

M CHUAN CHUAN XIANG HOT POT

Xi Chen*, **Chairit Thongrawd**** & **Tanaset Molasilapin *****

** Graduate School, Southeast Asia University, Bangkok, Thailand*

*E-Mail: *695899017@qq.com, **chairitt@sau.ac.th, ***tanasetm@sau.ac.th*

ABSTRACT

Beginning in 2017, Chuanchuanxiang hotpot entered an outbreak period, maintained rapid development in 2018, and began to slow down in 2019. In 2020, under the epidemic, Chuanchuanxiang grew against the trend, and its proportion in the hot pot category increased significantly. Under the double attack of takeaway and self-heating convenient hot pot, why can Chuanchuanxiang maintain an amazing growth momentum? How can new brands develop counterattacks when there are already multiple brands in the market? This business plan presents a business model of innovative development in a market with huge potential and fierce competition by systematically sorting out and analyzing the early-stage Internet celebrity Chuanchuanxiang brands.

INTRODUCTION & COMPANY DESCRIPTION

Chuan Chuan Xiang Hot Pot is a hot pot brand company in the preparatory period. The company's products and services are in the stage of research and development and improvement. The company was co-founded by two natural persons with rich industry experience, and its positioning is to create a national brand of net red Chuan Chuan Xiang hot pot. The company is committed to creating a new generation of popular hot pot brand with wide dissemination by combining the most popular Sichuan spicy flavor in hot pot with the form of Chuan Chuan Xiang, and integrating traditional symbols and humanistic feelings into the brand tone.

INDUSTRY ANALYSIS

The catering industry has a long history, and as an important part of the necessities of life, it has always occupied an important position. As an important part of the service industry, catering is widely valued for its large market, rapid growth, wide influence, and strong ability to absorb employment. It is also an important carrier for developed countries to export capital, brands and culture. As one of the important categories in the catering industry, hot pot has its uniqueness in many aspects. Due to the multiple choices of ingredients, base materials and conditioning, hot pot is suitable for a wider range of public tastes, and has become a common choice for families, friends, business and other gatherings. Due to the high adaptability of hot pot in various markets, hot pot has maintained steady growth for many years on the basis of large volume.

2.1 Strengths

Team advantage: Chuan Chuan Xiang Hotpot has a founding core team with complementary advantages.

Product advantages: Relying on the deep industry experience of the team , Chuan Chuan Xiang Hotpot has professional ingredient selection and management capabilities .

Service advantages: Chuan Chuan Xiang Hotpot is good at creating brand scenes. Through store design , functional area design such as dessert shops and bistros , tableware design, etc.

2.2 Weaknesses

As a start-up brand, Chuan Chuan Xiang Hotpot is not well-known, and it takes a process for many consumers to accept it and be willing to try it .

In addition, as a new team , all aspects of the operation of Chuan Chuan Xiang still need to be run-in.

2.3 Opportunities

With the improvement of people's living standards with economic development, the catering industry is on the rise as a whole, and the category of Chuanchuanxiang hotpot is also a category with a particularly obvious upward trend in the entire hotpot industry in recent years.

At the same time, the rapid development of the mobile Internet in recent years has also brought new development opportunities for traditional stores. Through the application of new media, brands can more quickly and accurately attract the attention of target consumers.

2.4 Threats

Due to the good growth trend of Chuanchuanxiang hotpot in the market , more and more entrepreneurs will join this market, which will lead to intensified competition for similar products.

More and more convenient and delicious instant hot pot food is occupying the market of hot pot stores.

MARKET ANALYSIS & MARKETING PLAN

In order to clarify the unique brand value of Chuan Chuan Xiang, the following will use the STP strategy analysis method. The STP strategy consists of market segmentation, target market selection and market positioning.

1. Market Segmentation

Chuan Chuan Xiang hot pot brand targets young women aged 20-35 as the target consumer group. The consumption ability and consumption willingness of this group of consumers are at a medium and high level. In addition, young female consumers are also a consumer group with strong sharing ability.

