



Business plan for the food truck concept in Latvia

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Abstract

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<p>The goal of this product-based thesis is to develop a feasible, competitive, and profitable business plan for the family-owned mobile food truck company in Latvia, which can initially operate for 3 months in the summer of 2022.</p> <p>The thesis aims to serve as a step-by-step guide on how to establish a new start-up business, and as a tool to evaluate the business potential. The main objective is to create a business plan by uniting and associating the theory with the outcomes of the research.</p> <p>The theory part of the thesis consists of topics related to the food truck business. The author studied, analyzed, combined, and compared the theory about entrepreneurship in Latvia, the concept of the food truck business, the business plan model, its elements, and the tool of Business Model Canvas.</p> <p>To understand the phenomena of the street food movement and mobile catering industry in Latvia, the author hosted interviews with entrepreneurs, potential customers, and street food festival organizers. To gain knowledge about the current market the author conducted the observation research.</p> <p>As the final product of the thesis, the author created the business plan, which covers the most significant parts of the business planning process and Business Model Canvas of the developed business concept called “Uzo’s Truck”.</p> <p>Regarding the market analyses, research, observations, and financial estimations, the concept of “Uzo’s Truck” has a hypothetically high prospect to succeed in the business environment.</p> <p>The author began working on the thesis in the spring of 2021 and completed it in November 2021.</p>
Keywords Business plan, Business Model Canvas, Food Truck, Entrepreneurship

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1 Introduction

Due to the pandemic of COVID-19, most of the summer festivals, concerts, sports games, exhibitions, street markets, and other outdoor gatherings, what supposed to take a place in Latvia in the summer of 2020, had been cancelled or postponed for an unknown period of the time. In the summer of 2021, only a few events were organized and allowed based on the gathering restrictions. Assuming the pandemic of COVID-19 will gradually ease, seems quite promising that in the summer of 2022, festivals, markets, and different outdoor events will take a place again, which means - there will be a lot of opportunities for the catering industry, especially for the mobile food businesses.

For a couple of years, the author of the thesis has been thinking about establishing her own business of food truck concept and waiting for the right moment to start a family-owned business. At this time, the worldwide pandemic situation and extensive changes in the hospitality industry have created a potential for start-up companies, which could be wisely used for establishing a new business.

However, the food truck catering business is competitive and requires an attractive conceptualization, viable business and financial plan, and a solid marketing strategy to succeed in the market. The author has chosen Latvia as the main market for the business due to personal reasons and practical advantages. Initially, the plan is to focus on the local market, but if the business has a great prospect for growth and development, the author will study how to expand the business internationally.

Based on the Latvian market research, the niche of mobile catering businesses is still open to new entrepreneurs since the movement of street food is gaining more popularity and booming in the Latvian community. The author has observed that the demand for caterers is higher than the available catering businesses in the market which creates an auspicious and supportive environment for the new food truck concepts to enter the industry.

The thesis aims to create a feasible business plan for the food truck concept. The business plan must serve as a step-by-step guide on how to establish a new start-up family business and gain an understanding of entrepreneurship with a focus on the market in Latvia. Also, the plan will help evaluate if the idea of the business can succeed.

The main objective of the product-based thesis is to combine, discover and associate the theory and analysis with the results of the research, identify the business potential, and develop a profitable, sustainable, and competitive business plan.

The thesis consists of two main parts – theoretical and empirical. On the theoretical part, the author will study, combine, and compare the literature related to the topics of business plan and the food truck concept. Firstly, the author will research the steps and guidelines about entrepreneurship and main requirements on how to start a catering business, and what is the process of establishing a start-up company in Latvia. Secondly, the author will look at the concept of the food truck business in general and gather the theory related to the mobile food businesses. In the third topic, the author will focus on a written business plan and its main elements, while the last subtopic will cover the theory about the tool of Business Model Canvas.

On the empirical part, the theoretical knowledge along with the research results will be applied into practice. Based on the information, acquired knowledge, and comprehension, the author will develop the concept of the family-owned food truck business in Latvia. The author will focus mostly on five main components of the plan –idea, market analysis, operational plan, marketing, and finances.

The author has decided to use a qualitative research method for the thesis – interviews, and observation to create an understanding of the mobile food truck concept and its potential to succeed from both customer and business perspectives.

The expected result of the thesis is to have a detailed written document and supporting documents that include step-by-step guidelines and activities on how to establish a mobile catering business.

2 Entrepreneurship in Latvia

Latvia is a country in Eastern Europe surrounded by Estonia, Lithuania, Belarus, and Russia and situated next to the Baltic Sea. Riga is the capital city of Latvia and it is a significant financial, cultural, industrial, business, and political center in the Baltic countries. The economy of Latvia is driven by three leading sectors - services, industries, and agriculture. (Passport to Trade 2.0. 2019.)

Before the pandemic of Covid-19, the catering business for the past couple of decades has been one of the most profitable fields in the Latvian economy due to the fast-growing tourism industry and local peoples' habit and wish to go out for dining. Food has been a vital part of Latvian culture which gives a wide range of opportunities for catering businesses. Although, opening a food business in Latvia requires detailed planning, knowledge, and a deep understanding of the process of establishing and setting up a new company. (Baltic Legal 2019.)

The Covid-19 pandemic in the catering industry has brought in huge changes – approximately 10% of the catering businesses have left the market. Due to the country's locked down situation, restaurants, cafes, and bars were closed for almost half of the year creating unavoidable conditions for businesses to survive. (Eng. Ism.lv- Latvian Public Broadcasting 2021.)

Regarding the statistics based on the catering sector in Latvia in 2018, there were 5279 registered companies in the catering industry. Unfortunately, no updated statistics are available yet. The author's created figure below indicates the proportion of how many companies operate in the restaurant and mobile service field in relation to bar businesses and companies that offer food delivery services. (BNN 2018.)

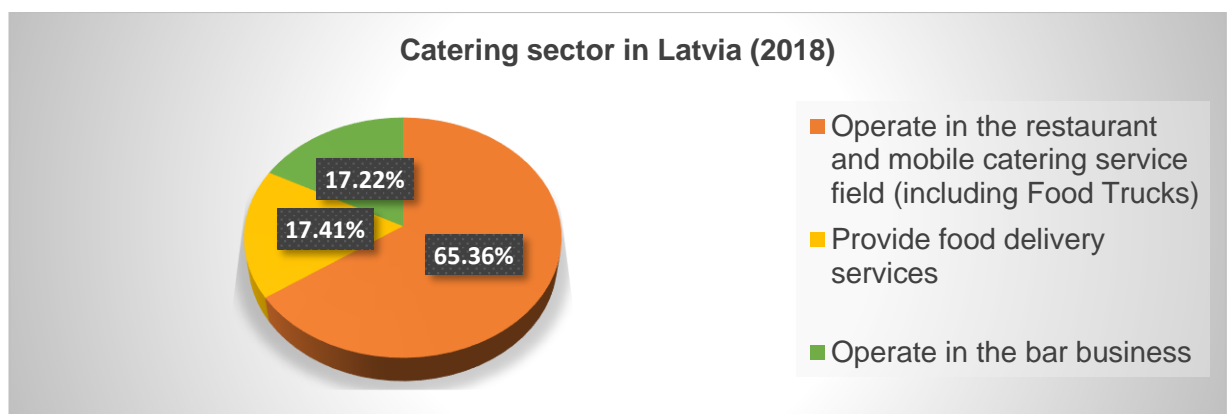


Figure 1. Catering sector in Latvia – 2018 (modified from BNN 2018.)

The first step when establishing a new catering company, is to registrate the business in the State Revenue Service (VID) by creating a unique company's name and choosing the business type. As shown in the table below, there are main four business types in Latvia that vary mostly by the amount of equity, the form of liability and distribution. (The Register of Enterprises of the Republic of Latvia 2018.)

Table 1. Forms of businesses in Latvia (modified from The Register of Enterprises of the Republic of Latvia 2018)

Factors	Limited liability company (SIA)	Limited liability company (SIA) with reduced equity	Joint stock company (AS)	Individual merchant (IK)
Legal person	X	X	X	-
Number of owners	1+	1-5	1+	1 person
A legal person may be an owner	X	-	X	-
Non-residents may be the owners	X	X	X	X
Equity	≥2800 €	≥1€	≥ 35 000 €	-
Annual turnover	-	<40 000 €	-	≥284 600 €
The owner is liable with own property	-	-	-	X
VAT payer	X	X	X	X
Corporate Income Tax	X	X	X	-
Personal Income Tax and MSSIC	-	-	-	X
May pay the micro-enterprise tax	X	X	-	X
Profit distribution	A part is paid as dividends	A part is paid as dividends	A part is paid as dividends	The owner retains the entire profit
Management	Shareholders' meeting and the board	Shareholders' meeting and the board	Shareholders' meeting, and the board	The owner takes all decisions
State fee for registration	150,00 €	20,00 €	350,00 €	30,00 €

Mobile food truck business can be registered as limited liability company (SIA), or limited liability company with the reduced equity (SIA) or as an individual merchant (IK) depending on the amount of equity, the liability of the company and the planned form of the profit distribution.

In the State Revenue Service (VID) the owner of the business also needs to choose the mode of paying taxes, as well as do the registration of employees, workplace and working tools, and perform the corporation with the system of public data called Electronic Declaration System. (State Revenue Service 2021.)

The second step is to get all the necessary permissions from different government departments. When opening a mobile catering business, the entrepreneur must register the company with the Local Health Department (PVD) to get the required approval regarding food safety.

In addition, the company must obtain a few other certificates and licenses to operate the business:

- License to sell alcohol (if the alcohol is part of the menu)
- Food hygiene license
- Water quality certificate
- Fire safety certificate
- Workplace (food truck) safety certificate
- HACCP certificate – it is a self-monitored document for safety in businesses that process the food. It includes the analysis of potential hazards, sources of contamination, risks, and assessments. (Latvian Business Blog 2021.)

3 Concept of the food truck business

According to the Food and Agriculture Organization of the United Nations, about 2.5 billion people around the world purchase food from mobile food trucks and street kiosks every day (SBDCNet 2020). The industry of mobile food businesses and street food culture has grown rapidly fast for the past few decades. The concept of the food truck is one of the most fastest increasing channels in the catering industry. The key success factor why food trucks are becoming even more popular, is the unique, authentic, fun, and fresh culinary experience that customers can enjoy. (Networld Media Group DBA Networld Alliance, LLC 2017.)

People are embracing the street food culture; they appreciate the value and the quality for the fair price and the possibility to get a variety of meals and try different cuisines. Street food creates a sense of community for people. (Weber 2012, 3-5.)

From entrepreneurs' perspective, food trucks can be a high-profit business concept with a low starting investment, minimal risks, and relatively low operation costs, which allows being mobile and flexible. (Cardoso, Companion & Marras 2017, 135-137.) The food truck business is a more affordable option for first-time entrepreneurs, who have never had a catering business before. It also allows testing new menu concepts, recipes, and strategies quickly and easily in a cost-effective way. The business creates the chance to increase the consumer reach by choosing specific target markets and locations. Food trucks serve as a mobile marketing tool for the business. (Networld Media Group DBA Networld Alliance, LLC 2017.)

