

# Pennsylvania College - English for Business & Entrepreneurship

## Healthy Cakes Brief Business Plan 2023

### **EXECUTIVE SUMMARY**

Healthy Cakes presents an extraordinary opportunity in my local market with healthy style people. Healthy Cakes will provide customers, healthier cakes than the competition. Revenues are expected to grow from \$4.160 to \$8.000 in three years.

### **BUSINESS DESCRIPTION**

#### **Product**

Healthy Cakes is a healthy product made with gluten free flours that helps celiac and healthy people take care of their healthy and have a tasty experience with different cakes flavors, easy to find in local bakeries and small markets.

#### **Management and Operations**

Healthy Cakes will have one manager and one employee. Healthy cake will produce, distribute and find it in the local market.

### **MARKETING**

#### **Market research**

**Opportunity:** Healthy Cake presents an exciting opportunity in my local market with celiac and healthy people who take care of their health and also, enjoy having tasty experience with different cakes flavors according to the following data (Total survey respondents = 12).

#### **Evidence:**

- “Do you ever eat gluten free foods?”

83,3% of the respondents eat healthy foods, the results were positive for women (6 women, 4 men)

- “How often do you eat gluten free foods?” Most of the respondents answered that they eat gluten free foods three times a week ( 4 women, 3 men)

- “Which kind of flour do you prefer in cakes?” The most popular flour was oat, who represents 40% of the answers ( 4 women, 2 men), 20% of the respondents chose almond and 7% rice.

- “How much do you pay for gluten free foods?” 50% of the respondents that eat gluten free foods pay between \$7,25 –\$10

#### **Competitive analysis**

Healthy Cakes has 1 direct competitor and 2 indirect competitors in my local market.

- Direct competition average price for similar product: \$10 per product
- Indirect competition from the local bakery which makes all kinds of cakes for its customers and opens everyday.

## **Marketing Mix**

The following marketing mix will create the biggest sales for Healthy Cakes because it is uniquely designed to attract celiac and healthy people who take care of their health and also, enjoy having a tasty experience with different cakes flavours.

<b>Product:</b>	<i>Things to consider (goods)</i>	<i>Healthy Cakes</i>
	. Size	Medium round Shape
	. Colours	Different organic flours
	. Styles	Round Plastic packaging
	. Features	Adhesive labels
	<i>Things to consider (service)</i>	

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### **Price :**

<i>Things to consider</i>	\$10 per product (\$2 less than competitor)
. Profit	
. Profit margin	
. competitor prices	

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### **Place:**

<i>Things to consider</i>	
.Where the target market	.Customers will find it in local bakeries and small markets
.shops for his products	
.Costs of selling	.Costs will be directly with the suppliers.
. Directly	
.Through other businesses	

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### **Promotion:**

<i>Things to consider</i>	
. How people will learn about the product	. Advertising: email and social media
.Advertising	- Will be offered a special low price, for one month, in order to introduce the product on market.
. Special pricing	

## **FINANCIALS**

### **Startup costs:**

. Hand Mixer	\$65
. Kitchen scale	\$25
. Utensils	\$20
. Cake pans	\$40
. Industrial oven	\$280
<b>Total Startup Costs:</b>	<b>\$430</b>

### Sales e Revenue Projections:

	<b>Year 1</b>	<b>Year2</b>	<b>Year3</b>
.Expected Sales	520	700	1000
.Price per product	\$8,00	\$8,00	\$8,00
.Expected Revenue	\$4.160	\$5,600	\$8.000

Revenues are **expected to grow** from **\$4.160 to \$8.000** in three years.

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### Costs Projections:

	<b>Year1</b>	<b>Year2</b>	<b>Year3</b>
. Startup Costs	\$430	None	None
. Operating Costs	\$2.300	\$2.500	\$2.800
. Expected Costs	\$2.730	\$2.500	\$2.800

Operating costs will **remain stable** for years 1, 2 and 3.

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### Income Statement:

	<b>Year1</b>	<b>Year 2</b>	<b>Year 3</b>
Expected Revenue	\$4.160	\$5.600	\$8.000
Expected Costs	\$2,730	\$2.500	\$2.800
Expects Income	\$1.430	\$3.100	\$5.200

Income is **expected to increase** from **\$1.430 to a profit of \$5.200** in three years.