



# *Feng Chia University* *Outstanding Academic Paper by Students*

Title : NutriMeal Business Plan



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## Abstract

Healthy lifestyle is a trend in modern life, people want to get healthy and active, but to live this lifestyle people have to invest a lot of time whether to do exercise, or prepare their own meal, thus we want to participate in this lifestyle and make life easier for those people by providing a catering service that is highly nutritional and carefully measured for our customer.

**Keyword :** Healthy food 、 Healthy lifestyle



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## Executive summary

Healthy lifestyle is a trend in modern life, people want to get healthy and active, but to live this lifestyle people have to invest a lot of time whether to do exercise, or prepare their own meal, thus we want to participate in this lifestyle and make life easier for those people by providing a catering service that is highly nutritional and carefully measured for our customer.

## Business description

We are a catering company that is focusing on providing our customer a highly nutritious food, and personal meal plan for each customer so they can achieve a healthier and happier live.

Our company is an LLC that is based in Surabaya, Indonesia and we are eager to promote a healthy lifestyle to the people in our country by providing the people with the nutritious meal for daily life, our vision statement is “providing practical and nutritious meal for the community of where NutriMeal are locating to achieve a healthier future life of the community.” while our mission statement is “Promoting a healthy lifestyle and give awareness to the people of the community about the importance of healthy meal.”

Nowadays there are only a few people that prepares a nutritious meal for daily life, preparing a nutritious meal is not an easy task, one must have an extra motivation to prepare the nutritious meal everyday continuously because it requires a deep knowledge, time, and skill, thus we want to fill the need of the people who aware about the importance of healthy meal for their health.

## Industry Overview

We consider our business related to the mix of health industry and food industry, as for the raising awareness of the people to the obesity problem, a lot of people seeks way to achieve a better and healthier body shape, we try to fulfill that need from those people. This is a integrated industry of health business that mainly focusing on body weight management and overcome the obesity problem from the sport center, drugs, nutrition, into fitness machine they all serving the needs of the community to achieve and maintain ideal body weight. This industry is growing fast in the moment and spreading around the world, in Indonesia itself this industry have an impressive

growth trends, the trends can be seen on the growth of fitness centers, weight loss spa saloon, slim-body center, fat burning pill, diet drugs, etc. the industry growth in accordance with the awareness of healthy lifestyle among the society, specifically in the urban society.

Surabaya as the 2<sup>nd</sup> largest city in Indonesia have the population of more than 2 million people, the youngster in Surabaya is about 35% of the total population, this is where our target market located. If we can capture just 1% of this market which is around 7.000 member, this would be more than enough for maintaining our operation with a handsome profit.

## **Company description**

NutriMeal is a LLC corporate form, we are a new business that will be starting and operating in next year. Our business is catering business that providing a highly nutritious and carefully measured meals to our client. We provide a deliveries of the meal to our client around the city, also we apply membership program to all of our client so we can give the best meal program and maintain the meal program to make sure that our client can achieve their body weight goals.

NutriMeal primary office and kitchen will be located in the city center of Surabaya, so our customer can reach us easily, also it have the advantage of deliveries mileage as we will delivery our service across the city. Our base will be divided into two space room which consisting the kitchen and the office space.

## **Mission statement**

“Promoting a healthy lifestyle and give awareness to the people of the community about the importance of healthy meal.”

## **History and current status**

Nutrimeal are a new forming company, we came up with this idea when we realize how hard it is for a person to stick to a healthy lifestyle and we already been in that stage trying to achieve an ideal body shape. The limited time available and almost no choice of healthy food when trying to eating out is frustrating for someone in a mission to achieve an ideal body weight, thus we usually prepared our own meal every day.

Preparing a healthy food also a different level of challenge, we start with a lack of knowledge on preparing and managing our food and eating schedule, after a lot of try and error we found the knowledge that is essential for preparing a healthy food. although it's a time consuming activities we manage to win the struggle and make it as a habit after a lot of effort and motivation, thus we realize that we want to help

others who also want to live this healthy lifestyle and make their life easier.

