

University of Economics, Prague

Bachelor's Thesis

2018

Duong Hung Le Van

University of Economics, Prague

Faculty of Business Administration

Bachelors's Field: Bachelor of Business Administration



Title of the Bachelor's Thesis:

Business Plan of Fast Food Restaurant: SushiGO

Author: Le Van Duong Hung

Supervisor: Ing. Jan Mareš

D e c l a r a t i o n o f A u t h e n t i c i t y

I hereby declare that the Bachelor's Thesis presented herein is my own work, or fully and specifically acknowledged wherever adapted from other sources. This work has not been published or submitted elsewhere for the requirement of a degree programme.

Prague, May 1, 2018

Signature

Title of the Bachelor's Thesis:

Business Plan of Fast Food Restaurant: SushiGO

Abstract:

The aim of the paper is to create a business plan for opening fusion bistro called SushiGO and to assess its viability on the Czech market. The business plan is divided into 3 main parts: Theoretical background, Business Model Canvas, and Business Plan: SushiGO. Theories used in the project review various means of Entrepreneurship, Business Plan, Globalization of Sushi and set of tools relevant to the business plan. A simplified business model of SushiGO is provided through 9 building blocks of the Business Model Canvas. However, more detailed explanation of my business idea is explained in the Business Plan: SushiGO. The business plan follows a standard structure of the business plan, where I firstly analyzed Czech market in relevance to Asian food trends, fast food and common eating habits of Czech consumers. I was also able to construct a primary data analysis through a questionnaire, which has proven that Czech students do prefer Asian cuisine as opposed to other international cuisines. I also provide analysis of the main competitors located near our point of sale and defined a recommended action plan for competing with each of them. The market 4P's provide descriptions of the product, place price and promotion. With the outcome of my financial plan, I concluded that the business plan for opening a fusion bistro SushiGO is viable and will likely bring attractive profits to the owner.

Key words: Entrepreneurship, Globalization of Sushi, Sushiburrito, Asian Fusion Bistro, Eating habits in the Czech Republic

Table of Contents

Table of Contents.....	1
Introduction.....	1
1. Theoretical Background.....	3
1.1. Entrepreneurship and Entrepreneur.....	3
1.1.1. Entrepreneurship/Entrepreneur in Economics	3
1.1.2. Social Entrepreneurship.....	4
1.1.3. Entrepreneurship in Psychology.....	4
1.2. Global Boom of Asian cuisines.....	5
1.3. Globalization of Sushi	6
1.4. Transformation of traditional sushi.....	6
1.5. Business Plan	7
2. Tools and Models.....	9
2.1. Business Model Canvas.....	9
2.1.1. Advantages of the BMC.....	10
2.1.2. Lean Canvas & limitations of the BMC.....	11
2.2. PESTLE Analysis	12
2.3. Five Forces Framework	14
2.4. SWOT Analysis.....	16
2.5. Marketing Mix	17
2.6. Questionnaire.....	19
3. Application of Business Model Canvas.....	20
3.1. Customer segments	20
3.2. Value proposition	21
3.3. Channels.....	22
3.4. Customer relationship	22
3.5. Revenue Streams.....	23
3.6. Key resources	23
3.7. Key activities	24
3.8. Key partnerships.....	25
3.9. Cost structure	25
3.10. The Business Model Canvas of SushiGO	26
4. Business Plan: SushiGO	27
4.1. Executive summary	28
4.2. Purpose of the business plan.....	30
4.3. Vision and Mission.....	30

4.4.	Market analysis	30
4.4.1.	Market of the Czech Republic	30
4.4.2.	Prague Market analysis.....	31
4.4.3.	Market size estimation - Prague.....	31
4.4.4.	Questionnaire – Consumer Eating Habits in the Czech Republic.....	32
4.5.	PESTLE analysis application – Czech Republic (Prague).....	32
4.5.1.	Political factors	32
4.5.2.	Economic factors	33
4.5.3.	Social factors	33
4.5.4.	Technical factors.....	34
4.5.5.	Legal factors	34
4.5.6.	Environmental factors.....	34
4.6.	Porter’s 5 forces framework application	35
4.6.1.	Threat of Entry (Moderate to High)	35
4.6.2.	The power of Suppliers (Low).....	35
4.6.3.	The power of buyers (Low to Moderate)	35
4.6.4.	The threat of substitutes (Moderate)	35
4.6.5.	Existing competitors (High)	36
4.7.	Competitor Analysis	36
4.8.	Marketing Mix	41
4.8.1.	Product description	41
4.8.2.	Product Service and CVA (Customer Value Added)	42
4.8.3.	Price	42
4.8.4.	Place.....	43
4.8.5.	Promotion	44
4.9.	Financial Plan.....	46
4.9.1.	Initial Investments	46
4.9.2.	Fixed and Variable costs	47
4.9.3.	Sales Forecasting	47
4.9.4.	Income Statement	48
4.9.5.	Balance Sheet.....	49
4.9.6.	Cash Flow Statement	50
4.9.7.	Break-Even Point Analysis	50
4.10.	SWOT analysis	51
Conclusion		52
Apendices		54
References		61

Introduction

Growing up as a Vietnamese in the Czech Republic and seeing my parents as role models, I always wanted to follow their footsteps and become an entrepreneur. My passion for creative cooking and innovation has driven me to open a small local modern fast food restaurant. For that reason, I decided to dedicate my bachelor thesis to writing a business plan for a fast food restaurant, which I intend to open after my studies.

Before starting a restaurant or bistro, it is important to realize current situation on the Czech market. Due to the globalization, every large city, including Prague, offers a wide range of cuisines from all over the world. The increasing number of foodservice outlets lead to the increased competition within the food industry in the Czech Republic. Therefore, in order to succeed, my bistro/restaurant has to bring new distinct features to the market, which will differentiate my business from others.

Among all products, that could potentially succeed in the Czech Republic, I was mostly inspired by the successful story of sushiburrito in the United States. Sushiburrito, as we see it today, was firstly introduced in San Francisco in 2011, where it soon gained in popularity and became a new revolution in the way people enjoy sushi. I believe, that the reason why it became so successful, is because it offers a cheaper, faster and more unique option to the traditional concept of sushi restaurants. Even though it is considered as fast food, Sushiburrito still remains healthy&nutritious and therefore could compete with other fast food chains on the market.

Vision

The vision of my business plan is to open a modern fusion bistro in Prague called SushiGO. What my restaurant will offer, is a freshly made Sushiburrito as a core product. With a specialization on Sushiburrito, SushiGO will always be able to bring fresh and quality ingredients to the table. Our restaurant will mainly compete with local sushi restaurants, Asian restaurants and any other fast foods nearby.

Our core advantages lie in the affordability, speed of the service and customer experience. With this said and done, we will be able to attract young customers, namely price-oriented students and speed-oriented people working offices. Besides students and office workers, we will also target asian food lovers and fitness enthusiasts. Along with the product, I will implement up-to-date marketing

approaches such as customer loyalty programs, use of social media influencers and other marketing methods to support our sales.

If the business concept becomes successful in the Czech market, I will potentially franchise the business concept across Europe and create a fast food chain. These stores will together compete with the current fast-food conglomerates such as KFC, Mc Donald's, Burger King etc.

Aim and structure of the project

The aim of the business plan is to develop a structured plan for opening the bistro and to assess the viability of the project SushiGO. Before I could assess the project, I will have to:

- understand the external market environment,
- analyze main competitors on the market,
- identify and understand our target customers on the market,
- and create a financial plan for the business.

I will firstly start with a theoretical background, defining various theories of entrepreneurship, entrepreneur, and business plan. After that, I will provide a brief historical development of sushi in the global context. Afterward, I will review a set of key tools and models relevant to the business project. These tools and models are BMC model, PESTLE analysis, 5 Forces Framework, Marketing Mix, SWOT analysis, and followed by the Questionnaire.

In the second part of my thesis, will include briefer, but practical application of SushiGO into the Business Model Canvas. This will provide readers with a rather simplified model of my business plan.

Lastly, I will proceed with a detailed version of the business plan. Here, I will apply all methods and tools defined in the theory as well as conducting a financial plan in order to assess the viability of the project.

1. Theoretical Background

1.1. Entrepreneurship and Entrepreneur

A single definition of an entrepreneur/entrepreneurship does not exist as it could be seen differently from various fields of expertise (economics, sociology, psychology etc.).

1.1.1. Entrepreneurship/Entrepreneur in Economics

The first economical term of an entrepreneur could be traced back to 1755, where Richard Cantillon described entrepreneurship as a process of equalizing demand with a supply, while withstanding risks, in order to earn a profit. (Cantillon, 1755) Whereas, J.B. Say interpreted an entrepreneurial activity more as a productivity input, which generates output. (Say, Prinsep & Biddle, 2001)

Many theories of entrepreneurship we have today is derived from J. Schumpeter, who says: “Everyone is an entrepreneur only when he actually carries out new combinations and loses that character as soon as he built up his business”. (Schumpeter, 1911) J. Schumpeter also believed that entrepreneurs are the ones who offset the market equilibrium of goods/services to a new level and push the economy forward, as opposed to the theory of Richard Cantillon. J. Schumpeter’s theory claims that entrepreneurship is directly linked to innovation. Therefore, to sum up, J. Schumpeter’s theory, entrepreneur is anyone who contributes to the economy through innovations and new ideas and stops being an entrepreneur at the point when he/she stops innovating.

However, the period after 1990 gave rise to various new theories, which contradicted with Schumpeter’s idea that only innovators could be entrepreneurs. For example, W. Baumol differentiates two types of entrepreneurial activities: productive (innovation) and unproductive (rentals, organized crime). H. Aldrich and M. Martinez were also of the opinion, that besides innovation, the process of reproduction/imitation could also be considered as entrepreneurship. (Braunerhjelm, 2010)

According to the past theories, the characteristics of entrepreneurship are:

- Innovation or reproduction/imitation
- Opportunity seeking
- Risk-taking

1.1.2. Social Entrepreneurship

Public picture of an entrepreneur used to be often biased by movies or serials, where entrepreneurs took the role of a greedy businessman in the suit, who was often times driven by his own profit. In reality, we have many entrepreneurs, for whom the profit itself is not the only measurement of success. Social entrepreneurs are also concerned with social problems such as education, health, environment or poverty.

Examples of Social entrepreneurs could be found widely in the world. One of them is Blake Mycoskie, who has founded a successful brand of shoes named “Toms”. Toms started after Blake Mycoskie’s visit to Argentina. He realized that many children get diseases or get injured from not wearing any shoes. Today, Toms company claims, that for every pair bought in a store the company donates one pair of shoes to a person, who needs it. (Jeet Banerjee, n.d.) Another example of social entrepreneurship could be seen as opening a bistro in a place with no access to food or opening a restaurant with healthier and more nutritious meals options.

1.1.3. Entrepreneurship in Psychology

Successful stories of entrepreneurs such as Steve Jobs, Elon Musk, Jack Ma, Harland Sanders and many others have inspired millions of people around the world to become entrepreneurs. But do we actually have what it takes? One of the most common questions asked, not only, by psychologists is whether entrepreneurs are born or made. This debate had been running for decades. The answer might lie in the personality traits of an entrepreneur. According to the website Entrepreneur.com, there are 5 psychological personality traits, that all entrepreneurs must have no matter if they are DNA based or acquired during lifetime:

1. **Passion** – All entrepreneurs are passionate individuals, who are willing to put long hours of work into the business. Not only they do whatever it takes for the business to be successful, but also they love what they are doing.
2. **Motivation** – Many young entrepreneurs (generation Y population), nowadays, who were born in the era of technology, innovations often have great ideas, but they don’t find enough motivation and dedication to realize them. Motivation is what differentiates successful entrepreneurs from failures. For instance, Colonel Sanders has started Kentucky Fried Chicken at the age of 65 and became a billionaire at 88. If he had given up his career as an

entrepreneur in his early age, he would have never built a multi-billion dollar company, KFC. (Feloni, R., 2015)

3. **Optimism** – entrepreneurial work could be very stressful as the business grows larger, and being optimistic will not only help entrepreneurs stay psychologically healthy, but will also have real contributions to the success of the company. Optimism often endorses creative thinking, confidence, and allows entrepreneurs to recover from failures. There is even a study by “The William Davidson Institute”, showing that optimism is directly linked to the financial success of an entrepreneur. (Dholakia, U., 2016) Pessimistic people, who see no potential in their own business would never become entrepreneurs in the first place.
4. **Creativity** – Big ideas do not come out of the blue sky, it is a product of being able to think outside the box. Entrepreneurs are constantly fighting against status quo. As already mentioned above in J. Schumpeter’s theory, innovation is one of the fundamental traits of entrepreneurs. Entrepreneurs could also be the ones who see great ideas abroad and implement them in the domestic market, these entrepreneurs are known as imitators. To be more precise, entrepreneurs are the ones who pursue change by using creativity.
5. **Risk-Takers** – In financial terms, a risk is something that should be always avoided or minimized. Entrepreneurs are not afraid of risks and rather see risks as an opportunity to grow. Robert Kiyosaki once said “Everyone can see the risk. Entrepreneur can see the reward.” (Patel, S., 2017)

1.2. Global Boom of Asian cuisines

People do not have to take a flight to Asia anymore, to taste a good Japanese sushi or authentic Korean BBQ. Restaurants in the Czech Republic have been recently offering a wide range of food products from international cuisines. The successful Asian cuisines are namely Vietnamese, Japanese, and Chinese. The redundancy of these restaurants leads to the high competition and results in the overall increase in quality of food and services to the customers. This has led to the popularity of oriental food among foreign customers who moved their eating habits from conservative to more experimental eating. ("Elektronické zdroje na VŠE | VŠE", 2017)

The boom of national Asian cuisines is just a smaller picture of the process called Globalization. By means of imports/exports, globalization is an international movement of good and services on the global scale, which was triggered by the introduction of free trade and the internet. However, globalization of Asian food started much earlier. One of the first internationalization of Asian cuisines started from the initial migration of Asian population across national borders, who brought their local food traditions to another country. Such process soon resulted in the diversity of Asian cuisine worldwide.

To really capture the process of internationalization, we have to examine Asian mentality and their approach towards their traditional food culture. Firstly, Asians (especially first generation of migrants) are not very adaptive to foreign food cultures. This means that they cannot live without their traditional food culture for the extended period of time. This caused many Asian migrants, perhaps during the first era of mass Asian migration in the late 19th century, to establish restaurants in the United States. (BARDE, R., & UENTEN, W., 2018) However, the mentality of the second generation of migrants (descendants of the first migrants) has changed as opposed to the first generation. They do not feel as bound to any particular food culture as the first generation and rather experiment with their traditions. This gave rise to the new food concept called „fusion cuisine “. Fusion cuisine is for instance 밥버거 (rice burger), sushiburrito, beef teryaki tacos, etc.

