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# Business Plan: Vietnamese Restaurant

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## **Business Plan: Vietnamese Restaurant**

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This thesis is about planning for a start-up Vietnamese restaurant in Helsinki center. Enjoying Asian food seems to be a trend for Finish people nowadays. In addition, Vietnamese cuisine is famous, delicious and worth- introduced around the world. The statistics of Vietnamese in foreign country is growing and Finnish people are more interested in Vietnamese culture. Therefore, opening a Vietnamese restaurant business in Helsinki center may be potential.

The thesis begins with an introduction of where the business idea comes from. After that, the knowledge base is explained. The main knowledge points are presented such as what business plan means, SWOT analysis, and marketing tools. By applying these theories into practice, the thesis shows market needs, key resources and products. Moreover, information and statistics are collected and gathered via internet sources like websites, published writing and published books. Also the primary data collected by interviewing is used in the thesis.

The author ends the thesis by saying that it is probable to invest in a Vietnamese restaurant business in Helsinki. A good location for the restaurant will be in Kamppi shopping mall. It will have some difficulties in the beginning but the restaurant will make profit after the 3<sup>rd</sup> year.

Key words Business plan, Vietnamese restaurant, marketing tools

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## 1 Introduction

Introduction part consists of four crucial areas that give basic information as well as necessary theory to develop the rest of the thesis. At first, we will discuss about Asian restaurants background in Helsinki. In this part, an image of current situation of restaurants and eating trend are mainly mentioned. Secondly, theoretical framework will be explained in order for readers to understand how this business idea is going to be carried out. Thirdly, research method will be illustrated. At last, objectives and research questions will be provided here.

### 1.1 Background

As reported by [findicator.fi](#), until 2013 the percentage of obesity and diabetes in Finland is 19 percent of men and 16 percent of women (OECD Better Life Index). The numbers keep increasing every year, which claims that Finnish people's health is 'at risk'. In fact, one of reasons lead to have obesity and diabetes is daily foods. Western people in general and Finnish people in particular seem to consume foods with more saturated fat (butter, cheese, and fast-foods) and carbohydrates (bread, pastries, cakes, tortillas) ([Livestrong, 2014](#)). In Asian cuisine, vegetables, low-fat foods such as tofu and healthy fat in fishes instead of red meat are used in everyday meals. In some main dishes, stir-fried vegetables are served only. That is the reason younger Finns tend to eat Asian foods rather than European foods. Additionally, some people even eat Asian foods as healthy diets. There are more and more Finns loving Asian foods or more people start trying new exotic foods from Asia area.

On the other hand, according to Finnish Immigration Service's last update in 2009, there are 3 772 Asian people out of 13 035 people with 7 different nationalities applying for a residence permit in Finland. Also in accordance with [statistics Finland 2013](#), Asian citizens granted Finnish citizenship are 2 561 people in comparison with 1 923 African and 4 025 European citizenships. Consequently, in order to satisfy future needs of external foods, many more Asian restaurants have been established. It is evident from [eat.fi](#) that 300 Asian restaurants registered joining website to get rating and comments from customers. 300 Asian restaurants vary from East Asia, South-East to West Asia such as Japan, China, Thailand, Singapore, India, Nepal ([Eat.fi](#)). A more interesting thing is one of the most famous restaurants located in Helsinki centre, for instance, Farang and Gaijin, also serve Asian foods. Besides, sushi restaurants in Helsinki centre have been emerged so fast lately, for example, Hanko sushi, Sushibar, Fuku-sushi, etc.

With a view to Vietnamese restaurant in Helsinki, this is due to [Vietnamilainen ravintola Helsinki press release](#) that there are Tre Viet, Com Viet, Wrap and Roll café and Orchid Thai-Viet kitchen ([Nyt.fi](#)). Tre Viet and Com Viet mostly offer traditional Vietnamese dishes. However,

the other two restaurants are the combination between Vietnamese cuisines and Asian cuisines including Thai, Chinese and Japanese (Suomenravintolat.com). It is believed that there is a potential for Vietnamese restaurant in Helsinki centre, which offers traditional Vietnamese cuisine in a unique way without mixing any other Asian foods.

The main goal of this thesis is to make a business plan for a start-up Vietnamese restaurant. In addition, the author proposes a detailed business plan involving marketing, implementation plan, financing and catering.

## 1.2 Knowledge base

The theories in this thesis are chosen based on planning and structuring a business idea. The knowledge points, which are used in the implementation plan, will be also discussed.

### 1.2.1 Business plan

The business plan theory was chosen by explaining Brian Finch's theory. At first, a business plan is a plan showing how a business idea of a start-up company will be processed and applied in reality. It is important to determine viewers of the business plan since there are different purposes aiming to a particular group of audience. According to Finch, there are basically 6 points that can be asked in order to know the appropriate audiences:

- The reader wants to be investor of the business idea
- The reader wants to purchase the business
- The reader wants to be co-venture
- The reader (authority) wants to approve the business idea
- The reader wants to improve his(her) own business

When the reader is identified means that objectives of the business plan can also be made clear. For example, if someone would like to invest in a new concept, the main goals are to focus on 'excellent returns' (Finch 2013, 2). However, if the author's purpose is to enhance own business, then it is necessary to concentrate on the plan and 'non-financial targets such as management issues, personnel development' (Finch 2013, 3).

Next, the writer needs to form a specific plan depending on what kind of business will be carried-out. Nevertheless, the essential part of a business plan remains the same in all types of business. The Figure 1 below illustrates basic steps in a business plan. Considering to Finch, there can be more or less sections based on how the project goes.

Finally, by gathering data and information from various sources such as government statistics, quantitative market research, websites, press releases. The author will be able to apply in the implementation plan.



Figure 1-Business plan structure

### 1.2.2 Marketing communications

Marketing communications background is based on Philip Kotler's theory. This part will show marketing strategies and marketing communications tools. There are eight crucial parts of a marketing strategy plan by Kotler (2000), which is presented in Figure 2. The purposes of marketing strategy are:

- Identifying target customers
- Creating the company's image including products, ideas and concepts
- Analysing viewers' perceptions on products
- Changing perceptions to purchase
- Transferring the message to the target customers
- Evaluating purchasers' responses

Depending on the products, the company uses personal communication channels or non-communication channels. Additionally, promotional tools are also useful to increase the num-



bers of purchasers. In Kotler book, Kotler (2000, 272) illustrated the common communications platforms, in which he showed most common marketing forms used to delivering the message of products.

