



Developing franchise marketing plan for KOKORO Sushi restaurant

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The research discusses the development of a franchising marketing plan for KOKORO Sushi, a start-up restaurant based in Helsinki.

The main objective of the study was to build a marketing plan to promote KOKORO Sushi's franchise package. In order to achieve the objectives of thesis, first the franchise offer and price needs to be determined by taken into considerations many factors. Secondly, a marketing plan is built based on the targeted customer's interest within company's budget.

The knowledge base includes theory on franchising, building a franchise package, entrepreneurship situation in Finland as a foreigner and marketing strategies.

Desk research and interviews are chosen as the qualitative data collection methods. The interviews are conducted both to the owners of the restaurant and potential customers in order to design the marketing plan suitable for both parties' needs.

After gathering data, thematic analysis was used to find patterns in the interview answers and reach better customer understanding. The data analysis results confirmed the assumptions of customer's desire and demand. It also allow further development of the marketing plan content and communication channels. The end result of the thesis an initial franchise package and proposed marketing plan for the company.

The research is limited in the scope of small restaurants and desired targeted customers from owner's opinion. In the future, the franchise package and marketing plan can be adjusted and improved to suit different target groups of customers.

Keywords: franchising, marketing, restaurant, entrepreneurship

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1 Introduction

KOKORO sushi is a sushi restaurant located in Vallila, Helsinki. KOKORO is originally a start-up company, founded in 2016, by three Vietnamese university students. KOKORO has been in operation for more than three years. In the Finnish market, it is undeniable that there are already plenty of sushi restaurant in various business model such as buffet, a-la-carte, fine dining or casual dining. There seems to be quite a competition between these restaurants, however, KOKORO has succeeded in gaining its position as a strong candidate in the market.

In its latest financial statement in 2018, KOKORO Sushi has made 738 thousand in net sales, profit for the period was 30 thousands. Net sales increased by 53.8%. Operating profit margin was 5.1%. Located in Vallila neighborhood, KOKORO's customer base are mainly office workers around the area and residents living near Alpi or Kallio. The restaurant serves sushi to order so there is no ready-made sushi, everything is made fresh to orders in order to keep its taste and freshness. However, that does not make the serving speed slower as the business follows a fast-casual type of restaurant, serving customers who are mostly on the go. The current staffs are experienced, friendly and receive good feedback for their professional service. Quality food and service are the reasons that made KOKORO stand out from other businesses, enable it to build a solid customer base and recurring revenue from year to year.

After 3 years in business, KOKORO has now entered a more stable state with their current restaurant. The restaurant now has clear operation structure in all aspects: food preparation manual, training manual, licenses, etc. Therefore, the owners are looking for a method to grow their business. There are many options including expansion, open new restaurants, moving to better locations, etc. All of the other alternatives face the obstacles of large costs, both financial and human resources investment. Franchising, on the other hand, seems to be an option that requires less resources as well as brings a stable and long-term benefits for the company.

In recent years, franchising has emerged as a promising growth method for various types of product or services business. It is considered a new and effective way to intellectually leverage properties of the companies. (Sherman, 2004). Franchising has rising in numbers in many Europe countries and Finland is not an exception. Many franchisors, however, are mostly large corporations, which have been operating for many years. KOKORO is one of the rare small start-ups that are aiming for this type of growth strategy.

To successfully find a perfect franchisee, KOKORO needs a marketing plan to promote themselves as a winning restaurant and a worthy franchise to buyers. The marketing plan will also include generating attractive value propositions as well as considering legal aspects of franchising business.

Since franchising is a new business concept to the company, the owners need help in building the franchising plan, most importantly, the marketing plan for people to know about the franchising of KOKORO restaurant.

2 Research questions and objectives

The purpose of the thesis is to build a marketing strategy for franchising KOKORO Sushi restaurant.

The research objective is to create a good franchise value proposition and promote it through the right marketing channels. The goal is to reach to franchisees and find a suitable match for the company. Also, the marketing plan should be able to help KOKORO branding themselves as a successful start-up business.

The thesis will cover important steps of building a marketing strategy including doing market research and analysis, choosing market segmentation and customer groups and planning the implementation of the marketing plan. As the franchising idea is still in the making, there are no cover of the actual implementation and results of the marketing plan included in the thesis. Theoretically, there will be mention of franchising procedure, franchising as a growth method, marketing strategy and analysis.

The research questions are:

- What does KOKORO need to include in their franchise package to attract buyers?
- How can KOKORO most effectively reach their potential franchisees?
- What kind of content should be created and promoted to efficiently market and sell KOKORO franchising?

3 Theoretical background

The thesis's theoretical background will concern theory of franchising and marketing. The author believes that the understanding of franchising business nature will help scope a better value proposition for the marketing plan. Basic marketing theory needs to be revised in order to build a strategic and effective plan. On some occasions, the theories will involve both franchising and marketing related information.

3.1 Theory on franchising

3.1.1 Franchising key concepts

To build an effective franchise marketing plan, it is important to understand the key concepts of franchising. Franchising is not a new concept as it is believed to date back to the Middle

Ages (476.A.D.-1453 A.D.) when rights to operate ferries or hold markets were given to crafts men and other professions by feudal lord. (Bennet, et al. 2008, 10.) In the past few decades, franchising has taken over as a type of business ownership and growth strategy. However, few people truly understand the concept of franchising. (Barringer, et al. 2010,512)

Franchising is defined as a business strategy, a way of doing business and a method of distribution of goods and services designed to satisfy customer needs (Bennet, et al. 2008, 9). In "Franchising your business", Borian,D. et al. summarizes franchising as a situation where all 3 elements exist: the permission to use one's brand name, permission to use one's system of operation or marketing program, receiving a fee, either initially or on an on-going basis. Siebert, M. 2016 quoted the franchising definition of the U.S., the Federal Trade Commission, agreeing with the previous definition except making it more specific that the total receiving fee must be at least \$500 in the first 6 months. Tuunanen (2005,19) take a more legal point of view stating "Franchising is established through a franchise contract, where the contracting parties agree on governance and use of right (cf. property rights). The term franchise refers thus to the right but also to the contract and the franchise organization." **Franchisor** is referred to the owner of the business concept, the one that created and developed the operations (Tuunanen 2005, 19). The franchisor's responsibilities is generally provide guidance during startup period and continuous support in forms of advertising assistance, purchasing power, brand maintenance, financial guidance, and ongoing operational support (Siebert, M. 2015) **Franchisee** or franchise owner is referred to the receiver of the right to operate business created by the franchisor (Tuunanen 2005, 19).

3.1.2 Different types of franchise

There are two main categories of franchises: start-up and conversion. Start-up franchise means the franchise is sold to people who have few or no knowledge of the industry or business in general, some even know nothing about any business. In this situation ,the most crucial thing is to provide these franchisees with thorough introduction to familiarize themselves with the business. Franchisors also need to prepare comprehensive manuals on operation in the training periods which can be documented for future review. Conversion franchise means the franchise is sold to individuals or group who are already working in the business. This method is mainly pursued by manufacturing companies, hardware companies or real estate in order to gain benefits from existing advertising, business systems and purchasing power. (Borian,D. et al, 2008, 38-39)

Another separation between different ways of implementing franchising is product and trade name franchising compared to business format franchising. While in the US, both are considered franchising due to inter-connectivity nature of them, in Europe, only business format franchising is regarded as franchising that can be included in their statistics. The first way of franchise refers to the situation when franchisor has a product that is distributed to

end-users by franchisees. Business format franchising, the later type, is a more superior model. In this case, the franchisors decide all aspects of the businesses and pass them on to franchisees. (Tuunanen 2005, 18; Barringer, et al. 2010, 514-414; Bennett, et al. 2008, 9-10). According to European code of ethics for Franchising by European Franchise Federation, business format franchising is a system of business between different interested parties based on close and on-going collaboration in which franchisors give their franchisees the right and obligation to implement the business in accordance to the existing concept. The first company to begin the business format franchising and a perfect example of this type is McDonalds. The franchise package offered include specific plan on how to conduct training, operate the business, on-going support, even marketing concepts are controlled and streamlined with the original franchisors. As demanding and inflexible this franchise type is, it is still on the rise and the most commonly used among business nowadays.

