

**FINAL PROJECT REPORT  
ON  
SANCAFE**

**Course Name : Project 12  
Course Code : PW-612  
Semester : Summer - 2022**

**BY**

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Daffodil International University



**DAFFODIL INTERNATIONAL UNIVERSITY**

**DHAKA, BANGLADESH**

**AUGUST 2022**

## LETTER OF TRANSMISSION

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August 25, 2022

**Md. Kamruzzaman Didar**

Assistant Professor and Head

Department of Innovation & Entrepreneurship

Daffodil International University

**Subject: Submission of Final Project Report -12.**

Dear Sir,

With due respect, we beg to state that it is our outmost pleasure to submit our Project Report for the Project Work on “**SanCafe**” to you. We have truly enjoyed the attachment in preparing this report and learned a lot of from this. There might be some errors through oversight in the Project Report. We would be grateful if you kindly consider if we have mistaken. We acknowledge with thanks and the whole-hearted support and kind guidance received from you for this report.

So, we hope that you would be kind enough to accept our Project Report and Oblige Thereby.

Sincerely yours

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**Anika Rahman Trisha**

ID: -191-45-182

Department of Innovation and Entrepreneurship

Daffodil International University

## LETTER OF ACCEPTANCE

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This is to clarify that Anika Rahman Trisha, ID: 191-45-182, program: Bachelors in Innovation and Entrepreneurship, is a regular student of the Department of Innovation & Entrepreneurship, Faculty of Business & Entrepreneurship, Daffodil International University. She has completed the report as her project report- 12 on **SanCafe**, and she has prepared her project report under my supervision.

I wish her all success in life.



.....  
**Md. Kamruzzaman Didar**


Assistant Professor and Head,  
Department of Innovation & Entrepreneurship  
Faculty of Business & Entrepreneurship  
Daffodil International University

## DECLARATION OF STUDENT

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I am Anika Rahman Trisha, 13th batch, Department of Innovation & Entrepreneurship; hereby declare that the presented project work- 12 report on SanCafe. My original proposal is submitted to Daffodil International University, and no part of this report has been submitted for any other courses, degree or fellowship and the work has not been publish on any journal or magazine.

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**Anika Rahman Trisha**

ID: -191-45-182

Department of Innovation and Entrepreneurship

Daffodil International University

## ACKNOWLEDGEMENT

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First, we express our heartiest thanks and gratefulness to almighty God for His divine blessing makes it possible to complete the project report successfully.

We are really grateful and wish our profound indebtedness to **Supervisor Md. Kamruzzaman Didar, Assistant Professor and Head**, Department of Innovation and Entrepreneurship, Daffodil International University, Dhaka. Deep Knowledge & keen interest of our supervisor in the field of “SanCafe.” to carry out this project. His endless patience, scholarly guidance, continual encouragement, constant and energetic supervision, constructive criticism, valuable advice, reading many inferior drafts and correcting them at all stages have made it possible to complete this project.

We would like to express our heartiest gratitude to Md. Kamruzzaman Didar, lecturer, and Head, Department of Innovation and Entrepreneurship, for his kind help to finish our project and also to other faculty members and the staff of the Department of Innovation and Entrepreneurship of Daffodil International University.

We would like to thank our entire course mate in Daffodil International University, who took part in this discussion while completing the course work.

Finally, we must acknowledge with due respect the constant support and patients of our parents.

## ABSTRACT

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This report is intended as a guide for teachers and entrepreneurship students when conducting research is part of course-work requirements. Discussion includes a description of a literature search, the purpose of a literature review finding sources (especially for entrepreneurship) and a general strategy to help conduct an efficient and productive literature search. Using tools such as this report, students can become more proactive about their research projects. Teachers can use this report, among other tools, to begin dialog with their students about expectations for research assignments. Two key steps in a literature search are: (i) finding sources; and (ii) synthesizing information. Each of these is addressed in the major sections in this report, as well as how the literature search relates to the entire research process. Then pertinent information is repeated in the summary section for convenience. An annotated reference list is included for ease in finding other useful guidance.