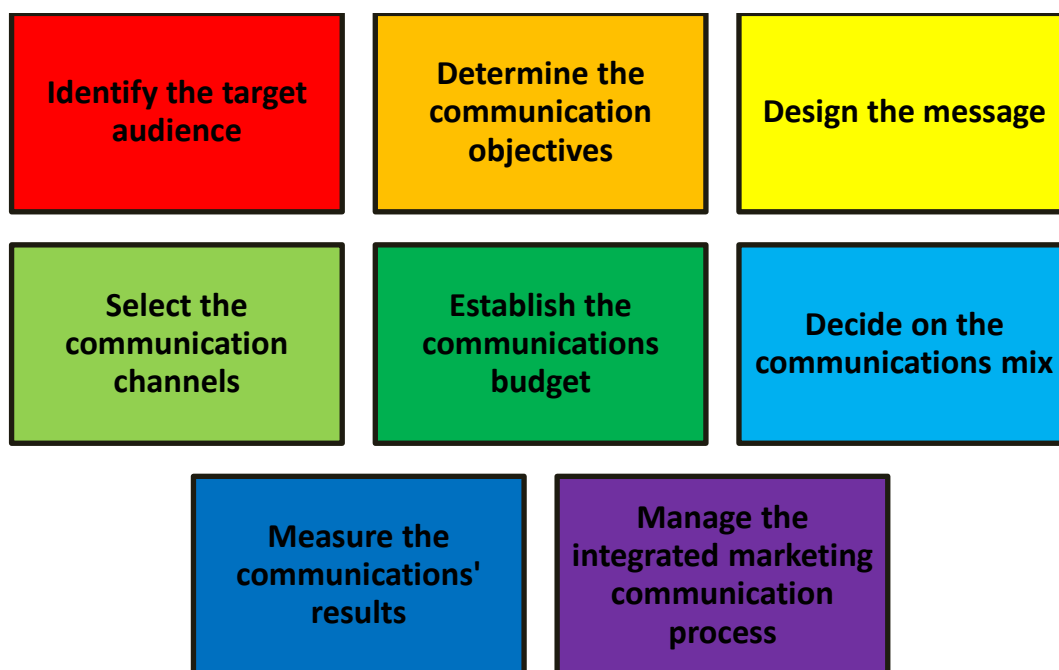


Figure 2-Marketing communications strategy

### 1.2.3 SWOT analysis

SWOT stands for strengths, weaknesses, opportunities and threats. SWOT analysis is used to analyse as well as to evaluate the internal and external influences to a company (Cadle et al, 2010). According to Cadle et al, it was created by combining PESTEL and Resource Audit. Another objective of SWOT is to examine the current situation of an organization. Strengths and weaknesses show internal pros and cons of a company. On the other hand, opportunities and threats represent external positive and negative aspects of surrounding environment. Moreover, according to Kotler, analysing SWOT is a necessary step to give goal formulation, which is defined as company's goals in 'management, implementation and control' (Kotler 2000, 47)

### 1.3 Thesis objectives and research questions

The main goal of the thesis is to create a business plan for a start-up Vietnamese restaurant in Helsinki. The thesis aims to show a detailed plan to investors and team members as well. The research method used in the thesis is qualitative method by using electronic sources. The questions for the business idea are:

- Who are the target customers?
- How to market company's products?
- Who are the competitors?
- Will the company be able to make profit?

#### 1.4 Research method

In the thesis, the information is used by analysing secondary data, which means the data was gathered by other researchers or book writers for various objectives. According to Saunders, there are 3 main categories of secondary data, namely, 'documentary data, survey-based data and those compiled from multiple sources' (Saunders et al, 2009, 258). In Figure 4, it illustrates types of secondary data that is usually used. The author of the thesis will collect and analyse secondary data in order to give audiences broader view of the business plan.

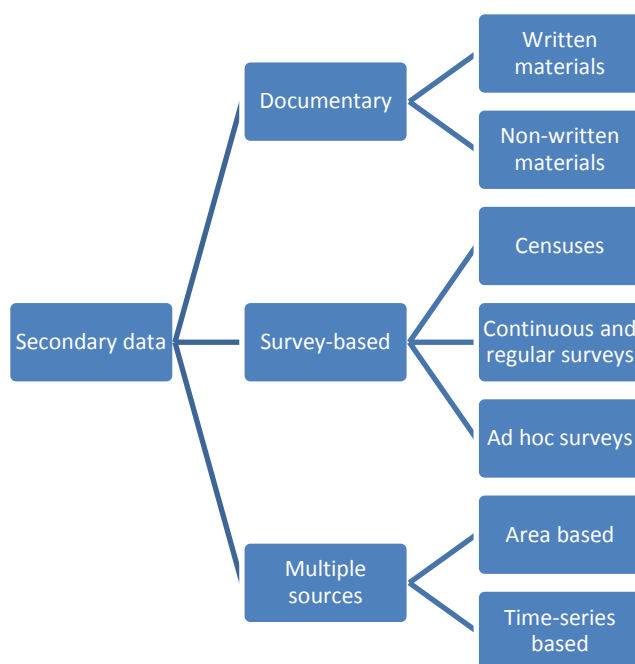


Figure 3-Types of secondary data (Saunders et al 2009, 259)

Moreover, in order to give positive result for the thesis, the author applies primary data as well. Primary data is information collected by observation, in-depth and group interview and questionnaire (Saunders et al, 2009). In the thesis, the author will use interviewing help answering research questions. Also the interview is unstructured interview, which means it is conducted informally and freely between interviewer and participant(s) (Saunders, 2009).

## 2 Implementation plan

In this chapter, the author will talk about restaurant background, analysis and how it is applied into practice in different aspects such as marketing, sales and distribution, management. In addition, in this part the interview of case company will be mentioned. The writer also goes through the financial plan at the end of the implementation plan.

## 2.1 Restaurant background

Pho Viet is a unique new restaurant in the heart of Helsinki offering authentic Vietnamese cuisine. A group of business savvy students, Vietnamese culture lovers and a few fantastic chefs have put their heads together to create a modern yet tradition respecting full cultural experience that takes its customers to Vietnam without the 20 hours of traveling. Pho Vietn will be opened inside Kamppi shopping mall centre. Kamppi is located in the heart of Helsinki. It is easy to be found as there are various transportation and mobility area inside Kamppi, for example, bus terminal, underground station, parking area and. Considering to Kamppi centre's website, totally 17 restaurants are operated. Customers will find this place of cultural emerging in the Kamppi shopping centre, where it places a venue for anyone, a tired shopper looking for simple supper or for a group of friends waiting for an amazing night out.

The business plan of Pho Viet gives a detailed account on how the business will commission with clear profit targets for the next four years. Main objective for Pho Viet in the first operating months is to establish a solid customer base and start making profit as soon as possible. This will be reached by aggressive marketing (heavy field work, online advertising and events), strategic pricing (not based on cost but desired profit) and strict operational control. Too many restaurants commence with no detailed planning in executing their operational success. It is not enough to set up a great venue but also to operate it like any other complicated structure, with crucial monitoring and feedback systems.

Pho Viet will ensure its desired investment with a bank loan and offers an opportunity for equity partners with a minimum 30 000 euro investment for a 10 % ownership.

### 2.1.1 Restaurant's name

Name of the restaurant must be easy for customers to remember as well as facile to pronounce. It is unnecessary to be so fancy to impress and appeal customers. However, its name should be able to expose the concept of the restaurant. The name can be related to Vietnamese culture, symbols or specialties. In this case, Pho Viet, which means "Vietnamese Town", is the chosen name for the restaurant. The objective is to bring good taste and healthy food to customers. The restaurant will be decorated with Vietnamese paintings and other decorations to make customers feel like they are eating Vietnamese foods in Vietnam. Moreover,

Pho Viet also offers very traditional foods, cosy Vietnamese space and hospitality to whoever comes to enjoy foods at Pho Viet restaurant.

### 2.1.2 Vision and goals

In the future, Pho Viet will be a well-established Asian experience, with a strong network of customers, partners and suppliers. The restaurant will be a popular spot for all visitors in Helsinki centrum, local or foreign, and a part of the Vietnamese community in Finland. Pho Viet will be a trendsetter in ethical operating with its use of green energy, organic ingredients and reduced carbon emissions. Pho Viet will be desirable for both investors and consumers due to its authentic and top-quality take on Vietnamese cuisine. Especially it offers only Vietnamese cuisine with fusion and passion, which makes Pho Viet outstanding with other Vietnamese-Thai restaurants or Vietnamese-Chinese restaurants. In Pho Viet, you can truly experience Vietnam.