Under these different categories of franchise, there are different types of agreement or contracts that tie franchise parties in terms of legal procedures and using rights. Boroian D, et al introduced three main types of agreements which are individual franchise, multiple unit franchises and sub-franchising.

Individual franchise is the most popular out of the three, indicating a situation where franchise is sold to one individual for one physical location or territory. Customer demographics specifically play important roles in this type of franchise (Borian, et al. 2008,40; Barringer, et al. 2010, 515)



Figure 1. Individual franchise agreement (Barringer,et al. 2010, 516)

Multiple unit franchises (also known as master or territorial franchises) is given to franchisees in condition that they open a specific number of franchise units in one territory on a scheduled basis. In this type of agreement, the initial franchise fee can be discounted for each new opened unit. However, there is a risk of losing the money paid in advance if

franchisees fail to open new units within deadlines. (Borian, et al. 2008, 41) Multiple unit franchises decrease the competition between franchisees of the same franchise, at the same time increase the responsibilities they have to the original business. Franchisors stand the risk of losing controls over sales process over time in return for the benefits of less training time and cost. (Murphy 2006,165; Barringer, et al. 2010, 515; Bennett, et al. 2008, 283)

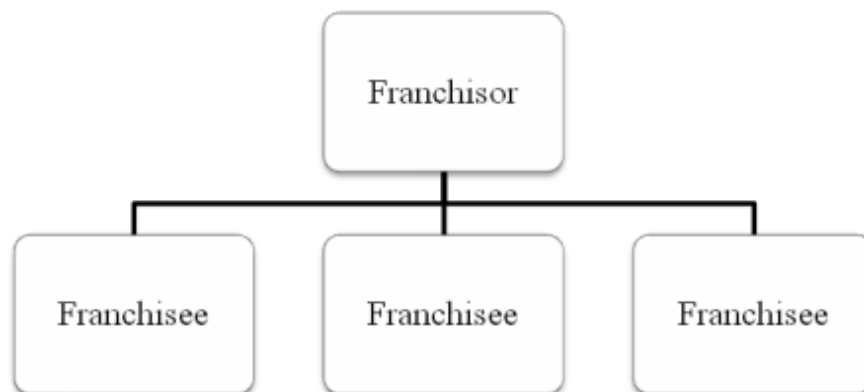


Figure 2. Multiple unit franchise agreement (Barringer, et al. 2010, 516)

Sub-franchising refers to the act of selling large territories to individual or groups who later be able to sell individual franchises in their market. This agreement is commonly used by conversion franchises or franchises with low volume of businesses. (Borian, et al. 2008, 41)

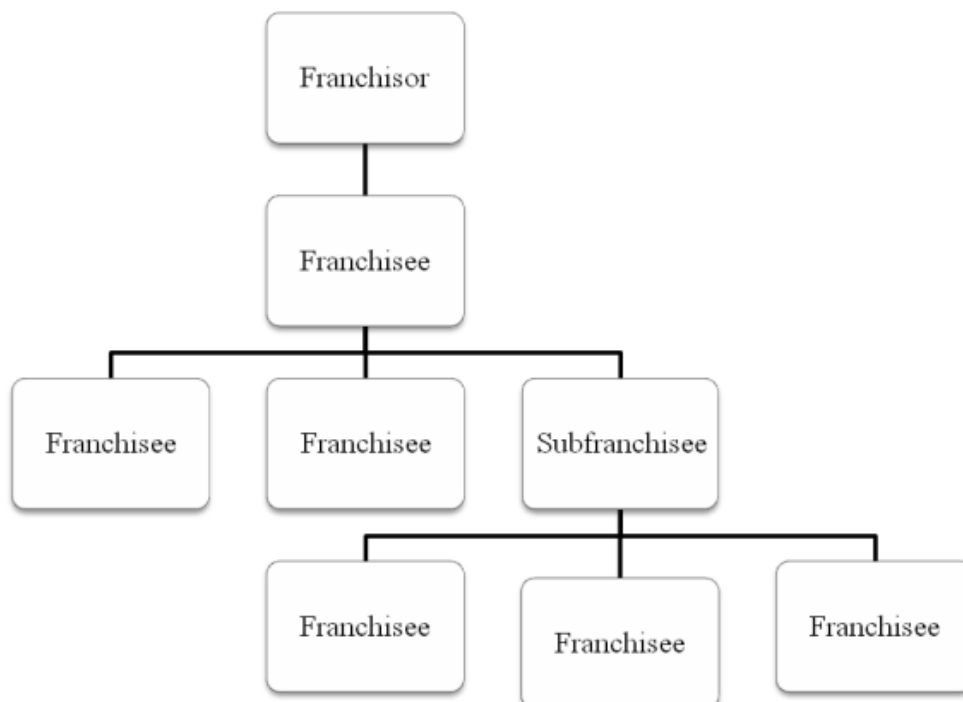


Figure 3. Subfranchising agreement (Barringer,et al. 2010, 516)

3.1.3 Franchise package

In order to successfully franchise the business and sell it to the right people, business owners need to have a clear image of what their franchise package would include. In Franchising your business, Borian, et al. has listed a number of steps that need to be taken to build a franchise structure. The steps are:

1. Determine the structure
2. Create the legal documents
3. Develop operating manuals
4. Devise a marketing plan
5. Implement a sales strategy

In details, franchisors first have to decide the type of franchise agreement they aim for after weighing their pros and cons. Next they need to build the franchise profile of what type of individual or groups they want to own their franchise. Other factors included in the franchise package should include territories, services, franchise fee, royalties, advertising requirements and terms of agreement. (Borian,D. et al, 2008, 87-105)

Siebert, M. (2005) discussed further into the structure of determining the franchise fee based on the franchise package. According the author, there are many ways that franchisors can charge their franchisees, including:

- An initial franchise fees
- An ongoing royalty
- Markup on products sold
- Advertising fees
- Territory-based fees (sub-franchising, area development, etc.)
- Fees for services provided
- Rebates from vendors to the system
- Sharing in national account revenue
- Financing
- Real estate fees or markups

It is also advised that franchisors should reserve the rights to incorporate these fees in the future.

To sum up, in order to determine the content of franchise package, franchisors should thoroughly consider and decide on types of franchise, territories and services the franchise offer and the franchising fee depending on those features.

3.1.4 Advantages and disadvantages of franchising

Like any other growth strategy, franchising has its own advantages and disadvantages, affecting both parties of the franchising agreement. In this thesis, we need to cover interests of both sides. For franchisors, it is important to acknowledge what they can gain and what is at risk in order to better their franchising plan. It is also crucial to see the matter in franchisee's opinion to understand what the obstacles are and focus on the intriguing parts of franchising for marketing purposes.

