

Sheppard Cafe Inc MARKETING PLAN

Prepared by:

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I. EXECUTIVE SUMMARY

Sheppard Cafe Inc (referred to from hereon in as the "Company") was established as a corporation at 1789 Central Park Avenue, Yonkers, New York 10710 with the expectation of rapid expansion in the food service industry.

Business Description

The Company was formed on 06/01/2019 as C Corporation under New York state laws and headed by Milton & Janet Sheppard.

Mr. Sheppard have over thirty years of catering and restaurant experience worked five years as the food service director at Brooklyn Law School, served as the director of culinary arts at Culinary Tech Center in Manhattan and owned & operated a temporary event staffing company called Studio Event Staffing, Inc.

Sheppard Cafe officially opened for operations on November 01, 2019. In a short period of time we were able to acquired customers and sales in shared the food hall of H Mart Supermarket. We were able to secure \$15,000 of working capital loans from personal friends to secure commercial kitchen space, register for a business license, cover cost of insurance, purchase equipment and inventory.

Before the pandemic each month our customer base increased from word of mouth, in-store signage and weekend friend and family days. During the mandatory New York state shutdown our sales increased by 20% due to support from H Mart's management paying for their staff's meals and other food hall vendors temporary closing down due to labor costs and the shorter store hours. However in September the store hours have changed back to normal hours of operations and all but one vendor has reopened. Since May we enrolled with Grubhub to increase our delivery service. This have been a slow process but sales are improving. The Company currently employs 1 full-time employees and 1 part-time employees.

Product

The Company's primary product is Korean Kimchi Cheeseburger: Angus Beef grilled to perfection, cooked Kimchi, American Cheese, Fried Egg and spicy mayonnaise placed in a sesame seed bun

II. MARKETING SUMMARY

Industry Overview

In the United States, the food service industry presently makes \$13,564.00 in sales.

Today, chefs are taking many of the most impactful flavor trends and finding ways to stack them in a burger. Global flavor touches, intensive textural play, responsible sourcing, unexpected flavor combinations-all live within the friendly confines of the all-American burger.

Research shows that consumers in this industry primarily focus on the following factors when making purchasing decisions:

- 1.Brand Name
- 2.Product Placement
- 3.Packaging
- 4.Reputation
- 5.Pricing

Target Markets

The Company's major target demographics are as follows:

Since we are located inside a Food Hall of a supermarket Sheppard cafe will offers their gourmet burgers and menu items to their valued target market of family household consumers, and current customers,

The estimated number of potential clients within the Company's geographic scope is 180,237.

Pricing Strategy

The Company has completed a thorough analysis of its competitors' pricing. Keeping in mind our competition's pricing and the costs of customer acquisition, we have decided on the following pricing strategy:

Our pricing strategy consist of 2 types of Lunch Specials -\$10 Burger Meal Deal includes any burger, seasoned fries and drink, \$12 Special - entree, side and drink served between the hours of 11:30 am to 3 pm, Dinner Specials - 2 for \$20 Burgers Combo and 2 for \$26 full entree.

Promotional Strategy

The Company will promote sales using the following methods:

Currently we use the following to promote products.

- *Loyalty card - buy 5 times get 1 free meal
- *Meal Deals - Save \$2 when you purchase between 11:30am to 3pm
- *Dinner Specials - between 4pm to 7:30pm, discounted meals when you buy for 2

Situation Analysis

Strengths

The strengths of our business is food made to order, in-store potential customer around the food hall, offering a variety of fusion type menu items, participating in H Mart's profit sharing program based on 15% sales instead of a monthly rental cost for kitchen space.

Weaknesses

Some of the weaknesses we encountered are the following

- *lack of Asian menu items
- *weak demand for our menu items during dinner hours and Sunday

Opportunities

We have the option to obtain a catering license and use our space to produce food orders.

We have the options to renew our contact next year or add another location within another H Mart location.

Threats

The threats our business faces are vendors in the store and in the Plaza area. We are planning to promote our delivery service via online ordering (Grubhub) and build our brand (Signage, flyers, etc) on social media (Instagram, etc).

Competition

In the food service industry, customers make choices based upon

- 1.brand name
- 2.product placement
- 3.packaging
- 4.reputation
- 5.pricing.

The primary competitors for the business are the following: We have the following food vendors in our immediate surrounding - within the store Ramen Don Don, Matori Noodles, Hao Restaurant, Tofu House. In the Plaza area you have the following stores Crawwings, Popeyes, Arby's and Wendy's..

However, we believe that the Company has the following competitive advantages:

Our competitive advantages are their much higher marketing budget, branding and existing customer base.

Business Goals and Objectives

Sheppard Cafe short term goals includes

- *Increasing sales by 20% before May 2021
- *Increase hiring full and part time staff
- *Improve and select attractive packaging for delivery and branding

Long term goals includes

- *Increasing home deliveries by 30%
- *Schedule in-store special event to attract new customers
- *Create a off premise catering team to participate in street fair or special event
- *obtain opportunity to open another location independently or within other H Mart location

Legal Issues

The Company affirms that its promoters have acquired all legally required trademarks and

patents.

Services

First-rate service is intended to be the focus of the Company and a cornerstone of the brand's success. All clients will receive conscientious, one-on-one, timely service in all capacities, be they transactions, conflicts or complaints. This is expected to create a loyal brand following and return business.