

SUCCESS FACTORS OF CHINESE RESTAURANTS

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<p>The title of your thesis Success factors of Chinese restaurants</p>	<p>Number of pages and appendices 40+2</p>
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<p>The objectives of the thesis fall into three aspects: 1) understanding Chinese entrepreneurship through some major aspects; such as, the characteristics of Chinese entrepreneur and successful skills needed; 2) scanning the Chinese culture that is associated with their entrepreneurial success in restaurant business as well as understanding the Finnish culture that affects Chinese restaurants' presence in Finland; 3) acquainting with the competitive strategies that those Chinese restaurants employ to succeed.</p> <p>The conceptual framework is based on the combination of Wickham's entrepreneurial success model and the empirical findings on overseas Chinese success factors in the food service sector, in terms of successful entrepreneurial characteristics, skills, cultural factors as well as competitive strategies.</p> <p>The qualitative method, of particularly semi-structured interviews, was applied to test those perspectives to answer the research questions. The secondary data were collected from electronic journals, textbooks, other empirical studies as well as other Internet sources.</p> <p>In conclusion, in the Chinese restaurants' success in Helsinki, those owners are confident, hard working, comfortable with the power with a clear goal. They have basic cooking, management and social skills to run their business. In addition, they take advantage of the Chinese unique culture to serve their customers and deal with the Asian retailing shops. They mainly adopt three strategies: offering lower price, being flexible to the customers' requests and family strategy.</p>	
<p>Key words Success, Chinese restaurants, entrepreneurship, culture factor, competitive strategies, mobility</p>	

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1 Introduction

1.1 Background of the study

As we are gradually familiar with the fashionable word of “entrepreneurship”, overseas Chinese entrepreneurs definitely belong to this concept. Those Chinese have been very successful in some particular business sectors; for instance, food services, clothing manufacturing as well as other service sectors all around the world. Currently I am living in Helsinki, witnessing the same success of Chinese restaurants. The interest is therefore focused on finding out the driving forces for their success.

Apparently, they seem to simply repeat their daily routines by serving customers delicious food at a reasonable price, and they work hard by pushing themselves longer days than others. As a result, they gain a certain amount of market share as well as customer loyalty. No matter which Chinese restaurant we go to, we will probably get a very similar impression on their business success. Thus, people think that delicious food, a nice price and hard work contribute to Chinese success in the food service sector. Actually, the answer is far more than those and I aspire to search for other key success factors of the Chinese restaurants in Helsinki.

1.2 Research objectives

Based on what I have mentioned before, the objectives of the thesis are divided into three aspects: 1) understanding Chinese entrepreneurship through some major aspects; such as, the characteristics of Chinese entrepreneur and successful skills needed; 2) scanning the Chinese culture that is associated with their entrepreneurial success in restaurant business as well as understanding the Finnish culture that affects Chinese restaurants’ presence in Finland; 3) acquainting with the competitive strategies that those Chinese restaurants employ to succeed.

1.3 Scope of the research

The scope of this paper is limited in one particular city of Finland, which is Helsinki. It is worth mentioning that in my study the area of Helsinki does not refer to the same as the capital region, thus not including Espoo and Vantaa. However, the findings should be representative and applicable to other European countries with the similar economic and political condi-

tions, since Helsinki, as the capital of Finland, is widely known as one of the most important modern cities in Nordic countries.

1.4 Statement of the research questions

To uncover the secret of the Chinese restaurants' success, I come up with following research questions:

Main question

- What are the key success factors of Chinese restaurants?

Sub-questions

- How does the cultural factor influence the success?
- How do the competitive strategies influence the success?

1.5 Structure of the study

The research consists of five chapters and the contents of each chapter will briefly explained as follows: Chapter 1 begins with an overview of the thesis background, objectives as well as the research problems. Chapter 2 describes the reader the literature and the theory which is predominantly associated to the research questions by reviewing, discussing and justifying the different authors and ideologies, and thereafter a conceptual framework is created to support the empirical study. The detailed contents include the Chinese entrepreneurship, Characteristics, skills needed, Chinese culture, Finnish culture and competitive strategies. Chapter 3 illustrates the methodology on how the data was obtained for the research along with its analyses. Moreover, the validity and reliability are explained. Chapter 4 is a concluding remark, answers all the questions and offers the recommendations to the reader. Chapter 5 summarizes the achievements and limitations of the research, and points out the direction for the future research.

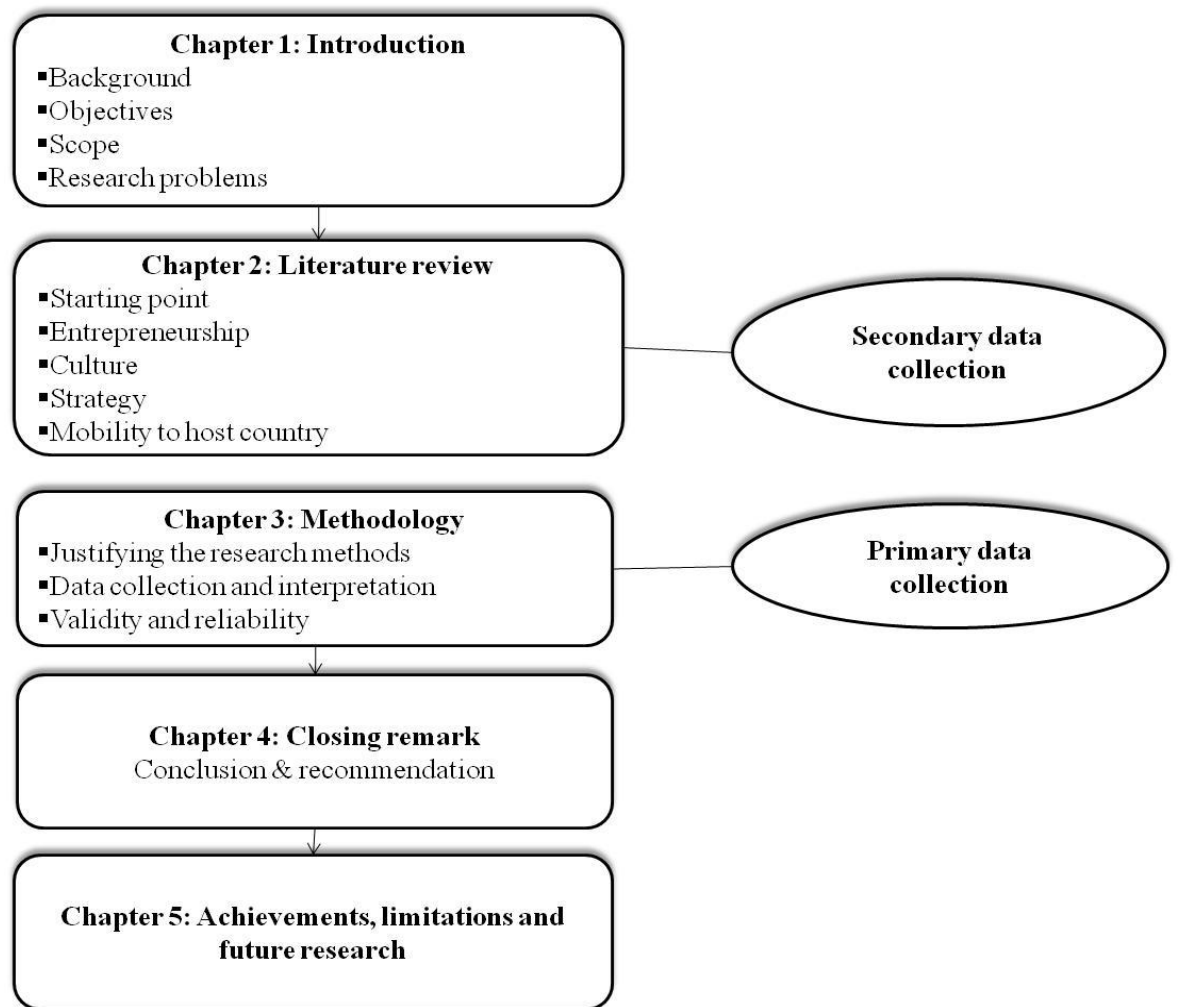


Figure 1.1 Structure of the research

2 Literature review

Before selecting the most relevant theories to support my study, it is necessary and wise to take a close look at the up-to-date discussions on the related topic among a variety of professionals and experts.

