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“Flowers at the bottom”  
Bar and vegetarian food  
Business plan

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bar and vegetarian food  
Business plan

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The aim of this thesis is to learn how to create a business plan which can be embodied in real life. I mean to write a business plan based on my own idea for a bar. Project is to be implemented in Moscow, Russia. The idea is to open a bar with supporting business- a flower shop. The bar is to be flowers themed interior and decoration wise, food and drinks are to include flowers as well.

There are still relatively few places where good food and service, convenient location and nice atmosphere joined with at least average prices in Moscow. It is partly due to the fact that most good locations are occupied with cafes and fast food chains at the moment. Yet, public catering is a very fast-growing business sector and situation is starting to change. City with population of more than twelve million people can provide great opportunity for a new business venture. That, indubitably, means presents one with lots of competitors too.

Learning by doing is the most effective way. One of my goals is to learn more about restaurant culture and be able to put a business plan into work one day. Even though it would be a trial for a business plan, it will help me to understand how to open my own establishment. I intend to use knowledge about entrepreneurship I have acquired during my studies, along with different methods of development. I would also put into use my lore of marketing, accounting and service innovation. Traineeships I have done and overall experience of working in restaurants is a big part of my knowledge base for this topic.

Main theory topics which were covered are legal issues concerning opening own business, such as taxation and licenses; marketing and promotion strategies and financial issues, such as calculating start-up capital, predicting sales and setting prices for products. Research and development includes customer research and competitor research. Several techniques were used, for example benchmarking and online surveys. Restaurant business sales not only a product, but also the service at one moment. Therefore, potential customers' opinion about the idea, their general habits while eating and drinking out are rather crucial for a business success. Information about the market and competitors is necessary for setting adequate prices and so on.

This project aided deeper understanding of business structure, gave knowledge about financial matters and legal affairs. It resulted in developed idea of flowers themed bar, creating a concept supporting certain life views of the author. Main outcome is the business plan, which can be slightly changed and developed for actual business launching and finding the investors.

Main risks can be named, such as: drastic economic situation change by the opening time, inability to find suitable building for price allowing keeping the same costs. Growing competition, change in people's preferences and trends can lead to sufficient drop in guests.

Nevertheless, using your knowledge and not forgetting previous experiences, working with determination and goal, not only to earn money, but to make someone's lives a bit better can be rewarding.

Keywords: entrepreneurship, business idea, business plan, bar, vegetarian food, drinks, flowers

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## 1 Introduction

Main objective of this project is to create a business plan which can be embodied in Moscow. Business plan would be the type to evaluate the idea. Later it can be used as a base for business plan, which can be shown to potential investors. Business plan is based on an idea for a bar combined with flower shop. All cost calculations will be made based on real market prices for rent, equipment, employees' salary.

Moscow is the capital of Russia and the biggest city in the country. It develops faster than any other and it is the most modern and innovative in Russia at the moment. According to official database its population is 12 million and 380 thousand people. This statistic does not count citizens who came from another countries and cities, as they have temporary registration. Therefore, the real number of people living in Moscow is around 16 million. (Federal service of state statistics, 2017). Some say that actual number is 20 million, counting people who live there illegally. Yet, even those official 16 million do not include people from suburbs, who are working in Moscow and spend their time and money there.

Obviously, Moscow provides a lot of potential customers for any business. Citizens from age 18 to age 50, who can be classified as the most active consumers, are roughly 50 per cent of all population. (Federal service of state statistics 2017.) Moscow considered the most suitable city for entrepreneurship, as it is the most modern and open city. That is one of the reasons why this project is intended to be implemented there.

To open a business, one needs a business plan and write a business plan you need to have an idea. Some say you need to choose an idea, because there is nothing new and everything was invented and already exists somewhere and we just do not know about it.

This project is based on idea of combining a bar with a flower shop. Basically, there were two separate dreams or so to say ideas for business. One was a flower shop and the other was a bar. In this project, I will try to combine these two in order to create something unique and to make these two establishments to benefit each other.

There is a trend now to use flower petals or even whole flowers in food. Mostly it is used just for decorating, even though flowers are edible. It is usually considered rather fancy and therefore high-priced. Author has never seen flower petals to be used in cocktail or other drinks, which can be interesting and beautiful.

Combining a bar with a flower shop can provide an opportunity to create fancy looking dishes and drinks with low cost for the establishment. There are very few places in Moscow which

use flowers in their dishes and their prices are very high. The idea is to be able to provide its customers with high-quality or even luxury service for price lower than competitors.

It will be discussed more about importance of image, presentation and interior later in this paper. It is author belief that any truly good establishment is in details. All the elements should be elaborated and carefully linked together in one style. Service, employees' uniform, food and drink presentation, music, furniture along with room styling, lightning all of it creates atmosphere for the customers. Atmosphere they would want to come back to.

All cost calculations, including rent, price for equipment and furniture, government fees for business and other legal issues, taxation, employees' salary rates, advertisement costs will be done based on prices in Moscow. Calculations will be converted in euros based on current exchange rate for readers' convenience.

## 2 Business plan basics

A business plan, as described by the Entrepreneur *"A written document describing the nature of the business, the sales and marketing strategy, and the financial background, and containing a projected profit and loss statement"*. Business plan helps to plan for the future and works as a road map of sort. Each section includes specific elements and should answer questions the readers are most likely to ask. (Entrepreneur 2017.)

Another definition is given by Susan Ward (2016): *"A business plan is a document that summarizes the operational and financial objectives of a business and contains the detailed plans and budgets showing how the objectives are to be realized. It is the road map to the success of your business. For anyone starting a business, it's a vital first step."*

This chapter is dedicated to discussing a business plan main content, possible purposes and kinds. Business plan is supposed to help avoiding common mistakes. This part is meant to learn about processes required to produce that persuasive plan.

### 2.1 Kinds and purposes

The main task, before starting to write a business plan, one should determinate who is the audience. Another important thing is to decide what reaction you want from the readers. Whether you want to sell a company or find a partner to help you running it you'll need a business plan. Other purposes can be: looking for an investor for a new business idea, apply-

ing for a grant or some legal permission, for example, alcohol license or for internal management. (Finch 2013, 33-35.)

Depending on a purpose the plan will highlight certain points of the paper. When looking for an investment you should concentrate on the great returns you will provide and how low is the risk. While when selling out you would not want to make it sound as if you are impossible to replace, yet show that your management is good. Emphasizing points, such as: how well the business runs without you, profitability, how good are future growth prospects and how well it fits with the prospective purchaser's business. When writing the plan to help you to run own business one needs to decide the more precise purpose. Which can be helping to focus on your ideas, to bring new ideas from others or to make sure the team is committed. Concentration on non-financial targets such as management issues, personnel training and development. (Finch 2013, 40-45.)

A business plan for new idea can be written only to see if the idea is any good. Some people make mistake and start implementing thier ideas right away, because they think it is brilliant. Unfortunately, often it is not the case. To see if the idea can work out one needs to answer certain questions in a business plan; it can also include some preliminary research. One should check if there is a market for his or her idea, calculate profit potential, studying the competition to see if the market is saturated. It is also needed to check what kind of company you need to open in order to get the licensing you need. (Ward 2016.)

"Flowers at the bottom" business plan would be a business plan based on a new idea. It will help me too see if the idea can work out. Nevertheless it would be a base for a business plan to look for investors or partners. Therefore it will include more than a business plan for checking out the idea.

## 2.2 Main content

It does not matter which plan you are writing all of them should have a logical order and some main points which matter in all situations. It may differ a bit still, therefore this chapter will concentrate more on topics which should be included in idea-evaluation business plan. It will also include parts for investors or partners search.

All plans should include a description of the business and its purposes plus description of the services or products. It should introduce business proposition, explain how the idea was born and what stands behind it. Even though these ideas might change quite a lot, but still this is needed to understand what you want to achieve. (Barrow, Barrow & Brown 2012, 4-6.)

A plan should have a market research, including both market and competition research. It is important to understand customers' needs. This involves market segmentation and choosing target customer groups. Because trying to fulfil everybody's needs may will probably lead to not fulfilling anyone's needs to full extend. (Barrow, Barrow & Brown 2012, 50-52.) There are four main ways to create segmentation for the market: geographic, when you take in consideration things like city areas or subway station; demographic, which concentrates on things like your customers' sex, age and occupation; psychographic, that studies customers' lifestyles, personal values and social class; the last is behavioral type, which is based on customers' degree of loyalty and usage rate. (Quora 2017.) More information about segmentation is shown in Figure 1.

Competition research might be tricky, as not every firm that sells the similar product is a competitor, because they can be selling it to a different market. It is also very hard to find out how profitable those competitors are. By doing this research one can find a way to be better than the competition in a way or choose a different target group for the product.

GEOGRAPHICAL	DEMOGRAPHIC	PSYCHOGRAPHIC	BEHAVIORAL
• continent	• age	• lifestyle	• occasions
• country	• gender	• social class	• degree of loyalty
• country region	• family size	• AIOs (activity, interest, opinion)	• benefits sought
• city	• occupation	• personal values	• usage
• density	• income	• attitudes	• buyer readiness stage
• climate	• education		• user status
• population	• religion		
• subway station	• race		
• city area	• nationality		

Figure 1: Market segmentation (Barrow, Barrow & Brown 2012, 53)

Next step is cost-accounting and pricing. Pricing is essential for profitable business. Most common mistake is setting it low, hoping to beat the competition this way. Yet, to set a price one needs to understand all costs, which stand behind it. One more thing to consider when setting a selling price is customers' perception, their value. (Barrow, Barrow & Brown 2012, 65.)

One more important part is advertising. Main marketing program and method should be discussed. For most small business or start-up advertising agencies are too expensive, so this a thing one should do by himself. Most effective method for your niche and the least expensive should be chosen. (Barrow, Barrow & Brown 2012, 45-46)



Legal issues, such as registering a new company, determining its type, licenses should be considered in a business plan. Taxation is one of the most important things in this chapter. Type of opened business usually determinates the way the taxes are paid and the amount. In its turn, the amount of taxes determinates your costs. (Barrow, Barrow & Brown 2012, 171-173.)

One of the most important outcomes of a business plan is the sales forecast. Sales figures are needed to predict the cash flow forecast. Such projections are the key to evaluating your business idea, to see if it is going to be profitable. These numbers are what potential investors and/or partners would also want to see. All these projections might as well turn out wrong, but you have to show, that you have thought about it. Sales forecast and cash flow forecast are also the basis of profit calculations. (Barrow, Barrow & Brown 2012, 204-205.)

Break-even point is also significant both for evaluating your idea and for the investors to see. The break-even point is the moment where your business starts to make a profit. To calculate a break-even one needs to know: fixed costs, for example rent and employees' salary; variable costs, such as ingredients for food and packaging. The number you need is fixed costs divided by gross profit. For a restaurant, break-even is calculated in number of customers instead of units, as shown in Figure 3. Break-even per customer. The difficulty here is to calculate average revenue and variable cost per guest. Slightly different type of formula might be used, Figure 4. Break-even for total sales. It can be easier to calculate it this way, as overall numbers are used. There are the total fixed costs, total sales and total variable costs are required. (Barrow, Barrow & Brown 2012, 204-205; Woo 2016.)

$$\text{Break Even} = \left( \frac{\text{Total Fixed Costs}}{\text{Avg Revenue per Guest} - \text{Variable Cost per Guest}} \right)$$

Figure 2: Break-even per customer (Woo 2016)

$$\text{Break Even} = \text{Total Fixed Costs} \div \left( \frac{\text{Total Sales} - \text{Total Variable Costs}}{\text{Total Sales}} \right)$$

Figure 3: Break-even for total sales (Woo 2016)

### 3 Concept

Concept is a business idea that intended to be used for financial profit. Usually centred on a service or product offered for customers (Nesselback, 2017). In this chapter, main concept of “Flowers at the bottom” bar will be described.

Basic business structure is important for any bar and people who might want to invest in it. Author intends to combine two significantly different types of business. Therefore, ways to organize the business with argument for and against would also be discussed.

Choosing right location for a business is one of the main tasks when one plans to open a new establishment. Different variants of location in Moscow will be discussed, considering habits mindset of Moscow citizens. Basic information on rent is meant to be given in this chapter.

Dish presentation, interior and general style of a bar or restaurant should be done thoughtfully. Ideas for complete look of the bar will be given to readers and protentional investors. Main trends for restaurant industry will be researched.

#### 3.1 Idea description

The idea for this project evolved a little throughout time, as the author travelled and gain new experience. Firstly, the intention was to open a restaurant, then it changed the focus a little, to a bar. After that there was an idea to open a flower shop, as it takes less start-up capital, less space and generally is easier to run. Yet after some time the idea to combine the flower shop and the bar was presented. Author has visited a café in Vienna, which was very small, yet fancy and rather expensive. There they served salads decorated with flowers, rather fresh and bright idea to make simple food more interesting and expansive.

Owning both a flower shop and a bar would be a possibility to make those businesses beneficial for each other, in means of: marketing, finances and ingredients. Moscow was chosen as a place for calculations and possible embodiment space, as it is author’s home-town and she would like to bring such an experience there.

Public catering is one of the most fast-growing business sectors in Moscow as said in Russian Journal (2017). According to official statistic of 2GIS which is a Russian mapping company that develops digital maps and guides of cities, there were 2 thousand and 7 hundred bars, pubs and restaurant in Moscow. That means there was, roughly speaking, 43 sitting places in an establishment for one thousand customers.

On current day, there is almost 9 thousand public catering establishments in Moscow. Those 10 thousand include only 1 thousand and 6 hundred bars. (Moscow catering 2017.) That means that most business owners decide to concentrate of food instead of beverages, despite the fact that bar culture become more and important. Statistic for bars in Helsinki could not be found, so Praha, capital of Czech Republic, was chosen for comparison. Population of Praha is only 1 million and 280 thousand, yet there are 1 thousand and 5 hundred bars there. (Moscow catering 2017; Czech Republic Population 2017.)

The concept base is rather simple. It is meant to combine two different business types, from different categories even. The idea is to create something new and innovative to some extent. Flower shop together with a bar is not a combination you often see. Yet these two can benefit from each other.

There two ways this can be done. First is to buy or rent to premises in one building, which would be adjoining. Then there will be separate entrances and it will not be obvious that businesses are connected. The other way is to give the flower shop certain place inside the bar. Both ways have advantages and disadvantages.

Preferable way now is to have to separate places close to each other with different entries. We would do the signboard in the way that "Flowers", which is the usual nameless name for flower shops in Russia, will be above entrance to the shop. "At the bottom" would be placed above the bar entrance. Together it will form the full name "Flowers at the bottom". It is a good way to do this, because people will see that there is a bar and that there is flower shop. While placing flower shop inside will make only the bar visible. On the other hand, it will be more difficult to run two separate places.

The shop and the bar will have advertising for each other, like flyers or business cards. We would also have constant special deal for customers of both places. Customers of flower shop will be getting a discount card or free coffee card which can be used in the bar and the other way around.

Flowers are to be used in food and drinks of the bar. It is trendy, it is beautiful and will not cost us much, as we will also be selling those same flowers in the shop. Fresh flowers can be also used for decoration of the bar and creating more welcoming and lovely atmosphere. Flowers are not a product which can be stored for a long time. So, what the shop cannot sell can and will be used in the bar. It will lower the cost for the bar, as it would need decoration anyway. Having a flower shop will allow to buy them at wholesale price. Cooperation of the two will be discussed in more detail in marketing chapter.

Menu would consist mostly of entrees and salads, as those require less kitchen space to prepare, than main dishes and take less time to cook. An open kitchen for cold dishes is planned. It is a rather popular thing, which allows customers to see how their food is prepared. That helps to get people's trust. It is also easier for employees as they would not have to go to the kitchen to check if the dish is ready. It would take less time to deliver it to the customer which is very beneficial.

One more important thing is that there will be no meat or fish on the menu. All food would be vegetarian, some would be vegan. Firstly, having non-vegetarian food would contradict author's belief. Secondly vegetarian and vegan diets become more and more popular in Russia and especially in Moscow, while there are still very few vegetarian restaurants.

Most of existing vegetarian and vegan establishments focus on eating healthy, yet not all vegetarians chose this eating behavior because they think it is healthier. Many people chose to be vegetarians because they resent meat industry, as they feel responsible for animals' deaths. That means that they simply do not want meat and fish on their plate, not some healthy food. Due to the fact that most of vegetarian and vegan cafes and restaurants focus on eating healthy there are no vegetarian bars, meaning no place where you can get good vegetarian food with a glass of wine or beer.

Being a vegetarian author feels the need for such places. In usual bars and restaurants, the choice is rather limited, often forcing one to spend evening without food or take a pause to go to some take away which has vegetarian options. Lack of food, in its turn, leads to less drinks, as a person gets drunk more quickly. Therefore, the person spends less money in the bar.

Author's intention is to create a place where people come for good drinks mainly, especially wine and cocktails. Food is an addition, meant for customers' comfort, which would lead for bigger amounts of money spent. Vegetarian food can be interesting not only for those, who stick to the diet, but for all kind of customers. Nevertheless, having a vegetarian cuisine can attract many vegetarian customers, who would come for the food. That creates new possibilities for advertising.

### 3.2 Location

Moscow divides into sleeping quarters and the center. Most people work in the center and most entertainment and leisure places are in the center. Sleeping quarters consist mostly of residential buildings and supermarkets. It might look like a good idea to open something in

residential areas, as the rent price is much lower and there are fewer competitors. Yet Moscow citizens prefer to go to center for eating out, even though it takes more time and money than going out in a person's own neighborhood. People are just not used to having a good time in their own neighborhood. The reason is rather simple- couple of years ago there were no places to go at all and it haven't changed that much still.

As much as I would to change this situation, because Moscow needs it, it will take a lot of time for people to change their habits. Therefore, location is intended to be in the city center. Rent is rather high on street with lots of pedestrians. Average price for 1 square meter is 100 euros. That means around 8.500-14.300 euros for month rent of 150-200 square meters. It can also be hard to rent a good location even if the project has enough money, because owners might not want to take risk lease the spot to unknown project.

Nevertheless, city center is best place to have this kind of establishment, despite high rent cost and competition. There is a saying "Moscow never sleeps", which is not exactly true, but the center of Moscow hardly ever sleeps. There you can get anything you want any time of day or night, so bars and restaurants which work 24\7 are very popular.

The other way to implement this project is rent a space in one abandoned factories, which are close to the center and subway stations. Those factories are now turned into co-working spaces, art studios and exhibitions spaces, local designers' shops and show-rooms. It is very popular places among young people, they considered fashionable and hipster-like. The rent there is not that high, around 4.000 euros for 150 square meters.

One of the disadvantages is that our guests will be mostly limited to people who work there and those who come to the shop and art galleries. While being in the center create a possibility of people walking in by chance. The other flow is that it will be impossible to buy a space there, but in the center, it is often possible to buy the space from owners after some time of renting it. It can even be discussed and written in the renting agreement.