### 2.1.3 Service description

Restaurant Pho Viet offers full service dining with a lunch and dinner menu featuring Vietnamese cuisine and drinks as well as the experiences of exploring Vietnamese culture. The opening time of the restaurants will be shown in Table 1. The opening time needs to follow opening hours of Kamppi centre's legislations. (Kamppi:Stores and services)

OPENING HOURS	
Monday-Friday	11:00-21:00
Saturday	11:00-18:00
Sunday	Closed

Table 1- Opening hours

The food at Pho Viet is extremely healthy. The menu features famous and traditional Vietnamese dishes prepared using classical cooking techniques in a modern environment. Regular review and modification is executed for the menu. Moreover, Vietnamese dishes offered at Pho Viet are cooked traditional methods such as deep-fried, wok-tossed, slow-cooked, marinated and rolled. In terms of ingredients, it is said that Western foods are used the concept 'food pairing' like egg and wheat or milk and butter. In the contrast, Asian cuisines try to avoid less 'food pairing' such as sesame oil and soy sauce (Mail Online). Therefore, at Pho Viet, dishes are flavoured with Asian spices and brim with fresh herbs. Pho Viet Key signature dishes are kept with new offers of new dishes occasionally, which allow the restaurant to offer customers new experiences every time they come. The menu is created by referencing

Red Lantern on Crown dinner and lunch menu (Red Lantern.com.au) and Tre Viet menu (Tre viet.fi). Description for detailed menu is attached in the appendix.

## 2.2 Interview (Case company: Sushibar+Wine)

Sushibar+Wine was chosen to be the case company as it belongs to Asian food restaurant category. Additionally it is located in Töölöö and area near Kamppi center (Freadrikinkatu and Uudenmaankatu). Sushibar+Wine has been established for 5 years and got high rating for quality product on Eat.fi and Yelp.com.

The objective of the interview is to provide realistic information of case company Sushibar+Wine. Another goal is to support the thesis having positive results. The interview was done by the interviewer (the author) and the interviewee (the owner of Sushibar+Wine: Matti Sarkkinen). The questions were provided by the author based on interested aspects and relating to the thesis content. Since the information of the company is not published, therefore, the information provided by Matti Sarkkinen will be kept for the thesis purpose only. The interview questions and answers are shown in the Appendice 2.

## 2.3 Marketing and competition

### 2.3.1 Customer segment

At the very beginning, it would be dangerous to exclude any specific customer groups. Considering to Statistics Finland, until the end of December 2013, there are 612 664 people living in Helsinki (Statistics Finland, 2014). Asian food population has grown popularity in Finland and especially in Helsinki region. An example in case is there are about 300 Asian restaurants registered on Eat.fi. Thus, it can be assumed that the target market is large. The main segment can be the inhabitants of central Helsinki since Pho Viet will aim to Helsinki-ans citizens. As the living expenses of Helsinki are the highest in the country, it can be assumed that this segment is wealthy. It is proved by average monthly disposable salary after tax in Helsinki is 2 230, 95 euros (Numbeo) and average price that customers are able to play in Helsinki is 60 euros (Numbeo). It would be beneficial to reach this customer segment as it could provide a steady flow of high value customers (customers who would repeatedly return).

One sub-segment could be categorized as Vietnamese, or other Asian natives living in Finland. There were 183 133 foreign inhabitants in Finland in 2011 (Statistics Finland, 2011) and the number is growing. The portion of Vietnamese has nearly doubled in the past decade and there are currently almost six thousand Vietnamese living in Finland (Statistics Finland, 2012). Also Vietnam is in 'top-10 nationalities applying for residence permit in Finland' (Maa-

hanmuuttovirasto, 2009). This amount of people is considerable for the business. In order to reach this customer segment, the food and experience of Pho Viet has to be true to the Vietnamese culture.

### 2.3.2 Value proposition

‘Value propositions describe the bundles of products and services that create value for a specific customer segment’ (Osterwalder and Pigneur, 2008, 22). The Pho Viet experience offers two main values, which are quality and leisure. Customers are guaranteed with high quality and healthy food. According to Matti Sarkkinen, the customers will not come back to the restaurant if it does not offer good quality foods. The restaurant will endeavour to procure all the traditional and authentic ingredients necessary to hold true to the interesting cultural recipes. The courses are made using only the finest quality organic ingredients. The freshness of the food is tested and verified carefully before being processed. Food sanitation is also one of the key regulations that the restaurant conforms to with earnest efforts as it helps keeping the food from contamination and making it safe to eat. The special ingredients are imported from selective local farmers through trustworthy Vietnamese importer partners. Satotukku is one of the largest importers in Finland (Satotukku), which Pho Viet will be willing to cooperate. For more easily accessed ingredients, Pho Viet will use local suppliers within 100 kilometre radius from the restaurant.

The customers will find themselves nestled within a warm and welcoming Vietnamese-culture-style setting while indulging their senses to truly experience the taste sensations of Vietnam. The performance of the company helps developing products and services (Osterwalder and Pigneur). The interior atmosphere infuses thoughtful taste and style into every detail reminiscent of Vietnam’s colourful history. It brings Vietnamese customers back to their own country. And it gives the other customers a glimpse of a new culture.

It must be pointed out that the audience of the thesis is also investor. Thus according to Finch, the most important objective to the owner is showing financial success (Finch 2013, 2). And to be able to achieve it, the restaurant not only tries to serve the customers with high-quality service and extremely clean and organic food with interesting twists to the customers (Matti Sarkkinen). There will be a weekly activity opened to customers at the restaurant, which can range from various kinds of traditional art-forms of Vietnam. In Pho Viet, it is not just about dining but having the absolute leisure while doing it.

### 2.3.3 Competition

In Helsinki centre, there is fierce competition among different types of restaurants. An example in this case is Burger King operated its first franchise in Helsinki in 2013 (Burger King Finland). Another example is that there are about 300 Asian restaurants located in Helsinki (Eat.fi). In 2011, a new restaurant, Farang, opened by a successful Finnish chef, Tomi Björck and his business partner Matti Wikberg, won the title of Finland's best restaurant. Farang and the subsidiary restaurant Gaijin offer South-Eastern and Northern Asian cuisine with a modern touch (Tomi Björck). Additionally, Tomi Björck and his partner opened a new restaurant Bronda in March 2014 (Tomi Björck). Their operating philosophy collides in some points with Pho Viet but the main difference is that Pho Viet intends to focus on more traditional cooking. Also, the heritage and cultural diversity in Pho Viet may give a positive advantage in terms of visibility and perception. Main strategy in competition is that it is not focused on process but quality and authenticity.

The inhabitants of Helsinki centrum are considerable customer group and there are many other companies fighting for their attention. Also, Helsinki has the high standard of living in all of Finland, which strongly contributes to the trend of eating out, socializing and indulging rather than cooking one's own meals. (OECD Better Life Index and Numbeo)

To analyse further, another trend to be considered is the growing fascination about Asia. The travel agencies have opened numerous new locations and Finnair alone has started operating several new routes to Asia within the last six years (e.g. India, Japan, Korea and Vietnam) (Finnair). According to Finnair news on its website, the company will open a new route to Ho Chi Minh City in December 2015 (Finnair). Also, an increase of Asian immigration into Finland has its impact. There are a growing number of Asian market retail stores that import products into the capital area and also cooperate with some of the restaurants. Therefore, also the Asian restaurant variety has spread rapidly.

