

# **Business Plan - Cheesesteak Food Truck “Just Cheesesteaks”**

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# Executive Summary

## Just Cheesesteaks

My business will be called “Just Cheesesteaks”. It will start as a food truck establishment that will sell only cheesesteaks and sides as a way of simplifying the decision process for customers and also for the business operator. Our mission is to provide the best cheesesteak in the area while building a reputation within the community for our service and quality. We want to acquire the best possible quality food specifically for us, the beef required to make the cheesesteak to separate ourselves from other chains who just use old frozen meat that has no flavor.

## Mission Statement

We don't want to be like the other fast food restaurants. The goal of Just Cheesesteaks is to stand out from the crowd. We can do this because we will have fresh and locally sourced beef and foods that will provide a more unique taste than the bland plastic aftertaste you get from every other fast food establishment and restaurant. We will market our brand as the best in the area and develop a local reputation for living up to our goals. By providing the best quality cheesesteaks with no competitor we will create a demand for our product and brand.

## Just the Beginning

Once Just Cheesesteaks makes a name for itself and is locally known as the best, local events and businesses will pay us to come and sell at their events and locations, not the other way around. We will take over fast food in the area by selling only one product and doing it better than anyone has ever done in the area before. This will develop our reputation and brand name which will lead us to further expansion and more business ventures while also ensuring the quality of food and service from our first establishment.

# Business Description

Just cheesesteaks will be a food truck run and operated by its owner and two to three additional employee's. The business will target high trafficked areas by trying to secure locational permits surrounding the local college. This will expose the business to higher foot traffic coming from the student population and college events.

The truck will sell only cheesesteaks as a main course but will offer it in several variations. Additional ingredients will include mushrooms and onions. Sides will be limited to french fries, onion rings and chips to reduce the cost of the truck and deviations in quality and taste. There will be only one focus and that is the best cheesesteak so that the customer as well will only see that one outcome.

Pricing for the product will be slightly higher than competitors due to the use of higher quality and fresher meat. As well as a mental game of how could it be better if it costs less. So the business will target a price point one to two dollars more than the nearest competitor to emphasize the quality statement and maximize profits.

While Just Cheesesteaks might be at a disadvantage entering the fast food market with the right marketing and advertising it will quickly separate itself from the local competitors. Which are mostly just pizza chains that all taste the same and use the same catering services. Their lack of innovation and quality will help propel the Just Cheesesteak business even more.

# Organization and Management

Management will start off as the owner of the business and all duties and responsibilities will be executed and checked by him. From the formation of the business to its everyday operation the owner will be micro-managing every aspect of the business to ensure its success as the first several months to year of the business will decide its fate so there can be no mistakes made and critical tasks cannot be delegated. Once the truck is in operation it will take on two to three additional employees to help take and distribute orders. The owner will also undertake the job of training employees and cooks to the standards of operations, monitoring their work ethic and providing feedback to ensure success of their task and the well being of the business.

The business owner will be tasked with managing funding appropriately to save the business costs while establishing connections with suppliers and other businesses to ensure the constant operation of the business without delays. The owner will also have to contact all local and state officials to receive the proper permits and licenses to conduct business. He will also be responsible for passing and maintaining health code certifications and handling any permits that may be required for business and sales in certain locations. He will need to understand the legal landscape and always operate within state guidelines that control mobile businesses.

Business operations will be conducted in a simple linear method. One employee will handle the orders and relay them to the cook. The cook will make the order and then give it back. The orders will be handled by the order they come in. When the truck is busy the manager will assist in handling and prioritizing orders as well as keeping a natural flow to business operations. The manager will make sure all appliances are properly working and have a backup plan in case something critical goes wrong. Once the business has a foothold this ordering system will expand to include delivery drivers and an extended area for pick up orders.

