

**UNIVERSITY OF NIGERIA,
NSUKKA**

**FACULTY OF ARTS
DEPARTMENT OF MASS
COMMUNICATION**

**A BUSINESS PLAN WRITTEN IN THE
PARTIAL FULFILLMENT OF THE
COURSE CEDR 342(BUSINESS
DEVELOPMENT AND MANAGEMENT)**

**TOPIC:
BUSINESS PLAN ON SMOOTHIE
MAKING**

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EXECUTIVE SUMMARY

We believe that most people would make better choices in their diet if they had convenient and healthier alternatives with incredibly delicious taste. Regardless of which country you live in - unhealthy fast food is prevalent and a major contributing factor to the obesity epidemic throughout the world.

The name of our product/business plan: The Juicy B smoothie restaurant.

To begin with, what is a smoothie? A smoothie is a thick beverage made from blended raw fruit or vegetables with other ingredients such as water, ice, or milk, yogurt and cream. it is a very nutritious and healthy option.

it contains High protein , Low calorie, Little to no fat, Energy enhancer or an alternative to fast food Healthy snacks •

Supplements • Proteins

Our business plan concept:

In 2019 Juicy B intends to pioneer the concept of blending nutritional fresh smoothies with a purpose.

We plan to be the first of our kind in the university campus. Using our proprietary products (proteins, various supplements, and real fruits) we continue to develop and engineer functional smoothies to meet the needs of today's consumers. Our business is simple & clean, full of fun & energy, and most of all truly about better health. Essentially we have a dual concept with a wide array of proteins, supplements, and healthy snacks in our retail area. We are proud to be a truly authentic company and we will continue to be on the forefront of new product innovation utilizing the highest quality resources sourced from all over the globe.

FACTS:

- Globally, there are more than 1 billion overweight adults, at least 300 million of them obese.

- Obesity and overweight pose a major risk for chronic diseases, including type 2 diabetes, cardiovascular disease, hypertension and stroke, and certain forms of cancer.
- The key causes are increased consumption of energy-dense foods high in saturated fats and sugars, and reduced physical activity (World Health Organization 2009). Health and nutrition is quality of life vs. disease and death. There is a “magic pill” and it is... proper nutrition, exercise, and lifestyle changes if you are going to improve your chances for a quality life. Our business is all about making students aware and providing them with better and convenient solutions to their busy schedules. People will always be hurried and not have time to properly account in their diet for well balanced meals.

OUR HISTORY

Juicy B, the originator of the nutritional fruit smoothie, in the university of Nigeria Nsukka campus and is the premier smoothie bar and nutritional lifestyle center in the campus. Each Lifestyle Center also offers healthy retail product solutions in sport

beverages, energy bars, healthy snacks, herbs, minerals and sports nutrition products. A Juicy Opportunity, indeed. Juicy B's proven business model, reasonable investment cost and rapidly growing product category all equal a powerful business opportunity. You will be part of a meaningful, dynamic movement driven by a group of like-minded individuals. The Juicy B goal is to continue to expand in different federal universities in Nigeria and to introduce the brand worldwide by pioneering new territory. Our vision includes more than 500 stores operating nationwide under our banner within the next 10 years while remaining the industry leader. Juicy B is currently offering single units for purchase. Multi-units are also available for purchase on a limited basis with required experience. Juicy B is continuously committed to influence and help more and more people achieve a healthier lifestyle by providing genuinely delicious and nutritious products. As a UNN student, you will know and love the Juicy B smoothies. As a Juicy B franchisee, you'll share your love for the products and your desire to help people lead healthier lifestyles.

BUSINESS PLAN

The University of Nigeria Nsukka is thirsty for a smoothie place and the Juicy B designed to offer organic smoothies at reasonable prices and create a relaxed social atmosphere for smoothie enthusiasts. Providing smoothies to University students in the area The Juicy B will be strategically placed in close proximity to the student's union building and the eleven forty-five restaurant.