## **Goal and objective**

Nutrimeal is designed to serve around the country, Nutrimeal is a brand of quality where it be the pioneer of the industry and also leader of the industry. Our growth strategy is divided in two form, the service area and also the product type. Nutrimeal is designed to be a brand name or franchises who sell its name across the country, we want to serve every major big city in Indonesia. Hopefully for the next 5 years we could dominate all the major big city in Indonesia.

## **Critical success factor**

We believe this business targeted a specific market that is not well served, and have no competitor yet, our customer would be willing to spend some extra money to receive our service. As long as we can deliver a satisfying result to our customer, it will easily grow, because the nature of our targeted market is a community, for example: the gym community who have a close relations between each gym member, they can share their experience when using our service, if they satisfied with the service it would promote our service greatly.

## **Company ownership**

The company is owned by Chan Anthony Tanner as the founder and CEO of Nutrimeal for 60% of its ownership, the rest 40% ownership is distributed to the investor respectfully to the amount of capital invested.

## **Exit strategy**

After the operation start we will start to distribute a dividend based on corporate shares respectfully when the operation already profitable, the amount that is being shared would be determined on the annual shareholder meeting. If any shareholder feel the need to leave from nutrimeal's business we will offer management buyout after 4 years of operation, and the price of stocks will be determined based on financial report valuation.

## **Product and services**

We sell product and service of a healthy lifestyle to our customer, including in this list are health advisory, meal plan, meal, and deliveries. A lot of fitness center membership in Indonesia's big cities have the desire to achieve an ideal body shape

without any proper clues to achieve it, some have enough information about the importance of proper meal plan but just don't have enough time to prepare such meal, a few of them have the time to prepare it but can't stand the taste of the meal, those people willing to spend extra money for a professional meal plan to help on their achievement easier, this is our specific target market.

We want to help the targeted market with a meal plan that is taste good, full of nutrition, and carefully measured. Thus we offer a membership to access our service with a registration fee that is used to meal plan advise based on the personal unique measurements such as body weight, body fat percentage, body type of metabolism, etc. each of our members than will receive a fresh meal delivered to them on the proper time.

We want to deliver a fresh and nutritious meal for the best health benefit at the right time and at the right amount, we believe that to achieve the best result a person must have at least 5 meals a day, in a small portion in order to maintain body metabolism to the most efficient stage.

The type of meal that is set for each customer is differentiate into different group depends on the goal of the customer which we call a meal plan, for the introduction stage we will only provide three type of meal plan. **Plan L** for people who want to lose weight, **plan G** to gain weight, or **plan M** to maintain weight. To receive our service a customer must become a member of our company, in registering process, our staff will measure the nutritional needs of the customer and consult meal plan that is suitable to our customer, we also educate our customer about health and nutrition related to their own personal goal in health.

Customer will receive a nutritious meal deliveries three times a day that including two meal package in the morning, two meal package for lunch and afternoon, and one meal package at night, to maintain the freshness of the meal we will prepare the meal right before the delivery time, the meal that is provided is carefully measured in nutrition amount for the related customer and also delicious because it is prepared by reliable trained chef.

## Production

### Product

We produced our product in our kitchen, after the members are measured for its nutrition needs, than members are divide into different nutrition needs, than the meal are cooked on basic procedures for each type of nutrition needs, and hygiene standards, basic meals including three basic meals, and 2 or 3 snacks. We acquire the raw material from trusted local vegetables and fruits supplier, also the meat and

poultry supplier already committed to fulfill our needs with low price and reasonably high quality materials.

## **Service**

We provide several services to our members, first is a periodical development check up, secondly is health consultation, third is meals delivery type of meal will be prepared based on the meal plan type that is chosen by the member of our service.