## 2.4 Scope of operations

### 2.4.1 Key resources

Key resources are defined as valuable resources that help the company developing and improving value propositions. 'Key resources can be physical, financial, intellectual, or human. Key resources can be owned or leased by the company or acquired from key partners'. (Osterwalder and Pigneur, 2008, 6)

Possibly the important resource of the restaurant is the human capital and the importance of human capital is varied depending on types of business (Osterwalder and Pifneur, 2008). In restaurant business particularly, as it is evident from Sushibar+Wine case, Matti Sarkkinen explained bad consequences in lacking human resources in section 2. With motivated, capa-

ble, and hardworking staff, the restaurant will be able to offer both quality service and food. Every employee has to be orientated to their jobs, and further training organized as responsibilities grow and change. The workforce should be kept united and highly motivated, since smile is one of the most important factors of any customer service (Matti Sarkkinen). Additionally, the kitchen staffs have to naturally be professional and know Vietnamese cuisine.

The intellectual resources of the company can be trademark, patent protection, brand and copyrights (Osterwalder and Pigneur, 2008). In this case, the ingredients and quality of products are considered as intellectual key resources. Improving the quality of foods and maintaining consistency of products are crucial for the restaurant to keep customers and transfer a good image to them. (Matti Sarkkinen)

The restaurant location itself is the largest tangible asset of the company and is defined as physical key resource of the company (Hoek, J). Pho Viet is located in the heart of Helsinki which attracts the attention of target customers. Furthermore, the kitchen equipment will be one of the biggest initial investments which are shown in the financial plan below, and keeping it in good condition will be important. The equipment has to be reliable and easy to use, and there has to be service and support available in case of any malfunctions (Matti Sarkkinen). For hygienic reasons, everything, both in the kitchen and in the dining area, has to be easily cleaned (Occupational Safety and Health Administration). The first impression the customer gets when first entering the restaurant is crucial, so on top of tidy, the interior design needs to be authentic, up to date, comfortable, and high quality at the same time. The mix of the audible, visible and otherwise sensed elements to the customers, create the memorable atmosphere.

#### 2.4.2 Key activities

Key activities in business model are described as main actions to sustain customer relationship, to support value propositions and to increase turnovers. Key activities are also different based on types of corporations and their businesses. There are 3 groups of key activities: production, problem solving and Platform/ Network. (Osterwalder and Pigneur, 2008)

Production group includes designing, producing and distributing the products in exceptional methods (Osterwalder and Pigneur, 2008). The main activity of the restaurant is naturally food service. That is the main business idea and source of revenue as based McDonald's case (Hoek, J). Another key activity of Pho Viet is marketing which helps the restaurant transferring message and good image to customers (Kotler). Advertising is a marketing communication that they offer a chance for us to advertise our restaurant on different platforms, and also other companies a chance to advertise their events or associations in restaurant.



### 2.4.3 Key partnerships

Key partnership is defined as supplier and partner system to develop the business, to minimize risk possibilities and to achieve more reliable resources. There are four types of key partnerships: strategic alliances, co-opetition, joint ventures and buyer-supplier relationship (Osterwalder and Pigneur, 2008).

Every ingredient should arrive on time and in good condition. In case of any problems the supplier needs to be able to track down the products to the manufacturer, and then further to the origins. Since some of our products come all the way from Asia, but most as close as possible, there probably will be a few suppliers. Luomutukku is a potential main supplier due to the organic aim of the restaurant. Pho Viet may also use JH Vihannes as a vegetable supplier. According to Matti Sarkkinen (Sushibar+Wine), JH Vihannes is a reliable and provides good quality products.

Accounting is operation brought from outside companies to insure the best quality possible and to ease the operating of the restaurant. Having an external party to do the accounting also helps to make smarter financial decisions. This is an example for strategic alliances. (Osterwalder and Pigneur). It allows the management to focus on key activity administration when time-consuming functions such as payroll and bookkeeping are outsourced. Diafora will be chosen as the accounting firm for Pho Viet.

### 2.5 Development strategy and road map

Pho Viet has a road map that is guided with an objective of growth and increased visibility. The first year's mission is to establish a solid customer base, which can support the expansion of the Pho Viet Company. In the second year, a summer pop-up portable kiosk will be launched. It will operate both in Esplanadi Park and Narikkatori and guide customers to the main restaurant by offering on-site cooked snacks and treats. In terms of financial growth, the goal is to maintain efficient cost structure and maximize revenue with effective pricing and marketing.

### 2.6 Marketing strategy

Marketing strategy is very important to introduce company's products to customers and to send message to end-users (Kotler, 2000). Therefore, Pho Viet will take individual actions to increase its visibility by selecting appropriate communications channels.

**Mass media:**

*Newspaper advertisement:* We will have ads placed in local newspapers. They can be a charged newspaper such as Keskiuomalainen or a free newspaper in buses and trains such as Metro and City. Keskiuomalainen is the country's fifth most-read seven days (Ksml.fi) And Metro has more than 300 000 active readers in Finland (metro.fi).

*Website:* The website of Pho Viet will be rather simple and easy to use. The website gives information about Pho Viet's concept, offered values, some background information, detailed menu, opening and closing hours, contact information, location and instruction to make a reservation. It will be designed by Netura.

The website will be submitted to several search engines on the Internet. And the site's address will also be displayed on newspaper advertisements and business cards.

Beside the company's own website, popular website, which is Helsingin Sanomat, will be used. It has a high-click ratio and sufficient information that have attracted a lot of visitors. The estimated cost for a banner on each website is approximately 2.00 Euros for every 1000 people that view the site (hs.fi). Pho Viet can have a full size banner near the top of the front page of each website. In Helsingin Sanomat, Pho Viet could focus on the portion Oma Kaupunki (own city) which is more focused with Helsinki inhabitants (hs.fi).

**Social Media:**

Online tools such as banner ads, social network advertising such as Facebook, Twitter, YouTube, etc., are methods that the restaurant can use to reach a large number of customers with a short time at a no-cost. It is free to register as Facebook user Twitter user. It is also free of charge to create a page on Facebook (Facebook). This also can be done very efficiently by utilizing the staff and the network of partners in the effort. Facebook can be an extremely helpful tool in establishing first impressions as well as customer cooperation through shared news, events and questions.

**Word-of-mouth and in-store marketing:** is the most effective and least expensive method of raising the awareness of Pho Viet restaurant to potential customers. A grand opening celebration is arranged for Pho Viet and their staffs are introduced to customers. The restaurant will also cooperate with public events such as Restaurant Day and food fairs. Celebration of occasions during a year such as Valentine's Day, Easter dinner, New Year eve party will also be held in the restaurant.

**Local store marketing:** Pho Viet will cooperate with travel agencies and big hotels. Brochures about Pho Viet, which have pictures, menu information, prices, location, etc., will be displayed at partner hotels and travel agencies.

## 2.7 Sales and distribution strategy

Pho Viet's main sales channel is the physical restaurant with its sign outside. Contacts can be made via email, website, social media or phone. There can also be sales representatives in events and lunch offers presented for nearby companies. These are channels for everyday sales. In the opening of the restaurant, the procedure is different.

