



INNOVATIVE BUSINESS PLAN FOR A BRUNCH RESTAURANT
IN TOULOUSE, FRANCE

Léonie Peters-Desteract

Project submitted as partial requirement for the conferral of Master in Hospitality &
Tourism Management

Supervisor:

Prof. Renato Telo De Freitas Barbosa Pereira, Prof. Auxiliar, Iscte Business School,

Department of Marketing, Operation and Management (IBS)

June 2020



INNOVATIVE BUSINESS PLAN FOR A BRUNCH RESTAURANT IN TOULOUSE, FRANCE

Léonie Peters-Desteract

Acknowledgements

First of all, I must thank my supervisor, Professor Renato Pereira, who guided me all the way on this journey to conduct my master thesis. His help and interest on my project were essential and I am truly thankful for his advices.

Secondly, I would like to thank my dad, this thesis is for you. Thank you for believing in me and to motivate me to go after my dreams.

Special thanks to Mr Narciso, for his unconditional guidance and support.

Finally, a general thanks to all the people, family and friends who supported me along this chapter of my life. You know who you are.

INDEX:

LIST OF FIGURE	7
LIST OF TABLE	8
LIST OF APPENDICES	9
Summary	10
3. Executive summary	12
4 .Description of the promoting entity	14
5. Literature Reviews	15
5.1 Business Model Development For Restaurant	15
5.2 Hospitality	16
5.3 Restaurant Characterisation	16
5.4 Brunch and its Aspects	17
5.5 Trends and Innovation in Hospitality	18
5.6 Millennials	20
5.7 Online Technology and its Impact on the Hospitality Industry	21
6. Methodology	22
7. Market Analysis	24
7.1 External Analysis	24
7.2 PESTEL Analysis	24
7.2.1 Political Context	24
7.2.2 Economic	25
7.2.3 Social Context	25
7.2.4 Technology Context	26
7.2.5 Environmental Context	26
7.2.6 Legal Context	27
8. Competitor Analysis	28

8.1 Direct Competition	28
8.2 Porter's 5 Forces Analysis	29
8.2.1 Competitive Rivalry (MEDIUM)	29
8.2.2 Competitive Rivalry Threat of Substitutes (HIGH)	30
8.2.3 Threat of New Entries (MEDIUM)	30
8.2.4 Power of Buyers (MEDIUM)	31
8.2.5 Power of Suppliers : (MEDIUM)	31
9. Internal Analysis	32
9.1 SWOT Analysis	32
9.1.1 Strengths	32
9.1.2 Weaknesses	33
9.1.3 Opportunities	33
9.1.4 Threats	33
10. Objectives of the Plan	34
11. Development Strategy	35
11.1 Segmentation	35
11.2 Target	36
11.3 Positioning	37
12. Definition of Implementation Policies	38
12.1 Marketing Mix	38
12.1.1 Product	38
12.1.2 Price	40
12.1.3 Promotion	41
12.1.4 Place	42
12.2 Technology	43
12.3 Cleaning	44

12.4 Administrative	44
12.5 Organisation	44
13. Implementation requirements	46
13.1 Licence	46
13.2 Hygiene and Safety	46
13.2.1 Premises, materials and equipment	47
13.2.2 Staff Hygiene	48
13.2.3 Food storage and preservation	48
14. Financial Evaluation	49
14.1 Assumptions	49
14.2 Investment	49
14.3 Financing and Bank Loan	50
14.4 Sales forecast	51
14.5 Expected External Charges Expenses :	51
14.6 Staff remuneration costs	52
14.7 Profit and Loss statement	53
14.8 Balance Sheet	54
14.9 Financial Evaluation Conclusion	55
15. Conclusion	56
16. Bibliography	57
17. Appendices	63

LIST OF FIGURE

Figure 1. Toulouse age demographics	36
Figure 2. Word Cloud with Most Frequent Keywords	39
Figure 3. How much are you willing to pay for a brunch à la carte?	40
Figure 4. How much are you willing to pay for a brunch all you can eat?	41
Figure 6. Organisational chart of Saudade :	45

LIST OF TABLE

Table 1. Key trends driving innovation that should be at the heart of an innovation strategy in the restaurant industry	19
Table 2. Population in Toulouse by major age groups	35
Table 3. Average net hourly wage € by age in 2016	36
Table 4. Investment for Saudade restaurant	49
Table 5. Financing	50
Table 6. Details of loan repayments	50
Table 7. Sales forecast	51
Table 8. Expected external charges	52
Table 9. Annual Staff Remuneration	52
Table 10. Annual details of gross salaries and social security charges	53
Table 11. Profit & loss statement	53
Table 12. Balance sheet	54
Table 13. Net Present Value	55

LIST OF APPENDICES

Appendix 1. Questionnaire and answers	63
Appendix 2. Food and Drinks menu of Saudade	67
Appendix 4. Main courses cost recipes	69
Appendix 5. Sales of food & beverages per yer	70
Appendix 6. Main courses cost including the 10% taxes and margin	71
Appendix 7. Soft drinks cost including the 10% taxes and margin	71
Appendix 8. Alcoholic drinks cost including the 20% taxes and margin	71

Summary

The main objective of this master thesis is to investigate whether it is achievable to open a brunch restaurant in Toulouse, France. Therefore, this master thesis is presented in the form of business plan. The innovative proposal is to introduce a new concept of brunch competing in the restaurant industry of Toulouse.

In order to better understand the surrounding business environment of the project, several data were collected and analysed to develop the project. A market analysis and internal business analysis were conducted along with a competitive analysis to determine whether the restaurant could be a legitimate competitor among the other restaurants in Toulouse. After reviewing the results, a strategic analysis and marketing plan were advanced.

Finally, a financial analysis was run to determine whether the affair offered a financial and economic viability. This consisted of an examination of startup costs and funding, as well as the creation of an income statement, statement of cash flows, and a balance sheet which were all based off on a 60 month sales forecast. These financial forms made it possible to perform a break even analysis that had the final conclusion as to whether or not the restaurant could be a profitable investment.

Lastly, it possible to say that the restaurant is profitable from the first year of business operations. While the strategic analysis pointed out the restaurant could not only compete, but beat the competition, the financial analysis indicated that opening this restaurant would be a viable project, making profits from the first year of operating .

Keywords: Business plan, hospitality, restaurant, Financial and Economic Viability.

Sumário

O principal objectivo desta tese de mestrado é investigar se é possível abrir um restaurante de brunch em Toulouse, França. Por conseguinte, esta tese de mestrado é apresentada sob a forma de um plano de negócios. A proposta inovadora consiste em introduzir um novo conceito de brunch concorrente no sector da restauração de Toulouse, em França.

A fim de melhor compreender o ambiente empresarial circundante do projecto, foram recolhidos e analisados vários dados para desenvolver o projecto. Foram realizadas uma análise do mercado, uma análise interna do negócio, bem como uma análise da concorrência, a fim de determinar se o restaurante poderia ser um concorrente legítimo entre os outros restaurantes de Toulouse. Após a análise dos resultados, foi avançada uma análise estratégica.

Foi efectuada ainda, uma análise financeira para determinar se o caso oferecia uma viabilidade financeira e económica. Esta análise consistiu num exame de custos e de financiamento para o seu lançamento, bem como a criação de uma demonstração de resultados, de uma demonstração de fluxos de caixa e de um balanço, todos baseados numa previsão de vendas em 60 meses. Estas análises financeiras permitiram identificar o ponto de equilíbrio para concluir se o restaurante poderia ou não ser um investimento rentável.

Por último, após toda a investigação, é possível afirmar que o restaurante é rentável desde o primeiro ano de actividade. A análise estratégica apontou que o restaurante não só podia competir com a concorrência, como também vencê-la e, a financeira indicou que a abertura deste restaurante seria um projecto viável, obtendo lucros a partir do primeiro ano de funcionamento (euros).

Palavras-chave: Plano de Negócios, Hotelaria, Restauração, Viabilidade Financeira e Económica.

3. Executive summary

This paper is a business plan for a brunch restaurant to be opened in Toulouse, France, in the next few years. The main purpose of this business plan is to establish its keys to succeed and to determine its economic feasibility.

After a very complicated 2019 year in France, in particular caused by the Yellow Vest movement, and the various resulting demonstrations such as strikes, have generated a lot of damage to many businesses. As a result, some restaurants already had to dip into their cash flow to hold on. Unfortunately, the sanitary crisis associated with the coronavirus which has spread in mid-March 2020 has affected everyone around the world. This is the final blow for these people.

According to the United Nation (2020), the recovery from the corona-virus crisis will be long and must lead to a different economy. Efforts to build more inclusive and sustainable economies that are more resilient in the face of pandemics, climate change and other global challenges must be made.

One way to help reduce these large risks is to re-think the way of producing and serving with careful planning and legitimate capital. These initiatives are best accomplished by creating an appropriate business plan. Nowadays, start-up businesses constantly require business plan to help assure financing, set goals and strategies that lead the business to reach success.

On a overall, the restaurant focuses on serving brunch and beverages all day. Its main goal is to deliver a strong focus on hospitality in order to gain a regular customer base. The business's emphasis on creating a comfortable yet elegant environment for guests to share a moment and enjoy their meal, as well as it gives the opportunity for customers to take-out food or being delivered.

To do so, this business plan analyses several aspects starting with relevant literature reviews related to the purpose of the business which contribute to understand the subject in further details. It is followed by the external, internal and market analysis.

Next, a competitor analysis of the brunch restaurants in Toulouse is developed and later an internal analysis is achieved.

A questionnaire is made in order to dept analyse the potential market. As a result of these different investigations, the strategy analysis, formulation and implementation needs are developed through a marketing mix plan, the implement requirements and ultimately, the economic and financial viability study are defined. As a result, this business plan is written to obtain financing and guide the restaurant from its beginning into the future.

Ultimately, with the several aspects and data analysed, it is possible to conclude that there is viability for the exercise of the project.

4 .Description of the promoting entity

This project explores the opening of a new concept of brunch & cocktails restaurant in downtown Toulouse, so called Saudade restaurant. The idea behind it, has been stimulated by the newly brunch trend increasing in France. This concept is based on the creation of breakfast dishes inspired by cultures from across the globe. Every meal is prepared to meet the individual dietary needs and preferences of each one. The restaurant adopts an environment-friendly and sustainable practises while using local suppliers for the majority of its food products. The beverage selection is extended, offering special homemade cocktails, wines, beers, smoothies, juices and water. Also, customers have the option to take-out the food.

Furthermore, Saudade is always seeking to offer customers a place where everyone feels good and welcome in a friendly-efficient service. To do so, the restaurant key element to succeed is to make its employees feel comfortable and well-trained since part of its success depends upon the actions taken by its personnel and management.

As a result, the restaurant main mission is to provide a unique, delicious dining experience from environmentally sustainable location while employees ensure that customers always receive outstanding and consistent service.

The restaurant interior displays pictures and music that provide a relaxing atmosphere. Local artists are welcome to exhibit their own art. Plants available in the restaurant can be purchased.

The restaurant is established as a joint-stock company. The restaurant is located in downtown Toulouse, 17 rue Riguepels. The local is rented on a five-year contract, renewable. It offers a capacity of 26 seats inside and a heated terrace that can be used all year long with 12 seats, which gives a total capacity of 38 seats. It is open six days a week from Tuesday to Saturday 9 am to midnight, and on Sunday from 10 am to 4pm. For this reason, it was determined shifts for the staff, as so, when the restaurant is opened it is necessary to have at least one cooker and one waiter working. Depending on the restaurant's success the hours of operation might change.

Finally, the idea behind the name comes from the business owner that has lived in Portugal during her study. "Saudade" is a untranslatable Portuguese word that refers to the melancholic longing or desire. It can be used to say that you miss someone or something. Since Saudade restaurant concept is based on the creation of breakfast dishes inspired by cultures from across the globe, if a customer misses a breakfast for example, from the United States or another place in the world , at Saudade he is able to find it and a result ' matar a saudade'.

5. Literature Reviews

Restaurant businesses come and go, which is why an appropriate understanding of the business as a whole and proper planning is essential to reach success. For a start-up restaurant, a business plan acts as a fundamental guideline, allowing restaurateurs to analyse all aspects of the business inside and outside, in further details. The following literature reviews will discuss various aspects related to for starting a Brunch & cocktails restaurant in Toulouse, France.

5.1 Business Model Development For Restaurant

Business Model Development models are the frameworks that entrepreneurs use to describe their ability to operate the business and add the value proposition for all its stakeholders. As stated by Barringer and Ireland (2016) business models give the vision, core competencies, target markets, and differentiation strategies of the concept. Restaurants incorporate a unique and complex business model. The model needs to take into account that it operates as both a production and sales facility all under one place (Wyckoff, 2001). Therefore, restaurateurs are concerned with both product quality and service quality (Alonso and O'Neill, 2010).

For Bender (2016) financial statement analysis is the key to a company's success. The income statement, also described as a company's "bottom-line" or profit and loss statement, is one of the three main financial statements, which shows the profitability of the company after taxes. Revenues should be followed closely along with expenses such as payroll costs. Income statements are recommended weekly and monthly to track revenues, costs, and profitability. Restaurants earn their revenues through selling goods to customers, which is typically classified as food or beverage sales. Sales and cost of sales should be broken out by category.

Bender (2016) specified that cash is still much used, therefore it must be kept into track cash transactions coming in and out of business.' This should be accomplished by tracking daily sales. The owner should use the income statement to analyse where expenses could be cut. Furthermore, the income statement is also an indicator of whether the company was making money after all expenses. The three biggest expenses are cost of goods sold, operating costs, and labor cost. Most of the time the focus is to reduce labor or payroll expense, so called salaries and wages expenses. Labor cost in general consists of hosts, servers, managers and chefs. The key to controlling labor cost is to understand how many workers you need in order to provide consistent and effective service without scheduling too many people. For other areas such as cost of goods sold, one area to reduce cost could be what was called portion control. The cost of goods sold have a direct link to

inventory levels. Keeping inventory levels to their lowest and avoiding food waste is the key. As sales are broken out by food and beverages, cost of goods sold are broken out similarly to determine the gross profit on each category. Operating costs are ranged from paper dishes and cups to utilities. So all these expense items needed to be monitored closely as well. ('What is a Restaurant Profit,' 2017)

5.2 Hospitality

In the 1980s the word 'hospitality' emerged as a word to combine hotels, restaurants and bars. It gives guests an impression of being hosted and welcomed, but in reality, only as if they pay the price (Ashness and Lashley, 1995).

According to Lashley and Morrison (2000), the core of hospitality is to create a relationship or to promote exchange of goods and services, between those who give hospitality as such, hosts, and those who receive it, as such, guests.

As a result, hospitality guests are being hosted and welcomed through an economic compensation. A study of moral belief shows observations about the need to offer hospitality to strangers which can be evidenced across the globe (Pavesic, 2012). The morality of good hospitality requires the stranger to feel welcome and being offered with food, drink and accommodation (Molz and Gibson, 2012).

5.3 Restaurant Characterisation

The word "restaurant" is described by Kotler (1973) as an organisation of complex services that require contact between providers and consumers, in their physical location or during the provision of their service, and who deliver their products/services. For Namkung and Jang (2010) restaurants quality depend on services, meals and environments provided. Restaurants are constantly divided into two spaces: the main dining area and the kitchen.

Moreover, what appeals to consumers' preferences are not only food and beverages. Indeed, a pleasing dining environment matters. As such, increasing attention is being paid not only to pricing and the merchandise itself, but also to the provision of a pleasant and possibly exciting atmosphere (Smith, 2010).

Service quality has always been an important attribute that affects the purchase behaviour and choice of the customers (Parasuraman and Zeithaml, 1988), it is without any doubt a

differentiator and a fundamental key that helps restaurants gain lead in the industry as it is “an important antecedent of customer satisfaction” (Qin and Prybutok, 2009). This also impacts customer satisfaction which links the effect of service quality on customer loyalty. Higher service quality ensures higher economic returns (Qin and Prybutok, 2009) and also impacts loyalty towards the service provider (Parasuraman and Zeithaml, 1988).

Food quality dimension of a restaurant quality is undeniably a significant attribute in the consumer behavior as well since it has been shown that food quality positively affects dining experience and it is crucial for restaurant operations (Parsa and al., 2011). Smith (2010) has qualified food quality as a key predictor of customer loyalty in restaurants.

As specified by Parsa and al, (2011), quality of ambiance is an aspect of high importance in hospitality industry, particularly in restaurants. The atmosphere, interior design, lighting, and dining area physical arrangement have a considerable effect on both employees and customers. The quality of ambiance has an effect on customers' behaviour and their perception of the restaurant. As a result, restaurants should give a major importance on this aspect.

