

Importance of strategic planning for food service business marketing essay

[Business](#), [Strategic Management](#)



Strategic planning is important for the food service business, because it matches market opportunities with business strengths and provides direction to achieve set goals. A strategic plan is a roadmap for food service business; it defines the objectives for each critical area of business development, including organization, management, marketing, sales, target customers, products, services and finances. This enables an organization to successfully draw a path and progress towards the set objectives.

Function

Each level of the food service business can benefit from a well-written strategic plan. A strategic plan should be established before the start of the company, used to as a flexible document during the first year in business and eventually be updated annually during the life of the operation. Although nearing the end of company, strategic plan helps the business, which includes information about the ownership transition benefit.

Features

The most important elements of the food service strategic plan includes a summary, mission statement, company vision, industries & customer profiles, descriptions of all products and services, competitors information, organization and management structure, marketing strategy and key financial statements that include balance sheets, profit & loss statement and cash flow statement. The strategic plan is easy to read and understand the company's operations. Most important is to be effective to be used as a measuring tool strategic plan throughout the year.

Considerations

In the creation of strategic plan, owners should collect information such as company mission statement last year's vision, target customer base data, departmental budgets and financial documents that include a balance sheet, profit & loss account and the cash flow statement. Key findings from the past year are very important to the partners, directors, officers or key employees who will be working on the company's strategic plan.

Advantages

Strategic plan gives owners peace of mind, knowing that the company is on the right path towards success. In difficult times, the realization that requires certain aspects of attention is priceless. Owners may be surprised that the communication be improved to find within the company. Company employees can benefit from a better understanding of their roles and the direction of the company. Invest the time in a strategic plan, and the company will be on the road to success.

Importance of Mission Statement for Food Service Business (Restaurant)

A mission statement is written in the best cooperation. The decision makers in society should sit down and talk about their thoughts and how they want to represent the company to the public. Ideas should be bandied about, considered and voted then. Once they thoroughly discuss, write and re-write the statement, they should make sure that it is something that people know to appreciate and buy customers. It should provide a statement that remains

relevant no matter the difficulty of the enterprise, and can serve as an instrument to overcome the adversity rallying the troops.

Mission Statement

“ Our mission is to use superior product, service and management innovations to build a global foodservice company that serves value and quality-driven meals, demonstrates transparent integrity in the marketplace and has one of the best rates of return on invested capital in the foodservice arena”

Mission Statement’s role in Company’s Success

The above mission statement is firm articulation of the company’s customers, employees and the world about the purpose of its existence. Obviously, our food service business exists to make money, to maximize profits and equity value, but our mission statement is more on the front than the bottom line. Our mission resonates with the public and tells them why it would be advantageous to do the business with our company. This mission statement represents the company’s vision, as the company wants to be seen by our clients.

Mission statements include a statement of purpose, a business statement, and an indication of the company’s values. The indication of the purpose expressly the purpose of the company, in our case, a food service company’s purpose is to provide the target market with quality food. Mission statement should inspire the staff. Thus, our mission brings a certain focus on the

employee as the purpose of their work, crystallized, and they are able to see the value of their contribution.

Customers are reassured when they are exposed to the mission, as they will be able to see that the company is on its purpose (value driven quality food). There are several things that our Mission Statement addresses, 1), who are our customers, 2) what are their needs and desires, 3) how I can meet those needs and wants, 4) What are the values that have built our company at present, 5) What values are our company want to have that there, 6), we are all constantly veering together with a single purpose or individual course.

Importance of Vision Statement for Food Service Business (Restaurant)

Vision Statement

“ Company’s well-trained staff, careful planning, targeted market segments, excellent menu, unique value proposition, product quality, hours of operation and accessibility will ensure that Company has a promising future. The management style is flexible, progressive and energetic. Enthusiasm of the management and associates will greatly stimulate the envisioned growth.”

Vision Statement’s role in Supporting Company’s Mission

An organization develops a vision statement and a comprehensive and inspiring mission statement, does not lose the opportunity to present themselves positively to existing and potential stakeholders. All organizations have customers, employees and managers, and most companies need creditors, suppliers and distributors. The vision and mission

statements are effective vehicles for communicating with key internal and external stakeholders. The capital value of these statements as tools of strategic management is derived from its specification of the ultimate goals of a company.

Entrepreneurial vision provides a context in which people can make decisions at all levels. A shared vision is like a compass and distant destination in the mountains. If you give a group of people a target point and then turn them loose in the mountains in order to reach this goal, they will probably find a way to get there. You may encounter obstacles and bad curves on the road, but with the general direction of the compass, a clear end goal and the belief that they work to a worthy goal, they will probably reach the target.

Key objectives and Company's Success

Key objectives

Establish a financial culture of positive net profit from day one in operation.

Successful development of the first two stores in thirty-six months.

Achieving accumulated revenue for the first thirty-six months of Company's operations, through two operating stores of \$5 million.

Creating a " Dining Icon" in the marketplace through flawless execution of standards and company's core concepts at every level of each store's operations.

Become a market leader in the fast casual segment nationwide USA.

Key objectives and Company's Success

Meeting breakeven point and achieving net profit from day one in operations will make sure that the company is on right track. This will also enable the company to meet its long-term growth funding requirements from within the company, thus eliminating the need for external funding. Operating the second store within first three years will ensure the company's growth. It will also increase the brand visibility which will help increase daily customer visits. Achieving five million dollars in revenue will make sure that the company has enough cash to fund its future growth plan and enable the company to use its internal resources for future funding requirements.

Our company's initial two restaurants will provide live operational insight into key areas that affect customer service, product quality and profit performance, including: size of future restaurants; future equipment mix; optimum floor plan for the concept; optimum restaurant staff strength; optimum scheduling-to-peak-demand strategy; and menu-mix based on customer preferences reflected in sales reports. Information from the pilot will contribute to a successful roll-out of the restaurant throughout the country.