

# Der Wiener Deewan: A Case Study Of Start-Up Success

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## ABSTRACT

*Conventional wisdom, when blended with unorthodoxies in innovativeness, can produce miraculous success stories like Der Wiener Deewan. The restaurant's marketing strategy is full of such unorthodox gimmicks and has a great deal of learning potential for the small business entrepreneurs who are capable, willing and brave enough to denounce the stagnant customary practices. The case study will contribute to the contemporary literature in small business management, entrepreneurship, customer relations management (CRM), and retailing.*

**Keywords:** start-up success, retailing, product adaptation

## INTRODUCTION

Afzaal Deewan, a refugee Pakistani cook, joined hands with Natalie, a progressive Austrian entrepreneur, to set up a small business venture, *Der Wiener Deewan* (The Viennese Deewan), a Pakistani restaurant in Vienna, a city where Pakistani community constitutes a meager proportion of the total population. The scintillating success of this unorthodox enterprise took everybody in the local business community by surprise when it was featured as a formidable success story in a multitude of local business media soon after its launch. *Vienna Online* declared it DAS UNMOGLICHE (The Impossible) RESTAURANT and it managed to secure 30<sup>th</sup> position in the GEWINN- JUNGUNTERNEHMERWITT 2006 (GEWINN, Young Enterprise Competition 2006), while being the only restaurant in the top 100 young Viennese enterprises of the year. An outlet that started just three years back with a start-up investment of merely EUR 7000 is today generating sizeable income with average daily customer traffic of 250 people.

In the following section, I will highlight some of the innovative and unorthodox aspects of *Der Wiener Deewan's* marketing strategy, which can be regarded as important background conditional of its success.

## THE PRICING STRATEGY

*Der Wiener Deewan* has used the *value pricing strategy* in a creative fashion. It has empowered customers to decide value of the offer and then pay accordingly. Its pricing slogan states:

***'Eat as you can, pay as you wish'***

It is so flexible and tolerant in this regard that even if a customer pays too little (a few cents or nothing at all), it does not evoke any hard feelings to the enterprise owner. The pricing policy statement has, in itself, emerged as an important publicity and advertising instrument for the restaurant and has gained enormous popularity, discussion and recall in the customer publics. It has been the first restaurant in the town to follow a flexible pricing strategy in such a creative fashion as to attract attention of a lot of media publics. *Der Wiener Deewan* remained in the limelight in local business media stories for the first quarter after its inception of this unique tactic. This flexible feature has also become a unique selling proposition (USP) and inducement for a number of customers who come to the restaurant to take advantage of this offer, especially the students for whom having a buffet for merely 3-4 Euros is more than a luxury.

*'In doing so, I have managed to receive an average price of EUR 6.5, which otherwise would have been no more than EUR 5, but some people pay up to 50 EUR due to their excitement with the experience', says Afzaal Deewan. Quite cleverly, this price flexibility is exercised only for food items. The drinks carry fixed prices, which are slightly higher than the market prices. Moreover, for parties, a fixed price for food, as well as for drinks, is negotiated 'so that no group may exploit the usual terms of business', says Afzaal Deewan.*

### **LOCALIZATION OF BRAND (FOOD, PLACE & PEOPLE)**

Since Dutch is the first language in Austria, Afzaal first localized the name of his restaurant. *Der Wiener Deewan* is a Dutch name that means *The Viennese Deewan*. This tactic has fostered a great degree of sense of ownership and affiliation in the local publics who are the major target segment of this restaurant instead of Pakistani or Indians publics. Today the Europeans constitute more than 90% of the frequent visitors' portfolio of *Der Wiener Deewan* (Source: Afzaal Deewan).

Secondly, Afzaal Deewan adapted his food according to the local tastes. Even though the restaurant offers traditional Pakistani recipes prescribed mostly by Afzaal's grandmother back in Pakistan, they taste much like European foods. Afzaal personally leads the cooking team to prepare meals with *Gemahlenen* spices. His food looks Asian, but tastes European. The menu is simple: boiled rice, three vegetarian curries (two with meat), one chicken curry, sweet/dessert (Pakistani Kheer or Halva), salad, and Naan Pakistani bread. You can enjoy it in buffet or take-away format. Although the recipe portfolio does not include European foods, the majority of the drinks available are local/European. Quite surprisingly, the best selling drink of the restaurant is *Mango Lassie*, a kind of milk shake that is equally popular among Europeans and Asians.

Thirdly, Natalie has decorated the hall with local statues, paintings and hangings. There has been a wall spared for the visitors to post messages for their beloved ones. Viennese enjoyed writing on this wall so much that today it looks like a phenomenal piece of abstract art and attracts immediate attention of the entrants, especially the new visitors.

