FROM OPERATIONS TO IMPRESSIONS
PROPOSED STRATEGIES FOR GALLERY 2.0
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University of British Columbia
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FROM OPERATIONS TO IMPRESSIONS
PROPOSED STRATEGIES FOR GALLERY 2.0

AMS GALLERY 2.0
CONSULTING PROPOSAL
EXECUTIVE SUMMARY

GALLERY 2.0 AT A GLANCE
The AMS at UBC operates in a unique position, providing services and value to students in ways that are meant to connect the greater community together. The opening of The Nest has fueled this greater mission by providing a wide range of restaurants and services to students, including Gallery 2.0. Our strategy is to capitalize on this opportunity that Gallery 2.0 offers students in such a way as to provide increased value through a number of initiatives that can work to optimize the restaurant. Essentially, we want to take Gallery 2.0 to a place where its potential can fully be realized, and the greater UBC community can continue to enjoy its one-of-a-kind atmosphere.

BARRIERS TO GROWTH
In order to understand Gallery 2.0’s positioning, we employed a SWOT analysis to gain insight into the opportunities that are available. We also drafted a business model canvas to fully understand the operations of Gallery 2.0 and the main value proposition. Through our situational analysis we identified three core issues that our strategy will address in order to maximize the benefit of Gallery 2.0 for the entire community. These issues include operational issues surrounding bottlenecks in the kitchen and wait-times, under-utilized space with a large balcony that is empty for much of the year, and lack of effective brand communication. Our proposed strategy will seek to address these barriers and amend them in such a way as to position Gallery 2.0 as the top restaurant on the top of the Nest.

INITIATE: Operations and Leadership
Our group recommended changes starting from the restaurant style, switching from a fast food serving model to a traditional setting will extend the average sitting time of each customer, and increase their average dollar spent through upselling. In terms of the fryer bottleneck, we tackle the problem through menu alterations. By offering food alternatives, we aim to mitigate the burden of the frying equipment. Finally, adding leadership element through a sous chef will deliver clear steering direction of Gallery 2.0.

IMPROVE: Optimize Balcony Space
To fully utilized the outdoor area, we need to first improve the infrastructure of the balcony to make the space usable. We recommend adding electric heaters and rain covers to make the balcony area available in any weather. Customers will then have the option to enjoy their meals both indoor and outdoor. This measure aims to maximize any uncaptured revenue through expanding the business area to hold more capacity.

IMPRESS: Effective and Clear Brand Communication
According to observation, many students were unaware of the location or products provided by the Gallery. We propose improving the existing banners and transform them into visually attractive posters and obvious signage within the nest, establishing a stronger presence within the student community. These marketing materials will focus on showing the newest items or discounts to communicate the value to consumers. Complimenting our marketing strategy, we will also push forward a new loyalty program to retain customers through long term discounts.

POTENTIAL RISKS
We understand the potential risks that may arise through our strategy. Increased reliability on employees and a lack of receptiveness from customers are the main concerns that may emerge. However, we believe we can mitigate these risks through innovative strategies that will enable us to address these risks and capture the full benefit of the proposed changes.
MEASUREMENTS OF SUCCESS
Majority of our measurements will focus on the bottom line. The expected outcome of the strategy will be based on revenue growth, transaction growth, average spending, averaging sitting time, number of employees and amount of budget used. The projected results are as follows:

<table>
<thead>
<tr>
<th>Metric</th>
<th>Projection</th>
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<tbody>
<tr>
<td>Revenue Growth</td>
<td>12%</td>
</tr>
<tr>
<td>Transaction Growth</td>
<td>21%</td>
</tr>
<tr>
<td>Increase in Average Spending</td>
<td>10%</td>
</tr>
<tr>
<td>Increase in Average Sitting Time</td>
<td>25%</td>
</tr>
</tbody>
</table>

On the qualitative side, an increase **social media endorsements** and comments would be seen as a positive boost for Gallery 2.0. As for the restaurant positioning itself as a **leader in sustainable practices**, this allows the restaurant to adhere to greater values of the community and its own operations as providing optimal value in a way that is beneficial to the entire community through social sustainability initiatives. This works twofold to bring in customers who value this integrity, while also allowing Gallery 2.0 to fulfill its responsibilities to the UBC community.