Further calculation would be done for a location in the center, as author believes it has more advantages. Figure 4. Google street view can be observed as an example for a location in the centre of Moscow. Figure shows Klementovskiy pereulok, close to Pytnitskaya street, one of pedestrian streets. In case of need calculations can be easily corrected for the space on factory premises or some other, as only rent would be changed.

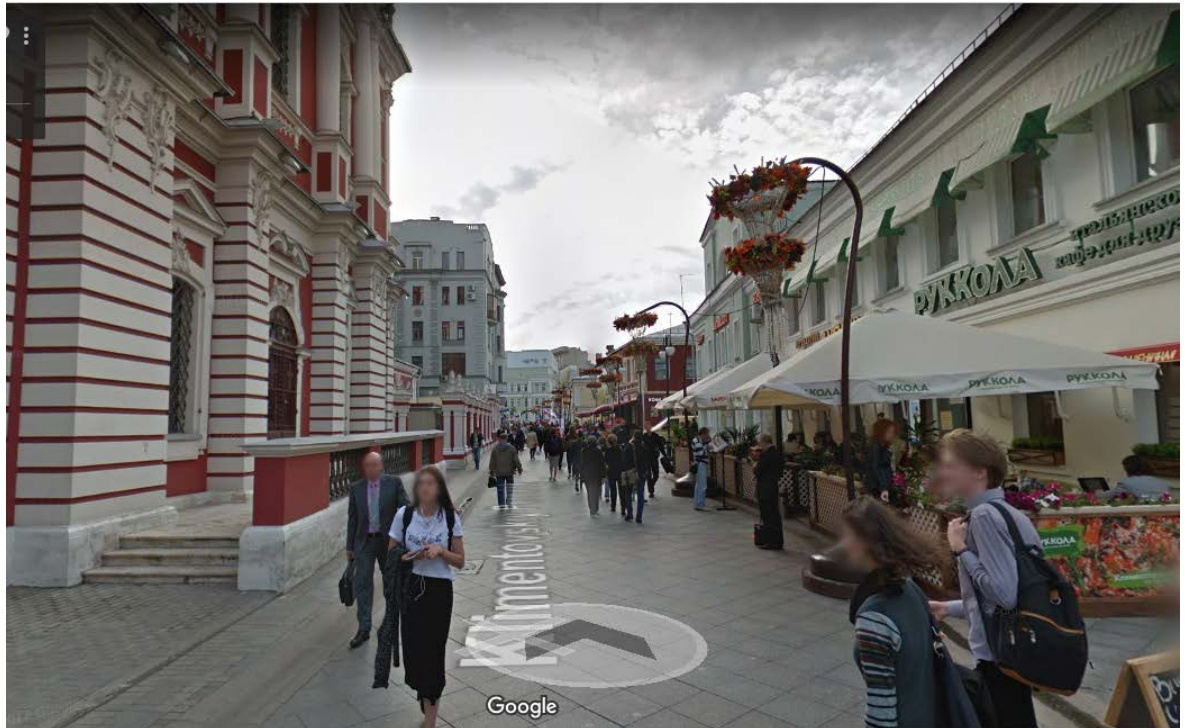


Figure 4: Google street view (Google maps 2016)

### 3.3 Interior and style

For this project author would like to use natural materials, such as stone and wood. Natural materials and simple design is one the main trends in interior design now. Lofts with lots of wood create a special atmosphere. It is casual and rustic, open and friendly, cosy and bohemian. Lofts are something that everyone can enjoy. One major minus is that a lot of places use this style and people already starting to get tired of it. On the other hand, loft style design requires minimum redecorating and easy can be turned into something less over time.

One great example of loft style design in restaurant is "Southerners", which is a meat restaurant in the centre of Moscow. Southerners's interior was created by "Romb Design & Interiors". They have a huge three floors space decorated in loft style. Figure 5 can be seen for visual explanation.



Figure 5: Southernners restaurant (Yuzhane 2017)

Author would like to use wood and stone for dish serving as well. Dish presentation is very important in restaurant business. It is not intended to concentrate on the food for this project, full food-menu is not planned. Salads and entrees are planned, menu will be discussed later in this paper. Stone plates is one the trends as well, as big wooden bowls for salads. It can be seen in many fancy restaurants in Europe. Author intend to bring this trend to Russia. Such tableware is stylish and very practical, as it is very hard to break. It will lower costs for broken plates. One stone plate costs only 5 euros, which is not more expensive than one good ceramic or glass plate. Below you can see a couple examples of such tableware.



Figure 6: Stone plate (RakutenGlobalMarket 2016)  
(Naturalwooddecor 2017)



Figure 7: Wooden bowl



One of the main features of the bar dish and drink presentation would be using edible flowers and flower petals for decoration. They are part of some national cuisines in some countries, including Asia, Europe, and Middle East. (Lauderdale & Evans 1999.) Flowers have been used in the culinary arts for centuries and they are experiencing renewed popularity. Flowers can be used to add color to the salads and other dishes. Also might be used to provide seasoning to a dish. (Lauderdale & Bradley 2014.)

As for the drinks, it can be done the same way, just a sprinkle on top. The other thing is, it is planned to have maybe just one special cocktail that would feature floral ice cubes. Making of ice cubes inside is entirely by hand, ice maker cannot do them, that is the reason why it will be used only for one cocktail. There are couple of presentation variants shown in Figures 8 and 9.



Figure 8: Floral ice-cubes (Hom 2017)      Figure 9: Salad with flowers (Sue 2015)

A 3D plan of the interior was created for this project in ArchiCAD program. A plan of one of the places which were available for rent at that time was used. Area available for guests is about seventy-two square meters. Two separate water closets were placed for thirty-seven sitting places. Seven people can sit at the bar and thirty at the tables, that includes one big table for eight people, four tables for four guests and three for two. Plan of the area is shown in Figure 10.



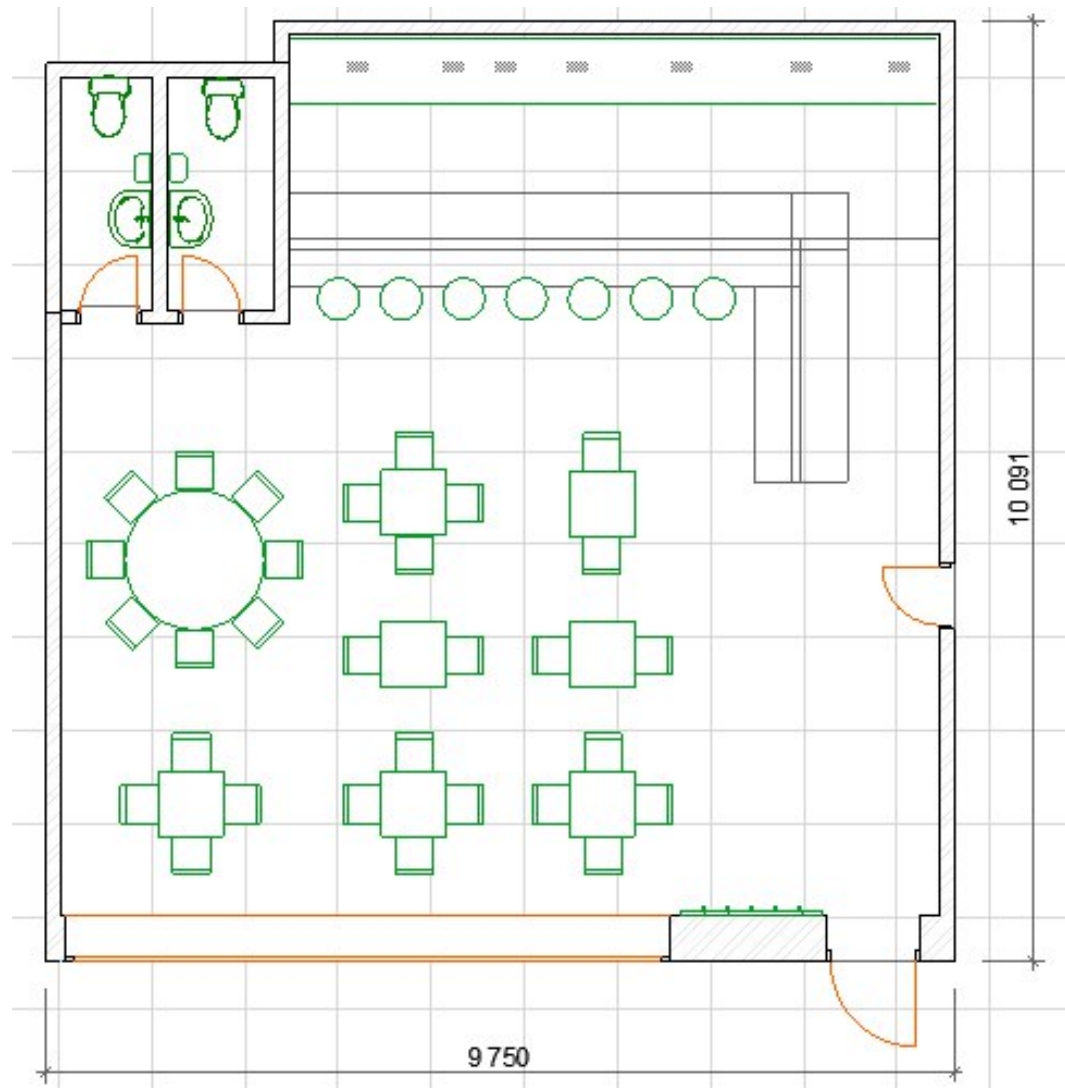


Figure 10: Area plan

Next two figures are the interior projection. As planned it shows loft style area, brick and stone walls; wooden bar, tables and bottles shelf. Furniture pictured as rather basic due to program limitations, yet it is intended to have it custom-made with interesting details. For example, bar counter can have natural wood shape. Another possibility is to cut out some part of the middle and fill it with colored rubber. Same can be done with some of the tables.

General interior is supposed to be rather simple and plain, while one of the walls can be designed with painted flowers. Most of decorations are to be temporary, such as fresh cut flowers, dried flowers and different live plants in the pots.

Large window in this building should provide a lot of natural light, allowing to reduce the number of lamps. In the evening time candles can be used for additional source of light for the tables. In case of absence of such source of natural light in other buildings table lights and floor lamps can be used.

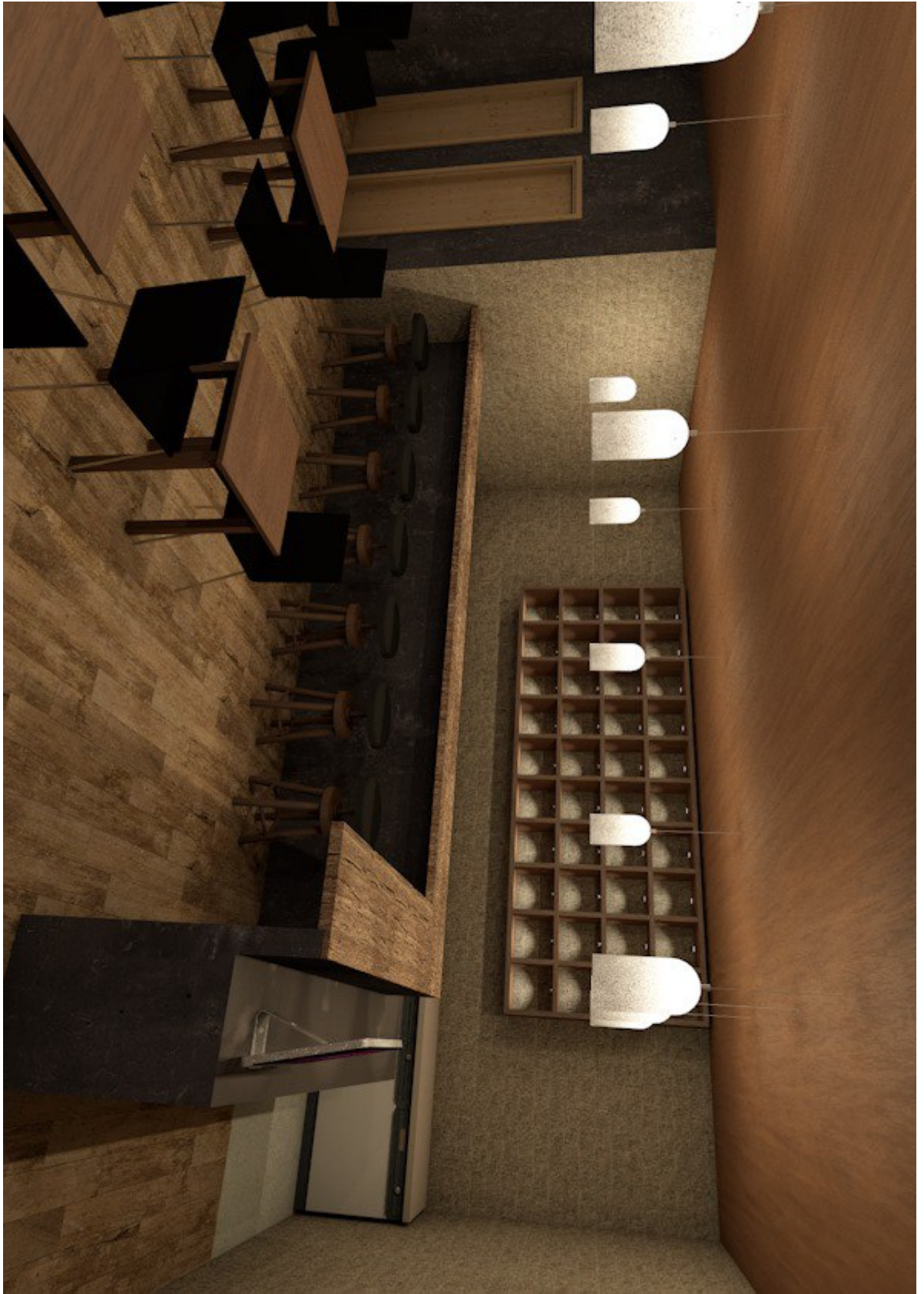


Figure 11: View at the bar



Figure 12: View at the window



### 3.4 Employees

Stuff creates atmosphere for customers. The way they look, whether they have a uniform or not, how they welcome guests, how they introduce the dishes and so on. Waiters and bartenders create atmosphere for customers and money for owners.

Customers in a restaurant are called "guests". That word means a lot for people working in restaurant industry. A guest should be welcomed properly and served right. Yet they are only guests. A restaurant is a second home for its' stuff. In order for guests to be able to enjoy the service people providing it should enjoy what they do. Therefore, employees' comfort in a work place is essential.

Author has experience working in several restaurants and bars. Our superior attitude to their work and to people under their command means a lot. Equipment means a lot, as it also shows attitude, how much the work of others is appreciated. Benefits for employees, for example corporate discounts make people feel appreciated. Most people do not feel comfortable in uniform, so it is not planned. Bartenders and waiters will get working aprons, so they will not get their own clothes dirty and so they would differ from guests.

One more important thing is establishment policy for resolving problems, dealing with complaints and displeased guests. In a restaurant, there are many reasons why a guest may complain: food taste, how quick was he served and so on. Yet it is not always staff's fault. Many managers and directors tend to forget that. A conflict should be resolved as quickly as possible and in a way to keep a guest happy if he or she is willing to find a solution. Sometimes guests are just plain rude, drunk or somehow controversial. In such cases a restaurant has a right to refuse a service to anybody without explaining reasons for doing so.

Nevertheless, employees should be qualified enough to provide fast smooth service. Waiters and bartenders are rarely taken seriously in Russia in a way of career. Author would like to employ people who are interested in developing in restaurant industry. Willing to learn and to help people have a good time.

Employees should understand the reasons for the service standards of a restaurant. Why they introduce themselves, why they tell about special offers before taking an order, why they should know all ingredients in all dishes and so on. When a person understands why he has to do one thing or another it is a lot easier to remember to do them. All this is a part of personnel training.

## 4 Legal issues

Opening a new business requires a certain amount of paper work, as it is regulated by Federal law. Operating a company or firm of any type, whether it is a non-profit organization or a business intended for own financial benefit is regulated by law. Providing services for customers, especially public catering and alcohol beverages involves licenses and compliance with requirements from Health Services. (Russian Federation 2017.)

It is also required to buy alcohol and ingredients from official suppliers approved by government when it comes to alcohol and Health Services when it comes to food. All delivers should have certification of quality. Storage period of raw and cooked ingredients without factory package is also regulated by law. (Russian Federation 2017.)

In this chapter, it will be discussed how to open a new firm and which operating type to choose, variation of taxation systems and required licenses. All these things are liked, for example taxation depends on firm business type. Main food and alcohol requirements for restaurant premises will also be discussed here.

### 4.1 Company type

There are two ways one can open a business in Russia. First way, more common and traditional is opening a company. Opening a company means creating a legal entity. This way requires a lot of paper work to register a firm, governmental fee is rather high. It is necessary to have an accounting of full value. A firm should have an authorized capital or found, no less than certain amount. One of main benefits is getting a loan in a bank or finding an investor is relatively easy for a legal entity. (Russian Federation 2017.)

Another way is register oneself as an individual entrepreneur. This is easier than registering a firm. It requires less paperwork and fee is smaller as well. It is not required of an individual entrepreneur to have a full-scale accounting. Book of income and expenses is enough in this case. Generally, amount of reporting on your finances is significantly less than a legal entity has. Possible fines are also lower than they would be for a firm. One of most profitable taxation systems can be used by an entrepreneur. Contributions to insurance are also more convenient, as you can choose to pay a fixed amount, instead of paying according to your profits like a firm. Nevertheless, there are some restrictions for individual entrepreneurs, they cannot perform certain activities, for example selling alcohol at retail. (Russian Federation 2017.)

Both these ways have their advantages and disadvantages. Registering as an individual entrepreneur is easier, for a start. It requires less money and less documentation. Taxation, insurance and official financial reports are more flexible for an entrepreneur. On the other hand, fewer requirements for registration and operating entails fewer benefits and some restrictions. It is hard to get a big loan or get private investors as an individual entrepreneur. One more problem is that this way is relatively new for Russia and law base is not fully worked out. Some things, for example, return of VAT and some other benefits, can be reached only through court. (Russian Federation 2017.)

Unfortunately, despite all advantages of registering as an individual entrepreneur, it will not work out for this project, as with such registration it is not possible to get license for alcohol stronger than 6%. It is possible to sell food as entrepreneur and alcohol as a limited liability company, for example. This requires registering both as a company and as an entrepreneur. It can be beneficial at taxation site, but seems too complicated. (Everything for an entrepreneur 2017.)

Taking into account the fact, that drinks are intended to be the main product, the only way is opening a limited liability company. Though registering as an individual entrepreneur would be better for side project- the flower shop. That leaves a choice of only four different ways to pay taxes.

