

Ethnic Nepalese Restaurant in Tampere

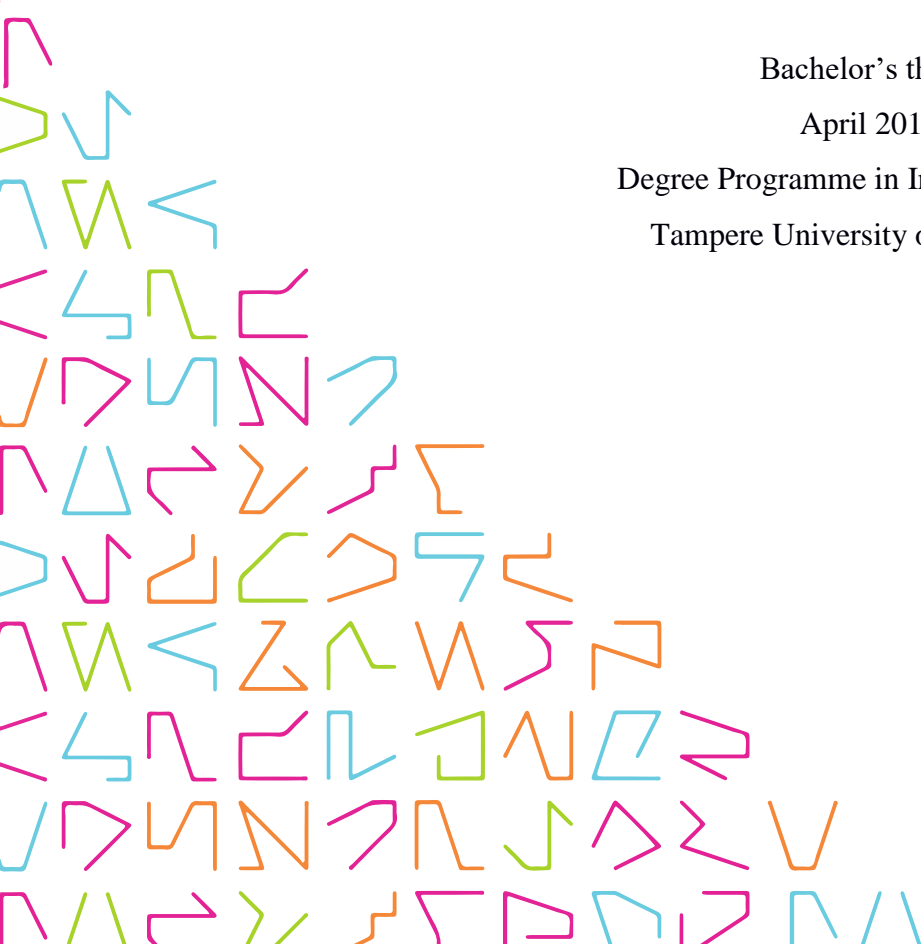
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ABSTRACT

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The main objective of this Bachelors thesis is to create a detailed business plan for an ethnic restaurant in the city of Tampere. The thesis aims to discover the market potential and viability of introducing a new cuisine, momo, in the city. The thesis will analyze the current market situation and what sort of strategy should a new player in the market needs to take in order to maximize the chances of long term business viability.

The first part of the thesis introduced the background information on the thesis. It introduces the author's motivations and aspirations. It also introduces the reader to the research's structure. The author then delves into the detailed business plan with a focus on the marketing strategy for the restaurant. The focus is on the marketing strategy as the onus is on the new player to make a bold move so that it is differentiated from the old guard and the customer base notices the new player. The author analyzes how the psychological aspects of marketing can be used to improve the chances of attracting the customers. Marketing the restaurant as a lifestyle choice rather than just an eatery is the ultimate aim of the author.

Keywords: business plan, restaurant, momo, tampere

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1. INTRODUCTION

Nepal is a small Himalayan kingdom located in the South-East Asia sandwiched between the behemoths, China and India. Nepal is a country with rich culture and heritage. Because of the proximity with two of the largest countries in the world the Nepalese culture is heavily influenced by both and is an interesting confluence of the two cultures. Like all aspects of culture, the traditional food of Nepal also has a lot of interesting influences from the Chinese and the Indian food cultures. There is also a sizable Tibetan population in Nepal that add in to the food diversity. Nepal is a very centralized economy with a large rural area with low population density and a small urban area with high population density. A lot of people migrate from the rural areas to the urban areas in search of better opportunities in life. This creates an amalgamation of the food cultures in the urban areas that proliferates in a rich, diverse food culture.

Momos are unofficially the national fast food of Nepal. Momos are dumplings with a filling of any minced meat or vegetable of your choice. The most popular momos in Nepal are buff momo and chicken momo, a dough wrapping the delicious spicy minced meat and cooked in steam or fried and served with a copious amount of spicy tomato pickle or hot soup. Another really popular food in Nepal is Thukppa. Thukppa is noodles cooked in meat stock and flavored with different vegetables and meat. Both Momo and Thukppa are great comfort food to have when the weather is cold and one needs some heat and vigor in the body. Both of these foods have a Tibetan origin but have now been infused into the Nepalese culture and spices to become a very Nepalese food. In addition to these two there are many ethnic recipes that cater to different ethnic groups of people but are still famous among all Nepalese like Gundruk, Sekuwa, Bara, Choyala, etc. Nepal is a tourism based economy that is visited by 753,002 tourists in 2016 (Ministry of Culture, Tourism & Civil Aviation, Nepal, 2016). In addition to falling in love with the beautiful nature and culture in the country, many visitors also fall in love with the ethnic foods available in the different food outlets in the country. Nepalese food is very famous around the world as many tourists that come to visit Nepal take back fond memories of the food that they have tasted while they were in this beautiful country. Also, due to the socio-economic situation and the recent decade long civil war and political turmoil in the country many Nepalese have been migrating outside of the country to many European and North American countries taking with them a bit of culture and food.

Finland is a relatively homogenous country culture wise with 93.4% of the population identifying as having a Finnish ancestry (Central Intelligence Agency, 2018). But the population is gradually diversifying and according to the Central Intelligence Agency, USA, the net migration rate of Finland was around 2.9 migrants per 1000 population in 2017. (Central Intelligence Agency, 2018) Also, Finns are travelling abroad and getting a taste of exotic foods that they want to taste when they get back to home. The city of Tampere is the largest city in Finland's Pirkanmaa region with a population of around 200,000 (Statista, 2016). There are about 336 food outlets in Tampere according to the travel website Tripadvisor. Among these restaurants there are many popular Nepalese restaurants, like Ravintola Kathmandu and Söpö Himalaya. According to the food delivery company Foodora, these two restaurants are among the most ordered from restaurants in Tampere. There is a big demand for exotic eatery in Tampere and the thesis aims to find the viability of a Nepalese restaurant in Tampere and produce a business plan to support the author's plan for a momo restaurant, MoMo House, in Tampere.

