

Veg To Go™

Shockingly Savory.



Veg-To-Go,TM Food Truck

Marketing Plan

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1. Executive Summary

Veg-To-Go is an upcoming mobile food venue serving a hearty and filling menu of plant-based, animal and animal product free comfort food. While food trucks, tents, and truck bed barbecues are already prominent in Fort Wayne, there is still a lack of concern in these existing businesses for the ethics of food.

Veg-To-Go hopes to provide wholesome plates of flavorful and saucy food at a bigger price-to-ounce ratio, ultimately giving customers more savory food for their dollar. This plan will show that this strategy results in a bigger profit margin, saving the company money by eliminating expensive animal products and using simple, frozen and fresh ingredients combined with proven methods of boosting savory tastes through the use of spices and herbs.

Building on this mission to satisfy Fort Wayne street food customers with cheap, generous, and healthy food, Veg-To-Go begins to incrementally grow its customer base. The company starts by purchasing a minimal setup of a small flattop grill and source its frozen and dry ingredients from local warehouse and bulk food sections. Produce is purchased locally and fresh when possible. The company attends weekly farmer's markets and sets up outside bars throughout the week when possible. After an initial trial phase and the establishment of a solid customer base, the company purchases a dedicated food truck or other mobile venue to expand its existing business.

2. Situation Analysis

This situation analysis demonstrates the current state of Veg-To-Go by examining the business environment through a SWOT analysis and detailed examination of the industry, competitors, company, and consumers.

2.1 SWOT Analysis

Figure 2.1 shows the factors affecting the market opportunities for Veg-To-Go. This table highlights the efforts by the company to prepare for entering the local market.

Figure 1: SWOT analysis for Veg-To-Go

Internal Factors	Strengths	Weaknesses
Management	Management has education in business and culinary arts	Inexperienced in business management
Offerings	Completely unique product to the local market	May be perceived as more light-weight or bland
Marketing	Continuous advertising via branding on food truck	Limited budget
Personnel	Small team, easy to communicate	Limited budget for additional help
Finance	Small startup cost	No proven growth
Manufacturing	Cheap to produce dishes	Limited work area
R&D	Can be accomplished with limited resources	No formal process
External Factors	Opportunities	Threats
Consumer/Social	Large potential dual market between farmer's markets and hungry bar-goers	Competitors have established relationship with partner businesses
Competitive	Only Fort Wayne vegan mobile food	Many bars have a food truck with regular customers
Technological	Can develop own website and app	Competitors have better equipment
Economic	Low cost product with high markup and perceived value	Existing local company's already have capital
Legal/Regulatory	Already Serv-Safe certified	Local street food permit must be acquired

2.2 Industry Analysis: Trends in Mobile Food Venues

According to the National Restaurant Association, the annual US food truck revenue is 2.7 billion dollars annually and rising. [2] With this kind of opportunity, it comes as no surprise that many local entrepreneurs have begun to emerge. According to the Fort Wayne Food Truck association, there are over 51 food trucks, 14 organized under the association and 37 non-affiliated trucks. [4]

2.3 Competitor Analysis: Local Food Trucks

Of the 51 food trucks in Fort Wayne, none are explicitly oriented toward health, sustainability, or a plant-based lifestyle. [5] The existing local trucks vary in level of activity and success. The top three most successful food trucks in Fort Wayne are Ragin' Cajun, Affine, and Bravas. [5] Of those three, only Bravas offers a plant-based item: a hot dog with traditional toppings. Affine attempts a farm-to-fork concept but this is mainly evident in their meat offerings.

A non-food-truck plant-based restaurant does exist in Fort Wayne: Loving Cafe. They offer everything from raw plant-based food to sandwiches that employ fake meat, to sodas and dessert. While Loving Cafe has enjoyed much success in its current markets, they have remained in the North side of the city and have not chosen to expand in recent history.

2.4 Customer Analysis

2.4.1 Customer Characteristics

The primary target audience for Veg-To-Go is 18-35 years old male and female Fort Wayne residents with individual income under \$55,000 per year. The largest opportunity for this audience is nightlife: individuals who are out late at night at bars looking for filling food to satisfy their spontaneous appetites. They want something that tastes rich and savory, but without spending too much money. They care about the immediate access and are willing to

pay in cash for the convenience. These individuals are the main target promotional market during the first year of operation.

The second and third year sees the expansion of promotion to families. These are families, oftentimes at events around the city such as sporting events and farmer's markets, who are looking for a wholesome meal that can be shared and enjoyed together. Their focus is on the convenience of location and healthiness of the food.