## EXECUTIVE SUMMARY

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These days, In Bangladesh we barely have takeaway cafés around where people can come and take away food immediately. We can see this type of takeaway fast food chains in western foreign countries or Asian countries but very less in our country. We opened a specialize takeaway food corner in a small store with opened environment arcade which is different from traditional stores and provide delightful service and amazing store appearance. Daffodil University, an institution, is now becoming the model metropolis for established new Department as “Innovation & Entrepreneurship department” to create a large number of student’s entrepreneurs. In today's business there is huge competition in every sector including fast food or restaurant sectors also but we accepted this challenge. So, our plan is to take our takeaway restaurant to the level of higher than any other café’s or restaurants and change the image.

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## CHAPTER 1: About Company

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### 1.1 Logo



Since our theme is a takeaway restaurant so we have created the café environment and logo very mild looking and sophisticated. Color pattern would be black, grey and white to give a classy look.

## 1.2 Mission

To provide best takeaway café experience and people can immediately order and get their food without any time loss. Our mission is to give quality food in less time and less price.

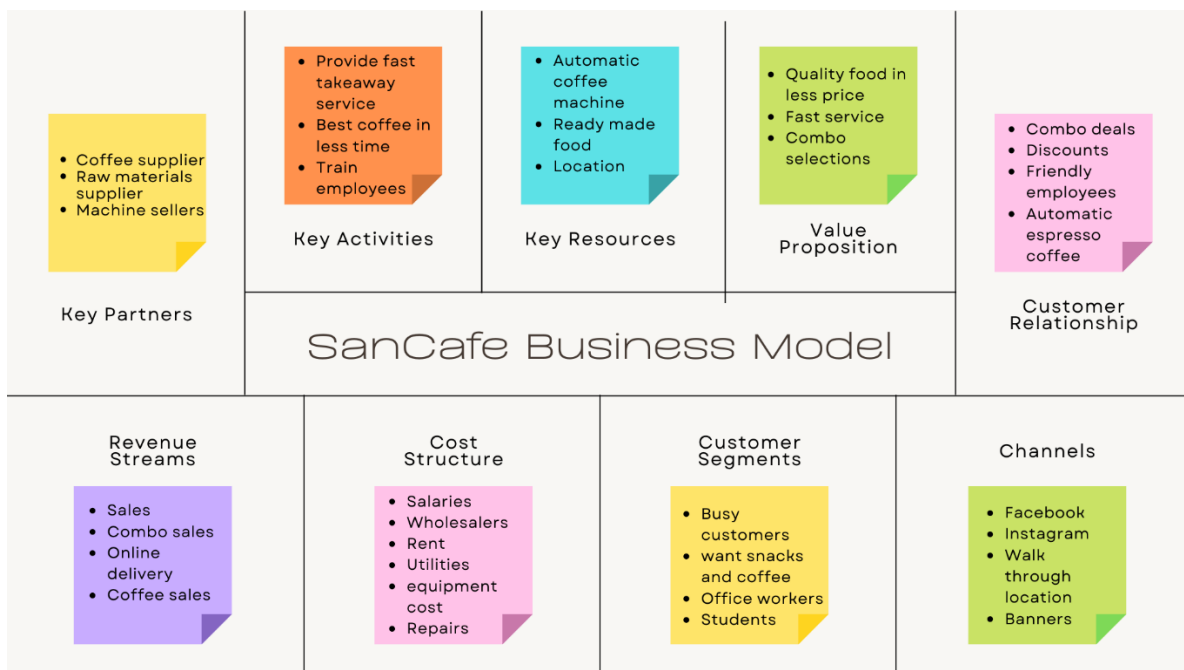
## 1.3 Vision

Our vision is to create a takeaway food chain café in 5 years across the country and do a franchise of first takeaway café in the country.

## 1.4 Core Values of our Business

To create a community and culture where people will get authentic café feel with our ethical values. We will support our local economy and grow our business with honesty and provide fair wages to employees and fresh food to customers.

## 1.5 Business Model



## **1.6 Business Description**

Sancafé will be a takeaway style café where we will serve ready made cold sandwiches, automatic espresso machine coffees, shakes and smoothies. Our initial menu would be sandwiches and coffees and later on expand menu according to customer demand. Location would be in a very busy place where people can take their food immediately and go to their destination. Later we might add bakery like croissants, sweet bun etc. We expect our crown mostly in the morning and evening snacks

## CHAPTER 2: Ownership and Management

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### 2.1 Form of our Café Business

It will be a sole proprietorship business with my only investment.