CONCLUSION
From operational bottlenecks to leadership, non-optimized space to low brand awareness, we hope to capitalize the opportunities through a 3-step process: Initiate changes in operation bottlenecks and leadership, improve restaurant infrastructures and build an impressive brand to establish a better customer experience, and achieve sustainable revenue growth for Gallery 2.0. Through our proposed strategies we want to assist the AMS in propelling the Gallery 2.0 brand into something that is entirely unique for UBC students and the community. We believe these tactics will address the current situational opportunities in innovative ways.
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FROM OPERATIONS TO IMPRESSIONS
PROPOSED STRATEGIES FOR GALLERY 2.0
**OUR CURRENT SITUATION**

**Operation Bottlenecks**
- Long waiting lines
- Kitchen not designed for the menu (ex: Fryer)

**Lack of Leadership**
- No Sous Chef in the kitchen
- No clear guiding direction

**Unused Balcony**
- 1,282 sq feet not utilized
- Not maximizing profits

**Lack Awareness & Branding**
- 67% of students don’t know what Gallery 2.0 is and what it offers
- Poster on ground level does not convey a clear message

**FUTURE OPPORTUNITIES**
- Strong leadership within the kitchen
- Maximized revenue utilising unique balcony space
- Strong brand, landmark at the Nest

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**SITUATIONAL ANALYSIS**

**Bottlenecks and Lack of Leadership**
Unlike traditional restaurants, Gallery 2.0 has a fast-food serving style. Currently, customers would line up, order and pay at the cashier. From observation and interviews, the waiting line could go up to 25 minutes. The long waiting line to place an order may dissuade people from entering the restaurant and instead pursue other alternatives.

Several menu items required preparation with a deep fryer. After several consultations with Daniel (the Food Service Manager), we concluded that the fryer is a significant bottleneck, as the kitchen wasn’t designed for Gallery 2.0 menu items and rather Perch menu items.

During our conversation with Daniel, we realized there is no Sous Chef in the Gallery 2.0. Each employee has equal position with similar salary, hence there is no leadership among staff in the kitchen. Lack of leadership is one of the main reasons why Gallery 2.0 has no clear guiding direction.

**Unused Space**
Based off our observation, we noticed the balcony is not fully utilized. Without the utilization of the fairly large space (1,282 square feet), the restaurant is not maximizing its profits. Daniel acknowledged the balcony problem, and suggested us to focus on optimizing the space.

**Lack Branding and Awareness**
Through survey responses and interviews, we’ve noticed 67% of the students’ responses indicate that they don’t know what Gallery 2.0 is. They recognize that there is a restaurant on the top floor of the Nest, but they don’t know the name of it. Currently, there is a poster located at the bottom of the stairs, but it does not symbolize what the restaurant delivers.
An overview of our strategy designates three main actions that we want to focus on. The first is to initiate programs and operational changes to address the issues surrounding bottlenecks in the restaurant. The second is to improve upon existing infrastructure in order to improve the experience of customer value. Finally, to enhance the experience of customers we want to impress through upgraded marketing strategies and alternative programs for our customers.

The overall strategy statement is as follows: To mitigate bottlenecks and improve customer experience by initiating changes in operations, improving infrastructure and impressing customers with stronger branding, resulting in an estimated 12.6% in revenue growth.
INITIATE: TRANSITION TO RESTAURANT STYLE

Recommendation 1:

TRANSITION TO RESTAURANT STYLE

The current setting of Gallery 2.0 is a fast food serving style. To solve operational bottlenecks and grow sales, we recommend changing the restaurant style from a fast food model to a more traditional setting. Here we focus on waiters and menu items to extend the customer sitting time, and reduce the usage of the single fryer in the kitchen.

