



Business Plan

Aimed for: The Manchester College

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Introduction

The Manchester College is concerned about the health of its staff and students. This is seen as an important part of the relationship that has to develop between the various members of the college to allow for successful performance of the teaching and learning experience. As part of this process the college has proposed to encourage the creation of a Juice and Smoothie Bar within the city centre building.

But what exactly is a smoothie?

Basically, a smoothie is a drink which is made from fruit or vegetables, usually with added liquids such as yoghurt, milk or juices and often with additional flavourings such as honey, sugar or spices, which is blended until liquefied. The benefit of smoothies against juices is that they contain the whole fruit/vegetable which means they have the advantage of providing fibre (also called roughage) which is necessary in the diet to maintain a healthy digestive system. Another health benefit is that smoothies are an easy and pleasant way to consume the recommended daily intake of fruit and vegetables.



This business plan is a realistic plan which summarizes the operational and financial objectives of a smoothie bar. It will show you how the business could run. It will describe the business model, the marketing plan and further details to make this business successful.



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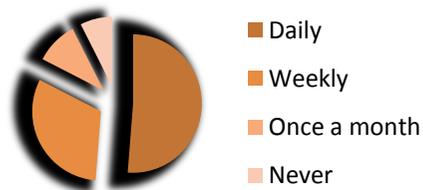
1. Market Analyse

Primary Research

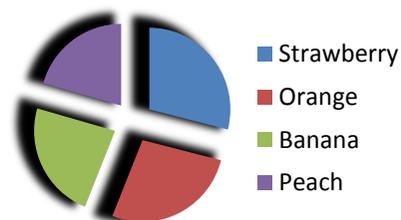
An important fact is the target audience. Different countries have different culture and different flavours. You need to know what the costumers prefer; otherwise they would not buy your products. So, it is necessary to find out what the most popular flavours are.

The best way to get information about what the customers like is during surveys. We asked 80 people at the age of 16 to 40 at The Manchester College to get there opinion about juices, smoothies and healthy food in general.

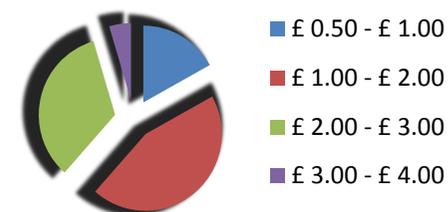
Consumption of healthy food/drinks



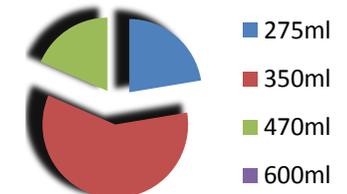
Favourite fruit



Price of a smoothie



Size of a smoothie cup



The survey shows that most of the people are interested in a juice or smoothie bar. More than 75% of the informants eat daily or weekly healthy food. The favourite flavours are strawberry, orange, banana and peach. They prefer a small price because students have not much money. The optimum size is about 350 ml.

Establishing a juice and smoothie bar within the

Manchester College would give students and staff the

chance of having an extra access to healthy drinks.

1. WHAT SEX ARE YOU?

MALE
 FEMALE

2. WHAT AGE ARE YOU?

16-20
 21-25
 26-30
 31-35
 OLDER THAN 35

3. DO YOU CARE ABOUT HEALTHY DRINKS OR FOOD?

YES
 NO

4. HOW OFTEN DO YOU EAT OR DRINK HEALTHILY?

DAILY
 WEEKLY
 ONCE A MONTH
 NEVER

5. ARE YOU INTERESTED IN VISITING A JUICE OR SMOOTHIE BAR?

YES
 NO

6. WHAT WOULD YOU PREFER?

JUICE
 SMOOTHIE

7. HOW MUCH WOULD YOU SPEND FOR A JUICE OR SMOOTHIE?

JUICE		SMOOTHIE
<input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/>	£0,50 - £1,00	<input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/>
<input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/>	£1,00 - £2,00	<input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/>
<input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/>	£2,00 - £3,00	<input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/>
<input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/>	£3,00 - £4,00	<input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/>

8. WHICH SIZE WOULD YOU PREFER?

JUICE		SMOOTHIE
<input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/>	275 ML (SMALL)	<input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/>
<input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/>	350 ML (MEDIUM)	<input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/>
<input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/>	470 ML (LARGE)	<input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/>
<input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/>	600 ML (EXTRALARGE)	<input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/>