- For franchisors

Franchising seems to be a perfect tool for undercapitalized small entrepreneur to expand wealthily by sharing their ideas with other ambitious people. Some examples of successful pioneers in franchise model are Kemmons Wilson of Holiday Inn, Ray Kroc of McDonald's, and Colonel Sanders of Kentucky Fried Chicken. (Borian, et al. 2008,43)

One of the most well-known obstacles for small business to expand is the lack of capital capability. It is common knowledge that it is getting harder and harder to borrow lease from banks to start up a new business venture. Therefore, unless, business owners are personally well-funded, they stand the risk of losing the business to debt or losing their managing controls over equity investors. Franchising, in this situation, can offer many advantages as a method to raise capital because every franchisee is already prepared with their own capitals to run the business. When opt for the option of franchising, business can expand themselves with less cost than opening one company-owned location and without the risk of debt and cost of equity. Moreover, when operating under the same name and procedure, both parties' benefits from the efficiency of marketing and other supplier cost. (Francoise 1997, 14-15; Murray 2004, 19-21; Keup 2007,56-58; Murphy 2006, 185-193; Barringer, et al. 2010, 522, Siebert 2015,37)

Another worth mentioning advantage of franchising is the efficiency of staffing. Starting from managing level, franchisee owners are already motivated managers who are directly responsible for their own units, already have long-term commitment and in most cases , adequate business know-how to run a business. These qualities are hard to find in the job markets with reasonable salary in this age. Apart from managers, staff leverage is more efficient in franchising model as it allows business to run based on leaner organization. Although it is still depending on the nature of the industry, a field support person in a franchise organization might be able to provide service up to five times as many operating units. The efficiency of staffing also results in ease of supervision and increased profitability. (Siebert 2015, 40-44)

While there are some obvious advantages, business needs to take into consideration some drawbacks of franchising as a growth strategy. In terms of capital, when business first starting

to sell their franchise, there is initial fee of legal expenses and training before starting to make any profits. These include:

- Creating your business plan and financial analysis
 - Developing appropriate legal documents
 - Developing a franchise operations manual and other quality control documents, systems, and processes
 - Creating marketing plans and collateral materials
 - Adding a franchise opportunity section to your current website
 - Training your people on the franchise process
 - Creating a new franchisor legal entity
 - Printing brochures, letterhead, and other marketing materials
 - Marketing for new franchisees
 - Refining your local store marketing materials for use by franchisees
 - Negotiating third-party vendor agreements on your franchisees' behalf
 - Accounting for franchise sales expenses (which might initially be your time) and perhaps longer-term personnel expenses
- (Siebert. 2015, 51)

Even when franchisees starting to make profit, which happens in at least half a year or more, franchisor only gets a fraction of the revenue. This is in the contrary to the whole profit they can get if they open a new company-owned unit.

Another inevitable issue with franchising is the fear associated with loss of control. As a franchisor, businesses have to let go of some control over operations such as hiring, training, scheduling employees or the choice of suppliers, all of which are required to maintain high levels of quality. Therefore, it is important to sketch out a franchise agreement tailored to franchisor's need but also give franchisees space to develop. Choosing the right people to sell your franchise to affects the possibilities of this issue in general. Franchise relationship needs to be built on mutual trust and goals to avoid any rivalry or legal issues in the long run.

(Siebert, 2015. 46-48)

- For franchisees

Joining franchising offers a great number of benefits for franchisees whether they chose a well-established brand, which business model and commercial concept is solid, or a newfound brand, which gives them better deal and control of their business. Regardless of the size of franchise, there are certain advantages that motivate people to start a company as franchisee. (franchiselawsolutions.com)

- Brand recognition: franchising offers an opportunity to utilize the brand name of already familiar business which builds solid marketing concept and customer awareness.
- Lower risks for failure: the Department of Commerce statistics show that failure rates of franchisor-franchisee business are considerably lower than that of new business in general.
- Easy setup: the franchise package generally includes operating manuals, quality control, marketing and communication plans that help franchisee ease the setup process of their businesses.
- Ready customer portfolio: loyal customers are the most valuable assets that are passed down from franchisors to franchisees.
- Easy to find financial support: businesses are more likely to get funding and loans from banks with clear business plan based on well-known and established franchisor's business model.

(Salar, et al. 2013, 517)

Despite some clear advantages, there are also some obstacles that franchisee have to face when going into the business.

- High cost: being a franchisee means there are a variety of cost to pay to franchisors besides the cost of operating the business itself. These include initial cost, ongoing cost, fraction of revenues, etc.
- Inflexibility and dependency: franchisees are always operating under regulations from franchisors which can be a problem when owners want to make changes to the operation or products by themselves. The relationship between two parties in franchising also means the interdependency of revenues and profits.

(Salar, et al. 2014, 518)

3.1.5 Franchising situation in Finland

In his study, Tuunanen (2005) discussed specifically about the franchising situation in Finland. In the history of franchising in the US and Europe, Finland is among the forerunners to adopt franchising concepts in the 1970s. In 2003, statistics reported that there were 177 operating franchise systems out of 6 608 outlets in various fields of retail, service and restaurant with restaurant being the smallest individual segment. The franchise situation in Finland has witnessed a growth from 30 to 177 chains in a short period of 1997 to 2003. Thus, the Finnish

franchising association was launched in 1988. The reasons for this emerging number are that franchising is believed to be “safe”; the franchising system failure would not heavily affect the business. (Tuunanen 2005, 71-75)

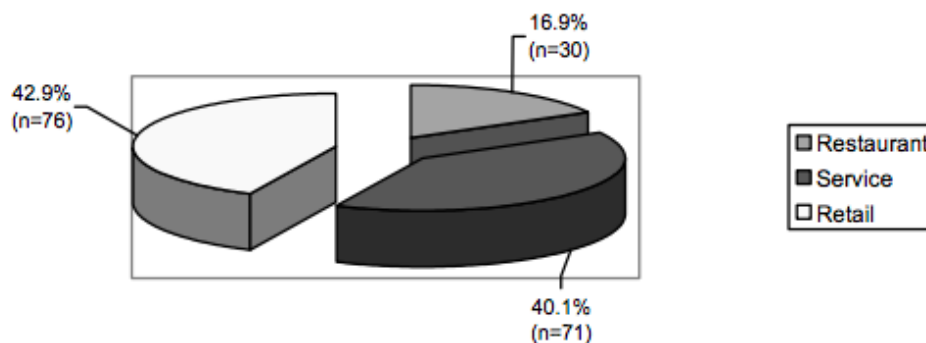


Figure 4. Franchise systems by industry sectors 2003 (Tuunanen 2005, 72)

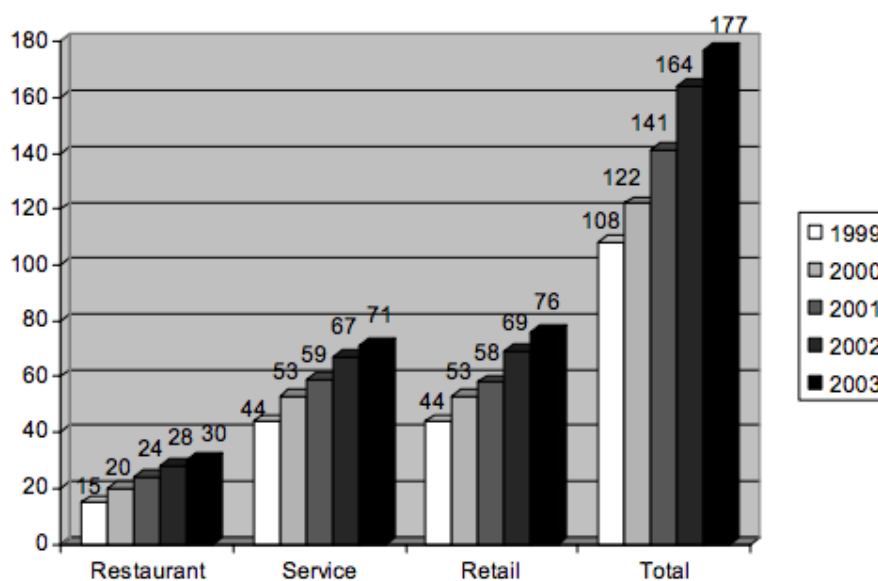


Figure 5. Franchises by industry sectors in Finland 1999-2003 (Tuunanen 2005, 73)

