



# Global restaurant chains entering the Finnish market

Hypothetical Case: Chipotle Mexican Grill

Jami Juutila

BACHELOR'S THESIS  
January 2019

International Business

## **ABSTRACT**

Tampereen ammattikorkeakoulu  
Tampere University of Applied Sciences  
International Business

JUUTILA, JAMI:  
Global Restaurant Chains Entering the Finnish Market  
Hypothetical Case: Chipotle Mexican Grill

Bachelor's thesis 41 pages  
January 2019

---

A growing number of global restaurant chains have entered the Finnish market. This bachelor's thesis takes a look at how these companies are performing in Finland, and how they entered the market. This information is researched with a goal of finding out, if it would be economically sensible for Chipotle Mexican Grill, Inc. to expand their operations to Finland.

Chipotle Mexican Grill, Inc. is a Mexican-style pioneer fast casual restaurant chain mainly operating in the United States of America. Analysis of the company is included in the thesis, with the addition of analysis of comparable and competitor companies. Also included is analysis of Finland as the target country, and how the macro-economics of the country impact restaurant business.

The theoretical framework and concepts & tools used in the thesis consist of theory behind market entry modes, as well as PESTEL analysis on the target country and SWOT analysis of the case company.

The results of this thesis offer information about the target country and financial and organizational data covering the competitive companies. This information is concluded into a suggestion of market entry modes for the case company, in addition to an estimation if such entry would prove to be profitable.

---

Key words: market entry, restaurant business, expansion, research, finland

## CONTENTS

|       |   |    |
|-------|---|----|
| 1     | INTRODUCTION .....                                    | 6  |
| 1.1   | Thesis objective and research questions.....          | 7  |
| 1.2   | Concepts and tools used in the thesis .....           | 8  |
| 1.2.1 | Market entry modes.....                               | 8  |
| 1.2.2 | PESTEL analysis.....                                  | 10 |
| 1.2.3 | Competitor/Comparable company analysis .....          | 12 |
| 1.2.4 | SWOT & Company analysis.....                          | 12 |
| 1.3   | Working methods and data .....                        | 14 |
| 1.3.1 | Quantitative vs. Qualitative research .....           | 14 |
| 1.3.2 | Data collection methods .....                         | 14 |
| 1.3.3 | Analysis method .....                                 | 15 |
| 1.4   | Thesis Structure.....                                 | 16 |
| 2     | TARGET MARKET ANALYSIS .....                          | 17 |
| 2.1   | About Finland.....                                    | 17 |
| 2.2   | PESTEL analysis of the target country .....           | 19 |
| 2.2.1 | Political.....  | 19 |
| 2.2.2 | Economic .....  | 20 |
| 2.2.3 | Social .....  | 22 |
| 2.2.4 | Technological.....                                    | 23 |
| 2.2.5 | Ecological.....                                       | 23 |
| 2.2.6 | Legal .....   | 24 |
| 3     | COMPETITOR ANALYSIS.....                              | 26 |
| 3.1   | Comparable companies who have entered the market..... | 26 |
| 3.1.1 | McDonald's .....                                      | 26 |
| 3.1.2 | Burger King.....                                      | 27 |
| 3.1.3 | Subway .....  | 28 |
| 3.2   | Direct competitors.....                               | 30 |
| 3.2.1 | Tortilla House.....                                   | 30 |
| 3.2.2 | Chalupa.....  | 31 |
| 4     | CHIPOTLE MEXICAN GRILL, INC. ....                     | 33 |
| 4.1   | SWOT analysis .....                                   | 34 |
| 4.1.1 | Strengths.....  | 34 |
| 4.1.2 | Weaknesses .....                                      | 34 |
| 4.1.3 | Opportunities.....                                    | 35 |
| 4.1.4 | Threats.....  | 35 |
| 4.2   | Deciding on entry mode to the Finnish market.....     | 36 |

5 CONCLUSION..... 38  
REFERENCES ..... 39

**ABBREVIATIONS AND TERMS**

PESTEL-analysis      Analysis of macro environmental factors (political, economic, socio-cultural, technological, legal and environmental) used in market research

## 1 INTRODUCTION

In a world where time is an essence, quickness of eating has emerged in importance. The restaurant industry has taken notice. Variety of options has multiplied as the industry began to find new solutions for customers. In 2018 fast food has become so common, that in addition to providing the best food, different concepts are competing with various factors such as healthiness and quality of service, all the way to having the funniest presence on social media.

This thesis was born by the author's interest towards changes in the Finnish restaurant scene, and especially towards the increasing number of huge global companies introducing themselves to Finnish customers. McDonald's has been a central player in the market since 1980's, and during 21<sup>st</sup> century others have successfully entered the market to compete with the local offerings. Subway and Burger King have gained mentionable popularity amongst the citizens. Taco Bell opened their first locations in Finland in November 2017 (MTV 2017), and KFC (Kentucky Fried Chicken) published a press release on 25<sup>th</sup> of September 2018 informing about plans to open up in Finland the following year, with the intention of opening 50 locations around the country (YLE 2018).

The main focus of this thesis, in addition to researching the restaurant business market in the target country, is to find out if it would make economic sense for Chipotle Mexican Grill, Inc. to expand to the Finnish market too. Chipotle is a Mexican-style restaurant chain originated in the U.S., and one of the first companies creating the fast-casual style of eating experience. The chain also operates in Canada, United Kingdom, France and Germany, but most of the business locates in the United States of America. According to the 2017 annual report of the company, 2400 locations of Chipotle were operating at the end of the year 2017.

Chipotle was chosen as the hypothetical case company for the thesis mainly by author's interest in seeing how such a fast-casual style pioneer restaurant chain would land in Finland. Another key reason was the hypothesis made by the author, that this specific genre of restaurants is not as competed as others in the target market.

The research in the thesis includes PESTEL-analysis of the target country, company analysis of the case company and analysis of the direct competitor companies in the market. Furthermore, there is analysis of the other global companies in the field that have entered the market, thus providing additional information for the thesis objectives.

## **1.1 Thesis objective and research questions**

As shortly mentioned in the previous chapter, the main objective of the thesis is the following:

- Does it make economic sense for Chipotle to expand their business operations to Finland?

To find an answer, there is a need for research and analysis of competing and similar companies, which concludes into an overall view of the business in the target country's market. Thus, a couple of sub-questions are needed to supplement the main research question. This baseline forms following list of research questions, with the "Does it make economic sense for Chipotle Mexican Grill, Inc. to expand into the Finnish market?" as the main research question and the following three complementing as sub-questions:

1. Are companies comparable to Chipotle profitable in Finland?
2. Does the local competition leave room for Chipotle to enter the market?
3. How other global companies have decided to enter the market?

The main research question fills the demands of the instruction made by George Mason University Writing Center: "A research question is a clear, focused, concise, complex and arguable question around which you center your research. You should ask a question about an issue that you are genuinely curious about." (GMU 2018) The question is easily understandable, narrow enough and leaves space for analysis, but answers to it are also arguable.

The purpose of the sub-questions is to help answering the primary question. These three questions are the most important ones, when considering the economic sense of expansion to Finland for Chipotle. Local economic success of comparable global companies, who have already expanded to the target country, sheds light on how the Finnish market has worked for global concepts with the addition of gaining a view into their entry-strategies. On the other hand, researching the amount of local direct competition eases argumentation on if there might be a lack of offerings in the exact field or the other way around. Obviously, the answers to the questions only offer partial guidance, and do not work as strict basis for Chipotle to decide the potential expansion on.

## **1.2 Concepts and tools used in the thesis**

The thesis is created with the help of multiple concepts and tools frequently used in the field. Combination of using recognized concepts and tools united with collected data and arguments based on them enables understanding the theory and the completion of the thesis. Following concepts and tools were chosen for the process as the most suitable ones.

### **1.2.1 Market entry modes**

“For the majority of companies, the most significant international marketing decision they are likely to take is how they should enter new markets” (Doole, Lowe & Kenyon 2016, 225). This holds true for Chipotle’s potential expansion to Finland.

According to Doole, Lowe & Kenyon (2016), different market entry methods come with advantages and disadvantages. Variabilities such as the company’s ambition and capability, costs and risks connected to the decision become crucial in the process of deciding the correct market entry mode for the company (Doole, Lowe & Kenyon 2016, 225-250). To figure out the right option, the author researches the entry modes chosen by the comparable global companies, who have already entered the market.



List of existing market entry modes is long, but when looking at restaurant business the variety of viable options becomes drastically limited (Abell, 2014). Abell also implies, that franchising in its various forms is the way the restaurant chains going global decide to base their expansion on. However, the research cannot limit to just the most commonly used way of market entry.

