

# Marketing plan for the salad bar



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This project involves designing a market plan for soon to be opened fast food chain named The Salad Bar. The purpose of The Salad Bar is to provide fairly priced salads in a fast food restaurant. The introduction of the salads is in a bid to contribute in solving the current challenges of obesity that have been associated with fast foods, which as result have been considered unhealthy. Despite efforts by some companies to introduce healthy foods such as salads, the quality of their foods in terms of taste and attractiveness is still wanting.

The entry into the market of a new healthy, fast foods company will shift the market's attention to the new products that have not existed before. As a result, the market and demand for the new products will be anticipated since the products are new and the idea behind their introduction is widely appreciated. In a quest to create customers for the products or services, this paper will highlight the actions that help to in the management of the marketing process.

### Background and Rationale

The rise in obesity in the world and especially in the United States has been alarming in the recent years. The obesity problem has resulted in debates on the types of food that should be eaten in order to have good health and avoid obesity. Most researches conducted trace the source of this development to the rise in the consumption of fast foods. A research conducted by Bowman et al (2009), concluded that consumption of fast foods among children in the United States seemed to have negative effect on the dietary quality in ways that plausibly could increase risk for obesity (p.

112). The research indicates that the dietary factors associated with fast foods may lead to excessive weight gain such as massive portion size, palatability. According to Bowman, Bryan and Vinyard (2004), the number of adults who frequently consumed fast food increased from early 1990s to the mid- 1990s, and adds that the trends was projected to continue.

Most of the people who consumed fast foods were aware of the fact that fast foods are high energy foods and can lead to obesity if frequently consumed. The research recommends that customers should ask for nutritional information fast foods should there no information nutritional information indicated. Young and Nestle (2002), indicate that despite the federal government requirement that fast food should have labels on them as dietary guidance; the market place portions of foods that are the major contributors of energy to US diets have significantly increased. It has been revealed that obesity accounts for a large percentage of deaths in the United States every year and the rates are on the increase in every decade. The rise is attributed to the increasing consumption of fast foods.

Chlosser (2001) indicates that the additives that give processed foods their taste are man-made and people are driven to buy mainly by their meticulous packaging. The report points out that about 90% of the money that Americans spend on food is used to buy processed foods. He argues that the quality that people seek in food is the flavor, which is usually forms an almost negligible quantity as of the food. It is in view of the above problems based on market analysis and literature reviews that the idea of The Salad bar was thought of. Instead of the use of additives and processed ingredients, The Salad Bar will use natural food additives and will seek to

prepare the salads in ways that will preserve the best flavors, while keeping the natural nutrients intact. The empowering of the public with the knowledge of the inherent benefits of The Salads Bar salads as a result of their natural production will act as the competitive edge for company.

The salad bar is a high quality and healthy salads business start-up that will deliver to its customer by means of fast food restaurant. While the vision is ‘Healthy Food for All’; The Salad Bar’s mission is to be the leader in the provision of healthy, quality, great tasting fast foods salads at affordable prices. The salad bar will establish its first restaurant in South California and seeks to establish close contact with customers and to build excellent business relationships, driven by desire to delightfully meet its customers’ needs.

The Salad Bar is a privately-held California corporation and maintains an office and a store located in a mixed-use area of San Jose, California. The salad bar was started with a view to providing a healthier place where people can eat. The fact that there are few firms that focus either on salads or healthier base foods forms the premise for the establishment of the salad bar. It is in this view coupled with the absence of tight competition in the fast food industry that The Salad Bar anticipates to exceed its financial forecasts. The aim of the business is to create a place where people can enjoy healthy foods with best service at affordable prices.

## Objectives

The objectives that are set out in the establishment of The Salad Bar are in line with the company mission and vision. Firstly, the company intends to

provide salads which are tasty, have the natural health ingredients and can be afforded by the customers. Secondly is to create a brand and a household name in the fast foods industry as a chain that provides the best service. Thirdly, the company targets to expand and attain a national status in about five years to increase access of quality foods by customers countrywide. The Salad bar, in its expansion objectives anticipates increased ownership of the company and if possible by as many customers as possible to create a sense of belonging among customers and the general public.

