

# LOUDY SKY PAVILION SEAFOOD BUFFET RESTAURANT

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## ABSTRACT

The catering industry ushered in the era of "cross-border development", which accelerated the reshuffle and transformation of the catering industry. Chen Xinhua, president of China Hotel Association, said that the catering industry in the future is not as simple as traditional eating and drinking, but more likely to be a platform industry with basic functions of catering services+theme culture+consumption experience. Cross border cooperation and development will become the practice of peers, which will drive a new round of transformation of the catering industry. In 2021, the national catering revenue will total 4689.5 billion yuan, an increase of 18.6%; Catering revenue of units above designated size was 1043.4 billion yuan, up 23.5% year on year. In general, the development of the national catering industry will recover to a certain extent in 2021. Through the break-even analysis and cash flow chart in 2023, the project will be profitable when sales reach 8.76 million, and the projected revenue in 2023 is 10.62 million yuan, which is much larger than the break-even point of 8.76 million. The project's five-year average annual profit is 4,543,800 yuan, with a return on investment of 43.27%.

## executive summary

The strategic layout of pavilion seafood buffet restaurant is a cross-border player in the buffet industry, which mainly includes the basic functions of the buffet+theme culture+immersive experience We hope to show the characteristics of each city as much as possible. What we need to do is to bring the world's most distinctive and interesting food culture to everyone. Therefore, the thing we want to do most is a little like "museum+theme park". The Beijing Museum shows things from Beijing, and the Changsha Museum shows things from Changsha.

## 1. Company Profile

Cloudy Sky Pavilion seafood buffet restaurant is a new brand upgrade of Zhejiang Narada Hotel Cloudy Sky Pavilion restaurant. 2022 Hangzhou Cloudy Sky Pavilion seafood buffet restaurant brand was established, in Hangzhou Binjiang District Narada Group of hotels invested 2500 square meters of space for renovation. To provide full protection for the development of catering business.

With the booming development of Hangzhou's catering industry, the entry of various star-rated hotel buffet restaurants and various national chains of large brand buffets, the competition for value for money is becoming increasingly fierce. In today's increasingly mature buffet, the buffet type is more or less the same, so that people do not have a sense of freshness and deep memory, the development of a new model of buffet is particularly important. The new Cloudy Sky Pavilion seafood buffet restaurant mainly in three aspects of product development:

- (1) Buffet of small hot pot + buffet with high-end seafood ingredients.
- (2) Provide an experiential dining culture tour
- (3) Provide meticulous butler service

## 2. Industry analysis

The progress of China's socio-economic development and the continuous improvement of people's living standards are the main basic conditions supporting the development of the catering industry. China has become

the second largest catering market in the world, and the market is capable of dealing with the severe challenges of the epidemic, with huge market potential.

China's food service market is expected to increase to 536.77 billion RMB in 2022.

In this environment full of opportunities, due to the immaturity of the development of the buffet industry in the country, making the buffet in the process of business management has some problems, these problems affect the development of the buffet to varying degrees. Specific can be summarized as the following three points.

(1) Lack of innovative consciousness, inaccurate market positioning, one-sidedly take the route of low cost.

(2) The environment of the buffet restaurant needs to be further improved and the problem of overcrowding needs to be solved urgently.

(3) Strengthen the training management of waiters to avoid waste.

Therefore, how to overcome these problems and achieve the standardization and consistency of restaurant services is the challenge faced by the restaurant industry

### 3. Market analysis and marketing plan

At present, the middle and high-end buffet has a certain market share, accounting for about 20% of the buffet market share. In the long run, the market outlook for buffets in the restaurant industry is very good. It is expected that the market share will increase by about 5% in the next five years.

The restaurant has segmented the market into four more representative groups:

(1) Generation Z consumers

Generation Z is a group of nearly 233 million people born between 1995 and 2010, they are the aborigines of the Internet, the main force, accounting for 28% of mobile Internet users, but also the mainstream of opinion expression, you capture this user group, you also capture the traffic.

(2) Urban white-collar workers

Urban white-collar workers are mainly post-85 to post-90s, who own properties and have a good career in high tier cities, and these people have certain customer value and pursue valuable consumption, and have certain requirements for beauty.

(3) Silver-haired people

In 2021, China has entered into a deeply aging society. In their daily consumption, silver-haired people focus almost exclusively on the word-of-mouth and price of goods.

(4) Low-income group

For low-income consumers, the first focus is on price, with the least expenditure to meet as many consumer needs is their best wish. The second focus on quality.

