

# Restaurant

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# Industry Research – Key trends / drivers

- ❖ Casual dining is preferred as India is **PRICE-sensitive**
- ❖ **16%** of gift cards purchased **DO NOT GET REDEEMED**
- ❖ Loyal customers spends **67%** more than new ones
- ❖ For an average casual dining restaurant, the lifetime value of a customer is approximately **26 Lakh** Rupees.
- ❖ The main meal times of lunch (1300-1600 hours) and dinner (1900-2200 hours) contribute to **~85%** of the total sales at Casual Dine outlet.
- ❖ Research shows that **77%** restaurant customer found combo meals as **extremely attractive**
- ❖ Research from the National Restaurant Association indicates that technology, including online ordering, is playing a larger role in how restaurants attract more customers: **36%** of customers say they are more likely to use technology options in restaurants than they were two years ago.

# Case –2 | Restaurant

Your client is **a leading restaurant chain** in the Indian market and feels there is **scope to improve it's profits**. Being a leading organization in the sector, **investment is not a big issue**. It had been advised to the organization to open up new restaurants but firm feels it has exhausted all the areas where it could grow. **Acquiring new land is out of options**.

You have been asked to give **efficient recommendations and strategy** the organization should follow to **increase their profits**. It wants to see the effect **within a year** of implementations of recommended strategies.

**Restaurant Type : Casual Dining**



# Problem Solving Worksheet (PSW) :

## How can restaurant increase its profitability in the Indian market within a year?

### 1. BACKGROUND

- ❖ Restaurant is leading organization in Indian market
- ❖ Experiencing stagnation in profitability

### 2. DESIRED OUTCOME

- ❖ Plan for increasing gain in 1 year
- ❖ Identifying & advising solution for areas of improvement

### 3. SCOPE

- ❖ Analyse market trends and customer profile/behaviour
- ❖ Out of scope : Impact of Government Policies

### 4. CONSTRAINTS

- ❖ No new land acquisition

### 5. STAKEHOLDERS

- ❖ Management team of Restaurant
- ❖ Investors or Investing firms

### 6. RESOURCES

- ❖ Reviews of customers on Food related websites
- ❖ Interviews held with the Owner
- ❖ Market research

