

Locafood makers present

QUALEATY

**A project for a healthy, qualitative and
sustainable cheap fast food**



“Mean to be” of our Brand

Out of the numerous societal issues the young generation is confronted with, we believe there is one that needs to be addressed in a more urgent and serious way: the worsening of eating habits for the student population.

For many students, college and university years mean the time when they leave their homes and start to manage life on their own. Busy schedules organized around classes, group meetings, homework, part-time jobs and day-to-day errands can soon lead to neglecting one's health, as doing sports or cooking a healthy meal will not be on the top of their priorities. Instead, during school time, they will tend to choose more and more snacks or fast food that are accessible in their area.

A survey conducted by Harris Interactive France in June 2017 (Institute for Marketing Studies and Opinion Polls) shows that most of the students interviewed (sample of 600 people representative of post-bac students in France) would like to include more vegetables (71%) and fruits (66%) in their daily meals.

57% of the students confirm that their diet is affected negatively during exam and revisions weeks and 78% of them wish to have a more balanced diet in general.

Analyzing the Parisian student population through a survey conducted at a micro level in our university helped us understand that meal options for lunch are indeed limited. Stressful schedules, along with the lack of money and time resources make students orient their choices towards sandwiches and pastry very often, which can affect physical condition on a long-term. Students need more variety in their options and more nutritious and healthy lunch menus. And all that at a reasonable price, because we know that financial aspects can be an issue for our target population.

As we are concerned about our generation's wellbeing a possible solution would be to create a lunch option that brings cheap, accessible and healthy for students around the area they are studying in. Our challenge would then be the following: ***How to offer a complete and qualitative meal for students, knowing that their lack of time and budget determines their choices***

Description of the project

The concept

We wanted to create a business who target students that could provide them healthy and diversify meals prepared with organic food and that will be affordable for a student budget. It had to be a “fast food” in order to suit the rhythm of their daily life as well as flexible to their preferences. Also, the main aspect we wanted to focus in is the interaction with our customers. Basically, we want the client to be part of the business. In order to create that we thought about an interactive application in which the consumers can order before taking up their meals but also vote for the menus they want to have every week. The application will be the way to create a social network community.

We believe in a great transition and in concrete actions to save our planet. We want to be a brand of the future; equitable, responsible and connected to people. Qualeaty will be part of the change of the consuming behaviours.

Our target

Our store will take place the 7th district close to Sciences Po. We choose to target specially students form the district 7th (Assas, La Sorbonne, Sciences Po) for two reasons. First, as we are our self-Sciences Po students it was easier to conduct a survey among them about their preferences and behaviours. Secondly, it is a population of students that is receptive to the message we provide and has more budget to eat daily in our store.

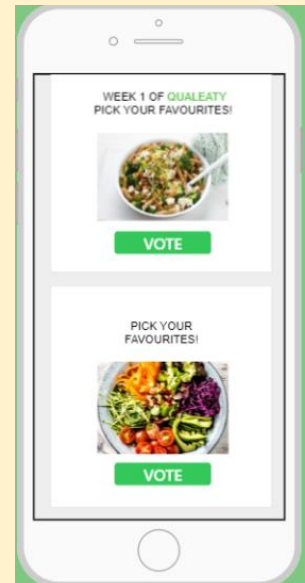
How it works?

We decided to provide only lunches for our customers. We have a chef who have a list of 25 diversified and original meals. Every Friday we propose to the customers to vote for one meal between the five proposed. The first 3 meals for which the customers have voted will be the one proposed every day from Monday to Saturday for one week. We repeat the same process every Friday with five different meals. This method allows us to propose diversified and suitable lunches for everyone.

The offer

We wanted to respond to the demand of the students. The product will be fresher as possible and quite everything will be organic and produced in France. We are vegetarian and vegan friendly. We believe that we should better provide vegetables proteins than meat. Therefore in the quotas of the five meals there will always be one entirely vegan and one with meat (halal) .. All the others will be vegetarians constituted of vegetable proteins such as beans, lentils, cumins spice, spinach.