1.1 Background Information

A man is never really free as long as he is working for someone. An entrepreneur has a lot of responsibilities compared to an employee but the growth opportunities for the entrepreneur is also massive. Compared to an employee, an entrepreneur can have a lot more success in life. If one dreams something, one can achieve it is the mantra that successful entrepreneurs have. The author of this thesis has had a lot of experiences working as an employee. The business management and leadership skills acquired by the author during the studies of the International Business course at TAMK coupled with the high motivation and desire of the author to implement the entrepreneurship skills that has been learnt during the studies in real life is the main motivation towards the writing of this thesis.

The other main reason behind the thesis is the financial incentives that are available for the author. In Finland the median income of a bachelor's graduate from a social sciences and business field is 4343 euros per month. (Statistics Finland, 2015) A successful entrepreneur on the other hand has no such ceiling. Business owners earn more and help the country's economy by generating jobs and employment opportunities for other people as well, in addition to generating wealth for the business owner.

The final reason behind the thesis is the market opportunities available. Tampere is a growing city. Tampere is the hub for inhabitants of many surrounding municipalities like Kangasala, Ylöjärvi, Nokia, Lempälä, Pirkkala, etc. The number of visitors to Tampere is always rising because of the growing trends of urbanization and migration. In addition, the consumer spending power is also strong in Finland which leads to better prospects for business like restaurants. The current restaurants that operate in Tampere have a diluted ethnic taste and usually a closed kitchen. The author believes that a restaurant that serves authentic ethnic food with authentic tastes in a kitchen that is visible for the customers to see is going to be a big center of attraction in Tampere. Just like kebabs, a traditional food from the Persian Gulf, has become a ubiquitous food in this part of Scandinavia, the author hopes to do the same and attempt to make momos, ethnic Nepali dish, a part of life in Tampere.

1.2 Research Objective

The main objective of this thesis is to create a business plan for establishing an ethnic Nepalese restaurant in Tampere, Finland. Tampere has four Nepalese restaurants that serve Nepalese cuisines to the inhabitants of the city. But the menu of these available restaurants lacks the ethnic foods from Nepal as the menu items cater to the palette of the European customers with mellowed and generic food items from South East Asia rather than the traditional Nepalese foods and snacks. The author aims to differentiate the new business from the existing businesses by adding the more traditional food and snacks with original spices to the menu. The main objective of this thesis is to answer the research question:

What are the main factors to consider when opening a new ethnic restaurant in Tampere, Finland?

In addition to the main research question there are multiple research sub questions, the cumulative answers of which is going to help the author analyze the result and make an informed analysis of the research question and answer it like what the successful restaurants have done correctly to build themselves such a strong brand and customer base and how can another ethnic Nepalese restaurant succeed from the lessons.

1.3 Research methodology

According to Zikmund, Babin, Carr and Griffin (2010, 5), “business research is the application of the scientific method in searching for the truth about business phenomena”. Business research generates and evaluates business ideas. It also defines the opportunities and problems in a business idea, monitors the performance, and helps entrepreneurs understand the business process. Business Research is an integral part of any thesis. Research uncovers facts that helps an entrepreneur let go of any biases that one might have. In the beginning phase, when research has not been done, an entrepreneur is like only guided by the idea of the business. Many preconceived notions that the entrepreneur can have might be proven right or wrong through thorough research. In light of new discoveries through research an entrepreneur can then make an educated assumption of things. Without a thorough research everything is going to be like one wild goose chase.

There are two major research approaches available for researchers, namely, quantitative research and qualitative research. Quantitative research helps examine the relationship between the different variables at play and classify and organize items according to the features. It is objective and empirical, that is, the result is less biased with the researcher’s point of view and that it can be replicated with similar research by some other researcher as well. Quantitative research methods are used when the researcher has an idea of what to find. The researcher knows what he/she is looking for and uses the research to test the hypothesis that he/she already has. The research questions are close ended. The research plan is highly designed in a quantitative research. For example, if the data collection method is a survey then the survey is designed well in advance with precautions taken so that the survey covers all the aspects of the research before the survey is sent out to the target audience. Results from quantitative research usually come in form of numbers and statistics. After the statistical analysis and number crunching, conclusions are deduced from the quantitative research. Quantitative research methods are usually applied during the later stages of a research to prove the hypothesis that is formulated by the information derived from qualitative research methods during the early stages of the research. The most common forms of quantitative research methods are surveys and questionnaires.

Qualitative research aims to look for the whole picture. It is more exploratory in nature, that is, there are no preconceived hypothesis or prediction. The questions being asked in a qualitative research is open ended in nature thereby giving the research an exploratory

nature. It is emergent and flexible in design as its purpose is to explore experiences and everything is not planned rigidly beforehand like in surveys or questionnaires. The researcher can go into a new tangent depending upon the new findings that can be found during the research. The response of the participant affects the order of the questions being asked by the researcher. Quantitative research explores the participants views through tools like interviews, focus groups and observations and the results of the research are obtained in form of words, interview transcripts, audio video materials or field notes. Quantitative research is subjective as the participant's personal point of view is being collected. The analysis of the data is done by then creating themes by looking through the data collected.

The thesis makes use of both qualitative and quantitative research to gather data necessary.

1.4 Research structure

The thesis follows a simple to follow structure. It begins with a background information regarding what the purpose and objectives of the research. It introduces the research and its necessity for the potential business owner to the reader. This part also lets the user know how the author conducted the research and what is important in terms of the establishing a new business venture. The second part of the research is the business plan and why it is important for the research objectives. The research in totality is a business plan for a potential entrepreneur looking forward to establishing a restaurant in Tampere and this part of the research explains the user why it is a good idea to do a thorough business plan before committing any resources to the actual business venture. The third part of the research is the actual marketing strategy that looks into the current market situation and the opportunities that arise because of the status quo. It includes the strategy that the author aims to follow to market the restaurant and why the author thinks it is the best approach to take. The final part of the research is the financial analysis where the author looks into the estimates of the revenue and expenses of the startup and what the financial viability of the business is likely to be.