**Tactic A: Waiters for Reception and Upselling**

Currently, prospective customers wait in line to place an order with a cashier, after which they take a number, sit wherever they’d like and wait for their food to come. By replacing this process with a more traditional sit-down restaurant style approach, we can eliminate the need for prospective customers to wait in line. Furthermore, this poses a tremendous opportunity to upsell each customer. Customers will be more likely to order an additional drink or appetizer if a waiter comes to their table, rather than having to go and wait in line to place an order with the cashier.

**Tactic B: Menu Alterations**

After a short discussion with Daniel, complementing our own observation at the Gallery, we discovered that the fryer in the kitchen is one of the bottlenecks. Initially used for producing mainly bar food items (such as fries, nachos and fried chicken etc.), the fryer occasionally experiences overloading when the restaurant reaches capacity during peak hours, resulting a longer wait time for customers.

Since it is not possible to add additional fryers due to cost and setup constraints, our group suggests altering menu items to reduce the burden of the fryer. Our method is to provide customers with more alternatives for certain fried products, such as offering grilled chicken instead of fried chicken in the mains, or offering a new option like baked potato alongside fries. These alterations will help to mitigate the fryer bottleneck and speed up the food preparation time. In the long run, there is also a possibility to offer healthier options, such as items with less oil or steamed. With less frying options, the kitchen can again reduce the burden of the fryer.

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**WAITERS**

Moving towards a conventional restaurant style

- Welcome and seat customers
- Check-in & Upsell

**MENU**

Changing menu options to reduce fryer workload

- Offering Alternatives ie. Grilled Chicken vs Fried Chicken
- Healthier Options ie. Steamed vs Fried

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**INITIATE**
**INITIATE: CHEF AND KITCHEN GUIDANCE**

**Tactic: Restaurant Partnership**
To help with the bottleneck issue in the kitchen, procuring a sous chef to oversee and guide operations will be essential. Gallery 2.0 is unable to hire a sous chef since they are unable to offer a competitive salary. As a result, we propose that Gallery 2.0 seek a partnership with a restaurant that is in close proximity to UBC, like Earl’s. The partnership will be established for the purpose of having access to the restaurant’s chefs, who can provide guidance and instruction in the kitchen. Gallery 2.0 offers the respective restaurant an opportunity to advertise their brand in Gallery 2.0, as well as offer exclusive items on the menu that draw from the chef’s respective restaurant.

**Tactic: UBC Home Economics Partnership**
To provide incentives for the partner restaurant, we will add another stakeholder - UBC Home Economics Department. According to Dr. Kerry Renwick, UBC’s Bachelor of Education faculty has a group of Red Seal chefs that would potentially be interested in working at Gallery 2.0. Such roles could be used to satisfy their community field experience requirement for their program. Tapping into this pool of students would satisfy the AMS’ preference of hiring students, as well as alleviate shortages in experienced workers, particularly in the kitchen. Part of the reason why the students would be interested in Gallery 2.0 would be because they would be working under a sous chef from a well-established restaurant. In the end, these Red Seal chefs may see an opportunity to transition to working at the sous chef’s respective restaurant, thereby benefiting the partner restaurant.

**INITIATE**

**Recommendation 2:**

**CHEF / KITCHEN GUIDANCE**

<table>
<thead>
<tr>
<th>Situation</th>
<th>Strategy</th>
<th>Recommendations</th>
<th>Risk</th>
<th>Metrics</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>RESTAURANT PARTNERSHIP</strong></td>
<td>Establish partnership with compatible restaurants.</td>
<td>- Access to experienced sous chefs without paying full salary.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>UBC HOME ECONOMICS PARTNERSHIP</strong></td>
<td>Establish partnership with UBC Home Economics Department.</td>
<td>- Access to trainee Red Seal chefs. - Satisfy preference to hire students.</td>
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</table>
Our third recommendation is to tackle the core issue of inefficient use of the restaurant space. The main focus of this recommendation is the balcony space, which, due to external factors such as weather conditions, was not being used. Through our observational research, we found that one of the main differentiations of Gallery 2.0 is its unique position on the rooftop of the Nest. The patio is an incredible asset that is not being fully realized. Two approaches to improving operations for the patio are implementing sustainable alternatives to conventional patio heaters, and installing retractable rain covers.

