



Business Analysis and Recommendations: Taste of Philly Lakewood

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Internal Factors

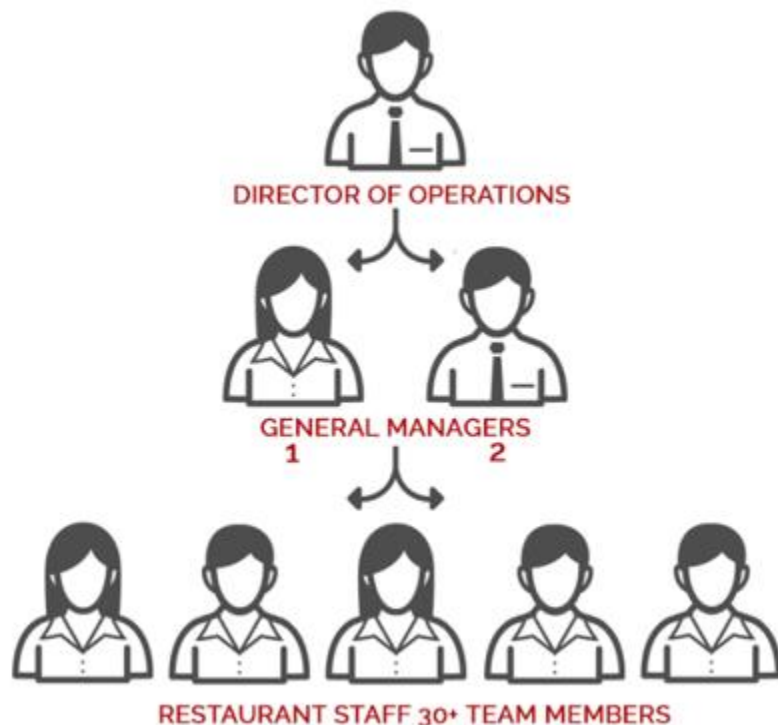
Mission Statement

A mission statement describes the purpose and scope of an organization. It is a message to the outside world about what the organization was created to do and the objectives and requirements have set to do so. Companies can spend months of time and thousands of dollars on consultants to help them craft the optimal mission statement. Currently, there is no mission statement for Taste of Philly.

Organizational Demographics

Taste of Philly is a franchise with 15 locations in Colorado. Their structure includes operating directors, managers, owners, general managers, and lower level hourly employees. The typical organizational structure for a restaurant is shown below with the Director of Operations at the top of the hierarchy, and team members at the bottom. Ken is the franchiser of Taste of Philly. Martin Garvey (franchisee) is owner and manager for the Taste of Philly Lakewood and Highlands Ranch locations. InTouch Consulting will be focusing on the Lakewood location,

which currently has 14 employees on staff. At Taste of Philly, there is a General Manager followed by two Assistant Managers. There is also a Third-Key Manager that has the task of either opening or closing the restaurants on slower days.

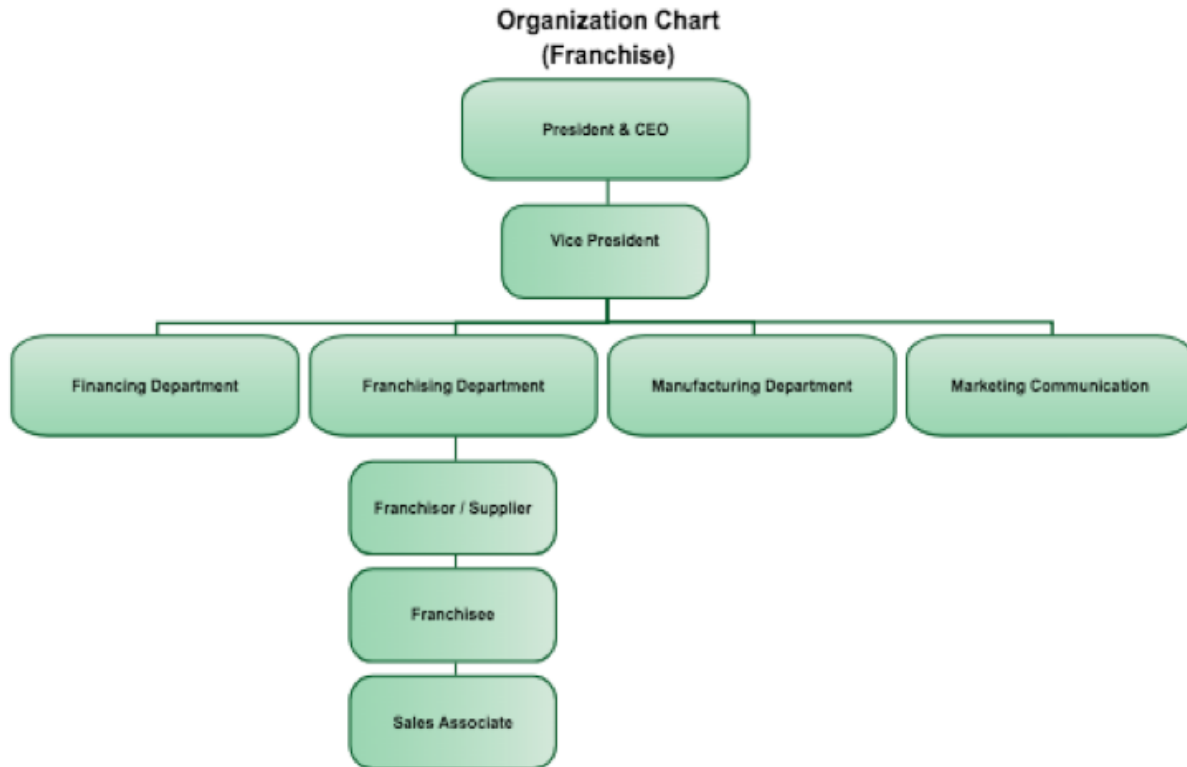


Geographics:

Taste of Philly Lakewood is located on Colfax, near the Federal Center and lower-income neighborhoods. Lakewood High School is a 6-minute drive away.

Demographics:

Taste of Philly’s customer demographics consist of both male and female, though their “regulars” are predominantly male. Male customers make up about 75-80% of returning customers, and they are primarily working class between the ages of 25 and 45. Although they are within short driving distance of Lakewood High School, there are not many high school students in their current market. This could be a good opportunity to take advantage of that close market.



Taste of Philly does not measure internal statistics. Their inconsistency with using the rewards program they have means that they are unable to provide quantitative information on new and retained customers. Though their rewards system allows customers to discounts, the inconsistency, especially during lunch rushes, means that customers are not receiving credit for every purchase.

Current Marketing Strategy

Product: Taste of Philly has a strong product position in the mind of their consumers, with the authenticity of their Amaro rolls, and the consistency of their product. This is what encourages repeat customers. However, many of the menu items have been added to meet industry demands, rather than taking into account the desires of Taste of Philly's target market.

Price: The pricing strategy of Taste of Philly is competitive with other sandwich shops in the industry. They have not noticed a decrease in demand with the price changes they have implemented in the past to keep up with rising food costs.

Place: Taste of Philly has many competitors in their area of Lakewood, but their location near the Federal Center provides them an advantage of proximity to many of their most loyal customers. There is a McDonald's across the street as well as a Taco Bell, an Arby's, a Wendy's, and a Hamburger Stand all in the same general neighborhood. Taste of Philly is able to differentiate themselves in this location with their product offerings.

Promotion: Currently, there is not much of a marketing strategy for Taste of Philly Lakewood. A few direct mail techniques, such as Money Mailer, are used, but there has not been any measurement of success or overall goal for these. Email marketing, Facebook ads, and Get Found Fast, a digital marketing company, have all been used in the past without much success. Taste of Philly also uses a rewards program that rewards customers with a \$5 credit for every \$75 they spend if they enter their email or phone number at checkout. However, as mentioned before, during rushes, most employees choose to skip this step in order to better expedite the line.

Operations and Production

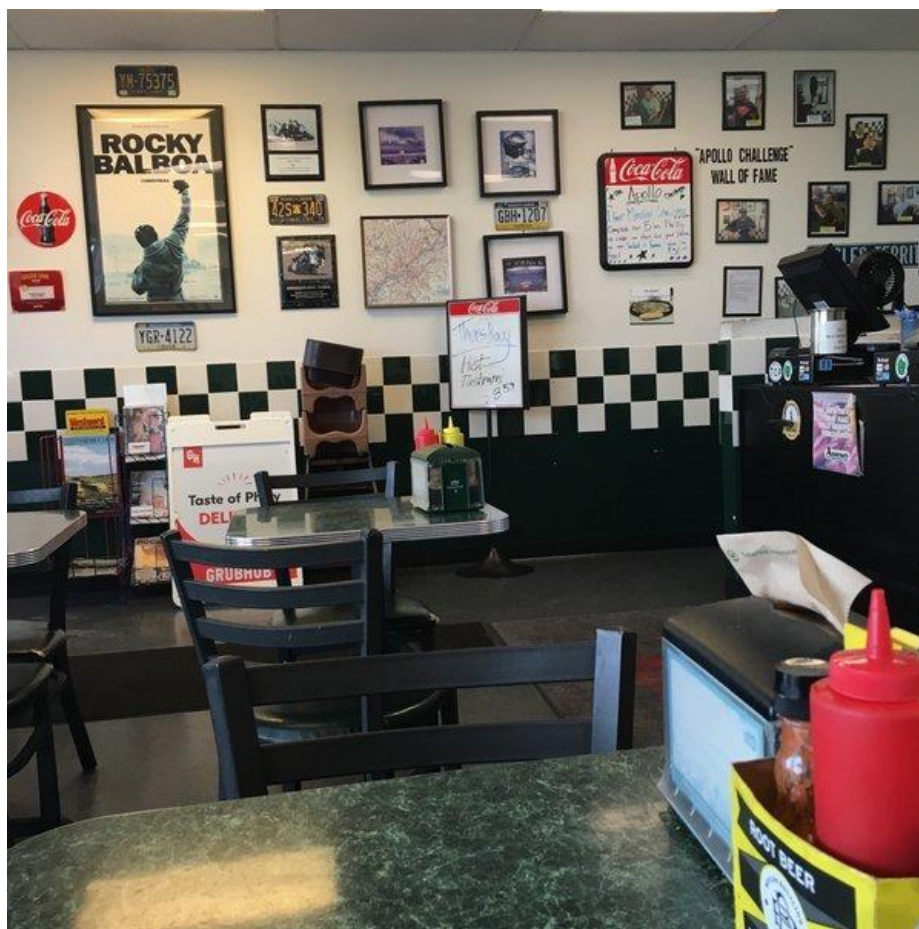
Taste of Philly carries a very strong position in the mind of their consumers, as "The Home of the Real Philly Cheesesteak in Denver." A main factor in their position of authenticity is the use of imported Amoroso rolls from Philadelphia rather than locally-made rolls. Although this move solidified their position as an authentic Philly cheesesteak restaurant, they may have limited their target market by not providing a tie to the community in which they are located.

