

“AUTOMAT RESTAURANT”

(The first digitalized and automated restaurant)

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Table Of Contents

- 1) Executive summary**
- 2) Company summary**
- 3) Product and Services**
- 4) Market Analysis Summary**
- 5) Management Summary**
- 6) Financial Analysis**
- 7) SWOT Analysis**
- 8) Future Aspects**

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❖ EXECUTIVE SUMMARY

The AUTOMAT –a technology based restaurant concentrates on providing fast and efficient services to the customers. Restaurants are increasingly faced with the challenge of serving the very best foods in a short time frame to meet the needs of the consuming public. In addition, there is often the need to serve large number of the people in high traffic areas in a cost effective manner. Majority of restaurants today fail to provide adequate and punctual service to the costumers because of lack of untrained manpower .Today, customers expect quite fast and good quality services. If the manpower is replaced by sophisticated ELECTRONIC MACHINERY, lot of time and capital can be saved.

❖ OBJECTIVE

- To create service based company whose goal is exceeding customer's expectations.
- To achieve reliability of customers through electronic automated machines.
- To appreciate various aspects of the invention accomplished in completely automated way in practical life.

❖ MISSION STATEMENT

- To change the traditional way of restaurants in the world and more particularly the systems and methods for ordering ,preparing and delivering food
- To make restaurants capable of serving food in relatively shorter time frame to large number of people in busy metropolitan cities

❖ VISION

- To be the benchmark in providing persistent and haste services in restaurants.
- To be the benchmark in the field of automated restaurants.

Our key to success are as under:

- Marketing strategy which includes attracting youth.
- Opening branches and franchisee in various cities.
- Introducing variety of policies to attract people viz. extra food purchase for specified amount of food, opening gaming zone for youth.

❖ Company Summary

AUTOMAT is the restaurant which is opened in AMRAVATI. First ever automated hotel opened , it provides best quality food in minimum amount of time . The restaurant provide the food including

- 1) Chinese
- 2) Pure Veg
- 3) Non-Veg
- 4) Fast Food
- 5) Continental Cusines

In addition, the restaurant provides ON-LINE Shopping by collaboration with the “LADDHA MALL”. Orders concern with bulk food also accepted in case of outside celebrations. The Automat concentrates in providing good quality food in less time to customers. Having attuned with the till date technology it is renounced for its uniqueness and is the source of attraction of people.

❖ Company Ownership:

The Automat is a restaurant which would be owned by us.

74% of total investment would be done by the following 4 members:

- 1) Shweta B.
- 2) Radhesham D.
- 3) Achal T.
- 4) Mrunmayee D.

Rest of the investment would be done by taking loans. We are going to organize the restaurant under the banner of some branded company thus finance will be done.

❖ Company startup plan

We have planned our company to be situated at Rajkamal square, Amravati. This is the most promising place in Amravati for business related to food section.

Following are the important sections in company start:

- 1) Whole construction will be done by CHANDAK Hitech Construction Pri. Limited
- 2) The whole electronic equipment fitting will be done by “AUTOMATED SYSTEMS”
- 3) Food materials will be purchased in collaboration with FOOD BAZAR on annual basis.
- 4) All the legal aspects of the company such as “permission from the Municipality” and all the debts will be concerned with Our Legal Adviser and are accepted only under Amravati jurisdiction.

❖ **Company location and facility**

Our restaurant is situated in the heart of the city. All the important official places like schools, colleges, lodging and boarding facilities are available at nearest. A 2000 sq. feet plot is purchased at that place.

❖ **Hotel Publicity:**

The ways of publicity are:

- 1) Hoardings at main roads in city.
- 2) A television advertisement which would consist of a demo of facilities of restaurant.
- 3) Pamphlets would be distributed in front of colleges and schools.

❖ **Product and Services**

In metropolitan cities, Fast Food Restaurants are facing with the challenge of serving the best food in a very short time to meet the needs of the customer. In addition, there is often a need to serve large number of customers in high traffic area and that too in a cost effective manner.

Use of digital display simply means technology used at its best. With the emerging trends of e-banking and magstripe cards for payment, the use of hard cash has substantially reduced. So, keeping this in mind we have designed an easy payment system. Every customer will be provided with a personal RFID Tags.

