

Example of business plan on marketing strategy and marketing mix

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



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Situational Analysis

Strengths

One of the most important strengths of these touchable dining tables is that they are state of the art innovative dining tables that aim to provide the most important thing that people look for in all their purchases which is convenience. The product helps in creating a convenient and exemplary

dining experience for the customer which is the objective of all the fine dining restaurants.

Weakness

Since it will automate the whole food ordering process, it will take out the humane aspect of ordering. It is a common phenomena that while placing an order, people usually look for a personalized suggestion from the waiter. This being automated, cannot encompass the human aspect of placing an order.

Opportunities

Touchable dining tables will reduce the time for ordering which will make it faster for the restaurants to take orders. This will help the restaurants from overcrowding leading to satisfied customer.

Threat:

Barriers to entry may be low as there can be no copy right of the mechanism and if once this works out, there can be too many me too brands copying it from our product.

What are the Influences on Purchase Process?

Psycho/ Situational/ Socio-Cultural

The influence of the psycho purchase process causes severe impact on customer buying behavior. Some of the automatic tapes usually develop from psychological principles or the stereotypes that human have learned to accept. These principles possess strong ability to direct human action and motivate them to make their buying decision. Therefore, people make their buying decisions on the basis of psychological factors. Companies operating

in the restaurant industry are taking it important to influence the psycho purchase process of the customers (Guido and Salento, 2010). Restaurant industry in the recent years has become highly competitive in Canada and Touchable Dining tables knows it well how to penetrate customers considering impact on the psychological factors of consumer buying decisions. Unlike other industry, the restaurant industry in Canada is also emphasized to influence the psycho behaviors of the customers to get their loyalty to make buying decisions (Cialdini, 2007).

The knowledge of consumer buying behavior always helps the marketer to understand how the consumer is thinking, feeling and selecting from different brands available to them (Mor & Sulekha, 2014). Marketers should also know how to influence the consumers by their environment, the reference groups, their family members, salesperson and so on. A company serving in the restaurant industry like Touchstone dining tables can know well how the consumer buying behavior can be influenced by cultural, social, personal and psychological factors as most of these factors are uncontrollable and beyond the hands of marketers. But they should know these buying behaviors of the customers when trying to understand their complex buying behavior (Brosekhan and Velayutham, 2013).

What are the Characteristics of the Industry?

Industry Structure and Placement

Industry structure and placement shows that the Canadian restaurant industry is the fastest growing industry that has generated \$68 billion in annual sales and equaled 4% of the Canadian economic activity. It has

directly employed 1.1 million workers comprising of direct employment of 6.4% Canadian workforce. The restaurant industry in its composition has employed 475,000 young people and contributed greatly in generating employment opportunities for the young Canadian citizens. Restaurants are providing more job opportunities for Canadian national than any other industry in the country as 22% of Canadian people are getting their career start in the restaurant industry as well as joining a fast food service business. The restaurant industry in Canada is comprised of 88,000 locations throughout the country and has contributed greatly in offering employment opportunities to the urban and rural communities across Canada. Going and spending time in restaurants has become the number one activity of the Canadian people with their family and friends (Elliott, 2014).

The Restaurant Industry

The Canadian restaurant industry is based on different segments, including fast and casual, highly efficient and fine dining and service restaurants. These segments have differed in terms of their economic growth and achieved different sales targets and customer visits. Out of given segments of the Canadian fast food industry, the fast-casual has shown considerable growth in the recent years and registered higher sales with more customer visits. Most of the Canadian restaurants like to visit such restaurants with fast and casual services are offered to their customers. Hence, the target market for targeting such consumer behaviors is the dining-in restaurants as they get faster service. Touchstone dining tables in the segment of dining-in will be used to improve the customer services and customer satisfaction to

enable the segment to compete successfully and the customer will also be able to get faster and customized services in the restaurant industry (GECA, 2013).

How Clear is Your Value Proposition?

Simple, Clear and Customer Terms

The value proposition in the Canadian restaurant industry should be simple, clear and meeting customer needs to satisfy their restaurant visiting experience. Touchstone dining tables must evaluate whether or not their value proposition is simple, clear and customer oriented. The value proposition is the most important asset to find new business and to justify the existence of your business in the restaurant industry. It should be well defined by who are business customers to whom B2B services will be offered, the problems they are currently facing and the services and products Touchstone dining tables can offer them to fix those problems in the Canadian restaurant industry (Tribus, 2014).