The success or failure of the catering business usually depends on the location. Food truck business has the major advantage of choosing a location daily, which allows reaching customers more efficiently, but to be able to do that, they need to be in constant communication and dynamic social networking with potential and existing customers. (Wallace 2011, 64-65.)

According to Weber (2012, 8-181) there are four vital steps for starting a mobile food company, operating the business successfully, and expanding the market. Those steps are listed below:

- Plan the business – which includes the process of building expertise in the field, clarifying the food truck regulations, considering, and picking the concept, doing the market analyses, testing economic fundamentals and key metrics, assembling a team and business partners, writing a business plan, considering the costs and initial investment.

- Start the business- this step includes the process of setting up a legal entity, applying for licences, setting up systems, finalizing the Menu, procuring the truck, laying out the kitchen and all the necessary equipment, branding the concept of the business, hiring a team, picking a vending location, creating an operation schedule.
- Succeed in the business – this step focuses mostly on getting the business operating and running profitably and efficiently. The process includes the ability to improve the vending locations, learn from customers and strengthen the customer service, manage the team, measure the performance, refine the Menu, if necessary, analyse the revenue and profit, connect with the customers within social media and do the truck and equipment maintenance.
- Grow the business – which includes the process of discovering and expanding new markets, looking for a possibility to start a contract packing, building the company's infrastructure – management team, organizational structure and offered services, improving, and upgrading business technologies.

There are several rules and standards that need to be followed when operating a food truck business. Depending on the country, city, and region, there are different regulations on parking permits, mobile vending laws, proof of ownership, insurance, identification, and vehicular license, as well as various local regulations from the health, fire, and safety organizations. (Networld Media Group DBA Networld Alliance, LLC 2017.)

4 Business plan model

The business plan is a written document, which covers, describes, and analyses the concept of the business and gives detailed projections and presumptions about its future (McKeever 2016, 3). The business plan has a vital role in the process of planning the business, both internally with the relation to the entrepreneur himself and externally concerning other involved parties (Nielsen, Klyver, Evald, & Bager 2017, 179).

The business plan provides the company with operational guidance and framework, and it can have different objectives based on the specific business model. It can serve as a:

- Action plan – a detailed plan for complex tasks with the focus on a short-term period when starting a business.
- Roadmap – it can be used as a medium to long term plan when the business has already started, it helps business owners to keep the daily operations on track and move in the right direction.
- Performance tool – in this situation, the business plan is used mostly as an operational instrument to set up realistic goals and objectives for the business performance, as well as control and evaluate achievements or failures.
- Business promotion tool – a business marketing tool to persuade investors to provide financial support for the business activities. (Oyewole 2018, 1-2.)

As noted by Borrow, Borrow and Braun (2018, 15-17), preparing a business plan has a few important benefits that could help to avoid mistakes and run the business more smoothly. The writing process of the business plan enables one to make mistakes on paper but avoid them in real-life situations in the marketplace. Additionally, the completed business plan makes the entrepreneur feel more confident and comfortable about the ability to start the business. It could even compensate for the lack of skills, experience, and expertise. Based on the information given on the business plan, the owner of the start-up company can also see how big investment and capital is needed for the business, when is it needed, and for how long period of the time the money is required. The business plan also is necessary for communicating with others and explaining the concept of the business idea in a more effective manner, for instance, for seeking a corporation with potential partners, investors, or agencies. However, the most significant benefit of the written business plan is the possibility to understand the planning process and steps that need to be taken when operating a business.

McKeever (2016, 5-9) also highlights other advantages of writing a business plan. In some situations, the concept of the business doesn't have the potential to succeed. The written business plan helps to comprehend if the entrepreneur can continue to develop his or her

idea or the concept doesn't have future potential and it is better to discontinue. The business plan provides all the answers if there are realistic chances to succeed, as well as improves the odds of positive results and outcomes.

Finch (2019, 6-7) points out the main aspects of the business plan that needs to be covered to raise readers' attention, stimulate interest and imagination. The business plan must embrace the background story on how the idea and the concept were created, outlining the business management structure and market, describing what is the value proposition of the business, as well as point out the most significant risks, and explaining how they will be dealt with.

As suggested by Nielsen, Klyver, Evald, & Bager (2017, 192), a business plan should clarify the most critical risk factors, should identify the target market groups, should be written professionally that it can catch readers' attention. Business plans cannot be too long, and the content cannot be too exaggerated.

4.1 Elements of the business plan

McKeever (2016, 7-9) indicates that there is no one right way of writing a business plan. The content of a plan can vary depending on the business profile and specific situations. In some business plans, the major focus is on internal relationships, in some business plans, entrepreneurs want to emphasize mostly external corporations. It is natural in the market that each business has different requirements for the information provided. However, when writing a business plan, it is essential to think about what type of information and content is crucial for the business.

The layout of the business plan and the presented material should be rationally structured and must follow a logical pattern in order to keep the reader interested. Additionally, it is suggested and recommended to write quite briefly in the proportion of the size and scope of the business. Too much information on each section interferes with the reader. (Blackwell 2011, 5-6).

According to Mc Keever (2016, 7-9), there can be two types of business plan – a complete business plan and a quick plan depending on the business model, objective, situation, and desired outcome. Each plan contains a different number of elements. As shown in Table 2. which the author modified from the original source, the complete plan compared to the quick plan, contains more detailed information about marketing activities, trends, personnel, risks, personal financial statement and background, and future business plan.

Table 2. Complete Versus Quick Business plan (modified from (McKeever 2016, 4)

<i>Element</i>	<i>Complete Plan</i>	<i>Quick Plan</i>
Title Page	X	X
Summary	X	X
Table of Contents	X	X
Problem Statement	X	X
Business Description	X	X
Business Resume/ Accomplish-ments	X	X
Marketing Plan	X	
Sales revenue forecast	X	X
Profit and Loss Forecast	X	X
Capital Spending Plan	X	X
Cash Flow Forecast	X	X
Future Trends	X	
Risk Facing Business	X	
Personnel Plan	X	
Specific Business Goals	X	
Personal Financial Statement	X	
Personal Background	X	
Appendix	X	X
Supporting documents	X	X

While Finch (2019, 23-127.) suggests that the business plan needs to cover nine key elements that are listed below:

1. Summary – it is a brief introduction of the business plan, which describes the idea and the concept of the business and emphasizes the most crucial factors that will make the business succeed.
2. The business background – identify the goals, aims and objectives of the business, explains the offered product or service, and gathers information about the industry in general.
3. The market – includes the analyses of the market structure, competitors, potential customers, target groups and segmentation, distribution channels, trends, competitive business advantages and differentiation, pricing strategy, and examples of market changes.
4. Operations - outlines the business's daily operations, including production process, systems, and control management, as well as the business's physical location, facilities, and equipment.

5. Management – describes the structure of the organization and management team, human resources and skill set required for a business.
6. The proposal – explains what the value proposition is, what is the business proposal, which separates the business from your competitors.
7. The forecast - estimates the main sales and costs forecast.
8. Financial information – indicates both revenue and expenses including funding possibilities, income statement, cash flow projections, balance sheet and the statement of equity.
9. Risks - explains short- and long-term risks that could affect the business.

On the contrary, Oyewole (2018) proposes a different structure and template for the business plan focusing on five main blocks and subjects, which are:

1. Executive Summary - gives a brief overview of the plan and highlights the concept of the business by introducing a product or service.
2. The Business - describes the business and strategic initiatives. The topic includes several subtopics:
 - The business overview explains:
 - The company's vision, which is a statement indicating and signifying a direction of the business
 - The company's mission, what describes a fundamental purpose of the business
 - Corporate values identify the core ideology and principles of the business.
 - Business goals clarify broad outcomes and accomplishments that the company sets up when starting a business.
 - Business objectives identify specific steps and actions what the company needs to accomplish to achieve the goal.
 - Business Strategy outlines actions and moves to achieve the business goals and reach objectives
 - Key Success Factors - those are significant elements that are needed for a business to compete effectively in the marketplace.
 - Organization, Ownership and Management - represents the company's organizational chart between roles and responsibilities and management
3. Operational Plan - outlines all the requirements that the company needs to run a daily operation and describes the role of each team member in the business.
4. Industry and Market Analysis - identify the forces in the business environment that needs to be recognized before starting a business. One tool that can be used in market analysis, is a SWOT analysis, which defines the company's strengths, weaknesses, opportunities, and threats. The analysis also includes a marketing

plan outlining the approach, tactics, and 4ps marketing strategy, which describes the product, price, place, and promotion.

5. Financial Statements and Projections – determines if the business concept is feasible regarding the financial aspect. It carries out three financial statements – the income statement, cash flow statement, and the balance sheet, which shows hypothetical figures. (Oyewole 2018, 2-17.)

While some other industry experts suggest the topic of the sales strategy must be separated and it should explain the promotional approach in detail. The author should describe the pricing strategy, marketing, advertisement, and sales activities including SEO and customer loyalty actions. Also, it is highly recommended to emphasize the section of fundings by explaining how much money is needed to operate the business. (EHL Insights 2020.)

4.2 Business model Canvas

Business model Canvas is a powerful management tool that entrepreneurs nowadays find particularly useful and handy. The key reason the business model Canvas is widely used in a business environment is the fact that Canvas points out and describes all the main elements and components once. (Read, Sarasvathy, Dew & Wiltbank 2016, 224.)

According to Clark, Osterwalder and Pigneur (2012, 30-34) Canvas shows how the nine business components fit together in one picture. Visualization helps to simplify the complex elements of organizations. The Figure 2 demonstrates the model.

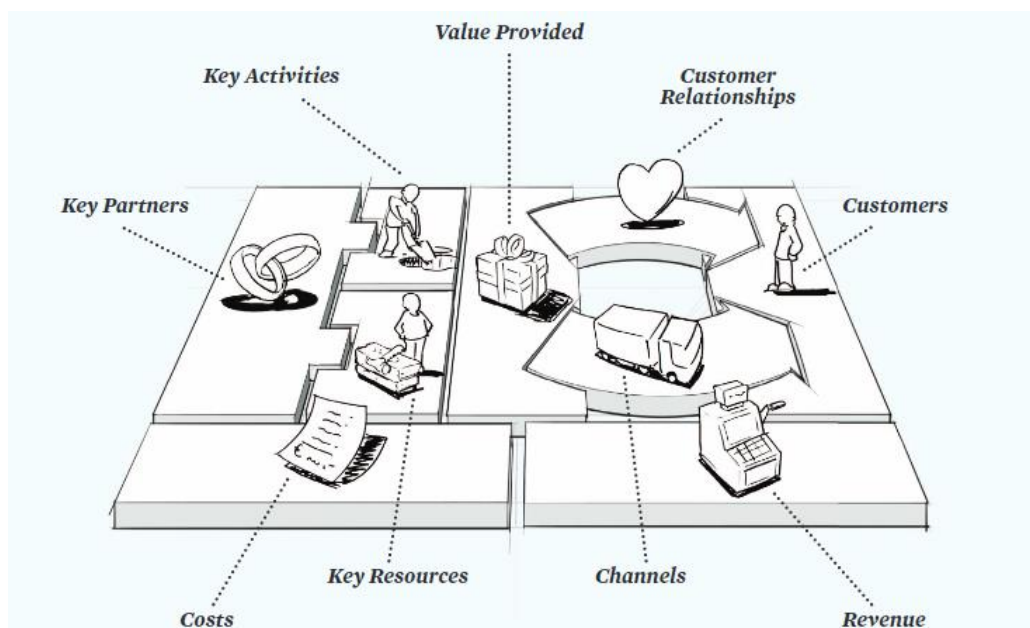


Figure 2. The nine building blocks of business model Canvas (Clark, Osterwalder & Pigneur 2012, 34)

As noted by Read, Sarasvathy, Dew & Wiltbank (2016, 224.) Canvas is a helpful working tool to see how all the business activities accomplish each other. It has the right amount of given information which guides and directs people without compelling the idea of the business plan too much. Additionally, Canvas is a clear visual tool, which helps to understand and perceive the features of the business more easily.