1.3. Globalization of Sushi

Even though most Japanese migrants opened their restaurants in the early 20th century, their regular customers were mainly local Japanese. It wasn't until 1960-70 when native Californians started appreciating Japanese cuisine. At that time people tended towards hippie cultural values such as eating a lot of vegetables, to prefer fish rather than meat etc. The rise of sushi in the US could be also attributed to the growing economy of Japan and its commercial branding in the world. After a huge success of sushi in the US, it soon arrived in Europe with a strong establishment in London in 1990. (Sakamoto, R., & Allen, M., 2011)

1.4. Transformation of traditional sushi

Today, we have sushi restaurants all over the world, selling their own versions of sushi. When a raw fish phenomenon came to the San Francisco, it had been exposed to the new consumer market, which didn't know what sushi really is. It gave restaurants a freedom to shift sushi from the traditionally conservative Japanese approach to more innovative approaches. California rolls, Spider rolls,

Philadelphia rolls are just a few examples of hybrid sushi, which became popularized worldwide and even found way home to Japan, where it's being served in restaurants. Traditional fish based sushi such as tuna and salmon are no more the only options on menus, restaurants often serve chicken, beef, crab, or other alternatives as well (Sakamoto, R., & Allen, M., 2011) Until recently, sushi was perceived as an expensive food, which could be eaten mainly in fancy restaurants. The concept of sushi as fast food was only in the form of sushi grab&go boxes. However, these sushi boxes are often pre-rolled and do not provide customers with a sense of freshness of ingredients. The emerging product on the market is sushiburrito, which is freshly made roll of sushi fused by the variety of ingredients. More importantly, it gives customers the option to design their own sushiburrito according to taste.

1.5. Business Plan

A cornerstone of every successful business is a business plan. Ideas that seem to be very attractive at the beginning could easily become unfavorable after the conduct of a business plan. Business plans are usually carried out by entrepreneurs to systematically organize thoughts on a specific project, realize potential challenges, and evaluate the project in both qualitative and quantitative manner. The plan is usually made before running a business, however, it could also serve as a measurement of success of major changes within the company/project. It is important to bear in mind that, even though we try to capture all data with the highest level of precision, it is almost impossible to predict the real scenario of the project. Even though we might work only on the level of a prediction, it should give us a solid base on which the project could be realistically constructed. Based on that, the decision making could be made, whether to start the business or not. (Svobodová, I., & Andera, M., 2017)

Why do we conduct a business plan?

- We want to realize, how much sources of funds do we need for the start and for the maintenance of the project.
- We want to calculate ROI (returns on investment) or to compare cash inflow with cash outflows.
- We want to compare our capital budget with the budget needed for the project (do we need any additional funds?).
- We want to know, whether we know everything needed for running the business (do we need an expert?).

- We want to evaluate the attractiveness of the project.
- We want to estimate our future profit.

(Svobodová, I., & Andera, M., 2017)

Table 1: Interested parties and timing of the Business Plan

The business plan could differ in the time:	The business plan could differ in the target user:
When starting a project	Bank
When considering major changes in business strategy	Investor
When growing a business	Entrepreneur himself
When recruiting a new team member (owner, investor etc.)	-
When uncertainty occurs	-

Source: (Svobodová, I., & Andera, M.,2017)

Although the purpose, time and target user could vary, the main structure of the business plan should be more or less similar. Every business plan regardless of the function should be able to fulfill 3 basic elements. Firstly, it should be able to describe nature of the business. It should be able to define future goals and targets of the project. Lastly, it should demonstrate, how it is going to meet those targets. (Svobodová, I., & Andera, M.,2017)

2. Tools and Models

2.1. Business Model Canvas

Business model/plan as for academic purposes could sometimes differ from the real business models. Because we live in the era of innovation, and entrepreneurial megatrends, there have been attempts to simplify and speed up the process of crafting business ideas. Entrepreneurs, who compete with others to be the first on the market often use the so-called BMC (Business Model Canvas), by Alexander Osterwalder & Yves Pigneur, as a shortcut to building business plans.

As a doctoral student at the University of Lausanne, Alexander Osterwalder was conducting his dissertation thesis „The Business Model Ontology-a proposition in a design science approach“ under professor Yves Pigneur. At that time, the dissertation focused on the creation of value for customers, innovations, and formulation of business models mainly for technological companies. In 2010, few years after earning his Ph.D., A. Osterwalder together with Yves Pigneur and others, published a book „Business Model Generation“. This book offered a simplified scheme applicable to any businesses, not just technological firms. The BMC (Business Model Canvas) mentioned in the book proposes focus areas that every entrepreneur should consider before starting a business. The focus areas are divided into 9 main building blocks and put into a rectangular box. (O'Neill, T., 2015)

Figure 1: The Business Model Canvas

The Business Model Canvas template is a rectangular box divided into 9 main building blocks. The blocks are arranged as follows:

- Key Partners** (top left, icon: link)
- Key Activities** (top middle-left, icon: checkmark)
- Key Resources** (middle left, icon: person with gear)
- Value Propositions** (top middle-right, icon: gift)
- Customer Relationships** (top right, icon: heart)
- Channels** (middle right, icon: truck)
- Customer Segments** (top right, icon: person with magnifying glass)
- Cost Structure** (bottom left, icon: price tag)
- Revenue Streams** (bottom right, icon: dollar sign)

The template includes a header section with fields for "Designed for:", "Designed by:", "Date:", and "Version:". At the bottom, there is a footer section with the Strategyzer logo and website address (strategyzer.com).

Source: (Strategyzer.com., n.d.)

The 9 building blocks:

1. **Customer Segments** – Who is our target customer?
2. **Value Proposition** – What value do we create for our customers?
3. **Channels** – Through which channels do we communicate with our customers?
4. **Customer Relationships** – How do we acquire and retain our customers? What is the emotional bond we create for our customers?
5. **Revenue Streams** – What are customers paying for and for how much?
6. **Key Resources** – What are the key financial, physical, intellectual resources we need?
7. **Key Activities** – What key activities are involved in our business?
8. **Key Partnerships** – Do we need help? Who can help us with the business and how?
9. **Cost Structure** – What all costs need to be included?

(Pigneur and Osterwalder, 2010)

2.1.1. Advantages of the BMC

In general, business plans are not always easy to craft. It often involves weeks or sometimes months to create. BMC's main strengths lie in the simplicity, flexibility, and ability to see all components on one single page. It also enables entrepreneurs to see the business from a bigger picture as well as seeing how each element of the business is connected to the others. Crafting a complex business plan could be very exhausting and time-consuming, therefore entrepreneurs often find excuses for not starting their businesses. In this respect, BMC is a perfect tool, which could be used to evaluate the business idea in an organized and logical manner. (Webb, 2014)

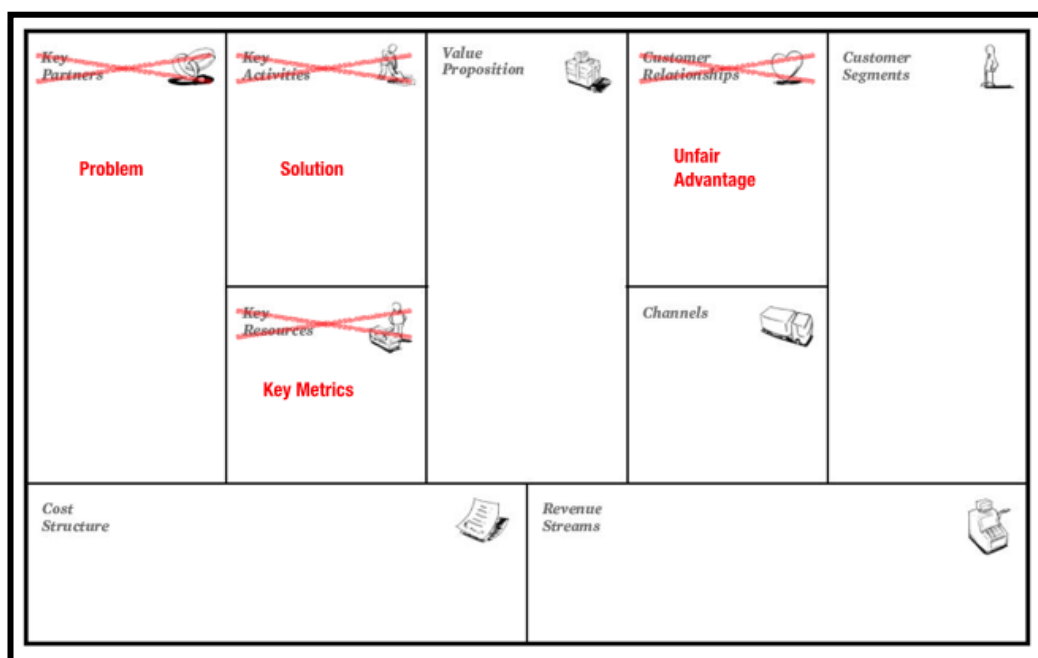
If we look at figure 1 (above), the scheme looks very simple, however, it should not be just plainly filling out empty boxes. Some areas are very simple and straightforward to fill, but some informations require further testing and calculations. If we look at the structure of the box, we could notice that the right side is occupied with elements related to the market/customer. This area describes the nature/environment in which the business operates. The left side includes elements, which are directly linked to our product/service of the company and depends solely on us how we design it. In its core, we could find a Value proposition. This describes the interaction between the product/service and the market/customer. Despite the simplicity of the model, the BMC should give a clear picture of the what the company is doing, who are the main customers and what value the company offers to its customers. (Webb, 2014)

2.1.2. Lean Canvas & limitations of the BMC

Besides the strengths of BMC, there have been limitations provided by several academic literatures. The most significant disadvantage of the model is the absence of competition. Even if the business idea seems feasible on the first sight, the success of the idea could be threatened by higher value proposition of competitors. The BMC scheme lacks in the corporate strategy, which defines who the competitor is and how we are going to compete with them. (CRITICALLY ASSESSING THE STRENGTHS AND LIMITATIONS OF THE BUSINESS MODEL CANVAS, 2014). Another aspect is that BMC does not include is an action plan.

When Ash Maurya was recreating Osterwalder's model of Canvas, he came up with a new model called Lean Canvas. This was an adaptation of BMC model into action. Every new business on the market is facing a high level of risk/uncertainty. Lean Canvas was a response to a highly uncertain market environment of start-up companies. The model focuses on the "problems" that could occur during start-ups and develops an action plan ("solution") for the "problems" as well as "key metrics". Another new component of the Lean Canvas is "Unfair Advantage", which could be used interchangeably to competitive advantage. Unfair advantage defines main strengths of the company or a key resource that none of the competitors could copy. (Maurya, 2012)

Figure 2: Lean Canvas



Source: (Maurya, 2012)

We cannot simply say that one is better than another. Usually, the traditional Business Model Canvas offers a suitable solution for both existing and start-up businesses, whereas Lean Canvas is only start-up oriented. Traditional Canvas by Osterwalder concentrates on the description of the whole business, rather than a single product or service. Therefore, it is valuable to the broader audience such as investors, advisors, consultants, entrepreneurs, customers. (Canvanizer.com, n.d.) On the other hand, Lean Canvas serves solely to entrepreneurs, who are trying to win a market with a highly competitive product or service. A wide majority of entrepreneurs, however, prefer Lean Canvas, as it is described as more dynamic and problem-solution based concept. Both Canvas models are different in nature and should be used according to our own taste and preferences. Afterall, both concepts fulfill the main function and that is to provide a simple, one-page solution for new businesses.

2.2. PESTLE Analysis

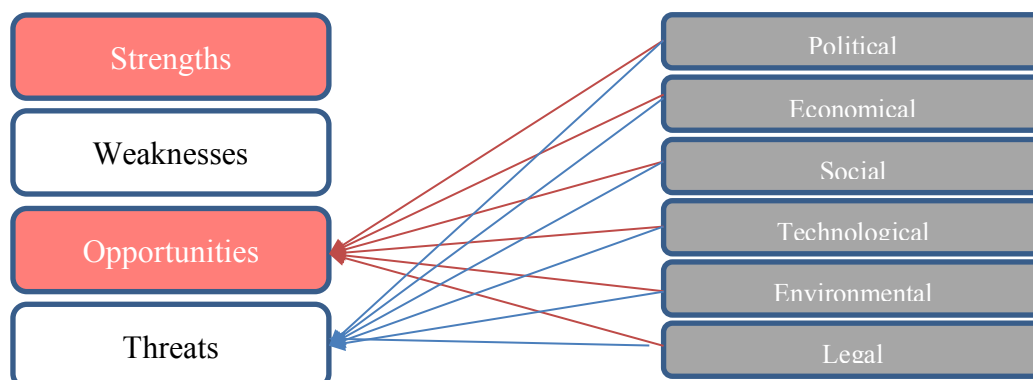
Originally PEST analysis was an acronym, which stood for Political, Economic, Social, Technological factors. Later on, Legal and Environmental factors were added to the original PEST and giving us something we know as PESTLE analysis. As we could guess from the first letters of words described above, it is an analysis of external macro environment, in which the product/service is being launched. PESTLE analysis is a model adopted by all businesses regardless of their type or size. Why do we make PESTLE analysis? Having an amazing product or service is only one part of success, but having a product/service that corresponds to the conditions of the external environment is another part of success. Therefore, we have to put emphasis on factors such as:

- Political – How and to what extent is government likely to influence the economy or industry. Politics often have a huge impact on the feasibility of the business. Therefore, we should pay a careful attention to changes in taxes, tariffs, fiscal policy or new regulations and deregulations.
- Economic – How is the current situation in the economy? Is it stable or volatile? Is it growing, stagnating, or declining? Understanding current trends within the economy could give entrepreneurs a valuable information about potential opportunities or threats.
- Social – Social demographics analysis involve gathering data about country's population growth, average age, education, health, common behavior, traditions etc. It is important to

define and allocate relevant information about our customers, which could have an impact on our business.

- Technological – The technology matters. We live in the era of fourth industrial revolution. Technological developments such as the Internet of Things, robotization, 3D printing or artificial intelligence is on the rise. Businesses should consider the implementation of new technology into their processes as it could provide a competitive advantage over their competitors.
- Legal – There are 2 ways of looking at legal factors. These are internal and external legal issues. Firstly, internal issues related to the type of the company. Deciding which legal form of the business we want to establish. In the Czech Republic we could choose between a Sole Proprietor (OSVČ), Limited Liability Company (s.r.o.), Limited Partnership (k.s.), Joint Stock company (a.s.), Cooperative, Unlimited partnership (v.o.s.). Secondly, companies should consider external legal factors such as legislation, regulations, and law, which affects the business environment. For instance, in 2016, the prime minister of the Czech Republic issued a new system of electronic sales evidence, known as EET. Another contemporary example is GDPR imposed by EU, which is a regulation on data protection. Both of these new standards had a huge negative impact on the business environment. In general, analysis of legal matters could be very boring, considered necessary for the viability of the company.
- Environmental – Analysis of the environment is a must for certain industries such as tourism or agriculture, but also could become crucial when opening a new restaurant. A strategic location with a high density of population could be a determinant of success for the restaurant. ("What is PESTLE Analysis? A Tool for Business Analysis", n.d.)

Figure 3: Relationships between SWOT and PEST analysis



Source: Author

It is important to understand the relationship between PESTLE and SWOT analysis. We can say that PESTLE analysis provides a useful analysis of the external environment, which could be used to formulate Opportunities and Threats for the SWOT.

