



Dream Cereal

A revolutionary breakfast



Innovation Plan
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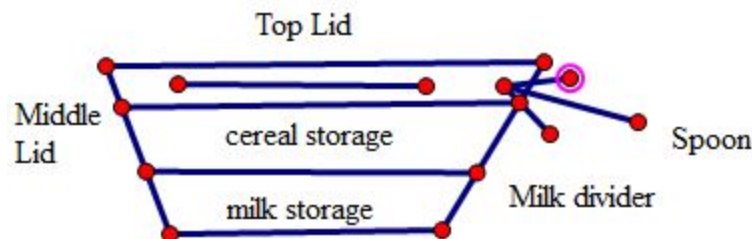
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I. EXECUTIVE SUMMARY

Strengths Size: We are small, therefore, we are flexible. Partnerships: We will be partnered with large businesses which gives us low labor costs as well as cheap distribution.	Weaknesses Lack of Awareness: The product has very little brand recognition. Quick Expansion: Employees will need to be trained; machinery will need to be acquired/adapted.
Opportunities Recent Trends: The market is moving from products that are high in sugar to those with whole grain carbs. Market Niche: There are currently no competitors for on the go cereal market.	Threats Large Competitors: They may move in on this market niche. Vertical Integration: Large corporations move to establish control over manufacturers and suppliers

General Description of business:

Industry: We are in the breakfast foods industry. Some key products and services include cereal, milk, orange juice, diners and fast food.



Product:

Action Plan: We are currently in the developmental stage as we have not had any sales. In 1 month after the investing stage, we will develop a prototype. When we release our product to the open market, we expect a slow growth until we have a customer base of around 1,000 people. We will then, rapidly launch an advertising campaign to make our product known to others. At the same time, we will increase manufacturing. At this time, it will have been expected that we partner with a large cereal corporation. The current vision for this product is the creation and establishment of a niche market of healthy, on the go breakfasts. This may include expanding the product line or other changes to the business's' identity.

Short Term Goals(achieved within one calendar year): Partnerships: Establish a partnership with a major cereal manufacturer Prototype: Perfect prototype of product Supply Channels: Establish short-term supply channels for product distribution Funding: Obtain funding via investors	Long Term Goals(achieved within five calendar years): Partnerships: Partner with a major groceries retailer with more than 5% market share and 5 stars from J.D power or a A- or better on the BBB(better business bureau). Ratings: Have 90 percent or higher customer satisfaction rating Revenue Stream: Have three times the revenue stream of the first year
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II. PROBLEMS

Lack of Healthy Breakfast Options: In today's society, people know to eat healthy. Following greater awareness for heart disease and cancer, the public has moved from fast foods (high in salt and sugar) to lower calorie whole foods. Lunch has already been revolutionized with grab and go salads seeing new levels of sales. However, there are currently no nutritious options for breakfast.

Lack of Time: Stemming from the previous problem of a lack of healthy breakfast options, there is a lack of time to prepare a wholesome breakfast. Many professionals hold a nine to five job which leaves little time for breakfast preparation when other factors such as child care are considered. Faced with such limited options, these professionals turn to fast food or skipping breakfast altogether.

Expensive Breakfast: Faced with choices of expensive breakfasts from diners in the 8-10 dollar range; many consumers choose to go with cheaper options such as fast food or skipping breakfast altogether. If there was a cheaper option, many consumers would choose it yet none are widely available in the current market landscape.

III. CUSTOMER SEGMENTS

Demographics:

Age: 21-45 The current age of the working class holding 9-5 jobs. In addition, these people are old enough to have nostalgic feelings about cereal as a breakfast food; yet young enough to fit in with the recent trend of a healthier lifestyle.

Location: The bay area; specifically the West San Jose and Cupertino area. This area has one of the highest amounts of working professionals.



Gender: This product is not oriented toward a specific gender.

Marital Status: This product is not oriented toward a specific marital status.

Income Level: 25,000+. This product is targeted toward the middle class.

Educational Level: This product is not oriented toward a specific education level.

Occupation: Working professionals. This product is meant for those who are too busy to cook for themselves which includes working professionals.

Target Audience: There are an estimated 416,837 working adults in San Jose and 19,260 working professionals in Cupertino. Of those that make more than 25,000+ dollars a year, there are 308,872 working professionals in San Jose and 13,674 working professionals in Cupertino. Our current target audience contains 322,546 people.

Psychographics:

Lifestyle: This product is geared for those who wish to eat healthier; especially in the morning. They have enough money to buy this product on a daily basis, yet lack the time to cook for themselves.

Values: These people know the importance of eating healthy is greater than 30 minutes of sleep or a few dollars.

Summary: Recent lifestyle trends have shifted toward healthier diets; low in fats and sugars.

However, an increase working hours(from 40 to 48 hours) creates a conundrum that can be taken advantage of.

IV. Unique Value Proposition

In the breakfast industry, many different companies have come up with solutions for the perfect breakfast. However, the team at DreamCereal has combined the three most important



factors into one unique product. Our finished product is healthy, ready to eat, and cheap to manufacture and retail.

V. SOLUTIONS

Integrated milk storage: To target the first problem of a lack of healthy breakfasts, the product includes an unprecedented integrated milk storage. This will allow us to include both milk(a protein) and cereal(whole grain carbohydrate). When eaten with fruits, it is a USDA approved breakfast.

Packaging design: To target the second problem of a lack of time, the packaging is made for an on the go breakfast, while still elegant enough for a sit-down breakfast. The spoon that is included with the product is sturdy enough to cut through the wrapper holding the cereal above the milk. Everything necessary to eat with is included.

Recyclable packaging: Even though it may be counterintuitive to create the product out of recycled plastic and paper, this will increase demand for the product later on. The product can then be advertised as renewable. In addition, consumers will feel obligated to choose this product over others.

VI. Conclusion

With problems comes solutions. The above problems can be solved with our product. The current market allows for rapid growth in the breakfast foods industry, up 30% from 2013. In addition, we have created a niche market of a to-go breakfast which will create and estimated .09% market share in the cereal industry within five years. With all factors considered, we have a 86% chance of a positive net return by the end of the first year. We are looking for a 8,000 dollar



investment in our company, Dream Cereal, in exchange for 40% of equity stake. Please join us in this exciting opportunity to revolutionize the breakfast foods industry.

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