5.4 Brunch and its Aspects

As far as cooking is concerned, some might think that France has nothing to learn from other languages and cultures, even though for centuries French has greeted many words and culinary expressions from neighbouring countries such as Italy with the word ‘pizza’. (Hope, 1975). The French have always been the exporters of one of the great national prides: French gastronomy. The gastronomic meal of the French was included in 2010 on the representative list of the UNESCO's Intangible Heritage of Humanity.

According to Ramón (2018), ‘brunch’ is derived from the words ‘breakfast’ and ‘lunch’ which is associated most of the time with a copious meal, consisting of a variety of dishes combining foods and beverages that are both breakfast and lunch-friendly. In France, the first appearance of the word ‘brunch’ in a newspaper is in the famous French one called *Le Monde* in 1975, it has been described, as “a meal more substantial than a "breakfast", lighter than a "lunch": a kind of American "brunch" of very high quality, served in a new set of dishes.” Brunch is an opportunity for hotels, restaurants, bars, cafés and other commercial addresses to offer an alternative to the traditional Sunday lunch mainly aimed at young people, and not so young too, who partied on Saturday night and slept in on Sunday morning. The success of this formula lies in

the combination of American breakfast food and drinks with salads, sandwiches and other dishes usually eaten at lunch.

For Lander (2018) the brunch menu is without a doubt, the quickest growing menu and probably the most appreciated by customers. Most restaurants and hotels are serving breakfast/brunch menu meeting growing demands of customers. The breakfast/brunch menu should be at affordable prices because of its simple cooking skills and ingredients of which all customer know costs.

5.5 Trends and Innovation in Hospitality

Following a study conducted by Fultz and Rampoldt (2016), there is no doubt that restaurants are innovating. Like many industries, the restaurant industry faces different challenges keeping up with the rapid pace of change driven by the consumer trends and changing demographics. Growing preferences for healthier food options, concerns over environmental sustainability, increased competition from grocery stores, heightened consumer expectations, and rapidly advancing technology are reinventing the traditional dining experience and forcing change on how the industry operates. Furthermore, the rising spending power of the millennial generation of consumers is accelerating the industry's response to such trends.

As restaurants confront variety of challenges, they must seek to innovate and adapt wisely business strategies that enable them to cost-effectively compete in an ever changing tech environment. Yet, as they rethink business approaches, they must also take into account new regulations, economic and competitive market forces. No industry is invulnerable to these forces. In order to remain competitive and to succeed, restaurants must be able to adjust and figure out how to meet and exceed consumer expectations. Fultz and Rampoldt (2016) highlighted seven trends that should be at the heart of an innovation strategy in the restaurant industry, which is detailed in the table below :

Table 1. Key trends driving innovation that should be at the heart of an innovation strategy in the restaurant industry

7 KEY TRENDS DRIVING INNOVATION THAT SHOULD BE AT THE HEART OF AN INNOVATION STRATEGY IN THE RESTAURANT INDUSTRY		
1	PREFERENCES FOR HEALTHIER FOOD OPTIONS	Consumers prefer to eat at home & if dining out are willing to consume healthier and less processed foods. Restaurants have been trying to influence consumption patterns by deploying attractive pricing and marketing techniques.
2	MODIFICATION OF MENU ITEMS	Restaurants chains are focusing on narrower and more specialised menus with an objective to enhance quality, stands, speed and & service
3	INCREASE IN FOOD SERVICE OPTIONS	Restaurants have been losing market share to supermarkets, which have started stocking wide ranges of ready-to-eat food, numerous of them have added eat-in areas. Increase in the number of players offering similar products clustered in the same location.
4	TECHNOLOGICAL ADVANCEMENTS	Restaurant chains are adopting new technologies for ordering, payment & loyalty programs to offer convenient and intuitive applications for customers
5	ENVIRONNEMENT SUSTAINABILITY	Restaurants have been focusing on reducing food waste to manage rising costs and to go green. Rising awareness of sustainability, especially among millennials is forcing restaurants to implement environment-friendly and sustainable practices.
6	INCLINATION TOWARDS GLOBAL CUISINES	Increase in preferences for global/ethnic cuisines is prompting restaurants to diversify their business
7	FOCUS ON MILLENNIAL	- Restaurants are actually trying to appeal to millennials and are competing for the attention of this social media savvy generation. - Restaurants need to be mindful regardless the millennials since they make their own decision about where to eat and what to eat. - This demographic would also demand high-tech service, louder music, moving visual to get heightened experiences. - Restaurants will have to adapt and modify their operating strategy to attract this target segment.

Source : The author (2019)

5.6 Millennials

The Millennials, also known as Generation Y (Smith, 2010) are a generation of young people which is characterised by the use and adaptation of technology in their daily lives, as well as values, life experiences, motivations and common buying behaviours. This generation was born between 1980 and 2000 (Lee and Kotler, 2016). They are actually growing as a social group who have been influenced by the changes they have had in their lives from childhood to adulthood. They are the result of world events, social and economic changes, as well as technological integration in their everyday lives.

Millennials constitute now the largest population, they represent nearly two billion people in the world, more than 7.1 billion people worldwide, and they spend around 200 billion a year (Weber, 2017). As a result, their purchasing power is making them an attractive target for many consumer industries.

Millennials are an essential key in the development of technology. Growing up in a digital environment has led them to develop a natural aptitude and high skill level in regard to the new technologies. They have access to digital media on a daily basis which allows them to express their opinions through numerous media that may influence a large number of consumers and suppliers. Smith (2010) highlighted that the Millennials are very likely to write reviews, provide product feedback and promote their favourite brands. Social media, organisation web sites and interactive technologies are all empowering the Millennials to be more proactive in the promotion and advancement of products and brands.

For (Jang et al., 2011) millennials have become a promising market in the restaurant industry since a large portion of their expenditure is primarily spent in the restaurant industry. Millennials eat out an average of 3.39 times per week, which make them the generation that dine out the most than any previous generation. Moreover, Millennials treat dining out as a social event, and meeting for food and beverage is one of the most common ways to spend time with friends and relatives. They prefer trendy cuisine and are willing to try a cross-cultural variety of cuisines, they tend to go for very casual ambience (Flynn, 2016). Therefore, restaurateurs need to understand how to satisfy Millennials to successfully market to this population.

5.7 Online Technology and its Impact on the Hospitality Industry

The adoption of Information And Communication Technologies (ICTs) is expected to improve service quality, enhance operational efficiency and reduce costs (Law et al., 2009), as well as to provide a platform for accessing the global market (Sahadev and Islam, 2005). According to Connolly and Olsen (2001), ICTs are the largest forces that affect the changes in hospitality and tourism. Social media has become a significant force in consumer decision making, including such areas as increasing awareness, sharing information, forming opinions and attitudes, purchasing, and evaluating post-purchase experience (Mangold and Faulds, 2009). When consumers plan a trip or make a restaurant reservation, they most of the time rely on online reviews for information (Jeong and Jang 2011; Kim, Mattila, et al., 2011). For Needles and Thompson (2013) social media is changing many aspects of restaurant operations, including marketing promotions, customer relations, and methods of hiring new employees. The result of social media-driven changes is that restaurant businesses nowadays have a new set of opportunities and challenges to go along with their main purposes of providing guests with a meal and an experience that the guest perceives as valuable based on the price paid. Social media marketing requires a different approach than traditional marketing since it involves interacting directly with a business's customers. Well managed social media can create a virtual relationship with existing customers or persuade a first-time guest to visit.

For Zhang et al. (2010) consumers that generate ratings about the quality of food, environment and service of restaurants, and the volume of online consumer reviews are positively linked with the online popularity of restaurants. As a result, in service sector in general, and restaurants in particular, online reviews have gained considerable significance.

According to Dixit, et al. (2019) online reviews have assumed huge significance in the technological driven and internet based consumption pattern. Information obtained from online reviews written by consumers not only tells the organisations how well they were rated by consumers, but also gives a chance for restaurants to identify areas that require improvement. As a result, restaurant managers must adapt their services and must have customer relationship strategies in order to be able to know if customers are willing to write positive online reviews about the restaurant but above all to reduce the intention to write negative online review. For Needles and Thompson (2013) internet has a wealth of information available to managers, allowing them to learn what people are saying about their restaurant and to take advantage of opportunities to redeem service failures and improve performance.

6. Methodology

The following chapter defines the research question and methods along with the procedure of collecting data and the way it has been analysed.

To figure out if Saudade restaurant can be successful and generate profitable revenue in Toulouse, a business plan must be established. The process of creating this business plan requires an extensive research on the public opinion towards brunch food, on the newest trends related. Also, the population demographics within Toulouse must be searched. Strategies that should be adopted must be developed. Furthermore, how to compete businesses within the restaurant industry of Toulouse must be understood, and finally develop startup and operation costs must be done.

As it has been stated previously, most business plans are developed from the same main structure: an executive summary, marketing plan, financial documents, and supporting documents. Data must be collected in order to develop the marketing plan and financial documents.

As so, collected data to conduct this business plan, were both qualitative and quantitative. First of all a market analysis was proceed for Saudade's external environment through a PESTEL analysis model. This environmental analysis model includes five main elements of the French's daily-life, which are political, economics, social, technological, environmental and legal. It was followed by a competitor analysis of Saudade where the direct competitors were examined to understand the competitive environment. As a result, the competitor analysis gives an evaluation and over-look of the strengths and weaknesses of the current and potential local competitors, which have been identified as La Fiancée, Le Moderni'thé and Le Café Cerise. This analysis helped out to provide both offensive and defensive strategic context to identify opportunities and threats to Saudade. Data on these competitors were obtained online or through their social media, from visiting locations and interviewing managers and owners if they were willing to.

It has been followed by a five forces of Porter analysis that take into account five dimensions which are, competitive rivalry, threat of substitutes, threat of new entries, power of buyers, power of suppliers. These five dimensions were measured on a three-value scale, from low to medium and high. The external environmental analysis may have revealed certain new opportunities for profit and growth. In addition, any changes in the external environment also might present threats to the firm.

Next, an internal analysis was advanced from the external and competitive analysis results to identify the strengths, weaknesses, opportunities, and threats of Saudade restaurant.

The purpose of conducting this SWOT analysis was to identify the key internal and external factors that were important to achieving a fixed-objective. Internal factors are commonly the strengths and weaknesses, while external factors are the opportunities and threats. Business's strengths are its resources and capabilities that can be used as a basis for developing a competitive advantage.

Furthermore, the offered products or, and services of the business were detailed. For a restaurant it should include a description of the available cuisine. As such, it was hereby relevant to determine what dishes could be offered to customers which were done with the help of the survey that was conducted, in order to understand the consumers needs. Suppliers of food, by preference those located in Toulouse area, were approached to know what ingredients they could provide and for what costs.

To guide the development of the marketing plan, as it was mentioned previously a questionnaire was conducted in order to better understand the consumers behaviours and needs. In fact, the questionnaire was anonymous, composed of 10 questions. It has led to perceive the customers approach on brunch, to highlight the target market, their behaviours and preferences. As so, the questionnaire in overall has reinforced the approach of the strategy which was subsequently developed, in order to reach sustainability and profitability.

Also, the population was researched and analysed, as it provides accurate details of the population demographics in Toulouse, including relevant facts such as population share, wages and their status.

Lastly, the financial documents were the quantitative parts of the business plan which included a part on startup costs and operation costs. The cost of rent, labor, equipment, initial inventory, marketing, advertising, supplies, furniture, and any other related costs, such as bank loans were determined. Information on these costs have been determined thanks to different sources. Most of the information about the products that were needed for start-up were found online. To find a rental space for the business, real-estates in Toulouse were reached out to obtain a commercial rental and all its details about the rent per square foot, and total rent per year, also taking into account any extra-charges. Concerning the labor costs, it was fixed according to minimum wage laws and the hospitality standards in France. The minimum wage cost is available on service-public.fr, in addition, it was decided if employees were contracted full-time or part-time.

7. Market Analysis

7.1 External Analysis

A market analysis is first proceed for Saudade's external environment through a PESTEL Analysis. The PESTEL analysis (Political, Economic, Social, Technology, Environmental and Legal) makes it possible to establish and analyse macro-economic factors that can have an influence, witch can be either positive or negative), on a company's environment. As a result, it is very useful since the results will guide Saudade in its managerial and financial decisions in order to become more competitive and be aware of what it may have to face to enter the market.

7.2 PESTEL Analysis

7.2.1 Political Context

France is one of the most important countries in the Western world, it plays a highly significant role in international affairs. It is a founding member of the United Nations and serves as one of the permanent members of the UN Security Council. Moreover it plays a key role in the European Union as one of the leading member states. (ONU, 2019)

Emmanuel Macron won the 2017 presidential election run-off by a decisive margin over his far-right challenger Marine Le Pen. The following year President Macron saw his popularity fall as he tried to reconstruct the economy which caused major street protests that started in November 2018 with the 'Yellow Vest' protest which this then has taken place every Saturday in big cities in France. It has first started over Macron attempt to wean the public off fossil fuels through price, then against the French government's planned pension reform. Macron's government has come across serious opposition to its actions (BBC, 2019). The French finance ministry has estimated that the impact of the Yellow Vest protests overall could slice 0.2 percent off France's economic growth. (France24, 2019). The Insee statistics office has reported that the number of overnight stays in tourist accommodation across France fell by 2.5% in the first quarter, with the larger Paris Ile-de-France region down 4.8%. (Insee, 2019)

7.2.2 Economic

Economic growth has slowed down after a gradual recovery. Global economic conditions, monetary policy and structural reforms have supported exports and investment in recent years. However, global uncertainties and the effects of social crisis have influenced French activity in 2018. Employment rates remain low and the fiscal situation has not recovered. Real wage growth and productivity gains have not returned to pre-crisis levels, despite a slight rebound in 2017-2018. (OECD, 2019)

The biggest sector of the economy is household consumption with 55 % , followed by government expenditure 24 % and gross fixed capital formation 22%. Exports of goods and services account for 29 % of GDP while imports account for 31 percent. (Trading Economics, 2019)

Following the NDP Group annual report of catering in 2018, the French market has resisted despite an unstable economic and intense context. Indeed, the year 2018 has begun pretty well regarding an economic view point, France's victory for the world cup of soccer has definitely contributed to it. But in November 2018 the populist movement 'yellow vests' started which disrupted big cities in France and for that reason has affected restaurants frequentation. The catering market will end on a total growth of 1%, all channels included and representing 56,1 billion euro spent. (NDP, 2019)

7.2.3 Social Context

France has a total population of 64.1 million. In terms of health, life expectancy at birth in France is a little over 82 years. Education is pretty good since 78% of adults aged 25-64 have completed upper secondary education. While many French citizens enjoy high living standards, France is not without social challenges. The unemployment rate is high 9.1% (OECD,2019).

Industrial strikes, demonstrations, and labor protests are common in France. Furthermore, anti-immigration sentiment is popular inside the French society which rises the far-right political part. (BBC, 2019)

The French are changing their habits and consequently restaurants need to adapt to new trends. Indeed, French tend to go out more for a generous breakfast which allow them to skip lunch and eat a late afternoon snack. To confirm what is being said it has been seen that the frequentation of restaurants at lunch time as declined by 4% during 2018 year. (NDP GROUP, 2018).

7.2.4 Technology Context

France is one of the most technologically advanced countries in the world. The usage rate of the Internet is impressive in France, 88.6% of all households have internet access. (OECD, 2019)

In 2018, 81.7 billion euros of turnover recorded on e-commerce, which corresponds to a 14.3% increase in online transactions compared to 2017. France accounted 37.5 million online shoppers, 93,8% of them are from 25- 34 years old. (Helal, 2018)

Finally, technology is revolutionising the world in general but also the restaurant industry since it allows consumers to find online a restaurant that best suit their wish and as such result it improves their customer experience. Doing an internet search on a restaurant before going there for the first time has become commonplace.

In addition to this, the relationship that customers have with restaurants has also changed. Technology has led to changes in morals and it can be seen with the popularity of delivery applications that exploded in France, as evidenced by the 160 million meals delivered there in 2018. (Bordeaux, 2019). Indeed, delivery food driven by new technologies and applications is a niche sector, which is still growing strongly, more than 20% in visits in 2018, it reflects changes in consumer habits at work and at home. (NDP Group, 2019)

7.2.5 Environmental Context

Nowadays, French people are increasingly giving importance to environmental valuation and protection. There are some environmental challenges that have raised concerns among the French. For example, air pollution is a significant environmental problem in France, so is water pollution. Furthermore, in recent years France faced numerous of food and health scandals making the agri-food sector at the heart of societal debates. On its own, it accounts for one third of greenhouse gas emissions in France. The effects of overproduction, the use of pesticides are factors that have been put forward to denounce the deterioration of the French natural resources, climate change or deterioration in public health.