2.4.2 Health and Nutrition Concerns

Although the first market of 18-35 year olds are traditionally seen as primarily looking for flavor in the product, the company plans on targeting this ever growing market by appealing to their desire for food to fuel their fun. The energy gained from the vegetables and rice are emphasized. In addition, the main savory component in each sauce is nutritional yeast, which adds a "meaty" quality to the dish and contains 480% daily value of vitamin B6 per serving, and 130% of vitamin B12. [6] This makes Veg-To-Go food energy boosting and considerably flavorful, which is a huge draw for late-nighters.

The secondary market of families is targeted with the mixture of vegetables and the inherent health benefits from consuming them. Parents are looking for something healthy and quick, and Veg-To-Go's food satisfies both of these needs. Farmer's markets serve as both an outlet for the company to provide warm meals and also a promotional platform to showcase the local fare. This has a positive impact while catering to the perceived need of the farmer's market demographic to eat healthy and local.

3. Market-Product Focus

The following describes the three-year marketing objectives of Veg-To-Go, detailing the target markets, competitive advantages, and product positioning in the local market.

3.1 Marketing and Product Objectives

Veg-To-Go's marketing objectives during the first three years are threefold: Make a strong opening statement, establish itself as the premier venue for on-the-go plant-based food with its primary and secondary target markets, and maintain strong relationships with its partners.

Strong debut. Firstly, the company aims to make a strong debut in the local food truck market. This is accomplished by means of setting a strong schedule of appearances with key partner venues in the area.

Product Positioning. Veg-To-Go aims to be the premiere plant-based food venue in Fort Wayne. By offering consistent and widely appealing food the company does not simply target the vegan or health-conscious demographics, but looks first to the younger population and rely on grassroots advertising in addition to its own promotional efforts.

Partner Relations. Veg-To-Go utilizes its online presence and strong understanding of the intersection of service marketing and technology to create a partner network and online promotional ecosystem that provides mutual benefits. These established relationships are key to the survival of Veg-To-Go and fostering them is a priority for the company.

3.1.1 Points of Difference

Veg-To-Go has three key differentiators from its competition in the local 18-35 night-time market:

- *Portion Size.* Veg-To-Go offers larger portion sizes and more food per ounce than competitors for one simple reason: ingredient cost. Vegetables and rice serves as the

main components in the company's product, and on average vegetables cost a tenth of what meat does. [1]

- *Variety.* Veg-To-Go fills the need in the illusive spontaneous nightlife for variety by offering food from five different countries. Each visit to Veg-To-Go can provide an experience that is completely different in flavor but the same in quality and flavor.
- *Sustainability.* According to a poll trying to identify millennial's top priorities, two-thirds of respondents said they would pay more for a product from a company that focused on sustainability. [7] This puts Veg-To-Go in a unique position as no other mobile food venues in Fort Wayne emphasize sustainability.

3.1.2 Positioning

Veg-To-Go fills a need in its primary and secondary markets by simultaneously being healthy and hearty. Current offerings fill neither of these needs as portion sizes and price per ounce tend to be greater than in non-mobile counterparts. Veg-To-Go avoids the need to charge more per ounce by saving money on ingredient costs. Not only this, but Veg-To-Go is just as convenient and present as the competition.

4. Marketing Program Strategy and Tactics

4.1 Product Strategy

Fresh. Local produce is purchased when possible, resulting in a seasonal and varied product. The dishes all contain the same vegetables and rice, with the flavor being dictated by the sauce used. The vegetables used will vary with the seasons. Many of these vegetables are cooked and served at the same farmer's market they were purchased at from partners on the same day or week.

Fast. Components are assembled off-site in advance where applicable, saving assembly time and improving service time and order fulfillment on-site. Examples include: rice cooked for the day, sauces prepped and stored, and vegetables cut in advance, preferably packaged in weighed portions for each.

Flavorful. Bulk herbs and spices are purchased through local and online sources, allowing a predictable and constant flavor in each dish. The flavors are: Indian, Thai, Italian, Chinese, and Mexican. Side dish offerings vary slightly per season but almost always include Fried Potatoes, Cole Slaw (with Simply Mayo® vegan mayonnaise) and "Mac and Cheez" with a vegan cheese sauce and veggie of the day.

4.2 Price Strategy

All entree dishes are equally priced at \$8 a plate, and sides at \$4 per serving. Entrees contain between 12 and 16 ounces of food at \$.50 an ounce. The ingredients for each dish cost at most \$.15 an ounce, with the bulk of the meal consisting of rice (approximately \$.03 an ounce [1]) and the rest mixed vegetables (\$.10 an ounce) with dried herbs and spices (\$.02 an ounce), yielding an over 300 percent markup. A similar markup is applied to the sides. These prices remain constant the first three years.