In order to try to appeal to a wider market, they have recently implemented a marketing concept more inspired by market trends to drive product development. They now offer vegetarian options, and gluten-free options because they saw a demand in the market. They also offer healthier options like salads and chicken options instead of beef.

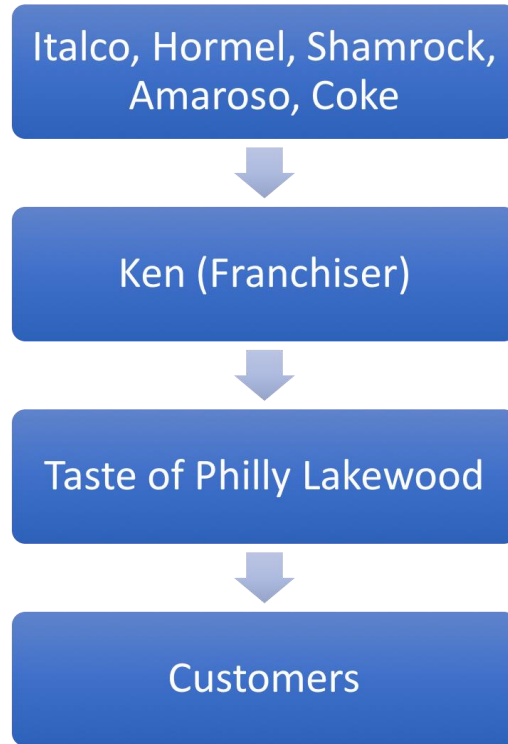
Most of Taste of Philly's menu items come pre-packaged and are then doctored in-house. Meats and cheeses are sliced daily, and salads are prepared by adding dressings and other seasonings.

They provide counter service for a quick lunch and dinner option, which qualifies Taste of Philly as “fast food.” They offer delivery, dine in, takeout via web order, and catering options. Using their own drivers allows them to offer delivery within a 5-mile radius for a flat \$2 fee.

Because Taste of Philly is a Colorado franchise, the Lakewood location is able to delegate the ordering of their ingredients and their dry good supplies to Ken, who is the franchise owner. Inventory is kept individually by each location, and orders are placed each week by Ken based on managers’ expectations of what will be needed. Taste of Philly sources ingredients from wholesale suppliers such as Italco, Hormel, Shamrock Foods, Amoroso in Pennsylvania for their rolls, and Coca-Cola.



Supply Chain:



Research and Development

Research and development for the restaurant industry needs to be creative and efficient due to the sensitive nature of consumers in this industry. Good research and development ensures a business's long-term success by creating efficient success strategies and brand value that ensures the satisfaction of the customers.

Lakewood's Taste of Philly has not been investing much time in research and development to create new menu items and launch them successfully in the market. While there have been attempts to create new healthy options, such as salads and vegetarian "cheesesteaks," there is just simply not enough demand from their customer base.

Some specific aims of strategic research and development are to: reduce costs, which lowers product prices; enhance sensory properties that make food more attractive; improve nutritional value to provide for dietary needs; improve food safety; add convenience; and offer greater choices of food items to consumers. These benefits come either from constant gradual product improvement or a significant product step change. It can also come from a new understanding of consumer needs (Earle).

Worth noting is that Taste of Philly's franchisor, Martin, explained how die-hard Philly cheesesteak customers will walk out if the bread is not up to par with what is used in authentic shops. Because of this, they use rolls solely from Amaroso. This decision creates brand value for Taste of Philly because having rolls imported from Philadelphia adds quality to the experience.

Another decision Taste of Philly made was to end their partnership with delivery services like DoorDash. Although it may have brought convenience and sped up deliveries, the cost to Taste of Philly was too high, so it was better for them to use their own drivers. This decision afforded them accountability, in addition to saving them money.

Information Technology

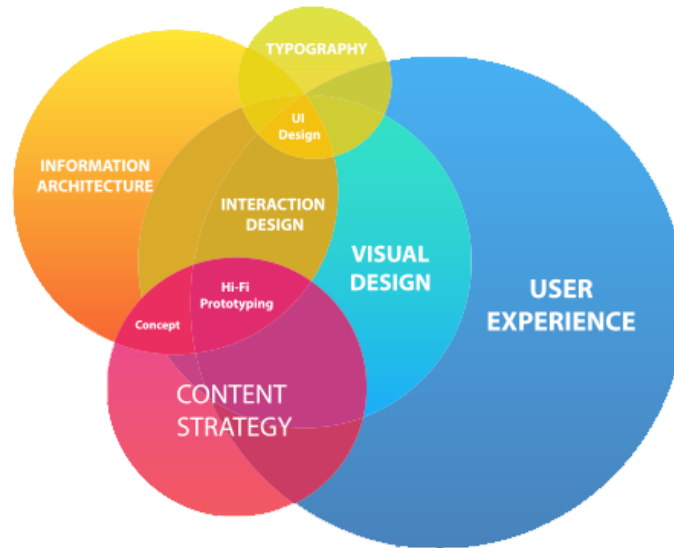
The Lakewood location uses a point of sale system called Toast. The system was designed specifically for the restaurant industry with its powerful cloud-based software, payment processing, and the advanced technology. The modern look of the hardware keeps businesses in mind and the processing power is able to keep up with the busy day-to-day operations of many different sizes of restaurants.

While the software may go offline at times, it's still possible for it to function without the cloud. The cloud gives Taste of Philly an advantage, especially for Martin, because he's able to access employee data and payment information from anywhere at anytime. Employees are also able to clock in and out, letting him keep track of his employees. There are many additional apps that can be integrated into the system for customized features that may be needed. Toast charges a flat rate with no hidden fees on individual transactions. The following image shows the types of platforms they offer their system on desktops, smartphones, handhelds, and the terminal screens.



Taste of Philly has a website which can be used for multiple restaurant locations. It offers users information about the company, catering options, franchise locations, the ability to browse the menu, contact and franchising information, and employment information. The website's many

tabs may provide useful information, but the design is not very user friendly, as you must start a new order to simply view the menu. A website needs to look good because it is sometimes the first impression for potential customers. The graphic below shows what dynamics that are considered the make-up of the website.



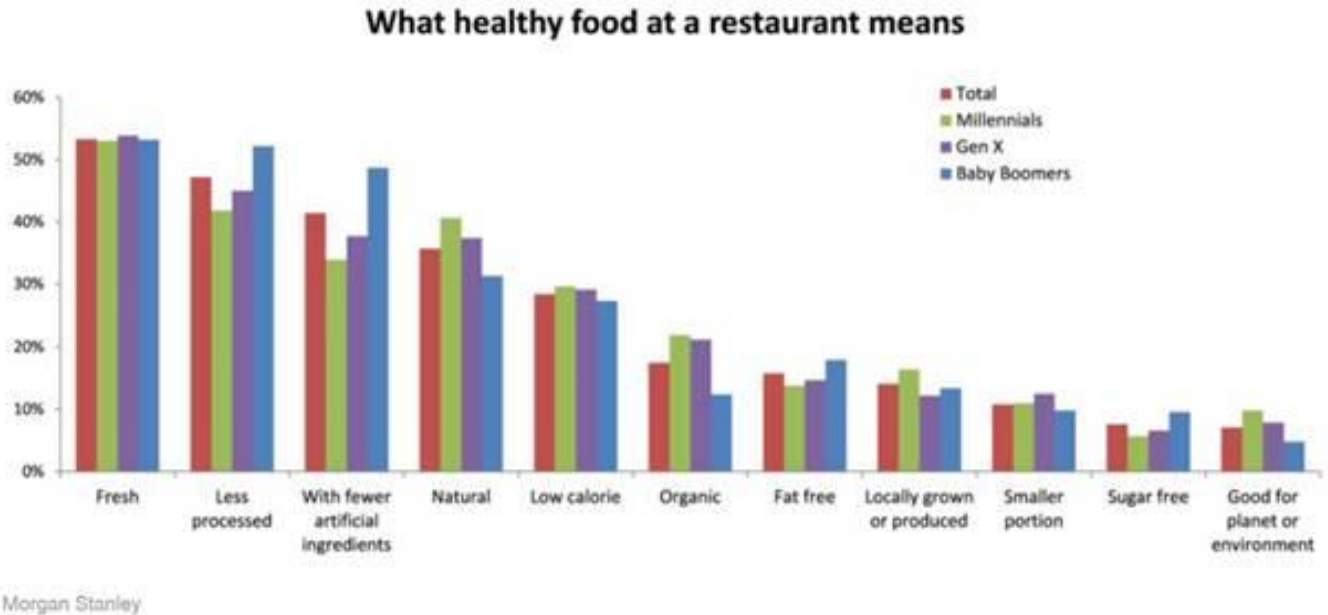
Finance

Taste of Philly's Lakewood location brings in an annual revenue of \$800,000. From that, it translates to a growth rate of 5% year to year. Taking a look back of the previous year and the year before that, Taste of Philly has been bringing in profit between \$40-80k per year.