Franchising has been proven as a common choice for growth strategy since franchisors are mostly aiming at growth within one-year period, resulting in a possibility of two out of three new outlets will be franchisee-owned in the near future. There are, however, some growth obstacles for franchisors such as difficulties in franchisee recruitment, capital and competitive situation, tense competition or market saturation. (Tuunanen 2005, 76-77)

Finland's law and taxation on franchising also supports both franchisor and franchisees in doing their business. In terms of franchise agreement, the most important principle in Finland is freedom of contract, which allows both parties to create a contract that mutually benefits them. There is also non-competition clause to prohibit price fixing and other trade conditions that may limit freedom of action of a party. (Riikinen 2005) Furthermore, there is regulations from the unfair trade together with code of ethics of Finnish Franchising Association that bound franchisors and franchisees to provide precise information and operate in a high ethical standard. Franchise business in Finland is obliged to pay different kinds of taxes including corporate income tax, transfer tax, tax on capital income, value added tax and taxation on non-residents. The tax that worth mentioned here is transfer tax which is applicable when passing a title to property from one party to another. A transfer tax is 1.6% shares of the selling price, 4% in case of real estate. This tax is payable by the buyer, however in case that both franchisors and franchisees are non-residents, transfer tax is not required.(Taipale 2012).

3.2 Theory on entrepreneurship

3.2.1 Entrepreneurship competence

Personal entrepreneurial competences (PECS) refers to the required characteristics of one individual in order to become a successful entrepreneur. According to Entrepreneurial Competencies by McClelland, et al. (1985), these are:

- Use of influence strategies
- Self-confidence
- Persuasion
- Assertiveness
- Problem solving
- Information seeking
- Systematic planning
- Sees and acts on opportunities
- Concern for high quality of work
- Commitment to Work
- Persistence
- Efficiency orientation
- Initiative

3.2.2 Entrepreneurship as a foreigner

Migration to another country is becoming a phenomenon nowadays. In 2017, the number of foreigners migrate outside their country has reached 258 million (Stroud, Jones & Brien 2018). The result of such trends has led to an increase in number of people that choose

entrepreneurship as a career to cover their expenses. Foreign entrepreneurship is defined as the creation of business of an entrepreneur in a foreign country to utilize the economic benefits of the current market (Butler & Greene 1997; Vinogradov 2008; Dalhammar 2004). There are many factors that affect the decision of becoming an entrepreneur in a foreign country. Parker (2009) listed out some underlying reasons or “blocked mobility” that motivate foreigners to follow a start-up career. These are: trouble in paid employment, language barrier or cultural differences, workplace discrimination, non-validated qualifications or experiences, lack of legal right to work. The author also pointed out that immigrants are already self-motivated and risk takers when moving to another country. Therefore, they might see chances and new opportunities to grow in a new country. (Parker 2009, 176).

3.2.3 Entrepreneurship in Finland

Finland has attracted a great number of international students due to its reputation of being the best education system in the world. According to the Institute of International Education, 2016, there were 29,625 international students in Finland. Asian students, particularly from China and Viet Nam comprises of nearly 18% of the number of full-degree students.

Rank	Place of Origin	Number of Students	Percent of Total
1	Russia	2,816	14.2%
2	China	2,147	10.8%
3	Viet Nam	1,378	6.9%
4	Nepal	1,180	5.9%
5	Estonia	817	4.1%
6	Nigeria	711	3.6%
7	India	695	3.5%
8	Pakistan	691	3.5%
9	Germany	658	3.3%
10	Iran	584	2.9%
	All Others	8,209	41.3%

Table 1. Top 10 Places of Origin for Full-Degree students in Finland 2013/14

In spite of the large number of students graduated each year, it is still a big question of finding a job in Finnish market. In 2011, 45.5% of students graduated in Finland found a job, a

lower rate than that of 51% in 2009 (Centre for international mobility, 2014). The reasons behind this drop might be the influx of foreign students penetrating the market but fail to find a proper job. Language requirements is also an obstacle in job search for foreigners. There are only handful of jobs that do not require proficiency in Finnish, including IT related jobs, English teaching and other labor-intensive jobs. While opting for these jobs, graduates only settle for part-time or temporary full-time job whereas there are still many other options in order to get a work permit to stay in Finland. In terms of getting a professional job, the odds are highly against foreigners regardless of their qualifications. The unemployment rate in Finland in 2010 was 10% for the whole population in which the unemployment rate of foreigners is 23%, more than double of that of locals (Heikkila, 2013).

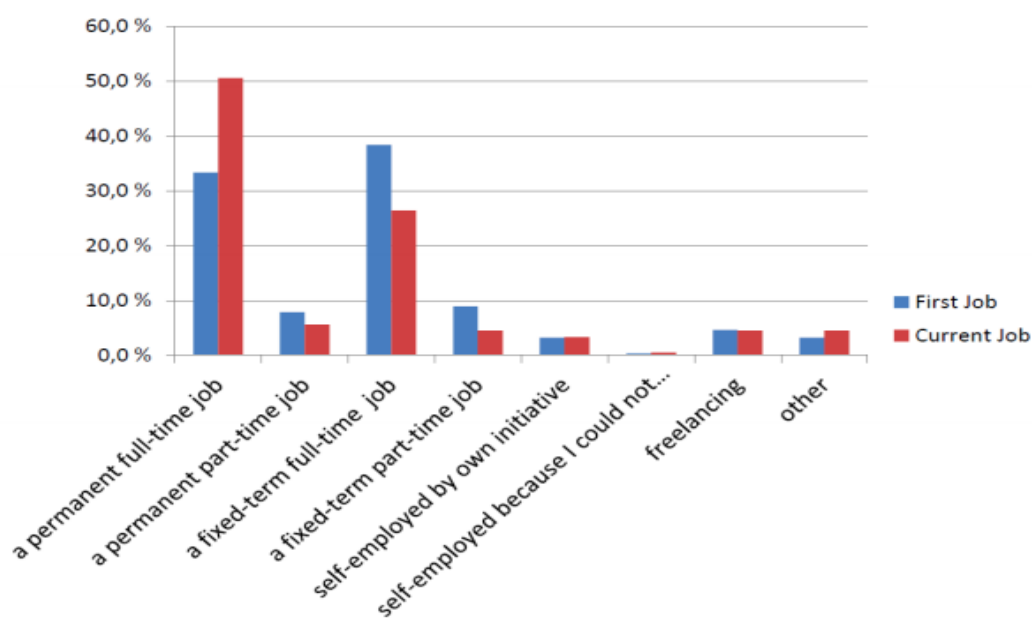


Figure 6. Status of employment of international graduates from Finnish higher education institutions (Cai & Shumilova 2012)

As mentioned before, becoming an entrepreneur in a foreign country faces many risks and uncertainty. However, Finland are amongst one of the countries that encourages entrepreneurship and has come up with policies which make it easier to start up a new business. There are many listed organizations to help entrepreneurs in many ways such as guidance and funding. There is even an entrepreneur test on enterprise Finland website to evaluate the capabilities of one individual in becoming an entrepreneur. (MyEnterprise Finland, 2016)

There are some certain steps that business need to make before its establishment. According to Doing Business 2017 publication of World Bank, it takes 3 procedures to establish a Private Limited Liability Company (Oy) in Finland. The first procedure is depositing paid-in share

capital of 2500 euros and paying registration fee. The second is submitting a single start-up notification from NBPR and Tax administration, costing 380 euros. The final procedure is setting up a file at a private insurance company for pension, accident and medical insurance for employees. (World Bank, 2016)

3.3 Marketing theory

3.3.1 Franchising marketing plan

The first step in developing a franchise marketing plan, is to define what to include in the franchise offering or franchise value proposition. All types of marketing can be based on the Kotler's 4P marketing mixed.