**Tactic: Patio Heaters**
When considering implanting a heating source for the winter months, we must acknowledge the AMS’ greater goal of adhering to values of sustainability. Therefore we opt for an electric patio heater rather than a conventional heater that would use fossil fuels. Through understanding prior SEEDS reports on environmental impacts, the zero emission electric heaters provides a sustainable alternative that can heat similarly. This would begin as a pilot program wherein we can install heat to some of the patio in order to understand how it is used. An example of a flexible model that can attain this is identified in the Appendix below.

**Tactic: Retractable Rain Covers**
Additional consideration for weather effects such as rain is needed, which is why in tandem with the heaters, we propose partial covering that is retractable. Here a vinyl cover can be used similar to ones used by patios in other restaurants in the Vancouver area. Constructing a permanent rain cover may be an alternate strategy, however for the temporary consideration of rain in Vancouver, a retractable option is perfectly viable. Through contact with Daniel, we also understand the need for covering on the patio and are aware of the proposal to purchase umbrellas for sun coverage. Rain covers can therefore provide all-season accessibility.
Through our research, we have found that there is a lack of awareness for the restaurant. Many students do not know what Gallery 2.0 provides and where it's located. Because of this, we have identified two sub-tactics that would solve the majority of this problem.

Tactic B: Launch a Stamp Loyalty Card
The purpose of the loyalty program for Gallery 2.0 is to generate greater awareness around UBC. Through our survey, we have found that many students value low costs for food. We speculate that these are the students who usually purchase food on campus. This is where the stamp loyalty card comes in. The stamp loyalty card will be given to those who purchase an item over $9. After four purchases over $9, the customer will be rewarded $4 off of their next purchase. We would not detrimentally cost anything. Also, with the implementation, it’d be beneficial in the long run, as it would increase the number of transactions.

Tactic A: Re-Design of Posters and Creation of Signs
An improvement on the communication with the students would tackle this problem. This can be through an implementation of a poster that would better suit the restaurant. Currently, the only advertising within the nest are the blue posters, which are located near the main stairs. They only state the name of the restaurant and where it’s located.

In order for students to better understand what Gallery 2.0 is, the content and style of the poster have to be changed. An addition of a picture of a food item, or the name of the popular dishes at the Gallery, or even stating that it is a restaurant would better help the students understand what Gallery 2.0 is.

After creating awareness, Gallery 2.0 must deliver it. The implementation of signs and directions that lead the potential consumer to the restaurant would greatly benefit the restaurant. This reduces uncertainty and also generates curiosity within other students as well. Through effective advertising and communication to the students, this will increase the awareness of the restaurant, thus increasing traffic which in turn creating a ripple effect through students’ word of mouth.

LOYALTY PROGRAM

- Purpose: To spread awareness throughout UBC
- Buy 4 items over $9, get $4 off
- Incentivizes customers to return frequently

SIGNAGE AND POSTERS

- Communicating more about the Gallery 2.0 brand and services offered
## RISKS & MITIGATIONS

