A SPANISH & HEALTHY RESTAURANT IN POLAND

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Abstract

The purpose of this business plan is to set the business core ideas. The business is a fast food restaurant, to be opened in Poland, and offering Spanish food and healthy menus. We strongly believe that the concept stands a good chance to be successful thanks to different global and current trends. In order to assess the viability of this project, a business plan will be extensively analyzed and the key characteristics of the concept defined.

En este plan de negocio pretendemos establecer las líneas generales de nuestra idea empresarial. El negocio en sí, consiste en un restaurante de comida rápida, destinado a Polonia, con unos atributos particulares, como serían la comida española y un menú compuesto por alimentos saludables. Creemos firmemente que este nuevo concepto puede ser exitoso por diferentes tendencias mundiales a las que estamos asitiendo en nuestros días. Para asegurarnos la viabilidad de este negocio hemos desarrollado un plan exhaustivo en el que detallamos todas las características exclusivas de nuestro proyecto.
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1. Personal motivation to choose this topic

Thinking about the Master project and before accessing the topic list, I set up to write a project not too specific or theoretical, but useful and in accordance to my own interests. My main guideline was and is to make the most of this task, applying all the skills that I have gained during my master.

When the topic list was published, and while making a sensible choice between all the topics, the idea to do a business plan seemed to fit best for me. Indeed, I have always been interested in finding a new business idea, develop it and conduct research specific to it.

Before this Master, I earned a Degree in Business Management and a Degree in Marketing. Now nearing the end of my studies in business, management and entrepreneurship, one of the possible ways to develop my career is to set up my own business. Without any doubt, to create and develop a new business, one need to, first, have a business plan.

Also when I live or travel abroad, I always find myself thinking about which business concept could be exported or imported from one place to other. In our globalized world, exporting a successful concept to a place where it has not been developed yet can lead to success.

Related to my interest in cultural exchange and travel, I had an idea about a business concept that may works. I am particularly passionate about his idea. It came up after living in Poland for one year. I discovered that the Spanish culture is really appreciated in this part of the world. Many new trends and customer needs such as fast-eating, healthy lifestyle, high value of time and interest in Spanish culture, reassert my belief in the potential success of my idea. Thus, developing my own business idea, with the help of a coordinator, was becoming reality. It is after talking with my coordinator, Pilar Jerez, and after receiving her approval, that I decided to go ahead.

All in all, I strongly believe that doing a business plan is the best way to finish my studies, gathering and applying all the knowledge acquired during my Master and university studies.

Concentrating all the acquired knowledge in a pragmatic and practical endeavour to the service of one specific project, is a thrilling challenge for me.
2. Executive summary

Introduction

The restaurant Spanish & Healthy is the outcome of a disruptive idea intended to be carried out in Eastern Europe. After some research, we came up with the most suitable city to start the project, Warsaw. This is a new fast food concept based on two key attributes, as its own name pointed out, Spanish and Healthy. We will serve the most appealing Spanish dishes in a way that is getting more important from day to day; the fast food system.

Need in the market

We found out a trend that affects most part of the population. Due to several reasons, eating fast is gaining more importance; therefore fast food plays a considerable role in people’s lives nowadays. But at the same time, the necessity to be in shape and lead healthy life is in the mind of the consumer. However, it should be noted that there is not a lot of companies doing healthy fast food at the moment.

Solution

Taking into account the two previous premises, we thought about a winning combination which would be to mix these concepts into one, healthy fast-food. Even though it may seem difficult to compile such a concept, by being creative, we strongly believe in our ability to match both terms. However, we needed some more key elements to be innovative and successful. Please let me introduce how the idea of Spanish recipes came up. Doing some research we found out another trend in the world. Multiculturalism is in fashion, and therefore knowing more about other cultures, gastronomy and customs is important. The Spanish ‘brand’ being so well-regarded in Eastern Europe as well as the Spanish Mediterranean diet being so famous worldwide; on behalf of it quality and healthiness; we started this current business plan. Therefore our business concept will offer a healthy, tasty and multicultural option to the Warsaw inhabitants.

Target market

Even though our target is too wide, we have set difference target profiles following some specific characteristic. We consider workers who use to eat out, people who are interested in Spanish culture and Spanish gastronomy, young people who eat fast food for different reasons, families or big groups of people who look for an affordable price and people who do
not want to cook and look for an inexpensive alternative. Some of them will be more likely to go during work days and other during the weekend, which guarantees us a regular traffic of customers. Also our location, by itself, will be an appeal to the customers, the city center being an important center for the community.

**Competition**

The sector we are entering in is already mature with powerful multinationals, so we have to keep in mind our strength and opportunities and make the most of them. We are aware that at the beginning we cannot compete directly with them. Therefore the way to overcome the competition will be our Spanish, healthy and fast food positioning which will lead us to a very specific niche in the market. It is this position we should aim for and grow from.

**Benefits for client**

The benefits that we are offering to the client are an original, exclusive, tasty, international and affordable food as well as a Spanish décor and universe. Taking advantage of the interest about Spain by Polish people, our restaurant will be customized with Spanish features, and we will encourage the Spanish language for those who are learning it.

**Team**

The staff will be composed by two Spanish chefs, some full-time personnel and some part-time. To be coherent with the concept we think that it is strictly necessary to have two Spanish chefs in order to ensure the quality of our recipes, also to make sure that we are getting quality raw material. The full-time personnel will be one level higher in hierarchy to the part-time personnel. Our goal is to create an international team with Polish and Spanish worker. Thus the good relation between Spain and Poland will be enacted in our restaurant.

**Financial summary**

Even though the research has shown us that there is a necessity in the market viability and profitability for the business should be analyzed in economic terms. It is obvious that our revenues will come from our sales and the expenses will be composed by some variable expenses and some fixed expenses. To figure out the viability of the business we have calculated the NVP and the IRR, getting a really good feedback with NVP of 60339.43€ and an IRR of 0,17265179. Taking into account this calculation we have everything under control to start what should be a successful business.
3. Poland & Fast food

3.1. Getting to know Poland
Poland is a democratic republic. Their Constitution guarantees freedom of economic activity.

Poland has been part of the EU since May 1st, 2004. But it was only in December 2007 that they agreed to join the Schengen Area, which is an area without internal border control, expanding to 24 Member States. The two main advantages for the Polish were:

- Harmonization of the Polish law with EU regulations,
- Access to over 460 million customers within the EU,

Poland being part of the Schengen Area has allowed for the rest of Europe to increase their presence in the economic activity of the country. Today, the EU is the largest trading partner of the country. The share of the Polish exports with the EU has reached 78.6% of its total exports and imports 58.7%.

As a member of the European Union, Poland is also part of the European single market. That implies free movement of people, goods, capital and services which makes this market much more competitive.

However, we have to take into account that their currency is the Zloty (PLN) which conversion is around 4.30 zlotys per Euro.

Poland is a member of:
- The Organization for Economic Cooperation and Development (OECD),
- The Atlantic Treaty Organization (NATO),
- The World Trade Organization (WTO),
- The International Monetary Fund (IMF).

3.1.1. Population and Language
Poland has around 38.500.00 inhabitants thus; it is the sixth more populated country within the EU.

The population of Poland remains one of the youngest in Europe. Moreover, the retirement age in this country is 65 years for men and 60 years for women.
Regarding ethnic groups, Poland is one of the most homogeneous countries in Europe, as more than 98% of the population is Polish.

Regarding the country's purchasing power, GDP per capita in purchasing power parity stood at 16,800 per year in 2012.

**Economic indicators**

<table>
<thead>
<tr>
<th>Economic indicators</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013 (e)</th>
</tr>
</thead>
<tbody>
<tr>
<td>GDP (Thousands of millions of USD)</td>
<td>430,89</td>
<td>469,80</td>
<td>514,02</td>
<td>487,67e</td>
<td>513,39</td>
</tr>
<tr>
<td>GDP (annual growth %,)</td>
<td>1,6</td>
<td>3,9</td>
<td>4,3</td>
<td>2,0e</td>
<td>1,3</td>
</tr>
<tr>
<td>GDP per person (USD)</td>
<td>11.299</td>
<td>12.309</td>
<td>13.341</td>
<td>12.538e</td>
<td>13.075</td>
</tr>
<tr>
<td>Public balance (in relation % GDP)</td>
<td>-7,3</td>
<td>-7,8</td>
<td>-5,2</td>
<td>-3,4e</td>
<td>-2,9</td>
</tr>
<tr>
<td>State Indebtedness (in relation % GDP)</td>
<td>50,9</td>
<td>54,8</td>
<td>56,4</td>
<td>55,2e</td>
<td>56,8</td>
</tr>
<tr>
<td>Inflation rate (%)</td>
<td>3,4</td>
<td>2,6</td>
<td>4,3</td>
<td>3,7e</td>
<td>1,9</td>
</tr>
<tr>
<td>Unemployment rate (%)</td>
<td>8,2</td>
<td>9,6</td>
<td>9,6</td>
<td>10,3</td>
<td>11,0</td>
</tr>
</tbody>
</table>

*Table 1. Economic Indicators. Source: IMF - World Economic Outlook Database*

From the table 1 above, Poland is the 21st largest economy in the world and 9th in Europe. However it is an unknown country for some people. Despite the severe recession experienced in many economies in 2008 and 2009, the growth rate of market in 2009 was 1.8%, the
highest rate in the European Union, which means that Poland is one of two countries of European Union which did not decrease its GDP.

Polish GDP is generated by the industry (31.7%), services sector (65.5%) and agriculture (2.8%). We notice that, as for every advanced economy, the services sector is the most important.

GDP per capita in Warsaw is three times higher than the average. There are also other cities that have a high GDP per capita, i.e.: Poznan (twice than the national average), Krakow (60% higher than the national average), Wrocław and Tricity of Gdańsk, Sopot and Gdynia (45% higher than the national average). Therefore if the business is going properly we will extend to other cities starting by Poznan, Krakow, and Wrocław etc.

3.2. Trend and changes foreseen in the fast food industry
After an extensive research, the experts have concluded that in 2016, the fast food market in the world would reach a volume of 310,517.6 million transactions, which is an increase of 27.7% since 2011. But the distribution of the global market value is not homogeneous, Americas by itself owns 44, 2% of the overall figure.