As consumers step through the Juicy B's doors they will find they are leaving the hot climate of UNN and be given a taste of paradise. Through high quality smoothie product and mixed with its themed trendy beach atmosphere. The Juicy B's central product will be organic ice cream smoothies that offer a various assortment of natural fruits as well as several of the Juicy B's secret ingredients that cause a uniquely irresistible pleasure frenzy within ones mouth. Blended with its smooth product will be the Juicy B's casual theme which will include students having fun in a nice environment. Contributing to the casual environment will include trending music, several big screen televisions, couches, bean bags and indoor bench hammocks televisions. Also conveniently providing wireless internet access to accommodate the needs of our clientele. The Juicy B has is an ice smoothie parlor designed to offer organic smoothies at reasonable prices and create a relaxed social atmosphere for smoothie enthusiasts. Our target market is university students in the University of Nigeria, Nsukka campus. The Juicy B has several factors to make success viable. Some of which include the location of our store. The Juicy B will be strategically placed in close proximity to the

girl's hostels and the student union building. Other factors include: further competition, level of advertising, pricing strategies, and the continued growth of ice cream sellers. Our store will be unique to its market, because no other competitor offers a casual social atmosphere we will provide our clientele, mixed with our high quality smoothie product. Our central product will be organic ice cream smoothies that offer a various blend of natural fruits and vegetables. Our juice smoothie recipes' have been fined tuned by our master juicers; containing the Juicy Bs' secret ingredients providing its uniquely irresistible fruit taste. The Juicy B will require frequent shipments of natural fruits and vegetables, as well as several high quality fruit juice blenders. The Juicy B will also provide a casual atmosphere through our friendly juicer staff, as well as a trendy theme. Our fun classic beach theme will include the sights and sounds of a trip to the board walk and beach. Several television screens with displays of beaches, sea gulls and exotic sea life. Quality walkways fashioned as docks. On the walls: fishing net, driftwood etc, pictures of beaches and beach themed decor. Also contributing to the casual environment will include live bands, several big screen

televisions, couches, bean bags and indoor bench hammocks. Our physical place will require a room big enough for stadium seating center around a stage, and projection screen.

Anticipated Challenges and Planned Responses

The Juicy B will not have a perfect transition with immediate and heavy business into the smoothie market. Some factors with which management will have to deal with are competition with 11:45 restaurant executing the intended idea of The Juice Hut, and successful advertising to our target market. 11:45 restaurant clearly has the market for healthy food and feel good atmosphere in UNN. 11:45 restaurant is part of a successful, campus, franchise and has its brand, idea, and quality food well known throughout the campus. This factor alone makes a smoothie shop daunting. However, we have found an edge that will separate us for 11:45 and therefore, make us marketable to specific target population. 11:45 is an in-and-out food restaurant with a wide target audience. UNN has very few places for college students to network; therefore The Juicy B will be a social destination for our college-aged, target audience. By having a comparable quality

smoothie and a contrasting service objective, we will create an edge to separate us from 11:45. Initiating the purpose of The Juicy B at its inception will be a challenge. There are no services in UNN designed for the mere relaxing and social enjoyment of the customer. Therefore, we intend to communicate the intended use of The Juice B by hosting “Smoothie Parties” the first quarter of our business. By so doing, we will build our customer base and draw customer loyalty. Lastly, building an initial customer base may be a challenge. The Juicy Bs’ “Smoothie Parties” will be our most effective marketing strategy. Beyond that, our team will create an effective advertising strategy to attract our target audience. Advertising will focus on singles apartment units and areas in town with heavy college-aged traffic such as Jim Bass building and Faculty of arts building. The implementation of these responses to our anticipated challenges will create a smooth introduction into the smoothie market and enable us to create a trendy, social location for college students to enjoy smoothies and socialize.

