

A Work Project, presented as part of the requirements for the Award of a Master Degree in Management from the NOVA – School of Business and Economics.



TITLE OF WORK PROJECT:

**THE DEVELOPMENT OF AN AUTHENTIC MEXICAN FOOD CONCEPT
IN EUROPE**

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Abstract

Mexican food is on-trend. Top chefs around the world appreciate the variety of the cuisine and see a tremendous potential in it. In Europe, people are lacking knowledge of Mexican cuisine, because Mexican food services are rare in terms of authenticity and an adapted version of it is prevalent.

Therefore, this work project focuses on the development of authentic Mexican food concept in Europe. Based on actual findings as well as primary and secondary research, four potential concepts are elaborated and evaluated in order to come up with a top concept – “Mercado Auténtico” with its mission, target markets, positioning and marketing-mix.

Keywords: food concept, development, authentic mexican cuisine, casual dining

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1. Introduction

When American chef, author and TV personality Anthony Bourdain was recently asked about what food trend he would like to see develop, he mentioned Mexican cuisine: “I think it’s the most undervalued, underappreciated world cuisine with tremendous, tremendous potential [...]. I’m very excited about the possibilities for that cuisine, and I think we should pay more attention to it, learn about it, and value it more.” (Woody, 2016)

In the food and beverage trends 2016, traditional Mexican cuisine is mentioned among the hot trends 2016-2017 stating that the cuisine is capturing the imagination of top chefs around the world. It also reveals that peoples’ appetite for heat continues past pure heat to complex chili blends, and Mexico has a huge variety of it. (Thefoodpeople, 2016)

Mexican cuisine occupies a broad position in US retail and cultural spaces and can be found everywhere from street stands to fancy eateries, with about 40.000 Mexican restaurants, similar to the number of Chinese restaurants (Woody, 2016). In the UK, Mexican food is growing rapidly with just over a third of British have now visited a Mexican influenced eatery, because of a trend towards better quality and healthier alternatives (Butler, 2015).

However, in Portugal, Germany, Austria, and the rest of Europe, the existence of Mexican cuisine seems to be very low in terms of authenticity. If you have once been in Mexico, you ascertain that what you get offered in Europe is not the same and the dishes are not typical Mexican. René Redzepi¹ said: “Back then, my idea of Mexican food was what we have in Europe, which is like a bastardized version of Tex-Mex. Everything’s terrible. It’s grease, it’s fat, it’s big portions. That was my impression.” (Gordinier, 2014). But what is authentic Mexican Food? The Cambridge Dictionary (2016) states if something is authentic, it is real, true, or what people say it is. Sukhadwala (2012) mentioned in an article that an authentic dish

¹ Chef of two-Michelin-star restaurant Noma in Copenhagen which was ranked four times as Best Restaurant in the World by Restaurant Magazine

is one that captures the spirit of the original. Hence, it can be said that authentic Mexican cuisine consists traditional and typical dishes from the different regions of Mexico, their ingredients and flavours. In contrast, there is adapted Mexican cuisine like the popular Tex-Mex, from Texan and Mexican, describing a fusion of United States and Mexican cuisines, that is prevalent in Europe.

In summary, it can be stated that authentic Mexican cuisine is on the rise as well as highly appreciated by top chefs around the world, although difficult to find in Europe. Thus, many questions emerge: How is the competition of Mexican cuisine in Europe? Is there actually a low existence of authentic Mexican and a dominance of adapted Mexican food as assumed? Is there a capability for an authentic Mexican food concept? Which geographic market is more promising to enter? What kind of concept is applicable? How can the marketing-mix look like? This work tries to investigate these questions throughout the following chapters by developing an authentic Mexican food concept filling a potential gap in the European market. In consideration of the current and future trends and the perception of a low existence of Mexican cuisine, the author sees a great market potential.

In existing literature, two research approaches prevail: inductive and deductive. This work project is based on an inductive approach, because a new concept will be developed based on actual findings. For this objective, a set of secondary and primary research methods will be utilised.

2. Mexican Cuisine

2.1. Brief History

Cooking is one of the principal elements in any culture and is influenced by the natural resources of the area, the climate, customs and historical factors such as foreign influences and the sensitivity of the people themselves. Mexican cuisine is outstanding in the world for its

wide variety of richly seasoned dishes; it has searched long for and achieved a highly original combination of ingredients. The richness of Mexican dishes reflects a constant desire to appeal to the palate, sense of smell and the eye and, through the wealth of ingredients, to enrich and refine the spirit. Mexican cooking, as we know it today, evolved from the Columbian times when the diet was purely Indian. The Aztec cuisine included, both animal and vegetable products like corn, various types of chili, beans, squash, chilacayote, chayote, jicama, sweet potatoes, cuajilote, cuapinole, huachacote, mesquite and a whole range of wild plants, a wide variety of edible fungi, and the heart and flowers of the maguey cactus. Flavourings included various varieties of tomato, the green tomatillo, the jaltomate and the miltomate, pumpkin seeds, xonacatl, xoconostle and xocoxochitl pepper. Afterwards during the Spanish conquest and colonization, Mexican cooking was enriched by new elements brought from abroad by the Spaniards like barley, rice, wheat, olives, vines, eastern spices, cattle, sheep and a whole range of fruits. The Spanish initially tried to impose their own diet on the country, but this was not possible and eventually the foods and cooking techniques began to be mixed. And so tortillas and chili sauce eventually found their way onto Spanish tables and herbs and vegetables eaten in Indian villages were cooked with beef. From this combination of Indian produce and ingredients imported by the Spaniards, Mexican cooking was created. A third influence from Europe was that of the empire of Maximilian of Habsburg, which was a period of refinement for Mexican cooking. (Fernández, 1985, p.23-33)

2.2. Mexican Street Food

Mexican street food, called *antojitos*, is one of the most varied parts of the cuisine. One attraction of Mexican street food is the satisfaction of hunger or craving without all the social and emotional connotation of eating at home, although long-time customers can have something of a friendship/familial relationship with a chosen vendor (Adapon, 2008, p.162).