4.3 Promotion Strategy

Promotion is to be done as the budget allows, using roughly 2% of quarterly revenue and consists of food giveaways and graphical posters strategically placed in bars and at schools. Customers may also check in through Facebook, Google+ or the Veg-To-Go mobile app to get 10% off their meal.

Promotion the first year focuses heavily on the Mexican and Chinese dishes at first (see Figure 5.1), featuring the potatoes as a side. After the first year, the Italian entree is added to the promotional mix.

The first target market consists of adults 18-35 at nighttime venues and primarily appeals to a need to eat a filling meal while out with friends and secondarily appeal to a sense of doing good for the environment by eating sustainably.

Sign-age and graphical promotion begin to expand the second year to target families at daytime venues. Advertising during the day incorporates imagery and phrasing to reflect eating hearty and healthy in the context of a family outing.

4.4 Place (Distribution) Strategy

Relationships are established with local bars, nightlife locations, and farmer's markets during the first year. Some of the promotional budget is used to provide meal trade and incentives to establish rapport with these partner businesses. In addition, advertising may be offering through the company's mobile app and social media outlets for partners, which reduces some cost in forming these alliances. Nightclub parking lots, bars, and other popular after 9pm spots are targeted.

The second and third year is about maintaining a consistent presence and expanding to the company's secondary target market (families) by offering free 1/2 size meals for children 12 and under at daytime venues. These venues include the Fort Wayne Farmer's Market and other farmer's markets, Indiana Purdue University Fort Wayne, and Fort Wayne Tincaps Games.

5. Financial Projections

5.1 Three-Year Projections

Projections for the first three years are conservatively based on average sales of five meals and two sides per day the first year, and an average of a five-fold increase in sales the first three years. Boosts in the sale of Chinese and Mexican entrees is accounted for and can be seen.

Expenses are based on daily amounts extrapolated to a quarterly number. An employee is hired after the first year at \$10 and hour. \$100 per operating day is allotted for fuel, as well as %1-%2 of sales promotional budget.

