

# J js fish and chips business plan



## **1. 0 Vision**

“ To become one of the fastest take away fish and chips restaurants providing customers with the most fresh, tasty and high quality products”.

## **1. 1 Mission Statement**

J J’s Fish and Chips will be an inspiring restaurant with a great atmosphere, with a fresh and high quality sea food selection and superior service. We are dedicated to employee welfare and training. The employees of J J’s fish and chips restaurant will be treated fairly and with respect as they are part of the success of the business. J J’s Fish and chips will be an inexpensive experience for all our customers that will inspire customers to return in the future. The fish and chip restaurant will provide customers with a reasonably priced yet at the same time high quality food range.

## **1. 2 Business core values**

When making decisions consider how will it impact on the lives of your customers and stake holders.

Commitment in having high quality products and services at all times and maintaining consistency

Being efficient in your productivity example reducing wastage

Inspiring and motivating employees to do their best and implementing a reward system as an incentive.

Encourage creativity and new ideas and celebrating small success to achieve big in the future

Encouraging respect for each other and increasing teamwork and growth

Implement the awareness of healthy eating

### **1. 3 Distinctive Competencies**

Fast, fresh and high quality seafood that will have a wide range of selections in terms of different seafood types.

Highly experienced manager in hospitality industry providing quality products and services

Specialising only with seafood

Supporting and endorsing healthy choices

Quick and reliable service in attending to customer orders in an efficient and effective manner

Providing a healthy alternative for your customers

### **1. 4 Competitive strategy and goals:**

### **1. 5 Broad business strategies**

Existing and serving in the current market and expand in the next five years.

Prevent misleading conduct and behaviour

Proactive and more friendly staff

Increase market share

Satisfying customer needs

## **1. 6 Broad business objectives**

1. Having a revenue 30% higher than Cost of Goods Sold and a profit of at least 15-20% by 2013
2. remaining consistent in proving high quality products and services by focusing and improving strategy.
3. Create and maintain good customer relationship by always keeping customers satisfied through reducing waiting time on food orders.
4. Expanding and promoting J J's Fish and chips by implementing continuous improvements
5. Expanding your advertising and marketing thus sales by 10% each year continually for the first 5 years.

## **1. 7 Description of idea/product**

The product range that will be offered will mainly consist of fish and chips. It is recommended that you offer at least 5 different types of seafood to satisfy different customer needs, regardless of the seafood type the customer chooses it will come with a serving of hot chips. The fish and chips will be 100% fresh as they are ordered daily and cooked as requested.

The meals will be offered at different portions depending on the needs of the customer. As a part of the meal customers will be offered a range of sauces to accompany their meals these include; tartae sauce, chilli, barbeque sauce and tomato sauce. All products are 100% fresh and are supplied by local certified suppliers. The business main focus is customer satisfaction by providing fresh and tasty fish and chips with a reasonable price.

## **1. 8Competitive advantage:**

Providing fresh, healthy and tasty products as it is ordered on a daily basis

Offering a wide variety of healthy options example salad or grilled fish

Price competitiveness compared to market industry

Prime location as it is in the centre of Fairfield

Providing quality service by putting customers' needs first

Providing highly competent employees by providing them with training on a regular basis

Providing an aesthetically pleasing environment

**(Please refer to operations appendix)**

## **1. 9 Your main competitors**

After undertaking extensive primary and secondary research it was concluded that your main competitors were in the proximity of Fairfield shopping centre. (Please refer to group appendix 4. 3). The products offered by your competitors are fairly different in comparison to what J J's Fish and chips will be offering however pricing strategy is very similar except that J J's fish and chips is portionally lower compared to the competitive prices.

(Please refer to group appendix 4. 1 and 4. 2)

## **2. 0 Economic, social, political, legal and technological environment**

### **2. 1 Legal Structure and Ownership**

We recommend that you operate as a sole trader, when identifying which business structure would best suit your situation, when considering which legal structure you should use the following where measured and reflected

Advantage

Start-up costs

Control of business operations

Disadvantage

Unlimited liability

Death of owner may result in ceasing the business

### **2. 2 Barriers to entry**

A barrier to entry is where a new business is restricted in entering the industry due increase in competition. Competitors will reduce profitability for the existing entities as a result of gaining market share.

The barriers to entry for the hospitality industry are lower compared to other industries (D. Bowie and F. Buttle 2004). Some of the barriers to entry are: the threat of new entrants, the threat of substitutes, Capital requirement, (Please refer to group appendix 5. 1)

## **2. 3 Licences, permits, standards and compliance**

As rules and regulations develop and expand they will continue to influence the hospitality industry. The standards which your business needs to comply with is the NSW Food Act 2003, which includes ensuring food is safe for sale which is suitable for human utilization, to prevent misleading conduct and to guarantee that application of the Food Standards code.