The most famous of Mexico's street food is the taco, whose origin is based on the pre-Hispanic custom of picking up other foods with tortillas as utensils were not used. Mexican street tacos are the heart and soul of the country's diverse cuisine, while varying from one region to another, bridge social and economic differences by the mere fact that everyone eats them. From fashionably dressed couples to day labourers, everyone enjoys what has been called the most democratic of Mexican foods. (Hursh Graber, 2006)

According to Enrique Olvera², the foodstuff everyone eats are the four T's, - tacos, tamales, tortas, tortillas. Moreover, he said that street food is where 80% of Mexican eat, either on the market or on the street. (Jenkins, 2015)

3. Competition Analysis

According to Aaker (2013), the goal of the competitor analysis should be insights that will influence the development of successful business strategies. By analysing the competition of Mexican food, the author took a closer look to the Portuguese market and the German-speaking market (Germany and Austria). In order to get a global overview, also the US market was observed, especially the large and international Mexican food chains, as well as the UK market with its metropolis London. Within these markets, the author divided every business into name, type of service, type of cuisine, type of place, type of pricing, city and number of locations (Appendix A).

The Portuguese market, considering Lisbon and Porto, showed a low concentration of Mexican food offerings in general. There are seven casual restaurants, two fast food restaurants and two street food businesses operated by food carts. There is just Taqueria Pistola y Corazon which provides authentic Mexican food as well as Mexican groceries at El Pinche Mercado.

² Chef-owner of three-Michelin-star Restaurant Puyol in Mexico City, who has taken Mexican food from street to haute cuisine

In order to get a picture of the German and Austrian market, Berlin and Vienna were taken under consideration, which are the two biggest German-speaking cities and also the capitals of the countries. There exist two casual restaurant chains: Sausalitos, with 36 locations, and Enchilada, with 33 locations, serving American-Mexican food around Germany. Furthermore, the research revealed 33 restaurants in Berlin, mostly casual restaurants providing adapted Mexican cuisine. Nevertheless, there are few casual restaurants in Berlin with the effort to serve authentic Mexican food. Because of the weak offer of authentic Mexican food in Berlin, Maria Bonito was opened in 2010 by Julian Boyce in order to introduce unknown dishes from Mexican cuisine to German people (McGrane, 2010). Furthermore, he has enlarged his business running three authentic Mexican restaurants in Berlin right now (Avis, 2015). The city of Vienna has 25 casual restaurants providing only adapted Mexican food.

By analysing the United States, eleven big restaurants chains were discovered, which serve American-Mexican food, more precisely Tex-Mex or Cali-Mex (Californian-Mexican), in the US market or even worldwide. The biggest global fast food restaurant chain providing adapted Mexican food is Taco Bell with around 7275 locations in the US and 22 other countries. In Europe, Taco Bell has a big presence in Spain with 25 locations. (Watrous, 2016)

The second biggest is Chipotle Mexican Grill, which is a fast casual restaurant chain with a number of 2010 locations in the US, Canada, UK, Germany and France (Chipotle Mexican Grill, Inc., 2016). Taco Bell and Chipotle are the only global chains with a presence in the European market. Beside these large fast food and fast casual chains, there exists an authentic and vibrant Mexican restaurant scene in the US, especially because of the proximity to Mexico and Mexican immigrants. In Los Angeles, Mexican cuisine is prominent with lots of degrees from low scale, upscale, to everything between. Family-run restaurants, who brought their recipes and ambition from their homelands, established restaurants that provide solid and flavourful Mexican food. Another example is Chicago, where the Mexican restaurant scene is

highly influenced by Rick Bayless, whose restaurants not only introduce the city to the deep possibilities of Mexican food, but also spawned the careers of at least 19 chefs who have gone on to create other important restaurants in Chicago and other parts of the country. The regional cuisine of Mexico is a focus of Bayless, who has deep Mexican culinary experience, including six years living in Mexico researching the cuisine. His aim is to show that Mexican food can be as diverse and culinary advanced as the cuisine of any country. (Avis, 2016).

Besides the existence of Taco Bell and Chipotle Mexican Grill, there are some fast food and fast casual restaurant chains in the UK market with multiple locations. The number of Mexican restaurants across UK has risen by 71% in 2014, with chains such as Wahaca and Barburrito overtaking burger businesses. Burrito outlets are nowadays the fastest growing-type of eatery on the high street. Over the last five years, these burrito chains have opened an average 57% more outlets per year compared to a 16% annual rise in posh burger joints over the same period, according to a report by property advisory firm CBRE and data company Retail Locations. Over a third of Britain's have now visited a Mexican or TexMex, making it the fourth most popular ethnic food, behind Indian, Chinese and Thai takeaways. Birmingham-based Indian burrito chain Wrapchic, which combines influences from two of Britain's best-loved ethnic foods, is the UK's fastest growing restaurant chain in percentage terms, growing 900% from one to 10 outlets in the last three years according to research from Horizons, the food service analysis firm. More established chains including former Masterchef winner Thomasina Miers' Wahaca and its rival Barburrito have both been expanding rapidly, while the Chiquito chain of Tex-Mex restaurants opened nine new outlets in 2015. Peter Backman of Horizons said that many of the Mexican chains were benefiting from a trend towards better quality and healthier alternatives to traditional fast foods. (Butler, 2015)