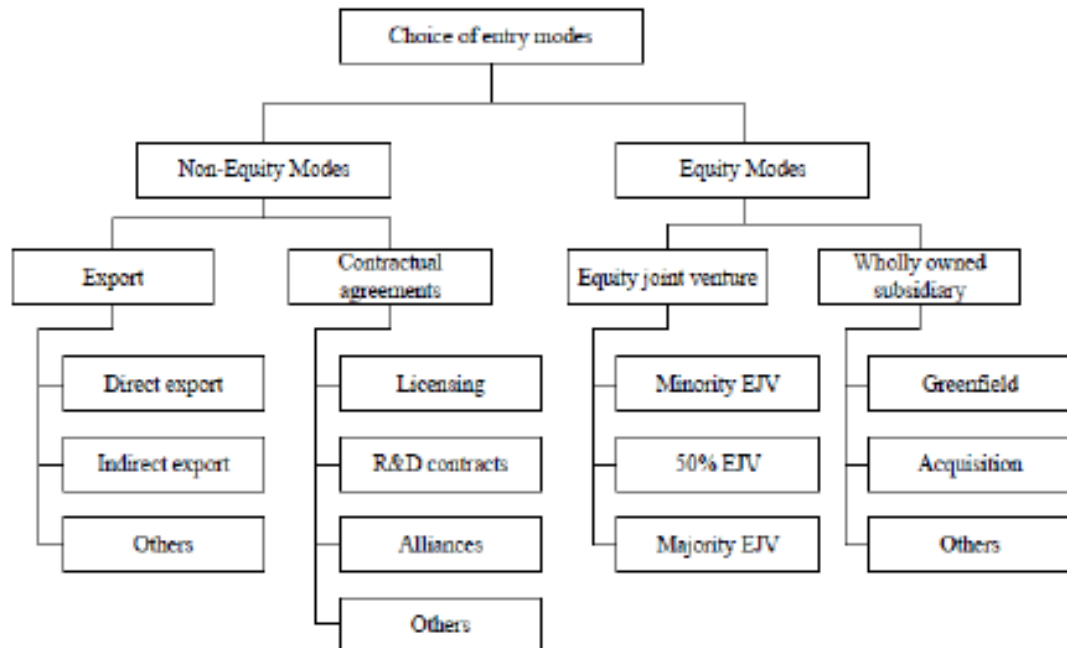


FIGURE 1. The hierarchical model of market entry modes (Pan & Tse, 2000)

The figure above maps the hierarchical model of market entry modes (Pan & Tse, 2000). The model splits entry modes in two different categories, non-equity modes and equity modes. Non-equity modes require smaller commitments to the foreign market, whereas equity modes call for establishing an independent organization in the new market and are harder to back out of (Peng 2014, 165).

Of the entry modes offered by the model, potential options for a restaurant chain to use while expanding are contractual agreements (licensing/franchising), joint ventures and wholly owned subsidiaries. Other options are inaccessible due to the nature of restaurant business. Therefore, licensing/franchising proves to be the only non-equity option available.

Nonetheless, licensing/franchising offers low development costs, and thus low risk while expanding. The disadvantages are limited control over technology and marketing as well as lack of chance for global coordination. (Peng 2014, 166)

Equity modes allow access to more alternatives. Joint ventures, which are partially owned (the percentage depending on the agreement), share the risks, costs & profits with a local partner. The cooperation gives access to partners' knowledge and assets, and it is a politically easier option too (Peng 2014, 166). On the other hand, joint ventures result in limited equity and control, and there might be contrasting views between the attending parties (Peng 2014, 166).

Wholly owned subsidiaries in the form of so-called Greenfield operations have the benefit of complete equity and operational control, and the better ability to coordinate globally, especially compared to having multiple joint ventures all around the globe. The disadvantages of wholly owned subsidiaries include political risks, high development costs and possibly slower entry speed (Peng 2014, 167). Acquisitions have many of the same elements but offer the advantage of taking off a competitor from the market and quicken the process. Although, acquisitions are also affected by the same problems as Greenfield operations, besides the slow speed and also add a potential of integration problems after acquisition (Peng 2014, 167).

### **1.2.2 PESTEL analysis**

Oxford College of Marketing (2016) describes PESTEL analysis in the following way: "A PESTEL analysis is an acronym for a tool used to identify the macro (external) forces facing an organisation. The letters stand for Political, Economic, Social, Technological, Environmental and Legal."

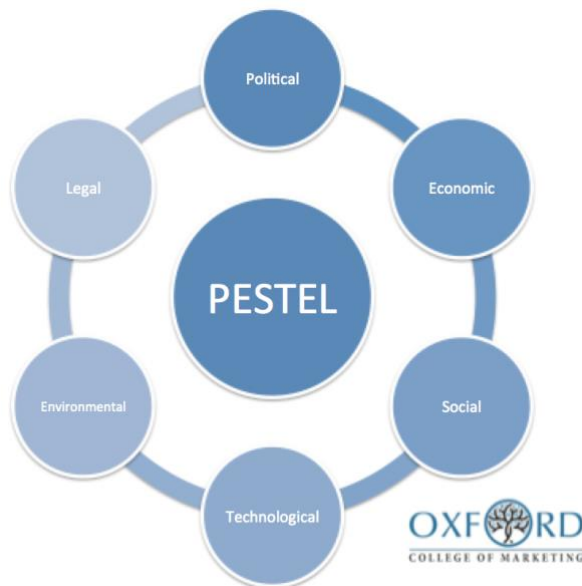


FIGURE 2. PESTEL analysis (Oxford College of Marketing 2016)

Decision to use the PESTEL analysis for this thesis is based on gaining a greater knowledge on how Finnish macro-environment would affect the case company, both when entering the market and while running business in the country. The analysis includes factors from different parts of the macro-environment.

The changing factors are usually categorized as follows, but synchronized to fit the purpose:

- Political factors: How government policy may impact the industry in question, as well as “political policy and stability as well as trade, fiscal and taxation policies too.” (Oxford College of marketing 2016)
- Economic factors: Things that impact the local economy, including but not limited to interest rates, employment and raw material costs.
- Social factors: The values of the society, spending habits, demographics, cultural trends and changes in lifestyle.
- Technological factors: Rate of technological innovation, automation, research and development, changes in digital technology.
- Environmental factors: The impact of ecological aspects, including climate, recycling, carbon footprint, waste disposal and sustainability.

- Legal factors: Employment legislation, consumer law, health and safety and trade regulation and restrictions.

(Oxford College of marketing 2016)

### **1.2.3 Competitor/Comparable company analysis**

One of the rather important ways collecting data to answer the research question is analyzing the competitors and companies that have made a similar expansion to the market. Furthermore, the financial data of the companies chosen and also the market entry modes of the comparable companies are crucial.

Commonly used tools for the competition type of analysis are SWOT analysis, Porter's five forces analysis and sometimes benchmarking. However, SWOT analysis is more suitable for the part of the thesis which analyses Chipotle, as it requires a more detailed look. That part includes some of the results from the competitor analysis, but for the actual competitor/comparable company analysis the methods used are mainly financial data and getting familiar how the comparable companies have entered the market. Moreover, the research includes reflecting on if the market-entry mode has had an effect on how the companies have performed in Finland.

For the direct competitors, the analysis also contains estimates and information about their plans to grow as well as their current state of business.

### **1.2.4 SWOT & Company analysis**

To further answer the research question, analysis of the case company is also needed. The analysis includes a debriefing of public material available about Chipotle. Completing the company analysis is carried by a SWOT analysis, which is commonly used to find the strengths and weaknesses of the company. The analysis also seeks for opportunities available, and threats they are facing (Alikoski, Koponen & Viitasalo 2009, 31). The acronym SWOT comes from the following words:

- Strengths = Internal strengths of the company

- Weaknesses = Internal weaknesses/areas to develop of the company
  - Opportunities = External chances/opportunities for the company
  - Threats = External threatening factors for the company
- (Alikoski, Koponen & Viitasalo 2009, 31)

The results of the SWOT analysis, combined with the other components of the company analysis are used to furthermore strengthen qualitative research working towards a solid answer to the research question.

### **1.3 Working methods and data**

This section explains how the thesis has been made. Furthermore, it includes explanations of how data is collected during the process of creating the thesis, as well as how the research is operated and which methodologies are used.

