

BUSINESS PLAN
YGN YUM FOOD TRUCK BUSINESS IN YANGON, MYANMAR



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EXECUTIVE SUMMARY

After working out with lots of research and ideas, and it came up with a very innovative idea of establishing a food truck industry in Myanmar. We bought this idea of a food truck, which has been there in the western country but still not here in our country. It is a unique product for our country because we will be first one to establish a company that occur an idea of food truck. The popularity of food truck has slowly increased by years and years all around the world and it has already existed in U.S countries such as San Francisco, LA, Landon, New York and so on. But the culture of food truck is still not much well known in Asian countries especially in Southeast Asia. Southeast Asia represents 622 million populations which has total GDP US\$ 2.6 trillion and 6.04 billion US\$ food and beverage market is represented the improvement of the food industry's role.

We registered a company named YGN Yum Com. Ltd. to establish a business that is unique and first time in our country. The intention is to deliver services as a food truck and to recognize our company as a leading food truck business for providing services for every individual all over Myanmar. The main target is to establish a food truck business and give a tough competition to the restaurant business. We will come up as a different idea in food business world. Our company produces a food truck business named YGN Yum with the main intention of selling yummy and delicious foods and services in a truck with delivering easy access and affordable price. YGN Yum will sell hygienic and healthy foods with a great taste in very affordable prices.

CHAPTER 1

INTRODUCTION

1.1 Business Background

A food truck business plan is an integral part of starting a business. Food trucks are one of the hottest restaurant trends right now in western counties. With low start-up costs, they make a great alternative to opening your own restaurant. But it does not mean that food trucks are cheap or free to start. It costs anyhow minimum 5,000 USD to 10,000 USD to open a new food truck, so most entrepreneurs will need some kind of financing when starting out. To improve sale of the food truck, it is needed a comprehensive business plan or a road map to success. A business plan outlines everything from my initial start-up budget to projected yearly sales will be assumed in following chapters. Business plans also include a market analysis especially explained about who will be customers and how will be competition.

Food truck concept has been around since ancient time, when street vendors in ancient Rome sold food to the public from wooden street carts. People did and still do appreciate the convenience factor of mobile food trucks. Today's food truck menus have evolved from simple street food to host of a different cuisine. There are food trucks that specialize in cupcakes, waffles, Thai cuisine, Mexican food, Texas barbeque, seafood, vegetarian, and vegan and so on. The options for a food truck menu are endless.

Food trucks were once confined to highly urban areas in big cities or as part of a fairs and festivals circuit Places. In our country, there is still less number of food truck licenses distributed each year, to keep from being overrun with food trucks on every corner. Today food trucks are popping up all over the United States, including suburban and rural areas. El Torro, a Mexican themed food truck, just opened up in the sleepy town of Weld, Maine– population summer destination for many. Food trucks are also gaining in popularity for personal parties – instead of hiring a restaurant or caterer to provide food, parents are renting food trucks for their child's birthday. Brides and Grooms are featuring food trucks at their wedding receptions.

YGN Yum will emerge with a very different idea of setting up a new business “Food Truck”. We sell hygienic and healthy foods on a food truck which is a wide enough vehicle furnished for both of cooking and selling. We serve for affordable and reasonable price together with delivering easy access. We will extensively focus on marketing our quality of services and our existence to the customers. We will also penetrate in the market with updating ourselves with the latest technology and trainings that will help us market our existence to the customers.

The founder of the company is Win Kalayar Than who is a young girl trying to establishing new business with unique idea. She is a master student from Stamford International University, Bangkok and an individual who always tries to take her responsibility for her new born business. The important milestones for the development of this business are the idea came up with good public relations and the targeted market. The management team idea behind meals and wheels is to create something new that will help customer in some way. Of course, its main motive to make money but it also has an intention to create something new and exciting in the food business of Myanmar.

The food truck business seems pretty simple at the first glance because all we need is a truck and a menu. But it is a quite different with any other small business and essential to make a food truck requires planning including, the kind of food to sell, customers’ behavior and interest, potential customers and targeted market. Opening a food truck without any planning or investigation can lead to problems and this business plan is a main reason why I prepared this study.

1.2 Mission and Vision Statement

The company’s main motive is to provide a quality customer services by providing healthy, hygienic and tasty food in a reasonable price. Meals and wheels is established in the motive of selling foods to the customers in a very affordable price to save time, money and effort.

Our “**Mission**” is to come up with a unique idea that has not existed before by giving customer satisfaction with the services and products we produce, by

experiencing a new way of consuming meal happier and healthier and by providing a quick and delicious meal with a friendly smile. Our “**Vision**” is

- To be recognized as leading an exclusive brand of fresh and homemade liked, quality food providing service.
- To offer to the customers at the most reasonable affordable price.
- To sever the healthier, refreshing, filling and totally satisfying meal to each and every customers.

1.3 Goals and Objectives

The main goal of the company is to create a brand name in the food business and make profit to spread it all over the country. Since, our company is starting this business for the first time, YGN Yum is all about selling food in a food truck for the convenience of the customers. We have a motive of establishing a brand name and create something new. Our food truck main goal is to deliver fast, fresh, hot food to the customers on the go. While people are always going for the ‘cheap’ currently, food trucks are the good fit while keeping standard in taste, customer support and marketing. The main objective of our company is to be known as one of the successful company to run a food truck. We want to grow big in few years by spreading our business all over the country in different cities. Our other objective is also to give a tough competition to the fast food restaurants by coming up with a unique idea and selling foods in truck in a very reasonable price by making customers’ meal more affordable than the restaurant meal. Our goal is to be established in few years by making profit and growing big in the market. Thus, within a time of three years we will be recognized as successful company to run a food truck business.

1.4 Product/ Service

The product/ service that YGN Yum food truck provides is selling food products in a food truck. Our product is unique and new in the market because something like a food truck has not introduced in a market by anyone. Everything will be inside a food truck and it is not a restaurant or fast food café. The kitchen, the

fridge and the food will be inside the truck and we will sell the food according to the convenience of the customers. We are not compromising on the quality of food and services we will be providing so that the food will be hygienic, healthy and fresh. We will take full care about the hygiene and the food truck will also be placed in a clean places. The price we will be delivering our food products will be very less compared to the food we eat in the restaurants. The whole idea of establishing a food truck is to sell food in a very reasonable price without compromising on the taste. We are doing the food business differently because we are preparing food inside the truck and will be delivering it from a window by giving customer complete satisfaction. The purpose of the business is to raise money for the development of a food truck. This business will provide mobile sales of food to customers in its targeted market. We will be selling breakfast, brunch and lunch, dinner, beverages and late night snack too. We will take the food truck to place where there is offices, colleges and fun parks. As mentioned earlier, we are not compromising on the quality; we will be delivering our food products in a very affordable amount in convenient locations.

1.5 Keys to Success

By developing an identity and sticking to it because our main intention is to establish a brand name so we want to create an identity by focusing on perfecting it. Bringing everyone to a window is impossible so, we want to separate our target customers by creating a brand name and reflecting the effort in the food we will be selling.

Carefully analyzing the market because we need to analyze the consumer demand and make changes or adjustments according to their demand. Without the knowledge about the market, we cannot get the idea of what the customer wants. So, we need to analyze the market very carefully and then proceed.

- Planning for a year's worth of capital
- Don't rush, growing your business more slowly
- Hiring people and training them wisely
- Ensuring consistency
- Controlling the food costs

- Taking opinions and feedbacks from others rather than your self
- Showing dedication and commitment
- Being a present leader

1.6 Social Responsibility

Social responsibility is a very important factor for any businesses. The food truck business our company is establishing also needs to look for some social responsibilities. Our company does not use any chemicals that hamper the community. It is very hygienic food truck that delivers healthy food products. We have taken a full care of how to handle any kind of pollution and also work for the betterment of the environment. Our management team is very concerned about the society so, we will not sell any products that have a negative impact in society. Before hiring any employees or workers we will make sure to organize an orientation program to discuss with them about the importance of society. We will not let our employee use any products that will harm the environment and our team will also follow safe operation of equipment.

