

Hospitality and Tourism Operations Research Event

White Station

White Station High School

514 S Perkins Rd

Memphis, TN , 38117

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I. EXECUTIVE SUMMARY

Bombay House is an Indian Restaurant located in Cordova, Tennessee that brings an authentic taste of India to the Memphis area. The business was originally started in 2001 by partners Ram Singh, Harnek Kandola, Bittu Sharma, and Sukhwinder Singh, the business is now owned by brothers Ram Singh and Harnek Kandola only. The restaurant serves a lunch buffet that includes a variety of savory and sweet main entrees, dessert, and appetizers, along with a naan bread. During dinner they serve free Paper and chutney sauce, and along with their entree every customer also gets naan. The restaurant also offers carry-outs and catering. Bombay House also accommodates for large parties if they call ahead. Bombay House has been awarded Commercial Appeal awards, along with others, as one of the best Indian Restaurants in Memphis.

Along with Bombay House, the general Memphis has several other indian restaurants. The most competition the restaurant receives is from India Palace, which is more strategically located in midtown, a much livelier part of Memphis. There is much potential in the business as eating trends lean toward more international and authentic food. College kids are experimenting more, and looking for new trendy places to eat.

The youth does not frequently come to the restaurant. The restaurant attracts families and the older generation. In attempt to attract the youth, the proposed plan includes aspects of the SoLoMo. The plan includes an app, social media outlets, and engaging to the youth by becoming active in local schools.

We are hoping to attract a new type of target market. Money in the food business starts with the younger generations, because they have certain regular hangout spots where they go to spend money. One of Bombay House's advantages is its location in Cordova in the same general area as the WolfChase mall, which means it an accessible location to hungry shoppers to become potential shoppers.

Financial projections for the restaurant is for the expenses to raise 4% in the next two years after the plan is implemented. Although they are expected to rise for the next year to promote and raise awareness in the community, the estimated amount of profit the company is estimated to be \$750K in total revenue in two years. It is only expected that the restaurant will gain new and returning customers within the next four years, with the expenses will lower significantly because the restaurant will have an idea of which idea is working and which one isn't. Revenue is projected to rise at \$1 million in four years as well.

Within the first two years, the company could experience a loss of money in the process of shifting promotional strategies, and all those expenses are mandatory to be spent on food to create for potential customers. These costs for maintaining stock in food will double immediately after the plan is implemented, spending \$1000 a week to maintain food for the company as well as creating samples and free dishes for the public. The company will be losing money in the beginning, but with the guaranteed strategy of the strategy working, the cash will flow back into the company almost immediately when customers see the new offers and deals from Bombay House.

II. INTRODUCTION

A. Description of the business

Bombay House is a family owned restaurant located in The Commons Shopping Center in Cordova, Tennessee. Surrounded by a Kroger, Starbucks, McDonalds, and Marshalls, the restaurant is in a fairly busy and safe area right off of Germantown Parkway. Originally started in 2001 by partners Ram Singh, Harnek Kandola, Bittu Sharma, and Sukhwinder Singh, the business is now owned by brothers Ram Singh and Harnek Kandola only. Bombay House serves as a restaurant that mixes the traditional taste of indian food with the modern taste buds of the South. In the afternoon hours of 11:00 a.m. and 3:00 p.m., the restaurant serves a lunch buffet that includes main entrees, dessert, and appetizers. They also serve Naan bread, an oven-baked flatbread popular in Central and South Asia, with every buffet order. The midday hours of 3:00 p.m. and 5:00 p.m are for the workers to rest, a tradition cultural custom the owners brought from Punjab. The dinner hours are from 5:00 p.m. to 10:00 p.m where they serve free Paper and chutney sauce when every customer walks in. Along with their entree every customer also gets naan on the side. The restaurant also offers carry-outs and catering. Bombay House also accommodates for large parties if they call ahead.