2.3. Five Forces Framework

Five Forces Framework by Michael E. Porter is one of the main tools used to define the competitive environment of the company. If we go more into depth, we realize that the competitive environment is derived from 5 forces: New entrants, Suppliers, Buyers/customers, Products. Existing competitors. (Porter, 2008)

Threat of Entry

The threat of entry describes the likelihood of other new competitors to enter the market. The easier it is to enter the market, the more competitive it becomes. Porter portrays several challenges that businesses have to face when entering a new market.

Advantages of existing companies over new entrants:

- Economies of scale – The bigger the existing competitor, the more difficult it is to enter the market. Larger players often have economies of scale, which allows them to enjoy lower costs, due to the volume production, over their competitors. For instance, Student Agency used to be the biggest bus operator in the Czech Republic. Nobody could compete with their prices due to their huge distribution network.
- Capital requirements – Markets, that are heavy in capital requirements are less likely to experience new competitors. The larger the initial investment, the riskier the business becomes and therefore it is less attractive for entrepreneurs.
- Distinct advantages of competitors – Regardless of the size, existing companies could have distinct advantages, which prevents new business from entering. These advantages could be favorable geographical location, the strong establishment of a brand, access to scarce resources, exclusive contracts with distribution channels etc.

All of these advantages listed above are reasons, why businesses do not easily penetrate the market. For existing companies, it is a positive factor as they are able to sustain the same number of players

on the market. However, from the perspective of an entering company, these advantages impose high risks and therefore should not enter.

(Porter, 2008)

The power of Suppliers

Suppliers are usually the ones, who dictate prices for companies. Company's profitability is highly dependent on prices of their suppliers. Suppliers are considered powerful when they have a unique position on the market. These unique positions of powerful suppliers are described by Porter as:

- Monopoly in a supply of certain product/service (e.g. Microsoft, Česká pošta, ČEZ etc.)
- High costs of switching from one supplier to another.
- Supply of differentiated products within the industry.

In general, if a company is highly dependent on the supply of particular company, the power of that supplier increases. Therefore, companies should source various streams of suppliers, in order to decrease the power of the supplier.

(Porter, 2008)

The power of buyers

On the other side of the supply chain (opposite direction to suppliers), we have customers. Customers are directly linked to revenues of the company. Therefore, companies should maintain powerful position over their customers.

Porter describes customers as powerful when:

- There are few buyers, who buy in large quantities.
- Most of the products within an industry are similar, if not the same. When customers could easily find a substitute or similar products elsewhere.
- Customers could switch from one seller to another at low or no costs.
- Buyers could start producing the product/service on their own due to the high costs from sellers.

(Porter, 2008)

The threat of substitutes

Instead of focusing on competitors within the industry, it is also crucial to be aware of substitutes. Substitutes are products, which has the same means and function as an industry's product. For instance, wood could be substituted with plastic. Real dense food could be substituted with nutritious drinks. Nuclear energy could be substituted with solar energy.

The threat of substitute is high if:

- Substitutes offer higher benefits in terms of price, quality, sustainability, ethics, accessibility etc.
- The cost of switching from one substitute to another is low

(Porter, 2008)

Existing competitors

Among all forces of Michael E. Porter, existing competitors are the most obvious segment. They account for companies, who are similar in function and usually compete within themselves for market share.

The degree of rivalry among existing competitors are given by:

- Similar size and power of competitors.
- A Large number of competitors in a small industry.
- High exit barriers

(Porter, 2008)

2.4. SWOT Analysis

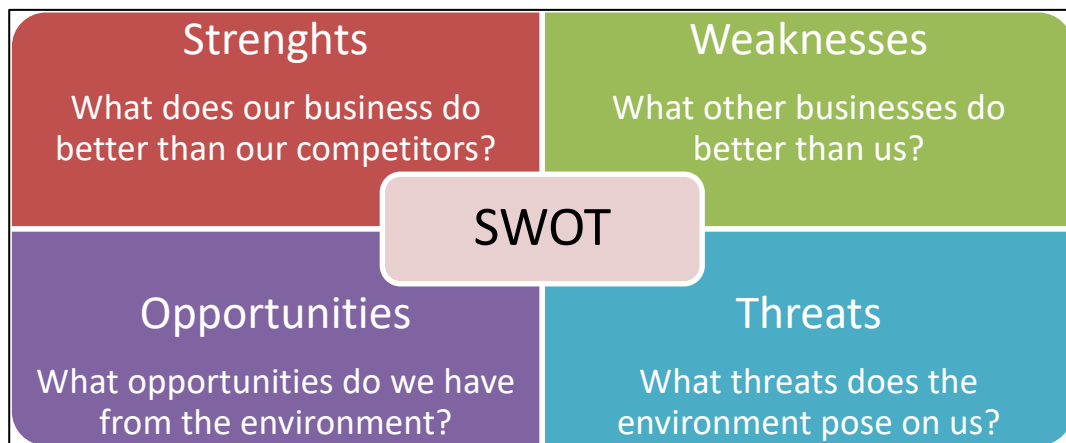
SWOT analysis is a tool, which identifies Strengths, Weaknesses, Opportunities, and Threats of the company. In order to take the most out of it, Entrepreneurs usually construct SWOT at the end (after PESTLE, Competitor analysis, 4P etc.) as a summary of company's current situation and to develop an appropriate strategy.

SWOT could be also broken down into internal factors and external factors. Internal factors include Strengths and Weaknesses of the company, which is usually given by the Marketing mix (4P) or

other elements such as human capital, financing, or physical resources. The external factors include Opportunities and Threats, which is usually taken from the PESTLE analysis.

For the sake of simplicity, all elements of SWOT are put into a matrix (4 squared boxes).

Figure 4: SWOT analysis table



Source: Author

After crafting SWOT analysis, entrepreneurs could come up with both “defensive strategy”, which minimizes the threats and weaknesses as well as an “offensive strategy”, which enhances the strengths and seek the opportunities. (Shewan, 2017)

2.5. Marketing Mix

In terms of marketing, the most fundamental method used in business plans is called marketing mix or sometimes noted as 4P's, which stands for a Product, Price, Place, and Promotion. These are components, that everyone (not only marketers) should consider before running their businesses. The right combination of the marketing mix could be a determinant of success. These individual determinants are:

Product

The purpose of a product is to satisfy the needs of a customer. Therefore, businesses and especially new start-ups have to understand what their customers truly need. The emphasis has also been put into a continuous development of the in order to remain attractive to the customer during the life cycle of the product. To create a good product, entrepreneurs should often encounter issues such as:

- What needs does the product satisfy?
- What features must the product have to match those needs?
- How and in what situations will the customer use it?
- What is the name/color/shape/size of a product?
- Etc.

("Marketing Mix Definition - 4Ps & 7Ps of the Marketing Mix", n.d.)

Price

Every product has its price. Usually, when the company enters the so-called “blue ocean” (enters a new market with no competitors), it has the power to set the price. However, not all businesses have the power to set prices regardless of their competitors. Therefore, I provided different methods for setting prices.

Common methods used for pricing:

- Penetration pricing = Entering company might set prices lower than the market’s norm in order to attract customers away from their competitors. This pricing strategy was, for instance, currently used by Flixbus to gain market share from its competitor Student agency in the Czech Republic.
- Market skimming pricing = Skimming pricing is the opposite of penetration pricing. It sets higher prices than their competitors as to be seen as a higher value product.
- Neutral pricing = Entering company sets their prices at the same level as their competitors.

("Marketing Mix Definition - 4Ps & 7Ps of the Marketing Mix", n.d.)

Place

After we have understood the needs of our target customers and how much they are willing to pay for the product, we should be able to come up with a place and the distribution strategy.

Distribution strategies are:

- Intensive distribution = Push selling strategy. A company is trying to display their products in as many distribution channels as possible.
- Exclusive distribution = Only a very few channels (if not one) have the exclusivity to sell the products. This is a strategy used to increase the demand for luxury products.
- Selective distribution = Is a strategy, in which only selected outlets are allowed to sell company’s products. An example could be McDonald’s selective distribution of Coca Cola and KFC’s selective distribution of Pepsi.

("Marketing Mix Definition - 4Ps & 7Ps of the Marketing Mix", n.d.)

Promotion

Promotion involves activities, which contribute to the brand recognition and awareness. In particular, these could be an advertisement, PR, sales promotion, word-of-mouth etc. Some of the promotional activities could be very expensive. The goal is to choose the most effective method while staying on budget.

2.6. Questionnaire

A questionnaire is a helpful tool used to complement our market analysis with a primary data. Therefore, I will carry out a questionnaire, which will analyze eating habits of people living in the Czech Republic. In order to acquire larger amount of sample, I will use the Facebook portal for the distribution. The disadvantage of posting the questionnaire on Facebook is that I might receive a random sample, which is sometimes irrelevant for our analysis. Therefore, I will segregate all respondents into groups such as age, place of living and occupation, so we could potentially exempt some responses from the questionnaire and therefore strengthen the accuracy of the analysis.

The questionnaire will include both multiple choice questions, open question, as well as two-sided questions. I will mainly focus on finding out the eating frequency of consumers, their favorite cuisine, their price sensitivity and recommendations for the improvements of fast food restaurants today.

3. Application of Business Model Canvas

I will use the BMC to provide readers with an overall idea about my project. Key elements of the project SushiGO will be briefly explained through each of 9 building blocks. However, as already mentioned in the theoretical background, the Business Model Canvas on its own does not provide a full understanding of the business. Therefore, more detailed analysis of the business plan will be provided in chapter 4.

3.1. Customer segments

Each great ideas and products have to find its target customers. There are 4 main types of customers, that SushiGO will target.

A. Office workers (white-collars)

SushiGO's main customers will be office working people. I estimate white-collar workers in the Czech Republic to be in the range of 25 – 50 years old, who have a limited amount of time for lunch or breakfast (usually an hour). Therefore, the key determinant of success among this customer group will be the speed of service and takeaway option. Working in the office could be very dynamic and exhausting, which means they have to choose food that is high in nutritional value in order to stay focused and energized during the whole day. The impact of globalization and increasing international business environment in the Czech Republic allowed workers to become more aware of foreign cultures and food. Additionally, as a result of low unemployment and increasing salaries in the Czech Republic, white-collar workers do not mind paying more money for food.

B. Students

Students are a very distinct group of young customers, for whom the most important determinant is the price. This means they have to see an appropriate pay-off for the amount that they are paying. Students also like sharing new restaurants, bars, and places, that are interesting and unique. For this reason, students could be attracted through seasonal discounts, customer loyalty programs, social media (Instagram, Facebook, etc.) or other portals (Zomato, Foursquare, etc.)

C. Oriental food lovers

Oriental food lover could be anyone, regardless of its age, education, ethnicity or nationality. Oriental food is a food typically originating from East Asia. We have to note, that these customers are

gourmets, who can often tell if the food is good or bad. For that reason, SushiGO will have to really put an effort into making good quality and tasty meals.

D. Fitness people/sportsmen/active people

Here I am referring to people engaging in any type of physical activity, whether it is sports or fitness. Fitness-oriented people can be very picky when comes to the food as it could affect their physical performance and health. I believe that, SushiGO can become very attractive to this customer segment as they could personally design their own sushiburrito according to their own preference. To support the sales among this group segment, SushiGO will communicate nutritional values (calories, protein, fats, carbs) of each product that it offers.

3.2. Value proposition

The most crucial part of the Business Model Canvas is the value proposition. Here, SushiGO will have to provide main reasons for customers to buy their products. The values of SushiGO offered to its customers are:

- A. Become the first specialized sushiburrito restaurant in Prague.
- B. Besides signature rolls, we offer an option to design own sushiburrito.
- C. Healthy and fresh way of catering with the information about nutritional value.
- D. Convenience of having “grab&go”, “order&collect”, delivery services.
- E. Good price & food quantity ratio (high marginal utility product)
- F. The unique design of the product and store interior.

SushiGO, “the modern fusion cuisine” will offer a new concept of catering as opposed to traditional sushi restaurants. This concept will mainly communicate with customers the idea, that eating sushi does not need to be boring, expensive, and nutrition-less. As for our customers, office people will especially appreciate the convenience of grab&go, click&collect services. Creative students and fitness people could benefit from customizable sushiburrito rolls and affordability. Oriental lovers will have the opportunity to enjoy their favorite Asian cuisines a little bit differently. Generally speaking, SushiGO aims at providing a mixture of values and features to the customers, that could be not yet found in any restaurant/bistro/outlet in the Czech Republic.

3.3. Channels

Physical selling channel

Customers will be able to reach SushiGO's products through various channels. The main channel is the physical store of SushiGO, which will be located on Rubešova street. I will invest approx. 50 000 CZK into the design of interior to improve customer's experience. The design of the store will mostly encompass elements of nature (using dark wood and plants) and decorated by Japanese porcelain and calligraphy.

Online selling channel

Another selling channel accessible to customers is third-party delivery services such as rozvozy.cz, damejidlo.cz, etc. This will serve mainly people, who live far away from the physical selling point.

Hybrid selling channel ("click&collect")

The last channel is a called "click and collect". This channel allows customers to pre-order their favorite sushiburrito on the company's website and collect their food at the store afterward. Such service will be especially convenient during rush time hours (lunchtime).

Marketing channels

The main purpose of the marketing channel is to support the sales channel. SushiGO will market its product through Instagram or Facebook posts. I believe that posting high-quality pictures on social media could have a very positive impact on public awareness of the company. The fusion bistro will also partner up with social media influencers on youtube such as Honest Guide or Ideme Žrát, which are one of the most popular food channels in the Czech Republic. Besides that, SushiGO will implement customer loyalty program in the form of loyalty cards.

3.4. Customer relationship

Marketing channels and Loyalty programs

The aim of the restaurant is to acquire loyal customers for a longer period. This will be managed through different marketing strategies. Firstly, SushiGO will maintain relationships with the public through social media, where Facebook and Instagram users will be regularly updated about new product offerings. Secondly, each individual customer of SushiGO will be personally managed through loyalty programs using loyalty cards.

Gamification

Gamification is a marketing strategy, which brings emotions from playing a game or competing in some kind of activities to the business. After buying six sushiburrito rolls, customers will be able to spin the so-called lucky wheel shown in figure 9, where the customer will have the opportunity to win attractive discounts ranging from 0% up to 100% for their next purchases.

3.5. Revenue Streams

Revenues of SushiGO will mainly come from sales of its core product, sushiburrito. Besides that, the restaurant will receive revenues from complementary products such as beverages. However, I decided not to account beverages into the financial calculations as I would not impose high-profit margins for the beverages. The standard price for 1 sushiburrito is 139 CZK and the price for the customizable sushiburrito will depend on the type of added ingredients and volume. The estimation of the revenue, as well as the cash flow statement will be provided in chapter 4.

3.6. Key resources

The key resources include both physical resources and human resources.