There are nine key blocks of Canvas:

- Customers – are the foundation of the company and without customers, the company would not exist. Businesses serve different customer groups and each group usually requires different value propositions, channels as well as customer relationships.
- Value proposition – is the company's ability and potential to provide an extraordinary value to their customers, which different shapes the services or products from the ones, that competitors are offering. The goal of the value proposition is to solve customer problems and satisfy customer needs by offering products or services. There can be different elements of a value proposition that are provided to customers, for instance, convenience, price, design, brand or status, cost reduction, or risk reduction.
- Channels – are the main touchpoints where the company liaises with potential and existing customers. Channels represent the way how the company can reach, interact, and communicate with its customer and deliver the value proposition. The main interaction points with customers usually occur in the store, or on the site, by communication in a person or through the telephone, internet, social media, and traditional media like television, radio, newspapers, etc. Channels have five key tasks in the business model:
 - 1) Increase the awareness of the company's products and services;
 - 2) Support and help potential customers to evaluate the products and services what company is offering;
 - 3) Enable customers to buy the company's products and services;
 - 4) Deliver and provide the value to the customer;
 - 5) Ensure customer satisfaction and support after the purchase.
- Customer Relationships - describes what kind of relationships the company establishes and maintains with its potential and existing customers. Relationships can range from personal to automated depending on what is the main goal and prior purpose of the customer relationship. What is also important, that customer relationships can change over time.
- Revenue – represents the way how the company generates money by selling its products and services. There are two main aspects of the revenue that the company needs to consider – what is the value proposition that customers are willing

to pay for and what are customers' preferred ways of payment. Revenue is divided into two categories – one-time payments when customers purchased products or services and recurring or periodic payments when a company charges the customer for products or services on a periodic schedule. For instance, outright sales - when the customer purchases the rights of ownership; lease or rent payments for a fixed or adjustable period; service or usage fee; subscription fee; licensing and brokerage fees in a real estate business.

- Key Resources - describes the most beneficial assets to run the business. There are four key resources:
 - Human resources – people working in the company. All companies need people. In some industries, human resources play the most significant role because those businesses cannot exist without people, but in some industries, other resources are even more important.
 - Physical resources – all the physical assets that the company needs to exist, for instance, land, buildings, offices, machines, vehicles, warehouses, equipment, etc.
 - Intellectual resources – those are non-physical and intangible property the company has developed, created, produced, and generated, like, the company's brand, patents and copyrights, specific systems, software, and methods and models.
 - Financial resources - includes cash, lines of credit, or financial guarantees.
- Key activities – those are the most significant activities what the company must do to run the business. Key activities are divided into 3 steps:
 - Making – the process of manufacturing, designing, developing, and delivering products or services to customers;
 - Selling – the process of promoting, advertising, training, and educating potential customers about the product or services that the company offers;
 - Supporting – the process of keeping the company run smoothly and helping with daily activities.
- Key partners - those are outsourced partnerships and strategic relationships with other companies that help the business to operate effectively.
- Costs – describes all the expenses the company produces through its activities and key operations. Costs are incurred when the company is performing key activities, working with key partners, and acquiring key resources. (Clark, Osterwalder & Pigneur 2012, 34 – 4.)

According to the research done by Becker and Bröcker (2021, 3-5) Business Model Canvas is a modern and efficient tool. However, like every tool, also Canvas has some advantages and some disadvantages, and its relevance depends on several factors. The

most significant advantage of using the tool is associated with the fact that Canvas provides simple and clear documentation about the business, it requires less time than other business models, it is easily readable, and it is clearly presenting each segment of a business. Canvas promotes teamwork and collaboration, as well as the identification of the essential elements of a business and creates a valuable base for the preparation of a business plan.

The main challenges of using Canvas are mostly associated with the lack of detailed information and analysis about the business. Canvas is a more simplified business tool and based on the limited information, it can differ from the traditional business plan. It does not consider the competition and environmental analysis, as well as actual trends, what is significant information when running a business. (Becker & Bröcker 2021, 5-9.)

5 Researching the feasibility of the business idea

The author of the thesis has initially decided to use 2 research methods - observation method and semi-structured interviews to understand the phenomena of street food markets from both – entrepreneur's and customer's perspectives. The author wanted to enhance the knowledge of mobile food business, target audience and customer behaviour, food trends, food truck concepts, and the current market. Research would give a prediction of the business concept what would have the potential and possibility to succeed in the Latvian market.

5.1 Observation method

With the observation method, the author wanted to observe customers' behaviour in the natural environment and analyse the activities and actions of potential competitors. The observation method gives insights into the street food market and creates an understanding of how does the street food market function, what are the current trends in the catering industry, what are potential target groups of customers, what people are willing to purchase, what kind of food they want to try and what is the price range for the offered products.

In the summer of 2021, when the author was doing the observation research, the Covid-19 regulations and guidelines in Latvia were still in place to curb the epidemic. The Latvian authorities had set up gathering restrictions and those were applied also to different outdoor events, including street food markets. A specific number of people were allowed to attend outdoor gatherings, which means that half of the usual capacity was permitted into the event and even less than half of the caterers were serving the food. Despite the limitations, people were still willing to experience the street food atmosphere and mobile food truck owners were offering a wide variety of meals.

The author visited two street food events that could be a potential location to serve the food and did the observation research by focusing on specific aspects:

- Overview of the market and the atmosphere
- The layout and arrangement of food trucks
- Potential competitor analysis
- Trends
- Product price range
- Target audience
- Customer behaviour

The author chose Kalnciema Quarter as a place to do the observation research. It is a famous, open urban spot in Riga, that frequently hosts various events, open-air concerts, art exhibitions, plays, educational seminars, weekly local farmer and artisans' markets, and street food festivals that are held every Wednesday evening, from May to September. (Kalnciema Quarter 2021.)

The author visited Kalnciema Quarter for the observation research two times – on June 17, 2021, when the Street Food Festival was taking a place, and on July 3, 2021, when the Saturday's local farmer and artisans' market was hosted.

Street Food Festival

Street Food Festival gathered eight different caterers offering diverse menus, popular DJ was playing an easy listening lounge music, people seemed to have a positive and relaxing evening. However, the festival wasn't fully crowded due to the gathering limitations. Food trucks were set up in the "semi-circle" layout that all the caterers were visible for customers and all food trucks had the same opportunity to attract people. In the middle of the street market, there were tables and chairs where people could sit down and enjoy their meals. Since Kalnciema Quarter owns a café that sells drinks – coffees, soft drinks, wines, beers, and strong alcohol, caterers are allowed to serve just the food.

Some of the food trucks were well designed and owners have paid attention to visual and practical details and things that improve the customer service and sales efficiency like – design of the truck, easily understandable menu with prices, visible logo, and name of the company, napkins, employee uniforms, accessibility, positive customer service and welcoming attitude, different payment methods.

Based on the list of caterers attending the street market and customer interest in trying different cuisines, the author assumes the current food trends involve authentic food from other cultures or the locally known food with some fusion or twist. None of the food trucks were selling traditional Latvian food, instead – meals from other cuisines and countries. People were willing to try something different and unique, what they have never tried before.

The author's created Table 3, which is shown below, enumerates all the caterers who were attending the Street Food Festival.

Table 3. The list of caterers in the Street Food Festival at Kalnciema quarter on June 17, 2021

Caterer	Menu	Price range
"Postoffice.lv"	Different asian style dishes - noodles, sushi, rolls	5.00 € to 8.00 € per meal
"Plov_Station Imanta"	Traditional Uzbek Plov with lamb and beef and special tomato salad as a side dish and homemade bread	7.00 €/ per portion
"2 Tomāti Picērija"	Wood-fired pizzas - Margherita, Green-vegetarian, with ham and mushrooms, with BBQ and minced meat	6.00 € - 9.00 €/ per pizza
"Culinaria food"	Fresh salads and poke bowls with chicken, salmon, shrimps, goat cheese, or tofu. Also, three types of cake were served	5.00 € to 8.00 € per dish; 3.00 € for the slice of cake.
"Gusta Me churros"	Authentic Spanish desserts – churros. Customers were able to choose a small size or big size package of churros with sauce or glaze and ice cream.	3.50 € -7.00 € depending on the size and sides
"Hugo Food Truck"	Filled sandwiches topped with grilled vegetables and French fries with sauces. The menu included 4 varieties of fillings – tuna fish, pulled chicken, pulled beef, or shrimps. They also served homemade lemonade.	5.00 € - 7.00 € /per meal; 2.50 € for French fries; 1.50 € - lemonade
"2 Eat falafel & hummus Israeli cuisine"	Authentic Israelian vegan and vegetarian dishes including Shakuka, Falafel Pita, Hummus plate with Tahini and pomegranate chili sauces, snacks like sweet potato fries with seasoning.	3.00 € - 8.00 € per dish
"Skriveru home ice-cream"	2 types of homemade ice cream - vegan sorbets and ice- creams made with milk served in a waffle or paper cup.	1 scoop 3.00 €, 2 scoops – 5.00 €

The author asked the owner of the food truck called "2 Eat falafel & hummus Israeli cuisine" what do customers choose as their meals. The caterer said that customers who are attending the street market in Kalnciema Quarter, always show interest to try out dishes that they do not usually cook at home and dishes that are not made from Latvian ingredients. From his food truck customers usually choose Falafel Pita and Hummus plate. He also shared his observation saying that street food festivals are becoming more popular, and people love to experience the atmosphere, along with the music and delicious food. Street markets nowadays are the place where people gather together with their families,

kids, friends, work colleagues and he strongly believes the street food culture in Latvia will rapidly expand for the next few years.

Who is the target audience for the street food festivals in Kalnciema Quarter? Based on observation, the target market is divided into two groups – local people and foreign city visitors. Kalnciema Quarter is one of the most famous spots in Riga and it is mentioned in main tourism sites as the highly recommended place to visit, and since it is easily accessible from the old town of Riga, tourists often attend various events. Tourists were mostly from European countries willing to enjoy the atmosphere of the street food festival.

