

Restaurant business plan

[Business](#)



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Upon request, this document is to be immediately returned to << The Taster- Amanda Walsh and David Cagney >>. Signature: Name: Amanda Walsh David Cagney Date This is a business plan. It does not imply offering of securities. (1) Executive Summary The Grab: Do you want to expand your horizons when it comes to good quality Italian cuisine? The Taster offers you the opportunity to sample food before ordering off the menu free of charge. They recognized that people stick to their comfort zone when it comes to ordering food in restaurants and wanted to change this by letting the customers excite their taste buds.

The Problem: A problem the restaurant is preparing to face is to distinguish between serious customers who have an interest in trying new cuisines and customers who come into the restaurant and take advantage of the service in a negative way and don't appreciate the offer that is provided. This problem could have serious repercussions and affect the profit of the business significantly and therefore must be controlled. The Solution: To solve this issue the staff have to monitor the customers closely, allowing

customers limited samples of the food to ensure they don't fill up on free samples and leave.

The chef's responsibility is to ensure each customer only receives a bite size amount of the food, over indulging the customers will eat into the profits and defeat the purpose of the service provided. The Opportunity: It can be rather challenging to target different market segments simultaneously but at The Taster restaurant we are planning on catering to a wide customer base. We segmented the market according to Geographic, Demographic and Psychographic.

Our market size is relatively small in comparison to world wide international restaurant chains for example the Hard Rock café however we do have the potential to grow in the market and expand our business in Ireland and possibly the United Kingdom. Your Competitive Advantage: Currently there are six other restaurants in the area and it puts the Taster in direct competition with Casa Pasta & Pizza. The menus that the two restaurants offer are very similar as they are both Italian cuisines however the taster has an advantage over them as they have a potential unique selling point of sampling the food as mentioned above.

The Model: The Taster aim to generate revenue from their target market by creating a ground-breaking, unique restaurant with a relaxed sophisticated atmosphere that will clearly differentiate the restaurant from others. The main goal is to use nothing but high quality fresh Italian ingredients and to approach each customer with the highest standard of service imaginable all of the time with none expectations what so ever. This makes the restaurant

scalable as it has the potential to generate growth in the revenues considerably faster than its cost base.

The Team: The team at The Taster have the ability to achieve all the goals and succeed in the business and it grows and becomes more successful. When hiring staff for the restaurant only qualified, trained and experienced people will be made part of the team. Highly motivated and enthusiastic people will be favoured. Additional training will be provided as the restaurant wants the highest level of customer service and for customers needs to be dealt with before the customer even anticipates them to allow them to have an incredible dining experience.

Financials: Our financial projections for the first five years are as follows. The key driver to succeed is that the company needs to successfully operate through the first year in order to provide adequate cash flow to be self-sufficient in year two. **The Ask:** The initial financing available to the company in addition to the capital contributions from the owners, will allow The Taster to successfully open and maintain operations for the initial five years of business and offer the customers in the Donnybrook area a unique dining experience.

Start-up costs and initial financing are as follows. Jane Ericson will be investing \$20, 000 of savings and guaranteeing a loan for another \$30, 000 with personal assets. In addition, the business will receive an interest-free loan from a family member of \$10, 000, to be repaid within the first year. (figures to be changed) (2) Team and company The Taster was founded in 2011 by Amanda Walsh and David Cagney who are the two joint investors in

the project. They created Italian restaurant that offers customers fresh homemade Italian food at a reasonable price.

There is also the opportunity for the customer to taste a bite sized amount of the food if they are unsure before ordering. They will offer a few different types of menus depending on the day of the week and time of day including lunch and early bird menus during the week and set menus and lunch menus at the weekend. The Taster will be open seven days a week, serving lunch and early bird menus Monday till Thursday and set menus and al la carte menus Friday till Sunday. What relevant experience has the team got? David Cagney has been working as a bar man for the past two years in the Aviva Stadium.