2.1 Starting point

Different authors have different research focuses as well as the methods, thus the outcome of the research are different one another. For instance, according to Li (1993, 219), Chinese in Canada has been very successful in the identifiable business, like food service and clothing

manufacturing. And he clarifies that one of the driving forces for their success is Chinese primary culture; that is, familism and cultural affinity. Cheng (2007, 96-105) furthermore investigates and examines the important role of Chinese national culture in shaping the restaurant culture in American food service industry. In contrast, Pang (2002, 159) implements that Chinese' success in Antwerp in Belgium in the catering sector primarily results from their family strategy.

Moreover, some research is carried to explain that the host country's policy has also something to do with ethnic entrepreneurial success. (Dassler, Seaman, Bent, Lamb and Mateer 2007, 107-123.) Those perspectives are summarized as shown in figure 2.1 below.

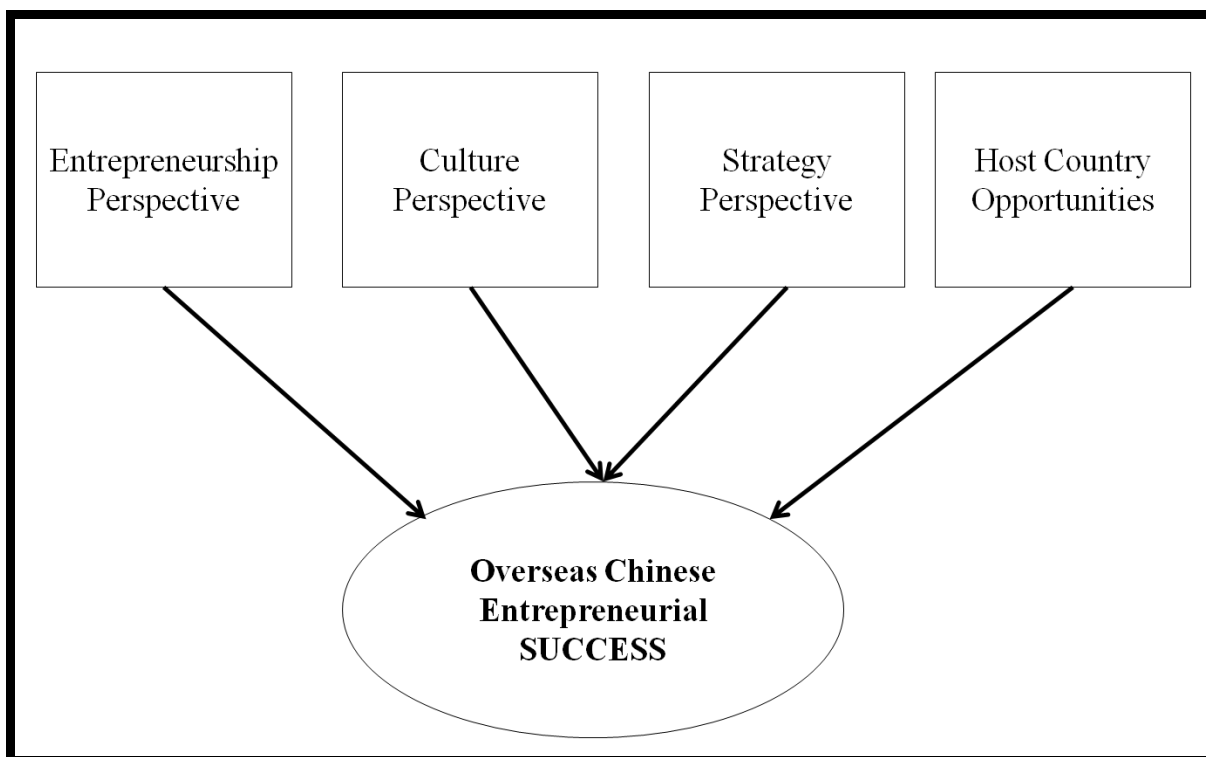


Figure 2.1 Recent Study Findings

(Li 1993; Cheng 2002; Pang 2002; Dassler, Seaman, Bent, Lamb and Mateer 2007)

Those previous empirical studies, on one hand, have examined the interrelations between success and a series of variables; such as, entrepreneurship, culture and strategy through overseas Chinese success in catering sector in host countries like the USA and Australia. On the other hand, it is a useful starting point for me to complete the theoretical framework that meets the needs of my study in Finland.

2.2 Success

2.2.1 Definition

There are many possibilities to define success; however, success in my study means individual and organizational success. Therefore, Wickham's definition (2006, 192) is the best choice because it is thoroughly understood in terms of four interacting aspects: the performance of the venture; the people who have expectations from the venture; the nature of those expectations; actual outcomes relative to expectations.

Another reason to define success in this way is also because that it provides a basis for me to choose carefully the interviewee companies to gain the as accurate as possible outcome in the empirical study. Then outcome of testing the theory will be more valid and reliable to be generalized in the similar concepts.

2.2.2 Success Model

For my study, I chose to use Wickham's sustainable success model of the entrepreneurial process shown as figure 2.2 below, because it covers the most concepts underlying the overseas Chinese success discussed before (Li 1993, 219; Cheng 2007, 96) as well as it reserves the space to add the other factors later, which affect economic success of the Chinese in Finland. In addition, in the way it allows me to consider those Chinese restaurants as the entrepreneurial ventures instead of just small business runners, guiding the reader how to gain more insights on the future prospective, particularly to those who have been already in or have an intention to join in the market to deal with Chinese restaurant business.

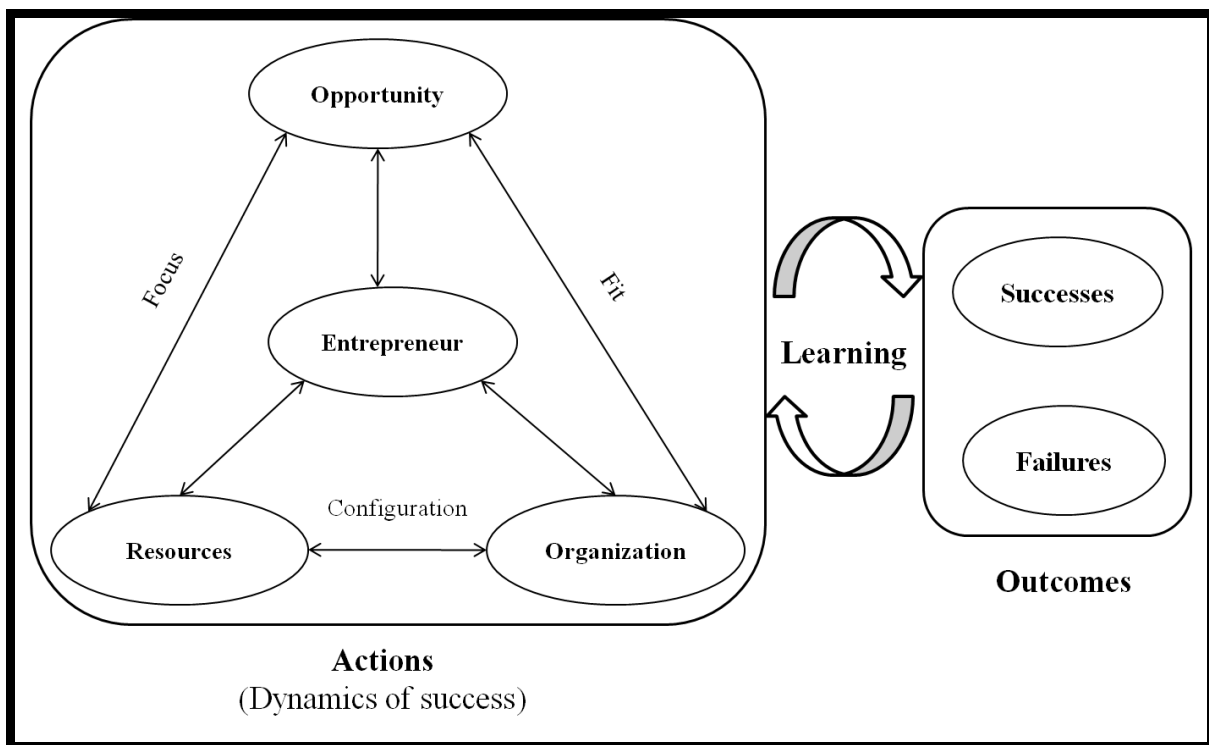


Figure 2.2 Entrepreneurial Organizational Success Model

(Wickham 2006, 227-228)

Wickham further indicates that the path to success for a venture actually involves two important processes. The first process is called entrepreneurial process that makes the organization fit the opportunity it aims to exploit, configuring the resources to shape the organization and focusing the resources in pursuit of the opportunity. The second one is called learning process from successes or failures, it can occur either inside of the venture or outside, which keeps the venture constantly win in their target market. (Wickham 2006, 227-228.)