Current Situation

Nsukka is a University town and students are always looking for ways to relax and meet new people. The Juicy B is a perfect place for both and will also provide quality juices and smoothies.

Currently 11;45 holds most of the market share in UNN, but has the potential to challenge and compete based on these factors: lower prices, healthier drinks, and a social atmosphere conducive to its target market. Of the students surveyed, the majority of them liked the idea presented and said they would most likely be a customer. An adequate location in both the campus and close to the girl's hostel has been established. Also contacts and tentative contracts have been established with local fruit vendors. We hope to open the Juicy Bs' doors for business in no more than six weeks.

Company Objectives

There are many objectives that need to be met for the Juicy B to accomplish its central goals. The first of which will be meeting a few short term goals to set a foundation for a brilliant future.

Hiring outgoing, dynamic employees and train them accordingly.

Two, Advertise around the university community establish an

excitement within the community for the Juicy B name. Including menu items, services provided, and opening date. Three, have a big grand opening. The first week should be very busy for us. We want our customer count to average 225 per day for the first week. Because of the start up expenses, our net income for the first month will be 150,000 naira.

Year One Goals We want to develop a strong base of dedicated regular customer. Estimating a customer count of approximately 100 per day on average. Continue unique marketing and advertising schemes to tap in to a wider market share, drawing in new customers. Create a training program for new employees, so they can be fully trained in one week and be able to make a great customer experience for each customer they deal with. Projected net income for the first year is approximately 800,000 naira.

Year Two Goals Develop new flavors for the smoothie menu. Build customer count to 225 on average days. We can accomplish this by continuing to advertise and attract new customers. Projected net income for the first year is approximately 950 000 naira.

Year Three Goals We will continue to attract new customers with promotions and advertisements, and increase our average customer counts to 250 per day. Projected net income for the first year is approximately 1.1 million naira. Depending on the overall outlook the Juice Hut may be looking into an opportunity for potential expansion to a new location; through customer surveys, and advice from professional consultants.

Marketing and Operations Section Target Market: The Juice Hut intends to pursue the University of Nigeria Nsukka campus student population as its target market. The ambiance of The Juice Hut will make it enticing to all campus residents; lecturers included, but will focus on the students in need of “a taste of paradise” on the campus.

Demographics

Our customers will be residents of the University of Nigeria Nsukka campus. Students and lecturers alike. There are few places in town where students may go to be entertained, relax, or escape the stresses of college life. Students will be motivated to come to The Juicy B to experience a tropical getaway, relax, and

be entertained. In addition, The Juicy B's delicious and healthy smoothies will become a typical craving of the average college student. The free wireless internet connection supplied at The Juicy B will make fulfilling those cravings that much more convenient. Students will be able to connect to the internet and work on projects and other class work while treating them-selves to "a taste of paradise." All of these motivating factors combined with the easily accessed location of our store will compel students to utilize our services. Customer Needs The following are the needs of our customers that The Juicy B will address:

- Low cost quality product
- Gathering place for friends
- Late night service
- Comfortable setting
- Fast service
- Convenient location close to campus
- The Juicy B will meet 71% of our customer's needs.

71% 29% Needs Met Needs Unmet 9 Competitors. 11:45

restaurant and Frenzy restaurant are The Juice Hut's competition in UNN. Both have a long-standing quality reputation. Frenzy is directly on campus and serves fresh food, fresh baked pastry products, as well as ice cream. Although Frenzy is located directly on campus, they do not have enough areas for their customers to sit and relax. It is a purchase and go type of store. In addition, Frenzy is only busy during the week days when students are busy with class. It is not a weekend-night destination. 11:45, our larger competitor, is located next to Margret Ekpo refectory/hall, one of the important landmarks of the campus. The consequence is that they are often disturbed by the constant noise that comes from there as so many events are held there. In addition, the products at 11:45 are more expensive as they appeal to the more status-conscious consumers on campus. The school has experienced rapid growth since they started the JUPEB program. Since 2014, the population has grown and continues to grow today. The incredible growth of our target market within the next five years will provide The Juicy B with great potential to expand its sales. Satisfaction With the great location and structure of The Juicy B,

management will be able to satisfy the needs of the rapidly expanding market. The Juicy B will create a new type of atmosphere that our customers will long to be in, and as such, The Juicy B will stay on top of the competition as it becomes a regular destination of the University of Nigeria students. The ability to adapt to a growing market with new competitors will be enhanced with the unique The Juicy B experience.

