

# Capitalizing on the Increasing Influence of Latin American Cuisine: A Marketing Plan on High Tide

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*Abstract— It seems like many young entrepreneurs are steering away from the more traditional corporate future, where opportunities seem to be fewer by the day, and it appears that cafés and trendy restaurants have exploded in popularity. Along with the sudden rise of new, fashionable, cafés and restaurants managed and owned by young adults, there are also the more old-fashioned restaurants which offer more traditional cuisine options, Japanese, Italian, French or steak houses. The scope of Western restaurants, however, doesn't seem to go past the American or English cuisine. This paper evaluates the level of feasibility that a Latin American restaurant in the heart of Southern Taiwan could have, while studying the most important aspects of the Taiwanese food and beverage industry. The motivations that inspired this research include the fact that over the past few years, Taiwan has become more and more welcoming for Latin American immigrants, which seems to have spiked the interest of Taiwanese people in the Latin American culture as a whole. Taiwan, and the curiosity has sprung to the extent to which even the biggest clubs and bars in some cities are organizing Latin Parties at least once a month. All in all, proving that the investment would be feasible according to current market trends and customer preferences.*

*Keywords: entrepreneur, entrepreneurship, business proposal, Taiwan, Latin American Cuisine, food and beverage industry in Taiwan, marketing, marketing plan, financial plan*

## I. INTRODUCTION

High Tide is a start-up restaurant to be located in

the city of Kaohsiung, Taiwan. The company will capitalize on Taiwan's growing multicultural society and foreign influence, as well as the growing trend of globalization. High Tide expects to build a loyal customer base with its high quality, authentic Latin American food and cocktail offerings, sustainable business practices and values. High Tide will offer customers a wide variety of authentic Latin American dishes mostly based on Peruvian seafood recipes to appeal to the Taiwanese market.

High Tide will be an owner-operated business, mutually run by Mr. Daniel Cerros and Mr. Javier Chicas. High Tide is expected to open its doors in the city of Kaohsiung, Taiwan. The specific opening date is yet to be scheduled. The two principle owners are investing US\$10,000 of their own money into the business and are seeking a long-term loan of US\$24,993.

The food and beverage industry in Taiwan has seen an explosive growth in the past decade. In fact, it is one of the few industries that has not once reported a negative growth in the past ten years. Preliminary market research shows that there is a growing interest in the Latin American culture as a whole, and more specifically in the cuisine. High Tide's ability to effectively combine several approaches to the food and beverage industry will set it apart from its competitors.

High Tide will provide consumers a convenient and satisfactory dining experience as well as a glimpse of the Latin American culture. Furthermore, a knowledgeable

staff, amazing food offerings and sustainable business practices will provide value-added benefits. High Tide's primary market is the casual dining segment. Its value proposition aims to satisfy the needs and demands of Taiwanese and foreign residents with the experience they expect from a casual dining restaurant.

Its mission is to provide high quality, authentic, ethnic food offerings that promote multiculturalism and a sense of community. High Tide's marketing strategy aims to connect with consumers on a personal level and communicate its value proposition and brand promise to customers in creative and innovative ways. Through community involvement, strategic alliances, a strong online presence and incentive marketing initiatives, High Tide will become known as a trusted brand that consumers can identify with.

## II. LITERATURE REVIEW

High Tide is a start-up business that will offer customers in Taiwan, high quality authentic food and beverages from Latin American Cuisine. The date to start operations is yet to be scheduled.

The concept of High Tide came about over a discussion Mr. Luis Daniel Cerros and Mr. They both know how difficult it is to live away from home, Daniel being in Taiwan for almost four years at the time, and Javier having lived in California and currently working as a chef in Denmark. Javier, being such a skilled chef recommended Peruvian cuisine since Taiwan already produced seafood, and the customers are already familiar with it.

They both share a passion for travel, culture and entrepreneurial spirit. Mr. Cerros and Mr. American countries to adapt the taste to the liking of Taiwanese customers.

