

Student names:

Shahdat Islam (2021131)

Syed Javed Ali (1710503)

Zahid Hussain (2018065)

Babar Hussain (2014975)

Muhammed Nurul Hakim (2019283)

Assignment Title: Create a business plan for your business (Savor Foods)

Group: BMSW4006

Lecturer: Yohan Mendis



Email: Savorfoods@gmail.com

Website: Savorfoods.co.uk

Address: Birmingham, United Kingdom

Contact number: +447844926751

Executive Summary

Savour Foods Catering is a recently established business that will provide catering services for care homes and local elderly customers in west midlands area. Around here at Savour Foods, we accept cheerful cooking is as much with regards to where your food comes from for what it's worth with regards to how great it tastes. We have confidence in better and glad cooking since we comprehend that quality fixings from solid sources make sound tasty dishes for cheerful eaters!

We know which food every one of our clients appreciates most and which food will be useful for their wellbeing. We know this in light of the fact that our gourmet specialists and administration staff centre around clients as people. We are committed to understanding their specific necessities and backing our groups nearby at each care home with our own proficient dietitians. We endeavour to procure the trust and fellowship of clients by extending regard and focusing on their own inclinations.

We cook all our food fresh when customers place their order using fresh ingredients. All our staff are completely prepared to the best expectations in care food administrations and their abilities are constantly evolved as a component of our responsibility.

The principle reason for Savour Foods Catering is to offer great assistance and solid delectable food varieties to our care home and elderly customers with the goal that we develop quick as a catering business and create great gains.

Contents

Business /Company Overview.....	5
Products and services.....	5
Market audit -Competitor analysis.....	6
SWOT Analysis.....	7
PESTEL Analysis.....	8
Target Market.....	10
Marketing Plan.....	11
Management team.....	12
Financial plan.....	13
Gross profit-net profit.....	14
Cashflow forecast.....	15
Conclusion	16
References.....	17

Business /Company Overview

At Savour Foods our main goal is to give elevated requirements quality dinners to our care homes and elderly customers. Our aim is to provide quality healthy meal to our care homes and elderly customers within the west midlands area, we do not compromise quality with quantity.

At Savour Foods our vision to unite individuals and emphatically affect our clients, our group, the climate and the local area. Additionally, to be a main supplier of value heavenly food sources and great client assistance by offering adaptable help with consistency and show that will have an enduring Effect. To make an agreeable and family vivacious group and ensure all who work with us have the apparatuses to be their best in a helpful and remunerating climate.

Products and services

Savour foods offers a variety of different products, which include breakfast, lunch and dinner. These options will include a selection of different foods from Indian, Caribbean, Chinese and English cuisines, as well as cold and hot drinks. One of the benefits of ordering from Savour Foods is that we offer free delivery and customers can shop for everything in one go due to all the different options. In addition to this Savour Foods caters for a variety of dietary requirements such as halal, low fat, low carbs vegetarian & vegan.

Moreover, Savour Foods plans to serve 50 individual customers and 10 care homes in the first 6 months and will then look to expand to serve 100 individual customers and 10 care homes. This is sustainable and allows the business to analyse the turnover to avoid any losses and also to give direction if any change is needed.

Market audit Competitor analysis

During this business plan we were able to analyse our market competitors and strategically use this to our advantage. We were able to pinpoint negatives we saw in other business models and make sure that we offered a service which would overcome these issues and make us more attractive to customers. (University of California, 1901) study found that people preferred to shop in one place as it was faster and more efficient.

Other competitors are limited and only offer one type of option when it comes to the products and services provided but Savour Foods offer everything that you could possibly imagine and cater to a large variety of requirements. Other business models such as (MT Catering, 2021) offer starters, mains and desserts whereas Savour Foods offered breakfast, lunch and dinner. This is an example of how Savour Foods analysed market competitors in order to cater a better variety of options to customers. Savour Foods as a result is more cost efficient and better for the customer, which means customers are more likely to be pleased with the service and return.

Most places offer food for occasions however Savour Foods is able to offer regular food to suit every day needs and also adjust the menu to cater for events like Eid and Christmas. This is something that other caterers do not customise their menu to, and if they do then price increases are made whereas at Savour Foods breakfast, lunch and dinner will all cost £18pp for 3 meals and does not change depending on the type of food made.