Physical resources:

The premise of the restaurant

- Rental (17 000 CZK)
- Severance fee (700 000 CZK)

Interior design

- Restoration (250 000 CZK)
- Design (50 000 CZK)

Furniture and equipment

- Furniture & Kitchen equipment (175 000)

Company car

- Car (already in possession)
- Fuel (3600 CZK/month)

Human/Intellectual Resources:

- Full-time employee (1 cashier, 2, cooks)

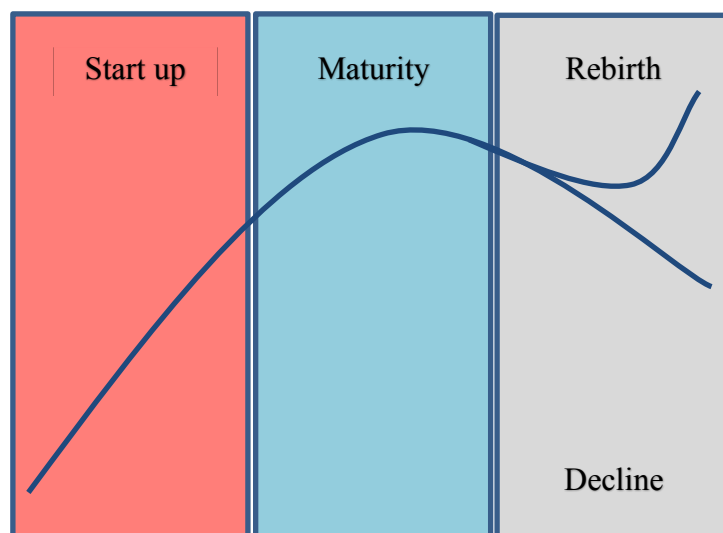
Financial resources:

- Initial investments (1 500 000 CZK)

3.7. Key activities

Most start-up companies follow similar stages of the life cycle, due to uncertainty and fast changing business environment. I have simplified the stages into 3 main parts (Start-up, Maturity, Rebirth/Decline), where in each I came up with an action plan for the company.

Figure 5: SushiGO Life-Cycle



Source: Author

Concept/Start-Up and Growth phase

- Create menu for customers
- Prepare&Sell food
- Improve effectiveness and efficiency
- Emphasis on marketing activities (social media, buzz marketing, leaflets&banners, gamification, use of social media influencers etc.)

Maturity phase

- Maintain the most selling signature products and add seasonal offers
- Prepare&Sell food
- Maintain a good level of marketing activities
- Implement customer loyalty programs

Decline phase

- Adapt to new innovations and changes on the market
- Invest in the innovation of processes
- Repeat activities in phase 1
- **“OR”**
- Withdraw from the business
- Minimize costs of leaving the market

3.8. Key partnerships

SushiGO will mainly seek partnership with suppliers of food. Most of the food ingredients will be obtained from local wholesalers such as Makro and Tamda food (SAPA). Additionally, I will use my contacts with the sushi restaurant Umami located in Brno for the supply of raw fish. Their current contract with a Norwegian fish supplier will ensure the best quality and freshness of the fish. Also, our partnership with Umami will allow us to lower the transportation costs through economies of scales.










SushiGO will also seek partnership with packaging companies, which will provide original wrapping paper with a logo of SushiGO. Concerning the type of the packaging, we will choose eco-friendly materials with a minimalistic design.


3.9. Cost structure

The initial investments into the business are 1 329 300 CZK (see table 3). This accounts for the costs related to the establishment of the s.r.o., payment of the severance fee of the premise, reconstruction costs, interior design costs, furniture&equipment&appliances costs, and creation of reserve fund. More detailed costs structure is provided in the financial plan of the business plan: SushiGO.


3.10. The Business Model Canvas of SushiGO

Figure 6: Business Model Canvas of SushiGO

The Business Model Canvas		Designed for:	Designed by:	Date:	Version:
Key Partners  <ul style="list-style-type: none"> - Makro Cash&Carry - Tamda food - Umami Simply Asian restaurant 	Key Activities  <ul style="list-style-type: none"> - Create the menu - prepare&sell sushiburrito - Marketing activities - Loyalty programs - Adapt to the changes on the market - Invest or withdraw from the business 	Value Propositions  <ul style="list-style-type: none"> - First sushiburrito in Prague - Customizable food product - Fresh, healthy and packed with nutrients - Grab&Go and Orde&Collect and delivery services - Good price versus quantity ratio - Original design of the interior 	Customer Relationships  <ul style="list-style-type: none"> - Customer loyalty programs (social media content, loyalty cards, email) - Gamification (sushiburrito contests, games, competitions) 	Customer Segments  <ul style="list-style-type: none"> - Office workers - Students - Oriental food lovers - Fitness enthusiast 	
Key Resources  <ul style="list-style-type: none"> - Physical resource (Premise, Interior design, furniture and equipment) - Intellectual resources (3 people) - Financial resources (Initial capital investment) 			Channels  <ul style="list-style-type: none"> - The bistro of SushiGO - Damejidlo.cz, rozvozy.cz - SushiGO website (Click&collect) - Slevomat, Facebook, Instagram 		
Cost Structure  <ul style="list-style-type: none"> - Initial investments 1 329 300 CZK 			Revenue Streams  <ul style="list-style-type: none"> - Sales from sushiburrito and beverages 		


This work is licensed under the Creative Commons Attribution-ShareAlike 3.0 Unported License. To view a copy of this license, visit: <http://creativecommons.org/licenses/by-sa/3.0/> or send a letter to Creative Commons, 171 Second Street, Suite 300, San Francisco, California, 94105, USA.

DESIGNED BY: Strategyzer AG
The makers of Business Model Generation and Strategyzer

 **Strategyzer**
strategyzer.com

Source: Author (the table from Strategyzer.com., n.d.)

4. Business Plan: SushiGO



Name of the company: SushiGO s.r.o.

Address: Zakouřilova 1104/26, Praha 4 – Chodov, 149 00

Founder and CEO: Le Van Duong Hung

Contact number: 773 200 777

4.1. Executive summary

SushiGO is a business plan for opening a fusion bistro in Prague, which will be undertaken by the company SushiGO s.r.o. The fusion bistro will aim to bring healthier and tastier choices through the distribution of sushiburrito, which will be sold for the standard price 139 CZK. The bistro will be located on Rubešova street, which is the street positioned in between Prague 1 and Prague 2, the most populated district in Prague.

The results of secondary data analysis have shown a positive change in consumer's perception of Asian cuisines, as they offer healthier options to contemporary fast food chains. Nowadays, the average spending on a regular fast food is 125 CZK. We also received similar data in our primary data analysis of students in the Czech Republic. Most of the respondents voted for Asian/Oriental cuisines as their favorite and would be willing to pay up to 150 CZK for fast food. The data in our market analysis supports the statement, that the fusion bistro SushiGO will likely become successful on the Czech market.

Besides dominant fast food giants on the market such as Mc Donald's, KFC and Burger King, SushiGO will mainly compete with next-door competitors located near the Rubešova street. These are namely Bílá Kráva, Pho Vietnam Tuan&Lan, Demínka, La Pizza Torretta, and more. I also created a competing strategy for each individual competitor located in the area.

The combination of price, speed, and health-consciousness, sushiburrito will mainly attract students, office workers, fitness enthusiasts and Asian food lovers. These are the main customer groups that SushiGO will target and retain. To not stay behind the competition, the fusion bistro SushiGO will use social media advertising, create a website on wix.com, and use posters&banners for the marketing. Additionally, to boost our sales and recognition right at the beginning, SushiGO will pay for the advertisement from social media influencers and distribution of leaflets in the first month of operation.

Concerning the financial part, SushiGO s.r.o. will firstly pay in total 1 329 300 CZK for initial costs such as establishing the company, severance fee, reconstructions&design of the store etc. Our cash flow estimates that the fusion bistro will have net cash flows of only 999 CZK in the first month, which is mainly due to the extensive marketing costs. However, starting from the second month the company will start making steady profits. More importantly, because we will invest 1500 000 CZK

at the beginning, we will be able to maintain positive cash flow throughout the whole forecasted period and secure payments to our suppliers (keep the business running).

As already mentioned, we will invest 1 500 000 CZK into the business. The invested capital will come from my personal savings as well as financial investment from Le Van Duong (my father), who has a long-term experience in the foodservice industry. I believe that his personal experience and connection within the industry will hugely contribute to the success of SushiGO. Due to the share of capital invested, Le Van Duong will be the main proprietor of SushiGO s.r.o., whereas I will be responsible for managing daily activities of the store.

4.2. Purpose of the business plan

It is important to note that the business plan is created for the personal use of the author, not for the purpose of acquiring external funds. SushiGO will be therefore fully financed from own savings of the author. The main purpose of this paper is to develop a plan for opening a fusion bistro in Prague and to assess the viability of the project.

4.3. Vision and Mission

The mission statement is a good representation of what SushiGO is currently doing.

“Bring treasures of the ocean to the plate of Europe.”

The vision statement, on the other hand, provides SushiGO with a flexible goal for the future.

“We wish to inspire the humanity towards longevity, vitality, and productivity.”

4.4. Market analysis

4.4.1. The Market of the Czech Republic

The number of food outlets in the Czech Republic in 2016 experienced a decline as result of EET (electronic sales evidence). This was a reform posed by the government to oversee payments of taxes. As there are many restaurants operating under grey economy (avoiding taxes), the market became unattractive for both new and current businesses. Despite the introduction of EET, standalone (alone standing building) restaurants grew in a value of 6%. This was only possible due to the increased tourism and economy growth in the Czech Republic. The average spending for food in the Czech Republic was 120 CZK in 2016. ("Elektronické zdroje na VŠE | VŠE", 2017) If we adjust the average food expenditure using the average inflation rate in 2017 (2.45%) and 2018 (1.85%), we will receive approximately 125 CZK per meal. ("Historic inflation Czech Republic – historic CPI inflation Czech Republic", n.d.)

The data from the passport in 2016 also allowed us to look into trends and popularity of food. Not surprisingly, In the Czech Republic, Mc Donald's (30.1% Foodservice industry share) remains the market leader in fast food. The second leading company is AmRest group, the owner of KFC (16.1% Foodservice industry share), leaving Burger King (3.0% Foodservice industry share) in the third place. However, there is also a growing popularity of Asian cuisines in the Czech Republic. This was mainly triggered by higher demand for healthier food options, which Asian food does offer. The

value growth of Asian cuisines, in 2016, stands for 9% increase in the full-service restaurant and 5% increase in Asian fast foods. The most popular cuisines in the Czech Republic are Vietnamese, Chinese, Japanese. ("Elektronické zdroje na VŠE | VŠE", 2017)

4.4.2. Prague Market analysis

The capital city Prague is the largest city in the Czech Republic. The total number of inhabitants living in Prague is estimated at 1.295 million people. ("Nejnovější údaje: hl.m. Praha | ČSÚ v hl. m. Praze", 2017) Its historical heritage and famous beer brought more than 7,5 million tourists to Prague in the year 2017. (Hrubá, 2018) Both Prague residents and visiting tourists are potential customers of the SushiGO. Therefore, choosing a place that is dense in population is crucial to the success of my project.

4.4.3. Market size estimation - Prague

My intention is to open SushiGO on Rubešova street, Praha 2 – Vinohrady. This place is located in between Prague 1 and Prague 2, which are the most populated districts in Prague. As mentioned previously, I will mainly focus on office working people, students, fitness people, and Asian food lovers. Therefore, I took into considerations a customer group that is ranging from 15 - 39 years old. According to the information from Czech statistical office dated on 31.12. 2016, there are 10 000 people (age 15-39) living in Prague 1 and 18 656 people (age 15-49) living in Prague 2, which gives us in total 28 656 potential customers living in the area. ("Počet a věkové složení obyvatel Prahy k 31.12. - územní složení", 2017) Estimating that about 65% of customers will fit into the characteristics of an office worker, student, fitness enthusiast, Asian food lover, we have about 18 626 potential customers living in the area. As the restaurant is not directly located in the very center of Prague, mostly visited by tourists, we will, therefore, neglect the number of potential tourists that will come to the store. Even though we have estimated the number of customers nearby, the fusion bistro can expect customers located outside Prague 1 and Prague 2 as a result of our marketing strategy. It is also important to note that the famous student cafe "Cafedu" is located 150m/3min from the intended SushiGO store.

4.4.4. Questionnaire – Consumer Eating Habits in the Czech Republic

In total, 92 respondents participated in the questionnaire. However, not all of the respondents were living in the Czech Republic. Therefore, I reduced the number of responses to only 79, in order to keep it relevant to the Czech market. Concerning the cities, I have chosen only respondents living in Prague and Brno as I will open the fusion bistro in Prague and potentially expand to Brno later on. The whole set of questions are presented in the Appendix A and answers are put into graphs in Appendix B.

The sample is made of predominantly young students in the age ranging from 19 to 26 years old, where 25% are living in Brno and 75% live in Prague. I found out that these students in more than 50% of cases eat out 3 and more times per week. Interestingly, 40 out of 79 respondents chose Asian/Oriental cuisine as their favourite cuisine. The second most favourite cuisine was Italian. Moreover, 73% of the sample voted for the quality of food rather than quantity. We could also notice a dominance of price factor when looking for places to eat. Almost half of the respondents voted that they would be willing to pay 150 CZK for fast food. Lastly, the 62% of respondents would appreciate more diversity on the fast food scene today.

The Strategy of SushiGO for attracting students

- Create a product that is different/distinct from other products
- Price the product under (or equal to) 150 CZK
- Focus on the quality of the ingredients

4.5. PESTLE analysis application – Czech Republic (Prague)

4.5.1. Political factors

In 2004, Czech Republic has become part of EU union. As a part of the union, Czech business environment and tourism has benefited from the Schengen Area. Since then, Czech Republic became a strategic area bridging trades between eastern and western Europe. Recently, Prague became one of the most touristic cities in Europe with 7,5 million tourists in 2017. (Hrubá, 2018) This could be perceived as an opportunity for our bistro to focus on tourists.

In 2016, the minister of finance has successfully launched the EET program for electronic sales evidence. Together with that, the VAT for food was decreased from 21% to 15% as to decrease the

negative impact of EET. Nevertheless, many restaurants and small ventures went out of business as they were not able to adapt to the changes. Even today, it could become a distractive factor to many new fast food restaurants entering the market.

The current Czech political sphere mainly revolves around the newly elected political movement ANO. The leader of the ANO Andrej Babiš was accused of fraudulent use of EU funds. Because of this allegation, Andrej Babiš failed to form a ruling government of the Czech Republic. Therefore, the future of politics in the Czech Republic has become very unclear and unstable.

4.5.2. Economic factors

The unemployment has dropped to 2.7% in October 2017. ("Czech Republic/Economic Studies - Coface", 2018) The average gross wage in the Czech increased to 29,504 CZK. ("Employees and sector average monthly gross wages by sector", 2018) As a result, SushiGO could face difficulties finding employees for the restaurant. Additionally, each employee will have to be paid at least the average gross salary, in order to retain our staff in the business.