Interestingly, a couple of Latin American restaurants, including Salvadorian and Peruvian have sprung in certain areas of Taipei and they seem to be fairly successful until today. People all over Taiwan are used to Latin street food and Mexican restaurants already, but the younger segment of the market is ready to try something new.

The company will use a simple casual dining-ethnic restaurant approach. Using this model, customers will pay

after the meal, instead of before, as in the case of a Limited-Service business model.

Sustainable business practices will be built into the High Tide business model and the company will practice these values actively.

### Products and Services

High Tide will offer a variety of high quality dishes and drinks that are iconic to Latin American cuisine, while borrowing details from other Latin American countries. Variations of the famous Peruvian Cebiche will be a signature item, paired with Pisco Sour, which is a cocktail considered to be a South American classic. High Tide will assure their customers value added benefits to distinguish itself from competitors.

There will be a strong focus on «learning» about the culture in order to create a more sophisticated environment within the bistro.

High Tide's main product offerings will be Latin American dishes mainly based on the seafood products that are locally popular. The selection of dishes will include classic Peruvian, Argentinian, Colombian and Chilean appetizers and entrees as well as dishes borrowed from other Latin American countries.

This ease of access has had a very strong influence on Latin American cuisine. These are the two most important reasons why Mr. Cerros and Mr. Chicas have thought that Taiwan would be the perfect place for a Peruvian Bistro.

### Product Design

Knowing this, High Tide will emphasize the presentation of both the dishes themselves as well as the restaurant altogether. High Tide will offer a complete experience, rather than just food items and therefore the decoration of every element of the Bistro will reflect so. The brand and its promise to provide customers will the highest quality possible will be evident in every dish and cocktail that leaves the kitchen. Most on items on the menu of High Tide are based on fresh catch, and as such, seafood will be showcased on display, dishes will showcase the fish, octopus, squid, or other ingredients that have come fresh from the sea as the centerpiece.

White usually conveys a positive response, and it is often used to symbolize a successful beginning. The combination of these three colors represents the image that High Tide wants the customers to see and be associated with. Food items will be served in white squared dinnerware, since it is most of the times considered to be more sophisticated than regular circled plates. Wooden platters will also be used for certain elements in the menu, to maintain a classier feel within the staurant.

As for the general ambiance, lighting will be important to set the mood inside the Bistro, and traditional Latin American music will play in the background. Music genres will change according to the time and the occasion. The customers will enjoy their lunches and dinners with soft Bossa Nova, and later at night and or weekends, the music will change to more upbeat genres like Merengue, Salsa and Tango. Latin American music and its dancing, being so important and influential to the culture will be exhibited with activities, especially on weekends.

Taiwanese and foreign musicians that live in Taiwan and play Latin American genres, will be invited to play in the Bistro frequently.

**Service**

The quality and amazing flavors would not be memorable without an unforgettable service to match. High Tide understands that proper training of employees in both customer service etiquettes, as well as their culinary skills is a must, especially for an ethnic restaurant.

They need to have detailed knowledge about the preparation of these dishes, and the different origins and variations that the restaurant might offer, to explain to the customers in the most genuine way possible. Employees will undergo a comprehensive training program, which will teach them all they have to know about Latin America and Peruvian Cuisine. High Tide will follow the Full-Service Restaurant business model.

The reason why High Tide decided to follow this business model is that we believe that customers deserve a much more memorable experience than the one that is usually offered in restaurants that follow

the Limited Service Eating Places business mode.