CHAPTER 2

OPPORTUNITY OF THE BUSINESS

2.1 Current Restaurant and Food Industry in Myanmar

After the year 2011, the economy of Myanmar has been gradually improving and in 2015, the distinct accomplishment of level up from Least Developed Country to Lower Middle Income Country. According to the current economic booming and political changes, the pattern of consumption for food has also changed. Because of the urbanization in Myanmar, including the capital: Nay Pyi Taw, at the commercial city: Yangon, the second capital: Mandalay and the one most tourist attractive city: Taunggyi which is situated in Shan State, the demand for restaurant associated shops is increasing. The future of food in the urban area has to be focused on economic, policy safety and security aspects of food, the role of meal in family life and corporate social responsibility. Because many fast food restaurants from foreign countries will be coming to Myanmar after coming out foreign direct investment rules. Most of the people who are employees, business persons and students have no much time for preparing their food with healthy and tasty way in time. Thus, they have to depend on outside eating anyhow no much time for focusing on the healthy food and hygiene of ingredients.

At the same time, from the aspect of tourism expanding, the number of travellers and tourist to Myanmar also keep increasing. Every year more than one million foreign travelers visit to Yangon not only for the purpose of business but also for leisure. The population of Yangon, Myanmar's commercial city is around 5 million (according to 2014 population Census). As a result of increasing numbers of business and leisure travelers and changing in local people's life style, there is high demand for restaurant which can provide nourish, hygiene, healthy and quick role of food. The economic growth rate of Myanmar is also expected to increase in coming future years. People's income will become higher by economic development and demand for restaurant associated shop like food truck will become greater because of increasing number of people who are not able to prepare their healthy meal.

Although numerous fine dining restaurants were established, the number of quality and tasty food truck is still very low and existing ones are also not able to serve in better way. To fill this demand gap, YGN Yum Food Truck offering delicious and quick menu with health conscious cooking style for local and foreign customers is necessary to come up. YGN Yum Food Truck can provide customers with tasty, healthy and unique experience. Through this study, appropriate business plan can be outlined and challenges and opportunities can be found out to establish a well-designed food truck in Yangon City.

2.2 Market Assessment

Our product that is a food truck is competing with the restaurants and the fast food café. We are completely different from them and doing nothing similar to them. We go to the customer and sell the food products in a mass. The market we are competing is the food business of course, but we don't have to compete with any other food trucks for few years at least. Another competition for us will be the local food stalls in the market. We can easily win them because we will be delivering healthy foods compared to them.

Our main target market is the simply customers we want to focus selling our food to. When it comes to target market information, we gathered information from different sources that identifies the following

- Learning about the primary targeted market where the information about the needs of the potential customers is given. We will also be focusing if the needs of the customers are being fulfilled or not.
- The size of the primary targeted market will be identified where we will know the number of potential customers in our primary market.
- The amount of attention the food truck will gain and the potential to gain market share.
- The pricing and the gross margin targets
- The resources to find the information about the targeted customers
- The media we will reach out to the targeted customers
- Evaluating the competitors and knowing if we are better than them or not.

We will also be full aware of the environmental and legal laws. It's a food business so we will face the inspection from the government side. This will not be a concern for us because we will be delivering hygienic foods to the customers. Another concern will be the legal and environmental laws, we are aware of this matter, thus, we will be taking permits advertisement licenses before starting the food truck business. We will be paying yearly royalties to the government.

2.3 Current Market Trend

Yangon which is the Commercial City of Myanmar was established as Dagon by Mon people in sixth century and then expanded by King Alaungpaya as *Yangon* in 1755. After the British had captured Upper Burma in the Third Anglo-Burmese War of 1885 (Krass, (et. al.), 2006), Yangon became the capital of all British Burma. Yangon is the Myanmar's largest city with a population of 4.7 million (according to the 2014 National Population Census). Yangon city possesses diverse historical, cultural and natural tourist attraction sites and for foreign tourists accommodations and facilitation are greater.

Number of foreign tourists in Myanmar has increased from 0.76 million in 2009 to 0.79 million in 2010, 0.81 million in 2011, 1.06 million in 2012, 2.04 million in 2013, 3.08 million in 2014 and 4.2 million in 2015 (Myanmar Tourism Statistics, Ministry of Tourism) while Yangon City alone received 1 million visitors, one fourth of the total. Rate of increase in number of tourists between 2014 and 2015 was 13.1%. Moreover, Consult Myanmar estimated that the number of tourists in Myanmar will reach 7.47 million in next four year (Consult Myanmar). Since the post 1988, tourism sector has encouraged by the Government and increased in Myanmar yet it became sluggish in early 2000s and increased again after 2010. With this increasing trend, demand for YGN Yum become increasing in Yangon City.

Since 2011, new civilian Government enhanced political, economic and social reforms. Gradual increase in connection with the rest of the world and step by step restructuring generated Myanmar economy to lift from low-income country (annual income of \$1,046) to lower-middle income country (with annual income of \$4,125)

(The World Bank, 2015). With the higher income, life style of urban Myanmar middle income and high income earners is also changing.

With the stream of leisure and business tourists, rising number of demand for quick and healthy food menu and busy but beauty and healthy based diet customers lead to higher demand for YGN Yum Food Truck. Our food truck is targeted for both foreign customers and local customers. Foreign customers include leisure and business tourists visiting Yangon City and Personnel from 41 Foreign Embassies in Yangon City. In 2015, Yangon City received 1 million foreign tourists, one fourth of the total, 4.2 million. Local customers are expected from businessmen, people working at (IOs) International Organizations, MNCs, Foreign Embassies and student both from schools and universities. The main objective of the study is to create a viable business plan for entrepreneurs who are interested in establishing a food truck offering health conscious foods with affordable price in Yangon city by moving vehicle where none currently exist.

2.4 Characteristics of Customers and Their Food Taste

Our targeted audiences will be the students, workers, tourist and family. We will be taking the food truck to colleges, offices, fun parks and the tourist areas. We will be dividing the time for each targeted audiences. We will be selling breakfast to the students because they will be having morning classes and the lunch break will be in the morning time. We will be selling late lunch to the workers working in the companies we collaborated with and for the family and the tourist the time will be flexible because we will be selling the food in the evening and also late nights. Our food truck will solve the problems of the customers because; the break time students and workers get is very limited. They hardly get a break of an hour and it will be very time consuming for them to run into a restaurant and eat. Also the fact the restaurants are expensive these days, the students and the workers will have limited budget and our food truck will be solving their problems because we will be selling foods in a very reasonable price with consuming much time. It might get difficult for us to sustain and manage the time in beginning. But we will not let our customer

down no matter how much effort we need to make because our main intention is to create a brand name so that we can expand our business all over the country.

Tea shop culture is one of the famous Myanmar food culture among Myanmar people. People spend their time by visiting the local Myanmar tea shop. These tea shops are like food café and Myanmar people love to have tea or coffee especially breakfast meal there. Some of customer love to have tea and coffee at tea shop but they do not want to sit there because locations, hygiene, environment of most tea shops are not quality and good enough. Most of Myanmar people are lovers of tea and sitting and spending time at tea shop by chatting with groups of their friends. But nowadays people's life style is changing to not wasting so long time by spending so much time at tea shop. People of Myanmar are really skillful at preparing various sorts of tea and coffee which visitors are certain to love.

Myanmar has become a rapidly transforming and growing economy, changes in food culture is gradually appeared. People are interested in fast food and because of that demand and economic improvement, there was more fast food chain like KFC – Kentucky Fried Chicken, Marry Brown from Malaysia and Lotteria from Korea. Fried chicken, burger and fries become more popular than before. The changes drive Myanmar, the developing country which is a country demand of processed foods. It is declining, the fast food demand in the developed countries because the health and nutritious awareness pushes people towards natural, whole meals and healthy food. In the initial stage of economic development in the countries, the modern ways always take parts in this high demand for processed foods. But there is also a group of people who has diet upgrade knowledge and changing preferences who give up fast processed foods and move to natural foods.