A positive economic factor could be the appreciation of Czech crown in the relationship with Euro, Dollar and Norwegian Krone. The current exchange rate is 25.34 CZK/EUR and 20.584 CZK/USD. As we will import fish from Norway, we will also be concerned about the relationship between Norwegian Krone and Czech Crown, which is currently 2.63 NOK/CZK. The overall appreciation of Czech Koruna will enable SushiGO to import their products, especially fish, cheaply. However, the current currency advantage is only temporary as the exchange rates might change anytime. ("Central bank exchange rate fixing - Czech National Bank", 2018)

4.5.3. Social factors

The recent economic upturn in the Czech Republic enabled people to spend more on food and entertainment. An average spending of a Czech consumer on food is 125 CZK. There also has been recently an increase in spending for home delivery and takeaway food as it provides more convenience to the hectic lifestyle of Prague. The overall growth in sales of home delivery and takeaway was 8%. Even though home cooking is still predominant among Czech families, the current popularity of fast food takeaways/deliveries are able to attract younger customer groups. The biggest 3rd party delivery operators Damejidlo.cz and Jidloted.cz were recently acquired by the global leader in delivery services "Delivery Hero" and both now operate under Damejidlo.cz. To comment on the

taste of the customers, Asian cuisines are especially successful as they provide healthier options, opposed to Pizzas, burgers, etc. ("Elektronické zdroje na VŠE | VŠE", 2017)

4.5.4. Technical factors

Many businesses nowadays implement technologies and robots into the processes as they could potentially save time, money, and increase the efficiency of production. Concerning our fusion bistro SushiGO, I have noticed a recent trend in the so-called “Rice Sheet Maker”. Rice sheet maker is an intelligent solution for spreading rice onto a nori seaweed paper. This would dramatically increase the speed of the service and enable each product to be consistently made. However, as these products are relatively new on the market, the investment would be yet too expensive to be used in our production. There is an opportunity to use such robots in the future when they will become more affordable.

4.5.5. Legal factors

The legal environment of businesses could be very dramatic as they are both affected by the Czech government and the EU. Recent changes in law enacted by the Czech government was the EET, or smoking ban in restaurants/bars/pubs. Smoking ban came into effect in May 2017. This was criticized by many restaurants as they lost many customers. Another law was posed by the European government, which is called GDPR (General Data Protection Regulation). The regulation on the GDPR will mostly affect larger companies and conglomerates such as McDonald’s, KFC, Burger King, etc. Because the SushiGO is a smaller business (not containing any sensitive information about customers) and will mostly focus on health-conscious customers, both GDPR and smoking ban will not threaten the nature of the business. However, our bistro will have to invest into a IT technology, which is required to submit our sales evidence (EET) to the tax office.

4.5.6. Environmental factors

The recent trend in the environmentality and “go green” movement will be used by SushiGO as an advantage. SushiGO will advertise the restaurant as being healthy and eco-friendly towards the environment. This increasing trend could be observed by the behavior of consumers on the market, previously mentioned above.

4.6. Porter's 5 forces framework application

4.6.1. Threat of Entry (Moderate to High)

Generally speaking, opening a food service in the Czech Republic is not difficult as long as we have a premise in our possession. The main factor determining the success of the restaurant is the location. Finding a good location for opening a restaurant could be challenging as they are often very expensive to rent. After finding the right location, restaurants have to identify all potential competitors nearby. Some areas are more competitive than another. For example, opening a fast food restaurant on Wenceslas Square could be very risky as for the price of the rental as well as main competitors on the market namely Mc Donald's, KFC and Burger King. On the other hand, we Asian cuisine in the Czech Republic has been booming as they offer a healthier option to burgers, fries, hotdogs etc. Therefore, the threat of entry is low, and the competitiveness is high. SushiGO will likely experience high pressure from its competitors.

4.6.2. The power of Suppliers (Low)

On the first sight, sourcing fresh raw fish in the Czech Republic could be problematic as it is not surrounded by sea. In reality, we have many sushi restaurants, which attract large number suppliers from Norway or Germany. Therefore, SushiGO could easily switch from one supplier to another at minimum costs. The rest of the non-fish supplies could be sourced from local wholesalers such as Makro and Tamda food (SAPA), which is easily accessible to everyone.

4.6.3. The power of buyers (Low to Moderate)

Sushiburrito is a unique product, which is not yet on the market. The scarcity of the product on its own should provide customers incentives to buy the product. However, there are hundreds of other fast food restaurants that a customer could choose from. Therefore, SushiGO will have to implement customer loyalty programs as a part of the business strategy to retain its customers.

4.6.4. The threat of substitutes (Moderate)

Apart from dense food, there are also new products on the market offering fully nutritious meals in a liquid form. One of them is the company MANA, which offers a liquid food solution for people, who do not have enough time for preparing their meals, but still, strive for a complete meal during the day. People could change from eating habits from eating fast food to enjoying luxury restaurants

and gastronomies. On the other hand, some people would rather save money and cook their own meals at home.

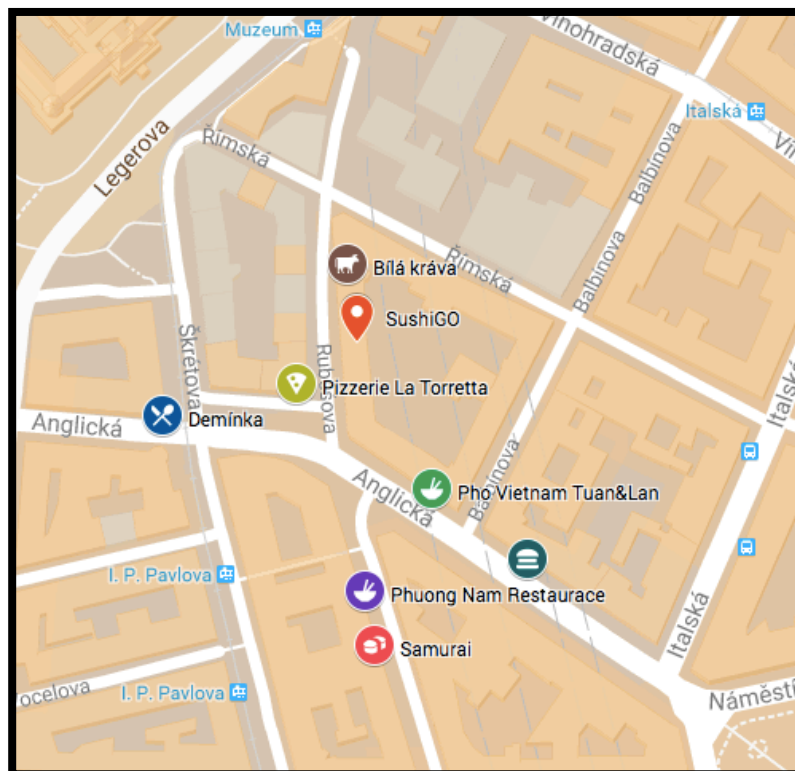
4.6.5. Existing competitors (High)

Prague is the city that offers almost endless eating options. SushiGO will naturally compete with the biggest fast food chains (Mc Donald's, KFC, Burger King, Bageteria Boulevard), Asian restaurants (Ngon, Banh Mi Ba, Mami, Yuniku, Deli Viet) and other sushi places. However, I intend to open the bistro on Rubešova street in Vinohrady, and therefore we have to mainly identify direct competitors near this location.

4.7. Competitor Analysis

The analysis in this chapter will provide a brief analysis of the direct competitors located near Rubešova street. Each competitor will be identified according to their distance, business model, cuisine, opening hours, pricing from Zomato and ratings on Foursquare. All of these factors could play a key role for customers when searching for places to eat. For each competitor, I will develop an appropriate strategy for competing with them.

Figure 7: Next-Door Competitor Analysis



Source: Author (from Google Maps)

A. Bílá Kráva

Distance: 39m

Business model: Steakhouse restaurant

Cuisine: French

Zomato pricing: 700CZK/2 people

Foursquare rating: 9.1/10

Opening hours:

Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
11:30-23:00	11:30-23:00	11:30-23:00	11:30-23:00	11:30-23:00	17:30-23:00	Closed

Bílá Kráva is the highest rated foodservice in the area with 9.1/10 in Foursquare. It has a potential to attract many customers, who is looking for a proper full-service steakhouse restaurant. Even though it is located very near and has the best rating on Foursquare, it does not pose much threat to SushiGO. SushiGO is able to differentiate from Bílá Kráva by providing Asian fast-food during lunch time and for reasonable prices. Not a romantic dinner in the fancy restaurant.

Competing strategy: Offer reasonable prices, increase our rating on Foursquare&Zomato, Focus on young people preferably students

B. Pizzeria La Torretta

Distance: 47m

Business model: Grill/Pizza/Pasta/Pub/Restaurant

Cuisine: Italian/Czech

Zomato pricing: 500CZK/2 people

Foursquare rating: 6.3/10

Opening hours:

Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
11:00-23:00	11:00-23:00	11:00-23:00	11:00-23:00	11:00-24:00	12:00-24:00	12:00-23:00

Pizzeria La Torretta is located closer to the high road Anglická, which gives the restaurant better exposure than SushiGO. La Torretta is an Italian restaurant offering all kinds of pasta, pizza, grilled dishes, which is different from sushiburrito. The food is not necessarily bad, but its low rating on Foursquare is mainly due to the service of waitresses. Customers claim that the service has been bad and disrespectful for a longer time.

Competing strategy: Treat each customer professionally with respect, greet cheerfully customers, increase the speed and quality of the service.

C. Pho Vietnam Tuan&Lan

Distance: 100m

Business model: Bistro, Noodle House

Cuisine: Vietnamese

Zomato pricing: 300CZK/2 people

Foursquare rating: 9.3/10

Opening hours:

Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
10:00-22:00	10:00-22:00	10:00-22:00	10:00-22:00	10:00-22:00	10:00-22:00	Closed

Pho Vietnam Tuan&Lan restaurant is focusing Vietnamese traditional cuisine. These are Pho, Raw Spring Rolls, Fried noodles, Bun Cha, etc. The restaurant is rated exceptionally well by customers on Foursquare. It also offers reasonable pricing similar to SushiGO products. As it is located only 100m away from our fusion bistro SushiGO, offers similar prices and has a good reputation among customers, it represents a high competition.

Competing Strategy: Offer various services (take-away, click&collect, delivery), be slightly better and faster in service than others, be more innovative and seasonally change the menu.

D. Demínka

Distance: 130m

Business model: Restaurant

Cuisine: Czech

Zomato pricing: 450CZK/2 people

Foursquare rating: 7.6/10

Opening hours:

Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
11:00-23:00	11:00-23:00	11:00-23:00	11:00-23:00	11:00-23:00	11:00-23:00	11:00-23:00

Demínka is a traditional Czech restaurant with a nice interior. Demínka holds a strategic location in this area, giving them the largest exposure on the large Anglická street. The restaurant is rated favourable and focuses both on tourists and Czech people. Their prices are set around 250CZK/person, which is not overpriced compared to their location.

Competing strategy: Keep customers informed about SushiGO. Use of leaflets&posters, offer seasonal offers, customer loyalty programs, emphasize the speediness of the service (attract take-away customers).

E. Phuong Nam

Distance: 110m

Business model: Restaurant

Cuisine: Vietnamese

Zomato pricing: 250CZK/2 people

Foursquare rating: 6.6/10

Opening hours:

Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
10:00-22:00	10:00-22:00	10:00-22:00	10:00-22:00	10:00-22:00	10:00-22:00	10:00-22:00

Phuong Nam is Vietnamese restaurant located 100m from SushiGO. As opposed to the “Pho Vietnam Tuan&Lan” restaurant, Phuong Nam has a very low rating on Foursquare and their food is considered plain and tasteless (according to reviews on Foursquare). They have a very basic interior of the restaurant but, offer cheaper eating options for customers.

Competing strategy: Phuong Nam restaurant pose no threat to SushiGO at all. We should focus more on Tuan&Lan as they are the dominant player in Asian cuisine in this area.

Sweet & Pepper DAYS

Distance: 160m

Business model: Bistro

Cuisine: Burgers/Italian

Zomato pricing: 550CZK/2 people

Foursquare rating: 6.6/10

Opening hours:

Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
12:00-22:00	9:00-22:00	9:00-22:00	9:00-22:00	9:00-22:00	10:00-22:00	10:00-22:00

Sweet & Pepper DAY is a hipster look-alike café/bistro. In their main menu, they offer 2 sliders (small burger), which are decent. The overall design of the interior is very clean and cozy. But still, they are not very well rated on Foursquare. I believe that their 2 small burgers do not offer a good pay-off for students.

Competing strategy: Focus on the value for customers, focus on the product that is good quality, healthy and filling at the same time, invest in the original&eye-catching interior.

Samurai

Distance: 110m

Business model: Restaurant

Cuisine: Sushi/Japanese/Asian

Zomato pricing: 1200CZK/2 people

Foursquare rating: 7.6/10

Opening hours:

Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
12:00-23:00	12:00-23:00	12:00-23:00	12:00-23:00	12:00-23:00	12:00-23:00	12:00-23:00

Samurai is the only Sushi restaurant nearby. Their interior is very modern and nice-looking, but the menu they offer is not different from any other sushi restaurants. Even though the food is considered good/tasty, the price is overpriced, similarly to any other sushi restaurants in Prague.


Competing strategy: Offer a non-traditional way of eating sushi, create a sushi that could be eaten faster and cheaper than other sushi-alike products, promote sushiburrito among students, office people, oriental food lovers, and fitness people.


4.8. Marketing Mix

4.8.1. Product description

The core selling product of SushiGO is Sushiburrito. Sushiburrito is a combination of characteristics of Japanese sushi and Mexican burrito. The product base consists of nori seaweed, various seafood, vegetables and sauces, similar to Japanese sushi, which is rolled up into a proportion of Mexican burrito. Customers will be able to choose between pre-designed signature rolls and customizable rolls. Signature rolls offer a pre-designed sushiburrito, which is recommended by the restaurant. More sophisticated customers will appreciate the option to customize their own sushiburrito roll according to taste. Here, customers will firstly choose between a variety of fish such as tuna, salmon, mackerel, cooked shrimps or tofu and finishing with selection vegetables and sauces. The standard price of sushiburrito is 139 CZK, however, the price of customized sushiburrito could vary depending on the volume, and choice of ingredients. The menu for our products is presented in the following figure 8.