<table>
<thead>
<tr>
<th>Situation</th>
<th>Strategy</th>
<th>Recommendations</th>
<th>Risk</th>
<th>Metrics</th>
</tr>
</thead>
<tbody>
<tr>
<td>HIGH</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Increased Reliability on Employees</td>
<td>Undermine Operational Efficiency</td>
<td>Incentives to limit employee turnover</td>
<td></td>
<td></td>
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<tr>
<td>MEDIUM</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taste Profile of Menu Changes Is Not Well-Received By Customers</td>
<td>Market May Reject Changes</td>
<td>Rigorous taste profile tests in coordination with restaurant chefs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>LOW</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Patio Will Continue to be Under-Utilized</td>
<td>Fail to Realize Benefit of Increased Capacity</td>
<td>Wait-staff will communicate the benefits of the improved space</td>
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### RISKS AND MITIGATIONS

**Increased Reliability on Employees**

More employees will need to be hired as waiters once Gallery 2.0 transitions to a traditional restaurant-style model. A significant risk with this change is the higher reliability on employees. This means employee turnover would have a greater impact on Gallery 2.0’s ability to function.

*Mitigation:* Through offering flexible work schedules during exam seasons, we hope to alleviate the burden work has on busy students who work at Gallery 2.0. This, along with pay increases after each semester, we hope to see less employee turnover over the course of the year.

**Taste Profile of Menu Changes Is Not Well-Received by Customers**

A significant risk of changing the menu is that it may leave regular customers disappointed if they happened to prefer the way it was before the change.

*Mitigation:* Going through a rigorous taste profile plan in coordination with partner restaurant chefs will ensure that the quality of the menu items is not compromised. This will be done in August, so to gauge the response of the market. Once they are deemed sufficient, the menu changes will be ready in September.

**Patio Will Continue to be Under-Utilized**

After procuring all the resources to make the patio a serviceable place for customers, it is possible that they would rather sit inside.

*Mitigation:* Given that the front of the restaurant will have an attendant to take customers to a table, they should communicate the benefits of the improved outdoor patio space to the customers, which will lead to a higher usage rate.
The effects of our strategy will be evaluated by both qualitative and quantitative measurements.

**Quantitative**
Gallery will experience growth in revenue (12.6%), average spending, number of customers (21.7%) and time spent per customer per sitting (25%). These metrics should be in line with our strategy in leadership and change of restaurant style. Using the patio throughout more months in the year offers students an intangible asset by having access to one of the only balcony patios on campus. Over time, looking at number of patio bookings and seating can reveal information on how successful opening the balcony can be for Gallery 2.0.

**Qualitative**
When considering sources of heat for the Gallery 2.0 balcony, we suggest an electric heat source instead of a conventional source such as natural gas. Electricity adheres strongly to corporate social responsibility values on sustainability, fully realizing the AMS’ strong association with SEEDS initiatives. Electric sources have virtually zero atmospheric emissions, with negligible emissions in production, whereas conventional heaters make use of harmful fossil fuels, emitting greenhouse gas that harms the ozone layer (SEEDS Report, 2014).

The impact of Gallery 2.0 being a leader in sustainable practices is something difficult to measure in terms of success. The number of social media endorsement/comments could also provide certain insights, however we remain neutral with regards to the accuracy and significance of the data.
CONCLUSION

From operational bottlenecks to leadership, non-optimized space to low brand awareness, we hope to capitalize the opportunities through a 3-step process: Initiate changes in operation bottlenecks and leadership, improve restaurant infrastructures and build an impressive brand to establish a better customer experience, and achieve sustainable revenue growth for Gallery 2.0.
In order to establish a better understanding of the current situation Gallery 2.0 finds itself in, we employed a SWOT analysis. After analyzing strengths, weaknesses, opportunities, and threats based on our own primary research as well as what we could gather through meeting with the clients, we were able to identify what core opportunities were there looking forward. This analysis helped to inform our strategies so that we could focus on key aspects of initiating operational changes, improving existing infrastructure and use of space, and impressing customers through upgraded marketing tactics.