9. WHAT IS YOUR FAVOURITE FRUIT? YOU CAN CHOOSE UP TO 3.

APPLE
 BANANA
 CHERRIES
 GRAPES
 ORANGE
 STRAWBERRY
 PEACH
 WILD BERRIES

10. TO FEEL COMFORTABLE, HOW SHOULD THE INTERIOR DESIGN BE FOR A LONGER STAY IN A JUICE OR SMOOTHIE BAR?

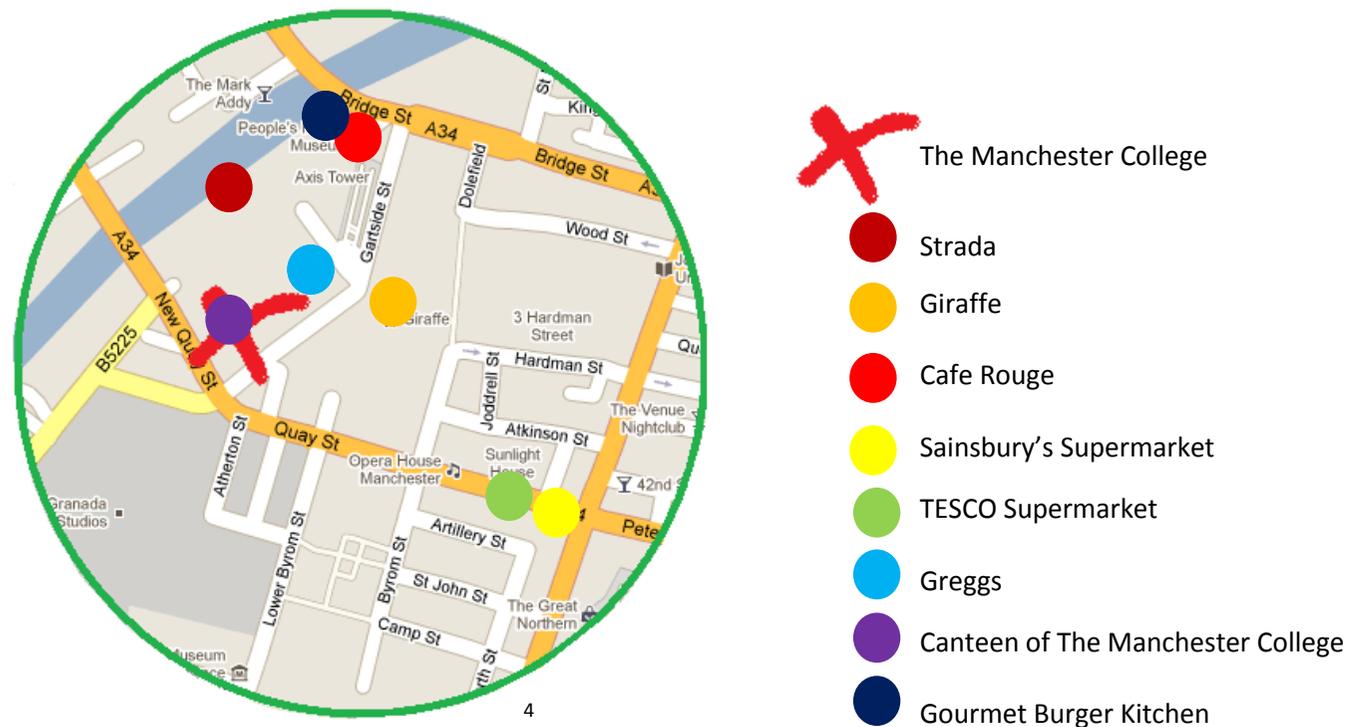
FRESH (GREEN, YELLOW)
 WARM (RED, ORANGE)
 COLD (BLUE, WHITE)
 CLEAN (WHITE)
 CLASSY (BLACK, GREY)

Secondary Research

It is very important to know who your business rivals are. Based on these conclusions you can create a gainfully strategy.

At first I took a look how many juice and smoothie bars are in the immediate vicinity. In Manchester are a lot of smoothie bars, which shows that it is trendy and “in”. Around The Manchester College are a few cafes and supermarkets which offer juices or smoothies.

Close to the college are Giraffe, Greggs and, of course, the own canteen of the college. Giraffe would be the strongest business rival because it is selling smoothies as well. All together, there is no shop, which is nearly the same, as the “FRUITI” will be.



