

# The best of india restaurant: analysis



The “ Best of India” Restaurant is one of the oldest Indian restaurants in the East London area which has been a family run business since the year (1989). Mr. Aowlad Miah is owner of this Restaurant who is Bangladeshi and British citizen. He is also a good cooker. It was small restaurant with some specific food items when it was running in 1989. And number of employee was five. But today there have 167 items of food and 20 employees works in this restaurant. Restaurant has one manager, one accountant, three cooker, two tandoori chef, full waiter five, como waiter five, and kitchen porter two. The food which is served is very tasty and cooked to a high standard because the chef owns the business. The restaurant has been awarded with the Master Chef Roll of Honour Award Food 2002, Standards Agency Awarded 2006 and Good Eating Guide 2009/2010 certificate. Our staffs are very friendly and welcoming to the customers and are determined to fulfill the customer’s needs.

## **Mission**

To provide at a fair price – nutritional, well-prepared meals – using only quality ingredients. To maintain a fresh, comfortable and well maintained place for our guests and staff. To ensure that each guest receives timely, friendly and polite service. To ensure that all guests and staff are treated with the respect and dignity they deserve. To thank each guest for the opportunity to serve them. By maintaining these objectives we shall be assured of a fair profit that will allow us to contribute to the community we serve.

## **Objectives**

1. Averaging sales between 30, 000 – 50, 000 Pounds per year.

2. Employee labor cost to remain 40-43% of total Sales.
3. Gross Margin was 67. 20% in 2008 and 68. 31% was 2009. Our target to attain 71. 76% from 2010 year.
4. The food cost to keep below 30% of revenue.
7. Expanding our marketing and advertising in central London and outside of the London where Indian people like Birmingham.

## **Business Portfolio**

Business portfolio means collection of business and products that make up the company. Every company should to analysis of his current products because to take decide which business receive more or less investment and add new products to develop growth strategy. The Best of Indian Restaurant makes the following foods:

## **SWOT Analysis**

Elaboration of SWOT analysis is ‘ S’ means Strength, ‘ W’ means Weakness, ‘ O’ means Opportunity, and ‘ T’ means Threats. This is a strategic planning method. That is used to evaluate strength, Weakness, Opportunity, and Threats of a business. It specifying the objective of business and identifying the internal and external factors that are favorable and unfavorable to achieving the objectives.

## **SWOT Analysis for “ Best of India” Restaurant**

### **Strengths**

### **Weaknesses**

Strengths are those positive aspects or distinctive attributes or competencies which provide a significant market advantage or upon which the organization can build-for.

1. Employ well-trained and experienced staff.
2. There have free home delivery with order over 15 pounds
3. Take-away option for customers.
4. Restaurant has good choice of items available on our menu.
5. Offer a product no other business offers.
6. Brand image in East London.
7. The interior is clean and tidy.
8. Flexible working hours for the employees.
9. Good ventilation and air conditioning system.
10. There have Sunday Late Lunch BUFFET

Weaknesses are those negative aspects or deficiencies in the present competencies or resources of the organization which limit its effectiveness.

1. Lack of relationship building with employee, customer and supplier.

2. It has poor disabled facilities
3. There have no R&D sector for research product and customer satisfaction
4. Limited Accommodation(Space, decoration)
5. Outdated equipment( Furniture, TV)
6. Lake of hospitality
7. Poor Hygienic system

## **Opportunities**

Opportunities are favorable conditions and usually arise from the nature of changes in the external environment.

1. Increase delivery service.
2. To design a new food menu.
3. Updating Restaurant
4. Customer focus
5. To take online order and home delivery.

## **Threats**

are the converse of opportunities and refer to unfavorable situations which arise from external effectiveness of the organization

1. Departure of the experienced employees.
2. Additional taxes on the supplies coming from abroad.

3. New restaurant is moving into the area.
4. A main competitor has lowered their prices and started a price war with the restaurant.
5. Restaurant lease is up for renewal and a rent increase will happen.
6. Another restaurant has started offering similar products at a lower price.

## **Competitor Analysis**

Competitor analysis in marketing and strategic management is an assessment of the strengths and weaknesses of current and potential competitors. This analysis provides both an offensive and defensive strategic context through which to identify opportunities and threats. Competitor profiling coalesces all of the relevant sources of competitor analysis into one framework in the support of efficient and effective strategy formulation, implementation, monitoring and adjustment.

## **Strengths**

### **Roman Tandoori Restaurant**

Price is Cheaper of most of the food items than Best of India

There have free home delivery with order over 10 or more pounds

Excellent, delicious food and speedy service

Good Hygienic system

Decoration of restaurant is modern

## **Chicken Delight Restaurant**

Restaurant space is larger.