Simple, Clear and Product Language

The value proposition should be simple, clear and in product language that Touchstone dining tables are offering to their B2B customers in the Canadian restaurant industry. It is highly important that Touchstone help customers get their functional, social and emotional tasks to be completed in time. The products and services must be described to customers efficiently to meet their needs and considering their expectations. Touchstone must describe how their products and customers will be able to alleviate customer pains, eliminate or reduce negative emotions regarding the industry, undesired

costs and situations, and the risks that customers can experience.

Touchstone assures audit of their messaging at every channel to assure their value proposition is clear and it is an effective way to communicate with their customers in the Canadian restaurant industry (Lund, 2014).

Marketing Mix

Product

Touchstone dining tables should also assure that product features they are offering to their business customers in the Canadian restaurant industry are clear and easy to understand. They are offering best services to their customers and getting their issues resolved in time. When customers get the timely offering of products and services to resolve their issues and to help them get the desired value of their money invested, they become loyal to the brand offered to them. Touchstone dining tables should make the features of the products offered to their customers clear and simple (Flavin, 2014).

Promotion

Organizations can adopt different strategies in their promotional changes to attract their customers and increase their awareness about your product or service. Touchstone dining tables can focus on their customers in the business and commercial sector of the restaurant industry by creating and developing their advertising and promotional campaigns. Touchstone should make sure their advertisements are best positioned by identifying targeted audience in the restaurant industry. They should educate their potential customers by sending and communicating a very simple and single message

to their restaurant audience. Touchstone should stick to their advertised message and use every possible source to reach out their business message to their customers. They should be credible, ask for the sale and make sure their business ads are competitive and send to their customers through conventional marketing, social media marketing, and through digital marketing strategies. Touchstone should focus on educating their audience instead of promotions, focus on value instead of price and focus on getting customer access instead of a place to get growth in their market share in the Canadian restaurant industry to meet the needs of their commercial audience (Whitelaw et al., 2009).

Differentiating Product from Competitors to Remind people about the Product

Touchstone dining tables should also differentiate their products and services from their competitors in the restaurant industry. Product differentiation in the successful marketing strategy is used to distinguish the product from their competitors to assure brand recognition and market share for the company. A product differentiation strategy may provide a competitive edge to Touchstone dining tables on their competitors by targeting the right segment of the market and delivering the message to their customers effectively. When Touchstone dining tables use differentiation strategy, it creates cost value of the product against other similar products offered in the marketplace. It creates a perceived value of the product among potential customers and develops brand loyalty and allows business to compete in the areas of value perception other than price (Visram, 2014).

Pricing decision

We will opt for premium pricing since this product is for fine dining restaurants hence catering to a niche. This product will help in giving a premium look to the restaurant hence making it an exclusive product or a niche product. We will charge a higher price in order to ensure that this product remains exclusive to some very fancy fine dining restaurant. (Visram, 2014).

The pricing will be done on per unit basis where a minimum order quantity will be set which will be at least 12 tables. The purpose of setting a minimum order quantity is because we would only want the high end restaurants to be our customers in order to maintain our exclusivity.

Placement

Since this is a B to B proposition so we will sell it directly to the restaurants. We will have our own showrooms where these tables can be placed. Then we can request the restaurant owners to experience our product at our showroom. This might be a costly venture but at the same time it will help us in creating a high end image which will eventually trickle down to the restaurants once they will have our product.

Market Size and Growth Rate?

The total market size of Canadian restaurants includes 81, 577 restaurants, caterers and bars with growth prospects in the future. The restaurant industry is growing in the country and contributing their part in the job creation even during recession period. The restaurant industry is generating C\$64 billion in their annual sales volume, or with a 4% of total Canadian

GDP. In the restaurant industry, 63.5% represents independent restaurants, bars or caterers while 36.5% represent the part of a chain of restaurants. Canadian love to eat food in restaurants with families and friends and approximately 18 million Canadians visit restaurants on a daily basis. The industry is also showing continuous buying of C\$23.3 billion of food and beverage products annually, which shows tremendous growth opportunities of the Canadian food service industry. Touchstone dining tables can get their share in the Canadian restaurant industry by participating in their institutional and corporate sector services. They can offer services to well established chain of restaurants to enhance their business to business customer profile (Jenkins, 2012).

The Canadian restaurant industry is divided into two main sectors including the commercial and non-commercial sectors of the society. It offers tremendous opportunity to Touchstone dining tables to do their business on B2B environment. The commercial food service sector of Canadian food service industry is based on full servicing restaurants along with quick services and drink places. In the economic development of Canada, the restaurant industry is contributing greatly with a sales volume of 3.7% of the gross domestic product in 2013 and industry sales are expected to grow further by 4.4% to reach a milestone of 71.1 billion in 2014. The commercial food service industry sales increased by 3.5% during the year 2013 and the non-commercial sales volume increased by 4.0% and it is expected to show further growth (Khediguian, 2014).