Majority of the Myanmar traditional foods are based on rice. Particular Myanmar cuisines are made mainly with rice and curry meat, vegetables salad and fish as various design of cooking. The typical Myanmar meal is main dish, side dish, soup and salad are normally included. Main dish differs from ethnic diversity and geographical situation. Usually, main Myanmar's main dishes are oily curry based nature. For breakfast and appetizers, fish soup and rice noodle (Mohinga), wheat noodle salad, vermicelli salad, coconut noodle soup, deep fried snacks, fried rice with steamed beans, and steamed sticky rice (white, black and yellow) are famous.

Myanmar traditional desserts are made from rice and sticky rice with the combination of coconut, jaggery which is made from toddy palm tree, sesame, groundnuts and other natural ingredients. In addition, there are wide variety of seasonal snacks and desserts in all parts of Myanmar.

2.5 Restaurant and Food Associated Served Shops Industry Analysis by PESTEL

Political Analysis

The effect of government policies can be on the business environment of restaurant and food associated served shops. Under political factors, political stability, government's encouragement in tourism industry, and developing public health policies are taking into account for this industry. Political stability in Myanmar leads better environment for business of investment in this industry. Tourism sector in Myanmar becomes higher as better relations with Western countries since 2011 and the world also becomes together with the new government. This can improve the development of hospitality industries including food industry. Myanmar tourism industry contributed 2.6% of its GDP, generated 661,000 jobs and USD 0.13 billion of investment in 2015 (according to WTTC).

Economic Analysis

Economic conditions of the country can directly affect the establishment and operations of food and restaurant include changes in macro economy and trends that influence business performance. In particular, favorable economic conditions such as (WTTC), economic reforms of Myanmar under new democratic Government since 2016 and the increasing trend of tourism sector can be regarded as opportunity for the food and restaurant industry while frequent changes in economic policies that generate risky economic environment and slowdown of the world major economies are regarded as threat to the restaurant industry. For example, recent decision of Regional Government in Yangon has suspended the construction of skyscrapers within the city in July 2016 not only affected construction businesses, also generated negative impacts on related industries which in turn influenced the economic condition of the Yangon Region and the whole economy. Although the decision was

withdrawn after few weeks, the impact is still affecting on real estate market and the income of the citizens. This incident also changes demand for fine dining restaurants due to the effects on households' income.

Social Analysis

Social factors and their changes are also indispensable for the growth and success of the fine dining restaurant. YGN Yum food truck is necessary to respond the changing social and cultural trend to reap its advantage. Increasing consumer diversity, higher health consciousness and widening the income gap become opportunity for food truck like YGN Yum. Since YGN Yum is planned to offer healthy menu with tasty, health conscious customers can prefer with affordable price. In addition, diversity of customers presents the opportunity for YGN Yum food truck to innovate its products to attract consumers of various backgrounds from Yangon and the rest of cities in Myanmar. Widening income gap is not a good condition for the economy, yet it can generate opportunity to grow YGN Yum because the competitive advantage of us is reasonable by price.

Technological Analysis

Technology is one of the external factors affecting the growth of YGN Yum. Key technological factors that determine the growth of the firm include availability of cooking automation that reduce the use of oil and other unhealthful ingredients, development of communication technology, social media and internet usage in Myanmar, collaboration of Myanmar Restaurant Association (MRA) and companies that produce electrical appliances through workshops, seminars and technical assistance program. The spread of internet and social media uses also help spreading information about newly established YGN Yum food truck, its menu and special services quickly.

There is also potential for getting technical transfer from international community through MRA which is one of the 11 Associations under Myanmar Tourism Federation (MTF). It was established in 2011 and officially connected with Ministry of Hotels and Tourism (MOHT). The association MRA has vision of providing continuous support, encouragement, professional update and development of all the restaurants to make International Restaurants and widely known in the ASEAN countries and in the world.

Environmental Analysis

Environmental aspect of the PESTEL analysis includes the environmental issues in ecological environment or external factors of the restaurant. Rising awareness on sustainable strategies and climate change become important in restaurant industry of Myanmar. Within recent years, severe climate change and occurrence of natural disasters affect most economic sectors in Myanmar including restaurants. Severe climate can affect the availability of raw materials, freshness of foods and people appetite. Yet, greater awareness on the use of sustainable strategy becomes an opportunity for the industry in coping with climate change. For instance, changing menus in line with the changing weather condition can improve customers' appetite, healthiness and satisfaction.

Legal and Regulatory Analysis

Compliance with laws and regulations is indispensable for the establishment and growth of fine dining Myanmar restaurant. Type of ownership of YGN Yum Food truck is a partnership, which is organized with three partners. According to DICA, local businesses that do not need to register under Directorate of Investment in Myanmar include sole proprietorship of enterprise owned by Myanmar citizen, partnership enterprises by Myanmar citizen such as single restaurant, small shop, small departmental stores, individual trading, small service providers and law firm. However, restaurants need to register and pay taxes to the Yangon City Development Committee (YCDC).

In terms of business type, YGN Yum food truck is regarded as medium size business under SME classification in Myanmar. According to Hluttaw confirmation on March 18, 2015, servicing business operating with workers between 51 and 100 numbers and turn-over of Kyats 100 to 200 million can be regarded as medium size business under Myanmar SME classification. With this rule, a medium sized business can get benefits of streamlining administrative and legal procedures, technical and financial supports from the Government sector. Another legal impact that affects restaurants is the setting up of minimum wage law. This law can affect costs of food and restaurant industry including YGN Food truck.

From this environmental analysis, opportunities in each factor are greater than that of threats. Therefore, potential food truck can achieve success if it follows

regulatory frameworks and producing quality food menu with greater health awareness.



CHAPTER 3

NATURE OF THE BUSINESS

3.1 SWOT Analysis of YGN Yum Food Truck

SWOT analysis help businesses to build the decisions for success by identifying both of internal and external environment influences. Accessing the physical inputs, human resources, natural resources and financial factors are considered to assess the business's internal factors which are strengths and weaknesses of it. To evaluate the external factors which are opportunities and threats that are not able to handle by the organization, demographic situation, and relationship with suppliers, partners and other stakeholders, trends and changes in market and economy are considered.

YGN Yum food truck is new business which will start in 2017 December and for the opening it, the stage for the preparation has to be started. SWOT analysis is made for analyzing the potential internal and external determinants. Internal and external analysis of the YGN Yum food truck is as the following:

Internal Factors

Strengths

- Mobility
- Environmental friendly
- Affordable and reasonable prices
- Prices are cheaper compared to the competitors
- Easy access to the customers
- Hygienic and healthy ingredients and cooking style
- Tasty and nutritious food
- Timely
- Fast service
- 24 hour service
- Offering unique and new experience to customers

Weaknesses

- Narrow range of menu selection
- Permits because it is food truck so we might need many permits to sell the products in many locations
- Limited customer
- New establishment in Myanmar quality food truck

External Factors

Opportunities

- Unique product which is new in the market
- Collaboration with the restaurants to start a food combo package
- Few competitors
- Contact with big organizations and provide their employees foods
- New business establishments and shopping areas are opening new born
- Booming tourism sector in Myanmar
- Government initiatives in development of local SMEs and traditional businesses
- Changing food role and culture of urban people who become more busy and have much not for preparing healthy food

Threat

- Food delivery services
- Bad Weather
- Other competitors
- Continuous availability of organic vegetables and fruits
- Taxation reforms by the Regional Government on businesses

To operate and run a new business in new industry, food truck in Yangon City, SWOT Matrix can be drawn as follow to create options for YGN Yum food truck according to the above SWOT analysis.

