

The Global Gourmet



MOULIN ROUGE, VIENNA, AUSTRIA



VAPIANO IS AN EXCITING BRAND, AN INNOVATOR AND DISRUPTOR THAT HAS SHAKEN UP OUR PERCEPTIONS OF SERVICE AND EXPERIENCE SINCE ITS INCEPTION 14 YEARS AGO. HERE, RLI TALKS TO MARIO C. BAUER, CEO OF VAPIANO FRANCHISING, TO LEARN MORE ABOUT THAT COMPANY'S UNIQUE APPROACH AND ITS PLANS MOVING FORWARD.



Founded in Germany in 2002, gastronomic lifestyle brand Vapiano created a new category in system gastronomy with its innovative 'Fresh Casual Dining' concept, which combines elements from 'Fast Casual' and 'Casual Dining', permitting guests a higher degree of self-determination.

Quality, freshness and transparency represent the basis of the concept; Vapiano uses almost exclusively fresh ingredients. In every single branch, pasta, pizza dough, sauces, dressings and desserts are created in-house, in part even in the middle of the guest area in a glass 'Manifattura'. Meals are prepared directly in front of guests in the show kitchen. 'à la minute'. This, coupled with a cosmopolitan ambience, is the recipe behind the company's success.

From its early beginnings in Hamburg, the success of the concept quickly spread. Vapiano currently operates over 170 restaurants in 31 countries on five different continents, and is now focusing on consistent and constant growth, above all within its core European market, but also in new markets such as Denmark, the Czech Republic, Colombia and Abu Dhabi, where launches are planned in the next 18 months.

One special highlight to occur in the first half of the coming year is the opening of a flagship restaurant in Paris, which is currently being developed

in the Rue Marbeuf (on the corner of the Champs-Élysées).

From its earliest days, Vapiano has been perceived as an international brand, it has that ambience and international growth is very much a part of its DNA. "You tend to see international brands begin to enjoy growth after ten years or so," explains Mario C. Bauer, CEO of Vapiano Franchising.

Having established a strong grounding in Germany, the company started to grow significantly in year five and has since developed a very impressive international track record. "This helped to shape the perception of the brand. People started to see us in Australia, Dubai, Mexico, New York... we have never really been perceived as a German brand, and this was a very important factor for us in establishing our positioning," he adds.

Vapiano views itself as very much a 'disruptor', it was one of the first to introduce the chip card system; it was, in the Fast Casual sector, one of the first to combine dining and a bar in the same location, and, alongside Wagamama, was one of the first to introduce high-end design and ambience.

The company's key objective now is twofold – strengthening existing markets and exploring opportunities in new markets. Every international expansion requires a strong core market and at the moment, 60 of Vapiano's 170 stores are situated in Austria and Germany.

"Of course we are looking for more stores in bigger markets, and one

key area for growth that we have identified is France, which represents our second-largest sales after Germany," he says.

France is a market that offers huge potential, the average check is much higher than in Germany (general 30-40 percent more) and the brand is also somewhat unique in the French market. "We currently operate ten outlets and are looking at doubling that figure in the next 12-18 months."

And Vapiano isn't just doubling its outlets in France, it is also set to launch four new flagships there, on the Champs-Élysées, at Euro Disney, its first Freestanding Vapiano outside of Germany, in Toulouse, France, and with Unibail Rodamco in Quatre Temps in La Defense. These planned openings represent a huge milestone for the brand.

The company commenced a new pilot store in China last year, under the corporate model rather than franchising, establishing a long-term commitment to modifying the concept to local needs. "We believe that we now understand what the Chinese customer expects of us and we are looking forward to future growth in that market," says Bauer.

After a slow start in the US, Vapiano has restructured both management and portfolio, and is now working with a new joint venture partner has restarted operations, expecting to see significant success in that market within the year.

In terms of new market entries, Vapiano will open a new outlet in Bogota, Colombia (it already operates in Latin America, in Mexico, Chile and Brazil) and it also has a strong commitment to the Middle East, where the brand currently operates in Dubai, Kuwait, Bahrain, Doha and Saudi Arabia. It will soon be entering Abu Dhabi, which it considers to be an extremely important market, whilst in Europe, Vapiano will also be launching in two new countries in 2016: Belgium and the Czech Republic. In each of these four countries, the company will be working with franchise partners.

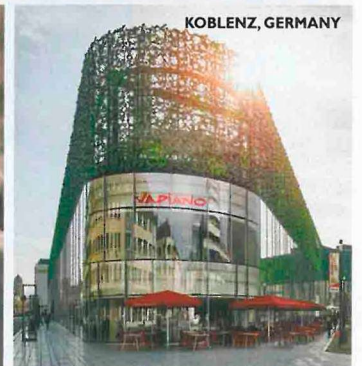
Vapiano also plans to enter Spain in mid-2017, which is a large market in Europe currently missing from the portfolio. In addition to its commitment in China, the company is also seeking growth in Asia and is looking for new partner in this region.

"We are also extremely keen to enter Canada, though we have yet to find the right partner, be it franchise or joint venture," adds Bauer.

"Something that is ingrained in our DNA is the fact that we do not compromise – on site selection, the partners we work with, our country managers, freshness and the principle of one-on-one cooking... what this means is that Vapiano customers around the world enjoy freedom, the autonomy to sit where they like, to make no reservations, to eat or drink as the mood takes them – there is an ambience and vibrancy to Vapiano, and a commitment to a non-traditional service approach. We take very seriously our role as a disruptor and innovator," he concludes.



RUE MARBEUF, CHAMPS-ÉLYSÉES, PARIS, FRANCE



KOBLENZ, GERMANY



NANTES, FRANCE



RUE MARBEUF, CHAMPS-ÉLYSÉES, PARIS, FRANCE