Summarising the competition analysis, it can be stated that there exist many businesses providing adapted Mexican food, either in the form of simple casual restaurants or restaurant

chains. But there is a very low density of authentic Mexican food offerings in the European market. In the UK, the statistics show a sharp increase of Mexican influenced restaurants during the last years and there is a significant trend towards burrito outlets as the fastest growing type of eatery. Adapted Mexican food is obviously popular in Europe. But why there is a low density of authentic Mexican food eateries in Europe? Do Europeans prefer the adapted versions of Mexican food? Do they even know what real authentic Mexican food consists? To answer these questions and get more insights about the Mexican food culture in Europe, it was necessary to involve different stakeholders.

4. Validation

To answer the emerged question from the competition analysis, the author made a survey among Mexicans, who currently live or have lived in Europe for at least half a year, and Europeans, who currently live or have lived in Mexico for at least half a year. In addition, three expert interviews were added. (Appendix B & C)

22 people between 18 and 34 years old answered the survey. 82 percent of them were Mexicans who live or lived in Europe. 82 percent of the participants think that Mexican Food in Europe is not really authentic. Regarding the eating behaviour of Mexican food, 37 percent of them stated that they cook or cooked it by themselves and 36 percent of them answered that they rarely eat or ate it in Europe. Just 18 percent consume Mexican food in restaurants. Figure 1 shows that the participants consider the authenticity of Mexican food in Europe on average at 3.9 on a scale from one (non-authentic) to ten (very authentic).

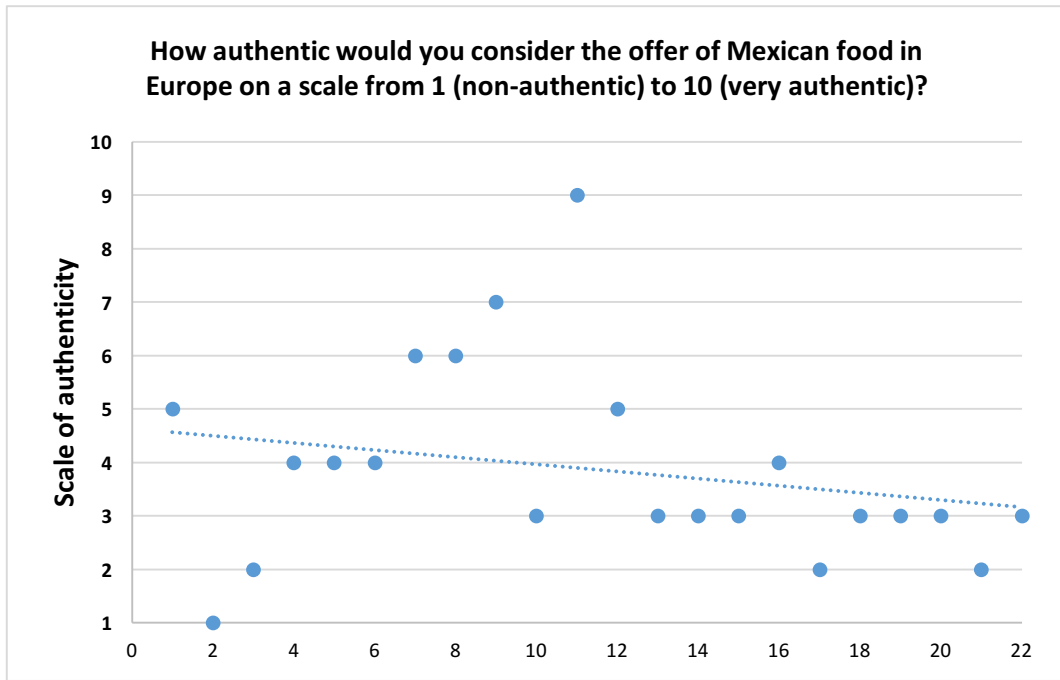


Figure 1. Authenticity of Mexican food in Europe

Figure 2 shows that the participants of the survey consider the knowledge of Europeans about Mexican food on average at 3.1 on a scale from one (low knowledge) to ten (high knowledge).