Sherman, A. (2004) quoted Bob Gappa of M2000 that the franchise offers should include three critical components: the brand, the operating system and the ongoing support. The brand includes franchisor's name and trademarks, along with its trade decor and all of other intangible factors that lead to customer loyalty and brand equity. Operating system helps franchisees to maintain customer relationships. The ongoing support and training provide the tools and tips for the expansion of customer base and market share. The first thing to do is choosing what structures will franchises be offered, and he recommended individual franchising for new franchisors. Individual or single-unit franchising means granting a single franchise to a franchisee for just one business operation. The next steps are determining other fees: initial fee, royalty fee, product sales and/or markups, advertising fee. Finally, there should be determination of territory for franchisees. (Siebert, M. 2005)

New franchisors should find their competitive advantage to structure outstanding franchise offering. Uniqueness is important in selling franchise. There are various ways to differentiate a franchise company.

- Affordable initial investment
- Unique marketing strategies
- Different geographic/demographic markets
- Larger or smaller territories
- Superior support services or technology to help franchisees manage their business
- Different (not necessarily lower) fee structures

(Siebert, M. 2005)

Sherman, A. (2008) defined marketing as the ongoing process of four steps: determining the level of demand for company's products and services, connecting the demand with company's strengths and weaknesses, being more effective and efficient than competitors in delivering services and products, considering changes in demand regarding industry, political, social, environmental, etc. to remain competitive and consistent. The author breaks down marketing

plan into three stages: marketing research, market analysis and segmentation, development of marketing plan.

In “Franchise your business” Siebert, M. (2005) listed out important sales franchisors need to make when approaching a prospective franchisee. Firstly, they need to make sure the candidates are ready to go into business for themselves, understanding the positives and negatives of business ownership. Secondly, they need to develop a selling proposition and thirdly, sell the franchising concept. Finally, franchisors need to differentiate their offerings from other competitors. In his opinion, it is important to understand the franchisee’s motives and exploit them to build the marketing message. Franchise marketing message must be able to deliver the content of company’s offering and convey the emotional impact of the franchise.

In the “Ultimate guide to franchising your business” (2019), the author emphasizes the importance of building a brand story to promote the franchise. The author believed that the biggest mistake many franchisors make is to invest money in marketing before spending time to plan out their unique brand story and value proposition. Siebert, M. (2005) also agrees with this opinion, stating that a powerful brand story is compulsory on both emotional and logical level to succeed in franchise marketing.

3.3.2 Marketing plan

There are many steps that need to be done in producing a marketing plan. In the book “How to prepare a marketing plan”, Stapleton, J. et al (1998) listed out three stages: laying the foundation, building the plan and implementation. In the foundations, there should be proper consideration about the competitiveness and market shares of the company, market segmentation and competitor’s analysis. In building the actual plan, there are development of marketing objectives and strategies, product plan, sales plan, promotion plan , pricing plan and distribution plan. McDonald, M. (2008) also stated the importance of having a systematic approach in building a marketing plan. The marketing strategy should include prior to planning decision such as markets and segments, products and services. In addition to that, there are sales, price, place and promotion strategies.

3.3.3 Marketing mix

The well-known marketing mix is often identified as the foundation of a marketing program. The mix includes product, place, price, promotion. There are four fundamental functions that marketing mix serves: configuration of something valued, determination of compensation, placing the offer at the disposal, bring the offer to attention (Baker, M. 2005) An effective marketing plan combines all the marketing mix elements is to achieve the company’s marketing objectives by delivering value to customers. (Kotler, P. et al. 2012)

Sherman, A.(2004) has discussed into details what franchisors should take into consideration while drafting each element of the marketing mix.

- **Product:** the product and services franchisor offer to end-customer through franchisees, features and styles of each product and service (unique, better quality, proprietary), content of franchise package
- **Place:** manner of distribution of product or service (dual distribution or franchisee exclusive), what geographic markets to offer service (demographics, population, competitor analysis)
- **Price:** current price for franchisor’s product or service, price range for franchisees, pricing policies to be developed.
- **Promotion:** ensure targeted franchisees aware of business format, sales, advertising and public relation plans, allocation of human and financial resources to carry out promotional programs

(Sherman, A. 2004, 193)

3.3.4 Market research, analysis and segmentation

Effective marketing plan relies initially on a database of information: trends in its industry, sizes of total marketplace, strengths and weaknesses of competitors, characteristics of target customers (Sherman, A. 2004). It is vital in a marketing plan to choose the right customer groups to focus on. Market segmentation allows companies to target its resources on the most promising groups of customers. (McDonald, M. 2008). In conducting market analysis, it is vital that business consider internal, external and customer environments.

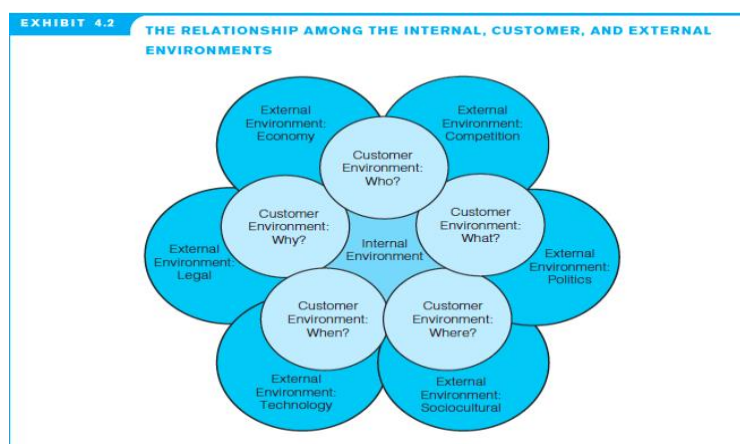


Figure 7. The relationship among the internal, customer and external environments. (Ferrell, O. 2011, 116)

3.3.5 Integrated marketing communication and digital marketing

The concept of integrated marketing communication (IMC) suggests the coordination of all marketing channels to deliver a clear and strong message about the organization and its products. IMC ensures that all communication channels conveys consistent brand image. (Kotler, P. et al. 2012). In today's business world, digital marketing is considered a powerful communication marketing tools to be included in IMC. The evolution of digital technologies such as SEO & mobile marketing, social media marketing raises the market structure and demand. (Chaffey,D. et al. 2012). In franchising business, a steadily increasing number of potential franchisees are using the Internet to gather information about their interested franchisors. Having an informative and interactive website is a means to branding your franchise business and exchange data with prospective candidates. (Sherman, A. 2008).

4 Research methods

There are two main research approaches that are commonly used: inductive and deductive approach. Inductive approach is mostly used to explore a phenomenon by collecting data and thus building theory. Deductive approach, on the other hand, uses research strategy to examine already developed theories. (Saunders, et al. 2009). The research approach used will be deductive approach. As the research questions are quite unprecedented, the author will try to apply learnt theories about franchising and marketing into practice for the implementation of this thesis.