Another target group, based on the author's observation, were local people both men and women, who most likely live in Riga, in the age group from ~25-50 years and they have averagely high income. One- fourth part of the people attending the festival, were with their families and kids. People coming to a street food festival, firstly walk around and check what kind of food trucks are present and what are the offered menus for each truck. Some customers, who seemed to attend the street food festival regularly, have their favourite trucks and dishes, they go directly to them and order the food immediately.

On average, each customer spent ~ 10.00 € for the meal, plus drinks ~ 5.00 € what they purchased separately in the café. The author observed that customers quite often want to have just some snacks, not a meal, but in this market were limited options of finger food. As well, families were coming with kids and even though food trucks were offering different meals, some kids felt unsatisfied because they could not find anything that they would like to eat, apart from the pizza and ice cream.

Local farmer and artisans' market

The author also visited the Local farmer and artisans' market, which takes place every Saturday throughout the year. The main focus is on local products made by farmers, artisans, and designers, but at the same time market visitors can enjoy the meal served by food trucks. Food trucks were arranged on one side of the outdoor market, placed next to each other. Each Saturday there are ~ 4 to 10 food trucks depending on the available space for the food court and the theme of the market. Almost every Saturday the market is devoted to a specific theme. For instance, there was an Italian market in which people were able to purchase various Italian products and goods, also food trucks were representing the Italian cuisine. On July 3, 2021, the market was devoted to the theme of seasonal fashion.

Some of the market visitors were just browsing around the market without any exact need for goods, but some were purposefully coming to the market to buy something specific.

People seemed to enjoy the market with the music played by the DJ. There were also creative kids' activities and workshops organized by Kalnciema Quarter. Since the market's busiest hours are usually around ~11.00- 14:00 people are also willing to have lunch there, which means it is a great opportunity for the food truck businesses to sell food. Four caterers were attending the market and they are listed below in the author's created Table 4.

Table 4. The list of caterers in the Local farmer and artisans' market at Kalnciema Quarter on July 3, 2021

Caterer	Menu	Price	Author's comments
"Waffles"	Belgium-style waffles filled with chocolate, ice-cream, jam, heavy cream, fruits, and berries	3.00 € - 5.00 €/ per portion	The food was attractive mostly for small kids and their families. The menu was clearly understandable, and the salesperson was actively doing customer service.
"EZIS virtuve"	Bread products and snacks- beigels, sourdough bread with different fillings, Italian "focaccia" bread, muffins and brownies, donuts, cinnamon buns	1.00 € - 4.00 €/ per portion; Muffins and brownies - 10.00 €/kg	Passive customer service, lack of information about products, and confusing price list.
"Kuuku-Maaja"	Wide assortment of cakes and baked foods - "sklandrausis" (Latvian traditional sweet-tart made of rye flour and filled with sweet carrots), cottage cheese donuts; pavlova, and many cakes	3.00 € to ~7.00 € per one piece of sweets depending on the weight.	The owner of the company is also the baker and the seller. As she mentioned, "KuukuMaaja" is her individual business and she does everything by herself. Lacking descriptions about the products.
"Vinkalni pils maja"	Wood-fired authentic Italian pizzas. Customers were able to choose from 6 pizzas – Romana, Napoletana, Burrata, and a few more. They also served some home-made lemonades	7.00 € - 10.00 €/ per pizza; Lemonade - 3.00 €.	The chef of the food truck was positively active inviting people to stop by and try their meals. The truck was colorful and professionally designed representing their brand image and offered products.

Based on the author's observation, one of the target audiences for the market is local Latvian people, who most likely live in Riga, somewhere near to the Kalnciema Quarter. They value foods and creations made in Latvia even though the price is much higher than the average price for goods on the supermarket shelf. The author assumes that it is also trendy to go to the market of Kalnciema Quarter and purchase locally grown or made products because it represents customers' status in the society – it reflects the level of income and the prosperity of living.

The market is targeted for two age groups people – younger people between age 25-50 are mostly purchasing design crafts, while the older people between age 50-70 are buying foods from biological Latvian producers. The other target audience is tourists who want to experience the market feeling, get to know traditional Latvian products, and buy some souvenirs.

Although the author did the observation research just for two events hosted by Kalnciema Quarter, the place shows a high potential to be a successful spot for the food truck business. The place is famous and trendy, despite the weather conditions, it has a high weekly attendance rate, and many of people visiting the market and festival have become regular customers. Kalnciema Quarter organizes plenty of outdoor events every week throughout the year, and each of the events offers an opportunity for food trucks.

Since the author wanted to get more detailed information about the possibility to participate in the Saturday's market and Street Food Festival as a caterer, she arranged the interview with the person from Kalnciema Quarter, who is responsible for organizing caterers and food trucks for all the outdoor events. (Conclusions of the interview can be found in section 5.2. Interview Method and 5.3. Results and Outcomes)

5.2 Interview method

The author of the thesis decided to host several interviews to gain knowledge about the street food concept in Latvia from different angles and perspectives. Initially, the research was divided into two groups. The author hosted interviews with food truck owners and people who can be identified as the potential target audience. During the research, arose an opportunity to arrange the interview also with the street food festival and market organizers from Kalnciema Quarter. The author successfully used this opportunity.

People who are or have been running a food truck business shared their insights about the business, gave some beneficial tips, and created an understanding if the business truck concept has the potential to succeed in the Latvian market. Potential customers

shared their needs, wishes, habits, and purchasing behaviour, while organizers of the Street Food Festival and market created a picture of the current market, main competitors, and pointed out their observations regarding customer desires and hopes when they visit Kalnciema Quarter.

Potential target audience

Based on the observation research, one of the target audiences for Street Food Festivals are people, in the age between 25-50 years, live in the capital city Riga, they are Latvians by nationality, have averagely high incomes, some of them have children, some - do not have, they visit events organized by Kalnciema Quarter quite often. Using the previously listed criteria, the author hosted interviews with 2 people who can potentially be the target market for the author's developed business concept.

- Ieva Kalna- 32 years old female, lives in Riga, works as a PR specialist in the Marketing agency, have 3 children (age 2, 4, and 7 years old), have an active social life, likes to attend street food markets with her friends, or with husband and kids. Visits Kalnciema Quarter regularly, especially during the summer season, values Latvian made and grown products, has enough income for allowing herself to buy something extra.
- Oskars Viksna – 37 years old male, lives in Riga. Works in the finance sector, the workplace is located nearby the Kalnciema Quarter, visits outdoor events and concerts quite often, usually goes together with his work colleagues. He is not married, and he does not have children. He dines out or orders ready meals to his home regularly due to the lack of cooking skills.

One of the interviews was hosted in person, another one – in Zoom at the beginning of August, 2021 and was structured into five blocks. Interviews started with simple opening questions, then the author asked about their personal experience regarding street food markets or festivals and their behaviour when attending events where the street food is offered. Conversations led to questions about their opinion and wishes relating to food truck concepts, menu and offered cuisines, price range, and customer service. After that, the author summarized and concluded ideas, suggestions, and observations regarding the street food industry. Interviews ended with a few closing questions. Both interviews took 30 - 45 min due to limited time resources. Interviews were going smoothly, people were sharing their opinions, their purchasing habits, and expectations. They gave some beneficial suggestions regarding the truck concept.

Food Truck business owners

The author organized two interviews with people who have experience in running food truck companies to get information and insights about opening a catering business. Owners shared their experiences, specified challenges, and advantages of having a food truck and gave some useful tips and advice. Interviews were carried out on the Zoom platform and took ~ 40 minutes.

The author divided all questions into six main groups:

- 1) Opening questions
- 2) Questions about their previous food truck experience (concept, menu, price range, target audience, sales channels, and locations, process and legal aspects of running a business)
- 3) Questions about the biggest challenges they have faced when running a business; as well the greatest advantages of having a mobile food truck.
- 4) Questions about their observations and forecasts related to the future of the street food industry, customer wishes and needs, and potentially successful concepts.
- 5) Closing questions and summarization.

Despite time limitations, the interviews were efficient and gave a lot of significant information that the author can use when deciding on her own catering concept.

Interviews were contacted with 2 entrepreneurs:

- Roberts Ozols – was running a food truck business as a side job for 4 years. He permanently works as a sales manager at an international company producing different food products. He paused his food truck business in the spring of 2020 when the pandemic of Covid-19 started. Yet, he is not sure, if he is going to continue with the mobile catering business because it is a time-consuming business and requires careful management. He also mentioned, the catering business takes away all the weekends and free time that you can spend with your family. However, he has not sold the truck with the equipment yet, which allows resuming back to the business if he decides to. His food truck was serving traditional Latvian meals - baked potatoes, grilled sausages, and a wide variety of meat, stewed sauerkraut.

According to his observations, his main target audience were elderly people, especially male, who appreciate traditional Latvian cuisine, and tourists who are willing to try something authentic. Before starting the food truck business, he did not have previous experience of running a catering company and it required a long time to understand how the processes and various systems work. As he mentioned, the

biggest challenge was to predict the number of sold plates. He had two employees, who were mostly responsible for food preparation and cooking, while he was doing the management and being a cashier in the truck.

- Madara Krastina – she is working in a family-owned cafeteria near Riga, but occasionally attends outdoor events, where the food can be served. Before the Covid-19 pandemic hit the catering industry, her family business was quite successful. Since spring 2021, sales have dropped down significantly. For a few years, they were attending different outdoor markets, events, and concerts across the whole country and serving food. They also took part in the Christmas market and offered hot drinks and meals. For more than a year, there have been just a few opportunities to attend events as a caterer due to gathering restrictions set up by Latvian authorities. She is hoping they will have a financial means to develop their off-site sales - street food concept and they can actively participate in street food markets in the next year's summer and Christmas period. They are planning to renovate their truck, buy new kitchen equipment and improve, or even completely change their menu. So far, they have been experimenting with various menus depending on the event and the expected audience. For instance, in the Christmas market, they were serving typical and authentic Latvian dishes, bacon pies, hot wine, and blackcurrant drinks for kids, but in some summer festivals, they were offering deep-fried chicken wings, French fries, and other fast snacks.

According to her, the mobile catering business can be really challenging, because there is no certainty, all the time it requires taking risks. Looking on the other side, usually, it is worth risking. She believes the street food industry is expected to grow in Latvia for the next few years and many caterers will start or resume back to their mobile businesses. However, it is good to have high competition in the market – it requires to be more innovative, continuously improve the service and menu. Hopefully, they will be able to compete successfully.

- Organizers of Kalnciema Quarter Street Food Festival and Market

The author decided to carry out an interview with the representative from Kalnciema Quarter due to the reason, that likely it can be the main location where to run the business during the summer of 2022. The author wanted to gather practical information about the participation – requirements and fees, as well as raise awareness about the street food market trends in Latvia.