3.2.1. Trends and developments in central and Eastern Europe

3.2.1.1. Consumers avoid eating at expensive restaurant to save money.

As the global economic recession is having a big impact in every aspects of life, the people of Central and Eastern Europe are changing their habits and way of life in order to eat at home or eat in cheap restaurants such as fast food ones. The economy is expected to improve, but consumers still remain cautious regarding the future of their economy.

3.2.1.2. Healthier Foods

A particular trend that has been noticed is that consumers are becoming more conscious about health and wellness products. Consumers from Central Europe in particular, are demanding healthier and more organic food. Due to the above argument, the world leader fast food restaurant have been including new and healthier products to their menus and/or operating changes such as including less mayonnaise in sandwiches or accompanying menus with salad instead of French fries. In addition, new companies present in the market for these healthier ingredients are gaining importance in the sector.
3.2.1.3. Dependency on Tourism

The foodservice industry in Central and Eastern Europe has a high dependency on Tourism. However, in the past few years, we have witnessed an overall decrease in total tourist expenditure. Forecasts have been positive and hopeful that the decrease is only a short term consequence of the recession and is expected to pick up again. Therefore, the international tourists will return to the area bringing consequent expenditure in the sector in next years.

3.2.1.4. Attracting Clients with Innovative Ideas

There is a special trend about including innovation with new menus in order to keep pushing people to consume. Also a new trend has been witnessed in “crisis menu”, vouchers or special discount. Arguably, the most suitable establishments for such trend are the fast food restaurants. Such trends can be explained by the active effort of the industry professionals to convinced people to keep eating out.

3.2.2. Opportunities

The Central and Eastern European foodservice sector has not yet reached its full capacity. Therefore it can be considered a developing market with a lot of opportunities for exporters.

In particular, fast food sub-category is expected to keep thriving, taking into account that costumers are asking for new products related with healthier and original ingredients. Thus it is recommended to new companies to try to fit into this category in order to ensure success.

3.2.2.1. Poland

About the data of the Polish foodservice industry, the next chart summarizes the situation of fast food sector within the whole restoration industry. The overall sales were valued at US$8.9 billion in 2012 which places Poland as the second big market in Central and Eastern Europe. The substantial market presence established by fast food amounts to 22% of the sector. Regarding the growth between 2007-2012 fast foods saw a significant growth of over 30% while sectors such as cafes or full-service restaurants experienced a decrease in their sales of 10%. The forecast 2013-2017 is expected to show another increase which could amount to 20%. Although we can check that delivery sector is growing more (29%) we cannot make comparison due to the market size of the last one is even less than 1%.
Overall, after the conducted analysis, we strongly believe that the described trend in the market presents a strong incentive to invest in the sector.

Find below the table 2 with Polish foodservice market sizes by type, value in US$ millions, and % of Total Foodservice.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer Foodservice</td>
<td>8,935.2</td>
<td>100%</td>
<td>0.56%</td>
<td>11.29%</td>
</tr>
<tr>
<td>100% Home Delivery/Takeaway</td>
<td>64.3</td>
<td>0.72%</td>
<td>24.13%</td>
<td>28.93%</td>
</tr>
<tr>
<td>Cafés/Bars</td>
<td>2,286.7</td>
<td>25.59%</td>
<td>-10.71%</td>
<td>4.59%</td>
</tr>
<tr>
<td>Full-Service Restaurants</td>
<td>2,589.7</td>
<td>28.98%</td>
<td>-6.73%</td>
<td>14.53%</td>
</tr>
<tr>
<td>Fast Food</td>
<td>2,021.6</td>
<td>22.63%</td>
<td>32.08%</td>
<td>20.71%</td>
</tr>
<tr>
<td>Self-Service</td>
<td>1,299.0</td>
<td>14.54%</td>
<td>-3.61%</td>
<td>1.89%</td>
</tr>
<tr>
<td>Street Stalls/Kiosks</td>
<td>674.1</td>
<td>7.54%</td>
<td>9.13%</td>
<td>9.76%</td>
</tr>
</tbody>
</table>

*Table 2. Source: Euromonitor, 2012.*
4. Company set-up

To establish a company in Poland, we should decide between the different types of companies in the country, the options are below:

1. CIVIL LAW PARTNERSHIP ("civil law partnership")
2. REGISTERED PARTNERSHIP ("registered partnership")
3. PROFESSIONAL PARTNERSHIP ("professional partnership")
4. LIMITED PARTNERSHIP ("limited partnership")
5. PARTNERSHIP LIMITED BY SHARES ("partnership limited by shares")
6. LIMITED LIABILITY COMPANY ("limited liability company")
7. JOINT-STOCK COMPANY ("joint-stock company")

The one which fits better with our company is Limited liability Company (sp z o o in Poland). This type allows us to carry out any activity permitted by law, the company may be founded by one or more people, either physical or legal. The minimum capital is 5000 PLN (€1,250)

This type of company has legal personality, then is the own company who is liable for his debts and liabilities affecting his whole equity, but the associates do not have to respond with their personal capital in order to cover the possible debts of the company.

To establish the company as Limited Liability Company we have to follow the steps below:

1º) Establishing the company should be done through notary deed, it must contain the name, company central office, description of the activity to be carried out according to the Polish Classification of Activities, and also identified with an activity of European Coding. It must also specify the initial capital, the number of shares that each associate can own and the nominal value of each of them.

2º) To register the company in the National Court Register, where a number will be given to identify the company.

3º) To register in Statistics office in order to obtain the REGON number, should be done 14 days after obtaining the certificate of registration in the National Court Register.

4º) To open a bank account, to accomplish this step, we should provide the entire document which proves the formation of the company.
5º) The Company should be register at the Fiscal Office, to achieve the fiscal identification number, which will allow the company to get benefit dealing with tax deductions of VAT, to issue invoices...

6º) To conclude register at Social Security Office (ZUS in Poland), before seven days from hire some worker. A number corresponding to ZUS will be assigned.

After following all these steps, the company will be registered and ready to start developing the activity.

**4.1. Company expansion**

If after a reasonable period of time the company works properly, we will start with the expansion of the business, through a franchise, which would allow us to continue developing the business, while selling the brand name and know how to allow another person to exploit the brand. This expansion would be around the main Polish cities.

In Poland the franchise agreement is not regulated in a particular way, so it is impossible to valued characteristics. The franchise agreement in Poland is known as an innominate contract, which is not regulated in the Polish civil law, so this contract should take refuge of the freedom of contract principle in Article 353 of the Polish Civil Code. “The contracting parties may shape their legal relationship at their own discretion, so long as the subject matter or the purpose thereof does not conflict with the character (nature) of the relationship, statute or the principles of social co-existence”

That means that in Poland there could be franchise contracts as innominate contracts subjects to the freedom of contract principle. We should keep in mind that the limits of the franchise contracts are subject to Consumer Protection Law.

**4.2. Facilities and Location**

Within Poland, we have to choose the most suitable city to establish our first store. At this point is when Warsaw, the capital of the country from 1596, comes up with strong data supporting it. We should remember the data gave at the beginning; GDP per capita in Warsaw is three times higher than the polish average.

But apart from economic data, we have to think about the amount of people that we can find around Warsaw center. Warsaw with a population of 1.750.000 people, double in population the next biggest cities in the country, Lodz and Krakow. Definitely, that means a huge amount
of people walking around the city center, which will see our establishment to gain a first contact with our brand image. Also due to our product is mainly focus to people who know something about Spain, the kind of people with a better overview of different cultures is based in the main cities rather than in smaller villages.

After the argument above, it is clear that our first establishment will be open in Warsaw. We have decided to have a small-medium size restaurant very well located instead to have a really big one in the outskirts of the city. The argument of this decision is that we strongly believe in the location as a key factor to do our first immersion in the market, also keeping in mind that a big piece of our market would be worker, we should be as close as possible to their workplace.

Thinking about the ideal size of our restaurant, we have estimated a maximum capacity of 50 people would be enough. To come up with this number, we have evaluated that a percentage of our sales would be “take away”, besides, the lunch time in Poland is not strictly defined, that way we will have people who use to come at 12:30 pm other people coming at 15:30, so it is not necessary to have capacity for all of them at the same time. Therefore a local around 90m2 will fit with our needs.

We have been checking the average cost of a local of around 90m2 in Warsaw city center, at the end of our research we found out that we should estimate a budget of 5000€ per month. Taking into account that the key location of the restaurant will bring us a lot of costumer, we consider a price quite acceptable to be placed in one on the main street of the capital of our target country.

Prices according the polish page:
http://www.szybko.pl/wynajem/komercyjne/sklep/Warszawa

Please see Appendix 2 in order to see the specific location within the city plan.
## 5. SWOT Analysis

<table>
<thead>
<tr>
<th>STRENGTHS</th>
<th>WEAKNESSES</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Packaging allows to eat anywhere</td>
<td>- Lack of strong marketing efforts</td>
</tr>
<tr>
<td>- Reasonable price</td>
<td>- High employee turnover</td>
</tr>
<tr>
<td>- Delicious and tasty food</td>
<td>- Currency fluctuations</td>
</tr>
<tr>
<td>- Hygienic environment</td>
<td>- Some people consider term fast food as negative</td>
</tr>
<tr>
<td>- Product fits with any familiar size</td>
<td>- No brand awareness at the beginning</td>
</tr>
<tr>
<td>- Possibility to eat as many times as you want per week</td>
<td></td>
</tr>
<tr>
<td>- Differentiation, difficult to find this product in Poland</td>
<td></td>
</tr>
<tr>
<td>- Traditional and handmade recipe</td>
<td></td>
</tr>
<tr>
<td>- Healthy Mediterranean diet</td>
<td></td>
</tr>
<tr>
<td>- The food appeals to people not only because it is healthy, but also for the taste.</td>
<td></td>
</tr>
<tr>
<td>- Fast service</td>
<td></td>
</tr>
<tr>
<td>- Spanish atmosphere appealing to Spanish lovers.</td>
<td></td>
</tr>
<tr>
<td>- Concept exclusiveness</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>OPPORTUNITIES</th>
<th>THREATS</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Possibility to take advantage of “Marca España”/“Spanish Brand”</td>
<td>- Still there are young people not concerned about healthiness</td>
</tr>
<tr>
<td>- Increase of life expectancy.</td>
<td>- Price wars</td>
</tr>
<tr>
<td>- Lifestyle of today’s families.</td>
<td>- Economic slowdown</td>
</tr>
<tr>
<td>- Clientele reaches people who take care of their body, and who go to</td>
<td>- Big competitors in the market</td>
</tr>
</tbody>
</table>
the gym etc.  
- Expansion abroad  
- Increasing interest for new cultures  
- Saturated fast food markets in the developed economies  
- Opposition groups