Therefore, reflecting it on my study, the goal in empirical study can be set to find out those Chinese restaurants' competitive sources; such as, cultural privilege and competitive strategies. In addition, the learning process of those restaurants from their own or competitors' success or failure will be meaningful for their gaining more competitive strengths in the future.

2.3 Entrepreneurship to success

There is no universally agreed definition of entrepreneurship due to its complexity and richness, yet being able to define something does not mean the same as understanding. Thus, a better approach is to examine entrepreneurial successful characteristics and explore the process they perform, behave and eventually to understand how successful entrepreneurship offers a route to wealth creation. (Wickham 2006, 5.)

2.3.1 Entrepreneur

According to Wickham (2006, 96), anyone can become an entrepreneur by looking for certain type of personalities and characteristics. Moreover, he categorizes the entrepreneur into four types: the inventor, the unfilled manager, the displaced manager, the young professional and the excluded. Obviously, the subject I plan to interview belongs to the last category due to the identity of immigrants. Therefore, it is useful to gain knowledge of about this group in more detail.

2.3.2 Category of an entrepreneur

The exclude

Wickham (2006, 96) explains the excluded are the people who turn to an entrepreneurial career because nothing else is open to them in the host country. The reasons can be regarded as social, cultural, political and historical. In other words, they have no other options in joining mainstream society. For instance, starting up Chinese restaurants will be one way of becoming an entrepreneur.

However, there are other possibilities to classify the entrepreneurs. Wickham (2006, 97) refers to Mine (1997) suggesting that four primary types of individual become entrepreneurs, which helps draw appropriate routes into entrepreneurship and some of the pitfalls along the way of each type.

The personal achiever – the individual who is eager to be successful by doing the best in entrepreneurship. The associated characteristics are with clear goals, hard working and dedication. Chinese may belong to this type as well due to their similarity to the characteristics.

The emphatic super salesperson – the ones motivated by their ability to deliver sales. Chinese may also go to this type, for most Chinese restaurants are naturally self-motivated in selling food through their good service and unique cultural in the USA. (Cheng 2007, 96-105.)

The real manager – the ones that seek for the challenge by owning and organizing a big organization. It varies from individual to individual. It can be understood as same as the exclude while he or she cannot get what to desire for, however, it can also be conceived as the young and inexperienced graduates that might be the future entrepreneur in some industry sector.

The expert (idea generator) – an individual who uses entrepreneurship as a platform to create something new to meet market need. The innovation quite often is solution to the problems, not necessarily mean some technological invention. The form of the innovation can be very rich contents, but the essential is something new, and create or add value to the market. For restaurants owners with an occasional invention of some special dish can be this case.

2.3.3 Characteristics of the successful entrepreneur

As discussed before, Wickham thinks that the characteristics of the successful entrepreneur have to be analyzed in the way in which entrepreneurs achieve their goals consistently, since there is not a single entrepreneur type. What's more, personality 'characteristics' are different from the character somebody displays when working because the former innate but the latter is just the way to complete the task. Those characteristics are hard work, self-start, setting of personal goals. (Wickham 2006, 97-98.)

Those characteristics are discussed below

Hard work

Entrepreneurs quite often push themselves longer time than usual in order to get all things done in time, but the bad side is that it might cause poor quality in other life commitments; such as, short of the quality time with family and friends.

Self-starting

Entrepreneurs can always find something to do to make things better.

Setting of personal goals

Entrepreneurs have clear goals, such as making profits and growing the company. So they quite often have a certain standard to measure their performance.

In addition to these, Wickham (2006, 98-100) has summarized some other characteristics that in the way affect entrepreneurial success and discussed each of them in more detail as follows:

Resilience

Entrepreneurs see failure as an experience and the start of success, keep positive attitude.

Confidence

They believe in themselves as well as the venture they are working for. One hidden danger is to be over confident.

Receptiveness to new ideas

Entrepreneurs should allow the new ideas and improve themselves by time.

Assertiveness

Entrepreneurs commit to outcome, being clear what they want to gain without fear in any situation.

Information seeking

They are always seeking for more and better information for various needs.

Eager to learn

Good entrepreneurs are always interested in improving their skills.

Attuned to opportunity

Good entrepreneurs never stop searching for new opportunities.

Receptive to change

They actively embrace change in a positive, seeing change as an opportunity.

Commitment to others

They share the value within the venture and motivate people in order to get best effort of the people on its behalf. It requires leadership skill to do so.

Comfort with power

Effective entrepreneurs notice the power they have and cherish it as an asset, using it carefully.

Of course, those essential characteristics are clearly subject to political and economic conditions, social norms and expectations. (Wickham 2006, 97-100.)

In another recent research, Zhang and Yang (2006, 162) contribute their efforts to simplify so many traits into three sorts of concepts. They are introduced as follows: achievement motivation (McClelland, 1961), risk-taking propensity (Sexton and Bowman, 1985; Brockhaus, 1976) and locus of control. (Brockhaus, 1980; Brockhaus and Horwitz, 1986.)

However, according to Scarborough (2005, 479-480), successful entrepreneurs are not much of risk taker; instead, mostly risk eliminators. Building a solid business plan for a venture is one possible way to eliminate risks. Furthermore, several successful entrepreneurial characteristics are given; for instance, Confident, energetic, flexible, responsible, skilled, value achievement over money, and tolerant for uncertainty.

Barringer and Ireland, in contrast, claim of the great importance of opportunity recognition in defining the common successful entrepreneurs' characteristics. As they see, opportunity recognition refers to the process of perceiving opportunities of new business; therefore, the people who tend to recognize the opportunities are the key to identify successful entrepreneurs' characteristics: prior experience, cognitive factors, social networks and creativity. (Barringer and Ireland 2006, 48-49.)

To conclude, no matter how those characteristics are defined by various authors, the intention to have those comparisons will not change, is just to offer the checking lists with those traits and their meanings to entrepreneurial success, so that it provides the basis to both discuss the Chinese entrepreneurial success in restaurant business and examine which factors are applied to the study, which ones are not in the empirical study later.

2.3.4 Entrepreneurial skills

A skill is an ability to perform in a certain way. To succeed, the entrepreneur must not only be alert to an opportunity but also comprehend it in great depth. To succeed, the entrepreneur must create something new to meet market needs, meanwhile notice the customers about that in a proper way. It requires all kinds of skills to achieve those goals. (Wickham 2006, 100.)

Morrison, Rimmington and Williams (1999, 134) refers to Drucker (1985) highlighting the case for managerial skills even within a new venture, which are four requirements: a market focus, financial foresight and planning, building a management team and decision on own role and responsibilities. However, it is not sufficient to only have such general management skills.

Compared with these four requirements, Wickham's findings are much richer and logically divided into two types. By type, he means general management business skills and human relationship skills. The former is the skills related to business, the latter is the skills regarding people. They are outlined as follows:

- 1) General management skills, which consist of strategy skills, planning skills, marketing skills, financial skills, project management skills and time management skills.
- 2) Human relationship skills are constituted with leadership skills, motivation skills, delegation skills, communication skills and negotiation skills. (Wickham 2006, 100-101.)

The explanations why I chose Wickham's conclusion on the entrepreneurial skills fall into three perspectives. First of all, it is very sufficient to claim the standard to be successful entrepreneurs; second, it is explained logically - one is related to the business, the other is with regard to the people; last but not least, all these different people skills are interrelated and plus the knowledge on industry determine the entrepreneurial performance. The better they work together, the better entrepreneurial performance is. The skills needed to deal with people are not innate, so they must be learnt to be successful. Thus, willingness and motivation to learn is crucial for consistent self-improvement in order to have successful leadership outcome. (Wickham 2006, 101.)