In terms of research methods, the method chosen is qualitative research due to the nature of this research process. Qualitative method means gaining results by collecting and interpreting data from subjective evaluation of attitudes, opinions and behaviors of participants. While quantitative method put a stress on numbers and quantification, qualitative research makes stress on words and analysis. (Bryman & Bell 2011). The reason for choosing this research method is that franchising marketing is relatively a new concept and was not brought up much in other studies. Moreover, the goal of this thesis is to come up with a marketing plan for a case company. Therefore, it is vital to have subjective opinions from the company's owner and representatives. In addition, to gain a better insight of franchisee customers, it is necessary to collect potential customers opinions and thoughts on the subject.

4.1 Interview

Interview is one of the main methods of collection qualitative data. It is used as a tool to collect valid and reliable information for researcher to answer research questions and reach research objectives. Based on the formality and structure, interviews are sorted into three types: structured interviews, semi-structured interviews, unstructured or in-depth interviews. (Saunders et al. 2016,388-390) Taken into consideration the nature of this research, the author has chosen semi-structured interview as a data collection method. Semi-structure

interviews are conducted under circumstances that researcher has a clear idea of the question theme and some key necessary findings. The order of questions can be adjusted flexibility and additional questions can be added in order to explore more in-depth opinion of interviewees (Saunders et al.2016, 391). The purpose of interviews in this thesis is to gain better understanding of what the restaurant owners are willing to offer in their franchise package as well as what potential customer wants and needs. Because there has not been a defined franchise package available for KOKORO Sushi, the researcher is open to adjust the first draft of the franchising plan according to interviewee's suggestion.

In order to succeeded in collecting valid and useful data for the research, interviewers need to obtain depth knowledge of the subject and understand the organizational and situational environment of which interviews are carried out. This helps proving interviewer's credibility and ability to engage respondents into more detailed discussion. Chosen interviewees can be given list of questions beforehand so that they can grasp the research's field of interest and prepare themselves for the interview. The researcher, on the other hand, can use literature review, theories or personal experience of the subject to come up with questions during the interview. (Saunders et al. 2016,401)

In this thesis, data is collected through one interview with company owner and three interviews with representatives of potential customer groups.

4.2 Secondary data collection

Besides gathering primary data, the author decided to utilize secondary data from multiple sources. The advantage of using secondary data has been pointed out to be cost-saving, comparability and contextuality, high performance, etc. However, researcher needs to be cautious when evaluating data's sources to match required validity and reliability of the research. (Saunders et al. 2016, 330-334) For the purpose of this thesis, the author has accessed to various webpages to find information about franchising guidelines, franchising regulations in Finland and franchising package available in Finland. This will serve as a guideline to build KOKORO franchising plan as well as coming up with appropriate and competitive pricing for the package. In terms of the marketing plan, these data will help build the SWOT and competitor analysis, knowing better the strength and weaknesses of the studied company as well as learning from available marketing strategies of other competitors.

5 Data analysis

The method used for data analysis is thematic analysis. Thematic analysis is one of the most popular used to analyze qualitative research material with sufficient understanding for the wanted information. First the interviewer gathers raw data taken from notes and text of the interview. Then, data is coded by different colors corresponding to different codes, each describes the main idea of content in that text. The next step is generating themes by finding

patterns among the created codes. Irrelevant or vague codes will be eliminated. In the end, the interviewer will review the themes and define them precisely in order to understand the findings of the data.

5.1 Company owner's interview

The data collected from company owner's interview is used to build the initial franchise offer to be used as material for the other three interviews. Moreover, owner's opinions are taken into consideration when deciding marketing mix and segmentation.

5.2 Potential customer's interview

The purpose of carrying out interviews to potential customers are to build a clear persona of what potential franchisees of KOKORO are, what problems are they facing as entrepreneurs, what they are looking for in a franchise package and which channels to reach them. Three interviewees are all Vietnamese graduates in Finland, who are looking for opportunities to launch their own business. They come from different educational background, one is bachelor of Restaurant Entrepreneurship, two are bachelor of Business Management.

6 Validity and reliability

Validity concerns whether the research findings possess integrity. The research will ensure validity by applying methodology accurately to answer the research questions. Theoretical framework and interview questions will be based on a thorough literature review. In the context of this study, which centers franchising marketing plan for restaurants can be generalized for other settings requiring that they are start-up business and restaurant business. Because most interviewees will be chosen based on their interest in starting up a restaurant business, some findings may be case-specific.

Reliability questions the consistency and stability of research findings. Because the data collection method is semi-structured interviews, the results are not required to and may not be repeatable. However, due to the nature of this study complex, the choice of semi-structured interviews will be justified.

7 Research results and findings

The research findings of this thesis are divided into two parts. Based on the objectives of the thesis that is to develop franchise marketing plan, the author decided that it is vital first to build a basic franchising offer or package as the product to be sold in the mentioned marketing strategies. The second part, the main findings of this thesis is the franchise marketing plan.

7.1 KOKORO's Sushi Franchise Offer

After an in-depth interview and on-going discussions with Hang Nguyen, managing director and co-owner of KOKORO Oy, the researcher has come up with an initial franchising offer. The result is also based on intensive studies of other franchise package from other food company available in Finland. These are used as reference and comparable factors.

In general, KOKORO Sushi has decided to offer three different franchise packages with different fees and therefore, different benefits. All the franchise packages however have to oblige to some standard requirements, which are:

- The right and responsibilities to use KOKORO as a brand name and follow standard sushi recipes from the franchisor
- Choosing restaurant venues/locations at least outside 4km radius from the original restaurant. (This is due to avoid collapsing territory of deliverable takeout coming through Wolt/Foodora)
- Follow strictly the hygiene procedures given from franchisor
- Ensure ingredients quality standard according to the original restaurant. This may mean that franchisees have to buy ingredients from the same brand as used in franchisor's restaurant.

The difference between three franchise packages in terms of support benefits and required fees can be summarized in the table below. For the temporary nature of this research, the packages are currently named as package A,B and C.

	A	B	C
Benefits			
Product supply, personnel, accounting, operation procedures	YES	YES	YES
On-going support (operation-related)	YES	YES	YES
Know-how relating to site selection	YES	YES	NO
Territorial rights	12km radius	8km radius	4km radius

Marketing support	YES	YES	YES
Training period	3 months	2 months	1 month
Consulting service	YES	NO	NO
Fees			
Initial fee	70,000 euros	60,000 euros	50,000 euros
Royalty fee	8.5% turnover	8% turnover	8% turnover
Marketing fee	2% turnover	2% turnover	0

Table 2. Benefits and fees of three franchise packages

In this part, the author will discuss further into details what is included in each benefit provided for franchisees.

- Product supply: This means all franchisees will get access to franchisor’s list of suppliers and also have an opportunity to receive discounts if purchased from the mentioned suppliers. This guarantee the quality of ingredients is met with set standard.
- Personnel procedures: All franchisees will be given manuals showing how to recruit staffs, salary structured, scheduling guidelines.
- Accounting procedures: Accounting procedures include all templates and guidelines on bookkeeping, cost control and balance sheet of the company.
- Operation procedures: the manuals on operation will include thorough instructions of preparing ingredients, recipes, staffing, working principles , etc.
- On-going support: KOKORO Sushi will provide on-going support through scheduled check-ups and meetings with franchisees. It promises to help its franchisees to operate smoothly and solve any problems coming up regarding operation.
- Know-how relating to site selection: Location plays a crucial part in determining a restaurant business’s success. Moreover, renting a site in Helsinki area involves many paper-works related problems that may seem tiresome for entrepreneurs. KOKORO offers to help franchisees who buy package A or B their personal knowledge and

experience regarding site selection to help franchisee choose the most profitable location.