Pho Viet will host a large opening campaign including complementary desserts and alcohol-free beverages. Having a campaign is also an effective marketing to introduce products to customers (Kotler). In order to establish competition not based on pricing, they will not be percentage discounts but quantity offers. Also, Pho Viet will host a large opening party with an invitation list including supporters, media representatives, food bloggers, competitors etc. The objective of the party is to showcase the restaurant and offer a first-hand experience for those who are in position to spread the word more efficiently.

## 2.8 Opportunities and risks

Eliminating and efficiently managing risks is prerequisite to sound performance. Therefore, risk management is crucial in performing activities to achieve the goals of Pho Viet. Risk management enables the quality assessment of all types of risk, timely response and reduction of risk exposure. The SWOT analysis and risks management analysis below is based on an existing company case: Sushibar+Wine and the interview result between the author and the owner Matti Sarkkinen.

### 2.8.1 4 fields SWOT

SWOT analysis was done by analysing the internal and external influences to the restaurant Pho Viet. With a view to internal elements, there are different positive issues relating to operation, food quality and human resource. The positive points are brought out to be improved and developed. In the other hand, negative matters internally affect the restaurant. (Kotler, 2000)

An example in this point is Pho Viet may lack of experienced staff in the summer time. Summer time is the busiest time of the year; therefore, it is necessary to have more than 2 chefs

and 3 waitresses. According to Matti Sarkkinen, it is necessary to have full-time chefs and extra chef as opening hours may change in winter time and summer time or chef is on sick-leave. As a matter of fact, Pho Viet offers traditional Vietnamese foods, hence experienced chefs being able to make an appropriate Vietnamese dish is difficult to be found. An example to prove this point is there are only 4 restaurants offering Vietnamese foods in Helsinki area (Nyt.fi). Furthermore, it requires high cost to maintain good condition ingredients in winter time when number of customers is the lowest (Matti Sarkkinen).

Next, the external advantages are the facts that will provide Pho Viet possibility to start-up. One fact is Pho Viet being located in Helsinki centre in which the population is the highest 1 402 394 (Helsinki region statistics). Another fact is the growth of Asian people in Finland (Statistics Finland). However, on the opposite side of good points, there are various surrounding issues giving the restaurant some obstacles. For instance, Asian restaurants have been found before Pho Viet is established such as Farang, Gaijin, Brando (Tomi Björck).

<p style="text-align: center;"><b><u>STRENGTHS</u></b></p> <ul style="list-style-type: none"> <li>- Offering only traditional Vietnamese foods</li> <li>- The chief chef is originally from a famous restaurant in Vietnam with over 10 years of experiences.</li> <li>- Utilizing fresh Vietnamese ingredients supplied by Satotukku (Satotukku).</li> <li>- Having personnel that are friendly, responsible, skilful and professional. (Matti Sarkkinen)</li> <li>- Hygiene foods with guarantee of customers' safety. (Occupational Safety and Health Administration)</li> </ul>	<p style="text-align: center;"><b><u>WEAKNESSES</u></b></p> <ul style="list-style-type: none"> <li>- High variable cost for ingredients and maintaining kitchen tools. (Matti Sarkkinen)</li> <li>- Insufficient experienced staff. (Matti Sarkkinen)</li> </ul>
<p style="text-align: center;"><b><u>OPPORTUNITIES</u></b></p> <ul style="list-style-type: none"> <li>- The restaurant is located in Helsinki centre in which the population is the highest (Helsinki region statistics).</li> <li>- The increase of Asian people in Finland (Statistics Finland).</li> <li>- People prefers slow-foods than fast-foods(Matti Sarkkinen)</li> </ul>	<p style="text-align: center;"><b><u>THREATS</u></b></p> <ul style="list-style-type: none"> <li>- Pho Viet is a new restaurant in Helsinki area.</li> <li>- There are many Chinese, Thai, Nepalese and Indian restaurants in Helsinki centre (Eat.fi).</li> <li>-</li> </ul>

Table 2- SWOT analysis

### 2.8.2 Risks analysis

Identifying risks is a necessary process when operating a restaurant business as it helps planning managing strategy and focusing on primary goal. The objectives of analysing risks are to prevent and to find solutions (The risk management process). Risks are defined as threats, incidents or accidents causing bad consequences to the restaurant's different aspects. Different hazards and problems are assessed by probability and importance. Probability and importance is scaled from 1 to 5, in which 1 is low risk and 5 is really high risk. In addition, control measures are created to decrease the possibility of the risks and how to manage them (ISO 31000).The Table 4 shows predicted risks based on Sushibar+Wine case.

Hazard or problem	Worst/typical consequences	Probability (1-5)	Importance (1-5)	Control Measures	Person responsible
Injuries	Staff get injured while working	4	4	Safety insurance Keep work areas tidy Maintain kitchen equipment regularly to prevent leaks on the floor Good lighting in restaurant Use rough floor tiles Appropriate work wear, especially shoes Train employees how to lift safely Keep first-aid kits available Check gas appliance controls everyday Keep fuse box at a safe and convenient place Install fire detection and warning system and have regular maintenance	Manager and head-chef
Food poisons	Customers get food poisons or food allergy	4	5	Ingredients are kept in good conditions, avoid food contaminated Hygiene legislations need to be followed When taking the order, waitresses have to be careful if customers have food allergy	Staff

Lack of resources	1. Illnesses, employee turnover, unexpected rush hours	3	3	Contract for employee health care (Terveystalo / Mehiläinen) Temporary workers on an hourly salaried contract, additional extra workers for cases of lacking resource	Manager
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Table 3- Risks analysis&amp;management (Case company: Sushibar+Wine)



## 2.9 Financial plan

The objective of this section is to give the viewers a broader and closer look to the business. In the financial plan, the writer will explain and give estimated number in investment, sales, operations and so on.

### 2.10 Sales forecast and profitability

#### 2.10.1 Investment

It must be admitted that before opening a business in general, all of the companies need to ask for licenses and registrations from Finnish government. Establishing a restaurant requires basics starting investment fees on notification and company name, alcoholic beverages license and restaurant's equipment. In order to start up a limited organization in Finland, there are regulations and laws that business entrepreneur have to follow. The establishment cost for a limited liability company is 380 euros (6/2014) considering to Finish Legal system. Also, in order to have a company name registered, the company has to pay 100 euros per auxiliary firm name (Finnish patent and registration office). Additionally, restaurant needs to apply for serving alcoholic beverages license as well. Ministry of the Employment and the Economy laws stated that 'Alkoholijuomien toistaiseksi voimassa oleva tai määräaikainen anniskelulupa 610 €'. (Finlex)

The restaurant also purchase necessary items for starting business such as a van, a karaoke set, a cashier, kitchen equipment, interior design and so on. The budget for those items will be about 70 000 as the kitchen equipment is expensive. It includes refrigerator, freezer, ovens, culinary, air ventilation, cooking tools. Another important thing is creating a website. Pho Viet will hire a professional programmer to design a website. A minimum cost for a website is about 3 000 euros, which is created by Netura Web Business Production.