The interview has conducted with Edijs Beinarovics, who is the responsible manager and coordinator of Kalnciema Quarter Street Food Festival. It was organized through the

phone because of his busy work schedule, but it was still extremely informative and useful for the research. Edijs shared his vision on how the street food festivals will develop in the short- and long-term periods. He pointed out his observations about customer purchasing behaviour when attending events and gave advice on how to create the brand and business more competitive and feasible.

During the conversation, the main topics were covered:

- Current street food trends;
- Personal observations about customer behaviour, their expectations, and needs;
- Future forecasts related to street food festival;
- Process, requirements, and fees of participation in Kalnciema Quarter Street Food festivals and Saturdays' markets.

The interview naturally began and ended with opening and closing questions.

5.3 Results and outcomes

The study was designed to gain knowledge about the street food industry in Latvia. The research has shown that the movement of street food concept is still relatively new and attractive to the Latvian community and creates a business niche for the new catering companies, which can offer an outstanding menu and excellent customer service. From the business perspective, the food truck concept is a great opportunity for first-time entrepreneurs due to the fact that it is less risky and requires relatively low start-up investment and low running costs, but still, it is quite risky and demands a solid and efficient operational, management, financial, and marketing plan and a feasible business strategy.

Listed below are the author's conclusions based on interview results and observations related to three main topics – the movement of the street food in Latvia, the food and value proposition in the street food festivals, and entrepreneurship in Latvia.

The movement of Street Food in Latvia:

- The street food concept will become even more popular in Latvia because of its attractive offering.
- Street markets allow trying out different cuisines at relatively cheap prices.
- Since the street food markets usually gather together many food trucks, customers have a chance to try out a wide variety of cuisines and food in one event.
- The street market is the place where to hang out with friends and family, and usually, markets are kids' friendly. However, not always food trucks are serving menus specially designed for kids.

The food and value proposition in Street food markets and festivals in Latvia:

- The food usually is cooked in front of the customers giving the feeling the food is remarkably fresh and tastes even more delicious.
- Music creates the atmosphere and mood in the street food festivals, food trucks can have their own playlist that brightens up the concept of the truck.
- Usually, some new, innovative, and unique food recipes and meals are introduced in street food festivals and market visitors have a chance to try out something that they have never tried before.
- Customers are willing to try meals that they don't cook at home and meals that are made with unique ingredients that are not traditionally used in Latvian cuisine.
- Food trucks must have an attractive design and strong visual identity to attract potential customers, the menu must be clearly visible, and the salesperson/ chef must be positive, welcoming, and passionate about the food that he/ she is cooking.
- Potential customers listed a few of their favourite street food concepts and menus, what they usually like to choose when going to street food festivals: burgers, kebab dishes, barbecue meat, meals from Korean cuisine, pizzas, Poke bowls, noodles, and sushi.
- Customers highly appreciate, if there are also vegan and vegetarian options available, as well as simple food for kids and healthy drinks, for example, smoothies with fruits and berries. If there is no option of kid's menu, then the possibility to buy a smaller, "kid's size" meal is highly recommended.
- Prices for the food must be in average level, cannot be as high as in the restaurant, for instance.
- Some customers pay attention and appreciate it if food trucks are using recyclable dishes and catering equipment, and they do not even mind paying more.

Entrepreneurship in Latvia:

- In general, the food truck business is feasible and has the potential to succeed, but it requires to have an outstanding, well-thought menu and the business idea.
- Street Food business requires relatively low start-up investment and low running costs.
- When opening the business, the food truck can be bought or rented, depending on the available start-up capital. Also, the kitchen equipment can be rented for specific events.
- Opening the business requires quite a long process of registration. Also, because of the bureaucracy in Latvia, many licenses and permissions are required.
- The concept of a food truck is less risky than opening a restaurant, café, or bistro.

- The biggest challenge of having a food truck business, is to find the perfect location and spot for your product and target the right audience.
- When running a food truck is always difficult to forecast sales and calculate how many customers will be served with the number of prepared ingredients. Mistakes in forecasting, lead to food waste and money loss.
- The business is seasonal, which means the owner must have another source of income during the low season when there are limited options for street markets and outdoor events.
- Since the kitchen space in the food truck is quite small, it is wise to think how many people in one event are needed to prepare and cook the food. If there are too many people, the work becomes inefficient.
- It is advisable to hire cooks with so-called "zero" hour contracts, that the working hours are flexible and working schedules can be changed.
- The name of a business must be catchy and easy to remember, must create associations with served food and products.
- It is significantly important to use social media to attract the potential target audience, to raise awareness about the brand, boost popularity and increase sales.
- To run an efficient business and quick sales, the prep kitchen or place where to do the food preparation is needed.
- To run the business frequently - every day, instead of a few days in a week when the street food markets and festivals are held, food trucks can have a corporation with food delivery companies, like WOLT, BOLT food, etc.
- For more efficient business and increased profit, food truck owners are advised to promote their business for private catering events and look for private customers.
- Usually, the summer season is the time when, for example, weddings and other big celebrations are organized. Most of those events require caterers.
- It is essential to pay extra attention to food safety processes and strictly follow guidelines and rules set up by Local Health authorities.

6 Developing the business plan for the food truck business

According to the previously analysed theory, there is not just one way of writing the business plan for a start-up company. However, there are generally accepted and used guidelines that suggest what kind of topics should be included in the plan, but each business owner when writing a plan can decide which subjects, questions, and factors are the most convenient, suitable, and required for each business. Yet, it must clarify and describe the business in general. It can include different elements depending on the business model, its concept, and the purpose of the plan.

The plan can be intended as a guideline for the owner, that details each step that needs to be taken for establishing and successfully operating the company. It can also be written with the purpose to attract potential investors; in that case, it requires a more detailed financial analysis describing income, profit, and cash flow projections.

The author of the thesis is developing the business plan for a new start-up company owned by two family members, and since there is no purpose and need for attracting additional investment, the business plan will include five main topics, such as – a business idea, market analysis, operational, marketing, and financial plan – to guide the author through stages by identifying, describing and analysing the business opportunity and financial feasibility in a short, simple, visual, compact and easily understandable way. As long as the plan is meant to help the owner to start up a business, it must be handy, comprehensible, and simple to use. There is no need of describing and clarifying things that are obvious and already known to the author. The template, structure, and design of the business plan are created by the owner.

6.1 Creating the business idea

The first idea about the business called Uzo's Truck came at the beginning of the summer, 2021 when the author was doing the summer course on social media marketing organized by Haaga-Helia University of Applied Sciences. She needed to do a simple social media plan for any company. She decided to develop the concept of her own start-up catering business with a focus on the street food industry. It was just a plain and unspecified idea, without any research in the background.

When the author started to work on the thesis, the idea of Uzo's Truck came back again, but she was not even considering that the idea can realistically be the right concept for the business. During the process of drafting the thesis, the author analysed the catering

industry, researched entrepreneurship possibilities in Latvia, explored the current market and competitors, trends, customer target groups, their behaviour, needs, and wishes.

After the analysis of theory and research was done, the concept of Uzo's Truck suddenly seemed more realistic and feasible than ever because it met all the criteria, measures, and factors that the author had explored, and discovered during the study process.

Uzo's Truck is the mobile food truck attending different outdoor events and festivals in Latvia during summer 2022. The business idea is to offer burger dishes and snacks with African twists and fusion. Nothing like that has been offered in the Latvian market, and there are no direct competitors, who combine burger meals with authentic and traditional African ingredients. Nowadays, people are willing to try something new, unique, and extraordinary, that they have never tried before. That is one of the reasons, the author is convinced the concept can be feasible.

The author decided to name her business Uzo's Truck because with the company's name she wanted to raise the first associations that could relate to the offered products and the concept of the food truck. "Uzo" is an abbreviated form of an African male name. It is easy to remember, the pronunciation is the same in the most common languages in Latvia. The name will help to create the brand's identity.

6.2 Outlining the operational plan

Uzo's Truck is going to be a family-owned business. Since the author does not have previous experience in entrepreneurship, she decided to try out the concept first before establishing a permanent food truck business that operates regularly on daily basis. Due to the timing challenges, the first trial period for the operations will be the time of June – August 2022. During the summer, there are many events, festivals, and gatherings organized in Latvia, which means there will be a lot of opportunities to attend different outdoor events, test the concept, and have ideas for improvement.

Uzo's Truck is going to be registered as a Limited liability company (SIA) with reduced equity.

The business will be owned by two family members and they will use their personal savings and funds for the business start-up capital. The investment of 8000.00 € is needed to register the company and get all the required licenses, permissions, and certificates, rent the food truck, equipment, and additional space for the prep kitchen, buy kitchen utensils, and place an order for the food ingredients needed for the first catering services.

Due to the limitation of financial resources and business operation period, the food truck and most of the equipment will be rented from the local suppliers for the time of 3 months.

The presented business costs, pricing strategy, estimated income, and other financial figures are influenced by the economic situation, price level, and living standards of Latvia.

As an addition to the business plan (see the Appendix 2. Business plan "Uzo's Truck"), the author has developed and created the Business Model Canvas (see Appendix 1. Business Model Canvas for the "Uzo's Truck") that presents, describes, defines and simply summarizes the business concept.

7 Discussion and evaluation

Writing the thesis project was an extremely challenging and time-consuming process. It required a strong range of planning and self-discipline in order to accomplish the goal in the specified period of time. The work began in spring, 2021 when the author found the topic and started to plan the process and steps. During the summer, 2021, the author studied the literature and did the part of the research, while the fall was spent mostly on writing and developing the final product- Business Plan. The project was completed in November 2021.

The thesis aimed to develop a feasible business plan for the mobile catering company based on the outcome of the gathered theory and research, and evaluate if the developed concept has a hypothetical potential to succeed in the Latvian market.

The theory part covered topics about the concept of the food truck business, entrepreneurship in Latvia, business plan, its main elements, and tool of Business Model Canvas. The subject of writing a business plan and developing business tools is widely discussed and many opinions and guidelines can be found. During the work, the author decided to outline the most essential points and arguments that were relevant to the studied topic. Likewise, the theory about the food truck concept and entrepreneurship in the Latvian market were broadly explored, which allowed to compare different approaches and choose the most applicable one.

The research was done with the purpose to gain an understanding of the street food movement and industry from the customer, food truck owners' and street food market and festival organizers' perspectives. However, the results and outcome of the study cannot be evaluated as absolutely reliable since the research covered only subjective assessments and opinions. Therefore, the author chose to carry out the research within a specific geographical framework by doing the observation on events that happen in Riga and conducting interviews with people who live in the capital. Another reason which casts doubts on the objectivity of the results is the fact that during the summer of 2021, the restrictions and limitations due to the pandemic of Covid-10 were still in place significantly influencing public outdoor events and gatherings.

However, the study gave a general perception regarding the street food business, customer needs, current market, competition, niches, and concepts that can be highly prospective. Based on the gathered knowledge, opinions, shared experiences, and given advices the author developed the business plan of the food truck concept called "Uzo's Truck".

Even though the work of writing the thesis was effortful and demanding, the author truly enjoyed the practical part – developing a profitable business concept. It required putting into practice all the theoretical knowledge and skills that the author has gained throughout the whole study period at Haaga-Helia University of Applied Sciences. The project wasn't just a last year's research, it was an outcome of skills acquired during the whole study time.