Adopting a sustainable diet means making the choice to eat good for the planet but also for the benefit health by looking at the origin of the products (local), the conditions of agricultural or livestock production (organic labels, the forms of distribution, biodegradable packaging) and processing or not of the food (presence of additives) that are offered for sale.

French trust brands that embody social and ethical values. 64% of them even consider that they have a role to play in the public debate to participate in societal changes.

At the industrial level, companies are beginning to focus on taking sustainable development into account in their production, processing and distribution methods. Restaurateurs are becoming more aware of the social influence they can have. Indeed, more than half of them consider that they have a share of responsibility for sustainable development and conversely, a majority of French people are willing to pay more to consume a sustainable product (Vinh, 2019). People want healthy food, but with taste and originality, old seeds, old products and recipes such as vegetables, etc, are back in the spotlight with a modern twist. (NDP Group, 2019)

7.2.6 Legal Context

Structural problems, such as a rigid labor market, high unemployment, growing public debt, an unfriendly entrepreneurial environment and a lack of competitiveness had characterised President Hollande's term (2012 – 2017) . Following the election of French President Emmanuel Macron in May 2017, the French government implemented significant labor market and tax reforms. By relaxing the rules on companies to hire and fire employees and by offering investment incentives, Macron has encouraged business confidence in France.

8. Competitor Analysis

A competitor analysis is an essential part of a business plan since it highlights what is already available and gives further information about the market and its consumers. As a result Saudade can adjust the best its strategy depending on the outcomes given.

8.1 Direct Competition

La Fiancée :

La fiancée is one of the few restaurant that serves Brunch all day everyday since 2012, it is the most popular popular in town regarding the reviews it has online. On tripAdvisor out of 547 reviews it holds a final grade of 4.5 out of 5. It has 8,236 likes on Facebook and 8 598 followers on Instagram. La Fiancée is located in the heart of Toulouse, it has a minimalist decoration and a small menu which includes some toasts, pancakes and desserts. Three employees are here to welcome you. It is opened from Monday to Friday from 9.30am to 6 pm and on week-end from 11 am to 6 pm. Every Sunday it has a special brunch for 21,5 € that is announced the week previously on Instagram and Facebook so that people can see what they offer and make a reservation as it is only available through previous reservation. Appart from Sunday brunch, it offers the rest of the days a small variety menu with 6 options, from pancakes, porridge to eggs. They have gluten-free and vegetarian options. Prices are range from 6€ to 15€. Regarding the beverages part it only offers soft-drinks such as juices and smoothies, tea and coffee. They do not offer cocktails or strong-alcohol since they do not have the legal licence for it. They do not offer delivery.

Le Moderni'thé :

Moderni'thé restaurant has opened in 2013, it is a contemporary coffee with visible bricks, offering an à la carte brunch from Wednesday to Saturday from 9:30 am to 4pm, every Sunday it has a special brunch from 11am to 4 pm only available through reservation. Le Moderni'thé is far from the crowds, you can discover it while strolling through the small streets of the city center. On tripAdvisor out of 147 reviews it holds a final grade of 4.5 out of 5. It has 1,782 likes on Facebook and 2 260 followers on Instagram. Every Sunday it has a special brunch for 21€ which includes a hot-drink, one homemade juice, pancakes, eggs, cheese and a salad. The rest of the days it offers an à la carte menu for brunch with 8 options, from pancakes, granola bowls, avocado toast

to eggs. They have gluten-free, vegetarian and vegan options. Prices are range from 6€ to 25€. Regarding the beverages part it is like La fiancée as well it only offers soft-drinks such as juices and smoothies, tea and coffee since they do not have the legal licence for alcohol beverages. One of the characteristics advantage of the restaurant comparing to la Fiancée is that they do offer delivery through Deliveroo App.

Le Café Cerise :

This coffee place is open since 2015, the boss presents his different varieties of coffee as an oenologist would talk about exceptional wines, with passion. This place is specialised in coffee and serves brunch in a refined space in the heart of Toulouse by the river. It is opened from Monday to Friday from 8:30 to 5pm, and on Saturday from 9:30 to 6pm. It closed on Sunday. The place doesn't offer reservation neither delivery. On tripAdvisor out of 105 reviews it holds a final grade of 4.5 out of 5. It has 1,507 likes on Facebook and 2 112 followers on Instagram. It has a specialised menu for brunch on its opening day from 10h30 to 14h, if you take the complete brunch it is 18,50€ with an hot-drink, orange juice, salty place (either grilled cheese, a salad , or a toast and a soup), a vitamin-bowl (Yogurt, fruits and muesli) and for dessert a cookie. If you just take the salty plate it is 13€. They do not offer alcohol options as it focused on coffee.

8.2 Porter's 5 Forces Analysis

Porter's Five forces Model is a market analysis technique that takes into account five dimensions on which the company can act to enhance its competitive advantage and strategy. According to Porter (1982), the surrounding environment of a business has definitely an influence. The fifth dimensions taken into account in Porter's analysis are, competitive rivalry, threat of substitutes, threat of new entries, power of buyers, power of suppliers, which are measured on a three-value scale, from low to medium and high.

8.2.1 Competitive Rivalry (MEDIUM)

After achieving the competitive analysis it can be seen that there are very few direct competitors in Toulouse, as most of restaurants do not serve brunch all day or if they do serve it, it is a completely different vision than what Saudade's aims to offer. Also, none of them serve

alcoholic beverages, on the contrary of Saudade's since it is going to be one of its main focus. Saudade's competitive advantage with these food service establishments is the differentiation that having an extensive food & beverages menu exceed customers needs. Furthermore quality of service, and the welcoming atmosphere will appeal to customers who wish to brunch everyday and not only on Sunday with just few food options. Saudade will be a destination not just a quick stop on the way to somewhere else. For that reason the competitive rivalry is considered to be medium.

8.2.2 Competitive Rivalry Threat of Substitutes (HIGH)

Great importance is given to Saudades's substitutes. The concept of 'threats of substitutes' defines competitive businesses that use alternative processes to offer similar product or services. The higher the value/price ratio of a substitute, the more likely consumers are to buy it and adopt it. The threat of substitutes is linked to the fact that a consumer need' can be satisfied by several solutions, products or services.

There are other food service establishments in Toulouse that serve food and beverages that can substituted what offer Saudade. Also, supermarkets are a huge substitute for the restaurant industry, especially in economically hard times. Since supermarkets run on low profit margins and are always seeking for a way to capture more customers, restaurateurs need to have in mind that increasing prices too much could lead to consumers shifting over to the supermarket where they may be tempted by prepared foods. Since eating out means spending money, in tough times some consumers tend to cut on their eating-out budget. For that reason the threat of substitutes is considered to be high.

8.2.3 Threat of New Entries (MEDIUM)

The threat of potential new entries depends on the barriers and facility to entry into this type of activity. As we have seen in the competitors analysis, brunch restaurants are not yet fully developed and explored in Toulouse, even though it has been seen that brunch is becoming trendy in France. For this reason Saudade's should set up its restaurant as soon as possible so it can gain marketshare to enhance its image and customer-loyalty while other competitors may enter in the market. Furthermore to open a restaurant in France, there are few steps to follow such as getting a permit licence to be able to operate. Also, if you plan to sell alcohol you must obtain another licence.

To conclude, as there are not so many barriers to open a restaurant, it can be concluded that the new entries threat is medium. Saudade will have to always be innovative and give a unique experience to its consumers in order to keep them loyal and attract new customers as well.

8.2.4 Power of Buyers (MEDIUM)

Power of buyers can have a more or less significant influence on both prices and sale's condition. To attract customers and make substantial profits, businesses in hospitality are generally forced to engage in a price-war and review their entire strategy to appeal customers need. Consumers have bargaining power when there are many substitutes and when it is relatively easy for them to switch from one offer to another, due to the low transfer cost.

Furthermore, the hospitality industry is impacted by social media since it gives people the opportunity to generate online reviews about a business as well as it gives potential consumers an opportunity to look up business reviews by other real consumers. Nowadays, more people tend to pay attention to what the customers say about a business on websites like Tripadvisor, Google Reviews, Zoomato rather than trusting commercially driven institutions such as agencies and advertisers.

As a result, social media poses specific implications for the hospitality industry regarding guests, management and its staff since online reviews play a big part in the choice of consumers which can either be a source of competitive advantage or a disadvantage. For these reasons, the power of buyers is considerate medium.

8.2.5 Power of Suppliers : (MEDIUM)

The bargaining power of suppliers corresponds to their ability to influence the company, in terms of price and quality of the products or services they provide. The bargaining power of the supplier is important when, for example, the costs of switching suppliers are high or even prohibitive and when there is no substitute product. To avoid such situation, the best thing to do is to diversify your sources of supply as much as possible and to work with your local suppliers like they are real partners of your business. Thus, the power of suppliers is considerate medium.

9. Internal Analysis

In business there are risks that implicate actions, regardless of the company. The key to success for Saudade is to recognise, identify, and properly address those risks. To do so, a SWOT analysis is conducted to evaluate Saudade's strengths, weaknesses, opportunities and threats listed below.

9.1 SWOT Analysis

In the SWOT analysis, strengths are those potential factors that make a firm more competitive than its direct competitors. Weaknesses are the possible limitations and deficiencies in an organisation and, or weak factors related to direct competitors. Opportunities are expected factors that allow the organisation to enhance its relative competitive position, while threats can reduce its competitive position.

9.1.1 Strengths

The strengths of Saudade come from the combination of different factors. From beverages to brunch options, the menu is diverse in order to appeal everyone's taste and their need such as people with allergens or gluten intolerance as well as including vegetarian and vegan options. Since it has been seen that consumers have preferences for healthier food options, they want to have the possibility to change menu items, which will be the case. Saudade offers the possibility to its customers to create their own brunch instead of a pre-defined brunch menu in order to remain different, competitive and to succeed. Saudade's competitive strategy is extensive menu filled with innovative and exciting food, a focus on brunch & cocktails as it is the identity of the restaurant and a comfortable yet elegant atmosphere. Saudade has been designed to provide a comfortable, inviting place. People can come by not to only enjoy a great meal, but also for a drink in a great atmosphere. Saudade will be the only restaurant in the area that has its focus on brunch everyday and alcoholic beverages, thus will become the place in Toulouse for it. A key to the success of any business is the quality of service provided, Saudade will be a healthy place to work where all employees are experienced with customer service. This quality service provides an enjoyable experience for any customer and will keep them coming back. A branded image will also be designed to provide instant recognition of the business.

9.1.2 Weaknesses

The main weakness of the business results in the fact that this a brand new business and for this reason, unknown at first, but it can be overcome. The key to achieving this is linked with the marketing strategy of Saudade.

A new business must at first build its image and make a good amount of positive information available. Saudade will build its image through social media and other public ads. As a new business, Saudade must also overcome its initial startup costs and limited supply of funds. These will be weaknesses, obstacles to success, during the first year of operations.

9.1.3 Opportunities

There are many opportunities in Toulouse that can make Saudade a successful restaurant. The diverse age groups within the city gives a variety of potential customers. There are also many demographics that exist within these groups, but the most relevant being the student population of Toulouse. (Insee, 2018). Saudade's location is an opportunity itself as both pedestrian and vehicular can pass by the venture, it gives the business constant public exposure. Saudade must always work hard to differentiate itself from other restaurants in order to become a thriving business.

9.1.4 Threats

There are few threats to the success of Saudade, they must all be handled strategically or this business could fail. However it can happen that the business have to face natural or external events which are clearly out of control of the business, like the Corona virus pandemic that the entire world has to combat since mid-march 2020. As a result these different events can impact all businesses of Toulouse. These can be natural disasters such as weather conditions, pandemic, strikes, or terrorist attacks.

10. Objectives of the Plan

Succeeding the market, environment and competitor analysis, it is conceivable to presume that this project has the ability to be successful taking into account the several challenges it has to face. The main objective of the elaboration of this business plan is to develop an affair that can be successful in order to compete in the restaurant and beverage industry, correspondingly to the needs of the customers in Toulouse. But most importantly an affair that can generate benefits.

To do so, Saudade has to adopt a differentiation strategy to remain competitive in the market. One of the keys to success is first, to segment its market in order to correctly attract its future customers.

On an overall level, the following plan should provide information and deep details on the implementation approach. This implementation strategy or marketing plan is done with the goal of obtaining the best results possible with the less associated costs. This plan should serve as the guiding lines for decision making, the settlement of the goals and the needs of planning of the organisation. Last but not least, the objective is to study the economic-financial viability of the defined strategy with the development of sales and cost projections.

On a long-term the main qualitative objectives of Saudade are :

- Be a restaurant known for its unique place, good quality and hospitality
- Exceed customers expectations by the quality of the food and service provided
- Be sustainable and develop partnership with local producers
- Diversity representation and invest in human resources

On a long-term the main quantitative objectives of Saudade are :

- Secure the investments made and make benefits
- Reach 60% of occupancy rate on the first year of business operation
- Reach average growth of occupancy rate of 10% every year making up to 100% on the 5th years of operation

11. Development Strategy

The development strategy of Saudade is directly linked with the targeted segment it will focus on, this is the reason why it is essential to segment the market in order to adapt its strategy, as so targeted customers will have the desire to try out the restaurant. The goal is that the offer provided by Saudade can give its defined target more advantages than rather going to other hospitality places in Toulouse.

To do so, the Segmentation, Targeting and Positioning (STP) model is developed, it is a marketing approach based on these three different steps. It is used to identify your most profitable market segments, and then sell to them successfully with carefully targeted products and marketing. It is beneficial because it allows you to engage with each group better, adapt your messages, and sell more of your product efficiently.

11.1 Segmentation

The hospitality sector in Toulouse offers a different variety of cuisine, which results in an overall market of diverse consumers' segments. As a result, the hospitality market also has multiple options for the differentiated segments. It varies not only by cuisine preferences, but also by demographic, geographic, psychographic and behavioural criteria.

Using available data, the population of Toulouse can be broken down as follows in the table belows:

Table 2. Population in Toulouse by major age groups

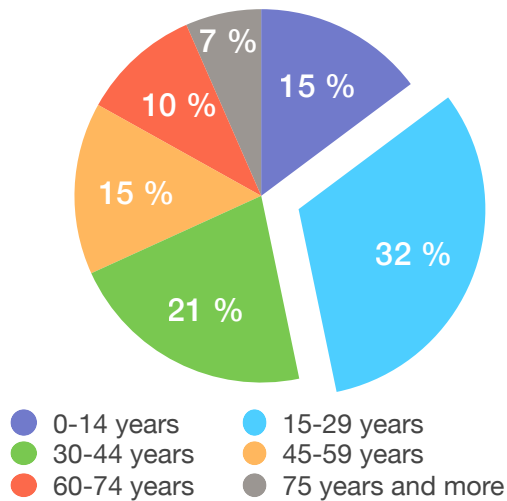
Population in Toulouse by major age groups

ALL IN 2016	475 438
0-14 years	70 278
15-29 years	151 916
30-44 years	102 030
45-59 years	70 849
60-74 years	49 139
75 years and more	31 227

Source: Insee (2019)

11.2 Target

Figure 1. Toulouse age demographics



Source : Insee (2019)

This figure shows that the key target market in Toulouse will be the generation from 15 to 29 years old as it makes up over one-third of Toulouse's population. There are four universities and eighteen institutions of higher learning in Toulouse offering more than 500 Bachelor's and Master's degrees. Toulouse is said to have 15,000 new students every year. The taste of the food and atmosphere of Saudade is meant to appeal to this younger demographic. High school students of the area from 14 to 18 years will also be indirectly marketed to by these same elements, expanding our customer base and increasing revenue.

Table 3. Average net hourly wage € by age in 2016

18-25 years	€9,9
26- 50 years	€14,7
More than 50 years	€19,6

Source : Insee (2019)

The combined age groups of adults from 30 to 44 years and 45 to 59 years working in Toulouse makes up 36% of the population, an even larger proportion than the student age group.

This demographic will be very important in achieving success as there is more disposable income available when compared to the college students, as it can be seen in the table above.

