

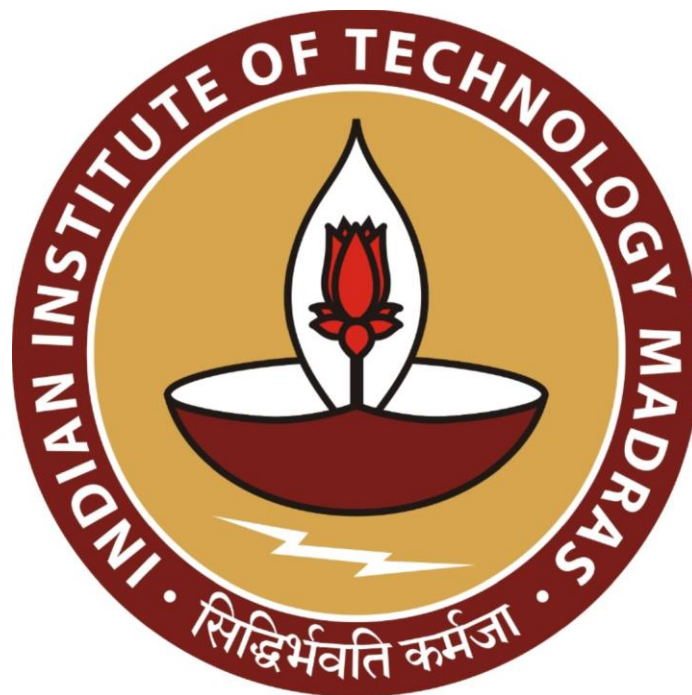
# Analytic Study of a Pan Asian Restaurant

A Proposal report for the BDM capstone Project

Submitted by

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## **Declaration Statement**

I am working on a Project Title “Analytic Study of a Pan Asian Restaurant”. I extend my appreciation to **Crazy Noodles**, for providing the necessary resources that enabled me to conduct my project.

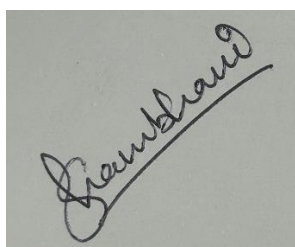
I hereby assert that the data presented and assessed in this project report is genuine and precise to the utmost extent of my knowledge and capabilities. The data has been gathered through primary sources and carefully analyzed to assure its reliability.

Additionally, I affirm that all procedures employed for the purpose of data collection and analysis have been duly explained in this report. The outcomes and inferences derived from the data are an accurate depiction of the findings acquired through thorough analytical procedures.

I am dedicated to adhering to the information of academic honesty and integrity, and I am receptive to any additional examination or validation of the data contained in this project report.

I understand that the execution of this project is intended for individual completion and is not to be undertaken collectively. I thus affirm that I am not engaged in any form of collaboration with other individuals, and that all the work undertaken has been solely conducted by me. In the event that plagiarism is detected in the report at any stage of the project's completion, I am fully aware and prepared to accept disciplinary measures imposed by the relevant authority.

I agree that all the recommendations are business-specific and limited to this project exclusively, and cannot be utilized for any other purpose with an IIT Madras tag. I understand that IIT Madras does not endorse this.

A handwritten signature in black ink, appearing to read 'Shambhavi Shreya', written diagonally across a light gray rectangular background.

Signature of Candidate: (Digital Signature)

Name: Shambhavi Shreya

Date: 22 December 2024

## 1. Executive Summary

This project is focused on studying and providing recommendation for problems faced by Crazy Noodles, Bodakdev, a Pan-Asian restaurant operating in Ahmedabad, Gujarat. The restaurant operates in B2C capacity offering various Chinese Thai, Japanese, Multicuisine, and Oriental cuisine options, to a range of medium-to-high end customers.