Reason I chose to be a single owner-

One of the most common company structures in the foodservice sector is the sole proprietorship, which refers to organizations with just one owner. The straightforward form of a sole proprietorship is typical of small eateries and family-run companies.

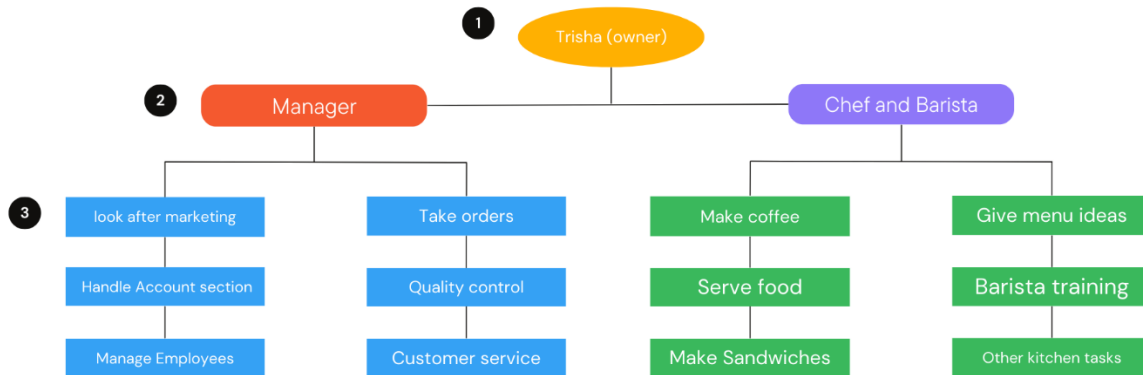
#### **Benefits of a Single Ownership:**

- The simplest and least expensive structure to set up is a sole proprietorship.
- Since the firm is run by a single owner, all decisions and modifications must be approved by them.
- There is no need to submit taxes twice because the business gets taxed alongside the owner's personal taxes.

### 2.2 SanCafe management summery (Organogram)

Whole organization of Sancafe would be operated by me initially with small number of employees because it would be a very small café with only kitchen because there will be no sitting space. So, management would be pretty small with a lot of responsibilities. It will be a special eatery place which would be cheaper and we will maintain quality of our food.

## Organogram



### 2.3 Management Background

SanCafe management would be under small organization but yet complicated. Since it will be a very small café with no sitting arrangements so our food would be readymade sandwiches and displayed on the chiller and automatic espresso machine to reduce the time for customers waiting serial. SanCafe would be a takeaway chain with less but well trained employees to manage the supplychain effectively. Each employee would have a dedicated task so they don't overlap their work and reduce the quality of our organization.

### 2.4 Management Responsibilities

Initially as an owner I will be the one managing whole café. So, management includes:

- ❖ Increasing sales
- ❖ Looking after customer satisfaction
- ❖ Employee work situation
- ❖ Hiring
- ❖ Planning Menu

- ❖ Handling wholesalers for raw materials
- ❖ Checking inventories
- ❖ Promoting my café
- ❖ Improve café profit margins
- ❖ Planning budget

## 2.5 Personnel Plan/Human Resource

SanCafe Human Resource includes-

- ❖ Creating a friendly culture transparency
- ❖ Barista and cooking training
- ❖ Hiring managers and chefs

Personnel Plan-

SanCafe personnel plan for two years-

Position	2023	2024
Manager	20,000	23,000
Full time chef	10,000	12,000
Full time Barista	9,000	10,000
Part time Barista	6,000	7,000
<b>Total Personnel Cost</b>	<b>45,000</b>	<b>52,000</b>

# CHAPTER 3: Production Plan

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## 3.1 SanCafe Products description

Our Product includes:

- ❖ Egg Sando
- ❖ Chicken Sando
- ❖ Chicken Katsu Sando
- ❖ Beef Salami Mayo Sando
- ❖ Espresso
- ❖ Cappuccino
- ❖ Latte
- ❖ Mocha
- ❖ Strawberry/Chocolate/Vanilla Shake
- ❖ Seasonal fruit smoothie

## 3.2 Production Plan

Sando sandwiches would be pre-made before opening the café or before sold out and expired. Will be displayed on the chiller. Coffees would be automated machine so with one click on the button coffee going to drop according to the choice.