Experienced Staff

Quality food

Financial condition is well

Decoration of restaurant is ultra modern.

Take away system available

Strong disability facilities

## **Weaknesses**

### **Roman Tandoori Restaurant**

1. Most of the Staffs are inexperienced.
2. It exterior unattractive
3. There have no flexible working hour for employer
4. It has limited funds available.
5. There have no Late Lunch BUFFET

## **Chicken Delight Restaurant**

It is not established

Home delivery unavailable

Expensive price

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There have no Late Lunch Buffet

Customer service poor.

## **Chart of Competitors Analysis**

### **Recommendation Strategy**

#### **Market Penetration**

Market penetration means to open/ run a new business in existing market with existing products. It increase the market share of current products, secure dominance of growth market, restructuring of mature market by driving out competitors and increase usage of existing competitor.

We do analysis to see that if “ Best of India” restaurant to open new restaurant in existing market (East London), then market share of restaurant will be increased, will earn more money, will be more established in east London, business will be run to long time and competitors won't be established in market.

To start a new restaurant branch in market, we face some factor such as- Political, Economic, Social and Technology.

Political: Restaurant should to take permission from councilor. Restaurant must be full filling all the requirements of government to run a business in existing market. For example, fire exit door necessary. If the government does increase tax on business, then it will be affected on new business. For this reason, cost of produce food will be in high and income will be low for certain investment.



For example, a restaurant does investment 20, 000 pounds per month to produce various item foods and income become 5000 pounds. After add tax, restaurant need 25000 pounds and income same. So we see that restaurant need more investment and income less in respect of certain amount money. If the government does change rules of employee salary, it is also affected in business.

For example, Salary rate have became increased 6 pounds to 8 pounds per hour, then labor cost of restaurant will be high and income will be less.

Economic: Need huge amount of money to open a new restaurant branch in existing market. Deposit become reduces. If restaurant do not enough money to open a business, then they need loan from Bank. Some Business owner do not get expected loan from bank in some cases. Then they fall a problem to continue business. For example, a people need 30, 000 pounds to open a new business, his has 10, 000 pounds deposit and need 20, 000 pounds for rest of money. Unfortunately he has gotten 15, 000 pounds, and then it will be so difficult to run business. You should consider world recession to open a new business.

Social: Culture and religious are affected in business. For identification of culture and religious, we need market segmentation. Market segmentation is necessary for proper business. If we do market segmentation for restaurant, then we can find out which people like which food, count the how many number of religious people live that market segmentation area, which foods have well demand in market and which foods have availability. For example, most of the Indian lives in east London area. There have Muslim and Hindu

religious people. A Muslim person likes halal food, so if we do run restaurant business in east London, then we should consider about this.

Technology: Technology makes life easier, comfortable. Technology is becoming developed day by day. So it is affected in Business market.

Automated door, automated food machine, online food order and card reader makes easier restaurant business. As discover of automated door, there have no need extra labor. Because of internet facilities, people can choice any item of food to sit in home by using online order system.

## **Gantt chart of Market penetration**

### **Marketing Strategy**

If we open a new branch in outside London (Birmingham), then restaurant will expand of new market, more established in current market, create new distribution channel and create new market segmentation,. As a lot of people of Indian, Bangladeshi and Pakistani people live in the Birmingham. So, they will get Indian food in that restaurant and restaurant will earn huge amount of money from this market. We will need well marketing to get established in new market. That's why proper marketing strategy is necessary to reach restaurant desired goals.

## **Gantt chart for Marketing Strategy**

### **Sales Strategy:**

### **Sales Calculate:**

The following charts show sales projections for our first twelve months.

Monthly restaurant gross sales are to average 1093. 41 pounds. That is 30 people for lunch spending approximately 5 pound per person, and for dinner

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approximately 50 people spending an average 12 pounds per person.

Catering will average 303. 41 pounds/month or three parties of 101. 13 pounds each. Our total cost of goods sold is capped at 35% of total sales. We expect goods sell is capped at 25% after 1 year.

Fig1: Monthly Sale Graph of Best of India

From the above figure we can easily identify the total sale of restaurant. By using this graph, we can compare the target sales and current sales. It also helps to take decision.

Fig2: Total Sale Vs Direct Cost of Sale

Above Figure shows total sales and total cost to produce product in restaurant. We can identify the net income for one month.

Fig3: Target sale for future

Above figure shows the restaurant sales strategy for next two month.

## **Gantt chart for Sales strategy**

### **Conclusion**

With this report, we have described History, Mission statement and Objectives of “ Best of India” restaurant. And we have done SWOT and Competitor Analysis for this restaurant in respect of current situation. We also provide three recommendation strategy such as Market penetration, Marketing Strategy and Sales Strategy for expand business, to take more market share in existing market, to earn more profit, to run business long time.