#### **1.3.1 Quantitative vs. Qualitative research**

Quantitative research's objective is to find new results from data with the help of statistics. The purpose of using quantitative research is to create new findings with systematic research solely based on working with objective data, without letting any subjective variabilities enter the process (Likitalo & Rissanen 1998, 33-44). However, it is not always in the realm of possibilities to gather such data to work with, and often there is a more efficient way to research an issue.

Instead of the more theoretical quantitative way of research, qualitative research looks for findings based on empirical approach (Tuomi & Sarajärvi 2018, 27). The most common alternatives for gathering data in qualitative research are interviews, questionnaires, observation and collecting information from documents (Tuomi & Sarajärvi 2018, 83). Thus, the selective nature of collecting data makes the results subjective. There is not any one universal truth to find as the hypothesis is going to be based on the researcher's knowledge and way of thinking. Furthermore, the author's subjective preconceptions make the process objectively flawed.

Qualitative research forms a base for the results of this thesis. As stated earlier, quantitative research is not an option available for all studies, and that's the case with this particular thesis as well. The research question cannot be answered objectively, and qualitative data collection and analysis is needed.

#### **1.3.2 Data collection methods**

Multiple different data collection methods are used in this thesis. The focus is on the methods commonly used in qualitative research, including both primary and

secondary data. Methods applied vary in specific phases of the research, as the most suitable and available options for each part alter.

The competitor/comparable company analysis part of the thesis is mostly put together with collecting the financial data of the firms from public papers and connecting it with secondary data isolated from interviews given by the company representatives and material found from statements issued by those companies. The same preset applies for the company analysis of Chipotle

### **1.3.3 Analysis method**

The word analysis has a wide meaning. Being attached to qualitative research does not make it very limited either. According to Saaranen-Kauppinen & Puusniekka (2006), attached to empirical research analysis means reading the material thoroughly, organizing the material and reflecting it. The basic idea is to evolve the material into an understandable form, while adding informational value (Saaranen-Kauppinen & Puusniekka 2006).

Tuomi & Sarajärvi (2018) argue, that qualitative analysis can be roughly split into two groups. One group is recognized by the theoretical positioning ruling it, e.g. grounded theory, whereas the other group forms of analysis which is not strictly guided by a theory, although many theories can be applied to them. Content analysis represents the latter group.

Content analysis is also the most common among qualitative analysis and is applicable in almost every case (Tuomi & Sarajärvi 2018, 103). Tuomi & Sarajärvi also suggest, that large percentage of different analysis methods under qualitative analysis are based on content analysis. It can be used to analyze documents systematically and objectively (Tuomi & Sarajärvi 2018, 117). The targeted result is to end up with a summary of the researched topic to base the conclusions on.

Content analysis is the main method used in this thesis. The objective is to create a clear content of data, which is then transformed into conclusions. Additional methods are the tools and theories explained in section 1.2 of the thesis.

## **1.4 Thesis Structure**

Structure of the thesis after the theoretical part is straight-forward. Following chapter starts with the PESTEL-analysis of Finland. It is followed by the analysis of other companies reviewed, giving the background for analysis of Chipotle (including SWOT). The analysis leads the thesis towards choosing the right market entry mode for Chipotle, which is followed by the conclusion.



## 2 TARGET MARKET ANALYSIS

### 2.1 About Finland

As most places on Earth, Finland is a unique market to enter. With a population of approximately 5,5 million people (Tilastokeskus 2017) at the end of 2017, Finland is a slowly growing country. Known for being the home of such brands as Nokia and Angry Birds, the country also prides its recognized education system. While being the happiest country in the world (World Happiness Report 2018), Finland also struggles with an aging population and emptying countryside.



PICTURE 1 – Location of Finland (Worldeaseguides.com)

Finland is located between Sweden and Russia, which has resulted for an eventful history. Before declaring independency in 1917, Finland was a part of the Russian Empire from the year 1809. Prior to the Russian period, the country was under the influence of Sweden for five centuries (Zetterberg 2017). The Swedish heritage has not been forgotten, as Swedish is the 2<sup>nd</sup> official language next to Finnish. Approximately 5% of the Finns speak Swedish as their native language (Infopankki 2018).

TABLE 1. Finland's basic information. (Statistics Finland 2018)

|                   |   |
|-------------------|---|
| Official Name     | Republic of Finland   |
| Capital           | Helsinki  |
| Population        | 5,517,887 (July, 2018)  |
| Area              | 338,424 km <sup>2</sup>   |
| Languages         | Finnish, Swedish  |
| Main religions    | Lutheran Church 72%, Orthodox 1,1%, Other Christians 1,6%, none/unknown 25,3% |
| Monetary unit     | Euro (Eur)  |
| Life expectancy   | 81,78 years (2016)  |
| Unemployment rate | 7,6% (August 2018)  |
| Inflation rate    | 0,84% (2017)  |
| GDP               | 220,900,000 € (2017)  |
| GDP per capita    | 40082,06 € (2017)   |
| GDP growth-%      | 2,6% (2017)   |
| Debt              | 61,4% of GDP (2017)   |

Finland has been a member state of the European Union since 1995. The monetary unit used is Euro, which Finland installed into use among the first countries in year 1999. The capital of Finland is Helsinki, which is located on the southern coast of the country. Helsinki, and the locations surrounding it, are a dominating part of the Finnish economy and in 2013 the sub region formed 36,3% of the country's GDP (Helsingin kaupungin tietokeskus 2016, 40).

Economy has influenced culture in many ways, not least by unifying cultures by globalization (Uusitalo 2009, 19). However, Uusitalo argues that the influence works both ways. Culture affects economy and its prerequisites for operation. Furthermore, understanding the cultures in locations of operation, is crucial for business to flourish.

Culture cannot exactly be cropped with the same lines as country's borders, but extrapolating is needed in order to form a basis to work on. Finnish culture is similar to other Nordic and Western European countries. Equality is presumed, and individual rights and responsibilities are emphasized. Hierarchical inequality is almost non-existent, and people with power are seen as peers. Feminine values are valued, and toleration towards uncertainty is quite high. (Uusitalo 2009, 23).

## **2.2 PESTEL analysis of the target country**

### **2.2.1 Political**

Finland is a parliamentary republic, which is led by the parliament, the president and the government. The parliament consists of 200 members chosen by a public election held every four years and it nominates the government, whereas the election for presidency is held every six years. (Infopankki 2015).

The country of Finland has been politically stable since the civil war in 1918 following the declaration of independency. The representative democracy has worked out well for Finland, and even after losing in the Second World War the nation stayed strong and started developing towards the current status of a Nordic welfare society. (Infopankki 2018).

Being a member of European Union and using Euro as the mutual currency has pushed the stability further. EU has also harmonized the laws in member states, and simplified the process of running business in multiple EU countries. EU citizens are entitled to set up a business in any EU country and start subsidiary branches of businesses already registered in at least one EU country (Europa.eu 2018).

Finland is also one of the least corrupted countries in the world. In Transparency International's annual report, Finland ranks second after Denmark on the index listing least corrupted nations (Transparency International 2015). With the

security and stability come also higher taxes, which for businesses working in Finland are obligated to.

There are couple of different taxes that would affect a company in the restaurant business, when expanding to Finland. As a company, which acts as a non-residential company (global tax accountability based somewhere else), income tax of 20% is the standard. Additionally, on restaurant business there is a VAT (value added tax) of 14%. The standard VAT-% in Finland is 24%, but restaurants are one of the rare exceptions for a lower percentage. However, it does not include selling or serving alcoholic or tobacco products. (Verohallinto 2018).

As employers, foreign corporations are also under the same responsibility as local companies. This includes withholding tax and paying it, having an insurance contract to provide pension coverage for employees and in certain cases also accident and unemployment coverage. Usually employer also pays for health insurance. Additionally, the company needs to register to Employer Register and file a payroll report once a year. (Verohallinto 2018).

With these rather excessive responsibilities, combined to the level of wage in Finland, it is pricey to have employees in Finland. The average earnings in Finland are 3300 euros per month, but with the side costs that amount means gross expense of 4950 euros for the employer (Nordea 2016). The wages in service business are lower, but even with the lowest salary chart with no experience the base salary is 1599 euros (PAM 2018), not including the increases for evening and night shifts or the double salaries paid for Sundays and other holidays. Thus, the expected sales need to be high in order to run a profitable operation in this climate, partly caused by the high cost of labour.