Bombay House is known around the Memphis area most popularly to the local Indian and some of the Caucasian population. Most of the restaurant's customers are adults and families in the Cordova area. Their most popular dish is Chicken Tikka Masala, along with the drink Mango Lassi. The restaurant has won many awards for their food from The Commercial Appeal.

B. Description of the community

As a whole, the greater part of Shelby county signifies great diversity and age distribution within the community with eight cities being included. Those cities include: Arlington, Bartlett, Collierville, Germantown, Lakeland, Memphis, and Millington. To be more specific, the cities of Cordova and Memphis display a major role in the target market of Bombay House. The vital reasons why these areas are more significant include the demographic locations between the two.

Memphis is a large city composed of small suburbs that strengthen the city by its diverse population and variations between social classes. East Memphis, Midtown, and Downtown are some of the few areas that are famously known for areas with well-known food restaurants and tourist attractions that bring non-Tennessee residents into the area. In addition, these areas are homes to several high school and college students due to the schools in the area. To name a few, the University of Memphis, Rhodes College, and Christian Brothers University are three colleges alone located close to the East Memphis and Midtown area. Incomes of students or residents in the area range from \$22,000-\$31,000 annually for residents from the age of 22 to 65 and over (refer to graphs in appendix).

Those the age of 22 and older fit the target market for the restaurant because it is the standard age of undergraduates and students in graduate schools located in Midtown and Downtown Memphis. Midtown and Downtown are famously known for their local and critically acclaimed restaurants that surround the area that include several varieties of food to compensate for the diverse area.

Cordova, Tennessee is another large city in Shelby County known for one of the most well-known malls in the area along with a countless array of large houses. Located more in the suburban area of Shelby County is located in the heart of the Wolfchase Mall and exclusive stores only accessible in the area. The Wolfchase Mall is a large indoor area that attract customers from different regions of Shelby County as a whole because of the store variety. There are few local restaurants in the area, with most of them large chain corporations and franchises. Currently, this is the area where Bombay House resides currently.

Many of the residents in the area are predominately over the age of 40 through 64 and the annual income is from \$75,000 to \$149,999. This reason alone indicates the explanation between the large houses and popular chains in the area. The diversity is not as high as the area of Memphis, however it does include a large Caucasian and Indian population in the area.

C. Overview of the business's current promotional strategies

Bombay House does not focus much on the advertising of the business. One of the only advertising methods the business uses is selling their food at India Fest, a yearly event used to promote local businesses along with Indian culture, dance, and music. Bombay House does have a Facebook page, but does not regularly update it to engage its followers. It also does not update its use of social media, as trends shift to platforms like Twitter and Instagram. Bombay House also does not participate in commercials, online ads, or other forms of promotion.

III. RESEARCH METHODS USED IN THE STUDY

A. Description and rationale of research

Bombay House already has a large following on their Facebook page where people can check in and post their experiences at the restaurant. A majority of these people who “like” this

page are older adults, who use Facebook more frequently. Many older adults also post on the page of their visit, and post picture of their families eating at the restaurants. Also from the manager Ram Singh's personal statement, he would agree the majority of consumers that visit are older adults and families. Therefore we know adults from the ages of 16 to 22 are more aware of the restaurant and more likely to visit with the page; however, not many high school/college students know about Bombay House.

In order to attract this audience to the restaurant, Bombay House would have to start using SoLoMo. We hypothesize teenagers and young adults will be more likely to visit Bombay House if they have a social media account with deals on the page. Although they do have a Facebook page, they are inactive on that page and do not use any other social media platform. Younger people are more likely to use Twitter, Instagram or Snapchat when keeping up with each other's lives, therefore when they see a post about a positive comment about Bombay House, there will be more business in the company. If the company was to show support to local movements and schools, we hypothesize the restaurant would be favored by more high school students.

This will bring a lot of attention to the restaurant because students tend to go to restaurants on the word of mouth from their friends. The students will visit in groups, since students in highschool and college frequently go out to eat and hang out with friends due to a college student's food availability at home and the common nature of a student to commonly bring a friend or two when dinner approaches. With four major colleges in the city of Memphis and dozens of high schools all over the area, SoLoMo will also attract students and other people

who do not live in Cordova (where the restaurant is located) and do not use Facebook frequently; thus creating a mass of people all over the area to drive to the location.