3.2 Competitors Analysis

Since Yangon was capital of Myanmar and it is currently commercial city, there are so many restaurant and other food serving shops with so diversification. But, there is only littler few food truck which is serving to the customers. Among them there is no direct competitors which serve with health and hygiene oriented concept to the customers. The restaurants which can give delivery service are one of main competitors. The fast food chain like KFC and others also become competitors because the way they serve to customer is in time with no taking much time for food. All tea shops and food café are also competitors to YGN Yum.

The Moon Bakery

Among the major indirect competitors of YGN Yum food truck, Moon Bakery is potentially intense competitor which is located at most of the crowded and famous place in Yangon. Moon Bakery has strengths as following:

- Being several very westernized addresses and also some Asian addresses like Thai, Korean.
- Most of the places of it has available for car parking so that its customers do not need to worry about parking
- Most of food taste is good and well known and bakery staff are also can get from The Moon.

The weaknesses are:

- It is low privacy and calmness in the evening because most crowed time for it.
- The design and The Moon makes customer bored without freshness.

Season Bakery

Season Bakery is one of the popular café which is recommended of where to go for coffee. Seasons Bakery is same like many western style bakeries with self-serve bread treats. Some strength are

- The typical bread Myanmar can be found.
- The products are fresh and baked throughout the day
- With reasonably priced

Although feedbacks from customer for it are quite good, there are still weaknesses,

- The bread is very sweet and some of taste are localized and cannot get the real taste.
- As the price range is on the side of low, demand from customer is very. So that it is crowded with customer and less privacy to chill.

Lotteria

Another indirect competitor is Lotteria which is a food chain from Korea.

Lotteria is located near the location of the YGN Food truck. Strengths of the Lotteria are:

- Sample decoration that can make customer satisfied
- No need too much waiting time
- Most of its branch are assessable
- Price is also reasonable

However, it has weakness of customer services of staffs and serving fast food which is not that healthy for people.

Lucky Seven Tea Shop

It is one of the main Myanmar tea shop chains in Yangon and it is a high-class traditional teashop and is best known for the tea taste of it. People of Myanmar love to have tea and that is why there are so many numbers of teashops and cafes around.

Strengths of Lucky Seven Tea Shop are:

- It has many branches all over Yangon and most of its location are quite well known.
- Serving Myanmar traditional breakfast variety such as Mohinga, flaky-pastry savoury buns.
- Being excellent in taste of Myanmar tea.
- The foods are sold at reasonable rates and customer service of dressed and clean waiters is good.

Shwe Khaung Launge

Shwe Khaung Launge Tea Shop is also one of famous tea shop in Yangon.

Having snacks with tea is a tradition in Myanmar, the reason that the tea and coffee will never be served alone.

It is a kind of Chinese style and taste and its strengths are as below.

- Offering Chinese style and origin of excellent snacks with tea

- The menu consists of steamed buns, baked cakes, noodles and pastries.
- Serving for till breakfast to midnight
- It is also a central tourist attraction as both locals and Europeans.

The weaknesses are weak in location and hygiene and bad customer service of staffs and waiters.

Although YGN Yum Food truck has not begun yet, the food truck should understand well about the strengths and weaknesses of the competitors as these strengths and weaknesses can turn to be our Restaurant's opportunities and threats. It was found that not all competitors consider about using organic ingredients and healthy way of cooking foods.

3.3 Organizational Feasibility analysis

Resources, Facilities and Equipment

Our main product for the business is the food truck. We cannot take our business forward without a food truck thus; our main and foremost product we need to invest on is a food truck. We are taking a car loan for the truck and for the rest of the investment we are funding the business on our personal finances. We are also establishing a head office where all the official works are done.

Talking about the licenses and permits, road permit is one permit we took from the government. The other permits are the environmental friendly license from the Myanmar environment office. Our product is a food truck so the government may make an issue about pollution so, for getting prepared about this issue we will take an license from the government to prove it an environmental friendly product like it has done in the west.

Management and Organization

Talking about the management team, for a start up we three are in the management team. We are the shareholders of the company and also involved in the management team. Ms. Thiri Soe is the Chief finance officer with good finance knowledge will be looking at the finance department with the help of the accountant and the auditor. Mr. Hein Zaw is the director of marketing with the good marketing skills and with the excellent public relations will be looking after the sales and

marketing department. Ms. Win Kalayar Than will be looking after the whole operation and there will be a Chief operational officer (COO) for the food truck. Talking about the Chief executive officer (CEO) of the company, Mr. Nay Myo is the CEO of the company who is also the owner of famous catering service company in Myanmar. Ms. Thiri Soe is the chief finance officer and Mr. Hein Zaw is the director of marketing. Four of them are the main founder of the company.

Mr. Nay Myo who is the CEO of YGN Yum has 6 years experiences with famous catering services company in Myanmar. And he graduated with Master in Business Administration from Yangon University of Economics. Now, the educational background of the COO Ms. Win Kalayar Than, she completed her Bachelor's degree in specializing in Korean Language from Yangon University of Foreign Languages, Myanmar. And now she is studying her master degree at Stamford International University, Thailand, specialization in International Business Management, after getting her graduate diploma in business management in Association of Business Executives, UK. The CFO of our company Ms. Thiri Soe completed her Bachelor's degree in management from University of Economics, Yangon, Myanmar. She has job experience in financial field for five years and is the one who can handle financial sector well. The director of Marketing, Mr. Hein Zaw also completed his master in marketing from Assumption University, Thailand. The management team has a wonderful reputation in the community. Before coming together and planning about this business, all three individual were involved and working in very reputed companies. They have excellent public relations and are known in the society. The member of the management team has their own skills and is good at what they do but as a whole they still need to polish themselves. They need to work more as a team rather than an individual. All three members of the company are equally responsible to run the business. With the experience they have and the post they are in, their job is to bring full justice for the business.

We are just the starter and we might be immature in the starting phase. So, for not making a wrong decision we have some really senior and experience expertise to guide and support us. We all come from a business family thus; we have many successful businessman and entrepreneurs who are always there to guide and advise us. And also for personal development the members of our companies will be getting

trainings, attending seminars and organizing events to boost our personal abilities and to learn from others.

Organizational Chart

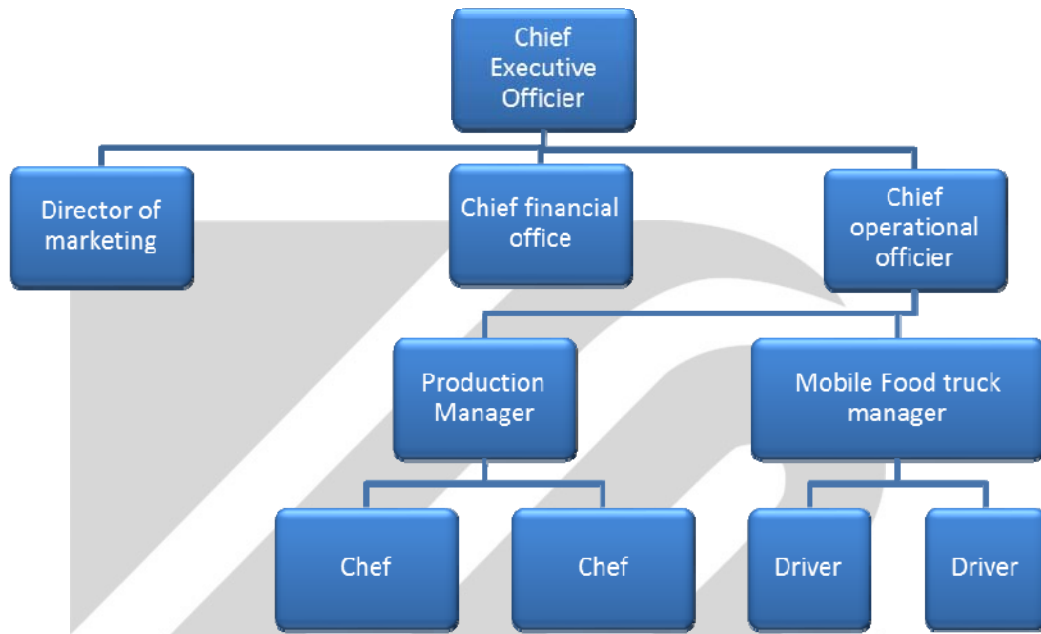


Figure 3.1: Organization Chart of YGN Yum Food Truck

Source: Win Kalayar Than, 2017

For the nature of food truck business, it is really important to maintain taste and quality control of foods and drinks which will be sold. CEO is one of the famous business man who own catering service company and before he worked as a general manager at a European Restaurant in Singapore and achieved several prizes in previous works. He becomes an active partner for YGN Yum food truck and he participated so actively. Based on his experience, he can oversee the entire operation of the food truck well and able to collaborate with Chef and accountant.

