

MARUHACHI
RA-MEN

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ULTIMATE
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About 'Maruhachi' Ramen

Maruhachi Ramen is well known for their creamy chicken broth or "tori-paitan" as the signature soup base for all ramen items on their menu. According to Maruhachi's current CEO, the name 'Maruhachi' came together using a combination of two very simple, but positive words: 'maru' meaning circle - which is a commonly-used term among Japanese businesses. And 'hachi' meaning the number eight - symbolizing infinity and expansion towards the future.

Line of business:

- Restaurant

Products used:

- Move5000 4G | WIFI





Background

Maruhachi Ramen® opened its first location in downtown Vancouver in May 2013. Today, co-owner and CEO, Tatsushi “Tats” Koizumi, oversees the operation of all the restaurants in British Columbia.

Fresh out of university, Koizumi wanted to travel and see other parts of the world. When he landed in Canada in 2004, he planted roots in Vancouver. Wanting to contribute a part of his culture to the Canadian landscape, Koizumi dreamt of starting his own local ramen business.

At the time, Koizumi started out working at different restaurants, taking on regular jobs with minimum wage salaries hoping to save up enough money to open his own ramen joint. One of those restaurants was Maruhachi Ramen. After some time working his way up at the restaurant, he was approached by the company’s former CEO to take over their position. “When they asked me to take over, I initially declined the offer because I was in the process of wanting to start my own ramen brand. I knew I wouldn’t stay [at Maruhachi] for very long.”

The former CEO came back to Koizumi with another offer: in addition to taking over their position, they also presented the option of becoming the full-time business owner of Maruhachi Ramen in Canada. Being very independent, Koizumi always thought he would come to own and operate his own business from scratch, so the idea of taking over someone else's business never crossed his mind, "But it was a good deal at the time. Maruhachi already had a customer base, I knew how to operate a store and so I made a deal with the shareholders to become the co-owner and operator of the restaurant."

Since taking over, Koizumi has successfully expanded business – opening six locations, three in the downtown Vancouver area and three in neighbourhoods just outside of the city in Richmond, Burnaby, and Coquitlam. He's also adopted a cashless payment model across all restaurant locations, accepting card only transactions.





Challenge

By 2017, with two restaurants operating successfully under his belt, Koizumi decided to try something new with the opening of a third Maruhachi Ramen location. He piloted a cash-free transaction system – meaning only debit and credit payments would be accepted. While it was generally well-received amongst customers, there was also some pushback. The move to cashless gained quite a bit of media attention and criticism from some locals. “Cashless was very new to people, especially for a smaller ramen joint like ours. Some people weren’t used to seeing cashless payments at a non-upscale restaurant.”

However, for Koizumi, the reason to switch to a cashless system seemed straightforward. Having worked in the ramen industry for many years, he observed that ramen is quick to consume and, for the most part, is relatively inexpensive. They needed to speed up transaction times in order to keep up with their customer turnover, especially during the lunch-hour rush. “People won’t typically stay long, maybe 30 minutes at most, and groups are usually smaller. Our menu is also short and simple so customers can easily make a decision. When the food comes out, people eat quickly and leave right away. So, transaction times need to be quick to handle many customers.”

Koizumi also found that relying on electronic payment devices to calculate and record all transactions and tips reduced the possibility of human error when it came to accounting and security of cash payments. “When we accepted cash, I would have to calculate the tips, change, etcetera. Then make my way to the bank to cash everything in. The whole process took a really long time.”

Why Moneris?

After taking over Maruhachi, Koizumi experienced some challenges with the restaurant's former payment processor. And upon moving to a cashless system, he needed a payment processor that could keep up with his needs. He started seeking out alternatives and came across Moneris.

"Moneris is a well-known payment processor in Canada, but I didn't know about them when I first took over. I heard good things about them by word of mouth and decided to give them a try - it was a great decision."

Maruhachi now uses Moneris wireless terminals across all their restaurant locations in Vancouver. They are also all operating under a cashless system. According to Koizumi, accounting has become a lot easier and safer. There have been less trips to the bank and less errors when counting cash. And this allowed him to focus on more important aspects of the business, such as upholding the quality of their food, expanding to other locations, and training new staff.

Koizumi's experience with Moneris has been positive overall, citing the payment terminals' ease of use, the easy set up across all restaurant locations, and the strong customer service. "One of the most important things for me is that they [Moneris] are very trustworthy. I feel safe and secure using their system."





Looking forward

For Koizumi, expanding outside of the province or even south of the border has always been a possibility. But everyone is a stakeholder to the business, and he wants to make sure that if he does expand, that it happens at the right place and time. “If I see that my core members, such as my employees or customer base, is growing and we’re ready to open more locations, then I’ll definitely support them.”

While he’s received offers to expand Maruhachi Ramen beyond British Columbia to places like Calgary or Toronto and open a franchise, Koizumi’s priority right now is to continue to operate business as usual and just have fun.



For the future, I want to open more locations, but I’m not rushing. And that’s how I commit to the customer: if I follow the money and start franchising business, I risk my reputation amongst my staff and most importantly, my customer base. So as a commitment to my community, I choose quality.”



– Tatsushi “Tats” Koizumi , Co-owner and CEO of Maruhachi Ramen



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