Product Strategy

The initial conception of the Juicy B will occur after we have secured a loan through the bank for a store lease and operation investments, such as freezers, smoothie equipment, selected furniture and flat-screen TVs. After the loan is procured, we will begin the execution of our “Juicy B” designs. The Juicy B will provide delicious and nutritious smoothies made with fresh produce. Produce will be purchased two weeks in advance from vendors and delivered twice a week, Mondays and Fridays, to ensure freshness. In addition, frozen yogurt and ice cream for the smoothies will be purchased in bulk and stored in our freezers. We intend to run an “organic” and “non-organic” smoothie line to

provide customers with product and price options. The “organic” menu will consist of organic produce and frozen yogurt while the “non-organic” menu will consist of traditional produce and frozen yogurt or ice cream, determined by customer selection. Pricing will be in direct correlation with the menu. Obviously the ingredients for our “organic” menu are more pricy than that of our “non-organic” menu and therefore will be more expensive. A significant aspect of The Juicy B’s success is to what extent it becomes a social hub for college students. The more it becomes a traditional destination for our target audience the more successful we will be. Part of our plan to attract students is the “Beach-themed” trendy, relaxing atmosphere. We intend to create this atmosphere with a variety of furniture from hammock chairs, bean bags and couches. Flat-screen TVs will be located at very locations in the store causing customers to gravitate to those spots for socializing or the viewing of athletic competitions. By these means we hope to become a center for student socialization.

Source of capital

Our source of capital will be a personal loan from family members. We need a sum of 5 million Naira to kick start Juicy B.

Operations Strategy

The Juicy B management has made plans to order freezers, blenders, juicers, tables, and chairs from JUMIA.com. Because The Juicy B is placing such a large product order with the same company, a discount will be received, reducing the start up costs. Management will also purchase two large couches and three beanbags from one of the best furniture stores in Abuja Odell's. Cups will be personalized with The Juicy B logo by Print Appeal. Lastly, straws and napkins will be purchased from Shop Rite. To insure high quality smoothies, The Juicy B will use fresh fruit that will be delivered twice a week. The Juicy B will be using Fruit from different parts of Nigeria especially the North, known for their variety and quality fruit. Produce at The Juicy B will be restocked every Monday and Friday. At the grand opening of The Juicy B, the management will be the main employees to reduce hefty start-up

costs. More employees will be hired as needed once The Juicy B is up and running. Starting pay will be 30,000 Naira monthly and the owners will perform the required training. As employees become acquainted with The Juicy B philosophy, owners will promote them to managerial positions. The goal is to have the new management team running The Juicy B after three months of operations.

Pricing Strategy

The Juicy B's pricing strategy is comparable to that of our competitors in the geographic region. However, The Juicy B's appearance and ambiance will be more elaborate than the local competitors. In addition, The Juice Hut's close proximity to campus will save students an extra trip into town. The Juicy B will host several "Smoothie Parties" to entice customers and expose them to The Juicy B experience. The "Smoothie Parties" will include various promotional strategies, such as: buy one, get one half-off; buy one, receive a free pastry; Starving Student Card promotions and local-ad coupons. The promotional strategies will

apply to all customers as management expects The Juicy B to be a popular destination for dates, hang-outs, and family outings. Another aspect of the pricing strategy is the cost of smoothies based on the size of the smoothie. The sizes and costs will be the following: small 250 naira, medium 500 naira, and large 1000 naira. Management intends to encourage customers to increase their orders from small to medium by having a small cost differential between small and medium drinks in comparison with a large cost differential between medium and large drinks.

