

Business plan for juice bar

[Business](#)



**ASSIGN
BUSTER**

The smoothies will be provided to the customers industry in I-JK (The Soft Drinks Association I-JK, 2013). To cater the taste of a wide range of consumers, Boost Smoothies Bar will also be selling pure natural Juices made of fresh fruits and vegetables. Boost Smoothies Bar will be catering smoothies to tourists and customer on the go. This is in addition to the relaxing environment which will be rendered at our retail shop in Fulham London. Boost Smoothies Bar will follow the lines of the well-established and proven Juice bar companies of US and as been fined tuned to meet the taste of the consumer class in London.

We specialize in providing high nutritional value which will be ensured through using natural fruits and products in larger proportions in comparison to the artificial essences. The company will also be providing home delivery services within 5 miles radius from where our business shop will be located. Aims and Mission Statement Boost Smoothies Bar's will aim at being a responsible and reliable seller towards its customers. We will offer highly nutritious and refreshing smoothies and fruit Juices.

Through emphasising on employee satisfaction, we will cater a safe, clean and friendly environment for our customers where the activities of production and services will be based on rendering a hygienic environment for both the staff and the customers. The aim of the business will be to generate sufficient profits for the owner and to provide customers with a healthy fast food alternative. High profitability will be ensured through high quality for retaining customers in the long run. Objectives: The objectives of the business has been segmented into short term and long term goals.

The first objective which we will achieve in the p of first 5 months of operation is to create a brand awareness of our products for the local Fulham customers. This aim will be achieved through local promotional strategies which will set are revenues running. The business being a small scale business initially aims to generate a revenue of E120, 000 in the first year with a profit margin of around 35 percent. The revenue growth will be increased with the subsequent years at a rate of 25 percent per year because the market has potential for that.

Market size and growth: Market trends of UK soft drink and smoothies industry According to the 2012 report of BSDA, the soft drink industry in UK which includes Juice drinks, Fruit Juice, and smoothies has grown by 5. 1 percent in 2011 and reached the mark of E 14. 5 billion. They obtained the data from Zenith International which suggests that 2011 saw an increase in the consumption rate by 0. 7 percent. The total consumption of soft drinks including fruit Juices and smoothies reached 14. 6 billion litres with a per person average of 253 litres (British Soft Drinks Association, 2012).

The more specific data in that report suggested that smoothies and fruit Juices howed an increase in retail value by 4. 2 percent to reach the value of E 1. 8 billion. Smoothies and fruit Juice bars in England have grown at a rapid rate over the past 7 years or so (British Soft Drinks Association, 2012). The idea has been to provide masses with a healthy alternative to the Junkfoodor fast food. They also serve as a morning refreshment for the younger generation where youth of less than 34 are more likely to go for the Smoothie bars (Mercer, 2007).

According to a research report, been 7 percent from 2009 to 2014. The forecast growth rate for 2013-2014 is 12. percent (IBISWorld, 2014). The 5-a-day fruit campaign which was started some years go caused an exponential growth in the trends of masses going for drinking smoothies and fruit Juices (nhs. uk, 2014). Though since 2007, the premium smoothies have increased in their prices, but still a good chunk of people in London are still inclined to this refreshment. The fruit Juices have however seen a rising consumption trend in London due to the increased prices of smoothies.

Therefore Boost Smoothies Bar will also be offering fruit Juices to cater that side of the demand. The search for Smoothies' product in the online world has also seen a significant rise. The search traffic KPIs suggest that the search for the terms and brands related to smoothies increased by 2 percent from 2009 to 2010. The search for these terms showed an increase of +89 percent between Jan to March 2011 as compared to Jan-March 2010. So this is suggesting and positive growth in the smoothies and fruit Juices consumption patterns.

Mintel has forecasted that though the market will not be growing in 2014, but still there will be a steady demand (Microsoft advertising, 2011).

Competitor's analysis When we talk about the smoothie operators in I-JK industry, there is a fair amount of competition from some national chains like Crussh. It is probably the largest chain of smoothie bars in I-JK and they also provide snacks along with the fruit Juices and smoothies (Mercer, 2007). The major strength of this chain of Smoothie bars is that it is an established brand in UK and provides a comprehensive range of snacks and smoothies.

But owing to the rising prices of smoothies, they have not managed to achieve the same growth in revenues and have been expensive to the liking of many. What they have been doing is to expand their product line rather than cutting down costs to capture a larger customer segment (yelp. co. uk, 2014). This is where we can excel as we are focusing on providing quality smoothies and fruit Juices at affordable prices by keeping moderate profit margins to cater larger customer segments. Our strategy is to increase profit through more and more customers rather than through high prices or profit margins.

We will also be catering home delivery for gaining competitive advantage in the local Fulham market. Our business strategy for competitive advantage In determining a business strategy for the purpose of gaining competitive advantage, SWOT analysis plays a vital role. This is done by analysing the internal and external strengths and weaknesses of a business so that the business strategies can be implemented in line with the strengths and to counter the weaknesses (Carlock & ward, 2001). The external factors The major external factor that can play a deterrent to growth is the seasonal sales.

When we talk about the beverage industry, weather plays a vital role in the seasonal sales. The cold weather of UK is therefore a factor which we will address in our strategic planning. The other external factor is the competition in the industry. Now when we consider our business being a short scale one, we are not facing any direct competition in the local market of Fulham. The surrounding place only has one Smoothie bar which is also new in the business, but they are only catering Smoothies.

