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BA BUSINESS MANAGEMENT

Assignment 1 – Written Report

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Business description:

Smith's Latin restaurant is going to be an all-inclusive dining establishment with a focus on Latin artwork that blends colour, creativity, and excellent meals and hospitality. The most effective way to characterize the cuisine is as a combination of real Latin and Mexican. The Latin restaurant that is located near the Thames River, just minutes from the Tower of London. It is suggested that this dining establishment be opened with the design of a location in consideration, where individuals may go to unwind from the worries of everyday life and catch up with relatives and close friends. Individuals who adore authentic Latin cuisine and exquisite dining experiences are our target market. The dining establishment's times of operation are scheduled from 12:00 am to 11:00 pm; breakfasts will not be offered at this time. This specific timetable was selected since the majority of the meals, which is primarily Latin cuisine, is best enjoyed at lunchtime or evening; therefore, serving it in the early hours wouldn't be a smart idea. The necessary business-related documentation are the partnership deed, commerce license, alcohol license, safety and health license, and rent and release license agreement.

Mission:

- Create an excellent workplace atmosphere and approach staff members with regard and decency.
- Uphold the greatest norms of quality in the setup, manufacturing, and client service of our meals.
- Have a beneficial impact on the surroundings and society.

Industry analysis:

Britain's Restaurants market is projected to reach a size of approximately 30 billion Dollars in 2023 and 44 billion Dollars by 2029, expanding at a compound annual growth rate of 6.5% between 2024 and 2030. The growing popularity of foreign food is driving the dining establishment industry in Britain. European dishes thus control the majority of the full-service eatery market. Latin American food is the dining establishment segment's most rapidly expanding with an anticipated compound annual growth rate of 7.80% for the duration of the forecast. Latinos' taste for food has made Latin American cuisine prominent (Freedman, 2017). Fried chicken and burritos are in popularity as consumers have been acclimated to consuming both poultry and meat. Latin food is being included into restaurants by a number of prominent operators.

5 force model:

Threats of new entrants: In an industry where entry is simple, new competitors pose a serious danger to established companies (Salter, 2014). Similar to the retail sector, the restaurant sector is always seeing new competitors enter the marketplace. But to enter this market, one must overcome difficult obstacles like intense rivalry, hefty initial expenses, and the requirement for a strong value offer.

Buyer's bargaining power: Due to the wide range of options offered by the United Kingdom's restaurant business, consumers have significant negotiating power. The price battles have gotten more intense and client demands have increased due to the intense rivalry between restaurant heavyweights. Well-established companies must make investments in excellence, creativity, and efficiency in order to hold onto

their position in the market. They additionally need to foster customer devotion through incentive schemes and unique products that go beyond standard restaurants.

Threats of substitute: Substitutes are becoming a bigger threat to the United Kingdom's restaurant industry in this age of lightning-fast innovation. In addition, food membership services, which provide packaged food served right to clients' front doors, are becoming increasingly famous (Ernst, 2002). Business executives need to use innovation to combat this threat by offering convenient ordering through the internet, delivery choices, and cutting-edge culinary experiences that set them apart from competitors.

Supplier bargaining power: Like the grocery industry, the restaurant sector in the United Kingdom has little bargaining leverage with suppliers because major players have a lot of leverage. However, allegations of supplier exploitation and illegal conduct have emerged, highlighting the necessity of sustainable corporate procedures along with accountable handling of suppliers.

Competitive rivalry: In the United Kingdom's restaurant market, competition is intense and never-ending (Freedman, 2017). When multiple entities of comparable magnitude and influence vie for clientele, distinctiveness becomes crucial. Three of London's most well-known Latin American restaurants include Tierra Peru, Constancia, and Paladar. They cater to a wealthy clientele and are a well-known, high-profile establishment. In order to rival them, we must Working with established brands, like well-known bread companies, has also turned into a calculated strategy to increase convenience and draw clients.

VRIO analysis

Valuable: The analysis indicates that because regional commodities are so distinctive, they represent an important resource. Clients see these as having a strong evaluated worth because of this.

Rare: The VRIO Analysis determined that the staff members of the Latin eatery are an uncommon resource.

Imitable: The analysis conducted by VRIO found that it is especially challenging to copy intellectual property of Latin restaurants. This is due to the fact that copying an exclusive trademark is illegal.

Organisation: It was determined by the VRIO Analysis that the supply infrastructure offers a persistent comparative edge. An example of untapped comparative value is the intellectual property.

Operational and management team plan:

The organization will function as a high-end restaurant featuring musical performances 5 days a week. In addition to serving as a dining establishment, the organization will function as a retail space where patrons may purchase in-store goods like pastries, chips, and condiments. Since exquisite cuisine will undoubtedly be the primary attraction at Smith's Restaurant, every component will be procured from the neighbourhood marketplace to guarantee their optimum quality. Any components that are not accessible locally such as specific kinds of herbs or specific Latin American flavourings will be brought in with the help of neighbourhood vendors. Smith's Restaurant will open at 12:30 am and close at 11:00 pm, without serving breakfast. This specific timetable was selected since the majority of the meals, which

is primarily Latin cuisine, is best enjoyed at lunchtime or evening; therefore, serving it in the early hours wouldn't be a smart idea (Moll, 2006).