According to a report on food franchising by Franchise Business Review, 51.5 percent of food franchise earns profits of less than \$50,000 a year; roughly 7 percent top \$250,000, with the average profit for all restaurants coming in at \$82,033 (Daley). This puts Martin's annual profits in a decent spot because his earnings fall in between the averages based on the low-end to high-end annual profits he provided us.

External Factors

Industry Trends



The fast food industry is the largest segment of a globally growing restaurant industry, making up almost 50% of the entire restaurant industry. Currently, the fast food industry in the U.S. is worth \$198.9 billion, and is projected to top \$223 billion by 2020 (Statista). This industry is expected to continue to see 2.5% growth for the coming years. As part of the fast food industry, Taste of Philly faces a lot of competition, including many large-scale chain restaurants. As such, they also have many opportunities to follow trends in the industry in order to keep up with changing demands. According to US Foods, chicken and pulled pork are popular trends in the sandwich industry. As younger generations express preferences for healthier options, vegetarian and vegan diets are popularizing, alongside gluten-free and other fad diets. One popular substitute that has emerged is jackfruit. A relative of mulberry and figs, jackfruit is hearty and naturally sweet, but with flavors subtle enough that when seasoned, it absorbs those flavors. This makes it perfect as a meat substitute, especially when it's fiber, vitamin and protein content are considered.

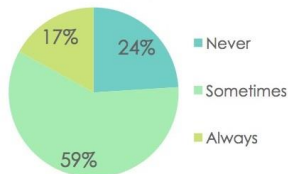
A trend that has become very noticeable across all industries, not just in fast food, is the rise of automation (Forbes). Many restaurants are now providing tablets at each table, and stand-alone kiosks for ordering. These computers allow customers to customize their orders and pay for their food without talking to anyone. Although it is a big investment, over the long run it may offer a cheaper solution to increasing minimum wage and other rising costs of employees.

Nearly everyone has a smartphone, but few have “paid the check” with their phone



But only **one out of ten** have paid for a table service restaurant check using their phone.

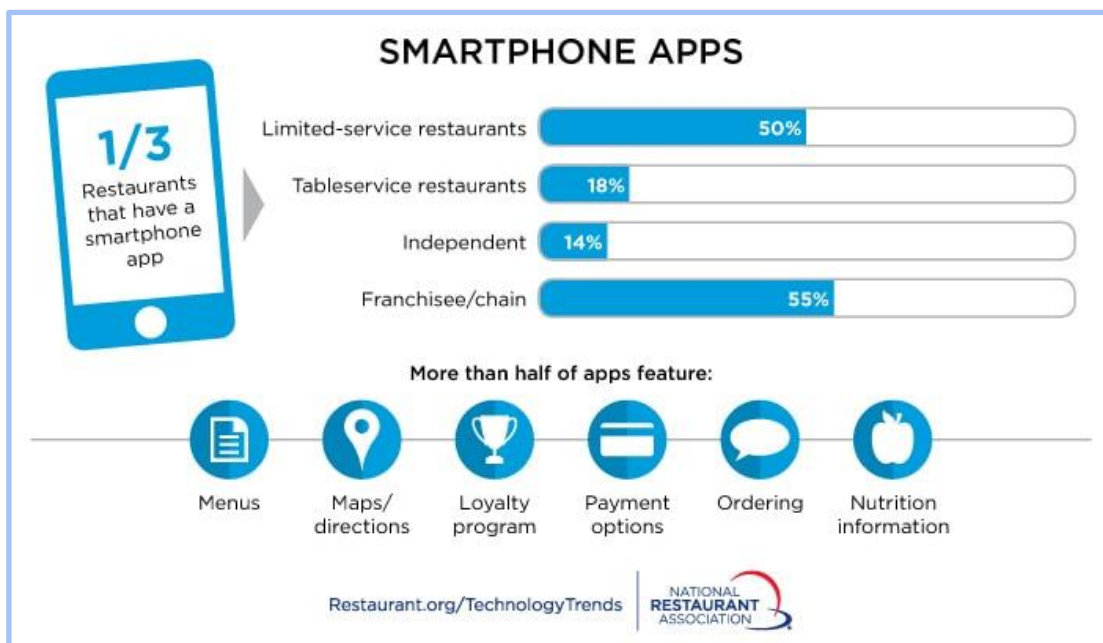
If available, would pay with smartphone...



However, if available, **three quarters** would like to pay their restaurant check with their smartphone at least some of the time.



In the same vein, many restaurants are now building their own applications for smartphones to improve accessibility and ease of ordering. These apps generally provide a user-friendly interface to explore menu options and place an order to be picked up or delivered. Customers who order food to be delivered benefit from the app because they are able to see in real-time when their food will arrive. Apps like the one Starbucks created has been a huge success (Ellwood). Starbucks customers can view their rewards, receive special promotions, place pick-up orders, and even load money and pay for their orders through the app. Below is an infographic from the National Restaurant Association about restaurant app use.



Top Competitors

Jersey Mikes: A sub restaurant that focuses on the concept of “freshness” every day. They boast bread that is baked fresh every day, and ingredients prepared each day. Roast beef is cooked in-house, and they have a secret recipe for “The Juice.” They offer three different sizes: mini, regular, and giant (Jersey Mikes).

2017 Rank	Chain Name	2016 U.S. Sales (\$000)	2016 U.S. Units
3	Subway	11,300,000	26,744
19	Arby's	3,662,490	3,237
33	Jimmy John's Gourmet Sandwiches	2,220,000*	2,620
55	Jersey Mike's Subs	825,000	1,187
66	Jason's Deli	702,100*	260*
68	Firehouse Subs	683,537	1,037
74	McAlister's Deli	592,800	387
88	Potbelly Sandwich Shop	445,900*	454
104	Charleys Philly Steaks	362,510	482

Charley's Philly Steaks: claiming to be the home of the #1 cheesesteak in the world and committed to quality of steak and grilled subs, Charley's was first founded in Ohio. They offer gourmet fries and signature lemonade (Charley's).

Large Marge's (Local Competition): Large Marge's is another restaurant that specializes in cheesesteaks, with one location in Wheat Ridge, Colorado. Meat imported from Philadelphia is used, as well as the same

Amoroso rolls that Taste of Philly uses. Marge was the founder of the restaurant, and all recipes used are her own (Large Marge's). They pride themselves on their authenticity.

Competitor	Price	Growth Rate	Franchises
Jersey Mike's	\$5 - \$13	12.1%	1,300
Charley's Philly Steaks	\$3 - \$8	3.5%	400
Large Marge's	\$4 - \$10	---	---

Other Competitors

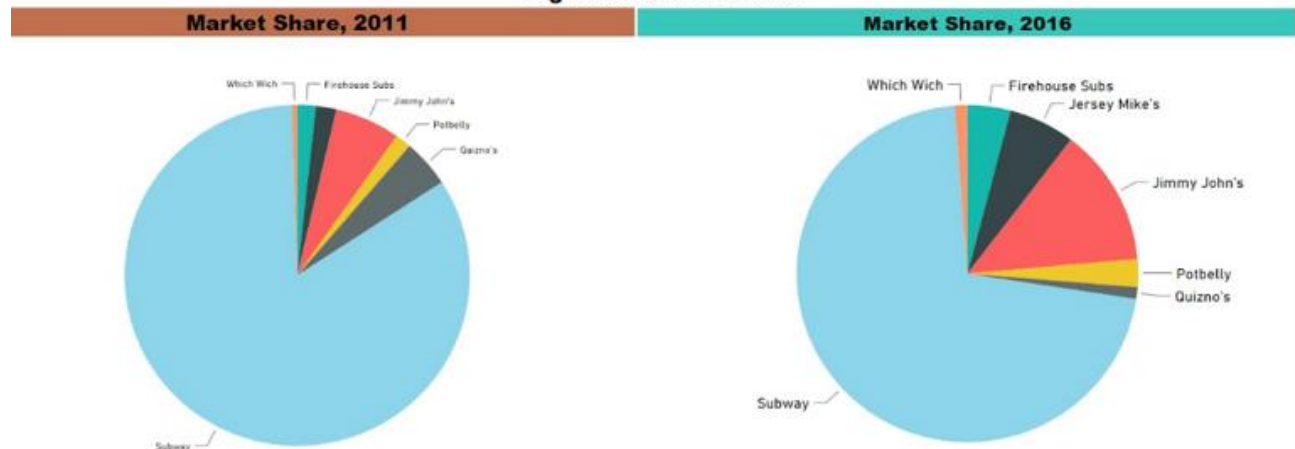
Jimmy Johns: Prides themselves on being “freaky fast.” They focus on convenience and the value of time. They offer a wide range of classic sandwiches on their menu.

Subway: one of the biggest and fastest growing sandwich franchises. They also pride themselves on the freshness of their food, sporting the slogan “Eat Fresh.” They offer six-inch and foot-long subs, as well as mini subs for children. Their menu is expansive and customizable with different bread and ingredient options built to order.

Firehouse Subs: has a private recipe for one of a kind sandwich bread that they make in-house. They pride themselves on the uniqueness of their process of toasting meats and cheeses before they are placed on fresh bread. For a proper cheesesteak it is important to not toast the roll but instead allow it to be warmed up by the steam from the meat and cheese.

Competitor	Price	Growth Rate 5 year franchise	Franchises
Jimmy Johns	\$5.50	17%	2,800
Subway	\$4 - 7	---	33,749
Firehouse Subs	\$5 - \$9	16.50%	1,091

Big 7 Sandwich Chains



Substitutes

Wendy's: A popular burger fast food restaurant that focuses mainly on burgers but also offers chicken sandwiches, salads, as well as breakfast items. Prices range from \$4 - \$9 and they have 6,500 locations. Their positioning is serving fresh beef that is never frozen.