<b>Investments</b>	<b>€</b>
Handling fee for a start-up notification of a limited liability company	380
Registration of an auxiliary company name	100
Serving licence for alcoholic beverages	610
Website (Netura)	3000
Van (autocarftfinland)	3000
Karaoke set (Karaokekeskus)	700
Billing machine (aliexpress)	500
Kitchen equipment (ckitchen)	50000
Tables, chairs (Finnish Design Shop)	10000
Interior design (Vallila)	3700

Computer (Gigantti)	500
Credit card machine (Worldpay)	160
Printer (Gigantti)	280
<b>Total</b>	<b>72930</b>

Table 4- Investment cost

### 2.10.2 Budgeted income statement

The budgeted income statement defines the operations for the next four years. In the first year, the restaurant estimates that there will be fluctuation from 30-70 customers per day. The price list is created by estimating and analysing ingredients cost, labour cost and profit margin, which is fluctuating from 9 euros - 15 euros per dish. The average cost per meal for 1 customer is 20 euros. Net profit is made in year one, three and four. The business has a net loss of almost 14000 Euros in year two, which is caused by the investment in human resource. This is a pattern that Pho Viet will follow. After growth in revenue, Pho Viet will also aim to increase its operational volume. The budgeted income statement is shown in the Appendices.

### 2.10.3 Break-even analysis

	1st year	2nd year	3rd year	4th year
Contribution margin	200702,12	270695,72	270695,72	270695,72
Contribution margin ratio	53%	53%	53%	53%
contribution per unit	1,94	2,62	2,62	2,62
Break-even point (in units)	103260,00	103260,00	103260,00	103260,00
Margin of safety	50024,8	-16015,2	43984,8	93984,8
	12%	-3%	8%	16%
Sales at break-even	375175,18	506015,16	506015,16	506015,16
Variables at break-even	174473,06	235319,44	235319,44	235319,44
Fixed costs at break-even	200702,12	270695,72	270695,72	270695,72

Table 5- Break-even analysis

The break-even point in sales in the 1st year was 375175.18, and the budgeted sales were 425200, therefore Pho Viet reached the break-even point and is predicted to make profit in the 1st year. However, in the second year, the fixed costs will increase due to changes in labour costs, which change the amount of break-even point in sales. The restaurant makes a loss since it does not reach the sales at break-even point. In the year three and four due to increased sales the restaurant reaches the break-even point and makes profit.

#### 2.10.4 Assets and depreciation

Pho Viet has mainly tangible assets such as the restaurant space (which will be rented at the beginning) and its equipment, furniture and inventory. The 25 % depreciation rate is used for all owned tangible assets.

Intangible assets include accounts receivables, which are current assets. PhoViet will accept Visa, MasterCard, VisaElectron, regular debit cards and lunch card as payment methods.

#### 2.11 Financing

The business is financed by 100 000 Euros debt and 40 000 Euros equity. The loan will be taken from a local bank for 10 years with a 6 per cent yearly interest. Payments will be made monthly. For investors, Pho Viet offers a possibility to buy 10 % ownership for a minimum payment of 30 000 euros.

#### 2.12 Cash budget

The employees hired for Pho Viet are 1 head chef and 2 waitresses for the first year. The following years, 1 chef and 1 waitress will be added. According to working in Finland laws, salaries are paid depending on years of experiences, applied to hotel and restaurant branch.

Hotel and restaurant branch (1.6.2013-)					
Skill class	I	II	III	IV	V
Wage (€/h)	9,80	9,88	10,38	10,86	11,23

Table 6- Wages (Occupational safety and health administration)

Pho Viet will hire head chef with more than 10-year experiences and a chef with at least 3-year experiences. The restaurant make sure chefs are masters in Vietnamese cuisine knowledge as well as know how to make excellent Vietnamese foods. Wages for chef as well as waitresses are the same, but for head chef it is 2.12 euro higher than the others. Additionally, there is a slight difference between day working hours and evening working hours, which are shown in the Excel table. Therefore, salaries fluctuate around 3,000 euros and 3,700 euros.

The restaurant is opened from 11:00 to 21:00 from Mondays to Fridays and from 11:00 to 18:00 on Saturdays. It will be closed on Sunday for the beginning. The kitchen closes half an hour before the service ends.

The monthly sale is the multiplication of average price, customers per day and days per month. Since for lunch the average price is 15 euros, for dinner it is 25 euros, the average cost for both would be 20 euros. The number of customers varies each month, the least number having at the beginning.

The VAT amount of one month is to be paid the second following month. The variable cost includes only ingredient expenses. On the other hand, the fixed cost combines rent, salaries, insurance, marketing, electricity, internet, sundries, and so forth.

### 3 Conclusion

The author starts thesis by presenting Asian restaurant background in Helsinki, eating trend of Finnish people and the statistics of Asian immigrants increase. The thesis then goes through main knowledge points in order to give explanation of what will be used for idea research. Moreover, by applying and researching from the internet source, it must be pointed out that Pho Viet is a vision with great revenue potential. With the detailed planning and execution initiatives, Pho Viet can become an established success.

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## Figures

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## Appendices

### Appendice 1: Menu

#### Appetizers/ Salad

**Goi cuon tom thit:** Vietnamese rice paper rolls with prawns, pork, vermicelli and ice-lettuce

**Cha gio hai san:** Vietnamese fried spring rolls with seafood

**Cha gio chay:** Vietnamese fried spring rolls with vegetables

**Cha gio thit:** Vietnamese fried spring rolls with ground pork

**Cha gio Pho Viet:** Pho Viet supreme fried spring rolls

**Chao tom:** Vietnamese sugarcane tiger-prawn

**Goi ngo sen:** Vietnamese salad with lotus root and shrimps/pork

**Goi thit bo xao:** stir-fried beef with vietnameses herbs and ice-lettuce

**Goi xoai tom kho:** mango salad with dried shrimps

**Goi chay thap cam:** mixed vegetables salad

**Sup mang tay:** Vietnamese soup with asparagus and baby corn

**Sup cua:** Vietnamese soup with shredded crabs

#### Specialty

**Banh cuon cha lua:** Steamed rice crepes with Vietnamese bologna

**Banh xeo:** Vietnamese savory pancakes with pork, prawns and bean sprouts

**Banh beo:** Vietnamese round cakes with ground shrimp and bean paste topping

**Bun cha gio thit nuong:** Grilled pork and spring rolls on rice vermicelli

**Bun cha gio nem nuong:** Charbroiled meatball, spring roll on rice vermicelli

**Bun rieu Saigon:** Crab soup and tofu with rice noodles

**Pho ga:** Chicken rice noodle soup

**Pho bo:** Beef rice noodle soup

**Pho dac biet:** Rice noodle beef soup with sliced rare beef, tendon, tripe, brisket beef balls

**Bun bo Hue:** Hot, spicy beef noodle Soup

**Hu tieu thap cam:** Combination pork, shrimp, crab meat clear noodle soup

**Hu tieu mi bo kho:** Pork, shrimp, crab meat over clear and egg noodle

**Banh canh cua:** Sautéed shrimp on thick noodles

Entrees (Dishes below are served with rice)

#### **Ga (Chicken)**

**Ga xao ot:** Sautéed chicken, onion, pepper

**Ga xao rau thap cam:** Sautéed chicken, onion, broccoli, green bean, Napa

**Ga xao chua ngot:** sweet-sour chicken, red&green pepper, onion over rice

**Ga ro-ti:** Vietnamese crispy chicken

**Ga chien nuoc mam:** fish sauce-dipped crispy chicken wings

#### **Vit (Duck)**

**Vit quay:** roasted duck

**Vit rang muoi:** crispy duck with salt

**Vit tiem:** stewed duck

#### **Heo (Pork)**

**Suon nuong:** Grilled pork chop over rice

**Thit kho nuoc dua:** stewed pork in fresh coconut syrup

**Suon xao chua ngot:** stir-fried pork with sweet-sour sauce

#### **Bo (Beef)**

**Thit bo xao:** stir-fried beef with onions

**Bo luc lac:** Luc-lac stir-fried beef with onions and red chili pepper

**Bo ham tieu xanh:** stewed beef with Vietnamese green pepper

#### **Hai san (Seafoods)**

**Muc xao chua ngot:** stir-fried squids with sweet-sour sauce

**Muc xao sa-te:** Sautéed squid and onions

**Muc chien gion:** deep fried squid with special sauce

**Ca kho:** fish cooked with fish sauce

**Chem chep ham xa ot:** mussels with lemongrass and chili

Hot pot (dishes below are served with rice vermicelli or egg noodles)