❖ **Product and Service Description**

- Digital signage is one of the most effective ways to market as the old static posters have had their days and now new digital technology is being used to capture audience's attention.
- Customers go through each and every dish of the menu card, pictures and taste notes presented helps them select dish of their choice and will enjoy reading the meal menu in a detailed manner, thus enhancing dinning atmosphere.
- Replacing conventional method of payment in cash with an advanced system where customers can scan and pay through payment cards system, thus
- This payment scheme eliminates the hectic task of cash counting and problems of change.

SA

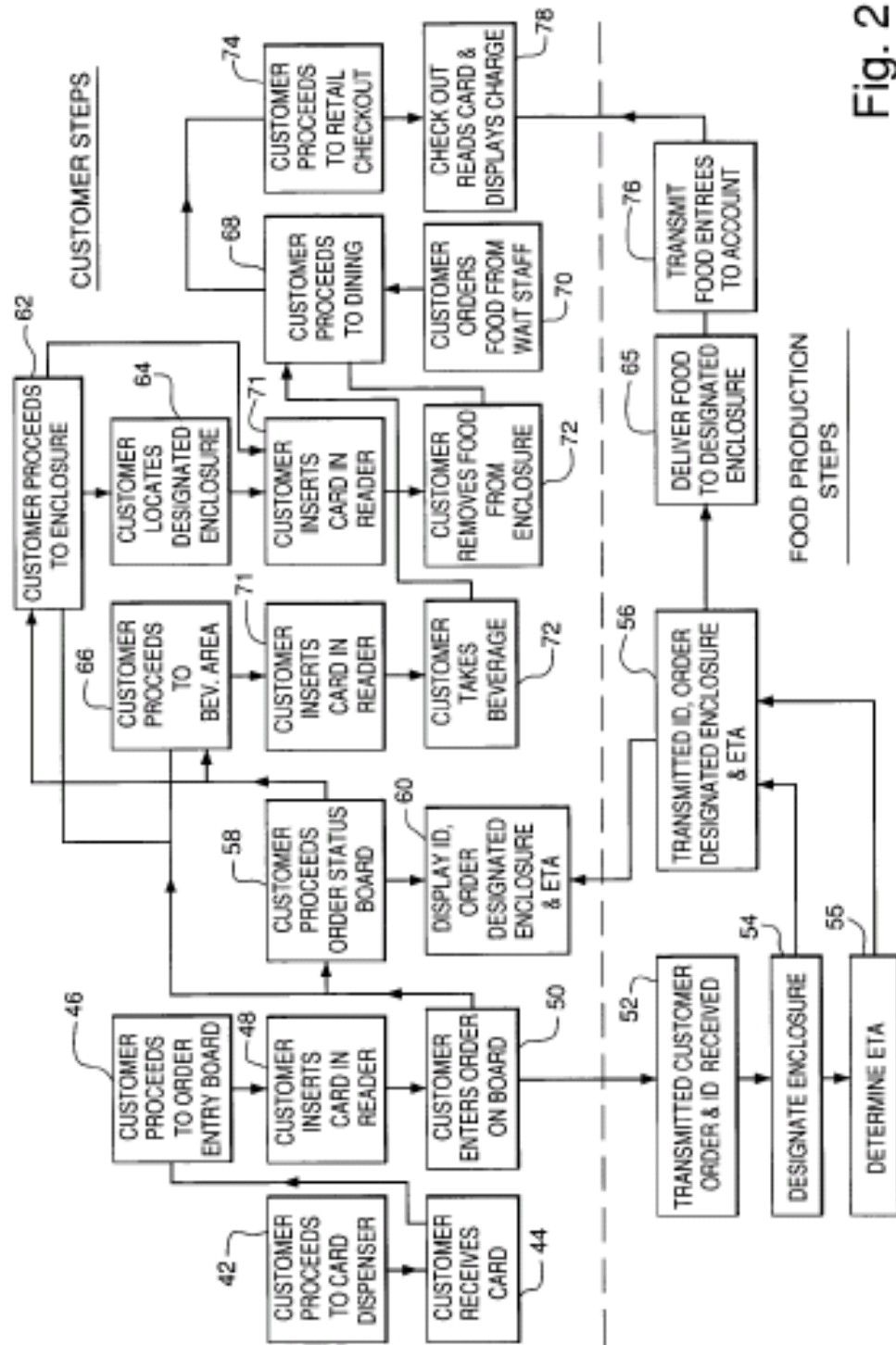


Fig. 2

Diagram representing the what exactly customer will have to do in AUTOMAT

❖ Competitive comparison

Within our niche we don't have any particular competitor because of its uniqueness. Unlike other restaurants our restaurant provides good quality food.