2.4 Culture to success

One intense discussion about overseas Chinese entrepreneurial success has been regarding culture factor. For example, Cheng (2007, 96-105) claims that the formation of Chinese restaurant culture in America results from both Chinese national culture and American culture.

Low (2006, 169) argues that while growing Chinese entrepreneurship in Singapore cultural obstacles have to be carefully taken into consideration. Therefore, Brooks (2003, 264) states that a great deal of companies have gradually realized that culture as one of the most important factors affects the organizational success. And they make efforts to learn how to deal with arising cultural differences. So do those Chinese restaurants' owners and their firms.

2.4.1 National culture and five cultural dimensions

Brooks (2003, 271-274) refers to Hofstede (1980, 1984, 1991.) claiming the four of cultural dimensions to recognize national culture as well as individual and organizational behaviors. They are summarized as follows:

Power distance: represents the social distance between people of different class or position. For example, in a country with higher power distance score (e.g. Malaysia) subordinates would be less willing to question superiors and more listen to the direction. In contrast, the country with lower score will allow more discussion and conversation between those two parties.

Individualism: reflects the extent to which an individual relies on a group or takes individual initiative in decision making, problem solving and effective activity performing. It is widely noted that the American culture has a tendency to be very individualistic, whereas Asian cultures tend to be much more collective. In some cultures relationships in key groups may be highly significant. The Chinese have a concept, *guanxi*, which refers to connection or relationship and much time is spent in cultivating relationships both within and outside the family and building up networks. Thus, rather than rely on themselves individually, they can use these relationships and expect them to be used in return.

Uncertainty avoidance: reflects people's attitude to ambiguity in a society or country. Hofstede found that in some cultures some people are unhappy or uncertain with ambiguous situations or big changes, and they are waiting for more direction and explanation. As a result, they feel insecure to their jobs and less effective in performing the work. The lower score means more willing to accept the change, like Sweden, the higher score, the more uncomfortable to the change, like Greece. Therefore, when the Swedish manager works in Greece, he or she should be careful with dealing with Greek people because of the differences in treating changes.

Masculinity: is one of the more complex variables, and it reflects value which are widely regarded as more 'masculine', for example, assertiveness, competitiveness and results orientation, whereas 'feminine' values can be seen as cooperative, aware of feelings and equal opportunities. This value also relates to the degree of discrimination against women in the organization. It is not surprising realized that Japan has the highest score and Sweden and Norway are two of the lowest.

In addition, Brooks further refers to Chinese Culture Connection (1987) conducting a survey on Chinese Values and one of its findings that Confucianism has great influence on effectiveness. Then those findings actually help Bond and Hofstede (1988) claim the fifth dimension, 'Confucian dynamics', which is called as long-term orientation. Therefore, here comes the fifth cultural dimension.

Long-term orientation: it is very useful for explaining the different behavior. Such as, Asian companies are keen to build long-term relationships with western companies rather than attempt takeovers or other short-term activities. (Brooks 2003, 271-274.)

Five dimensions models assists of the understanding both national culture and individuals' different behaviors. Especially by using the five cultural dimensions it will help answer how China with a unique national culture gives those Chinese restaurants' owners privilege in shaping and differentiating themselves from their competitors with different national cultural background; for instance, Chinese Confucianism and familism.

2.4.2 Other important cultural elements

Wickham (2006, 167-169) suggests the approach that national culture can be applied to explain entrepreneurial inclination from perspectives in terms of language, religious beliefs, personal relationships, attitude towards innovation and networks. For my study, I am inclined to explain a couple of those respects in more detail as below:

Language

Language differences limit communication; for example, most of people in Finland speak Finnish as their mother tongue although quite many of them are able to speak more than three different languages. (Wikipedia 2008.) Therefore, being able to speak well Finnish language gets entrepreneurial process much easier.

Networks

A network is the framework of individual and organizational relationships, in which entrepreneurs try to perform as efficiently as possible. It consists of personal, social and economic relationships. (Wickham 2006, 169.) For example, the restaurants benefit a lot from the success in building broad networks among customers, suppliers as well as employees. Sometimes, those networks can be extended even through family members and friends.

2.5 Competitive strategies to success

According to Zimmerer and Scarborough (2008, 107), a strategy is an action plan that a venture applies to achieve its goals. A successful strategy is comprehensive and concentrating on establishing the key success factors. For example, the restaurants have to figure out the most efficient approaches to attract and gain the customers to their place to eat or have the take-aways.

Furthermore, Zimmerer and Scarborough (2008, 107) refers to Porter in his book of Competitive Strategies defining three main strategies that ventures apply to remain competitive advantages in the market, either domestically or globally. They are explained in detail below:

Cost leadership: A company strives to be the one that offers lowest cost products or service relative to its competitors in the industry. To do so, they think all kinds of possibilities to lower the cost. For example, restaurant owners cut costs of production by getting a good deal with suppliers for raw materials, or by hiring trustworthy family members instead of local mainstream labors. (Zimmerer and Scarborough 2008, 107-109.)

Differentiation: companies seek to build customer loyalty by positioning its products or services in a unique way. For instance, Chinese unique national culture like Confucianism adds extra value to the food or services that customer receives. In a way, customers feel themselves belong to some certain society by enjoying the Chinese unique culture that other minority restaurants could not provide. (Zimmerer and Scarborough 2008, 109-111.)

Focus: the essential of this strategy is to define one or more market segments and its special needs, wants and interests. A successful focus strategy relies on a venture's ability to identify the changing needs so that they can develop the skills needed to serve customers in a better way. In restaurant business, it is necessary to consider the size of market before using this strategy and select the target groups carefully. It varies from case to case. In the USA, the population of Chinese is obviously a lot bigger than in Finland, for example; therefore, focusing on only Chinese group might be enough for some tiny restaurant. However, that would not always be the same case in other smaller countries like Finland. (Zimmerer and Scarborough 2008, 111-112.)

2.6 Mobility to host country (Finland)

2.6.1 Language

As mentioned earlier, most of people in Finland use Finnish as their mother tongue and being able to speak well Finnish definitely gives a big plus in running own business. However, English are also widely used, at least, in capital areas. As a result, language knowledge particular

Finnish language is an important driving force to move to the Finnish market. (Wikipedia 2008.)

2.6.2 Sectoral distribution of entrepreneurial activity

Global Entrepreneurship Monitor (GEM) study analyses the sectoral distribution of entrepreneurial activity within nations and globally. In general, largest share of entrepreneurial activity is involved in consumer-oriented business activities; for instance, restaurants and other service business.

Table 2.1 Sectoral distribution of entrepreneurial activity across the Nordic countries 2006,%

(Pukkinen, Stenholm, Heinonen, Jarna, Kovalainen and Autio, 2007)

Early-stage entrepreneurial activity					
	Extractive	Transformation	Business service	Consumer-oriented	Total
Denmark	7	28	30	34	100
Finland	6	36	22	35	100
Iceland	8	35	18	39	100
Norway	7	28	29	36	100
Sweden	5	35	22	38	100
GEM Nordic	6.7	32.4	24.4	36.5	100
GEM Europe	5.9	31.6	24.0	38.5	100
GEM All	5.3	31.7	18.2	44.8	100
Established business ownership					
	Extractive	Transformation	Business service	Consumer-oriented	Total
Denmark	20	24	29	27	100
Finland	29	34	19	18	100
Iceland	13	38	17	32	100
Norway	29	29	27	15	100
Sweden	16	25	27	32	100
GEM Nordic	21.4	30.2	23.7	24.8	100

GEM Europe	13.9	35.8	20.6	29.7	100
GEM All	11.0	35.4	16.2	37.3	100

Note: Extraction: agriculture, forestry, fishing, and mining (extraction of products from the natural environment); Transformation: construction, manufacturing, transportation, and wholesale distribution (physical transformation or relocation of goods and people); Business services: where the primary customer is another business; Consumer-oriented: where the primary customer is a physical person (e.g., retail, restaurants and bars, lodging, health, education, social services, and recreation).