5.1 Why the company will succeed?

5.1.1. Strengths

- **Packaging allow you to eat it anywhere:** You are allowed to eat at the restaurant or to take away to eat at your workplace or at home.
- **Reasonable price:** Whole meal around 5 euros, it is affordable for everyone.
- **Delicious food:** Best Spanish recipes in a really innovative way.
- **Hygienic environment:** Strict processes to ensure the hygiene in the restaurant.
- **Product fits with any familiar size:** Suitable for one single person, couples, small families and large families who would spend a large amount of money if they go to a normal restaurant.
- **Possibility to eat as many times as you want per week:** (It is not recommended to eat normal fast food more than once per week) For healthy products, there are no restrictions on how many times you can eat in the restaurant. There are some documentaries focusing on the consequences of eating normal fast food too often.
- **Differentiation due to the innovation that company introduces in the market:** We offer something exclusive to our costumer; they are not able to find something similar in this country.
- **Traditional and handmade recipe:** We provide the benefits of fast food in a handmade and traditional way.
- **Healthy Mediterranean diet:** Based on the well-known Mediterranean diet.
- **The food appeals to people not only because it is healthy, but also for the taste.**
- **Fast service:** Time saving.
- **Appealing to Spanish lovers:** Spanish culture, taste, language and customs appeal to a lot of Polish citizens. They will go to the restaurant to feel like they are in Spain.
- **Concept exclusiveness:** No competitors in the niche of Spanish healthy fast food in Eastern Europe.
5.1.2. Opportunities
- **Possibility to take advantage of “Marca España”/“Spanish Brand”:** “Marca España” is a concept that is trendy which means that we are able to take advantage of the good image that foreigners have about Spain.
- **Increase of life expectancy:** There are a high percentage of mature people who need to take care of their bodies. Therefore they will be more likely to go to our restaurant rather than other fast foods.
- **Lifestyle of today's families:** Rush, stress, both parents working... means that they need to spare time and often cut short meal time.
- **Clientele reaches people who take care of their body, and who go to the gym etc.:** Customer happiness will be reached by offering them healthy products.
- **Expansion abroad:** If the concept works, we can expand the company all over Poland and neighboring countries.
- **Increasing interest for new cultures:** Nowadays we are living in a global world, getting more and more multicultural. As such, people are interested about other cultures.

5.1.3. Weaknesses to overcome
- **Lack of strong marketing efforts:** At the beginning our budget doesn’t allow us to spend a large amount of money in this field. But the location itself would be a really powerful marketing strategy. Also the word to mouth between people will be something really important.
- **High employee turnover:** For such kind of work, employees do not tend to stay long.
- **Currency fluctuation:** Possible fluctuations in the change rate between the Euro and the Zloty.
- **Some people consider terms fast food as negative:** There are some people who are not willing to go to the fast food restaurants. However, even though our concept and type of food is different, some people will still not be willing to come to our restaurant.
- **No brand awareness at the beginning:** We should be aware of the lack of brand awareness at the beginning. The competition with well-known companies could be hard at the beginning. Yet again, the location will be our driving force to be competitive in the market.
5.1.4. Threats
- **Still there are young people not concern about healthiness:** There are some people who do not care about healthiness, so they will not see an added value in our healthy proposal. Luckily, the amount of this kind of people is decreasing.

- **Price wars:** In a very competitive market, the companies use to campaign in order to gain potential customers. Some of them have launched aggressive “saves menu” Knowing that the margin is getting lower, this companies do not have a big margin to fluctuate their prices.

- **Economic slowdown:** As was said earlier regarding the current change in the industry, the economic situation led people to save as much money as they could, which means that they try to avoid eating out. With our competitive and affordable price we will overcome this situation.

- **Big competitors in the market:** We should be aware that we are going to compete in the same market that McDonalds, Burger King, KFC, Subway etc. But we solve this problem placing ourselves in the niche of healthy Spanish fast food.

- **Opposition group:** There are some organizations against fast food.

- **Saturated fast food markets in the developed economies:** The offer of restaurant in food markets is so wide, thus just the best companies are able to compete in this market. We trust in our strength and opportunities to make our concept profitable and successful.

5.2. Competitive Advantages

After this extensive analysis we are able to describe our Competitive Advantages.

A C. Advantage is the favorable position an organization seeks in order to be more profitable than its competitors.

**First movers:** We are the first mover in this niche of the market, which allows us to gain control over the resources that followers may not be able to gain. We will have exclusivity in the market.

**Know how:** We are a Spanish company who knows perfectly how to prepare our recipes.
**Spanish atmosphere:** We will take advantage of the amount of people interested in the Spanish Brand in Poland.

**Healthier trend:** This global trend will lead us to include our key factor “Healthy” in our positioning strat
6. Product

The product is a Spanish Fast food restaurant to be created in Poland. We intend to break into the Polish restoration industry.

As a fast food restaurant we will fulfill the characteristics of the market, which means that we will keep the structure of a normal fast food restaurant. We will offer lunch and dinner, although we will be flexible with the timetable, keeping the restaurant open between 12 am to 11/12 pm. We will not serve breakfast. After a reasonable time, we will do some research in order to find out if we can be competitive in the breakfast sector, with our famous and healthy “tostadas” in accordance with the line of the business. We are not going to introduce the breakfast line at the beginning because we do not want to confuse the audience. We are hoping that this way it will be easier to communicate.

Our Company is going to offer a myriad of menus based on Mediterranean and Spanish food. The main dish will be the Spanish Omelette, but in order to complete the menu we will offer side products, such as Ajo blanco, Pan con tomate, Jamón and Mediterranean Salad. The beverages we will offer will be Gazpacho, Sangria and Orange Juice. We will decide to include three options as dessert in order to offer a complete meal. The chosen desserts have been Natillas, Arroz con leche, and for the healthy option fresh fruits.

The objective of this menu is to offer enough variety to the client in order to allow them to choose each day what they most fancy to eat. But at the same time, we need a short variety to manage it with a small number of employees to be as profitable as possible.

We will offer a wide range of standard beverages to complete the menu, as Coca-Cola, Seven up and water in addition to our handmade specialties from Spain, Gazpacho, Sangria and Orange juice. To have the overview of our menu we have added the Image 1.

Our complete menu is as follows:
6.1. Consumer benefits

In order to be successful, the business should bring to the costumer a high level of satisfaction to fulfill his expectations. That means we should offer benefits to them, to make it clear, we are going to specify which benefit is intrinsic to fast food sector and which one are exclusive to our restaurant; the main benefits that they will obtain in our restaurant will be:
6.1.1. Consumer benefits usual in the fast food sector

-Cheap: The average price in this kind of establishment is moderate. Due to the cost of saving, in table waiters, washing dishes or prestigious chef, the prices are reduced. As a result, the price is a very affordable for everyone.

-Easy to eat: Cutlery is not necessary, therefore one is able to eat the food wherever. Moreover if one is pressed by time there is the possibility to take away and eat wherever, tube, a bus, or even walking toward your workplace.

-Fast service: This feature deals with time saving. Nowadays times are one of the most valuables assets. Sometimes it is annoying when you are in a restaurant waiting a long time for the waiter. In fast food restaurant you are who go to order yourself, effectively reducing the process from one step.

-Standardization: The processes are strictly set, guaranteeing that the food is always going to be served to the best standards. The opposite can occur in normal restaurants when for example the meat can be served a little bit raw or overcooked.

6.1.2. Consumer benefits in addition to the regular ones in the fast food sector

-Spanish culture: The costumer will have a complete experience, it is not just about eating, and it is about having a nice time in a restaurant with a special atmosphere, a “little Spain within Poland”. Due to the customization of the place, with Spanish music, Spanish colors, Spanish symbols, the client will have the opportunity to feel as if he were in Spain. Moreover and more importantly the entire menu is composed of Spanish recipes.

-Healthy: As the current trend describe in the beginning of the report, the customer is aware of his physical appearance. That is why we offer the benefits of fast food (fast service, reduced prices etc.) in addition to the benefits of a healthy diet to keep fit. This is expected to be a winning combination.

-Tasty and handmade recipes: For the Polish customers, is too difficult to find this kind of Spanish flavors in the daily life. Although there are some supermarkets where you can find Spanish omelettes, there is no comparison between a precooked meal and a handmade one. It is easy for Spanish people to prepare Spanish omelette, Polish are not familiar with this kind of food and therefore not able to prepare it.
-Originality: It is a disruptive idea; we expect that this new concept of fast food for all ages will incentivize people to talk about the brand, giving us the advantage of word-to-mouth. Almost all the products in our restaurant will be new for the Polish people. They will have the chance to try new flavors and widen the knowledge about food.

-Exclusiveness: There is not any restaurant in Europe with the same characteristics of ours. Fast Spanish healthy food, even taking into account that we have powerful competitors, is not being offered by anyone else. It is therefore a unique experience for the customer.

6.2. Innovation and differential features and Capacities to meet the market needs
This point is directly related to the last one. The new business should bring to the client differential features which incentivize them to start to use this service instead of the competitors’.

The new value may be provided through different characteristics, as location, price, originality, presence in a new market.

Our business, through the characteristic previously mentioned, Spanish culture, healthy, tasty and handmade meals, originality and exclusiveness, will fulfill the needs of the market.

The Marketing strategy of the company will be built based on these key elements.
7. Marketing Plan

7.1. Market Research

7.1.1 Primary research
Primary research is a type of research conducted to collect data specifically for our current objective. In order to complete the research, some methods can be used such as: surveys, interviews, observation on behavior or experimentations. The chosen method in our particular case is a survey focuses on the Polish people.

The sample is composed of 200 Polish people. This survey has been carried out through the internet. The only requirement to partake in the interview is to be Polish and live in Poland. Note that Appendix 1 includes the complete survey.