### SWOT ANALYSIS

<table>
<thead>
<tr>
<th>STRENGTHS</th>
<th>OPPORTUNITIES</th>
</tr>
</thead>
<tbody>
<tr>
<td>➔ MENU VARIETY</td>
<td>➔ LARGE DINING SPACE FOR CUSTOMERS, POTENTIAL TO BOOK SPACE FOR EVENTS</td>
</tr>
<tr>
<td>➔ INEXPENSIVE PRICES</td>
<td>➔ BALCONY PATIO WITH A GREAT VIEW</td>
</tr>
<tr>
<td>➔ COMFORTABLE SEATING</td>
<td></td>
</tr>
<tr>
<td>➔ UNIQUE SPACE IN NEST</td>
<td></td>
</tr>
<tr>
<td>➔ ACCESS TO PATIO</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>WEAKNESSES</th>
<th>THREATS</th>
</tr>
</thead>
<tbody>
<tr>
<td>➔ LESS ACCESSIBLE DUE TO POSITION ON 4TH FLOOR</td>
<td>➔ UBC FOOD SERVICES A DIRECT COMPETITOR - REOPENING OF THE SUB</td>
</tr>
<tr>
<td>➔ INCONSISTENT SERVICE</td>
<td>➔ SIMILAR FOOD OPTIONS EXIST WITHIN THE NEST</td>
</tr>
<tr>
<td>➔ LONG WAIT TIMES</td>
<td></td>
</tr>
<tr>
<td>➔ BOTTLENECKS IN KITCHEN</td>
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**APPENDIX I: SWOT ANALYSIS**
Our next model to help conceptualize Gallery 2.0’s business model was this canvas where we could identify key aspects of how Gallery 2.0 conducts business. In doing so we gained a more holistic idea of the operations allowing us to ensure our strategic tactics were aligned with the value proposition of Gallery 2.0 and also AMS as a greater whole. Through contact with our client we were able to narrow down our focus and streamline this process.

<table>
<thead>
<tr>
<th>KEY PARTNERS</th>
<th>KEY ACTIVITIES</th>
<th>VALUE PROPOSITION</th>
<th>CUSTOMER RELATIONS</th>
<th>CUSTOMER SEGMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>AMS</td>
<td>FOOD PREP, BAR, RESTAURANT SERVICE, EVENTS</td>
<td>DELIVER QUALITY FOOD IN A RELAXED ATMOSPHERE AT AFFORDABLE PRICES</td>
<td>QUICK SERVICE, EFFICIENCY, QUALITY FOOD AND DRINKS</td>
<td>STUDENTS, STAFF, UBC VISITORS</td>
</tr>
<tr>
<td>SEEDS</td>
<td>KITCHEN/BAR STAFF, INGREDIENTS, SPACE, EQUIPMENT, SEATING</td>
<td></td>
<td>SOCIAL MEDIA, ON-CAMPUS ADS, STUDENT INTEREST</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>KEY RESOURCES</th>
<th>KEY ACTIVITIES</th>
<th>VALUE PROPOSITION</th>
<th>CUSTOMER RELATIONS</th>
<th>CUSTOMER SEGMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FOOD PREP, BAR, RESTAURANT SERVICE, EVENTS</td>
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<tr>
<td></td>
<td>KITCHEN/BAR STAFF, INGREDIENTS, SPACE, EQUIPMENT, SEATING</td>
<td></td>
<td>SOCIAL MEDIA, ON-CAMPUS ADS, STUDENT INTEREST</td>
<td></td>
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| IMPORTANT COSTS: MATERIALS, INGREDIENTS, OVERHEAD, EQUIPMENT, SALARY, TRAINING, MARKETING, RESEARCH COSTS | REVENUE STREAMS |
| FOOD AND ALCOHOL BEVERAGE SALES, EVENT BOOKINGS |
## ALTERNATIVE TACTICS