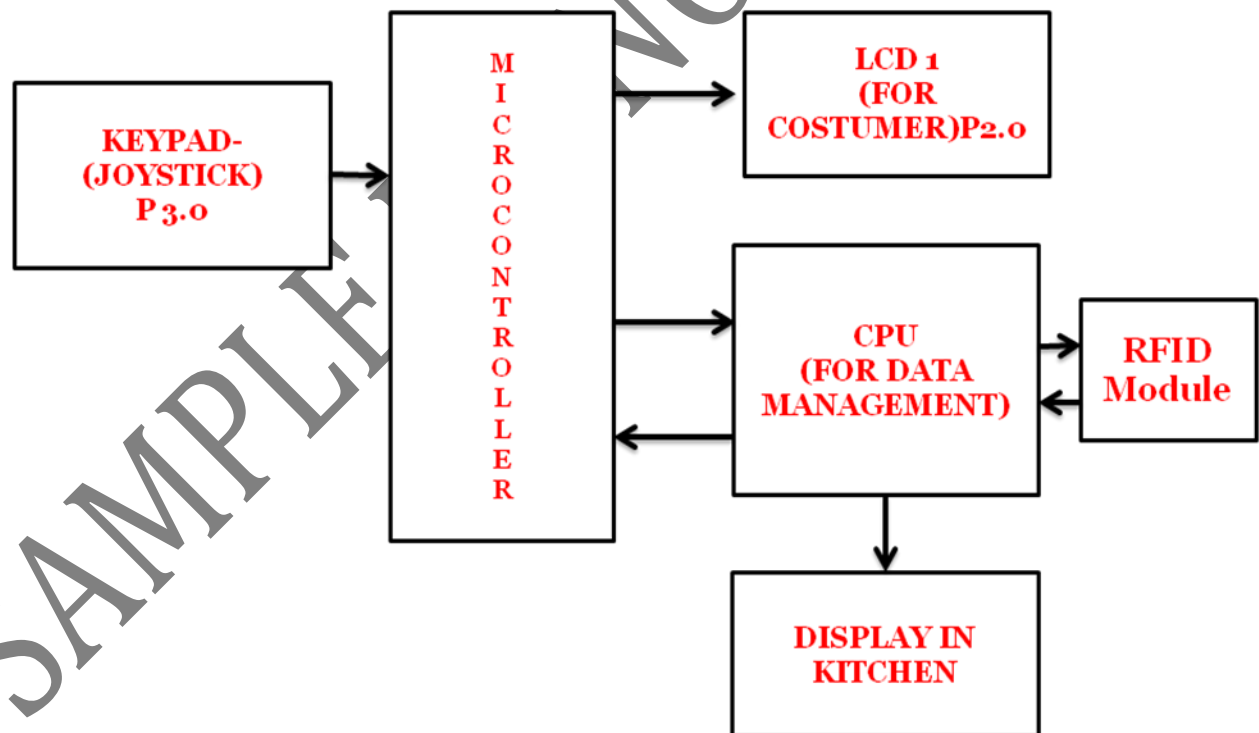
The income spared in manpower for ordering and billing will be utilized for having good quality chefs which would result in having good quality food to customer.