2. BUSINESS PLAN

According to the Enterprise Finland website, “A business plan is the company’s manual, required for launching a successful business whose role is to assist in systematically outlining and planning the business and profitability of a new enterprise.” A business plan is a tool that is essential for the entrepreneur to start a successful business. It is an objective and factual document that is one of the first steps that the entrepreneur takes towards actuating an idea that he/she has in the head. When there is an idea in the head one can often get locked into the box. It is human nature to overlook the cons in the idea when the idea is in the originator’s head only. A business plan alleviates this issue with a written down description of all the pros and cons of the business idea with comprehensive financial, emotional and social pitfalls that the business idea can lead to. It also provides a measured observation of the ability of the business to succeed as all the benefits and pitfalls of the business idea are evaluated mostly without prejudice. In addition, external agents can view the business plan to get a robust idea of the business and also input suggestions that are outside the box and which can often be overlooked by the author when one is deeply involved in the project. A business plan as a document needs to be very consistent across its different sections. The consistency is paramount as a small change, for example, change in the rental price of the location can have huge ramifications in terms of costs and thus price, demographics, attraction levels to the customers, marketing methods and much more.

A business plan will analyse the opportunities in the market for the product or service and how profitable the venture is likely to be. The challenges ahead in the road and the means to overcome the challenges are also analysed in the business plan making it a go to guide for the entrepreneur in the long run. Business plans should allow for contingencies because in the business world things never quite go according to the plan. The business plan can be as comprehensive as possible, with the author researching every detail but can fall flat when the business starts in the real world. A perfect business plan can underwhelm if contingencies are not accounted for as the real world is full of surprises. A new business may fail to attract customers owing to multiple factors that can be either incorrectly judged by the owner or just out of sheer bad luck and a bad turn of the economy. For example, it would have been near impossible for a small and medium sized start-up business to predict the global economic meltdown and financial crisis that occurred in 2008 due to the housing bubble bursting in the USA. A business starting in such a turbulent

time can do everything correctly but still fail miserably due to factors well beyond the business owner's hands and imagination.

2.1 Purposes of a business plan

A business plan is the blueprint upon which the foundations of the business are laid. Just like a blueprint is drawn in any engineering design before anything concrete is done physically, in a business a business plan is made that details all the necessary aspects of the business and how to run it before the business even starts. The business plan lays out the vision of the business idea and what the entrepreneur aims to achieve and how the entrepreneur aims to achieve it. It includes every aspect of the business including a marketing plan and a financial plan so that the viability of the business can be judged by anyone who reads the business plan. The business plan is used by both the external parties and the internal parties to help them gather facts and make a decision. But just because it can help attract investments, authors should not embellish and exaggerate in a business plan. Business plan should be realistic and address the situations that can result in failure and contingencies in case of failures.

1.1.1 External uses

A business plan is used by external agencies like the investors to make an informed decision about investing in the business. For an entrepreneur it is not always going to be possible to have the start-up capital. So, most entrepreneurs are going to need investors that trust their idea and vision, and are willing to invest money in the business. The business plan is one of the main document that helps the investors make a decision about that investment that might make or break your vision as an entrepreneur.

1.1.2 Internal uses

Most businesses treat business plan just as a tool to attract investments but in reality the business plan is much more than just a tool for investors. Business plan is the document that entrepreneurs need to look back when there is any concern regarding the running of the business. Because it is the blueprint that was initially designed, it gives the entrepreneur a scale upon which the success or failure of the business can be measured. The direction that the business is going is also important. If the business is deviating from the

initial plan, comparing the actual results with the theory in business plan can make the entrepreneurs realize the fork in the road. The changes can be due to changes in the business environment in which case the business plan should be modified to encompass the changes or due to just going on a different track. If it is the latter than the business plan helps the entrepreneur bring the business back in track.

2.2 Key contents of a business plan

The key contents of a business plan can be seen as discussed below (Uusyrityskeskus, 2017, 17).

Table 1: Key contents of a business plan

Business Idea	The basic premise of the business that the entrepreneur wants to pursue
Entrepreneur's strength	Why is the entrepreneur the right person to lead the business? What are the qualities that can help the business like the entrepreneur's education, work experience, knowledge of the product, market
Product Analysis	Description of the product or service that the business hopes to sell.
Market Analysis	An analysis of the market conditions and how the entrepreneur aims to penetrate the established market
Financial Analysis	An analysis of the financial aspects of the business and calculate the profitability of the business

3. MARKET RESEARCH AND ANALYSIS

The main aim of a market research is to figure out who is going to buy the product and how to reach the target demographics. There are other questions like how will the product help the consumer, how is the product different from the products that are already being offered in the market, how will the consumers find out about the product that will also be answered by the market researches. Market research exists to let the prospective business owners if the proposed business idea makes any sense practically and financially. For example, there is little point opening a beef steakhouse in a country like Nepal where cows are treated as gods and are not supposed to be eaten. If an investor wants to open such steakhouse in Nepal, the market research will let the person know that it is not a good idea as there are going to be very less number of customers and the amount of legal, practical and ethical problems that the business will face are going to be huge.

Food is one of the most essential needs of the human life. From being a primitive animal, whose primary goal of life is to find and feed, humans have through centuries evolved into complex social beings for whom food is more than just filling up the tummy. Long gone is the time where food was meant for just the nutrition that they provide. Food is essentially a lifestyle in the world today. People follow things like Michelin guide and give a tremendous amount of respect and value to food outlets that provide an elegance to the act of eating. The presentation of the food, the ambience of the outlet and the exoticness of the food are held at the same level or sometimes even more than the matter of fact simple taste of the food. People today want more variety in their plates. Just like a child is mesmerized by a kaleidoscope, consumers are attracted by the exoticness of the food that the restaurants put on the table. To get out of the rut of a mundane life, people today want to taste different variety of foods from different nooks and corners of the world. In the past this meant travelling to far flung locations but globalization has helped people from different cultures spread the love of their food in alien cultures such that now an exotic food hub is in your own neighborhood. Today we can see a McDonald's selling burgers and French fries in India while there is a Chinese restaurant around every corner of any major European city, Americans love their sushi while Japanese are in awe of the newest imports, steaks. So, our eating habit is gradually being globalized with this more interconnected world.