Figure 8: SushiGO menu

signature rolls 139,-CZK		make your own 139,-CZK	
		Our customer's satisfaction is our ultimate goal, hence we have very carefully chosen the best combos, which we can proudly serve you.	
el classico	sushi rice, fresh salmon, salad, cucumber, red bell pepper, carrot, red caviar, avocado, touch of soy	choose fish	extra fish (+50 CZK)
spicy tuna	sushi rice, tuna cooked overnight in a chilli lemongrass paste, avocado, salad, carrot	fresh salmon	
ocean scenery	sushi rice, baked salmon in sesame oil, edamame beans, salad, carrot, sesame seeds	baked salmon	
hey, mama	sushi rice, mackerel in tomato sauce, seaweed salad, cucumber, carrot	spicy tuna	
hello, spring	sushi rice, cooked shrimps, surimi sticks, salad, green onion, red bell pepper	mackerel	
vegan's choice	sushi rice, fried tofu, salad, carrot, red bell pepper, cucumber, edamame beans	cooked shrimps	
drinks		fried tofu 	
homemade lemonade 0,5ml	45,- CZK	choose base	
coca cola	25,- CZK	salad	edamame beans (+10 CZK)
bonaqua	20,- CZK	carrot	avocado (+10 CZK)
		cucumber	seaweed salad (+10 CZK)
		tomato	surimi sticks (+10 CZK)
		red bell pepper	
		green onion	
		choose sauce	
		wasabi mayo	
		wasabi	
		sriracha	
		ponzu sauce	



Source: Author (Design by Le Lan Vy)

4.8.2. Product Service and CVA (Customer Value Added)

SushiGO will mainly focus on office people, students, oriental food lovers, and fitness enthusiasts. Office people usually have limited time between lunch breaks, therefore each order must be prepared at a fast pace, while still delivering an aesthetic piece of product. Customers will also have the opportunity to order a product on the SushiGO website and personally pick the order at the POS (point of sales). This will save a valuable amount of time for customers and prevent workload for staff during peak hours. Moreover, each signature roll will contain nutritional facts about the product so that fitness enthusiasts could be aware of the number of calories and still stay on track with their diet plans. The nutrition facts are provided in table 2. The uniqueness of the product on its own will also attract many young people, including students, and oriental food lovers.

Table 2: SUSHIGO nutrition facts

name	grams	calories	kJ	carbs (g)	protein (g)	total fat (g)	saturated fat
el classico	403	402	1686	47.1	27.1	11.6	1.8
spicy tuna	388	438	1832	51.4	23.9	15.1	2.6
ocean scenery	404	516	2161	43	26.8	25.3	3.66
hey, mama	516	524	2195	49.2	26.5	24	4.5
hello, spring	376	301	1260	43	23.5	2.3	0.5
vegan's choice	447	434	1818	48	17.1	19.6	2.9

Source: Author

4.8.3. Price

SushiGO will become the first fusion bistro of its kind offering sushiburrito in the Czech Republic. Therefore, I will be able to set prices more freely, without any pressure from competitors with a similar product offering.

However, the prices should not be too high, as we would like to target wider public. In our market analysis, the calculated average price that an average Czech consumer is willing to pay is 125 CZK. As I would like to position sushiburrito as a higher brand product and also earn attractive margin, I will adjust the prices slightly higher than the market norm. Therefore, the price of the signature sushiburrito will be 139 CZK. As for the price of the customizable sushiburrito, the price will vary in accordance with the type of ingredients used as well as the amount used. Customer loyalty cards will allow regular customers to obtain discounts for each 6th product that they buy.

I believe that such pricing strategy will allow SushiGO to stay relatively competitive on the market for the reasons provided below:

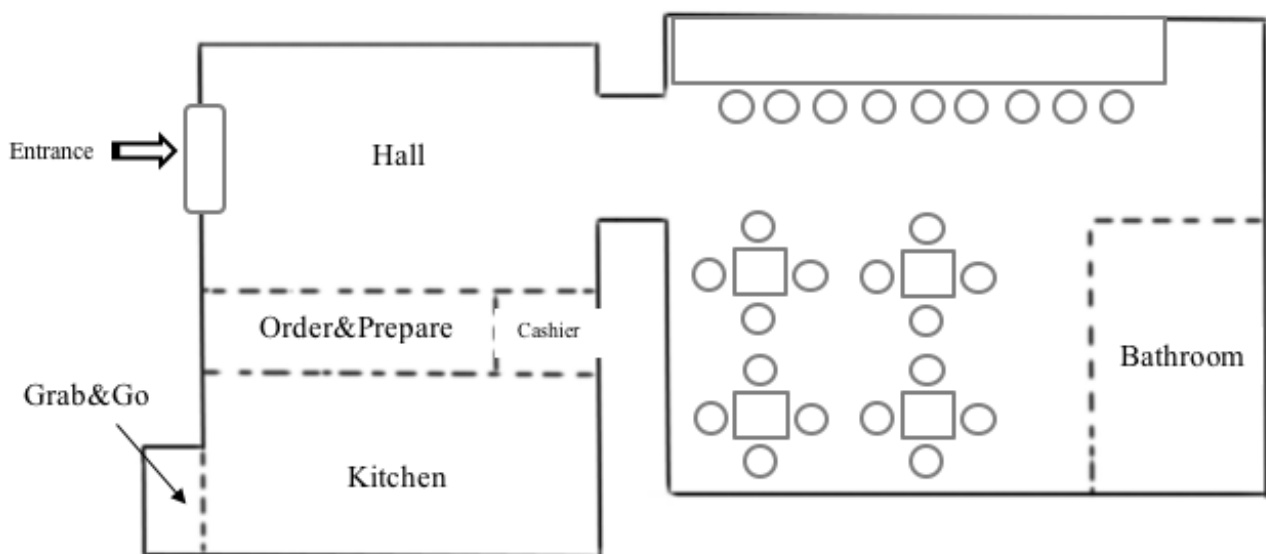
- Consumer-friendly price (similar to the average spending in the Czech Republic)
- Self-made price (Make your own sushiburrito => set your own price)
- Customer loyalty cards with discounts for frequent/loyal customers

4.8.4. Place

The fusion bistro SushiGO will be located on the Rubešova street, which is located on the densely populated streets of Prague 1 and Prague 2. Even though Rubešova street has already been pre-occupied by few restaurants, the fusion bistro will differentiate itself with its unique proposition, the conduct of the business, the product as well as authentic interior. Additionally, the locality will allow SushiGO to attract students from the student hub Cafedu, located nearby.

The interior of SushiGO is outlined in the figure 9. The size of the interior is 67m² in total of the surface area. The space will be splitted into 2 sections: the kitchen and the dining room. In the front of the kitchen, customers will order their sushiburrito, followed by the preparation from our staff and lastly proceed with the payment at the cash desk (cashier). The small niche next to the entry will allow providing effective Grab&Go and Click&Collect services. The inner part of the bistro will include a dining room with 25 seats in total and a bathroom. In the summer, the bistro could potentially extend the capacity by providing seats outside (in front of the store).

Figure 9: Composition of SushiGO bistro



Source: Author

Based on sreality.cz, the rental of the space per month will be 17000 CZK and the estimated 5000 CZK for utilities, which gives us in total 22000 CZK/month. Additionally, severance fee has to be paid, in the amount of 700 000 CZK as a part of the rental agreement. Besides that, SushiGO will invest 250 000 CZK for the reconstruction of the interior and 50 000 CZK for the design.

4.8.5. Promotion

Prague is a city with almost endless eating options. In order to be recognized especially, SushiGO will have to invest in numerous promotional activities to gain a competitive edge.

SushiGO website

Firstly, the official website of SushiGO will be created. Besides communicating the mission, vision, and the values of the company, we use the website for our Click&Collect orders. Customers will be able to select their desired sushiburrito on the website and proceed with the payment. After that, the customer will come to the store and collect the ordered food. This will save a lot of time and will prevent the customer from waiting in a long queue during rush hours. The website will be created on Wix.com, which is a simple website-builder solution suitable for all non-IT entrepreneurs. The standard monthly fee on Wix.com is approximately 625 CZK. However, as a new user, the website offers a discounted 2 years trial for approximately 450 CZK/month.

Social media influence

Social media is one of the most powerful marketing channels nowadays. I believe that the popular social media channels in the Czech Republic are Instagram, Facebook, and Youtube. We will, therefore, create an official page/profile of SushiGO on both Instagram and Facebook. These Facebook and Instagram profiles will communicate new seasonal offers, the product sushiburrito, and an everyday story of SushiGO. Concerning the Youtube, we will contact popular Youtube food channels in the Czech Republic, such as “Honest Guide” or “JdemeŽrát” to promote our new bistro.

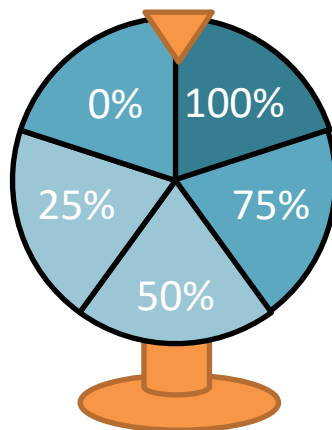
Online rating (Zomato, Foursquare, Yelp, Tripadvisor)

As there are so many options to eat in Prague, customers usually look for restaurants on Zomato, Foursquare, Yelp, Tripadvisor. These websites give customers the ability to read reviews, comments, and ratings about each restaurant in Prague (not just Prague). A good rating on these portals would give SushiGO a competitive edge among competitors. We will, therefore, create our own restaurant profiles on these websites and strive for the best possible rating and feedbacks from our customers.

Customer loyalty program&Gamification

The bistro will implement customer loyalty program in the form of loyalty cards. Every time customers make a purchase, he/she will receive a stamp on their loyalty cards. After collecting 5 stamps, customers will be able to spin a lucky wheel to win special discounts for their next purchase. The discounts are set for one sushiburrito at 0%, 25%, 50%, 75%, 100%.

Figure 10: Lucky Wheel/Spin with discounts



Source: Author

This strategy will serve as a marketing tool used to attract new customer as well as for building long-term relationships with already acquired customers.

Leaflets&Posters&Banners

Based on the listed prices on Rengl.cz, I have estimated the budget for Posters&Banners in the amount of 5000 CZK. This amount will be paid regularly each month. Leaflets will be distributed near the area of the bistro with a focus on offices, shops, schools, touristy places, fitness centers and will be budgeted for 25 000 CZK as a one-time payment in the first month of the operation.

Table 3: Estimated budget for the promotional activities

Promotional activities	Budget/Month
Product placement on Youtube (First month)	15 000 CZK
Leaflets (First month)	25 000 CZK
Posters&Banners	5 000 CZK
Website maintenance fee	625 CZK (450 CZK for first 2 years)

Source: Author

4.9. Financial Plan

To not to assess the viability of the project only on the theoretical level, we will create a financial plan for the bistro. For our fusion bistro SushiGO, we will firstly define the budget for initial investments, fixed costs, and variable costs. Secondly, we will create a financial statement (income statement, cash flow statement, balance sheet), and lastly, break-even point analysis.

4.9.1. Initial Investments

Before starting the business, I will establish a company SushiGO s.r.o., which will deal with all legal matters concerning the bistro. The costs of establishing a company in the Czech Republic was forecasted based on e-sro.cz. In reality, the costs of establishing a limited liability company could vary for each individual case. Therefore, I tried to overestimate (rather than underestimate) the costs to be 12 290 CZK. We have to also account for the 1000 CZK as a cost of acquiring the trade license. ("Náklady na založení společnosti | e-SRO.cz", n.d.)

The premise located on Rubešova Street, which SushiGO intends to rent, does not provide favourable conditions to open the bistro yet. I will, therefore, invest in the reconstruction of the whole space and also invest into the design of the store. I estimate the reconstruction of the premise to be approx. 250 000 CZK and additionally 50 000 CZK for the design. Inseparable part of the rental contract is the payment of severance fee, in the amount of 700 000 CZK. This is an initial fee paid in order to be able to rent the place. Additionally, the bistro will buy furniture, equipment, and appliances, which will be budgeted for 175 000 CZK. I will also create 150 000 CZK as a reserve fund, which will be held as a safety fund for unexpected events.

Table 4: Initial Investments budget

Initial Investments	Amount Invested
Costs of the establishment of s.r.o.	12 290 CZK
Trade Licence	1 000 CZK
Severance fee	700 000 CZK
Renovation/Reconstruction	250 000 CZK
Design of the store	50 000 CZK
Furniture, equipment, appliances	175 000 CZK
Reserve fund	150 000 CZK
Total amount	1 338 290 CZK

Source: Author

4.9.2. Fixed and Variable costs

The table 5 provided below projects both fixed costs and variable costs which will be paid for the operation of the bistro. The biggest part of the fixed costs accounts for wages&salaries (82 500 CZK) as we will hire 3 employees with a salary 27 500 CZK/month for each. Then we have to pay the rental of the premise on Rubešova street, which costs 17 000 CZK (data from sreality.cz) and the monthly utility in the amount of 5 000 CZK. Variable costs are projected below the fixed costs. These are the costs of ingredients and wrapping, which directly relates to the sales volume. The total variable costs of one sushiburrito are 80 CZK.

Table 5: Estimated Fixed and Variable costs

Fixed costs/Month	
Rental	17 000 CZK
Utilities	5 000 CZK
Standard advertising	5 625 CZK
Wages and salaries	82 500 CZK
Accountant	4 000 CZK
Insurance	666,7 CZK
Internet	450 CZK
Fuel	3 600 CZK
Waste costs (240L dustbin)	300 CZK
Total	119 141,7 CZK
Variable costs/Unit	
Ingredients/Piece	70 CZK
Wrapping/Piece	10 CZK
Total/Piece	80 CZK

Source: Author

4.9.3. Sales Forecasting

The sales forecast was estimated monthly for the first year. Due to the uncertainty, I have created the forecasts in 3 different scenarios (realistic, pessimistic and optimistic). To estimate the number of products sold, I have used my educated guess gained from previous experience at the “Li-Wu” restaurant, consultations with various owners of restaurants.

Table 6: Unit sales forecasts of sushiburrito in months

Sales (units)	Pessimistic	Realistic	Optimistic
January	2300	2800	3300
February	2600	3100	3600
March	2900	3400	3900
April	3500	4000	4500
May	3800	4300	4800
June	4500	5000	5500
July	4300	4800	5300
August	3500	4000	4500
September	3300	3800	4300
October	2900	3400	3900
November	2500	3000	3500
December	2900	3400	3900
Total	39000	45000	51000

Source: Author

As you can see in table 6, the forecasted sales are the lowest at the beginning and at the end of the year (except December), as customers prefer warmer food during the winter period. As it gets steadily warmer in February, March, April, and May, I expect higher sales of our products. June, July and August are periods, when students have summer holidays, therefore the number of students will most likely decrease (lesser number students visiting Cafedu nearby) and will be replaced by the wave of tourists coming to the Czech Republic. Taking into account 7,5 million tourists, who came to Prague in 2017, the increasing number of tourists will outweigh the lesser number of students and therefore we could expect the highest sales in June, July, August. (Hrubá, 2018)

4.9.4. Income Statement

The Income statement is forecasted for 3 consecutive years and is created for all 3 scenarios (realistic, pessimistic, optimistic). The realistic scenario in Appendix C shows that the restaurant will become profitable right from the start (first year's net profit 913 194 CZK). This is partly due to the low rental relative to the location of Prague 1 and Prague 2. The largest portion of the expenses is wages&salaries as we will pay 27 500 CZK (gross wage) to each employed staff of SushiGO. I also expect the sales to steadily increase by 10% in the second and third year. The reason for that is because, after 2 years of running the business, SushiGO management and its staff will become more

familiar with the business environment and day-to-day activities and therefore could better capitalize from marketing activities, understanding of consumer's behavior and an overall increase in the efficiency and effectiveness of the production. For that reason, the second year's net profit will be 1 160 649 CZK and in the third year 1 395 509 CZK (see Appendix C). The profits mentioned above were estimated for the realistic scenario, however, in reality, the number of products sold could be different. Therefore, I also forecasted income statements for both pessimistic scenario (Appendix D) and optimistic scenario (Appendix E).