SWOT Analysis

A SWOT analysis is useful at the beginning of a project (nesta, 2021)(1) so it has been put in the business plan to see what our strengths, weaknesses our opportunities, and threats are before we start. So, we can see where improvement can be made within the organization and externally. Below a SWOT analysis has been done for Savor Foods.

Strengths

- Providing quality food and service to provide excellent customer satisfaction.
- We have a wide variety of cuisine available.
- We cater to different diets.
- We are the only catering company in the area providing personalized food according to the customer's demands.
- We have Multilingual staff that can speak to our target customers.
- There is flexibility for customers to change certain things to their order.

Weaknesses

- Being available 365 days a year, 24 hours a day, and 7 days a week may put pressure on staff.
- Having only one kitchen means the areas that are provided may be limited.
- Having a big variety may cause issues within the organization as the workload is more than just having just a set menu.
- Small advertising budget.

Opportunity

- There is growing interest in food provided being personalized to customers' needs.
- There are a lot of older residents in the area that require halal and Asian-style food.
- There is potential to grow using the food delivery apps.
- We can advertise more once we have more income.
- Expand the area that we deliver to. This can be done by opening more kitchens in other area

Threats

- Rising cost of produce and ingredients due to EU.
- Increasing price of gas, electric and petrol
- Raising competitors. They may be a threat if other people decide to copy our business.

PESTEL Analysis

After doing a SWOT analysis the next thing to do is a PESTEL analysis. A PESTEL analysis is a tool used to analyse and monitor the macro-environmental factors that may have a profound impact on an organization's performance. (Bruin, 2016)(2). Below is the PESTEL analysis carried out.

Political

- Government initiatives
- Food labelling and ingredients
- Health and safety
- Taxation
- Political instability between UK and EU

Economical

- Trend
- Cultural and ethnic boundaries
- COVID 19 impact on how much customers are spending on food

Social

- Growing awareness of organic food
- People are more health-conscious

Technological

- High-quality packing equipment.
- Accepting payment through various methods.
- Advertising through social media

Environmental

- Rising Emissions from delivering.
- Recycling and waste management
- Locally sourced food

Legal

- Food quality and hygiene

- Health and safety standards

All this information can be put into a simple table as shown below.

P	E	S	T	E	L
Political	Economical	Social	Technological	Environmental	Legal
• Government initiatives • Food labelling and ingredients • Health and safety • Taxation • Political instability between UK and EU	• Trend • Cultural and ethnic boundaries • COVID 19 impact on how much customers are spending on food	• Growing awareness of organic food • People are more health conscious	• High quality packing equipment. • Accepting payment through various methods. • Advertising through social media	• Emissions from delivering. • Recycling and waste management • Local sourced food	• Food quality and hygiene • Health and safety standards

Target Market

Our target market is food catering in local areas of Birmingham. Our plans are catering for excellent quality food in care homes for old people and other customers in local areas of Birmingham. Healthy factors on food preference have become an important aspect on consumer motivations and impact on food companies to develop their strategy in the food industry. Our strategy is to provide excellent quality food and to make our customers healthy and happy. We are trying to focus on giving our customers dietary and nutrition food for their good health reasons. We use an undifferentiated targeting positioning policy which covers all similar kinds of people's needs. Our strategy is to try to get more space in the heart of our customers and grow our business successfully in local areas of Birmingham and to extend our business to more places in the future.

Target strategy

Our target strategy is getting maximum value for our products in local areas of Birmingham. And we are trying to get good positions in the food catering market. Our food products are incredibly unique, and which cover the needs of all kinds of people.

Segments

Our segments are similar kind of people in care homes and other customers. We are identifying the customer needs we are trying to fulfil all kinds of customer similar needs of people. Our focus is care home people and other elderly customers' needs.

Marketing Mix and Marketing Plan

Our market mix is our product price place and Promotions.

Product.

Our product is breakfast, lunch and dinner, hot and cold drinks. Prices are above mention.

Place.

We sales direct to customers and indirect like business to care homes customer. We cover near Birmingham areas post code b6, b7,b8,b9,b10,b11,b20,b21,b23,b27

Promotion.

