

# Business plan vapiano restaurant

[Business](#)



The franchise fee for Piano is \$45, 000, therefore the whole investment needed is Piano franchise. This Business Plan sets out our strategic, operating and financial statements in order to

### 1. 1 Business Objectives

Based on Joseph, 201 5) a business objective is a specific action by which you reach yourgoals, which are achievements of a more general nature. By setting your goals and objectives we will be able to identify the purpose of our entrepreneurial action. Goals normally involve terms like market share, growth, profitability and so on. Our objectives are the following:

Open 2 more Piano restaurants in the next five years in the same country  
Achieve a 10% increase in revenue annually  
Constantly improve our customer service and their experience by welcoming possible changes and improvements from our staff  
Improve our efficiency through excellentcommunicationbetween the production and the chefs on the line  
Become even more efficient with innovations from our staff  
Gradually reduce costs because of the learning curve

### 1. 2 Mission Statement

A mission statement is a one-sentence statement that clearly shows what the business is about, what their priorities are and what is their long-term goal (Top

Nonprofits, 2014) Our mission statement is the following: Become the lead Italian restaurant in Czech Republic for busy people, who give a lot on goodfoodmade from fresh ingredients.

### 1. 3 Guiding Principles

Piano itself already has a single guiding principle, which is meant for their customers as well as their employees. Since Piano is an Italian restaurant, their guiding principle is also expressed in Italian language: " Chi VA piano, VA sans e VA loan". Translated that would mean: " If you have an easy-going and relaxed approach to life, you'll live more healthily and longer".

Since we would own a franchise of Piano, we would adopt their guiding principle and use it as our own. For us to be successful in the franchising business, we must not only follow the franchiser in their ways of handling business, but we must also believe in what the "father" company believes in. 1. 4 Keys for success 2. Taylor made products based on the customer's wishes 3. Differentiation strategy 4. Already a recognized brand 5. Good communication with Piano, which has a successful base model 6. Following the rules of franchiser 7. Excellent customer service 8.

Team oriented leadership. Strong identification with Piano concept 10. Well established network with local suppliers 2 INDUSTRY ANALYSIS We will be using "Porter's five forces analysis" by which we will evaluate what the industry is like based on: Industry rivalry Threat of substitutes Bargaining power of buyers Bargaining power of suppliers Barriers to entry - threat of new entrants Figure 1: Porter's Five Forces Analysis adopted by author There are 13 existing businesses within the complex in which we are interested in, that may pose as a threat, since they offer food as well.

There is however not a single assistant in the whole country that offers a unique product like Piano, which differentiates itself from others by preparing fresh food as fast as a fast food business. The industry is very big, which enables a business like this to grow without taking market share from other similar businesses. In a longer period of time, that means that the impact of the industry on the firm is very likely to be positive. The industry however is not only big, but it is expanding at a fast pace. Industries that are growing fast in revenue are less likely to compete, making the growth positive for our franchise.

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The costs of storage are very small in Piano because everything is produced directly at the place of business based on the inquiry. The latter presents an advantage for our franchise.

2. 2 Threat of substitutes Current substitutes lack in quality compared to Piano so that means that the customers will not likely replace Piano with an alternative.

2. 3 Bargaining power of buyers Since there is a large number of buyer that means, that a single buyer does not possess a special leverage, which helps the company.

The buyers are not sensitive to the price, because even though if the company increases its prices, the buyers will to swap us. Piano offers a customized product, softly locking the customers, since they would not like to go to producers that do not meet their demands.

2. 4 Bargaining power of suppliers A vast number of suppliers are very positive for our business since the suppliers are competing with one another, thus reducing the price for producers. Because the suppliers can be replaced easily, they do not have a strong bargaining power over us, but the other way around.

. 5 Barriers to entry Opening a franchise is very costly, especially when opening a franchise that is well established and known. A lot of potential competitors will not enter since the costs are simply too big. The brand has already made a name for itself pushing the potential competitors away. Best methods have already been patented, so it is much harder for the competition to copy Piano.

3 BUSINESS BACKGROUND The franchise we are about to open has been around since 22nd October 2002, when the first Piano was opened in Hamburg, Germany.

Not even two years have passed by when the father of Piano decided to offer his idea to the whole world by the option of franchising. Today there are

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already 1 50 Pianos in 29 countries expanding on 5 continents. The concept is to bring people from the city together, to bond, talk and enjoy in a coos atmosphere over delicious food prepared freshly in front of their eyes. Piano today is a worldwide recognized brand which has gained a lot of their recognition with their " fresh casual dining" concept.

Since we are planning on opening a franchise of the upper mentioned restaurant Piano, it is crucial that we look into their stream of revenue as well, to determine if the concept they are sharing has been positive. Based on (Frankfurter Alignment Getting, 201 5) the revenue generated by Piano in 2013 was around 336 million ours. If we do a simple calculation derived from the revenue data that we got, we estimate that average revenue per restaurant is approximately 2. 24 million euros 4 MARKET ANALYSIS Market analysis is one of the most important parts of the business plan.