KFC: the most popular chicken restaurant. They claim their chicken is “finger lickin’ good.” Prices range from \$5 - \$40 with the option to get family dinner size meals. KFC has 22,621 restaurants worldwide.

Taco Bell: offers a Tex-Mex style of tacos, burritos, quesadillas, and nachos. They have specialty items like Cinnamon Twists and Cheesy Roll-Up's. Prices range from \$1 - \$6 making cheap and fast. There are about 7,000 locations.

Chick-Fil-A: home of the chicken sandwich, Chick-Fil-A positions themselves as *the* alternative to beef, by offering only chicken on the menu for breakfast, lunch, and dinner. They are most famous for their chicken sandwich. Prices range from \$3 - \$9 and they have over 2,200 locations.

QSR 50 RANK ▲	COMPANY	CHANGE IN POSITION	CATEGORY	2016 U.S. SYSTEMWIDE SALES (MILLIONS)	2016 U.S. AVERAGE SALES PER UNIT (THOUSANDS)	NUMBER OF FRANCHISED UNITS IN 2016	NUMBER OF COMPANY UNITS IN 2016	TOTAL UNITS IN 2016	TOTAL CHANGE IN UNITS FROM 2015
1	McDonald's*	-	Burger	36,389.00	2,550.00	13,046	1,109	14,155	-104
2	Starbucks*1	-	Snack	14,795.40	1,123.25	5,292	7,880	13,172	651
3	Subway	-	Sandwich	11,300.00	422.52	26,744	0	26,744	-359
4	Wendy's	2	Burger	9,510.00	1,454.80	6,207	330	6,537	58
5	Burger King*	-1	Burger	9,749.19	1,361.43	7,111	50	7,161	35
6	Taco Bell	-1	Ethnic	9,353.80	1,510.00	5,399	879	6,278	157
7	Dunkin' Donuts*	-	Snack	8,200.00	928.86	8,828	0	8,828	397
8	Chick-fil-A	-	Chicken	7,973.50	4,407.10	1,730	372	2,102	119
9	Pizza Hut	-	Pizza	5,751.40	740.00	7,371	318	7,689	-133
10	Domino's*	1	Pizza	5,335.20	993.33	4,979	392	5,371	171
11	Panera Bread	-1	Sandwich	5,200.00	2,700.00	1,134	908	2,042	70
12	Sonic*	1	Burger	4,504.14	1,284.00	3,201	356	3,557	31
13	KFC	1	Chicken	4,483.30	1,060.00	3,966	201	4,167	-103

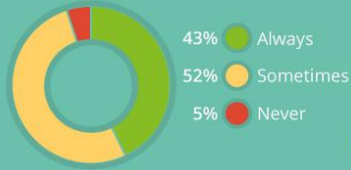
Social Trends

One social trend that is affecting the sandwich and sub shop industry is the increase in healthy eating habits in America. Since consumers are becoming more aware of issues concerning weight and obesity, meaty and greasy restaurants are being hurt while healthier sandwich shops are growing in popularity (Alvarez 3). The generation that seems most health-conscious are 25- to 34-year olds, with 51% saying they always look for healthy food when shopping (Buchholz). Below are two graphs outlining the attitudes of people in America toward healthy food—one from 2018, and one showing the trend over time.

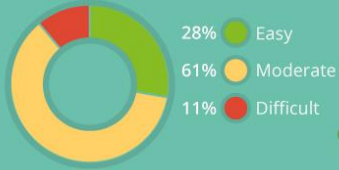
Vast Majority of Americans Interested in Healthy Food

Attitudes of shoppers towards healthy food options

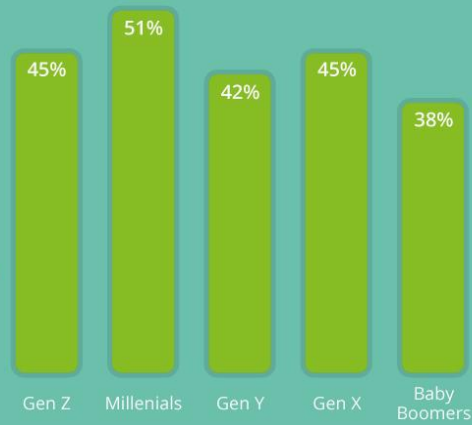
Are you looking for healthy foods while shopping?



Is it easy or difficult to find healthy foods?



Percentage of age groups* "always" looking for healthy foods



Survey of 1017 adults in October 2018
 * Gen Z: 18-24, Millennials: 25-34, Gen Y: 35-44, Gen X: 45-54, Boomers: 55+
 © StatistaCharts Source: International Food Information Council



Healthy eating index

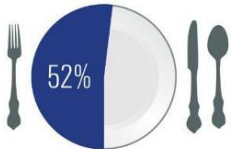


SOURCE: WWW.IBISWORLD.COM

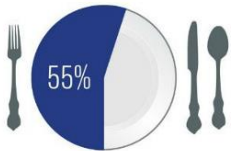
ADDING TECHNOLOGY TO THE MENU

Although high-tech items such as electronic ordering or payment systems and menus/wine lists on electronic tablets aren't commonplace in restaurants quite yet, strong interest in customer-facing technology indicates we'll see more of it soon.

PAYMENT

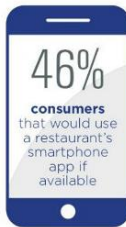


More than half of consumers would use an electronic payment system if available



More than half of restaurants say electronic payment systems will become more popular

SMARTPHONE APPS



ORDERING

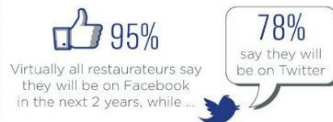


ONLINE



SOCIAL MEDIA

Restaurants are increasingly using social media to connect with tech-savvy customers:



And consumers are increasingly using social media to enhance their restaurant experience:



3 in 10 use social media like Facebook and Twitter to choose a restaurant



4 in 10 use group-buying offers through programs like LivingSocial and Groupon to choose a restaurant



Nearly 3 in 10 have viewed or posted reviews on consumer-driven sites like Yelp

Along with people looking to more healthy foods for meals, many people, especially millennials, are focused more on the convenience of dining rather than the price.

One way that this is changing habits is through the use of online ordering, especially through apps. In a survey of over 2,500 millennial diners, they found that, “63 percent have at least one quick-service app on their phones; 73 percent have used mobile apps within quick-serves; [and] 35 percent use mobile every time they visit a quick-service restaurant (or at least regularly)” (Beltran). In another study where they analyzed 77,000 guest visits, they found that “restaurants with above-average apps had an above-index percentage of millennial trips” (Beltran). Overall, restaurants are increasingly using apps to reach, retain, and track customers. See page 10 for an infographic from the National Restaurant Association about restaurant app use.

With the advances in technology and the way people communicate, social media and websites are also becoming increasingly important tools for businesses and restaurants. More specific statistics about the use of social media, apps, and other technology can be seen in the infographic from the National Restaurant Association on the left.

With the internet becoming increasingly important, another trend that is seen is restaurants offering Wi-Fi to consumers. In a study, it was found that “68 percent of restaurants offer Wifi for guests” (Mapping the Technology Landscape).

Economic Factors

Factors affecting the economy's success or failure have an impact on the restaurant business as well. Because of this sensitivity to the overall economy, it is important we consider the impact factors such as food, labor, and inflation costs will have on Taste of Philly's books and its ability to maintain its success and hold its competitors at bay for the foreseeable future.

Some of the important economic factors here are:

Value vs. Price:

Customers are willing to pay a little bit more for a meal that they perceive as being of higher value.

Food Inflation:

Increase in the cost of ingredients is a challenge the restaurant will continue to face as growing seasons change and some ingredients become more expensive with their increasing scarcity.

Growth:

Restaurants are poised to grow as human population in the US continues to grow. Competition is between dine-in restaurant and the fast food kind. Taste of Philly can stay within the demarcation line of the two kinds of restaurant so as to ensure its growth comes from both sides as each restaurant type experiences an influx of new hungry customers.

Labor and Health Care:

These are mainstay concerns for any restaurant manager. Any labor shortage or change in government policy that requires employers to ensure health security for their employees will have a negative effect on Taste of Philly's bottom lines.

Legal and Regulatory Environment

Food service businesses must comply with different laws and regulations than other types of businesses. The relevant major agencies that must be adhered to are the FDA, FTC, OSHA, and the USDA. They are federal governing bodies that make laws and regulations. While their range of operations overlap a bit in some areas, here are summaries of some of the relevant activities these agencies do and their duties:

FDA

The United States Food and Drug Administration (FDA) is a government agency that deals with anything that goes in or on the body of consumers in this country. In their own words they are “responsible for protecting the public health... by ensuring the safety of our nation's food supply” (FDA). They have the power to regulate the production and distribution of food stuffs and food supplies. They are also concerned with proper labeling of food products as far as ingredients, health content, etc. They research new and existing products to ensure that they are safe for consumption by human beings. Among other issues they concern themselves with the public health of this country at many levels. If there are health scares arising from food supplies, “deliberate or natural,” they have the capability and responsibility to respond to them. Taste of Philly has an obligation, moral and legal, to adhere to the regulations of the FDA and engage in due diligence not to accept or serve tainted food. There is no current requirement to label the food served at Taste of Philly.

FTC

The Federal Trade Commission is involved in protecting consumers in many ways. They regulate marketing communications, false advertising, protect consumer's choice, and make sure they are not being lied to. If a company is found to be deceiving consumers in advertisements, it will be dealt with by this agency through investigation and fines. Since their inception in 1914, they have gained more and more authority in regulating anti-competitive attempts by companies as well. They have the power to create industry-wide regulations and commission rules. Taste of Philly must be weary of putting out any deceiving or untrue communications out into the public.