11.3 Positioning

At Saudade everything is done on purpose, always seeking premium quality. From its design and atmosphere, its high quality of food provided and the wide selections of beverages, prices and wider food & beverages options than competitors. The customer service given is one of the top priority of Saudade, this is the reason why staff is highly trained, having fair wage and giving benefits to its staff. Saudade wants to be seen as a unique place in the mind of its customers.

12. Definition of Implementation Policies

12.1 Marketing Mix

Marketing mix is a concept created by McCarthy in 1964, which gathers four aspects, product, price, place and promotion. It allows to develop a strategy to meet the needs of the customers and compete the competitors. As so, it is a combination of all marketing elements in order for companies to achieve goals to reach profit, sales volume, market share, return on investment.

12.1.1 Product

Saudade's product is the combination of goods and services offered to its customers. In business restaurant a product gathers food, beverages and service provided to deliver the food, after the process of getting raw materials and products purchased cooked by professional which will finally be brought to the table of the customer. However, the key is to offer more than just a meal and beverage. Saudade's main goal is to offer a whole customer experience from the moment an individual enters the restaurant's door. Everything has been thought of, its chosen local producers, the quality of food offered, the way it looks when served, the price of every single item. Each customer can adjust and set up their own meal according to what they prefer, as so for those who have some dietary restrictions, there are gluten free, vegetarian and vegan or even diet options.

Not to forget to mention that the atmosphere and environment available in the restaurant itself has been designed to please customers and to make them feel at home.

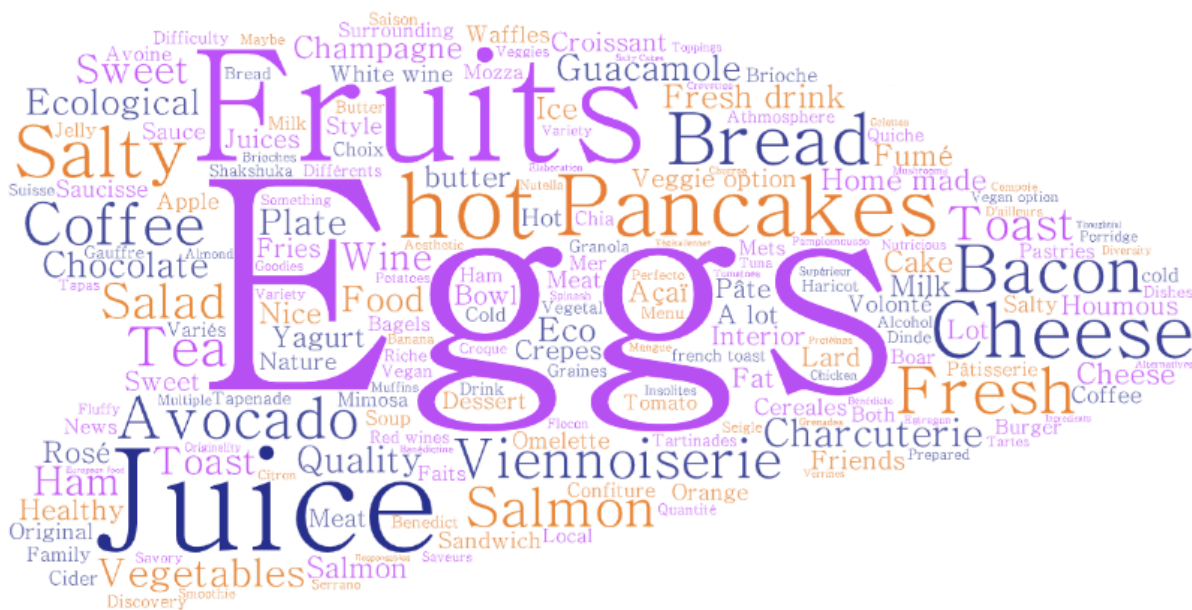
In addition, the staff is highly trained, they know the menu by heart and are able to give recommendation. In fact, service plays a powerful role to save your capital, time and getting return customers. These are the elements that will make Saudade stand out among its competitors. Saudade, as previously mentioned, provides freshly cooked cuisine and a wide selection of beverages with the aims of appealing every customer needs and wishes. Customers have the option to sit and dine inside or on the terrace, while enjoying music and the atmosphere of the place. For those who prefers to simply to pick-up the food, it is possible. The atmosphere is what makes Saudade a place people will want to hang out even when they are not hungry.

Following the questionnaire conducted, Saudade has decided to adjust its offer depending on the day of the week.

As so, on the week days it will offer an à la carte menu and for the week-end Saudade will offer a brunch a volonté as it has been seen from question 7 ('What do you expect from brunch in general?') Which can be found in Appendix 1, out of 202 respondents 57 % rather have an all you can eat buffet, 37 % an à la carte brunch , 6 % answered other, always respecting the dietary restrictions of each customers.

Also, the results of the opened question 8 which was 'what is your ideal brunch?' was analysed through a Wordle analysis. The analysis helped to define and developed the menu and concept that Saudade will provide to meet the expectation of its customers. From the 202 answers obtained, Wordle formed a figure that represents the frequency of words that appear the most in consumers' feedback about their ideal brunch (figure 2).

Figure 2. Word Cloud with Most Frequent Keywords



Source : the Author (2020)

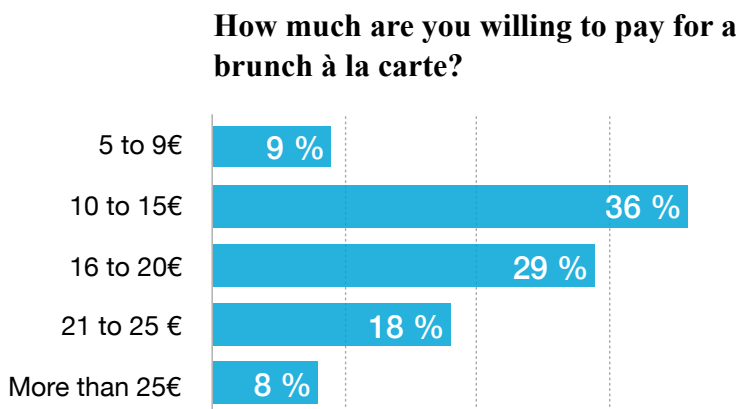
To understand the figure above it is important to accentuate the fact that the size of the words are proportional to the number of times they appear in the total answers obtained. The most frequent words collected from the question what are your ideal brunch are : 'Eggs', 'Fruits', 'Bread,' 'Juice', 'Bacon', ' Fresh' 'Cheese', 'Hot', 'Pancakes', 'Avocado', 'Salmon', 'Viennoiserie,' 'Fresh', 'Quality' and ' Salty. Other words that are also highlighted from respondents feedback and that can be useful are; 'Ecological', ' Heatlty', 'Champagne', 'Rosé', ' Wine', ' Guacamole', ' Friends', ' Family', ' Home made' and ' Veggie Option'.

12.1.2 Price

In the first place it is important to mention that the pricing is a whole strategy. People in general tend to think that the cheaper the menu is, the more customers will come. Even though pricing strategy appears to be competitive, many people are willing to pay extra money to feel the entire experience. In case of services it can be difficult to define the price since it is more qualitative and based on inner experience. As so, in order to provide a service, it is necessary to consider not only the infrastructure and the employees costs, but also the nice atmosphere built up for visitors and the maintenance costs of the beautiful surroundings. In order to set Saudade's food and beverages pricing list, it must be considered the labor, the acquisition cost of the food and beverages raw material, overhead costs, adding a profit margin. The pricing should include what it costs you to produce, market, and cover expenses. It is also necessary to consider what your market will bear. Last but not least, a good menu should be the result of a rational analysis taking into account ingredients that can be optimised in the cooking process but also to avoid food to be wasted.

To support the formulation of the price list of Saudade, the questionnaire was used to understand how much a potential customer would be willing to pay for a brunch à la carte and for a brunch all you can eat and to get an idea of the price range for each offer. For a brunch à la carte as it can be seen in the figure below :

Figure 3. How much are you willing to pay for a brunch à la carte?

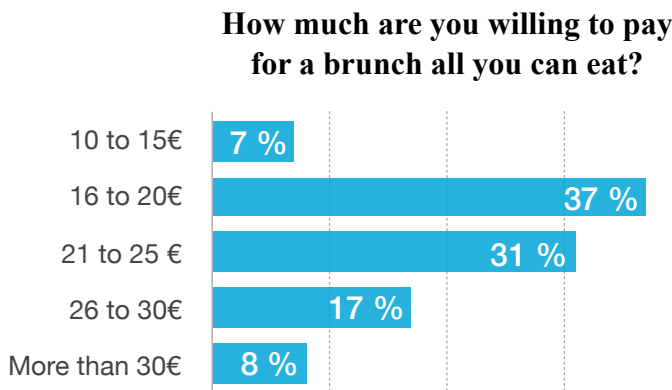


Source : The author (2020)

Out of 202 responses, 36% are willing to pay from to 10- 15 € , 29% from 16-20 €. For those reasons Saudade has set his average restaurant ticket during the week at 15€ including the VAT.

For a brunch all you can eat buffet, as it can be seen in the figure below :

Figure 4. How much are you willing to pay for a brunch all you can eat?



Source: The author (2020)

Out of the 202 answers obtained, Saudade has decided to determined his average ticket for a brunch all you can eat only available on week-end days for 20€ including the VAT. It can be explained by the fact that 37% of the respondents are willing to pay from 16 to 20€ and 31% from 21 to 25€.

For further details about the menu, find the appendix 2.

12.1.3 Promotion

The promotion aspect of marketing mix includes all types of marketing communications. It determines the way a company informs consumers about its products and offers. Saudade has to define the tactics it will use to communicate with customers, it is a very crucial part since it is a way to differentiate itself from the competition and to be popular.

Advertisement can be done through different channels, concerning saudade's it will principally be done over the media since it is the most affordable way. It will set up advertisements mainly on Instagram, Facebook and Google Ad. These channels are popularly used and have useful functions such as targeting ads depending on the age, genders, geography. Additionally business can choose the amount they spend for a promotion, which do not imply high costs so it fits perfectly a start-up business. Saudade will have its page on Google, Instagram, Facebook, TripAdvisor and will have his own website which will display the restaurant novelty, pop-up and menu options. Saudade might also be displayed on food blogs, cuisine magazines if some partnership are to be developed.

There are different kinds of customer, those who try your business because it is in a good location or your type of foods and drinks at that moment meets their needs. Those who try your business thanks to your effective advertising activities and lately those customers who come from a customer's recommendation, from friends or from reviews on media. In any case, it is good because having a first time customer means either you have a good location or you are doing a good job with advertising either having a returning customer means the restaurant has successfully scored a good point to them. One happy and satisfied customer will lead to many other happy ones, as long as your service and quality of food provided remain good.

12.1.4 Place

The place refers to the distribution of the product and all activities which are necessary to do so, therefore it is not just about the physical and distribution channels but about the whole process of bringing the products and service to end customers. This marketing mix aspect is subject for the decisions about the logistics, the intermediaries in the distribution process and the distribution channels. The goal is to put the product in the market. Distribution will be both direct and indirect and online presence is key for selective distribution. First of all Saudade is located in Toulouse, France, 17 rue Riguepels a promising location as we can see in the figure below, since it is downtown Toulouse with a heavily trafficked area, 2 minutes walk from the metro, next to a bus stop, lot of businesses, school and university in the area, also it has a parking right next to it which makes it easy to access, those elements make it possible for Saudade to have direct sales.

Figure 5. Geographic position of Saudade in the City Centre of Toulouse



Source : GoogleMap (2020)

Also, clients can directly book a table through its website or via phone call and emails. Moreover clients have the possibility to use intermediary booking such as Tripadvisor and the Fork. These intermediaries are particularly important for success since they reach a large audience.

As a result of strong competition within the hospitality industry, business restaurants must look for ways to differentiate their place in order to obtain a competitive advantage, this is why Saudade has designed a unique cosmopolitan style and environment inside the restaurant. The restaurant interior will display pictures and music in the air that provide a relaxing atmosphere. Local artists, will be welcome to exhibit their own art, as well as cactus and succulent plants will be available for purchase in the restaurant.

12.2 Technology

The layout of a commercial restaurant kitchen must be well-planned to allow food to come easily from preparation area to the customer's table. One of the biggest investments when opening a restaurant is a kitchen. The kitchen is the heart of your restaurant, where your menu comes to life. It is where food is prepared, cooked to be served. It is also where the dirty dishes are brought, where

food is stored and where all your utensils, dishes, and cooking equipment are housed. As a result, it is extremely important that is being organised. There is a place for everything and everything in its place. In the rental commercial of Saudade, the kitchen is fully equipped even with the HVAC (Heating Ventilation Air Conditioning) system, which includes hoods and fire safety.

12.3 Cleaning

To keep a restaurant clean is truly essential. Nothing will ruin a restaurant's reputation faster than a case of food poisoning. A clean kitchen is crucial for any restaurant. A regular cleaning list ensures that all staff knows what needs to be done during each shift. That is why Saudade has invested in a washer-machine in order to avoid the cost of outsourcing a cleaning company. Saudade is the one that takes care of cleaning its own kitchen hood cleaning, kitchen mats, uniforms and napkins. Regarding the cleaning tasks of the dining area, the staff is held accountable.

12.4 Administrative

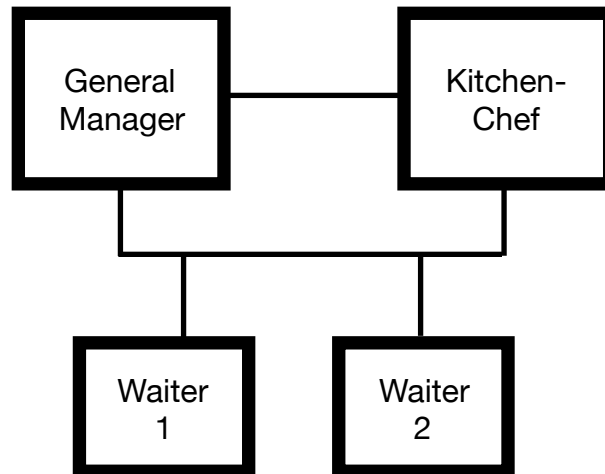
The restaurant needs a cashier with appropriated software that allows to manage order in the restaurant, take-out and delivery orders, to check the inventory and the total hours achieved by the staff. Indeed, with the appropriate software, all transactions appear on the same cash register screen to reduce errors and facilitate day-to-day management. Also, a credit card machine is needed, to take the credit card transactions. Lastly, a computer and printer for the back-office management is required.

12.5 Organisation

As founder of the restaurant Léonie Peters-Desteract will manage all operations and business decisions, from administration, marketing to sales such as approving company's operational process and outsourcing coordination, all hires and day to day finances to ensure that everything works out properly. As it is a start-up, employee costs will be kept to a minimum. Positions to be filled include waiters and chef. An accountant will be hired and work separate from other restaurant employees to help out the owner. All employees will be compensated using hourly rates for their specific job function. Hourly rates will be paid according to French law. Saudade's key element to succeed is to make its employees feels comfortable and well-trained since part of Saudade's success will depend upon the actions taken by its personnel and management.

Furthermore, to avoid employee turnover and retain employees, it is intended to pay a salary above the minimum wage. Employees at Saudade are considerate family and feel at home, they are trained to provide the highest level of customer service to make each customers experience unforgettable.

Figure 6. Organisational chart of Saudade :



Source: the author (2020)

13. Implementation requirements

13.1 Licence

In France, a restaurant or bar licence may not be obtained without first obtaining an operating permit. To obtain this operating permit you will have to carry out a training course which will have a different duration depending on your situation, without ever exceeding 3 days. At the end of its term, you will have the possibility to operate a restaurant or pub licence.

Once you have the operating permit, you must obtain a licence if you plan to sell alcohol. If it is a starting a restaurant and also aims to sell drinks outside meals, it is necessary to obtain a licence for onsite drinks consumption. To obtain the licence and to comply with the regulations, a prior declaration must be made to the town hall, at least 15 days before the opening of the operation. (Service Public, 2019)

For any creation, takeover or transformation of a restaurant, a declaration must be made to the departmental directorate in charge of the protection of populations (DDPP) before the opening of the establishment. This declaration is mandatory to enable the Hygiene and Food Safety Department of the Departmental Directorate for the Protection of Populations (DDPP) to schedule health control visits: the first takes place after the opening of the establishment, and the following controls are scheduled at regular intervals or carried out unexpectedly.

