



FAST FOOD MAKES MONEY!

By Michael Greenwald



Our brochettes made with beef, pork or chicken, marinated in our Texas BBQ sauce, made by Dream Cones.

WHY SELL FAST FOOD?

Many famous ice cream chains like Dairy Queen and Swensens started off selling only ice cream and desserts. Today most of them have light food menus and sell more food items than desserts. The reason for this change is simple. The Big Guys learned that offering a broader product line improved sales.

WHAT IS FAST FOOD?

Fast food cooks quickly, the customer does not have to wait. It is inexpensive, easy to make, does not require a chef and has a good profit margin. Most of all, fast foods are universally popular.

All fast food has several things in common: the ingredients are standardized so they can be easily handled and cooked. Products are standardized to achieve a certain flavor. The resulting food is highly consistent in taste, which creates food habits that support chain sales. Most are served in cartons, bags or wraps to eliminate waitressing and cleanup.

Everyone knows that “fast food” usually means burgers, pizza, fried chicken but in fact there are all kinds of “fast” foods that have equally good production, marketing and merchandising qualities. Brochettes, pictured above, kabobs, Chinese food and Asian noodles and chicken *satay* are among the many items that can be sold in the same way. You don’t have to compete with the McDonalds menu to sell fast food!

WHO BUYS FAST FOOD?

People of all ages buy fast food but those between 12 and 30 buy the most and they are the age group with the greatest disposable income. Many people this age are eager to try “trendy” new foods. Research has shown that 35% of all fast food sales are “take-away,” but those who eat at the restaurant spend more. About half the customers are single. The rest come with family and 23% of those come with kids. This points to the potential influence that children can have on deciding where to eat. One can imagine the incentive a child would have to eat a meal followed by a fancy dessert.

LOCATION, LOCATION, LOCATION

The four most important elements that determine the success of a fast food operation are: location, location, location—and I forget the other one. The location is crucial. An error in placement of just 8-10 meters can mean the difference between success and failure. An outlet just around the corner from an excellent location is on the moon.

A fast food outlet needs to be in a place with high traffic, whether foot or car traffic, and easily accessible. A premium site will need to be carefully selected before opening a franchise. This is one of the many critical decisions we help our franchisees make. Franchisors help with the actual selection or approve our choice. A new franchisee should be aware of such factors as the population of the area, traffic flow and the walking patterns, to maximize exposure.

Also, keep in mind that landlords are usually not stupid. They know the value of a good location and charge appropriately. Do not let rent be the sole determining factor in your choice of location.

MARKETING

“Value” meals and other discount incentives play a powerful role in fast food sales. “Generosity,” meaning a substantial amount of food for the money is important. “Bundling,” such as offering a drink, burger and fries at a fixed price is very popular and the smart vendor always has some sort of special happening. The actual discounts of bundled items is typically small, usually 12-14%. A powerful bundle, especially tempting for children, is light food, dessert, free drink.

TRUST

You can eat a Burger King Whopper in New York, San Diego or Tangier but every burger will have several things in common: no matter where you are, you get exactly the same burger with the same taste. Quality, consistency and cleanliness build both food habits and trust. More outlets generate more income per outlet because loyal customers see them and buy.

IS FAST FOOD UNHEALTHY?

Fast food is often criticized as being unhealthy but in fact it is the choices the consumer makes that determine what happens to their body. One can eat a burger, which contains 520 calories and an iced tea, or one can eat a double bacon burger with cheese, fries and a 21 oz. coke, which contains 1350 calories-enough calories for the whole day! Successful food vendors cater to the market. Our job is to make money by selling what the customer wants.

Incredibly, fast food can be just as junky-delicious as a double bacon cheeseburger and still be healthy. Our brochettes for example are made from almost fat-free meat, which is marinated in our sauce, then combined with the grilled vegetables. It makes a very healthy fast food meal. Grilled chicken is lower in calories than fried. "Fast food" is not bad just because it's fast.

THE BURGER



Of course the #1 fast food is the burger and it is extremely unwise for the new food entrepreneur to ignore this universally loved treat. The famous fast food chains such as McDonalds sell a "dry" burger made from "range beef," that has not been fattened before slaughter. This yields a lean but tough meat with good flavor which is then ground, pressed into patties and frozen. Because they are thin, this kind of burger can be fried or grilled directly from the frozen state, so there is no spoilage.

Because the Big Guys make dry burgers the small operator should think twice about trying to compete. A good option is to either find a higher quality frozen patty or make your own.

TACOS AND BURRITOS



Tacos and burritos are items as universally accepted as burgers. They are nothing more than fried meat, rice, beans and a few salad items in a wrapper. Two burritos, enough for a meal, actually contain only one heaping tablespoon of meat each! Assembly is easy and requires little training. The profit margin

is long. The ingredients are usually stored in refrigerated food hoppers which are built into an under counter refrigerator.

ROASTED CHICKEN

Roasted, as opposed to grilled chicken is easy to make in quantities of about 6 whole birds per roasting pan. They can be marinated and slow cooked so they are very juicy and therefore reheat well. They require a bit of prep but once the process is established they are easy to mass produce and can be made in a restaurant kitchen or offsite. The parts can then be heated on a grill to give the appearance of having been just cooked.



WHAT IS THE “BEST” FAST FOOD TO SELL?

Location and shop size plays a big roll in what to sell. For kiosk operators, the new “smokeless’ grills make it possible to grill in malls that formerly prohibited kiosk grills. A BBQ type grill allows you to make a variety of fast foods. Keep the menu simple. You can add later. Sell mostly guaranteed stuff, like burgers or brochettes. Keep trying a small amount of new stuff. It is important to find “signature” products.

Kiosk operators can also make “fast food” off site and reheat at point-of-sale. Foods such a burritos, brochettes, roasted chicken, meat balls, spaghetti are easy to make and can be unit packed. The Dream Cones fast food menu has been designed to deliver delicious, healthy fast food which is easy to make and has a high profit margin.



LINKING FAST FOOD WITH FANCY DRINKS

Fancy drinks, which include fresh juice, milk shakes, slush and Italian sodas boost sales and also have a high profit margin. Dream Cones offers milk shake mix, slush mix and Italian soda flavors. These are all so easy to make, advertise well and can add as much as 30% to the meal price. Fresh fruit drinks are always in demand and can be mixed with soda water to reduce cost and make a “spritzer.”

LINKING FAST FOOD WITH FANCY DESSERTS

Ice cream and fancy desserts are an indulgence tinged with remorse because you know you shouldn't. But the sin is forgiven if you eat first. Fancy desserts boost sales and act as a powerful incentive to eat a meal first (at your shop). Dessert shops that do not offer food often hear the customer say, “I would love a dessert but I want to eat lunch first.” If they have to go elsewhere to eat they may not return for the dessert!

Dream Cones mission is to help the new food entrepreneur get started and become a success. After all, your success is our success! Part of being a success has to do with attractive, appealing products and part with knowing how to select the right location, market and advertise. Learn a lot more about all these subjects from our terrific *Ice Cream Business Startup Kit* available as an eBook kit from our website. Even better, take our 8-day intensive training course. Contact us for more info or go to: www.dreamcones.com



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