Director of marketing is also skillful in marketing and promotion activities. He previously works as marketing manager in FMCG Industry for 5 years and he has much knowledge about food industry. . With her experiences, he can be able to deal with controlling hospitality section of the food truck that includes scheduling, staffing, controlling inventory, and arranging special events. Another important staff is the Chef. Unlike other restaurants, YGN Yum needs Chef specialized in serving

food with quick, healthy, hygiene and innovative idea. Moreover, modification of some menu in line with health and hygiene standards approved by FDA is also required. Like CEO, Chef is also a experienced one with more than 12 years. Before starting the partnership in 2005, he worked as a cook in well know restaurant.

As the food truck is mainly emphasized on fast and fresh concept moving by wheels, we do need a skilled driver who also can do like helper to the chief. In operation of the YGN Yum, experiences and strengths of each staffs is essential. In terms of the demand, YGN Yum food truck's location will be at Kandawgyi Park, MICT Park, Myanmar Plaza, Victoria University and MISY (Myanmar International School Yangon. The places are well known and our target customers can be found in that kind of locations. We have prepared for serving 15 persons simultaneously. Decorations are planned to use mainly with modernized and cute portable furniture. The distance from nearest major place from our target customer is 10 to 20 minutes' walk.

In Yangon City, housing and apartment rents are relatively high comparing to other neighboring countries. Estates in Yangon City Center usually cost around USD 7,000 per month to open a restaurant. One of the partners owns a room and we hire it for office and food inventory store for the company. In addition, payment of rent is 6 months basis so that financial burden can be reduced. The main goal of YGN Yum is to raise food truck culture in Myanmar. To fulfill this goal, each partner supports their resources in different ways to establish and operate new business YGN Yum successfully.

3.4 Target Market Feasibility

By changing in political, economy and people life style in Myanmar, food and restaurant business industry become high in demand. Especially new style, new design, new experiences of serving are increasing in interest and to attractive this, starting food truck business is better future to be market leader in this industry.

PORTER Five Forces Analysis



Figure 3.2: POTER Five Forces Analysis

Source: Win Kalayar Than, 2017

Threat of substitutes

(Medium to High)

This threat level is medium to high and nearly forceful with the threat of the industry competitions. The mainstream of natural and pure organic foods becomes high in the market. On the other side, there are so many foods which can easily get for example instant food and homemade food. Customers can switch costs to relative price advantage of the substitutes. To the substitutes, customers satisfied to change their buying habits because of relative functional performance advantage of it.

Threat of New Entrance

(Medium to High)

The threat level is medium to high looking at the investment that has put into the business. The concept of entering a food truck is completely new. Although being said that, bringing such concept can be imitated by even any food or restaurant business which is already existing.

Supplier power

(Low to medium)

Supplier power is low here due to the numerous amount of supplier that is present in the market who are ready to offer multiple food ingredients for the business. Therefore, if a particular supplier's bargaining power goes high, the business can easily switch to another supplier.

Customer Power

(Medium to high)

The bargaining power of buyers or customers will be medium to high looking at the amount of food business in Myanmar. There are plenty of street food business and other type of restaurants which can be considerably taken as the substitutes within food industry. So though the concept of entering food truck business is likely to be new, the customers can still switch to other food places depending on various factors like locations, interests, etc.

Competitive Rivalry

(Medium to high)

The presence of the existing food businesses like restaurants and street food business within the country can be looked upon as the competitive rivals as the customers can easily switch to them as well as the price factor does not really differ.

3.5 Target Customer

Target Market Segmentation

Geographic

- Yangon District
- At Kandawgyi Park

- MICT Park
- Myanmar Plaza

Demographic

- Age
 - 15 to 65 years (customer and decision maker)
 - 5 to 15 years (consumer and student)
- Gender
 - Male
 - Female
- Family size
 - 1 to 3, 3 to 5, 5 to 7 and 7 above
- Income
 - At least \$300 per month for each working individuals in a household
- Occupation
 - Students
 - Employees
 - Works at professional
 - Business persons
 - Tourists
 - Merchant
 - Trader
- Social Class
 - From middle to upper class

Psychographic

- Life style
 - Individuals who live in busy life schedule and does not have enough time to prepare food.
 - People who has the convenience and lifestyle and like new experiences, new things to relax as entertainment

Behavior

- Update diet style

- Health and hygiene awareness drives people to eat healthy foods and drinks.
- Money consumption
 - Consumption of money on foods is not high and the one who wants reasonable prices for foods.

3.6 Target Market

The idea of YGN Yum food truck is concentrated on serving high quality standard foods and drinks which is focusing on health and hygiene concepts. However, Myanmar Culture for food truck is not too much friendly although other countries especially in western countries have already accepted the food truck culture. Because in some Myanmar families, there are still staying together with two or three generation family in the same house and people are supporting each other and care. Most of the family in Myanmar, they usually prepared food at home and eat together breakfast, lunch and dinner and this becomes a famous culture. But nowadays, people become busier and it is less time to eat meal at home and person who stay alone and is working with busy schedule will also have to spent money for meal at outside. Therefore, we can focus our customers will be busy schedule life who especially has no time to prepare meal. The characteristic of the customers will be educated, student, knowledgeable about nutritious from middle and upper social class. There are many businesses, schools, universities, shopping locations and parks to focus our target. This mean most of customers can be found these places who specially has outgoing personalities.

There are no restrictions to the market we can explore when it comes to mobile food truck business, as long as we are operating within the law of Myanmar where we are conducting our business. We do not intend to place any limit to the scope of our target market but these are the places and locations where we intend operating our mobile food truck business with the aim of maximizing sales;

- Construction sites
- Tourism locations
- University Campuses
- Carnival ground

- Stadiums and sport centers
- Community Outdoor Events
- Work locations
- Industrial Parks
- Movie Recording Location
- Military Bases
- Office Complexes
- Open air shows and programs

Part of the marketing and sales strategies that we shall adopt include but not limited to the following;

- Submit proposals to event management companies to become their official mobile food vendor
- Submit proposals to management of public facility (sport centers, beach and schools, et al) to become their official mobile food vendor
- Send proposals to schools and corporate organizations to become their official mobile food vendor
- Sponsor relevant events, such as cooking competitions, and cultural events, et al.

3.7 Target Customer Analysis

The demand for quick and healthy food menu is rising for busy but beauty and healthy based diet customers. YGN Yum food truck is mainly targeted to both of foreign customers and local customers. Foreign customers include leisure and business tourists visiting Yangon City and Personnel from 41 Foreign Embassies in Yangon City. In 2015, Yangon City received 1 million foreign tourists, one fourth of the total, 4.2 million. Local customers are expected from businessmen, people working at (IOs) International Organizations, MNCs, Foreign Embassies and student both from schools and universities. The main objective of the study is to create a viable business plan for entrepreneurs who are interested in establishing a food truck offering health conscious foods with affordable price in Yangon city by moving vehicle where none currently exist. For the local customers, YGN Yum food truck

focus on people who is busy schedule life who especially has no time and has no willingness to prepare meal. The customers who are educated, student, knowledgeable about nutritious from middle and upper social class will be the target customers.

In these years, more than ever before, it becomes no longer sufficient time for everyone to do all of their meal within the available 24 hours. Thus, the development of fast food restaurants all over the cities. As the facts, mobile and wheeled food truck business is another business that is designed to fit into a dispensation like ours, in this time.