Through the process of writing the thesis, the author improved some crucial skills such as analytic and critical thinking, time management, self-motivation, and efficient planning. The author learned how to critically evaluate, select and analyze the relevant literature, undertake independent research, apply the knowledge in the field and create an innovative business product.

The biggest challenge was to find interviewees for the research purposes. Most of the people, who the author tried to encourage to take part in the interview, had some excusing reasons and arguments not to share their experience and opinion. Seems, food truck owners are afraid and threatened by any potential future competition in the market and that is the reason why they are not willing to share their thoughts and observations.

8 Conclusion and future recommendations

The purpose of the thesis was to develop a business plan which serves as a handy step-by-step guide on how to establish a mobile catering start-up company in Latvia. The author was aiming to create and develop an attractive, feasible, original, and innovative food truck concept, viable management, operational and financial plan, and a nuanced marketing strategy based on the gathered literature and research.

Although the outcome of the research was not considered as completely reliable since the qualitative study method represents just limited scope of obtained results and as well it was influenced by the Covid-19 gathering restrictions, the author believes the final product has been successfully developed and covers the most significant part of the business planning elements.

Regarding the market analyses, research, observations, and financial estimations, the concept of Uzo's Truck has a high potential to succeed in the business environment.

The author suggests exploring and analysing the topic further and conducting quantitative research to get more reliable and valid results. It is significantly important to collect data from a large number of customers to generate a greater knowledge and understanding of the street food movement in Latvia. Also, the author recommends doing the observation research in other outdoor events where mobile catering is represented.

The future idea is to develop the concept of "Uzo's Truck" as a permanent business and consider the option of operating in an international environment. To expand the market, more in-depth research would be definitely needed, based on the fact that other countries have different legislations and requirements of setting up a catering business, markets have different needs, demands, expectations, and trends. The business environments can be affected by other economic, social, cultural aspects and factors.

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Appendix 1. Business model Canvas for the “Uzo’s Truck”



Appendix 2. Business plan “Uzo’s Truck”





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BUSINESS IDEA

● ● ● PRODUCT

Uzo's Truck will be a family-owned mobile food truck serving freshly made burger dishes and snacks with an African fusion to the local community in Latvia.

During the summer of 2022, the food truck will attend various outdoor events, concerts, street food markets and festivals around the country and will create an exceptional customer experience by offering excellent service and unique menu.

Uzo's Truck will be like a "trial" catering business set up for just three months to see if the concept has a persuasive potential to succeed and has a high prospective to be developed as a permanent business in Latvia or even in Finland.

• BUSINESS MISSION

To provide customers with freshly made and delicious locally known food and drinks with an African twist, and excellent service.

• BUSINESS VISION

To create an opportunity for the Latvian community to try out and experience different meals and unusual ingredients in a convenient and affordable way accompanied by high-quality service

• BUSINESS STRATEGY

Uzo's Truck will operator using differentiation business strategy and compete in the market by offering a completely different product to customers. Based on the research and competitor analysis, none of the food trucks are offering a menu with the focus on African ingredients.

The menu includes typical African components, like plantain, yam, sweet potatoes, mango, avocado, corn, red eye beans, coconuts, chilli, red pepper, and others served in locally well-known and beloved burger meals.

● ● ● MENU



menu

SNACKS

Crispy Yam Sticks	€4
Sunny Plantain Bites	€4
Roasted Corn Rings	€4
African Sweet Potato Chips	€4
with the sauce of your choice:	
• Spicy Mango	
• Sweet Chilli- Tomato	
• Wild Avokado-Ginger	

BURGERS

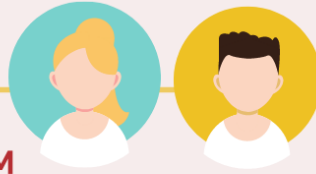
BEEF BURGER	€9
(beef, cheese, avokado mousse, grilled corn salad, green leaves, chilli and area sauce)	
FISH BURGER	€9
(white fish, shrimps, spicy mango chutney, spinach, garlic sauce)	
RED-EYE BURGER (veg)	€9
(red African bean patty, grilled pineapple, salads, caramelized onions, tropical sauce)	
KIDS BURGER	€5
(beef, tomato sauce, cheese)	

SWEETS

Mango Pudding (veg)	€4
Lime-Coconut Cake	€4

DRINKS

Tropical Hibiscus Cocktail (non-alc)	€3
Cold Brewed Papaya Ice Tee	€3



● ● ● MANAGEMENT TEAM

Linda Ibedzi, Founder and Owner

Has an experience in the hospitality industry, cafe and restaurant management, administrations, sales and marketing, customer service field.

Based on her knowledge, she will be responsible for the following tasks:

- Business registration
- Licences and Permissions
- Administrations and all the related paperwork
- Advertisement, Marketing, and Social Media activities
- Applying for participation in events and street food markets
- Being a cashier and operating a point of sale (POS) system
- Setting up the price strategy
- Managing financial resources
- Corporation with suppliers

• STAFF

Uzo's Truck will hire 2 part- time cooks as an addition to the management team.

The main job responsibilities will include prepping the food before events and cooking and serving meals during the service to customers. Since, the working hours and schedules are not fixed, employees will be offered to have a part-time contract, ~ 20- 30 hours/ week.

Based on the approximate summer event schedule, Uzo's Truck will attend ~ 36 different street food festivals, markets, outdoor music concerts from the period of 01.06.2022 until 31.08.2022, which means each month Uzo's Truck will serve food in ~ 12 events. Naturally, the schedule can change due to unexpected factors. There also can appear other opportunities where the truck can take a part.

Stanley Ibeji, Co-Founder and Owner

Has a long year of practical experience and theoretical knowledge in cooking. He has worked as a cook and chef for several restaurants across Nigeria, Italy, Finland, and Latvia where he gained experience in different cuisines.

Stanley has experience also in street food markets, he has been cooking and serving dishes at Flow Festival in Helsinki and several outdoor events in Latvia.

He has created the menu for Uzo's Truck and will be the one responsible for all the activities related to the food and cooking:

- Creating and planning menu
- Food preparation and serving to customer
- Ordering and purchasing ingredients
- Day-to-day activities in the food truck
- Hiring and training food truck staff
- Maintaining food safety standards
- Inventory
- Truck and kitchen equipment maintainance





MARKET ANALYSIS

• MARKET OVERVIEW

For the past five years, the movement of street food has become well-recognized and liked in Latvia. People have started to appreciate the food truck concepts and value the opportunity to try out different meals, cuisines, and food in an affordable way. Street food festivals and markets have become a trendy places where families and friends are spending time together, especially during the warm season.

Yet, there are not so many entrepreneurs, who do the food truck business. Most of them, who operate in the market, have a permanent place - café, restaurant, bistro, and food truck is a so-called side business that they do, when have some time resources left. Most often, they can attend just to a few outdoors events and serve the food over there. That makes the market more open to new entrepreneurs and the businesses has less competition.



• COMPETITOR ANALYSES

Currently, there are a few food trucks that have been operating the last summer and most likely they will continue their business also in the summer of 2022.

The main and direct competitors for Uzo's Truck are mobile catering businesses that serve various burger dishes and quite often they sell the food in street food markets or festivals hosted by Kalnciema Quarter.

Certainly, there are undirect competitors as well, that offers another type of food, but they still attend the same outdoor events, markets and festivals creating a greater competition for other trucks.

- Photos - from Kalnciema Quarter website (URL: <http://www.kalnciemaiela.lv/en/culture-events/streed-food-festival/>)

COMPETITORS

CHARLESTONES BBQ FOOD TRUCK

- **About the truck** - it was established as an extra sales channel for the permanent restaurant. The truck attends various street food festivals, offers also private catering services.
- **Product** - 3 types of burgers and snacks, like french fries
- **Price range** - burgers 7.00 - 8.00 €, sides - 3.00 €, soda drinks - 2.00 €
- **Marketing activities** - well-designed website, has an active Facebook and Instagram business page, where the newest information with attractive photos and posts is updated regularly
- **Location** - different locations, attends street food festivals also in other European countries
- **Customer reviews on social media** - great feedback about the food, its quality and an attractive and friendly service



STREET BURGERS TRAILER

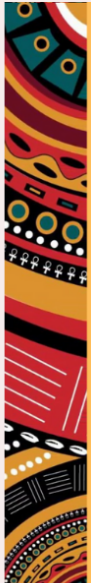
- **About the truck** - the owner has permanent, well-known and highly appreciated burger restaurants around the city, the truck is an extra sales channel. The truck operates irregularly.
- **Product** - burger dishes and snacks
- **Price range** - burgers -6.00 - 9.00 €, french fries - 3.00 €, also option to choose the burger as a meal
- **Marketing activities** - has a separate Facebook page, but the last update was 4 years ago. Food truck photos and promotions are posted through the main restaurant's website and social media channels. Passive marketing approach.
- **Location** - different locations, mostly around Riga.
- **Customer reviews on social media** - doesn't have separate feedbacks for the truck, reviews are posted about the burgers and the service in their restaurants



HUGO FOOD TRUCK

- **About the truck** - had also a cafe, but now, the main business focuses on the truck. Started the business 2 years ago.
- **Product** - currently serving baguette bread with different fillings and french fries, also serves homemade lemonade
- **Price range** - 6.00-7.00 € for the baguette and 2,50 € for french fries, lemonade 1,50 €
- **Marketing activities** - the truck has actively used Facebook and Instagram accounts, with a lot of photos and posts from previously attended events.
- **Location** - different locations, info regularly updated on social media.
- **Customer reviews on social media** - customers have appreciated their excellent customer service, attitude, atmosphere and te quality of food. On Facebook ratings - 5 out of 5.





VEGSTOP

- About the truck - 1,5 - year old business, operates on a daily basis, serving just vegan and vegetarian meals.
- Product - vegan burgers and wraps, french fries, sweet potatoes fries, nuggets
- Price range - burgers and wraps 5.00 - 6.00 €, nuggets - 5.00 €, fries 2.50 - 3.50 €
- Marketing activities - has an active Facebook and Instagram page, where they post beautifully taken photos and updates of the locations. Creating a strong brand image.
- Location - has a so-called permanent selling spot located in Riga, but regularly attends different street food festivals and markets around Latvia
- Customer reviews on social media - positive customer feedbacks saying the food is definitely worth of trying; friendly service



● ● ● SWOT

The SWOT analysis identifies the Uzo's Trucks internal strengths and weaknesses, possible opportunities and potential threats.