7.1.1.1 Demographics of the respondents

<table>
<thead>
<tr>
<th>Age</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;24</td>
<td>65%</td>
</tr>
<tr>
<td>25-34</td>
<td>23%</td>
</tr>
<tr>
<td>34-45</td>
<td>4%</td>
</tr>
<tr>
<td>&gt;45</td>
<td>8%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Gender</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>54</td>
</tr>
<tr>
<td>Female</td>
<td>146</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Working hours a week</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Student</td>
<td>51%</td>
</tr>
<tr>
<td>Worker status</td>
<td>Percentage</td>
</tr>
<tr>
<td>-------------------------------------------</td>
<td>------------</td>
</tr>
<tr>
<td>Worker &lt; 30 hours weekly</td>
<td>6%</td>
</tr>
<tr>
<td>Worker 30-40 hours weekly</td>
<td>25%</td>
</tr>
<tr>
<td>Worker &gt; 40 hours weekly</td>
<td>15%</td>
</tr>
<tr>
<td>Unemployed</td>
<td>3%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Number people living in the family unit</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 plus me</td>
<td>10%</td>
</tr>
<tr>
<td>2 plus me</td>
<td>28%</td>
</tr>
<tr>
<td>3 plus me</td>
<td>19%</td>
</tr>
<tr>
<td>&gt;3 plus me</td>
<td>25%</td>
</tr>
<tr>
<td>Just me</td>
<td>18%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Income level</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>=&lt;2000 PLN ~500€</td>
<td>36%</td>
</tr>
<tr>
<td>2001-3000 PLN~501-750€</td>
<td>26%</td>
</tr>
<tr>
<td>3001-5000 PLN~751-1250€</td>
<td>20%</td>
</tr>
<tr>
<td>5001-8000 PLN~1251-2000€</td>
<td>8%</td>
</tr>
<tr>
<td>&gt;= 8001 PLN~2001€</td>
<td>10%</td>
</tr>
</tbody>
</table>
7.1.1.2 Result of the survey

Nowadays, are you most likely to go to a fast food restaurant or to a normal restaurant?

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Fast food restaurant</td>
<td>90</td>
</tr>
<tr>
<td>Normal restaurant</td>
<td>110</td>
</tr>
</tbody>
</table>

We want to figure out how likely the people are to go to a normal restaurant rather than a fast food. The outcome of this question is that the probability is more or less the same. 55% of the people are more likely to go to a normal restaurant and 45% to go to a fast food. These results could be influenced by the perceived unhealthiness of fast foods. Our goal is to increase the latter percentage with our healthy offer.

Due to your job and several reasons, how many times a week do you eat out?

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>16</td>
</tr>
<tr>
<td>1-2</td>
<td>94</td>
</tr>
<tr>
<td>3-4</td>
<td>66</td>
</tr>
<tr>
<td>5-6</td>
<td>14</td>
</tr>
<tr>
<td>=&gt;7</td>
<td>10</td>
</tr>
</tbody>
</table>

In addition we found that 80% of the people eat out from 1 to 4 times a week. It is an amount quite acceptable taking into account the inhabitant of Warsaw. It is also noteworthy that there is a 12% of population who eat out more than 5 times a week. For them to have different choices, affordable prices, healthy food will be a key factor.

From 1-5, how much are you interested in trying new international food?

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>2</td>
<td>8</td>
</tr>
<tr>
<td>3</td>
<td>32</td>
</tr>
<tr>
<td>4</td>
<td>54</td>
</tr>
</tbody>
</table>
The next question confirms what our secondary research, SWOT, and other analysis have shown, there is an increase in the interest in new cultures and consequently in the gastronomy of these cultures. This is a big opportunity for our company.

**Are you interested in the Spanish culture?**

<table>
<thead>
<tr>
<th>Level of Interest</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not at all interested</td>
<td>20</td>
</tr>
<tr>
<td>Slightly interested</td>
<td>26</td>
</tr>
<tr>
<td>Moderately interested</td>
<td>50</td>
</tr>
<tr>
<td>Very interested</td>
<td>66</td>
</tr>
<tr>
<td>I love Spanish culture</td>
<td>38</td>
</tr>
</tbody>
</table>

After the first approach about foreign cultures, we want to analyze the data specifically to the Spanish culture. The result of this question is satisfactory for us. There are around 23% of the populations who are not interested in the Spanish culture, which means that there are around 77% of the people interested or very interested in Spain.

**What do you like most about Spain? (1 or 2 words)**

Most common answers: Food, language, weather, football, life attitude, landscape, happy people, bullfight, sun, people, happiness, gastronomy, Barcelona, Madrid.

The next question will be used to customize the facility and to organize upcoming promotions. One of the most common answers was “Spanish food and gastronomy” which fits perfectly with our business plan. Regarding language and people, part of our staff will be Spanish, promoting Spanish language within the restaurant. Regarding landscape, Barcelona, Madrid we can customize the facility with pictures of these cities. Regarding football or bullfighting, we can organize a contest to get some tickets for a Spanish football match or bullfighting. All in all, we will use all of these answers to give the clients the best possible care.
Are you interested in Spanish Gastronomy?

<table>
<thead>
<tr>
<th>Level of Interest</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not at all interested</td>
<td>19</td>
</tr>
<tr>
<td>Slightly interested</td>
<td>31</td>
</tr>
<tr>
<td>Moderately interested</td>
<td>46</td>
</tr>
<tr>
<td>Very interested</td>
<td>52</td>
</tr>
<tr>
<td>I love Spanish gastronomy</td>
<td>38</td>
</tr>
<tr>
<td>I don’t know yet, but I fancy try it</td>
<td>12</td>
</tr>
</tbody>
</table>

Regarding to Spanish gastronomy, we found out that almost everybody is familiar with it and around 68% like it to some degree, and an additional 6% who still don’t know it but would like to try.

What Spanish dishes do you like the most? (Several possible)

<table>
<thead>
<tr>
<th>Dish</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spanish Omelette</td>
<td>68</td>
</tr>
<tr>
<td>Paella</td>
<td>61</td>
</tr>
<tr>
<td>Jamón</td>
<td>58</td>
</tr>
<tr>
<td>Pan con tomate (Tomato &amp; Bread)</td>
<td>52</td>
</tr>
<tr>
<td>Olive oil</td>
<td>64</td>
</tr>
<tr>
<td>Other (Sangria)</td>
<td>38</td>
</tr>
</tbody>
</table>

The goal of this question is to figure out what are the most appreciated dishes of our gastronomy. Although “Paella” is well-known and people like it, we have decided not to include it in our menu for several reasons; the preparation is not as easy as others, therefore it doesn’t fit that well in our concept, on top of that “Paella” is not easy to accompany with side dishes. The rest of the dishes are a good fit for our concept, therefore we are going to include all of them in the menu.

We left an open answer in this question in order to know which beverages or main dishes we didn’t include that are well-known. We received several answers mentioning “Sangria”.

30
Thinking about supplier, way to prepare and everything concerning these beverages in our menu, we found out that Sangria is suitable to include in our menu.

**From 1-5, How much do you like Spanish Omelette?**

<table>
<thead>
<tr>
<th>Score</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>18</td>
</tr>
<tr>
<td>2</td>
<td>10</td>
</tr>
<tr>
<td>3</td>
<td>8</td>
</tr>
<tr>
<td>4</td>
<td>42</td>
</tr>
<tr>
<td>5</td>
<td>46</td>
</tr>
<tr>
<td>NS/NC</td>
<td>76</td>
</tr>
</tbody>
</table>

According to this question, we found out that a high percentage of people have not ever tried Spanish Omelette. However, amongst the people who have already tried it almost all of them liked it.

**If you have not tried yet the Spanish Omelette, are you willing to give it a go?**

<table>
<thead>
<tr>
<th>Choice</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>88</td>
</tr>
<tr>
<td>No, I am not interested</td>
<td>8</td>
</tr>
<tr>
<td>I have already tried it</td>
<td>104</td>
</tr>
</tbody>
</table>

Following the last question, it would be good to know the percentage of people willing to try Spanish omelette for the first time. As only 8,3% of respondents are not willing to try Spanish Omelette, this dish is of particular interest for our brand.

**How much would you be willing to pay for a meal in our restaurant? (In comparison to ours competitors, Burger King, McDonalds, KFC)**

<table>
<thead>
<tr>
<th>Option</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>The same price</td>
<td>110</td>
</tr>
<tr>
<td>Less price</td>
<td>22</td>
</tr>
</tbody>
</table>
More price, because would be healthier and original

Regarding pricing, the logical answer to the next question would be the same price. But surprisingly, 34% answered that they are willing to pay more than in other fast food restaurants. Even though 55% of respondents said that the same prices would be fine, we have decided to settle the price at the same level that our competitors.

**Which attributes do you consider more important in this business concept? (Several possibilities)**

<table>
<thead>
<tr>
<th>Attribute</th>
<th>Votes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality of the food</td>
<td>154</td>
</tr>
<tr>
<td>Taste</td>
<td>140</td>
</tr>
<tr>
<td>Range</td>
<td>52</td>
</tr>
<tr>
<td>Healthy food</td>
<td>104</td>
</tr>
<tr>
<td>Spanish customization</td>
<td>68</td>
</tr>
<tr>
<td>Customer service</td>
<td>32</td>
</tr>
</tbody>
</table>

This next question allows us to compare the importance of each attributes for the customer. Even though we will focus on every single aspect of the business, we will place a particular importance on the ones most voted by our customers.

**If our new service were available today, how likely would you be to use it instead of competing services currently available from other companies?**

<table>
<thead>
<tr>
<th>Likelihood</th>
<th>Votes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not at all likely</td>
<td>4</td>
</tr>
<tr>
<td>Slightly likely</td>
<td>30</td>
</tr>
<tr>
<td>Moderately likely</td>
<td>64</td>
</tr>
<tr>
<td>Very likely</td>
<td>90</td>
</tr>
<tr>
<td>Extremely likely</td>
<td>12</td>
</tr>
</tbody>
</table>
The goal of this question is to find out if people are willing to go the restaurant. The answers have been positive, with only 17% who are not likely to go to the restaurant. That is meaning that 83% of people will try our food. As a result we can launch our business knowing that we have a sufficient client pool to begin with. Our main goal will therefore be to retain this clientele by offering a great customer service.

"From 1 to 5, Do you consider yourself interested in such a concept of "Spanish healthy fast food?"

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>6</td>
</tr>
<tr>
<td>2</td>
<td>22</td>
</tr>
<tr>
<td>3</td>
<td>32</td>
</tr>
<tr>
<td>4</td>
<td>60</td>
</tr>
<tr>
<td>5</td>
<td>80</td>
</tr>
</tbody>
</table>

To conclude we polled the Polish people to get data concerning their level of interest for our concept, the outcome speaks of itself.

