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COURSE: ENTREPRENEURSHIP

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A BUSINESS PLAN ON A FAST FOOD RESTAURANT

EXECUTIVE SUMMARY

Hangout (Fast and Delicious) is a new fast food restaurant in Rivers state. This is established in 2020 in Port Harcourt. It is established for healthy and fresh food for the customer. We segmented our product based on demographic and targeted customers are the younger generation. We offered for them healthy food those that are not very costly, so they can easily afford to pay. We have only one outlet in Woji as a new local food restaurant. This is our manufacturer brand. We deliver our food to the customer directly. We set our food pricing based on cost and competitor also. We provide full service when they order food. We have designed our promotion message keeping our target audiences in mind. The promotion message of our restaurant is “Fast & Delicious”. We chose this message because “Fast” always represent youth and youngsters don’t like to wait. Our communication media is a bit of both personal and non-personal. As we are a new company we don’t want to do want experiment with our promotional budget. So we will follow the Competitive Parity method.

INTRODUCTION

A fast food restaurant is known as quick service restaurant offering minimal table service. A fast food restaurant generally offered a limited menu is cooked in bulk on advance and kept hot when need to deliver. Depending on the established, servings may be ordered from attendants of the customer. At the end of the line a cashier rings up the purchases. At some self-service cafeterias, purchases are priced by weight, rather than by individual item.

In Port Harcourt fast food has become popular with the effect of globalization. Many people, specifically the younger generation are consuming various types of fast foods everyday as these

are convenient, time saving and tasty. Port Harcourt Customer choice fast food restaurant depends on particular factors i.e. quality, variation, location, price, environment, and many more aspects.

Hangout is a local restaurant in Port Harcourt started in 2020. It started for offering healthier, fresh, custom made burger, sandwich and other food which offered other local fast food chain restaurant like The Promise, Chicken Republic, etc. The concept of our product is delivering best food at a lower cost in Woji. Our main priority is to establish one outlet in Choba Road. It's a crowded area and there are two Universities and more schools and colleges because our main target consumers are younger generation. Later our effort will be a further development of more retail outlets in the surrounding area.

VISION

- To be a leading integrated food court service group in country by delivering consistent quality products and excellent customer quality service.
- To sell in a fast friendly environment that appeals to pride conscious health minded customer.

MISSION

- Our mission is attaining best in class productivity and efficiency
- Reinventing the business continuously through technology innovation.
- To sell delicious and remarkable food for our valuable customer.

MARKET SEGMENTATION

Our segmenting market is **Demographic** based. We divide the market into groups based on variables such as;

1. Age
2. Income
3. Education
4. Religion
5. Race and generation.

We operate our business in one geographical area and we pay attention to geographical differences in need and wants.

We are targeting young generation people as our primary market because this type of customer is very much interested to eat fast food items. Choba road is the place to meet and hangout after school and University. Due to educational area it is common to eat and hangout with their friends.

MARKET TARGETING

Our selected target market is **Micromarketing**, as a new fast food restaurant we want to make product based on individuals and location. Our target is local market but our secondary market is concentrated marketing. We will make food very effectively and efficiently. Our mission is attaining in class productivity and efficiently so we will concentrate tailoring food preferences on individual customers.

MARKET POSITIONING

As a new fast food in the competitive market. We differentiated our product based on service, product and people. Hangout (Fast and Delicious) this tagline will come every customers mind. Our food will be healthy and fresh that is our product strategy positioning, our service will be fast, customers don't need to be late for food. We also position our product based on people. We already say that our main target is student not all people so we differs people on younger generation.

MARKETING MIX STRATEGY (PRODUCT)

Our product features consists of three levels of product. Our product features are below:

Core Product

1. Unique taste
2. Unique environment
3. Well behaved with our customer
4. Full filling customers eatable content (Belly-full)
5. Excellent value

We believe that these things will satisfy our customers what they are expecting from our products.

Actual Product

Actual product of our business will be its brand name “Hang Out”, features which will be capable of gratifying a particular customer need, unique design, packaging as per fast food outlet standard, i.e. Paper and plastic on the go consumption and hygiene and healthy food for all sort of customers.