The form of primary research used was a survey. This survey was directed towards high school seniors and college students. They were asked about their eating habits in Indian cuisine, and what restaurant they tend to eat Indian food. Secondary research was also done to analyze the SoLoMo process and the youth's trends.

B. Process used to conduct research

The survey was administered through SurveyMonkey. This online process made it simple and fast for the college youth to take. Other secondary research was done on the demographics and SoLoMo through Websites listed in the bibliography.

IV. FINDINGS AND CONCLUSION OF THE STUDY

A. Findings

1. SoLoMo

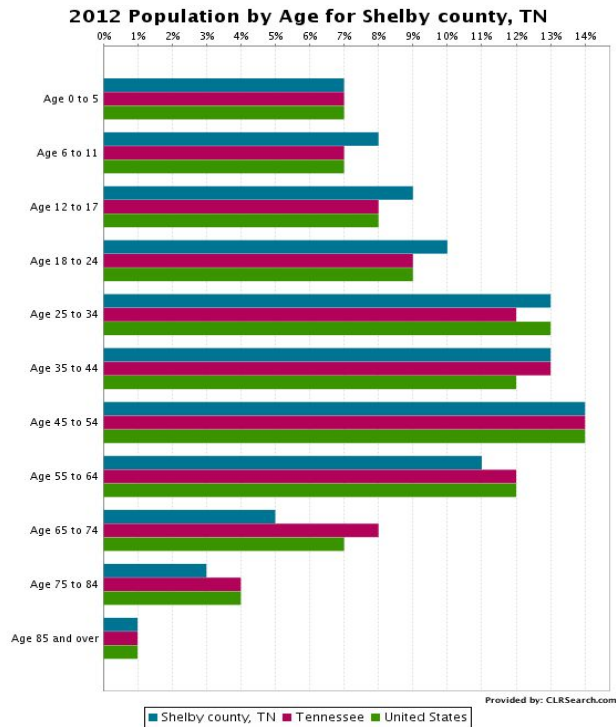
“SoLoMo”, which stands for social-local-mobile, is a marketing approach meant to attract the modern consumer. Modern consumers are now looking to third party social systems for primary source information on new products or services. Social networks, like Instagram, Facebook, or Twitter, or personal online written reviews have become the most popularly trusted form of primary source information for the new consumer. Consumers have become very reliant on their phones while shopping. Eighty-two percent of smartphone owners said they have used their phone while shopping in stores. Consumers have also become more dependent on location services from their electronic devices to look up new local places to eat, and new places to become loyal to. Local availability of these marketing strategies are key in order to achieve

success in a business. Being local means becoming easily accessible and widely known in a consumer's area and becoming a part of the community. .

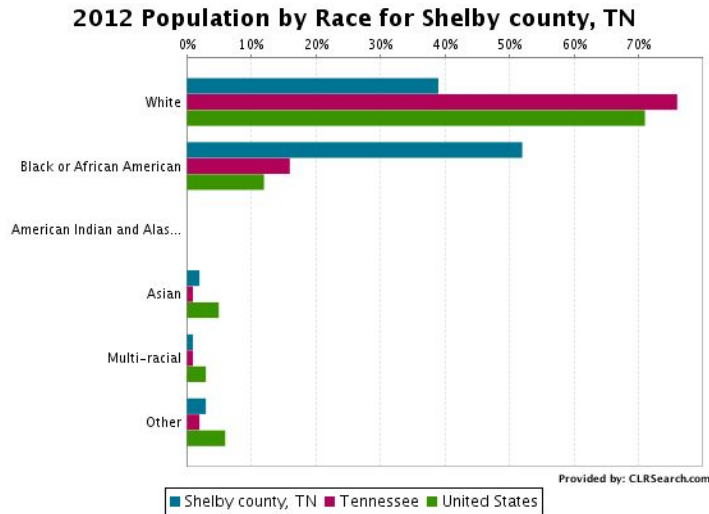
SoLoMo is now being used by many small businesses to connect the consumer to the business. The business is able to immediately draw in consumers using mobile apps by sending out offers and coupons. Consumers are also able to find new businesses to go to through apps like Foursquare and Facebook. More and more businesses are using SoLoMo, but the issue now is how to differentiate from the other businesses. Companies are failing to successfully use SoLoMo because they are simply depending on Facebook pages, and are not creative.