#### 4.2 Taxation

Tax, as defined by McLure, Neumark and Cox (2015) is "imposition of compulsory levies on individuals or entities by governments. Taxes are levied in almost every country of the world, primarily to raise revenue for government expenditures, although they serve other purposes as well." . Which basically means a compulsory collection of money from individuals or legal entities, as a percent from their income or business profit and property value, by the government. It is a primary source of governments' revenue in modern economy. (McLure, Neumark & Cox 2015.)

The next step is choosing a taxation system. The system must be chosen and marked accordingly at the moment of submitting documentation for registration. There four ways to pay taxes as a limited liability company, though one of them is only for agricultural businesses. That leaves only three taxation systems to choose from if one opens a bar. (Russian Federation 2017.)

By standard taxation system you pay 20% of your total profit, 2,2 per cent of your property value and you also pay VAT at rate 0%/10%/18% for service or product providence. Rate de-

depends of what you are selling and how it was imported in the country if it was. This system is not very beneficial for a business. Yet this system can be used by any kind of business, regardless of its size and core product or service. Some VAT is returned at the end of taxation year by the government. (Russian Federation 2017.)

There is also a simplified taxation system. To use this one has to notify the taxation services when registering a firm or one month before the start of new taxation period. By this system an individual entrepreneur or a firm pays 15% of their total income. Another way to use this system is choosing to pay 6%, but from your profits. This system is easier compared to the standard one, because one has to present only one declaration at taxation services. It also seems more beneficial. There are restrictions to kinds of companies which can pay using it. One which earns no more than one million and nine hundred thousand euros in nine months, employs no more than one hundred people, has property with value no more than two million and five hundred euros and owns at least 85% of firm assets, can use this system. (Russian Federation 2017.)

Third way to pay your taxes is paying 15% of profit, but your own. In this system, an average income in area of operating is calculated. For year 2017 monthly average income for public catering is sixteen euros multiplied by your premises size and corrected by certain ratio, determined by the government, depending on season and place. By this system a taxpayer has to present a declaration and pay every three months. This can be beneficial if your estimated profit is higher than the average. (Russian Federation 2017.)

To decide which system to use one should have a sales forecast for a new business to see which one is more beneficial and easy to use. For an existing business, one still can calculate tax amount he would pay by each system to see if he or she uses the best one for particular case. Taxation system can be changed one month before the start of a new taxation period, whether it is a year or a quarter (three months) as sometimes required (Russian Federation 2017).

#### 4.3 Licenses

“Business licenses are permits issued by government agencies that allow individuals or companies to conduct business within the government's geographical jurisdiction. It is the authorization to start a business issued by the local government” (O'Sullivan, Sheffrin & Steven 2003,187). A single jurisdiction can require a number licenses that are issued by different government departments and/or agencies. Business licenses vary a lot in different countries and sometimes even between local municipalities. Often many licenses, registrations and cer-

tifications are required to open and legally operate a business. (O'Sullivan, Sheffrin & Steven 2003, 188.)

A company's area of operation, services provided or products sold and physical address usually determinates which licenses and permits are required. Other determining factors may include the number of employees and the form of business ownership. Government agencies can issue a fine or close, permanently or temperately, a business which operates without the required business licenses. (O'Sullivan, Sheffrin & Steven 2003, 170-173.)

Registration process in Russia can be done online. There is no special permit needed to open a business. To legally register a limited liability company, firstly one needs an official address and name of the company. It can be home address of the owner or company's office or other premises address, the most important thing is that the company can be reached by that address. Company can have up to six names, including full name in Russian and English plus abbreviation or other short names in Russian and English. Other languages can be used as well, depending on company's needs and wishes. All payments for registration and opening a bank account are around three hundred euros. (Russian Federation 2017.)

When registering one should inform about company's area of operation, services and products it is going to sell or planning to sell later in the future. It is not mandatory to perform all activities one has listed, but it is illegal to perform an activity that was not listed. Some areas of operation require licensing or permits, which can be obtained after official registration is successful. (Russian Federation 2017.)

Registration process takes five days. After getting the documentation, one can start employing people. It is also time for applying for licenses if it is needed. Federal services should be notified about number of employees and a date when the business would be open for customers. At that day, a business should already have a cash register bought from a governmental agent. (Russian Federation 2017.)

There is no special license needed for food preparation and selling now. Yet health services should be notified about one's intention to sell food for the customers. An inspection of the restaurant's or bar's premises will be examined. There are certain requirements for the kitchen space, it's organization and zoning. Size is depending on customer sits available. A restaurant cannot operate before this inspection is carried out if it was failed. (Russian Federation 2017.)



A license is required to sell alcohol. License is given for one year and costs one thousand euros. In order to get an alcohol license bar premises should be not less than fifty square meters and located at least one hundred meters away from educational and sport institutions. The authorized capital for a business selling alcohol should be not less than sixteen thousand and five hundred euros. In order to get the license one needs to present documentation confirming company's official registration, documentation confirming passing of health services examination, plan of the building, lease contract lasting at least one year. Certificate confirming ownership of cash register is also required. Obtaining the license should not take more than thirty days. (Russian Federation 2017.)

## 5 Marketing and advertising

"Marketing is 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." as defined by American Marketing Association (2017). Marketing includes all customer-related activities, such as developing a product attractive to customers, attracting new customers and maintaining existing customer base, providing satisfying service (Proctor 2000, 29-31).

Marketing includes many customer related aspects. Main points are advertising, distribution and selling processes. To develop a marketing strategy one needs to use knowledge in sociology, economics and psychology. Some marketing activities require creative work, for example product design and branding. (Proctor 2000, 35-37.)

In this chapter marketing and promotion theory basics will be discussed. Marketing is a complex activity, so the most important points would be highlighted here. It will also include plan for bar advertisement.

### 5.1 Marketing mix

Marketing mix is a business tool used to successfully position a product or service on the market. Classic marketing mix consists of 4 Ps, which are product, price, promotion and people. Marketing mix for service marketing includes 7 Ps; adding place, process and physical evidence. There is also a 4 Cs marketing model, which is a modification of 4 Ps mix. It includes cost, customer value, convenience and communication. (The Marketing Mix 2015.)

As restaurant industry is a part of service industry. Therefore, a 7 Ps marketing strategy should be used and discussed in more detail. Figure 13. can be viewed for brief visual description.



Figure 13: Marketing mix (The marketing mix 2015)

All the elements of the marketing mix are important for a business success. Product or service, its design and/or presentation and value to customers are the base or all others. Place is where your customers should go to buy your product. It should be convenient to get to and generally a nice place to be at. Selling price should be determined not only by costs standing behind it, but also competitors prices. Yet more importantly the price should be based on products' value to customers. (The Marketing Mix 2015.)

Promotion is not also advertising to get new clients, but also all activities to keep people, who are already our customers. This includes loyalty programs, bonus cards, sales, happy hours and gifts. Process is how service or product is delivered, which intersects with customer service from people element in this case. Process is also about complaints handling. People is

about your employees, the way they serve your customers. It is also about founders or owners attitude to customers and employees. The last element is physical evidence. This can be considered as something people remember you by. This works both ways. It can be reviews and recommendations from your customers, which can be seen by other people or some brand thing you give to your regulars. (The Marketing Mix 2015.)

## 5.2 Promotion strategy

Advertising at the stage of opening a new business is very important. To bring in new customers author intends to put out a board with menu, prices and special offers, so people walking by could see and maybe get interested. As there will be a partner establishment, the flower shop, which is more likely to get walk in customers, they will give out flyers for the bar giving a discount if a person bought something in the shop. (Hosie 2017.)

Promotion online is necessary nowadays. There will be a website, a Facebook page and an Instagram account for the bar. If people see the signboard, find it interesting, but do not want to come in at that moment they will be able to check the menu and everything on our website. (Hosie 2017.)

Nowadays, in the era of Instagram and social media it is very important how your food looks. Many people check restaurant Instagram page or their geotag to see how the food looks like, certain percentage would not go if they did not find the pictures pleasing. Some would actually try to find out where the beautiful looking dish came from if it does not show the name of establishment in the picture. It can be perceived both like free advertising and feedback. If you can find a lot photos from your bar or restaurant- you are doing it right. Checking Instagram is usually easier and takes less time than reading reviews, so more and more people prefer this source. (Hosie 2017.)

The Guardian (2016) argues, that there is a big age gap for this type of customer behavior. People from age 18 to 24 are the most likely to share their food on Instagram. Though, this age would appear as the age of target customer group, probably with a slight change. Age group from 20 to 35 can be named target for a bar in Moscow.

So, using edible flowers in dishes and drinks is not only rather unique, at least for Russia, but can also provide free advertising on social media. Word of mouth has always been the best way to advertise in opinion of many and author's as well. One happy customer will bring five of his or her friends. Now not only it has gone online, it has become multimedia. Dish presentation was always one of main tasks in restaurant business and now it is more important than ever. Instagram would be one of main marketing strategies for this project.

Another way to promote online is to get an online newspaper to write about you opening. There is a website called the-village.ru they write about all things happening in the cities of Moscow, Saint Petersburg and Kiev. It is possible to buy an advertising from them, but they also write about new places for free. New restaurants and bar can contact them, tell about the place and if the editor finds it interesting, then they include it in "opening of the week section". They usually give all contacts for the establishment, short story from owners and a few positions from the menu with prices.

The other important thing is building a customers' base or in other words make people want to come back. Welcoming atmosphere, design, customer service can make people come again. Yet more important element is food and drinks quality. Most people can forgive a rude waiter if dishes were excellent. It can also work the other way if the staff is friendly and caring a customer might give the kitchen another chance. At the time when a restaurant just opened it is essential to ask customers opinion. This should be done through all lifespan of a business, but at the beginning is the most valuable time. Staff should ask about product quality, owner should ask about service quality.

Word of mouth, traditional way and in the internet, is still one of the main advertising kinds. People are more likely to believe that a product is good or a new place is worth visiting if they were told so by someone who has no personal gain from it. People are likely to tell about something unusual or exceptional. This goes to interior or some special product more often, than the service. Service depends on a person, while your design or free desert will be there every time for anyone. (Staff 2016.)

Other than having a website, it is beneficial to register a business in Google service, called Local Business Center. It will allow your customers to write reviews on google page. It will also shortly show the most important information right on search page. Your customers will not have to go on the website to see address, working hours, pictures, reviews and average check. Another great thing is that google maps will show your establishment on map search, by key words, such as bar or restaurant. It will increase number of new customers, as people often do such searches to see what is close to them at the moment. (Google 2017.)

One more way to use social media is to create some special offers for people, who, for example mention you in their Facebook posts or in Instagram pictures. It can be a competition for the best picture for some considerable prize, for example diner or a bottle of wine. Or just a free coffee for mentioning in a post or checking in. These can be confined to some special days like Christmas or Saint Valentine' day.

Foursquare is also a good tool for marketing a service business. This is one more search tool for customers and one more marketing tool for business. It is one of the largest review platforms and probably the most trusted and popular. Foursquare can also be used for paid advertisement. The main benefit is that it is being promoted to people who are close to your business. This application encourages people to visit new places and to go out more by giving them virtual prizes. It can be used by businesses to reward their regular customers.

It is important to keep all the information online up to date. All these tools lose all points if they are not renewed regularly and in time. People tend to rely on the information from internet and would be rather disappointed if it turns out inaccurate. Things which require most attention are, of course, address and working hours. Changes to menu and special offers can be forgiven compared to closed doors.

Replying to customers' reviews can benefit a business significantly too. People read reviews to understand what they can expect from the service and the place altogether. Yet it is impossible to see the whole picture by reading only one side. Replying to both positive and negative reviews can help potential customers to see what really happened. If there was something wrong- how did you resolve that problem or how I could have I the customer would have talked to the manager. Some people prefer to not say negative things on the spot, but bring it in the Internet instead. Replying can help to make people understand that speaking with personnel if something was wrong is much better, mostly for them. In most cases if a customer says he or she does not like a dish a manager would offer to replace it with another one for free or a discount on the whole meal. It is a lot cheaper for the restaurant to cook a compliment than lose a customer and all his friends.

One more way to advertise this bar is to use vegetarian cuisine. There are not many restaurants suitable for such diet, so people who stick to vegetarian food often know all the places where they can eat. There is also a vegetarian card, which works as a loyalty card, where one gets bonus points and can use them to get a discount at cafes, restaurants and shops which are partners of the program. Participating in vegetarian card program can provide advertising in vegetarian circles, as all establishments which participate are shown on the official page of the program.

## 6 Research and development

This chapter includes reports on used research and development tools. Market research is the main objective of the research. Benchmarking and an online survey are the main information sources.

As defined by Entrepreneur (2016) market research is *" The process of gathering, analyzing and interpreting information about a market, about a product or service to be offered for sale in that market, and about the past, present and potential customers for the product or service; research into the characteristics, spending habits, location and needs of your business's target market, the industry as a whole, and the particular competitors you face."*

Market research can include two types of data: primary and secondary information. Primary data is what one compile by him or herself. Secondary data is from researches which have been already complied by someone else, it can include reports and studies from government and other business from the industry of interest. (Staff 2016.)

As argued by Stuff (2016) primery reaserch can resulte in two different types of data: exploratory and specific. Both are done by conducting surveys and/or interviews. Of course, mostly secondary is used usually. For this project, a survey is created and launched online, the results will be analyzed in this chapter.

Research of competitors would include brief overview of restaurants and bars close to estimated location and benchmarking. Customer research is focused mainly on people's opinion about main concept and basic habits of going out. This information would be gathered through surveys.

## 6.1 Competitors research

This overview is done for one of main streets in the center of Moscow, which is a good location for bar. There are seventy-five establishments close to that street. There are three subway stations and a lot of pedestrians. The red square is walking distance, it should take no more than twenty minutes to get there, so there are quite a lot tourists in that district.

Competition can seem extremely high, yet not all oa those restaurants and bars should be considered as competition. Ten per cent of those places is fast food, another twenty per cent are coffee places without alcohol. Five per cent are night clubs, which are only open at night, another 5 per cent work only as take away. That leaves forty-five pubs and restaurants which can be considered as competition.

Most of the places have an average check around thirty euros which a bit more than average in Moscow and have good ratings. In reviews customers complain about service more often than anything else. Some places are said to have too high prices for the portions of food and amount of alcohol in cocktails.

Pytnickaya street is one of the main gastronomic streets in Moscow. Yet most of restaurants offer same cuisines. There are a lot of places with Italian, Georgian and Asian cuisines. It is understandable, as those are the most popular in Moscow at the moment. There are no vegetarian restaurants close to the chosen location and there are very few in Moscow. Nevertheless, vegetarian food is more and more in demand nowadays.

Another thing is that most of establishments are restaurants, which concentrate on food, while wine and cocktail lists are rather basic. "Flowers at the bottom" is intended to be a bar, where people come for interesting cocktails, craft beers and good wine. Food would be an addition to that, unlike it is done by most competitors.

«Benchmarking is the process of comparing your own organization, operations, or processes against other organizations in your industry or in the broader marketplace" (The Balance 2017). For benchmarking a restaurant close to the supposed location of this project. It is called "Chugunny most" which translates as "Cast-iron bridge", name originated based on location- it is near a bridge. Name is also supported by the inside interior and décor. It is loft-style area with cast-iron used in furniture and floor. They also used a lot of wood, which allows to create cozier atmosphere. It is a two floors area with bar counter and some tables on the first one and more sitting places downstairs. In the summer time a small outside sitting area is build, for four tables. It exists for four years now, as it was opened in 2014. (Serebrenikov 2017. Pers. Com.)

They have a signature cuisine and their chef changes every six months, so does half of the menu. Prices are higher than average, average check is around € 35. Food menu is not big, but they serve starters, soups, hot dishes, snacks and deserts, so it is wide. Cocktails and wine lists are rather big, only two types of beer on tap, one cider. (Serebrenikov 2017. Pers. Com.)

Reading customers review shows that most people like non-trivial food, good wine selection, wood in the interior and general atmosphere. Yet many say that prices are too high, even though the quality of food is good, the portions are too small. There are also quite many complaints about service. (Serebrenikov 2017. Pers. Com.)

From the owner author knows that financially business started to do noticeably worse after second year. Constant menu changes keep people interested and attract some new guests. Interior is changed slightly every once in a while. Yet interest in the concept of signature cuisine faded away with time. (Serebrenikov 2017. Pers. Com.)

This is an example of how an original idea can develop with time and behave on the market. It can be expected that interest in something new fades away rather quickly, no matter in what. Business has to do constant renovations and developments in order to maintain it.

It also shows clearly what are the most important points for customers. Such as atmosphere and interior, quality and speed of service; it is significant that many were unhappy with rather high prices because of small portions, despite good quality, presentation of the dish and general good impression.

## 6.2 Customer research

Author's belief is that primary research is the most effective when researching your potential customers. Surveys can provide a lot of useful information about the target group, their habits, what is important to those people, how often they could use your service, how much they are ready to pay for it, what can pursue them to use it and so on. This data can be considered the most reliable, as it is received from primary source. Understanding your customers is the key to successful business organization and profitability.

Therefore, the key research method for customer research is online surveys. Two separate surveys were launched on an online platform. The main objective of the customer research is to be able to evaluate the idea and to see if people would be interested in the concept. Another important thing is to understand people's attitude to eating and drinking out.

First survey covers basic information about people's habits and attitude to the concept base. It will allow author to choose the right location, estimate the busiest hours and the contrary, plan advertising strategy, estimate an average check and evaluate the flower theme. Second one is focused on food, as mentioned before it is meant to be vegetarian. The survey is meant to evaluate this concept. Full list of questions and answers analyses can be found in Appendix 1. Survey questions and results; the main points are discussed in this chapter.

Most of the responders can be considered the target group by age, 95% of people are from 18 to 36 years old. 43% of responders prefer to visit bars in the city center, yet 39% said that the location does not matter, they are willing to go to a good place anywhere. Yet it doubtful, that many would go to unknown place somewhere far, therefore location in the center is still preferable. Only 11% like to go out near their home, so the suburban areas are not good locations, as expected.

People were asked at what time they prefer to visit, in order to adjust working hours and happy hours. Most people prefer to go to a bar after work 37% or late in the evening 45%. 16%



oa responders prefer to spend the whole night out. Therefore, the suggested working hours are from 12 p.m. to 12 a.m. on weekdays and from 12 p.m. to the last guest on Friday and Saturday. Happy hours can be right before expected peak hours, while most people are still at work and some might be still at lunch, from 3 p.m. to 5 or 6 p.m..

An average check is an important index for a catering business. Figure.14 shows how much people are usually spending or willing to spend for drinks. 33% are spending not more than € 14 for one night, yet 16% spend more than € 28. An average check of € 22 is the target for this project and it is an achievable sum according to this survey.

