind of rolls but, on own experience, the demand on them exists.

3. How did you find the place for the café?

At first, we found a place in Tikkurila. It was located near malls and it was a place of a former restaurant. Unfortunately, we didn't rent it because of some technical issues. After months of searching, we chose this place in Jakomäki. It was a former Estonian food store. And after the reconstruction which we made by ourselves, we opened in last February.

4. As I know during several months the main concept in Phimiso – My Sushi Café changed. Why and how did it happen?

During first 2-3 months the demand was huge and it was growing daily. We didn't expect such success. The sales were about 4000€. As my husband and I didn't manage with such amount of customers, we asked our relatives to help us. That's how we found the cook and confectioner. And all together we thought about adding to our menu some Russian cuisine and pastries. As most of our clients are from Russian, Estonia and Finland, we believed that it would work. And it did! We started to have some loyal customers who became in love with our Russian cuisine and cakes and sales started to grow to 7000€.

5. It was a real success! What happened to the sales during summer?

Unfortunately, the amount of consumers decreased dramatically. At first, we thought that the reason for that is summer – everyone is on the vacation. But sales that reduced during all summer months didn't increase in September.

6. Why do you think did it happen?

Actually, I don't know. But maybe we didn't make enough promotion and advertising. We made groups on Facebook and VK and posted our photos, news and menus there. And also we have an Instagram account. To be honest, we don't have enough time for using advertising tools and social media.

7. What was your marketing communication strategy in marketing plan?

We don't have a marketing plan yet but marketing mix was written in our business plan and we try to follow it – to use social media as much as we can.

8. What are your objectives for future in the café?

Our main goal is to remain our clients and to raise sales back. By the way, we are searching a new placement for our café that will be closer to the center of downtown.