FRANCHISE BUSINESS PLAN

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### Table of Contents

I. EXECUTIVE SUMMARY ................................................................. 1

II. BUSINESS HISTORY, BACKGROUND, AND OBJECTIVES .................. 3
   A. Company Description .................................................................... 3
   B. Short-term (next 12 months) and Long-term Objectives ..................... 3
   C. Major Successes and Achievements ................................................ 5
   D. Company Challenges and Obstacles ............................................... 6
   E. Requirements to Franchise ............................................................ 6

III. BUSINESS ENVIRONMENT .......................................................... 7

IV. PRODUCTS AND/OR SERVICES .................................................... 9
   A. Products and Services ................................................................... 9
   B. Planned Changes/Additions to Products/Services Within the Next Year .... 9

V. PRESENT MARKET ........................................................................ 10
   A. Present Market ............................................................................... 10
   B. Growth Potential ........................................................................... 11
   C. Current Pricing Policy .................................................................... 11
   D. Seasonal Factors ............................................................................ 12

VI. COMPETITION ............................................................................. 12
   A. Primary Competition ...................................................................... 12
   B. Advantages .................................................................................... 13
   C. Disadvantages ............................................................................... 13

VII. MARKETING PLAN ...................................................................... 14
   A. Existing Marketing .......................................................................... 14
   B. Future Marketing ........................................................................... 14

VIII. MANAGEMENT AND ORGANIZATION .......................................... 15
   A. Management Team ......................................................................... 15
   B. Plan to Develop Management Team ............................................... 16
   C. Succession Plan .............................................................................. 16
   D. Additional Personnel ..................................................................... 16

IX. BUSINESS RESOURCES ............................................................... 16
   A. Major Operating Equipment .......................................................... 16
   B. Major Suppliers, Location, and Payment Terms ............................... 17
   C. Outside Resources ......................................................................... 17
   D. Quality Control Procedures ........................................................... 17
   E. Availability of Skilled Labor ......................................................... 18
   F. Necessary Training to Upgrade Skills ............................................ 18
   G. Projected Full-Time and Part-Time Employees ............................... 18
   H. Organizational Chart ..................................................................... 18

X. FINANCIAL PLAN AND DATA ...................................................... 19
   A. Sales and Profit Trends .................................................................. 19
   B. Strategy for Obtaining Capital ....................................................... 19
   C. Two-Year Projected Operating Statement ..................................... 19
   D. One-Year Projected Cash Flow Statement ..................................... 19

XI. CONCLUSION ............................................................................. 20

XII. BIBLIOGRAPHY ......................................................................... 20
I. EXECUTIVE SUMMARY

Company Overview

Since its opening in 1927, 7-Eleven has established itself as one of the most prominent names in the convenience store industry worldwide. The top-notch quality of both service and goods has remained consistent across the 60,000 locations, giving rise to their remarkable ascent to success.

Home to the nation’s busiest airport, East Point, Georgia provides an impeccable environment for a 7-Eleven establishment to flourish. The addition of a convenient store will complement the fast-moving surroundings; from the Atlanta International Airport (1.4 miles away) to the Holiday Inn Express, known for its great value (1.5 miles away), this location submerges itself in the quintessential customer pool. East Point 7-Eleven will take advantage of these favorable conditions, setting the company up for smooth and successful operation for years to come. Through the devotion of our employees, and, of course, the financial generosity of investors, we are confident that our ambitious endeavors will ultimately come to fruition.

Target Market

The current target market for 7-Eleven aligns with both the demographics and psychographics of our chosen franchise location. As seen in the chart below, 7-Eleven targets customers that need to pick up necessities on-the-go. Considering its close proximity to the Atlanta International Airport, this location is primed to match these customers’ needs.

<table>
<thead>
<tr>
<th>7-Eleven Market</th>
<th>East Point, Georgia</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>DEMOGRAPHICS</strong></td>
<td><strong>DEMOGRAPHICS</strong></td>
</tr>
<tr>
<td>Primarily 18-45 years old</td>
<td>Primarily 18-45 years old</td>
</tr>
<tr>
<td>Lower middle class</td>
<td>Median age of 34</td>
</tr>
<tr>
<td>Living in residential and commercial areas</td>
<td>Lower average income</td>
</tr>
<tr>
<td>Millennials eager to save time and money</td>
<td>Poverty rate of 23%</td>
</tr>
<tr>
<td><strong>PSYCHOGRAPHICS</strong></td>
<td><strong>PSYCHOGRAPHICS</strong></td>
</tr>
<tr>
<td>People on the go looking for a quick stop</td>
<td>Airport travelers in a rush</td>
</tr>
<tr>
<td>Productive individuals seeking fast, convenient service</td>
<td>Looking for a quicker and cheaper option</td>
</tr>
<tr>
<td>Prudent individuals looking to save money on quality snacks and meals</td>
<td></td>
</tr>
</tbody>
</table>

Competitive Edge

7-Eleven’s primary competitors, Wawa, Alimentation Couche-Tard, and Walmart, while popular companies on their own, still do not pose a major threat to 7-Eleven. Considering there are very few competitors in close proximity to the East Point location, it is not to be seen as a significant concern.