2. Demographics

Shelby County is an area in the bottom western portion of Tennessee that covers the cities of: Memphis, Arlington, Bartlett, Collierville, Germantown, Cordova, and Millington with a population of approximately 900,000 people. This area, which covers almost the entire city of Memphis, is an area filled with young adults and older. The age group in Shelby County is vital for the restaurants surrounding the area, including Bombay House. In the first bar graph shown above, the Population of Shelby County is primarily the age of 17 and over. The age group is excusable because the residents who live in the area are going to college or working. The University of Memphis campus is in the East Memphis portion. Rhodes and Christian Brothers University dominate the younger population in Midtown, an area south of East Memphis. We chose these three colleges because their student population and popularity in the city. Age diversity is shown between colleges in the graphs below.



Another factor in the attraction of customers is their race. In the second graph above shown for Shelby County, Caucasians and African Americans are dominant in the area. This trend follows in college areas as well. The two races come close in terms of population on campus. Refer to the pie charts below to view the ethnic diversity between colleges.



3. Survey

Based on the Survey, we were able to determine that youth surveyed does eat Indian food, but very rarely. We also found that many of the people who have not have Indian cuisine were willing to try it. Out of the restaurants of the greater Memphis area Bombay House was the most popular, followed by India Palace. The preferred form of socially media was Instagram, followed by Facebook and Twitter (See graphs in appendix).

B. Conclusions based on the findings

Bombay House is not involved with the SoLoMo process. The business has a Facebook page, but fails to post pictures and update posts. They also do not spread the word to their customers that there is a Facebook page, so they can comment. Although customers are not told about the Facebook page, many customers post picture with their families, food, and write posts about their visits. 313 people like the page, and there are 3,398 people who have visited the page. The business does not offer any special offers or coupons on their Facebook page. The company is not mobile because their is no mobile app in which they could attract the new customer.

The young adult population of Memphis aims to go to restaurants such as Huey's, Restaurants on Overton square, and restaurants on Highland street. Overton Square has been ranked #2 best eating neighborhood in Memphis, because the of the diversity of restaurants and bars. With variation of places to eat and drink all in one spot, there is also a variation on prices. Overton square has about 14 Restaurants and bars all in the convenience of one block, so it's easy to get to wherever you need to go, and all restaurants are different in their own way. Overton Square has its own website, and the homepage shows all of the stores and restaurants in Overton Square and allows you to click on what you are interested in to lead you to that website page specifically to look at their cuisine, prices, and specials. These locations are strategically based relatively close to busy streets and near college campuses. Highland street is a cross street connected to the University of Memphis, giving students liberty and easy accessibility to get to a nice cafe to study like Cafe Eclectic, or a hang out spot at a sportsbar such as Ubee's. Ubee's offers delivery until 3 am and online ordering, which for a college student who is up all night trying to finish papers and has no time to catch a bite is perfect. Ubee's also offers a coupon for "freebies". The location has panel TV's for customers to watch games as they enjoy their meal or drink. Huey's, too, offers panel TV's for sports games, as well as burgers in for an affordable price. Customers are allowed to shoot frill picks in the ceiling and write on the walls, which is what makes it unique. Huey's stays connected with their customers on Twitter, Facebook, and Instagram, sharing photos of specials, live music Sundays and customers enjoying their meals. Their Website's updated with upcoming events and music. It shows all of Huey's 8 locations on a map so you can find the location closest to you and offer carry out. In conclusion, Therefore, in

means Memphis's most popular local restaurants, Bombay House has high expectations to live up to.