We have put plans in place to facilitate continuous improvement on what we do, because we know that is one of the factors that will be give us competitive advantage in the market place. Another competitive advantage that we have as a company is the size and condition of or food truck. We have been able to purchase a brand new retrofitted food truck with all the required gadget. It is big enough to accommodate all that we would need for the business, we are going to spend less on maintenance and we can easily obtain approval from the appropriate authorities.

Loads of factors count towards our advantage as a mobile food truck business operator. The fact that we have the ability to determine where we want to sell our foods and drinks per time gives us the leverage to make as much sales as we can make in a day.

It has been observed that any organization that offers training and consultancy services is always amongst the leaders in their industry and we at YGN Food truck are set to pull along this part because we want to become experts and amongst the leading mobile food truck company in the whole of Myanmar.

CHAPTER 4

MARKETING PLAN

Myanmar is a developing country and it is difficult to get the exact data on overall sales of restaurants and food serving associated shops and the contribution to the country's GDP. But it can be said that ownership of the majority of restaurant business are in Yangon and are Myanmar Nationality. For the success of Food and Restaurant business, marketing planning is necessary as an essential role and responsibilities of marketing executives to achieve the goals of the business through setting policies, procedures and budgets. So that the success of YGN Yum food truck is not only depended on offering the best quality food and services to customers, the planning and implementation of effective marketing plan is also indeed. Marketing plan plays as critical factor to penetrate the new market and improving sales, minimize threat, leading competition is also crucial for survival in the business world.

4.1 Product/ Service

YGN Yum food truck serves customer by selling food and drinks on the wheel which is truck vehicle. The product and service that YGN Yum food truck provides is health and hygiene oriented foods and drinks combine with innovation and modern ideas of a team of youth. This is unique and very new in the market and even in the industry and very least number of direct competitors which it can say that no direct competitors at all. It is not a restaurant or food café but we can get qualified facilities and services from food truck door. The foods and drinks will be sold according to the convenience of customers. The taste of food, the freshness of raw materials and the quality of cooking style will be controlled in stable. We will bring hygienic, healthy and fresh foods and drinks to the customer within pressed time for their convenient. Being a food truck, meals are included as the following menu.

Apart from the menu, three types of set menu are arranged. In addition, special menu will be arranged based on weather condition. In summer, our restaurant will emphasize on providing cool foods while in rainy season, warm foods will be planned to offer. In winter hot and spicy foods will be offered. Customers can choose based on

their tastes and preferences. All cuisines and desserts are free from cholesterol, MSG and chemicals. YGN Yum food truck into account the safety and health issue in the use of raw materials and ingredients. To ensure the safety and quality the foods offered at the restaurant, approval from the Food and Drug Administration (FDA) will be applied. Then, health checkup will be made to all the employees, both managerial and operational levels to protect safety and health risks.

Being a service business that provides meals, proper customer care is needed. In addition to typical customer cares, special occasions can be arranged at the food truck. Happy hour sales and monthly special services are planned to arrange and they are not included in standard menu.

4.2 Pricing of YGN Yum food truck

Offering fast food but only quick healthy meal is YGN Yum food truck main menu and some modifications are made in serving food as in the following menu.

Menu of YGN Yum Food truck

<i>Burger</i>		
Chicken	\$	2.5
Beef	\$	3.5
Pork	\$	2.5
Cheese	\$	2.0
<i>Hot Dog</i>		
Chicken	\$	3.0
Pork	\$	3.0
<i>Toast</i>		
Jam (Strawberry/Pineapple)	\$	2.0
Butter + Sugar	\$	2.0
Chocolate	\$	2.0

Figure 4.1: Menu of YGN Yum Food Truck

Source: Win Kalayar Than, 2017

<i>Sandwich</i>		
Chicken	\$	2.5
Pork	\$	2.5
Tuna	\$	3.0
Crab	\$	3.0
Egg	\$	2.0
Cheese	\$	2.0
<i>Salad</i>		
Fruity Pasta Salad	\$	4.0
Apple Shrimp Salad	\$	4.0
Smokey Chicken Salad	\$	4.0
Chicken Pasta Salad	\$	4.0
Corn Tuna Salad	\$	4.0
<i>Dumpling</i>		
Vegetable	\$	1.5
Chicken	\$	2.0
Pork	\$	2.0
Shrimp	\$	2.5
<i>Today's Seasonal Fruit Box</i>	\$	1.0
<i>Today's Seasonal Fresh Smoothie</i>	\$	1.5
<i>Beverages</i>		
Signature Coffee (<i>Hot</i>)	\$	2.00
Signature Coffee (<i>Cold</i>)	\$	2.50
Signature Tea (<i>Hot</i>)	\$	2.00
Signature Tea (<i>Cold</i>)	\$	2.50
Signature Green Tea (<i>Hot</i>)	\$	1.50
Signature Green Tea (<i>Cold</i>)	\$	2.00

Figure 4.2: Menu of YGN Yum Food Truck (Cont.)

Source: Win Kalayar Than, 2017

YGN Yum food truck introduces very first experience about quality food truck in Myanmar to both of local and foreign customers. YGN Yum food truck set comparable prices for meals and drinks to that of other direct and indirect competitors. To penetrate into the new market which is in new particular industry in Myanmar, YGN Yum set low profit margin on its foods and beverages. By comparing the competitors, the prices of YGN Yum food truck is not too high and not too low, it is in the middle of the range and mostly target to medium and above income. The price we will be delivering our food products will be very less compared to the food we eat in the restaurants.

4.3 How we bring our product to the consumers

Starting a new business is not an easy thing but if our product and service can pass through across the city, it will be a challenge for daily. As we take into account for hygiene very much, our food truck will be in a clean place which is a good environment park, in front of famous shopping mall, schools and universities as well by delivering healthy menu by moving vehicle. The food truck business is different with other food served organization because we are preparing food inside the truck and will be delivering it from a window by giving customer complete satisfaction. The mobile sale of food to customers which we target is one of the competitive advantages of our product distribution channel. The main aim of the business is not to compromise on the quality and we will be delivering our food products in a very affordable amount in convenient locations.

4.4 Promotion Plan

Promotion and marketing the business is essential for the business success. One of our food truck major aspects on promotion is brand promotion. The brand promotion will be created by making memorable design together with the way to contact. The promotion plans will be extended to the customers by as following:

1. **Facebook Page:** Keep the Facebook page of YGN Yum up to date and spreading information about our product and service by attractive way. Posting high definition picture of food meal and beverages together with

worthy words about health and hygiene concern of nutritious. By knowledge passing to the reader about beauty and healthy food habits tips is also interesting for page visitors.

2. **Instagram:** Making give away plan per weekly on Instagram by posting hashtag photo which took at YGN Yum food truck can promote to the people who are using social media widely. We will make sure to get YGN Yum food truck active on the social media because online media can built the interest about the new business and keep actively engage with online customer base.
3. **Business Directory and other Food Directory:** YGN Yum food truck will join with business directory organization (Yellow Page) and get on to their pages. And also other food directory will be inquired for getting onto them in order to make easy for customer research about us.
4. **Involving in Events:** Getting in contact with food and business industry association and try to make more well- known by involving in both of nonprofit and profit event affairs. Nonprofit events like catering community events and donation events are hooks to the business by charity. Profit events like night food bazars are also helpful to do a piece on an up and coming new food truck.
5. **Sponsorship:** Being sponsor for local little league team or local business seminar can provide a talk about the food truck with the experiences. This kind of activities helps a lot the new business to spread awareness of it to the community.

CHAPTER 5

FINANCIAL PLAN

5.1 Starting-Up Funding

The financials are the most critical aspect of a business plan and we really have to prepare profits and expenses well as an entrepreneur. There will be initial operations like purchasing vehicle, establishing the equipment and utensil, marketing and advertising about the new food truck before we begin to run our food truck. The first step to establish the new business food truck is to estimate the start-up cost. For my food truck new business, the starting-up funding table is stated as following and included the information about estimation the areas of supplies and equipment, employee, intangible costs and financial projections.