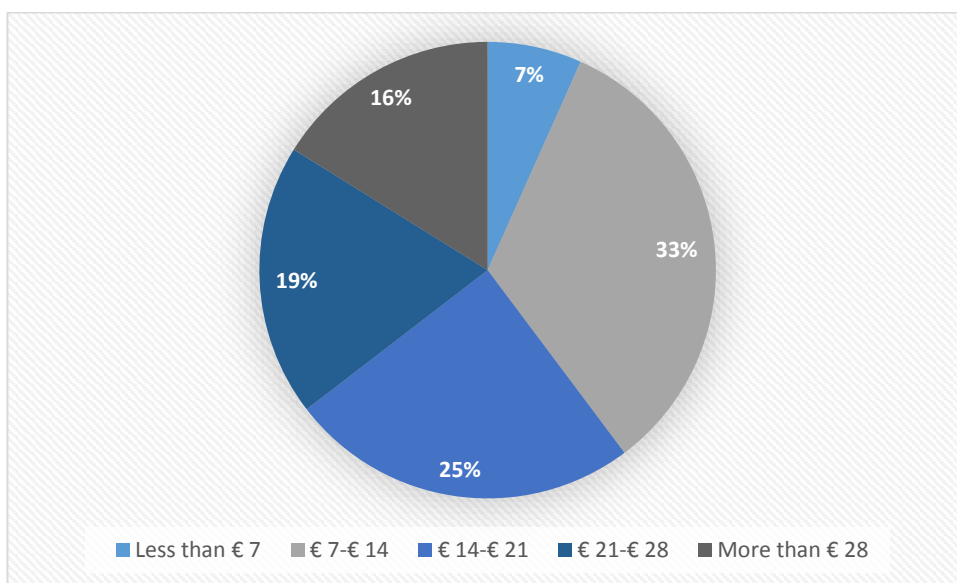


Figure 14: Average check

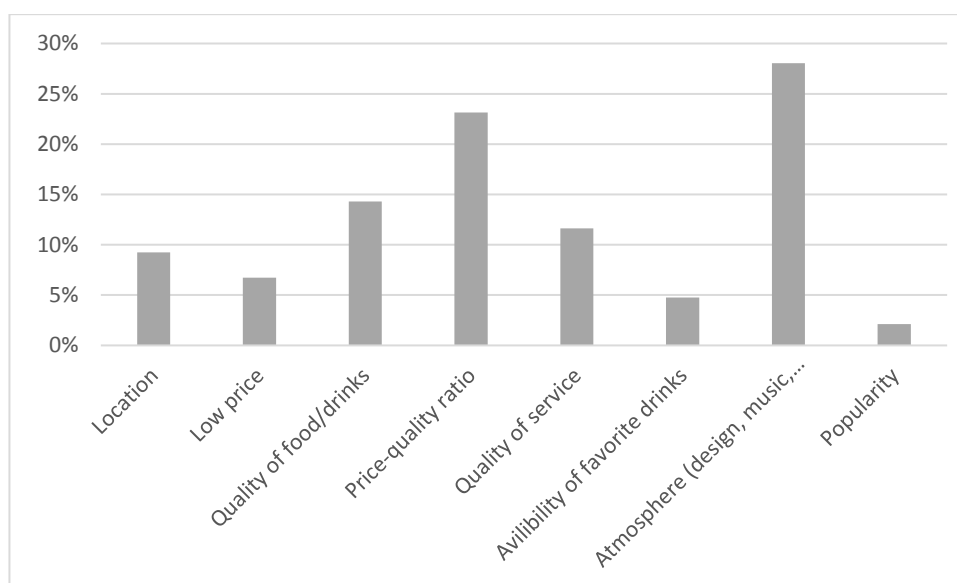


Figure 15: Important features

Figure.15 shows which features are the most important for people when they go out for drinks. The most important is atmosphere, including design, music, food and drinks presentation, comfortability and so on. Next important feature is price to quality ratio. Of course, people would like to pay less for more, yet this answer can be interpreted so, that people can appreciate good service and are willing to pay accordingly. Next important are quality of food and drinks and then quality of service, while low price is only at 6<sup>th</sup> place.

According to the survey most people prefer beer or cider as their drink at 27%, then cocktails at 22% and wine at 17%. This project is focused on wine, cocktails and good clear alcohol, which the chosen drink only of 11%. Yet we plan to have flowers-infused liquor, it can be considered clear alcohol, yet a bit sweeter and more interesting for those who prefer strong cocktails. Beer on tap and bottled ones are planned, yet rather limited chose, therefore customers who prefer beer or cider are not our target.

Figure.16 shows responses to question needed to evaluate the general theme, as flowers for food and drink decoration. Gladly, almost half responded: «yes, I would like to try that, sounds interesting.». Next was at 31%, saying “yes”, but only if he or she is interested in the dish or drink altogether. 7% said “no”, with comments mostly that they have tried once already and were not impressed or did not like it.

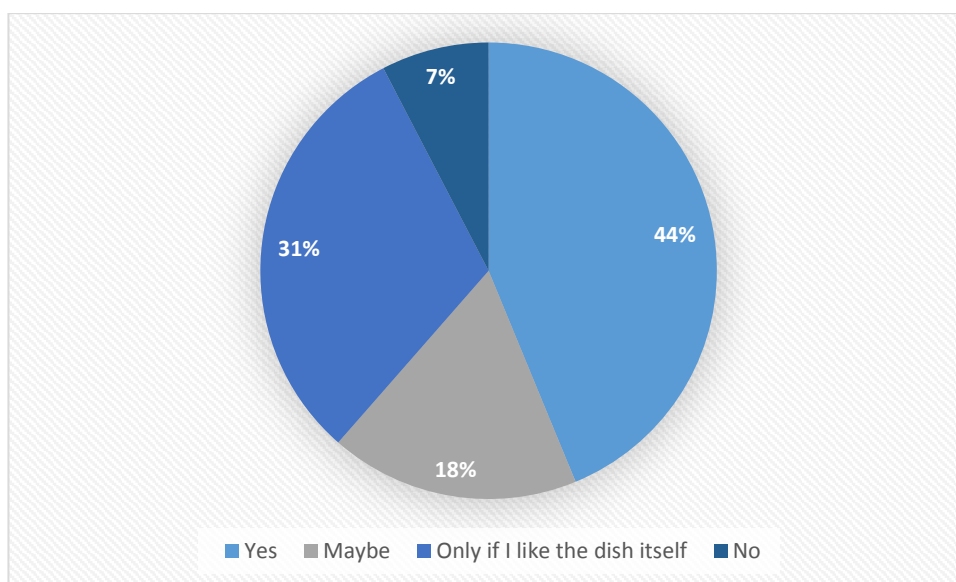


Figure 16: Flower theme evaluation

Remaining questions were asked in order to see how likely people are to read reviews, check Instagram geotags and pictures. It turned out that 35% check geotag occasionally, while only 7% do that on regular basis; 47% post pictures of their food/drinks if it is especially tasty or beautiful; 22% read reviews before going somewhere the 1<sup>st</sup> time.

Second survey was focused on food. As menu is planned to be vegetarian it is important to understand if there are enough customers to support this idea. Also, general information about people's eating out habits was collected. Full list of questions can be found in appendix, while main points are discussed here.

Figure 17. shows that 38% of responders eat in public places several times a week, which is more often than people said they go out for drinks. Eating is more essential need, than drinks, of course. Yet Figure 18. usually spend shows that few would like to spend more than € 8,5 on a meal, not counting beverages. This can be seen as a supporting argument for focusing on drinks, instead of food.

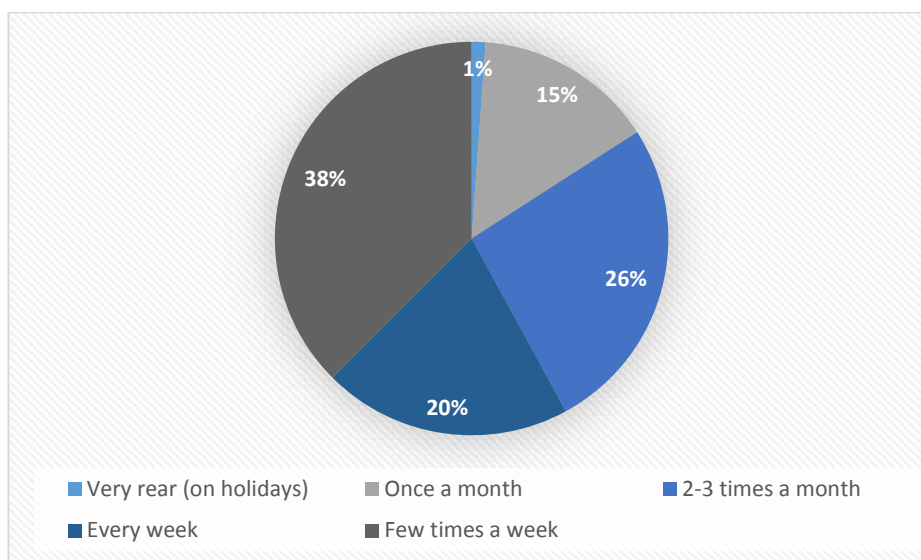


Figure 17: How often you eat out

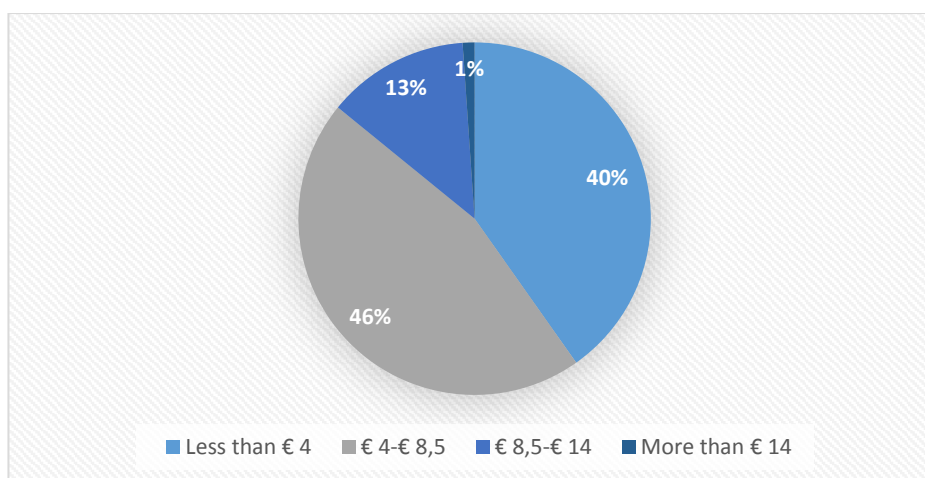


Figure 18: How much you usually spend

One of the most important questions in this survey was about vegetarian food and people opinion about it. In Russia many people still consider vegetarian and vegan lifestyles weird or just a fashion. Therefore, it is important to ask potential guests how they feel about and how many prefer such diets themselves. Figure 19. can be viewed in order to see how many responders keep a diet. Only 12% said they were vegetarian and 2% said they were vegan. Some people chose "other" and commented that they prefer healthy food or that they do not eat greasy food. Yet, as shown in Figure 20. Friends 82% of responders have friends, colleagues or relatives who keep vegan or vegetarian diets.

Survey also showed that only 27%, of people who eat meat, find availability of meat and/or fish important for them. Other 36 and 37%, accordingly, said that they can be interested with a dish which does not contain meat, others said they might go to a vegetarian place with a company.

Therefore, we can count on more than 50% of general guest amount to be interested in our dishes, even though most of them won't be vegetarians. As the establishment is focused on drinks, with food only supporting it this numbers are rather good.

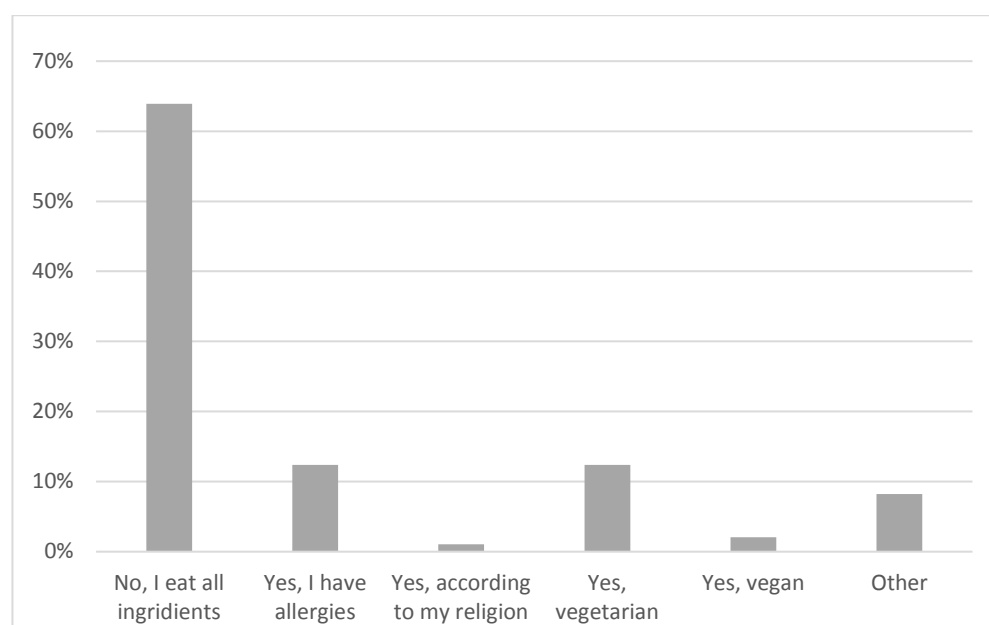


Figure 19: Special diet

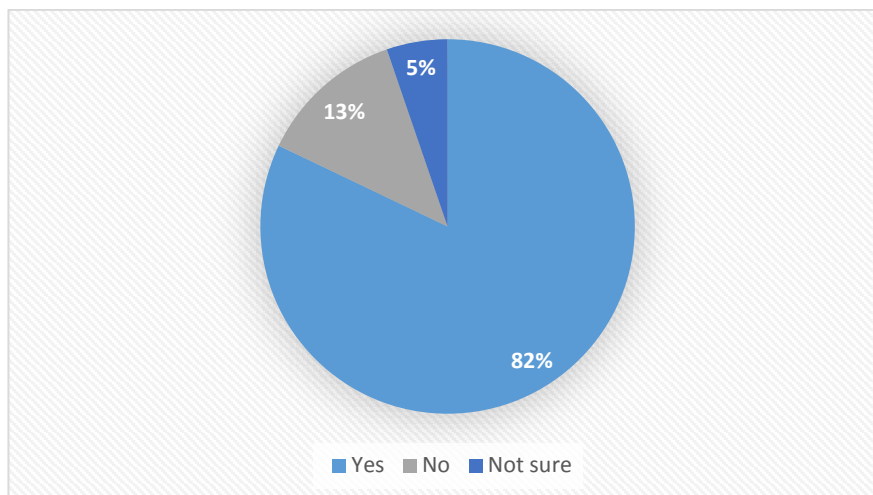


Figure 20: Friends

One more important question was about existing vegetarian establishments. If people think there are enough, do they like the format and so on. 74% said that most of places they know position themselves as healthy food cafes. While only 14% said they know many restaurants or bars with vegetarian food. Unfortunately this information is not quite accurate, as some percentage of people are not from Moscow, but from Saint Peterburg or some other cities, where the situation with existing business can be drastically different.

Yet, the general tendency is that there are more healthy food cafes with no alcohol on the menu, than bars or restaurants with vegetarian food. Figure 21. shows that most people think there are enough places serving such food, yet 36% would like more diversity. Still, 16% said that there are not enough, which can mean that there is a shortage in some districts or cities.

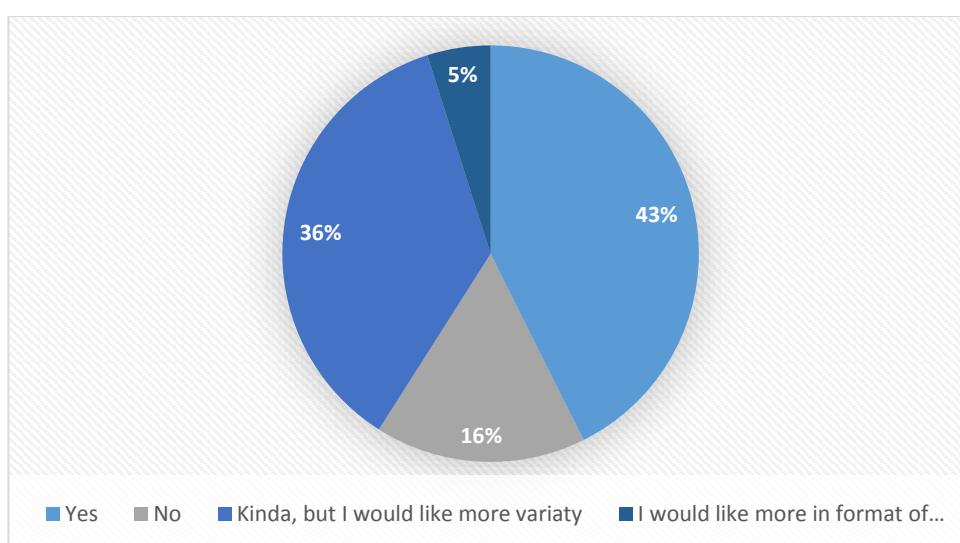


Figure 21: Is there enough

## 7 Finances

In this chapter, main financial aspects will be discussed. Capital needed for opening the business will be calculated. Start-up capital or “seed” capital includes all the costs appearing before the bar starts to operate and serve customers. Cost-accounting and pricing are ones of the most important calculations. One needs to understand what costs are expected and the amount. Meanwhile pricing, cannot be done without cost-accounting (Barrow, Barrow & Brown 2012, 234-235 .)

According to Sickler, "Cost Accounting is the science of recording and presenting business transactions pertaining to the . production of goods and services , whereby these records become a method of measurement and a means of control." Cost-accounting is an internal reporting system for an organization's own management needed for decision making. It provides explicit cost information the management team needs to control current situation and plan for the future. Cost-accounting can be used for evaluating business idea and give a change for cost-reduction. (Kohli 2009, 3.)

Pricing can be considered as a part of marketing a marketing plan, as it is one of four Ps. Nevertheless, pricing is a process resulting in a business setting selling prices for its products or services. Selling price depends on variable costs, such as, for example ingredients and packaging costs; as well as fixed costs, such as rent and salaries. Price also depends on competitors' prices, quality of service and its value to the customers (Dibb, Simkin, Pride & Ferrell 2013, 60-65).

### 7.1 Start-up capital

Start-up capital is the amount of money required to open a new business. It can include fees for licenses and permits, equipment, marketing or other expenses (Barrow, Barrow & Brown, 2012). In this chapter start-up capital for “Flowers at the bottom” bar will be calculated. Flower shop is not included in this capital, as it is considered a side project.