- Territorial rights: Territory rights are deciding factor of a franchise package. The wider the radius of territory given to franchisees, the higher chances that they will reach more customers through marketing and delivery possibilities.
- Marketing support: including in the marketing support are the rights to marketing franchisee campaign, offer or even notice to be posted on the official marketing channels of franchisors such as websites, Facebook, Instagram, etc.
- Training: Restaurant business, especially sushi making requires a lot of skillset of cooking as well as meticulous mindset of service. KOKORO offers three different period of training, all of which to make sure franchisees are able to grasp the required knowledge and skills to deliver best possible product and service.
- Consulting service: KOKORO owners offer their consulting service relating to business strategy for franchisees who buy package A. This service includes giving advices and recommendation on how to excel in operating a start-up, how to overcome initial challenges, pricing strategies, marketing strategies, etc.

7.2 Interview results

For clarity and anonymity purpose, interviewees are regarded as A,B,C.

Interviewee's background

	A	B	C
Educational background	Business Management	Business Management	Restaurant Entrepreneurship
Restaurant experiences	3 years	3 years	3 years
Job positions	Customer service	Customer service, shift supervisor	Shift leader, chef

Understanding interviewee's background is important as their educational background deeply affects the ability and willingness to start a business. All three interviewees are with Asian background, 4th year students at University of Applied Sciences in Finland. A and B are from Business Management/International Business major and C is from Restaurant Entrepreneurship in Finland. Besides their studies, all three have experienced in working in restaurant as part-time jobs. A has 3 years' experience, one in a cafe shop and two in dining restaurant, all at

customer service position. B has 3 years' experience working as both customer service and shift supervisor at a dining restaurant. C has 3 years' experience working as shift leader and chef at a dining restaurant. The average income for all three interviewees is around 1500-2000 euros gross income per month.

Entrepreneurship quality

The reasons for interviewees to consider starting up a business in Finland are curiosity for challenges, career independency and chances to continuing staying in Finland legally. The similarity is that all three are prepared to face hardship and challenges when being an entrepreneur. B and C has experienced in a management level and all three has knowledge and management skills from their educational background. All three described their competences for entrepreneurship include leadership & communication skills, planning skills, responsibility and determination. Financially wise, their investment is going to be based on family sponsor, bank loans or personal savings.

Opportunities and challenges in opening a franchise

Out of 3 interviewees, only A is originally interested in starting a business as a franchisee. B and C initially wanted to open their own restaurant. When asked about the challenges there are when starting their own restaurants, B and C named "branding issues", "marketing cost" and "paperwork". The interviewees all agreed that buying the franchise will give them some advantages as entrepreneurs. These advantages are "already a well-known brand", "learning from the precedes", "don't have to worry about creativity and concept". In short, they regard buying franchises are an easier way thanks to their already established customer-base, transferable knowledge and skills from franchisors and that they do not have to worry about creating a new and working concept for their restaurant model.

In terms of disadvantages, all three mentioned the cost of buying a franchise and on-going fee they have to pay which means they have to share parts of their revenues to the franchisors. C mentioned "unable to change and develop as I want" as a disadvantage, concerning possible restriction and rules that franchisees have to oblige to.

Willingness and ability to invest

As mentioned above, C is already willing to invest in buying franchise, but A and B is still doubting franchising as an option and their biggest concern are the investment, they have to put in. The average investment that all three are willing to spend are around 30000-50000 euros for initial investment and 2-5% for on-going fees. When asked if they are willing to pay more given that the payment can be made in many installments, the interviewees said they might consider depends on how appealing the franchise package is.

The aspects that interviewees expect to get helped from franchisors are “paperwork”, “operations”, “financial structure”, “cooking recipes” and “marketing support”. To go further into details, the interviewees mentioned they need help in licensing the restaurant, registering taxes, contract for employment. They also expect franchisors to share the restaurant cost structure for references to their business. Because only one out of three interviewees have cooking background, they all hope to receive support from the restaurants in terms of operations and making the food. Last but not least, they expect franchisors to help boost their business on the official media channels of the restaurant as well.

KOKORO’s awareness

All three interviewees are familiar with KOKORO Sushi. They all regard the restaurant as one of the most popular sushi restaurants in Helsinki area. Because all three interviewees are Vietnamese, they are also aware of KOKORO as one of a few successful foreigners-owned restaurants in Helsinki.

Desired information and channels

At the moment, the interviewees are looking for information about starting a business/restaurant in Finland through business forum, start-up conference such as SLUSH, VietES (Vietnamese Entrepreneurship organization), LaureaES, etc. and from word-of-mouth through their social circles who have started business in Finland. When asked about channels to be notified about franchised business, they all said they have little knowledge of many franchising website of Finland such as ketju.fi or franchising.fi. The channels they mostly used for information are Google and Facebook. In terms of franchise package information, they want to know about the initial fee and royalty fee as well as what the benefits are there. They also mentioned they want to know how stable and well-known the restaurant already is, which can be shown through revenues and profits through each year. A mentioned she wants to know about the owners’ personalities and background as they will be the ones who will work directly with each other. C mentioned she wants to know about the rules and obligations when signing the franchising contract.

7.3 KOKORO’s franchise marketing plan

7.3.1 Marketing analysis

Company SWOT analysis

In order to build a marketing plan, having a SWOT analysis is crucial as it shows understanding of the business. Thus, the author can design the marketing plan to utilize the strength and opportunities, find solutions to minimize threats and weaknesses.

<p>Strength</p> <ul style="list-style-type: none"> -Strong customer base -Household name -Well-established training and operation materials -Start-up background with similar experience to share 	<p>Weaknesses</p> <ul style="list-style-type: none"> -Wide customer base -No assigned location -Marketing channels not popular.
<p>Opportunities</p> <ul style="list-style-type: none"> -Start-up trends -Rising numbers of foreign students graduated in Finland -Fast casual model restaurant 	<p>Threats</p> <ul style="list-style-type: none"> -High competition (bigger restaurants offering franchise packages) -Corona virus situation - High lease property

Table 3. KOKORO's SWOT Analysis

Strength: KOKORO Sushi has been around for more than 3 years and the increasing returning revenues and profits show that the company has built a strong growing customer base. Moreover, KOKORO Sushi has always hold one of top positions as best-seller on Wolt (a food delivery app in Finland) Even though the company is still small in size, the training and operation materials are thorough. As KOKORO has gone through many changes in recruitment, these materials are well-established in order to make training easier. As a franchisor, KOKORO has an advantage of being a start-up company on its own. Therefore, the owners can easily share their experience and sympathize for all the difficulties their franchisees might face.

Weaknesses: Even though the restaurant has quite strong customer base, this is only proven in a radius of around 10-20 km within the restaurant location. This is because, there is only one restaurant in the chain so far. Compared to other franchisor competitors, KOKORO does not assign location for their buyers specifically. This might be a hindrance as buyers have to find location to open the new restaurant by themselves. Another weakness point is that KOKORO has not been very active on their marketing channels, so this means they have to boost them more often in order to be helpful for their franchisees benefit.

Opportunities: Finland has witnessed a rising number of start-up in recent years. This was thanks to the great support from the government as well as many start-up organizations offering support both financially and knowledge-wise. There is also a rise in number of foreigner students coming to Finland. This results in higher chances of people wanting to start up business after studying if finding a paid job is not the optimal option. KOKORO Sushi is also after fast casual restaurant business format which is easy to operate and requires minimal

employee input. This is suitable for start-ups as they cannot afford to hire too many employees in the beginning.