**Lau thap cam:** beef, tofu and mixed vegetables hot pot

**Lau chay:** mixed vegetables (water morning glory, asparagus, mushrooms, carrots, tofu, cauliflower) hot pot

**Lau Pho Viet:** tiger prawns, fish cakes, fish, mussels hot pot and mixed vegetables hot pot

Desserts

**Trai cay thap cam:** Saigon tropical fruits mix

**Suong sa trai cay:** mix fruits jelly

**Nuoc dua tuoi:** Fresh young coconut syrup

**Che hat sen:** sweet lotus beans gruel

**Che dau xanh:** sweet green beans gruel

The restaurant also offers various beverages and drinks such as coffee, soft drinks, Jasmine tea, soy bean milk, fresh lemonade, pickled salty lemonade, still or sparkling mineral water, soda, beers and wines.

## Appendice 2: Interview questions and answers

### 1. When was Sushibar+Wine founded and who established the company?

Sushibar+Wine was founded by Matti Sarkkinen and Anders Westerholm in 2009. It is partner of Viinitie Oy which is alcohol importer and VinVin Oy which is bar. All of the investors and owners of the 3 companies created the We-Are Group, in terms of supporting and supplying as well. When the company was established, there were Sushibar+Wine on Uudenmaankatu Street and Etelaranta Street (Rakuja). However, due to financial problems Rakuja was bankrupted and closed in the beginning of 2011. In April 2011, the company opened a new location on Fredrikinkatu. After one year, in May 2012, they opened another one at Korjaamo Töölönkatu. According to Matti, the business was going well at that time and they saw the opportunities in summer 2013 at Linnanmäki. The fourth Sushibar+Wine was founded at Linnanmäki in April 2013. Nevertheless, based on fact Linnanmäki is a musement park and opened only in summer from April to October (Linnanmäki), the firm made no profit in winter time. Hence, it was closed in September 2013. After all, at the moment Sushibar+Wine remains 3 main locations: Uudenmaankatu, Fredrikinkatu and Korjaamo.

### 2. Who are target customers?

Since Sushibar+Wine is located in Helsinki center, thus, most of the customers are Helsinki citizens and tourists. Matti said there are some regular customers, who are living next-door, visiting the restaurant daily to take-away sushi. It has been proved by observation of the waitresses and chefs that there are many tourists from Japan and China. They would like to try Nordic sushi, have a cup of green tea and ask for directions. Target customers of Sushibar+Wine are not based on gender or age. Customers who eat at the restaurants are sushi-lovers. In brief, according to Matti, target customers of Sushibar+Wine are sushi-lovers in Helsinki area and Asian tourists.

### 3. Who are competitors?

The biggest competitors of Sushibar+Wine are other sushi restaurants in Helsinki such as Sushi'n'rolls, Fuku Sushi, Tokyo 55. Those restaurants offer buffet sushi at lunch time, which does not have at Sushibar+Wine. In addition, other Asian restaurants nearby like Tamarin,

Gaijin, New Bamboo Center are evaluated as competitors also. Besides, many restaurants located near Kamppi center (Tony's Deli, Muru Ravintola, Mexican Kitchen, etc.) may be challengers.

#### 4. How is the restaurant marketed?

Sushibar+Wine use website as the main marketing means (Sushibar.fi). It gives customers sufficient information about locations, menu and contact information. Besides, the company uses Facebook page as reaching customers out of Helsinki region. Matti also told that they had wide connections and relationships with celebrities (Elastinen and Jennivartiainen) and famous chef Tomi Björk and Santeri Hämäläinen on 24kitchen. Therefore, word-of-mouth is very effective in this case. Moreover, at Fredrikinkatu and Korjaamo locations, the company offers Groupon deal, which customers will be able to get normal lunch set with cheaper prices.

#### 5. Who are main suppliers?

Key partnerships are reliable suppliers. The company use suppliers which could provide all of ingredients at good quality and services.

- JH Vihannes is vegetables supplier
- Eriksson is chosen to supply fishes and other sushi ingredients such as miso paste, edamame, kimchi paste and so on.
- Heino is picked for kitchen tools (plastic gloves, plastic wrap, cotton cloth, etc.) and wines supply.
- Viinitie Oy is a partner and also a supplier of alcoholic beverages

#### 6. What are key resources in the restaurant?

Key resources according to Matti are human resources, good quality sushi and professional service. 'People will not come back to us if our sushi is not delicious at all', Matti stated. That is the reason they always focus on improving quality of sushi and keep the consistency in all locations. Moreover, the restaurant offers good service to every customer, for instance, on Women's day each woman coming to eat sushi gets free glass of sparkling wine. The most important thing is staff. As the restaurants are opened daily in every location, except Uudenmaankatu and Korjaamo closed on Sunday, they need at least 5 chef working full-time and 2 chefs working part-time. If there are job un-satisfaction making people leave, it means other chefs have to work more than expected. In fact, people will be drained out and exhausted with over-work. It can lead to many negative outcomes to the company. Moreover, in summer time the restaurants are opened half an hour later

than in winter time. Thus, the restaurant is in need for an extra chef who can work 20 hours a week. 'Besides, to tell the truth, it is very difficult to look for an experienced sushi chef in Helsinki area as sushi is a new cuisine in Finland', said Matti.

7. What are internal and external influences affecting to Sushibar+Wine?

<p style="text-align: center;"><u>Strengths</u></p> <ul style="list-style-type: none"> <li>- Offering fusion sushi: Nordic sushi</li> <li>- Chefs are well-trained and have good knowledge of sushi</li> <li>- Consistency is considered as main key for good quality sushi</li> <li>- Ingredients are always fresh</li> <li>- Professional services</li> <li>- Create good job satisfaction for staff</li> </ul>	<p style="text-align: center;"><u>Weaknesses</u></p> <ul style="list-style-type: none"> <li>- Lack of experienced sushi chefs</li> <li>- High cost to use fresh ingredients in winter time when the number of customers are the lowest</li> <li>- Conflicts between staff</li> </ul>
<p style="text-align: center;"><u>Opportunities</u></p> <ul style="list-style-type: none"> <li>- Having 3 crucial locations in the heart of Helsinki</li> <li>- Number of sushi-lovers are growing</li> <li>- Eating trend is changing. People prefers slow-foods than fast-foods</li> </ul>	<p style="text-align: center;"><u>Threats</u></p> <ul style="list-style-type: none"> <li>- There are more and more sushi restaurants opening nowadays</li> <li>- A small number of Finns do not like the concept of sushi, which combines raw fishes and rice</li> </ul>

8. What operational risks usually happen at the restaurant? How to control them?

According to Matti, there are different risks in restaurant business in which Sushibar+Wine is an example.