**Market and Industry Analysis**

The reasons why this location was chosen include the fact that Kaohsiung is a very multicultural city, and therefore they might be more accepting of new cultures and experiences, in contrast to other more traditional cities. Other important factors include its population and the fact that Kaohsiung city alone accounts for almost 43% of all the Food and Beverage service shops that currently exist in the island of Taiwan, according to the data from National Statistics

*Table 1: Taiwan's Population by Region (2010)*

| Region    | Year End 2010 |            |
|-----------|---------------|------------|
|           | Population    | Percentage |
| Northern  | 10,707,544    | 46.4%      |
| Central   | 5,567,265     | 24.1%      |
| Southern  | 6,266,252     | 27.1%      |
| Kaohsiung | 2,777,384     | 12.0%      |
| Eastern   | 510,980       | 2.2%       |
|           | 23,052,041    | 100.0%     |

*Source: National Statistics, Republic of China (Taiwan)*

The table above clearly shows that Kaohsiung alone is home to more than 12% of the total population of Taiwan, bringing the population density to approximately 941.8 inhabitants per squared kilometer. It is not a surprise that Kaohsiung City has the most Food and Beverage Shops (which include restaurants, beverage shops via shops, and other food and beverage service activities) in the Southern region of the island.

**III. METHODOLOGY**

A field market research survey was conducted in order to better understand and clearly define

The purpose of this survey was to gain insight into the dining out habits of potential customers, as well as assessing their interest in a Latin American restaurant and the culture as a whole. The survey was conducted online using Google Forms software created by Google from December 20, 2016 to January 20, 2017. A copy of the survey responses can be viewed in the appendix.

**Consumer Preferences**

Potential customers seem to be interested in international food, being anything from American steakhouses to Italian cuisine restaurants. However, the most popular types of restaurants also seem to be Asian style restaurants, mostly Korean and Japanese. High Tide can easily make advantage of these preferences since most of these Asian cuisines rely of seafood, pretty much like Peruvian food does. In fact, respondents were also surveyed on the frequency they enjoy seafood while they eat out, knowing that this could be a gateway into the Taiwanese market.

#### Management and Implementation Summary

Preliminary market research suggests that the concept and products offerings proposed by High Tide are in line with the consumer demands and market trends in the city of Kaohsiung. Marketing and brand management are essential for a bistro like High Tide since its food offerings rely on ethnic dishes that might not be as well known to Taiwanese customers as more traditional food offerings.

#### Brand Management

Other aspects that will help build and strengthen the brand like having a visually pleasing image as well as consistency are also part of a strong brand management. The ultimate goal of the brand management plan is that High Tide has to be as unique and interesting as possible, in the customers' minds. High Tide strives to be exceptional. Exceptional in every sense of the culinary experience it offers to customers, starting from the visual appeal of the decorations, and finally the quality and taste of everything on the menu.

#### Marketing Plan

Marketing Plan High Tide's strategy is based on capitalizing on the growing influence of foreigners, especially from Latin American countries in Taiwan, emphasized by the strong push towards globalization worldwide in the recent years. High Tide will combine several marketing approaches to the Taiwanese Food and Beverages Industry within a socially conscious, ethical and sustainable business model.

#### Segmentation

The potential target market in the city of Kaohsiung is relatively massive. The success of the marketing approach depends completely on the ability to accurately segment the potential target market. According to the information from the «Annual BrightLocal Local Consumer Review Survey» carried out in 2016, 84% of customers trust online reviews as a personal recommendation.

#### Targeting

The main focus of High Tide's marketing campaign will be directed specifically for young adults that consider themselves as «foodies», in the Casual Dining market segment. As a secondary target consumer market, High Tide will focus on the general population that meets the criteria of the target market of the restaurant, that usually enjoy visiting more upscale dining venues.

#### Positioning

Creating a strong brand that consumers can identify with, and trust is a priority to the marketing plan proposed by High Tide. The company understands that this is essential to the success of the bistro. High Tide will position itself as an audacious and courageous brand that is not afraid to offer high quality, authentic Peruvian and Latin American dishes and cocktails that promote exciting culinary experiences. It aims to be authentic, while being modern enough so that customers find it exciting, hopefully becoming a community favorite. To achieve this positioning, the company will make sure to fully understand consumer wants and needs and closely follow market trends. The High Tide concept is based on similar principles and values to the ones «foodies» share, and therefore will directly target these consumers. The value proposition of the bistro will be apparent to the customers in various touchpoints. Mainly, the biggest examples being a welcoming atmosphere, high quality authentic food offerings, friendly service and strategic marketing campaigns.