The price will be about 6 euros and will include one meal (out of the three of the week). We will also have a formula with a dessert and a drink around 8,50. It will be possible to order and pay in the



application. Customer will have a QR code and will just have to come to the store to take off the lunch. It is then simple et faster. They don't waste time doing a queue and waiting for their meal to be prepared.

Business plan

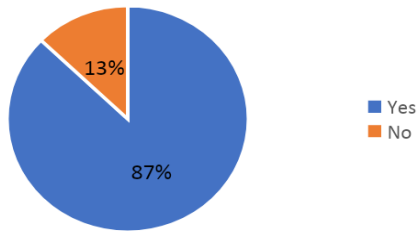
We conducted a survey among Sciences Po students in order to orientate ourselves whether our predictions about young adults' eating habits are correct and will they potentially be interested in something like our project. We received 154 answers on which we base our analysis.

Through our answers we saw that indeed eating healthy food seems like an important preference for most of the students (**87%**). This shows us that even if they may not necessarily have healthy habits, they appreciate quality food. However, having healthy food is not the only factor. Prices play big role in the decision-making process. **44%** consider the healthy factor the most important and the rest puts emphasis on prices as well. When talking specifically about lunch (the time we will be selling), although we saw that actually the majority of the students think that there is already enough diversity of lunch options around Sciences Po, still **34%** are rather unsatisfied, a number that is too high to be ignored. The places that attract the most students for buying lunch are the Crous cafeteria in the school (**43%**) and after it the bakeries nearly (**28%**). This can be explained by the convenience of these places and their accessibility, offering something relatively cheap. Moreover, we noticed that half of the people studies consider stressful periods in school as a major detriment in their eating habits. Consequently, this makes us believe that switching from cooking food home and regularly buying outside, is pretty volatile and could be correlated to the academic pressure.

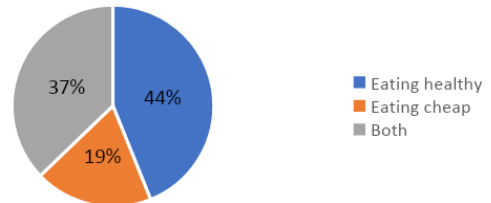
As a conclusion, what makes us believe there could be potential market for our business idea and that we may succeed easily if we target well our segment- the students, is the fact that **82%** answer favourably on the idea of eating homemade food and being included in the decision making process. Moreover, the price range they are willing to pay is between **5 and 7 €** if they perceive the food as healthy and tasty. That confirms our beliefs that the quality of the food and the presentation of it are cornerstones we will need to focus our attention. The only tricky part is how to become a relevant player in the minds of students when choosing from where to buy their lunch and how to attract them since our pricing is a bit higher than the other alternatives.

Answers of the survey

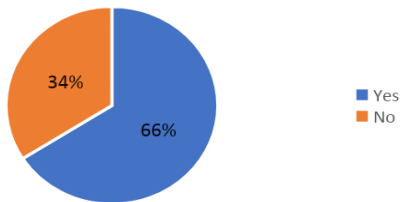
Is eating healthy important to you?



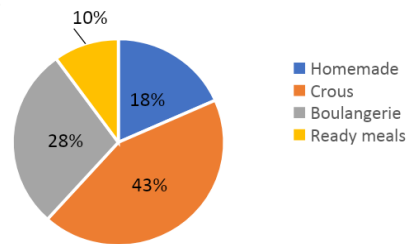
What is important to you: eating healthy, eating cheap food, or both?



