5665 Boundary Road,

Vancouver, BC, V5R 0E4

December 18<sup>th</sup>, 2019

Alan Song

3490 Kingsway #7,

Vancouver, BC V5R 5L7

Dear Ms. Song,

Managing a new and small restaurant near those famous restaurants in Boundary Road and Kingsway area can be challenging. To assist you in gaining more profit and attract more new customers, please accept this formal report that investigates whether refining restaurant menus for vegan foods can help to extend the customer base as well as the suitable ways to provide vegan foods for your restaurant.

This report contains data collected from both meat-eaters and vegetarians who lived in Vancouver, as well as the employees who are responsible for food ordering from local companies. The conclusion of this report contains some feasible ways for your restaurant to provide vegan foods, including the solutions for both regular customers and group meal orders from nearby companies.

Thank you for the support you provided during the investigation, and I enjoyed work on it. I hope my investigation results and suggestions can be helpful to you. If you have any questions about this report, please feel free to email me at xiaojing@alumni.ubc.ca.

Best Wishes

Jojo (Syau-Jing) Huang

# EXTENDING CUSTOMER BASES FOR THE FUTIAN

# **DUMPLING RESTAURANT**

FOR MS. ALAN SONG, RESTAURANT OWNER

FUTIAN DUMPLING RESTAURANT

VANCOUVER, BC

By Jojo (Syau-Jinig) Huang

English 301 student

December 4, 2019

## TABLE OF CONTENTS

Abstract1
Introduction
Approach
Survey Overview and Analysis
Overview5
Importance of Providing Vegan Foods6
Evaluation for Providing Vegan Dumplings Regularly7
Evaluation of Providing Supplemental Vegan Foods9
Interview Overview and Analysis
Overview
Offline Ordering10
Online Ordering11
Analysis12
Conclusion
Summary13
Recommendation13
Expected Outcome14
Reference

# TABLE OF FIGURES

Figure 1: What's your eating habit?5
Figure 2: In your most recent experience of eating with vegetarian friends, how many people in
total?6
Figure 3: In your most recent experience of eating with vegetarian friends, what's your estimated
percentages of vegetarian people?6
Figure 4: In your most recent experience of eating with meat-eater friends, how many people in
total?6
Figure 5: In your most recent experience of eating with meat-eater friends, what's the estimated
percentage of meat-eater people?6
Figure 6: Are you able to eat food with egg?7
Figure 7: Are you able to eat food with shrimp?7
Figure 8: In your most recent experience of eating with vegetarian friends, what kind of
restaurant did you choose?7
Figure 9: In your most recent experience of eating with meat-eater friends, what kind of
restaurant did you choose?7
Figure 10: When you are not eating with vegetarian friends, will you consider vegan food as a
factor for choosing restaurants?
Figure 11: If you are in a non-vegetarian restaurant which also provides vegan foods, are you
interested in ordering vegan foods in this restaurant?8
Figure 12: What kind of restaurant would you like to choose when you are not eating with non-
vegetarian friends?9
Figure 13: If you have to choose a non-vegetarian restaurant for a meal, will you choose a
restaurant which only provides supplemental vegan foods?10

## ABSTRACT

The purpose of this report is to investigate whether adding vegan foods can help the Futian Dumpling Restaurant extend their customer base and gain profit, and also explores a suitable strategy for the restaurant to provide vegan foods for different kinds of customers, including regular customers and nearby companies who want to order group meals for their employees.

Even though there are around 9.4% of adults in Canada consider themselves vegetarian, a restaurant may lose more than 10% of the potential customers if they do not provide vegan foods. The following are a few recommendations for the Futian Dumpling Restaurant:

- (1) Focus more on the situations with the presence of both meat-eaters and vegetarians for both regular customers and the group meal orders from the company.
- (2) Join the food order websites similar to FoodEE so that it can get some opportunity before finishing the new recipes.
- (3) Having some new vegan dumpling recipes which may give some new possibilities to the restaurant for regular customers. Provide some simple vegan supplemental foods, such as vegan noodles, may be a good candidate solution.

## INTRODUCTION

The Futian Dumpling Restaurant near Boundary Road and Kingsway area is a new restaurant which serves hand-made dumplings in the northeast Chinese style. It has received many positive feedbacks from existing customers, with a score of 4.3/5.0 in Google map [1] and 4.5/5.0 stars in yelp [2]. However, one current issue of the restaurant is that, the number of new customers grows slowly. Meanwhile, it seldom has customers from countries other than China.