Human feeding habit has mostly been a social event. Hunters and gatherers joined together to eat in groups. In the medieval times there were inns to cater to travelers and city dwellers alike. So, the basic idea of selling food for the ease of the consumers at a price point that benefits the seller is the originating point of the modern-day restaurants. As societies become more prosperous, people have a higher amount of disposable income which people can spend on different things that they like. Also, people have less time and thus people tend to value time much more when they are prosperous. Thus, a habit of eating out is generated as people find cooking at home a chore which is best avoided by tasting unique flavors offered by restaurants. Restaurants provide a sanctuary of sorts for the people bored with the regular cooking at home. In addition to food, it also provides a group of people to bond together by allowing them to enjoy good time and good food without the hassles of the cooking processes. In this modern day and age where time is of essence to everyone, the opportunity to have good food and quality family time with family and friends is very important and restaurants provide the chance to fulfill that.

3.1 Current market trends

The first point that the author wants to research is that why Tampere is a good place to start a restaurant business. Tampere is the third largest city in Finland by population with a population of more than two hundred and fifty thousand inhabitants as of December 2016 (Statista, 2016). It is one of the biggest urban centre with Tampere being the centre for the whole Pirkanmaa region. The author arrived in Tampere in 2008 for his studies. The author has lived almost 10 years in Finland taking multiple courses and jobs in the meantime. This has given the author an insight for the business idea. The author has seen the restaurant business grow in Tampere in the last ten years. When the author first arrived in Tampere, there were no Nepalese restaurant in Tampere. The first Nepalese restaurant in Tampere, Ravintola Kathmandu, opened in 2009. Since then the business opportunity has been lucrative enough to inspire a steady growth of Nepalese restaurants. There are now six Nepalese restaurants in Tampere as of 2017, three branches of Ravintola Kathmandu, Söpö Himalaya, Ravintola Everest and Ravintola Indreni. In addition to these Nepalese restaurants there are multiple ethnic restaurants from different parts of the world like Pancho Villa from Mexico, American Diner from USA, many middle eastern restaurants like Fafas, Manoushe and Zeytuun, many Indian subcontinental restaurants like

Nandadevi, Taj Indian restaurant, Ravintola Gopal and Bengol Curry, many Thai restaurants like Fassai and Nittaya Thai and Laos, multitudes of Chinese restaurants like Lotus Garden, Golden Unicorn, Shanghai, Bai Wei, and Yitong hotpot, and the multitudes of pizza and kebab places that have been thriving in the city of Tampere. This demonstrates that the market for ethnically unique food is quite good in the city of Tampere and a new restaurant that aims to differentiate itself from the crowd can have a chance to grow in this city. As can be seen from the number of restaurants with foreign foods thriving in Tampere, it is not a big stretch to be able to identify that a new product will be able to make a place for itself as long as it is marketed properly and is given time to cement its place in the local lore.

There are a variety of restaurants operating in Tampere. Most of the restaurants are of the fine dining type that have proper meal plans with starters, main course and dessert. There are other restaurants that operate more like a fast food outlet where the customer places an order for the item that is desired. The author wants to provide a fast food outlet kind of service with the ambience of a proper dining restaurant. The author does not want to get limited in the staple food of the Indian subcontinent, rice, vegetables and curries, but wants to further explore the exoticness of the Nepalese food by introducing momos as the main item in the menu. The restaurant can serve the traditional rice and curry as an ala carte item but the restaurant will pre-dominantly be known for the fast food that it provides. The restaurant will provide a Finnish take on the exotic Nepalese foods so that the people in Tampere can indulge themselves in the dining ways of the traditional Nepalese culture.

3.2 Blue Ocean Strategy for MoMo House

According to Kim and Mauborgne, "Competing in overcrowded industries is no way to sustain high performance. The real opportunity is to create Blue Ocean of uncontested market space." (2004, 1). In simple terms Blue Ocean strategy means differentiating the product so much from the competitors that one caters to a new set of customers such that one is no longer competing with the competitors but is the only player in the new ocean that the business created while all other existing companies vie for a piece of market in the red ocean making an analogy of the ocean being red with blood because of the over competitiveness. Food industry is a very difficult industry because of the competition. As

the entry barrier is pretty low compared to other industries anyone with enough incentive, motivation and a basic knowledge of cooking and management can enter the food industry. Outlets can range from a simple travelling eatery out of a food cart to a restaurant in a 7 star hotel. Tampere already has quite many restaurants. There are five Nepalese restaurants in Tampere in addition to many more ethnically subcontinental restaurants that offer a similar style of food. The author views that adding one more restaurant that offers the stereotypical foods similar in taste to that being offered at other joints is not going to be a very successful venture. It is going to be less risky in terms of familiarity to the consumers compared to trying to bring in forefront a totally new and exotic food menu but with higher risks comes bigger opportunities. The author also views the risks as less of a risk but more of challenges. It is a challenge to make the momos and thukkpas familiar to the Finnish people. Once they get to know about the food the author believes MoMo House is going to have the advantages as the first entrant to the market thus solidifying its name in the annals of food history in Tampere.

Open kitchen concept is another item on the author's analysis that will help differentiate MoMo House from other ethnic Nepalese restaurants in Tampere. The traditional Nepalese restaurants in Tampere operating currently have a closed kitchen. The cooking process is carried out inside a closed kitchen away from the view of the customers. The author believes that cooking process can be a spectacle that the customers can enjoy and get captivated by. To be able to see the way that the food arrives on the table can be an enticing factor for a customer. Not only the customer can see if the process is clean and hygienic but the spectacle that the chef can provide can be another form of entertainment for the customers. Some popular restaurants in Tampere like Sitko pizza, Fafa's, Chalupa have an open kitchen concept and the author plans to make a similar open kitchen for MoMo House.

The differences between a Red ocean and a Blue ocean strategy can be seen as compared in the table below (Kim & Mauborgne 2004, 5).

