

## ABSTRACT

Financial bootstrapping means, adoption of strategies that emphasizes over usage of business resources in effective manner. This reduces the need for external finance that is one of the obstacles for SMEs to beat their competitors. This study is aimed to explore the bootstrapping techniques, using by restaurant industry of Lahore and how they are surviving in front of foreign chains through their limited resources. A research survey has been designed by using purposive sampling technique along characteristic of homogenous case. Data collected through managers and owners by using semi structured and open ended questionnaires which were interviewer administrated. In the current study, only 2 restaurant's manager refused to participate in the research. So out of 22, only 18 respondents were participated with a response rate of 81.8%. It has explored, due to presence of foreign chains at M. M. Alam road, local restaurant industry is burdened under the pressure of competition with highly invested and renowned foreign chains. The very first mandatory thing arises is to upgrade their infrastructure accordingly and come up with variety of services and food. This generates the need of financing, because SMEs found it harder to generate capital from their revenues. Access to external finance is also act as an obstacle, this make them to use some strategies that assures the effective use of internal resources to generate and fulfill the financing needs. Study came up with following, applicable bootstrapping techniques, as per restaurant industry. Study has concluded, mostly restaurants are tending to develop good relations with their suppliers, and most of the restaurants owners are funding their restaurant business through their other businesses, they are working with customer related techniques more than others due to their customer oriented business nature. M. M. Alam is one of the expensive property, so many owners are doing their business over other's premises and paying rents. Purchase of second hand equipment is also practically implementing. In order to reduce their marketing expense, e-marketing, discounts over plastic money and other privilege cards has been offered that ultimately increase profitability through increasing sales volume