The Key Challenges faced by the Crazy Noodles, Bodakdev franchise owners, is to maintain a good profit margin while balancing food delivery commissions charged by the food delivery partner companies. Due to increasing trend for food delivery, a major part of revenue is used for food delivering app's commission. This reduces the overall profit of the company. Another challenge faced is the inconsistency of restaurant staff. The employees assigned to the business are leaving the restaurant within a small timeframe, which reduces the restaurant's workforce and leads to a decline in every-day workflow.

To tackle these challenges at Crazy Noodles, I plan on exploring the sales data set. Firstly, I will examine sales data to gain insights into costs, pricing strategies, profits, and losses. This analysis aims to establish a deeper understanding on the approach to optimize profit margins and provide a clearer financial perspective for the business. Then, I will focus on data related to food delivery companies, conducting an in-depth analysis to devise a profit margin. Secondly, I will look into the departing patterns of staff workers and understand the underlying issues of inconsistency in performance. This approach will help maximize financial gains and minimize performance latency caused by inconsistency.

## 2. Organisation Background

Firm's Name:	Exhilarating Endeavours LLP
Sector of Business:	Restaurant
Franchise Owner:	Mr. Hiren D Shah
Address of Business:	GF 12, Times Square Arcade II, Nr. Sindhu Bhawan Road, Ahmedabad 380058

Crazy Noodles in a Pan Asian restaurant first established in Delhi, India in 2016. It has further opened various franchises existing in cities of Pune, Delhi and Ahmedabad starting from the year 2017. It offers a space of casual dining family restaurants for Chinese and Oriental Cuisine.

Th restaurant offers both vegetarian and vegan dishes to cater to different dietary needs. Its welcoming ambience makes it group-friendly and an excellent choice for families with kids. The indoor seating area provides a cozy and comfortable environment to enjoy a hearty meal.

The requirements of the franchise are of 7-8 workers.

The overall cost of a Crazy Noodles franchise is very competitive when compared with similar concepts for sit-down dining.

Their kitchens are small, maximizing the area available for seating revenue generating customers.

### **3. Problem Statements**

1. Due to the increasing popularity of food delivery services, aggregators such as Zomato and Swiggy account for a significant portion of overall revenue, even though the restaurant's main business is dine-in. These platforms charge high commission rates that negatively affect the restaurant's ability to maintain profits and profitability.
2. Irregular and unplanned leaves and departure of restaurant staff reduce the efficiency of food operations and taste. Additionally, the departure of staff members results in the hiring and training of replacements, which escalates training expenses and exceeds budget allocations, thereby increasing overall investment costs.

### **4. Background of the problem**

The most significant problem which the crazy noodles franchise holders face has been a frequent issue among restaurants. While ordering food at our doorsteps is convenient, it comes with hefty charges that are deducted from our favorite restaurants. The intermediary or delivery company charges such high commissions for handling deliveries across the whole city and is well worthy of that money. This high amount of commission subtracted from the total revenue that the business generates leads to a very low profit margin for the firm.

Secondly, unplanned and irregular leaves taken by restaurant employees are having a major negative influence on the effectiveness of food operations, resulting in variable quality, delayed service, and lower customer satisfaction. Because of the unsteady workflow caused by these staffing changes, other team members may take on more work, which could lead to burnout and increased inefficiencies.

Furthermore, when employees leave, the company has to recruit and train new employees, which consumes a lot of time and money. This includes the cost of recruiting, training, and onboarding new employees. The restaurant's financial planning is stretched because these additional costs often outweigh the budgeted amount. As a result, the restaurant's ability to maintain quality service standards is hindered.

## 5. Problem Solving Approach

### 5a. Details about the methods used:

Given the nature of the problems faced by 'Crazy Noodles' a comprehensive approach involving both quantitative and qualitative methods is required.

Quantitative Methods:

- i. Analysis: Given the time-dependent nature of financial and employee data, time-series analysis will help me identify trends, patterns, and variations in the business's revenue aspects and staff leaves.
- ii. Computation: I intend to employ various statistical computations to analyse financial data, such as calculating the percentage of revenue allocated to delivery companies and devising an achievable pricing scheme.