Calculation includes main expenses, which can be expected and predicted. Prices are taken from websites, so they are basic. Unfortunately, such costs as redecorating or ordering customized bar counter cannot be exact without consulting with people providing the service and rented premises. Prices for equipment can change over time, some pieces might be replaced with cheaper ones or more expensive. This calculation also does not include the whole-sale discount, which can be expected for cutlery, dishes and small working tools for bar and kitchen. Yet, this calculation will give the idea about the amount of costs to be expected at the beginning.

<b>Bar equipment</b>	€ 9 670
Kitchen equipment	€ 8 016
Furniture	€ 10 516
Other equipment	€ 20 310
Licenses	€ 15 135
Redecorating	€ 3 500
Lightening and décor	€ 2 000
Signboard	€ 1 000
First two months rent	€ 20 000
<b>All together</b>	€ 90 147

Table 1: Start-up capital

As shown in Table 1. Start-up capital the total estimated expenses are ninety thousand euros. This sum should cover redecorating of the place, meaning wall-painting and such kinds of work; installing lights and decorative elements, putting out a signboard for the bar to be visible. It also includes all needed furniture, as chairs and tables, bar counter, bottle shelves and so on. Kitchen and bar equipment, such as refrigerators, kitchen appliances and working tools. All glasses, cups, plates and cutlery should also be covered by this sum. All equipment, for example cash machine and register and video surveillance is covered. It also includes fee for alcohol license which lasts a year and an authorized capital of fourteen thousand euros required by the government.

The table shows only main points of expenses. Start-up capital is done based on situation when the bar premises are rented. In case of buying a building a sum around one million euros should be added. Calculation involved only purchases and fees. More information about necessary purchases and more detailed tables can be found in Appendix 2.

## 7.2 Cost accounting and pricing

Cost-accounting would be done for the most likely situation of rented premises. Another possibility is the situation where a place is bought. Renting a building involves monthly payments for the rent, yet owning one involves payment a tax for real estate.

Pricing is done based on net costs for each product and competitors price for same or similar products. Selling price should cover both fixed costs and variable. Variable costs include net

cost of each product, such as ingredients or purchasing price. Rent, employees' salary, water and electricity can be considered fixed. Though water usage varies a little depending on number of guests. Employees' salary may vary slightly, depending on customers amount, as in such business one can call in more waiters, for example on a busy day, for example on some celebration day.

Table 2. Fixed costs show estimated amount of fixed costs per one month. Total amount of fixed costs is estimated to be around twenty thousand euros. It includes rent of premises, rent of coffee machine and purchase of coffee beans (contract base), employees salary, water and electricity usage payment and fee for food waste disposal.

Employees' salary include salary for four waiters, three bartenders, two managers, three cooks, and two cleaning persons. Estimated work schedule is 2/2 for each person, which is the most common schedule for restaurant workers. More detailed info on salary can be found in Appendix 2.

<b>Fixed costs</b>	<b>Amount</b>
Rent	€ 10 000
Employee's salary	€ 7 000
Water, electricity and garbage disposal	€ 2 500
Coffee machine and coffee beans	€ 200
	€ 19 700

Table 2: Fixed costs

Pricing is based mainly on average prices for similar products, for example average margin for alcoholic beverages, such as wine and hard liquor is between 0,25 and 0,35. Author chose to use margin from 0,30 to 0,35, in order to have prices a bit lower than usual. The lower the margin the bigger the price. It common to set lowest margin on products one is planning to sell the most, in this case it wine, hard liquor and cocktails.

Average markup for both alcoholic and non-alcoholic drinks for this project is 244%, for the food it is lower, about 190%. It may look like it is a lot, but that markup creates a selling price which can cover fixed costs, variable costs and ingredients spoilage, as fresh food has very limited storage period.

Cocktail prices for based more on markup amount, rather than percentage and the average prices in Moscow. For example, "Mozart" cocktail has a net price of € 2,6 and selling price of € 6, the markup percentage is 140. While "Whiskey sour" has a net price of € 1,2 and selling price is € 5, making markup of 300%. Markup for most cocktails is € 3,6 sometimes € 4, de-



pending competitors' prices and complexity of making. More detailed information on drinks and food pricing can be found in Appendix 3: Pricing.

An extract from online-menu draft Figure 22 and Figure 23 can help reader to understand establishment's price policy. It also provides an insight for the menu content and style of the bar. Full menu with prices for all drinks and dishes can be found in Appendix 4: Menu.



# Flowers at the bottom

BAR AND VEGETARIAN FOOD

## HOT STUFF

Black bean burger	€ 6,5
Portobello mushroom burger	€ 7,5
Beetroot burger	€ 6
Falafel in pita with hummus	€ 7
Falafel with salad and fries	€ 6,5

## SIDE

Fries with souse	€ 2,5
Sweet patato fries with souse	€ 3,5
Half of vegetable salad	€ 2
Half of chickpea salad	€ 2

## SWEET STUFF

Pavlova	€ 4,5
Apple pie	€ 4
Blueberry pie	€ 4
Carrot cake	€ 4
Pecan pie	€ 5
Ice-cream	€ 1,5

Figure 22: Food menu



Figure 23: Cocktail list

# Flowers at the bottom

BAR AND VEGETARIAN FOOD

## COCKTAIL LIST

### Classic

Lava lamp	€ 5,5
Lemon Liquorice	€ 5
Long Island	€ 8
Anna's wish	€ 5
Aperol Spritz	€ 6
Old dirty bastard	€ 8
Old fashioned	€ 8
Mozart	€ 6
Wiskey sour	€ 5
White lady	€ 6
Manhattan dry	€ 6,5
Margarita	€ 5
Daiquiri	€ 5
Cosmopolitan	€ 5,5
Vodka martini	€ 5
Bahama mama	€ 8

### Our specials

Hard rose water	€ 6
Basil lemonade	€ 6
Lavander harmony	€ 6
Camomile angel	€ 6

## 7.3 Sales forecast

Firstly, the break-even point was calculated, formula from chapter 2.2 Main content was used and can be found as Figure 4. Break-even per total sales. Estimated monthly sales for the calculation are € 42,860. That means around € 1,430 per day. Break-even point equals total

fixed costs divided by contribution margin ration. Therefore, total fixed costs of € 19,700 are divided by 0,6 contribution margin ratio, which equals € 32,830. That means that selling products for that sum would cover all costs the bar has.

Estimated average check by customer is € 22, so the bar would need almost 1,500 customers per month, or 50 customers every day in order to reach the break-even point. That means that having at least 50 customers per day, who would spend at least € 22 would prevent restaurant from losing money.

Bar's planned capacity is 36-38 customers at one moment, it is to be open for twelve hours each day, maybe more on weekends. Average time spend in the establishment is estimated to be an hour, yet with cleaning and other preparation for next guests one and a half hour is taken as average. That means we can serve 36 customers eight times maxim during each day, which means three hundred people.

Sales forecast would be done for three different situations: pessimistic, optimistic, and realistic. Firstly, taxation system was chosen based on realistic set of events. As described in chapter 4.2 Taxation there are two ways tax may be paid. First one is paying 5% from profit, predicted income and profit can be viewed in Figure 24.. While Figure 25 shows taxation system where 15% from total income is paid.

Number of guests per day of a week was predicted, depending on season and lifespan of the bar. For example, we expect less guests on summer months due to the fact that most local people try to leave Moscow during that time. We can expect more people before and on holiday season in December and less after it is over and so on.

Comparing two graphic makes it visible that fist way of paying taxes is more beneficial for this project. With total gross income of € 523,116 profit may vary from € 51,314 to € 121,994 depending on taxation system. Even though, lower tax may include some more complicated paper work, in order to prove how money were spent for the business in question it is still better to use. It saves the business approximately € 70,000 at the first year.

Further calculations would be done only for the chosen tax system. It will include five year predictions for sales. Graphs are used for easier understanding.

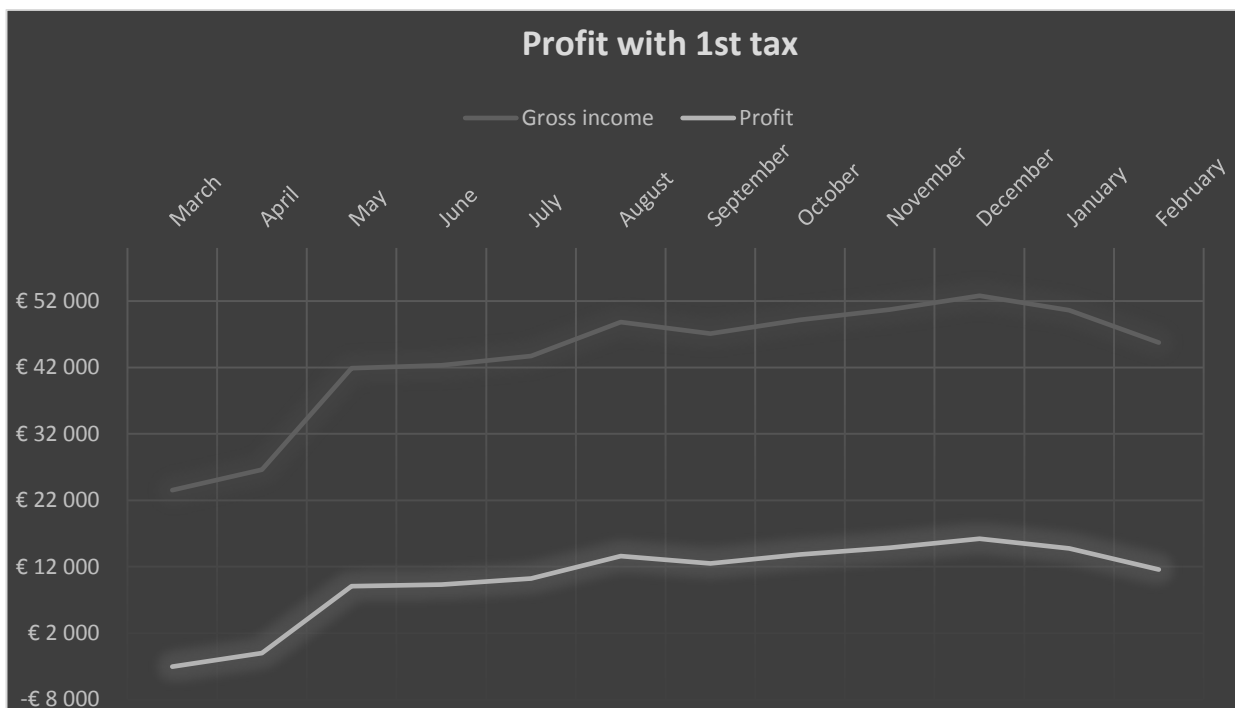


Figure 24: Profit tax

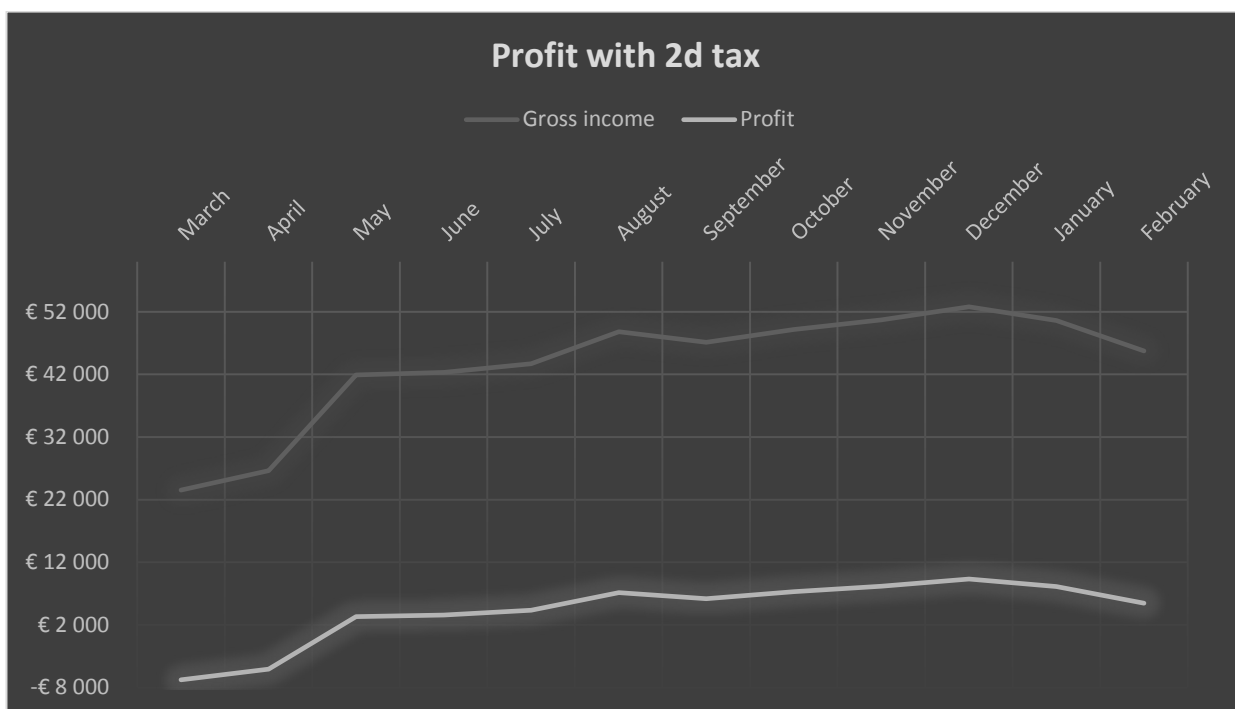


Figure 25: Income tax



Figure 26: Realistic profit 5 years

As shown in Figure 26, highest profit is expected on the first year, despite some loss on first two months, which is shown in Figure 25. A little struggle can be expected at first due to lack of advertising and customer awareness. Yet the first year is expected to be the most successful in total.

People would like to try something new and the promotion would be most active during the first year. The business is expected to pay off during the first nine months. That is a rather good result for a restaurant, though some small repairs and some new equipment may be needed. Including risk payments, the project still should pay off during the first year.

Recession is expected during the second year, as there would be less promotion and it won't be new for most people who might be interested in the concept. During the first year the customer base is formed, hopefully there would be quite many regular guests. This year is usually the most difficult for public catering business.

After that slight rise in guests is expected, unlike the second year the bar should already have a good reputation. After the third year a stable rise is expected and then the project should maintain the guests amount. The calculation does not include repair works and other risks, yet the bar should be profitable.

Tables 27 and 28 show optimistic and pessimistic predictions for 5 years. In the optimistic view, the first year prediction was changed assuming that in the first two months the bar would be more successful and the summer recession of visits would be less tangible. The second year recession would be less than expected. In the pessimistic view, accordingly, the first two months are even less successful; the summer recession affected even peak days. During the second year we would lose

50% of the customers and it will change very slightly during next years. All these three views on the bar progress are possible and should be taken into consideration.



Figure 27: Optimistic profit



Figure 28: Pessimistic profit

## 8 Conclusion

To sum up, opening a new business consists of many steps and whether it is a service business or not there are a lot of legal matters to take care of. It goes from idea to concept, then planning phase with a great amount of research and analysis. Work on own business never stops, one needs to keep it fresh and modern in order to keep customers interested.

This project helped author to develop her idea for a bar. It has gained many details along the way, as new information was found. Main outcome is the business plan part of this report, as it can be taken further, developed into business offer for investors or partners and result in a one of new modern places in Moscow.

Main risks concerning the implementation part include changes which may accrue with time. The estimated opening time used for calculation of sales forecast is March of year 2019. By that time rent rates may change, money exchange rate may change which may cause higher prices for imported ingredients and alcohol. Trends may also change a lot, it can include going out habits, interior design trends and so on.

Other risks may include troubles with paper work concerning registering a firm, getting license for alcohol, getting space approved for cooking and serving food and so on. It can be rather hard to find a suitable space for fitting price and get to rent it, as owners often refuse to rent their buildings to businesses with no history.

Getting started with new business is defiantly difficult and may take a lot of money and time. Nevertheless, chances of succeeding are rather high in current economic state in Moscow. People are eager for new things nowadays and are looking for places with good and stable quality. Our goal is to provide it and sustain.

Sales forecasts look rather good for now, showing stable profit starting after first six months. Of course it depends a great deal on successful executing of promotion strategy and our general performance regarding quality of service and our products. After two years certain changes in menu and probably interior would be in order, which would also lead to expenses. Yet the establishment should be able to afford such changes.

Running own business is constant work, as long as the business exists. It does not stop after all the paper work is done or the big opening, neither does it stop after gaining popularity among people. Sustaining it prosperous while not forgetting the basic concept can be rather hard. Yet the author think that it is possible when one does it with knowledge and determination. When a person is ready for nonstop hard work, thinking not only about finances, but also about his clients, his personnel and tries to improve some parts of people's life that is when a business is fruitful.