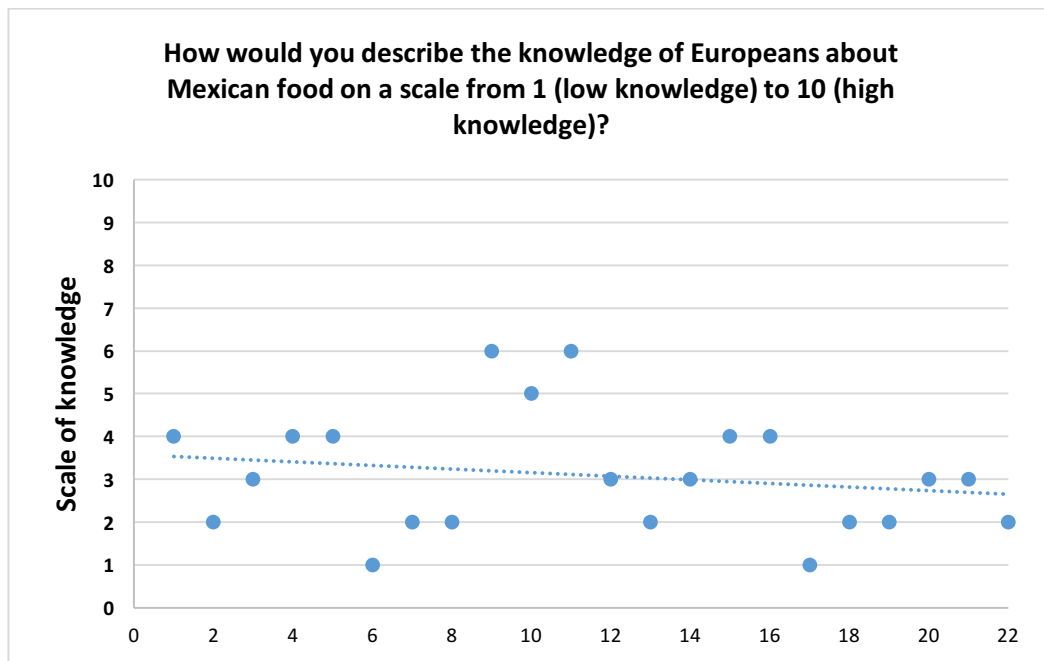


Figure 2. Knowledge of Europeans about Mexican food

The last question of the survey asked the participants to state in a long-text answer what they are missing most of all regarding Mexican food in Europe. These answers give a lot of valuable insights varying from food offers to special dishes, which will be essential in the later concept design.

Summarizing the survey, it can be stated that authentic Mexican Food is very low as well as the knowledge of Europeans about real Mexican food. Because of this, Mexicans or people who already experienced authentic Mexican food, rarely eat Mexican food in Europe or cook it by themselves. This predominance of non-authentic Mexican Food led Julian Boyce, founder of three Mexican restaurants in Berlin, and Damian Irizarry, founder of Taqueria Pistola y Corazon in Lisbon, come up with their businesses.

When Julian Boyce firstly visited Mexico in 2003, he was hugely surprised at the food compared to what he knows and he couldn't believe how much it differed from his expectations. He was introduced to a range of new flavours, a new way of eating, and a new cuisine. Thus, he decided together with a Texan colleague to open a Mexican restaurant in Berlin providing the food he experienced. Before he opened his first restaurant, he said that Berlin was limited to chilli con carne, tacos with cheap meat and corn kernels covered in sour cream, and nachos. It still takes him some explaining to customers that what they generally expect from a Mexican restaurant isn't real Mexican cuisine. Initially they had to spend a great deal describing the difference between burritos, quesadillas and tacos, to the point that they had a blackboard with drawings of said items. For example, when they tried to have tortas, which are Mexican sandwiches, they had a very tough time as most people ordered a torta and expected a burrito. (Avis, 2015)

Damian Irizarry, grew up on the border to Mexico and arrived in Lisbon eleven years ago. The only thing he missed was real Mexican food. Thus, he opened Pistola y Corazon bringing the idea and style of a Mexican Taqueria to Lisbon. He is offering traditional food but a more modern version of what Mexico is today. An example for him is East Los Angeles, where Mexican food from Mexicans is served to the Mexicans living in the neighbourhood. Damian said that the other Mexican restaurants in Lisbon are not authentic because there is no taste of Mexican food and no feeling of someone who lived there and was part of the culture. He

mentioned that these restaurants have no fascination for authentic Mexican food as most of the Mexican restaurants in Europe. There is honesty, time and history missing. Another reason for him is that Mexicans like eating on the streets and have some shame in putting this “lower-class cuisine” out to the world. Even Mexicans who come to Europe start with what people will accept and adapt something to the local cuisine, because they think it’s such a kind of lower-class food but it is not. However, Daniel thinks that it is going to change because people are becoming more adventurous the way they eat. Furthermore, he stated that the perception of Mexican food in Europe is very low, because Mexican cuisine is so wide and diverse. (Irizarry, 2016)

Ed Avis, American publisher of the magazine *El Restaurante*, suspects that adapted Mexican cuisine is more popular in Europe for the same reasons it is popular in the United States, because it more closely fits the palates of customers. He said that restaurant owners are wise enough to know that they will sell more Mexican food if it is comfortable for their customers, e.g. less spice, better cuts of meat, etc. Furthermore, Europeans and Americans have preconceived notions of what Mexican food should be, even though it is more accurately called Tex-Mex. The potential of authentic Mexican cuisine in Europe exists for him. The key issue is the definition of "authentic" because Mexico is a large country, and the cuisine is very regional. He believes that a restaurant that introduces Europe to Mexican specialties such as various moles, cheeses, cured meats, fine tequilas, good wines, etc. could succeed. (Avis, 2016)

5. Design of Concepts

Taking the previous insights into consideration, an extensive brainstorming is necessary to create potential concepts as a next step. Finally, four different concepts were elaborated.

5.1. Mexican Street Food

As already mentioned in chapter 2.3., street food is an essential part of the Mexican culture. The country has one of the most extensive street food cultures in Latin America and as Mexican

chef Enrique Olvera said: “Street food is, where 80% of Mexicans eat, either on the market or street.” It is a pleasure for the people, free from social class distinction. (Jenkins, 2015)

Inspired by this street food culture, Mercado Auténtico is a food concept designed to provide customer the diversity of Mexican street food in a casual and urban environment. It aims to give customer this special atmosphere of Mexico’s streets and markets. The food and drink prices are casual with lots of specials and promotions (Margarita Monday, Taco Tuesday, Taco of the Week, etc.). The target customer is a 25 to 40 years old cosmopolitan who considers lifestyle as important, is eager to try out new things, likes new flavours and follows trends and social media.


