
Al Khoory Restaurant

Rashid is considering buying a restaurant. It has been a dream of his for some years to own his own business, and a restaurant in particular. He wants to feel proud to own a place where people gather to enjoy a high-quality meal, feel comfortable in, and that is attractive in appearance. Of course, he also wants the restaurant to be profitable!

Rashid now has the funds to purchase a restaurant and has been looking for a suitable one for some time. Being cautious, he doesn't want to start a new restaurant as it might be too complicated and risky. So, he is looking for one that is already operating or has closed recently and can be purchased and opened easily.

He decided to buy in an area of Dubai, UAE where he lives, as there are few restaurants there. The reason there are few restaurants is because this section of the city is relatively new. There are mostly new villas and apartment buildings in the area, built over the last 10 years. Before this time the land had been empty desert. The rapid growth of Dubai meant that their area of town has been built up very quickly. Services such as grocery stores, restaurants, salons, and mobile phone stores are just now starting to open. The population of the area now justifies these services.

Details of the population of the area are included in Appendix A.

A restaurant closed recently in Rashid's target area and is available to buy. Really, he is only buying all the equipment inside and leasing the space from the building owner. The family running the restaurant previously decided to focus their business interests elsewhere. There is almost no data on how well the restaurant did, except that locals say it was excellent food and it was in a good location. The location is good because:

- There is lots of parking.
- There is good visibility from main roads.
- There is easy access from main roads, and many people walking and driving past the location.

The restaurant could easily be set up as a casual, moderate, or high-end establishment. The rent would be the same for whatever type of restaurant Rashid decided to open in the location.

Rashid's friend is an interior designer. He created a restaurant layout for Rashid because all the equipment, tables, and chairs in the previous operation had been disassembled and piled at one end of the restaurant when it closed.

The layout is included in Appendix B.

The minor problem...

Rashid does have a problem. He knows very little about the restaurant business. He has never really investigated how restaurants work, what foods to offer, and how to manage one. He needs help with just about everything (except the layout).

Rashid hires you as a consultant to help him set up his restaurant.

He has assembled some data for you to work with:

1. Some information on menus and food types in Appendix C.
2. Some data on the cost of hiring staff and other operating expenses in Appendix D.

This is all you have to work with.

Important Notes:

1. American \$ 1 = Dhs. 3.67
2. Assume that customers visit only the restaurants in their own geographic areas on a regular basis.
3. Assume that the above demographic information is the most important relevant information for this situation.

Appendix A

Some demographic information about Rashid's area of Dubai:

Get the rest of this case with your license purchase!

Licensed cases are in **Microsoft Word** format so you can easily edit them if you wish.

You also get the teaching note with solution suggestions in the package!

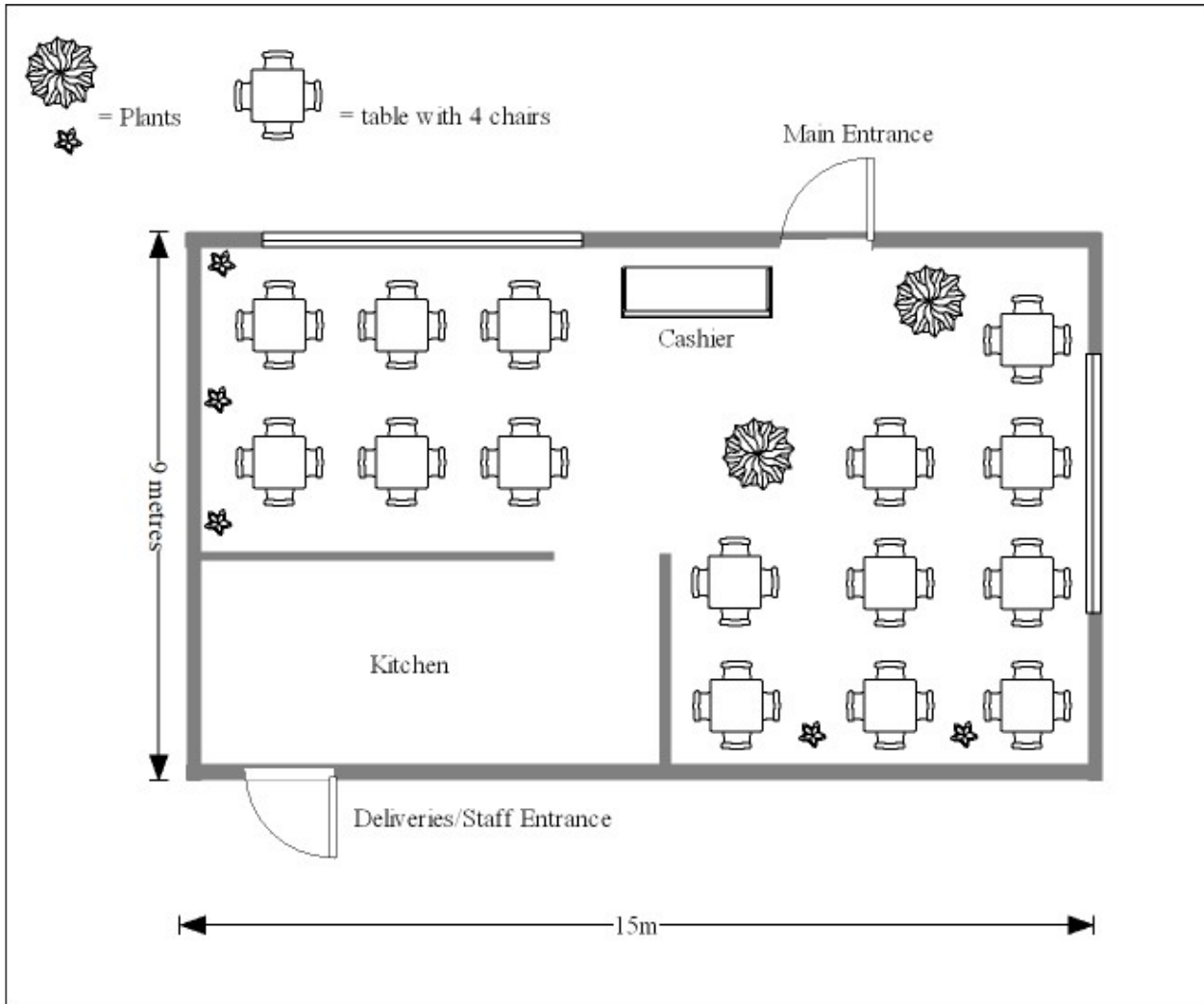
Instructor licenses are for **your individual lifetime use** of the case.

(Institution licenses are also available)

Great cases that are classroom proven for great learning!

Appendix B

Layout suitable for a Fast Food/cafeteria or Family or Premium-style Restaurant



Appendix C

Some data on restaurant types in the UAE:

Get the rest of this case with your license purchase!

Licensed cases are in **Microsoft Word** format so you can easily edit them if you wish.

You also get the teaching note with solution suggestions in the package!

Instructor licenses are for **your individual lifetime use** of the case.

(Institution licenses are also available)

Great cases that are classroom proven for great learning!

Appendix D

Staffing and operating costs for the UAE:

Get the rest of this case with your license purchase!

Licensed cases are in **Microsoft Word** format so you can easily edit them if you wish.

You also get the teaching note with solution suggestions in the package!

Instructor licenses are for **your individual lifetime use** of the case.

(Institution licenses are also available)

Great cases that are classroom proven for great learning!