Our prices are on a promotion base now in future we will be making some changes to market research on pricing policy. We use a market price penetration policy because we want to make our business successful.

Marketing plan.

Food is one of fundamental human needs besides clothing and shelter. Humans need food whenever and whenever they live. Recently, the number of restaurants and catering services is growing rapidly because society can choose their favorite food place. Our business plan is to provide the best catering service and best delivery services on their doors to make customers happy. We are trying to make an outstanding position in the market. we are doing marketing on our websites and tv adds and our sales team are going to customer on need bases to get information about their needs and offer them excellent quality food catering service.

Management team

“Management in businesses and other industries are generic and continuous. One of the main reasons on business management in this 21st century is that of the success stories. It has done well within its own rights. The provision of services and economic goods that would have been almost impossible to the generation of 1900.”

(Peter Drucker, 2012)

Savorfoods company will have a total of five employees

Our team for SavorFoods is as follows:

Shahdat Islam-

Shahdat will be one of our chef and operation manager. He has years of experience in owning and managing his own successful takeaway.

Syed Jabeed-

Syed will be our second chef; Syed has decades of experience in the catering industry from fast foods to top restaurants in and around the west midlands. Therefore, he has a vast knowledge of various dishes and cooking skills.

Zahid Hussain-

Zahid will be one of our delivery drivers. As a taxi driver with many years of driving experience and knowledge of the surrounding area.

Baber Hussain-

Baber will be the second of our delivery drivers. Currently working as taxi driver and will benefit our company in many ways.

Mohammed Hakim-

Hakim will be our third delivery driver for Savor Foods. He is currently an Uber delivery driver.

All our drivers have face-to-face customer service skills, can work within strict deadlines and believe that our personality and first impression is our number one priority along with our tasty dishes. Our dedicated team will work with passion and effort as we are not just getting a wage, but we want to see the fruits of our effort at the end of the year.

“Success is no accident. It is hard work, perseverance, learning, studying, sacrifice, and most of all love what you are doing or learning to do.”

Financial Plan/ Sales forecast

The financial plan for Savor Foods Company and the breakdown of our cashflow is as follows:

(We will be operating 9am to 7pm 6 days a week)

Monthly sale figure for the **first 6 month** will be:

- £49,200, divide by 4 weeks is a sale figure of £12,300 (based on 6 days)
- £12,300 divide by 6 days of sales is £2050
- Daily sale figure of £2050 is as follows:

Meal deal- Business to Business (Care homes) $£18 \times 50 = 900$

Business to customers $£20 \times 50 = 1000$

Single deal- Business to Business $£7 \times 10 = 70$

Business to customers $£8 \times 10 = 80$

Total sales per day: $= £2050$

The total investment will be £36,610 divide by 5 is £7,322 each which will cover all the outgoings in the first month.

Stocks/Ingredients/ Materials are based at 1/3 of sales.

Second 6 month our sales figure, fuel costs, rent, stock and wages will increase. We will employ 2 extra workers and rent a unit for our expanding company.

All these figures are shown on our cashflow chart.

Yearly cashflow

Gross profit- Net profit

Business: SavorFoods			
Period: Year to 31 December 2020			
Sales:			£ 750,240 (A)
Less direct (variable) costs:			
Materials/ Stock	£ 283,128		
direct wages	£		
other	£		
Total direct costs			£ ____
Gross profit/contribution:			£ 467,112 (B)
Fixed costs (overheads):			
wages/salaries (incl. taxes)	£ 144,960		
rent	£ 2400		
heat/light/power	£ 5200		
advertising	£ 54,492		
insurance	£ 200		
transport/travel	£ 18060		
telephone	£ 600		
Waste	£ 1200		
Accountant Fee	£ 500		
other Prof. fees	£	0	
other Sundry	£	0	
Total fixed costs			£ 227,612 (C)
Net profit			£ 276,110
Less drawings or dividends			£ 55,222
Profit retained in the business			£ 0