Qualitative Methods:

- i. Conversation: I plan to engage with the owner, Mr. Hiren D shah, to gather qualitative insights into the challenges faced, his perspectives on revenue generation, preferences on profit margins and company guidelines regarding staff employment and their policies.
- ii. Evaluating: I intend to compare 'Crazy Noodles' with other franchises in the city, as well as similar businesses offering comparable pricing and dining options, to identify best practices related to profit margins and staff management policies.

### 5b. Details about the intended data collection:

Sales Data: Collect detailed data on past transactions, including raw material prices, selling prices, items sold, and ratio of dine in sales and delivery sales, commissions of the delivery sales. This data will be used for financial analysis and the formulation of pricing strategies to calculate a desirable margin.

Employee Data: Gather data on the daily attendance of restaurant staff to gain insights into leave patterns. This information will provide a clearer understanding of staffing requirements and support the development of more effective staff management policies.

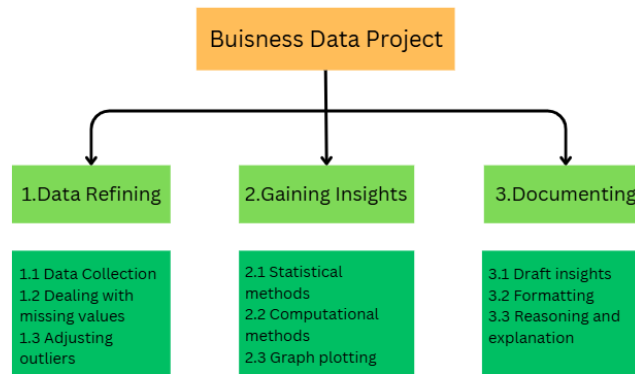
### 5c. Analysis Tools that will be used:

Google Sheets and Excel: For preliminary data processing, cleaning, and analysis. Drawing charts and conducting various computations to uncover meaningful insights. It's efficient for data processing and analysis, providing a user-friendly interface for fundamental computations and chart creation.

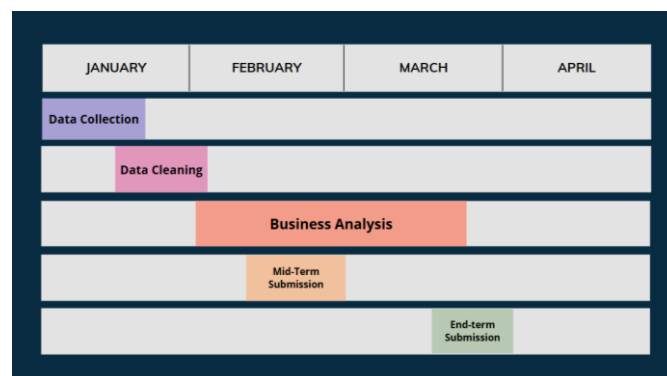
Python with Pandas and Matplotlib/Seaborn library: Will be used alongside Excel to explore the data more comprehensively, create visual representations, and extract additional insights. Enabling advanced data manipulation and sophisticated visualizations, complementing Excel's capabilities for a more comprehensive understanding of the dataset.

## 6. Expected Timeline:

### 6.1 Work Breakdown Structure:



### 6.2 Gantt chart:



The aim is to successfully analyze and provide conclusive recommendations by the end of March.

## 7. Expected Outcome:

- A realistic profit margin calculation while factoring in commissions charged by external delivery platforms and other loss inducing factors.
- Provide a detailed financial analysis of the business by evaluating costs, pricing strategies, and profitability metrics tied to restaurant operations.
- Gain insights into staffing needs to design and implement improved staff management policies.
- Support informed decisions on extending profit margin, minimizing financial risks, and establishing a structured system to maintain the business's financial health.