Mexican Street Food: MERCADO AUTÉNTICO

INSIGHT
Mexico has one of the most extensive street food culture in Latin America and Street Food is where 80% of Mexicans eat, either on the market or street, independent from origin or social class.


VALUE PROPOSITION
Mercado Auténtico is a brand-new food concept inspired by the Mexican street food culture. It is designed to provide customer a unique experience of extraordinary Mexican street food and drinks in a casual and urban environment. It is the perfect place for people that seek for authentic Mexican food and new flavours. Mercado Auténtico is more than just a dining place where you eat and drink – it’s the Mexican lifestyle.

TARGET CUSTOMER
25-40 years old, cosmopolitan, eager to try out new things, interested in new flavours, considers lifestyle as important, follows trends and social media


THE ATMOSPHERE
The restaurant design is casual, urban and street-inspired and creates a unique experience. There is an open-kitchen bar, a mini food truck that prepares flavourful tacos and a bar for fresh Mexican drinks and cocktails – all under one roof.




THE MENU
Prepared from scratch everyday, Mercado Auténtico takes the diversity of Mexican street food. It is part of the daily life in Mexico and a common point that unites different social classes to taste the traditional flavours of Mexican food. At Mercado Auténtico, the aim is to offer an authentic and extraordinary Mexican street food experience using the freshest and most wholesome ingredients in every thing from the freshly pressed juices and aguas frescas to the homemade tortillas and salsas.




THE SPECIALS & PROMOTIONS




Mexican Drinks & Cocktails




DJ on Saturday Nights




Mexican Brunch on Sundays








Margarita Monday



Taco Tuesday



Taco of the Week

Images from Pinterest.com

Figure 3. Mexican Street Food Concept Board

5.2. Mexican Fast Casual Food

This concept is inspired by Mexican taquerias, which are restaurants that specializes in tacos and other Mexican dishes. The food is typically prepared quickly, convenient to eat and tends to be inexpensive. It’s combined with the society trend of having meals prepared quickly but with good quality. La Fonda Bonita is a fast casual taqueria, that is focused on selling fresh tacos, tortas (Mexican sandwiches) and drinks in a highly-frequented area. The concept is designed to maximize customer experience through food quality served within a short time

through live-cooking and freshly made-to-order, non-processed products for an appropriate and affordable price. The menu contains a selection of tacos and tortas which can optionally be customized. The restaurant brand is distinguished by the design of a casual neighbourhood taqueria combined with a new concept of eating-experience: authentic, fresh, flavourful, fast & affordable. Furthermore, an attractive card system makes the order and payment process fast and easy. At the entrance customers receive a card which saves their order at the counter inside the restaurant and they pay before leaving at the exit. The target customer segments consist students with a low budget, family/couples who are lazy too cook at home and business people who are in time-pressure during lunchbreaks. They want high-quality fast food and seek for better alternatives to the conventional fast food (McDonalds, Burger King, etc.).

Fast Casual Taqueria: LA FONDA BONITA

INSIGHT
A taqueria is a restaurant that specializes in tacos and other Mexican dishes. The food is typically prepared quickly, convenient to eat and tends to be inexpensive. Moreover they can be customized with different ingredients.

VALUE PROPOSITION
La Fonda is a fast casual taqueria that is focused on selling fresh tacos, tortas and drinks. The concept is designed to maximize customer experience through food quality served within a short time through live-cooking and freshly made-to-order, non-processed products for an appropriate and affordable price in a casual atmosphere. An attractive card system makes the order and payment process fast and easy.

TARGET CUSTOMER SEGMENTS
Students: low budget, want affordable but quality fast food
Family/Couples: lazy to cook at home, want high quality fast food in a friendly environment
Business type: time pressure during lunchbreak, want quality fast food



THE MENU
The menu contains a selection of various tacos & tortas using the best and freshest ingredients. Like in Mexico, the food is all done and assembled right in front of the customer within a short time. The tacos and tortas can optionally be customized. The Mexican juice bar provides fresh and delicious drinks and agua frescas



THE ATMOSPHERE
The restaurant brand is distinguished by the design of a casual neighbourhood taqueria combined with a new trendy concept of eating-experience: authentic, fresh, flavourful, fast & affordable.










THE SPECIALS





Fast and easy card system Loyalty program Food Take-Away

Images from Pinterest.com

Figure 4. Mexican Fast Food Concept Board

5.3. Hidden Mexican Restaurant

This concept is based on the trend of hidden venues or secret locations that provide a quirky alternative to standard restaurants. Puerta Cerrada is an upmarket restaurant concept that is designed to provide customer an unconventional Mexican dining experience in a hidden hacienda-inspired environment. The menu is secret and varies permanently, so that customers

never know what they will expect. In order to get inside the restaurant, customers need to ring a doorbell on an unmarked door. It is the perfect place for people that seek for an extraordinary and exclusive way of dining beyond the established restaurant scene. The target customer is a 25 to 45 years old modern man/woman who is financially at ease, has an active lifestyle, is eager to try out new things and likes exclusive dining.