For YGM Yum food truck, start-up capital is planned to use for physical inputs such as furniture and fixtures, three months operation funds, cooking utensils, machineries and equipment as well as services for labor, legal and consulting costs. Total start-up capital used is USD 50,300 as following.

Table 5.1 Total Required Start-up Cost

Total Required Start-up Cost	USD
Total Start-up Expenses	10,300
Total Start-up Assets	40,000
Total	50,300

Table 5.2 Total Start-up Expenses

Total Start-up Expenses	USD
Marketing and Advertising Cost	1,000
Registration and License fees for Food truck	500
Rent for office (One Year)	6,000
Insurance	1,500
Renovation for Food truck	1,000
Smart Phone for business	300
Total Start-up Expenses	10,300

Table 5.3 Total Start-up Assets

Total Start-Up Assets	USD
Vehicle	25,000
Furniture	1,000
Equipment (Kitchen wear, Utensil, Machinery)	6,000
Office Supplies	1,000
Food Inventory	2,000
Cash in Hand	5,000
Total Start-up Assets	40,000

5.2 Sales Assumptions for YGN Yum Food Truck

YGN Yum food truck sale assumption calculation is based on assumption number of sales forecast on breakfast, lunch, and dinner and then midnight meal.

Table 5.4 Total Approximate Sales by Year

	Year 1	Year 2	Year 3
Breakfast	\$2,362.50	\$8,100.00	\$18,562.50
Lunch	\$2,700.00	\$4,500.00	\$13,500.00
Dinner	\$1,500.00	\$2,625.00	\$8,100.00
Midnight	\$1,500.00	\$2,475.00	\$3,780.00
Total sales by year	\$8,062.50	\$17,700	\$43,942.50
Total approximate sales by year	\$8,063	\$17,700	\$43,943

Table 5.5 Sales Projection for Breakfast and Lunch

Sale Projection	Breakfast			Lunch		
	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3
Number of people within walking distance of my location per day	1500	1500	1500	1500	1500	1500
% of people who buy	35%	45%	55%	30%	40%	50%
Equals number of potential customers each day	525	675	825	450	600	750
% of market that will choose your food truck each day	5%	10%	15%	5%	5%	10%
Number of people who will choose your food truck daily	26.25	67.5	123.75	22.5	30	75
Average sale from your menu (USD)	3	4	5	4	5	6
Average daily sales (USD)	78.75	270	618.75	90	150	450
Total monthly sales (Average on 30 days)	2362.5	8100	18562.5	2700	4500	13500

Table 5.6 Sales Projection for Dinner and Midnight

Sale Projection	Dinner			Midnight		
	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3
Number of people within walking distance of my location per day	1000	1000	1000	100	100	100
% of people who buy	25%	35%	45%	50%	55%	60%
Equals number of potential customers each day	250	350	450	50	55	60
% of market that will choose your food truck each day	5%	5%	10%	20%	25%	30%
Number of people who will choose your food truck daily	12.5	17.5	45	10	13.75	18
Average sale from your menu (USD)	4	5	6	5	6	7
Average daily sales (USD)	50	87.5	270	50	82.5	126
Total monthly sales (Average on 30days)	1500	2625	8100	1500	2475	3780

5.3 Income Statement

Table 5.7 Income Statement

	Year 1	Year 2	Year 3
Revenue	\$ 96,750.00	\$ 212,400.00	\$ 527,310.00
Less: Cost of goods sold	\$ 54,000.00	\$ 72,000.00	\$ 90,000.00
Gross Margin	\$ 42,750.00	\$ 140,400.00	\$ 437,310.00
Less: Operating Expenses			
Marketing and Advertising Cost	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
Registration and License fees for Food truck	\$ 500.00	\$ 500.00	\$ 500.00
Rent for office (One Year)	\$ 6,000.00	\$ 7,000.00	\$ 8,000.00
Insurance	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00
Renovation for Food truck	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00
Fuel for food truck	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00
Truck Maintenance	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00
Water and electricity	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00
Other expenses	\$ 1,000.00	\$ 1,500.00	\$ 2,000.00
Total operating expenses	\$ 23,000.00	\$ 24,500.00	\$ 26,000.00
Income (Loss) Before taxes	\$ 19,750.00	\$ 115,900.00	\$ 411,310.00
Income Tax	\$ 1,975.00	\$ 11,590.00	\$ 41,131.00
Net Income (Loss)	\$ 17,775.00	\$ 104,310.00	\$ 370,179.00

5.4 Breakeven Point

In calculating breakeven point, the total fixed costs of the food truck are divided by the difference between the unit price and variable costs. Fixed costs include total of all overhead for the food truck while price and variable costs are stated as per unit costs that is the price for each unit of meal sold.

Table 5.8 Breakeven Point Calculation

Fixed cost	USD
Marketing and Advertising Cost	1,000
Registration and License fees for Food truck	500
Rent for office (One Year)	6,000
Insurance	1,500
Fixed cost	9,000

Breakeven Point in Units can be calculated as

$$\text{Fixed Costs} \div (\text{Price} - \text{Variable Costs}) = \text{Breakeven Point in Units}$$

For YGN Yum food truck, total fixed costs include start-up costs USD 9,000.

Average per unit price of meal is USD 3 while variable cost of each unit produce is USD 2.

Therefore, breakeven point is occurred when firm sells 9,000 meals. In each month, total number of meal is 8063 units and to reach 9000 units of meals, the food truck needs to sell one month and one week period. YGN Food truck can reach Breakeven over one month of its establishment. That is why food truck culture becomes popular among Myanmar people. The buying habit of Myanmar people is forceful and continuous. If the political and economic situation of Myanmar is improving, both local and foreign customers can be increased continuously and benefits can be reaped by the food truck through providing quality foods and services.

5.5. Projected Balance Sheet

Table 5.9 Projected Balance Sheet

	Year 1	Year 2	Year 3
Current Assets			
Vehicle	25,000	19,688	9,844
Furniture	1,000	1,000	1,000
Equipment	6,000	5,800	5,500
Office Supplies	1,000	1,000	1,000
Food Inventory	2,000	3,000	3,500
Cash in Hand	7,750	109,912	416,466
Total Assets	42,750	140,400	437,310
Current Liabilities			
Salaries Payable	7,200	9,600	12,000
Operation Payable	1,200	1,350	1,500
Total Liabilities	8,400	10,950	13,500
Equity			
Owner Capital	15,600	114,550	194,250
Retain Earnings	-35,550	-36,800	-180,750
Total Equity	-19,950	77,750	13,500
Total Equity & Liability	42,750	140,400	437,310

CHAPTER 6

CONCLUSION

YGN Yum food truck is planned to open in 2017 December in Yangon City. Although it is a new feature food service provider, investors already have experienced in the industry of casual Myanmar food and restaurant for decades. YGN food truck that provides good foods with reasonable price and quality service can become proof business for investors in food truck new business in Myanmar. In particular, proper planning, accessible location, in-house skills, sound financial resources and fulfilling a needed gap in Myanmar food and restaurant industry can be help becoming better future business. Base on the result of external environmental analysis (PESTEL), it shows favorable for starting food truck business in Myanmar. Its marketing processes avoid the weaknesses of rival such as poor relationship with customers, negligence of customers' preferences and needs and low level of CSR activities.

Not like other fast food restaurant, YGN food truck will provide street foods taste under quality process with healthy menus can not only be able to promote food truck among local people also enhance food diet culture between local people and other street foods. From the SWOT analysis, new approaches such as maintaining good relationship with all stakeholders, membership of clusters, prepare to extend larger number of healthy food menu in addition to the current menu, promotion of special discounts and happy hours, motivation and enhancing efficiency among staffs to reduce wastage for minimizing costs are found out. The SWOT matrix can provide effective ways to practice in actual operation of the business. In running the food truck, well experienced staffs with properly trained operation can help offering the best services to customers.