- Distinctive branding through items like the Slurpee and Big Gulp gives customers a reason to remember the company and return.
- The franchise uses community outreach, seen through their countless donations to nonprofits like Feeding America, to enhance brand perception.
- Large-scale expansion through the U.S. has made the company a household name, while quality products, pricing, and customer service establishes loyalty.
Projected Growth

Delivery Services

7-Eleven’s presence on delivery service apps has magnified over time, complementing the drastic increase in users on apps such as Grubhub, UberEats, and even the company’s own app, 7Now. This growth has been consistent, with the number of users almost doubling from 2015 (66 million) to 2020 (111 million), 63% of people between the ages of 18 and 29 reported to frequently use these apps. As the company expands delivery app partnerships, there will be more room for growth in revenue as consumer behavior favors online purchasing.

Convenience Store Popularity

Almost half of millennials have reported to regularly purchase from convenience stores, with 20% of people aged 18 to 29 reporting the same. This statistic is one that has steadily increased over the past five years, and is projected continue increasing. It was also reported that that the average individual spends $10 to $15 weekly solely at convenience stores. These factors leave much room for potential growth.

Financial Information

Franchisee Investment
The three franchisees, Ainsley Abell, Bella Lago, and Brooke Jolliff will each contribute $400,000 for a total of $1,200,000.

Bank Loan
A bank loan totaling $1,009,700 and will be financed over a five year period with a 5% interest rate

Capital Investors
A total of $1,009,700 is sought from investors in order to fulfill the $3,219,400 needed to operate the location

= $3,219,400

Exit Strategy

Following our fifth operating year, the franchisees will be granted the opportunity to exit the franchise contract. They will either make a smooth departure from the agreement with their earnings from the past five years or renew the previous contract for an additional five years under the same terms, unless modifications are deemed necessary. In the case of departure, 7-Eleven will go through an extensive interviewing process to find suitable candidates for the previous three franchisees.
II. BUSINESS HISTORY, BACKGROUND, AND OBJECTIVES

A. Company Description

7-Eleven, the largest convenience store chain in the nation, is the perfect blend of affordability and satisfaction, rendering itself as one of the most successful franchises in the United States. With more than 9,500 domestic locations as well as over 60,000 worldwide locations, 7-Eleven has become an essential pitstop for citizens all across the globe since its inception in 1927. Founded by Joe C. Thompson in Dallas, Texas, initially as an ice house for refrigerating food, it held the title Southland Ice, where its reputable image originated. Following the Great Depression, the company established itself as 7-Eleven — a convenience store that prioritized selling quick food and drink. This new emphasis worked in accordance with new extended hours of operation that sought to maximize profit, resulting in the 7-Eleven America knows and loves today.

Over the years, the company has blossomed into a multi-billion dollar franchise. Home to their signature Slurpee and a myriad of goods, we plan to deliver the comfort and convenience of 7-Eleven to East Point, Georgia. Our projected location has been strategically placed between several hotels such as Holiday Inn Hotel and the Hartsfield-Jackson Atlanta International Airport — the nation’s busiest airport. Opening up 7-Eleven in an area of such high traction will provide easy access to our target market, consisting of those looking for an on-the-go snack. Through developing on existing customer loyalties whilst implementing new additions to attract first-time shoppers, 7-Eleven, East Point, Georgia will follow the successes of its sister locations and manifest itself as a staple within the community for years to come.

B. Short-term (next 12 months) and Long-term Objectives

#1: QUALITY TEAM

In the short run, East Point 7-Eleven aims to establish a quality team of staff members while also partnering with local organizations to foster a welcoming environment for all potential customers. In order to create the ideal team of employees, all new hires will be required to complete a 14-day training program, including a five-day annual refresher to maintain a high standard of service. Additionally, there will be monthly staff bonding activities to maintain a positive and productive environment within the employee team.

#2: COMMUNITY AWARENESS

Alongside this, East Point 7-Eleven plans to increase community awareness on the harms of drugs by 10% by getting involved with the Red Ribbon Campaign from October 1st through the 31st of 2024, our first operating year. By implementing red cups in the chain’s signature Slurpee and soda fountain, attention will be brought to the largest drug-use prevention campaign in the United States. Facts about substance abuse will be plastered on the cups, as pictured. This