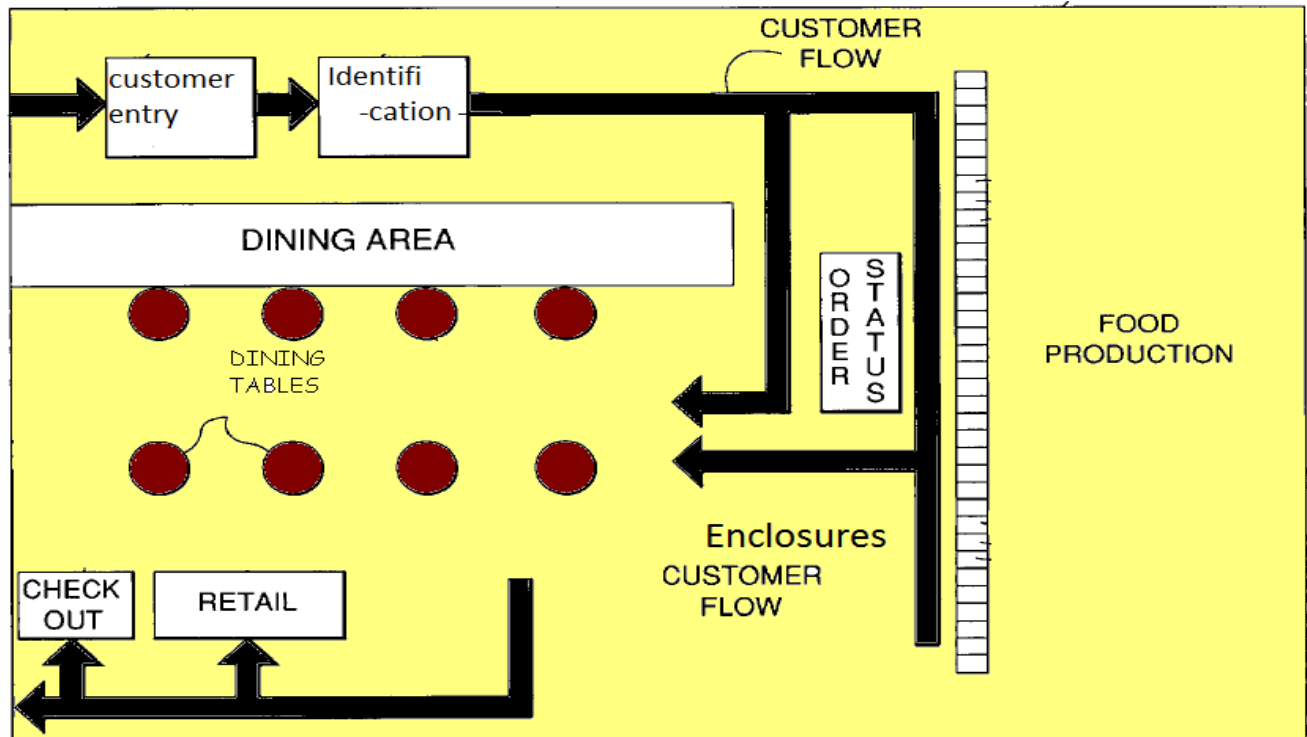
Thus there is a great scope of having good response in market.

❖ Technology

The technologies we used in our automated systems are well established. Our extraordinary technologies are provided with a technician team which will include two engineers with some IIT technician. Also we are providing the customer with these expensive technologies with ordinary expenditures.

Customers order their food using a keypad and a LCD screen system interfaced with microcontroller that is placed at each table, and the entire restaurant is networked via a computer system. After the completion of order, it is passes to central computer and it then keeps the track of order and displays it in kitchen. The customer will be provided with the RFID Tag which would be used for his identification.





EXACT TECHNICAL BLOG DIGRAM OF THE ELECTONIC SYSTEM

The diagram shows the food acquisition area which includes a station for dispensing the customer authorization device or card to the customer. The card would be restaurant RFID tags which will be used by the customer during his or her visit to the restaurant.

The customer first uses the tag at an order area or order entry board which comprises an order entry system i.e. an LCD display. After the tag is read and customer is identified at the order board, the customer may enter his or her order using the display and the card is charged for the value of the food ordered. While the customer awaits the delivery of any item, he is free to advance to the dining area to locate a table at which to dine. After confirmation of order, the main computer sends the order to the kitchen and the preparation of his ordered items starts.