Table 2: Red ocean VS Blue ocean (Kim & Mauborgne 2004, 5)

Red ocean strategy	Blue Ocean Strategy
Compete in existing market space Offer a similar menu at a similar price point	Create uncontested market space Offer a menu with totally new and exotic items
Beat the competition The way to succeed is to beat the competition by attracting the customers to the company thereby making the competition lose the customers	Make the competition irrelevant As the company is the only one that is offering the unique products, if the customers want the product, they have to come to the company
Exploit existing demand There is an existing market and thus an existing demand that companies can exploit	Create/capture new demand Create a product/service that nobody else had earlier thought of, thereby creating a new demand
Make value/cost trade-off: Align the whole system of a company's activities with its strategic choice of differentiation OR low cost Companies can either create greater value for customers at higher costs OR create reasonable value at a lower cost	Break the value/*cost trade-off: Align the whole system of a company's activities in pursuit of differentiation AND low cost Company can create both simultaneously
Existing Nepalese restaurants	MoMo House
Android tablets	Ipad

MoMo House is going to use the Blue ocean strategy as momos are not common menu items. The current breed of the Nepalese restaurants offer foods that are a generic form of the Indo Asian staple diet of rice. MoMo House offers a new breed of fast food from Nepal in Tampere. It is a unique experience that one cannot yet have in Finland and must visit Nepal, 6000 kilometres away to get the authentic experience. The existing Nepalese restaurants also do not offer a buffet service that the author feels is very enticing for the customers. The author views having a lunch buffet in a reasonable price point as a differentiating factor between the existing Nepalese restaurants and MoMo House. Buffets are provided by other South East Asian restaurants like Nanda devi which provides an Indian

style lunch buffet. MoMo House differs to these stereotypical Indian subcontinental restaurants in that it will offer the exotic foods like MoMos, beaten rice, chowmein, Bara, Choyala, Kanchila, Aloo achar, beans, achart, soup, Sekuwa, hariyo lason, bhatmas, Bhutan(fokso, intestine, heart,), gidi, rakati(bone marrow), Selroti, sinkamari, yomari, qwoti, gudpak, gajar ko halwa and salad as the main dishes in the buffet. A typical ethnically subcontinental restaurant will offer the rice and curry and MoMo House will not disappoint the customers by providing it in the ala carte menu.

3.3 Maslow's Need theory and psychological marketing

Abraham Maslow developed a model for determining the hierarchy of needs in human beings in 1943 which is a famous psychological model today called Maslow's hierarchy of needs. According to Maslow's theory there are different needs during different times in the life of a person. A person that has nothing will first look to fulfil his/her basic physiological needs like hunger, sleep, sex, shelter that are the basic essential things that are required for human survival. When the person has these needs secured, he/she looks for the next level of needs which are the safety needs that include things like personal security, financial security, security of one's health and safety. When these needs are taken care of the next level of needs is the need of social belonging. Human beings are social animals and all humans want to be part of the society and cannot function alone. Humans have a need for friends and family and being part of this intimate group is an important need that humans want to fulfil. The next level of need is esteem. This is the need of human beings to feel respected. Just being part of the society is not enough once one is part of the society. It then becomes important that you are recognized and respected by the society as a valued member who is better than others. When one earns the esteem the next level of need is the self-actualization. According to Maslow's theory, this level is the desire to accomplish everything that one can, to become the most one can be (Griffin, 2006, 125).

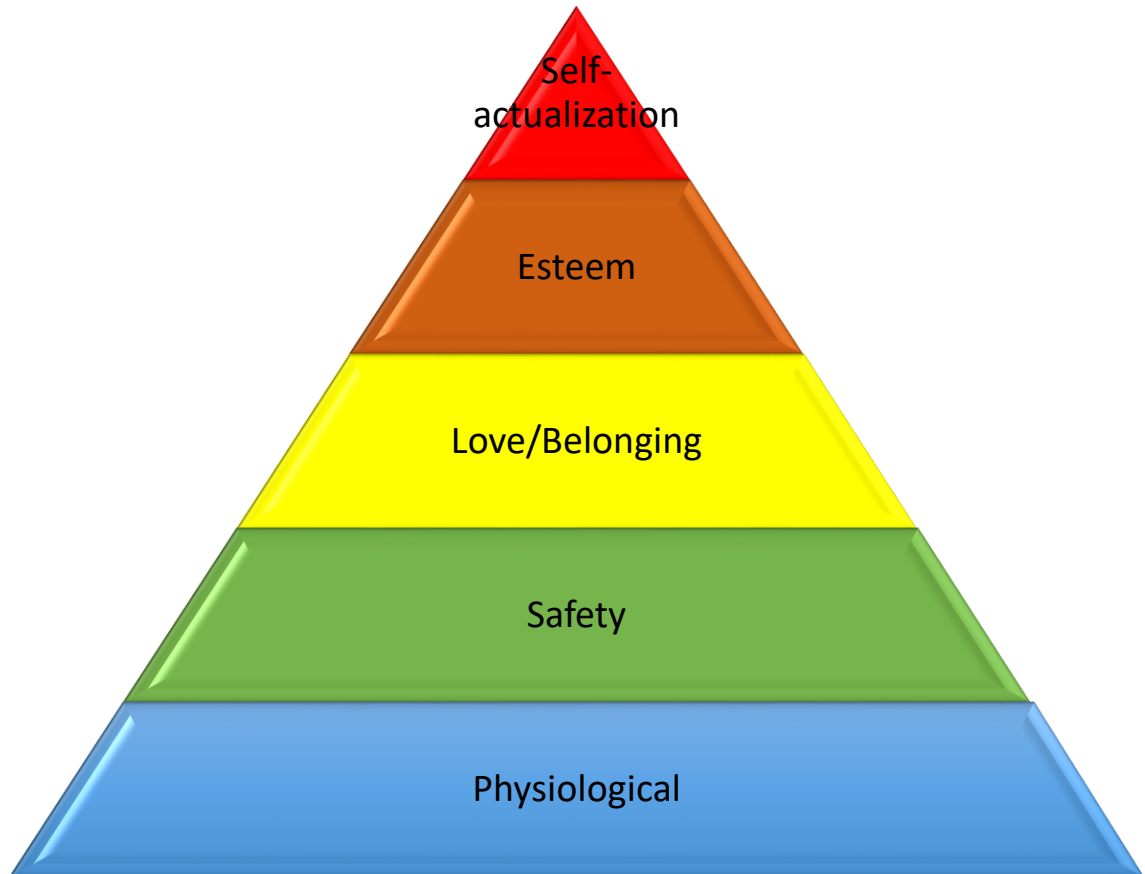


Figure 1: Maslow's hierarchy of needs (Griffin, 2006, 125)