## **The Market**

Our target market is the people that want to start or in a diet plan, and have basic awareness of the importance of diet plan, but too busy to prepare their own meals. Specifically young people and adult that want to feel better and look better with their body shape in a healthy way.

To distribute our services and products we can have a partnership with local fitness center, weight loss center, and also reliable private personal trainer around the city, we will choose partners that is qualified within our standard and share the same objective.

## **Market segmentation strategy**

We consider our service and product as lifestyle segmented, our product and service are design to fulfill the need of urban people that seek for help to maintain ideal bodyweight and great body shape.

Our targeting strategy thus a differentiated marketing where we offers meal plan that is tailored for different people with different needs in achieving ideal body weight whether it's to maintain weight, lose weight, or gain weight. Thus we see the need to maintain a good relationship to each of our customer in order to deliver our product and service effectively.

## **Pricing strategy**

We offer several membership fees to our customer, each member need to pay registration fee and monthly fee, the registration fee is Rp. 350.000 (US\$ 40), while the monthly fee is varies between Rp. 600.000-750.000 (US\$65-80)/month, If our customer go for a one year membership we can give a one month free. This price is calculated by marking up from raw material and production cost.

## **Distribution channels**

We already contacts several major fitness center in the city including Atlas sports



center, Celebrity fitness, Gold gym to markets our service also several 5 stars hotel that provide fitness center membership in the city. Some of the personal trainer already willing to cooperate with us to reference our products and service for their client and we will give a bonus money for each new members that enter our services.

## Advertising

We already plan a unique advertising method. First we will introduce our service and products in each major fitness center in the city, than in each of those fitness center we will choose one of their fitness center member as an example for our product and service advantage in exchange of those related volunteer to share their experience using our service and product with his/her gym member friends.

## Competition

We believe we offer something new and unique to the market, there is no such identical service as we offer to the customer yet in the market. So there are no direct competitors in the industry, for the indirect market we consider other type of catering services is not serving sufficiently satisfying to the targeted market that we focusing, it will only have a small effect to our segmented target market. But if this business goes booming success in the future as we predicted, there will be a lot of new competitor that will serve this targeted market, so we hope we can reach a steady stage as soon as possible to strengthen our brand.

## Operations

Our service and product operations start from consulting our customer from the time a customer join membership in our service, we consult with our customer about their goal for their health in the future, than we discuss about the meal plan that is suitable for the customer. Those customer would be categorized based on their meal plan, and also categorized by their location. Those our chef and nutritionist staff will provide a meal package for each meal plan that is carefully measured the nutrition needs of each customer, after that we will deliver our meal to our customer. We also track the development of our customer each 2 months and do a adjustment on the meal plan according to the progress of each customer.

To fulfill the meal ingredients and raw material we already make contact from several supplier that meet our standard, all of them have give their promised to fully supply

our needs with standardized qualification raw materials. We will negotiate further for a better offer from those supplier or from other supplier available out there.

## Management team

Our management team is consisting of highly dedicated, young, energetic, well educated, creative, and enthusiast people, the people that share the same passion for healthy living and help people to live this lifestyle.

For the opening stage our management force would consist of a marketing manager, a supply and distribution manager, production & quality control manager, and accounting & finance manager we already have a potential candidate that meet the requirements above, and eager to start the campaign.

In the future we want to build a dynamic management team with fresh ideas and desires for improvement, and also specialized each department for a maximum result such as dividing production and quality control department, add purchasing manager, and also branch manager for future invasion.

## Risk and opportunity

The risk that we face is the volatility of the raw material price, thus we already propose to the supplier about the agreement to reduce the sudden price change in raw material price, also we can have a wide variety of raw material for substitution to have a greater option to overcome this risk.

