

Issues and Challenges in Managing Catering and Food Retail Business in Karachi: Study of Tikka Inn Caterers

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Abstract

Catering Business is one of the fastest growing businesses hence managing this with limited resources in tough market conditions is a big challenge for entrepreneurs. Same is valid for Pakistan where the industry is dominated by giants like Hanif Rajput Caterers and United Caterers etc. Tikka-Inn is treated as one of the new and fastest growing parts of the industry. Therefore this study has been purposively designed on Tikka-Inn, in order to demonstrate the challenges pertaining to new entrepreneurs. Hence in order to validate findings of the case, data achieved through systematic interviews has been linked with the company's records and available research literature. After all the association and validation findings of the study indicated that scarcity of financial resources is still a major issue for the entrepreneurs coupled with the intense level of competition, conditions of the city and regularity issues which entails entrepreneurs to devise proper mechanism to overcome these hurdles especially in the category of catering and food retail business.

Keywords: *Catering, Business, Entrepreneurship and Challenges*

JEL Classification: *M3, M37*

INTRODUCTION

Catering Business is the form of entrepreneurship which is perceived as highly profitable one (Kamal, Ather & Shahid, 2005), and included in sectors having an extraordinary level of growth (Jones, 2009). The business has been classified through three major categories as a) Mobile Catering b) Airline Catering and c) Event Catering (Market Research.com, n.d.). Though the role of the catering industry in economic development is phenomenal the era of the 1990s was the one which provided significant growth to this sector (Ghouri, Khan, Malik & Razzaq, 2011). This is also evident from work of Price (1997), that the reason behind the increase was the introduction of fast food catering and increase in habit of eating outside and launch of national as well as International food chains across Pakistan (Ghouri et al., 2011).

Above mentioned findings from the research are also endorsed by the sayings of Mr

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Iqbal that “Regardless of focus (full-time or part-time) which entrepreneur tender towards catering, the level of opportunities attained by entrepreneurs is phenomenal”. These sayings of Mr Iqbal was also supported by the literature as Qureshi (2004), that the overall potential for catering in Pakistan is above 40 Billion/Annum and as far as city-level analysis is a concern the recorded turnover was around 6.5 Million to 7 Million in 2004 (Kamal et al., 2005). Though research also indicated that the catering industry was facing intense competition since the 1990s (Kama et al, 2005), as they are not only competing with each other but also with other types of restaurants too, but it’s dilemma that there is immensely lacking data associated with catering & restaurant business (Ghouri et al., 2011).

In addition to this study also highlighted that till 2005 Hanif Rajput and Larosh were most predominant among ten major players of catering industry as these two had a strong customer base as compared to the others (Kamal et al., 2005). Coupled with the fact that thousands of other caterers having the ability to manage small, medium and large gatherings. Moreover the availability of several other local restaurants in Karachi like Lasania, Usmania, Largees etc also foster indirect competition to entrepreneurs of a catering business (Ghouri et al., 2011). These findings are also supported by Schmidt (2017) that due to the presence of several local and International brands in Karachi and Lahore level of competition in almost all the categories of food is plethoric.

As according to Mr Iqbal that “This will test the stamina and abilities of entrepreneurs to work under pressure”, as there is a direct impact of technological advancement and delivery of food and beverages to different locations on catering though these activities must be done without disturbing the quality (Schmidt, 2017). On the other side, it has been observed that an increase in the level of household income, growth in celebration of corporate and social events like weddings etc are fostering the demand for catering business. (How to Start Catering Business in Pakistan, 2012)

But there are some common and obvious problems associated with the business of catering such as preparation of food in bulk for several customers, especially when you are working off-premises it is very difficult to manage (How to Start Catering Business in Pakistan, 2012). Hence it is an obligation for caterers to enhance the level of technology especially in the category of logistics (Schmidt, 2017). Moreover, issues associated with fixed and variable salaries are also creating issues and due to these issues, caterers sometimes outsource some jobs like waiters etc. In addition to this lack of training and behaviour of waiters are also fostering serious problems, even sometimes resulted in penalization of the company. Thus one must be very careful in the selection of human resources for enhancement of business (How to Start Catering Business in Pakistan, 2012). Recent research based analysis given by Konzept Analytics pinpointed factors which foster demands and challenges for a catering business, classified as under (Schmidt, 2017)