Convincing Data on Market Characteristics

The market is growing with an annual rate of 8 to 14% and giving an opportunity for new companies to enter and grow substantially in the Canadian food service industry. They have currently employed 56. 7% of males and 43. 3% of females in the restaurant industry. The food industry is offering 90. 9% full time employment for Canadian national while 9. 1% Canadian citizens are working as part-time employees at different Canadian restaurants. In the main areas of employment, Canadian restaurants offer 93. 2% food service and drinking place employment of 49. 7% full service restaurant employment, 27. 1% limited service employment, 9. 8% drinking place employment and 6. 5% special food services employment to the Canadian Nationals (Unit Group, 2013).

Clear Financial Projection for First Five Years

Financial Projection of Revenues

Touchstone dining tables can make the projection of revenues in the restaurant industry by analyzing the past data of commercial and non-commercial revenues, costs and net income. Canada is fast growing economy and food service industry is contributing greatly in the economic development of the country by showing promising trends in the revenues earned in the restaurant industry. Financial projection of revenues shows constant growth in quick-service restaurants, full-service restaurants, contractors and social caterers and drinking places with an overall sales volume of \$50, 000 to \$60, 000 and it is offering considerable opportunity to

Touchstone dinning tables to get the benefits of these projects in the revenues of the restaurant industry of Canada (Dover, 2014).

Financial Projection of Costs

Touchstone dinning tables should know industry standards as industry statistics in Canadian restaurant industry shows that typical direct costs for restaurants are 30%, which is calculated as a \$10 plate of food will cost a \$3 to make. They should also get detailed supply contracts to know their wholesale prices to make their future projections of the restaurant costs. By contacting different suppliers, they can get best prices on different ingredients and raw materials. Touchstone dinning tables can also consider secondary suppliers for all essential ingredients and packaging to predict five year cost projections. The management of Touchstone dinning tables should weigh everything and avoid over-buying to make their annual costs of their sales competitive to market forces (Dover, 2014).

Financial Projection of Net Income

Touchstone dinning tables can make financial projections of net income by subtracting all the fixed and recurring costs from their overall sales volume during a given period of time. The Canadian restaurant industry has shown very promising trends in the sales volume and revenue generations of commercial and non-commercial food services. The restaurant industry in Canada is based on quick-service restaurants, full-service restaurants, contractors and social caterers and drinking places and all these sectors are showing continuous growth with little fluctuations and contributing greatly to the economic development and job creation (Wilson and Dover, 2013).

Clear Sales Volume in Canadian Restaurant Industry

According to the given data, \$47, 096. 4 sales volume of Canadian commercial sector restaurant industry was recorded in 2009. It has achieved a constant increase in the next coming years and showed persistency in the sales volume of commercial sector food service industry recorded \$48, 616. 3 in 2010 with 0. 6% growth during 2009, \$50, 024. 0 in 2011 with 3. 2% growth in 2010, \$52, 584. 8 in 2012 with annual growth rate of 2. 9% in 2011, \$54, 446. 3 in 2013 with annual growth rate of 5. 1% and it is showing 3. 5% growth for the year 2014 (Wilson and Dover, 2013).

Historical Foodservice Sales Volume in Canadian Restaurant Industry

Figure 2: Sales Volume in Commercial Sector of Restaurant Industry in Canada (Wilson and Dover, 2013).

Figure 3: 2013 Forecasted Share of Sales in Commercial Sector of Restaurant Industry in Canada

Figure 4: 2013 Forecasted Share of Total Foodservice Industry in Canada

How Sales Volume has Changed Product Life Cycle (Introduction, Growth, Maturity and Decline)

Sales volume can change the product life cycle and the growing trends in the sales volume of the Canadian restaurant industry has motivated the restaurant owners focus on creating and developing new products and services for their customers in the restaurant industry. Product life cycle is very similar to the life of a person which starts with an introduction, goes through its youth and shows growth, become mature and then start

declining. The product life cycle in the restaurant industry also adopts same trends. In the introduction stage, a product or service can be introduced in the market. In this stage, Touchstone dining tables should focus on marketing efforts to create brand awareness among their potential B2B customers. In the overall sales volume, commercial sector of the restaurant industry is contributing greatly and according to 2013 forecasted share, the commercial sector is contributing 80% in the food service industry of Canada (Wilson and Dover, 2013).

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