Promotional Strategy

Positioning statement: The Juicy B is an smoothie parlor designed to create a comfortable social atmosphere. The objective is to blend (pun intended) quality smoothie products with a relaxed social atmosphere. Management will provide organic smoothies via experienced juicers, and an assortment of smoothie recipes. The location of The Juicy B will be in close proximity to campus. This will make an accessible, hang out location for university students to socialize and relax.

Theme and Aesthetic appeal: The Juicy B will provide a casual atmosphere by way of a friendly juicer staff, as well as a trendy beach theme. The beach theme will include the sites and sounds of a walk on the board walk and beach. Several television screens will be throughout the store displaying beaches, sea gulls and exotic sea life. Quality walkways will be fashioned as docks and fishing net, driftwood, pictures of beaches and beach themed décor will hang on the walls. Live bands, several big screen televisions, couches, bean bags and indoor bench hammocks will also contribute to the casual environment. The building itself will require a room big enough for stadium seating center around a stage, and a projection screen.

Competitors

The Juicy B will separate itself from its competitors by satisfying the social needs and late night ice cream/smoothie cravings of the local students by molding the hours of operation around the lifestyle of a university student. Therefore, The Juicy B will capitalize on late nights and weekends, 11:00 am-1:00 pm, with closing hour being the UNN curfew. The Juicy B will be available

for the impulsive and social lifestyle of a student. On the other hand, competitors have an in and out service, closing at 10pm every night.

Advertising Campaign

The Juicy B's transition into the market is foreseeable tough. As an unknown restaurant, management will need a strong advertising and marketing campaign to build a strong consumer base. Naturally the advertising campaign will target the student market: campus and local newspapers, ads in theaters before plays, and ads on various radio stations will help attract our market. By advertising in the school newspapers, management plans to place coupons with wording similar to the following: "Present this coupon to receive 10% on any one purchase at The Juicy B." Management will also publish ads in the local newspapers. Posting fliers door to door, ad posters around town, as well as highway billboards. Making our presence felt at formal and informal social gatherings.

Management Section Management Team The management team at Juicy B consists of Ononso Nwafor-Orizu, Igbo Chinedum, and, Emeka Okoye. All highly qualified with various back grounds and strengths that prove to give the Juice Hut a strong managerial back bone. Together they will be able to adequately perform all the necessary tasks to creating a successful business. Once things are set up and running smoothly they will be able to focus on their individual responsibilities. Igbo Chinedum a childhood friend of mine has an MBA in business and has held high profile leadership positions in various food chains. His experience in business and in the food market and leadership qualities he has been designated President of the Juicy B by all of the members of the management team. He will overlook all of the operations and have the final say in all financial and operational decisions the Juicy B will face. Chinedum will receive a monthly salary of 80,000 naira when we first start business. Emeka OKoye- Chief Financial Officer Dan has an MBA in accounting and worked for an accounting firm right out of University. He then made the switch over to Cisco Systems in Lagos and was part of their finance team. He has experience keeping financial records and has held

various leadership positions. His leadership and experience with finances will be a huge asset to the Juicy B. He will help with budgeting, taxes, ordering inventory, and making sure the Juice Hut covers their required expenses. Dan will earn a monthly salary of 60,000 Naira at the start of our business. I Nwafor-Orizu Ononso - Advertising Director have a degree in Mass Communication and experience advertising and marketing. My knowledge of design programs will allow me design advertisements that will draw customers into the Juicy B. I will deal with all advertising aspects and promote various activities and offers that will take place at the Juicy B.