Factors foster demand for Catering Business: (Schmidt, 2017)

- a) Continuous increase in the level of demand for customized foods
- b) Increase in population size of the middle-income group
- c) Advanced Level use of Technology

Factors foster challenges for Catering Business: (Schmidt, 2017)

- a) Issues associated with Food Safety
- b) Policies and Regulations of Government
- c) Intense Competition

Background of Social Events and their organization in Pakistan

Celebrations of marriages were treated as solemn issue till the 1970s and arrangements were made usually inside personal spaces and only close relatives and friends were requested to attend these ceremonies. But due to the entrepreneurial work and innovative ideas of Mr Hanif Rajput colour has been added to these social events. Mr Hanif Rajput used business philosophy of one window solution for all requirements as to social activities like marriage etc, and this idea became so popular (Kamal et al., 2005). But with the passage of time the business once treated as fad became itself an industry and several occasions like Mehndi, Mayoonec were added to celebrations. Thus competition in the business of catering services also increased significantly and by the 2005 number of caterers were approximately raised to 150 (Kamal et al., 2005).

Tikka-Inn

Tikka-Inn is one of the fast-growing names of catering and event management sector of Karachi which might not have mass recognition in the market. But because of their services, customization and adaptation, they are ranked much higher by their customers. As per the top management of Tikka Inn Mr Yousuf (Founder and President), Mr Madar (Director) and Mr Iqbal (COO), "Tikka-Inn is trying to implement innovative ideas in order to boost their business and brand name. We also have a retail outlet acting as a unique selling proposition in comparison to the other new caterers and event organizers".

COO of Tikka-Inn further elaborated that "We use our retail outlet not only as of the Place concept of the marketing mix but also use that as Physical Evidence, Promise, Pandemic and Pilot so to endorse Part and Peers, as the contemporary concept of marketing mix elements". In addition to this Tikka-Inn is also adopting idea of entrepreneurship made popular by Hanif Rajput in the form of event celebrations (Kamal et al., 2005), and with all this Tikka-Inn is also focusing on diversification strategies in order to expand their business towards new and grooming business markets as indicated by the Mr. Madar elaborated that "We are pleased through making successful business extension towards the new market and continuously tendering our utmost efforts for arranging the best theme for social and cultural events. In fact, we are also not compromising our basic business philosophy & management of retail outlet is one of the prime focuses of our business".

Reason to Selection Tikka-Inn for Case Study

As indicated by Pattigrew (1992) and Saunders Lewis and Thornhill (2003) that the purpose to undertake case study as research is to gain knowledge regarding issues of deep concern associated with social and organizational processes. Moreover Mahonley and Goertz (2004) pointed out that optimal selection is treated as those through which one figures out the case which can provide us result, as the theory building will lead to analytical generalization which means the findings of the case might be used by others to formulate theoretical proposition of other cases (Easton, 1998 & Miles Huberman & Yin, 2003). Thus in accordance with Mahonley and Goertz (2004), one must be focused towards the case which generates a

result with minimal wastage of resources through eliminating the irrelevant linkages, cases and information. Therefore Tikka-Inn has been selected for the case as:

- a) Tikka-Inn is one of fast developing part of the industry which is also opting various entrepreneurial strategies like Diversification and aiming to opt Alliance etc. Hence the selection of organization helps us gaining insight associated with entrepreneurial thinking behind devising of these strategies.
- b) Moreover, Tikka-Inn is recently opting these strategies, therefore, examining Tikka-Inn will result in theory building which might be transferable to other relevant scenarios and cases.
- c) According to Coyne (197) and Hillebrand Kok and Biemans (2001) in qualitative studies, the purpose of sampling is to gain good information. In Tikka-Inn we have a very educated and experienced entrepreneur working as COO, Tikka-Inn who has completed his ACCA and has experience of working with one of the leading audit firms and recently pursuing his PhD. Thus it fulfils all the criterions associated with purposive sampling & requirements of theory building.

QUESTIONS FOR DISCUSSION

General Questions

- 1 What are various challenges, problems and issues which new entrepreneurs will face in the catering industry?
- 2 What would be the particular measures which new entrepreneurial business must take in order to overcome these pertaining challenges, problems and issues?

Case Related Questions

- 1 How Tikka-Inn might improve their food retail as well as Catering Business under this heavy competitive scenario of Karachi?
- 2 How Tikka-Inn might ensure effective customer churn in order to optimize its food retail business?
- 3 How Tikka-Inn might foster their journey towards competing giants like (RC) in the upcoming time?

Conceptual Questions

- 1 How to devise mechanism while competing in the sector with such a complex level of competition?
- 2 How to manage issues of the family business in the SME sector?

Future Research Oriented Questions

- 1 What should be the best way to capture opportunities in the presence of an intense level of competition?
- 2 Why customer will prefer new entities in the catering sector rather than the oriental one's?

ISSUES AND MANAGERIAL IMPLICATIONS

a) *Financing Issues and Entrepreneur's Hesitations*

Issues associated with the financing of startup businesses are predominant across the world especially in developing countries like Pakistan (Quddoos & Gulzar, 2016). Research further cited the references of Cosh Hughes Bullock and Milner (2008) to highlight that unavailability of funds for startups is also treated as one of the most critical barriers for developed countries world in fact according to the report of Center of BusinessResearch (CBR), United Kingdom that 29% of applicants seeking funds were rejected by banks. Thus it is legitimate to believe that there is a significant gap in the demands and availability of funds (Quddoos & Gulzar, 2016). According to the study of Cuevas Fafchamps Hanson Moll and Srivastava (1993), indicated that one of the topmost reason for the lack of access to loans for SMEs is their inability to pledge collateral as per bank's requirement. Moreover, institutions structure and lending infrastructure might also hinder the ability to achieve loans by SMEs (Berger & Udell, 2004)

On the other hand, World Bank (2012) indicated that "Pakistan is one of the most progressive environments for microfinance in the world and is fortunate to have strong institutions in place that can coordinate and push for change. The State Bank of Pakistan has played a leading role in creating an environment in which microfinance can flourish and innovate" (p. 10). Although the determination of the acceptable range of debt and equity is purely based upon the owner's personal evaluation and his/ her attitude towards the financing options (Quddoos & Gulzar, 2016). Similar sort of indications are given by the top management of Tikka-Inn as President Tikka-Inn, Mr Yousuf revealed that "The initial issue which was faced by them was the most obvious one associated with the financing of business at the time of start". He further said that "They were reluctant to contact Small and Medium Sized Enterprises Development Authority Pakistan (SMEDA) for the purpose of financing majorly because of their perception regarding lapse of time which would occur if they have contacted SMEDA".

This is also supported by the recommendations of Quddoos and Gulzar (2016) that in Pakistan banks and other financing institutions must devise proper mechanism and policies in order to support Micro and small enterprises (MSE). This requirement of policies and skills of officers working with the financing issues of MSEs might effectively be linked with the sayings of COO, Tikka-Inn that "There are some other reasons also for not contacting SMEDA as unavailability of Islamic Financing method and we were looking for asset-based financing but the major issue was actually the perception regarding lapse of time".

Similar sort of findings has been found from the study of Aslam (2017), that after compiling the demographic information of sample it has been revealed that the biggest source of financing entrepreneurial activity was from family and friends and only 5% of the entrepreneurs were taken loans from banks and 7% from microfinance providers (MFP's). This has been more clarified by. Thus according to the study of Quddoos and Gulzar (2016), it is also a possibility that financing decision was rejected by the entrepreneurs because of their lack of knowledge, weak power of bargaining and low level of risk bearing and entrepreneurial contribution. Thus research recommended that skills of officers dealing with the financing of MSE must also be enhanced in order to ensure required consideration towards the most potent sector of the economy.

b) Lack of sales due to Traffic Issues in Karachi City

In accordance of this issue, Mr Iqbal pointed out that “Recently Karachi’s traffic has been increased significantly because of increased concern towards person conveyance as well as the introduction of online CAB mechanism e.g. Careem and Uber”. Moreover study of Azam (2018) highlighted that Karachi city will be going through the stage of massive development and reconstruction, as recently it has been ranked among five bottom most cities as per standards of health care, social stability, education, increasing rate of crime and political instability (Karachi Ranked Among World’s Five livable Cities, 2018)

As elaborated by COO of Tikka-Inn, that “Due to pathetic conditions of roads in Karachi, especially under those areas which are associated with residential projects of low social class the conditions are really in a mess. Hence under these circumstances achievement of optimal level of sales from retail outlet on a daily basis is a much difficult task and in order to avoid any inconvenience customers prefer to reach their destinations as soon as possible which force them to avoid changing their planned routes and increases level of hesitation for staying on any food outlet even for purchasing unique or special items”.

These sayings of Mr Iqbal are even supported by the survey conducted by the Karachi Chamber of Commerce and Industry (2017), that number of registered vehicles in Karachi raised by 37% since 2013 which results in massive traffic jams coupled with the absence of civic sense and fearless violation of traffic rules by the residents, ineffective infrastructure and support by government. On the other hand ineffective installation of traffic signals, all over Karachi is also the making condition much pathetic which resulted in a violation of traffic laws and thus causes immense traffic jams.

As highlighted by Mr Iqbal that “Establishment of proper means in order to enhance sales of Tikka-Inn is the issue of prime importance for the management and therefore they are striving for the development of their website and social media accounts for taking online order”. This concern of Mr Iqbal is even supported by the research of Sultan Rani and Anila (2018) that use of E-marketing is essential for the SMEs of UDC’s (Under-Developed Countries” and LDC’s (Least Developed Countries). Mr Iqbal further elaborated that “Introduction of E-Marketing will also be mean to achieve the massive opportunity of sales due to the arrival Holy Months like Maharam-ul-Haram and Rabi-ul-Awal but conditions of city and traffic sill can impair in capitalizing on this massive opportunity”. He further elaborated that “Traffic jams can create hurdles in time management through affecting on-time delivery of stuff then Tikka-inn will not only lose their customers but also their reputation and goodwill in the longrun”.

c) Intense Competition

Literature reveals that there were 350-400 local restaurant and around 150 caterers which operates in Karachi and among all those Hanif Rajput was declared as the one having most asset and employee base (Kamal et al., 2015). Thus it is legitimate to state that there are several similar level companies in the catering sector of Karachi with few massive giants having strong customer and employee base (Porters, 1985).

Therefore when we link this scenario illustrated by top management of Tikka-inn, especially by Mr Iqbal with the Michael Porter’s five competitive forces then we found that there is enough evidence to believe Mr Iqbal that the level of competition prevailing in the industry is of high

intensity. In fact, Mr Iqbal further elaborated the intensity of competition as, “Tikka-Inn is not only facing competition from its direct competitors but also from micro-sized enterprises in the catering industry of Karachi”.

Although it's a claim of Tikka-Inn's management that we are completely aware of opportunities and threats associated with the business scenario of Karachi, as Mr Madar also conceptualizes that “The management of Tikka-Inn is completely aware of opportunities & threats with the increased population of the middle-income group”. Thus in accordance with Ogorelc Snoj and Petejan (2005) it is optimal to state that when the level of competition is intense then in order to operate effectively firm must try to work upon two-fold objective, as it has to march successfully towards its intended long term goal and also has to provide better value to its customers so to outwit competition.

Moreover, in SME sectors customer satisfaction is only possible through providing them with the best quality which is coherent with their needs and wants so to generate customer loyalty and competitive advantage. (Khalid, 2018). Thus in order to maximize opportunities management of Tikka-Inn is inclined towards the enhancement of business knowledge as revealed by Mr Iqbal that “I recently visited some Arab countries in order to grasp new ideas of catering and event organizing, so to link these ideas with business growth and sales optimization”.

d) The attitude of Human Resources

Though Chawla (2015), pointed out that employers must understand that the job is away through which employees want to enhance their living standards and well being in order to become a worthwhile person. Mr Iqbal and Mr Madar are in the support of the point that the company must pay concern towards its resource and must also pay them adequately. Although in recent scenario of Karachi entrepreneurs are heavily dependent upon their human resources as revealed by Mr Madar and Mr Yousuf that “Entrepreneurs in the catering industry are heavily dependent upon their human resources as they have the ability to enhance the competitive edge of the company through utilizing their expertise”.

They further revealed that “Due to intense competition there is a sufficient lacking of skilled workers and all the company's operating in this category are always in hunt for the skilled workforce in order to excel themselves by diminishing the level of competition”. These findings are further elaborated by the sayings of Mr Iqbal that, “Due to this massive dependency on human resources management of their attitudes is a much complex task as they have the least level of education hence making them accept any change creates lots of hurdles for the company”. These illustrations from the top management of Tika-Inn is supported by the research literature of Ghouri et al (2011) that, according to the Pakistan Economic Survey education and skills are the two factors which are required for the success of any profession or business but there is a serious issue of education in our country.

Thus due to intensity of demand of experts behavior of these personnel became worsen which can be understood by the sayings of Mr. Iqbal that “Competitors tend to attract specialized labour e.g. Bar BQ specialist and during recent past some of the specialists were involved in part-time working with other micro and small-sized companies, which makes working so challenging for the management of Tikka Inn. Hence controlling them as per the company's policy is an issue of high importance”. He further elaborated that “Chefs and Cooks are not

ready to customize their working as per the instructions of owners and company's requirement and if we stressed upon priorities or requirements, then they became rude and even ready to resign from their jobs and management have to deal with them very carefully in order to make them adaptive". These points are coherent with Moyes Owusu-Ansah and Ganguli (2006) effective supervision might also result in job satisfaction and effective use of supervisory style, administrative skills, influence and human relation might lead to increase of job satisfaction. Moreover, it is also evident through literature hotel and catering business must also be inclined towards providing market-based salaries to their employees in order to optimize their level of job satisfaction. (Gallardo, Sanchez, Lopez-Guzman & Jesus, 2009)

e) Issues associated with Food Safety

Research conducted by Shehbaz (2016) indicated that food safety is a systematic procedure entails all the methods for handling, preparing and storing food in order to keep food safe. Research also indicated that during recent times there is a substantial enhancement in the level of standards of food safety by government. But results of the study revealed that there is a subsequent lacking of standards of food safety in companies operating in Pakistan. On this point COO Tikka-Inn, Mr Iqbal revealed that "We are not like those companies which are reluctant in investing in practices associated with food safety. In fact, the top management of Tikka-Inn is so much involved in the process in order to provide maximum value to their customers".

These sayings of Mr Iqbal were even supported by the research literature which revealed the criterion associated with each and every step of food processing and development (Asli, Muustafa & Fanda, 2016). According to Saad (2013), the majority of Pakistan based companies are posing dreadful threats to the youth of the nation through foodborne resulting in diarrhoea. Thus through obeying method of food safety highlighted by (Saeed, 2013) companies might enhance the quality of food. This is even accepted by the top management of Tikka-Inn and all the representatives holding senior level positions accepted that "If any company failed to follow these strict codes of conduct associated with food safety then its goodwill and market share will start to decrease in long run".

In fact COO, Tikka-Inn revealed that "I visited different Arab countries not only to know about the new varieties of food but also to know regarding various measures through which we might able to mitigate issues regarding food safety" Therefore by taking reference of measures mentioned by Wisner and Adams (2002), shown in Table No. 01, we asked Mr. Iqbal to shed light on some measures followed by Tikka-Inn.

Table 1: Environmental health in emergencies and disasters: A practical guide, (Wisner & Adams, 2002)

Steps	Danger(s)	Measure(s)
<i>Cooking</i>	<i>Survival of Pathogen</i>	<i>Make sure that food is cooked well (Food is in its entirety should have a temperature of 70°C)</i>
<i>Cooking and Keying at cool temperatures</i>	<i>Reproduction of Bacteria and spores which did not die in high temperature; toxin production</i>	<i>Make sure that the temperature of food falls below 5°C as soon as possible Do not let food at room temperature more than 2 hours Avoid storing too much food in the refrigerator Beware of thermal agitation in long term cold storage</i>
	<i>Contamination by various sources</i>	<i>Wrap food appropriately and prevents its direct or indirect interaction with raw food(s) Make sure food(s) container(s) are clean while storing cooked food(s)</i>
<i>Waiting in High Temperature</i>	<i>Reproduction of Bacteria and spores which did not die in high temperature; toxin production</i>	<i>Keep the temperature of food(s) above 60°C</i>
<i>Re-Heating</i>	<i>Survival of Bacteria</i>	<i>Re-Heat food properly</i>
<i>Service</i>	<i>Reproduction of Bacteria production of spores and toxin</i>	<i>Re-Heat food properly</i>
	<i>Contamination</i>	<i>Do not touch foods with uncovered hands Serve hot food(s) Prevent contact of un-cooked food(s) and unclear container(s)</i>

Elaborating the concept Mr. Yousuf and Mr. Iqbal indicated that “There are very less number of companies who can adhere to these strict rules of food and safety in our country but at Tikka-Inn we are trying to adhere most of the standards of quality indicated by government and research of Wisner and Adams (2002) in order to increase customer’s value and also to develop company’s and reputation in this fast-paced market.

f) Governmental Policies

Top management of Tikka-Inn also revealed that there are no special governmental policies, especially from the government which must be followed by food retail or catering business & all the policies which we have to follow are generic as far as business is concern e.g. policies associated with tax, sales tax etc and regulations associated with food safety. Thus there is no special need of discussing this point in detail as the case study has purposively been done in the scenario of Pakistan and elaboration of namely issue, opportunity or threat which is not considered as the important one by the management might decrease the implications. Thus in order to make this case relevant as well as collinear with the industry practices of recent times we are not adding any additional points from our own.

METHOD

The philosophy of research indulged with the study is “Epistemology” as we are inclined towards knowledge creation and development without restricting us to any particular domain. Moreover, the research stance was “Realism” with the deductive approach of the research and

data compilation, we have linked all these to “Non-Probability” and method of sampling was “Purposive”. Hence we collected data from entire top management of Tikka-Inn i.e. President, Director and Chief Operating Officer, and in order to validate the data provided by the top management we also consulted with personnel working on the payroll of Tikka Inn. Moreover, in order to increase construct validity, we linked these findings with the literature review and through the match of data gathered from the top management of Tikka-Inn with literature, we found that data gathered in this regard is much relevant with the literature available on the entrepreneurship and catering business. Thus it is appropriate to state that the “Narrative” type of Qualitative Research is the one on which we have compiled this study.

Discussion

This case is actually a combination of opportunities and issues highlighted by the literature and opportunities and issues prevailing in the recent scenario of catering industry of Karachi. Purposive inclusion of literature based factors in association with the prevailing one are part of our effort to make case more comprehensive and practical one which can match with the recent scenario and can also induce readers learning and conceptualization. Thus initially we are going to extend discussion towards those points which are highlighted by the prior literature.

As discussed in introductory phase there are three factors which are fostering demand for catering business as a) Continuous increase in demand of customized food b) Increased population of middle-income group and c) Advancement in Technology used (Schmidt, 2017). Though among these points Continuous Increase in Demand of Customized Food & Increased population of the middle-income group is already been addressed in the introductory Paragraphs for Tikka-Inn.

Management of Tikka-Inn also reveals that their retail outlet is providing them Unique Selling Proposition as well as Distinctive Selling Proposition and through associating various marketing mix elements with their existence as the retail outlet they are able to diminish the impact of severe competition. In addition to this Tikka-Inn has is also expanding their business successfully towards the catering side of the industry without compromising of their efforts towards their business of food retail. Thus it is legitimate to believe that the existence in the form of food retail is able to provide Tikka-Inn with a real edge through assuring all the contemporary marketing mix elements. Moreover, on the basis of these findings, it is optimal to believe that the business model of Tikka-Inn is contemporary and management is aware of the fact regarding growth in the size of middle-income group hence they are using their food retail outlet as the competitive edge.

Furthermore, the use of outlet is helpful for Tikka-Inn in preparation of customized foods for a small & large gathering. Thus on the basis of all above-mentioned grounds, it is legitimate to state that they are using outlet as a way to provide an example of advancement in use of technology as well as proof of their abilities to develop customized products as per order. After discussing all the points associated with opportunities for Catering Business and associating all of these with the case of Tikka-Inn we are moving the focus of discussion towards the challenge for a catering business as mentioned by Schmidt (2017) in the initial section of the case. According to Schmidt (2017), there are three major challenges for catering business i.e. a) Issues associated with Food Safety, b) Policies and Regulations of Government and c) Intense Competition.

Among these three challenges “Issues associated with Food Safety” and “Intense competition” has already been discussed in previous sections of the casethrough the elaboration of top management of Tikka-Inn and literature support. Thus it is appropriate to state that working with an intense level of competition makes the company lesser focused towards the issues of food safety which might cause serious trouble to the wellbeing and sales of the company. Although due to the educational background of COO Tikka-Inn Mr Iqbal, the company is strict to the code of conduct and takes every possible measure to ensure food quality and safety. Moreover, management is also inclined towards devising of proper mechanism to deal with the intense level of competition through taking advantage of contemporary opportunities like Alliance with E-tailers etc.

At last, we would like to mention that as top management of Tikka-Inn revealed that there are no additional and special governmental policies which they have to follow for their food retail and catering business. Therefore there is no need of discussing the point mentioned by Schmidt (2017). Hence all the conceptual pints associated with the understanding and learning are already been discussed in the case. Thus after discussing all the points highlighted by the prior literature with the context of Tikka-Inn and the recent scenario of Catering Industry of Karachi we are diverging the focus of discussion towards the most prevailing issues faced by the management of Tikka-Inn in managing this unique blend of business.

Although some of the points which are faced by the top management of Tikka-Inn are also been highlighted by Schmidt (2017) e.g. “Intense Competition”, “Issues associated with Food Safety” and “Government Policies” thus for now major focus of writers will be on remaining issues i.e. “Financing and Entrepreneur’s Hesitations”, “Lack of sales due to Traffic Issues in Karachi City” and “Attitude of Human Resources”. First of all the point which is even highlighted by several researchers e.g. Ang (1991); Aslam (2017); Beck Demirguc-Kunt Laeven and Maksimovic (2006); Cosh et al (2008); Hamilton and Fox (1998); Johnsen and McMahan (2005) and Quddoos and Gulzar (2016) etc, a potent variable is “Financing Issues and Entrepreneurs hesitations”.

Similar looks to be valid for the entrepreneurs of the catering industry, as management of Tikka-Inn revealed that barriers associated with time and unavailability of Islamic mode of the financing were hindered in their way of obtaining loan from SMEDA. Thus it is appropriate to believe the point mentioned by Aslam (2017) that very few entrepreneurs are prevailing the financing from MFPs and majority is relying upon their own mode of financing like borrowing from friends and family members and use of their own assets like real state and jewellery to finance their problems (Aslam, 2017, Quddoos & Gulzar, 2016 & World Bank, 2012).

Moreover in order to manage the lack of sales due to pertaining problems of traffic the company is thinking about collaboration with other companies like Food Panda etc in order to enhance their sales through customer convenience. Thus the issues of traffic mentioned by Karachi Chamber of Commerce and Industry (2017) and article “Karachi Ranked among World’s Five livable Cities”, (2018) might be solved effectively by linking these problems with the model of Sultan et al (2018) in order to optimize daily sales as well as company’s performance in the long run. At last but not the least in order manage issues associated with an attitude of human resources it is legitimate to state that entrepreneurs must try to avoid deep conflicts with their specialized workers in order to foster their business prospects and must also

devise some mechanism to bridge this lacking.

As according to the scenario of catering industry of Karachi it is optimal to believe that according to intense competition as highlighted by Porters (1985) there is an immense level of dependency on skilled workers coupled with the severe lacking provision for proper education in Pakistan as highlighted by Ghouri et al (2011) which makes these type of personnel so arrogant and demanding. Thus in order to deal with these issues, entrepreneurs must develop some counselling and leadership skills as highlighted by Alpeza Peric and Soltic (2012) and Hussain Sultan and Ilyas (2012) in order to avoid any deficiencies as highlighted by Peterson Kozmetsky and Rideway (1983) so to foster better business prospects.

CONCLUSION

It has been concluding that Tikka Inn is working effectively and trying to manage all the issues, challenges associated with customer requirements and legal obligations. But in order to become one of the giants of this fast-growing industry they must adopt some technological measures in addition to the knowledge set and abilities of their COO and top management. Moreover, effective communication and dealing skills, as well as patience, is the key while dealing with manpower as because of their lack of literacy manpower is so difficult to manage and without expertise of manpower, no company can excel in this category. Thus entrepreneurs must develop leadership and counselling skills in order to deal with these issues effectively.

Concluding about problems associated with traffic and unstable routes in Karachi it has been revealed by the top management of Tikka-Inn that it is pretty hard for customers to track retail chains especially while on the way to home. Thus it is the requirement of recent times that the company must use some advanced level technologies and E-Marketing opportunities in order to increase sales and customer base. Furthermore, competition from direct as well as indirect categories is one of the prime factors of concern in this business category.

The case study also clarifies that use of retail outlet as a point of difference will only help Tikka-Inn to the certain way and company must need to formulate progressive strategies in order to remain in demand for longer period of time. Therefore Tikka-Inn must use the expertise, knowledge and experience of its top management to through take advantage of social, cultural technological and economic opportunities like opening of more branches, customization of events and offerings as per the requirements of culture and tradition and price sensitivity etc in order to tackle the immense level of completion and diverse stats of consumer demands. Thus overall it is optimal to state that case of Tikka-Inn presented above would be significant for all the entrepreneurs who are interested in catering or retail food Business & through an understanding of the case entrepreneurs would become able to understand the challenges pertaining in the industry.

Implications for Managers and Entrepreneurs

Any entrepreneur's wishes to start catering or food retail business in Pakistan must understand that it is not easy to achieve sufficient loan and most of the capital must be invested from the entrepreneur. As contacting Small and Medium Sized Enterprises Development Authority (SMEDA), will takes heaps of time and unavailability of Islamic mode of financing with SMEDA is also an issue for religious personnel.

Moreover financing facilities through banks are so much expensive in terms of returns and rate of interest indulged in that through pack back period. Similar sort of findings has been found from Quddoos and Gulzar (2016) and World Bank (2012) which resulted in minimum number of borrowing from banks and other financing institution like SMEDA as highlighted by the study of Aslam (2017) that very few entrepreneurs were taken loans from banks and other forms of financing institutions like SMEDA and another form of MFP's. Moreover study also highlighted that most of the entrepreneurs are the sole proprietors and their businesses were found to be unregistered. Thus this will aid us in the understanding of the points that why most of the entrepreneurs cannot take a loan from financing institutions.

Furthermore, the case is also providing solid evidence for entrepreneurs pursuing catering business must try to manage human resources with tact as due to increase in competition there is significantly lacking human resource who are proficient in cooking and backing and loss of valued personnel might hurt the company in loss of business. Thus rather than the use of financial resources, there area need for conceptual skills, administrative and human skills in order to make employees adaptive as per the requirement of the organization. Thus it is legitimate to state that elaboration provided by Moyes et al (2006) is much applicable to the catering industry.

The case also highlighted the need of tracing new point of differences (PoD) and indicated that being entrepreneur one must not rely extensively on existing PoDs and must try to devise way which can optimize company's achievement in a longer period of time. Therefore case stresses upon strategic planning on a continuous basis in order to deal effectively with competition and consumer demands through capitalizing upon opportunities yielded through the mixing of technological, social, cultural, economic and environmental elements.

Therefore case also indicates some potential strategies which entrepreneurs might use especially when dealing with intense competition for e.g. "Alliance Strategy" is highlighted through which catering and food retail business might develop an alliance with E-Tailors in order to enhance their reach as well as to lure with the benefit of cost advantage. Moreover, the formation of new strategies will not only ensure cost advantage and optimization of goodwill but will also show company's concern towards customer's needs which resulted in customer loyalty, brand preference, brand association and brand salience which ultimately resulted in the growth of the company.

Hence on the basis of these pragmatic points mentioned in the section of discussion and managerial implication, it is optimal to believe this the study is not only fruitful for the entrepreneurs of Pakistan but will also provide managerial insights to entrepreneurs operating abroad, especially who belong to underdeveloped countries (UDC). Hence the case must be included in teaching and training sessions of youth, especially who are interested in optimizing the society with their modern contributions

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Interview Guide

- Q. 1:* What are some of the prime issues which might be faced by entrepreneurs while entering to this segment?
- Q. 2:* What are various obstacles to the developing business of catering sector?
- Q. 3:* What are some contemporary measures you have taken to avoid these problems?
- Q. 4:* What are your positive points and competencies which are helping you in managing the business under a massive level of competition?
- Q. 5:* Are you really satisfied with your recent PoDs and competencies or there is room for improvement?
- Q. 6:* What are various managerial strategies which you are recently planning to implement?