In addition, the company will create awareness through campaigns to sensitize the public on the dangers associated with consuming fast foods. This platform will as well act as a point for marketing the company products by offering them as safer alternatives. As a result, the company will enjoy sustained market for its products and hence the realization of sustainable competitive advantage. The Salad bar shall lay down several strategies relevant to its business to ensure sustained competitiveness in the market. Efforts will be put in place to reduce customer defection; increase longevity of customer relationship; enhance the growth potential through cross-selling and up-selling and make low profit customers more profitable.

With a view to gathering information for the purposes of assessing the market and understand the customer responses and possible start-up challenges, a survey was conducted. Questionnaires were used and twelve respondents filled the questionnaires. The results of the survey will inform the analysis that is done before the start-up. Twelve people were surveyed. The following is the questionnaire used in the survey:

Are you a salad eater? (I would want to make sure I am talking to a salad eater

How many times a week or month do you eat salads?

Where do you go when you want to buy a salad?

Are they good and fair priced (maybe also ask how much they pay for a good one typically)?

What would you like to get if you good make your own choice of a salad?

If there was a fast food salad place, would you go there?

What would you think would be a fair price for a salad would be?

How many times a week or month do you think you would eat at one if it was good and fair priced?

Would you prefer to eat a salad of our liking over which ever fast food you normally prefer?

What would you not want to see in a place like The Salad Bar?

What would you want to see in a place like The Salad Bar?

## Analysis

The results of the survey indicate that most of the people eat salads considering that all the twelve respondents said that they eat salads and like salads. Some of the respondents reported that they make their salads at home and some get them when they come along with food as side salads in

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restaurants. Most of the respondents understood the need to eat healthy food, but their main problem was where to find healthy food. The idea of The Side Bar excited the respondents and predicted that it be a successful idea. The salads sold should be fresh and having a selection of well cooked meat. The respondents pointed out they that they need to find the salad in conveniently and affordably.

### The Products

The Salad Bar will follow the In-n-Out Burgers' model: have a small but effective menu, with the main focus being on salads. By focusing strictly on salads, The Salad Bar will ensure that simplicity is kept and the menu is not unnecessarily overcrowded with food items. A decent assortment of toppings will be supplied as they can be easy to store and cheap as well. Meats free from fat and grease shall form part of the salad to bring about variety. The inclusion of meats follows the high number of customers who desire it included in their salad as concluded by the survey. Fast foods such as chocolate or vanilla milkshakes will not be served at the The Salad Bar, since they do not meet the The Salad Bar criteria for healthy fast foods. Instead, The Salad Bar will serve fresh real fruit shakes. The fruit can be used for milkshakes, toppings for salads, or for customers who do not like regular salads; a fruit salad made from a fruit or fruits of their own preference are served.

Planning to aggressively transform the content, the view and effects of fast food in society, The Salad Bar seeks to introduce a healthy way to eat, while it remains in the fast food industry by distributing its products through fast

food restaurants. To achieve these plans, inclusion of a large selection of salads and toppings for customers to add to their meal, will offer a greater variety, compared to a selection of a few salads that competitors offer. In addition, more diverse ways to eat the salads will be devised to ensure that customers have a new and delightful experience. In view of getting the best ingredients for the salads, establishment of a good relationship with the suppliers is critical.

In this connection, the Salad Bar will seek to identify reputable suppliers; whose products are known to be fresh and of credible quality. As a result the The Salad Bar will be enabled to avail fresh and delicious, organic foods to the customer that will have not bring negative consequences to their health. Apart from strengthening the product brand, the company targets to produce high quality products and to package the products carefully in order to appeal to customers. Warranties relating to maintenance of standards should be given to the customers in order to promote customer loyalty.

## Place

The most strategic place for the salad bar should have a large volume of people on daily basis, preferably a shopping centre. This is necessary for convenience on the side of the customer as they can easily frequent, and the realization of increased volume of sales for the proprietor. Sales are expected to be high basis due to many people who are employed at the centre who will be interested to search for healthier lunch selections. Drawing from experience and observation, it is clear that people many people have made it a habit to eat salads throughout the day.



The strategy behind locating business in a shopping centre is that most shopping areas have high traffic and most food spots in these areas are costly. High population, coupled with the strategy of setting prices comparatively lower than competition, prices, more sales than those of an average restaurant in a normal location can be made. Businesses that are strategically located need much good will as they leave the premises due to the advantages accrued ranging from access to customers to access to supplies by the company due to the convenience afforded by an efficient communication infrastructure. The place will determine the distribution channels which may be direct, retail distributors and intermediaries. A competent criteria for vetting groceries that will act as outlets will be developed. Logistics of transportation, warehousing and order fulfillment will be developed by the company to ensure efficiency in supply of materials. The company will also seek to motivate the market.