Augmented Product

We will offer more than fast food to our customers. Like,

- Deliver food within a short span of time
- Upgrade products
- Customers opinion about our services and products
- 100% hygiene and healthy (warranty)

Our product lists are below-

- Chicken Burger, Beef Burger Veggie Burger
- Cheesy Pizza, BBQ Pizza, Veggie Pizza
- Sandwiches
- Chicken Fry
- French Fry
- Drinks: Pepsi, 7up, Fanta etc.
- Salad: Fruit, Vegetable
- MoiMoi

To see details in the appendix

PRODUCT BRANDING

Brand name selection

Good brand names can greatly successive point for a product or a business. We select our Brand name Hangout and tagline (Fast and Delicious) very carefully because, out target customers are mainly university and school going students.

On the other hand, Hangout name is easy to pronounce among to the students and they are well known with this word, so this name can be recognized among them. Hangout is a distinctive brand name in Port Harcourt as well as in Choba road.

BRAND SPONSORSHIP

We are fast food manufacturer in Port Harcourt, so our brand sponsorship is manufacturer brand. We have our own brand name which is “Fast and Delicious”. We are manufacturing all types of fast food in our in our restaurant through our special and qualify cook those are previously worked in renowned fast food restaurant in Rivers state. As a manufacturing brand we selling food directly to the customer and we don’t have any brand, private brand, retail store without Port Harcourt.

MANAGING BRANDS

As a new fast food in Rivers state we just start our business and trying to create brand loyalty among our targeted customer. We don’t know what will happen in the future, but we will manage our brand name “Hangout” through advertising. We will ask our customers for their experience when they eat our food and ask them if we have any mistake when we serve the food items. If we will satisfy our targeted customers they will be our loyal customers and finally the will share their experience to others about our better service.

PRODUCT PRICING

Cost Based

The customer’s perception of value is an important determinant of the price charged. As a manufacturing company our food pricing will be cost based. If we set our price based on value then we can earn profit as our target profit level. To run this business in future perfectly we should set price based on cost.

Our fixed cost are-

1. Rent
2. Employees' salaries
3. Restaurant operator licence
4. Utilities
5. Food manufacturing equipment

Variable cost-

1. Raw food
2. Salaries for extra staffs during special events
3. Packaging cost

Hangout keeps low prices on all foods to compete with other local fast food restaurants

EXTERNAL FACTORS THAT AFFECT THE PRICING

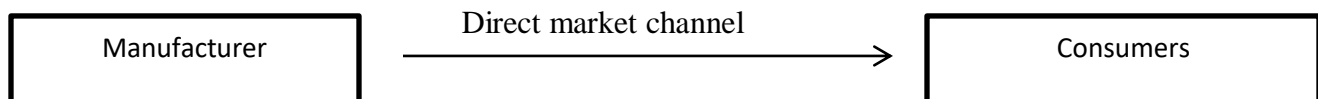
Our external pricing consideration includes the nature of the market, demand and environmental factors such as-

1. Economic condition
2. Government actions
3. The market and demand

INTERNAL FACTORS THAT AFFECT THE PRICING

Our internal factors that affect our pricing-

1. Organisation
2. Marketing strategy
3. Product lifecycle
4. Marketing channel: Place describes the channels Hangout uses to position its product in the market place. Hangout sells directly to its consumers.



As we know that Hangout is a local food restaurant so we want to sell our products directly to our customer through our own Hangout outlet. We just buy chicken, bread, and other materials from raw materials suppliers.

RETAIL OUTLET DECISION

Our targeted customer is the younger generation so we decided that our food outlet will be based on organisational approach (chain store) and based on amount of services. We will open our outlet in 6 days a week and our services will be full.

TRANSPORTATION

We are serving our food only in Port Harcourt. We kept an option for home delivery for our residential areas customers within 30minutes through our motor bike by cash on delivery. We did not decide home delivery in other parts of Choba road right now.

INVENTORY MANAGEMENT

Inventory management affects customer's satisfaction. We are always maintaining food items based on customer needs. We did not make too many foods or too little food in a day. We make food based on customers demand and serve immediately when needed.

PROMOTION

Targeted Audience

We have targeted our audiences on the basis of our location. Port Harcourt is both a residential and educational area, our targeted audience is the young generation, the students of schools and universities, Students always look for a place to hang-out with their friends and our restaurant can be that place with the offering of delicious food and good services.