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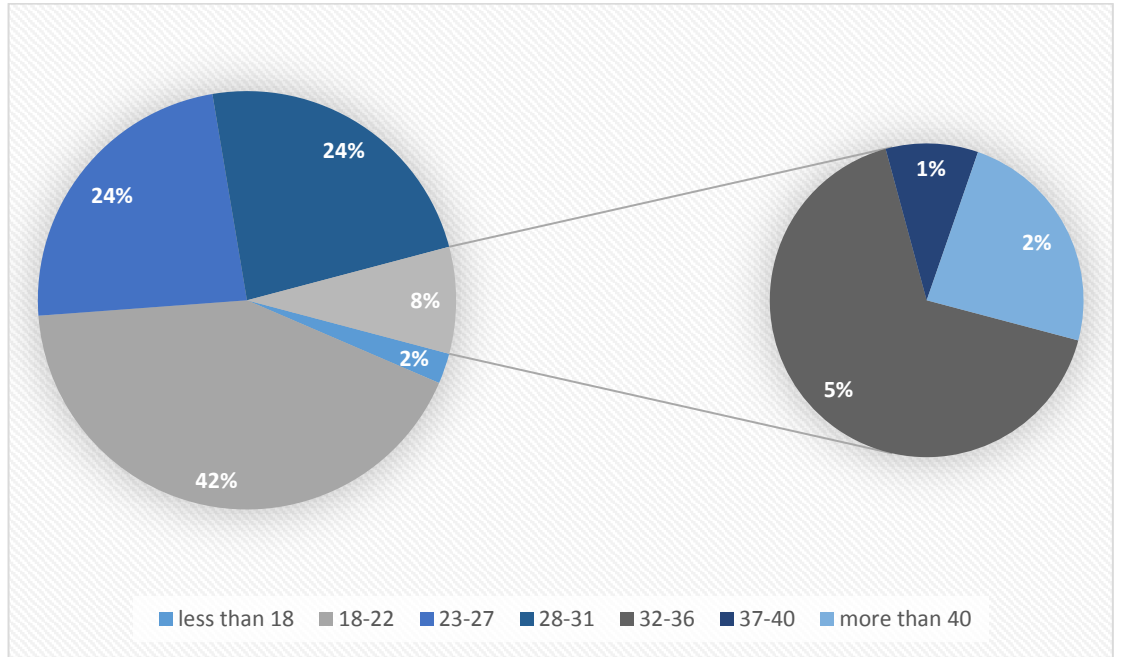
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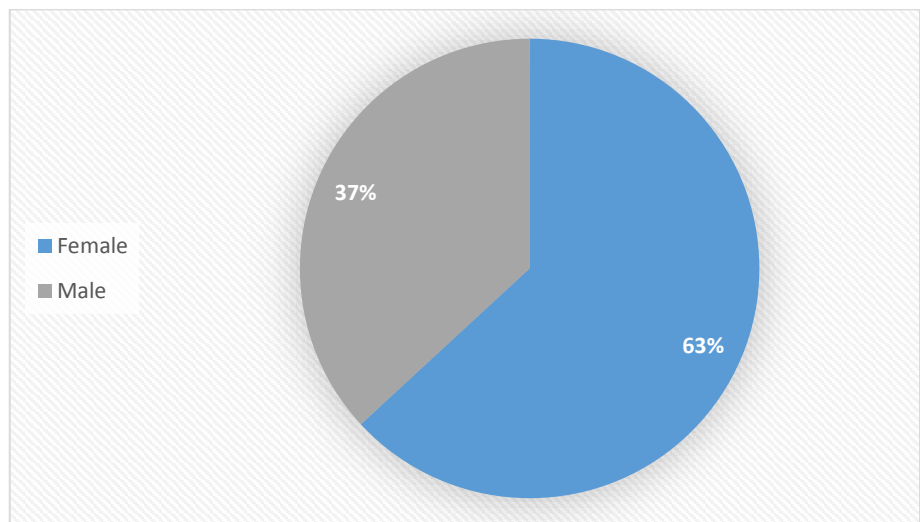
### Appendix 1: Survey questions and results

First survey is focused on collecting basic information about customers' going out habits and opinion about flower theme. Total number of replays: 381.

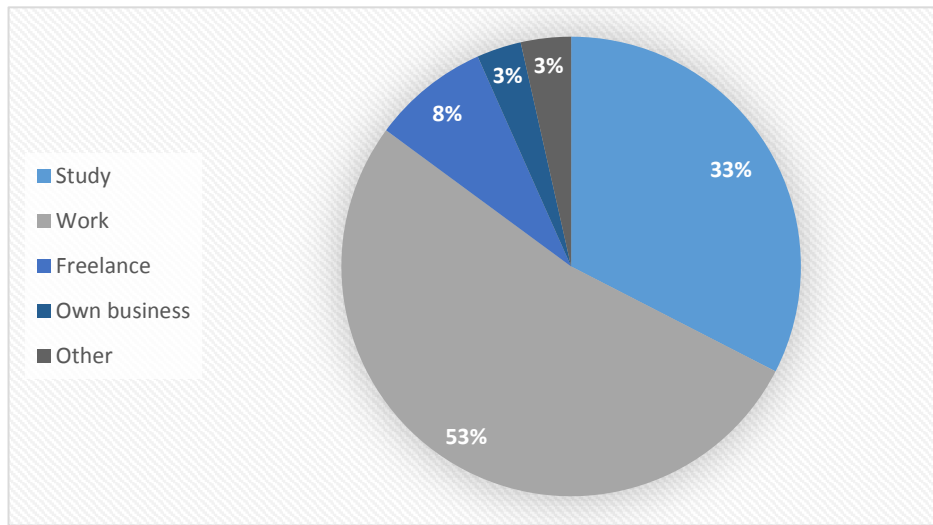
#### 1. Your age group



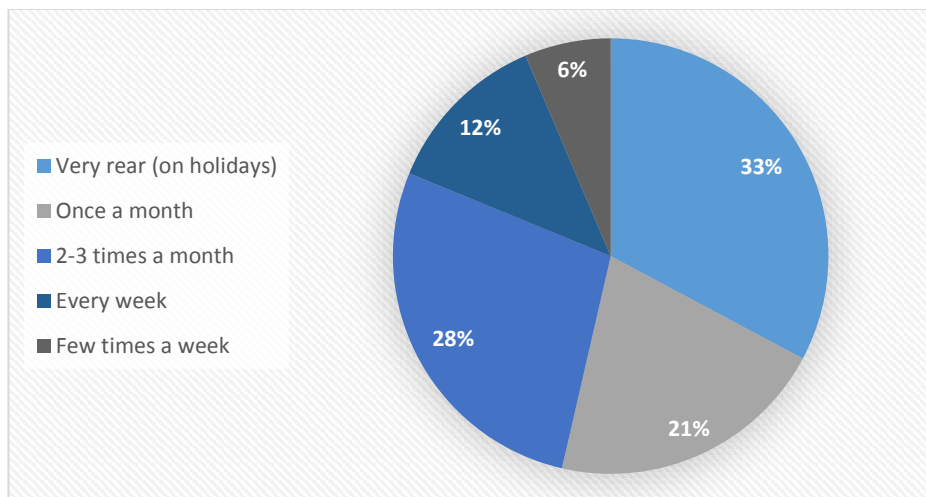
#### 2. Your sex



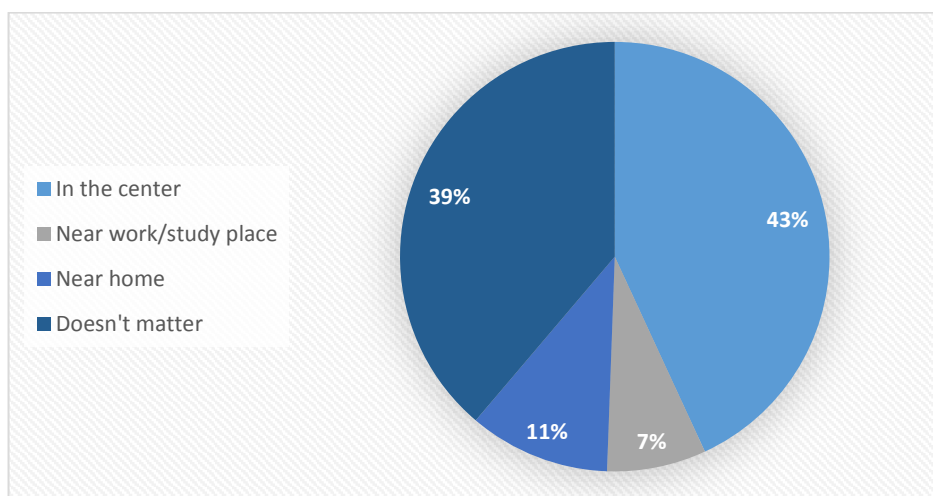
3. Your occupation



4. How often do you go to a bar?

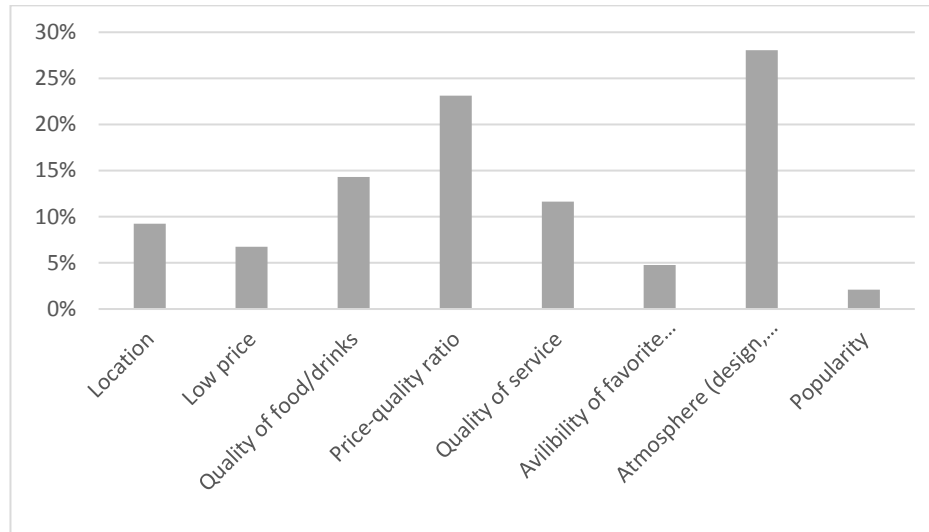


5. Where do you prefer to visit bars?

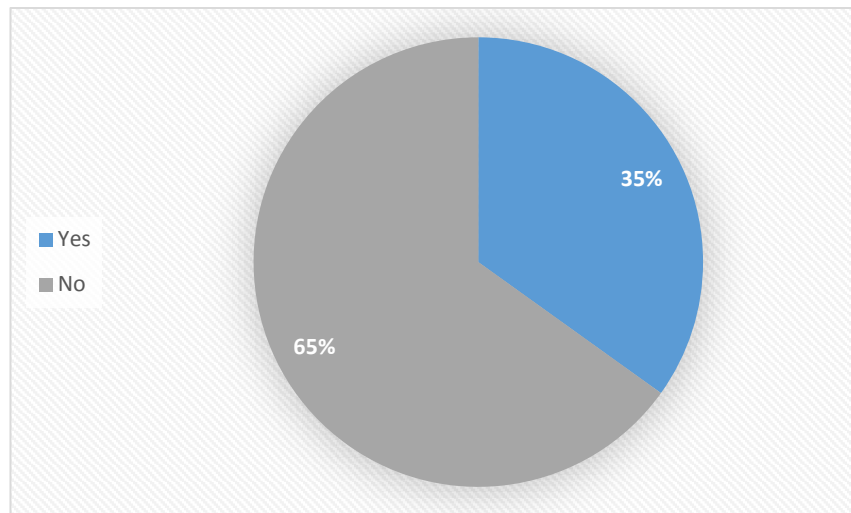




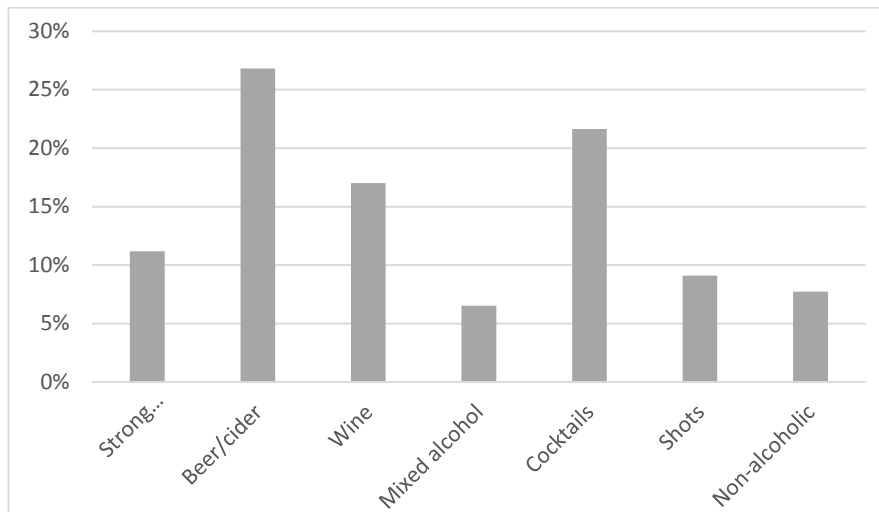
6. What are the most important factors for you when going to a bar?



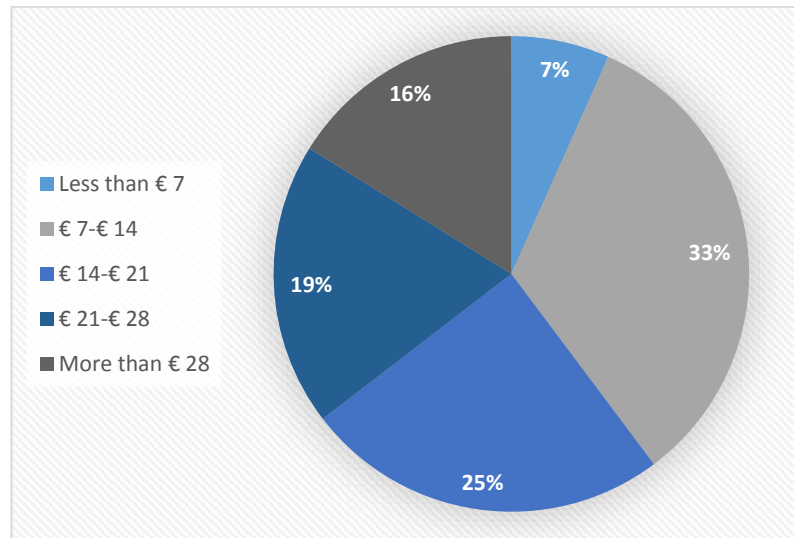
7. It is important for you if a bar has a full value food menu?



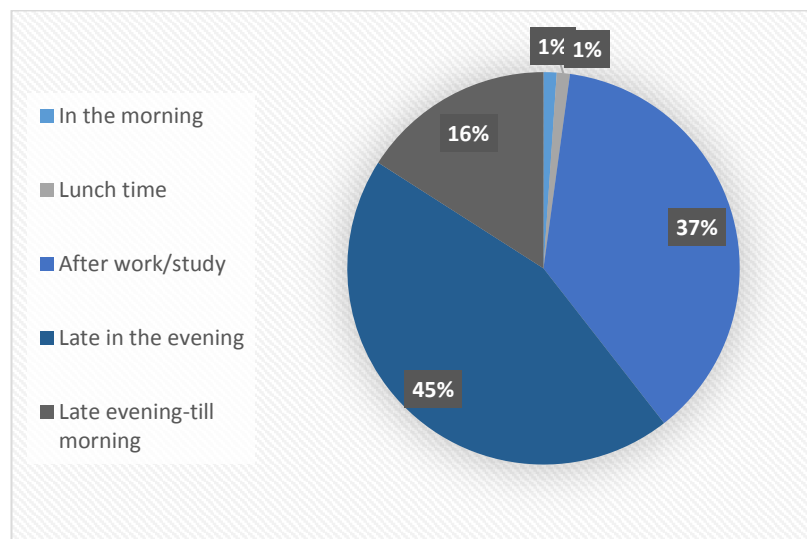
8. What are your drinks preferences?



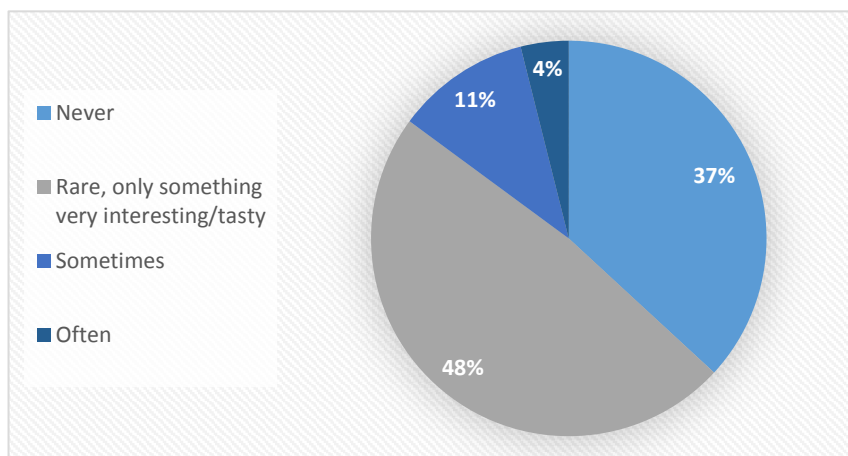
9. In average, how much would you spend per one nigh (or usually spend)?



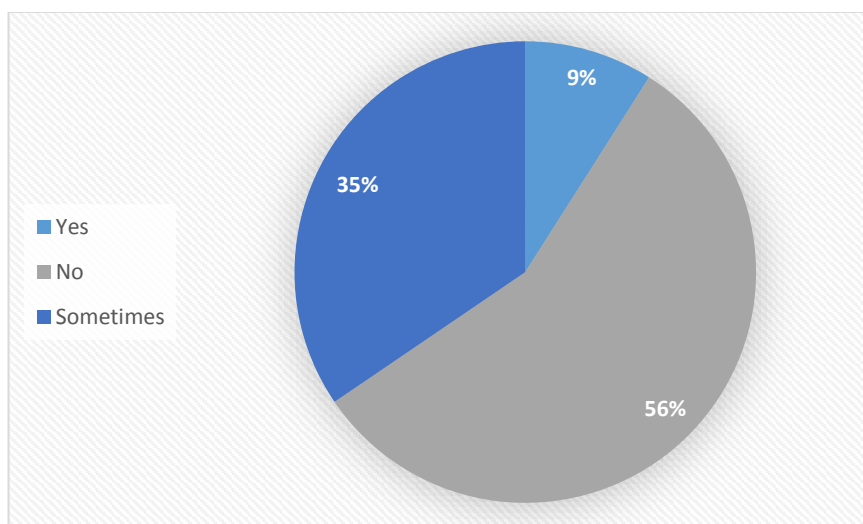
10. At what time do you usually visit a bar?



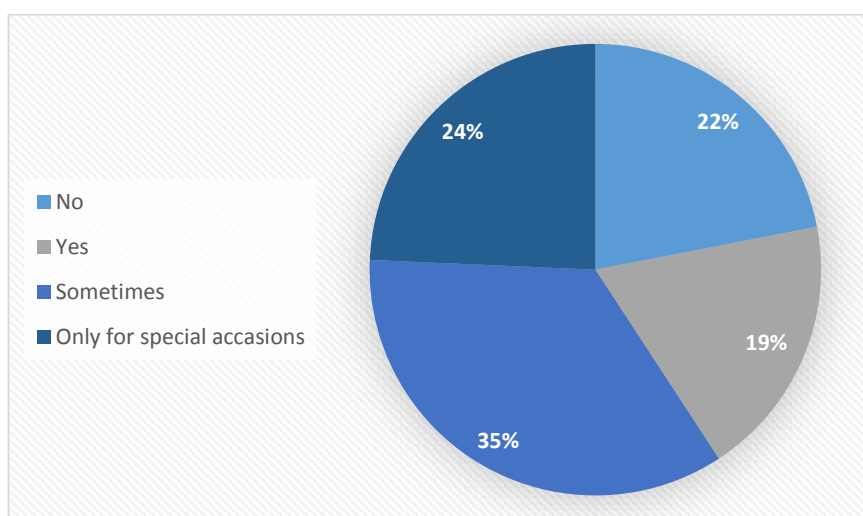
11. Do you take pictures of your food and/or drinks for Instagram?