## 3.3 Product sourcing plan

- For sandwiches bread will come from renowned bakeries like Queens or Bread and Beyond.
- Fillings for sandwiches will be taken from Kawran Bazar like eggs, sauces, mayonnaise, salt etc.
- Chicken or beef from Bengal meat.
- Coffee from Northend or Lavazza distributor



- Milk from Aarong dairy wholesale
- Machine from electronic dealers
- Ice-cream for shakes from Igloo

### 3.4 Competitive Advantage

- ❖ We will keep introducing new items very two months.
- ❖ We will make combos with coffee and sandwich.
- ❖ We will have a loyalty card that with get a free coffee or sandwich punching after every three orders.
- ❖ We will introduce new drinks every two months.
- ❖ We will give weekly item discounts to attract customers.
- ❖ We kept our menu small so that we can control our quality.
- ❖ Our automatic coffee would reduce the time for coffee serving.
- ❖ No on spot cooking so less employees and lesser cost.

### 3.5 Suppliers and vendors

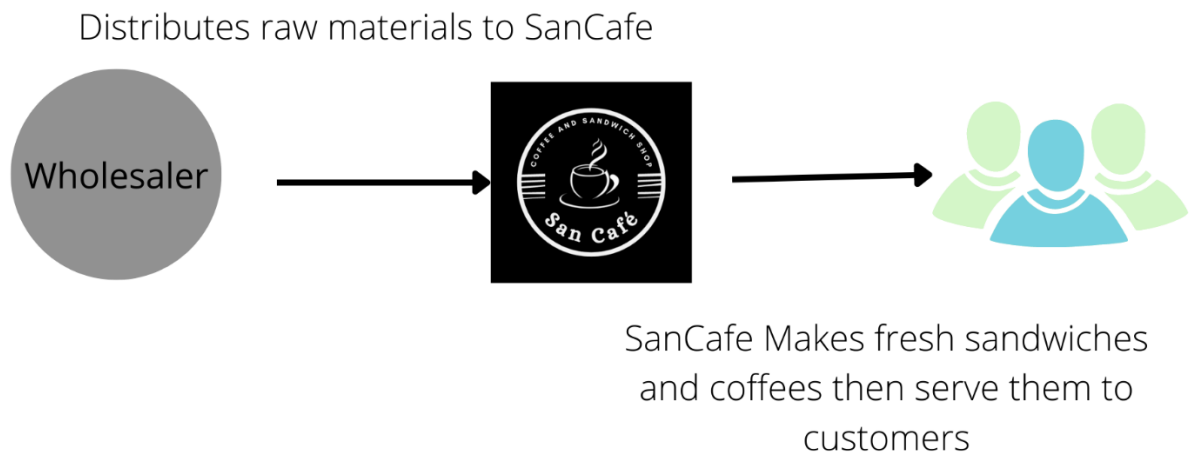
- Bengal meat
- Kawran Bazar wholesalers
- North end and Lavazza distributor
- Igloo
- Queens, Bread and beyond
- Aarong or Milk Vita

### 3.6 Distribution strategy- Distribution Channel

#### Distribution Strategy-

- On store sales
- Food Delivery apps
- Easy to order and fast serving
- Busy location
- Serves exactly what customer asks for. Fresh and delicious.

## Distribution Channels-



# CHAPTER 4: Marketing and Selling Plan

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## 4.1 Market Research and Analysis

### ❖ Industry overview:

In 2015, Bangladesh's roast coffee market had a value of 129.30 million USD (measured in retail prices). The coffee market in Bangladesh is anticipated to grow at a CAGR of 10.82% annually from 2020 to 2025, reaching 364.61 million USD (in retail prices). Compared to the rise of around 11.66% each year that was seen from 2015 to 2019, this represents a drop.

In 2015, the average per capita consumption in terms of value was 0.81 USD (at retail prices). It expanded at a CAGR of 10.55 percent annually throughout the ensuing five years. The indicator is expected to slow down and expand at a CAGR of 9.66% each year over the medium term (by 2025).