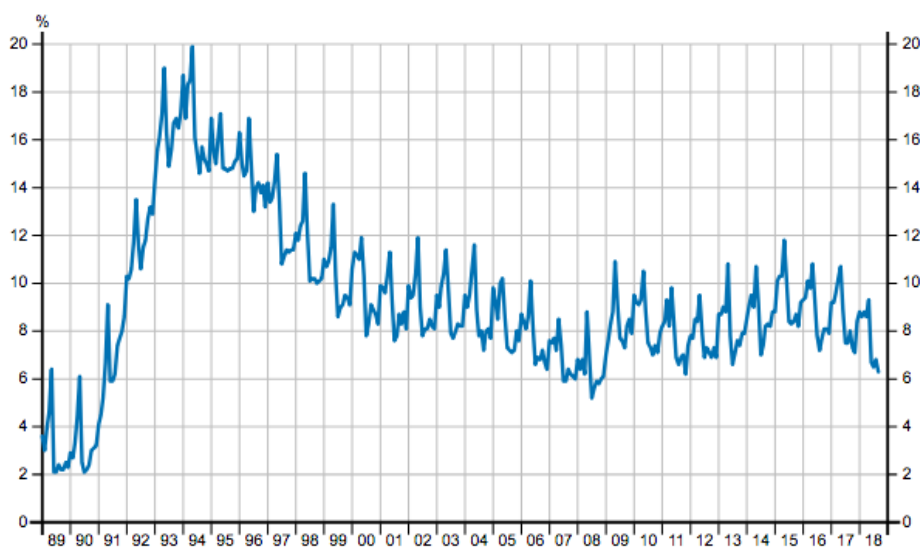
### **2.2.2 Economic**

Labelled with the history of transforming from agricultural country to a rising industrial nation, followed by beating the recession in 90's in the front of technological rise, Finland has a strong history of doing great economically. Finland is now one of the richest and most developed countries in the world. However, the future has stayed uncertain as the population is aging and the

global competition is growing. The public finance is also deficient, and the upcoming expenses following the aging population are threatening. (Elinkeinoelämän keskusliitto 2018).

Being attached to EU, the economic troubles of Southern-European countries have also added the uncertainty. Nevertheless, EU also dictates the interest rates and has a calming effect. For the previous years, interest rates have been extremely low. Current rates are -0,4% on the deposit facility, which banks may use to make deposits with the Eurosystem. The interest rate on the main refinancing operations is 0,0%, which provides most of the liquidity to the banking system. Finally, the marginal lending facility offering the overnight credit to banks from the Eurosystem has an interest rate of 0,25%. (European Central Bank 2018). The interest rates have been expected to rise soon, and economist Olli Kärkkäinen states that the change is estimated to start in 2019 (Yle 2018). The change in interest rates might reduce spending, but it also indicates good economic growth.

Another thing indicating economic growth is reduction of unemployment. The unemployment rate in Finland is 6,3% as of September 2018 (Tilastokeskus 2018). The percentage has decreased significantly in last couple years, topping at almost 12% in 2015.



PICTURE 2 - Unemployment rate in Finland (Tilastokeskus 2018)

According to these indicators, the economic state of Finland is solid, even though there are upcoming challenges. The growth has continued for a while since the crisis, started in the U.S. in 2008, affected the Finnish market too.

### 2.2.3 Social

As stated before, the Finnish population is aging. The largest age groups were born after the second World War from 1945 to 1949, which has led to a large increase in the population outside the working life. In 2017, 21,4% of the people are 65 years or older (Tilastokeskus 2018).

TABLE 2 - Finnish population (Statistics Finland 2018)

| Population   | Unit         | 1900         | 1950         | 1990         | 2000         | 2010         | 2017         |
|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| <b>Total</b> | <b>1 000</b> | <b>2 656</b> | <b>4 030</b> | <b>4 998</b> | <b>5 181</b> | <b>5 375</b> | <b>5 513</b> |
| Males        | 1 000        | 1 311        | 1 926        | 2 426        | 2 529        | 2 638        | 2 719        |
| Females      | 1 000        | 1 345        | 2 104        | 2 572        | 2 652        | 2 737        | 2 794        |
| <b>Age</b>   |              |              |              |              |              |              |              |
| 0–14 years   | %            | 35,0         | 30,0         | 19,3         | 18,1         | 16,5         | 16,2         |
| 15–64 years  | %            | 59,6         | 63,3         | 67,2         | 66,9         | 66,0         | 62,5         |
| 65– years    | %            | 5,4          | 6,7          | 13,5         | 15,0         | 17,5         | 21,4         |

Compared to the 15% of population in 2000, the rise is significant. The aging leads to a weakened dependency ratio, adding trouble to sustaining the welfare state. Hope lies in immigrants, as getting working force from elsewhere seems to be the solution for the growing issue.

Spending habits of the Finns have not changed remarkably. Majority of the spending consists of living, transport and groceries. The spending has risen with increasing purchasing power, but the habits on which the financial resources have been used on have remained. Even between different income groups, the spending habits have unified. People who earn more spend on the same items as those less wealthy, just more (Tilastokeskus 2018).

Food consumption patterns have been changing with new information available for consumers. People are paying more focus to their diet and creating more

personalized eating habits fitting their purposes (PTT 2018). This has led to restaurants expanding their offerings to serve all customers and their specialized diets, as well as to a huge rise of plant-based products on market. Finnish companies spend a lot of resources to invent new products rich in protein to replace animal-based products.

#### **2.2.4 Technological**

Technology has played an important role to the Finnish economy in the recent past. The great success of Nokia helped the country to overcome the recession in 90's, and in the year 2016 game industry was the largest industry regards to taxes paid (Yle 2017). Finland ranks 22<sup>nd</sup> in ICT Development Index (International Telegraph Union 2018), which ranks countries based on ICT factors e.g. amount of internet users and mobile-broadband subscriptions. On Bloomberg's 2018 Innovation Index, Finland is placed 7<sup>th</sup> in the list of fifty most innovative economies.

Although the situation seems excellent judging from these previous factors, TEK (Academic Engineers and Architects in Finland) expressed their worries towards lack of belief in economic growth led by innovation by the Finnish policymakers. The funding towards R&D had dropped from previous years, both in private and public sectors. Furthermore, the proportion of GDP on R&D expenditure in Finland dropped from 3,8% in 2009 to 2,9% by 2015 (TEKBARO 2017, 8-9). At the same time, comparable countries like Sweden and Denmark have increased their investment towards R&D. While Finland still ranks high in tech indicators in relation to the rest of the world, there are signs of potential unfavourable change.

#### **2.2.5 Ecological**

Finland has introduced national strategies for climate change and energy in order to achieve the EU targets set for emission reduction. The national environment law came into effect in June 2015 to legislate planning structure and monitoring system to confirm the climate goals are met (Ympäristöministeriö 2018). The new strategy accepted in 2016 defines central environmental goals and alignments until year 2030, including emissions trading. The EU target for emission reduction

is 20% by 2020, 40% by 2030 and 80% by 2050 compared to the emission levels of 1990. EC (European Commission) is also currently preparing a new long-term environmental strategy based on the Paris Agreement (2015) and present-day scientific data (Ympäristöministeriö 2018).

Finland's plan to meet the 2020 target of 20% reduction is to reduce emissions outside of emissions trading (e.g. agriculture, traffic, construction etc.). In addition, the plan includes increasing renewable energy's portion of the final energy consumption to 38%. Finland ranks 10<sup>th</sup> on 2018 Environmental Performance Index produced by Yale University and Columbia University in collaboration with World Economic Forum (EPI 2018). The index, ranking countries on performance indicators in categories such as environmental health and ecosystem vitality, indicates that Finland is doing fine work with environmental issues.

However, Finland has surpassed the quota for emissions set up by EU for past two years (YLE 2018) and ranks high when considering CO<sub>2</sub>-emissions per person. The northern location causes challenges in effort to limit emissions produced by heating. The "National Waste Plan to 2023" made by environmental ministry is in place to further ensure sustainable development in Finland, and the current level is up to modern western standards too.

Current topicality of environmental issues has generated the interest of consumers as well. Choices are often influenced by environmental factors, especially amongst younger generations. This affects restaurant business too, as being vegetarian or vegan are seen more environmental-friendly options when it comes to diet. It is rare not to have options in the menu available for these groups, and it would limit the customer base.

### **2.2.6 Legal**

There are plentiful of legal factors to be taken into account in Finland, but it is for a good reason. As a part of being a common welfare state, legislations are made to protect everyone taking part in the society. Individual rights are strongly emphasized.



Legislation around labour is created on a tripartite basis including the organisations representing employers and employees. Labour legislation protects the employees, while not limiting the companies of running business. The working conditions are determined by the legislation, and there are collective agreements on various sectors enforced by the labour unions. (TEM 2018).