2. Target market selection

Chuan Chuan Xiang brand locates its flagship store address in Beijing, plans to open 2-3 stores within a year, and continuously adjust and optimize. After showing the unique competitiveness of the brand, it will expand in second- and third-tier cities across the country. It is a combination of direct sales and franchise.

3. Market Positioning

In terms of product positioning, Chuan Chuan Xiang selects high-quality ingredients in various markets, and strives for excellence in management to ensure the safety and freshness of ingredients. In terms of service positioning, through the unique design of space and tableware, as well as service sections such as sweet water shops and taverns, to create a unique.

Looking at the current status of the Chuanchuan hotpot category, from product to scene, the category faces a high degree of homogeneity. On the one hand, it shows that Chuanchuan products have a good foundation and mode, but on the other hand, it is difficult to support the brand through homogeneous products.

4Ps

Product

As a sub-category of the hot pot category, Chuan Chuan Xiang has both the commonality and irreplaceable characteristics of the hot pot category. The product experience is very unique, and it forms an obvious product difference with hot pot, although the taste is the same. At the same time, this is also in line with the rise of snacks and drinks and consumers' pursuit of rich choices.

Place

The M Chuan Chuan Xiang hot pot brand adopts two methods: direct sales and distributors. In the first year, it will mainly adopt the direct sales method to make the model run through in big city. After the success of the direct sales store, it will start to Expanding across the country, the target market is second- and third-tier cities, mainly dealers, supplemented by directly-operated stores.

Pricing

As a hot pot restaurant, the pricing of dishes has become a very sensitive issue for Chuanchuanxiang. If the price is too high, the diners will be dissatisfied, thus losing repeat customers; if the price is too low, the operator's cost will remain high and the gross profit will be limited. In terms of pricing strategy, Chuan Chuan Xiang Hotpot neither chooses too high prices nor engages in price wars, but refers to similar competitors to find a moderate pricing method, especially for sensitive products, to maintain competitiveness, and for scene-based products , such as desserts, drinks, etc. to increase gross profit.

Promotion

The promotion method of M Chuan Chuan Xiang hot pot brand is mainly through the introduction of seasonal themes and event themes.

1. The theme of the season:

- (1) Satisfy customers' demand for seasonal delicacy.
- (2) New dishes are conducive to improving the fullness of the menu.
- (3) Seasonal ingredients that follow the laws of nature are more conducive to the

development of the ecological environment.

2. Themed activities

- (1) Various holiday themes, such as Christmas, New Year, etc.
- (2) Other themes, such as drinking friends day, the first string in winter, etc.

Distribution and sales

The M Chuan Chuan Xiang hot pot brand adopts two methods: direct sales and distributors. In the first year or so, it will mainly adopt the direct sales method to make the model run through, supply chain management and store management to form a model. After the success of the direct sales store, it will start to Expanding across the country, the target market is second- and third-tier cities, mainly dealers, supplemented by directly-operated stores.

MANAGEMENT TEAM & COMPANY STRUCTURE

The general manager of the company graduated from the People's Public Security University of China majoring in law. Since 2013, he has entered the catering industry, and has independently operated three physical stores in the past eight years, with rich practical experience. Mainly focus on store location, store design, planning and operation process, in-depth market analysis, and analysis of competitors.

the deputy general manager, marketing director and investment and franchise director report directly to the general manager, and the planning department, new media marketing department, and human resources department report to the deputy general manager. With the development and growth of the company, Chuan Chuan Xiang Hotpot will continue to improve the company's organizational structure to meet the management and operation needs of different periods.

OPERATIONS & PRODUCTION PLAN

The working hours of M Chuan Chuan Xiang Hot Pot Restaurant are from 9:00 am to 3:00 am, using a two-shift operation mode. The specific provisions are as follows:

1. Front office service process :

(1) Preparations: After the staff arrives on time, they will attend a brief morning meeting, check their appearance, arrange the work of the day, assign jobs to the staff, and introduce the dishes of the day and recommended dishes. Prepare the ingredients of the day, clean the ingredients, and prepare them for sale.