This report will focus on a possible problem related to the food menu constitution of the restaurant that might result in the current issue of the restaurant. Currently, all of the vegetable dumpling the restaurant provides contain either eggs or shrimps. However, the vegetarian cultures are different for people with different origination, and whether eggs and shrimps are vegan foods has always been a controversial question.

Based on the research conducted in 2018, there are around 9.4% of adults in Canada consider themselves vegetarian [3]. At the same time, the rate of vegetarianism is expected to rise. As a result, providing vegan foods may be important to every restaurant in Canada, and not providing suitable vegan foods may be a problem that prevents the Futian Dumpling Restaurant from extending its customer bases.

So, the purpose of this report is to investigate whether adding vegan foods can help the Futian Dumpling Restaurant extend their customer base and gain profit. At the same time, this report will also explore a suitable strategy for the restaurant to provide vegan foods for different kinds of customers, including regular customers and nearby companies who want to order group meals for their employees.

## Approach

For the restaurants near Boundary Road and Kingsway area, there are mainly two sources of food orders. The first source of orders come from regular customers who eat inside the restaurant or take away, and those customers are usually local residents and employees from nearby companies. At the same time, providing group meal for nearby companies is also important for most restaurants, as it not only helps the restaurants gain decent profits but also helps them get good reputations among the employees.

Based on the constitution of the customers, providing vegans foods may be very important. For example, when multiple people have lunch together, they will usually not choose restaurants without vegan foods if one of them is vegetarian. Moreover, if some companies want to provide group meals for their employees, they may always need to order some vegan foods for their vegetarian employees.

At the same time, the Futian Dumpling Restaurant assumed that the vegetable dumplings they provided are vegetarian foods. They are interested in providing group meal for nearby companies and have enough capacity, while they haven't got many chances until now. Also, they have two concerns about providing new vegan dumplings without shrimps and eggs. The first concern is about the cost and difficulty of developing new vegan dumpling recipes, while the second concern is about the daily remaining dumplings. Usually they don't keep the frozen dumplings for more than one week, while the possible small amount of vegan dumpling orders might make them break this rule.

Base on the current situation, there are some possible ways that they can provide vegan foods:

- For regular customers, the restaurant may:
  - Providing vegans dumplings regularly and assuming that those vegan dumplings will be ordered every day.
  - Providing supplement vegan main foods (such as vegan noodles) regularly.
- For group orders from companies, the restaurant may:
  - Developing general vegan dumpling recipes and providing them to group meal order for companies if they can order one week in advances.

And my investigation approaches for this report mainly included two parts:

- Conducting survey for both vegetarian and meat-eater people in my network for their opinions about the vegetarian cultures, which helps to understand the importance of providing vegan dumplings in the Futian Dumpling Restaurants. At the same time, the survey also contains questions about the restaurant choice for both vegetarian and meateater, which helps to determine whether the two possible solutions above for regular customers are feasible.
- Conducting interviews with facilities coordinators from some companies in Vancouver about their group meal ordering process and their factors of choosing restaurants. Their feedback can help to understand whether the Futian Dumplings is qualified for providing foods for their company and whether providing vegan dumplings can make it more competitive.

## **SURVEY OVERVIEW AND ANALYSIS**

## OVERVIEW

During the investigation, surveys are sent to my vegetarian and meat-eater friends in Vancouver via Google form and get 34 responses in total by December 1<sup>st</sup>, 2019, and the majority of the responders are the current students or recently graduated students from UBC and SFU. Based on the survey, 32.4% of those responses came from vegetarian/vegan.



Figure 1: What's your eating habit?

At the same time, all of the 34 responders have experience of attending lunch/dinner with the presence of both vegetarians and meat-eaters, while in all of the cases from the survey responses, vegetarians take less than half of the amount of the people who attended the lunch/dinner.



## IMPORTANCE OF PROVIDING VEGAN FOODS

Based on the results shown in Figure 6, around 81.8% of them cannot eat food with eggs, which means that there are still many vegetarian people who cannot consume eggs. At the same time, all of the vegetarian/vegan responders cannot consume shrimps. Based on these results, we can conclude that in most cases, vegetable dumplings with eggs or shrimps cannot be considered as vegan foods.



Meanwhile, in most of the situations from the survey, people tend to choose non-vegetarian restaurants that provide vegan foods when having lunch/dinner with both vegetarians and meateaters, and they never choose non-vegetarian restaurants without vegan foods (as shown in Figure 8 and 9). As a result, the Futian Dumpling Restaurant is less competitive in this situation.