Finnish Competition and Consumer Authority implements competition and consumer policy. The tasks of this authority are to ensure good market performance, competitive alternatives for consumers and sufficient access for consumers to truthful information in choice-making processes (KKV 2018). There is also a separate administration for occupational safety and health, which executes fairness, health and safety in working life (Työsuojelu 2017). The rights of employees and consumers are strongly secured by these authorities ran by the government.

Laws regarding trade are made at EU level. According to EU, in addition to free trade within member states EU is also committed to liberalising world trade too (EU 2018).

### **3 COMPETITOR ANALYSIS**

This chapter includes analysis of various companies working on the Finnish market. Split into two parts, first one of which consists of global companies that are comparable to Chipotle and have already entered the market. The second part focuses on local direct competitors. Companies are evaluated based on their public financial statements, as well as on other data found. Regards to the global companies, a look into their market entry mode is included, as well as future plans made public by all of the businesses.

#### **3.1 Comparable companies who have entered the market**

By the year 2018, there is a large number of global restaurant chains operating on the Finnish market. The most significant ones were chosen for this analysis. The list of chains contains of McDonald's, Burger King and Subway. Also, worth mentioning is that Taco Bell has entered the market recently (licence owned by the same company as Burger King), and KFC (Kentucky Fried Chicken) has expressed their plans of arriving to Finland. However due to the recency, there is not enough information to properly analyse these two companies. All of the chains mentioned share the American origin with Chipotle.

##### **3.1.1 McDonald's**

Founded in 1940, the California-based McDonald's is one of the most recognized brands in the world. Furthermore, it is the world's largest restaurant chain (Forbes 2017). Globally there are approximately 35,000 McDonald's restaurants operating. They first opened in Finland in 1984, and have since extended to 65 restaurants.

McDonald's operates via franchising. Individual locations are run by independent entrepreneurs, with the support of the chain. In Finland, total of 14 entrepreneurs operates 60 locations in addition to five locations run by the company itself (McDonald's Suomi 2018). Estimating realistic financial results of the operations of McDonald's in Finland is complicated, as the licencing payments and royalties

by different locations are paid directly to the McDonald's Corporation operating in Luxembourg for tax reasons (Taloussanomat 2016).

Kauppa-lehti reported in 2015, that McDonald's had cumulative losses of 84 million in Finland to that point. However, the franchise entrepreneurs had been making profit and the number does not take the payments to Luxembourg into account (Taloussanomat 2016). It is unlikely, that McDonald's would have kept the business running if it actually resulted in such a loss as the 84 million would indicate. Even if the Finnish sector is tiny compared to the worldwide operations, which have been going well.

Nevertheless, McDonald's sold its Nordic operations to a British investor Guy Hands during Q1 of 2017. Hands became the Master Franchiser and the Developmental Licensee of the region. After the acquisition, McDonald's Finland (Food Folk Suomi Oy) reported a turnover of 32,9 million euros in 2017, resulting in a profit of ~10,2 million euros (Asiakastieto 2017).

Complications caused by previous tax planning by McDonald's and the changes within the franchisees during the years create a situation, where it is impossible to get clear financial data. However, results of the year 2017 and the financial success of independent franchise entrepreneurs creates promise of the company's success in Finland.

### **3.1.2 Burger King**

One of the main competitors of McDonald's, Burger King was founded in 1954 in Miami, Florida. As the name implies, Burger King is a hamburger focused fast food chain, owned by 3G Capital. With more than 15,000 locations, BK first came to Finland in 1980s. After few years, the locations were sold to McDonald's and the company didn't come back to Finland until 2013 (Burger King 2018).

Burger King's entry mode to Finland differentiates from McDonald's. The model is closest to a joint venture, as a company named Restel owns the licence of the restaurant chain in Finland. The chain has expanded on a fast pace, and has 60

locations operating by end of the year 2018, with plans to open up ten more in 2019. (Kauppalehti 2018).

Mikko Mollberg, Vice President of Burger King Operations at the time, shed light on the plans of Restel for Talouselämä in 2016. As most of the locations were not still sub-franchised, the intention was to operate the restaurants in the beginning to gather a better understanding of how the business should be ran; to form a ground for more complete support later for franchise entrepreneurs. (Talouselämä 2018).

Operating under the name of Restel Fast Food Oy, Burger King has grown steadily in Finland during the first couple years. The turnover has risen ~10 million euros yearly, from 10,8me in 2014 to 39,3me in 2017. The operating results have been negative each year, but have not grown at the same pace with the turnover. Operating results were approximately -1,5me in 2017 (Asiakastieto 2018). The CEO of Tradeka (parent company of Restel), Perttu Puro, stated in 2017 that “Burger King is an investment to the future. The operation is developing as planned, but the quick growth still shows in the chain’s profitability.” (Taloussanommat 2017).

Thus, although Burger King is still operating with negative results in Finland, the company remains optimistic. Quick growth in business often means significant investments, which can result in short-term losses. Enthusiasm to accelerate the growth is a positive sign on how the company sees the market situation.

### **3.1.3 Subway**

Subway, the workplace of famous sandwich artists, was originally founded in Bridgeport, Connecticut in 1965 as a funding plan for Fred DeLuca’s medical studies. Fast forward a couple years, after starting franchising in 1974, Subway has grown into a global fast food chain with over 43,000 locations in 112 countries (Subway 2018). Subway entered the Finnish market in 2000, and has since grown the number into 155 restaurants (November 2016) with the plans of opening the 200<sup>th</sup> location in the country by 2020.

Previous Director of Development, and current Chief Development officer of Subway, Don Fertman, opened up about the process of Subway expansions in an interview with QSR magazine in 2010. According to him, unlike Burger King, Subway does not do master franchise agreements as they ended up giving up more control than they would like. Instead, they look for local entrepreneurs to work as development agents with the capability of focusing 100% on Subway. Fertman explicitly mentions the preferment over larger corporations as partners. (QSR 2010).

Fertman also states, that they have changed their strategy around expansion. Subway's original plan was to go everywhere, where there is interest, but later on they have moved to analysing the markets more before deciding to enter a new one. If they get contacted by an entrepreneur from a market they are not keen on, the protocol is to keep the contact and connect if the market situation shifts to a more favourable direction. (QSR 2010).

In Europe, the Subway restaurants are owned by Subway International B.V. located in Amsterdam, Netherlands. The royalties and other fees are paid directly to the aforementioned company. (Bloomberg 2018). Thus, there is no financial data available for the whole of Finland. However, the data of single locations and companies operating multiple locations is public. The largest of the franchisee companies in Finland, Subcom Oy, operates 27 Subway restaurants (Franchiseneews 2018). Their turnover has risen from ~10me in 2013 to ~14,5me in 2017, with the yearly profit averaging around 800,000 euros (Asiakastieto 2018).

Looking around the other operators, almost all have been profitable during past five years (Asiakastieto 2018). Although the financial data of the European parent company is not public due to the way the organization is formed, it is clear that Subway's operations in Finland are profitable. It is hard to imagine that with the franchise entrepreneurs having success, the company giving franchise agreements would not be doing great too.

## **3.2 Direct competitors**

Even though the number of Mexican-style restaurants has increased in Finland, especially in Helsinki, there are not many offering experience similar to such as Chipotle does. Of the few that do, most are single location small businesses. One of which is even named Casa Chipotle. Of the Mexican-inspired restaurants, that have multiple locations, the only two similar type of chains are Tortilla House and Chalupa. These are the enterprises counted as direct competitors in this thesis.

### **3.2.1 Tortilla House**

Started from a fast food truck during the summer 2013 in Helsinki, Tortilla House currently has three locations open (Tortilla House 2018). With two restaurants in Helsinki and third one opened in Tampere in 2018, Tortilla House offers the closest experience to Chipotle in Finland. Tortilla House's menu is comparable to Chipotle's, with the exception of the smaller market limiting the offerings to a shallower scale.

In Varusmieslehti's interview (2016) Jyrki Karumo, the CEO of Tortilla House, even talks about Tortilla House as a fast-casual restaurant, a concept which Chipotle is known for. The thought for Tortilla House originated in U.S., as the CEO found himself wanting for proper Mexican food and high-quality fast food (Varusmieslehti 2016). This was lacking in the Finnish market. From the first experience with the food truck, it was clear that there was demand for the type of service.