❖ Future Services

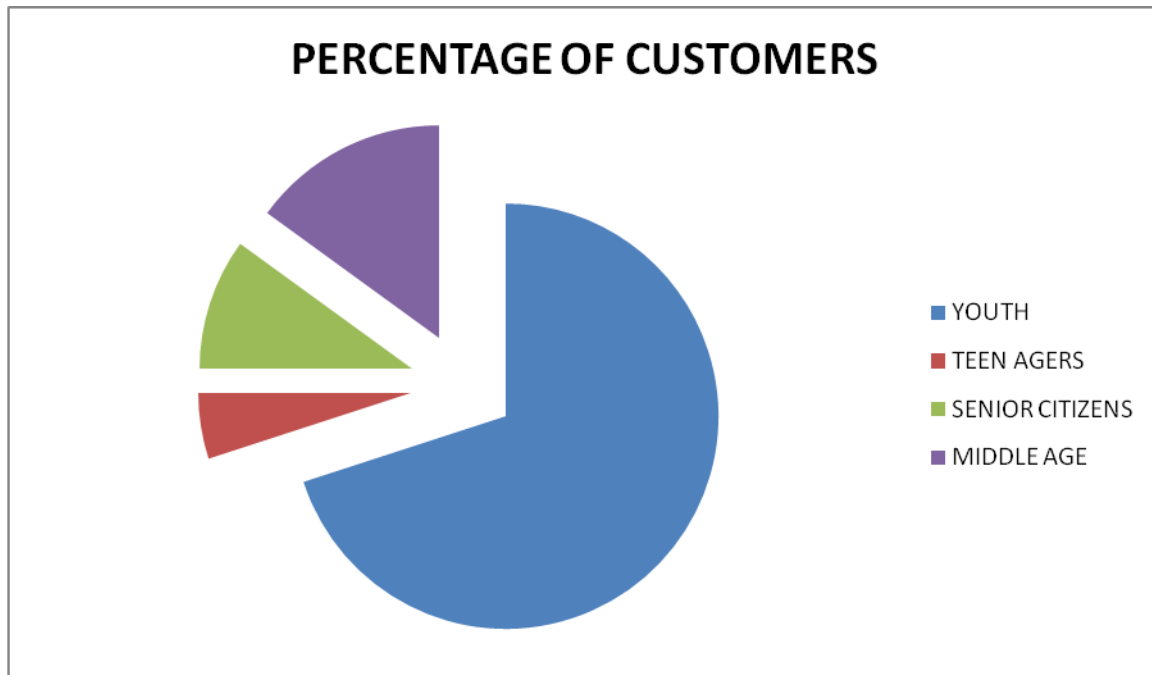
- As mentioned earlier future services include growth of business by opening franchisee and branches.
- Also the stuffs for attracting customers would be added to existing services.
- Developing the business with other branches using net income of the forthcoming years.
- Increasing the gross margin in the upcoming years.
- To maintain the uniqueness so as to preserve our position in the local market area.
- To hit the peaks of income in the minimum time.
- To conserve the relationship or the appreciation of the customers.

❖ MARKET ANALYSIS SUMMARY

INDIA is the home of spices and curries. It is said that the Indians are the best “khawaiyas” in the world. On an average 70% of common people’s income is spent on food.

Hotelling trend is increasing on the large scale in India. Keeping this in mind and considering all the policies we are opening a technology based restaurant. So there is great scope of profit in opening a business in the field which is concerned with every one’s survival.

❖ Market segmentation



The main customer group of Automat are as follows:

- 1) **TEENAGERS:-** Situated in almost centre of the city, the no. of people visiting this area is very high.

The special teen section like small gaming zone will surely attract the them.

- 2) **STUDENTS OR YOUNGSTERS:-** Restaurant is surrounded by 5 junior colleges as well 2 Engineering colleges .This do really serve the need of the restaurant which will surely attract the youth. The most promising and new technologies will enhance them to come to the restaurant number of times.

- 3) **WORKING PEOPLE :-** Special menu card including the fast food for busy people will surely make the working people to come to us and saving their time. At the same time we are able to provide the bulk food in packed form to these people for home purpose within less time as COMPARED TO OTHER COMPETITORS.

WITH THE HOPE OF MARKET FLOW RUNNING IN THE SAME MANNER AND NO RECESSION OCCUR ,WE EXPECT OUR MARKET TO INCREASE BY ATLEAST 19% IN ATLEAST 3 YEARS AFTER LAUNCHING.

❖ **MARKET NEED**

It is said that Indian market is full of diversity where 100 billion people taste your business and land you in profit or loss. Food market is one of the most dominating market in the society.

- In India, most of the common families have both parents working out with at least 8-10 hours per day. So they themselves as well as their childrens are supposed to have their at least one time meal outside the home.
- Not only this but lot of students who moved away from their family for educational purpose or else working youth have their both time meal outside.
- Reliable and good food is the most important need of the market.

❖ **MARKET TRENDS**

Food market is growing at a high rate from the decade of 80's . The taste, need of the people surely depend on their age group. Lot of changes have occurred in the taste of food due to influence of foreign countries . At the same time pure Indian food is also loved by most of the people. CHIENESE, PIZZA ,BURGER is reaching new heights. Not only this but food from different parts of India is also preferred in all parts . People expect reliability in the BUSSINESS. By updating our services with the new changes occurring in the food section we will make the customers stick to the us .