# Issue Tree :





A1.1

Improve visibility on  
the web

Improve Web Site

Improve SEO  
Strategies

Introduce Online  
Ordering/Reservatio  
n capability

Increasing social  
media presence

Tie up with online  
sites



In Scope



End Node

A1.2

Improve  
Traditional  
Advertising

Advertise in Local  
Magazines

Send emails to  
customer

Cable TV Ads

A1.3

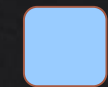
Improve Local  
Marketing

Arrange Community  
involvement  
programs

Arrange Restaurant  
Events on monthly  
basis

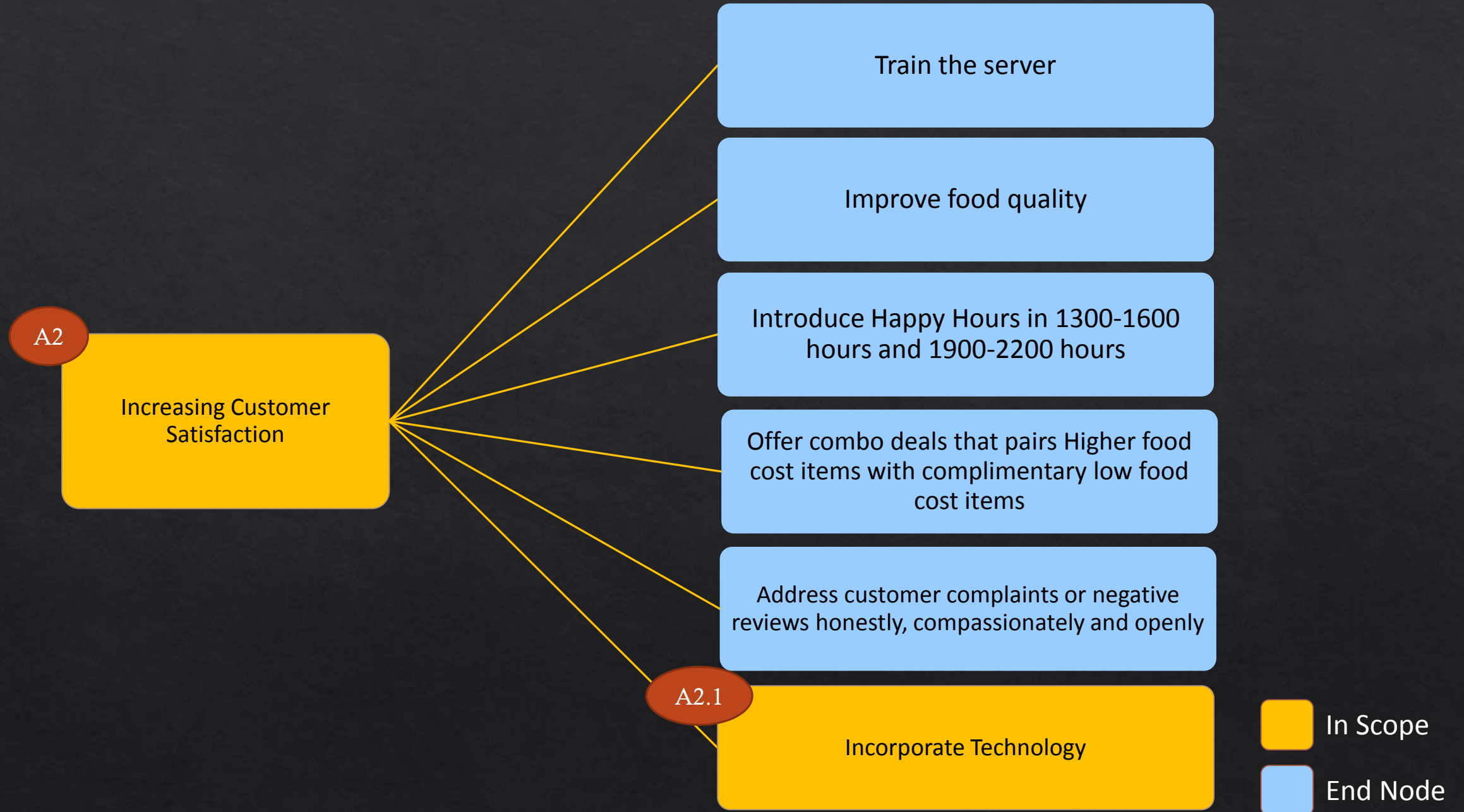


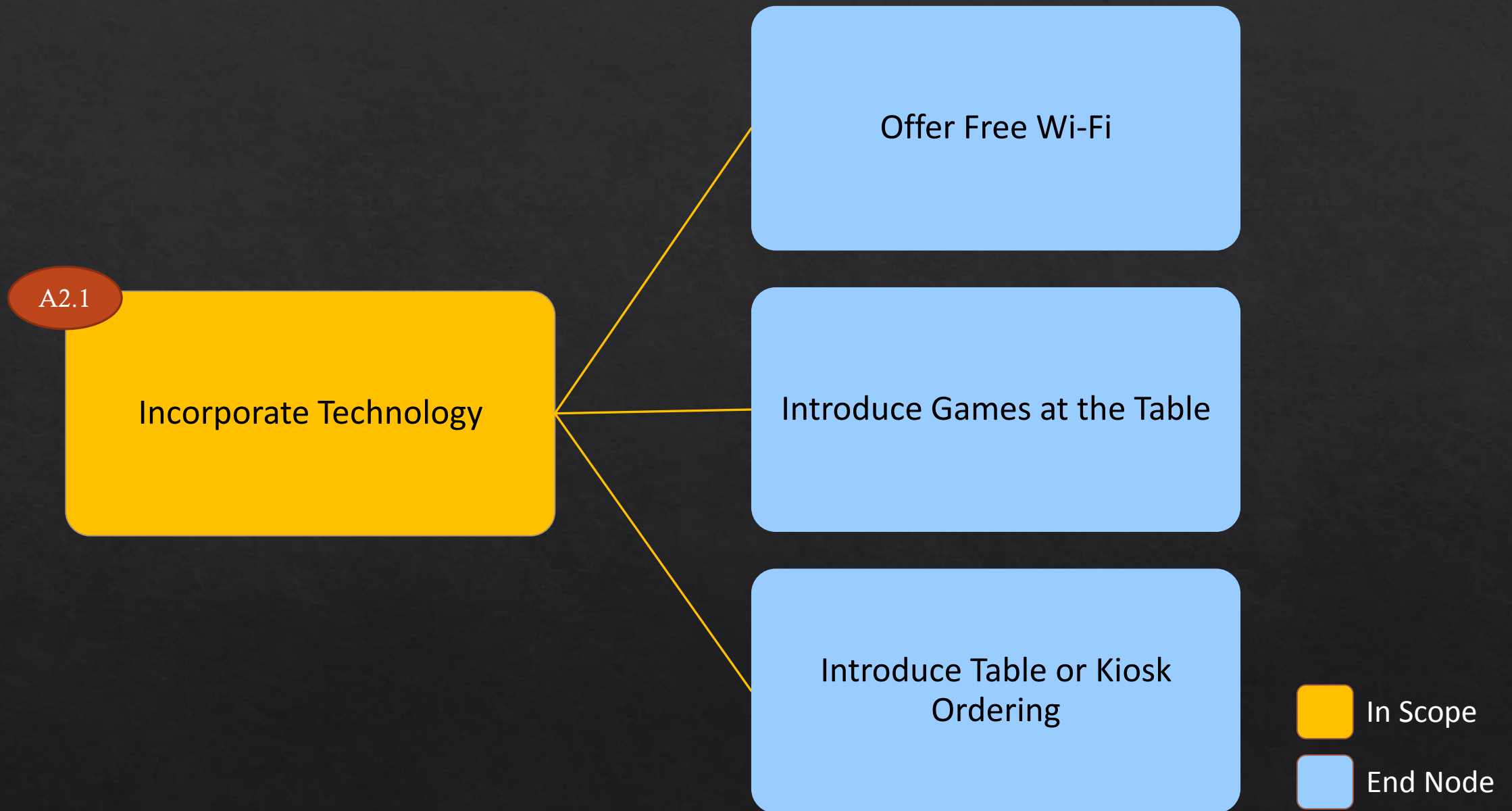
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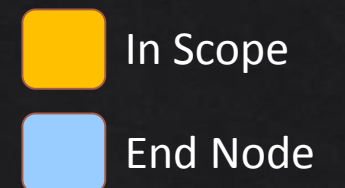
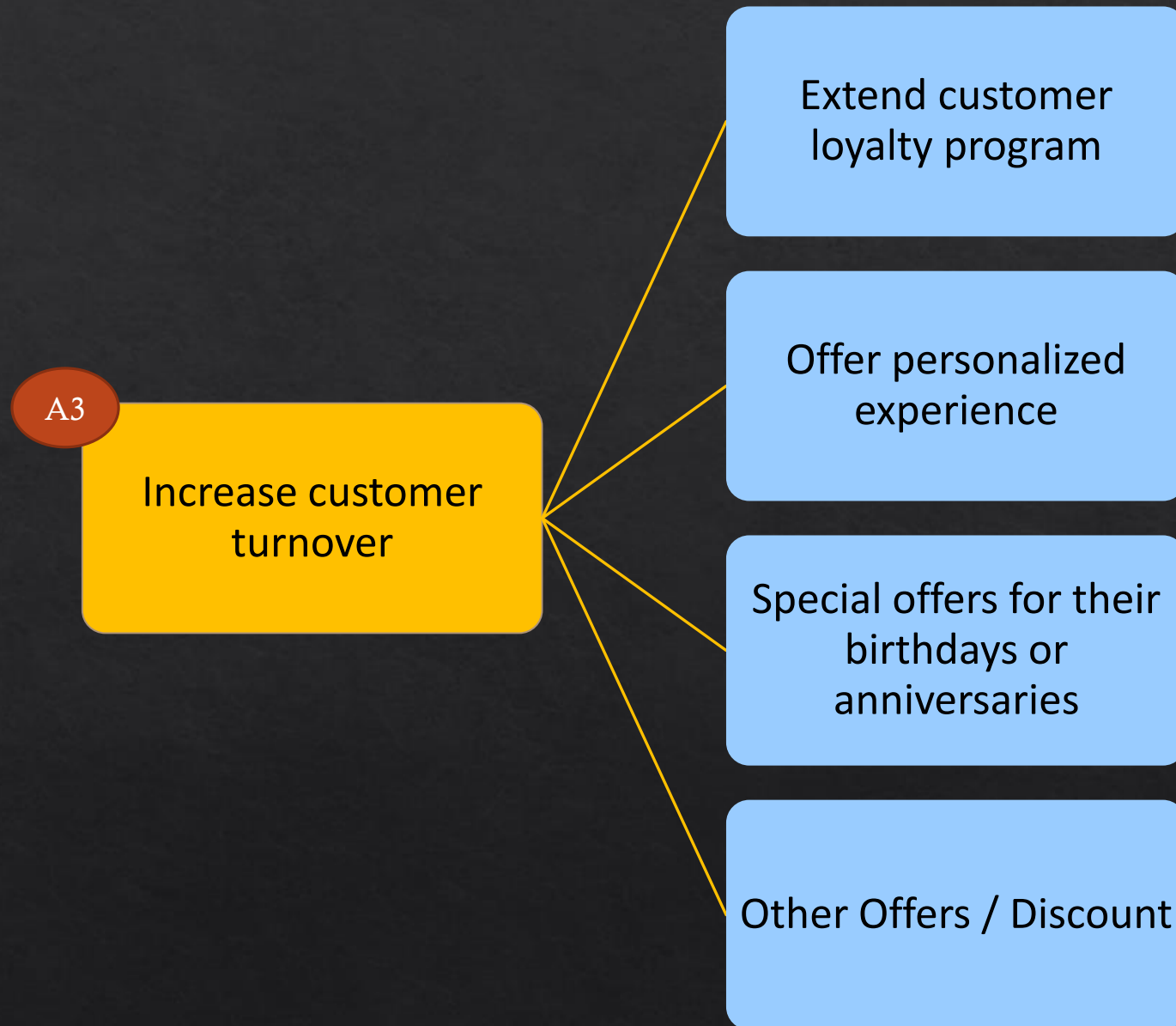