The current promotion plan is not working for Bombay House. The restaurant is not active in their social media and not putting effort into their younger clientele. The business relies on their Facebook page and their website, but it is not regularly updated. The facebook page does not have any photos or updates posted by the restaurant itself, but the customers who have visited have posted on their frequently in the past. Since we were targeting high school students and college students, we decided to use technology to gather our data. Based on the questions in our survey, the youth is more willing to join a restaurant on social media if it was through Instagram or Twitter. This means the company was neglecting the youth by not updating their social media platform use. Although many people were willing, many of the population surveyed do not eat it frequent or have ate it at all. Thus the restaurant was not attracting to consumers who are currently more mobile. Positively, the business was the most popular out of other Indian restaurants, but there is still a huge proportion of the youth consumer base the business is lacking. The youth needs to be attracted to the indian cuisine, and more specifically the restaurant itself.

V. PROPOSED STRATEGIC PLAN

A. Objectives and rationale of the proposed strategic plan

In order to attract the youth to Bombay House, we recommend the company should become more involved in local schools and colleges. For example, we recommend to purchase an ad in the local High schools such as Cordova or White Station High School's yearbook or newspaper. An alternative to a simple ad would be to offer a coupon. This will draw more

attention to the restaurant because the schools benefit from more people buying the newspaper and the restaurant gets a promotion . The school could also support the Parents In Education foundation at the schools. This aspect will encourage customers in the area to visit the restaurant. We recommend that Bombay house promote to college in Memphis, an idea that would be different from other restaurants that get support from local colleges would be to become more involved in college fairs and possibly tailgates. If Bombay House provides their service to the college with food on game day or when students are walking around campus, they will be more likely to drive to Cordova to try more of the cuisine. Not many local companies in college areas do so with the exception of a few, we recommend main goal is to get the restaurant's name out and spread awareness.

Social media is an important factor of SoLoMo because of the growth in usage. In order for the business to incorporate that, Bombay House can adopt more current social media such as Instagram and Twitter . Similar to the app, Bombay House can offer coupons and special announcement and offers on the media. The restaurant has a painting of a tiger inside, and the University of Memphis's mascot is a tiger, the restaurant could start a hashtag such as #bombaytiger or #currytiger to gain more popularity for The University of Memphis students. Along with this, Bombay House can have customers send in photos of them at the restaurant and use the restaurant's location as a check-in on a social media account to draw more attention.

B. Proposed activities and timeline

We have a timeline full of activities to help Bombay house promote and organize. We suggest to begin setting up social media pages such as Instagram, and get the Facebook page up and running again during late December so we can promote for the Holiday season. The Bombay

House website is scheduled to go up during late December. We have set up a campus visit for promotion for the University Of Memphis during early January and a campus visit for Rhodes College toward the end of January. We have set up a calendar with specials suggested for every week to give to customers as a treat. The specials will be posted on the website weekly so that more and more customers visit the Bombay House web page and social media regularly. Toward the end of April we plan on setting up a senior luncheon at Cordova high school to support our local high school.

C. Proposed key performance indicators to measure plan effectiveness.

A potential idea for growing business is to create a personal app. Immediately when a user clicks on the app, they will see how supportive the restaurant is towards schools and colleges that are local and popular within the city. Also the app will allow consumers to look at the menu, find any announcements from the restaurant, such as: new offers and limited time offers, and unexpected closings. With this option, customers can have access to periodic coupons and special offers. Bombay House would provide the menu and prices for catering, since it is normally not on the regular menu. For example, if college students log view the app on a specific day, they can bring their college ID's and get 25% off their meal. This app will be different because it will notify the person if they are nearby the restaurant's area or if there is a limited time offer occurring. Bombay House has strayed from having these ideas because it is a very traditional restaurant that does not have the latest up to date technology.