As your business is in the field of the hospitality industry you will be required by the Food Act 2003 to inform and advise the authorities of your food handling activities. If you fail to meet this requirement then a heavy penalty will be enforced.

Another important and very crucial Act that needs to be implemented and followed is the Occupational Health and Safety Act 2000. This Act is important as it ensures the safety and health of working conditions for the employees and employers; this is done by providing research, education and training in the area of occupational health and safety. (Refer to management)

## **2. 4 Market and industry, size of market, trends, the target market, and consumer behaviour**

The following trends were found for the hospitality industry for 2003-2004 and 2006-2007.

- According to Australian Bureau of Statistics (ABS) in Australia by the end of 2004 there were 15, 083 cafe and restaurant businesses operating. Which included 13286 restaurant and cafes and 1796 catering businesses.

- There were 1. 1 million places available for new restaurant and cafe (ABS 2007).
- By the end of June 2007 the numbers of restaurant and cafe businesses in Australia were 13987. Thus in 3 year's period there was a decrease of 7. 2% in restaurant and cafe businesses (ABS 2007).
- In the period of 2003-2004 total income generated by cafe and restaurant businesses were \$10129. 6m which is on average of \$671600 per business in comparison to 2007 statistics of income generated by restaurant and cafe \$693700 per business (ABS 2007).
- Most of the cafes and restaurants were small businesses and about 63% having less than ten employees during 2003-2004 (ABS 2007).

## **2. 5 Market**

There is a global increase in demand of fish and chips restaurants, such as rapid according to Yum 2010 increase in sales at its Pizza Hut and KFC restaurants in china (Yum 2010). U. S same restaurants the sales were up by 1%. McDonald's corporation is also planned to have more than 2000 stores by 2013 in mainland China (Appendix 12. 5). As mentioned above the global demand for the fish and chips restaurants are increasing however in Australia there has been 0. 6% declined in trend growth in restaurant and cafes as consumers are cut back on discretionary spending and there has been an increase in sales of food in retail sector by 1. 8% as consumers are looking for ways to save, thus instate of going to restaurants or cafes they just buy food from retail stores and saves (Isobel Drake 2009).



In June 2007 there were 145546 people were employed my restaurants and cafes where as in the year of 2003-2004 there were 15000 employed by restaurants and cafes. There has been a decrease (ABS 2007). Also as mentioned above there has been 7. 2% declined in restaurant and cafe businesses in 2007 (Appendix 12. 5).

## **2. 6Target Market**

According to the primary research that was undertaken we came to the conclusion that the main target market for your business would be school and university students between the ages of 11-24, in saying this another age group which you would base your marketing at is business people.

We came to this conclusion that students would be highly likely to purchase fish and chips as it is a cheaper alternative and it is something quick to eat. As for business people, the research that was undertaken concluded that 45% of business people would purchase lunch on a daily basis. Also the surveys brought back a result that majority of the business people enjoyed eating fish and chips in comparison to other junk foods, in particular in the area where your business will be operating as there are numerous businesses operating there

We undertook primary research and came to the conclusion that families are another market which you should target. Families tend to want to go out together and have a nice lunch or dinner that is not too expensive and to be provided with good customer service and quality food, all of which your business can provide.

Therefore we recommend that your target market should be students, business people, and families, we recommend that as you expand your business later on that you will also expand your target market. (Please refer to group Appendix 3. 1)

### **3. 0Market Strategy**

#### **3. 1 Price**

Price is the final figure that you will be charging your customers for the services provided. It is recommended that the price you charge your customers is a reasonable amount, because if you are overcharging them, they are inclined to go to your competitors. By providing a reasonable price to customers it will give you the opportunity to generate an attractive margin of revenue while at the same time providing value to customers.

Thus the price of the products and services that the business will provide will be based on expenses which include variable and fixed expenses and industry average price. (Please refer to appendix 6 for meal prices).

Another pricing strategy that you may want to consider in future is implementing regular discounts to encourage customers to return J J's Fish and chips on a systematic basis. It is an imperative to

(<http://www.entrepreneur.com/marketing/article70824.html>).

#### **3. 2 Promotion**

Promotion is one of the most important and crucial aspects of the business, it involves transferring all your ideas to your target market. It is important that your customers are informed about the products and services you will offer

therefore it is extremely important that you select the correct advertising mechanisms.