# Products

Product	Price	Production Price
Original Cheesesteak/onion	\$10.00	\$5.75
Mushroom Cheesesteak	\$11.00	\$6.00
Onion Rings	\$3.00	\$1.00
French Fries	\$2.50	\$1.00
Doritos/BBQ Chips	\$1.00	\$.50
12 oz soda	\$1.00	\$.50
20 oz soda	\$2.50	\$1.25
Homemade sweet tea 20 oz	\$1.00	.25

The core ingredients for the cheesesteaks will be purchased through food and meat suppliers locally. The sides and drinks will have to be purchased from local grocery stores at normal prices and then sold at a considerable increase like any other food truck. This will promote the purchase of homemade sweet tea instead of soda to reduce trips to the store.

# Industry Analysis

Food trucks end up being classified with and compared to fast food chains and are at a clear disadvantage because of this. The fast food industry is well established, is able to charge lower prices and has plenty of brand recognition and throw away money to advertise and put out of business any competition.

When comparing food trucks to restaurants, food trucks will fail at a 60% rate within the first three years while 90% of restaurants don't make it five years and most fail within the first year. The benefit to the food truck is that it costs a lot less to start and has a lower fail rate early on in the business but does seem to still suffer the longer the business goes on showing that many food trucks are just getting by for years until they no longer bring in a profit and have to close.

One of the main reasons that a restaurant or food truck fails is its location. When you're starting out and have an unknown brand you have to be where people can see you. A restaurant placed in the wrong location with no brand awareness or established chain backing it up so people will go out of their way to buy from you will fail. The food truck also excels in this situation because it can be moved at any time to a better location. If the food truck owner can identify a clear advantage in positioning of the truck it should help set the business up for success and above other options in the area. Placing a food truck next to a chick-fil-a might not be a good idea but in the parking lot next to a movie theater could be the golden spot.

While there are many deterring factors for starting a food truck business like the annual industry growth before covid being 7.5% and growth was almost completely shut off until after covid. Though from 2018 to 2024 there is almost a 16% increase in food trucks in the USA with this rate showing a steady increase in the coming years.

The major contributing factors for business success and repeat customers is the appeal of the food truck being something new and not just your standard fast food place that never changes. Customer service and satisfaction is also a major factor in the success because of fewer opportunities for positive advertisement and relying on social media and word of mouth.

# Marketing & Sales

## Growth Strategy

To grow we have to be successful within the first year, all expenses need to be accounted for and we have to do a good job finding the right locations and times to use them.

- We need to start off with a bang, develop a name and bring in good sales numbers in the first 3-6 months
- Identify new areas that have potential for another truck to expand to.
- Prospect for new managers who would work well running another truck in other locations.
- Establish food ordering sites and apps such as doordash and grubhub to expand our reach.
- Eventually start delivering to local customs within several miles of the trucks current location

## Communicate with the Customer

To be successful we need to give the customer what they want, and we will do this through feedback, which will need to be acted on quickly so that we don't lose momentum and possible customers.

- Create and use a website not just for ordering but for leaving feedback on our service.
- We will use the website and social media to talk directly to customers and users who are interested in our service.
- Provide all information about where our food is sourced from and the health information that goes with it.
- We will use our social media marketing to establish the locations and times of our business.

## Marketing Strategy for Brand Awareness

### Launch Day

To start, the company owner and manager will be in charge of sales and marketing. He will use a major local event to kick start the business and spread brand awareness. Leading up to the event we will advertise through social media on the event page and put out menu and pricing information. At the event we will offer family deals on purchases and have smaller menus for children.



## **Marketing Strategy cont.**

We will post our upcoming sales schedule with the corresponding locations that we will sell from. The sales manager will converse with the crowd offering deals and business cards for people to use to call in pick up orders and eventually delivery.

### **Brand Awareness through social media**

Since social media is free and will be our major source of advertisement we will make sure to be in as many places as we can. We will use promotional offers on our social media sites for those who offer us feedback on their pages helping to spread the brand and satisfaction the customers had.

### **Standing out from the competition**

We will also make sure one of the marketing concepts we address is that we are a one of a kind business. We want to try and stand out for the customer as being the best cheesesteak they have ever had so that we can secure repeat customers. If we do not do this on the first chance then we will likely lose that person as a customer. For our opening and subsequent months we have to have everything perfect and try to impress as many customers as possible with our service so that we develop a foundation to stand on for the future. We will use our impressed customers' opinions by showcasing the good reviews on our social media pages and on our main websites. We will use criticism as a way to develop and grow our company by showcasing productive criticism that has led to positive changes within the operation of our business.