PROMOTION MESSAGE

We've designed our promotion message keeping our target audiences in mind. The promotion message for our restaurant is "Fast and Delicious". We chose this message because "Fast" always represent youth and youngsters don't like to wait. We're committed to give our product and services within a short time. But we won't compromise the quality of our product. We're

assuring tasty and quality food within a very short time. So, this is why we say “Fast and Delicious”.

MEDIA

Our communication media is a bit of both personal and non-personal. Among the personal communications we'll use the Word of Mouth and Buzz Marketing. So, we can grab Opinion Leaders to spread the knowledge about our restaurant and attract people to be interested in it. Among the non-personal communications we'll use the Word of Mouth and Buzz Marketing. So we can grab Opinion Leaders to spread the knowledge about our restaurant and attract people to be interested in it. Among the non-personal communications we'll use Leaflets and create a Facebook page to communicate with the targeted audiences, and to inform them about our products and services.

PROMOTIONAL BUDGET

As we're a new company we don't want to do any experiment with our promotional budget. So, we'll follow the Competitive Parity method, the strategies of our competitors like Downtown Café, CP, FnF etc. So that, we can avoid promotion wars and represent industry standards.

PROMOTION MIX STRATEGY

We're new in business. So, our promotion mix strategy is not very costly. Our marketing mix strategies are-

Advertising: For advertising we'll use Leaflets to inform people about our restaurant, its products and services. We'll distribute the Leaflets in the schools and universities of our business area.

Sales Promotion: To promote our sales we will give some discount offers. For example, we will give 10% discount on the actual price of our product. Also, we will give Price-Pack offers. That means if the customers buy a whole package of products they will get a discount price. We also intend to give small samples of products. If the customers buy a product they will get a small sample of another product. All these sales promotions will remain only for a certain period.

Public Relations: To build relations and communicate with our target audiences we won't hire any PR. We will do it by ourselves. Like, the inauguration news of our restaurant, we will post it into our Facebook page and print leaflets about it. To inform people about our discount offers or any coupons we will do the same thing. We will also inform opinion leaders to spread the news about our offers.

Personal Selling: For personal selling we will set up stalls in the universities of our business area. For example, we will setup stalls close to the universities and school areas and demonstrate our products there and sell them.

CONCLUSION

Hangout (Fast and Delicious) is not so big restaurant as in the local market. There are many renowned fast food restaurants like KFC, Pizza Hut, FFC, and BFC but right now we cannot compete with them. We have shortage of capital that's why we can't afford too big mass media, promotion offer and also can't target other people of our country. We believe we can give better service to the customer that they can satisfy. Our wish is our restaurant will be a leading healthy fast food restaurant by serving more delicious food and better service. If we succeed in this area we will open other branches in the side of Choba road.

APPENDIX

1. Principles of marketing
2. Glass Door
3. Scribed
4. Slide Share
5. Academia.edu
6. B plans
7. Our product list, category, description and pricing (approximately)

Chicken Burger	(cheese, chicken, chillies, tomatoes, onions)	Personal Medium Large	40/- 70/- 100/-
Beef Burger	(cheese, beef, chillies, tomatoes, onions)	Personal Medium Large	40/- 70/- 100/-
Veggie Burger	(cheese, vegetable, chillies, tomatoes, onions)	Personal Medium Family	30/- 50/- 70/-
Cheesy Pizza	(cheese, chicken/beef, chillies, tomatoes, onions)	Personal Medium Family	400/- 700/- 1000/-
Veggie Pizza	(cheese, vegetable, chillies, tomatoes, onions)	Personal Medium Family	300/- 500/- 700/-
BBQ Pizza	(cheese, chicken/beef, BBQ sauce chillies, tomatoes, onions)	Personal Medium Family	400/- 700/- 1000/-
Sandwiches	(cheese, chicken/beef, BBQ sauce chillies, tomatoes, onions)	Grilled sandwiches Large sandwiches	200/- 150/-
Chicken Fry	(onions, chillies, flour)	Wing Leg Breast	50/- 70/- 100/-
French Fry	potato	Masala Grilled	100/- 150/-
Drinks		Pepsi (200 ml.) Fanta (200 ml.)	15/- 15/-