Based on the research which was undertaken the most efficient and effective advertising mechanisms include

Pamphlets

Newspaper

Website

Internet social websites such as Face book

These advertising mechanisms are recommended to be used as they are affordable and easy to implement. (Please refer to appendix for advantages operations)

**([http://www. entrepreneur. com/marketing/article70824. html](http://www.entrepreneur.com/marketing/article70824.html)).**

### **3. 3 Place**

Your business will operate in the suburban area of Fairfield, the location of your business can affect the amount of sales generated. Because if you choose to locate your business where the target market is minimal then it is going to be difficult to be able to sell your product and services. The amount of people passing your business is important it is crucial to consider the surroundings near the location of your business.

### **3. 4 Product**

The product range is mainly fish and chips. There are four types of seafood which comes with chips. So the consumers can choose any types of fish they like and it comes with chips. The fish are 100% fresh as they are ordered daily and fried as it is order. Also chips are 100% fresh and they are also fried as they are ordered.

The fish and chips dish come into vary sizes. They are small meals and large fish and chips meals. There are also 3 types of sauce ranging: tomato sauce, chilli sauce and barbecue sauce. There is also the option of buying the chips by itself, which comes in small, medium and large size.

All products are 100% fresh and are supplied by local certified suppliers. The business main focus is customer satisfaction by providing fresh and tasty fish and chips with a reasonable price.

### **3. 5 Process**

Processing refers to the way the business is set up from where the customer orders all the way through to customer delivery. The business system should be set up in a way that has high efficiency and minimum waiting time.

Having poorly designed processes can make it difficult for employees to perform well. Procedures need to be put into place to deal with activities such as

Customer complaints

Serving customers

Answering phone calls

Being productive and helpful with customers

Training employees to use equipment

By implementing these processes it will make it easier to function around the working environment. It is important to implement a procedure where you will provide customers with a quick, efficient and effective service as it is highly likely that they don't want their time being wasted waiting. (For customer waiting time please refer to operations)

The business should have a system where frontline and staff on the background can do their job in the most efficient way and be able to communicate effectively (refer to operation).

### **3. 6 People:**

J J's Fish and chips will not be able to operate efficiently and effectively without good employees. Employees will need to provide good service to customers hence employees will need to be able to interact with customers. Your employees are the first who will interact with the customers and therefore it is extremely important that the employees have the skills and knowledge on how to deliver accommodating and supportive customer service.

Hence training staff member's to be compassionate and respectful when performing their job is an imperative, as it will ensure the success of your business. If you are providing high quality food and high quality customer service it will have a positive effect on your business.

A way to improve and to generate pleasant working environment is by encouraging team work between employees and providing incentives to motivate employees to interact within business activities. It is recommended that your business will have at least 4 employees including yourself, hence facilitating the business to manage any amendments that may occur example an employee is ill and can't attend to work.

The most significant areas staff may require training will be

Using new machinery

Communication skills

Selling techniques

Using new materials and equipment

Customer service

Using the Point of sale system (POS)

(Refer to management section for staff training)

### **3. 7 Physical evidence**

The way your product and service appears in the market has a big impact on success of the business. People form an opinion about the business from what they observe in the first minute of interaction. The physical appearance of things such as staff presentation, image of the restaurant, presentation of the food and the environment will all impact on the success of the business.

As these aspects allow customers to perceive the way your business operates and the quality that your business will offer.

J J's Staff members will all wear a certain and unique T-Shirt that will consist of the business logo on the right hand side. This will help to identify the employees of J J's Fish and chips as they will be neatly presented and will uphold a high level of professionalism.

## **Group Appendix: Primary Research**

### **Appendix 1: Maximum price willing to pay for certain products:**

#### **1. 1 The Maximum price Customers willing to spend on hot chips**

##### **Responses Received**

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25

Total



Average Cost

Standard Deviation

Median

**Price \$**

\$3. 75

\$2. 50

\$1. 50

\$6. 00

\$2. 80

\$7. 00

\$3. 40

\$3. 60

\$4. 25

\$4. 00

\$5. 00

\$4. 50

\$5. 50

\$4. 00

\$3. 00

\$3. 50

\$3. 65

\$3. 90

\$2. 95

\$4. 00

\$5. 90

\$3. 65

\$4. 95

\$2. 50

\$3. 90

\$99. 70

\$3. 99

1. 23

\$3. 70

After analysing the market the average price a customer was willing to pay for hot chips was \$3. 99, the standard deviation of 1. 23 and a median of \$3. 70. Therefore it is recommended that you base your pricing of the hot chips

on this information. We advise you to consider the following prices for your servings of hot chips, so that you are catering for all your customer needs.