❖ **Market growth**

- The survey says that food market increases at a rate of at least 14% from last 4 year. With almost 19% increase in the city population ,the food requirement of the city in on new high.
- Youth population has also increased on a verge scale which will certainly have good effect on our business. Future aspects of the city indicate the overall progress of the city thus making the food sector more determinant.
- Market growth indicate that considering the market conditions to be same throughout the upcoming at least 5 years then the business have to be increase at least 19% .

- At the same time government policies indicating the growth of tourism in this side will surely have cash flow in our hand

❖ **COMPETITION AND BUYING PATTERN**

The food market itself suggest that, people will choose your product only on the basis of the services and reliability you provide to them. The most important thing to which we will have to stick is quality and delivery time. Most of the people in this side will surely come back to your hotel if

- 1) Service base product
- 2) Updating the service in stipulated time .
- 3) Making the services more and more user friendly.

❖ **MAIN COMPETITORS**

AUTOMAT is having no competitors as this is the most recent technology introduced in the world. The nearby hotels and their profiles are:

Hotel NILAM :- launched in 1981

Strong point:- 1) one of the firm established hotel with good relations with old customers .

weakness :-

- 1) service provided by the NILAM is mostly outdated .Youth generally skip the hotel for the reason.
- 2) Food menus are not that descriptive and user friendly. Interior is also outdated.
- 3) Investment after establishment is not done.

HOTEL DECENT

Strong point :- 1) Food taste is good as well as variety to attract mob.

Weak point :- 1) lack of customer relationship

- 2) Limited products, limited reserves, location.

USP:-

Our main identification is our technology based ordering and billing services.

❖ Management Summary

Our management strategies are based on mutual understanding and full devotion to the company on profit serve basis. Dividing the hotel works in four of our owners we expect the full incremented work from our staff to our work.

❖ ORGANISING STRUCTURE

✓

Following are the different parts and the employees working under it

Food section :-
full time main chef = 4
Supporting staff for chef = 8
Unskilled labors = 5

After receiving the orders the whole food preparation and distribution at perfect batten is the work of food section.

Technician section: -
ENGINEERS = 3
SUPPORTING STAFF = 5

Technical section will have to work with the systems, at the same everything concern with the systems will be concern with the technical section.

At the same time we 4 owners will be present in shifts for proper customer service. As pure business person we do reliably expect the proper respect and service to the customers. Thus our management staff will be given proper training for their work.

❖ Personal plan

Being a business person we expect the proper money feedback to our employees. High mandatory investment done at the starting won't allow us to increment the employees every year.

A mandatory contract will be signed with every employee that their salaries won't be incremented till BRAEK-EVEN Point or at least next 3 year.

EMPLOYEE	1 ST TO 3 RD YEAR	4 th year	5 th Year
ENGINEER	RS.30,000	*	*
SUPPORTING STAFF(TECH)	RE. 8000	*	*
MAIN CHIEF	RS. 25,000	*	*
UNSKILLED STAFF	RS.5000	*	*
SUPPORTING STAFF(FOOD)	RS. RS.8000	*	*

*--- as indicated in the mandatory contract, the increment in the salary of the employee will depend on the profit the “AUTOMAT” will earn. Still we do reliably can say at least 5% increase will be done in the salaries of the employees.

❖ **FINANCIAL PLAN:**

The main parameter of our financial plan includes the following things:

We plan to have a good place for establishing restaurant.
Extra facilities and services would be provided as per cash flow.

❖ **Important assumptions:**

As far as business related profits and losses are concerned we have some following assumptions:

We assume that we don't have problem of recession as meal is considered as basic amenity to be utilized.

❖ **Key Financial Indicators:**

They include matters as mentioned below:

- 1) Initial investment
- 2) Running investment

We assume that Being situated in crowded area our restaurant would have good response.

LAND & INFRASTRUCTURE	3000 Sq feet × 2000 Rs/Sq feet = 60 LAKHS
INTERIOR & INFRASTRUCTURE	(5+10) =15 lakhs
ELECTRONICS SYSTEM <ul style="list-style-type: none"> a) RFID Module b) RFID Tags c) LCD's (touch screen) d) Central controlling systems e) Enclosures 	2000 ×1 = 2,000 500× 30 = 15,000 10,000×20= 2,00,000 10,000×20= 2,00,000 1,00,000 TOTAL =5,17,000 5.17LAKH
COOKING ASSEMBLY	3 LAKH
ELECTRIFICATION	2 LAKH
TOTAL	85.17 LAKHS

We assume that the market debts would be minimum as we are investing from our property.