Around 30%-40% of people in the world consume coffee and coffee consumption (Total) rose 50.0% in Bangladesh. Coffee industry is getting bigger in Bangladesh and more people consuming coffee more demands are rising. Apart from that people want to try new food and Japanese is getting more attention nowadays. So SanCafe will bring Japanese style Sando Sandwiches where the filling is very generous and tastes amazing.

### ❖ Major Competitors:

- All roasted coffee shops around Dhanmondi according to our location
- All takeaway restaurants
- Every snack shops
- Juice bars

Competitors	Starting Price
North End Coffee Roasters	210
Crimson Cup	220
Coffee Bean and Tea Leaf	240

Nerdy Bean Coffee Haus	165
Second Cup	210
Bread and Beyond	180

## 4.2 Target Market

### ❖ Location:

We are targeting urban areas like Dhanmondi or Gulshan because of the purchase power of our café. Location has to be around busy roads so that people can grab their food or coffee during their work or going somewhere.

### ❖ Main customers (Initially)

Our main customers will be-

- Students
- Office workers
- Busy people who wants to grab some food and leave
- Who wants freshly brewed roasted coffee in a lower price

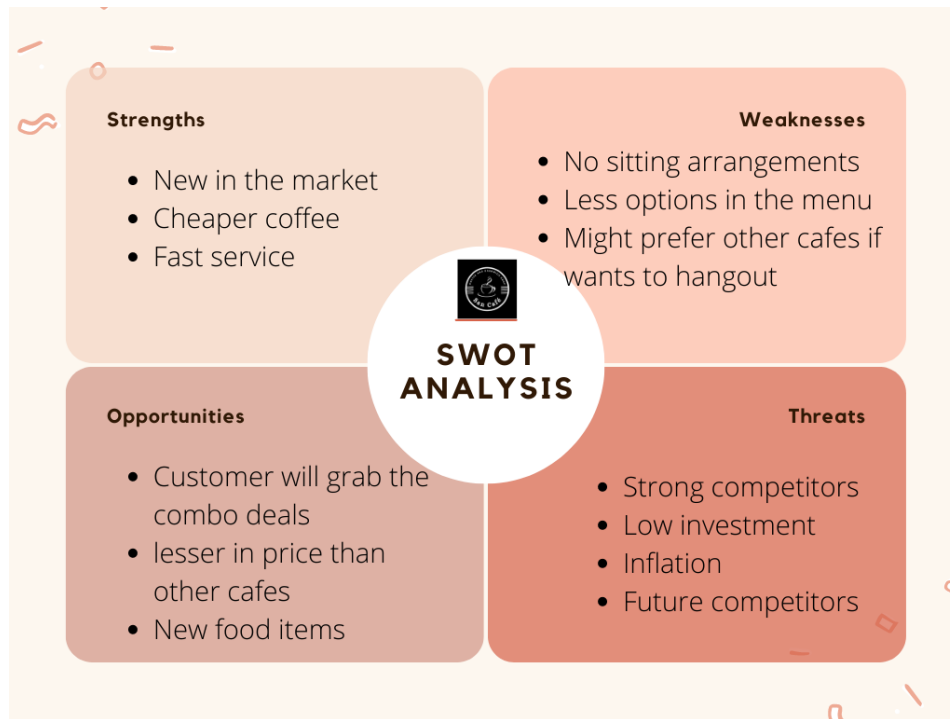
### ❖ Total demand (Demand Forecast)

Bangladesh have more than 70% of demand of coffee and demand for good sandwich always have been there over the decades. So as demand of coffee increasing so it will increase more and people will get more educated in terms of coffee. Roasted coffee beans for espresso demand will increase more and more.

## 4.3 Sales strategy

- ❖ Loyalty cards
- ❖ Discounts
- ❖ Updated menu

❖ Social media presence



## 4.4 Selling price/Price Strategy

### Sandwiches:

- ❖ Egg Mayo Sando Sandwich- 110tk
- ❖ Chicken Mayo Sano Sandwich- 180tk
- ❖ Chicken Katsu Sando Sandwich- 220tk
- ❖ Beef Bacon Sando Sandwich- 240tk

### Freshly brewed Roasted Coffees:

- ❖ Espresso- 110tk
- ❖ Americano- 120tk
- ❖ Latte- 140tk
- ❖ Cappuccino- 140tk
- ❖ Mocha- 180tk

- ❖ Caramel Latte- 180tk
- ❖ Vanilla Latte- 180tk

#### **4.5 Compared to competitors' price**

Comparing with North end, Crimson Cup, Nerdy bean, Coffee bean and Tea leaf our prices are 30% lower with the same quality. Also, the sandwiches are cheaper from other snack shops.