Threats: Though restaurant franchising is not as popular in Finland as in other countries, there are still many tough competitions. Many bigger restaurants such as Kotipizza, Arnolds, Hey Poke, etc. are also offering franchise package, more expensive but with more guarantees than small restaurant like KOKORO Sushi. As mentioned above, since KOKORO does not offer location for franchisees, the high lease might put off potential customers. This thesis topic discussion started in August 2019; however, the author feels appropriate to mention the current Corona Virus pandemic as a threat to the restaurant business in general. However, currently, it has not been a drawback for KOKORO Sushi main restaurant as the fast-casual format works perfectly in take-away situations.

Marketing mix

- Product : Sushi and dining experience. KOKORO's sushi is guaranteed with top-notch quality, always fresh and made by order. The concept of Pick'n Mix is unique to the restaurant, which means customers can order sushi in single pieces and design their own meals. Besides, sushi, KOKORO is always thriving to vary their menus by adding other options such as poke bowls, ramen, dumplings, summer rolls, etc. While offering dine-in experience with table-service (at dinner), KOKORO's fast-casual model is popular for lunch diners and take-away customers who wants to have quick but decent meals.
- Price: (mentioned in KOKORO's franchise package)
- Place: Depending on the franchise package content, franchisees are entitled to different territory of distribution. Since KOKORO has not decided on specific location, franchisees are open to choose geographic market which they think are most suitable, considering competition and customer base (which can also be helped by the franchisor)
- Promotion: Franchise package is going to be promoted through Facebook, Instagram and a website dedicated especially to KOKORO as a franchisor. This will be a channel for KOKORO to tell their story as a business and receive questions and applications from franchisees. In addition, owners of KOKORO will go to business/entrepreneurship conferences, especially those from university, in order to share their business success story, raising brand awareness and help promote the franchise package to targeted customer group.

Potential customer's persona

From the interview results, the author has decided to build a potential customer's persona which can help make it easier to keep in mind what the goals and frustration of the targeted customers. This will be helpful in building the content of the marketing strategy.

<p>Bio: After 4 years studying and working in Finland, Nguyen has grown fond of the countries and want to make a career here. With great support from Finnish government, Nguyen decides to start up her own business and make use of her studies and experience.</p>	<p>Age: 25 Education: Business Management (fresh-graduate) Work: Shift Leader at A Restaurant (2-3 years' experience)</p>
<p>Personality</p> <ul style="list-style-type: none"> -Hard-working -Sociable, great with people -Analytical -Organized, responsible 	
<p>Goals</p> <ul style="list-style-type: none"> -Start up her own business -Stay in Finland after studies and make a living here -Apply her studies and working experience in her future career path -Have job independency, make own decisions -Challenge and try something new while she is still young 	
<p>Frustrations</p> <ul style="list-style-type: none"> -Unfamiliar with Finland's licensing and tax registration for business -Not great with coming up with innovative recipes and concepts -Afraid that the business won't able to withstand loss period for too long 	
<p>Preferred Channels</p> <ul style="list-style-type: none"> -Social media channels such as Facebook, Instagram, etc. -Business conferences -Word-of mouth marketing 	

Table 4. Potential customer's persona

7.3.2 Marketing strategy

Marketing objectives

- Promote KOKORO's Franchise Package
- Raise awareness about KOKORO as a start-up
- Start search engine optimization (SEO) and grow visibility in search engine rankings and social media platforms

Communication channels

For the marketing plan of KOKORO's franchise, the marketing content will be posted on social media and website, both utilizes the support of SEO. Currently, KOKORO only has a website and Facebook/Instagram account for promoting its main product which is sushi. Therefore, in order to launch this marketing plan, KOKORO needs to build another website and social media accounts dedicated only for selling franchise. KOKORO's owners also needs to seize the opportunities to attend business start-up conferences within Uusima region to raise business awareness and promote franchising opportunities. The integration of all possible marketing channels will lead to more satisfied results.

Content of marketing

Content is crucial in deciding the success of a marketing plan. The main content of marketing is going to be the offers from the franchise package and story of how KOKORO has made it as a start-up. As in the interview results, the potential buyers are only familiar with some benefits when starting a franchise. In order to persuade them to spend more money investing in buying a franchise rather than starting their own business, it is crucial to show them how these supports are beneficial to them. This is the first main focus of the marketing content. Through blog post on website/post on social media, KOKORO needs to point out how their help towards their franchisees is going to worth the investment. It can be underlying message as informative posts on what people need when starting up a restaurant. Secondly, KOKORO's owner needs to prove that they are capable of helping franchisees and the brand name is strong enough to start a food chain. This can be told through success story, owner's autobiography, etc. On a side note, there should be FAQ section on the website answering questions on rules and obligations of the franchise package. There should also be an application page (where potential buyers decide to apply for screening franchisees process) to record success rate of this campaign.

In order to increase rankings in search engines and raise awareness, the posts should be monitored regularly, supposedly on weekly basis, 2 times a week. As this is a proposal marketing plan, KOKORO's owner need to consider the benefits of running this marketing campaign and invest in human resources and finance to implement this plan.

8 Conclusion

This thesis has resulted in an initial franchise package and proposed a franchising marketing plan for KOKORO Sushi. Both the franchise package and marketing plan is designed to be suitable for the nature of such small company. With personal experience working at KOKORO Sushi and thorough discussion with the owners, the author has made marketing suggestions according to the company's desired targeted market. Because there has never been a precedented franchise package for KOKORO before, the author has to draft up the franchise package and research for both franchise and marketing plan. The interviews have helped confirmed the feasibility of the franchise package and built the marketing plan accordingly.

It is important that the company adjust the price of the franchise package more negotiable for future use. The marketing plan was created for the current situation that KOKORO has entered franchise market as a new contender. In the future, the marketing objectives will change and thus so does the content and communication channels of the marketing plan.

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Appendix 1: Interview questions for KOKORO's owner

BACKGROUND

- When did the company originate?
- How has the company's operations started going so far?
- When did the company started to generate profit?
- What have been the biggest challenges?
- What have been the nicest and most tiresome when running a start-up restaurant?
- What is the essential competitive advantage of the company?

FRANCHISING

- Why do you want to expand your business?
- Why do you think franchising is a good option?
- Have you considered other alternatives? Why not them?
- What do you want to include in the franchise package?
- Are you willing to give part of your company responsibility of another entrepreneur?
- What is the territory size you want to offer for franchisee?
- How do you make sure the franchise goes well in the beginning?
- Will you offer any types of training in long-term process?

MARKETING

- Is there any channel to promote the franchising business yet?
- Which customer group are you targeting for?
- Which channel do you think is the easiest to reach those customer groups?
- In your opinion, what do you think your target customers are looking for when buying a franchise?
- What do you promote as a competitive advantage of KOKORO as a brand?
- How do you see the image of the company and its brand values that should be communicated through marketing channels?
- How much budget do you want to allocate to the marketing process?

Appendix 2: Interview questions for potential customers

BACKGROUND

- What is your education background?
- What is your average income?
- What industry/major are you working/studying now?

AS A FRANCHISEE

- Why are you considering starting up a business in Finland?
- What challenges/risks do you think there are when starting your own restaurant?
- What do you think are the advantages when franchising versus starting a new brand?
- What about the disadvantages?
- How much money are you going to invest in starting up a new business?
- How long do you think you have to wait before the business makes profits?
- If there are professionals helping you build your business, what aspects do you expect to be helped in? (paperwork, cost structure, operations, training, marketing, etc.)

MARKETING CONTENT

- What kind of resources do you use to learn about starting up a business/restaurant in Finland?
- If you want to buy a franchise, which information do you want to know about that franchise? (profit, owners, price, offers, etc.)
- What kind of information do you usually looking for? Through which channels?
- Which social media channels do you mostly use?