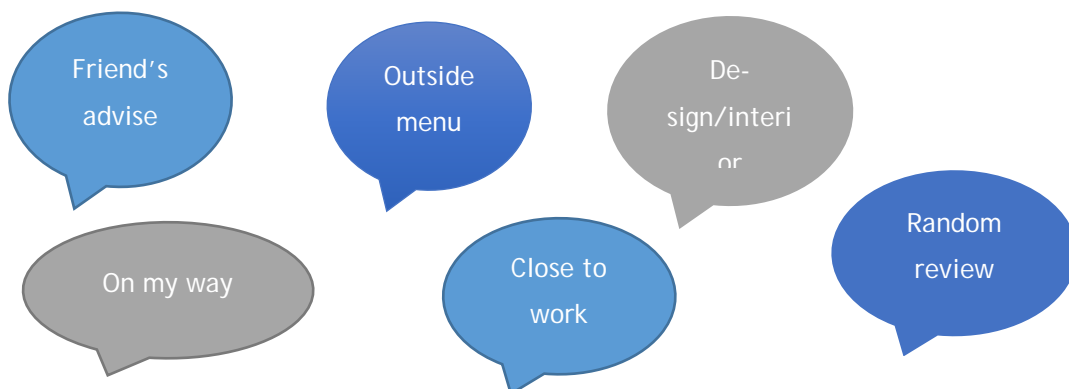
12. Do you check establishment's geotag or Instagram profile before visiting?



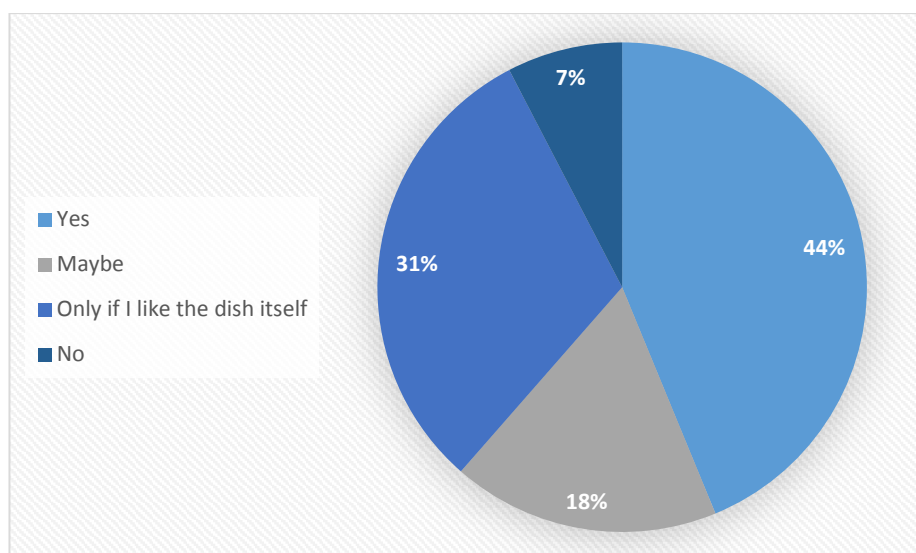
13. Do you read reviews on an establishment before visiting for the 1<sup>st</sup> time?



14. What could make you walk in an unknown or new place? (Open question)

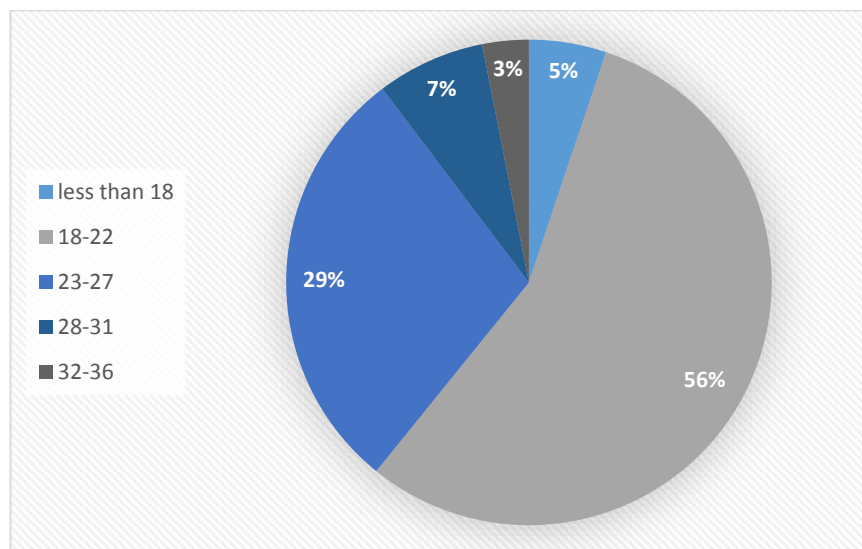


15. Would you like to try food and/or drinks with edible flowers?

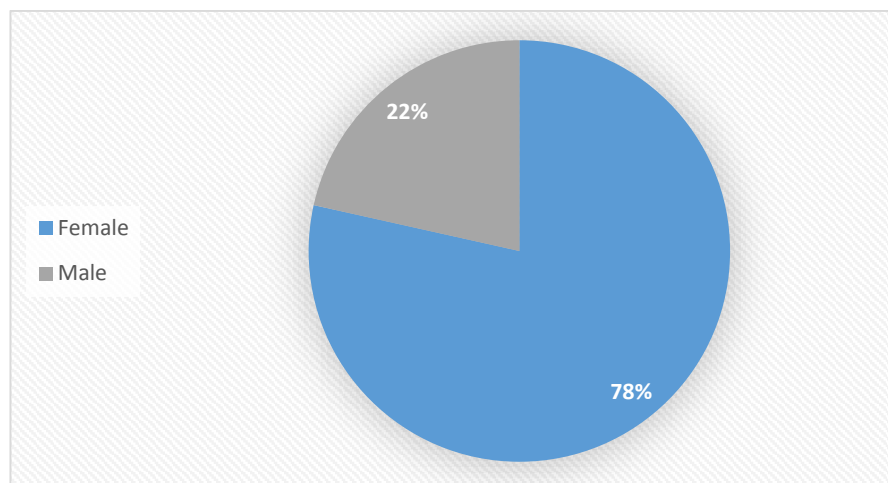


Second survey is focused on food. Total number of replays: 124.

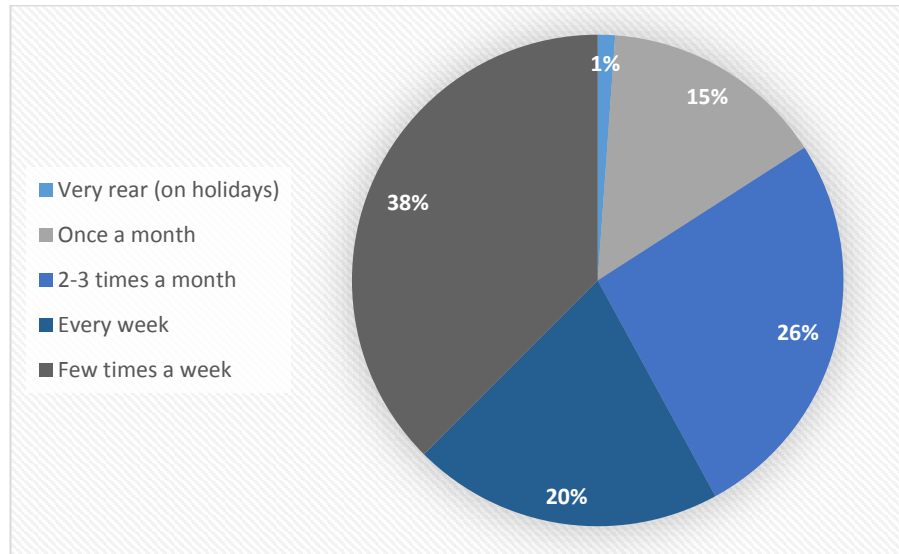
1. Your age group



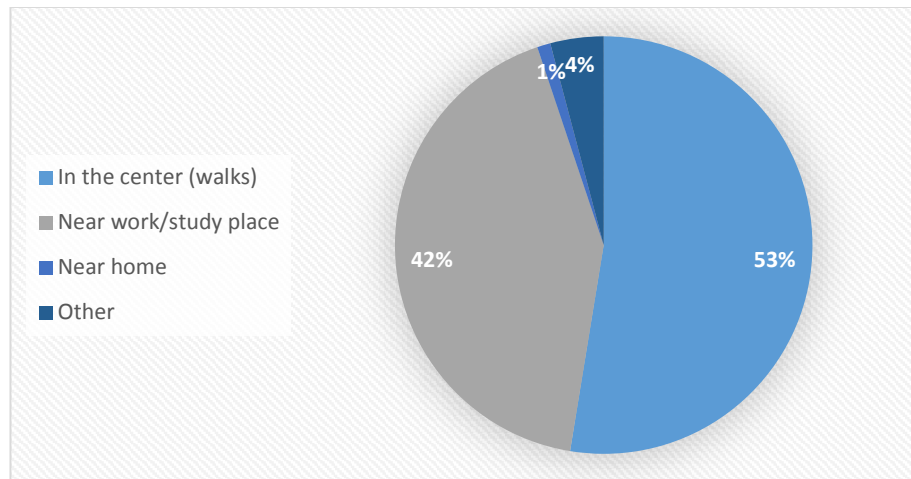
2. Your sex



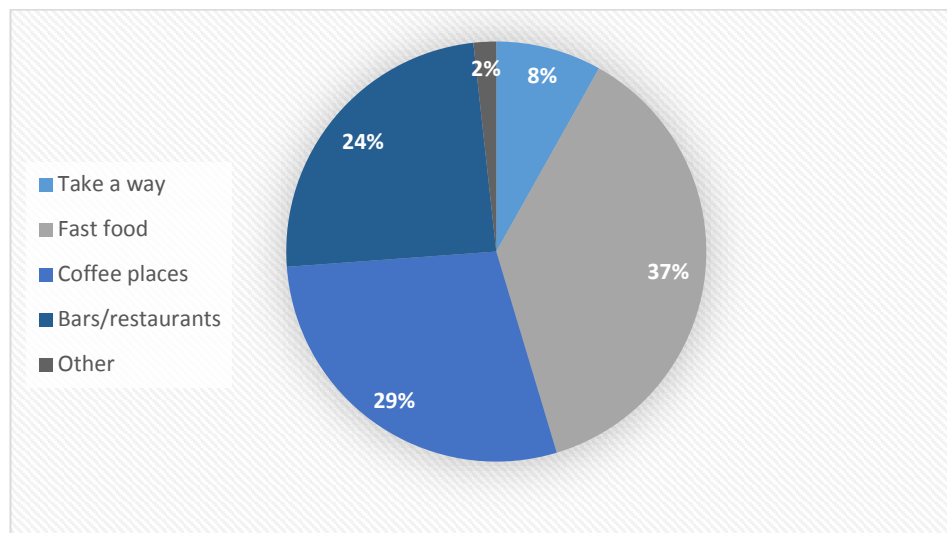
3. How often do you eat out?



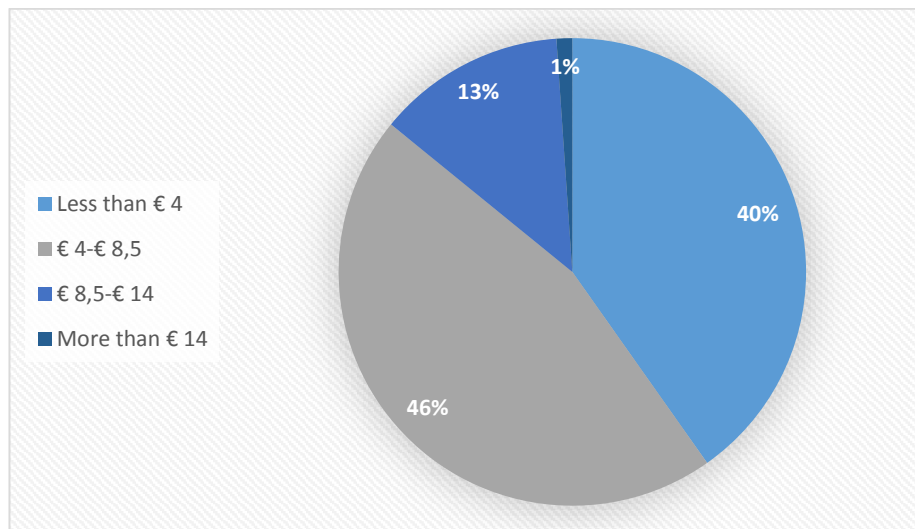
4. Where do you usually eat out (location)?



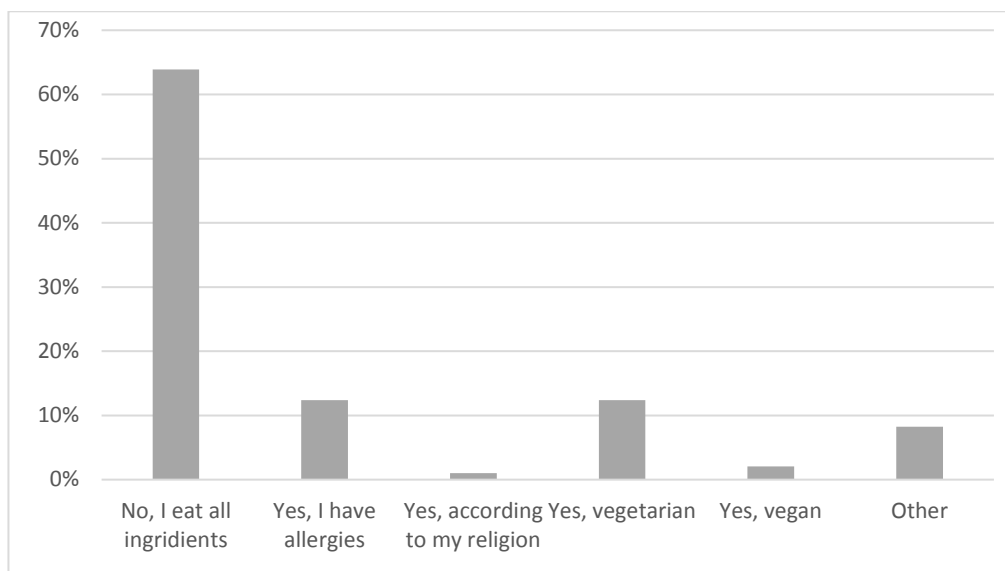
5. What format of an establishment do you prefer?



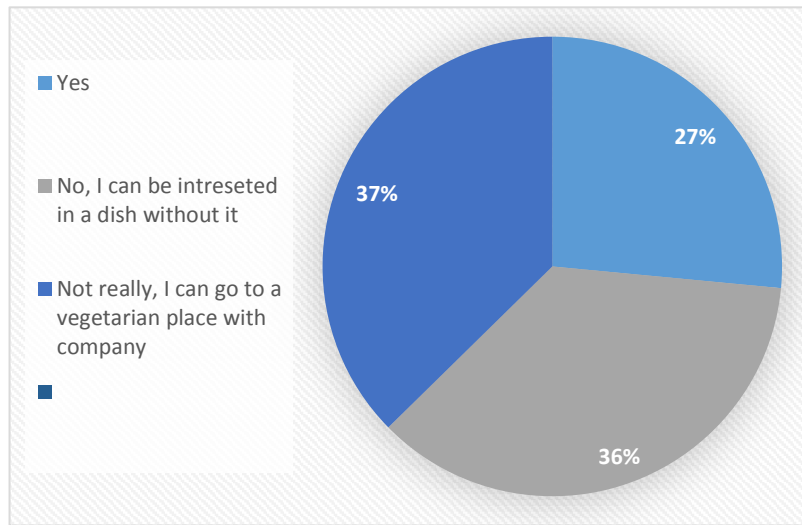
6. How much, in average do you spend on food when eating out (without beverages)?



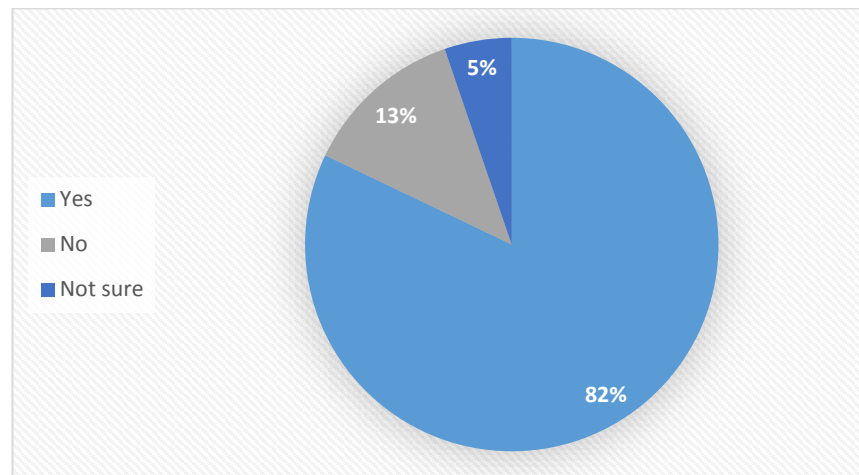
7. Do you keep a special diet? (if person says he or she does not survey goes to questions 8 and 9 only; if the answer is vegetarian or vegan diet survey skips questions 8 and 9)



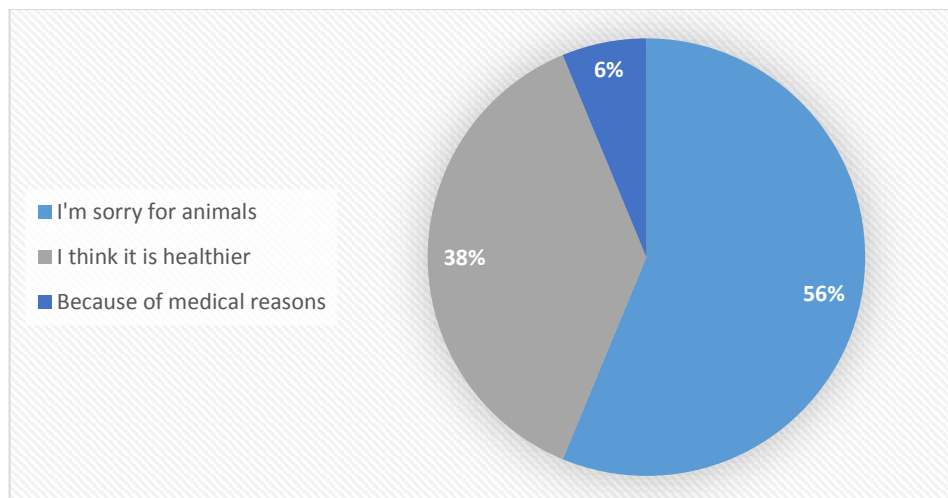
8. Is availability of meat and/or fish on the menu important for you?