Yearly Gross Profit: £467,112

Yearly Net Profit: £276,110

	CASH FLOW FORECAST												
	Jan	Feb	Mar	April	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	
Sales Income	£49,200.00	£49,200.00	£49,200.00	£49,200.00	£49,200.00	£49,200.00	£75,840.00	£75,840.00	£75,840.00	£75,840.00	£75,840.00	£75,840.00	£750,240
Grants													£0
Bank Loan													£0
Investment by 5 Owners	£36,610.00												£36,610
Any Other Income													£0
Total Incoming	£85,810	£49,200	£49,200	£49,200	£49,200	£49,200	£75,840	£75,840	£75,840	£75,840	£75,840	£75,840	£786,850
Stock/ Materials	£20,800.00	£20,800.00	£20,800.00	£20,800.00	£20,800.00	£20,800.00	£26,388.00	£26,388.00	£26,388.00	£26,388.00	£26,388.00	£26,388.00	£283,128
Gas/ Electric	£400.00	£400.00	£400.00	£400.00	£400.00	£400.00	£466.66	£466.66	£466.66	£466.66	£466.66	£466.66	£5,200
Wages	£9,600.00	£9,600.00	£9,600.00	£9,600.00	£9,600.00	£9,600.00	£14,560.00	£14,560.00	£14,560.00	£14,560.00	£14,560.00	£14,560.00	£144,960
Waste	£100.00	£100.00	£100.00	£100.00	£100.00	£100.00	£100.00	£100.00	£100.00	£100.00	£100.00	£100.00	£1,200
Insurances	£16.66	£16.66	£16.66	£16.66	£16.66	£16.66	£16.66	£16.66	£16.66	£16.66	£16.66	£16.66	£200
Motor Fuel	£1,060.00	£1,060.00	£1,060.00	£1,060.00	£1,060.00	£1,060.00	£1,950.00	£1,950.00	£1,950.00	£1,950.00	£1,950.00	£1,950.00	£18,060
Phone/Internet	£50.00	£50.00	£50.00	£50.00	£50.00	£50.00	£50.00	£50.00	£50.00	£50.00	£50.00	£50.00	£600
Advertising TV Website	£4,541.00	£4,541.00	£4,541.00	£4,541.00	£4,541.00	£4,541.00	£4,541.00	£4,541.00	£4,541.00	£4,541.00	£4,541.00	£4,541.00	£54,492
Accountancy Fees	£41.66	£41.66	£41.66	£41.66	£41.66	£41.66	£41.66	£41.66	£41.66	£41.66	£41.66	£41.66	£500
Rent							£400.00	£400.00	£400.00	£400.00	£400.00	£400.00	£2,400.00
Total Outgoing	£36,609	£36,609	£36,609	£36,609	£36,609	£36,609	£48,514	£48,514	£48,514	£48,514	£48,514	£48,514	£510,740
Income less outgoing	£49,201	£12,591	£12,591	£12,591	£12,591	£12,591	£27,326	£27,326	£27,326	£27,326	£27,326	£27,326	£276,110
Opening Bank Balance	£0	£49,201	£61,791	£74,382	£86,973	£99,563	£112,154	£139,480	£166,806	£194,132	£221,458	£248,784	
Closing Bank Balance	£49,201	£61,791	£74,382	£86,973	£99,563	£112,154	£139,480	£166,806	£194,132	£221,458	£248,784	£276,110	

Cashflow forecast

	CASH FLOW FORECAST												
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	
Sales Income	£49,200.00	£49,200.00	£49,200.00	£49,200.00	£49,200.00	£49,200.00	£75,840.00	£75,840.00	£75,840.00	£75,840.00	£75,840.00	£75,840.00	£750,240
Grants													£0
Bank Loan													£0
Investment by 5 Owners	£36,610.00												£36,610
Any Other													£0