It demonstrates that early-stage entrepreneurial activity in Finland is comparable to other Nordic countries in European level as well as global level while established ownership activity has been declined to a half of that in early-stage. Nevertheless, customer-oriented activity takes up great shares of total activities in Finland, especially in the early-stage entrepreneurial activity. The share of consumer-oriented services and extractive activities are in Finland at almost same level as other Nordic countries.

2.6.3 Entrepreneurship policy

Finnish government has been very supportive to entrepreneurial activities in Finland; for example, entrepreneurship education has been integrated to the Finnish school system including all educational level. Meanwhile, law on limited companies has been renewed and made more clear and flexible; thus, it is relative easy to start up small businesses in Finland. In addition, the entrepreneurs get some support from professional consultancy from government to develop feasible business plans to get higher chances to succeed. Sometimes financial aid is also available for certain type of business in certain period. (Pukkinen, Stenholm, Heinonen, Jarna, Kovalainen and Autio2007, 41-43.)

2.7 Conceptual framework

The framework shown as figure 2.3 below concludes the theories that have been discussed earlier in this chapter. It is a combination of the previous studies and Wickham's model of sustainable success. As the framework illustrates, the main elements are interconnected one another. All of those factors well working together determine the ultimate success of entrepreneurship as well as the economic success of the business.

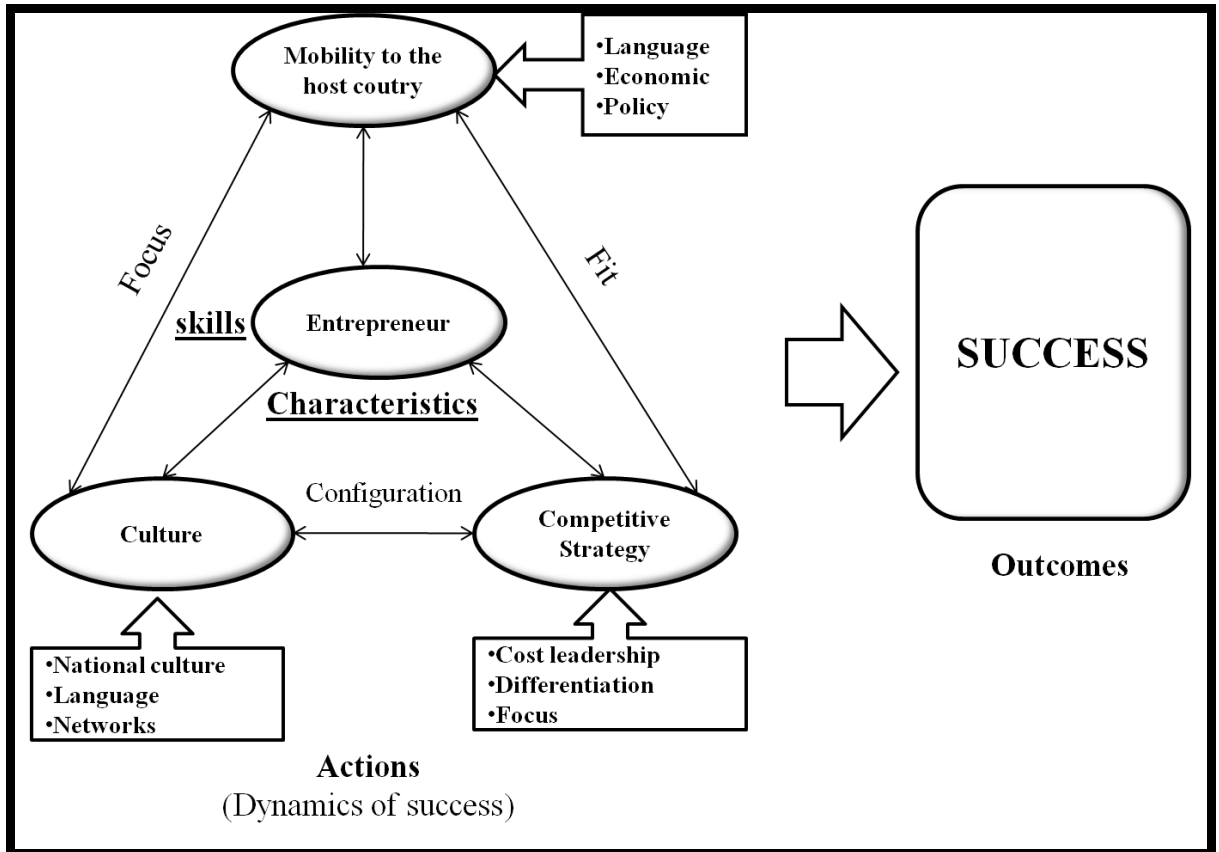


Figure 2.3 Theoretical framework

Many studies have shown that there is no best way to guide success for all types of businesses; however, it is possible to sort out the most essential factors that have great impacts on individual or organizational behaviors and performances. The theoretical framework that I present would be one possible approach to do so.

Previous empirical studies and findings are proved to be applicable to Wickham's success model; in addition, Wickham's success model offers more space to extend more factors into each category of concept accordingly for further study.

As a conclusion of the conceptual framework, it is expected to be perceived as a tool for determining the success factors for companies. On one hand, it gives the idea on the standard of the Chinese restaurants to interview as well as the themes to discuss with these subjects; on the other hand, with this tool, companies will have higher chances to survive and expand their business among all competitions. I am developing Wickham's success model based on the current empirical studies regarding the same topic, because it does not only meet the need of

the study but also matches the nature of restaurants' business. It helps find out the critical characteristics and skills that those restaurants' owners have in common; meanwhile, it offers the evidence on the Chinese national cultural privilege like Confucianism and familism.

3 Research methodology

This chapter is to clarify the methods employed all along with the summary of the findings of the empirical study. The process to collect data consists of two stages: Secondary data collection and primary data collection.

3.1 Secondary data

In my research, I started with collecting secondary data through multi-channels; for example, electronic journal and its articles, textbooks as well as some relevant empirical research findings.

The advantages of consulting secondary data are including following aspects: First of all, there are certainly up-to-date information or opinions on the topic; second, it helps to gain the more insight of the major problem to narrow down the scope of investigation; third, it enhances the validity and reliability by consulting different authors and research findings; last but not least, it saves time and money. (Ghauri and Grønhaug 2002, 78.)

3.1.1 Libraries and electronic journals

The usage of electronic journal and its articles helped me to find out the most discussed reasons of Chinese restaurants' success. They were discussed in three major respects related to entrepreneurship, culture and strategy.

3.1.2 Textbooks

The various authors and their research helped complete the building of the theoretical framework for the further empirical study among those Chinese restaurants. The selection of the textbooks included three major perspectives: entrepreneurship, culture and strategy.

3.1.3 Previous empirical research findings

One particular empirical research finding by Finnish association and institution was incited to prove the environmental advantages for entrepreneurship growing in Finnish market, which was statistically presented and analyzed.

3.2 Primary data

The completion of gathering the secondary data provided the hypotheses and needs for the further empirical studies among the Chinese restaurants in Helsinki, which was to examine those factors influence success as well as explore more.

To gain those primary data, the qualitative method (the semi-structured interview) was chosen because the objectives of the research were about those Chinese restaurants' owners' characteristics and behaviors as well as employees'. Moreover, the qualitative method allows me to examine the major factors that have been hypothesized to contribute to the success and explore much deeper to identify other perspectives related to success as well. Thus, the information collected by the qualitative method is regarded as detailed as possible to answer the research questions.

3.2.1 Research focus

With the semi-structured interviews among those Chinese restaurants in Helsinki, specific research objectives are: First of all, to examine the hypothesized perspectives that influence Chinese restaurants' successes, in other words, three main perspectives in terms of entrepreneurship, culture and strategy will be examined; second, to identify the common entrepreneurial characteristics of the successful samples as well as the skills needed; third, to investigate the various strategies that those Chinese restaurants employ to succeed; last but not least, to identify the cultural elements that contribute to Chinese restaurants' successes.

3.2.2 Selection of the Chinese restaurants

As the study is to find out the key success factors of Chinese restaurants in Helsinki, the premier condition is that the restaurants have to be located in Helsinki area. In addition, the

word of success is the key. Therefore, there are certain standards for success to filter Chinese restaurants and get best possible sample to interview. The common criteria were: First of all, the business has to be run at least for ten years; second, the turnover has to reach at least 360,000€; last but not least, it has to have at least four staff and the retention of employees has to be stable.