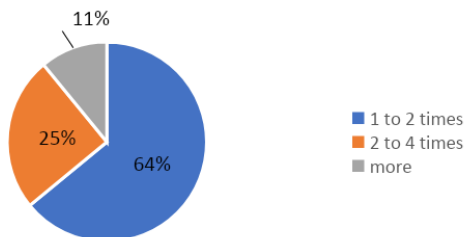
Do you think there is enough lunch options diversity around Sciences Po?



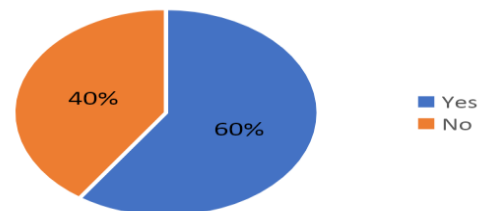
From where do you usually buy your lunch?



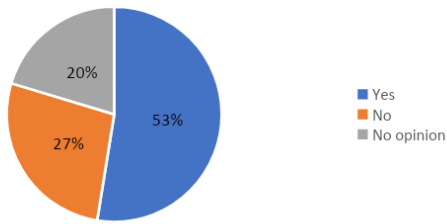
How many times per week do you cook your own lunch?



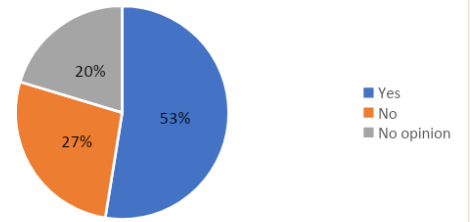
Do you consider your diet healthy?



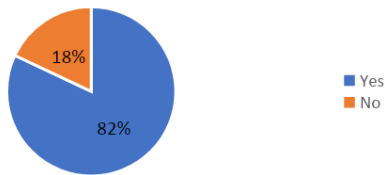
Do you think stressful periods (exam sessions, revision weeks, etc) affect your eating habits?



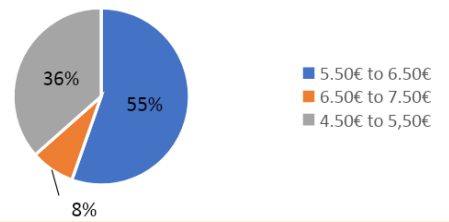
Do you think stressful periods (exam sessions, revision weeks, etc) affect your eating habits?



Do you like the idea of choosing your meal via app and participating in the elaboration of menus?



How much will you be willing to pay for a lunch menu that is healthy and tasty?



Based on these results and our vision of the vision, we created a business plan.

Business plan		Qualeaty		
<p>Problem</p> <p>In Paris huge percent of the population eats. Many students and young adults do not have the time or the knowledge how to cook home. That is why fast food chains, restaurants and bakeries are good option. On top of that, usually this segment lacks big revenues which leads to a low budget for food and price can be prioritized over quality. Consequently, students prefer eating something relatively cheap, that will not need hours of preparation. The issue is that in most of the cases, they end up eating unhealthy food and having non -balanced eating habits.</p>	<p>Potential partners</p> <ul style="list-style-type: none"> Sciences Po and associations within it (SP environment, Sc Po TV) Business that engage in food waste and better consuming habits (Too Good To Go, Karma, Yuka) The municipalities of the 6th and 7th district (may help promote, give data on local community and even finance if interested) <p>Key Performance indicators</p> <ul style="list-style-type: none"> Active users of the app Retention Rate Churn rate (how many people ditch the app) How many customers we have <ul style="list-style-type: none"> What channels do they come from 	<p>Unique Value Proposition</p> <p>What we are offering is not simply a food business. We will try to include the consumers in the decision and make them feel involved. Moreover, the food we will be offering, will be adapted to any needs : vegetarian options, lactose intolerant, gluten free, etc. We will be inclusive, mainly due to our application that will help us forecast what we need to cook, for when and in what quantity.</p>	<p>Unfair Advantage</p> <p>Our application will help us build a good relationship with our customers, one that is about to last and engage them. The sense of community and the ability to choose and vote will make the students being part of the experience. The option of giving feedback and suggestions we include them in the whole process from cooking to selling.</p> <p>Channels</p> <p>Word of mouth Social Networks Student associations Students' mailing lists Broadcasting</p>	<p>Customer Segments</p> <p>The main segment are university students in the 6th and 7th district in Paris</p> <p>At the beginning we will concentrate on Sciences Po students and then try to expand to Sorbonne, Assas, HESAM</p>
<p>Cost Structure</p> <p>Food expenditures: Salaries: 67 200 € Rent expenditures: 4 034 € Utilities: 500 Suppliers: 12 000 € (a rough estimation)</p>		<p>Revenue Streams</p> <p>Our main revenue stream are the lunches purchased. The average price of a meal is 6 €. We estimate that we can have around 415 students per day that will come and buy, which makes it 6x415= 2490 revenue of the day. With 3 days per week working there is 7 470 monthly revenues.</p>		