He has recently graduated from the Aviva Academy which was a significant achievement as he was picked from a group of one hundred applicants out of two hundred. David has also worked as a part-time waiter in Foleys Bar, near Stephens Green and in Graingers along the Malahide road. Amanda has over two years' experience as a chef and a waitress for the Bad Ass Café in Temple Bar. As we have both have experience in the hospitality industry, their skills complement each other which makes it easier to occasionally share ideas and views on how to take their business proposition to the next level.

What are the gaps in the team? Both members of the team are very weak when it comes to the financial aspects of setting up a business. They contracted professional accounts to help with this aspect of the business as it is a very important. The businesses needed someone to draw up a cash flow, profit and loss account and a balance sheet for their financial

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projections. Has the team worked successfully in the past? The team have not worked with each other in the past, except for the development of their feasibility study.

Despite the fact that they have never worked with each other they are making significant progress and working alongside each other throughout the project. Are they well known in the industry? The team are currently not well known in the industry as they have never worked with each other in order to make a name for themselves. They are confident that their ideas will satisfy customers' expectations and will make their dining experience a pleasant one, one which they will want to go back and tell all their friends and family about. Who has the experience with solving this customer problem?

The team will only gain this experience by actually going out and setting up the business, with the skills they have picked whilst working in the hospitality sector. Who has experience selling competitive offerings to this market? Both Amanda and David have limited experience on how to sell competitive offerings, although they have some knowledge in relation pricing strategies from their marketing studies.

They believe that how they'll price their menus as opposed to other Italian restaurants in the market i. e. , Casa Pasta and Pizza, will be vital in the early stages of their launch. 3) Product and market The opportunity problem: Value proposition: The Taster restaurant satisfies the customers' needs of eating out and gives them the knowledge they need behind them when ordering food. Waiters can be very vague when describing the taste of the dishes that customers are curious about and a lot of times have never tasted

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the foods themselves. The Tasters gives the diners an opportunity to try the foods so they can have their own opinion and peace of mind when a ordering a new dish or something a bit different, so they know exactly what they are getting.

This business goal could generate potential customers in the long run through word of mouth and effective advertising as it has many benefits to the customer. It allows customers to try new foods and avoids them been left with a full meal they won't enjoy which saves them money on wasted food. The customer: The Taster has created a market for several different categories of customers. The individual people that go for lunch or dinner by themselves usually during or after office hours. Families and friends who dine together for lunch or dinner usually on a Sunday, they intend to make Sundays a very family orientated day.

Couples usually go out on a Friday or Saturday night for a romantic meal. To encourage as many couples as possible they plan on having a set menu for two people including a bottle of wine. And finally People on a budget, they took into consideration the recession and that a lot of people are on a budget now so they created an early bird menu from Monday to Thursday to cater for these people on a low budget and hopefully fill the restaurant during the week on nights that it wouldn't necessarily be busy .

The Market: The Taster is faced with the exciting opportunity of being the first restaurant to be able to sample the food before ordering. This concept puts them in a great place in the market and gives them the potential to become a huge success. There isn't a huge market as we can only reach a percentage of the country but there is huge potential for the market to grow <https://assignbuster.com/restaurant-business-plan-business-plan-samples-2/>

at a steady pace as the restaurants expand, every five years if all goes to plan. There is no shortage of restaurants in the Dublin four area, which puts The Taster in a competitive market.

According to Porter's five force model The Taster is structurally attractively as they have an advantage over their rivals in relation to changing price with their set menus and the fact they can differentiate their product from others in the market with similar establishments. Market size: Market context: Here is the pest analysis for The Taster restaurant. All of these factors are inevitable and cannot be changed by the restaurant * The political factors include Government regulations for food preparation has been put to place to ensure the safety of customers in the restaurants.