### ALTERNATIVE TACTIC 1: SELF-SERVE KIOSKS

**Benefits**
- Complementary to existing business model
- Alleviate wait time for cashier
- Low recurring costs

**Reasons for rejection**
- Incompatible with community-centric atmosphere
- Miss opportunity for up-selling

### ALTERNATIVE TACTIC 2: HIRE SOUS CHEF

**Benefits**
- Provides leadership in kitchen
- Experience can improve quality

**Reasons for rejection**
- Not feasible to offer a competitive salary

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**Implement Self-Serve Kiosks**

Arguably a less risky proposition, the self-serve kiosk would decrease the amount of time customers wait in line to place their order. This doesn’t require additional human resources, rather a high upfront cost. However, we rejected this strategy, as it would not complement Gallery 2.0’s laid-back and community-centric atmosphere. In addition, this approach would continue to not allow for upselling, a significant missed opportunity to bolster sales.

**Hire A Chef**

A simpler approach than seeking a partnership with a restaurant, hiring a sous chef would be too costly and too time-intensive in trying to find a chef that fits with Gallery 2.0.
# APPENDIX IV: PARTNERSHIP LANDSCAPE

| PARTNER RESTAURANT | GIVES | • SOUS CHEFS  
|                    |       | • RIGHT TO PRODUCE EXCLUSIVE MENU ITEMS  
|                    | RECEIVES | • ADVERTISING TO STUDENTS  
|                    |       | • TRAINED CHEFS  
|                    |       | • EXCLUSIVE MENU TESTING  

| GALLERY 2.0 | GIVES | • REIMBURSE PARTNER RESTAURANT FOR CHEF’S HOURS  
|            | RECEIVES | • SOUS CHEF  
|            |       | • ADDITIONAL TRAINEE CHEFS  

| UBC HOME ECONOMICS | GIVES | • TRAINEE CHEFS  
|                   | RECEIVES | • EDUCATION  
|                   |       | • COMPENSATION  
|                   |       | • POTENTIAL FUTURE JOB PROSPECTS  

GALLERY 2.0
APPENDIX V: HEATERS AND BALCONY INFORMATION

ADDITIONAL BALCONY INFORMATION

Gallery 2.0’s patio has a fairly reasonable layout but is notably quite large. In order to execute the heaters, we offer a pilot program for the first year, to heat partial areas of the balcony, implementing four heaters to begin with. Based on our analysis of comparative models, this should be able to heat up to 12 tables sufficiently, covering a significant portion of the patio.

One model we suggest is the EnerG+ Telescopic Free-Standing Infrared Heater Priced reasonably ($249) and able to provide adjustable levels of energy and heating means that this option gives Gallery 2.0 the greatest flexibility for the pilot program launch. Due to lack of infrastructure, we opt for a free-standing model as opposed to a hanging model which can also allow for repositioning of the heaters where it is deemed best suited. Encouraging customers to be seated at the patio works in tandem with the role of hosts in a traditional restaurant style. Advertising the patio heaters as sustainable can adhere to sustainability goals and values.


SEEDS Report: https://lookaside.fbsbx.com/file/PatioHeaterAlternatives_Group2.pdf?token=AWzhlhs6xylYSASNrb6Oes20zZxar8413G5fxooMrJfrHWABvZSytkys6qKp0V96Ggy0LAlkNjrdsCYWnGhr1hiL_ska2n-MBzGkScka1YDPCFeaq6XRA4IAb6oqtsUvPWXePpqXYQy0LjuSAPBH

LOOKING FOR A PLACE TO
SIT & EAT?