RUNNING CAPITAL

FOOD MATERIAL(per month)	3 LAKHS
ELECTRICITY	40,000 =0.4 LAKHS
SYSTEM MAINTENANCE	10,000 =0.1 LAKHS
SYSTEM MAINTANCE TEAM	1,30,000 = 1.3LAKHS
COOKS <ul style="list-style-type: none"> a) Main cooks b) Secondary cooks 	4×25000=1,00,000 8×10,000=80,000 TOTAL = 1,80,000 =1.8LAKHS
UNSKILLED LABOURS	5×5000=25,000 =0.25LAKHS
RFID Tags	500×30=15,000 =0.15 LAKHS
TOTAL	7 LAKHS
ANNUAL TOTAL	7 × 12 = 84 LAKHS

❖ **Projected profit and loss:**

TOTAL INVESTMENT IN THE 1st YEAR = FIXED CAPITAL + RUNNING CAPITAL

$$= 85.17 + 84$$

$$= 169.17 \text{ LAKHS}$$

TOTAL PROFIT/LOSS IN 1st YEAR = TOTAL INVESTMENT – TOTAL INCOME

$$= 169.17 - 112.32$$

$$= 56.85 (\text{LOSS})$$

TOTAL PROFIT OR LOSS IN 2nd YEAR = LOSS IN 1st YEAR + RUNNING INVESTMENT IN 2nd YEAR

- TOTAL INCOME

$$= (56.85 + 84) - 112.32$$

$$= 28.53 (\text{LOSS})$$

TOTAL PROFIT OR LOSS IN 3rd YEAR = LOSS IN 2nd YEAR + RUNNING INVESTMENT IN 3rd YEAR

- TOTAL INCOME

$$= (28.53 + 84) - 112.32$$

$$= 0.21 (\text{PROFIT})$$

TOTAL PROFIT OR LOSS IN 4th YEAR = PROFIT IN 3rd YEAR + RUNNING INVESTMENT IN 4th YEAR - TOTAL INCOME

$$= (0.21) - 84 + 112.32$$

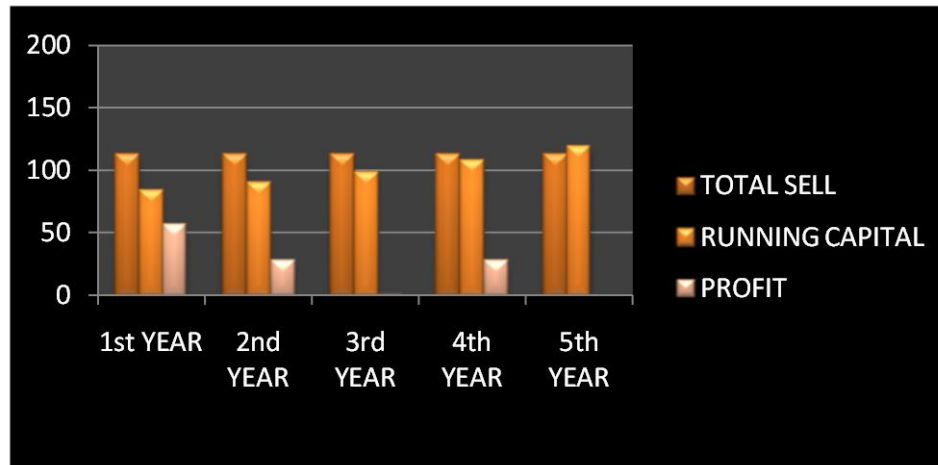
$$= 28.53 \text{ LAKHS (PROFIT)}$$

THUS TILL THE FOURTH YEAR WE WILL HAVE A PROFIT OF 28.53 LAKHS, THE B.E.P WILL OCCUR AFTER 3 YEARS.