Small: \$2. 50

Medium: \$3. 70

Large: \$6. 00

## **1. 2 The Maximum price customers are willing to spend on a meal of prawns and chips**

### **Responses Received**

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Total

Average Cost

Standard Deviation

Median

**Price \$**

\$8. 00

\$8. 50

\$7. 90

\$6. 00

\$7. 50

\$6. 50

\$7. 00

\$8. 00

\$8. 00

\$4. 50

\$5. 00

\$5. 50

\$6. 50

\$7. 50

\$9. 00

\$6. 50

\$6. 50

\$7. 00

\$7. 50

\$7. 00

\$6. 50

\$6. 00

\$7. 90

\$8. 00

\$6. 50

\$174. 80

\$6. 99

1. 09

7. 00

After analysing the market the average price a customer was willing to pay for a meal of Prawns and chips is \$6. 99, the standard deviation of 1. 09 and a median 7. 00, therefore it is recommended that you base your price on this information provided by the customers.

### **1.3 The Maximum price Customers willing to spend on scallops and chips**

#### **Responses Received**

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18

19

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21

22

23

24

25

Total

Average Cost

Standard Deviation

Median

**Price \$**

\$8. 00

\$9. 00

\$10. 50



\$11. 00

\$6. 00

\$6. 5. 0

\$7. 9. 0

\$7. 5. 0

\$6. 00

\$9. 50

\$9. 00

\$6. 00

\$12. 00

\$11. 00

\$10. 00

\$7. 00

\$8. 50

\$8. 00

\$9. 00

\$6. 50

\$10. 50

\$8. 00

\$8. 50

\$7. 50

\$7. 90

\$211. 30

\$8. 45

1. 70

8. 25

After analysing the market the average price a customer was willing to pay for a meal of scallops and chips is \$8. 45, the standard deviation 1. 70 and a median 8. 25, therefore it is recommended that you base your price on this information. Roughly it is recommended to charge your customers between \$7. 00-8. 50.

## **1. 4 The maximum price customers willing to spend on Scallops 3 piece meal**

### **Response received**

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24

25

Total

Average Cost

Standard Deviation

Median

**Price\$**

\$5. 00

\$4. 50

\$3. 00

\$6. 00

\$3. 50

\$4. 00

\$3. 00

\$3. 50

\$4. 00

\$5. 50

\$5. 00

\$3. 00

\$2. 50

\$3. 00

\$3. 60

\$3. 70

\$4. 00

\$4. 50

\$5. 00

\$5. 50

\$6. 00

\$3. 00

\$3. 50

\$2. 00

\$3. 00

\$99. 30

\$3. 97

1. 10

3. 65

After analysing the market the average price a customer was willing to pay for 3 pieces of scallops was \$3. 97 the standard deviation 1. 10 and a median 3. 65, therefore it is recommended that you base your price on this information. Roughly it is recommended to charge your customers between \$3. 00-4. 00.

## **1. 5 The maximum price customers willing to spend on grilled fish and chips**

### **Response received**

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15

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17

18

19

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21

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23

24

25

Total

Average Cost

Standard Deviation

Median

**Price\$**

\$6. 50

\$7. 50

\$8. 90

\$9. 00

\$5. 00

\$7. 90

\$8. 00

\$8. 80

\$8. 50

\$7. 90

\$9. 00

\$5. 90

\$6. 95



\$7. 35

\$8. 50

\$7. 30

\$8. 10

\$9. 35

\$5. 95

\$6. 95

\$8. 90

\$8. 10

\$9. 00

\$5. 10

\$189. 45

\$7. 58

1. 35

5. 45

After analysing the market the average price a customer was willing to pay for grilled fish and chips was \$7. 58 the standard deviation 1. 35 and a median 5. 45, therefore it is recommended that you base your price on this

information. Roughly it is recommended to charge your customers between \$5. 40-6. 50.

## **1. 6 The maximum price customers willing to spend on Calamari and chips**

### **Response received**

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25

Total

Average Cost

Standard Deviation

Median

**Price\$**

\$4. 50

\$3. 00

\$5. 00

\$6. 80

\$8. 00

\$4. 80

\$5. 20

\$3. 90

\$7. 50

\$6. 50

\$6. 00

\$7. 00

\$8. 00

\$8. 50

\$4. 80

\$3. 80

\$7. 20

\$8. 20

\$5. 00

\$4. 90

\$6. 40

\$5. 60

\$4. 95

\$6. 20

\$9. 10

\$150. 85

\$6. 50

1. 47

5. 00

After analysing the market the average price a customer was willing to pay for Calamari and chips was \$6. 50 the standard deviation 1. 47 and a median 5. 00, therefore it is recommended that you base your price on this information. Roughly it is recommended to charge your customers between \$6. 50-7. 60.