<https://assignbuster.com/business-plan-for-juice-bar/>

Therefore our line of fruit Juices will help us gain the competitive we are also giving home delivery through telephone orders. The internal factors for gaining competitive advantage Nutritional value A major area of strength of Boost Smoothies Bar will be the health content in each of our beverage. Each smoothie that we offer will be packed with sorbets or low fat yogurts, Juice, fruit, and our distinct free boost will render the consumer with a healthy and refreshing " on the go alternative" in contrast to the products that other retailers are offering.

Boost Smoothies Bar keeps control over all the ingredients that go into our frosty smoothies and will strive hard for maintaining and enhancing the nutritional value to gain and retain competitive advantage. Employee satisfaction A business apart from providing high quality products also needs to have employee satisfaction that helps in adding value and quality to their services (Allan & Wilburn, 2002). Boost Smoothies Bar will be focusing on increasing the quality experience of customer through achieving high satisfaction level among the employees.

The more the motivation level for the working force, the better will be the quality of our products and services. This will cause us to retain our customers in the long run. Diverse variety To capture a wide range of customers for increasing market share, a business needs to offer a diverse variety in its genre of products. This not only facilitates the customer with more options, but also develops an image of the brand (Davis, 2009). Boost Smoothies Bar will be maximizing customer satisfaction and profits through offering a wide range of smoothie compositions having different flavours.

Target Market and Customers For the success of a business, the product needs to have a target market and customers which have the demand for the product, or where the demand for the product or service can be created. The target market should be selected with a strategic approach (Lamb & Hair, 2011). The target market of Boost Smoothies Bar includes the local retail market in Fulham and the surrounding residential areas. The population in Fulham is about 0.2 million where the major chunk is that of Adults who are either in their college life or practical life.

The youth here is quite fizzy and the Smoothies are normally the drink for youth. Therefore we will target this customer segment with the smoothies along with the fruit juices to cater the more elder ones (ibhf. gov. uk, 2013).

Marketing strategy The marketing mix of a business plays a key role in the positioning of a business in a market. This strategy becomes that more important when starting a new business. This includes factors such as product, place, price, and the promotion strategy.

For formulating an effective marketing mix, the target market needs to be studied in terms of the customers' trends and taste in the particular business genre (Schnaars, 1998) product Boost Smoothies Bar is going to offer a vast variety of Smoothies and fruit juices. Our smoothies range will consist of a blend of yogurts, flavours, fruits and vegetables that will be prepared based on the hot trends in the I-JK smoothie bar business. The frosty smoothies will be catered featuring different temperatures to meet the taste of different consumers, and to cater those who have sensitive teeth issues.

Our retail provide the most timely delivery services. People Boost Smoothies Bar will work through employees that will be trained to cater high service value to all our customers. They will be encouraged to employ a customer friendly behaviour and we will make provisions for employee satisfaction for that purpose. They will be trained to cater the products in easy and durable disposable packaging and will meet the serving standards that are seen at premium dining outlets. Price As we aim at maximizing profits through increased market share and customers, therefore we aim at charging customer friendly rates while being competitive.

However, we also aim to maintain the nutritional value in our products for which we need quality ingredients. So for capturing market share while being a quality brand, we have a moderate pricing strategy which will mean that our rates will be comparatively lower than the expensive smoothie bars. The profit margins with moderate prices will be ensured through reducing operational cost wastages. This ill be made possible through employee training and quality selection of ingredients. Promotion When it comes to marketing a business, it is a normal trend these days to use a dual- platform marketing strategy.

The first platform here is the virtual world where you can advertise on billboards, newspapers, local magazines and notice boards, Radio etc. The other platform is the world of internet where you can promote your business through your online website or throughsocial mediaplatforms, local directories, and forums (O'Guinn, et al. , 2011). Boost Smoothies Bar will be using a combination of hese two platforms and will also be forming strategic

alliances with some local colleges and school to target the youth which are the prominent consumers of Smoothies.

Place The retail shop of Boost Smoothies Bar will be located in the local retail market of Fulham. The location has been selected because of the fact that it lies very close to the surrounding residential areas and is an intermediate route to business offices and colleges. This means that not only we are accessible to the office going customers and the residents of the area, but are also within the route of the college oing students in the area. The shop will be acquired on rent because purchasing it will push us in debt and will cause to increase our break even.

As the location is a retail market, no special permissions will be required for setting up of the shop. Equipment purchases and financial summary The following tables list the items and other expenses that will be made for the shop. The costs that have been given here are based on estimates and the current price trends of products and services in the I-JK market. Start-up purchases and expenses In US Dollars General fixtures 20, 000 Menu board 340 8 tables for outside and inside dining 352 831 Sink 759. 8 Bath room sink 215 Soap dispenser 26 Toilet 370 Blender plus Extra Jar 490 8 extra Jars Refrigerator 3, 330 Refrigerator for fruits 1 , 000 Freezer 1 , 055 Ice machine 1 , 690 3 commercial Juice dispensers 1125. 75 Budget for extra costs 2, 000 Total 34064. 73 In addition to the above purchases, there will be fixed costs per month in the form of rent and utilities. The company will make all the above mentioned purchases in cash to avoid the interest expense. The expected revenue that the business expects to enerate over 4 years of operations is around 2 million pounds with a profit margin of 35 percent.

<https://assignbuster.com/business-plan-for-juice-bar/>

This means that the business will be having retained profits of about 1 million at the end of the 4th year. We intend to expand the business at the end of the 4th year by opening a new branch in Manchester through using a portion of the retained Profits from Boost Smoothies Bar Fulham. Key people, their Job function and background details Mr. Wilson being the owner of the business will perform the key management functions of recruitment, assignment of responsibilities and the overall management of the business operations.