

FACULTY OF EDUCATION

DEPARTMENT OF MASS COMMUNICATION

BUSINESS PLAN

SUBMITTED IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR

THE COURSE CEDR 342

(BUSINESS CREATION, DEVELOPMENT AND GROWTH)

BY

OKELEKE, LOVETH UCHE

2014/194656

LECTURER: DR. MRS. T. C. NWAOGA

JULY , 2017

LOVELY TASTE CATERING SERVICES

GENERAL INTRODUCTION

BACKGROUND

The demand for snacks, take-away or fast-foods is on the rise. Some individuals prefer all these to natural foods as either breakfast, lunch or dinner. Hence, this planned business was motivated out of the need to provide good, qualitative and pocket-friendly cakes, snacks and other fast-foods for the populace of Nsukka. The outcome of our study so far showed that though there are companies and other local individual manufacturers involved in the production and supply of our type of product, they do not meet the increasing demand for the product. This is quite in sharp disagreement with the great daily demand and usage of the product that result from the increase in population. It was observed, from our findings, that the companies do not make use of modern machineries to enhance production as a result of which they produce low quality and quantity.

The need to establish a modern bakery in Nsukka is very imperative so as to make the production of quality-driven bakery products available at affordable price to the people of Nsukka and their neighborhoods.

VISION STATEMENT

Our vision and dream is to contribute immensely in the processing and supply of quality fast foods to different markets, towns, cities and institutions in Nsukka and beyond, at affordable price which will make consumers of our product to have undying urge to patronize our product.

MISSION STATEMENT

Our mission is to produce highly rich fast food products that will meet the nutritional needs of our people using the necessary input and technology. Creating jobs and wealth in a sustainable way is another goal in view.

THE COMPANY

The proposed business will be named “Lovely Taste Cattery Service” duly registered with the Corporate Affairs Commission of Nigeria (CAC) by a legal practitioner. It will be duly registered with the National Food and Drug Administration and Control (NAFDAC) and other regulatory bodies.

PRODUCT OR SERVICES OFFERED

The products of the enterprise under consideration include the following: Cakes, Snacks, and Event Background Decoration.

LEGAL FORM AND OWNERSHIP OF THE COMPANY

The proposed enterprise shall operate as a sole proprietor organization and is whole owned by Okeleke, Uche Loveth.

LOCATION OF BUSINESS

Lovely Taste Catering Service will be located along Enugu Road, in Nsukka Local Government Area of Enugu State.

The under-mentioned factors are considered for citing the industry here.

- (a) proximity to markets
- (b) availability of raw materials
- (c) availability of power
- (d) cheap transportation system

- (e) Availability of skilled technicians
- (f) Availability of spare parts for machinery.

INDUSTRIAL TREND AND ANALYSIS

Cakes and snacks are of different varieties. We should be seen to produce the best quality as bakery products could be poisonous if not perfectly and carefully produced.

BUSINESS STRATEGY

Lovely Taste Catering Service will be built on the diversified knowledge gained through various programmes aimed at becoming a major producer of bakery products. To achieve our set objectives, we shall carry out the following activities:

- (a) Practice competitive pricing and good service delivery.
- (b) Ensure and maintain a good and attractive customers
- (c) Ensure that discount are offered to our esteemed customers.

KEY SUCCESS FACTORS

To succeed, Lovely Taste Catering Service shall rely on the following

- (i) We shall be buying bulk raw materials
- (ii) We shall be strictly dedicated to day-to-day running of the activities of the business based on the knowledge acquired from different training programmes related to baking.
- (iii) We shall deploy efficient managerial skill to ensure adequate functionality of the different stages involved in the production and supply of Lovely Taste Catering Service products.

- (iv) Ensure attractive pricing and production service delivery along with customer care service

NATURE OF MARKET

The products of Lovely Taste Catering Service will be supplied to markets and other target potential customers in Nsukka area. The supply will be consistent to ensure continuous availability to hawkers, shop owners, and other customers. Since Lovely Taste Catering Service is new, it is categorized under moderate scale enterprise. It consists of the sole proprietor, the manager, operator, store keeper, financial accounting officer and other personnel.

SALES AND MARKET SHARE ANALYSIS

In this, Lovely Taste Catering Service discovered that there are other restaurants, eateries and hotels that offer equivalent services in Nsukka. They are Chitis Restaurant, Marlina, Tripps, Mr Biggs, Palmer Catering and others. It also observed that these companies maintain a particular percentage of the market force. Still, they are unable to completely satisfy customers in terms of price and quality.

Therefore, Lovely Taste Catering Service would concentrate on their shortfalls. Perhaps, all the services provided by Lovely Taste Catering Service cannot be found complete in any of them.

KEY COMPETITORS AND COMPETITIVE ADVANTAGE

a) Indirect Competition

Business Type	Competition Type	Strengths	Weakness
Local Manufacturer	Locate Customers	Availability	Poor management

b) Direct Competition

Competitor	Strengths	Weaknesses	Other attributes
Mr Biggs	Advertisement	Few hired labourer	Poor transportation
Old Carolina Hotel	Quality	Customer Service	Poor management
Palmer Catering Services	Advertisement	Lack of Personnel	Poor management
Marlima Restaurant	Customer Service	Availability	Poor management

c) Competitive position and specific advantage

Rank	Competitor	Strength	Weaknesses	Your edge over Competitor
25%	Palmer catering	Advertisement	Few hired labourer	Lovely Taste Catering Service has adequate number of trained employees.
20%	Mr Biggs	advertisement	Few hired labourer	Produce the highest quality product
20%	Marlima	Customer Service	Availability	We sell to retailers
15%	Old Carolina	Quality	Customer service	Maintain supervised customer relationship.