## EVALUATION FOR PROVIDING VEGAN DUMPLINGS REGULARLY

As one concern of the restaurant for providing vegan dumplings regularly is about food remaining, questions about vegan foods ordering for both meat-eaters and vegetarians were included. Besides, we assume that it will be more often for people to eat alone or eat with friends with the same eating habits, so the related survey questions in this section will focus on this situation. The related questions and the responses for meat-eaters are shown in Figure 10 and 11. Unluckily, none of the meat-eater responders consider providing vegan foods as a factor for choosing restaurants. Even if they are in a non-vegetarian restaurant that provides vegan foods, none of them have a strong interest in trying vegan foods, and most people may choose vegan foods only when the foods are delicious. Since the Futian Dumpling restaurant has not tried to make vegan dumplings without eggs or shrimps before, it will be a great challenge for them to make this kind of vegan dumplings delicious enough to attract meat-eater customers



Figure 10: When you are not eating with vegetarian friends, will you consider vegan food as a factor for choosing restaurants?

Figure 11: If you are in a non-vegetarian restaurant which also provides vegan foods, are you interested in ordering vegan foods in this restaurant?

At the same time, the related question and responses for vegetarians are shown in the Figure 12. In general, most vegetarian responders in the survey tend to eat in vegetarian restaurants when they are not eating with meat-eaters, while none of them have strong opinions to choose nonvegetarian restaurants with vegan foods.



Figure 12: What kind of restaurant would you like to choose when you are not eating with non-vegetarian friends?

Based on these results, providing vegan dumplings regularly may not be a good solution in the case of the Futian Dumpling restaurant, as it is likely that those prepared vegan dumplings will become remaining foods quite often.

#### EVALUATION OF PROVIDING SUPPLEMENTAL VEGAN FOODS

To understand whether providing supplemental food is a feasible solution, a survey question about it for vegetarian people is included, and their responses to the questions are shown in the Figure 13. Basically, all of the responders can take supplemental vegan foods in some conditions, and none of them thought it is unacceptable. Since in most cases vegetarians will go to nonvegetarian restaurants when they are eating with meat-eater friends, supplemental vegan foods may be a good candidate solution for the Futian Dumpling Restaurant if preparing vegan dumplings is too difficult.



Figure 13: If you have to choose a non-vegetarian restaurant for a meal, WILL you choose a restaurant which only provides supplemental vegan foods?

## **INTERVIEW OVERVIEW AND ANALYSIS**

#### **OVERVIEW**

For the investigation, the original plan is to interview the facilities coordinators from two companies in Vancouver about their group meal ordering process. However, in both of the two companies in the plan, the group meal ordering is mainly handled by some other employees, such as the engineers, instead of facilities coordinators. As a result, interviews were conducted with two engineers VH (initial) and SW (initial) from Arista Network and Splunk Service Canada who have experienced in group meal ordering, and the two companies tend to use offline ordering and online ordering respectively.

### **OFFLINE ORDERING**

The Arista Network has more than 100 employees in its office located near Glenlyon Parkway in Burnaby. Each Friday afternoon, it will host a regular party called "Beer Bash" in which the employees eat foods and have fun together. The food in the beer bash is usually ordered from the restaurants nearby with a total budget of around 500 CAD, and the food order is handled by some of their engineers in rotation. Based on the experience from VH, most of the engineers tend to make the food ordering offline by visiting the restaurants or making phone calls.

As for the factors of choosing a restaurant, providing vegan foods is always an important factor, since many engineers in the company are vegetarians. Besides vegan foods, whether the restaurant can offer a special discount for their group ordering is also an important factor, as their budget is a little limited if all of the employees attend the party. And the food delivery service may also be a factor for those engineers in the rotation who take public transportation to the office.

Meanwhile, VH mentioned that the Futian Dumpling Restaurant had once been his candidate restaurant when he took the responsibility of food orders in April 2019. At that time, Ms. Song, the owner of the restaurant, was quite interested in their group order and had promised him a decent discount. However, the dumpling restaurant could not provide suitable vegan foods, and Ms. Song suggested him to order the vegetarian part of the foods from another restaurant. Because of that, VH did not choose the dumpling restaurant since it is troublesome to arrange foods from two different restaurants at the same time.