### **Foundation and Expansion**

Once we have achieved our goal of being the best in the area at what we do we will seek to expand the business to more locations. We will do this by looking for additional high consumer trafficked areas that would still be within our current reach so that our brand awareness is not starting over but just extending into another sales location. At this point the business would be hiring and fully staffing the locations and the owner would be able to operate as a Business manager for all locations not just a single location.

# Funding Required

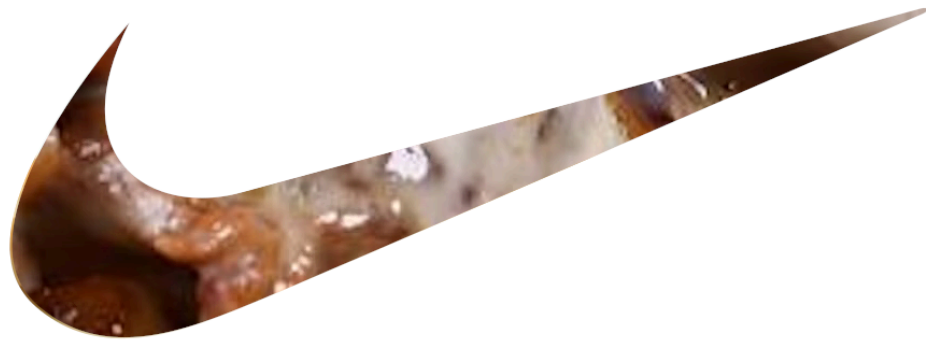
Food Truck	100,000
Operation costs (Utilities)	500
Food (Local sourced Ribeye)	2,000(500 Cheesesteaks)
Employee's	1000
Locational Fee's	1500
Permits and Licenses	2500
Serving accessories	1000
Insurance	2,000
Additional Costs(food and condiments)	2000
Estimated Total	\$112,500

This funding requirement will be for everything required to set up and run the truck for one month. The truck and many of the utilities could be bought used to save a lot more money.. The other costs can also vary depending on the locations used and events attended.

The business will save money initially on employee's by operating internally through family members until the business gets going. After this period the truck will likely operate in a group of three members, a cook, one employee taking orders and payments on location and a manager to help manage online orders while assisting the flow and turnout of orders.

There might be many more additional costs but I have accounted for some of them by overstating the necessary funding needed for each category. The company will save money by advertising using social media and targeting local events and attractions to spread brand awareness.

# Appendix



## JUST CHEESESTEAKS!

Prototype of a logo I want to continue to edit. The check mark will be expanded to be more rounded and feature a bun on the edges showcasing the meat and cheese along the inside. Adjustments will also need to be made to avoid potential copyright issues.

Marketing phrases and slogans to use on social media could be:

- What's the best cheesesteak you've had? Ours is better!
- Just Cheesesteaks, what else could you want?
- Best Cheesesteaks here!
- Just Cheesesteaks!
- Highest quality meat in fast food!

# Resources

How Much Can a Food Truck cost? Escoffier.edu Blog. December 08 2022.

<https://www.escoffier.edu/blog/food-entrepreneurship/how-much-does-a-food-truck-cost/>

New River Health District Mobile Food Establishment Guidelines

<https://www.vdh.virginia.gov/content/uploads/sites/123/2016/12/Mobile-Food-Establishment-Guidelines.pdf>

Roberti, Damian. 2022. What permits are needed for a food truck in Virginia. Marketing food online. 2024.

<https://marketingfoodonline.com/blogs/news/what-permits-are-needed-for-a-food-truck-in-virginia>

Alleghany / Roanoke Health District Office of Environmental Health Mobile Unit guidelines

<https://www.roanokeva.gov/DocumentCenter/View/1592/Virginia-Health-Department-Mobile-Unit-Guidelines>