- Lack of human capitals due to illnesses, injuries and job un-satisfaction.
- Lack of chefs due to insufficient well-trained workers
- Customers get food poisons due to hygiene of the foods, in this case fishes are contaminated or spoiled
- Damage equipment such as ice machine, dish washer, billing machine and so on
- Internet interruption
- Supplies interruption

In every risk, the control methods are different. The following solutions were provided by Matti Sarkkinen:

- Providing good occupational health care. Having medical kits at every locations
- Create good job satisfaction by offering appropriate salaries, organizing staff parties, having monthly meetings and so on.
- Creating opportunities for chefs who would like to learn about making sushi. Giving them good trainings as well.
- Checking ingredients' conditions every day: Fishes cannot be used after 2 days. Also chefs have to follow the expired-dates on every ingredients or spices. (Occupational Safety and Health Administration)
- Contacting technical expertise for technical problems with damage equipment
- Contacting local network provider
- Using reliable suppliers. In particular supplies disruption, the restaurant needs to ask for reasons from suppliers and also for giving alternatives

9. How does Sushibar+Wine collect feedback from customers?

Sushibar+Wine provides e-mail address in the contact information on its website. Customers usually send e-mails to complain about services or foods and to give good complement to the restaurant as well. Moreover, waitresses are trained to always ask customers coming to eat at the restaurants if they are satisfied with their own foods. The restaurants collect comments from customers, and then depending on foods feedback or service feedback, managers have different tactic and strategies to control.



## Appendice 3: Budgeted Income Statement

	1st year	2nd year	3rd year	4th year
Sales	425200	490000	550000	600000
- VAT	48916,81	56371,68	63274,34	69026,55
= Turnover	376283,19	433628,32	486725,66	530973,45
- Variable costs				
Ingredients	148820	171500	192500	210000
= Contribution margin	227463,19	262128,32	294225,66	320973,45
- Fixed costs				
Salaries	119517,12	194310,72	194310,72	194310,72
Insurance	4200	4200	4200	4200
Marketing	19800	15000	15000	15000
Depreciation	17785	17785	17785	17785
Entertainment agents	12000	12000	12000	12000
Cleaning	14400	14400	14400	14400
Accounting	6000	6000	6000	6000
Electricity	4800	4800	4800	4800
Internet	600	600	600	600
Telephone	600	600	600	600
Sundries	600	600	600	600
Alcohol licence	400	400	400	400
= Operating margin	26761,07	-8567,40	23529,94	50277,73
- Interest costs	5795,2	5330,98	4838,08	4314,78
=Profit before taxes	20965,84	-13898,38	18691,87	45962,95
- Income tax	5136,63	0	4579,51	11260,92
= Net profit	15829,21	-13898,38	14112,36	34702,03

## Appendice 4: Cash Budget

	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	2nd year	3rd year	4th year
<b>Cash inflows</b>															
Opening balance	0	58075,0 3	52505,0 6	50094,2 2	51609,5 6	51821,4 6	52349,7 3	52187,7 4	56446,00	57264,0 0	58828,63	64086,90	67885,61	29510,83	25649,34
Sales	18600	24000	31000	37200	36000	37200	36000	43400	37200	39200	43400	42000	490000	550000	600000
Equity	40000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bank loan	100000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Cash Inflows</b>	158600	82075,0 3	83505,0 6	87294,2 2	87609,5 6	89021,4 6	88349,7 3	95587,7 4	93646,00	96464,0 0	102228,6 3	106086,9 0	557885,6	579510,8	625649,3 4
<b>Cash outflows</b>															
Investments	72930	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ingredients	6510	8400	10850	13020	12600	13020	12600	15190	13020	13720	15190	14700	171500	192500	210000
Salaries	9959,76	9959,76	9959,76	9959,76	9959,76	9959,76	9959,76	9959,76	9959,76	9959,76	9959,76	9959,76	194310,7 2	194310,7 2	194310,7 2
Rent	4500	4500	4500	4500	4500	4500	4500	4500	4500	4500	4500	4500	54000	54000	54000
Insurance	350	350	350	350	350	350	350	350	350	350	350	350	4200	4200	4200
Cleaning	1200	1200	1200	1200	1200	1200	1200	1200	1200	1200	1200	1200	14400	14400	14400
Bookkeeping service	500	500	500	500	500	500	500	500	500	500	500	500	6000	6000	6000
Electricity	400	400	400	400	400	400	400	400	400	400	400	400	4800	4800	4800
Internet	50	50	50	50	50	50	50	50	50	50	50	50	600	600	600
Sundries	50	50	50	50	50	50	50	50	50	50	50	50	600	600	600
Telephone	50	50	50	50	50	50	50	50	50	50	50	50	600	600	600
Entertainment agents	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	12000	12000	12000
Marketing	2000	2000	2000	1700	1700	1700	1700	2000	1500	1500	1000	1000	15000	15000	15000
Alcohol licence	0	0	0	0	0	0	0	0	0	0	0	400	400	400	400

Interest	500,0	496,95	493,88	490,8	487,7	484,59	481,46	478,32	475,16	471,99	468,79	465,59	5330,98	4838,08	4314,78
Loan amortization	610,21	613,26	616,32	619,40	622,50	625,61	628,74	631,89	635,04	638,22	641,41	644,62	7991,48	8484,38	9007,68
VAT to be paid	0	0	1390,88	1794,69	2318,14	2781,77	2692,04	2781,77	2692,04	3245,40	2781,77	2931,33	36641,59	41128,32	44867,26
<b>Total Cash Outflows</b>	<b>100609,97</b>	<b>29569,97</b>	<b>33410,84</b>	<b>35684,65</b>	<b>35788,10</b>	<b>36671,73</b>	<b>36162,00</b>	<b>39141,74</b>	<b>36382,00</b>	<b>37635,37</b>	<b>38141,73</b>	<b>38201,30</b>	<b>528374,77</b>	<b>553861,50</b>	<b>575100,44</b>
<b>Closing balance</b>	<b>58990,03</b>	<b>52420,06</b>	<b>50009,22</b>	<b>51524,56</b>	<b>51736,46</b>	<b>52264,73</b>	<b>52102,74</b>	<b>56361,00</b>	<b>57179,00</b>	<b>58743,63</b>	<b>64001,90</b>	<b>67800,61</b>	<b>29425,83</b>	<b>25564,34</b>	<b>50463,90</b>

	<b>Day hour rate</b>	<b>Evening hour rate</b>	<b>Day hours (Weekly)</b>	<b>Evening hours (weekly)</b>	<b>Salaries (monthly)</b>
Head Chef	12,52	13,53	42	30	3726,96
Chef	10,4	11,41	42	30	3116,40
Waitress 1	10,4	11,41	42	30	3116,40
Waitress 2	10,4	11,41	42	30	3116,40
Waitress 3	10,4	11,41	42	30	3116,40

	<b>May</b>	<b>Jun</b>	<b>Jul</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>
Input tax	748,94	966,37	1248,23	1497,88	1449,56	1497,88	1449,56	1747,52	1497,88	1578,41	1747,52	1691,15
Output tax	2139,82	2761,06	3566,37	4279,65	4141,59	4279,65	4141,59	4992,92	4279,65	4509,73	4992,92	4831,86
<b>VAT to be paid</b>	<b>1390,88</b>	<b>1794,69</b>	<b>2318,14</b>	<b>2781,77</b>	<b>2692,04</b>	<b>2781,77</b>	<b>2692,04</b>	<b>3245,40</b>	<b>2781,77</b>	<b>2931,33</b>	<b>3245,40</b>	<b>3140,71</b>