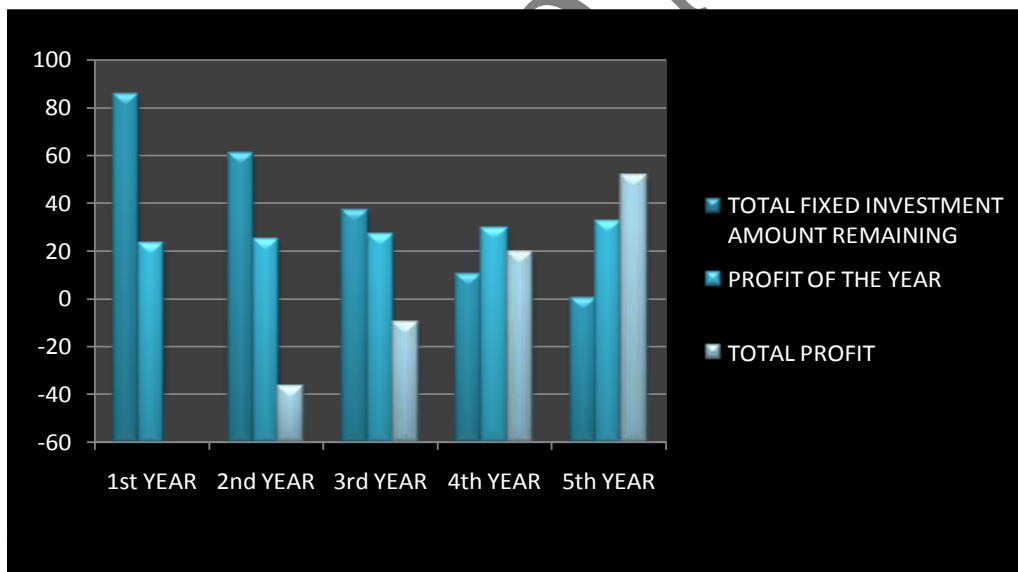
<u>YEAR</u>	<u>PROFIT/LOSS</u>
<u>1ST</u>	<u>-56.85</u>
<u>2ND</u>	<u>-28.53</u>
<u>3RD</u>	<u>0.21</u>
<u>4th</u>	<u>28.53</u>

❖ **Projected Cash Flow:**

The profit is shown in graph below:



❖ **Gross Profit is shown below:**



- Here the total investment is recovered in first 3 years & then profit in last 2 years
- At the end of 5th year our gross profit is **51.81LAKHS** (plus the fixed invest of infrastructure)

- Here we are considering that the interest on the fixed investment amount is compensated by the increase in the infrastructure value

❖ **SWOT ANALYSIS:**

STRENGTH:

- ❖ One time investment required.
- ❖ Investment will be required only at the time of setting the plan and is lifelong to rely on electronic devices.
- ❖ Parallel connections of links (food section to customer to deliver food) will be established such that it would not disturb each other even if one of the link is not working.
- ❖ Fully automated system increase the customers believe over us.

WEAKNESS:

- ❖ Dependence of power supply may cause for system failure even if provided with generators.
- ❖ Problem in machine may occur due to its complexity , a permanent technician group will be required
- ❖ full dependence on machine might affect human interface adversely.

Opportunities:

- ❖ Great scope of expanding the business and setting the links in other metropolitan as well as worldwide due to its popularity.
- ❖ As the restaurant will become the place of attraction of many people so the tourist attraction will also increase and thus tourism also can be increased which can create employment for the surrounding .
- ❖ Doing collaboration with MALLS we will setup ONLINE SHOPPING for customers to spare time.

THREATS:

- ❖ Since highly advanced machine are required setup may take long time to build.
- ❖ Due to comparatively very less manpower used it might cause for unemployment.

❖ FUTURE:

Hotels in India have a bright future for further growth and establishments. Though there lies a saturation various schemes could be adopted to fight in market and tackle the obstacles coming in path.

❖ Future expansions:

The plans for future expansions are:

- We would open a gaming zone which would attract youth in restaurants.
- Provision for online shopping would be made available for shopping in between time for food delivering and ordering.
- A beverage section will be opened for customers.
- As the investment is recovered we adopt a five years step by step plans.
- After first five years we can keep robots for serving. This technology of robots is costlier now but would definitely cheaper in Future.
- After next five years we can keep robots with emotions.

❖ Exit Strategy:

- Our main concentration is not inside the hotel management and hotelling section. When a certain pinnacle is reached and the brand got its own status we may adopt the following exit strategy.
- We may collaborate with the existing branded companies viz Reliance (A1 Restaurant Plaza) .
- We may sell our brand rights to others.
- Making percentage based profit collaboration and allowing other company to run it.