Financial Section Financial Projections

The Juicy B Projected Income Statement For the Period ending
May 31, 2018

Sales 31,200

Cost of Goods Sold Produce 12,000

Gross Profit 19,200

Operating Expenses Mortgage 1,940

Advertising 30,000

Utilities 15,000

Salaries and Wages 200,000

Equipment 50,000

Total Operating Expenses 18,940

Income before Taxes 260

Tax Expense 6,500

Net Income 195

The Juice B Projected Income Statement for the Period ending
April 30 2019

Sales 374,400

Cost of Goods Sold - Produce 144,000

Gross Profit 230,400

Operating Expenses - Mortgage 23

Advertising 10,000

Utilities 18,000

Salaries and Wages 220,000

Equipment 5,000

Total Operating Expenses 469,280

Income before Taxes 61,120

Tax Expense 15,280

Net Income 45,840

The Juicy B's Projected Income Statement For the Period ending
April 30 2020

Sales 421,200

Cost of Goods Sold Produce 162,000

Gross Profit 259,200

Operating Expenses Mortgage* 43,280

Advertising 3,000

Utilities 18,000

Salaries and Wages 230,000

Equipment 0

Total Operating Expenses 384,280

Income before Taxes 74,920

Tax Expense 18,730

Net Income 56,190

The Juicy B Projected Income Statement For the Period ending
April 30, 2021

Sales 468000

Cost of Goods Sold Produce 180000

Gross Profit 288000

Operating Expenses Mortgage* 43,280

Advertising 3,000

Utilities 18,000

Salaries and Wages 250,000

Equipment 0

Total Operating Expenses 184,280

Income before Taxes 103,720

Tax Expense 25,930.00

Net Income 77,790.00

The Juicy B Projected Income Statement For the Period ending
April 30, 2021

Sales 561600

Cost of Goods Sold Produce 216000

Gross Profit 345600

Operating Expenses Mortgage* 43,280

Advertising 3,000

Utilities 18,000

Salaries and Wages 260,000

Equipment 0

Total Operating Expenses 184,280

Income before Taxes 161,320

Tax Expense 40,330.00

Net Income 120,990.00

. The Juicy B Projected Income Statement For the Period ending
April 30, 2013 Sales 514800

Cost of Goods Sold Produce 198000

Gross Profit 316800

Operating Expenses Mortgage* 43,280

Advertising 3,000

Utilities 18,000

Salaries and Wages 250,000

Equipment 10000

Total Operating Expenses 194,280

Income before Taxes 122,520

Tax Expense 30,630.00

Net Income 91,890.00 17

Implementation Schedule

The Juicy B is scheduled to open for business May 13th 2018. By then the Juicy B will have obtained ownership of location, equipment needed for production and advertisement of our product by a loan of 5 million from my family. We will have a rent to pay off each month. Juicy B management have selected and purchased an existing building. Have hired a building contractor to make minor adjustments to the building as the agreed upon in tentative planning and estimates, in accordance to local building and zoning codes. Before the opening, the Juicy B management staff will be hiring and training secondary school and college student to part-time positions to satisfy demands of customers. Weekly inventories will be held with Managers and assistant managers to assurance fresh quality products, evaluate produce

needs and order more goods. Research projects that within the first year the Juicy B will sell about 140 drinks a day on average. As the Juicy B reaches its three and five year goals it will look to expand to other university markets. We believe that our sales, in other locations, will at least remain at the same rate that we project will happen in small town Nsukka. Statement of Resource Needs: In order to fulfill initial financial demands the Juicy B will need a loan 5 million Naira for an annual APR of 6.25%. Payments due at the first of each month. Money acquired for the loan will be used to cover the purchase of our smoothie shop, furniture, large freezers, beach themed décor and equipment. Those involved in the Juice Hut's financial planning believe this loan will be sufficient for initial operations, atmosphere and assist in acquiring, location and equipment.

Conclusion

In conclusion, the Juicy B smoothie is a guaranteed success because it is the first of its kind on the campus. It is a healthy option and it will be a fun experience for the whole university community.