Instead of using a buffet-type of assistance, Smith's Restaurant will use an itemized menu where customers may order whatever cuisine they choose, with some dishes being seasonally based on which components are available. Smith's Restaurant will additionally be selling a variety of take-home goods at a shop located close to the main door. This will include a selection of modest dishes that may be packaged and taken home like desserts, pies, baked goods, etc. Additionally, diners will have the opportunity of buying certain sorts of condiments that were developed in the restaurant's cooking area, as Latin cuisine offers a variety of wonderful sauces. The dining establishment's personnel will handle all wrapping, labeling, and safekeeping throughout the first a few hours of business. Although there won't be much of a market for the goods, our clients who wish to eat a few of the meals in their homes should benefit greatly from it.

There is going to be a bar area in the dining area itself with a variety of drinks that are both alcoholic and non-alcoholic. Smith's Restaurant will have a fully stocked bar with at least the kinds of refreshments that are predetermined to be suitable for the high-end eating graphic that the dining establishment is attempting to project, even though its offerings is unlikely to be as diverse as other places that specialize in the retailing of wines and spirits. Every alcoholic beverage will be purchased either online or through neighbourhood retailers in the neighbourhood shopping area, subject to the demand or accessibility of particular brands and varieties. Different kinds of liquor and wines will be imported from countries in South America to match the dining establishment's design and the Latin-inspired foods that will be offered.

Management team

We will treat this eatery as a limited- liability Partnership. The owner, Mr. Jack, and his friend, Mr. Peter, will work together to construct this restaurant. The shareholder will control the majority of the shares, while his friend will be able to acquire the minority shares of the dining establishment. Because of their collaboration, both of them are going to be able to put away additional funds, which will improve the growth and success of their restaurant's startup. Each shareholder has prior experience managing a business. Both have over 15 years of prior experience working in the leisure or food industry. All the hired staff will be appointed after extensive interview. Everyone will be masters in their field with minimum experience. Four supervisors, one surveillance officer, one bus boy, two marketing and sales staff members, two servers, and five operational team members like waiters, culinary workers, bar staff, and cleaners, will make up the restaurant's workforce.

Marketing plan and strategy:

Product: We promise to provide authentic and high-quality Latin food. Instead of using a buffet form of assistance, Smith's Restaurant will use an itemized menu where customers may order whatever cuisine they choose, with certain offerings being seasonally based on which components are available.

Price: Every item on the menu has a reasonable price. A normal consumer will shell out \$10 to \$15 on meals and beverages. The proprietors set the food's prices, and

there's scarcely much space for negotiation. There may be a family or special occasion discount available.

Place: The Latin restaurant that is located near the Thames River, just minutes from the Tower of London. It is suggested that this dining establishment be opened with the design of a location in consideration, where individuals may go to unwind from the worries of everyday life and catch up with relatives and close friends.

Promotion: It will be difficult to maintain basic and inventive promotion for a startup company because spending on advertising can be prohibitive. One of our cornerstones for achievement is cost-effective advertisement, which, thankfully, will be mostly handled by a London based digital marketing agency. We'll use them to sell and advertise our dining establishments using a range of techniques, including social media, email, and website creation.

Differentiation point: In addition to serving as a dining establishment, the organization will function as a retail space where patrons may purchase in-store goods like pastries, chips, and condiments. Since exquisite cuisine will undoubtedly be the primary attraction at Smith's Restaurant, every component will be procured from the neighbourhood marketplace to guarantee their optimum quality. Any components that are not accessible locally such as specific kinds of herbs or specific Latin American flavourings will be brought in with the help of neighbourhood vendors. We will keep our business and operations sustainable and environment friendly.

Financial Plan:

It was found that leasing is the more cost-effective option since purchasing a site and developing the necessary facilities might have been costly. Consequently, the business will be established in a leased process facility. The initial investment includes license and marketing costs, in addition to culinary equipment and components for Latin American cuisine. Although we make an effort to uphold uniformity, price lists has the potential to vary due to the fluctuating costs of commodities in the hospitality industry, especially fresh fruit, animal products, and marine. The sales projections begin at an acceptable level and increase until the conclusion of the academic year, when our goal is to achieve the highest sales.

Startup		cost
in \$		
Kitchen inventory		70000
Packing material		10000
Rent		15000
Legal advisory		3000
Insurance		1000
Sign board		1000
Marketing agency fees		15000
Kitchen equipment		50000
Decor		10000
Office equipment		5000
Other expenses		10000
Total		190000

Sales forecast for 6 months

Sales	1150000
Cost of goods sold	-450000
Operating cost	-200000
Employees expenses	-350000
profit	150000

Closing Summary:

The food and beverage sector in Britain has experienced heightened rivalry in the past few years due to the development of more establishments to meet the increasing wants and desires of clients who constantly experiment with new dishes (Jean, 2015). With its unique blend of color, artwork, and delicious food and attentive service in a setting focused on Latin artistic endeavors, this full-service Latin dining establishment is sure to become a huge hit. The Latin restaurant that is located close to the the Thames, just minutes from the Tower of London. We shall maintain environmentally conscious and sustainable company practices. We promise to deliver excellent cuisine and services.

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