### **DER WIENER DEEWAN PLAN (THE MENU)**

Natalie perceived that the Viennese have gotten fed up with the scheme of all restaurants' advertising/presentation of menus that keep cluttering their mail boxes with standardized leaflets and brochures. She decided to exploit the overwhelming affection of Viennese people for their extraordinary local transport system (WIENER LINEN) by presenting her restaurant's recipe in a pictorial form, similar to that of WIENER LINEN Netzplan. This idea appealed to the senses of a number of people who took significant interest in *Der Wiener Deewan Plan*.

### **DER WIENER DEEWAN LUNGER (CHARITY MEAL)**

If somebody is poor enough to pay nothing at all for food, he is still welcome at *Der Wiener Deewan*. The restaurant has the charity meal option (in Pakistani language it is called *Lunger*- a charity meal for the poor). This tactic is quite uncustomary in a business culture where spending of each penny has to be justified. It goes a long way in portraying a social and friendly image of *Der Wiener Deewan*.

Afzaal Deewan presents three rationalizations for this tactic;

1. *I want high customer traffic at my place since the more running to the kitchen, the better the quality (freshness) of food.*
2. *These free eaters are my part-time marketers.*
3. *Allah will be pleased with this act of mine and will bestow me more success for feeding His poor creatures.*

## **CUSTOMER RELATIONS MANAGEMENT (CRM)**

A relational focus has been the hallmark of Afzaal Deewan's marketing strategy from the pre-launch phase. In order to create familiarity in the marketplace, Afzaal Deewan (as a business tactic) offered free catering service to the organizers of a number of small scale events. On such occasions, he requested people to fill out a comment card about the quality of food. The questions on the comment cards were:

*Do you like the quality of food?    Yes    No*

*(If the answer is Yes, proceed to next question)*

*If a restaurant to offer such a food opens in your town, would you like to visit that?    Yes    No*

*(If the answer is Yes, please leave your e-mail address with us; we shall inform you as soon we commence.*

In this way, he managed to develop a database of over 400 prospects, the majority of which paid a visit to his restaurant during the very first week of its opening, when contacted through e-mail. Such significant customer traffic in the early days not only induced others to come to that place, but also resulted in the much-wanted media hype.

During business hours, Afzaal and Natalie keep 'walking around' in the service halls. They remember, recall and share names, specifications and some important particulars about the majority of the frequent visitors. In the parties taking place in the restaurant, they present special gifts (suitable for the occasion) to the hosts. Such a personalized treatment cements the social bonding between their loyal customers and their institution. One Indian female customer said, 'It made me feel like crying when Mr. Deewan presented me a bouquet on my birthday when I was celebrating it with a small number of my friends many miles away from my homeland'.

## **LOCATION**

Location plays the decisive role in the success of a retail outlet. *Der Wiener Deewan's* success attests to this premise. The restaurant is located within walking distance from the main campus of the University of Vienna. Therefore, during lunch hour, students constitute the major share of customer traffic. In the evenings, however, a high percentage of visitors are families, singles and other social groups. Late at night, one of the halls, having the capacity of 50 people, remains booked for parties, which are a significant source of earning for the restaurant.

## **SERVICE BLUE-PRINT**

Flexibility, informality and employee empowerment are the salient characteristics of *Der Wiener Deewan's* service blue-print. There is no specific set of roles and rules for each employee. Roles are interchanged frequently and swiftly. You may see the same person serving you the food accessories, listening to your inquiries and receiving payments on the cash counter. Afzaal and Natalie themselves are seen in the kitchen, in the service area, or at the cash counter.

## **AFZAAL DEEWAN'S VIEW POINT**

Afzaal Deewan attributes his success to the hard work, team work and two invisible factors - luck and the prayers of his parents and all those who benefit from the charity meal (Lunger). But one can safely attribute his success to a more tangible set of variables, such as innovativeness, unorthodoxies, entrepreneurialism and team work, supplemented with luck, hard work and a higher commitment.

## **CONCLUSION**

Peter Drucker (2006) has revealed ideas to be the dominant warfare of the 21<sup>st</sup> century marketplace. *Der Wiener Deewan's* success attests to this notion with a profound extension to the phenomena. We will have to believe

that in the fiercely competitive marketplace of the decades to come, those who will blend conventional wisdom with unorthodoxies in innovativeness; i.e. will be capable and brave enough to do the things in innovative and novel ways, will enjoy better chances to advance, let alone prevail over those who will fall victim to the stagnant customary practices.

#### **AUTHOR INFORMATION**

**Muhammad Zafar Yaqub** is a doctoral scholar at University of Vienna, Austria. He received his Master degree in Business Administration (with distinction) from Bahauddin Zakariya University, Multan in 1995. Afterwards, he received his Master degrees in Economics (1999), and Political Science (2005) from The Islamia University of Bahawalpur. He is serving as Assistant Professor of Management Sciences in The Islamia University of Bahawalpur.

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