From 1 to 5, 3% of the people gave a 1, 11% of the people gave a 2, 16% of the people gave a 3, 30% of the people gave a 4 and 40% of the people gave a 5.

7.1.2. Secondary Research

Poland is, without a doubt, the largest economy in East Europe and the largest economy within the 10 states which joined EU in May 2004.

According with Eurostat data, the biggest GDP of this states are the following; GDP at current prices for 2012 is 381.213 million of Euros, however Czech Republic is situated in 152.311 millions of Euros, 97.674 millions of Euros Hungary and 131747 millions of Euros in Romania. Therefore Poland doubles the GDP of Czech Republic.

We should note that our business concept is intended and designed for Eastern Europeans, so the business idea will be subject to this constraint.

Regarding population, Poland is also ahead. According to Eurostat, at January 1, 2013 Poland had 38.53 million inhabitants compared to 21.30 million in Romania, Czech Republic 10.51 and 9.90 Hungary millions; therefore Poland is again the clear winner.
Poland is also one of the main recipients in absolute terms of Foreign Direct Investment, with 13.567 million euros in 2011, exceeding widely to Czech Republic with 4.614 million euros, to Hungary 1,366 million euros and Romania 2.219 million euros.

7.1.2.1 Trends in consumer demand
Regarding consumers, Poland has an internal potential market for our business with over 38 million populations, representing around 12% of the total population of the European Union and the largest market in Eastern Europe.

In recent years, private consumption has been one of the most dynamic components of domestic demand, due to the moderate impact of the economic crisis in Polish economy. Keeping their currency, the zloty, has helped the Polish people reduce the impact of the crisis on their economy. However, in the current time of economic slowdown, private consumption is subtracting (-1.8% compared to 2011). Despite this, in 2012 60.1% of the country's consumption was accounted by private consumption, and 18.6% by public consumption.

Concurrently, the increased of purchasing power in Poland has led to the appariation of a new middle class with enough purchasing power to consume and invest.

7.2. Entrance barriers
Entrance barriers are all obstacles that make it difficult for the company to enter the new market.
To enter the fast food sector, we found several common barriers to the catering industry and several specific barriers for the fast food sector.

7.2.1. Economies of Scale
We must be aware that our biggest competitor can use economies of scale due to the big number of facilities that they use to have. Because of that, they can save on costs when ordering large volume raw materials. The same goes for marketing expenses and other supplementary materials for the restaurant. The presence of economies of scale in this sector is high meaning that our company will be able to partake in the economies of scale once it is fully developed.

7.2.2. Product differentiation
There is no a big differentiation in this sector, fast food being simple food. However, talking about marketing strategies and expenses for advertising the differentiation between companies is quite huge.
7.2.3. Experience curve
Because of the prestige that many brands treasure, the cost of change for the customer to a potential competitor is relatively high. But that can be solved offering new added value for the same price. Related with that, a main inconvenience that we have to face is to overcome the brand recognition, because our competitors have been established in the market for a long time when we are just starting.

7.2.4. Access to distribution channels
Large multinationals have their own distribution channels; it is worthwhile when you possess many restaurants. To own a distribution channel gives several advantages because you are the one who manage the whole channel, avoiding intermediaries.

7.3. Customer profile-Target
Because our food is able to reach very different audiences; we are going to identify our potential group of customers by demographics and other characteristics.

Workers who use to eat out. The number of people eating out has increased due to several reasons such a new lifestyle, split shifts, increase in the distance between work and accommodation, the incorporation of women into the labor market.

Identification by demographics
From 22-55 years
Income –Medium level
Social class- Medium high
Key factor – Time
People who are interested in Spanish culture and Spanish gastronomy.

Identification by demographics
From 15-65
Key factor - Spain
Young people who eat fast food for different reasons: Social interactions with friends; affordable; taste.
Identification by demographics

From 15-30

Income level- Low

Key factor – Fast food

Families and people who do not want to cook. Families of around 5 members would have to pay a lot to eat all together in a normal restaurant. To please the kids and respect their budget they go to fast food restaurants. Same goes for lazy people or people who do not know how to cook properly, they choose the fast food option.

Identification by demographics

From 5-60

Income level- Medium

Social class-Medium

Key factor - Eating out

We have already describes four types of customers. Within those four types we shall not forget about the customers who are looking for healthy option. It is them who are more likely to come to our restaurant.

7.4. Positioning and psychological proposal

Positioning is the manner we want our customers to perceive the product, or in other words, the place that the product occupies in the consumer's mind. Thus, it is a strong association between the product or the brand and various attributes or characteristics. The positioning depends on certain variables controlled by the marketing department of the company.

We should position our product within the Spanish and healthy fast food group. We will position ourselves by using healthy and Spanish attributes.

The psychological angle is the benefit or satisfaction that consumers get by eating at our restaurant. In practice it is the advertising message that will cause the desired effect in the consumer.

The key attribute to the campaign will be enjoying a new and original product while staying in shape. Our product will prevent bad eating habits which are caused by a lack of time,
precooked food and fast food culture. It will bring the advantages of fast food with regard to the time spent and money spent with the benefits of healthy food. Without any doubt, the campaign will always retain a Spanish atmosphere.

7.5. Competitor analysis
Our competitors are all types of restaurants, but for our analysis we distinguish between three types of competitors, restaurants broadly speaking, fast food restaurants and Spanish restaurants in Warsaw.

7.5.1 Spanish Restaurants
In Warsaw there are several establishments which serve Spanish food, one of the biggest one is, “La Ibérica” restaurant. “La Ibérica” has become a famous restaurant offering excellent food and wine to their customers. The issue of the restaurant is his location, very far from the center, therefore it is difficult to reach without a car.

“Tapas toro” Inside the mall right in the center of the city Złote Tarracy there is a “Spanish” restaurant. However, this restaurant does not seem Spanish, not the food nor the decoration gives the Hispanic vibe. It seems like an Irish Pub. The positive point is his affordable price, even though it is more expensive than a fast food restaurant.

Casa to tu (Nowy Świat 54/56). This restaurant is well-known because of his croquettes, squid and mushrooms, but the reputation regarding Wine and Paella is not good enough. The prices are affordable and the location is quite good.

Casa Pablo is a Spanish restaurant with good reputation due to the quality of their dishes. But the prices are quite expensive compare to normal prices in Poland.

The common features of these restaurants are: high prices, minimum time to eat would be around 1 hour 30 min, inappropriate for people with little free time, however we can find a wide variety of dishes with a high elaboration process.

7.5.2 Fast food restaurant
The city center of Warsaw has plenty of well-known fast food restaurants as McDonald, Burger King, KFC or Subway; on top of that there are some local chains as Kebab King.

These restaurants are very well received by an audience of all ages and genders, but mainly among young people. (McDonald's is the world's leading fast food restaurant). Although each
chain based his menu on burgers, battered chicken, sandwiches. They also have, chips, ice cream, menus for breakfast and salads and fruits. These restaurants are the biggest competition for our Fast & Spanish & Healthy restaurant, which somehow has the opposite meaning.

Our idea is to serve customers a healthy meal, as quickly as possible, to take from them the shortest possible time. Another differentiating factor is to provide our Fast & Good instead of Fast & Food. In this way we differentiate our product from other competitors in a clear and powerful way. The average price in this type of restaurant is usually no more than 5 euros.

**7.5.3. Broadly Restaurants**

The offer in Warsaw for traditional restaurants is also quite wide. The price average is 10 € per person, which double the price of a fast food restaurant. In Warsaw you can find many types of restaurants, with an average price of € 10 per person that is twice what it would cost to eat at a fast food restaurant. Although it may seem that the difference is small, taking into account the local currency we are talking about more than 20 PLN which is a considerable difference.

To analyze our competitors, we will rank our competitors in order to have an overview of our strengths and weaknesses in relation to them. Taking into account that 1 means weaknesses and 5 means strengths.

**7.5.4. Competitors table**

<table>
<thead>
<tr>
<th>Attributes</th>
<th>Spanish&amp;Healthy</th>
<th>Fast Foods</th>
<th>Spanish Restaurants</th>
<th>Other Restaurants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Time</td>
<td>5</td>
<td>5</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Taste</td>
<td>4</td>
<td>3</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Health</td>
<td>4</td>
<td>1</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Price</td>
<td>4</td>
<td>4</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Spanish</td>
<td>5</td>
<td>1</td>
<td>5</td>
<td>1</td>
</tr>
<tr>
<td>Location</td>
<td>5</td>
<td>5</td>
<td>3</td>
<td>4</td>
</tr>
</tbody>
</table>

*Table 3.*
It bears mentioning the collaboration of a Polish girl, Magdalena Kondracka who assessed our business in the previous table, after reading the executive summary. She offered a fresh and much needed point of view on our business plan.

### 7.6. Marketing Mix

#### 7.6.1. Price

There are many ways to set the product price. Our decision, based on the result of the survey, would be to set up a price depending of our competitors.

These prices depending on our position in the market will be set above, at or below the competition. The question we did in the survey was the below:

How much would you be willing to pay for a meal in our restaurant? (Regarding our competitors, Burguer King, McDonalds, KFC)

The 55% of respondents answered that the same price would be fine.

Even a 34% of respondents said that they are willing to pay more. Taking into account that we would be a new company in a very competitive market and also our producing costs, our final decision is to set the price at the same level of our competitors.

It bears to mention that the price of a normal menu will be 5€

#### 7.6.2. Product

We are going to define the product taking into account the theory of three levels of product.

The **core product** is not tangible, the core product is the benefit that customer obtains from the product, so the benefit will be the healthy, the Spanish food.

The **actual product** is the tangible, the physical product itself. So it is the food that we serve in the restaurant, more specifically the fast food, which avoids to customer to go home to prepare the lunch or to eat in a more expensive place.

The **augmented product** is about the added value, for which, you may or not pay a premium. The features of augmented products can be converted into benefits for individuals. Our augmented product would be the Spanish customization of the facilities which will allow costumer to feel like in Spain, the customer service, originality and uniqueness of the food.
7.6.3. Distribution channel/Place
Producers rarely sell their products directly to final consumers. Marketing channels accomplish the task of moving the product from the producers to the intermediaries or retailers who will sell the product to the final consumer.

A strict definition of Distribution channel from 50 years ago that still has sense would be “A channel of distribution comprises a set of institutions which perform all of the activities utilized to move a product and its title from production to consumption” (Bucklin 1966)

In our case we will use an intermediary who is in charge of collecting different products from different producers in order to have a big assortment to reach our expectation.