Food safety authority of Ireland has put a procedure called HACCP into place to regulate this. The government have full control over tax and vat rates. For the initial set up of the restaurant high interest rates might discourage us from borrowing money from a financial institution because it costs so much to borrow. * Economic factors are Inflation, which will increase the amount of wages for employees and automatically increase the business expenses as wages is one the highest expenses in a business. Eating ut in restaurants isn't an essential it's a luxury that many people in this economic climate cannot avail of as they have lack of disposable income. * Social factors include the huge increase inhealthawareness and people concern more about their diet and lifestyle.

The Taster took this into consideration when creating their menu and included many healthy options to choice from. Over the past few years the media have put a lot of attention on healthy living and healthy life styles.

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The chefs had to take this into account when we are preparing the food in the kitchen.

A lot of woman are now working full and part time and not staying at home so there is a huge decrease in the amount of people cooking at home as it is more convenient to eat out and get take- aways. * Technological factors in the restaurant have made significant changes for example when an employee puts a customer's order into the till the order is sent directly to the kitchen so it saves time. The process of ordering food is made simply and efficient as the chefs can make food orders online. This allows them to order exact quantities of food at any given stage during the day even on weekends.

Handheld computer devises also allows staff members to take orders quicker and not have to write it down, not only does this save on paper it also like the till sends orders directly to kitchen. Competitive positioning and advantage: The Taster's positioning in the market will generate sales against the competition and give them a competitive edge over the other establishments. By offering the consumers a unique product, along with outstanding service, The Taster will stand out in comparison to the competition which is an attractive prospect for potential investors to the restaurant.

Currently there are six other restaurants in the area and we are in direct competition with Casa Pasta & Pizza. They also have lunch specials and early bird menus to attract customers. The foods we are providing are very similar because they are both Italian so we have obvious similarities in the menus. The competitors will respond to a new restaurant opening in the market by <https://assignbuster.com/restaurant-business-plan-business-plan-samples-2/>

been even more competitive with prices, quality and the service. They have an advantage over the direct competition that competes with what they are offering as they have a unique set up in the restaurant as it provides customers with samples of the food.

They also have the advantage that they have a variety of food menus on offer to compete in the recession and cater for most people's budgets. The one disadvantage that The Taster has over the competition is that the other restaurants are well known and well established in the market place and have a regular customer base. Competitive Advantage: As mentioned above The Taster intends on competing with the competition by being unique, competitively priced, produce dishes from the finest freshest ingredients and serve the dishes with the highest standard of quality. Risk Factors: Risk| Comment/mitigation|

What if there are customers that come in and try our food and samples and walk out? | We will not only rethink the way we produce our cuisine, but we will also rethink how we make our dining service more attractive. | What if a lot of disinterested passers are attracted by the offer and will go in and take the food samples and are generally being very messy? | They will have to look into hiring security in order to manage any antics that might occur from the disinterested people. | How will the restaurant fair with the Italian restaurant across the road and the ones in town?

This risk is somehow too vague to consider quite just yet, although it will turn into a concern later on. | What will happen if the restaurant can't manage to balance revenue from our expenses? | This is a possible problem that may occur in the early stages of the business if they don't manage their expenses

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well. | What will happen if the main suppliers go out of business for whatever reasons? | They will have to figure out a way of contracting a back-up supplier in the likely event of something as unfortunate ever happening. |

Exit Strategy

The Exit Strategy is one of the most important parts in the business. The company needs to ensure that the exit of the company and handing it over to another investor is successful. A plan has to be put into place to make the transition successful according to the company's circumstances and any requirements that an individual shareholders of the company may have. Assuming The Taster turns into a successful business they intend on selling all of their assets and dividing the finance accumulated among the shareholders in proportion with the money they initially invested into the company.

They are assuming they won't be in debt and each shareholder receives a desirable profit from the business venture. The Taster exit strategy could be due to the liquidation of the company, the sale of the company or the strategic alliance with a partnering company. Although they are assuming they will be success they have to discuss all possibilities and outcomes with the investors to show them what will happen in the worst case scenario and inform them of all risks that are attached. The investors will review all risks and rewards and make a final decision if they want to invest into the company.