(2) Ordering and serving: When guests enter the restaurant, the service staff will lead the guests to their seats. During the process, they should greet them with a smile on their faces, and guide the guests to the display stand to choose the skewers by themselves, and then go to the cashier for weighing. For customer service needs, we must be polite and fast.

(3) After-dinner service: After the meal, the customer expresses his gratitude to the customer and delivers the prepared chewing gum, etc. After the guests leave, clean up in time to restore the original condition.

2. Back kitchen work flow:

(1) Clean and descale the food shelf.

(2) Check the kitchen utensils to confirm that they have been cleaned and placed neatly.

(3) Check each stove for air leakage, clean the stove surface, and ensure that there is no sanitary dead angle.

(4) Daily cleaning of the freezer and regular maintenance.

3. Challenges and Risks

(1) At present, the Chuanchuanxiang hot pot restaurants on the market generally pay attention to the polishing of the bottom of the pot, and they also have their own styles for the beef category. The challenge facing Chuanchuanxiang hotpot is whether the exclusive bottoms and dishes it develops can show enough uniqueness, Really impress the taste buds of consumers.

(2) High-quality ingredients mean high cost. The challenge faced by Chuan Chuan Xiang hotpot is whether it can control the cost and find suitable pricing to ensure a certain gross profit.

FINANCIAL ANALYSIS & FEASIBILITY ANALYSIS

The development idea of Chuan Chuan Xiang Hotpot is to let go of the high gross profit thinking, The future of catering should be large-scale, industrialized, and refined operations. Chuan Chuan Xiang Hotpot provides consumers with high-quality and cost-effective products by selecting high-quality ingredients, thereby maintaining consumer loyalty for a long time. As for the way to increase gross profit, mainly through national expansion, continuously optimize the supply chain, and achieve ideal profits with scale effect.

The financial forecasts for the commercial operations of Chuan Chuan Xiang Hot Pot from 2022 to 2026, which are based on business objectives and development plans to forecast future performance.

Funding sources

The initial capital budget of Chuan Chuan Xiang Hotpot is 6 million , mainly from two sources, the two founders and venture capital. At present, the project is still in the preparatory stage. The founder Zhang * * invested 1.5 million yuan, and the founder Li * * invested 500,000 yuan. It is estimated that the first round of financing from venture capital institutions will be 4 million to 6 million yuan. Negotiating with a number of risk institutions.

Use of funds

The above funds are used as the budget for opening three stores in Beijing, which are mainly used for rent, decoration, store facilities, personnel management and marketing costs. At present, the founder's first batch of funds can support the opening of the first flagship store. It is expected that the funds of venture capital will be in place within 3-6 months, and the plan to open three stores a year can be completed on time.

Table 1 Break even analysis

	gross profit rate	Constant cost	Break-even point (sales volume)
2022	60.00%	6, 228, 500. 00	10, 380, 833. 33
2023	66.04%	17, 489, 000. 00	26, 482, 434. 89
2024	70.90%	30, 293, 000. 00	42, 726, 375. 18
2025	74.69%	36, 758, 000. 00	49, 214, 084. 88
2026	78.73%	45, 370, 000. 00	57, 627, 333. 93

CONCLUSION & FUTURE WORK

This chapter mainly summarizes the feasibility of this project. After the systematic analysis of this business plan, the conclusions are as follows:

1. This project is feasible

The Chuanchuanxiang hotpot category has a huge market and is growing steadily. The market does not need to be educated anymore, and the founding team of this project are all seniors in all aspects of the industry, whether in product development, scene creation, new media marketing or investment joining. Rich practical experience, the project is feasible and implementable.

2. The project has a unique competitive advantage

This project has carried out a number of innovations in the taste of Chuanchuanxiang and the store scene experience that the core user groups are most concerned about, which not only attracts users to try new products for the first time, but also makes great efforts to encourage users to repeat consumption. Create a unique competitive advantage through product and service innovation.

3. The project is worth investing in

People take food as their priority. Domestic catering is an industry worthy of investment all year round. This project has chosen the Chuanchuanxiang hotpot category with great market potential, and has a founding team with complementary advantages and rich experience. It has matured plans for competitiveness building., In general, this project is feasible and worth investing.

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