Marketing Strategy High Tide's integral marketing strategy will ensure that every interaction with the brand showcases and ensures the core values and brand promise, to every customer. The goal of the marketing strategy is to connect with the potential customers and accurately communicate the High Tide value proposition. High Tide first and foremost believes in making the restaurant experience as memorable as possible. Dining out should be more than just the means to beat the hunger

#### Marketing Mix

High Tide will create value and develop brand awareness through its creative and comprehensive marketing mix. Each marketing touchpoint will transmit a consistent message and reiterate brand promise and value proposition. High Tide believes that the best way to strategically plan a successful marketing mix is by using the 7 P's to evaluate business performance and ensure maximum levels of customer satisfaction.

#### Product

High Tide will offer products and participate in activities that directly align with current market trends. The focus will be on bold culinary experiences and exotic cultures with seafood as its centerpiece. High Tide's signature item will be its fresh, locally sourced seafood. Taiwanese customers are already familiar with the seafood options available in the island, however they haven't tried authentic Latin American flavors yet.

Authentic Peruvian spices will be used in every food offering to assure the customers that every dish is as ethnic as possible. In addition to the main courses, there will be a broad selection of Latin American desserts and appetizers. Most appetizers will also have seafood as their centerpiece, including the Peruvian jalea, tiradito and the ceviche which are based mainly on fresh fish, cuttlefish, octopus and similar food items.

As previously mentioned High Tide will be strategically located within the southern city of Kaohsiung, Taiwan. The fact that the city serves as an international port for trading has attracted, in the past, a good number of foreigners from countless countries to

live and work in Kaohsiung. This phenomenon does not only affect the population statistics but it also directly influences Taiwanese customers since they are more exposed to different cultures, this makes it perfect for High Tide to open its doors. The ideal situation would be to have a small stage for live music and dance shows inside the venue.

#### Price

Ethnic restaurants typically follow a premium pricing strategy. All of the products offered at High Tide will be priced according to the market research survey and to nearby competition. Promotion High Tide believes that one of the most powerful means of marketing is the one made by word-of-mouth. High Tide needs to deliver value that customers will appreciate and communicate to friends and family.

The main reason why this type of marketing is considered to be so effective is that people tend to be more inclined to trust the opinions of family and friends over others' recommendations. The ability to engage with consumers and form long-lasting impressions is critical to the success of High Tide's promotional strategy.

#### Personnel

The primary goal of High Tide is to ensure the customers the highest levels of satisfaction. The company understands that it is important to make a good first impression and therefore customers will feel relaxed amongst the welcoming and personable staff, not to mention knowledgeable in the Latin American culture. Each member of the High Tide's family will undergo extensive training in the areas of operations and customer service, as well as in Latin American culture to better accommodate customers. Extraordinary service is critical to High Tide's success and is essentially an extension of the brand promise. The service will be efficient, and courteous. Process High Tide will follow a typical full-service restaurant business model. The FSEP business model means that customers will be served from the moment they go into the restaurant until the moment they leave. This system will allow High Tide to provide the customers with the culinary experience they deserve and that the company promises.

Each business model serves a completely different

purpose and while the FESP model is not as efficient as the LSEP model, High Tide believes that the value that service adds to the experience is perfect for the experience the brand promises. The company will also strive to reduce energy consumption and ensure food waste and other materials are disposed of in a responsible manner.

#### Physical Environment

The cozy atmosphere will evoke feelings of relaxation, comfort and happiness. The colors selected by High Tide will be apparent and will add splashes of authenticity and emotion throughout the venue.