OSHA

The Occupational Safety and Health Administration was created in 1970 under the US Department of Labor. They say it best when they describe their purpose as “to assure safe and healthful working conditions for working men and women by setting and enforcing standards and by providing training, outreach, education, and assistance” (OSHA). They provide posters for workplaces to post in break rooms to give info on workers rights and phone numbers/websites to visit to make claims of employee mistreatment, injury, and workers compensation among other issues and regulations they have created. They cover most private sector and some public sector employees. Also according to their website, “Colorado is under federal OSHA jurisdiction which covers most private sector workers within the state. State and local government workers are not covered by federal OSHA.” Taste of Philly must treat employees at all positions the correct way in terms of lawfulness and offer them what OSHA provides.

USDA

The United States Department of Agriculture (USDA) is another government agency that deals with topics including and surrounding food in this country. Their aim is to increase the prosperity and development of rural Americans so that all other Americans and people beyond can get high quality nourishment. Taste of Philly purchases and sells a lot of steak to feed to hungry customers. The USDA inspects beef (among many other animal meat products) to see if they are safe for consumption. Grading beef is also an available offering from the USDA. They do charge a premium to do this however, which can affect the price of the cuts. This, in turn changes a consumer's perception of the quality vs. the price they are paying. This agency is not directly in charge of health and safety inspections but they help set up the framework for them. In Jefferson County there are "Public Health Environmental Health Specialists" (Jeffco) who make sure restaurants are handling and serving food correctly, and safely, and that they are compliant.

There are state run agencies that create laws and regulations as well as provide important information for employers and employees. Two such ones are the CDLE and the CDPHE.

Colorado Department of Labor and Employment

The aim of this Colorado state agency is to provide vital information to businesses and employees here to remain competitive. Their mission is "to protect and promote the integrity and vitality of Colorado's employment environment" (colorado.gov). They assist workers who have been hurt on the job, ensure fair labor practices, provide unemployment benefits, and protect the workplace. They offer a bounty of information on starting a business, employee recruitment, labor laws, layoffs, audits, workers compensation, workplace posters, and incentives and tax credits.

Colorado Department of Public Health and Environment

A state-run governing body is the Colorado Department of Public Health and Environment. They create and enforce many laws and regulations dealing with food service businesses. The food code that they have set out involves many aspects of a restaurant or other such food vendor, whether they sell or handle ready to eat food or prepare it in house. Here is an excerpt on applicability from the Colorado Retail Food Establishment Rules and Regulations which went into effect January 1, 2019 that gives an overview of what practices and establishments are covered:

"A. 1. Shall apply to a retail establishment that stores, prepares, or packages food for human consumption or serves or otherwise provides food for human consumption to consumers directly or indirectly through a delivery service, whether such food is consumed on or off the premises or whether there is a charge for such food.

B. In accordance with Section 25-4-1604(1)(b)(II), C.R.S., this regulation shall include but not be limited to general overall retail food establishment and equipment design and construction; sanitary maintenance of equipment, utensils, and facilities for food preparation, service, and storage; wholesomeness of food and drink; source and protection of food and water; disposal of liquid and solid wastes; and other rules for the effective administration and enforcement of the Colorado Food Protection Act, part 16, article 4, title 25, C.R.S."

They have other definitions that are relevant to Taste of Philly such as the definition of meat:

"Meat" means the flesh of animals used as FOOD including the dressed flesh of cattle, swine, sheep, or goats and other edible animals, except FISH, POULTRY, and wild GAME ANIMALS as specified under Subparagraphs 3-201.17(A)(3) and (4)."

This handbook is very dense and includes a huge amount of codes and rules to follow. We will touch on some important ones as well as share the link to it. The chapters listed are as follows: Purpose and Definitions, Management and Personnel, Food, Equipment, Utensils, and Linens, Water, Plumbing, and Waste, Physical Facilities, Poisonous or Toxic Materials, Compliance, and Enforcement.

The definitions cover everything from cut leafy greens to reduced oxygen packaging to time/temperature control for safety food. Proper pH levels with charts are also displayed for heat treated foods to avoid the growth of spores. Management and Personnel goes over what the person in charge should do to maintain a clean work environment, what to do in the event an employee is sick or has a disease, how employees should stay clean and keep the environment hygienic, and if all this fails, how to respond to contamination events.

Chapter 3, entitled Food, goes over characteristics of many categories of food, and that food sold and served should be presented honestly. It then goes into how not to contaminate food involving cooking, freezing, reheating, and other methods of preparation and storage. Reducing the risk of contamination after receiving it and what to do if that should occur is also presented. Later on it delves deeper into proper food presentation and on site labeling. Several temperature charts for different kinds of ovens and grills/ranges are in this chapter as well.

Chapter 4 covers the lead content limits of different vessels for serving beverages and food in/on. Other utensil and equipment guidelines come next and the storage, upkeep, and sanitization of all of these. In the next chapter, the proper types and sources of water are described.

Following that theme, the necessities of proper plumbing is described. There are a lot of preventative measures here as human waste can cause many problems. Storing and disposal of other types of waste such as recyclables and other refuse wraps up this chapter.

Chapter 6 talks about safety of the building in terms of cleanliness and non-slip treatments to the floors. Location of bathrooms and hand washing sinks must be conveniently located and the building must be in good repair. The storage and labeling of chemicals of all kinds are covered in Chapter 7.

The final chapter goes into more codes not addressed earlier and the steps and permits necessary to start or continue operating a business. There are a great deal of regulations to follow to stay lawful for food businesses here in terms of documentation and proven compliance.

This can all be found at: <https://drive.google.com/file/d/18-uo0wlxj9xvOoT6Ai4x6ZMYIuu2v1G/view>

There is also the matter of fair and legal compensation. The Colorado Department of Labor and Employment mandates that the minimum hourly wage to be paid to workers is \$11.10 as of January 1, 2019. The minimum tipped employee wage is \$8.08. Both of these figures are up nearly a full dollar from last year and will increase nearly another dollar January 2020. Colorado's cost of living is higher than many other parts of the country so the minimum wage here is higher. The Federal minimum wage is currently set at \$7.25.

Here is a look at the changes in minimum wage in Colorado:

EFFECTIVE DATE	MINIMUM WAGE	TIPPED EMPLOYEE MINIMUM WAGE
January 1, 2020	\$12.00	\$8.98
January 1, 2019	\$11.10	\$8.08
January 1, 2018	\$10.20	\$7.18
January 1, 2009	\$7.28	\$4.26
August 8, 1998	\$5.15	\$2.13

In addition, here is a chart summarizing the above agencies and their relevance to Taste of Philly:

Agency	Summary	Relevance to TOP
FDA	Regulate anything that goes in or on body, labeling of food, food contamination	Must not serve contaminated food
FTC	Regulate marketing communications, anti-competitive activity	Must not put out deceiving promotion/messages
OSHA	Create guidelines and regulations for employee treatment	Must adhere to their rules of employee treatment
USDA	Increase prosperity of rural America, grade beef	Could buy high grades of beef and advertise it
CDLE	Provide information on worker treatment, how to stay competitive, running a business	Use as a resource for management of business and for employees
CDPHE	Regulate and inform on health and environmental issues, marijuana, as well as birth/death/other records	Must submit to health inspections, adhere to various codes

Political Environment

The political factors affecting business are often given a lot of importance. Several aspects of government policy can affect how a business is operated. All businesses must follow the law and there are no exceptions to this. As such, managers must find how upcoming legislations can affect their activities. In the restaurant industry, any action taken in political spheres results in regulations that can affect the menu, payroll, customer satisfaction, and profits (Perkins). For that reason, it is crucial that businesses in this industry as well as individual owners monitor the government's rule-making process to find out which way elected and appointed representatives are leaning. As with most nuisance, it's imperative to support political candidates who will provide them with a voice in negotiating issues that affect the industry.

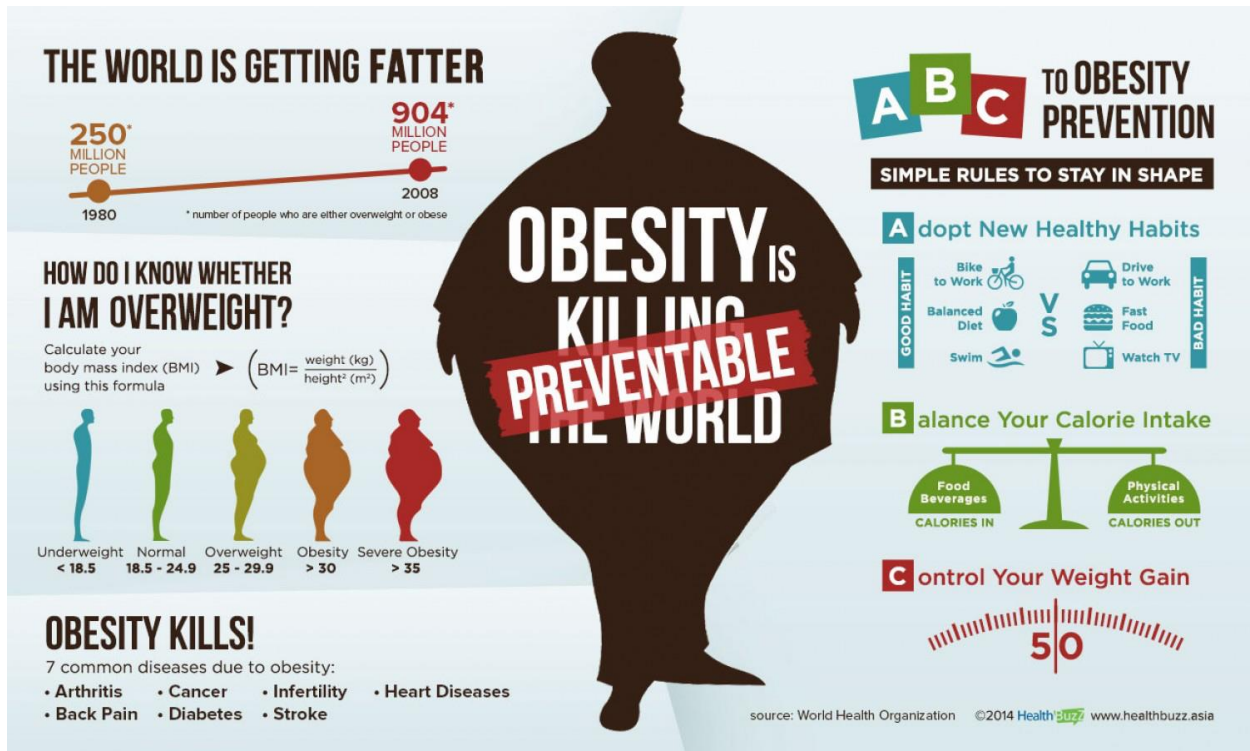
While civic-mindedness generally benefits our society, talking about politics can be problematic and also cause conflict. Thus, many people choose to avoid talking about politics entirely at work or in public. Unfortunately, it cannot be completely avoided, the heated competitive nature of the national election seasons can create problems for all businesses especially the restaurant industry by generating an overall atmosphere of negativity (Perkins). Fear-mongering or uncertainty about economic conditions hampers spending. Guests worried about the national budget are likely to tighten their own, which means less going out to eat and less money spent when they do.

