

Discussion question 1 week 4

[Business](#)



Discussion Question Week 4 Market plan for Smart fast food restaurant

Executive summary The Smart fast food restaurant will provide a wide range of the fast food products to its customers. As the name suggests the business will aim to be the smartest business in the restaurant industry. The business will therefore aim at obtaining about 80% of the market share. The business will be located in Los Angeles in California State. In order to succeed in the industry the business will first embark on various advertisement and promotion strategies. This will help to inform the potential customers on the various products offered by Smart fast food restaurant. The restaurant will require about \$150, 000 in order to be operational.

Organizational plan

The Smart fast food restaurant will be organized as a partnership business. This is because I intend to start the business in partnership with Mr. Johnson. We will hire three kitchen cooks who will be involved in preparing the fast foods. We will also need to hire one waiter and two customer support staff. Moreover we will also need to hire two sales persons. I will act as the human resource manager while Johnson will act as the sales manager. However, the Smart food restaurant aims at increasing the number of the employees as the business progresses.

Financial plan

The Smart fast food restaurant will be started with a capital base of \$150, 000. Johnson and I will contribute \$50, 000 as the starting capital the rest of the capital will be borrowed from commercial banks. The following is an outline of the proposed financial plan

1. Start-up cost

This refers to the amount of money needed to cater for the initial cost in

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order to start a business. It includes the money required to purchase all the materials required to start the business. In this case smart food restaurant requires about \$80, 000 for its start up cost.

2. Monthly expenses

The monthly expenses refer to the cost the business is likely to incur at the end of the month. These costs include the cost of paying for insurance, and the cost of paying its employee. In this case the Smart fast food restaurant will require \$50, 000 to cater for its monthly cost

3. Sales forecast

This refers to the various sales estimates that the business aims at achieving at the end of certain period. In this case, the Smart food restaurant estimates that at the end of the month it will make sales worth \$120, 000.

Marketing strategies

The smart fast food restaurant will mainly target to sell its food products to the business people found in the Los Angelis town. This is because most of the business people find it hard to leave their business to have lunch in a hotel. The business will also target the college students since they also like fast foods. The business will use various media such as the social sites in the internet to advertise its products. The business aims at providing high quality products to its customers this will also help to outshine its competitors.

2 Recommendation of how to approach the first six months

Evaluating the pricing

The business needs to evaluate the prices of its products. In order to evaluate the pricing the business must first establish whether it is able to make profit with current pricing Evaluating the price will also enable the business establish the best selling price for its products(Atallah, 2006).

Improve on any weak point

After running the business for the first month we will be able to spot the area where the business is will not be doing well and therefore make plans to improve. This can help the business to achieve its objectives.

Explore new market

After running the business for the first month on the local market, we will also explore the possibilities of entering a new market. This can help to increase our sales volume and therefore increase our profit margin.

Motivate our staff

The business will also aim at motivating its staff. Motivation will help to improve the performance of our staff. In motivating the staff, the business aims at introducing the various reward systems meant to motivate the staff.

Reference

Atallah, P. W. (2006). Building a successful construction company. Chicago: Kaplan AEC Education.