Main Business Rivals



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Giraffe is selling different flavours of smoothies und juices like banana, orange, strawberry, apple, mango passion fruit, lime, fresh mint, raspberries and pineapple (£ 3,35 to £ 3,50). You can also buy fresh made orange juice form £ 2,05 to £ 2,45.



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Greggs is selling apple and orange juice in bottles for £ 1,20.



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The canteen of The Manchester College is selling bottled orange and apple juice. You can buy a bottle for £ 1,30.

2. Business Models

There are different business models like a sole trader, a private limited company (Ltd), a public limited company (PLC), a franchise or a partnership. All these models have but I think that a partnership would be the most practical business model for a small business like “fruiti”.

A partnership is commonly formed where usually two to twenty people wish to come to together to form a business. The business owners share their skills, talents, profits, the liabilities and the decision making. More partners mean more brains that can bring forward new ideas. They will fund the business with start up capital. A partnership is generally flexible. There are less strictly regulated than companies, in terms of the laws governing the formation. The partners have the only say in the way the business is run. They can share the decision making and the responsibilities.

It is also possible to start a small business as a sole trader but you pay the cost by yourself. You need a lot of money to start up. I think in a partnership it is easier to start up a small business because you share the profit and the problems as well.

3. Health and Safety

It is all-important to pay attention to the care and health before opening a gastronomic establishment. There are licences and hygiene certificates which need to follow. If we do not follow the instruction the customers or the staffs could get sick (food poisoning) or accident (to slip on a banana peel or on a leakage smoothie). The hygiene policy has to include all the points below.

Storage and preparation of food

- All utensils (plates, cups, and bowl) must be carefully washed, rinsed and put away when not in use.
- After food preparation, surfaces must be wiped down and disinfected.
- The refrigerators must be cleaned and food that may decay is to be discarded from them regularly.
- The staffs have to wear gloves by preparing food.

Washing hands

- Before you start working.
- After handling rubbish.
- Before and after preparing food.
- After the lunch break, a cigarette or a toilet.

It is also necessary to have enough fire exits and escape ways. You need to think about first aid as well. (The Manchester College is already featured with and fire exit and an escape way. The position of the smoothie bar would not bother these ways.)

First aid

- The staffs need a first aid qualification (wear gloves; wash carpet areas with soap and water; use disinfectant).
- First aid boxes

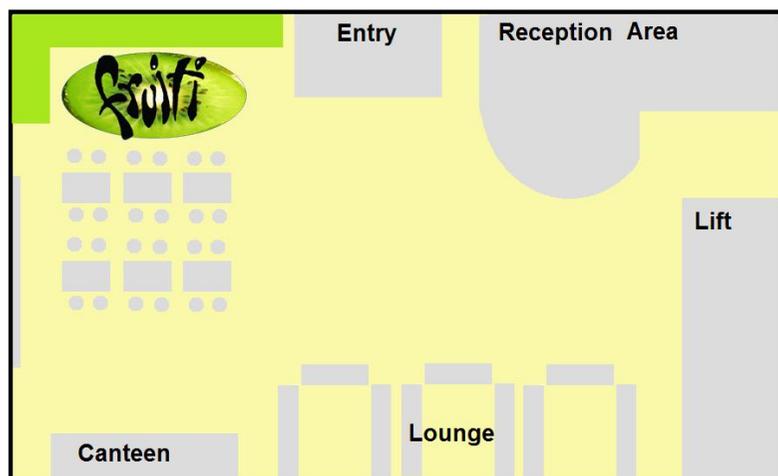
4. Design and Layout

A logo is an integral part of the company's image and key to marketing success, so its quality is of highest importance for any business. It represents the companies' brand and the customers identify with its image.

A smoothie bar sells health and fitness. For this reason the main colours are green and yellow. The logo of "fruiti" will represent freshness, fitness and a healthy awareness. It could look like figure 8. The style of lettering is dynamic and looks like graffiti which could call young person's attention to eat more healthy food. The logo is easy to understand and comprised the main aim of The Manchester College.



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The best place for "fruiti" will be the opposite corner of the canteen. There is enough space for a bar and it does not bother the canteen, the entry or the fire exit. When the students have their lunch they can look from every seat area of the lobby at the smoothie bar. They have the choice to have a healthy dessert or unhealthy candies from the canteen.

Advantageous is the window front. People can see the bar from outside when they sit in their car or walk along. It is possible to sell the smoothies out of a window as a smoothie-to-go.