Firstly a good market assessment is important for the entrepreneur himself, so that he has a much more clear vision of what he can anticipate. Secondly it is also more appealing for the potential investors, if the market analysis is made thorough hence they are more willing to enter into a long-term relationship as partners. Assessing the market an also influence potential customers and help the entrepreneur see the potential risk involved, so he can prepare preliminary to it.

If an entrepreneur is in need of additional funds, a very good market analysis can secure those funds more easily (Kerr, 2015). Market analysis includes defining features that pose as unique to a chosen market. The valuable date that an entrepreneur derives from such actions can help him make tough

decisions when faced with such challenges. Good market analysis normally include an overview of the industry, targeted market, analysis of the competition, rejections of the business and regulations if the exist (Kerr, 2015).

This analysis will only include the market of Czech Republic, although tourists are potential customers as well. The latter however will not be included since it would make the analysis very difficult and thus the risk of inaccuracy would be much more greater. Industry description and outlook Piano's policy is that one franchisee takes over an entire region or even the whole country that is why we will focus on the industry within Czech Republic, where we are planning on opening the franchise restaurant.

The following table 1 presents the key statistics in which we see the country's annual average GAP growth rate compared to the hospitality sector annual growth rate between 2000 and 2010. Table 1: Key statistics from Czech Republic Source: eye. Com (modified by author) Annual Average GAP growth rate 2000 - 2010 (nominal) Hospitality sector annual growth rate 2000 - 2010 (nominal) Total economic contribution of hospitality (incl. direct, indirect and induced impacts): Output in billions of Euros 12, 6 8, 4% (of the total) GAP in billions of Euros 3, 1% (of the total) Employment (number of people) 06000 6, 4% (of the total) Total tax contribution of hospitality in billions of Euros Excise in billions of Euros 40% (of the total) VAT in billions of Euros 36% (of the total) Employment in billions of Euros 24% (of the total) As we can see from the table 1 above, the hospitality sector provides a vast part of the country's GAP as well as tax contribution and employs a great percentage of the population (6, 4%).

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The average annual growth of the hospitality sector (8, 2%) in Czech Republic is very big as well, especially compared to the European average (Ernst & Young, 2013).

4. 1. 2 Prospects It is expected that for the full-service restaurants to record a better performance in the periods to come. The forecasted growth is set to a constant 2%, based on the country's economic recovery, that will be reflected by an increase in the populations expenditures (Remuneration, 2013).

4. Target market Although Piano is a full-service restaurant it has some characteristics of a fast food, because they have combined both aspects together, meaning that Piano restaurant attract both the younger generation as well as the middle-aged consumers. Based on the (Binned, 201 5) Piano targets young trendy people with he desire of a quick and smooth after-work meal and business people as well. (Binned, 201 5) also mention that Piano focuses mostly on local people of the upper-middle class, rather than on tourists.

In the case of Czech Republic and their demography data, their age structure is the following (Index Mind, 2014):

Age Group	Percentage
0-14 years	14. 9%
15-24 years	25. 6%
25-54 years	43. 6%
55-64 years	13. 4%
65 years and over	17. 5%

Source: Index Mind

As we can see from the table above, the targeted market based on the age structure is sufficiently big. Another variable is the employment status of the individuals, since Piano targets business people and those who go for a " after work lunch". The latest unemployment rate in Czech Republic was estimated at 7, 53% (Trading Economics, 2015).

Based on the Piano targeted market combined with our model, our " targeted person" is a middle aged employed person (male of female) or a

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businessperson from Czech Republic with a good social life. 4. 2. 1 Trends Like before, a typical Czech consumer still likes to have a proper lunch. While the younger generations tend to go for a quicker lunch, middle-aged consumers opt for full-service restaurants in-between lunch breaks. Very popular Job benefit trends in Czech Republic are meal vouchers

(Remuneration, 2013). 4. Market accessibility At this stage is quite hard to determine the exact TAM, SAM and SOME. Based on the the population of Prague we have prepared a calculation that can serve as an approximated value. Let us assume that almost everybody in Prague dines out at least once a year, meaning that approximately 1, 25 million people would be our total available market (TAM) for the first restaurant. Since not all like Italian cuisine we can further narrow that number by 50%, which do like it, bringing us to 625. 000 people, which is our serviceable available market (SAM).

Since we are not the only business to offer Italian cuisine we have to further narrow that number to get the serviceable obtainable market (SOME) by assuming that 40% of SAM will come to our restaurant in the period of one year. So the evaluated SOME would be 250. 000 customers in the first year, which means 685 customers per day. Based on (Unguent, 2014) a single Piano restaurant serves around 750 customers daily, which confirms our calculations. 4. 4 projections Normally, market analyses include projections on the possible future income or revenue.