One of the biggest areas of political conflict revolves around workforce proposals, especially proposed hikes and immigration laws. As one of the nation's leading job creators, restaurants are affected by ongoing compliance challenges including the Americans with Disability Act of 1990 which prohibits discrimination based on disability, mandatory health care, paid/unpaid leaves, tip allowances and union organizing (Perkins).

In addition to this, restaurants are affected by a wide variety of politically motivated tax laws and financial regulations including credit card swipe fees, rules for food donations and restaurant depreciation write-offs. Work opportunity tax credits, sales tax, and tourism add-ons, such as lodging, are among other political issues that should be kept a close watch (Perkins).

According to a report in 2017 by the Centers for Disease Control and Prevention, 40 percent of American adults and nearly 20 percent of adolescents are obese—the highest rates ever recorded for the U.S. (Gussone). With that, it is no surprise that food and nutrition topics including childhood obesity; diet-related diseases; food safety; menu labeling; and allergen concerns are among top political issues affecting restaurants.

Additionally, import and export laws may also impact restaurant operations (Perkins). Restaurateurs may, however, choose to be active in organized initiatives such as “Campaign to End Obesity” which was established to bring together organizations and individuals to collaborate in the fight to reverse America's costly obesity epidemic or take independent steps toward providing healthy menu choices that satisfy customer requests.



Moreover, energy initiatives, agricultural policies, and packaging restrictions affect how businesses are operated. In fact, a recent federally-enacted law containing provisions and recommendations that are effective on state and local levels was passed by Congress. Title IX of the Agriculture Improvement Act of 2018, a.k.a. the Farm Bill, covers domestic energy use policies (Vesneske). Ultimately, the goal of this is to popularize sustainable energy and make it more accessible for use in the agricultural industry. Fossil fuels are non-renewable, they draw on finite resources that will eventually dwindle, becoming too expensive or too environmentally damaging to retrieve. That said, renewable energy is an important focus in the political spectrum because the benefits help improve health, the environment, and the economy of the U.S.

On that note, some restaurants view obstacles as opportunities. They're off-loading used fryer oil to alternative fuel providers or advertising sustainable use policies that attract eco-minded customers, such as featuring local produce and products (Perkins).

Natural Environment

Perhaps the most dramatic environmental factor that any business could face is the potential for natural disasters as it can disrupt not only the establishment but the restaurant's supply chain, too. It is this reason that buildings in California are constructed to withstand earthquakes, why those on the east coast are built for hurricane winds, and why low-lying cities like New Orleans have levees and plenty of pumping capacity (Decker).

Every year, natural disasters such as floods, earthquakes, fires, hurricanes, and tornadoes, challenge agricultural production. Because agriculture relies on the weather, climate, and water availability to thrive, it is easily impacted by natural events and disasters. Having said that, all restaurants depend on food distributors such as Shamrock Foods or Sysco. If a natural disaster were to occur, it can potentially damage these food distributors and cause uncertainty and chaos in the supply chain.

On that basis, agricultural impacts from natural events and disasters most commonly include: contamination of water bodies, loss of harvest or livestock, increased susceptibility to disease, and destruction of irrigation systems and other agricultural infrastructure ("Agricultural"). These impacts can have long-lasting effects on agricultural production including crops, forest growth, and arable lands, which require time to mature. In this regard, natural disasters can abruptly leave organizations with a broken network of global supply chains.

Failing to plan for emergencies can negatively impact the bottom-line, eventually leading to failed operations and productivity. With that in mind, it is important to watch out for natural disasters because any chance of it happening can affect business in a number of ways. For one thing, it might be necessary to pay extra for insurance or allocate a large emergency fund if the insurer specifically excludes major environmental risk. Another is that it could require the business to conduct emergency response training with the staff, or invest in other assets to help keep the business in operation when Mother Nature is acting up.



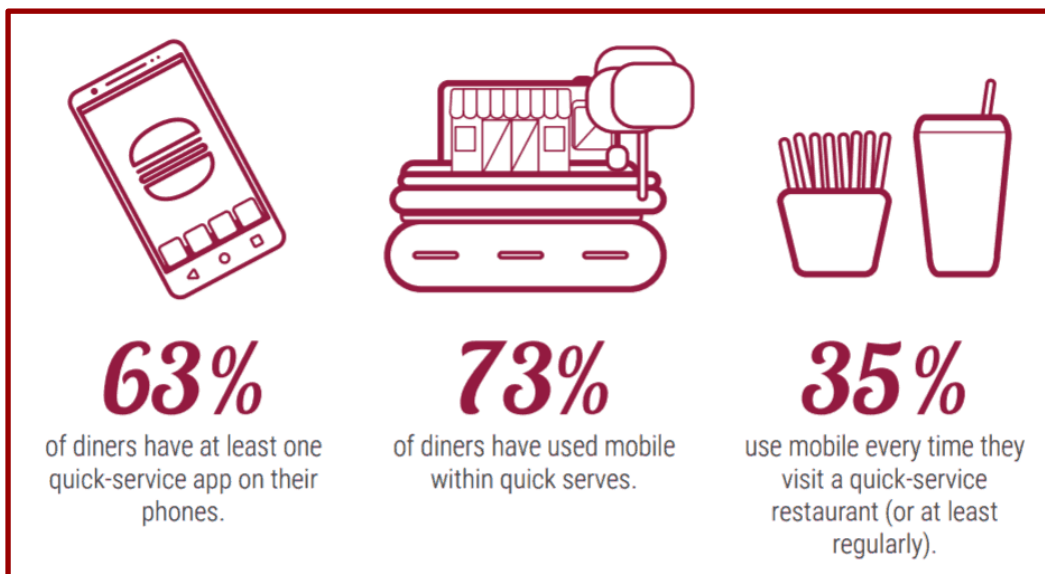
Beyond the doom and gloom of natural events and disasters, seasonal factors can also affect the restaurant industry (Higuera). It is no surprise that business in the restaurant can fluctuate. Customer numbers may increase, remain steady, or even take a dive based on seasonal changes. That said, the holidays can be either a win or a loss situation for restaurants as it greatly depends on what type of dining is offered. Many establishments, especially upscaled ones, notice a decline during a seasonal holiday or major event (Higuera). Some customers are less likely to eat out because they spend time with the family, preparing meals at home. On that note, however, some establishments see a boost in sales as businesses throw big annual holiday parties and some diners choose to take the family out for a special holiday celebration. Fast food restaurants can also thrive as patrons are more likely to pick up a quick meal between shopping and other holiday preparations.

It is obvious that the restaurant industry tends to thrive during the summer or warm months. This is due in part to an increase in tourism in many cities, and warmer temperatures typically encourage locals and visitors to venture outdoors (Higuera). The increase in business during tourism season allow some restaurants to hold events during the summer months, such as outdoor music and other fun entertainment, which is likely to draw customers and increase sales.

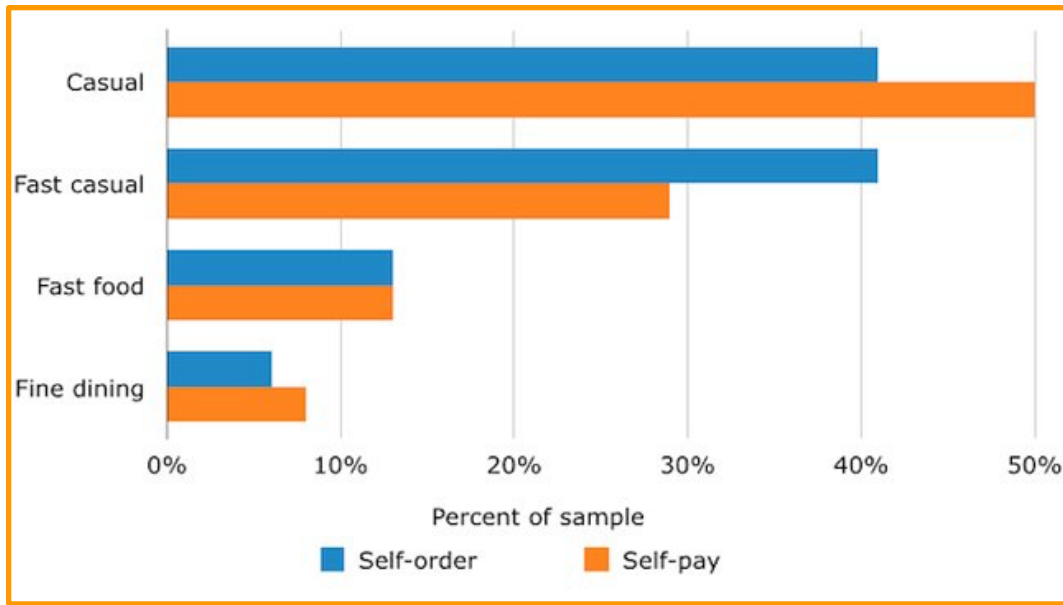
Opposite this, however, are the winter months which can have a negative impact on a restaurant's ability to thrive (Higuera). During the cold winter months, customers might feel less compelled to travel to restaurants for a meal—especially if they are dealing with snow, ice, or freezing temperatures. By contrast, a restaurant that offers quick delivery may experience a constant flow of business because customers are able to order by phone or online and have meals delivered to their homes.