13.2 Hygiene and Safety

In order to guarantee maximum food safety and quality for the consumer, the respect of sanitary rules in restaurant with health rules is strictly regulated by French law and is subject to frequent checks, particularly with regard to microbiological risks, which are sources of food poisoning :

Premises, materials and equipment must respect the following principles according to :

- Following European Regulation No. 178/2002 of 28 January 2002 on the requirements of food law, the European Food Safety Authority, procedures for food safety
- Following European Regulation No. 178/2002 of 28 January 2002 on the requirements of food law, the European Food Safety Authority, procedures for food safety
- European Regulation of 29 April 2004 on the hygiene of foodstuffs , Consumer Code: article L412-1

- Decree No. 2016-1331 of 6 October 2016 on the obligations of companies with regard to changing rooms and catering in the workplace
- Order of 8 October 2013 on the health rules applicable to the retail trade, storage and transport of products and foodstuffs
- Order of 21 December 2009 on sanitary rules in the retail, storage and transport of products of animal origin and foodstuffs containing them.

13.2.1 Premises, materials and equipment

- A separation between dirty work areas (dishwashing, waste bins) and clean areas (processing and storage).
 - Design of the premises in such a way as to facilitate regular maintenance (dry sweeping and washing with plenty of water are prohibited; as dishcloths are a source of contamination, it is preferable to dry in the open air or with disposable paper).
 - Cleaning and disinfection of surfaces in direct contact with food: worktops, cutting boards, utensils, choppers, crockery, etc. (utensils and machines must be filmed or protected at the end of each service).
 - Compulsory use of a grease trap to separate grease and solids from the waste water in order to prevent blockage of the drainage system and the formation of unpleasant odours;
 - Prohibition of porous materials (e.g. raw wood) and use of smooth, non-absorbent, washable and non-toxic waterproof materials, such as stainless steel or enamel (materials bearing the LERPAC or NF food hygiene notice of conformity);
 - Temperature control to avoid breaking the cold chain and to maintain food at the appropriate temperatures, in particular during storage and transport ;
 - ventilation adapted to prevent the flow of forced air from a dirty area to a clean area ;
 - hand wash basin with washing and drying devices (soap dispenser, disposable paper) separate from those dedicated to food.
 - separation of toilet areas from rooms used for the handling or circulation of foodstuffs.
- separation of cleaning and disinfection products from food handling and storage areas.

13.2.2 Staff Hygiene

Anyone working in contact with food must :

- have a high level of personal hygiene;
- wear suitable clothing, reserved for work periods (gloves, hairnet, apron, mask, etc.).

13.2.3 Food storage and preservation

- Raw materials and ingredients stored must be kept under suitable conditions, including airtight packaging, to avoid deterioration or contamination for consumption.
- The cold chain (between 0 and 3°Celsius) must under no circumstances be broken and must be monitored continuously. Operators must have suitable premises of sufficient size for the separate storage of raw materials and processed products and must have sufficient refrigerated storage space.
- The hot chain must also be respected: food must be rapidly heated to a temperature above 63°Celsius and kept there.
- The thermal descent must be as fast as possible to reach the cold storage temperature (3°Celsius).
- Foodstuffs stored or served at low temperatures must be refrigerated as soon as possible.
- Packaging materials must not be a source of contamination.

14. Financial Evaluation

This following chapter examines the financial viability for the investment of this business plan. A financial evaluation of five-year projection (2022-2027) was created by the author. The financial evaluation is conducted in order to examine if the proposed business is profitably suitable to be developed. The analysis is made on assumptions from several data of the hospitality industry. The projected revenue is done based on average ticket prices of food and beverages consumed. Next an evaluation of capital, investment needed, and a income statement and finally a balance sheet.

14.1 Assumptions

The general assumptions are the following ones: the growth of occupancy rate is expected of 10% per year, with an assumption of 60% occupancy rate on the first year. As so, 70% occupancy rate on the second year, 80% occupancy on the third year, 90% occupancy rate on the fourth year and finally reach 100% occupancy rate on the fifth year.

14.2 Investment

The following table shows all the investments necessary for the opening of the restaurant. For the intangible assets, the creation of the brand includes the sign and communication elements of Saudade. For the tangible fixed assets the heaviest investment is the crockery and the kitchen needs.

Table 4. Investment for Saudade restaurant

Investment	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
Immobilisation incorporelles					
Intangible assets	€ 8 600				
Deposit (1 month rent loyer)	€ 2 100				
Notary and lawyer fees	€ 1 500				
Creation of the brand	€ 5 000				
Immobilisations corporelles					
Tangible fixed assets	€ 6 144				
Crockery and kitchen needs	€ 2 812				
Kitchen clothes	€ 750				
Washing machine	€ 666				
Television	€ 416				
Computer & Printer	€ 1 500				
Total Fixed Assets	€ 14 744				

Source : the author (2020)

14.3 Financing and Bank Loan

As it can be seen in the table 5 below, the capital contributions of saoudade is set up to be 10 000 euros, a bank loan of 10 000 euros from the French bank so called Société General is made.

Table 5. Financing

Financing	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
Apports en capital.					
Capital contributions	10 000	-	-	-	-
Emprunt					
Loan	10 000	-	-	-	-
Total Financing	20 000	-	-	-	-

Source : the author (2020)

The bank loan has been negotiate, the rate of interest is 2% and finally the repayment of the loan is over a period of 5 years. For more further details, check appendix 3.

Table 6. Details of loan repayments

Details of loan repayments :

Loan repayments	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	
Capital remboursé capital returned	1 920,91		1 959,68	1 999,22	2 039,58	2 080,62
Charges d'intérêts/. interest expenses	182,45		143,68	104,14	63,78	22,74
Echéances d'emprunts Loan maturities	2 103,36		2 103,36	2 103,36	2 103,36	2 103,36
Capital restant dû Remaining capital due	8079,1		6119,42	4120,19	2080,6	-

Source : the author (2020)

14.4 Sales forecast

To understand the prediction of the 60 month sales forecast, as shown in the table below, it is necessary to remind that the restaurant has a total capacity of 38 seats. The restaurant is scheduled to have two shifts a day, making it a total capacity of 76 seats of occupancy per day. The author has developed different average tickets based on weekdays and weekends taking into account the production and operational costs which can be found in the appendix 4.

As so, firstly the average food ticket for the weekdays is set up to be 15€ per consumer while the average food ticket for the weekends is set up to be 20€. Secondly, since the restaurant is also developed as a bar, an average drink was developed to be differentiate from the average food ticket. As a result, an average drink ticket for the weekdays is set up to be 5€ per consumer while the average drink ticket for the weekends is set up to be 10€. Lastly, the projected revenue is calculated from the working days scheduled for the restaurant. For further details, please check Appendix 5.

Table 7. Sales forecast

Sales forecast	2022-2023	%	2023-2024	%	2024-2025	%	2025-2026	%	2026-2027	%
Food	237 576	60	277 438	70	314 336	80	353 628	90	392 920	100
Beverages	94 848	60	110 922	70	125 856	80	141 588	90	157 320	100
Total sales	332 424	60	388 360	70	440 192	80	495 216	90	550 240	100

Source : the author, 2020

14.5 Expected External Charges Expenses :

Regarding the expected external charges, the different values are annually predicted over the five years, taking into account the French annual average inflation rate which is estimated to be around 2%.

The inflation rate for the rent is not taking into consideration since it is a five-year fixed contract. The training row as shown below in the table n is a mandatory charge and must be done every two years.

Table 8. Expected external charges

Expected external charges					
Les charges externes. external charges	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
Electricity	€ 3 229	€ 3 294	€ 3 359	€ 3 427	€ 3 495
Maintenance Products	€ 1 200	€ 1 224	€ 1 248	€ 1 273	€ 1 299
Rent (including water)	€ 25 200	€ 25 200	€ 25 200	€ 25 200	€ 25 200
Telecommunication costs	€ 350	€ 357	€ 364	€ 371	€ 379
Maintenance Building	€ 1 900	€ 1 938	€ 1 977	€ 2 016	€ 2 057
Postal fees	€ 300	€ 306	€ 312	€ 318	€ 325
Insurance	€ 2 387	€ 2 435	€ 2 483	€ 2 533	€ 2 584
Banking Services	€ 500	€ 500	€ 500	€ 500	€ 500
Cash register & software	€ 948	€ 948	€ 948	€ 948	€ 948
Marketing & communication	€ 1 000	€ 1 020	€ 1 040	€ 1 061	€ 1 082
Training	€ 590	€ -	€ 590	€ -	€ 590
Total External charges :	€ 37 604	€ 37 221	€ 38 023	€ 37 648	€ 38 458

Source : the author (2020)

14.6 Staff remuneration costs

This sub-chapter describes the staff remuneration costs. There are different aspects that must be explained. First, the wages depend on the function of the employee. These costs were calculated according to the hospitality habits, therefore, after the first year, it is expected that all employees have a 5% annual salary increase as seen in the table 9, below.

Table 9. Annual Staff Remuneration

Annual Staff Remuneration											
Staff	2022-2023	%	2023-2024	%	2024-2025	%	2025-2026	%	2026-2027	social security charges	employer's social security contributions
Chef	29 400	5%	30 870	5%	32 414	5%	34 035	5%	35 737	27%	33%
Waiter	12 300	5%	12 915	5%	13 561	5%	14 239	5%	14 951	27%	33%
Waiter	12 300	5%	12 915	5%	13 561	5%	14 239	5%	14 951	27%	33%
Manager	29 400	5%	30 870	5%	32 414	5%	34 035	5%	35 737	27%	33%

Source: the author (2020)

The table 10 below details the gross salary of all employees including the annual costs of the 33 % tax of employer social security charges which enable to have the final amount of total salaries expenses per year.

Table 10. Annual details of gross salaries and social security charges

Details of gross salaries and social security charges					
Gross Salaries	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
Chef	29 400	30 870	32 414	34 035	35 737
Waiter	12 300	12 915	13 561	14 239	14 951
Waiter	12 300	12 915	13 561	14 239	14 951
Manager	29 400	30 870	32 414	34 035	35 737
Total Staff	83 400	87 570	91 950	96 548	101 376
Social Security Charges	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
Chef	9 702	10 187	10 697	11 232	11 793
Waiter	9 702	10 187	10 697	11 232	11 793
Waiter	4 059	4 262	4 475	4 699	4 934
Manager	9 702	10 187	10 697	11 232	11 793
Total Staff	33 165	34 823	36 565	38 394	40 313
Total Salaries Expenses	116 565	122 393	128 515	134 942	141 689

Source : the author (2020)

14.7 Profit and Loss statement

Table 11. Profit & loss statement

Income statement/ Profit & loss statement									
Profit & loss statement	2022-2023	%	2023-2024	%	2024-2025	%	2025-2026	%	2026-2027
Turnover	€ 332 424		€ 388 360		€ 440 192		€ 495 216		€ 550 240
Purchases of materials	€ 74 772	10%	€ 82 249	10%	€ 90 474	10%	€ 99 521	10%	€ 109 474
external charges	€ 37 604	1%	€ 37 221	1%	€ 38 023	1%	€ 37 648	1%	€ 38 458
Taxes and duties	€ 551	3%	€ 1 579	3%	€ 1 608	3%	€ 1 638	3%	€ 1 670
Gross Salaries (Employees)	€ 83 400	5%	€ 87 570	5%	€ 91 950	5%	€ 96 548	5%	€ 101 376
Social security charges (Employees)	€ 33 165	5%	€ 34 823	5%	€ 36 565	5%	€ 38 394	5%	€ 40 313
Staff expenses	€ 116 565	5%	€ 122 393	5%	€ 128 515	5%	€ 134 942	5%	€ 141 689
Depreciation and amortization`	€ 2 445		€ 2 445		€ 2 445		€ 2 445		€ 2 445
Total operating expenses	€ 231 937	1%	€ 245 887	1%	€ 261 065	1%	€ 276 194	1%	€ 293 737
Operating income	€ 100 487	1%	€ 142 473	1%	€ 179 127	1%	€ 219 022	1%	€ 256 503
interest charges loan	€ 182		€ 144		€ 104		€ 64		€ 23
Financial result	-€ 182		-€ 144		-€ 104		-€ 64		-€ 23
current income	€ 100 305		€ 142 329		€ 179 023		€ 218 958		€ 256 480
Income tax	28%		28%		28%		28%		28%
Result for the year	€ 28 085	€ -	€ 39 852	€ -	€ 50 127	€ -	€ 61 308	€ -	€ 71 814

Source : the Author (2020)

The profit and loss statement gives a depth analysis of Saudade's revenues, expenses, profits, and losses over the period of time 2022-2027. It enables to endorse the opportunity and the business strategy over the period of time scheduled. As seen in the table 11 above, the profit and loss statement highlights the capacity of Saudade to generate sales, manage expenses, and profits. The numbers described all the assumptions gathered from the market analysis and marketing plan among other data.

From the very first year a profit of 28 085€ is expected, it can be mainly explained by the fact that Saudade did not need a large investment, as it does not own the walls of the premises since it is a rental and not a purchase.

14.8 Balance Sheet

Table 12. Balance sheet

BALANCE SHEET					
	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
Intangible assets					
Notary and lawyer fees	€ 1 500	€ 1 500	€ 1 500	€ 1 500	€ 1 500
Creation of the brand	€ 5 000	€ 5 000	€ 5 000	€ 5 000	€ 5 000
Depreciation	-€ 1 300	-€ 2 600	-€ 3 900	-€ 5 200	-€ 6 500
Net	€ 5 200	€ 3 900	€ 2 600	€ 1 300	€ -
Tangible fixed assets					
Crockery and kitchen needs	€ 2 812	€ 2 812	€ 2 812	€ 2 812	€ 2 812
Kitchen clothes	€ 750	€ 750	€ 750	€ 750	€ 750
Washing machine	€ 666	€ 666	€ 666	€ 666	€ 666
Television	€ 416	€ 416	€ 416	€ 416	€ 416
Computer & Printer	€ 1 500	€ 1 500	€ 1 500	€ 1 500	€ 1 500
Depreciation	-€ 1 229	-€ 2 458	-€ 3 686	-€ 4 915	-€ 6 144
Net	€ 4 915	€ 3 686	€ 2 458	€ 1 229	€ -
Deposit (1 month rent loyer)	€ 2 100	€ 2 100	€ 2 100	€ 2 100	€ 2 100
Cash & Banks	€ 33 949	€ 74 370	€ 125 027	€ 186 824	€ 259 087
TOTAL ASSETS	€ 46 164	€ 84 057	€ 132 184	€ 191 453	€ 261 187
Capital	€ 10 000	€ 10 000	€ 10 000	€ 10 000	€ 10 000
Net Income	€ 28 085	€ 39 852	€ 50 127	€ 61 308	€ 71 814
Retained earning	€ -	€ 28 085	€ 67 937	€ 118 064	€ 179 372
Emprunt	€8 079	€6 119	€4 120	€2 081	€0
Total Equitv + Liabilities	€46 164	€84 057	€132 184	€191 453	€261 187

Source : The author (2020)

As seen in table 11, from the very first year, assets and liabilities are expected to increase due to higher cash assets.

14.9 Financial Evaluation Conclusion

Table 13. Net Present Value

	cash flow	Equity	Debt	WACC	re	risk-free	market premium	"unlevered" beta	levered beta	rd	income tax	NPV
year 0	-14 774											-14 774
year 1	30 530	0,83	0,17	0,07	0,08	0,00	0,082	0,86	1,01	0,02	0,28	28 571
year 2	42 297	0,93	0,07	0,07	0,08	0,00	0,082	0,86	0,92	0,02	0,28	36 929
year 3	52 572	0,95	0,05	0,07	0,07	0,00	0,082	0,86	0,90	0,02	0,28	42 864
year 4	63 753	0,99	0,01	0,07	0,07	0,00	0,082	0,86	0,87	0,02	0,28	48 542
year 5	74 259	1,00	0,00	0,07	0,07	0,00	0,082	0,86	0,86	0,02	0,28	52 817
												194 949

Source: The author (2020)

The financial valuation of the business was conducted using the discounted cash flows method, one of the most used approaches in entrepreneurial finance. Yearly cash flows were calculated by adding to the yearly net profit the yearly depreciation. The cost of debt was calculated based on the interest rate for the loan used in the business plan, which comes from the best quotation obtained from a market consultation.

The cost of equity was calculated according to CAPM. To do that, the risk-free chosen was the cost of the French sovereign debt, the market risk premium was taken from the French stock exchange and the equity beta was taken from the European dataset of the Restaurant/dining industry.

The equity beta used was the levered beta which was then levered a second time based on debt level of the business. This was done given the need to add an additional spread to non-listed companies when using listed-companies parameters as a benchmark to non-listed securities.