3.12 SWOT ANALYSIS

In terms of conducting a complete assessment of this our project plan, we subjected it to a SWOT analysis which could be seen below

STRENGTH – Lovely Taste Catering Service has the following strengths

- Skilled personnel
- Good knowledge of the business
- Good management team and strong capital base
- High quality & quantity product services at very affordable rate compare to our competitors

- Unique package and marketing technique

WEAKNESS – What will be our major weakness is for the fact that we are new in the catering service provision. We would have to embark on intensive awareness creation. But we have undergone adequate training and monitoring to enable us face our business squarely and effectively. We also seek to build a strong capacity to survive, grow & obtain anticipate share market.

OPPORTUNITY

Lovely Taste Catering Service enterprise has a lot of opportunities based on the fact that with the combination of our decorative skills we can have double business opportunities as we can offer both our cattery service plus decoration in one event. This is because for every occasion there is e every possibility of decoration.

THREAT

The local established competitors may wakeup and realize that there is a huge market in the city.

Demand and supply Analysis and estimating the initial installed capacity

Details	Size number
Potential demand to be served	500,000
Less 30% existing competitors	350,000
Available market (in absent of expansion & high wall entry)	250,000
Less 10% due to possible expansion of existing competitors and entrant of new ones	945,000
Available market	
Less 5% due to error in estimation	877,750
Available demand/qualified market/demand supply gap	
Initial installed capacity cat most 60% of available demand (served marked)	359,100

So Lovely Taste Catering Service capacity store is 359,100.

Source of Fund

Primary: From personal saving to the tune of **₦150, 000**.

Secondary: Loans from banks, friends and relatives totally **₦150, 000**.

Total: **₦300, 000**

Expected Revenue

The first year will be devoted to sorting out problems until we break even in the second year.

In the second year, we expect a gross profit after tax of **₦50, 000**.

Third year **₦100, 000**.

Forth year **₦200, 000**.

MARKETING PLAN

MARKET SEGMENTATION

Lovely Taste Catering Service considered the other competitor's location and products, and decided to be located at Enugu Road which is accessible to inhabitants and travelers. We also considered the number of people who are very much interested in catering services due to the nature of people in Nsukka as a whole.

TARGET MARKET

After we must have considered the existing competitors, expansion, high entry wall and error in estimation. We have 359,100 as our store capacity. Within this number, we target all strategic time-consuming gatherings, shop owners, all the biggest market in Nsukka including, Nkwo Aji, Eke Ozzi, Nkwo Ibagwa, Orie Oba, Ogige market and Eke Uzouwami.

DESCRIPTION OF THE EDGE OF PRODUCT OR PRODUCT RANGE OF SERVICE

Product/service	
Denomination/product line	We specify on processing and supply of cakes and snacks
Specification (i.e. size, colour, and quality)	This enterprise will produce the size that will be affordable to everybody. Clean slicing machines which will slice it immediately. We use sealing machine to seal it after slicing to avoid contamination
Packaging	We package in 500g each, in a bag of 25kg each bag.
After sale service	We replace every expired product from the retailers table in other to comply with standardization of our product. Customers are usually told how appreciable we are such as: “Thanks for your patronage, Thanks for visiting us” after every transaction.

MARKETING PLAN PRICE

Product/service			
How much are customers willing to pay?	Highest 4000	Average 3500	Lowest 3000
Competitors price	Highest 4500	Average 4200	Lowest 4100
My price	Highest 4100	Average 3800	Lowest 3700
Reason for setting my price	We want to attract customers and for them to understand quality among others.		
Margin for discount	Yes, we have 5% discount each package will be ₦100		

each.

MARKET POSITIONING STRATEGY USING THE 4PS OF MARKETING

Place – we locate our firm considering the nearness to people who have high demand.

Price – we made our product in a way that will be affordable everywhere to everybody.

Product – our products are of superior quality, made with all the expertise in the act of catering

MARKETING MIX IMPLEMENTATION TOOLS

Merchandising – we use slicing machines and sealing machines

Branding – Lovely Taste Catering Service makes its product different by using sealing machine to seal snacks to prevent it from getting contaminated.

Media – we embark on intensive advertisement.

CHANNEL OF DISTRIBUTION

We supply to wholesaler and retailers. This is to ensure that our product gets to all families.

START-UP PROMOTION

Lovely Taste Catering Service will use church announcements, show promoter's posters for the first time to invite the public for the open display.

ALLIANCES

We will register with the Corporate Affairs Commission (CAC) and business associates to enable the firm maintain the relationship with other people, doing the same business in the area that we establish the business.

MARKETING CALENDAR AND BUDGET

DATE	MARKETING PLAN ACTIVITY	EVALUATION INDEX	PERSONNEL INVOLVED	ESTIMATED COST
	From September 20 - 25	Mounting flag after	Show promoter	30,000
Start: 9.30am End: 5.00pm				
Start: 9.30am End: 5.00pm				
Start: 9.30am End: 5.00pm				
Start: 9.30am End: 5.00pm				
Start: 9.30am End: 5.00pm				