Another key performance indicator of the success of the proposed plan would be the observation of more customers around the older teenager age. More students from a specific school should be coming to the restaurant if the restaurant is successfully promoting to the

school, like the University of Memphis or Cordova High School. Another performance indicator would be more posting of pictures on the Facebook page or Instagram location tag.

Our team plans to measure whether the app is performing or not would be to calculate activity on the app and keep record of how many time coupons and special offers are

VI. PROPOSED BUDGET

Proposed Plan	Price
Twitter	App (Free)
Instagram	App (Free)
Facebook	App (Free)
App	50,000-150,000 dollars (one time cost to create)
School Yearbook Advertisement	100+ Dollars depending on the school (Yearly cost)
General School activity involvement	500+ (Giving free food to school clubs, promoting clubs through t-shirts,etc.)
Local Directories	30 dollars a month

VII. BIBLIOGRAPHY

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VIII. APPENDIX

Survey

1. What is your age group?

a) 10-14

b) 15-18

c) 19-21

d) 21+

2. Do you drive?

a.) Yes b.) No

3. Do you enjoy Indian food?

a.) Yes b.) No

4. If you answered yes to #3 which Indian restaurant prefer to eat at?

a.) India Palace

b.) Bombay house

c.) Golden India

d.) Curry Bowl

e.) Other

5. If you answered No to #3, are you willing to try Indian food?

a.) Yes b.) No c.) Maybe

6. How often do you eat Indian food?

a.) Very often

b.) Often

c.) Not very often

d.) Never

7. What subdivision do you live in?

a.) East Memphis

e.) Arlington

b.) Midtown

f.) Bartlett

c.) Cordova

germantown

d.) Collierville

h.) Other _____

8. What social media platform do you prefer to use? (Select all that apply)

a.) Facebook

b.) Instagram

c.) Twitter

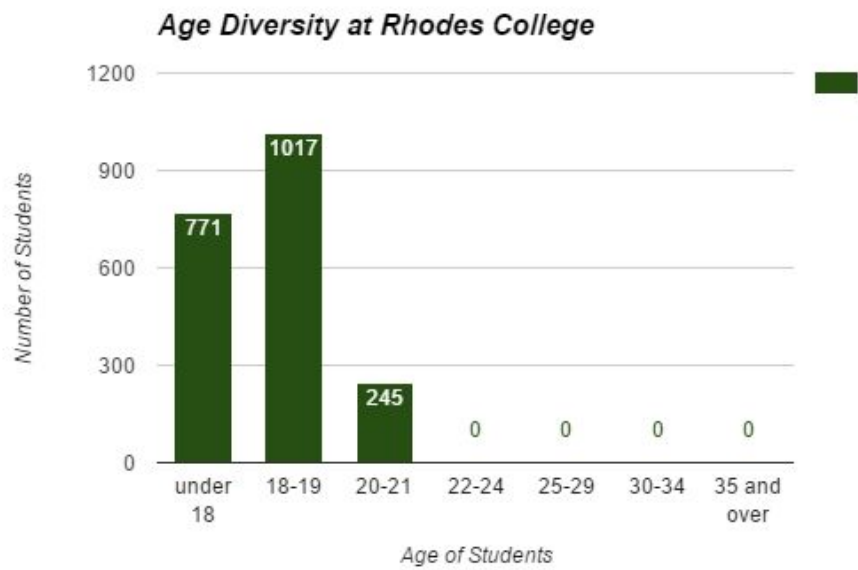
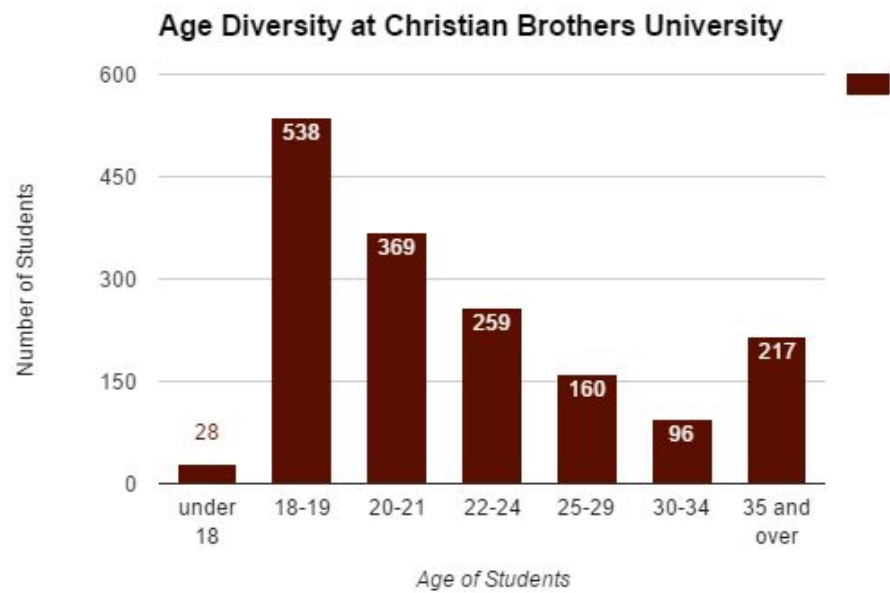
9. Which social media platform would you prefer a restaurant to use?