Another risk is related to food quality and possible bacterial contamination to the food, thus we already setup a highly hygiene standard for our product and also make sure about the knowledge of our customer food sensitivity, we also avoid a highly allergic food material such as shrimp. Also we have the knowledge in cultural and religion restriction, we must first inform our customer about the ingredients that will be on our menu to avoid unwanted related incident.

Beside the risk that I mentioned we believe our service have a great opportunity in the market, the service that we provide is highly unique and requires a knowledge that is not easy to obtain. This service can be charge in a premium price because of its nature that treats each of its customer in a special and individual manner. Also there are no such service out there yet in the market, the health industry is growing rapidly in this world, people now aware that prevention is much better than treatment and willing to pay more to have this service.

## Financial summary

For this kind of business I already made a forecast financial report for the next 5 years, the breakeven point will be reach for at least 2-3 years, the total of capital for starting my business requirement is approximately around Rp. 750 Million,- (US\$ 75 K) and described as below

### Income statement

	Year-1	Year-2	Year-3	Year-4	Year-5
	<b>IDR</b>	<b>IDR</b>	<b>IDR</b>	<b>IDR</b>	<b>IDR</b>
<b>Revenue</b>	<b>1,825.00</b>	<b>2,281.25</b>	<b>2,737.50</b>	<b>3,421.88</b>	<b>4,562.50</b>
	<i>IDR</i>	<i>IDR</i>	<i>IDR</i>	<i>IDR</i>	<i>IDR</i>
<b>COGS</b>	<b>912.50</b>	<b>1,140.63</b>	<b>1,368.75</b>	<b>1,710.94</b>	<b>2,281.25</b>
<b>Operating expense</b>					
	<i>IDR</i>	<i>IDR</i>	<i>IDR</i>	<i>IDR</i>	<i>IDR</i>
Operating cost	286.80	311.70	465.60	516.00	620.00
	<i>IDR</i>	<i>IDR</i>	<i>IDR</i>	<i>IDR</i>	<i>IDR</i>
General and Admin	150.00	150.00	150.00	150.00	150.00
	<i>IDR</i>	<i>IDR</i>	<i>IDR</i>	<i>IDR</i>	<i>IDR</i>
Sales and marketing	108.00	108.00	180.00	180.00	180.00
	<i>IDR</i>	<i>IDR</i>	<i>IDR</i>	<i>IDR</i>	<i>IDR</i>
<b>Total Expense</b>	<b>544.80</b>	<b>569.70</b>	<b>795.60</b>	<b>846.00</b>	<b>950.00</b>
<b>Net Income Before</b>	<b>IDR</b>	<b>IDR</b>	<b>IDR</b>	<b>IDR</b>	<b>IDR</b>
<b>Tax</b>	<b>367.70</b>	<b>570.93</b>	<b>573.15</b>	<b>864.94</b>	<b>1,331.25</b>
	<i>IDR</i>	<i>IDR</i>	<i>IDR</i>	<i>IDR</i>	<i>IDR</i>
<b>Tax</b>	<b>18.39</b>	<b>28.55</b>	<b>28.66</b>	<b>43.25</b>	<b>66.56</b>
	<u><b>IDR</b></u>	<u><b>IDR</b></u>	<u><b>IDR</b></u>	<u><b>IDR</b></u>	<u><b>IDR</b></u>
<b>Net Income</b>	<b><u>349.32</u></b>	<b><u>542.38</u></b>	<b><u>544.49</u></b>	<b><u>821.69</u></b>	<b><u>1,264.69</u></b>

### Capital Requirements

For startup capital we will need an amount around Rp. 950 million to 1.1 billion (equal to US\$ 92 k – 105 k), including on this startup capital are the office furniture, office supply, office equipment, kitchen tools & utensils, space rent for 3 years, raw material for 1 year (prediction), labor, skilled labor, employee, and manager wage and

salary, insurance, labor insurance, and vehicles. The source of fund would be collected from three different source: (1) Owner's contribution 10%, (2) Terms loan 60%, and (3) New equity financing 30%.