Figure 5. Hidden Mexican Restaurant Concept Board

5.4. Regional Mexican Tasting

Mexican cuisine is as complex as any other world cuisine (MacNeil-Fife, 2000). It has a huge variety of flavours and is regional based on local conditions. Every region has its own specialities. Inspired by the variety of Mexican cuisine, El Mexicano Auténtico is a restaurant concept designed to provide customer a unique tasting experience of authentic and local specialities from the different regions of Mexico. It enables customer to make a culinary journey through the whole Mexican cuisine. El Mexicano Auténtico takes the diversity of the Mexican food and flavours and serves traditional specialities from Yucatán, Oaxaca, Veracruz, Baja California, West- and North Mexico. Moreover, there is a great selection of Mexican wine, cheese, mezcal and tequila, and customers can make special tastings with their friends or

families and learn more about Mexico. The target customer is a 30 to 50 years old gourmet who is financially at ease and interested in trying new food and flavours. He/she sees food as an experience, likes to taste and learn, and to enjoy good wines and spirits.



Figure 6. Regional Mexican Tasting Concept Board

6. Definition of Scope

Before evaluating the concepts, however it is necessary to define the geographic market. In the competition analysis, the author examined the Portuguese, the German and the Austrian market, particularly with its capitals Berlin and Vienna. Beside them the US, UK and international Mexican inspired food chains were considered. Vienna has a population of around 1.781,042 Million people (WKO, 2016). In light of the fact that this city has not a single option for authentic Mexican food, it totally makes sense to choose this market as a first mover. Vienna is the world’s best city to live in according to the 18th Mercer Quality of Life study that examines social and economic conditions health, education, housing and the environment (Collinson, 2016). Moreover, according to World Bank, Austria has one of the highest figures for GDP per head in the world, just behind the US and ahead of Germany and Britain

(Collinson, 2016). Vienna is one of the most dynamic metropolis in Europe in a lot of areas, this counts for the versatile economic life as well as the vibrant cultural scene (WKO, 2016). It is a very fast growing, young and vibrant city. Vienna is at the cutting edge of design, architecture, contemporary art, and new directions in drinking and dining.

Name	Type of service	Type of cuisine	Type of place	Type of pricing	Location	No of locations
Salud	Casual Restaurant	Tex-Mex	Real Estate	casual	Vienna	1
Taqueria Los Mexikas	Casual Restaurant	Mexican influenced	Real Estate	casual	Vienna	1
Antojitos Mexikanos	Casual Restaurant	Tex-Mex	Real Estate	casual	Vienna	1
Taco - Mexican Restaurant	Casual Restaurant	Tex-Mex	Real Estate	casual	Vienna	2
Santos - Mexican Grill & Bar	Casual Restaurant	Tex-Mex	Real Estate	casual	Vienna	2
Más!	Casual Restaurant	Tex-Mex	Real Estate	casual	Vienna	1
Pancho	Casual Restaurant	Tex-Mex	Real Estate & Catering	casual	Vienna	1
Doña Irma	Casual Restaurant	Tex-Mex	Real Estate & Catering	casual	Vienna	1
Fresco Grill	Casual Restaurant	Tex-Mex	Real Estate & Catering	casual	Vienna	1
Al Chile!	Casual Restaurant	Mexican influenced	Real Estate & Catering	casual	Vienna	1
El Patio de Nando	Casual Restaurant	Latin-American	Real Estate	casual	Vienna	1
Mercado	Casual Restaurant	Latin-American	Real Estate	casual-premium	Vienna	1
Max & Benito	Fast Casual Restaurant	Mexican-Californian	Real Estate	democratic-casual	Vienna	1
Mosquito Mexican Restaurant	Casual Restaurant	Tex-Mex	Real Estate	casual	Vienna	1
El Burro	Fast Casual Restaurant	Mexican-Californian	Real Estate	democratic-casual	Vienna	1
Hacienda Ephemer	Casual Restaurant	Tex-Mex	Real Estate	casual	Vienna	1
Restaurant Acapulco	Casual Restaurant	Mexican-Peruvian	Real Estate	casual	Vienna	1
Chilinos	Casual Restaurant	Tex-Mex	Real Estate	casual	Vienna	1
Jalisco	Casual Restaurant	Tex-Mex	Real Estate	casual	Vienna	1
Maya Mexican Food and Coctails	Casual Restaurant	Tex-Mex	Real Estate	casual	Vienna	1
Kulin	Casual Restaurant	Tex-Mex	Real Estate	casual	Vienna	1
Tin Tan	Casual Restaurant	Mexican influenced	Real Estate & Catering	casual	Vienna	1
Estanzia Santa Cruz	Casual Restaurant	Tex-Mex	Real Estate	casual	Vienna	1

Figure 7. Competition of Mexican inspired food in Vienna

7. Evaluation of Concepts

After designing four concepts and defining the scope, an appropriate evaluation is required to support the decision-making process. The created evaluation tool assists the author to identify the most promising concept. It is divided into three parts: market attractiveness, business idea and entrepreneurial point of view. Every part contains four criterions.

7.1. Market Attractiveness (inspired by David A. Aaker)

One of the primary objectives of a market analysis is to determine the attractiveness of a market to current and potential participants. The market analysis build on the competitor analysis to make some strategic judgements about a market and its dynamics. The nature and content of an analysis of a market will depend on context but will often include the following dimension: market size, market growth, trends and developments, etc. (Aaker, 2013, p.55)

The author has chosen the following criterions to evaluate the market attractiveness of the concept:

- Dimension of segment: What is the size of the segment?
- Growth/Trends: How is this segment growing? What are the trends in the future?
- Competition: How fierce is the competition in this sub-segment?
- Market Penetration: How easy vs. difficult is it to reach customer?