It is also important to note that I did not consider sales of beverages as I will sell them for almost no margin and therefore it has no impact for our calculations of IS forecasts. I neither included the customer loyalty program&gamification (mentioned above in the 4P's chapter) as I would use it only in the case of emergency/insufficient demand.

4.9.5. Balance Sheet

The following figure presents a simplified version of balance sheet after 1st year of operation and assuming realistic scenario. Table 7 shows the distribution of finances within the company SushiGO s.r.o. We could see that the company is 100% equity financed and has no debt obligations. The total capital invested is 1 500 000 CZK. Also notice, that I will create a separate savings account unexpected events. This money could be used in the future for investments/expansion or to cover unexpected repairs or losses. The total amount of assets at the end of the 1st year is 2 413 194 CZK.

Table 7: Balance sheet of the realistic scenario after 1st year of operation

Assets		Equity	
Non-current assets		Capital invested	1 500 000
Initial investments (less reserve funds)	1 188 290	Retained earnings	913 194
Current assets		Liability	
Savings account	150 000	Long-Term Debt	0
Cash in hand&bank	1 074 904	Short-Term Debt	0
Total	2 413 194	Total	2 413 194

Source: Author

4.9.6. Cash Flow Statement

The cash flow statement is shown in the Appendix F. It presents the amount of cash inflows and outflows from operations as well as the initial capital invested (1 500 000 CZK) and the initial investments without reserve funds ($1\,338\,290 - 150\,000 = 1\,188\,290$ CZK). January experiences a low net cash flows of 999 CZK. This is mainly due to the extensive marketing expenses, such as product placements from famous youtube influencers or distribution of leaflets near Rubešova street. However, the net cash flow will slowly increase in the following months as the weather gets warmer and the demand for our products increases. The net profits are expected to peak in the summer as many tourists will visit Prague during holidays. On the other hand, the winter sales will decrease quite significantly as many people will prefer warmer food options rather than room temperature sushiburrito. The only exception is December with higher net cash flow due to the Christmas shopping fever.

More importantly, the Cash Flow statement shows that SushiGO will have a positive cash balance throughout the year and therefore will be able to fulfill its obligations towards suppliers and minimizes the liquidity problems.

4.9.7. Break-Even Point Analysis

Break-Even point will help us determine how many sushiburrito per month or day SushiGO will have to sell in order to cover all fixed costs. It is also a point, where the company's profits are at zero. The formula for BEP (Break-Even Point) is:

$$BEP = \frac{\text{Fixed costs}}{\text{Revenue per unit} - \text{Variable cost per unit}} = \frac{\text{Fixed costs}}{\text{Unit margin}}$$

In order to calculate the BEP we will assume standard fixed costs in the first year of the operation, which is 119 142 CZK. The standard revenue per unit is set at 139 CZK and variable costs are 80 CZK/unit.

$$BEP = \frac{119\,142}{139 - 80} = \frac{119\,142}{59} \Rightarrow 2020$$

After the application of the formula, the Break-Even Point of SushiGO is 2020. Therefore, the bistro will have to sell at least 2020 sushiburrito rolls per month in order to cover all fixed costs and

maintain the level of profit at 0. If we assume that the restaurant operates 30 days in each month, then SushiGO will need to sell at least 68 sushiburrito rolls per day to sustain the business.

4.10. SWOT analysis

All the tools and analysis used in the business plan can be used to identify Strengths, Weaknesses, Opportunities, and Threats. These four elements can be put into the squared matrix in table 8 and to formulate the SWOT for SushiGO.

Table 8: SWOT Analysis Matrix of SushiGO

Strengths	Weaknesses
<ul style="list-style-type: none"> ➤ The uniqueness of the food concept (first sushiburrito in Prague) ➤ The premise in the center of Prague (Prague 1 and Prague 2) ➤ Close relationship with restaurant owners in the Czech Republic (e.g. Umami) => partnership => economies of scale 	<ul style="list-style-type: none"> ➤ Lack of experience in the Foodservice industry ➤ Limited financial capital ➤ Limited human capital
Opportunities	Threats
<ul style="list-style-type: none"> ➤ Continuous appreciation of CZK against Norwegian Krone => cheaper supply of fish ➤ Increasing popularity of Asian cuisines in the Czech Republic ➤ Use of „Rice sheet maker“ technology as they become cheaper 	<ul style="list-style-type: none"> ➤ Uncertainty on the Czech political scene => impact on the legal environment ➤ Low unemployment => difficulties finding skilled labor

Source: Author

Conclusion

The main purpose of my thesis was to develop a solid business plan for opening a modern fusion bistro – SushiGO, which I could then use in practice. The important aspect was to assess the viability of the business idea on the Czech market. Throughout the research, I have used both primary data from my questionnaire as well as secondary data from various academic literature and internet sources.

In the theoretical background, I firstly reviewed numerous theories of entrepreneurship, business plan and the historical development of sushi in the global context. After that, I theoretically explained a set of tools, methods, and models, which I, later on, used to assess my business plan.

For the practical part, I first applied my business idea into the Business Model Canvas, which allowed me to simply develop my business plan through 9 building blocks. Here, I firstly identified my target customer as office-workers, students, Asian food lovers and fitness enthusiasts. According to the customer group, I tailored the business model of SushiGO to attract such customer segments. Lastly, I defined the value proposition, which is basically defining the value, that SushiGO offers to its target customer.

The application of the Business Model Canvas was followed by more precise and traditional formulation of the business plan. It starts with an analysis of the market, where I was able to spot the uptrend of Asian cuisines and growing popularity of fast food in the Czech Republic. The primary data analysis of „Eating habits in the Czech Republic“ was mainly based on students living in the Czech Republic. The survey supports the idea of opening an Asian fast food restaurant, which is focusing on quality of food and uniqueness of the concept.

Except for strenghts of the company, the SWOT analysis also provides a number shortcomings, which is my is my lack of experience in the Foodservice industry and limited financial and human resources.

Finally, to open the fusion bistro, we will firstly invest 1 500 000 CZK from personal savings into the business to cover initial investment expenses. After one year of the operation, we could expect 913 194 CZK in net profits in the realistic scenario.

Lastly, I will just say that by having my business plan – SushiGO written black on white, I am able to claim that the business idea will likely succeed on the market and could bring a positive source of income to the proprietor.

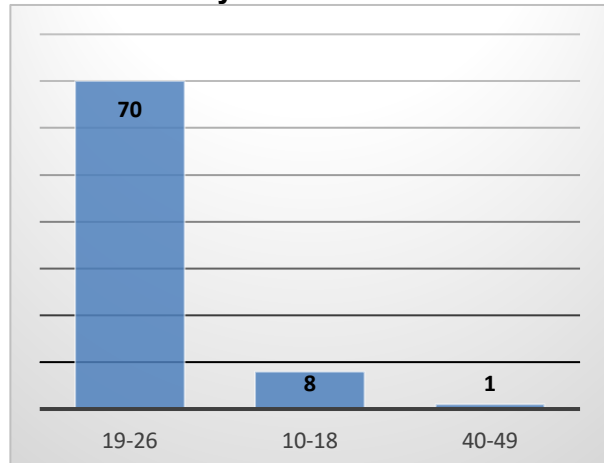
Appendices

Appendix A – Questionnaire: Eating habits in the Czech Republic

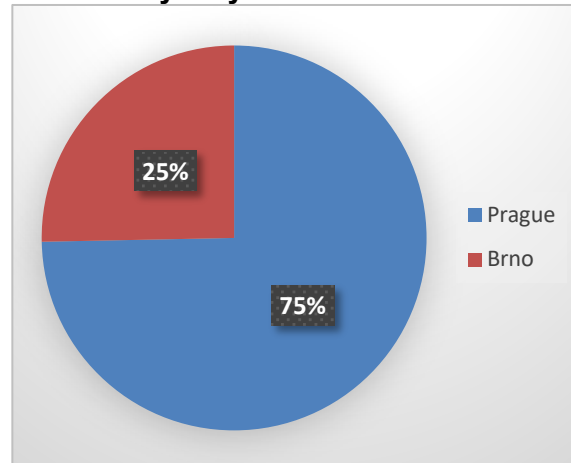
1. How old are you? a) 10-18 b) 19-26 c) 27-39 d) 40-49 e) 49 and more	2. What city do you live in?
3. What is your occupation? a) Student b) Office worker c) Non-office worker d) Entrepreneur e) Retired f) Other	4. How often do you eat out? a) I never eat out b) 1x per week c) 2x per week d) 3-4x per week e) 5-6x per week f) Everyday
5. Where do you usually eat out? a) Restaurant b) Fast Food c) Café d) School canteen e) Supermarket	6. What is your favourite cuisine? a) Oriental/Asian b) American c) Italian d) Czech e) Mexican f) Other
7. What is more important for you when eating out? a) Quantity of food b) Quality of food	8. What is the most important factor for you when choosing places to eat? (you can select more) a) Cleanliness of the outlet b) Interior design c) Price d) Nutritional value of the food e) Speed of the service
9. How much are you willing to pay for fast food? a) Up to 100 CZK b) Up to 150 CZK c) Up to 200 CZK d) Up to 250 CZK e) More than 250 CZK	10. What improvements would you like to see on the Fast Food scene today? (you can select more options) a) Better customer service (speed, more pleasant interaction of staff) b) Better affordability c) More food diversity d) Nice and clean interior

Appendix B – Outcome of the Questionnaire

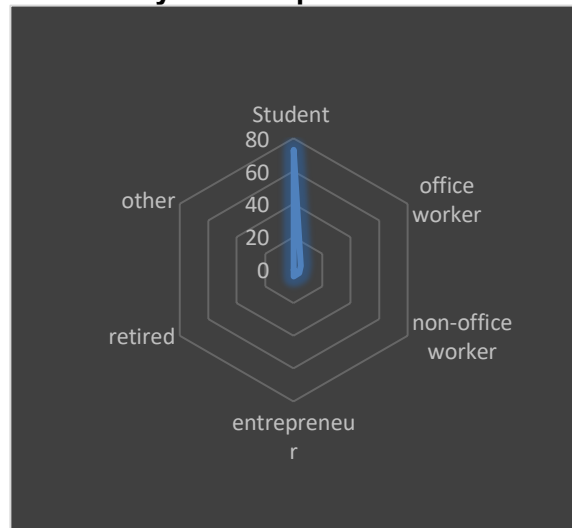
1. How old are you?



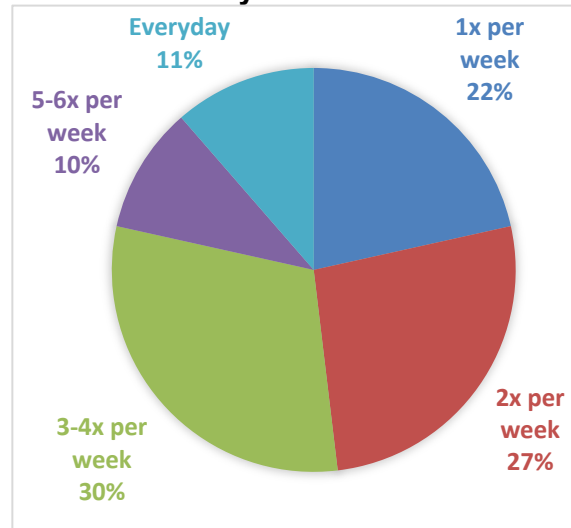
2. What city do you live in?



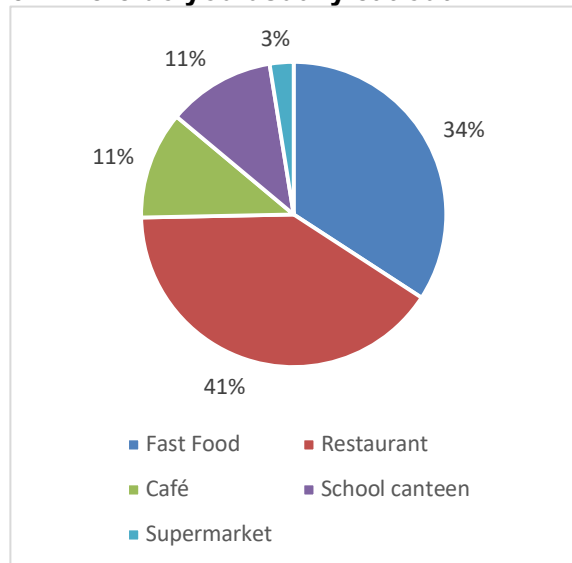
3. What is your occupation?



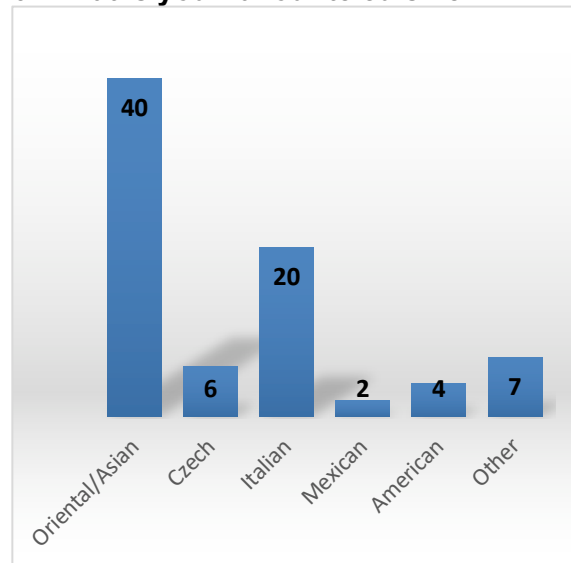
4. How often do you eat out?



5. Where do you usually eat out?



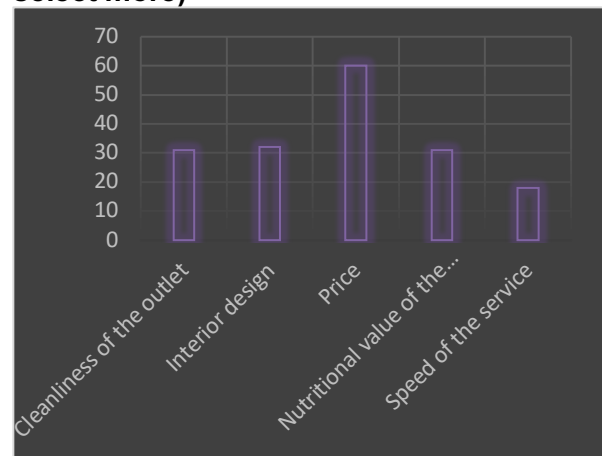
6. What is your favourite cuisine?



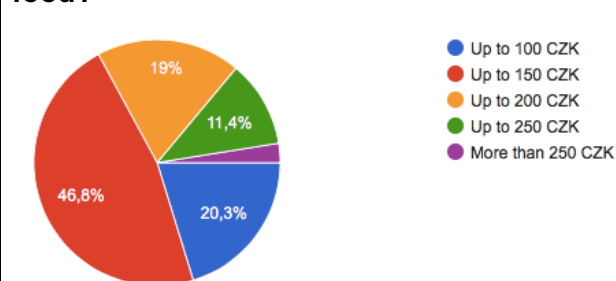
7. What is more important for you when eating out?