Finances

The time to implement our business plan has come, so we need to find a source of financing. We have tried to calculate approximately the expenses for the first year in order to get an idea of the funds needed to launch our project. The project includes a large part devoted to restoration, so short-term investments will be very expensive. Our sources of financing will be, on the one hand, crowdfunding and, on the other hand, bank credits. The expected finances are based on the year 2020, where we will offer meals 3 days a week or 144 days of service per year.

	2020
Number of potential students (clients)	415 per day
Number of potential working days (per year)	144
Number of workers	5
Business premises rental (month)	-4 034,00 €
Equipement	-102 000,00 €
Salaries	-67 200,00 €
Utilities (per month)	-500,00€
Suppliers (Food, packaging and recipientper month)	-12 000,00€
App development	-3 134,20 €
Marketing costs	-2 091,00€
Taxes payable	-41 000,00€
Bank loan (per year)	-60 000,00€
Total costs	-230 159,20€
Annual turnover (focused only on SP students)	+375 600,00€
Net profit (approx.)	+145 440,80€

Premises

The choice of premises required by our business plan and their location is extremely important in our strategy. Indeed, one cannot function without the other. Our project requires two different premises for different purposes: a first premise will be intended to prepare fresh meals relatively close geographically to the second premise which will be intended to concentrate and serve meals previously ordered via our application. We based ourselves on the offers for renting premises in Paris available on specialized sites.

1 - The first premise must absolutely have an extraction source to remove smoke from the kitchens, ideally located in Paris to ensure optimal operation. It is not necessary for the premises to be large, on the contrary, it is interesting for our business model to save as many square meters as possible. The following premises perfectly meet our order picking needs:

Surface area is 40m², the price is 1250 € and located in the 14th district of Paris.

Surface area is 36m², the price is 1950 € and located in the 15th district of Paris.

2 – The second premise must be located in the Sciences Po, Descartes, and Assas area target customers of our project. This premise must also be as small as possible in order to ensure optimal service. The following premise perfectly meets our picking:

Surface area is 15m², the price is 2084 € and located in the 14th district of Paris.

Concerning the suppliers, we would be using the services of “La Ruche qui dit Oui”. It is a french business that offers producers to directly sell to consumers without having an intermediate. In Paris there are around 91 different distribution points that put in contact sellers with buyers in different time slots and days. We plan to order through their application and go to the destination of pickup one day before we need the products. Using this service, we could be sure that the quality of the products is good and that they are fresh and haven't travel many kilometres to get to us. According to our estimations, we would need around 1000 € per day, which make is 3000 € per week and around 12 000 € per month.

THANK YOU FOR READING OUR PROJECT

A project by Locafood makers

We are the group called Locafood-maker. Our team is comprised of various multi-talented and dedicated students who have a common goal, be part of the great transition. Coming together around this theme, we decided to embark on this journey and develop this project that merges both our concerns for the world of tomorrow as well as our passion for food.

Here's the team:

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