Technological Environment

The fast food industry has grown dramatically in the past few years with the help of technology. Mobile ordering has taken off in the years serving customers fast food even faster. By 2020, mobile ordering will be a 38 billion dollar industry and make up 11% of all quick service restaurant sales (Maro). An eMarketer study found that about 38 million Americans used some form of a mobile payment in 2016. As technology advances, the fast food industry should take advantage of the possible benefits that come with combining mobile apps, ordering, and quick serve are known as a winning combination. Convenience has also been a driving factor in decision-making for customers who see fast food places that have mobile ordering. The fast food industry is beginning to invest millions into mobile on the go apps and future technology.



While technology is on the rise, customers are keen to try out what's new. Kiosks are slowly coming into fast food restaurants, while some have already adopted the technology and plan to invest more money in future technology. A study conducted by Tillster, a global leader in digital ordering and engagement services, went on to survey 2,000 restaurants in order to see how customers ordered and whether the kiosk would lead to more visits. The study showed that it helped the restaurants reach key objectives, shorter lines, improving check size, and the speed of service increased. In the last few years, there has been interest in the kiosk technology by consumers and restaurants. The factors that have caught their interest are that consumers want more control when ordering, personalization and choice, and familiarity with using other kiosks in different restaurants. They are typically used to drive higher margins and has proven to have increased revenue and profitability in restaurants.



The chart on the previous page shows a study of individuals who were evenly split with self order and self pay at 13%. Implementing a kiosk system can be essential for giving customers an enjoyed experience. The study shows the the percentage of people who are using the kiosks in restaurants. While it gives employees more time to focus on their customer needs, and increasing the quality of service.

Any customer who has had a happy experience in a fast food restaurant will more than likely return in the future. A big part of the customer experience is the ease of ordering and offering customers a convenient way to pay. As technology advances, fast food restaurants want to keep up with customer needs. Offering flexible payments through smartphones, apps, online orders will benefit from more customer visits, and also lead to better customer conversion and loyalty (Brenden).

Pin pad terminals are able to accept many forms of payment through chip technology, magstripe, and near field communication/contactless. Contactless pay includes Apple pay, Android pay, Samsung pay, Square cash, and many more. Smartphones have become a part of the everyday routine for people, whether its checking their email, using social media, making calls, or paying for things as they go about their days. Below shows the percent of adults in the U.S. who own smartphones and cell phones.

	Any cellphone	Smartphone	Cellphone, but not smartphone
Total	95%	77%	17%
Men	95%	80%	16%
Women	94%	75%	19%
Ages 18-29	100%	94%	6%
30-49	98%	89%	9%
50-64	94%	73%	21%
65+	85%	46%	40%

SWOT Summary

Based on our analysis of the internal and external factors affecting Taste of Philly Lakewood, we have summarized what we think are some of its greatest strengths, weaknesses, opportunities, and threats. A list of each are included below:

Strengths:

1. Loyal customer base
2. Good positioning
3. Authenticity of place and product
4. Good price point
5. Strong growth rate
6. Loyal management
7. Keeping up with many social trends (like dietary preferences)
8. Control over delivery system
9. Online ordering
10. Multiple profitable locations

Weaknesses:

1. Website (design/usability is old, clunky, and not intuitive)
2. Lack of a Mission Statement
3. Restricted target market/reach
4. No marketing plan
5. No marketing budget
6. Not utilizing social media
7. No phone app
8. Product development not driven by marketing
9. No positioning statement
10. Lack of parking
11. Uses points system, but do not track it
12. No control over ordering

Opportunities:

1. Expansion of menu
2. Attract new customer segments (like nearby high school students)
3. Use app to scan points after transaction
4. Advancing technology (website, app)
5. Can create mission statement
6. New location possibilities
7. Serve alcohol (more lenient alcohol laws)
8. Cut costs to increase profits
9. Bigger/more visible location
10. Measuring new customers, return customers

Threats:

1. Trends toward healthier eating; lower meat consumption
2. More dietary restrictions
3. Cheaper sandwich shops in the area
4. Technological advances surpassing business' use
5. Competitors are reaching customers through social media
6. Minimum wage increases
7. Industry growth rate of 3.8%
8. Rise in fast food prices (supply chain prices)
9. Change weather patterns affect food supply
10. Fluctuation of economy

New 4 P's

Price:

The largest determinant for Taste of Philly's pricing strategy is based off of market prices for similar products. Because of this, we did not make recommendations to change prices for any of the regularly priced menu items, but rather to offer discounts for certain groups, and to increase the variety of payment options offered to speed up the payment process and improve the ease of use for the loyalty card.

This means that Taste of Philly's pricing strategy will remain mostly the same, with the two updates that were selected. The first is to offer a discount to new customers after they sign up for the loyalty program. InTouch Consulting made this recommendation because we think that offering a discount after the first visit would increase the likelihood that they would return for a second visit.

The second recommendation we made that was selected was to make Apple Pay available. We have found that many people are using touchpay with their phones now because it eliminates the need for carrying around a whole wallet. With the addition of a digital loyalty card, customers would be able to pay and earn points with just a tap of their phone. Taste of Philly plans to implement this recommendation using the technology that Toast offers, since they already use the platform for their tickets and their register.

Product

Taste of Philly currently has many menu items that do not generate much revenue for them. We believe that eliminating some of these items and replacing them with other more popular, less costly items will help them to increase profits. As such, of the four recommendations that were selected, the most time-intensive one will be tracking menu items that are not very popular such as some of the other sandwich options besides the cheesesteaks, as well as the salads. Once they have been tracked for two months, if they have been ordered less than 20 times in that period, they should be eliminated from the menu.

This will free up resources to allow Taste of Philly to test out and implement new, more successful menu items, such as jackfruit. Jackfruit would improve the restaurant's vegetarian offerings, and as we showed in the industry trends section of our paper, it is currently a very popular alternative to meat.

Another suggestion that was selected was the advertisement of the high grades of beef that Taste of Philly offers. This would appeal to customers as they would be able to see that they are getting

both high quality and a good value for their money. This would also give Taste of Philly the option to raise their prices in the future without too much backlash because they are able to show that the higher price is worth it.

The final product strategy recommendation that was selected was offering a wider variety of dipping sauces and dressings for sandwiches and salads. As the research we've done shows, millennials love to have choices whether for their food, or for branded products. Offering an array of sauces would allow Taste of Philly to promote a larger menu, without adding many more costly ingredients.

Promotion:

Taste of Philly does not currently have much of a promotional strategy whatsoever, so the large number of promotional strategies selected will be a good start to increase their marketing efforts. The strategies that we recommended include improving customer interfacing technologies such as website and loyalty programs, as well as developing a social media presence and advertising presence both on digital and social platforms, as well as at nearby schools in order to boost catering orders.

One of the recommendations we have advocated most strongly for is to rebuild the Taste of Philly website. The website in its current form is confusing and fairly inaccessible. It is impossible to view the menu without starting a new online order, which is something that, along with checking reviews, has become common practice before visiting or ordering from a place for the first time.

Many companies are also developing apps to go hand in hand with and/or support their website and business operations now. We recommended that Taste of Philly look into developing an app as well. In addition to using a website that provides a mobile-friendly version, Taste of Philly can develop an app where users would be able to track their points for the loyalty program, and even load money to pay for their meals.

Additionally, we recommended that Taste of Philly update and improve their loyalty program. Currently it is based on a value system, so after customers spend a certain amount, they are rewarded with a coupon. We recommended replacing this system with one of meal purchases. This would mean that every 8th or 10th sandwich that a customer bought would earn them with a free one. We feel this is easier for customers to track, and to get excited about rather than receiving \$5 off. This program would be something that customers would sign up for on the website or mobile app, rather than taking the time to input their email at the register while the line builds up behind them during a lunch rush.

Creating a social media presence is easy and cost-effective. It would only require delegating one manager or shift lead as the social media manager as well, and at the beginning of every shift, they could take 5 minutes to post either a daily special or some other incentive to draw customers in.

Advertising both on social media and at schools will mean less ad waste because the ads are targeted to potential consumers who live nearby. The average Facebook ad costs \$0.27 per click, or \$7.20 per thousand views. It is possible to set a parameter for these ads so that they are targeted to people within a designated radius (geo-fence). Advertising at the local high school could mean anything from a \$150 banner at a high school game, to sponsoring the team for a game or two, or even a whole season. Whichever route they choose, it will raise brand awareness, and let the consumer know that they offer catering for large parties. Advertising on bus stop shelters in the surrounding area will also be a key facet of the promotional efforts. These are purchased in 4-week increments. They will run about \$300 for this time period and location in Lakewood. We have decided to promote the new website design and mobile application for 3 months following their launch. The other bus stop ads purchased will be used to promote the Toast touchpay functionality, rewards program, and new sauces available. These will be purchased for a period of 3 months as well after they are implemented. The prices for the website/app ads will be \$3,600 (4 locations for 3 months). The other ads will total to \$1,800 (2 locations for 3 months).

Place

Taste of Philly's place strategy will remain the same, as they did not choose any of our place recommendations. Because of regulations on the store front, implementing ideas such as a drive-up window, or expanding seating to outdoors are not viable options.