Figure 2: Sales and Expenses for Veg-To-Go

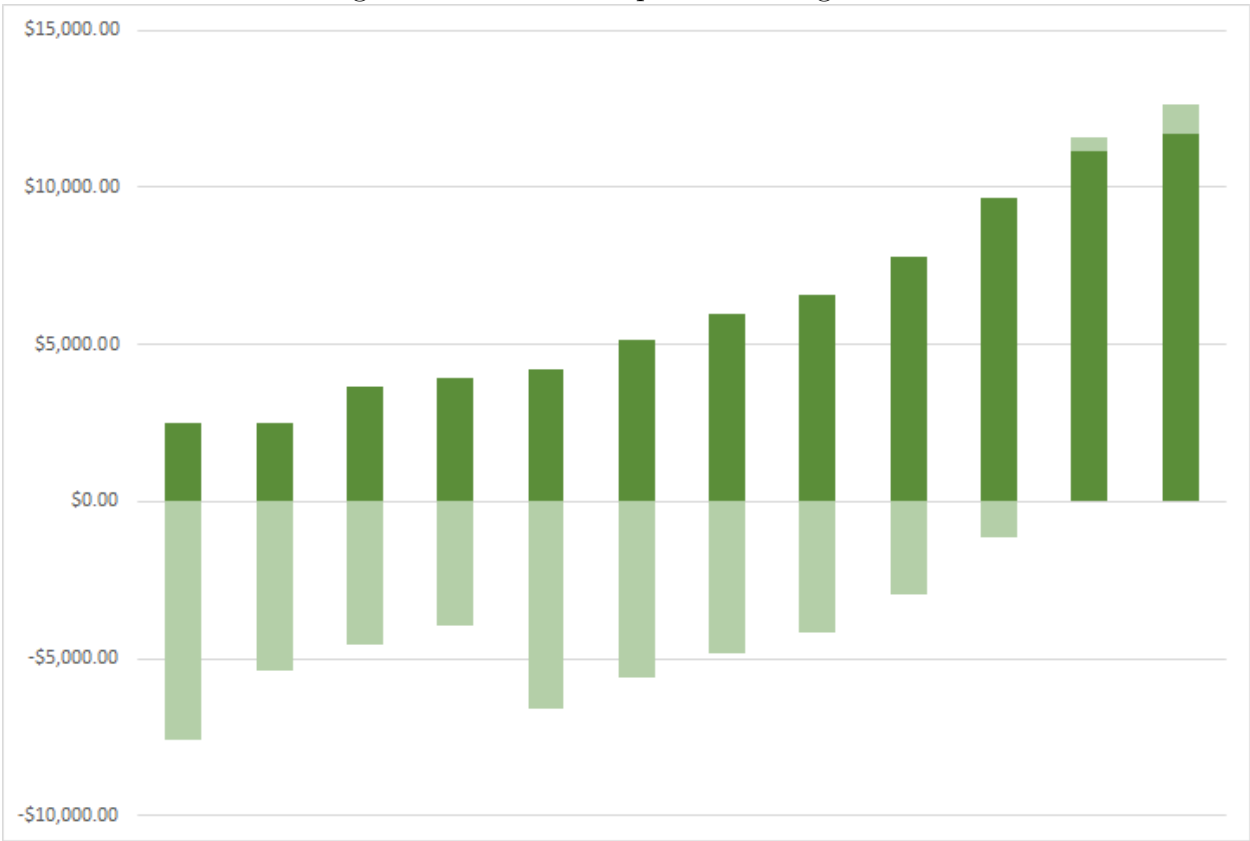


Figure 3: Three Year Projected Sales for Veg-To-Go

	Year 1				Year 2				Year 3			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Indian	384	384	384	400	500	500	600	600	750	820	790	900
Thai	384	384	384	400	400	400	650	650	750	820	790	1000
Italian	384	384	384	384	500	500	800	800	900	1900	2000	2000
Chinese	384	384	500	600	600	750	800	1000	1500	1800	2500	2500
Mexican	384	384	500	600	600	1200	1100	1500	2000	2200	2500	2500
Fried Potatoes	192	192	1152	1152	1200	1400	1600	1600	1400	1500	1800	1800
Cole Slaw	192	192	192	192	192	200	200	220	250	300	400	500
Mac N Cheez®	192	192	192	192	192	200	200	220	250	300	400	500
Totals	\$2,496.00	\$2,496.00	\$3,688.00	\$3,920.00	\$4,184.00	\$5,150.00	\$5,950.00	\$6,590.00	\$7,800.00	\$9,640.00	\$11,180.00	\$11,700.00

Figure 4: Three Year Projected Expenses for Veg-To-Go

	Year 1				Year 2				Year 3			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Payroll	0	0	0	0	2400	2400	2400	2400	2400	2400	2400	2400
Ingredients	2000	2000	2400	2000	2500	2500	2500	2500	2500	2500	2500	2500
Fuels	4800	4800	4800	4800	4800	4800	4800	4800	4800	4800	4800	4800
Equipment	2000	300	300	300	300	300	300	300	300	300	300	300
Supplies	1000	500	500	500	500	500	500	500	500	500	500	500
Promotion	250	250	250	250	250	250	250	250	250	250	250	250
Totals	\$ 10,050.00	\$ 7,850.00	\$ 8,250.00	\$ 7,850.00	\$ 10,750.00	\$ 10,750.00	\$ 10,750.00	\$ 10,750.00	\$ 10,750.00	\$ 10,750.00	\$ 10,750.00	\$ 10,750.00

Figure 5: Total 3-Year Net Profit Projection (Numbers) for Veg-To-Go

Total Profit	-\$7,554.00	-\$5,354.00	-\$4,562.00	-\$3,930.00	-\$6,566.00	-\$5,600.00	-\$4,800.00	-\$4,160.00	-\$2,950.00	-\$1,110.00	\$430.00	\$950.00
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Figure 6: Total 3-Year Net Profit Projection (Visual) for Veg-To-Go



6. Implementation Plan

The company initially purchases a graphical tent under which the food is cooked and served truck-side. A single induction burner serves as the heating elements for pre-prepared, fresh ingredients. The dishes mainly consist of a sauce that dictates the cuisine, combined with veggies and served over white rice. The setup and costs are kept to a minimum, but the flavor is boosted using lightweight dried and fresh herbs and spices and international inspiration.

The company is operated by a single owner, and after the first year an employee is hired for 5 hours a day at \$10 an hour.

Before the debut of Veg-To-Go a sample of 30 random Fort Wayne residents will be asked questions regarding their perception of the brand based on the logo, sensory parameters related to the food, and their overall experience. From these responses data will be extrapolated to the population of Fort Wayne and compared to another sample of 30 people the year after.

7. Evaluation

Based on sales and customer feedback during the first year varying actions may be taken. If sales goals for the first four quarters are not met the additional employee is hired at the beginning of the third year. Based on survey responses and on-site verbal and written feedback, the menu may be scaled up or down. Most facets of the business are variable, including menu prices and extraneous expenses, but the portion sizes will remain consistently above the mean in keeping with the target market's perceived needs.

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