

Hot dog stand business plan sample

[Business](#), [Marketing](#)



- Environmental Analysis
- SWOT analysis

PEST Analysis

Political- The business is likely to benefit from the strong push the government is imposing on creation of employment. However the ongoing campaigns on lowering consumer expenditure may reduce the demand for our products.

Economic- The food services are tax exempt and this is expected to increase the revenue. Nevertheless, the overcapacity in the food industry is likely to squeeze the profit margins to the minimum

Social- Many people likes spending less for lunch thus making hot dogs a preference for many. However the people's perception that hot dogs are prestige foods may work against the business especially in poor economic times when most people decrease their spending.

Technological- The business intends to make use of social networks to advertise the business thus reducing the marketing expenses. This will reach very well to those who are in white and blue collar jobs as they are our target customers. These people have daily access to social sites on the internet.

Organization Structure

Employees

The total number of employees required in the business is 10.

Every employee must be trained and experienced in his or her respective area of work.

Type of employees

All employees will be employed on permanent basis and will be paid monthly. Nevertheless, the supervisor in liaison with the Chief Chef and on authority of the manager can hire casual laborers where the expected demand is expected to be high to a level presumed to be overwhelming. The casual laborers will be paid on hourly basis or piecework where possible.

Organization structure

Upper management

The upper management comprises of the General Manager. This manager is responsible of overseeing all activities and ensures that everyone works towards the achievement of the mission and vision of the business. The manager will also ensure the right activities are initiated as per the various strategies set for the business.

Min-management

The middle management will comprise the operations manager and the supervisor. Their role is to ensure tasks are executed as scheduled and that all activities of the employees both in the technical and tactical levels are consistent and focuses on customer satisfaction.

Human resource

The human resource will be responsible of recruitment and remuneration of staffs. The role will be temporarily be played by the management committee which will comprise of the managers and the supervisor. A human resource manager will be hired immediately the business opens another mobile unit.

Public relation

The operations manager will take up this role. It is anticipated that in due time, Hot Dog business will grow to hire a public relation manager who will work in conjunction with local chambers of commerce to ensure that the business becomes the pride of the community.

Goal setting

All business should have goals and objectives (Quinn 2010). The business has the following goals:-

Short term goals

- Making profit

Profit is the main goal in every business. In our Hot Dog business profit will signify the growth and development of the business. The profits will be ploughed back into the business to support expansion and consequently increase the sales.

- Employment

The business will create employment to the people around hence reducing job opportunity crisis in the country. This will have enabled the residence earn a better living. The number of employees is aimed to increase as the business expands.

- Cultural Promotion

The hot dog business is consistent with the Chinese eating culture. Being the cultural foods which have been gradually abandoned due to decrease in quality, Hot dogs needs to be produced in a healthier and quality manner. The hot dog stand aims at revivifying this culture by producing healthy and

quality hot dogs and make them available to all customers through our mobile unit.

Long term goal

- Preferred hot dog joint

The company aims at becoming the leading hot dog joint in the country in terms of quality and sales within the next five years. Our services have to be of the highest standard to lure customers into our joints. The qualified chefs and experienced waiters are expected to be the key players in the achievement of this long-term goal.

- Expansion to other major cities

The business is expected to grow and expand into cities like Shanghai, Hong Kong and Macao. These cities have a business target population of potential customers. This expansion will ensure that our services and products can be accessed from all over china and become the best of the majority of people.

Financial Analysis

The business is located at Beijing which is not only a political center but also a cultural center. It has a population of around 11.6 million. The greater part of the population falls in the age brackets and gender targeted by Hot Dog Stand. This is promising since availability of potential customer is paramount in deciding on the business location. The cultural background of the town residents will make marketing of hot dogs an easy task since a good number of residents are interested in the product. The mobile hot dog vending unit and the favorable road network will make it possible to navigate within the 16,410 square kilometers town.

Products and pricing

The selling price of products in Hot Dog Stand will depend on the buying price of the raw products. Some general policies like value added taxes will also determine the pricing. This will make the prices to vary at different times. On the part of credit, business intends to offer credit to regular and well-known customers. The business will also receive prepayments for one month supply of Hot Dogs. The amount prepaid will be deducted accordingly as supplies are made and will the deduction will be bases on the prevailing prices.

Budget

Detailed Budget

The table below shows a combination of 1year, 5year, 10year and overall budget.

- Funding sources
- Capital requirements

Marketing Analysis and Strategy

Sales strategies

This will involve movement around the town to destined points at scheduled times. The time schedules will be designed in consideration of eating habits of people and breaks given to the workers by employers for them to eat. It has been noted that corporate gives employees short breaks with barely enough time to walk for a distance and at least access a Hot Dog to kill once hunger. The mobile Hot Dog Stands management will liaise with companies to be selling hot dogs at stipulated times and from one company to the

other. This is considered as a unique way to enter the market. From a market survey, most competitors do not practice this as a marketing strategy.

Advertising

For the business to be known, its location and services will need to be publicised. By advertising, people shall be initiated to the business and get to know about it. This will be done through posters, leaflets and newspaper adverts. Most of the competitors do not utilise this form of advertising hence lack of popularity.

Promotions

At certain times of the year when the raw products are cheap, various promotions like Buy One Get One Free will be initiated to motivate the customers. To encourage customers to buy in large quantities, there will be weekend promotions which will entail awarding every customer who buys a pack of five hot dogs at a go with half a liter fruit juice.

Discounts will also be given to those who buy products on large quantities.

After sale services is another method used in the business to encourage and retain customers. Half price of the initial cost will be charged by the business. This will also have saved the buyer the cost of transport.

- Public relation

This will ensure there is constant issuance of press releases to trade journals and other publications including the newspaper, hotel and hostel magazines, travel agents and town magazines. This will ensure that the business and its product gain the required publicity and information about the new products, services and units reach the customers at convenient time. The customers'

feedback on quality of products and services will also be collected and incorporated accordingly.

- Branding factors
- Logo

The business logo is a smiling lips picture. The lips are made up of a curved hotdog. The smile is welcoming to the clients and the hot dog lips tells all what the business is about.

- Key identifiers

The business will have printed nylon Hot Dog wrappers which will be used to serve take away products. The hot dogs will also be prepared using different meats such as beef, mutton, chicken and pork to meet various consumer tastes.

Integrated Marketing Communication

The potential target customers are:-

- Workers in the from banks and other business institutions in the town are capable of buying 500 pieces of hot dogs daily
- Local town residents are capable of buying 300 pieces of hotdogs daily.
- Town visitors are able to buy 400 pieces of hot dogs and drinks daily

The Total Market Share is as Analyzed Below:

Estimated Sales per Month is as Follows:-

Competition:

Pricing Strategy:

How We Will Price Our Products:

We will price our products considering:-

- (i). Production costs
- (ii). Other competitors prices
- (iii). The law of demand and supply

We will advertise and or attract our customer;

- (i). Word of mouth
- (ii). Pamphlets
- (iii). Billboards
- (iv). Mass and Social media

NB:

In the initial stages of the start of the business, we will use (i) and (ii) and latter, when the business expands, use (iii) and (iv) to advertise, attract our customers.

We will use over the counter and telephone selling tactics to start with and latter adopt other advanced tactics to sell our product.

Conclusion

The business plan considers all factors, that is, financial, environmental, market, personnel and legal requirement necessary to start the Hot Dog Stand business. With availability of funds the business will therefore start on a high note to bring incomes as expected. Proper implementation of the plan will lead to the success of the business.

References

Quinn S. (2010). Management Basics. London, Ventus Publishing.