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5. Marketing/ Promotion

In general, marketing is an important part of a business that controls the way that goods and services are sold. Marketing is a management process through which goods and services move from concept to the customer. As a practice, it consists in coordination of four elements called 4P's: (1) identification, selection, and development of a product, (2) determination of its price, (3) selection of a distribution channel to reach the customer's place, and (4) development and implementation of a promotional strategy.

“fruiti” sells the most-favoured flavours of fruits like strawberry, banana, orange and peach, and a mix between them (based on the result of the survey). The price for a small smoothie is about 1.99 £, for a medium size about 2.69 £ and for a large one estimated £2.99. So you can save money if you take a bigger size.

In their lunch break, from 11 am to 1 pm, the students can dice the price of their smoothie. The dice will have three possibilities of discount, 5%, 10% and 15% off. To drink a smoothie will be a special experience for students. They can try their luck and have fun. Young people like flutter.



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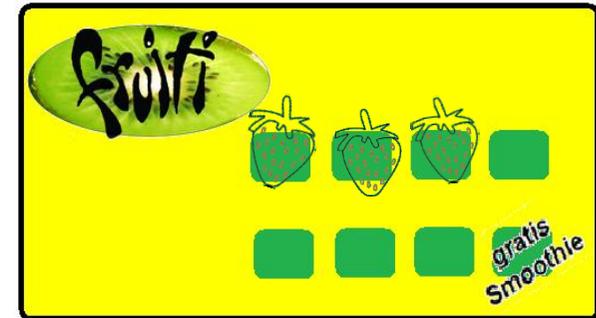
To draw profit I want to sell Smoothies-To-Go. Our customers can buy a healthy smoothie on their way to work or in their lunch break. A lot of car driver can see our smoothie bar. It would be a good idea to “Dice the Price” in front of the college, because if there are many people in front of the bar other people could get interested in what is going on. Why are there so many people? I want to take a look.



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Our main target audience are the students of The Manchester College. They do not have much money and I think it is necessary to give them a special premium card. They can collect “fruit points”. If they collect seven “fruit points” (one point for a medium smoothie size) they get a smoothie for free.



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The staffs will wear t-shirts and fruit hats. This would be a special feature. You can identify the staff of the “fruiti” bar by the colourful and fruity hats.

To make “fruiti” more popular it is necessary to do advertisement. “fruiti” is a small business. We do not need TV advertisement or oversize banner. We need local advertisement like flyer, leaflets, brochures about healthy food, give-away articles (stationary like notebooks, pencil), samples for new costumers (like Granada TV), co-operation (fitness centre, health centre, body shop) and advertisement in a local newspaper with coupons.



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6. Financing

Single payment:

Equipment:	Price:
2 Fridges	£ 1.200,00
3 Mixer	£ 350,00
Freezer	£ 700,00
Dishwasher	£ 250,00
Ice maker	£ 360,00
Commercial juicer	£ 1700,00
Bar stools	£ 220,00
Bar	£ 1.800,00
Blender	£ 535,00
Napkin dispenser	£ 15,00
Decoration	£ 50,00
Flyer	£ 200,00
<u>Total</u>	<u>£ 7.380,00</u>

Running costs:

Equipment:	Price:
Plastic straws	£ 10,00
Clear plastic cups	£ 45,00
Clear domed lid for cups	£ 30,00
Fruits	£ 600,00
Napkins	£ 40,00
<u>Total</u>	<u>£ 729,00</u>



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All together £ 8.109,00 in total is needed to make the business running. It is difficult to assess the personnel costs. Because of that you cannot see it in the table. There are different collective wage agreements. An estimate value could be £ 3.000,00.

7. Summary

“fruiti” is a special smoothie bar. Students will experience a new way of drinking healthy drinks. We sell the favoured flavours like strawberry, banana, peach and orange and mixes between its. You can buy a small size (275 ml) for £ 1;99, a medium size (350 ml) for £ 2,69 and a large size (470 ml) for £ 2;99. The staffs wear funny colourful fruit hats. They will be non-interchangeable. Every day, from 11 am to 1 pm, people can “Dice the Price”. They can dice 5%, 10% and 15% off. In the holding time our customers get a free small size sample of new flavours. People who are in hurry can buy a Smoothie-To-Go from the second selling point which is in front of the college (window front).

8. Indication of Source

Page 2

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