Incom e														
Total Incom ing	£85,810	£49,200	£49,200	£49,200	£49,200	£49,200	£75,840	£75,840	£75,840	£75,840	£75,840	£75,840	£786,850	
Stock/ Materials	£20,800.00	£20,800.00	£20,800.00	£20,800.00	£20,800.00	£20,800.00	£26,388.00	£26,388.00	£26,388.00	£26,388.00	£26,388.00	£26,388.00	£283,128	
Gas/ Electric	£400.00	£400.00	£400.00	£400.00	£400.00	£400.00	£466.66	£466.66	£466.66	£466.66	£466.66	£466.66	£5,200	
Wage s	£9,600.00	£9,600.00	£9,600.00	£9,600.00	£9,600.00	£9,600.00	£14,560.00	£14,560.00	£14,560.00	£14,560.00	£14,560.00	£14,560.00	£144,960	
Waste	£100.00	£100.00	£100.00	£100.00	£100.00	£100.00	£100.00	£100.00	£100.00	£100.00	£100.00	£100.00	£1,200	
Insura nces	£16.66	£16.66	£16.66	£16.66	£16.66	£16.66	£16.66	£16.66	£16.66	£16.66	£16.66	£16.66	£200	
Motor Fuel	£1,060.00	£1,060.00	£1,060.00	£1,060.00	£1,060.00	£1,060.00	£1,950.00	£1,950.00	£1,950.00	£1,950.00	£1,950.00	£1,950.00	£18,060	
Phone /Inter net	£50.00	£50.00	£50.00	£50.00	£50.00	£50.00	£50.00	£50.00	£50.00	£50.00	£50.00	£50.00	£600	
Adver tising TV /Web site	£4,541.00	£4,541.00	£4,541.00	£4,541.00	£4,541.00	£4,541.00	£4,541.00	£4,541.00	£4,541.00	£4,541.00	£4,541.00	£4,541.00	£54,492	
Accou ntanc y Fees	£41.66	£41.66	£41.66	£41.66	£41.66	£41.66	£41.66	£41.66	£41.66	£41.66	£41.66	£41.66	£500	
Rent							£400.00	£400.00	£400.00	£400.00	£400.00	£400.00	£2,400.00	
Total Outg oing	£36,609	£36,609	£36,609	£36,609	£36,609	£36,609	£48,514	£48,514	£48,514	£48,514	£48,514	£48,514	£510,740	
Incom ing less outgo ing	£49,201	£12,591	£12,591	£12,591	£12,591	£12,591	£27,326	£27,326	£27,326	£27,326	£27,326	£27,326	£276,110	
Openi ng Bank Balan ce	£0	£49,201	£61,791	£74,382	£86,973	£99,563	£112,154	£139,480	£166,806	£194,132	£221,458	£248,784		
Closin g Bank Balan ce	£49,201	£61,791	£74,382	£86,973	£99,563	£112,154	£139,480	£166,806	£194,132	£221,458	£248,784	£276,110		

Conclusion

From doing our business plan our business will be a success. We will with time increase our profits and expand our business to a wider area. We will also be able to employ more people and open more kitchens to serve the community in different areas.

References

- (1) SWOT analysis | Nesta available at: https://www.nesta.org.uk/toolkit/swot-analysis/?gclid=CjwKCAiAhreNBhAYEiwAFGGKPJbt_zTMQDzGuVvpwIIWhbHI7V1wlv5YyBKpzUyX9UfWVY09TWfiCBoC_m8QAvD_BwE
- (2) PESTEL Analysis (PEST Analysis) EXPLAINED with EXAMPLES | B2U (business-to-you.com) <https://www.business-to-you.com/scanning-the-environment-pestel-analysis/>
- (3) business plan outline. 2019. [online] Available at <https://planbuildr.com/catering-business-plan/executive-summary/>
- (4) Peter Drucker, 2012 Available at: management - Google Scholar
- (5) (Dąbrowska, A. (2011) Consumer behaviour in the market of catering services in selected countries of Central-Eastern Europe. *British Food Journal*, 113(1), pp.96-108.

- (6) (Geissler,G.(2010) Journal of food product marketing
- (7) (Oddati, R. (2021) *How to Define and Reach Your Target Market in Your Catering Business*.
[online] Blog.alcas.us. Available at: <<https://blog.alcas.us/define-reach-target-marketing-catering-business>> [Accessed 6 December 2021].
- (8) Mtcatering.co.uk. 2021. MT Catering. [online] Available at: <<https://mtcatering.co.uk/>> [Accessed 3 December 2021].
- (9) University of California, 1901. Report of the Industrial Commission on the relations and conditions of capital and labor employed in manufactures and general business. Washington: Gov. Print Off, p.38