STRENGTHS

- Unique recipes
- Fast service
- Independence
- Flexible location – can experiment with the location in order to find the best spot to sell
- Immediate response to the customer needs
- Low start-up costs and investment
- Relatively Low Operation Cost
- High level of personal customer service
- Limited competition regarding the concept
- Small team required
- The food truck functions as a marketing tool
- Less risky than to open a café/ restaurant



WEAKNESSES

- Limited capital what can be spent on the food truck and kitchen equipment
- High competition in the market
- Expensive food ingredients
- High transportation costs
- Limited flexibility in pricing strategy
- Limited space for stock
- Small kitchen space
- Lack of previous experience in a similar business
- Risks of setting up a new start-up company



OPPORTUNITIES

- New menu and new food truck concept
- Opportunity to start a private catering business for private parties and events
- Ability to use social media to reach the target audience faster and more efficient
- Opportunity to attend festivals and outdoor event in other cities/ countries
- Opportunity to have a permanent selling place contract with street food markets



THREATS

- The concept of the food truck business is not attractive to customers
- Street food markets lose their popularity
- Seasonal business
- Due to bad weather condition, street market festival and outdoor events can be cancelled
- Covid-19 restrictions and regulations still take place
- Food spoilage and fire hazard risks





OPERATIONAL PLAN

• COMPANY

As mentioned before, Uzo's Truck will be operating for just 3 months during the summer, 2022. Due to personal reasons, motives and purposes, Latvia is chosen as the major business market.

Uzo's Truck will be a trial catering business to see if the concept of business is feasible enough for establishing a permanent mobile catering business.

The company owners are two family members – a wife and a husband who will hire 2 more employees - part-time cooks to join the team.

• TRUCK AND EQUIPMENT

Regarding the short operation period, the owner has decided to rent the food truck with the basic equipment from the local supplier- Food Trucks Latvia or other similar companies depending on the best offer. Those companies are usually offering to rent for a short or long-term-period food truck with or without the equipment.

Based on the current menu, the truck must be equipped at least with:

- Ventilation
- Power source
- Sink
- Griddle and flat top grills
- Fridge
- Range
- Stainless Steel Work Table
- Boiler system for a water
- Shelves for a storage

Other needed equipment that will be rent or purchased separately from the company called Gemoss :

- Toaster
- Deep Fryer
- Food Truck Exhaust Hood
- Cutting Boards, knives
- Frying Pans
- Sauce pots
- Blender
- Serving Utensils- dispensers, squeeze bottles, disposable Gloves, recycled cups, plates and cutlery, napkins etc.

● ● ● FOOD

The menu of Uzo's Truck includes ingredients that cannot be found on usual supermarket shelves - like plantain, yam, African sweet potatoes, red-eye beans and specific green leaves. Luckily, there are several businesses in Latvia, for instance, the company called Reaton, Oscar's Fish or Good Life Solutions, that supply catering business with oriental, tropical, rarely used in Latvian cuisine, foreign ingredients. Surely, the purchase prices are higher, thus also affecting the prices on the menu.

Based on the research, on average burger meals cost around 7.00 € in street food festivals and outdoor events. The price of Uzo's Truck's burgers will be 9.00 € due to the high quality and unique ingredients and other factors, that affect the selling price. The price of the food must be profitable.

Because of the limited space in the food truck, the owner will rent a temporal prep kitchen - a space, where cooks can do the preps before the service. According to the available offer in the market, there are several catering companies that rent out their facilities. Another reason, to rent a prep kitchen is to have a space that meets all the food safety preparing requirements and guidelines that are set up by local authorities.

● ● ● SERVICE

One of the value propositions for Uzo's Truck is high-quality service. What does it mean? Uzo's Truck will provide excellent customer experience by:

- The quality of the food
- Staff behavior and attitude - team will be positive, friendly, polite and open-minded
- Active communication to customers (and listening!)
- Storytelling
- Staff training and motivational meetings
- Food presentation
- Design, layout, ascetics of the food truck
- Atmosphere
- Easy ordering, convenient payment methods
- Service time
- Being open to feedbacks
- "Customers are our friends and we want to ensure the best possible experience"

● ● ● UZO'S TRUCK ESTIMATED EVENT SCHEDULE

Uzo's Truck is planning to attend the events listed below. The event schedule possibly can change due to unexpected reasons. This is just an estimation.

EVENT CALENDAR					
Month	Day	Date	Event	Place/ Organizer	City
JUNE, 2022	Wednesday	01.06.2022	Street Food Festival	Kalnciema Quarter	Riga, Latvia
	Friday	03.06.2022	Open-air market	The Ethnographic Open-Air Museum of Latvia	Riga, Latvia
	Saturday	04.06.2022	Open-air market	The Ethnographic Open-Air Museum of Latvia	Riga, Latvia
	Sunday	05.06.2022	Open-air market	The Ethnographic Open-Air Museum of Latvia	Riga, Latvia
	Wednesday	08.06.2022	Street Food Festival	Kalnciema Quarter	Riga, Latvia
	Saturday	11.06.2022	Street Market	Kalnciema Quarter	Riga, Latvia
	Wednesday	15.06.2022	Street Food Festival	Kalnciema Quarter	Riga, Latvia
	Saturday	18.06.2022	Street Market	Kalnciema Quarter	Riga, Latvia
	Tuesday	21.06.2022	Open-air concert	Music concert organized by the city	Lielupe, Latvia
	Wednesday	22.06.2022	Street Food Festival	Kalnciema Quarter	Riga, Latvia
	Thursday	23.06.2022	Open-air concert	Music concert	Gulbene, Latvia
	Saturday	25.06.2022	Street Market	Kalnciema Quarter	Riga, Latvia
	Wednesday	29.06.2022	Street Food Festival	Kalnciema Quarter	Riga, Latvia
	JULY, 2022	Saturday	02.07.2022	Street Market	Kalnciema Quarter
Wednesday		06.07.2022	Street Food Festival	Kalnciema Quarter	Riga, Latvia
Thursday		07.07.2022	Music Festival	Country Bauska festival	Bauska, Latvia
Saturday		09.07.2022	Street Market	Kalnciema Quarter	Riga, Latvia
Wednesday		13.07.2022	Street Food Festival	Kalnciema Quarter	Riga, Latvia
Friday		15.07.2022	Music Festival	Positivus Festival	Salacgriva, Latvia
Saturday		16.07.2022	Music Festival	Positivus Festival	Salacgriva, Latvia
Wednesday		20.07.2022	Street Food Festival	Kalnciema Quarter	Riga, Latvia
Saturday		23.07.2022	Street Market	Kalnciema Quarter	Riga, Latvia
Wednesday		27.07.2022	Street Food Festival	Kalnciema Quarter	Riga, Latvia
Friday		29.07.2022	Music Festival	Summer Sound Festival	Liepaja, Latvia
Saturday	30.07.2022	Music Festival	Summer Sound Festival	Liepaja, Latvia	
AUGUST, 2022	Wednesday	03.08.2022	Street Food Festival	Kalnciema Quarter	Riga, Latvia
	Friday	05.08.2022	Music and Art Festival	Laba Daba	Ratnieki, Latvia
	Saturday	06.08.2022	Music and Art Festival	Laba Daba	Ratnieki, Latvia
	Sunday	07.08.2022	Music and Art Festival	Laba Daba	Ratnieki, Latvia
	Wednesday	10.08.2022	Street Food Festival	Kalnciema Quarter	Riga, Latvia
	Saturday	13.08.2022	Street Market	Kalnciema Quarter	Riga, Latvia
	Wednesday	17.08.2022	Street Food Festival	Kalnciema Quarter	Riga, Latvia
	Saturday	20.08.2022	Art Festival	The Ethnographic Open-Air Museum of Latvia	Riga, Latvia
	Wednesday	24.08.2022	Street Food Festival	Kalnciema Quarter	Riga, Latvia
	Saturday	27.08.2022	Street Market	Kalnciema Quarter	Riga, Latvia
	Wednesday	31.08.2022	Street Food Festival	Kalnciema Quarter	Riga, Latvia
Total number of events					36

● ● ● GANTT CHART - BUSINESS OPENING TIMELINE

Business Name: UZO'S TRUCK		MARCH, 2022		APRIL, 2022				MAY, 2022				JUNE, 2022
TASK	Assigned to	Week 12	Week 13	Week 14	Week 15	Week 16	Week 17	Week 18	Week 19	Week 20	Week 21	Week 22 - opening
MARKETING												
Create a Website	Linda	█										
Do the photo shooting with finalized food products				█	█							
Create and set up social media accounts on Facebook and Instagram		█										
Design menu, price list boards, food truck banner and displays, printed advertisement and marketing materials			█	█	█	█	█	█				
Finalize the schedule for events, publish it on the website									█	█		
Update the information about events											█	█
Do the photo shooting with team, food truck etc.										█	█	█
Create the content for social media; create posts			█	█	█	█	█	█	█	█	█	█
KITCHEN EQUIPMENT												
Rent or purchase needed kitchen equipment	Stanley			█								
Finalize the kitchen equipment					█	█	█	█	█			
Test the kitchen equipment										█	█	█
OTHER TASKS												
Purchase tables and chairs for customers	Linda & Stanley									█	█	
Purchase all the necessary items for the service										█	█	█
Staff uniforms									█	█		

As shown on the table, the tasks will be divided and assigned to both family members depending on their previous experience, knowledge and expertise. Some activities will be done together. The timeline serves as a guide showing the right order and right time of completing each step.

Most possible, during the business opening process, will appear other tasks, duties and jobs that are unpredictable at the moment.





MARKETING PLAN

• MARKETING STRATEGY

Nowadays, the right marketing and advertisement activities are one of the core factors of business success. Uzo's Truck will be a newly opened business that requires effective actions in marketing and a strong online presence in order to promote the product and raise visibility and popularity amongst the potential target audience. The biggest challenge in developing the marketing strategy would be limited financial resources and a short period of operational time.

Main marketing objectives:

- Introduce the company to the local market in Latvia
- Promote the food truck
- Reach the potential target audience
- Increase sales and revenue
- Build brand awareness
- Increase customer loyalty

Main marketing activities:

- Develop the brand of Uzo's Truck
- Profile a target audience and create a customer persona
- Build up a simple website
- SEO
- Create and actively use Facebook Business account
- Create and actively use Instagram Business account
- Create printed sales and promotion materials

● ● ● BRAND

Uzo's Truck combines different cultures and brings unique experience loaded with tons of positive vibrations!

Key characteristics of Uzo's Truck

- high quality in both products and service
- positiveness and friendliness
- passion about the food
- unique taste journey and outstanding experience

● ● ● TARGET AUDIENCE

Based on the previously done research and observation, the main target audience for street food markets and festivals where Uzo's Truck is planning to take an active part is divided into two groups:

- local people, both men, and women, who most likely live in Riga, are in the age group of 25- 55, have averagely high monthly income, value social life, evening outgoing and cultural activities. Are open-minded and eager to try out and experience something new and extraordinary
- international students and foreign people who currently live in Riga, in the age group of 25-45. They are looking for evening entertainment and want to discover and get to know Latvian culture and social life. Values new experience over things.

Listed below are a few profiles of customer persona:

● ● ● CUSTOMER PERSONA

Customer persona 1



Name - Liene

Age - 35

Gender - Female

Children - 2 children
(4, 8 years)

Location - Riga

Marital status - Married

Monthly Income -1800 €

Education- Master's degree

Occupation - Project Manager in Marketing Agency

Values - Family and high-quality time spent together. As well values friendships and regularly meet up girl-friends.