## Price

When searching for a good salad it can be hard to find one that is good at a decent price. Considering that the besides taste, price is one of the most important factors in the driving force of the success of The Salad Bar, price determination for the product requires a careful consideration. The price set should enable the company to make profit and at the same time remain competitive in the market. The goal of The Salad Bar is to have fresh delicious salads at the prices that almost compare to those of a normal fast food restaurant. The proposed price range for The Salad Bar would be from \$6 to \$12 depending on the size and the customer preference in the salad. The expectation held is that the combined effect of quality food and the

comparatively low prices for the products will result in increased sales and widened customer base, which translates to increased profits and customer loyalty. Besides setting a competitive price, the use of price in marketing can be gainful to the company. The pricing strategy include developing a list price, offering discounts , bundling , giving flexible payment terms and financing options such as use of credit cards and leasing options.

## Promotion

Promotions are the most important factor in the marketing mix. This is what because it is the means through which the soon to be customers know the business and the products to be offered. Without promotions, it will take long for the business to be known, a situation that may increase the time the business takes before it is profitable. The fact that promotions can be expensive Promotions can be very costly necessitates that a proprietor should have the right marketing plan. Good ways to start promoting are old conventional ways such as coupons in the weekly paper, or coupon websites, door hangers with coupons, and commercials.

In opening the first Salad Bar, commercials might be a bit overboard. In designing the best marketing plan for this product, the cost effectiveness of the promotion method is critical. The main activities that will be involved in the promotion of the product include neon signs that will be placed on the business premise for night advertising and registration to participate in the next business exhibition shortly after the launch of The Salad Bar. Other promotion initiatives will include the purchase of a computer for on-line

marketing, brochure printing and attending training sessions by a human resource development firm.

### SWOT Analysis

As the Salad Bar establishes itself in the market, there are a handful of strengths that act as impetus to starting a business. First, the creation of a strong product with focus being on quality, effect on the health of the customer, quick customer service and setting of affordable prices will set the company apart from the rest. Secondly, based on the market survey conducted, the results indicate the existence of demand for the products that The Salad bar intends to bring to the market.

Thirdly the anticipated demand for the products will translate to increased sales, and therefore bulk purchases from suppliers will be needful. Bulk buying will ensure lowered purchase prices hence improved profits. In addition, the adoption of the already existing restaurant model for selling the new products enables the business to easily fit in the market. Ability to capitalize on brand ad concept with the expansion through franchising and other market segments is also an advantage to the business. Finally the specificity of the menu; focus on salads will curve out a market for The Salad Bar.

### Weaknesses

The main weaknesses that the company faces are related to the product. Dependability of concept on some of the food products, and since food products cannot be patented; this need to be addressed by building strong

brand awareness and establishing copyright on total quality system. Another weakness to the business is that the product may be vulnerable and will be weakened over time. This weakness can be minimized through manufactured goods innovation and diversification. In addition, the limitations in revenue will limit The Salad Bar to start in one location then build up as it expands to occupy new locations. Marketing challenges may also be experienced due to financial limitations as the company builds revenue.

### The marketing Budget

The marketing budget will allocate money for the various planned activities. Included in the budget are the costs that will be incurred in the process of marketing such as marketing and advertising. The budget for The Salad Bar will be as shown below:

#### **Activity**

#### **Cost (\$)**

Neon Signs

330

Budget for Annual marketing Efforts

6500

Advertising in local business Magazine

500

Brochure Design and Copywriting

450

Advertising in the business Newspaper

1200

Brochure Printing

270

Registration for Business exhibition

175

Product Launching

4000

Computer for e-mail marketing

1000

Training Sessions

1000

In order to track effectiveness, evaluation shall be done at the middle and at the end of the year; comparing the gross sales and the expenses. This is done by identifying the measurable objectives of the marketing agenda and tracking them through the budget period in order to assess their performance. Changes to the budget may be necessary to the budget over

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time if performance is not as was anticipated. The constant evaluation will point out the areas that need more attention as the business adjusts to the market conditions. Documentation should be done at every stage of the business whether profits or losses are made to secure records for future referencing. This will act as an internal control to ensure that the company does not run at a loss without the knowledge of the management.