

TITLE : Buiness plan for The Stand
Nigeria resturant.

Prepared by: Director of TSN

Address of Buiness: Bonny Island,
Rivers State, 20 Asaba Avenue

Principals Identity:

- 1) Adedayo Samuel Arogunmati
- 2) Chuka Esosa

Nature Of Buiness: Fast Food Resturant,
Food and catering service, Fast Food
delivery and Fresh juice sales.

NOTE: PLEASE ENSURE THAT THE DATA/INFORMATION IN THE DOCUMENT ARE
KEPT CONFIDENTIALLY.

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Executive Summary

The Stand Ng is a locally owned fast food outlet that will be positioned as a National franchise through our creative approach to the company's image and detail presentation. The Stand will provide a combination of excellent food at value pricing, with fun packaging and atmosphere. The Stand is the answer to an increasing demand for snack-type fast food, to be consumed while window shopping and walking around inside a shopping mall.

INTRODUCTION

Fresin Fries sells fresh Nigeira food and freshly made juice. We use the concept of Africal food, where the food are all made from fresh local ingedients and different spices . Our outlet also provides excellent and friendly customer service to support the ambience of fun, energetic and youthful lifestyle.

DESCRIPTION OF VENTURE

We will imitate successful establishments, such as african taste and mega chicken, which represent the majority of our core target market, between 18 to 35 years of age. Our store will feature display cooking. Our customers will also be able to read our in-house brochures in regards to all knowledge about African foods and our featured sauces. Our store will be decorated with fast food setting, such as a bright counter and display menu on the wall. Our store is open everyday from 10 am to 9 pm.

INDUSTRIAL ANALYSIS

Despite the prolonged effects of the Nigeian Economic Crisis followed by COVID 19 crises, Nigeria's food service industry witnessed growth over 2019/2020 at 4 - 5% in terms of units and transaction (Euromonitor). Much of this growth was contributed by the cafes/bars, fast food, and food retail sectors, whose wide appeal amongst a young population, for whom time is of a premium, led to high levels of growth. This growth is underpinned by market demand and lifestyle changes, such as seeing eating out as part of trendy lifestyle.

MARKET ANALYSIS

Consumer expenditures for fast food in Nigeria rose during the end of the year 2019, followed by the inprovment of the national economy in the food sector. The increasing number of new establishments such as fast food franchises, fancy restaurants and gourmet bakeries around Nigeria has shown a significant growth in this sector. Food spending is around 56% of total consumer

expenditures in Nigeria, and consumer spending on leisure and recreation made up of 13% of total consumer spending.

ORGANISATIONAL PLAN

	YEAR 1	YEAR 2	YEAR 3
Site Managers	0	60,000	96,000
Cashiers	36,000	80,000	144,400
Cook	28,800	66,000	115,200
Busboy	23,400	56,000	94,000
TOTAL PEOPLE	12	26	40
Total Payroll	88,200	262,000	449,600

Future organizational structure will include a director of store operations when the store locations exceed four units. We hope that this individual will come out of the ranks of our stores' management. This will provide a supervisory level between the executive level and the store management level.

ASSESSMENT RISK AND PROBLEMS

In our research efforts, some of the noticed potential risks especially in Nigeria are listed below:

- 1) Lack of stable power supply
- 2) Transportation of the cooking items to the cooking location
- 3) Competition
- 4) Lack of skillful workers

The issue of power supply can be resolved with a large generator while the issue of the cooking items will be handled by a logistic company as well as a close supplier.

FINANCIAL PLAN

As the Profit and Loss shows, The Satnd will run at a loss for the first two years, using up some of the cash reserves initially invested by the founders. As sales increase, we will expand into new locations to aggressively spread brand recognition. This increase in visibility will allow us to take up less expensive locations off of Aja Road, while maintaining our flagship operation, the first store, in a prime spot.

PRO FORMA PROFIT AND LOSS			
	YEAR 1	YEAR 2	YEAR 3
Sales	279,163	558,327	1,116,654
Direct Cost of Sales	61,957	123,914	247,827
Other Costs of Sales	0	0	0
TOTAL COST OF SALES	61,957	123,914	247,827
Gross Margin	217,207	434,413	868,826
Gross Margin %	77.81%	77.81%	77.81%
Expenses			
Payroll	88,200	262,000	449,600
Marketing/Promotion	10,000	10,000	10,000
Depreciation	0	0	0
Rent	174,000	248,000	298,000
Utilities	2,550	5,000	8,000
New location setup	25,000	50,000	50,000
Total Operating Expenses	299,750	575,000	815,600
Profit Before Interest and Taxes	(82,543)	(140,587)	53,226
EBITDA	(82,543)	(140,587)	53,226
Interest Expense	0	0	0
Taxes Incurred	0	0	0
Net Profit	(82,543)	(140,587)	53,226
Net Profit/Sales	-29.57%	-25.18%	4.77%

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