Since then, Tortilla House has grown slowly into the current state, with an urge to expand more. The financial outcome has not been extremely positive, as the yearly profit of the company has ranged within -69 000 euros in 2016 to 42000 euros profit in 2015. The turnover has been stable around 1,2 million euros from 2015 to 2017, though 2018 is going to change things with the location in Tampere opening up. (Asiakastieto 2018)

TABLE 3. Financial results of Tortilla House. (Asiakastieto 2018).

|              | 2015        | 2016        | 2017        |
|--------------|-------------|-------------|-------------|
| Turnover (€) | 1 191 000 € | 1 227 000 € | 1 189 000 € |
| Profit (€)   | 42 000 €    | -69 000 €   | 4 000 €     |

Karumo mentioned reasons for the marginal results in the interview with Varusmieslehti. The sales had been satisfying, unlike the profitability. According to the CEO, the prices or location costs are unchangeable within the fast-casual concept, but the price of ingredients is the real issue. Karumo states, that as a small enterprise not being able to handle purchase themselves, they end up paying too much for ingredients. In his opinion, with growth they will be able to order ingredients within the company, and with enough growth might come enough power to influence the suppliers to reduce their margin. (Varusmieslehti 2016).

Although Tortilla House is still a small enterprise, they have clear intentions to become larger. The closeness of their concept to Chipotle's has to be taken into account. With similar focus to freshness and quality of food within fast-casual business concept, they are the main competitor in Finland.

### 3.2.2 Chalupa

Chalupa is a Mexican grill chain, founded in 2015 by Kotipizza Group Oyj and Think Drinks Oy. In the words of Iman Gharagozlu, the Creative Director of Chalupa Oy, they offer a combination of traditional Mexican street food and modern fast casual restaurants. Chalupa currently has 13 locations, of which 11 are located in Helsinki with additions of one in Jyväskylä and Lahti. The Chalupa restaurants are franchised, early 2018 having 15 franchise entrepreneurs (Kotipizza group 2018).

Kotipizza is the largest pizzeria chain in Finland, and in 2015 they informed about plans of developing additional restaurant chains in other genres (Yrittäjät 2015).

Chalupa is the first creation. At the end of 2017, the future plans involved of having 20 locations in 2018 all the way up to 40 locations in 2019.

There has been a change though. The monthly comparable sales of the Chalupa chain have dropped in 2018 from previous year's numbers. CEO of Kotipizza, Tommi Tervanen, stated to Taloussanommat (2018) that the opening of new Chalupa restaurants is iced until the comparable sales begin to grow again. Tervanen says that they are reforming the concept behind the chain and adding marketing to strengthen brand recognition, and leaving conclusions for after Q4 results of 2018 (Taloussanommat 2018).

The growth of Chalupa has been slower than Kotipizza expected, and in Tervanen's opinion the trend around Mexican food in Finland has slowed down (Taloussanommat 2018). Kotipizza remains optimistic of turning Chalupa into a nation-wide restaurant chain, but the results so far have not been inspiring.

TABLE 4. Financial results of Chalupa Oy (Asiakastieto 2018).

|              | 2016      | 2017       |
|--------------|-----------|------------|
| Turnover (€) | 443 000 € | 524 000 €  |
| Profit (€)   | -84 000 € | -189 000 € |

Financial results of the franchising company, Chalupa Oy, have been highly negative during the first two full years of practice. Some of the losses can be blamed to growth pains, but the news in 2018 are not good. A need for concept changes three years into the company's existence combined with the results indicate problems.



#### **4 CHIPOTLE MEXICAN GRILL, INC.**

As one of the first to create a restaurant chain based on fast casual concept, Chipotle Mexican Grill, Inc. was founded in Colorado, U.S. in 1993 by Steve Eells. During the growing phase to one of the largest Mexican food brands, Chipotle was heavily invested to by McDonald's Corporation. Currently Chipotle 2,363 locations in the U.S. and 37 international Chipotle restaurants (Chipotle Annual Report 2017). Chipotle is listed in the New York Stock Exchange.

According to Chipotle's website, the idea upon starting the company was to offer a quick dining option, without being a "fast-food" experience. They put explicit focus on the quality of ingredients, in addition to ensuring that the ingredients used are made fairly and animals are treated properly. Chipotle uses "Food With Integrity" as their core message, as a promise of their mission. Besides the respect towards the world with their mission, they claim to pay attention to cooking techniques amongst other factors to strengthen the quality of food, to make food better. (Chipotle Mexican Grill, Inc. 2018).

Valuation-wise Chipotle has swung plenty during past years. Current stock price is \$472.76 (Nov 19. 2018), but it topped at \$749.12 in August 2015. The stock went down all the way to \$255.46 in February 2018 after years of negative public news connecting the company to multiple food safety issues. However, On March 5<sup>th</sup> Chipotle appointed a new CEO Brian Niccol, former CEO of Taco Bell. Niccol produced good results at Taco Bell, and the rise in stock price this year has mostly been credited to his hiring, in addition to good sales in the first quarters of 2018 (Bloomberg 2018).

The new CEO has mentioned in interviews and statements that reforms for Chipotle are being considered. Niccol said in Q1/18 earnings call that the Chipotle brand had been "invisible" previously, and stated intentions of resolving the issue. The recently named CEO also said that the company will consider drive-thru restaurants, and more importantly, franchising (Bloomberg 2018). Earlier Chipotle has stayed out of franchising, with communications director Chris Arnold in 2014 saying that the two reasons companies franchise are need for money to grow or operators to run restaurants, Chipotle lacking in neither (Taylor 2014).

## **4.1 SWOT analysis**

### **4.1.1 Strengths**

Chipotle has grown rapidly since going public in 2006, as the number of restaurants has risen from approximately 500 to 2,400 in twelve years. More recently, 2018 sales have been higher than in 2017 and in Q3/18 total sales grew 8,6% to \$1,2 billion in comparison to 2017 (Chipotle Q3 Earnings Call 2018). The company's financial status is good, having \$1,364,445 in total shareholder's equity at end of 2017. All of last five years (2013-2017) have been profitable, and the current year is looking promising as well.

New leadership in form of CEO Brian Niccol has put changes in effect, modernising the concept. The company's brand is getting stronger, and known for the high quality of ingredients and food. "Food With Integrity" mission relates well to the current events of the world, environmental issues and animal welfare becoming more important every passing day.

In the U.S. Chipotle has found a nice niche offering high-quality food quickly, with an image of being capable for a healthier option. It is a strength in market situation, where many brands are struggling with a brand of offering unhealthy food.

### **4.1.2 Weaknesses**

The company has had trouble with negative publicity regarding food safety issues. In spring 2008, Chipotle faced hepatitis A and norovirus outbreaks which affected over 400 customers. In 2015, Chipotle had 6 different occasions of E. coli, norovirus and salmonella breaking out from their restaurants. This was followed by improvement in food safety procedures. (Chipotle 2016).

However, for a company branding as a place for healthy and fresh food, the issues are extremely problematic. The improvements help, but it takes time to gain customer trust back.

As over 98% of Chipotle's restaurants are in the U.S. market, the company is strongly dependant on U.S. operations. Even though the company has had good results in the past, relying on one market leaves Chipotle open to economic changes there. Being priced higher than fast-food restaurants, problems in U.S. economy or local recessions might turn out as huge drops for their sales.

#### **4.1.3 Opportunities**

Having majority of the company's business consisting of the U.S. market leaves room for massive opportunities. Other similar companies have found success in the international markets, and the U.S. contributes only 22% of global GDP (Forbes 2016). Canada is an obvious first step, and Chipotle has started slowly growing business there. Europe is significantly similar with shared western values and strong economy. Other parts of the world are also getting wealthier, with promising expanding opportunities showing up. The fast-casual niche is not necessarily strongly competed world-wide yet, especially by large chains, so there might be room for Chipotle to expand largely.

Besides expansion, other opportunities might include widening the menu. Chipotle currently offers a pretty limited menu with burritos, tacos, bowls and salads. This has been noticed by the company too, and lead by the CEO Niccol Chipotle started investing to new food items (Bloomberg 2018). Serving more options for people on special diets, vegans and low-carb diets for example, might be an opportunity.

#### **4.1.4 Threats**

The dependency on U.S. market involves the worry of other companies beginning to compete more directly with Chipotle, or the ones already competing gaining a stronger place in the market. Chipotle needs to keep upgrading the recognition of their brand in order to even stay status quo. New food safety issues could be tragic for the company too. The history with health issues creates a situation, where every additional outbreak becomes more expensive. Even without any new issues, the market might become more competitive

Internationally, if Chipotle does not start expanding more quickly, local or other companies could gain a stronger position harder to compete with. In Finnish market, the current direct competitors have not yet succeeded in creating a concept spread out nation-wide, but the situation is subject to change.