Come to Level 4
GALLERY 2.0

GALLERY 2.0
APPENDIX VI:
MARKETING POSTER & SIGNS

COME EAT AT
GALLERY 2.0
See you on Level 4!
APPENDIX VII: FINANCIAL PROJECTIONS

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<thead>
<tr>
<th>Referenced Total Cost/ Unit</th>
<th>Referenced Hours</th>
<th>Cost/ Hour</th>
<th>Hours Required by Gallery/ Year</th>
<th>Total Cost/ Unit</th>
<th>Units Required</th>
<th>Total Cost for Gallery/ Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Waiters</td>
<td>/</td>
<td>11</td>
<td>160</td>
<td>1760</td>
<td>5</td>
<td>8800</td>
</tr>
<tr>
<td>Chefs (Partnership)</td>
<td>33000</td>
<td>16</td>
<td>416</td>
<td>6600</td>
<td>1</td>
<td>6600</td>
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<tr>
<td>Heaters (Electric)</td>
<td>249</td>
<td>/</td>
<td>/</td>
<td>/</td>
<td>4</td>
<td>996</td>
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<tr>
<td>Electricity for Heaters</td>
<td>/</td>
<td>/</td>
<td>7.679</td>
<td>450</td>
<td>4</td>
<td>13822.2</td>
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<tr>
<td>Rain Covers</td>
<td>1500</td>
<td>/</td>
<td>/</td>
<td>/</td>
<td>4</td>
<td>6600</td>
</tr>
<tr>
<td>Posters &amp; Signs</td>
<td>5</td>
<td>/</td>
<td>/</td>
<td>/</td>
<td>5</td>
<td>25</td>
</tr>
<tr>
<td>Loyalty Program</td>
<td>/</td>
<td>/</td>
<td>/</td>
<td>/</td>
<td>/</td>
<td>337.596</td>
</tr>
</tbody>
</table>

| Budget                      | 50000            | \[\]    | \[\]                           | \[\]             | \[\]          | \[\]                          |
| Strategy Cost               | 32080.796        | \[\]    | \[\]                           | \[\]             | \[\]          | \[\]                          |
| % of Budget                 | 64.16%           | \[\]    | \[\]                           | \[\]             | \[\]          | \[\]                          |
| Recurring Cost              | 29247.2          | \[\]    | \[\]                           | \[\]             | \[\]          | \[\]                          |
| % of Budget                 | 58.49%           | \[\]    | \[\]                           | \[\]             | \[\]          | \[\]                          |

FINANCIAL PROJECTIONS PT. I

General Assumptions:
1. All values are denoted in Canadian Dollars

Cost Assumptions:
1. Waiters are paid slightly above minimum wage ($11)
2. Waiters work 4 hours/ shift, 1 Shift/ day, 2.5 days/ week, and 16 weeks (1 term)/ year
3. Chefs’ annual salary is 33000, working 8 hours/ day, 5 days/ week, 52 weeks/ year
4. 1 Kilowatts costs $11/ hour
Revenue Assumptions:

1. Strategy effects are estimated based on the moderate growth model.
2. Since Gallery only opened for 6 months in 2016, the provided 2016 data requires adjustment to perform accurate forecasting.
**Initiate**

*Hiring:* We decided to hire waiters every four months, the first month into a new school semester. The reason for this is to first see if there is a need for new hires. The hiring will be based on the amount of employees that have decided to quit in the previous term.

*Partnerships:* There will be 3 stages into having a restaurant partnership. First, from April until late June, this time will be used to find potential partners who would be interested in working with Gallery 2.0. After, 2 months will be used to finalize the partnership through a contract.

Then, in September, this is when the partnership will take place, where the kitchen team will be under a head sous chef.

*Menu:* Before publishing the menu, from fried items to grilled, the restaurant will need to check if there is a demand for it. This will happen during the summer period, where they will get to test the items before school rolls in. Alterations will be made after testing the menu. This will happen again during the two months before second term comes in. This is to check if there are changes that should be made to the menu.

**Improve**

To order to successfully optimize the unused balcony space, 2 months will be needed to deliver and install amenities and delivering it to Gallery 2.0. The pilot program will take place right when school starts.

**Impress**

Implementing the loyalty program, marketing posters and signs in April will allow Gallery 2.0 to increase their awareness within UBC right away. The loyalty program will go year round. As for the marketing posters, they need to be redesigned every 3 months for a fresh look. The re-design of the posters could be as simple as changing the pictures, or adding a specific food item promotion.