3.2.3 Who to interview

The objects of interviewing consist of the owners of the restaurants and their main cooks. My goal is to find out how owners' characteristics and skills have direct impacts on their ability and efficiency in running business; therefore, the owners are one major party to interview.

In addition, they are the ones that have more holistic picture on the restaurant and the industries as well as clear goals where they plan to reach in the market in couple of years. The reasons why I am inclined to interview main cooks are that they are the ones who know customers' liking and disliking through every day cooking; meanwhile, they have most authority in deciding how many materials needed for daily base running. As a result, the owners and main cooks will be the most ideal persons to interview to get as true facts as possible for my study.

3.3 Data collection and interpretation

To create most comfortable environment, the interviews were conducted in the interviewees' free time either in their homes or in the cafeterias. The conversation went easily and the notes were taken by hand carefully. The interviews were started on November 17th in 2008, and completed January 15th in 2009 in Helsinki, Finland.

Furthermore, the data collection and interpretation were made up of two major parts: one was the companies' profiles as well as the interviewees' background; the other was the data interpretation on basis of the answers the interviewees offered to those questions (see Appendix 1); that was, the thematic findings.

3.3.1 Company's profile

There were mainly three Chinese restaurants that I interviewed in my study, for the confidential reason, they were coded as company 1, company 2 and company 3.

Company 1 is a family-owned company with four main staff, which was established in 1973. It is known as one of the most popular Chinese restaurants in Helsinki area. It serves its customers with a tasty meal and courtesy. Inside the restaurant, you can fully feel Chinese traditional atmosphere through the perfect Chinese national cuisine as well as the national style decoration. Its turnover is categorized in the class, in which turnover is between 0.4 million to 1million Euros. According to the financial reports in every year, the turnover has been stably increasing; for instance, the turnover was 382,000 Euros in 2006, and increased to 437,000 Euros in 2007.

Company 2 is another family-owned Chinese restaurant in Helsinki, which was founded in 1983. It has 10 regular staff, yet in the busy season, the number of the staff can be increasing to approximately 19. It is one of the most popular Chinese restaurants due to its well renovated environment, delicious food and great service. Its turnover is categorized in the class, in which the turnover is between 0.4 million to 1million Euros, too. According to the financial reports in every year, the turnover has been remaining very stable; for instance, the turnover was 512,000 Euros in 2006, and slightly increased to 529,000 Euros in 2007.

Company 3 is also family-owned business, which was established in 1989. It has five to nine part-time and full-time staff. It is another well known Chinese restaurant in Helsinki area for its tasty food, comfortable environment and pleasant service. Its turnover is categorized in the class, in which the turnover is between 0.2 million to 0.4 million Euros. According to the financial reports in every year, the turnover has been increasing very nicely; for instance, the turnover was 346,000 Euros in 2006, and slightly increased to 360,000 Euros in 2007.

3.3.2 Interviewee's background

While studying interviewees' background, it was crucial to know three major perspectives, which were age, gender and language spoken.

First of all, I was intended to ask the interviewees' ages because the results would imply the maturity of the interviewees as well as their experiences. The way I asked in my study was to set the various age ranges to reduce the interviewees' awkwardness. The age of the interviewees in my study was classified into two groups: the owners were a little over 50 years old; and the main cooks were from 30 to 39 years old.

Second, the gender question was chose to ask to test if masculine as one of Chinese cultural trait had an impact on overseas Chinese restaurants business. The genders of the interviewees were all males. This result showed that the Chinese restaurants in Helsinki were mostly run by males.

Finally, the spoken language question was necessary to find out how the Chinese restaurants' owners were capable to communicate with their customers and partners in a foreign country and how they managed the language skill as an important and invisible asset to their business. All of the three owners spoke well Chinese and Finnish, a little English about restaurants industry. All of the three main cooks spoke well Chinese and understood a lot Finnish; however they had no much knowledge about English.

3.3.3 Thematic findings

Success stories

The owners of all these three Chinese restaurants were very shy and modest to talk about their business success. They had not thought that they had a huge success in their business although they had so big amount of regular customers visiting them and stable increasing in their turnover per year.

Starting with the first company, the owner immigrated to Finland with the whole family from Hongkong. They have been always doing some small business, either in Hongkong or in Fin-

land. So they have the privilege on running restaurant business because of the networks and the experience they have gained. They aim on serving mainly westerners, Chinese and sometimes some small Chinese tourist groups are served as well. Moreover, they have built very good relations with Chinese embassy in Finland; actively participate in the activities that promote the communications between China and Finland.

The second company and the third company actually come from the same family, where the owners are blood tie brothers. They had some small family business before they came to Finland as well. Those two brothers came from Guangzhou city, which locates in the coastal regions in the southern China. The taste of their provincial food is rather sweet and light, which perfectly matches westerners' taste. They primarily serve local westerners as well as the Chinese in Finland. They support each other both financially and technologically.

Overseas Chinese entrepreneurial characteristics

Confident

The owners of these three Chinese restaurants did some other business before they came to Finland; therefore, they were very confident while starting a restaurant. As they said, they did not spend a lot of time making business plans; instead, with abundant initial capitals they accumulated in previous business as well as some other savings collected from the family, they just got the restaurant run step by step until now.

Have a clear goal

All of these three owners expressed that they had a clear goal on where they would like to be in a couple of years when they started running the business and with that goal they were able to fully commit in their business. The major goal they had in common was to seek more profitability and future growth, so that they could finally have chain restaurants around the European countries one day. In addition, the owner from the first company mentioned that they also wanted more free time in travelling around the world when he retired.

Hard working

As the three owners of the Chinese restaurants said, they were running restaurants for themselves and their families to have a better life in the future. At the beginning, they almost did everything themselves; such as, registered the company, looked for the restaurant location, decorated it with the Chinese symbolized stuff, hired the cooks and so on. All of them actually were cooking when it was really busy day and short of staff, whenever it was needed. They had to push themselves longer time than others and work very hard.

Comfort to the power

As the business had been growing by time, they made less physical efforts on it; instead, they spent more time in thinking of expanding the business and how to manage the right people more efficiently. Therefore, they enjoyed their power to assign the right people in the right position. For instance, they mentioned that the main cooks they appointed were the family members, reliable and loyal because they were in charge of buying the cooking materials. As they introduced, the purchasing process of materials directly determined how profitable the business would be and how good the quality of food would be. They felt that in Finland the distance between them and their workers was a little smaller than the one in China thanks to the western democracy.

Entrepreneurial skills

As the three owners of the Chinese restaurants recalled, the three major entrepreneurial skills were highlighted while running the restaurants business successfully: cooking skill, management skill, social skill with people.

Cooking skill

All of those three owners of Chinese restaurants mentioned that when the business was getting on the regular track, they did not have to cook anymore; however, that was not the case when the business was just started or when the restaurant was extremely busy and short of staff. They were both professional cooks in the home country and had passion in cooking, and that was also the reason why they run the restaurant business in Finland.

Management skill

While being asked the skills needed to run a restaurant successfully, the three Chinese restaurant owners said that management skill was very crucial.

Different from the big companies, the restaurant management was less demanding, the only challenging task was to manage the staff and materials input and output. Managing staff was just to arrange the timetable for the shift of the cooks, waiters and waitresses, offering satisfactory salary and other benefits. Managing cooking materials was critical issue because the efficiency of the cooking materials management had a direct impact on the profitability of the restaurants.

As they further explained that they had to have a trustworthy person in charge of monitoring the usage of materials in both quality and quantity, quite often they appointed their family members in this critical position.

Social skill

The three Chinese restaurant owners all stated that the success of the restaurant business relied on the customers' satisfaction and promotion a lot, so they tried to employ various methods to gain new customers and remain the loyal customers. Chinese are good at building the good relationships with different interest groups, and they called it as *guanxi* in China. Those restaurants' owners were happy to recall the success cases that they talked to their customers and became friends; in return, they got the restaurants promoted through those friends.