All the equity-related parameters were taken from Damadoran's website. Because the risk-free rate was negative (-0,46), a 0% rate was used to avoid potential biases. The value reached was € 194.949 which conducts to an acceptance of the project. Because the continuation value of the firm based on a perpetuity of year 5 cash flow with a growth rate to cover for inflation would only increase the positive net present value of the business, and also because the company has no debt at the end of analysis period, this value was not calculated.

15. Conclusion

This business plan has enabled to develop the implementation of all the fundamental requirements for setting up a business, in this case, a restaurant. Through this paper, it has been possible to investigate several different matters in further details. As so, the study allows to gain a general understanding of the hospitality industry and its latests trends which consequently gives a better vision of the project.

Following the competitor analysis which compared all the local competition in Toulouse, a SWOT analysis was developed. Afterward, the development strategy and marketing mix analysis were advanced. Lastly, the author gathered all essential startup costs and generated a 60 month sales forecast to produce the necessary data to create an income statement and balance sheet.

After reviewing all the completed studies, it can be concluded that the business plan is critical to the success of the business. It is very beneficial in getting the business started, understanding the external environment of the business and, in addition it allows to find the potential customer base. Still, the financial analysis at the end of the project is without a doubt the crucial point when opening a business. A financial analysis highlights what a business can expect to gain or lose. As seen in the financial projection, Saudade succeeded to make profits from the very first year of operations, making it a viable project.

New businesses are always delicate. Being successful involves innovation and in this particular case, a market that is potentially enthusiastic toward brunch restaurant. While it is likely that other restaurant may try to follow this concept, as it has not been done yet, Saudade expects to be the market leader. Obviously, Saudade will be constantly controlling the market and be ready to make any necessary changes to best meet the markets needs and expectations.

The objective is to develop a positive notoriety that customers associate with quality, service, in order to build loyalty.

Even though this business plan is somewhat an academic duty, the goal is to bring this plan to reality. For the author, it has been for long, a strong inspiration to open a restaurant and finding an opportunity such as this one, with an innovative idea, localisation, target market, and undeveloped niche is unique. Therefore, the main goal is to make Saudade viable and secure financing.

As conclusion, it can be said that Saudade has a legitimate chance to succeed, especially in Toulouse, since there is currently no real competitor such as Saudade's concept.

16. Bibliography

- Alonso, A. D., & O'Neill, M. A. (2010). Consumers' ideal eating out experience as it refers to restaurant style: A case study. *Journal of Retail & Leisure Property*, 9(4), 263–276. doi: 10.1057/rlp.2010.9
- Ashness, D., & Lashley, C. (1995). Empowering service workers at Harvester Restaurants. *Personnel Review*, 24(8), 17–32. doi: 10.1108/004834895101475655.
- Barringer, B., & Ireland, R. D. (2016). *Entrepreneurship: Successfully Launching New Ventures*. Upper Saddle River, NJ: Person Prentice Hall
- Connolly, D. J., & Olsen, M. D. (2001). An Environmental Assessment of How Technology is Reshaping the Hospitality Industry. *Tourism and Hospitality Research*, 3(1), 73–93. doi: 10.1177/146735840100300107
- Dixit, S., Jyoti Badgaiyan, A., & Khare, A. (2019). An integrated model for predicting consumer's intention to write online reviews. *Journal of Retailing and Consumer Services*, 46(November), 112–120. <https://doi.org/10.1016/j.jretconser.2017.10.001>
- Hope, T. E. (1975). Lexical Borrowing in the Romance Languages: A Critical Study of Italianisms in French and Gallicisms in Italian from 1100 to 1900. *Language*, 51(4), 962. doi: 10.2307/412703
- Jang, Y. J., Kim, W. G., & Bonn, M. A. (2011). Generation Y consumers' selection attributes and behavioral intentions concerning green restaurants. *International Journal of Hospitality Management*, 30(4), 803–811. doi: 10.1016/j.ijhm.2010.12.012
- Jeong, E., & Jang, S. (S. (2011). Restaurant experiences triggering positive electronic word-of-mouth (eWOM) motivations. *International Journal of Hospitality Management*, 30(2), 356–366. doi: 10.1016/j.ijhm.2010.08.005

- Kim, E. E. K., Mattila, A. S., & Baloglu, S. (2011). Effects of Gender and Expertise on Consumers' Motivation to Read Online Hotel Reviews. *Cornell Hospitality Quarterly*, 52(4), 399–406. doi: 10.1177/1938965510394357
- Kotler, P. (1973). Marketing Management: Analysis, Planning and Control. *Journal of Marketing*, 37(1), 110. doi: 10.2307/1250783
- Lashley, C. (2000) In search of hospitality: towards a theoretical framework. *International Journal of Hospitality Management* 19(1), 3-15.
- Lashley, C. and Morrison, A. (2000) In Search of Hospitality: Theoretical Perspectives and Debates. Oxford: Butterworth Heinemann.2001. 300 pp., ISBN: ISBN: 0 7506 5431 7. *International Journal of Contemporary Hospitality Management*, 14(2), 98–100. doi: 10.1108/ijchm.2002.14.2.98.1
- Lander, N. (2018). On the Menu: The World's Favorite Piece of Paper. London: Random House UK.
- Law, R., Leung, R., & Buhalis, D. (2009). Information technology applications in hospitality and tourism: A review of publications from 2005 to 2007. *In Journal of Travel and Tourism Marketing*. <https://doi.org/10.1080/10548400903163160>
- Lee, N., & Kotler, P. (2016). Social Marketing: Changing Behaviors for Good. (S. Publications, Ed., 5th ed.). United States of America.
- Mangold, W. G., & Faulds, D. J. (2009). Social media: The new hybrid element of the promotion mix. *Business Horizons*. <https://doi.org/10.1016/j.bushor.2009.03.002>
- Molz, J. G., & Gibson, S. (2012). Mobilizing Hospitality: The ethics of social relations in a mobile world. Aldershot: Ashgate.

Namkung, Y., & Jang, S. C. (Shawn). (2010). Effects of perceived service fairness on emotions, and behavioral intentions in restaurants. *European Journal of Marketing*. <https://doi.org/10.1108/03090561011062826>

Needles, A., & Thompson, G. (2013). Social Media Use in the Restaurant Industry: A Work in Progress. *Center for Hospitality Research Publications*, 13(7), 6–16. <http://scholarship.sha.cornell.edu/chrpubs/101>

Parasuraman, L., Zeithaml, V. (1988). SERQUAL: A Multiple-Item scale for Measuring Consumer Perceptions of Service Quality. *In Journal of Retailing*. [https://doi.org/10.1016/S0148-2963\(99\)00084-3](https://doi.org/10.1016/S0148-2963(99)00084-3)

Parsa, H. G., Self, J., Sydnor-Busso, S., & Yoon, H. J. (2011). Why Restaurants Fail? Part II - The Impact of Affiliation, Location, and Size on Restaurant Failures: Results from a Survival Analysis. *Journal of Foodservice Business Research*. <https://doi.org/10.1080/15378020.2011.625824>

Pavesic, D. (2012). Setting the Table: The Transforming Power of the Hospitality Business , by Danny Meyer . *Journal of Culinary Science & Technology*. <https://doi.org/10.1080/15428052.2012.706147>

Porter, M. E., & Leo, J. (1982). Competitive strategy: Techniques for analysing industries and competitors Porter, Michael E. Free Press (Macmillan), New York, 396 pages, \$17.95. *In Industrial Marketing Management*. [https://doi.org/10.1016/0019-8501\(82\)90025-6](https://doi.org/10.1016/0019-8501(82)90025-6)

Qin, H., & Prybutok, V. R. (2009). Service quality, customer satisfaction, and behavioral intentions in fast-food restaurants. *International Journal of Quality and Service Sciences*. <https://doi.org/10.1108/17566690910945886>

Ramón, S. (2018) . Le brunch et son réseau d'anglicismes : étude sur un corpus spécifique. *Revista de Lenguas para Fines Específicos* 24.1 (2018), pp. 123-141 <http://dx.doi.org/10.20420/rlfe.2018.225> ISSN: 2340-8561

Sahadev, S., & Islam, N. (2005). Why hotels adopt ICTs: A study on the ICT adoption propensity of hotels in Thailand. *International Journal of Contemporary Hospitality Management*. <https://doi.org/10.1108/09596110510604814>

Smith, K. T. (2011). Digital marketing strategies that Millennials find appealing, motivating, or just annoying. *Journal of Strategic Marketing*. <https://doi.org/10.1080/0965254X.2011.581383>

Weber, J. (2017). Discovering the Millennials' Personal Values Orientation: A Comparison to Two Managerial Populations. *Journal of Business Ethics*, 143(3), 517–529. <https://doi.org/10.1007/s10551-015-2803-1>

Wyckoff, D. D. (2001). A Cornell quarterly classic new tools for achieving service quality. *Cornell Hotel and Restaurant Administration Quarterly*. [https://doi.org/10.1016/S0010-8804\(01\)80042-2](https://doi.org/10.1016/S0010-8804(01)80042-2)

Zhang, Z., Ye, Q., Law, R., & Li, Y. (2010). The impact of e-word-of-mouth on the online popularity of restaurants: A comparison of consumer reviews and editor reviews. *International Journal of Hospitality Management*. <https://doi.org/10.1016/j.ijhm.2010.02.002>

Electronic documents :

Bender, J. F. (2016). What Is Important to Know to Be a Restaurant Accountant? Retrieved November 15, 2019, from <http://smallbusiness.chron.com/important-restaurant-accountant-19056.html>

Bilan de la restauration hors domicile en 2018. (2019). Retrieved December 2019, from <https://www.npdgroup.fr/wps/portal/npd/fr/actu/communiqués-de-presse/bilan-de-la-restauration-hors-domicile-en-2018-le-marche-resiste--malgre-un-contexte-perturbe-le-secteur-finit-l-annee-dans-le-vert-avec-une-croissance-de-1-en-valeur/>

Bordeaux, N. (2019). Opinion: La livraison à domicile, un nouveau champ de croissance pour la restauration. Retrieved November 2019, from <https://www.lesechos.fr/idees-debats/cercle/opinion-la-livraison-a-domicile-un-nouveau-champ-de-croissance-pour-la-restauration-964118>

Dossier complet Commune de Toulouse (31555) INSEE. (2019) <https://www.insee.fr/fr/statistiques/2011101?geo=COM-31555>

Flynn, M. (2016). How to engage both millennials and boomers. Restaurant Hospitality. Retrieved from <http://www.restaurant-hospitality.com/marketing/howengage-both-millennials-and-boomers>

France - OECD Data. (2019). Retrieved December 2019, from <https://data.oecd.org/france.htm#profile-innovationandtechnology>

France's role at the United Nations. (2019). Retrieved November 2019, from <https://onu.delegfrance.org/France-s-role-at-the-United-Nations-10352>

France country profile. (2018). Retrieved December 20, 2019, from <https://www.bbc.co.uk/news/world-europe-17298730>

Fultz, P., & Rampoldt, J. (2016). KPMG. An appetite for change. Retrieved from <https://advisory.kpmg.us/articles/2017/an-appetite-for-change.html>

Helal, B. B. (2020). 8 Chiffres Clés À Connaître Sur Le E-commerce En France En 2018. Retrieved February 5, 2020, from <https://www.forbes.fr/business/8-chiffres-cles-a-connaître-sur-le-e-commerce-en-france-en-2018/?cn-reloaded=1>

Je m'informe sur les statuts juridiques. (2018). Retrieved November 2019, from <https://www.impots.gouv.fr/portail/professionnel/je-minforme-sur-les-statuts-juridiques>

O.E.C.D.E. (2019). Economic Survey of France, Retrieved February 5, 2020, <https://www.oecd.org/economy/france-economic-snapshot/>

Ouvrir un restaurant - professionnels | service-public.fr. (n.d.). Retrieved 2019, from <https://www.service-public.fr/professionnels-entreprises/vosdroits/F33794>

Quel statut fiscal pour la SAS ? . Retrieved February 15, 2020, from <https://www.entreprises.cci-paris-idf.fr/web/reglementation/creation-entreprise/sas/quel-statut-fiscal-pour-la-sas>

Recovery from the coronavirus crisis must lead to a better world Secretary-General.(2020). Retrieved April 28, 2020, from <https://www.un.org/sg/en/content/sg/articles/2020-04-02/recovery-the-coronavirus-crisis-must-lead-better-world>

Règles d'hygiène dans la restauration et les commerces alimentaires. Retrieved February 2020, from <https://www.service-public.fr/professionnels-entreprises/vosdroits/F32189>

Vinh, C. (2019). Comment être un restaurant responsable et durable ? Retrieved October 2019, from <https://malou.io/comment-devenir-restaurant-responsable-durable-environnement/>

24, F. R. A. N. C. E. (2019). France's tourism sector takes a hit from Yellow Vest violence. Retrieved October 10, 2019, from <https://www.france24.com/en/20190318-france-yellow-vest-protests-tourism-economy>

17. Appendices

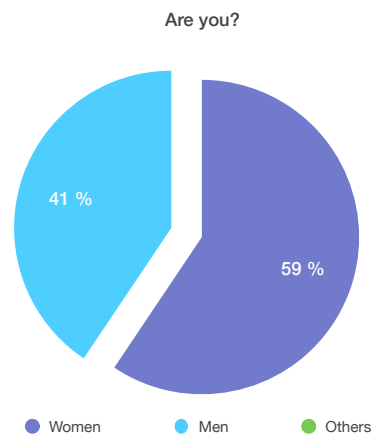
Appendix 1. Questionnaire and answers

Sex

202 RESPONSES

Are You?

Are You?	
PARTICIPANT	202
Women	120
Men	82
Others	0

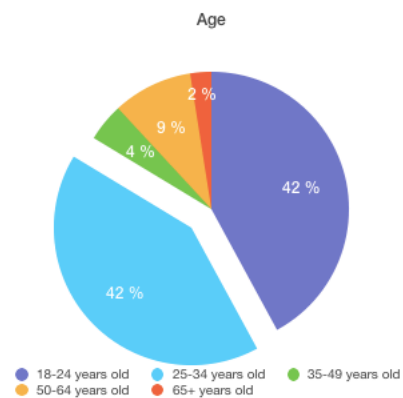


Age

202 RESPONSES

Age

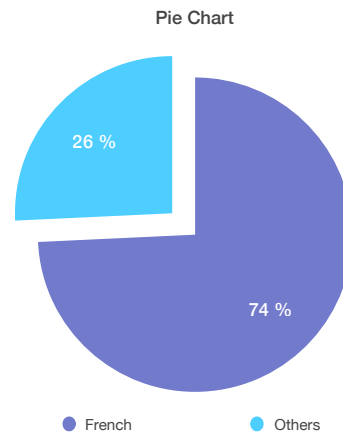
Age	
PARTICIPANT	202
18-24 years old	85
25-34 years old	84
35-49 years old	9
50-64 years old	19
65+ years old	5



Nationality

202 RESPONSES

Nationality	
PARTICIPANT	202
French	150
Others	52

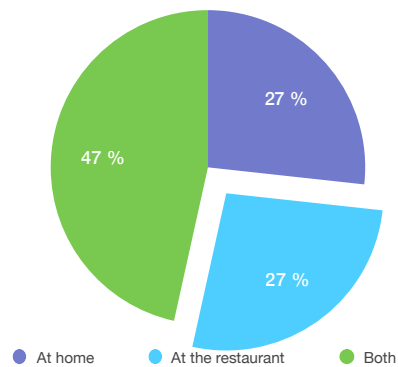


You tend to Brunch at home, restaurant or both?

202 RESPONSES

You tend to Brunch at home, restaurant or both?	
PARTICIPANT	202
At home	54
At the restaurant	54
Both	94

You tend to Brunch at home, restaurant or both?

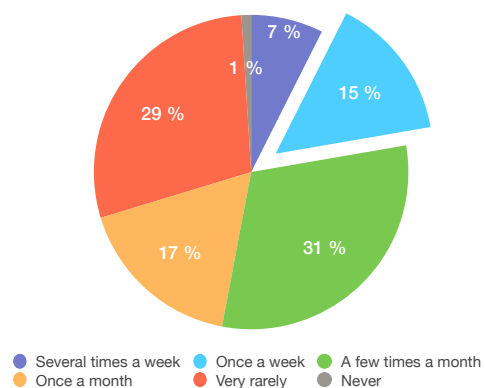


How often do you brunch?