Being a food industry, cleanliness, tidiness and health awareness is important. Apart from fulfilling physical or tangible resources, offering the best services is indispensable. Listening, caring and fulfilling the needs of customers are included in the factors that affect competitiveness and success. In this knowledge age, word-of-mouth about the facilities and services of the food truck can be spread among

customers quickly. By implementing the above approaches based on findings, vision of the YGN Yum can be attained through practicing mission statements.

The happiness of a business owner is to see the business grow to become as big as possible in their industry. But the truth is that for a business to experience growth, the business must be self-sustained. Our major goal and aspiration is to build a world class mobile food truck business from just one food truck in the city Yangon in Myanmar. In order to sustain the business, we have been able to create channels that will help us access multiple streams of income within the same food industry. We are aware that in the bid of pursuing business expansion, we might lose focus which is why all what we intend to do with the business revolve around our core business offering.

Food Truck Business Interview

Before starting this business plan, I took an interview with Mr. Aung Zaw who is owner of popular restaurants and cafés in Myanmar. I knew him from my days of previous company and he is a very good relation with our CEO. He seemed excited when I said it was, indeed, me and proceeded to ask a lot of questions about starting a food truck. He said that he was pretty certain that he wanted to open up an authentic Chinese street food, food truck.

I showed up toward the end of his first week to enjoy some lunch and ask him some questions. It was great to chat with Mr. Aung Zaw and get a very candid look into what it took to get his favor to get food truck onto the road. I am happy to think that I may have contributed in some small ways, and to share his trials, tribulations, and successes of the entire process.

It was his third service at Chinese Dragon Dance Race. The event was attended by about 2,000 people. We were also at an event on Sunday. Today is his second day doing street service and I start the interview as Appendix A.

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APPENDICES

Appendix A - Survey Interview

Me: Is this your first week! How many times have you been here so far?

Aung Zaw: *Today is my 3rd food truck service within this year.*

Me: Then we were sitting at your restaurant at Lanmadaw township. It has already been for three years and when did you start the street service? Have all of your services been on the street so far?

Aung Zaw : *Actually, my very first street food service was last December, start from Christmas Eve till after new year. Most of the events were around Downtown and Kan Daw Gyi park and my service also start from these places. There was around 1,500 people and we wear also at the event places on holidays.*

Me: Your very first day on the road was with 1,000 people? Were you ready? How long were you there? How many people did you serve?

Aung Zaw: *I wanted to feel like a seasoned pro when I hit the road. We prepared all day before serving these days, one week ahead. I only got two/ three hours to sleep and it was so tired but got happiness after all these long days. I was as ready as I could be. We served about 100 people over the 8 hours during our first day. We made it through the day but it was not smooth and easy. Not only was it the first day on the road, but I had my two staffs helping me, and it was the first time we ever showed how much team work is the key. We spent a lot of time trying to work out kinks as they came up. Being out for the first time and at a large event, there were a lot of things to struggle.*

Me: Tell me about your experiences that end with you opening up the window for the first time. What motivated you to open a food truck?

Aung Zaw: *So, what motivated me is my personal interest in serving food to consumers who need healthy and tasty nutrition. I've traveled to China twice and each time I have returned to the states I am always surprised at how hard it is to find authentic Chinese food. I recently graduated with a bachelor's degree in International Business where my eyes were opened to such things as market research, market demand, and market niche. I did the research and found the needed key elements that make a business unique and profitable; so I decided to try my hand at self-employment in with a mobile food business. I had also found evidence that the food truck industry is expected to triple or quadruple over the next few years. Although my education led me down this path to believe that there is a real*

opportunity and demand for authentic Chinese food that is not being met, it was several factors that drove me to committing myself to this venture.

Me: So you were primarily motivated by the opportunity to meet the demand of the market niche?

Aung Zaw: *Actually, it is much more complicated. I was only 20 when I had my son. I did not have the opportunity to go to college. I had to work hard to support my family. I was always happy to work hard to make a living. Over the years I had a lot of driving jobs including driving taxis and busses. I worked for a company doing ventilation duct cleaning for restaurants, I have been a dispatcher, and have had numerous other jobs. I have always had a desire to work for myself but never felt that I had the skills, knowledge or education to be successful. It led to an even stronger desire to go back to school and get a college education.*

Me: So when did you do that?

Aung Zaw: *At the end of 2005, after a long time for trying hard at Yangon Distance University with business studies, I worked hard at so many international grade restaurants and also opened a local restaurants. I took my first class at Yangon Economic University with international business major in 2009 and I made the commitment to go to classes full time while still working a full time job. I graduated in December of 2013, a long hard 4 years of my life but totally worth it.*

Me: I am not sure how the food truck fits into this timeline?

Aung Zaw: *Being in school really changed my thinking and changed me overall. I went back to school thinking that it would give me the tools and opportunity to get a better job and make more money, but during my education there was a shift and I found myself having a stronger desire to use what I was learning to do something for myself and put it to practical use. Being in school gave me the confidence to pursue my thoughts of doing my own thing.*

Me: Ok, so why a food truck?

Aung Zaw: *Again, many factors. One being that my wife is Chinese and partly from China and that meant help from someone who knows what they are talking about. Secondly, there's an opportunity. There's a very large influence of Asian students here in the local college community, and it's very hard for them to find authentic food from home in this area. I wanted to start a business to fill that void, but was not in a position to invest a huge amount of money, and didn't want to put too much for getting a loan. Starting with a food truck was something I could afford to do with my savings. I could go on and go.... do you have all day?*

Me: Sure, but let's ask another question! From the time you decided to start the truck to the day of your 1st service how long did it take?

Aung Zaw: *It took me five long, hard working months. In some ways I am amazed at how quickly it went, considering how much I actually did. First, there was the market research, then financial consideration, then trying to figure out if I had the abilities to offer a unique service in a field I had never worked in before, all while making sure product wouldn't suffer and I could stay true to being "authentic". Then, after all of that, to seek the support needed to start a business, and the many steps that need to be taken. Business license, Food Safety Managers course, insurance, permits, inspections, and all with-in a regulated industry. Once that was achieved, the real work started: finding a truck itself is no small feat. Once I did find a truck, I actually found a better one and now had two, then trying to re-sell the first one. I worked on my truck every day, all day. I had to alter what I bought to fit my needs and, to do so I had to first learn about and then actually do some work on the electrical, plumbing and drainage as well as equipment installation and so many other things before even working on the recipes and menu.*

Me: I know how hard you worked during those five months. It is really pretty impressive. I know people that have searched for the right truck for over six months and have taken well over a year to get on the road. How did you find the truck?

Aung Zaw: *I initially bought a 1989 GMC Diesel box truck that had electrical service in it but nothing else. It was \$3,400. I immediately wasn't satisfied with it but wanted something I could turn into what I needed rather than sit on my hands. I realized how much work it was going to need and was afraid I couldn't turn it into what I wanted. So I kept looking for a better truck. I must have looked at 100's of trucks on-line and went to see 5 trucks locally. Just about everything was either too expensive or needed too much work. Finally, I found this truck luckily*

Me: Please tell me about your restaurant and hospitality experience?

Aung Zaw: *I have great people skills. I have always been able to connect with customers in all of the jobs I've had. With that being said, I've never worked in a restaurant or a professional kitchen. There's a lot to learn, and I'm learning every day.*

Me: Well I have been tasted enough to try your food a number of times, and it is quite nice.

Aung Zaw: *Thanks.*

Me: Has the food truck community been welcoming?

Aung Zaw: *Very simply, "Yes!" Everyone has been easy to talk with, offering advice or helping to spread my name out there. I should have mentioned it earlier but I also was not a very "social networking" capable person which is a MUST in this industry.*

Me: Thank you so much for answering my questions and would you mind if I would like to ask more unclear and information I want to know in future,

***Aung Zaw:** Very welcome and I am always ready to help you for answering any question from you.*



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