Cultural factors

Chinese culture

In Finland, the Chinese core cultural values give the Chinese people the basic identity for them and their business. The uniqueness and consistence of those cultural values along with Chinese long history differentiates those Chinese restaurants from other Eastern ethnic restaurants as well as the Western restaurants. Thanks to those three Chinese restaurants, a set of core values have been identified as follows in the table

Table 3.1 Chinese culture values

(company1, company 2 and company 3 and their owners and main cooks)

National traits	patriotism, respect for tradition
Business philosophy	family tie, networks (guanxi)
Interpersonal relations	trustworthy, courtesy
Time orientation	taking a long-term view

Patriotism

All of those Chinese restaurants' owners expressed that they were very proud of being as Chinese and were happy to see that China has grown stronger and better by time. They also said the happiest thing for in their business was to promote the Chinese cuisine to the world in the best possible way and they were proud of the fact that most of their customers started loving China through loving the Chinese food.

Respect for tradition

All of these Chinese restaurants said that they benefit from the long and colorful Chinese history and their respecting for tradition; such as, they figured out the special names that symbolically represent Chinese cuisines; they had special decorations in the restaurant with the traditional red color and some traditional symbols like sculptures with the phoenix or dragon. And their customers loved those decorations and felt interested and curious in knowing more about Chinese history. In addition, all of these three Chinese restaurants served dumplings (Chinese New Year traditional food) and had some Chinese New Year celebrating decorations and events every year.

The importance of family tie

Family tie plays an important role in Chinese restaurant business, and it creates trustworthy for those Chinese people to work together in an efficient way. According to those three Chinese restaurants, it was found that all of those Chinese restaurants were financed by family members and the staff had direct or indirect kinships to one another.

Networks (guanxi)

In Chinese people's mind, especially in businessmen's mind the relationships are important, which are called by Chinese as guanxi as well. The size of Chinese group society is obviously smaller than the one in America; however, it is still important for the Chinese keep the good relationships inside the Chinese society and outside the Chinese group. As those Chinese restaurants' owners and main cooks said, it was wise to keep good relationships with both the customers and the Asian retailing shops. The reasons to do so were simple: First of all, the restaurant business relied on the good preferences a lot, if one customer was satisfied with what he had got from us and had good relationship with us, he would be more likely to introduce our restaurant to his families, friends and whoever he was in contact with. Second, the good relationship with the Asian retailing shops guaranteed our supply materials both in quantities and qualities at very reasonable price.

Trustworthy and courtesy

According to those three Chinese restaurants, it was proved that the trustworthy and courtesy had a huge impact on their success in business because most of regular customers repeatedly came to them for their trustworthy and courtesy. And sometimes, they introduced the restaurants to their families, colleagues and friends. Those customers satisfactorily said that Chinese restaurants offered the delicious food with good quality continuously and they really enjoyed the nice service as well being surrounded with a lot of laughter and smile.

Taking a long-term view

These three Chinese restaurants all believed that only long-term view could facilitate them to serve their customers with stably superior quality; therefore, they had applied different strate-

gies to keep their customers loyal, which would be explained in more details in the strategies perspective later. In addition, they also stated that they saw the Asian retailing shops as close partners and made efforts to keep the tight cooperation to guarantee the quality of the cooking materials. In reality, they had one or two major Asian retailing shops to cooperate with, which supplied them the cook materials with favorable price in a long run.

Competitive strategies

From the three restaurants, it was learned that the competition in the restaurant business in Helsinki was extremely high. The main players were Finnish restaurants, other foreign restaurants; such as, Italian, American, Spanish, Asian restaurants. To survive and grow, they had to have competitive strategies. For them, the competitive strategies were made on the basis of a couple sources that they identified in their companies, which were demonstrated as follows in the table

Table 3.2 Competitive strategies

Competitive strategies Company	Offer lower price	Be flexible	Family strategy
Company 1	×	×	×
Company 2	×	×	×
Company 3	×	×	×

Note: “×” means mentioned

Lower price

The first identified strategy is to offer lower price. According to those three restaurants, they uncovered that they were able to offer relatively lower price over their competitors because they had their family and some close friends working in their restaurants, who were more flexible and negotiable in the salary. Therefore, the costs of their labor force were lower than the local restaurants; for instance. In addition, the good relationship with the Asian retailing shops provided the privilege in the costs of the cooking materials. As the result, they had buffet and some special package offer regularly with the reasonable price.

Flexible to the special requirements

The second identified strategy is to remain flexible to the special requirements. As those three restaurants recalled that they regarded their customers as the god and were determined to satisfy their requirements as much as they could. For instance, we had the takeaway food and sometimes send the food home without extra charges. Sometimes, if there were a big group coming to dine, we helped reorganize the table and table sets as well.

Family strategy

Last and most important strategy is to adopt family strategy. The restaurant owners explained that Chinese families were very close to one another and the family members were the most cherish asset they had to succeed. They had trustworthy main cook in charge of their cooking materials management because they were actually close relatives in the family. That was another reason why I interviewed the main cook. Moreover, they got the support from close family members financially and physically.

Other findings

Awkward situation

All of those interviewees said that they were happy with the choice they made to run restaurants business and their achievements so far. However, they also had to admit the fact that there were no better possibilities for their career at the first place when they arrived in Finland. It was really difficult to gain as good work place as most of the local Finnish do. Willingness to work in low-class areas; such as, cleaning , makes those Chinese owners ready to take any risk and opportunity to start their own business as an entrepreneur and succeeded eventually.

Future prospect

When interviewing those owners of Chinese restaurants about the prospect on the future in restaurant industry, they all expressed that they would definitely continue the restaurant business and hopefully they could have their business expanded to chain restaurants all around Finland, even to other European countries. However, that would take time, money, energy and commitments; most importantly, their next generation would be the one to take that responsibility and challenge by being equipped with more professional knowledge.

3.4 Validity and reliability

According to Ghauri et al (1995, 49-50), validity in qualitative research consists of internal and external validity. And internal validity can be achieved by keeping the theoretical and conceptual framework logical; external validity can be achieved by the interviewer through many channels; for instance, careful planning and testing, good time setting, and other supportive tools.

In my study, internal validity is achieved by carefully searching for the information regarding the topic with both theoretical and practical respects. And the sources come from the well-known authors and researchers around the world. External validity is ensured by a positive atmosphere of interview situation, understandable probe questions as well as the cautiously listening and recording.

The theoretical framework in the study has been used as a guide tool during the interview discussion. The first interview helped test and modify the questions in order to meet the need of this study; in addition, the information collecting process of the first question helped gain more knowledge on how to ask the questions in the more proper manner so that the interviewees could comprehend better the questions and willing to answer them with honesty. Furthermore, the interviewees were filtered critically according to the standard set in previous interview chapter. Therefore, I could claim that they have the best possible knowledge concerning the research problem.

According to Trochim (2006), the reliability means the consistency and repeatability of the research. And it is the measure that would conclude the same result over and over again in the similar groups.

The reliability of data collected by interviews could be proven in my study because essentially the study is to test the theories that have been investigated and tested in other western countries; for instance, in the USA and Australia. The questions in my study were created and adjusted on basis of those proven theories. Therefore, the direction of the research was ensured.

Another positive factor that increases the reliability of the study is that I, as the author from China, I am fluent in both Mandarin and English, knowing the Chinese culture. Thus, I am able to communicate with the interviewees with the subjects. During the interviews, I tried to transfer the boring questioning into the interviewees' stories telling and experience sharing, so that interviewees would be more willing to give the answers objectively. Instead of asking questions with professional terms, I used the languages matching restaurant business and atmosphere to let those owners and cooks demonstrate their authority.

Last fact I found that affects reliability of my study is the traits of Chinese culture. Chinese national culture and business culture forms the stand and frame the methods that Chinese do business in either China or abroad. Chinese businessmen appreciate the success and learn from the good experiences. Therefore, I believe that the outcome of my study will be applicable to other Chinese restaurants as well.

3.5 Summary of the research results

There are a lot of paths that lead to the success of entrepreneurship, starting a Chinese restaurant would be one of them. Quite often people cannot help wondering if they are ready to take the challenges to run the restaurant by themselves. Thus, knowing the key aspects before you start will help immeasurably and contribute to your success.

The following figure 3.1 illustrates the checklist to those who has been or is going to start the restaurant business in Finland about what kind of qualities they have to have, what they can work on in order to survive and succeed in the heat competition.