#### **4.2 Deciding on entry mode to the Finnish market**

The decision of choosing the most viable option for Chipotle to enter the Finnish market includes taking a number of factors into account. Chipotle's way of doing expansions previously is one of them. How other comparable companies have entered the market might give insight on what works on the Finnish market, and if it differentiates from other markets.

Thus far, Chipotle has chosen the way of wholly owned subsidiaries on its business in the U.S. and on international markets too. That has been the company's preferred way of business. However, with the new CEO appointed earlier in 2018, the company seems more open to changing gears. As mentioned in chapter 4.0, CEO Niccol stated that they are looking into franchising as an option (Bloomberg 2018). The openness to changes indicates, that other options might come into question as well.

Comparable companies studied in this thesis have entered the market either via franchising/licensing, or by joint venture in the means of giving the rights for franchising/licensing to a company in Finland. Subway and McDonald's have taken the franchising route. Both of the companies get the franchise fees and royalties paid to a parent company located abroad for tax planning reasons. The success of this route is slightly unanswered, as the payments are not public. The fact that franchise entrepreneurs for both brands are averaging good financial results obviously implies success for the brands themselves, but it cannot be stated as a known fact.

McDonald's came to Finland in 1984, and Subway followed in the year 2000. After them, it took a while for the next global restaurant chain to enter the market. Restel Oy brought Burger King back to Finland in 2013, after the quick stint in 1980s. They have the license of Burger King brand in Finland, and the option of

sub-franchising locations. Restel has also brought Taco Bell to Finland in 2017 with a similar arrangement. These operations are recent, and still in growing phase. Thus, it is hard to estimate the success of this model. Nevertheless, Restel's spokespersons are optimistic. CEO Mikael Backman told Kauppalehti, that the company has a target of bringing a new chain to Finland yearly (Kauppalehti 2017), implying strong confidence of having success with the global brands.

Acquisition might be a reasonable option too. Of the direct competitors, Chalupa is struggling in comparison to their expectations and working on renewing the brand. However, it is owned by a large Finnish corporation Kotipizza Group Oyj and not necessarily the most tempting option for an acquisition. Tortilla House instead is offering a similar experience to Chipotle and as a small new enterprise could be a better fit. There is no knowledge of Tortilla House's potential interest to sell, but they have worked in the Finnish market and possess the know-hows of the market. Their CEO Jyrki Karumo has also said publicly, that to be more profitable they need to grow.

If Chipotle was to enter the Finnish market now, getting in talks with Tortilla House might be the way to go. Via acquisition, Chipotle would get access to the knowledge not only regarding to the Finnish restaurant market, but also to the legal requirements of operating in Finland and being an employer in the country. Additionally, not having franchise operations in process, acquisition might prove to be the easiest and most reasonable way to enter the market.

## 5 CONCLUSION

The purpose of the thesis was to find out if it would make economic sense for Chipotle to expand their operations to Finland. Aiming towards that target, the work included analysis of Finland as a country, look at the overall market in means of comparable and competitive companies and finding answers to side research questions of if the comparable companies have succeeded on the market and how competitive is the direct market niche of Chipotle's.

Data used in the thesis was mostly secondary, as the spokespersons of the companies in the industry have showed plenty of presence in forms of interviews and statements. Data was also collected from official sources regarding the information about the target country, and public financial information and statements by the companies addressed were also helpful. The data gathered involved enough information for the thesis, thus there was not particular need for additional data collection by interviews.

Results of the thesis are limited partly due to some of the financial records being private, and more so on the natural limitation of depth on Bachelor's theses, as well as lack of resources on the author's part to go deeper into to the subject. However, it is clear that comparable companies are able to operate profitably in the market and owners of the more recent additions to the market are optimistic about their capability to succeed, regardless of the market entry mode chosen. Franchising operations have been successful for the local entrepreneurs too.

Acquisition seems like a potentially good option in this particular hypothetical case, as there is a small local operator building a brand deeply similar to Chipotle's. Other options might be viable too. Overall, the competitive situation in the specific market does not seem too populated. If Chipotle were to be interested in expanding to Finland, the information shown in this thesis could be helpful.

## REFERENCES

Abell. 2015. Internationalising Restaurant Concepts Read 13.11.2018.  
<https://www.twobirds.com/en/news/articles/2014/global/food-law/internationalising-restaurant-concepts>

Alikoski, R., Viitasalo, J. & Koponen, M – Yritystoiminnan taitajaksi, 2009, WSOY Oppimateriaalit Oy

Asiakastieto. 2018. Taloustiedot Food Folk Suomi Oy. Read 20.11.2018.  
<https://www.asiakastieto.fi/yritykset/fi/food-folk-suomi-oy/27798366/taloustiedot>

Asiakastieto. 2018. Taloustiedot Restel Fast Food Oy. Read 20.11.2018.  
<https://www.asiakastieto.fi/yritykset/fi/restel-fast-food-oy/25383028/taloustiedot>

Asiakastieto. 2018. Taloustiedot Subcom Oy. Read 21.11.2018.  
<https://www.asiakastieto.fi/yritykset/fi/subcom-oy/20082701/taloustiedot>

Asiakastieto. 2018. Tortilla House yleiskuva. Read 22.11.2018.  
<https://www.asiakastieto.fi/yritykset/fi/tortilla-house-finland-oy/25469016/yleiskuva>

Bloomberg. 2018. Bloomberg news. Chipotle to take taco bell cues without giving up healthier halo. Read 26.11.2018.  
<https://www.bloomberg.com/news/articles/2018-06-28/chipotle-to-take-taco-bell-cues-without-giving-up-healthier-halo>

Bloomberg. 2018. Bloomberg news. Chipotle's turnaround gains momentum as CEO plots new course. Read 26.11.2018.  
<https://www.bloomberg.com/news/articles/2018-07-26/chipotle-s-turnaround-gains-momentum-as-ceo-plots-new-course>

Bloomberg. 2018. Bloomberg research. Company overview of Subway International b.v. Read 21.11.2018.  
<https://www.bloomberg.com/research/stocks/private/snapshot.asp?privcapid=128229809>

Chipotle. 2018. Our company. Read 26.11.2018.  
[https://www.chipotle.com/company?\\_ga=2.18412985.1631120255.1542619175-1146425050.1536234788](https://www.chipotle.com/company?_ga=2.18412985.1631120255.1542619175-1146425050.1536234788)

Doole, I., Lowe, R. & Kenyon A. – International Marketing Strategy, 2014, Cengage Learning

Elinkeinoelämän keskusliitto. 2018. EK. Perustietoja suomen taloudesta. Read 10.11.2018.  
<https://ek.fi/mita-teemme/talous/perustietoja-suomen-taloudesta/>

Entrepreneur Europe. 2014. Entrepreneur article. Why Chipotle Won't Franchise. Read 26.11.2018.  
<https://www.entrepreneur.com/article/237252>

- EPI. 2018. Envirocenter. About EPI. Read 16.11.2018. <https://epi.envirocenter.yale.edu/about-epi>
- Europa.eu. 2018. Europa. Starting a business. Read 9.11.2018. [https://europa.eu/youreurope/business/running-business/start-ups/starting-business/index\\_en.htm](https://europa.eu/youreurope/business/running-business/start-ups/starting-business/index_en.htm) -
- Europa.eu. 2018. Trade. Read 17.11.2018. [https://europa.eu/european-union/topics/trade\\_en](https://europa.eu/european-union/topics/trade_en)
- Franchiseneews. 2018. Franchiseneews uutiset. Pohjoismaiden ensimmäinen uudistettu Subway-ravintola avattiin Vaasassa. Read 21.11.2018. <http://www.franchiseneews.fi/uutiset.php?aid=326094>
- Helsingin kaupungin tietokeskus. 2016. Helsinki. Suurien seutukuntien talouskehitys 2000-2013. Read 9.11.2018. [https://www.hel.fi/hel2/Tietokeskus/julkaisut/pdf/16\\_03\\_02\\_Tutkimuksia\\_1\\_Susiluoto.pdf](https://www.hel.fi/hel2/Tietokeskus/julkaisut/pdf/16_03_02_Tutkimuksia_1_Susiluoto.pdf)
- Helsingin Sanomat. 2015. HS nyt. Meksikolaisen ruuan Helsinki vain laajenee: Casa Chipotle on uusi tulokas. Read 22.11.2018. <https://www.hs.fi/nyt/art-2000002853911.html>
- Infopankki. 2018. Suomi lyhyesti. Read 8.11.2018. <https://www.infopankki.fi/en/information-about-finland/basic-information-about-finland/finland-in-brief>
- International Telegraph Union. 2018. ITU. Measuring the Information Society Report. Read 12.11.2018. <https://www.itu.int/en/ITU-D/Statistics/Pages/publications/mis2017.aspx>
- Kauppalehti. 2015. Kauppalehti uutiset. McDonald's tekee yhä tappiota Suomessa. Read 19.11.2018. <https://www.kauppalehti.fi/uutiset/mcdonalds-tekee-yha-tappiota-suomessa/263bb2de-3275-3200-bfa7-66ea70c57292>
- Kauppalehti. 2017. Kauppalehti uutiset. Taco Bell tulee suomeen. Read 28.12.2018. <https://www.kauppalehti.fi/uutiset/taco-bell-tulee-suomeen-ensimmainen-ravintola-avataan-helsingin-ydinkeskustaan/8bc6a15d-6375-3e1e-8e92-fd38f1e8b6d1>
- Kauppalehti. 2018. Kauppalehti uutiset. Burger King kasvaa vauhdilla. Read 20.11.2018. <https://www.kauppalehti.fi/uutiset/burger-king-kasvaa-suomessa-vauhdilla-tavoittelee-erityisesti-kiireisia-syojia/3be4492f-e8d0-313e-97ee-8e6bb33c7b2c>
- Kilpailu- ja kuluttajavirasto. 2018. KKV. Tietoa KKV:sta. Read 16.11.2018. <https://www.kkv.fi/Tietoa-KKVsta/>
- Kotipizza Group. 2018. Vuosikertomus 2017. Read 23.11.2018. <http://kotipizzagroup.com/wp-content/uploads/2018/04/Kotipizza-Group-Vuosikertomus-2017.pdf>