## CHAPTER 5: Promotional Strategy

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### 5.1 Logo and motto development



Our one and only motto is to provide quality food and coffee into a cheaper price so that everybody can afford it and enjoy our food!

### 5.2 Social Media presence and Website development

Once we start executing we will have our website launched as well as Facebook and Instagram Page for marketing to get our targeted customers.

### 5.3 Promotional Plan

After executing our in-store process we will Promote our business through Facebook and Instagram:

- Campaign on social media
- Promoting exciting combos and discounts
- Initially boost our posts every week and after getting customer we will make it monthly
- Use sophisticated graphical designs to attract social media viewers
- Banners
- Flyers

### 5.4 Promotional Budget

Promotions	Price
Facebook page setup	5,000
Google my business setup	3,000
Instagram business account setup	2,000
Per day boost	500
Promotional Flyers (1000pc)	3,000
Stand banner (2pc)	1,200
Store Front Banner (LED)	8,000
Total	22,700



## CHAPTER 6: Financial Plan

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### 6.1 Source of Funds

Since SanCafe is a single owner café so funds manager would be myself. Approximately 15,000,000tk.

### 6.2 Fixed Asset

Fixed Assets	Costs
Space Decoration (150sqft)	1,00,000
Coffee Machine	4,00,000
Coffee other Equipment's	1,00,000
Professional Blender	60,000
Fridge	35,000
Air Conditioner	65,000
Water Filter	15,000
Restaurant Stove	25,000
Computer for billing (Pos software)	40,000
CC tv Camera	15,000
Chiller	30,000
Others	5,000
<b>Total</b>	<b>8,90,000</b>

### 6.3 Monthly Cost

Monthly cost	Price
Space Monthly Rental	1,00,000
Utilities (Water, Electricity, Gas, Wi-Fi)	30,000
Salary (3 employees)	30,000
Food Supplies	40,000
Others (cups, plastic wrapper etc.)	30,000
VAT Tax	5,000
<b>Total</b>	<b>2,35,000</b>

### 6.4 Fixed Cost

Fixed Cost	Price
Space rent advance	4,00,000
Trade documentation or license	7,000
Business other documents	5,000
<b>Total</b>	<b>4,15,000</b>

### 6.5 Estimated Earning per month (Forecast)

We expect 20,000tk sales everyday so we are forecasting 6,00,000tk every month on average.

### 6.6 Major performance measures

❖ Net Profit margin

Profit Margin Calculator

Cost: \$

Revenue: \$

Answer:

**Net Profit Margin: 60.83%**

Net Profit: \$365,000.00

Profit Percentage: 155.32%

❖ Return on investment (ROI)

Amount Invested

Amount Returned

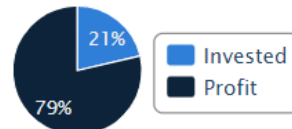
Investment Time:

Use Dates  Use Length


Investment Length  years


Result


Investment Gain	<b>\$5,660,000.00</b>
ROI	<b>367.53%</b>
Annualized ROI	<b>85.32%</b>
Investment Length	2.50 years





❖ Return on Equity (ROE)

Net income  \$ 365000


Total equity  \$ 890000

 Calculate

 **Calculation results**

ROA **41.01%** 

## 6.6 Breakeven point

 **Your Break-Even Point Results**  
Estimated calculation based on your inputs

**Break-Even Units Sold**  
**9,625**  
needed to sell in order to cover your costs

If you sell your anticipated **100 units** your loss will be **-\$1,524,000**

**Unit Sales**  
**\$1,925,000**  
revenue dollars needed to break even

Contribution margin ratio **80%**  
You will need to sell **9,525** more to break even

**Break-Even Profile**

# of units	100	<a href="#">edit</a>
Price Per Unit	\$200	<a href="#">edit</a>
Fixed Costs	\$1,540,000	<a href="#">edit</a>
Variable Costs	\$40	<a href="#">edit</a>