7.2. Business Idea

Venture (2014) states that a company always starts with a compelling business idea and that it is the first milestone in the process of founding a growth company. Furthermore, it mentions that a promising business idea fulfils a customer need, is innovative, is unique, has a clear focus and is profitable in a long term. The author aligned this characteristic to the needs of the restaurant industry and came up with the following criterions:

- Uniqueness: How unique is the concept in the market?
- Customer Experience: How low vs. high is the customer experience?
- Scalability: How scalable is the concept?
- Profitability: How profitable is the concept?

7.3. Entrepreneurial Point of View

This section looks at the concepts from an entrepreneurial and personal point of view. It consists the following criterions:

- Resource intensity: How resource intensive is the concept?
- Passion/Personal Interest: How low vs. high is the passion of the entrepreneur regarding the concept?
- Implementation: How easy vs. difficult is it to implement the concept?
- Expertise: How low vs. high is the expertise of the entrepreneur?

7.4. Results

The weighting and the rating of each criteria is based on the author's knowledge and experience. The lowest score of the rating is 1 and the maximum score of the rating is 5. The weighted

average of every criteria is computed by the value of the score multiplied by the weighting. The results of the evaluation revealed “Concept 1” (see chapter 5.1.) with the highest total score as most promising concept.

		Concept 1		Concept 2		Concept 3		Concept 4	
	Weighting (%)	Score	Weighted AVG	Score	Weighted AVG	Score	Weighted AVG	Score	Weighted AVG
MARKET ATTRACTIVENESS	30								
Segment Dimension	5	5	0,25	4	0,2	2	0,1	3	0,15
Growth/Trends	10	3	0,3	4	0,4	5	0,5	3	0,3
Competition	10	3	0,3	4	0,4	5	0,5	5	0,5
Penetration	5	5	0,25	5	0,25	2	0,1	3	0,15
BUSINESS IDEA	40		0		0		0		0
Uniqueness	15	5	0,75	4	0,6	5	0,75	5	0,75
Customer Experience	10	4	0,4	3	0,3	5	0,5	5	0,5
Scalability	7,5	2	0,15	3	0,225	1	0,075	2	0,15
Profitability	7,5	4	0,3	4	0,3	3	0,225	4	0,3
ENTREPRENEURIAL POV	30		0		0		0		0
Resource Intensity	10	3	0,3	4	0,4	3	0,3	2	0,2
Passion	10	5	0,5	3	0,3	5	0,5	4	0,4
Implementation	5	4	0,2	4	0,2	3	0,15	3	0,15
Know-how/Expertise	5	4	0,2	3	0,15	2	0,1	2	0,1
TOTALS	100	47	3,9	45	3,725	41	3,8	41	3,65

Figure 8. Concept Evaluation Results

8. Mercado Auténtico

8.1. Mission

Mercado Auténtico’s mission is to provide the customer a unique experience of authentic Mexican street food and drinks in a casual and urban atmosphere. It is the perfect place for people that seek for authentic Mexican food and new flavours. Inspired by the Mexican street food culture, Mercado Auténtico is more than just a place where you eat and drink – it’s the Mexican lifestyle.

8.2. Target Markets

The casual dining segment responds to a wide range of customer because it is at an accessible price, in comparison to fine dining that addresses mainly people from the upper social class. Mercado Auténtico is inspired by the Mexican street food culture where people eat together independent from their origin and social class. Therefore, it is a place for everyone. Nevertheless, it positions itself as something new, unique and on-trend. Therefore, the focus will lie on (young) urban professionals who consider lifestyle as important, and follow trends and social media. They are eager to try out new things, hence, these customers seek for new

flavours and food options. Moreover, they enjoy to have an after-work drink or dinner with like-minded people in a casual and urban atmosphere. The author sees the greatest opportunity in this customer segment because they are flexible, financially at ease and like to go for dinner with friends.



Figure 9: Target Market

8.3. Positioning

Mercado Auténtico is a brand-new food concept. It positions itself as Vienna's first authentic Mexican dining experience and the authentic Mexican lifestyle. The position will be achieved by continuously offering an authentic Mexican street food experience using the freshest and most wholesome ingredients in an extraordinary atmosphere.

8.4. Marketing-Mix

Various Marketing activities are classified into marketing-mix tools of four broad kinds, called the four Ps of marketing: product, price, place and promotion (Kotler, 2011, p.25).

Marketing is crucial to the success of a business, with its main focus on customer satisfaction, quality and consumer value. The Marketing Mix is one of the most commonly used strategies. It blends integral variables together to come up with ideal results. (The Marketing Mix, 2016)

Product

Mercado Auténtico's products consist authentic Mexican food and beverages. Prepared from scratch every day, Mercado Auténtico takes the diversity of Mexican street food and offers an authentic and extraordinary food experience using the freshest and most wholesome ingredients

in everything from the freshly pressed juices and aguas frescas to the homemade tortillas and salsas.

Price

Mercado Auténtico belongs to the casual dining segment. It considers itself as a place for everybody, hence, it aims to sell its products at a casual price. However, to be able to offer authentic Mexican food and drinks, it is crucial to import relevant products from Mexico. Therefore, the pricing will be dependent on this.

Place

The products are sold in a physical location, whereby a great importance is attached to the design, atmosphere and service. The environment is casual urban and characterised by a Mexican street-inspired design. It creates a unique customer experience. There is an open-kitchen bar, a mini food truck that prepares flavourful tacos and a bar for fresh Mexican drinks and cocktails.