The Finnish society has the physiological and the safety needs covered. Finland is an economically prosperous country with high level of income. The state guarantees the wellbeing of its citizens by providing free health care and education. The social security system in Finland is one of the best in the world. Therefore, the Finnish people usually start from the need of social belonging. MoMo House does not aim just to be an eating outlet. It aims to be a social group which can give a sense of belonging and pride to the community members. The author feels that this sense of belonging provided by the MoMo House will help the restaurant place itself on the map. The company aims to achieve this sense of belonging by acting socially responsible and doing something good for the society and thereby making the customers by the transitive law feel like they are doing something good for the society directly. MoMo house is not going to be just another business operating in Tampere. Tampere is going to be the home for MoMo House and therefore MoMo House will help give back to the society. MoMo House will use fresh ingredients from local businesses thereby helping grow the local economy in its own small way. To give back and be socially responsible while rewarding the owners with reasonable return

on investments is MoMo House's aim. MoMo House is also going to put aside a portion of its profits for a charitable cause. The author believes that one should help the people in need. MoMo House therefore will work together with some organisation working towards the betterment of the society like the Red Cross and help them achieve their humanitarian goals with little help from the business's income. In addition to this MoMo house will partner itself with organizations like Hursiinapu and Tampereenseurakunnat that help the people without access to proper food. In spite of being a very prosperous nation, there are still many people who have problems with feeding themselves day to day which includes jobless people, pensioners, disabled people, people without a permanent contract and even working people as the rental expenses is very high in the urban areas as their salaries not proportionally higher (Yle, 25.05.2015). According to Professor Juha Saari of the University of Eastern Finland, "more than 20,000 Finns are fed weekly by breadline food" (Yle, 28.08.2014). MoMo House wants to aspire to become a model business that other businesses will look up to and inspire the other businesses also to give back to the society that they are a part of and help the ones in need. MoMo House also wants to tackle the problem of food wastage as much as it can. Food wastage is a huge problem in the first world countries. For instance, according to Yle news, Finns throw out 24 kilos of edible food each year which amount to about 125 euros per person (Yle, 19.09.2015), and households are only 35% of the total contributors. This means that the total amount of food wastage comes to 68.57 kilo per person which is equivalent to a whopping 357.14 euros per person as a whole. This is a lot of resources that is going to wastage. When considering the causes of global warming, the industrial food production also comes in as an important factor (Foodsystemprimer, 2016). According to the World Resources Institute, agriculture accounts for over 14% of the world's greenhouse gas emissions (World Resources Institute, 2008). It is therefore imperative that humans do not waste the valuable food whose production is such resource intensive and causing greenhouse emissions. MoMo House wants to play its part in reducing the waste by making agreements with large food chains to utilize their products just before the best before date expires and they need to throw it away. For example, a meat packet expires on 1st of January. Then the item will be out of the shelves and to the trash by the evening of 1st January as it should not be on the shop shelves when the shop opens the next morning. MoMo House wants to make arrangements such that it picks up the about to expire meat packet on the evening of 1st January and cure the meat for making recipes like momo, sukuti, sekuwa, etc, that require marinating of the meat overnight. This way the meat gets cooked on time and wastage is avoided. There are organizations like Froodly that can

mediate between MoMo House and supermarkets. (Yle, 17.08.2015) Also, when there is excess food leftover in the restaurant, instead of throwing it as trash, the restaurant hopes to feed the needy ones with help of apps like ResQ. These activities help the restaurant nurture a positive image in the society and brings awareness in the society about the existing problems and thus face a future with solutions. Because of the socially responsible image of the restaurant patrons will feel a sense of pride in part of the MoMo House family giving them a sense of belonging and esteem.

In addition to being socially responsible business, MoMo house wants to provide a sense of belonging to its customers. It plans on introducing customer loyalty cards that will provide customers with some discounts in their purchases. Customer loyalty card also puts the patron in the MoMo House club. MoMo House club members will be invited for special social events like momo parties where the customers can be part of the momo making process and enjoy themselves the company good food and similar minded people. MoMo House aspires to be more than just a restaurant, it hopes to become a social junction for likeminded people to come together, have a good time and enjoy life.

3.4 Marketing Plan

Marketing is defined by The Chartered Institute of Marketing as “The management process responsible for identifying, anticipating and satisfying customer requirements profitably.” (CIM, 2015) A new business venture is always difficult to set up. If the product or service being offered by the new company is disruptive in nature, then the customer first needs to realize how the product service can improve the end consumer's life as it is most likely that he/she is unaware of the product/service beforehand. On the other hand, if it is an incremental product/service that is similar to what is already available in the market then the company must differentiate the product/service from what is already there so that it can be a better choice for the end consumer. It takes time and effort for the prospective customers to know that a new company exist. A new business should have plans in motion to let the target market know about the existence of the facility and service. There is also the issue of getting the customers to part away with their hard-earned money for the service one provides. There is the competition, and why the customer should choose you over another service provider. Marketing is a very comprehensive term that encapsulates many different activities that work towards the common goal of solving these problems that a company will have. More often than not marketing is mistakenly

taken as a synonym of advertising but advertising is only a part of the whole marketing. Marketing is a holistic strategy of a company to make sure that the product/service reaches the target demography conveniently.

3.3.1 Marketing Mix

Marketing is one of the most important factors that can determine the success or failure of the product/service that a company is offering. A company can be producing/providing an excellent product/service but can wind up as a complete failure if not marketed properly. On the other hand, even a mediocre product/service can have a successful lifespan if it has been marketed properly. Movies are as ubiquitous a product as any and many examples can be seen of how a properly marketed movie can do very well financially in spite of being ridiculed and panned by the majority of movie critics and the movie watching audience. For instance, the 2009 movie, *Transformers Revenge of the Fallen*, was universally panned by reviewers and end consumers alike with an abysmal score of 35 out of 100 and 19 out of 100 on the review aggregating websites Metacritic (Metacritic, 2009) and Rottentomatoes respectively (Rottentomatoes, 2009). But the movie was marketed properly with special marketing strategy aimed towards the target demography of young adults who grew up with the toys and cartoon series by the same name. Riding high upon the nostalgia of the target demography, the movie went on to be a box office juggernaut with nearly a billion United States dollars in terms of its worldwide box office collections (Boxoffice Mojo, 2009).

Marketing plan has a significant role in any business plan. It includes evaluation of the current market situation by finding the opportunities and trends. Furthermore, the analysis of detailed action programs, budgets, sales forecasts, strategies, and projected financial statements. Marketing plan will answer the pertinent questions like what product/service is the company selling, who is going to buy the product/service, what is the end consumer going to pay for the product/service, a breakdown of the costs to determine the viability of the product/service, where the product/service will be sold, how the end consumer can consume the product/service, how the end consumer will know about the availability of the product/service and who are going to interact with the customers and thus will be the face of the company for the end consumers. In the marketing world all of these

activities are encompassed together as a set of activities and is known as the Marketing Mix. Marketing Mix is a term first coined by Neil Borden in his article *The Concept of the Marketing Mix* in 1949. According to Neil Borden, a marketing man is a mixer of different ingredients, constantly engaged in creating a mix of marketing procedures and policies in his efforts to produce a profitable enterprise. (Borden, 1984) The idea of the marketing mix was taken further forward by E. Jerome McCarthy when he suggested the 4 Ps of marketing (Yudelson, 1999). The 4 Ps of marketing he suggested were Price, Product, Promotion and Place which were the most common ingredients that Neil Borden talked about earlier when suggesting the marketing mix.