9. Do any of your friends/relatives/colleagues keep vegetarian diet?

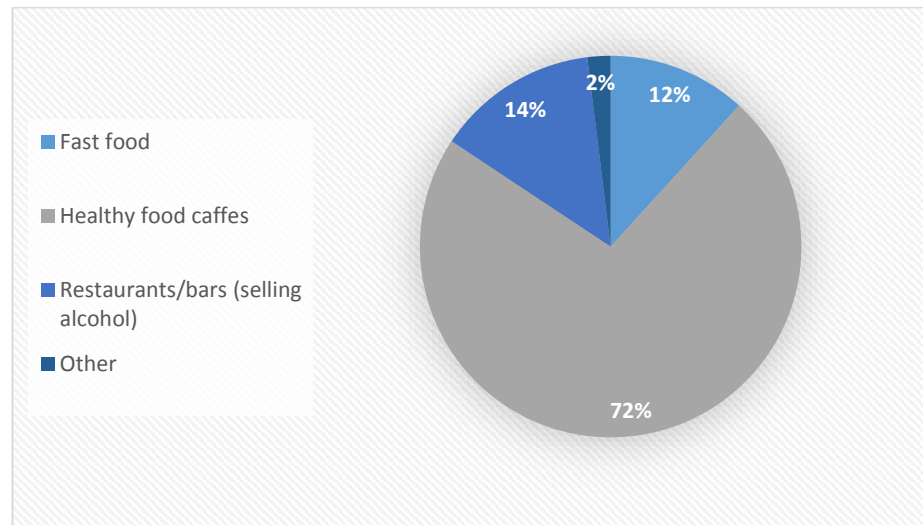


10. Why did you choose vegetarian/vegan diet?

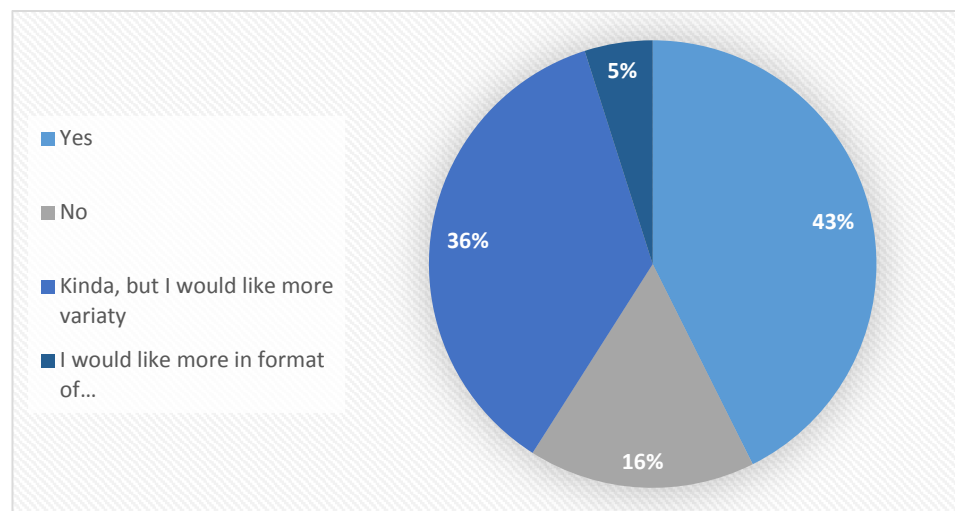




11. What format are the most of vegetarian places you know?



12. Do you think that there are enough vegetarian/vegan places in Moscow?



## Appendix 2: Start-up capital calculation

Tables 3-7 show more detailed information about start-up calculation. These tables show what included in start-up capital.

<b>Equipment for bar</b>	<b>Price</b>	<b>Quantity</b>	<b>Sum</b>
Ice-maker	€ 500	1	€ 500
Fridge with working surface type 1	€ 850	2	€ 1 700
Fridge with working surface type 2	€ 1 000	2	€ 2 000
Frizzier with working surface	€ 1 000	1	€ 1 000
Juicer	€ 140	1	€ 140
Blender	€ 140	1	€ 140
Working tools	€ 300	1	€ 300
Bar station	€ 280	1	€ 280
Bottle shelve	€ 400	1	€ 400
Sink	€ 90	1	€ 90
Glass hooks	€ 7	10	€ 70
Glasses	€ 800	1	€ 800
Cups	€ 600	1	€ 600
Wine fridge	€ 500	1	€ 500
Beer tap equipment	€ 1 150	1	€ 1 150
<b>All together</b>			<b>€ 9 670</b>

Table 3: Bar equipment

<b>Equipment regarding kitchen</b>	<b>Price</b>	<b>Quantity</b>	<b>Sum</b>
Fridge with working surface type 1	€ 850	2	€ 1 700
Sink	€ 90	1	€ 90
Fryer	€ 140	1	€ 140
Serving plates	€ 500	1	€ 500
Serving bowls	€ 400	1	€ 400
Working tools	€ 200	1	€ 200
Cutlery	€ 900	1	€ 900
Frizzier with working surface	€ 1 000	1	€ 1 000
Supplies fridge	€ 1 000	1	€ 1 000
Grease filter	€ 115	1	€ 115
Ingredients frizzier	€ 500	1	€ 500
Mixer	€ 71	1	€ 71
Oven	€ 1 400	1	€ 1 400
<b>All together</b>			<b>€ 8 016</b>

Table 4: Kitchen equipment

<b>Furniture</b>	<b>Price</b>	<b>Quantity</b>	<b>Sum</b>
Bar chairs	€ 120	8	€ 960
Chairs	€ 71	32	€ 2 272
Bar	€ 6 000	1	€ 6 000
Table for 4	€ 140	4	€ 560
Table for 2	€ 90	4	€ 360
Table for 8	€ 214	1	€ 214
Office table	€ 35	1	€ 35
Office chair	€ 30	1	€ 30
Rack	€ 35	1	€ 35
Office supplies	€ 50	1	€ 50
<b>All together</b>			<b>€ 10 516</b>

Table 5: Furniture costs

<b>Other equipment</b>	<b>Price</b>	<b>Quantity</b>	<b>Sum</b>
Laptop	€ 300	1	€ 300
Cash machine and R-keeper	€ 5 000	1	€ 5 000
Credit card terminal	€ 230	2	€ 460
Surveillance	€ 850	1	€ 850
Air conditioner	€ 200	1	€ 200
Washing machine	€ 1 800	1	€ 1 800
Music system	€ 300	1	€ 300
Ventilation system	€ 10 000	1	€ 10 000
Water and electricity works	€ 1 400	1	€ 1 400
<b>All together</b>			<b>€ 20 310</b>

Table 6: Other equipment costs

<b>Licenses</b>	<b>Price</b>
Alcohol license	€ 850
Required capital	€ 14 285
<b>Total</b>	<b>€ 15 135</b>

Table 7: Licenses costs

## Appendix 3: Cost accounting and pricing

<b>Fixed costs</b>	<b>Amount</b>
Rent	€ 10 000
Employee's salary	€ 7 051
Water, electricity and garbage disposal	€ 2 500
Coffee machine and coffee beans	€ 200
All together	€ 19 751

Table 8: Fixed costs

<b>Employee</b>	<b>Number</b>	<b>Hours per month</b>	<b>Salary per hour</b>	<b>Salary per month</b>
Waiter	4	240	€ 1,5	€ 1 440
Bartender	3	216	€ 2,7	€ 1 750
Manager	2	240	€ 3,0	€ 1 440
Cleaning people	2	240	€ 1,4	€ 672
Cooks	3	216	€ 2,7	€ 1 750
All together				€ 7 051

Table 9: Salary

Kitchen Menu	Net cost	Markup	Markup2	Selling price
Cheese plate 1	€ 5,8	€ 3,5	61%	€ 9,3
Cheese plate 2	€ 4,7	€ 3,5	75%	€ 8,2
Cheese plate 3	€ 3,8	€ 3,5	93%	€ 7,3
Cheese plate 4	€ 5,0	€ 3,5	71%	€ 8,5
Cheese plate 5	€ 4,3	€ 3,5	81%	€ 7,8
Bread plate 1	€ 0,7	€ 1,3	186%	€ 2,0
Bread plate 2	€ 1,0	€ 1,8	189%	€ 2,8
Grana Padano with honey	€ 0,7	€ 3,3	454%	€ 4,0
Hummus with pita	€ 1,9	€ 2,0	107%	€ 3,9
Tomato tartar with burrata	€ 4,5	€ 4,0	90%	€ 8,5
Avocado tartar	€ 2,7	€ 3,5	130%	€ 6,2
Olives and black olives marinated	€ 0,8	€ 2,0	236%	€ 2,8
Nuts, cheese and honey	€ 2,1	€ 4,0	188%	€ 6,1
Fried black toast with cheese	€ 0,8	€ 2,0	250%	€ 2,8
Fried mozzarella balls	€ 2,3	€ 1,2	52%	€ 3,5
Burrata salad	€ 4,3	€ 3,7	86%	€ 8,0
Mozzarella salad	€ 2,7	€ 3,3	122%	€ 6,0
Goat cheese salad	€ 2,2	€ 3,3	152%	€ 5,5
Brynza salad	€ 1,4	€ 3,3	242%	€ 4,7
Vegetable salad	€ 1,3	€ 3,0	235%	€ 4,3
Orange salad	€ 1,4	€ 3,3	232%	€ 4,7
Chickpea salad	€ 1,3	€ 3,0	223%	€ 4,3
Beetroot salad	€ 1,1	€ 3,2	291%	€ 4,3
Avocado salad	€ 2,9	€ 3,1	105%	€ 6,0
Black bean burger	€ 2,1	€ 4,5	214%	€ 6,6
Portobello mushroom burger	€ 3,1	€ 4,5	147%	€ 7,6
Beetroot burger	€ 1,7	€ 4,5	271%	€ 6,2
Falafel in pita with hummus	€ 2,2	€ 4,5	206%	€ 6,7
Fries with souse	€ 1,0	€ 1,5	157%	€ 2,5
Sweet potato fries with souse	€ 1,9	€ 1,5	81%	€ 3,4
Falafel with salad and fries	€ 2,7	€ 4,0	150%	€ 6,7
Pavlova	€ 1,5	€ 3,0	198%	€ 4,5
Apple pie	€ 0,4	€ 3,5	843%	€ 3,9
Blueberry pie	€ 1,3	€ 3,0	231%	€ 4,3
Carrot cake	€ 1,0	€ 3,0	286%	€ 4,0
Pecan pie	€ 1,8	€ 3,0	169%	€ 4,8
Ice-cream	€ 0,7	€ 1,0	143%	€ 1,7

Table 10: Kitchen menu pricing

Table with drinks pricing turned out too big for inserting into word document.

Appendix 4: Menu draft



# Flowers at the bottom

BAR AND VEGETARIAN FOOD

## STARTERS

Cheese plate 1	€ 9
Cheese plate 2	€ 8
Cheese plate 3	€ 7,5
Cheese plate 4	€ 8,5
Cheese plate 5	€ 8
Bread plate 1	€ 2
Bread plate 2	€ 3
Grana Padano with honey	€ 4
Hummus with pita	€ 4
Tomato tar tar with burrata	€ 8,5
Avocado tar tar	€ 6
Marinated olives	€ 3
Nuts, cheese and noney	€ 6
Fried black toast with cheese	€ 3
Fried mozzarella balls	€ 3,5

## SALADS

Burrata salad	€ 8
Mozzarella salad	€ 6
Goat cheese salad	€ 5,5
Brynza salad	€ 5
Vegetable salad	€ 4
Orange salad	€ 5
Chickpea salad	€ 4
Beetroot salad	€ 4
Avocado salad	€ 6



# Flowers at the bottom

BAR AND VEGETARIAN FOOD

## HOT STUFF

Black bean burger	€ 6,5
Portobello mushroom burger	€ 7,5
Beetroot burger	€ 6
Falafel in pita with hummus	€ 7
Falafel with salad and fries	€ 6,5

## SIDE

Fries with souse	€ 2,5
Sweet patato fries with souse	€ 3,5
Half of vegetable salad	€ 2
Half of chickpea salad	€ 2

## SWEET STUFF

Pavlova	€ 4,5
Apple pie	€ 4
Blueberry pie	€ 4
Carrot cake	€ 4
Pecan pie	€ 5
Ice-cream	€ 1,5





May we remind you  
about our desserts?

# Flowers at the bottom

BAR AND VEGETARIAN FOOD

## COFFEE

Espresso	€ 1,5
Americano	€ 1,5
Cappuccino	€ 2
Flat White	€ 2,5
Latte	€ 2
Raff	€ 2,5

## TEA

Assam black tea	€ 4
English breakfast	€ 4,5
Red tea with rose	€ 5
Sencha green tea	€ 4
Jasmin green tea	€ 4,5
Milk Ulun tea	€ 5
Zhen Shen Ulun tea	€ 5

## SWEET STUFF

Pavlova	€ 4,5
Apple pie	€ 4
Blueberry pie	€ 4
Carrot cake	€ 4
Pecan pie	€ 5
Ice-cream	€ 1,5





# Flowers at the bottom

BAR AND VEGETARIAN FOOD

## WINE LIST

### Only by bottle

Italy rose	€ 60
Spain Crianza	€ 52
Argentina red	€ 62
Argentina white	€ 70
New Zeland sparkling	€ 60
Port white	€ 53
Port red reserva	€ 53

### By glass white

Chile sauvignon	€ 4.5
Chile shardone	€ 4.5
Chille reserve	€ 6.5
Austria	€ 6.5
Africa	€ 6.5
Spain	€ 6
Spain Rioja	€ 8
italy pinot grigio	€ 8
French Risling	€ 5.5
Australia white	€ 6



# Flowers at the bottom

BAR AND VEGETARIAN FOOD

## WINE LIST

### Red by glass

Chile sauvignon	€ 4.5
Chile merlot	€ 4.5
Chile reserve	€ 6.5
Argentina	€ 9
Austria	€ 6.5
Portugal red reserva	€ 6.5
Portugal red	€ 5
Portugal red	€ 5.5
Spain rioja	€ 6
Italy Merlo	€ 6
Italy Chianti	€ 6.5
French Rouge	€ 6
Australia	€ 6

### By glass sparkling

French rose	€ 6
Italy Prosecco	€ 6
New Zeland	€ 10



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BAR AND VEGETARIAN FOOD

## BEER AND CIDER

### On draft

Spaten	€ 4,5
Hoegarden	€ 4,5
Krosvic dark	€ 4,5
Trigger pumkin ale	€ 4,5
Trigger cider	€ 4,5
Ginger Plum cider	€ 4,5

### By bottle

Erdinger	€ 4,5
Trio extra staut 0,33	€ 4,5
Budweiser dark	€ 4
Hobgoblin dark ale	€ 5
Magners apple cider	€ 5





# Flowers at the bottom

BAR AND VEGETARIAN FOOD

## COCKTAIL LIST

### Classic

Lava lamp	€ 5,5
Lemon Liquorice	€ 5
Long Island	€ 8
Anna's wish	€ 5
Aperol Spritz	€ 6
Old dirty bastard	€ 8
Old fashioned	€ 8
Mozart	€ 6
Wiskey sour	€ 5
White lady	€ 6
Manhattan dry	€ 6,5
Margarita	€ 5
Daiquiri	€ 5
Cosmopolitan	€ 5,5
Vodka martini	€ 5
Bahama mama	€ 8

### Our specials

Hard rose water	€ 6
Basil lemonade	€ 6
Lavander harmony	€ 6
Camomile angel	€ 6



# Flowers at the bottom

BAR AND VEGETARIAN FOOD

## SHOTS

B-52	€ 4,5
Between the sheets	€ 5
Apple bomb	€ 4
Apple pie	€ 4
TNT shooter	€ 4
Rat's brain	€ 4
Freddy Kruger	€ 4
Four Horsemen	€ 5,5
Jellyfish	€ 5

## LIQUOR

Comari	€ 4,5
Jagermaister	€ 4
Baileys	€ 3,5
Aperol	€ 4
Beherovka	€ 6
Sambuka	€ 4
Kahlua	€ 5,5

## OUR SPECIALS

HOME MADE  
FLOWER-INFUSED LIQUOR

Rose vodka	€ 4
Basil vodka	€ 4
Lavander gin	€ 5
Camomile gin	€ 5



# Flowers at the bottom

BAR AND VEGETARIAN FOOD

## HOT ALCOHOL

Belgian Coffee	€ 5
Irish Coffee	€ 5
Broken leg jim beam	€ 5,5
Cinnamon toast	€ 5
Baileys cocoa	€ 5
Mulled wine	€ 4,5

## HOT NON-ALCOHOL

Cocoa	€ 2
Apple tea with rosmary	€ 4,5
Orange tea with rosmary	€ 4,5
Seaberry tea	€ 4,5
Ginger tea	€ 4,5





# Flowers at the bottom

BAR AND VEGETARIAN FOOD

## HARD LIQUOR

### Vodka

Finlandia	€ 4
Russian standard	€ 3.5
Absolut	€ 4
Mamont	€ 5.5

### Whiskey and burbon

Jameson	€ 5.5
Ballantines	€ 4.5
Jim Beam	€ 5
Jim beam black	€ 5.5
Maker's mark	€ 8
Chivas regal 12	€ 6
Chivas regal 18	€ 11
Bushmills	€ 5
Macallan 12	€ 9.5
Jack Daniels	€ 6
Jack Daniels gentleman	€ 7

### Jin

Gordons	
Beefeter	€ 5
Boombay Saphir	€ 6
Monkey 47	€ 7.5
	€ 12.5



# Flowers at the bottom

BAR AND VEGETARIAN FOOD

## HARD LIQUOR

### Rum

Red leg spicey	€ 8
Barcello	€ 5
Backwell jamica	€ 5,5
Hawana club 3	€ 4,5
Hawana club 7	€ 9
Hawana club anjeho	€ 5
Capitan Morgan spice	€ 5,5
Capitan Morgan black	€ 5
Bacardi Blanca	€ 4,5
Bacardi Gold	€ 5,5
Bacardi Negra	€ 5,5

### Cognac

Martell	€ 8,5
Hennessy	€ 11
Ararat	€ 4

### Tequilla

Olmecca blanco	€ 4
Olmecca gold	€ 6
Espolon blanco	€ 5,5
Espolon dark	€ 6,5





# Flowers at the bottom

BAR AND VEGETARIAN FOOD

## HARD LIQUOR

### Rum

Red leg spicey	€ 8
Barcello	€ 5
Backwell jamica	€ 5,5
Hawana club 3	€ 4,5
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Martell	€ 8,5
Hennessy	€ 11
Ararat	€ 4

### Tequilla

Olmecca blanco	€ 4
Olmecca gold	€ 6
Espolon blanco	€ 5,5
Espolon dark	€ 6,5