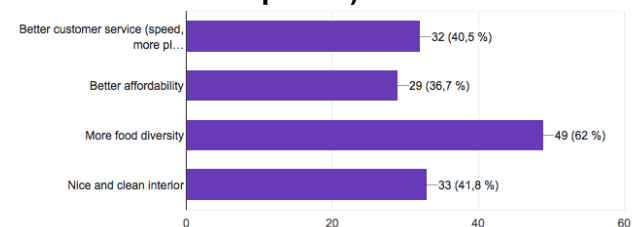
8. What is the most important factor for you when choosing places to eat? (you can select more)



9. How much are you willing to pay for fast food?



10. What improvements would you like to see on the Fast Food scene today? (you can select more options)



Appendix C – Realistic Income Statement 3 Years Forecast

Realistic IS for 3 year	1st Year	2nd Year +10%	3rd Year +10%
Sales Revenue	6 255 000	6 880 500	7 568 550
Costs of Goods Sold	3 600 000	3 960 000	4 356 000
Ingredients	3 150 000	3 465 000	3 811 500
Wrapping	450 000	495 000	544 500
Gross Profit	2 655 000	2 920 500	3 212 550
Operating expenses	1 527 600	1 487 600	1 489 700
Rental	204 000	204 000	204 000
Utilities	60 000	60 000	60 000
Advertising (website, Posters&Banners)	105 400	65 400	67 500
Wages&Salaries (gross)	990 000	990 000	990 000
Accountant	48 000	48 000	48 000
Insurance	8 000	8 000	8 000
Internet	5 400	5 400	5 400
Fuel	43 200	43 200	43 200
Waste costs (Prague 2)	3 600	3 600	3 600
Other costs	60 000	60 000	60 000
Net profit before Taxes	1 127 400	1 432 900	1 722 850
Taxes	214 206	272 251	327 342
Net Profit	913 194	1 160 649	1 395 509

Appendix D - Pessimistic Income Statement 3 Years Forecast

Pessimistic IS for 3 year	1st Year	2nd Year +10%	3rd Year +10%
Sales Revenue	5 421 000	5 963 100	6 559 410
Costs of Goods Sold	3 120 000	3 432 000	3 775 200
Ingredients	2 730 000	3 003 000	3 303 300
Wrapping	390 000	429 000	471 900
Gross Profit	2 301 000	2 531 100	2 784 210
Operating expenses	1 527 600	1 487 600	1 489 700
Rental	204 000	204 000	204 000
Utilities	60 000	60 000	60 000
Advertising	105 400	65 400	67 500
Wages&Salaries (gross)	990 000	990 000	990 000
Accountant	48 000	48 000	48 000
Insurance	8 000	8 000	8 000
Internet	5 400	5 400	5 400
Fuel	43 200	43 200	43 200
Waste costs (Prague 2)	3 600	3 600	3 600
Other costs	60 000	60 000	60 000
Net profit before Taxes	773 400	1 043 500	1 294 510
Taxes	146 946	198 265	245 957
Net Profit	626 454	845 235	1 048 553

Appendix E - Optimistic Income Statement 3 Years Forecast

Optimistic IS for 3 year	1st Year	2nd Year +10%	3rd Year +10%
Sales Revenue	7 089 000	7 797 900	8 577 690
Costs of Goods Sold	4 080 000	4 488 000	4 936 800
Ingredients	3 570 000	3 927 000	4 319 700
Wrapping	510 000	561 000	617 100
Gross Profit	3 009 000	3 309 900	3 640 890
Operating expenses	1 527 600	1 487 600	1 489 700
Rental	204 000	204 000	204 000
Utilities	60 000	60 000	60 000
Advertising	105 400	65 400	67 500
Wages&Salaries (gross)	990 000	990 000	990 000
Accountant	48 000	48 000	48 000
Insurance	8 000	8 000	8 000
Internet	5 400	5 400	5 400
Fuel	43 200	43 200	43 200
Waste costs (Prague 2)	3 600	3 600	3 600
Other costs	60 000	60 000	60 000
Net profit before Taxes	1 481 400	1 822 300	2 151 190
Taxes	281 466	346 237	408 726
Net Profit	1 199 934	1 476 063	1 742 464

Appendix F – Cash Flow Statement for the 1st Year (Realistic Scenario)

REALISTIC CASH FLOW FORECAST/1st Year	Investments	January	February	March	April	May	June	July	August	September	October	November	December
Opening balance	0	311 710	312 709	360 445	422 518	513 265	618 349	756 886	885 865	976 612	1 057 801	1 119 874	1 162 831
CASH INFLOWS													
Capital Investment	1 500 000												
Sales in cash&card		389 200	430 900	472 600	556 000	597 700	695 000	667 200	556 000	528 200	472 600	417 000	472 600
TOTAL CASH INFLOWS	1 500 000	389 200	430 900	472 600	556 000	597 700	695 000	667 200	556 000	528 200	472 600	417 000	472 600
CASH OUTFLOWS													
Initial Investments													
Notary fees	12 290												
Trade Licence	1 000												
Severance fee	700 000												
Reconstruction	250 000												
Design of the interior	50 000												
Furniture, equipment, appliances	175 000												
Total initial investments	1 188 290												
Costs of goods sold													
Ingredients		196 000	217 000	238 000	280 000	301 000	350 000	336 000	280 000	266 000	238 000	210 000	238 000
Wrapping		28 000	31 000	34 000	40 000	43 000	50 000	48 000	40 000	38 000	34 000	30 000	34 000
Total COGS		224 000	248 000	272 000	320 000	344 000	400 000	384 000	320 000	304 000	272 000	240 000	272 000
Operating expenses													
Rental		17 000	17 000	17 000	17 000	17 000	17 000	17 000	17 000	17 000	17 000	17 000	17 000
Utilities		5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000
Advertising		45 450	5 450	5 450	5 450	5 450	5 450	5 450	5 450	5 450	5 450	5 450	5 450
Wages&Salaries (gross)		82 500	82 500	82 500	82 500	82 500	82 500	82 500	82 500	82 500	82 500	82 500	82 500
Accountant		4 000	4 000	4 000	4 000	4 000	4 000	4 000	4 000	4 000	4 000	4 000	4 000
Insurance		667	667	667	667	667	667	667	667	667	667	667	667
Internet		450	450	450	450	450	450	450	450	450	450	450	450
Fuel		3 600	3 600	3 600	3 600	3 600	3 600	3 600	3 600	3 600	3 600	3 600	3 600
Waste costs (Prague 2)		300	300	300	300	300	300	300	300	300	300	300	300
Other costs		5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000
Total Operating expenses		163 967	123 967	123 967	123 967	123 967	123 967	123 967	123 967	123 967	123 967	123 967	123 967
Taxes (19%)		234	11 197	14 560	21 286	24 649	32 496	30 254	21 286	19 044	14 560	10 076	14 560
TOTAL CASH OUTFLOWS	1 188 290	388 201	383 164	410 527	465 253	492 616	556 463	538 221	465 253	447 011	410 527	374 043	410 527
NET CASH FLOW/Closing balance	311 710	999	47 736	62 073	90 747	105 084	138 537	128 979	90 747	81 189	62 073	42 957	62 073
Closing balance	311 710	312 709	360 445	422 518	513 265	618 349	756 886	885 865	976 612	1 057 801	1 119 874	1 162 831	1 224 904

References

Academic literature

- ❖ BARDE, R., & UENTEN, W. (2018). Pacific Steerage: Japanese Ships and Asian Mass Migration. University California Press. Retrieved from <http://www.jstor.org/stable/pdf/10.1525/phr.2004.73.4.653.pdf?refreqid=excelsior%3Ade88d81b4f3b6e7fca9a7abe73c4c50e>
- ❖ Braunerhjelm, P. (2010). Entrepreneurship, Innovation and Economic Growth. *Entreprenorskapsforum.se*. Retrieved 11 February 2018, from http://entreprenorskapsforum.se/wp-content/uploads/2013/03/WP_02.pdf
- ❖ Cantillon, R. (1755). "*Essai sur la nature du commerce en general*". Paris: Institut Coppet.
- ❖ CRITICALLY ASSESSING THE STRENGTHS AND LIMITATIONS OF THE BUSINESS MODEL CANVAS. (2014). Master Thesis. University of Twente.
- ❖ O'Neill, T. (2015). The business model canvas as a platform for business information literacy instruction. *Reference Services Review*, 43(3), pp.450-460.
- ❖ Pigneur, Y. and Osterwalder, A. (2010). *Business Model Generation*. New Jersey: John Wiley & Sons, pp.16-41.
- ❖ Porter, M. (2008). The Five Competitive Forces That Shape Strategy. *Harvard Business Review*. Retrieved 18 March 2018, from <https://hbr.org/2008/01/the-five-competitive-forces-that-shape-strategy>
- ❖ Sakamoto, R., & Allen, M. (2011). There's something fishy about that sushi: how Japan interprets the global sushi boom. *Japan Forum*, 23(1), 99-121. <http://dx.doi.org/10.1080/09555803.2011.580538>
- ❖ Say, J., Prinsep, C., & Biddle, C. (2001). *A treatise on political economy*. Kitchener, Canada: Batoche.
- ❖ Schumpeter, J. (1911). *Theory of Economic Development*. Harvard University Press.
- ❖ Svobodová, I., & Andera, M. (2017). *Od nápadu k podnikatelskému plánu* (1st ed., pp. 69-70). Praha: Grada Publishing a.s.

Reports and other internet sources

- ❖ Canvanizer.com. (n.d.). Business Model Canvas vs Lean Canvas - Canvanizer. [online] Available at: <https://canvanizer.com/how-to-use/business-model-canvas-vs-lean-canvas> [Accessed 12 Mar. 2018].
- ❖ Central bank exchange rate fixing - Czech National Bank. (2018). Cnb.cz. Retrieved 21 April 2018, from https://www.cnb.cz/en/financial_markets/foreign_exchange_market/exchange_rate_fixing/daily.jsp
- ❖ Czech Republic/Economic Studies - Coface. (2018). Coface.com. Retrieved 21 April 2018, from <http://www.coface.com/Economic-Studies-and-Country-Risks/Czech-Republic>
- ❖ Dholakia, U. (2016). 4 Ways In Which Optimism Helps Entrepreneurs Succeed. Psychology Today. Retrieved 18 February 2018, from <https://www.psychologytoday.com/blog/the-science-behind-behavior/201610/4-ways-in-which-optimism-helps-entrepreneurs-succeed>
- ❖ Elektronické zdroje na VŠE | VŠE. (2017). Portal.euromonitor.com.zdroje.vse.cz. Retrieved 18 April 2018, from <http://www.portal.euromonitor.com.zdroje.vse.cz/portal/analysis/tab>
- ❖ Elektronické zdroje na VŠE | VŠE. (2017). Portal.euromonitor.com.zdroje.vse.cz. Retrieved 18 April 2018, from <http://www.portal.euromonitor.com.zdroje.vse.cz/portal/analysis/related>
- ❖ Elektronické zdroje na VŠE | VŠE. (2017). Portal.euromonitor.com.zdroje.vse.cz. Retrieved 21 April 2018, from <http://www.portal.euromonitor.com.zdroje.vse.cz/portal/analysis/tab>
- ❖ Employees and sector average monthly gross wages by sector. (2018). Czech Statistical Office. Retrieved 21 April 2018, from https://vdb.czso.cz/vdbvo2/faces/en/index.jsf?page=vystup-objekt&z=T&f=TABULKA&skupId=850&katalog=30852&pvo=MZD03-A&pvo=MZD03-A&evo=v537_!_MZD-LEG4_1&c=v551~8__RP2017
- ❖ Feloni, R. (2015). KFC founder Colonel Sanders didn't achieve his remarkable rise to success until his 60s. Business Insider. Retrieved 18 February 2018, from <http://www.businessinsider.com/how-kfc-founder-colonel-sanders-achieved-success-in-his-60s-2015-6>

- ❖ Historic inflation Czech Republic – historic CPI inflation Czech Republic. Inflation.eu. Retrieved 18 April 2018, from <http://www.inflation.eu/inflation-rates/czech-republic/historic-inflation/cpi-inflation-czech-republic.aspx>
- ❖ Hrubá, B. (2018). V roce 2017 přijelo do Prahy přes 7,5 milionu návštěvníků. Prague.eu. Retrieved 17 April 2018, from <https://www.praguecitytourism.cz/cs/media/tisk/v-roce-2017-prijelo-do-prahy-pres-75-milionu-navstevniku-14636>
- ❖ Jeet Banerjee. (n.d.). 8 Successful Social Entrepreneurship Examples. [online] Available at: <http://www.jeetbanerjee.com/8-successful-social-entrepreneurship-examples/> [Accessed 20 Mar. 2018].
- ❖ Marketing Mix Definition - 4Ps & 7Ps of the Marketing Mix. The Marketing Mix. Retrieved 11 April 2018, from <http://marketingmix.co.uk/>
- ❖ Maurya, A. (2012). Why Lean Canvas vs Business Model Canvas?. [online] Love the Problem. Available at: <https://blog.leanstack.com/why-lean-canvas-vs-business-model-canvas-af62c0f250f0> [Accessed 11 Mar. 2018].
- ❖ Náklady na založení společnosti | e-SRO.cz. Retrieved from <http://www.e-sro.cz/naklady-zalozeni-spolecnosti.htm>
- ❖ Nejnovější údaje: hl.m. Praha | ČSÚ v hl. m. Praze. (2017). Czso.cz. Retrieved 11 April 2018, from <https://www.czso.cz/csu/xa/1-xa>
- ❖ Patel, S. (2017). The 5 Personality Traits All Entrepreneurs Must Have. Entrepreneur. Retrieved 18 February 2018, from <https://www.entrepreneur.com/article/298650>
- ❖ Počet a věkové složení obyvatel Prahy k 31.12. - územní složení. (2017). Český statistický Úřad. Retrieved 1 May 2018, from https://vdb.czso.cz/vdbvo2/faces/cs/index.jsf?page=vystup-objekt&pvo=DEM01D01-PHA&z=T&f=TABULKA&skupId=1372&katalog=30845&pvo=DEM01D01-PHA&str=v33&c=v3~2__RP2016MP12DP31
- ❖ Shewan, D. (2017). How to Do a SWOT Analysis for Your Small Business | WordStream. Wordstream.com. Retrieved 2 April 2018, from <https://www.wordstream.com/blog/ws/2017/12/20/swot-analysis>
- ❖ Strategyzer.com. (n.d.). Strategyzer | Trusted by over 5 million business practitioners. [online] Available at: <https://strategyzer.com> [Accessed 10 Mar. 2018].
- ❖ Webb, J. (2014). Advantages of the Business Model Canvas. [online] Get2growth.com. Available at: <http://get2growth.com/business-model-canvas/> [Accessed 11 Mar. 2018].
- ❖ What is PESTLE Analysis? A Tool for Business Analysis. PESTLE Analysis. Retrieved 17 March 2018, from <http://pestleanalysis.com/what-is-pestle-analysis/>