#### 4 Data Analysis and Result

Strengths High Tide's greatest strength lies in the dedicated and qualified management team. They have a clear vision for the company and are determined to succeed. The ability to effectively combine the culinary experience of one of the owners, and the academic background of the other one will give a distinct advantage over competitors. Everything in the menu will be unique and traditional, while relying on seafood that is already quite popular among Taiwanese customers.

Other strengths include High Tide's strong branding, community involvement and emphasis and positioning as a company that is socially conscious and that promotes and celebrates diversity. Weakness High Tide is limited by financial barriers. The company's reliance on outside capital and limited initial marketing budget could prove disadvantageous to the business venture. Other weaknesses include a lack of operational and service experience within the restaurant industry.

#### Opportunities

Threats High Tide's greatest threat comes in the form of direct competition from industry leaders and new entrants, as well as the fear that some potential customers might have of trying something new. A shift in consumer preferences, rising inventory costs or a slump in the economy are also possible threats to the High Tide business venture.

#### Operational Plan

The success of the venture greatly depends on

how well the business plan is executed. As with all businesses in the food and beverage industry, health and quality control measures will be put in place to ensure the safe handling of food. High Tide will abide by all standards and regulations outlined by the FDA in Taiwan. Daily Operations High Tide will not open for breakfast.

It will be open daily from 11 am to 3 pm and from 5:30 pm to 10:30 pm. The peak trade times will be from 7 pm to 9 pm and between 11 am to 2 pm. As previously mentioned, High Tide will follow a typical Full-Service Eating Places business model. Customers will be greeted by a host, who will show them to their table.

They will be served starting from that moment, to the moment they leave. Customers will order their food and pay to a waiter after their meal. Customers will enter the store and ask the host for a takeaway order which they will fill and give back to the host. The host then will give it to a waiter that will take that order to the kitchen.

#### Human Resource Management

Employees are to be taken care of in any industry, but it is even more critical in the service industry since the attitude and general demeanor of employees directly reflect the company corporate culture and brand identity. Happy employees improve the overall customer experience and drive customer loyalty, which can be translated into profits in the future.

High Tide will comply with the rules and regulations set by the Taiwanese Ministry of

Employees will be fairly compensated and incentives will be given to boost productivity. High Tide employees will be selected based on a set of specific criteria. Most importantly, their values must be in line with those of the company. High Tide will have a corporate culture focused on its employees, the company wants every one of the employees to feel like a part of a family.

Ideas and opinions will be encouraged, listened to. All members will be encouraged to participate and assist in decision-making. Employees will be empowered, and their ideas will be valued since each and every one of them are a crucial part of the company. Exceptional customer service and consistency will be the most important aspects for all staff members.

Employees need to be confident and take pride in their abilities to provide an exceptional service. They especially need to believe in the products and the company they are working for. They have to be interested in the Latin American culture enough to want to learn a bit more about it. Good service is a result of great training.

Comprehensive training programs will be provided to ensure employees have the knowledge and tools necessary to do their job efficiently and effectively. Moreover, the positive management style at High Tide will motivate employees and ensure they feel valued and appreciated for their efforts.

#### IV. CONCLUSIONS AND RECOMMENDATIONS

Multiculturalism has become an important aspect of Taiwanese society, the cities that were once viewed as close minded and traditional are slowly adopting all these diverse cultures. Keys to Success High quality products that meet consumer needs, exceptional service, creative marketing initiatives and effective operational management will ensure the success of High Tide. Additionally, High Tide's positioning as a restaurant that celebrates and encourages cultural diversity and harmony, its strong branding and sense of community will drive customer loyalty and recognition. High Tide's competitive advantage comes from its ability to effectively combine two varying approaches to the food and beverage industry.

The friendly and knowledgeable staff, and locally sourced fresh food items greatly increase value proposition.

#### Future Opportunities

Product line expansion, delivery services and expansion to neighboring cities are future strategies that High Tide could adopt. Although this business proposal is based on a single location in the Kaohsiung marketplace, the owners envision physical future growth and expansion.

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