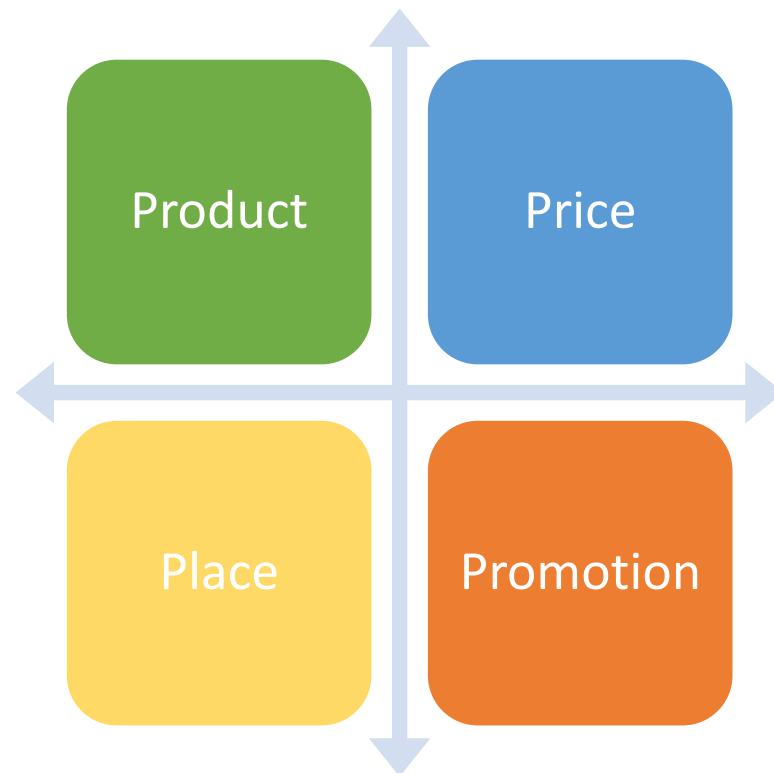


Figure 2:4Ps of marketing (Armstrong and Kotler, 2011)

The marketing mix refers to the set of tactics used by a company for the promotion of its brand or product in the market. Marketing is the process by which companies create value for customers and build strong customer relationships in order to capture value from customers in return (Armstrong and Kotler, 2011). The 4 Ps of marketing are the pillars under which a marketing strategy for the company is built. The marketing strategy for MoMo House with reference to the 4 Ps of marketing are discussed below.

MoMo House offers a unique dining experience for the people of Tampere. There are different ethnically Nepalese restaurants operating in Tampere offering a generally sub-continental menu for the patrons. MoMo House aims to use the blue ocean strategy and introduce to Tampere an ethnically Nepalese restaurant that offers as its main dishes, the exact foods that can be found in the streets of Kathmandu.

The hospitality industry is a reputation based industry. Word of mouth can play a huge role in significantly increasing the value of a company in the hospitality industry. When the product offered is a unique with quality ingredients and a good ambience, eateries will flourish. Because of the human desire to eat out and the lack of time in preparing quality food, food outlets are a very good business.

Geert Hofstede has defined culture as "the collective programming of the mind which distinguishes the members of one group or category of people from another." Cultural values are a strong factor that determines the motivation and choices of the consumer when making a purchase of a product or service. Ignoring or misunderstanding the culture is the number one factor that organizations fail in foreign markets (Trompenaars and Hampden-Turner, 1998). A marketer that is insensitive to culture will be highly prone towards failure across markets with different culture and traditions like Nepal and Finland.

A customer driven marketing strategy needs to be formulated which involves market segmentation, target segment and how to position the product? The restaurant is looking to cater mostly to people from the age bracket of 15-45. It is the young and young adult that are usually open to the idea of trying out something new and exotic. Also young families are the prospective patrons as the restaurant will provide a kids' friendly environment and ambience. Then marketers need to develop an integrated marketing program using the different marketing tools in the 4Ps of marketing. The 4Ps of marketing are Product, Price, Place and Promotion. Product consists of the physical product and the aura associated with the product. Nepalese restaurant provides Nepalese cuisine in an authentic Nepalese taste and ambience. It is a combination of a fine dining restaurant with a mix of fast food outlet. The pricing strategy is to be on a mid-tier price range similar to the competing Nepalese restaurants. It is not going to be a high end Michelin joint neither is it going to be a fast food outlet like a McDonalds. It is going to have a proper restaurant ambience and provide quality food and service at an affordable cost. Place is very important as well

and the restaurant will have an outlet in the city center where there are many offices and visitors. The office workers are a big client segment that the restaurant targets and the easily accessible location is going to be a very positive factor for the new business. Finally, promotion of the restaurant is going to be done with both traditional means of advertising like the billboards and the new age methods like social network marketing. The restaurant will have a strong online presence with options available for online ordering. In addition, the restaurant will align with socially responsible services like ResQ to make sure that as little food as possible is going to waste.

3.4 SWOT Analysis

Table 3:SWOT Analysis

<p>Strengths</p> <ul style="list-style-type: none"> New, exotic foods Reasonable price Good portion size Quality raw materials Good ambiance Friendly staff Ethically responsible company Be part of multiple social initiatives Be part of the family 	<p>Weaknesses</p> <ul style="list-style-type: none"> Lack of experience Being the new player Lack of ethnic cooks in Finland Difficult to familiarize exotic foods
<p>Opportunities</p> <ul style="list-style-type: none"> Large and growing market Huge growth opportunities with multiple branches or franchisees possible in the future High financial incentives 	<p>Threats</p> <ul style="list-style-type: none"> High competition Economic downturns forces less eating out habits

4. FINANCIAL ANALYSIS

The financial viability is one of the most important reasons for any business to exist. For an investor to invest money into a new project, the investor must see how the business will make money in the future. It is one of the most important part of the business plan as money is a primary motivation for many investors.