a.) Facebook

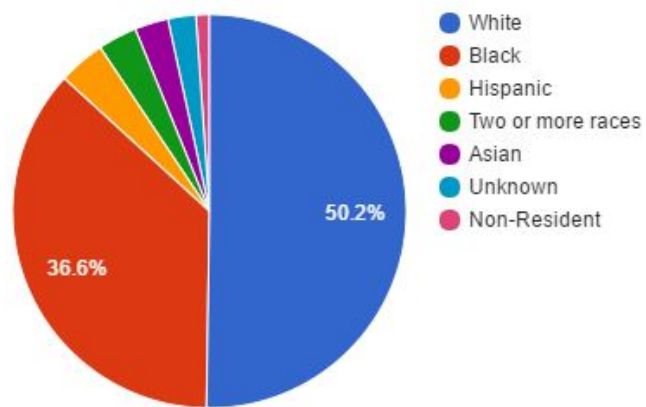
b.) Instagram

c.) Twitter

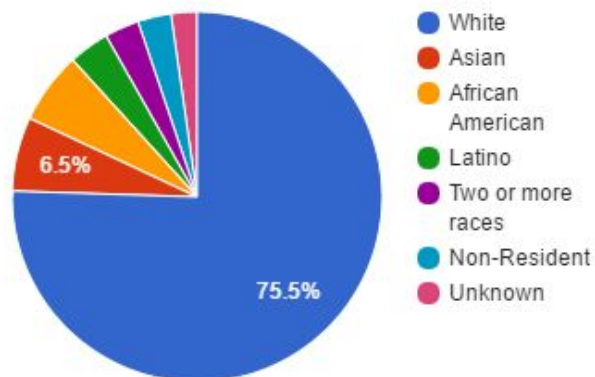
College diversity (as referred to in Description of Community)



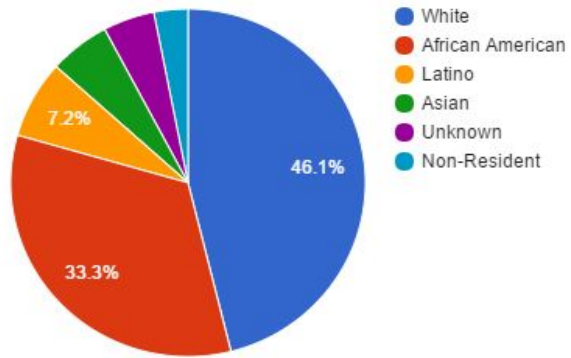
Ethnic Diversity at the University of Memphis



Ethnic Diversity at Rhodes College



Ethnic Diversity at CBU



Survey Data Results:

