



# Introducing a Unique Culinary Concept in an Untapped Market

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Laguna Beach Authentic Exploratory Research



## INTRODUCTION

*The planned work involves developing a comprehensive business plan for a restaurant to be established in a city that has no similar cuisine offerings. The goal was to introduce an Asian restaurant in a predominantly Caucasian city, where I recognize the potential challenge of aligning local tastes to an introduced cuisine. The restaurant will be centered around our main culinary offering, xiaolongbao. The focus will be on outlining the initial capital requirements, cash sources, and repayment plans. The concept, service type, and menu offerings will be thoroughly described, accompanied by architectural sketches and detailed build-out or remodel costs.*

### 1. Creation of the Business

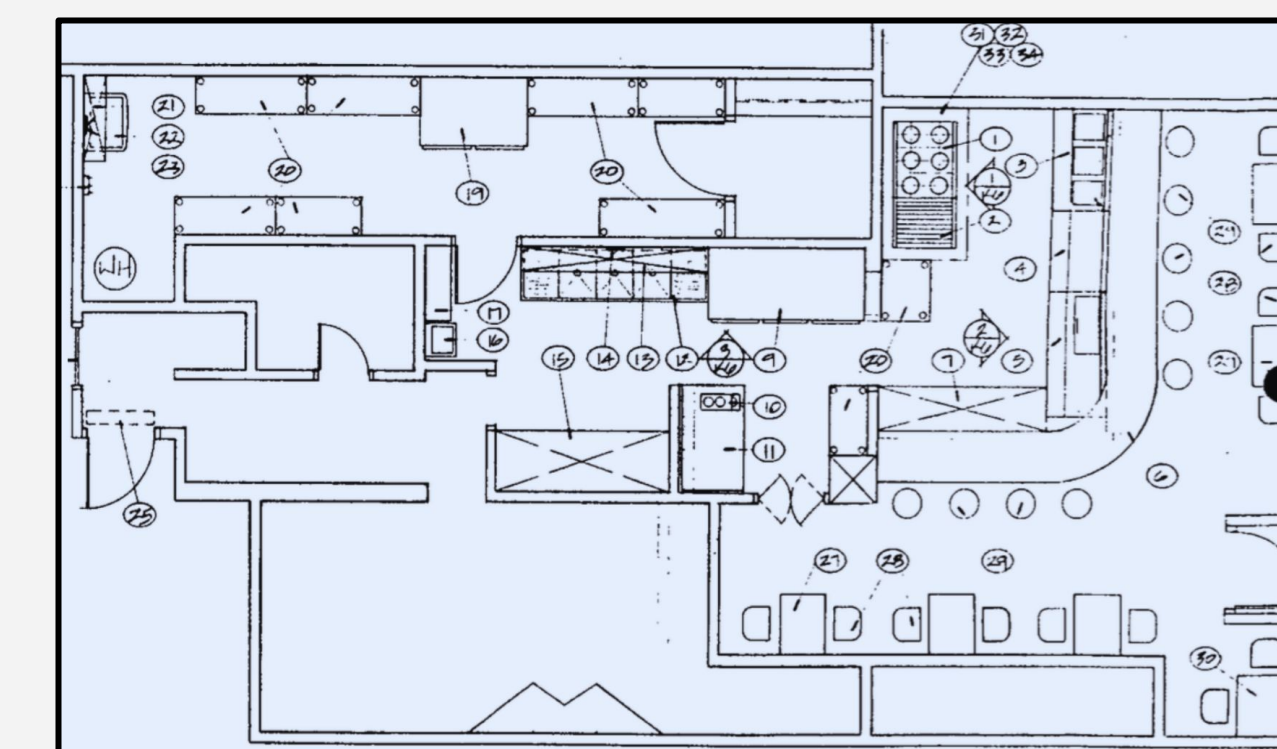
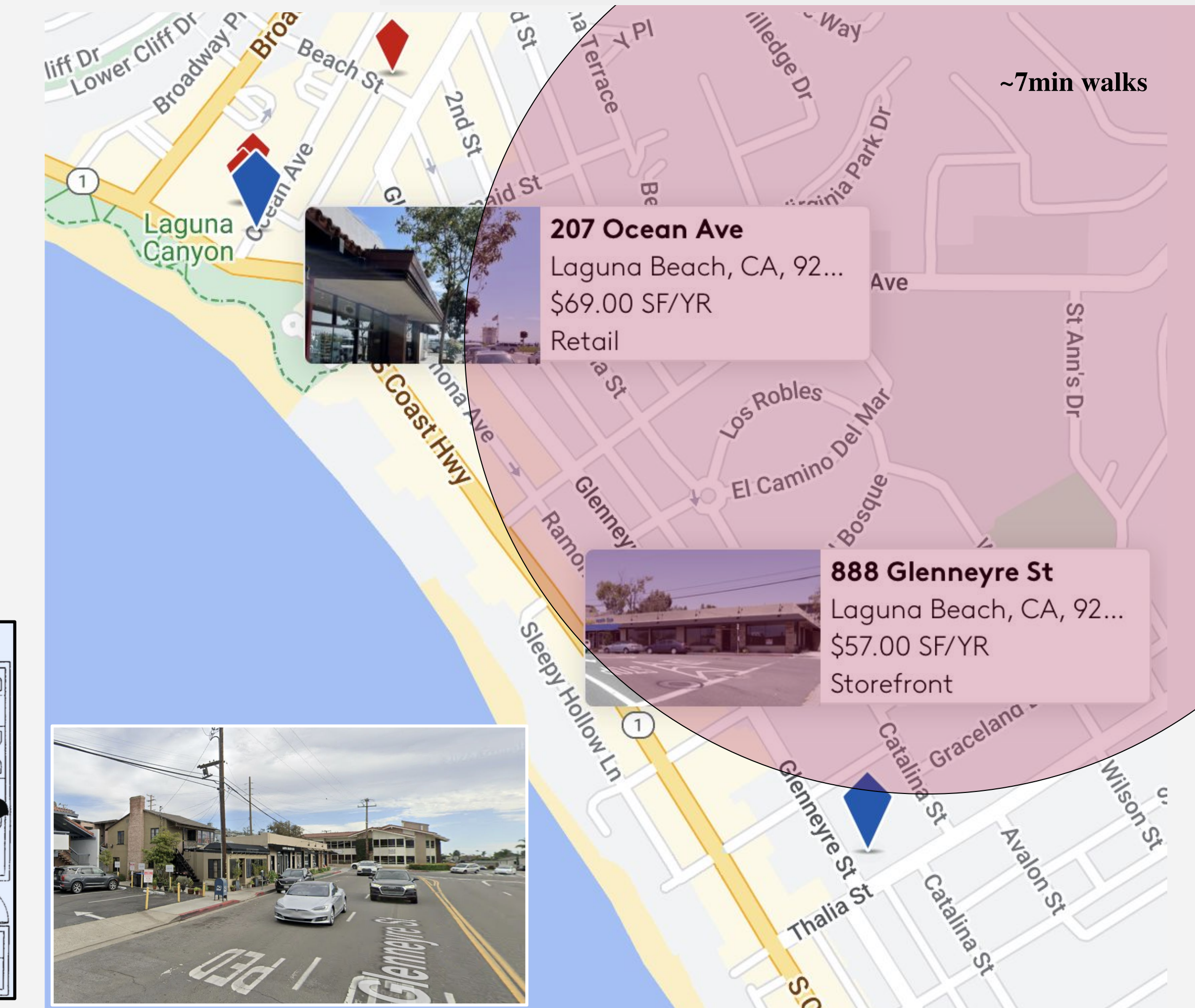
#### 1. Proposed Idea

Joy XiaoLongBao is a novel **fast-casual** dining experience coming to Laguna Beach specializing in the **traditional Chinese delicacy of xiaolongbao**, also known as soup dumplings. Joy will provide an authentic taste of Asian cuisine, crafted with high-quality ingredients and served in authentic asian takeout containers.

### 2. Location

#### 2. Finding Optimal Locations

Initially, my belief coming into the project was that finding a location for my restaurant would be quite simple. However, as my research began to dig deeper, more and more variables came about. First, I looked at the rent estimates for properties on Main Beach, finding out price was affected by multiple variables. The proximity to the beach, the surrounding stores/establishments, the expected amount of foot traffic, and seasonal tourist customer amounts were factored into the final price of the location, which skyrocketed as it got closer to the beach and removed any chance of this fast-casual restaurant having an oceanside view. Luckily, a location which once housed a restaurant was offered by my mentor, Mr. Redfearn.



### 3. Restaurant Layout

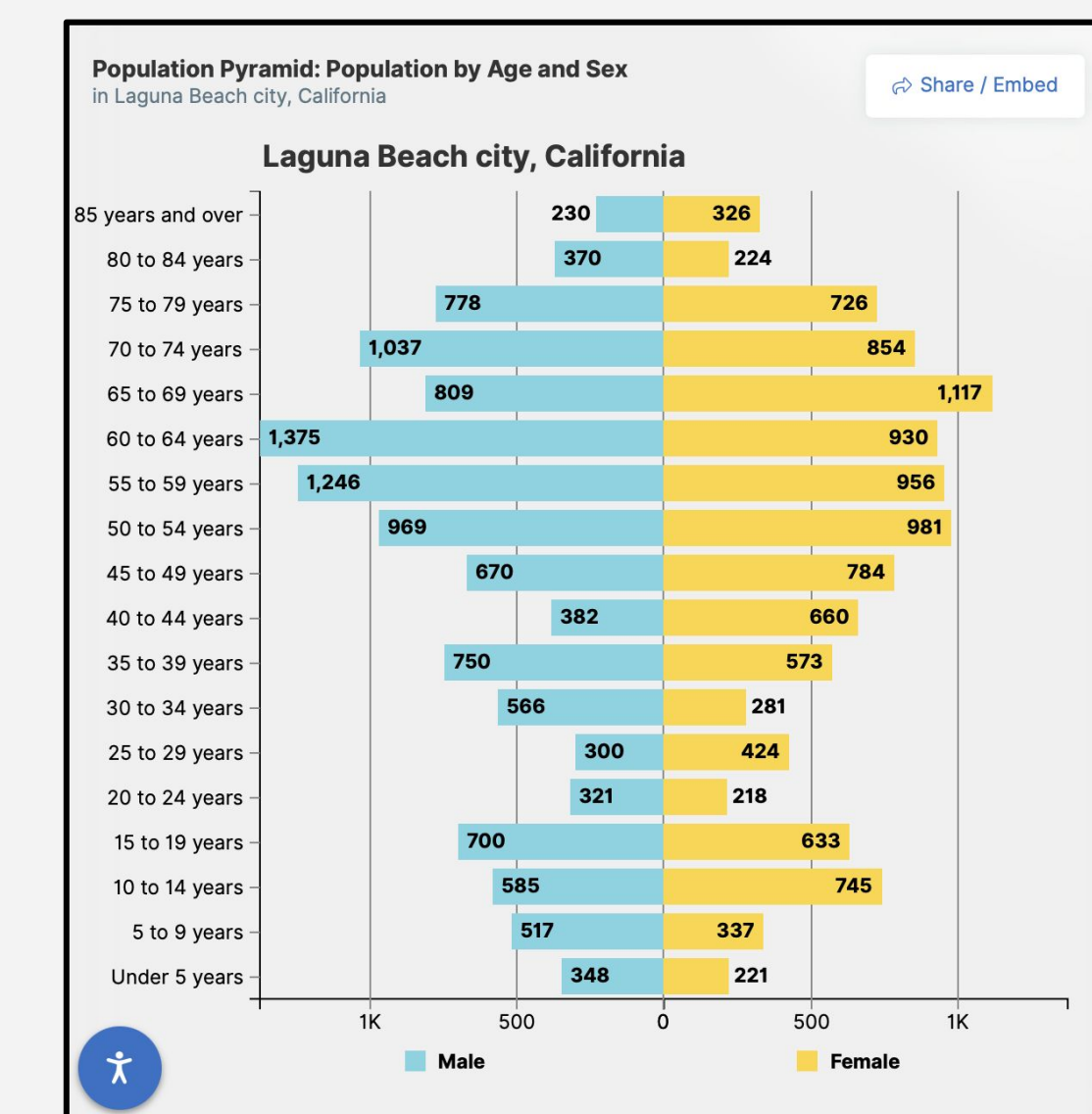
#### 3. Restaurant Floor Plan

Given that the chosen location conveniently housed a restaurant prior to its vacancy, not only was its location optimized for my fast-casual concept after some adjustments, but was also fit with proper kitchen utilities and infrastructure. While most could be repurposed, some kitchen equipment had to be switched out, such as purchasing new wok stations suited for asian cuisine.

### 4. Target Market

#### 4. Finding Customers

A restaurant must be made with customers in mind. Due to the high-cost nature of my adapted fusion cuisine, it was necessary to focus on attracting capable of spending money on fine experiences. Luckily, the location being situated in the middle of Laguna Beach, a **wealthy tourist city** with a higher-than-average median income, was beneficial to my achieving that target market. However, difficulty soon arose. For a restaurant like mine to achieve success, customers need to be adventurous in trying new food items, which tend to consist of younger generations. In researching the demographic and ethnic makeup of the city, data from the Census Bureau not only showed that Laguna Beach consists of older generations, but also that the amount of younger generations was becoming **smaller each year**.



### 5. Menu Creation

#### 5. Making a Menu with Finances

My passion behind developing this restaurant was fueled by the introduction of these new foods to Laguna Beach. My mother had traditional recipes for Chinese Xiaolongbao, which were adapted to an American palate. Financial estimates for each dish in calculating menu prices were made from the amounts listed in each recipe, adjusted for bulk ingredients. Menu prices are calculated based on a specific formula involving labor costs, rent, and food cost.

APPETIZERS	
SCALLION PANCAKES	4.45
STEAMED DUMPLINGS (PORK, CHICKEN, VEGETABLE)	6.45
SPICY CUCUMBER SALAD	3.45
SICHUAN WONTONS	7.45
CHINESE FRIED DOUGH STICKS	3.45

XIAO LONG BAO		MAIN DISHES	
PORK XIAOLONGBAO	13.45	KUNG PAO CHICKEN	11.45
CRAB XIAOLONGBAO	11.45	BEEF WITH BROCCOLI	11.45
SHRIMP XIAOLONGBAO	12.45	MAPO TOFU	10.25
VEGETABLE XIAOLONGBAO(V)	9.45	SWEET AND SOUR PORK	9.45

DESSERT		DRINKS	
SESAME BALLS	4.75	SOFT DRINKS	2.00
MANGO PUDDING	3.75	CHINESE HERBAL TEA	3.50
RED BEAN PASTE PANCAKES	3.75	BUBBLE TEA (ASSORTED FLAVORS)	3.75

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### 6. Gauging Competitors

#### 6. Gauging Competition

While the Asian-cuisine fast-casual restaurant concept didn't have any direct competitors, there were still many factors to consider. Many upperclassmen frequent downtown restaurants for their daily lunch, which called for collecting data on the accessibility of my restaurant and competitors through timing the minutes it took to walk to 5 different restaurants students would frequent, finding that the average travel time of **7 minutes** with my restaurant just being outside of that. Additionally, my location fared poorly in terms of **car-accessibility** due to the small parking lot and the closed-off nature of its location decreasing organic discovery of the restaurant through automotive travel. Additionally, while the menu prices were first calculated through restaurant finances, I also looked into similar restaurant's menus and adjusted my prices to match similar or lower price points than my competitors.



## DISCUSSION, ANALYSIS, AND EVALUATION

The unique proposition of Joy was that it was culinarily diverse, offering an Asian cuisine which would be completely new to the city of Laguna Beach. Research was done to find the target customer, proper location, and effectiveness of the menu offerings. In the end, the ethnic makeup of the tourist oriented city, combined with the high property costs, along with low profit margins of this specific menu offering and concept created a **firm opposition** to the opportunity.