Distribution Channels

Producers ➔ Intermediaries

Spanish&Healthy ➔ Final Consumer

Taking into account that at the moment we just own one restaurant, we should keep in mind that our negotiation power, and influence capacity with providers will be low.

7.6.4. Promotion
This section of marketing mix deals with all the marketing communication activities, personal selling, sales promotion, public relations, direct marketing, trade fairs and advertising. All of these tools should be coordinated through an Integrated Marketing Communications (IMC) in order to transmit a clear message through all the channels and in this way not confuse the consumer.

Having presented above all product characteristics, we have to find the name of the restaurant and a little slogan. Also we need to agree on the most suitable design packaging for the product.

After a brainstorming here is what we think could be appropriate, "Spain Flavor in Poland" "Fresh Mediterranean Diet" "Take care of your body while you enjoy" "Healthy Spain" "Taste Spain" "Healthy Spain in Poland" “Spanish & Healthy”

The chosen one is "Spanish & Healthy" This way we want to present the main attributes of our product. Moreover if someone comes across the restaurant without having heard about it
before, that person will be able to understand the concept and what we offer. Accompany this slogan we will provided a phrase in smaller letters, both on packaging and in store poster “The new fast food concept.” Thus, we will explain all the main elements.

It bears mentioning that our marketing strategy is going to be specific. We cannot compete with the marketing strategies of multinational companies. Also, the biggest marketing asset for us would be our location. To be located in the center of a big European capital means that a lot of people will be exposed to our establishment each day, providing us with more traffic.

7.6.4.1. Colours
There are two possible options. The first one is to play with the Spanish flags colours, but we found a big inconvenient. One of our most powerful competitors (McDonalds) is already using these colours which can lead to confusion. Also this combination of colours has a bad association with the food, inspiring unhealthy food. Therefore looking for a solution we came up with a new idea, we cannot avoid green colours taking into account that one of our main attributes is healthiness.

Finally we decided that the colours would be used in our shop window, menu, packaging and employees will be dressed in just green and yellow, as is possible to check in the image 2.

![Image 2.](image2.jpg)

The promotion strategies to be carried out are listed below:

7.6.4.2. Sales promotion.
In this section we can include the usual 2x1 promotion, couponing, money-off promotions etc.

Couponing printing out, to be given through the area (Offices building, Hotels, Organisms)

Buy one menu and get one “Gazpacho” free

Buy one menu and get one “Piece of fruit” free
7.6.4.3. Public Relation.
Create accounts in the two biggest social media platform, Facebook and Twitter. These tools have a main importance nowadays; they allow us to reach a very big audience through a low cost strategy. The main topic in this platform will be the relation between Spain and Poland, Spanish gastronomy, Polish people learning Spanish etc.

In the same line, we will encourage Polish people who are learning Spanish to come to our establishment and order in Spanish to create a closer relation between our customers and our company.

7.6.4.4. Trade fairs and Exhibitions
This tool will allow us to get new contacts and being in touch with old ones. The goal of these fairs is to encourage them to try our product and increase awareness. We will meet with both the trade people and the consumers.

7.6.4.5. Online Promotion
We will create a simple web page in order to make ourselves visible in Internet. On this website we will include our menu, location, opening hours and a description of the company.

Regarding personal selling, direct marketing, advertising, sponsorship we are not going to carry out any action at the beginning because it would be a huge cost for a small company like us. After some time, if the company expands we will use some of these tools.

7.7. Current Objectives to last for the next three years
As we have already said at the beginning of the report, our first objective is to make our first store successful, to get regular clients while increasing our brand awareness. Giving ourselves some time, we want to expand our brand all over Poland, providing that the research done on the market was accurate.

Three years from now, our goal is to open 10 restaurants.

The potential business plan can be find in the table 4:

<table>
<thead>
<tr>
<th>First restaurant opening</th>
<th>January 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Second restaurant opening</td>
<td>July 2014</td>
</tr>
<tr>
<td>Three more restaurants opening</td>
<td>January 2015-December 2015</td>
</tr>
</tbody>
</table>
7.8. Sales forecast
The sales forecast is a tough task for us. That is because we are entering a new niche, with a new concept. Therefore we cannot compare ourselves with our competitors because they are not playing the same role that we will.

First of all, we have to take into account the data presented at the beginning of the report. The market size value of whole foodservice industry in Poland is 8.935$ million, specifically the value of fast food sector is 2.021$ million.

Taking into account the average expenses of a client in our restaurant will be 6€, dessert, beverages and main dish included, we should calculate the amount of people expected per week.

Our target is diverse: workers who are used to eating out, people who are interested in Spanish culture and Spanish gastronomy, families and people who do not want to cook, young people who go to fast food restaurant.

It is common in the restoration industry to have more clients during the weekends. Because parts of our potential customers are workers we expect some traffic between Mondays and Fridays as well as during the weekends.

Taking into account all the data presented previously, our prevision is to reach 80% of full capacity four times per day (*twice during lunch, one turn between lunch and dinner and twice during dinner) every day of the week and on top of the take away service.
<table>
<thead>
<tr>
<th>Type of clients</th>
<th>Expected customers per week</th>
<th>Average expense in the restaurant</th>
<th>Expected sales in Euros</th>
</tr>
</thead>
<tbody>
<tr>
<td>To stay</td>
<td>80% of capacity (40 people)</td>
<td>6€</td>
<td>240€</td>
</tr>
<tr>
<td>Take away</td>
<td>30 people per turn</td>
<td>6€</td>
<td>180€</td>
</tr>
<tr>
<td><strong>Total per day</strong></td>
<td></td>
<td></td>
<td><strong>2100€</strong></td>
</tr>
<tr>
<td>(*5 turns)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total per week</strong></td>
<td>-</td>
<td>-</td>
<td><strong>14.700€</strong></td>
</tr>
<tr>
<td><strong>Total monthly</strong></td>
<td>-</td>
<td>-</td>
<td><strong>66.150€</strong></td>
</tr>
<tr>
<td><strong>Total per year</strong></td>
<td>-</td>
<td>-</td>
<td><strong>793.800€</strong></td>
</tr>
</tbody>
</table>
8. Operational plan

8.1. Production Process
The chef in charge will be one of the two Spanish chefs we will hire. They have to be Spanish to be consistent with our concept and to understand perfectly the recipes that they will be cooking.

The production process will be supervised by the chefs. They will not be at the restaurant at the same time but will take turn. Although all the amount of the ingredient is strictly stipulated, the presence of the chefs will doubly ensure the quality of the food. Also they will have a very important role because they will be in charge of instructing the new workers.

All kitchen helpers and chefs must follow these rules every time they have to prepare some products from the menu.

8.1.1. Hygiene regulation
Hygiene is a key factor in our concept. Having completed all the requirements asked by SANEPID (Organism regulator of hygiene in Poland) We have to enforce some rules. The cleanliness of the restaurants is crucial, that is why we should always try to maintain everything clean.
Workers must always wash their hands before touching the food.
Each worker will be allocated a number, in order to ease the planning of all tasks. Please find below the table 5 with the tasks of the each worker per day.

<table>
<thead>
<tr>
<th>Worker</th>
<th>Monday</th>
<th>Tuesday</th>
<th>Wednesday</th>
<th>Thursday</th>
<th>Friday</th>
<th>Saturday</th>
<th>Sunday</th>
</tr>
</thead>
<tbody>
<tr>
<td>Worker 1</td>
<td>Bathroom</td>
<td>Dish towels</td>
<td>Kitchen</td>
<td>Counter area</td>
<td>Eating area</td>
<td>Bathroom</td>
<td>Dish towels</td>
</tr>
<tr>
<td>Worker 2</td>
<td>Eating area</td>
<td>Bathroom</td>
<td>Wiping the counter</td>
<td>Kitchen</td>
<td>Counter area</td>
<td>Eating area</td>
<td>Bathroom</td>
</tr>
<tr>
<td>Worker 3</td>
<td>Counter area</td>
<td>Eating area</td>
<td>Bathroom</td>
<td>Dish towels</td>
<td>Kitchen</td>
<td>Counter area</td>
<td>Eating area</td>
</tr>
</tbody>
</table>
Table 5.

**Bathroom:** The worker in charge of the bathroom should go there every hour to make sure that it is clean. He will then have to sign the task sheet place in the bathroom to certify that he has been doing the task.

**Eating area:** The worker should clean the table often depending on the number of customers.

**Counter area:** The worker should ensure the cleanliness of this area.

**Kitchen:** The worker should ensure the cleanliness of this area.

**Dish towels:** All the dish towels used in the kitchen should be washed every hour.

### 8.1.2. Procedure before preparing the dishes

1. Clean the product preparation space  
2. Gather all the ingredients  
3. Wash your own hands with soap  
4. Put on gloves  
5. Carry out the steps in the recipe  
6. Package the product  
7. Take the product to the assigned space where the waiters can pick it up  
8. Close the packaging of the ingredient used to prepare the dish  
9. Throw away the used gloves  
10. Clean the used area

### 8.1.3. Product preparation

It bears mentioning that each product will have a specific preparation place in the kitchen. The ingredients will be kept next to the preparation place in order to reduce the preparation time.

The employees will have at their disposal a completed cookbook, with all the necessary ingredients as well as the quantities and processes to be followed to prepare each product. In addition, if any doubts arise, they will be able to ask to the chef at any time.
8.2. Sequence of the business activities (SBA)

<table>
<thead>
<tr>
<th>To do</th>
<th>When?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Order</td>
<td>There isn’t ingredients enough for next three days</td>
</tr>
<tr>
<td>Collection and conservation</td>
<td>The products get to the restaurant</td>
</tr>
<tr>
<td>Preparation of the ingredients</td>
<td>At the beginning of the day for the products that are going to be used</td>
</tr>
<tr>
<td>Prepare the dish</td>
<td>According to the order placed by the client</td>
</tr>
<tr>
<td>Deliver the product to the waiter</td>
<td>Product is ready to be serve</td>
</tr>
<tr>
<td>Deliver to the client</td>
<td>At the end of the service</td>
</tr>
<tr>
<td>Collect money from the client</td>
<td></td>
</tr>
</tbody>
</table>

Table 6.

8.3. Equipment needed to carry out the activities

A certain amount of equipment will be needed to carry out all parts of the operation. We will need specific equipment for the preparation of the product and cleaning equipment both for the facility and the kitchen area.

**Machinery for the products preparation:** burners, blenders, squeezer, frying pans, chopping board, cleaver, microwaves, toaster, big container for drinks.

**Machinery for the products preservation and maintenance:** Fridges, freezer.

**Other machines:** Ice cube dispenser, dishwasher.

**Utensils:** Napkins, bags, disposable containers, cleaning products, plastic cutlery, plates, saucers, meters, scissors.

**Computer equipment:** cash registers, POS terminals (point of sale), ticket printing machines, special software.

**Furniture:** Tables, Chairs, bar.
8.4 Physical requirement of the local
After the research in the rental Polish market we found a local that fits perfectly for us, we did some refurbishing to adjust to our company.

Find below a detailed plan for the local.

![Image 3]

The local is 90m², 9 meters long and 10 meters wide.

The local is composed of a bar with ten individual spots, 4 doubles tables, 2 tables for 4 people and 3 tables for 8 people. The local has a capacity of 50 people.
We have chosen this disposition to allow for all the different kind of people to feel comfortable, people who go alone to eat something will have enough single place, but also we want to have some bigger table for families.

The facility meets the requirements of the Polish law, it has a bathroom for women and one for men, one pantry, bar area and kitchen with a capacity for up to 8 workers.

8.5. Inventories and orders
The chefs will be in charge of controlling the inventory. Moreover they will be in charge of ordering more resources from the supplier when needed.

8.5.1 Suppliers
The material raw needed to carry out our activities is:

**Main dishes**

General; Olive oil-Vinegar-Salt-Water

Spanish Omelette; Potatoes-Onion-Parsley-Egg

Ajo Blanco; Garlic-Almonds-Bread chunk

Pan con tomate; Bread-Tomato

Jamón

Mediterranean Salad; Lettuce-Tomato-Tuna-Black olive-Oregano

**Beverages**

Gazpacho; Tomato-Green pepper-Red pepper-Cucumber-Onion-Bread

Sangria; Red wine-Peach-Apple-Peer-Pineapple-Lemon-Orange-Cognac-Soda

Orange Juice; Orange

**Desserts**

Fruit; Same than for Sangria; Peach-Apple-Peer-Pineapple-Orange
Natillas; Milk-Sugar-Egg-Lemon-Cinnamon-Vanilla-Cookies

Arroz con leche; Milk-Rice-Cinnamon-Lemon-Butter

We will differentiate between two types of suppliers, Polish and others one.

The Polish supplier will be “Tradis Distribution Group, owned by EMPERIA Group” because they can provide us all the ingredients needed for our recipes. Moreover it is a prestigious and experienced company dealing with vegetables and fresh ingredients.

The conditions offered by Tradis Distribution Group are advantageous for our company. They allow us to pay 30 days later. Also they ensure our orders will be delivered within 48 hours.

That way, we use a Polish provider in order to buy cheaper, but just for the ingredients that has the same quality in Poland than in Spain, for very specific Spanish products we will use HORECA distribution channel.

HORECA Trade is a dedicated service distribution company to the foodservice channel of the UAE.

In that channel there is collaboration between manufacturers, distributors and wholesalers, depending on the product. In the case of imported products, as our case, the channel plays a very important role to ensure the quality of the product.

This channel is an opportunity for high quality products, as some of Spanish foodstuffs which have their main market niche in this channel because of his prestigious image specifically importation of oranges, olive oil, wine and ham from Spain.
9. Human Resources plan

9.1. Personnel

9.1.1 Types of Staff
We will differentiate two types of staff, the chefs and the rest of the staff.

Chef-profile: We will look for two experienced Spanish chefs. It would not make sense to have Polish or any other nationality chefs preparing Spanish recipes. Their tasks will be: supervise the production process, ensure the quality of the food, instructing new workers, to do regular inventories, to order the material raw and ensure its quality.

Rest of staff: A key factor is to hire an international team, mixing Spanish with Polish workers. We will look for people who speak at least two of the below three languages; English, Polish, Spanish. There are two roles in this category. Front counter role, the staff will have to serve the food and deal with the customers. Kitchen position role, the staff will be in charge to prepare the food according to the recipes stipulated.

It bears mentioning that each worker will have allocated a task respect hygiene as was shown in a previous table.

9.1.2. Employees disposition
First month, I will be working as an extra worker, in order to find out, what is the amount of meals that we sell each day, in order to check if our sales forecast were properly calculated and to plan more accurately for the future.

Normal number of workers at the restaurant will be 6. Find the distribution in table 7.

<table>
<thead>
<tr>
<th>Employees</th>
<th>Chefs</th>
<th>Rest of the staff</th>
</tr>
</thead>
<tbody>
<tr>
<td>Front counter</td>
<td>-</td>
<td>2/3</td>
</tr>
<tr>
<td>Kitchen position</td>
<td>1</td>
<td>2/3</td>
</tr>
</tbody>
</table>

Table 7.

Each shift will consist of 6 hour, working on morning shift or afternoon shift. With the exception of two chefs who will manage their own timetable. Each shift of 6 hours or more will have a rest time of 30 minutes.
9.1.2.1. Number of employees per position
Chefs- We will have two chefs to carry out this role, each week the restaurant will be opened 80 hours according to the distribution on table 8.

<table>
<thead>
<tr>
<th>Days</th>
<th>Monday</th>
<th>Tuesday</th>
<th>Wednesday</th>
<th>Thursday</th>
<th>Friday</th>
<th>Saturday</th>
<th>Sunday</th>
</tr>
</thead>
<tbody>
<tr>
<td>From</td>
<td>12 am</td>
<td>12 am</td>
<td>12 am</td>
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<td>To</td>
<td>11 pm</td>
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<td>12 pm</td>
<td>12 pm</td>
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</tr>
</tbody>
</table>

Table 8.

Therefore each chef will work 40 hours per week, a regular work load.

Talking about the normal personnel, we have to cover 5 positions at the restaurant. Taking into account that the restaurant will be open 80 hours per week, we will cover this position with people full-time and people part-time. We will take 4 people full-time and 12 people part-time.

9.1.2.2. Hierarchy
Depending on the profile of the staff, and also taking into account the full-time personnel who is more likely to stay more time in our company, we will have 4 managers alternating for each shift.

First manager
Second manager
Third manager
Fourth manager

Obviously, when the first manager will be working, she/he will be in charge of the restaurant, but not of the kitchen which will be managed by the Chef. If the first manager is not working, the one in charge will be the second one, and like that until the fourth manager.

9.1.2.3. Capabilities and profile of personnel
In order to stress the concept of the restaurant, the personnel will be or Polish or Spanish. Because we are starting a business in Poland, it is not a good idea to have all foreign workers, therefore a mix between Polish and Spanish would be preferred.
The key factor of the workers is the languages. We would prefer people who speak at least two languages, either Polish Spanish or English. We will look for a balance in the number of employees speaking each language so that no one will experience difficulties with language barriers in our restaurant.

In our promotional campaign we will encourage people to practice languages or speak the language that are most unfamiliar with when they are ordering. To make it easier, each employee will have next to their name a flag showing the languages that he or she is able to speak.

But also a good approach to customer service will be necessary, as there is direct contact with the client. A smile will be necessary to serve customers.

Our goal is to create a relaxed and friendly Spanish atmosphere without forgetting that we are based in Poland and we should show a good approach toward their country. Thus we will have both flags in the restaurant, Polish and Spanish.

The profile of the Spanish staff, would be Erasmus students doing their scholarship for one year in Warsaw. After some research we came up with 1000 thousand Spanish students who are based in this city each year. This kind of work, part-time would be perfect for them. They will be able to attend classes at the same time and earn some extra money.

**9.2 Code of conduct**

A code of conduct for employees is a document which defines the expectations and acceptable behaviors on the facility.

**Happy Welcome**

The counter staff should say hello to every customer with a friendly demeanor. The smile of the employee will be a key factor to transmit positive energy.

**Language**

The language used should be respectful and formal, either between employees and clients the employees to employees. The employees must avoid colloquialisms and obscene sentences.

**Professional interaction between employees**

Employees must behave in a manner that does not disrupt the normal operation of the restaurant. They must always respect the instructions of those in charge of the kitchen or other parts of the restaurant.
Dealing with customer complaints
The employee will strive to not get any complaints. However if a customer is upset about the service, we must adapt to the customer's request and take into account the feedback in order to better our services.

Kitchen Rules
The kitchen should be clean at all times and comply with all food safety standards, even during busy services.

Dress code
The worker should wear the dress provided by the company. Also it is forbidden to wear tattoos or piercing visible for clients.

Eating
The workers are allowed to eat whatever they want in the restaurant during their rest time. But it is strongly forbidden to eat while they are working.

Smoke
It is strongly forbidden to smoke in the restaurant.

Confidential information
It is strongly forbidden to provide confidential information about our know-how to potential competitors or to anyone with dishonest purpose.

9.3. Legal environment in Poland
Type of contract:

Indefinite contract

Term contracts

Contract completion of a service

Contract substitution of an absent employee

To start this project, we need two chefs and 20 employees, including 4 full-time and 16 part-time.

Taking into account that it is a new company, we have to wait a period of time in order to evaluate if it is necessary to hire more workers, or instead if we need to adjust the staff, and
reduce human resources costs. Considering these factors the most advantageous contracts for the company is the definite term contract, which is define as a purchase contract that continues for a specified fixed period. So we will hire the employees with a definite term contract (after three definite term contracts it automatically becomes an indefinite contract).

The term contracts do not allow us to break the contract before the deadline we have established. The law authorizes us (if the period exceeds six months) to establish in the contract that it can be dissolved with two weeks’ notice without having to present the reasons for the rescission.

Having established that the contract will be for a fixed period of six months, we will write within them, the work to be performed, conditions and obligations that correspond to each worker according to the job and the working hours for which they would be hire.

The working time cannot exceed 8 hours per day, and average time shouldn’t be more than 40 hours for five days a week.

Overtime, cannot exceed 150 hours per year for each worker, unless it is established in the Collective Agreement, in the company statute or contract. Overtime must not exceed 48 hours per week.

Also for overtime, workers will have the right to receive a supplement:

- 100% of the payment for night hours and holidays and Sundays.
- 50% of the payment for the other days.

Speaking of holidays, the employees have the right to have 20 days for a year of work.

As an entrepreneur you must provide certain benefits to the workers:

- In case of illness or communicable disease isolation exceeding 33 days within the calendar year, the employee is entitled to 80% of their salary paid by the employer. And in case of incapacity exceeding 33 days, the worker would receive a subsidy.

- In case of accident or illness during pregnancy exceeding 33 days within the calendar year, the employee will receive 100% of wages paid by the employer.

- Those that undergo medical tests to donation of organs, tissues or cells in excess of 33 days within the calendar year, are entitled to 100% of salary.
Finally, we should mention the obligations of the workers if he causes damage to the employer depending on, whether the damage was caused voluntaedly or involuntarily. If it’s involuntary the worker will have to take responsibility for the limit of the actual loss suffered by the employer and the compensation shall not exceed the value of three times the salary. If damage is caused voluntarily, the worker will be liable for the damage to its full value.

9.4. Legal advisory support
Because we want to focus as much as possible on the core competencies of the business, we will outsource some activities to one specialized company.

That decision will provide us with advisory support about the best practices for the company, on top of a quality service which will avoid trouble for the company.

The company chosen for its value is http://lucre.pl/

The services that they will provide to us will be:

Accountancy

They offer accounting services to small and medium-sized businesses, conducted in any legal form. They settle revenue and expense ledger and Trading Books for legal entities.

Insurance

Assets insurance

Attorney

Workers support. They offer a full range of HR services. They assess the workers compensation and social security. According to our needs they prepare a contract of employment and civil contracts, and conduct personnel files.
10. Financial Plan

The aim of this section is to check the data related to the feasibility of the project. However, we will not get into balance sheets and income statements as this would be an accounting approach, and would not make much sense in this project. Therefore, we will make a financial approximation by calculating the NVP and the IRR to analyze whether the project is viable.

The next calculations are based on prevision. If the expectations do not meet, the budgets of the following years would adjust to the real numbers.

10.1 Net Present Value

The Net Present Value is a way to calculate the present value of a number of future cash flows, resulting from an investment.

Calculating this data will help us test the viability of our business.

The investment is considered acceptable when its NPV is positive. If the NPV is less than zero the investment will be rejected. Furthermore, preference is given to those whose NVP investment is higher.

The formula to calculate the NPV is:

\[ NPV = -C_0 + \frac{C_1}{1+r} + \frac{C_2}{(1+r)^2} + \cdots + \frac{C_T}{(1+r)^T} \]

- \( C_0 = \text{Initial Investment} \)
- \( C = \text{Cash Flow} \)
- \( r = \text{Discount Rate} \)
- \( T = \text{Time} \)

Therefore we should calculate \( C_0, C \) and \( r \).
<table>
<thead>
<tr>
<th>Co</th>
<th>Euros</th>
</tr>
</thead>
<tbody>
<tr>
<td>Setting up the business (Accountant’s fees, business registration, Domain name registration, Insurance, Licenses)</td>
<td>12.000€</td>
</tr>
<tr>
<td>Setting up the premises (Lease deposit, month in advance, fitout, stationery and office supplies)</td>
<td>30.000€</td>
</tr>
<tr>
<td>Plant and equipment (Equipment, Computer and software)</td>
<td>55.000€</td>
</tr>
<tr>
<td>Starting operations (Advertising and promotion, Raw materials and supplies, Working capital)</td>
<td>40.000€</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>137.000€</strong></td>
</tr>
</tbody>
</table>

To work out the Cash Flow, we should use the sales prevision already calculated and we should calculate the Variable Cost.
<table>
<thead>
<tr>
<th>Variable Cost each year</th>
<th>Euros</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounting fees, Bank charges, Bank interest, Legal fees</td>
<td>7.000€</td>
</tr>
<tr>
<td>Advertising</td>
<td>3.000€</td>
</tr>
<tr>
<td>Raw materials</td>
<td>470.000€</td>
</tr>
<tr>
<td>Electricity and gas</td>
<td>20.000€</td>
</tr>
<tr>
<td>Insurance</td>
<td>5.000€</td>
</tr>
<tr>
<td>Rent</td>
<td>5.000*12=60.000€</td>
</tr>
<tr>
<td>Repairs and maintenance</td>
<td>4.000€</td>
</tr>
<tr>
<td>Wages</td>
<td>(1.200<em>2 + 650</em>10)*12=106.800€</td>
</tr>
<tr>
<td>Unforeseen expenses or supplies</td>
<td>67.580€</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>740.600€</strong></td>
</tr>
</tbody>
</table>

The data already calculated about the Sales Forecast is: 793.800€

We will use an actualization rate of 3% as normal inflation.

The annual Cash Flow would be 793.800 – 740.600= 53.200€

We have to pay the taxes, set by Polish law at 19%. 53.200-19%53.200=43.092€
NPV 60.339,43

The result of the NPV is 60.339,43€ which means that the business is profitable. The number of 60.339,43€ means that all the benefits that we will obtain during the five years of the calculation, have this present value.

10.2 Internal Rate of Return

The Internal Rate of Return (IRR): It is the rate that discounts the Income Future Investment project and makes its net present value zero.

That is, the IRR is a measure of the profitability of an investment, showing what the highest interest rate at which the project generates no losses or gains.

Comparing the Internal Rate of Return with market interest rate, you are able to decide if the project is better to other inversion alternative. Therefore you should perform the investment project if the IRR exceeds this rate.

Find the IRR formula below:

$$0 = -A + \frac{Q_1}{(1+i_e)} + \frac{Q_2}{(1+i_e)^2} + \ldots + \frac{Q_n}{(1+i_e)^n}$$

Having the initial investment: 137.000€

The annual cash flow: 43.092 €

We are able to calculate the IRR through excel.
The result is 17.26% This is the profitability of the project at present value. As the IRR is greater than the discount rate, the project should be accepted as is estimated a yield bigger that the minimum required.
11. Conclusion

The current Project defines the business plan for a Spanish&Healthy restaurant in Poland. We have presented along the Project all the investigation carried out which has helped us gain a better understanding of:

- The specific competencies, strength and weaknesses of the company itself. To know perfectly your business is a critical factor to ensure its ultimate viability.

- Evaluate and have an overview of the competence. Through the competitor analysis we found the niche that is most suitable for us.

- To find out possible improvement for the core business.

- The prevision of sales during the next five years.

- The viability and profitability of the business in economic terms.

Therefore, throughout the business plan, we have been analyzing, checking and testing the concept. After that we are able to decide if we are going to go ahead with the project or not.

All in all, the final result has provided us with a lot of data supporting our decision to put our business model into action.
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“A channel of distribution comprises a set of institutions which perform all of the activities utilized to move a product and its title from production to consumption”

Bucklin - Theory of Distribution Channel Structure (1966)

“The contracting parties may shape their legal relationship at their own discretion, so long as the subject matter or the purpose thereof does not conflict with the character (nature) of the relationship, statute or the principles of social co-existence”

Article 353 of the Polish Civil Code
Appendix

Appendix 1: Survey

Please find below the original survey.

Hi you all!! That is a survey for my master project. This survey should be completed for POLISH PEOPLE or any people living in Poland long term. The intention is to get some feedback about a business idea which mixes two of my big passions, Spanish gastronomy and Poland. The business concept is a Healthy Spanish fast food restaurant...with Spanish omelette as a main dish. DZIEKUJE BARDZO!

*1. How old are you?

☐ <18 ☐ 18-24 ☐ 25-34 ☐ 34-45 ☐ >45

*2. Gender

☐ Male ☐ Female

*3. Working hours a week.

☐ Student ☐ Worker <30 hours weekly ☐ Worker 30-40 hours weekly ☐ Worker >40 hours weekly ☐ Unemployed

*4. Number of people living in the family unit

☐ 1 plus me ☐ 2 plus me ☐ 3 plus me ☐ +3 plus me ☐ just me

*5. Income level.

☐ =<2000 PLN ☐ 2001-3000 PLN ☐ 3001-5000 PLN ☐ 5001-8000 PLN ☐ >=8001 PLN

*6. Nowadays, are you most likely to go to a fast food restaurant or to a normal restaurant?

☐ Fast food restaurant ☐ Normal restaurant

7. Due to your job and several reasons, how many times a week do you eat out?

☐ 0 ☐ 1-2 ☐ 3-4 ☐ 5-6 ☐ =<7 ☐ NS/NC
*8. From 1-5, how much are you interested in trying new international food?

☐ 1  ☐ 2  ☐ 3  ☐ 4  ☐ 5

*9. Are you interested in Spanish culture?

☐ Not at all interested  ☐ Slightly interested  ☐ Moderately interested  ☐ Very interested  ☐ I love Spanish culture

*10. What do you like most about Spain? (1 or 2 words)

☐

*11. Are you interested in Spanish Gastronomy?

☐ Not at all interested  ☐ Slightly interested  ☐ Moderately interested  ☐ Very interested  ☐ I love Spanish gastronomy  ☐ I don't know yet, but I fancy try it.

*12. What Spanish dishes do you like the most? (Several possible)

☐ Spanish Omelette
☐ Paella
☐ Jamón
☐ Pan con tomate (Tomato & Bread)
☐ Olive oil
☐ Otro (Por favor especifique)

*13. From 1-5, How much do you like Spanish Omelette?

☐ 1  ☐ 2  ☐ 3  ☐ 4  ☐ 5  ☐ NS/NC

*14. If you have not tried yet the spanish omelette, Are you willing to give it a go?

☐ Yes  ☐ No, I am not interested  ☐ I have already tried it

*15. How much would you be willing to pay for a meal in our restaurant? (Regarding
ours competitors, Burguer King, Mcdonalds, KFC)

☐ The same price  ☐ Less price  ☐ More price, because would be healthier and original

*16. Which attributes do you consider more important in this business concept? (You can choose several option)

☐ Quality of the food  ☐ Taste  ☐ Variety  ☐ Healthy food  ☐ Spanish customization  ☐ Customer service

*17. If our new service were available today, how likely would you be to use it instead of competing services currently available from other companies?

☐ Not at all likely  ☐ Slightly likely  ☐ Moderately likely  ☐ Very likely  ☐ Extremely likely

*18. From 1 to 5, Do you consider yourself interested in such a concept of "Spanish healthy fast food"?

☐ 1  ☐ 2  ☐ 3  ☐ 4  ☐ 5
Appendix 2: Location

The black square represents the location.

Again the black square represents the location.