**The target market of this restaurant is urban white-collar workers and the Z generation group with certain spending power.**

The restaurant also analyzed its competitors and ended up with the following three

(1) Star Toronto Buffet

The price of the restaurant is the most competitive, with the lowest price among the four companies. And in the chain system construction and management, the company integrates modern restaurant management mode and business philosophy.

(2) Grand Hyatt Buffet Restaurant

Grand Hyatt is a strong international brand with high brand premium capacity and its restaurants are luxurious and offer the ultimate dining experience.

(3) Qianhuhui Seafood Buffet Restaurant

The restaurant is an individual restaurant with few management levels and fast information transmission, so

it is sensitive to the market and fast to market. Secondly, the restaurant is decorated with distinctive theme and unique shape.

The restaurant in sales is mainly experience marketing, which requires us to focus on the whole marketing process from the three levels of consumer cognition, emotion and behavior, especially to give enough stimulation to the consumer cognitive level. Experience marketing is a kind of marketing method that fully stimulates and mobilizes consumers' senses from visual, auditory and participation levels. From food and beverage sales to sales of food and beverage culture, the real view of the product-centered to customer experience-centered conversion, which is a core feature of experience marketing. To make customers no longer care about the price and quantity, which are the most direct competitive factors in the economic model of catering products, we should make customers feel that what we sell is not the dish, but the experience of people's dining culture. This experience promotes the occurrence of consumption behavior, and even form a consumption habit.

#### **4. Management Team.**

Good restaurant development requires good management and has an important impact on the proper functioning of the business. Organizational structure is crucial to any project management and is the basis for the smooth development of the project. The project is characterized by a "flat" functional organizational structure.

The core management team will consist of five people who are:

- (1) General Manager Hao Lian
- (2) Restaurant Manager Zhao Wang
- (3) Finance Manager Yiming Yu i
- (4) Sales Manager Mingxing Ma
- (5) Head Chef Binqing Li

#### **5. Operation Plan**

The main mode of operation of the restaurant is still buffet-based. But the traditional buffet disadvantages are also particularly obvious. The main aspects are as follows.

- (1) Lack of innovation awareness

At present, most of the buffet ingredients are of low quality and few categories, lacking freshness and experience. Cloudy Sky Pavilion seafood buffet restaurant will break the bottleneck of traditional buffet.

First of all, the restaurant will select seasonal and precious ingredients for on-site production and distribution

Secondly, customers are more interested in the pursuit of high value-added products. The restaurant will regularly hold some food culture salon, such activities can not only increase the customer's experience, but also improve the member's return rate, and tap new customers.

- (2) The environment needs to be further improved

Nowadays, most cafeterias are overcrowded during peak dining hours and noise pollution is more common.

Cloudy Sky Pavilion seafood buffet restaurant, in the process of operation must ensure that the restaurant atmosphere is soothing and relaxing, first of all, there will be live piano music, so that dining guests can get physical and mental relaxation. The second will take strong measures

To improve the noise phenomenon, such as controlling the number of diners, when the table rate reaches 75%, the number of diners will be controlled to reduce the source of noise.

The competition between catering enterprises is not only the competition of individual factors, but the competition of the whole brand's comprehensive ability.

Competition, brand is the greatest wealth of the enterprise. Therefore, to establish brand influence and enhance brand influence, we need to start from the following aspects.

(1) Creation of scenes

In the restaurant industry, the elements of scene demand are infiltrated one by one and integrated with the whole brand, so that the restaurant brand has a deeper consumer meaning and a closer sense of connection with consumers.

(2) The perception of the label

This is an era of information explosion, and the role of the brand label is to simplify effective information, establish brand recognition, occupy the consumer mind track, help the brand in the same food category track, stand in the first advantage.

(3) Word-of-mouth circulation

For a restaurant brand, restaurant word of mouth is the key. The front publicity attracts new customers, but how to retain? Then you need to test the comprehensive ability.

## 6. Financial Forecast

The registered capital of the restaurant is RMB 10.5 million, which is the paid-in capital of the company and will be used for restaurant renovation, rent payment, fixed asset purchase, employee salary payment and in the operation of the main business.

Cash flow is an important factor in the project investment decision process, and the cash flow statement can fully reflect the company's profit and loss and operating conditions, and effectively evaluate the feasibility of the project. The 5-year cash flow graph shows that the project's operating conditions are steadily increasing.

Through the break-even analysis and cash flow chart in 2023, we can see that the project will be profitable when sales reach 8.76 million, and the projected revenue in 2023 is 10.62 million yuan, which is much larger than the break-even point of 8.76 million. The project's five-year average annual profit is 4,543,800 yuan, with a return on investment of 43.27%.

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