## Break-Even Point Graph

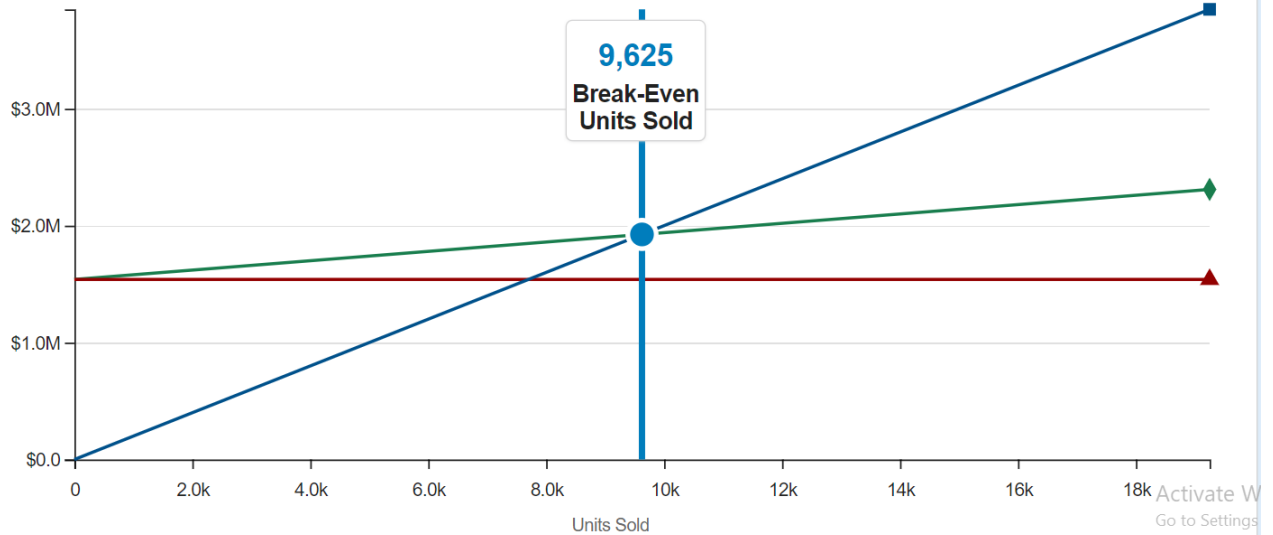
Graphical representation of your inputs. Click or tap in the graph for detailed values.

Unit Sales

Total Costs

Fixed Costs

Break-Even Point



## Break-Even Point Unit Sales

Units Sold	Profit	Unit Sales	Variable Costs	Fixed Costs	Total Costs
0	-\$1,540,000	\$0	\$0	\$1,540,000	\$1,540,000
2,000	-\$1,220,000	\$400,000	\$80,000	\$1,540,000	\$1,620,000
4,000	-\$900,000	\$800,000	\$160,000	\$1,540,000	\$1,700,000
6,000	-\$580,000	\$1,200,000	\$240,000	\$1,540,000	\$1,780,000
8,000	-\$260,000	\$1,600,000	\$320,000	\$1,540,000	\$1,860,000
9,625	\$0	\$1,925,000	\$385,000	\$1,540,000	\$1,925,000
10,000	\$60,000	\$2,000,000	\$400,000	\$1,540,000	\$1,940,000
12,000	\$380,000	\$2,400,000	\$480,000	\$1,540,000	\$2,020,000
14,000	\$700,000	\$2,800,000	\$560,000	\$1,540,000	\$2,100,000

## CHAPTER 7: Other Strategies

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### 7.1 Quality control

- To control our quality, we kept our menu short so that we can focus in our every item to improve them continuously.
- We will train our barista and chef individually, pay them a good salary so that we can satisfy them. Happy employee means happy customers.
- We will use quality ingredients to make our items.
- We will keep our organization simple and easy to keep the quality up.

### 7.2 Growth Strategy

- We will continuously introduce new items on our menu to attract new customers.
- We will improve our food quality.
- We will do R&D to grow our business.

### 7.3 Our Customer Relation Strategy

- We will always prioritize our customers
- We will provide them discounts
- We will give loyalty cards to our regular customers
- We will provide the best food and quality food
- We will appreciate customer's complaint so that we can improve more
- We will have a review option so that we can know what our customers think of us
- We will do everything to make our customers happy according to the business policy