Interests - Theatre and cultural events; travelling; likes to discover new places;

Online behaviour- Mostly uses Instagram, do posts and Instagram Status occasionally, posts are mostly related to family activities. Uses Facebook passively. Follow few business pages, mostly related to children education and parenting.

Customer persona 2



Name - Oskars

Age - 42

Gender - Male

Children -

Location - Riga

Marital status - Unmarried, but dating

Monthly Income - 2300 €

Education- Bachelor degree

Occupation - Works in the insurance company

Values - Values the social status, trendy places, trendy happenings. Spends a lot of time with his friends

Interests - Sports, visiting different events and concerts around the city, going to nightclubs, traveling

Online behaviour- Uses social media regularly, although not posting anything, just browsing other peoples' activities. Sometimes comments. Do follow business pages, what seem interesting

● ● ● CUSTOMER PERSONA

Customer persona 3



Name - Toms
Age - 27
Gender - Male
Children -
Location - Riga
Marital status - Unmarried, but living together with the girlfriend
Monthly Income -1500 €
Education- Master's degree
Occupation - works in a medical field

Values - Values quality lifestyle, actively thinks how to fill daily life even more.
Interests - Hiking and nature, likes to camping. Eager to learn and try out new things. Likes to hang out with his girlfriend and other friends
Online behaviour- Uses social media mostly as a "news" channel, follow opinion leaders, business pages. Rarely posts something on Facebook or Instagram and occasionally comments on someones posts.



Customer persona 4



Name - Matias
Age - 26
Gender - Male
Children -
Location - Berlin, Germany, does his study exchange programme in Riga
Marital status - Single
Monthly Income -2200 €
Education- Master's degree
Occupation - Student

Values - experience! Always wants to try, enjoy and experience everything new!
Interests - Love to do fun things, like to meet up new people with different cultural backgrounds, visits music and art festivals
Online behaviour- Likes to post photos from his daily life activities, share quotes, support local business pages, participate in marketing contests. Finds needed information through social media.



Customer persona 5



Name - Ilze
Age - 48
Gender - Female
Children - 2 children (14 and 18 years)
Location - Riga
Marital status - Divorced
Monthly Income -1700 €
Education- Master's degree
Occupation - Music teacher

Values - family time spent together with teenage kids. Values people's
Interests - Music, likes to go to concerts, museums with her friends/ colleagues. Likes to bake cakes and other sweets.
Online behaviour- Doesn't use Instagram; passively uses Facebook once-twice in a week.



• WEBSITE

The company's website will be launched as early as possible. It is going to be a landing page for social media accounts. Regarding limited financial resources, the website will be built by the owner of the business using free network platforms like "Network solutions" or "Wix.net". Those sites offer to build a simple website, create a design and get the free domain.

The website will include a short story about Uzo's Truck, its concept, philosophy, and the team; regularly updated information with locations and times about events and festivals which the truck is attending; the menu with prices and a short description of the food; contact information; photo gallery of previously attended events, team, dishes, and happy customers; reviews and reposts of customer feedback.

Also, the social media links will be integrated into the website.



This is a plain draft of Uzo's Truck website's home page. The current photo is taken from the internet's source of freely -usable images - <https://unsplash.com/>. As soon as the owner will have their own photos, it will be replaced.



- **SEO**

SEO (Search Engine Optimization) will be used to improve the quantity of website traffic and increase the visibility when people search for mobile catering companies.

The free online tool called *UberSuggest* showed the most suitable keywords associated with the street food festivals and markets that can be integrated into the website to reach a higher number of audiences. Based on the given suggestions, the main keywords would be: street food, street food riga, street food festivāls (festival - translated from Latvian language), food truck , burgeri , burgeri rīgā (burgers in Riga).

- **INSTAGRAM**

- **FACEBOOK**



Facebook and Instagram will be the main communication and promotion channels. The owner will try to benefit most from the free advertisement tools, but eventually, also a few paid Facebook advertisements will be used to raise Uzo's Truck's awareness and visibility.

Both channels will be used actively, information, posts, and photos will be updated regularly. Social media accounts will have high-quality photos, well-thought and beautifully designed posts that characterize the brand.

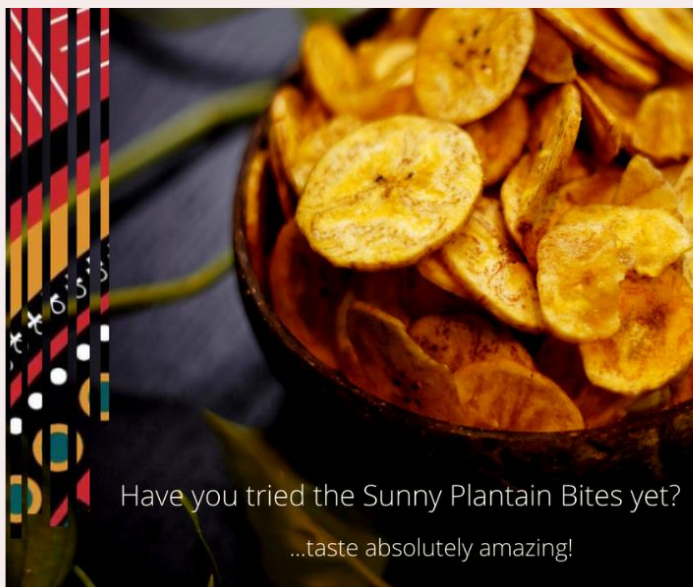
The content of social media channels will focus mostly on the story - what is the Uzo's Truck and highlights the company's value proposition, as well as gain the community's knowledge about different food, that is not typically used in Latvian cuisine.

The owner is planning to host several social media contests to increase the number of followers and raise popularity amongst potential target audiences.

Once in a while, also videos and live streams from events will be posted on Facebook to create a personal feeling and build the trust. People like seeing the real action and real people who stand behind the brand. Videos can help to boost sales and increase the conversations and engage the audience.



• EXAMPLES OF POSTS FOR SOCIAL MEDIA



Sample of the Facebook post



Sample of the Instagram post

• SALES PROMOTION

Since Uzo's Truck will serve the food regularly in Kalnciema Quarter, the aim is to have regular and constant customers, who buy the food frequently.

To retain customers, Uzo's Truck will create and use the printed sales promotion called "We challenge you!". The idea is to keep customers coming back and buying the food from the Uzo's Truck at least 5 times to get one meal for free. People are motivated to get something for free. In this case, the marketing strategy will boost sales.



This is the sample of the printed "Challenge card" - customers need to collect five stamps to get the sixth burger meal for free.



FINANCIAL PLAN

● ● ● STARTUP CAPITAL

Uzo's Truck will be a temporary business during the summer. In the case of a successful and highly profitable business outcome, the owners will possibly establish a permanent catering company, which naturally requires much larger startup capital.

To start the Uzo's Truck business, most of the equipment and machinery will be rented from the suppliers instead of purchased. That significantly reduces the amount of the needed investment.

Based on the estimated calculations of operating costs, revenue and net income, the startup capital for the Uzo's Truck is ~ **8000.00 €**

The business owners will use their personal funds and savings for the startup investment.

• SALES FORECAST

UZO'S TRUCK / Sales Forecast													
Month	JUNE, 2022				JULY, 2022					AUGUST, 2022			
Event	Street Food Festival	Saturday's Market	Open-air Market	Open-air concert	Street Food Festival	Saturday's Market	Country music festival	Positivus music festival	Summer sound festival	Street Food Festival	Saturday's Market	"Laba Daba" festival	Art Festival
Operating days in each event	5	3	3	2	4	3	1	2	2	5	2	3	1
Estimated number of customers per event	100	70	250	200	100	70	200	900	500	100	70	800	600
Average use of money (€)	10	10	10	10	10	10	10	10	10	10	10	10	10
Sales per each event (€)	1000	700	2500	2000	1000	700	2000	9000	5000	1000	700	8000	6000
Sales per events in total (€)	5000	2100	7500	4000	4000	2100	2000	18000	10000	5000	1400	24000	6000
Sales per month (€, incl VAT)	€ 18,600.00				€ 36,100.00					€ 36,400.00			
TOTAL ESTIMATED SALES (€, INCL VAT)											€ 91,100.00		

● ● ● INCOME STATEMENT

Uzo's Truck Income Statement				
	JUNE, 2022	JULY, 2022	AUGUST, 2022	Total
Estimated sales per month (€, incl VAT 21%)	€ 18,600.00	€ 36,100.00	€ 36,400.00	€ 91,100.00
Revenue (excl VAT 21%)	€ 15,371.90	€ 29,834.71	€ 30,082.64	€ 75,289.26
Estimated operating costs				
The fee for registering the business	€ 70.00	€ -	€ -	€ 70.00
Ingredient costs (Restock)	€ 2,500.00	€ 6,300.00	€ 5,500.00	€ 14,300.00
Gas expenses	€ 100.00	€ 150.00	€ 120.00	€ 370.00
Festival and event attendance fee	€ 650.00	€ 1,150.00	€ 900.00	€ 2,700.00
Labour costs (part-time workers)	€ 2,700.00	€ 3,500.00	€ 3,500.00	€ 9,700.00
Rent for the food truck	€ 1,800.00	€ 1,800.00	€ 1,800.00	€ 5,400.00
Rent for the prep-kitchen	€ 300.00	€ 300.00	€ 300.00	€ 900.00
Rent for the equipment	€ 200.00	€ 200.00	€ 200.00	€ 600.00
Marketing costs (food truck design, banner, menu, paid advertisement, printed materials)	€ 1,000.00	€ 100.00	€ 100.00	€ 1,200.00
Insurance	€ 70.00	€ 70.00	€ 70.00	€ 210.00
Truck Maintenance	€ 100.00	€ 100.00	€ 100.00	€ 300.00
Permits, licences, certificates	€ 160.00	€ -	€ -	€ 160.00
Initial product inventory	€ 1,000.00	€ -	€ -	€ 1,000.00
Kitchen utensils and equipment	€ 500.00	€ 100.00	€ 100.00	€ 700.00
Service utensils	€ 180.00	€ 300.00	€ 250.00	€ 730.00
Uniforms for the team	€ 120.00	€ -	€ -	€ 120.00
Fire Extinguisher	€ 35.00	€ -	€ -	€ 35.00
Accountant services	€ 100.00	€ 100.00	€ 100.00	€ 300.00
Cash register and card payment services	€ 100.00	€ 100.00	€ 100.00	€ 300.00
Other, unpredicted expenses	€ 300.00	€ 300.00	€ 300.00	€ 900.00
Total operating expenses	€ 11,985.00	€ 14,570.00	€ 13,440.00	€ 39,995.00
Operating income	€ 3,386.90	€ 15,264.71	€ 16,642.64	€ 35,294.26
Income tax expense (20%)	€ 564.48	€ 2,544.12	€ 2,773.77	€ 5,882.38
Estimated Net Income	€ 2,822.42	€ 12,720.59	€ 13,868.87	€ 29,411.88