Likitalo, H & Rissanen, R – Tutkimusmenetelmät, 1998, Pohjois-Savon AMK

Marmai. 2015. Marmai uutiset. Kotipizza käynnistää uuden ravintolaketjun. Read 22.11.2018. <https://www.marmai.fi/uutiset/kotipizza-kaynnistaa-uuden-ravintolaketjun-ensimmainen-ravintola-kallioon-6294218>

Marmai. 2018. Marmai uutiset. Kotipizzan myynnin kasvulle ei näy loppua, Chalupa-ketjun hankaluudet jatkuvat. Read 22.11.2018. <https://www.marmai.fi/uutiset/kotipizzan-myyntin-kasvulle-ei-nay-loppua-chalupa-ketjun-hankaluudet-jatkuvat-6743995>

McDonald's Suomi. 2018. McDonald's Suomessa. Read 19.11.2018. <https://www.mcdonalds.fi/fi/tutustu/mcdonalds/mcdonalds-suomessa.html>

McDonald's. 2018. History. Read 19.11.2018. <https://corporate.mcdonalds.com/corpmcd/about-us/history.html>

MTV. 2017. MTV uutiset. Taco Bell saapuu Suomeen. Read 28.12.2018. <https://www.mtvuutiset.fi/makuja/artikkeli/taco-bell-saapuu-suomeen-marraskuussa-avataan-kolme-ravintolaa/6623642>

Nordea. 2016. Ajassa. Mitä työntekijän palkkaaminen maksaa. Read 10.11.2018. <https://ajassa.nordea.fi/yrittajat-kasvu/ajassa-kiinni/mita-tyontekijan-palkkaaminen-maksaa/>

Oxford College of Marketing. What is a PESTEL analysis?. Read 28.10.2018. <https://blog.oxfordcollegeofmarketing.com/2016/06/30/pestel-analysis/>

Peng, M – Global Strategic Management, 2014, South-Western CENGAGE Learning

PTT. 2018. Elintarvikkeiden kulutus Suomessa. Read 11.11.2018. <http://www.ptt.fi/julkaisut-ja-hankkeet/kaikki-julkaisut/elintarvikkeiden-kulutus-suomessa.html>

QSR. 2010. QSR Magazine. How Subway went global. Read 21.11.2018. <https://www.qsrmagazine.com/marketing-promotions/how-subway-went-global>

Saaranen-Kauppinen & Puusniekka. 2006. KvaliMOTV. Analyysin äärellä. Read 28.10.2018. [http://www.fsd.uta.fi/metelmaopetus/kvali/L7\\_1.html](http://www.fsd.uta.fi/metelmaopetus/kvali/L7_1.html)

Subway. 2018. Toiminta Suomessa. Read 21.11.2018 <http://www.subway.fi/fi/toiminta-suomessa>

Talouselämä. 2016. Talouselämä uutiset. Burger King rohmuaa markkinaosuutta. Read 20.11.2018. <https://www.talouselama.fi/uutiset/burger-king-rohmuaa-markkinaosuutta-myos-uudet-liikeideat-tunkevat-markkinoille/911bc46a-5939-3c8f-90d1-819d01a934d1>

Taloussanomat. 2018. Pörssi uutiset. Kotipizza uudistaa Chalupa-ketjua. Read 22.11.2018. <https://www.is.fi/taloussanomat/porssi uutiset/art-2000005858829.html>

TEK. 2017. Issuu. Romahtiko usko innovaatiovetoiseen talouskasvuun. Read 12.11.2018. [https://issuu.com/tekniikanakateemisetek/docs/tek\\_1\\_2017/49](https://issuu.com/tekniikanakateemisetek/docs/tek_1_2017/49)

Tilastokeskus. 2017. Väestön rakenne. Read 8.11.2018. [https://www.tilastokeskus.fi/tup/suoluk/suoluk\\_vaesto.html](https://www.tilastokeskus.fi/tup/suoluk/suoluk_vaesto.html)

Tilastokeskus. 2018. Stat. Kotitalouksien kulutus. Read 11.11.2018. <https://www.stat.fi/til/ktutk/index.html>

Tilastokeskus. 2018. Työttömyys vähentynyt selvästi vuoden takaiseen verrattuna. Read 11.11.2018. [https://tilastokeskus.fi/til/tyti/2018//09/tyti\\_2018\\_09\\_2018-10-23\\_tie\\_001\\_fi.html](https://tilastokeskus.fi/til/tyti/2018//09/tyti_2018_09_2018-10-23_tie_001_fi.html)

Tortilla House. 2018. Tortilla House website. Read 22.11.2018. <https://www.tortillahouse.fi/>

Transparency International. 2015. Transparency. Corruption perception index 2015. Read 10.11.2018. <https://www.transparency.org/cpi2015>

Tuomi, J & Sarajärvi A – Laadullinen tutkimus ja sisällönanalyysi, 2018, Tammi

Työ- ja Elinkeinoministeriö. 2018. TEM. Työlainsäädäntö. Read 16.11.2018. <https://tem.fi/tyolainsaadanto>

Työsuojelu. 2018. Functions. Read 16.11.2018. <https://www.tyosuojelu.fi/web/en/about-us/functions>

Uusitalo, L & Joutsenvirta M – Kulttuuriosaaminen, 2009, Gaudeamus

Varusmieslehti. 2016. Laatu pikaruokaan. Read 22.11.2018. <http://varusmieslehti.fi/laatu-pikaruokaan/>

VTT. 2017. Research. TEKBARO. Read 12.11.2018 <https://www.tek.fi/fi/uutishuone/tutkimukset/tekbaro>

YLE. 2017. Yle uutiset. Suomen McDonald's-ravintolat brittisijoittajan salkkuun. Read 19.11.2018. <https://yle.fi/uutiset/3-9427970>

YLE. 2018. Yle uutiset. Nordea: Korkojen nousu iskee asuntovelallisiin jo keväällä. Read 10.11.2018. <https://yle.fi/uutiset/3-10480654>

YLE. 2018. Yle uutiset. Suomi ylitti päästöt. Read 16.11.2018 <https://yle.fi/uutiset/3-10220889>

Ympäristöministeriö. 2018. YM. Kansallinen ilmastopolitiikka. Read 15.11.2018. [http://www.ym.fi/fi-FI/Ymparisto/Ilmasto\\_ja\\_ilmastomuutoksen\\_hillitseminen/Kansallinen\\_ilmastopolitiikka](http://www.ym.fi/fi-FI/Ymparisto/Ilmasto_ja_ilmastomuutoksen_hillitseminen/Kansallinen_ilmastopolitiikka)

Yrittäjät. 2015. Yrittäjät uutiset. Kotipizza aloitti uusien ketjujen perustamisen. Read 23.11.2018. <https://www.yrittajat.fi/uutiset/112-kotipizza-aloitti-uusien-ketjujen-perustamisen-ensimmainen-ketju-ei-tarjoa-pitsaa>

Zetterberg. 2017. Finland. Main outlines of Finnish history. Read 8.11.2018. <https://finland.fi/life-society/main-outlines-of-finnish-history/>