## **1. 7 The maximum price customers willing to spend on Calamari and chips**

### **Response received**

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19

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23

24

25

Total

Average Cost

Standard Deviation

Median

**Price\$**

\$4. 00

\$7. 00

\$6. 00

\$8. 00

\$6. 50

\$9. 25

\$4. 50

\$8. 00

\$6. 00

\$6. 00

\$4. 00

\$7. 50

\$7. 00

\$6. 50

\$8. 15

\$6. 75

\$9. 00

\$8. 00

\$6. 90

\$7. 00

\$6. 50

\$6. 00

\$5. 50

\$7. 00



\$6. 50

\$167. 55

6. 70

1. 34

6. 00

After analysing the market the average price a customer was willing to pay for fish and chips was \$6. 70 the standard deviation 1. 34 and a median 6. 00 therefore it is recommended that you base your price on this information. Roughly it is recommended to charge your customers between \$5. 95-6. 95.

## **1. 8 The maximum price customers willing to spend on Garden salad**

Response received

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25

Total

Average Cost

Standard Deviation

Median

Price\$

\$3. 50

\$4. 00

\$6. 00

\$6. 50

\$4. 00

\$4. 50

\$3. 50

\$3. 00

\$5. 00

\$5. 50

\$3. 50

\$3. 00

\$2. 00

\$7. 50

\$5. 00

\$4. 00

\$3. 00

\$3. 50

\$3. 90

\$3. 80

\$3. 60

\$4. 00

\$4. 50

\$3. 50

\$3. 50

\$103. 80

\$4. 15

1. 21

4. 00

After analysing the market the average price a customer was willing to pay for salad was \$4. 15 the standard deviation 1. 21 and a median 4. 00

therefore it is recommended that you base your price on this information.

Roughly it is recommended to charge your customers between \$3. 00-4. 50

## **1. 9 The Maximum price customers willing to spend on fish and salad**

### **Response received**

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25

Total

Average Cost

Standard Deviation

Median

**Price\$**

\$6. 50

\$5. 00

\$7. 50

\$9. 00

\$4. 50

\$6. 00

\$5. 00

\$8. 50

\$5. 70

\$5. 95

\$8. 50

\$6. 00

\$5. 00

\$5. 50

\$6. 50

\$6. 50

\$9. 00

\$4. 00

\$650

\$5. 00

\$5. 50

\$3. 00

\$6. 50

\$3. 50

\$6. 00

\$147. 15

\$5. 89

1. 50

6. 50

After analysing the market the average price a customer was willing to pay for fish and salad was \$5. 89 the standard deviation 1. 50 and a median 6. 50 therefore it is recommended that you base your price on this information. Roughly it is recommended to charge your customers between \$5. 50-6. 65.

Appendix 2:



## Primary Research

### 2. 1

Our findings indicate that 65% (29 out of the 45 people surveyed) of your target markets prefer to purchase medium sized hot chips over small or large size. The next choice indicated that 25% (11 people) preferred small size and 10% (5 people) preferred the larger size.

### 2. 2

Our survey results displayed that 70%that out of the 45 participants 70% preferred to drink some sort of a soft drink when eating their meals compared to 30% of participants preferred water with their meals.

### 2. 3

Our findings advocate that 67% of the people that contributed with the survey prefer fish as there most favourite type of seafood followed by scallops and calamari at 15% each, with 3% of the participants didn't like seafood at all.

### 2. 4

Our survey results indicate that 55%, 25 of the people who undertook the survey where not healthy conscious compared to the 45%, 20 of the people surveyed who were health conscious and would prefer a more healthy menu.

### 2. 5

Our findings indicate that 68% of participants were more concerned with the taste of the product and that taste was a major factor that influenced their decisions whilst the other 32% were concerned with the health side of things and that health was the deciding factor for them

## 2. 6

From the people that were surveyed a result came back that 50% of the people would eat fish and chips at least once or twice a week, followed by 25% of people who rarely ate fish and chips, and another 15% who ate fish and chips at least 3-4 times a week with the remaining 10% never eating seafood.

## 2. 7

Our findings advocate that from the participants surveyed that the majority at 60% ate some sort of seafood at least once or twice a week, followed by 11% who occasionally consumed some sort of seafood, another 10% ate seafood on a daily basis which left 9% of people who either ate seafood sometimes or rarely. This meant that there was a remaining 1% that never ate seafood. From this survey it is clearly evident that your business will need to provide a wide range of seafood products.

## 2. 8

The survey results concluded that 85% of the individuals who participated would be happy for a new fish and chips shop to open in the heart of Fairfield which