Promotion

Mercado Auténtico's promotion is designed to build up and boost the brand, and differentiate itself completely from its competitors. Its promotion strategy is built on a strong social media presence on various channels like Facebook, Instagram, Twitter, Google+, etc. and its own website. It is used to get customer and keep them interested on a daily basis. Moreover, social media helps to promote in a viral word-of-mouth fashion. Beside the online marketing, special on-site promotions are used to attract customers, which can run daily, weekly, or all year long. They offer the perfect opportunity to show customer appreciation and bring in some extra business at the same time. "Margarita Monday" and "Taco Tuesday" offer special prices. Other promotions include every week a "Taco of the Week" and every Sunday a special "Mexican Brunch". Moreover, a DJ on Friday and Saturday nights and cocktail happy hours ensures to

attract the target customer segment and further strengthens the brand image as something cool and trendy.

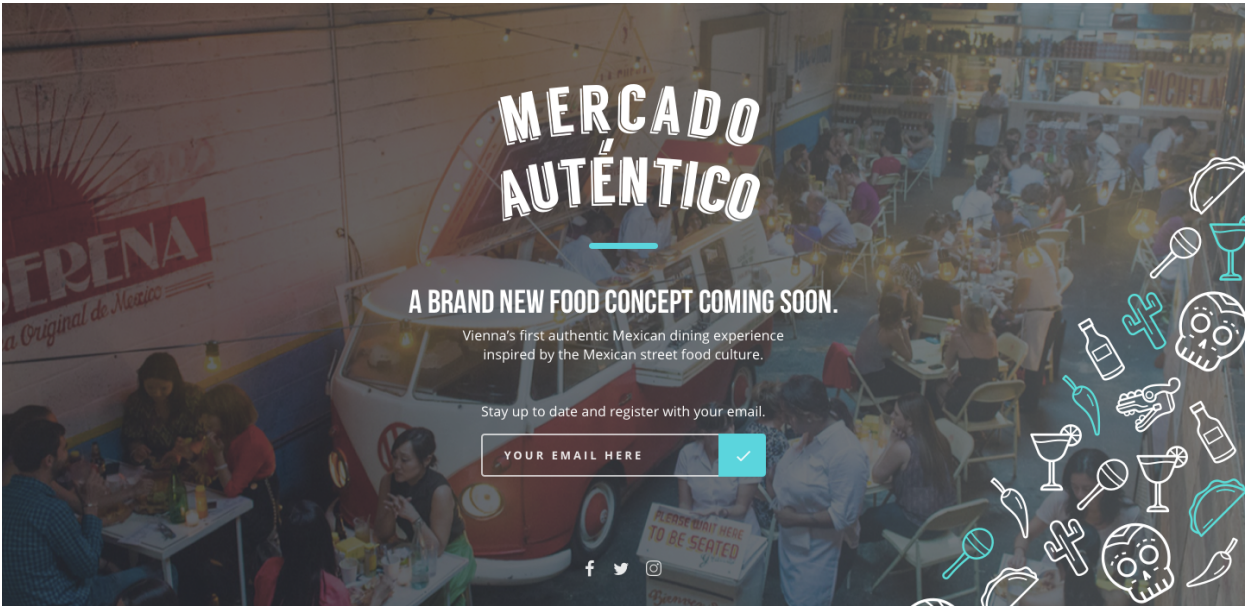


Figure 10: Online Branding Example (Desktop Version)



Figure 11: Online Branding Example (Mobile Version)

9. Conclusion and Outlook

Today, there exist many different types of dining concepts without limits for creativity. Developing and defining the concept is one of the first steps toward opening a new restaurant or food service. A clear concept is crucial in the dining industry. Customer feel confused and will not show up again, if there is no fit between theme, ambience, design, menu and price.

With the insights of analysing the competition of Mexican Food and the involvement of different stakeholders, four different concepts were elaborated. To assess these concepts, an evaluation tool was conceived and “Mercado Auténtico” obtained the highest score and appeared as most promising concept.

But can the concept be transformed into a successful business? What are the chances and what are the risks? Thus, the following SWOT analysis is used to review and captures the strengths, weaknesses, opportunities, and threats of the concept:

A strong brand is one of the most valuable intangible assets and commands intense consumer loyalty (Kotler, 2011, p.241). Mercado Auténtico aims to build a strong brand, especially through online and social media marketing. Hence, it is a key strength, as many of its competitors (adapted Mexican cuisine) are completely lacking online presence. Most of them have unattractive websites and not even a Facebook or Instagram presence. Nowadays, customer seek for dining options online and it is a simple way to attract and keep them.

The weakness of the concept is that it needs to get more tested regarding the market. Thus, a landing page (Figure 10 & 11.) has been created and is ready to go online to see how customer respond. Moreover, it is also necessary to talk to potential customers in Vienna.

The concept has many opportunities. Firstly, there is no single authentic Mexican food option in Vienna, thus, the concept has a first-mover advantage. Secondly, shifting demographics and changing lifestyle are driving the surge in food-service businesses. Thirdly, there is a trend towards authentic Mexican cuisine, as already mentioned in the beginning.

The import of Mexican products is unavoidable offering authentic Mexican cuisine. Therefore, difficulties in the import of those products, like tax issues, can be a threat, as well as new entrants offering authentic Mexican food.

At this stage, it is difficult to say whether the concept can be transformed into a feasible business or not. It is of the utmost importance to consider the financial aspects of a business. Therefore, a financial summary needs to be made as a next step. Other crucial aspects that need to be considered closely are the import of Mexican products, the search of a Mexican chef and perhaps the requirements of hiring human resources from Mexico as well as the restrictions of a food-service business in Austria.

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