The area of the restaurant allows for the seating of around 30 customers at a time during the lunch and dinner hours. According to a study made by Cornell university researchers, the average eating time at a restaurant is 60 minutes (Kimes, Wirtz and Noone, 2002). The lunch hour is different compared to dinner and the author believes that because most office have a lunch break of less than 60 minutes, the average time for lunch is going to be considerably less, averaged at around 45 minutes.

The lunch hours start at 10:30 and end at 15:30. The restaurant thus has 5 hours at its disposal to serve lunch to the customers. The maximum number of customers that can be served per table is therefore, $300/45$, which is equal to 6.66667 and the total maximum number of customers that can be served is, $6.6667*30$, which is equal to 200 customers. The author estimates an average occupancy of 40% during the lunch hours which equates to a total number of customers served per day at 80 customers. The price per head for the lunch buffet is 12 euros which results in a total daily lunch revenue at 960 euros and a total monthly lunch revenue at 19,200 euros with the restaurant being open for lunch service 20 working days of any month.

Table 4: Lunch hour calculations

Lunch: 30 pax capacity		
Average eating time	45 mins	
lunch	10:30-15:30	5 hours (300 mins)
maximum per chair	6.66667	
total maximum	200	
40% occupancy	80	
per head buffet price	12	
Total lunch income daily	960	
Total monthly lunch income	19200	

The dinner hours start at 16:00 and end at 22:00. The restaurant thus has 6 hours at its disposal to serve dinner to the customers. The maximum number of customers that can be served per table is therefore, $360/60$, which is equal to 6 and the total maximum number of customers that can be served is, $6*30$, which is equal to 180 customers. The author estimates an average occupancy of 25% during the dinner hours which equates to a total number of customers served per day at 45 customers. The average price per head for the dinner is 17 euros which results in a total daily dinner revenue at 765 euros and a total monthly lunch revenue at 22,950 euros at 30 days a month.

Table 5: Dinner hour calculations

Dinner: 30 pax capacity		
Average eating time	60 mins	
Dinner	1600-2200	6 hours 360 mins
maximum per chair	6	
total maximum	180	
25% occupancy	45	
per head buffet price	17	
Total lunch income daily	765	
Total monthly dinner income	22950	

The total number of patrons that the restaurant serves per day is, $80+45$, which equates to 125. At an average of one drink per patron, at an average price of 3 euros per drink, the daily drinks revenue comes out to 375 euros. At an average cost of 1 euros per drink the cost of the drinks consumed is 125 euros and thus the daily gross profit on drinks is 250 euros. For a financial month with 20 lunch days with 80 pax per day and 30 dinner days with 45 pax per day, the total drinks revenue comes out to be 8850 euros per month.

Table 6: Drinks calculation

Patrons per day(avg)	125
Avg drinks price	3
Avg drinks cost	1
Drinks daily income	375
Drinks daily cost	125
Total monthly drinks income	8850

The total monthly gross income is the sum of the total monthly lunch, dinner and drinks income. As the individual sums appear in the tables above the sum of these comes out as 51000 Euros per month.

The average food cost per person is estimated at 8 euros per patron while the average drink cost is estimated at 1 euros per patron. The total number of customers is going to be 2950 per month according to the above estimation and calculations thereby giving a monthly food and beverage cost of 26.550 euros.

Table 7: Total food and beverages calculation

Expenses(Food and Beverages)	
Avg food cost per patron	8
Avg drink cost per patron	1
Number of patrons per month	2950
Total F&B costs	26550

The personnel costs for the restaurant requires an estimation of the man hours of work required to serve the customers. The author estimates a requirement of two chefs, two kitchen helpers, two waiters and one manager to properly serve its customers. At an average salaries of 3000 per chef, 2000 per helper, 2500 per waiter and 3500 per manager, the total human resources costs comes out to be 18,500 euros per month.

Table 8: Salary calculation

Salaries	
2 chefs	6000
2 helpers	4000
2 servers	5000
1 manager	3500
Total salaries per month	18500

Other costs for the business venture includes costs like rent, insurance, energy and utility costs, marketing costs, administrative costs, repair and maintenance costs which can be seen in the table below. The total operating expenses of the restaurant comes out to be 48,150 euros per month giving us an EBITDA of 2850 euros per month. Adding into account the interest on the loans at 1500 euros per month and a 20 percent tax deduction gives us a net profit of 780 euros per month from the restaurant.

Table 9: Net profit calculation

Other costs	
Rent	1500
Insurance	100
Energy and Utilities	300
Marketing	1000
Administrative and general costs	100
Repair and maintenance	100
Total operating expenses	48150
EBITDA	2850
Interest on loans	1500
Tax 20%	570
Net profit	780

5. DISCUSSION

Tampere is a thriving city with a rich culture and tradition. The people in Tampere are culturally aware of globalization and Tampere is also a melting pot of people from different cultures in Finland. The author believes that diversity is what the consumers in Tampere demand. Serving a different kind of food is a challenge but the rewards are also high when the entrepreneur succeeds in familiarizing the exotic food to the local palette. The opportunities are there for a hardworking restaurateur to make a mark in the history of the food culture in Tampere by making exotic foods of today like momos, a ubiquitous food like kebab, burger or sushi, in the future.

The author deduces that the main factor that needs to be considered when opening a new restaurant is differentiating oneself from the crowd. Because of the abundance in choices that are available to the consumers in this day and age, the author believes that it is very easy for a new business to get lost or not be noticed by the consumers. Therefore there is this important need to create a product that is different from what is being offered by the market currently. Then the product needs to be marketed properly so that the business can gain traction. The difficult stage for the business will be in the beginning when it needs to get the momentum going and it is then that the uniqueness of the product offered will guarantee it a critical mass of followers. Once this is achieved the niche product will soon become something hip and trendy that everybody wants and the momentum of the business keeps moving forward.

Tampere offers the right amount of versatility in terms of location for opening a new food in Finland. Tampere is a student city boasting of three large international universities that attract students from all around the world. Because of this Tampere has a cultural mix and openness for trying out something different. Momos are something different that has rarely been tasted by a European who has not been to Nepal or has an interest in Nepalese food. So when we combine a willing to experiment market and a good product, success is bound to follow. There is an also huge market up for grabs in Finland, or even Europe in general, because of the strength of the economy and purchasing power of the local population. A successful MoMo house can be a gateway to further opportunities like a chain of MoMo Houses across Finland or even across the Nordics or the whole of Europe.

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