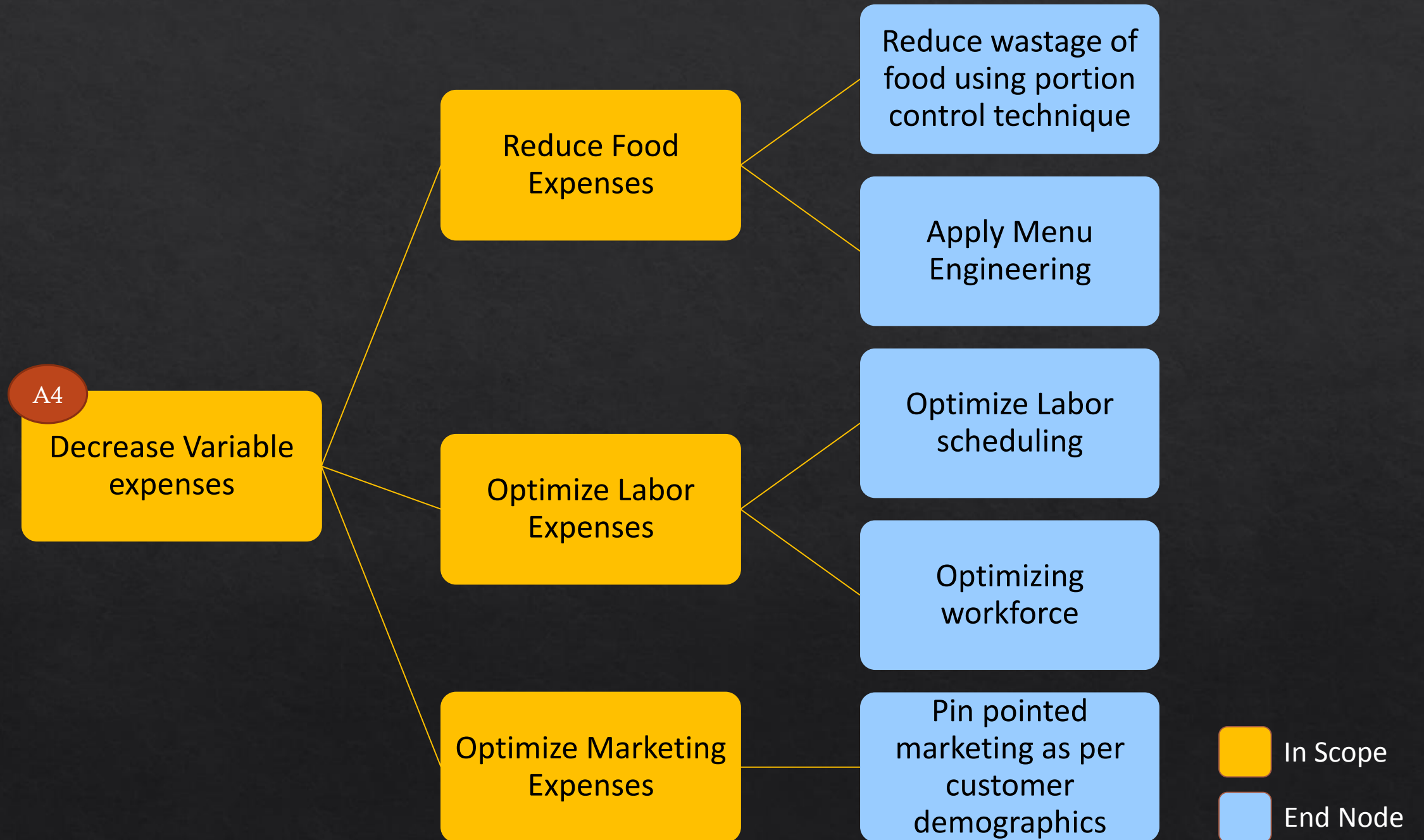
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A5

Decrease Fixed Expenses

Decrease License/Tax Expenses

Decrease Electricity Expenses using LED lights

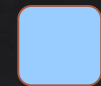
Decrease Telephone/WIFI Expenses

Decrease Maintenance Expenses

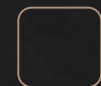
Decrease Other Fixed Expenses



In Scope



End Node



Out of Scope

*Thank You*