Figure 3.1 Summary of the research results

4 Conclusions and recommendations

4.1 Conclusions

As mentioned in the introduction, many Chinese restaurants in Helsinki succeed in gaining both certain market share and customers' loyalty. However, there is no ready explanation to those successes yet.

Therefore, it is very interesting and useful to learn what the key success factors of those Chinese restaurants are in Helsinki. First of all, as a Chinese, I am very proud of overseas Chinese entrepreneurial success thus I would like to state out their success and contribution to the Finnish local economy on behalf of them. Second, surprisingly, there are still more and more Chinese people planning to take a risk to join in the restaurant business although the competition is intense, thus it is necessary to know whether it is a suitable business to you or not. Last but not least, the business can be more easily improved and expanded once the existing owners know what the key determinants of success are behind.

This study is focused upon the three Chinese restaurants and their success, the owners and the main cooks. The sample that I interviewed is rather small and limited; however, I believe that the generalities about the overseas Chinese restaurants' success in America and other European countries are widely available. Knowing the Chinese national culture and business culture gives me more confidence on the generalities of those Chinese restaurants' key success factors will be applied in Finnish market as well; for instance, in Helsinki.

From the owners themselves, I have learned a great deal about overseas Chinese entrepreneurship in catering sector in Helsinki. Such as, what kind of characteristics do they have in common in order to succeed? What kind of skills do they have to have to succeed? The research discovers that to be successful, the people to manage the restaurant have to be confident, hard working and comfortable with the power with a clear goal. In addition, he or she has to have basic cooking skill, managing skill and social skill to be able to deal with the business and all parties involved in the restaurant business, like the customers and the Asian retailing shops.

Furthermore, they also claim that they have employed various competitive strategies to compete with other rivals in the restaurant industry. There are three major competitive strategies applied as the three owners shared with me: offer lower price, be flexible to special requests of customers, family strategy. As they say, the lower price strategy is used for buffet or some special offer package in a regular base. Takeaway or delivering the food without extra charge is one of the ways to be flexible to meet the customers' need, reorganizing the table for big groups is the other one. Family strategy is seen as their secret but efficient weapon to gain the support financially and technologically in any time.

From the main cooks, I have learned of the owners' characteristics and skills from the third person's point of view, which increases the objectivity of the study as well. In addition, the research shows that the main cooks are family members, thus they are in charge of purchasing raw materials for cooking, which has a direct impact on the profitability of the restaurants business. That is also part of the competitive strategies applied by those Chinese restaurants' owners, which is called as family strategy in the previous chapter.

Then from both the owners and the main cooks I have acknowledged that the Chinese national culture and business culture is a privilege for Chinese restaurants to differentiate themselves from other competitors in the market. Those cultural elements are: patriotism, respect for tradition and cherishing the close family relations. Meanwhile, they also recognize the differences between the Finnish culture and Chinese culture and come up with the solution though the combination of Chinese cuisine with a Finnish liking taste. And that creates the uniqueness of overseas Chinese cuisine and Chinese food culture.

4.2 Recommendations

As stated before, the existing Chinese restaurants, successful or not, and the people who are interested in starting Chinese restaurant business in Helsinki are the major reader of my thesis. Therefore, the recommendations fall into two parts to the former and to the latter accordingly.

To those existing Chinese restaurants, my study suggests that success takes time, money and efforts. When the business is just started, it requires owners to spend much more time than they could even imagine in dealing with all kinds of issues. The business has to be managed under the clear goal, which guides the people to do their bests to reach the destination they are dreaming of. At the beginning, they are also expected to have basic cooking, management and social skills because they might have to cook whenever needed, they have dozen of staff to manage and they have to deal with the customers and the Asian retailing shops every day.

When they have been running the business for a while and have very stable customers flow and profits, they should be aware of the power of the Chinese culture as well as the difference of Chinese culture and Finnish culture. To grow bigger and stronger, the efficient way is to take advantage of Chinese culture and see it as an important invisible asset, because the value in the cooking materials and food is measurable and controllable but not the value of the Chinese culture. And people today are more knowledgeable and desirable for the mystery of various cultures.

Finally, the Chinese restaurants have adopted a series of competitive strategies to succeed, like price strategy, being flexible and family strategy. Sometimes price strategy may help gain some new customers even in daily base; however, it can also have a great damage to the business once every player is doing so, and the value of the restaurant's image will go down with the cut price as well. Therefore, it should be applied more cautiously.

The next is to recommend some tips to those who are considering joining in the Chinese restaurant business. No matter you are Chinese or not, before you start it, ask yourself if you are ready for this challenge. A couple of questions have to be answered; for instance, are you confident in what you are going to do? What do you want to achieve by running a Chinese restaurant? Can you bear to work a long day in several years before the business is very profitable? Can you comfort to the power?

In addition, you are also expected to have a basic cooking, management and social skills. For instance, you will have some time to backup the cook at least when it is needed. You also have to deal with the customers and the Asian retailing shops a lot in a daily base, whether you can keep good relationships with both of them or not will determine whether you have a good business or not. When you examine yourself and find out that you have had most of those qualities, you can start working with it.

5 Achievements, limitations and future research

5.1 Achievement and limitations

The paper discovers the most important factors that contribute to Chinese restaurants' success in Helsinki with well-planned interview questions. The atmosphere for interviewees to talk is very relaxing and comfortable, so that most of the interviewees are very active in telling their success stories as well as the concerns they have in mind; for instance, the awkward situation and the future planning as mentioned in previous findings. As a result, the main objectives of this paper have been achieved; that is, the findings allow me to answer the main research question and two sub-questions.

However, due to the limited time and other resources, the paper could not cover all the details on the Chinese restaurants' competitive strategies and their appliances; for example, some of the special strategies might be neglected because of its less importance or appearance.

5.2 Future research

The paper answers what the major success factors of Chinese restaurants are in Helsinki; however, the analyses on to what extent each of those factors has an influence on the business success may go even deeper.

In addition, as one of the most important findings, family factor has not only played a positive role in those Chinese restaurants' success but also could have a negative impact on their further growth; therefore, it could be addressed in the future research; such as, the potential discussion on whether to remain family business or change into non-family business while the restaurants are expanding to chain business.

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Appendices

Appendix 1: Overlay matrix

Investigative question	Theoretical connection	Connection with the questionnaire	Results
1. What are the key success factors of Chinese restaurants?	Chapters: 2.3, 2.4, 2.5, 2.6	Q1-Q5, Q6-Q11, Q13, Q14	Chapter 3.3.3, Figure 3.1, Chapter 4.1
2. How does the cultural factor influence the success?	Chapters: 2.4.1, 2.4.2	Q10, Q11, Q12	Chapter 3.3.3, Figure 3.1, Chapter 4.1
3. How do the competitive strategies influence the success?	Chapters: 2.5	Q10-Q12, Q13, Q14, Q15	Chapter 3.3.3, Figure 3.1, Chapter 4.1

Appendix 2: Interview questionnaires

Case company:	1	2	3
Name:			
Education			
Job title:	Owner	Employee (main cooks)	
Gender:	<u>Male</u>	Female	
Age:	20-29	<u>30-39</u>	40-49 <u>50-above</u>
Language spoken:	<u>Chinese</u>	<u>Finnish</u>	English (a little about restaurant industry)

1. When did you come to Finland, and for what reasons you decide to stay?
2. Did you perform some other work before you started your own business?
3. Could you briefly describe some of those that had direct or indirect impacts on your current restaurant business?
4. Are those previous work experiences useful for you when starting your own business in Finland? And explain why and how?
5. Why have you chosen to run a restaurant business?
6. What do you think are the signs of success in this industry? What have you gained as a successful player?
7. What do you think are the most important success factors to run a Chinese restaurant business abroad in general?
8. What are your success factors?
9. What the essential characteristics the owner should have in order to succeed?
10. As an owner, what do you think are the main skills that help you succeed?
11. How do you think the networks work in running your restaurant?
12. How do you see Chinese culture and Finnish culture influence your business, and could you explain what impacts they have on your business and why?
13. What are the advantages and disadvantages in operating a restaurant in Finland as you see?
14. What are your goals? And what are your concrete plan and efficient business strategy to achieve your goals?
15. What is your strategy on CRM (customer relationship management) you have been employing so far? How are you going to adjust them by time?
16. How do you see your business in this industry now and a couple of years later?