#### **ONLINE ORDERING**

The food ordering process of Splunk Service Canada a little different from that of Arista Network. The company has around 100 employees in its Vancouver office, and they usually have two kinds of group meals. Basically, the company offers free lunch for every employee every Thursday, and their employees usually call it "Splunch". Besides it, most departments in Vancouver organize

lunch meetings often, in which the department orders free lunch for their employees who need to attend meetings during lunchtime, and usually the number of attendees in each lunch meeting is between 10 and 20.

As for the lunch ordering process, usually the lunch admin will choose restaurants first in food order websites including FoodEE or Doordash, and then each engineer orders their foods in one of the chosen restaurants under the budget of around 20 CAD per employee. When choosing the restaurant, providing vegan foods is always an important factor, while other factors also include the rotation of different restaurants and the capability of food delivery of the target restaurants.

However, SW also mentioned that the restaurant choosing process for Splunch and lunch meeting are slightly different. The restaurants choosing for Splunch is mainly handled by some third-party agency based on FoodEE. Since each Splunch needs to serve around 100 employees, the agency usually chooses three restaurants in FoodEE each week, and the employees can order food from any of the three restaurants. Usually, the three restaurants are in different food styles, so it is OK if one of them does not provide vegan food. As for the team lunch, usually the restaurant is chosen by some employees inside the department, and they can only choose one restaurant each time. As a result, the restaurant for team lunch has to provide vegan food.

#### ANALYSIS

The characteristics of the group meal ordering from companies are different from regular customers, while both of the two companies consider providing vegan foods as an important factor in choosing a restaurant. As a result, the Futian Dumpling Restaurant needs to provide vegan foods if it wants to be qualified as a food provider for local companies. Meanwhile, online

food ordering websites like FoodEE also provides a new possibility to the restaurants who cannot provide vegan foods. Currently, the Futian Dumpling Restaurant is not available in both FoodEE and doordash, it may be a good idea for them to join those websites before they develop new vegan dumplings without eggs or shrimps.

## CONCLUSION

#### SUMMARY

There are around 9.4% of adults in Canada consider themselves vegetarian, however, it does not mean that a restaurant may only lose around 10% of the potential customers if they do not provide vegan foods. As many vegetarians in my survey are not able to eat eggs or shrimps, we may not be able to classify the Futian Dumpling Restaurant as a restaurant that provides vegan foods, which will have some negative impact for attracting both regular customers and group meal orders from nearby companies based on the analysis in this report. As a result, the restaurant may need to take action to improve this situation.

#### RECOMMENDATION

Based on the result of the surveys and interviews, when considering vegan foods, the Futian Dumpling Restaurant can focus more on the situations with the presence of both meat-eaters and vegetarians for both regular customers and the group meal orders from the company.

In general, for group meal orders, the dumpling restaurant needs to develop some new vegan dumplings recipes without eggs and shrimp and provide those vegan options to the local

companies. At the same time, it may consider joining the food order websites similar to FoodEE so that it can get some opportunity before finishing the new recipes.

As for the regular customers, because of the food remaining issue, it may not be feasible for the restaurant to provide vegan dumplings regularly for regular customers even if they have developed the new vegan receipt. In this situation, providing some simple vegan supplemental foods, such as vegan noodles, may be a good candidate solution, although this solution might break the original strategy of the dumpling restaurants. Moreover, having some new vegan dumpling recipes may also give some new possibilities to the restaurant for regular customers. For example, it may accept the appointment from regular customers for vegan dumplings for one day in advance.

### EXPECTED OUTCOME

After integrating the recommendations above, it is expected that the Futian Dumpling Restaurant can extend the customer base with more orders from both regular customers and companies' group ordering while reducing the pressures of management and providing delicious handmade Chinese dumplings for the neighborhood.

## REFERENCE

[1] "Futian Dumpling Restaurant." Google Map,

https://www.google.ca/maps/place/Futian+Dumpling+Restaurant/@49.2316403,-

<u>123.0318673,17z/data=!3m1!4b1!4m5!3m4!1s0x5486776693903a91:0x2df2937443839a91!8m</u> <u>2!3d49.2316403!4d-123.0296786</u>. Access: 12-03-2019

[2] "Futian Dumpling Restaurant." Yelp, <u>https://www.yelp.ca/biz/futian-dumpling-restaurant-vancouver</u>. Access: 12-03-2019

[3] "Vegetarianism by country." Wikipedia,

https://en.wikipedia.org/wiki/Vegetarianism by country. Access: 12-03-2019