202 RESPONSES

How often do you brunch?	
PARTICIPANT	202
Several times a week	15
Once a week	30
A few times a month	62
Once a month	35
Very rarely	58
Never	2

How often do you brunch?



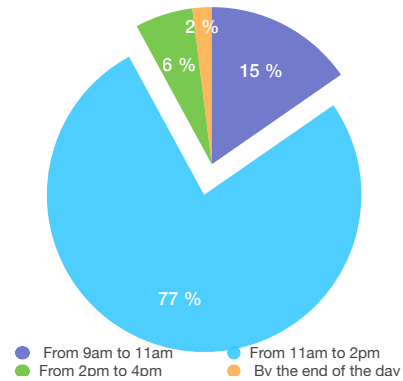
At what time of the day do you usually brunch?

202 RESPONSES

At what time of the day do you usually brunch?

PARTICIPANT	202
From 9am to 11am	31
From 11am to 2pm	155
From 2pm to 4pm	12
By the end of the day	4

At what time of the day do you usually brunch?



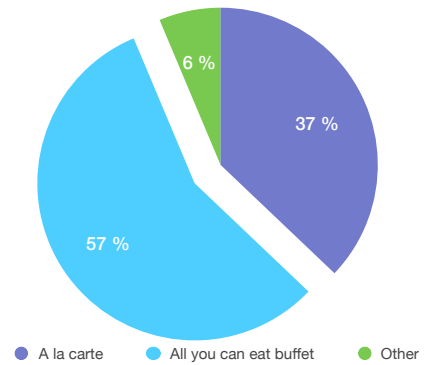
What do you expect from brunch in general?

202 RESPONSES

At what time of the day do you usually brunch?

PARTICIPANT	202
A la carte	82
All you can eat buffet	125
Other	14

At what time of the day do you usually brunch?



What is your ideal brunch? (Wordle analysis)

202 RESPONSES

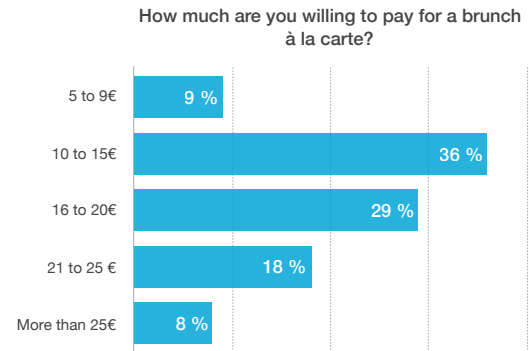


How much are you willing to pay for a brunch à la carte?

202 RESPONSES

How much are you willing to pay for a brunch à la carte?

PARTICIPANT	202
5 to 9€	9 %
10 to 15€	36 %
16 to 20€	29 %
21 to 25 €	18 %
More than 25€	8 %

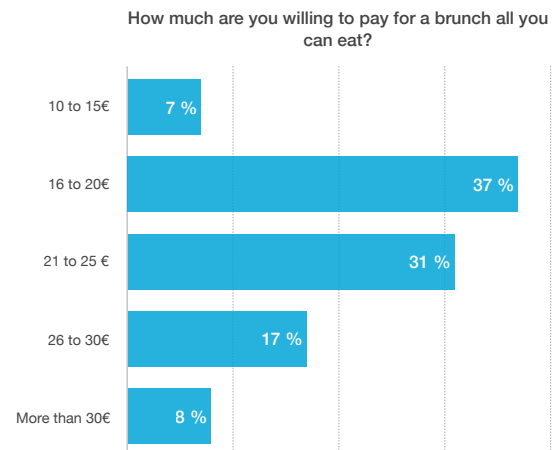


How much are you willing to pay for a brunch all you can eat

202 RESPONSES

How much are you willing to pay for a brunch all you can eat?

PARTICIPANT	202
10 to 15€	7 %
16 to 20€	37 %
21 to 25 €	31 %
26 to 30€	17 %
More than 30€	8 %



Appendix 2. Food and Drinks menu of Saudade

WORLD CLASSIC BREAKFAST

BREAKFAST OF THE COUNTRY OF THE MONTH	15
ENGLISH BREAKFAST : FRANKFURTER SAUSAGES, CRISPY BACON, FRIED EGG WITH BAKED BEANS IN A TOMATO SAUCE AND A MIX OF FRIED POTATOES, ONION, MUSHROOMS AND CHERRY TOMATOES	8
SPANISH BREAKFAST : FRITTATA, SPANISH STYLE OMELETTE WITH ONIONS, POTATOES, RED PEPPERS, GARLIC AND HERBS SERVED WITH ROCKET LEAVES, RED ONION AND BRUSCHETTA	8
SALTY FRENCH BREAKFAST : CROQUE-MADAME CLASSIC FRENCH GRILLED SANDWICH MADE OF BRIOCHE BREAD WITH BÉCHAMEL SAUCE, HAM, EMENTAL CHEESE, FRIED EGG AND A SALAD	8
MEXICAN BREAKFAST : BREAKFAST BURRITO, WHITE FLOUR TORTILLA WRAP FILLED WITH CHIPOTLE SOUR CREAM, SALSA, GUACAMOLE, A TWO EGG OMELETTE, BLACK- BEANS AND LETTUCE	8,5
NORWEGIAN BAGEL : SMOKED-SALMON, CREAM CHEESE, AVOCADO, POTATOES SALAD	8
NEW-YORK BAGEL XXL : PASTRAMI, AMERICAN MUSTARD, PICKLE, ROMAIN SALAD, POTATOES	8
MIDDLE-EAST BREAKFAST : A STEAMY HOT CASSEROLE OF TOMATOES, ONIONS, RED-BELL PEPPERS AND TWO EGGS, TAHINI, EGGPLANT SPREAD AND BREAD	8
THE CAESAR SALAD : LETTUCE, KALE, BRIOCHE CROUTONS, ANCHOVIES, CHICKEN, CHERRY TOMATOES, PARMESAN, CAESAR DRESSING AND A FRIED EGG ON THE TOP	8

AVOCADO TOAST : SUNFLOWERS SEEDS, BASIL, LIME, SMOKED SALMON AND A POACHED EGG **8**

MAKE YOUR OWN BREAKFAST / SIDE

CHARCUTERIE	5	VEGETABLE OF THE SEASON	3
GUACAMOLE	3	CREAM-CHEESE	1
BACON	2	EGGS	1
SMOKED-SALMON	2	HUMMUS	3
TOFU	2	BREAD-BASKET	2
HOMEMADE FRIES	2	FRUITS OF THE SEASON	3
SWEET POTATOES	2	AÇAÍ	4
ORGANIC 2 EGGS (ALL STYLE)	2		

FROM THE BAKERY

COOKIE	2
MUFFIN	2
BROWNIE	1
BANANA BREAD	1
CARROT CAKE	2
CROISSANT	1
PAIN AU CHOCOLAT	1
TOAST : WHITE, WHOLE WHEAT, SOURDOUGH, SEVEN- GRAIN, GLUTEN-FREE	1
BAGEL	1
BAGUETTE	1
ORIGINAL PANCAKES	2
DARK CHOCOLATE PANCAKES	2
SEASONAL FRUITS PANCAKES	3
FRIED EGGS PANCAKES	3

ORGANIC FRUITS BOWL (OF SEASON) : YOGURT, HOMEMADE GRANOLA, MIXED SEASONAL FRUITS **5**

MUESLI : HOMEMADE GRANOLA SERVED WITH YOGURT, HONEY AND SEASONAL FRUITS **4**

Saudade

DRINK

ESPRESSO	1
CORTADO	1
CAPPUCCINO	1,5
ICED-LATTE	1,5
MACCHIATO	1,5
ICED-AMERICANO	1,5

SUPPLEMENT MILK

MILK	0,50
MILK WITHOUT LACTOSE	0,50
COCONUT MILK	0,50
OAT MILK	0,50
RICE MILK	0,50
SOYA MILK	0,50

FRESH MINT TEA	3
HEALTH TEA (LEMON, GINGER TEA)	3
BRITISH TEA	2
TEA SELECTION OF THE MONTH	3
DETOX OF THE DAY	3

FRESH ORANGE JUICE	3
HOMEMADE LEMONADE WITH MINT	3
BREAKFAST SMOOTHIE (YOGURT, GRANOLA, BANANA, DATE SYROP)	4

ALCOOL

COCKTAIL OF THE DAY	5
GIN TONIC, CUCUMBER AND LEMON	5
BLOODY MARY, PICKLE JUICE, CELERY SALT AND OTHER	5
MOJITO	7
APPLE CIDER, 33CL	4
LOCAL BOUTIQUE BEER, 33 CL	5
CORONA 33CL	4
SUPERBOCK 33CL	2

GIN	4
VODKA	4
TEQUILA	4
WHISKY	4
RHUM	4
RICARD	4

VIN ROSÉ	4
VIN BLANC	4
VIN ROUGE	4
CHAMPAGNE	10

SOFT

MINERAL WATER	2
SAN PELLEGRINO	2
SPRITE	2
COCA-COCA (ZERO, LIGHT , NORMAL)	2
ICE-TEA	2
SCHWEPPES	2
JUICES (APPLE, TOMATES, ...)	2

Saudade

Source : The author (2020)

Appendix 3. Loan payment

Maturity	Capital at the beginning	Versements/ payments	Interest	Amortization	Capital at the end
1	10000	175,28	16,67	158,61	9841,39
2	9841,39	175,28	16,4	158,88	9682,51
3	9682,51	175,28	16,14	159,14	9523,37
4	9523,37	175,28	15,87	159,41	9363,96
5	9363,96	175,28	15,61	159,67	9204,29
6	9204,29	175,28	15,34	159,94	9044,35
7	9044,35	175,28	15,07	160,21	8884,14
8	8884,14	175,28	14,81	160,47	8723,67
9	8723,67	175,28	14,54	160,74	8562,93
10	8562,93	175,28	14,27	161,01	8401,92
11	8401,92	175,28	14	161,28	8240,64
12	8240,64	175,28	13,73	161,55	8079,1
13	8079,1	175,28	13,47	161,81	7917,28
14	7917,28	175,28	13,2	162,08	7755,2
15	7755,2	175,28	12,93	162,35	7592,84
16	7592,84	175,28	12,65	162,63	7430,22
17	7430,22	175,28	12,38	162,9	7267,32
18	7267,32	175,28	12,11	163,17	7104,15
19	7104,15	175,28	11,84	163,44	6940,71
20	6940,71	175,28	11,57	163,71	6777
21	6777	175,28	11,29	163,99	6613,01
22	6613,01	175,28	11,02	164,26	6448,76
23	6448,76	175,28	10,75	164,53	6284,22
24	6284,22	175,28	10,47	164,81	6119,42
25	6119,42	175,28	10,2	165,08	5954,34
26	5954,34	175,28	9,92	165,36	5788,98
27	5788,98	175,28	9,65	165,63	5623,35
28	5623,35	175,28	9,37	165,91	5457,44
29	5457,44	175,28	9,1	166,18	5291,26
30	5291,26	175,28	8,82	166,46	5124,8
31	5124,8	175,28	8,54	166,74	4958,06
32	4958,06	175,28	8,26	167,02	4791,04
33	4791,04	175,28	7,99	167,29	4623,75
34	4623,75	175,28	7,71	167,57	4456,17
35	4456,17	175,28	7,43	167,85	4288,32
36	4288,32	175,28	7,15	168,13	4120,19
37	4120,19	175,28	6,87	168,41	3951,77
38	3951,77	175,28	6,59	168,69	3783,08
39	3783,08	175,28	6,31	168,97	3614,1
40	3614,1	175,28	6,02	169,26	3444,85
41	3444,85	175,28	5,74	169,54	3275,31
42	3275,31	175,28	5,46	169,82	3105,49
43	3105,49	175,28	5,18	170,1	2935,38
44	2935,38	175,28	4,89	170,39	2765
45	2765	175,28	4,61	170,67	2594,33
46	2594,33	175,28	4,32	170,96	2423,37
47	2423,37	175,28	4,04	171,24	2252,13
48	2252,13	175,28	3,75	171,53	2080,6
49	2080,6	175,28	3,47	171,81	1908,79
50	1908,79	175,28	3,18	172,1	1736,69
51	1736,69	175,28	2,89	172,39	1564,3
52	1564,3	175,28	2,61	172,67	1391,63
53	1391,63	175,28	2,32	172,96	1218,67
54	1218,67	175,28	2,03	173,25	1045,42
55	1045,42	175,28	1,74	173,54	871,88
56	871,88	175,28	1,45	173,83	698,06
57	698,06	175,28	1,16	174,12	523,94
58	523,94	175,28	0,87	174,41	349,53
59	349,53	175,28	0,58	174,7	174,84
60	174,84	175,28	0,44	174,84	0
TOTAL		10516,8	516,8	10000	

Source : the author (2020)

Appendix 4. Main courses cost recipes

English Breakfast Cost										
FAMILY	SUB-FAMILY	Ingredients	type	Pack Size (Grams/ml/unit)	Pack cost in euros without taxes	Price per gram/ml	amount used (grams/ml)	Cost for recipe	Number of portions	cost for portion
Food	Meat	Sausages	unit	18,00	€7,99	€0,444	1	€0,44	1	€0,44
Food	Meat	Bacon	unit	60,00	€12,59	€0,210	2	€0,42	1	€0,42
Food	Dairy	Eggs	unit	90,00	€15,29	€0,170	1	€0,17	1	€0,17
Food	Canned vegetables	Baked-beans	grams	415,00	€1,05	€0,003	100	€0,25	1	€0,25
Food	Vegetables	Tomato	grams	6 000,00	€17,94	€0,003	50	€0,15	1	€0,15
Food	Vegetables	Mushrooms	grams	3 000,00	€8,97	€0,003	100	€0,30	1	€0,30
Food	Fruits/Vegetables	Salad side	unit	1,00	€0,93	€0,930	1	€0,93	1	€0,93
Food	Bakery	white toast	grams	500,00	€1,00	€0,002	100	€0,20	1	€0,20
€2,96										
Spanish breakfast cost										
FAMILY	SUB-FAMILY	Ingredients	type	Pack Size (Grams/ml/unit)	Pack cost in euros without taxes	Price per gram/ml	amount used (grams/ml)	Cost for recipe	Number of portions	cost for portion
Food	Dairy	Eggs	unit	90	€15,29	€0,170	5	€0,85	6	€0,14
Food	Vegetables	Potato	grams	10 000,00	€5,90	€0,001	300	€0,18	6	€0,03
Food	Vegetables	Dignon	grams	1 000,00	€0,99	€0,001	100	€0,10	6	€0,02
Food	Vegetables	Tomato	grams	6 000,00	€17,94	€0,003	200	€0,60	6	€0,10
Food	Spice	pepper	grams	1 000,00	€9,44	€0,009	0,36	€0,00	6	€0,00
Food	oil	Olive oil	ml	5 000,00	€26,55	€0,005	10	€0,05	6	€0,01
Food	Spice	Sea salt	grams	5 000,00	€3,85	€0,001	0,36	€0,00	6	€0,00
Food	Vegetables	Garlic	grams	5 000,00	€24,95	€0,005	10	€0,05	6	€0,01
Food	Vegetables	rocket leaves	grams	1 000,00	€6,49	€0,006	70	€0,45	6	€0,08
Food	Vegetables	Red oignon	grams	1 000,00	€1,99	€0,002	30	€0,06	1	€0,06
Food	Fruits/Vegetables	Salad side	unit	1,00	€0,93	€0,930	1	€0,93	1	€0,93
Food	Fruits/Vegetables	Salad side	unit	1,00	€0,93	€0,930	1	€0,93	1	€0,93
Food	Bakery	white toast	grams	500,00	€1,00	€0,002	100	€0,20	1	€0,20
€2,56										
Salty French Breakfast Cost										
FAMILY	SUB-FAMILY	Ingredients	type	Pack Size (Grams/ml/unit)	Pack cost in euros without taxes	Price per gram/ml	amount used (grams/ml)	Cost for recipe	Number of portions	cost for portion
Food	Bakery	white toast	grams	500,00	€1,00	€0,002	560	€1,12	8	€0,14
Food	cheese	Grated emmental	grams	1 000,00	€5,29	€0,0053	100	€0,53	8	€0,07
Food	Dairy	Unsalted butter	grams	500,00	€2,70	€0,0054	40	€0,22	8	€0,03
Food	Grocery	Flour t55	grams	6 000,00	€3,48	€0,0006	40	€0,02	8	€0,00
Food	Dairy	Milk	ml	1 000,00	€0,67	€0,0007	500	€0,34	8	€0,04
Food	Spice	Ground nutmeg	grams	500,00	€11,75	€0,0235	5	€0,12	8	€0,01
Food	Spice	pepper	grams	1 000,00	€9,44	€0,0094	0,36	€0,00	8	€0,00
Food	Spice	Sea salt	grams	5 000,00	€3,85	€0,0008	0,36	€0,00	8	€0,00
Food	Vegetables	Salad	unit	1,00	€0,89	€0,8900	1	€0,89	4	€0,22
Food	Dairy	Eggs	unit	90,00	€15,29	€0,1699	1	€0,17	1	€0,17
Food	meat	ham	grams	500,00	€6,99	€0,0140	200	€2,80	8	€0,35
Food	Fruits/Vegetables	Salad side	unit	1,00	€0,93	€0,9300	1	€0,93	1	€0,93
€7,13										
€1,86										
Mexican Breakfast Cost										
FAMILY	SUB-FAMILY	Ingredients	type	Pack Size (Grams/ml/unit)	Pack cost in euros without taxes	Price per gram/ml	amount used (grams/ml)	Cost for recipe	Number of portions	cost for portion
Food	Bakery	Tortilla	grams	740,00	€2,43	€0,003	60	€0,20	1	€0,20
Food	Canned vegetables	Black beans	grams	4 000,00	€4,51	€0,001	44,51	€0,06	1	€0,06
Food	Dairy	Eggs	unit	90,00	€15,29	€0,170	2	€0,34	1	€0,34
Food	dairy	Fresh cream	grams	450,00	€1,59	€0,004	10	€0,04	1	€0,04
Food	Fruits/Vegetables	Salad	Unit	1,00	€0,89	€0,890	0,2	€0,18	1	€0,18
Food	Home made	Guacamole	grams	57,00	€0,90	€0,016	57	€0,90	1	€0,90
Food	Home made	Salsa sauce	grams	450,00	€1,47	€0,003	112,5	€0,37	1	€0,37
Food	Fruits/Vegetables	Salad side	unit	1,00	€0,93	€0,930	1	€0,93	1	€0,93
€3,00										
Middle- East breakfast										
FAMILY	SUB-FAMILY	Ingredients	type	Pack Size (Grams/ml/unit)	Pack cost in euros without taxes	Price per gram/ml	amount used (grams/ml)	Cost for recipe	Number of portions	cost for portion
Food	Dairy	Eggs	unit	90	€15,29	€0,170	8	€1,36	4	€0,3398
Food	Vegetables	Oignon	grams	1 000,00	€0,99	€0,001	100	€0,10	6	€0,0165
Food	Vegetables	Tomato	grams	6 000,00	€17,94	€0,003	800	€2,39	6	€0,3987
Food	Spice	pepper	grams	1 000,00	€9,44	€0,009	0,36	€0,0006	6	€0,0006
Food	oil	Olive oil	ml	5 000,00	€26,55	€0,005	20	€0,11	6	€0,0177
Food	Spice	Sea salt	grams	5 000,00	€3,85	€0,001	6	€0,00	6	€0,0008
Food	Vegetables	Garlic	grams	5 000,00	€24,95	€0,005	80	€0,40	6	€0,0665
Food	Spice	Ground cumin	grams	400,00	€4,70	€0,012	5	€0,06	6	€0,0098
Food	Vegetable	Tomato paste	grams	900,00	€3,09	€0,003	10	€0,03	6	€0,0057
Food	Fruits/Vegetables	Salad side	unit	1,00	€0,93	€0,930	1	€0,93	1	€0,9300
Food	Fruits/Vegetables	Red pepper	grams	1 200,00	€6,59	€0,005	300	€1,65	6	€0,2746
Food	Bakery	white toast	grams	500,00	€1,00	€0,002	100	€0,20	1	€0,2000
€7,23										
€2,26										
New York Bagel Cost										
FAMILY	SUB-FAMILY	Ingredients	type	Pack Size (Grams/ml/unit)	Pack cost in euros without taxes	Price per gram/ml	amount used (grams/ml)	Cost for recipe	Number of portions	cost for portion
Food	Bakery	Sesame Bagel	unit	4,00	€1,79	€0,448	1	€0,45	1	€0,45
Food	Sauce	American mustard	grams	2 900,00	€10,25	€0,004	60	€0,21	1	€0,21
Food	Fruits/Vegetables	Salad	Unit	1,00	€0,89	€0,890	0,17	€0,15	1	€0,15
Food	Vegetable	ciclé	grams	400,00	€1,94	€0,005	10	€0,05	1	€0,05
Food	Fruits/Vegetables	Salad side	unit	1,00	€0,93	€0,930	1	€0,93	1	€0,93
€1,79										
€1,79										
Caesar Salad Cost										
FAMILY	SUB-FAMILY	Ingredients	type	Pack Size (Grams/ml/unit)	Pack cost in euros without taxes	Price per gram/ml	amount used (grams/ml)	Cost for recipe	Number of portions	cost for portion
Food	Fruits/Vegetables	Salad	Unit	1,00	€0,89	€0,890	1	€0,89	2	€0,45
Food	Home made	salad sauce	grams	106,44	€0,43	€0,004	106,44	€0,43	4	€0,11
Food	cheese	parmesan	grams	250,00	€6,35	€0,025	15	€0,38	2	€0,19
Food	Fruits/Vegetables	kale	grams	2 000,00	€1,79	€0,001	300	€0,27	2	€0,13
Food	fish	anchovy	grams	1 000,00	€11,43	€0,011	15	€0,17	2	€0,09
Food	Fruits/Vegetables	Tomato cherry	grams	250,00	€1,69	€0,007	60	€0,41	2	€0,20
Food	meat	chicken	grams	1 500,00	€7,49	€0,005	220	€1,10	2	€0,55
Food	Dairy	Eggs	unit	90	€15,29	€0,170	1	€0,17	1	€0,17
Food	bakery	croutons	grams	320,00	€2,93	€0,009	15	€0,14	2	€0,07
€1,32										
€1,85										
Avocado Toast										
FAMILY	SUB-FAMILY	Ingredients	type	Pack Size (Grams/ml/unit)	Pack cost in euros without taxes	Price per gram/ml	amount used (grams/ml)	Cost for recipe	Number of portions	cost for portion
Food	Dairy	Eggs	unit	90	€15,29	€0,170	1	€0,17	1	€0,17
Food	Fruits/Vegetables	Salad side	unit	1,00	€0,93	€0,930	1	€0,93	1	€0,93
Food	Bakery	Whole wheat toast	grams	600,00	€1,91	€0,003	100	€0,32	1	€0,32
Food	Home made	Guacamole	grams	57,00	€0,90	€0,016	57	€0,90	1	€0,90
Food	Seed	sunflowers seeds	grams	1 000,00	€4,12	€0,004	5	€0,02	1	€0,02
Food	Fruits/Vegetables	Basil	grams	30,00	€0,99	€0,033	5	€0,17	1	€0,17
Food	Fish	Smoked-salmon	grams	200,00	€5,69	€0,028	20	€0,57	1	€0,57
€3,07										
€3,07										
Norwegian Bagel Cost										
FAMILY	SUB-FAMILY	Ingredients	type	Pack Size (Grams/ml/unit)	Pack cost in euros without taxes	Price per gram/ml	amount used (grams/ml)	Cost for recipe	Number of portions	cost for portion
Food	Bakery	Sesame Bagel	unit	4,00	€1,79	€0,448	1	€0,45	1	€0,45
Food	Fish	Smoked-salmon	grams	200,00	€5,69	€0,028	20	€0,57	1	€0,57
Food	Fruits/Vegetables	Cucumber	grams	300,00	€0,99	€0,003	84	€0,28	1	€0,28
Food	cheese	Cream cheese	grams	1 650,00	€17,28	€0,010	20	€0,21	1	€0,21
Food	Spice	Sea salt	grams	5 000,00	€3,85	€0,001	5	€0,00	1	€0,00
Food	Fruits/Vegetables	rocket leaves	grams	1 000,00	€6,49	€0,006	16,5	€0,11	1	€0,11
Food	Oil	Olive oil	ml	5 000,00	€26,55	€0,005	10	€0,05	1	€0,05
Food	Spice	pepper	grams	1 000,00	€9,44	€0,009	5	€0,05	1	€0,05
Food	Fruits/Vegetables	Salad side	unit	1,00	€0,93	€0,930	1	€0,93	1	€0,93
€2,64										

Source : the author (2020)

Appendix 5. Sales of food & beverages per yer

2022		
	DAILY RESULTS	YEAR RESULT
FOOD WEEK DAYS		
45,6	€684	€143 640
DRINKS WEEK DAYS		
	€228	€47 880
FOOD WEEK-END 20e		
	€912	€93 936
DRINK WEEKEND		
	€456	€46 968
TOTAL		€332 424

2023		
	DAILY RESULTS	YEAR RESULT
FOOD WEEK DAYS		
53,2	€798,00	€166 782,00
DRINKS WEEK DAYS		
	€ 266,00	€ 55 594,00
FOOD WEEK-END		
	€1 064,00	€110 656,00
DRINK WEEKEND		
	€532,00	€55 328,00
TOTAL		€388 360,00

2024		
	DAILY RESULTS	YEAR RESULT
FOOD WEEK DAYS		
60,8	€912,00	€187 872,00
DRINKS WEEK DAYS		
	€ 304,00	€ 62 624,00
FOOD WEEK-END		
	€1 216,00	€126 464,00
DRINK WEEKEND		
	€608,00	€63 232,00
TOTAL		€440 192,00

2025		
	DAILY RESULTS	YEAR RESULTS
FOOD WEEK DAYS		
68,4	€1 026,00	€211 356,00
DRINKS WEEK DAYS		
	€ 342,00	€ 70 452,00
FOOD WEEK-END		
	€1 368,00	€142 272,00
DRINK WEEKEND		
	€684,00	€71 136,00
TOTAL		€495 216,00

2026		
	DAILY RESULTS	YEAR RESULT
FOOD WEEK DAYS		
76	€1 140,00	€234 840,00
DRINKS WEEK DAYS		
	€ 380,00	€ 78 280,00
FOOD WEEK-END		
	€1 520,00	€158 080,00
DRINK WEEKEND		
	€760,00	€79 040,00
TOTAL		€550 240,00

Source : the author (2020)

Appendix 6. Main courses cost including the 10% taxes and margin

WORLD CLASSIC BREAKFAST	prix achat HT	TVA achat	Prix vente HT	TVA vente/10%	PRIX vente Ttc	marge
English breakfast	€2,86		€0,29	€7,15	€0,72	€7,87 60%
Spanish breakfast	€2,50		€0,25	€6,25	€0,63	€6,88 60%
Salty french breakfast	€1,96		€0,20	€4,90	€0,49	€5,39 60%
Mexican breakfast	€3,00		€0,30	€7,50	€0,75	€8,25 60%
Norwegian breakfast	€2,64		€0,26	€6,60	€0,66	€7,26 60%
New-York bagel	€1,79		€0,18	€4,48	€0,45	€4,92 60%
Middle-East Breakfast	€2,29		€0,23	€5,73	€0,57	€6,30 60%
The caesar salad	€1,95		€0,20	€4,88	€0,49	€5,36 60%
Avocado toast	€3,07		€0,31	€7,68	€0,77	€8,44 60%

Source : the Author (2020)

Appendix 7. Soft drinks cost including the 10% taxes and margin

produit	prix achat HT	TVA achat	Prix vente HT	TVA vente	PRIX vente Ttc	marge
DRINKS: soft				10%		
coca-cola	€0,69		€0,07	€1,73	€0,17	€1,90 60%
coca-cola zero	€0,67		€0,07	€1,68	€0,17	€1,84 60%
sprite	€0,38		€0,04	€0,95	€0,10	€1,05 60%
Ice-tea lemon	€0,46		€0,05	€1,15	€0,12	€1,27 60%
Ice-tea peach	€0,40		€0,04	€1,00	€0,10	€1,10 60%
schweppes lemon	€0,69		€0,07	€1,73	€0,17	€1,90 60%
apple juice	€0,47		€0,05	€1,18	€0,12	€1,29 60%
DRINKS: Smoothies & homemade juices	prix achat HT	TVA achat	Prix vente HT	TVA vente/10%	PRIX vente Ttc	marge
Fresh orange juice	€0,72		€0,07	€1,80	€0,18	€1,98 60%
Homemade lemonade with mint	€0,13		€0,01	€0,33	€0,03	€0,36 60%
Breakfast smoothie	€1,45		€0,15	€3,63	€0,36	€3,99 60%
DRINKS: Tea	prix achat HT	TVA achat	Prix vente HT	TVA vente/10%	PRIX vente Ttc	marge
Fresh mint tea	€0,56		€0,06	€1,40	€0,14	€1,54 60%
Health tea	€0,70		€0,07	€1,75	€0,18	€1,93 60%
British tea	€0,56		€0,06	€1,40	€0,14	€1,54 60%
DRINKS: Milk supplement	prix achat HT	TVA achat	Prix vente HT	TVA vente/10%	PRIX vente Ttc	marge
Milk	€0,50		€0,05	€1,25	€0,13	€1,38 60%
Milk without lactose	€0,50		€0,05	€1,25	€0,13	€1,38 60%
Coconut milk	€0,50		€0,05	€1,25	€0,13	€1,38 60%
Rice milk	€0,50		€0,05	€1,25	€0,13	€1,38 60%
Soya Milk	€0,50		€0,05	€1,25	€0,13	€1,38 60%
Almond milk	€0,50		€0,05	€1,25	€0,13	€1,38 60%
DRINKS: COFFEE	prix achat HT	TVA achat	Prix vente HT	TVA vente/10%	PRIX vente Ttc	marge
Espresso	€0,32		€0,03	€0,80	€0,08	€0,88 60%
Cappuccino	€0,38		€0,04	€0,95	€0,10	€1,05 60%
Iced-Latte	€0,36		€0,04	€0,90	€0,09	€0,99 60%
Iced-American	€0,36		€0,04	€0,90	€0,09	€0,99 60%

Source : the Author (2020)

Appendix 8. Alcoholic drinks cost including the 20% taxes and margin

DRINKS: Wines and Champagne	prix achat HT	TVA achat	Prix vente HT	TVA vente/ 20%	PRIX vente Ttc	marge
Rosé côte de provence 75cl	€5,49		€1,10	€13,73	€2,75	€16,47 60%
White côte de provence 75cl	€5,49		€1,10	€13,73	€2,75	€16,47 60%
Red bordeaux pavillon royal 75cl	€2,49		€0,50	€6,23	€1,25	€7,47 60%
Champagne	€30,47		€6,09	€76,18	€15,24	€91,41 60%
DRINKS: Alcohol	prix achat HT	TVA achat	Prix vente HT	TVA vente/ 20%	PRIX vente Ttc	marge
Gin bombay sapphire 6cl	€1,32		€0,26	€3,30	€0,66	€3,96 60%
Vodka absolut 6cl	€1,15		€0,23	€2,88	€0,58	€3,45 60%
Tequila Patron 6cl	€3,34		€0,67	€8,35	€1,67	€10 60%
Whisky Monkey shoulder 6cl	€1,52		€0,30	€3,80	€0,76	€4,56 60%
Whisky jack daniels 6cl	€1,29		€0,26	€3,23	€0,65	€3,87 60%
Rhum captain	€0,81		€0,16	€2,03	€0,41	€2,43 60%
Rhum havana club 6cl	€0,97		€0,19	€2,43	€0,49	€2,91 60%
Ricard 6cl	€0,87		€0,17	€2,18	€0,44	€2,61 60%
Pastis 6cl	€0,80		€0,16	€2,00	€0,40	€2,40 60%
DRINKS: Cocktails & beers	prix achat HT	TVA achat	Prix vente HT	TVA vente/ 20%	PRIX vente Ttc	marge
Cocktail of the day	€1,50		€0,30	€3,75	€0,75	€4,50 60%
Gin tonic	€0,96		€0,19	€2,40	€0,48	€2,88 60%
Bloody mary	€1,41		€0,28	€3,53	€0,71	€4,23 60%
Mojito	€2,16		€0,43	€5,40	€1,08	€6,48 60%
Desperado 33cl	€1,29		€0,26	€3,23	€0,65	€3,87 60%
Local boutique beer, 33 cl	€1,70		€0,34	€4,25	€0,85	€5,10 60%
Corona 33cl	€1,08		€0,22	€2,70	€0,54	€3,24 60%
Superbock 33cl	€0,59		€0,12	€1,48	€0,30	€1,77 60%

Source : the Author (2020)