Implementation Schedule

Recommendation	Implementation Timeframe	Cost
New customer discount	Immediately	20% of those orders (3 discounted meals a week at an average price of \$20 = \$624 annual)
Toast touchpay	Within a month	\$79/month
New menu item tracking	Introduce 2 new items every 2 months(June, August, October)	Cost of new ingredients, and menu additions
Showcasing beef grade in store	Immediately	Essentially free
Sauces/Dressings	Within a month	Cost of sauces/ingredients chosen
New website (yourself)	ASAP	Subscription fee (\$5/month for WiX)
New website (hire web developer)	ASAP (within 2 months)	Around \$250+maint. depending on who is used
Create an app	ASAP (within 2 months)	\$84/month with App Institute
Rewards program	Immediately	Cost of free meals
Social media presence	Immediately	Time dedicated to updating page(s)
Social media advertisements	Within a month	\$7.20 CPM (~200 clicks a week)
Football banner	Next season (~August)	\$150
Bus stop ads	-Timed with launch of website and app launches (4 bus stops) -When Toast touchpay, rewards, and new sauces are implemented	\$5,400

Annual Budget*:

New customer discount (@ 3 per week) - **\$624**

Toast - **\$948**

Wix Website - **\$60**

App development - **\$1,008**

Free Sandwiches (@ 5 per week) - **\$1,560**

Social media ads - **\$75**

Football banner - **\$150**

Bus Stop ads - **\$5,400**

TOTAL - \$9,825

*Some of these figures are annual estimations. Actual costs may vary.

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February 4, 2019

Martin Garvey
Taste of Philly
9797 W Colfax Ave
Lakewood, CO 80215

Dear Mr. Garvey,

We at InTouch Consulting are participating in Professor Duber-Smith's Open for Business Program, which is a joint program between MSU Denver and CU Denver designed to help small businesses improve their marketing strategy.

We are looking forward to helping you with your business, Taste of Philly. Throughout the course of our 15-week semester, we will be communicating somewhat regularly, as well as setting up a few in-person meetings to discuss the details of your business, and later to go over our recommendations for improving your current marketing plan. This will require a commitment of at least 10 hours of your time, as well as an in-person appearance at our final presentation at the end of April.

In order to best meet your marketing needs, we will be calling on you to share some internal details about your business including revenues and profits in order to complete a situation analysis. We will be using this information to analyze your current marketing strategy and create a SWOT summary. We will then make a minimum of 50 recommendations based on the needs of your business and your goals for the future. From these, you will be able to choose the ones that best suit your needs. We will schedule a meeting around the halfway point to review these recommendations with you, as well as set a budget and goals.

At the end of this project, we will be presenting you with a written strategic marketing plan which will contain a revised 4 P's strategy for your business, as well as the presentation slides with our suggestions at our presentation. Since this is part of a university project, it will be gratis for your organization to participate, saving you valuable money to put toward other marketing efforts.

To help accomplish the project outlined above, we have assembled a team of seven excellent consultants to best help your restaurant achieve its goals. I am Miranda Orcutt, your contact and the group leader. I am a senior management student with many years of real-world experience in the food service industry. Tessa Blair is a senior marketing student and Editor-in-Chief for CU Denver's weekly newspaper. Mandy Duong is a junior human resource management student and currently works as a TA to create powerpoint presentations. William Lee is a junior marketing student and is passionate about film and making projects as neatly and organized as possible. Alyse Vigil is a junior marketing student with experience in social media marketing and organization. Kyle Crabbe is a senior marketing student whose passions include art, creating connections with new people, good food, and mastering new skills.

We look forward to working with you. Please don't hesitate to reach out any time with any questions or concerns you may have.

Sincerely,

Miranda Orcutt
InTouch Consulting
miranda.r.orcutt@gmail.com

4 P Recommendations

After reviewing our SWOT Summary and analysis of Taste of Philly Lakewood, we have created a list of recommendations for the business to improve its price, product, promotion, and place strategies. The recommendations we have compiled are listed below. Bolded recommendations are the ones that were chosen.

Price:

1. Offer a discount for showing student ID. This would draw high school kids to visit during their lunch hour or after school.
2. Offer meal deal discounts if people purchase chips and drink. This would mean adding on chips and a drink for \$1.50 or \$2.
3. Offer a family discount. This could mean a free kid's sandwich with the purchase of two adult meals. This could drive in more families, including women and children, which are not seen at the restaurant as much.
4. **Offer a discount on the first purchase after signing up for frequent customer membership. This would entice more people to sign up and visit more frequently.**
5. Offer a customer loyalty punch card for a free sandwich after purchasing 10 or 12 sandwiches.
6. Offer free WiFi in the restaurant. You can give the password with purchase or display password on wall or at tables. This could entice more people to eat out at the restaurant and possibly purchase more while they are there.
7. Offer birthday coupons for customers who are signed up for the rewards program.
8. **Make Apple Pay available, Touchpay. Many people in younger generations prefer this type of payment, which would make it more convenient for them to visit the restaurant.**

Product:

1. Offer breakfast sandwiches consisting of pre-cooked egg, bacon, sausage, steak or turkey sausage, and cheese on an Amoroso roll, and include a drip coffee for \$1.50. This new product could attract new population segments.
2. Open at 7 a.m. instead of 10:30 to serve breakfast. This could allow more people to visit the restaurant, especially on weekdays before people go to work.
3. **Substitute jackfruit for meat in veggie option.**
4. **Track and then eliminate menu items that are ordered less than 5 times a week. This will eliminate waste and clear up room and money for experimenting with more profitable new menu items.**
5. **Purchase high grades of beef and advertise the grade on the menu or other signage. It is possible to charge a higher premium for higher quality. People are getting increasingly aware of where their meat is coming from, so this could attract more food-conscious diners. *Advertising***
6. **Offer a larger variety of dipping sauces/dressings for sandwiches and salads for added variety, as millennials love choice.**
7. Offer a self-service salad bar in the restaurant in addition or replacement of pre-made salad options. Customers can purchase a “one-time” salad as a side to their cheesesteak, or an “unlimited” salad bar to serve as an entree. This could attract more health-conscious diners and also people who don’t eat meat.
8. Expand dessert menu to have Philadelphia favorites such as pudding, cannolis, ice cream, and water ice.
9. Offer kids’ toys in children’s meals to encourage customers to bring their whole family.
10. Add calorie count to menu items. This provides a transparency important to many millennials.
11. Offer other hot sandwiches such as Chicken Cordon Bleu, Chicken bacon ranch, BBQ Pulled Pork, Steak with Chimichurri sauce. These can still be served on an Amoroso roll.
12. Offer a Turkey Cranberry sandwich around the holidays. This may increase sales around that time of year but wouldn’t be as costly as having a new item all year round.
13. Offer a signature drink like root beer and have different flavors.
14. Offer sweet potato fries as another side option.
15. Offer additions such as fresh avocado, or green chile dipping sauce, for an extra cost
16. Offer high specialty protein sandwiches and advertise it for athletes.
17. Widen supplier choices in order to have a backup if a supplier is unable to source a product. This will allow Taste of Philly to provide fresh ingredients even with shortages or natural disasters.
18. Obtain a license to serve spirits, and offer a select few beers and wines. These can be a mix of local brews and Philly favorites. This may attract more native Coloradans who may care more about the beer than the sandwich.
19. Offer the biggest philly cheesesteak and promote it as a competition for discounts or merch. People would be inclined to spend more on the sandwich just for a chance at the prize.
20. Offer Philadelphia and Taste of Philly merchandise to drive revenue and promote the brand.

Promotion:

- 1. Re-build website to make it more user-friendly and aesthetically pleasing. Websites are very important to consumers nowadays, especially millennials.**
- 2. Develop a phone app to expedite ordering, allow customers to peruse the menu, and order delivery. There could also be an option to “load” money and pay using the app, as well as keeping track of reward points. Many restaurants offer services like this and it would keep Taste of Philly relevant in today's technological environment.**
- 3. Improve rewards program and integrate it with app. Integrating it with the app would make it easier for customers, and it would also make the process easier at checkout so that you would not have to wait for the customer to enter their information to get the points. This would allow customers to use the rewards system more consistently, benefitting both them and the Taste of Philly.**
- 4. Use a punch card system instead of a dollar value system. Example: buy 10 sandwiches, get one free; buy 5 sandwiches, get a free drink.**
- 5. Create a Mission Statement. A possibility to think about incorporating is: “The best price for a flight to Philly you’ll ever find: Authentic philly cheesesteaks right in Colorado.”**
- 6. Create a social media presence on Facebook and Instagram by sponsoring ads within a specified range. This could limit your advertisements to your location so that you could advertise for Lakewood specifically.**
- 7. Create paid advertisements on streaming platforms (like Spotify and Pandora), Snapchat, Instagram, and/or Facebook.**
- 8. Set up a booth at football games for Wheat Ridge High School. The use of a couple warming trays of pre-cooked meats and veggies would allow Taste of Philly to serve their cheesesteaks quickly to fans and players alike. This could attract more high school students to your restaurant.**
- 9. Advertise at nearby schools for graduation parties. Many people host large high school graduation parties, and Taste of Philly offers catering. Their proximity to Wheat Ridge High gives them the advantage of name recognition.**
- 10. Designate one or more person(s) as a “marketing team.” This would take some of the weight off of your shoulders and would ensure that objectives continued to be met.**
- 11. Create a mascot or some sort of face of the company to promote at local sporting events and on other advertisements.**
- 12. Advertise with the high school through yearbook, performing arts programs, etc. This will get your brand known and attract more students to eat there.**
- 13. Get on board with Discount Card and the local high school (the sponsoring business benefits by free advertising and increased patronage).**
- 14. Run television ads showcasing philly cheese steaks and meal deals of the month.**

Place:

1. Create designated parking spots for takeout orders so customers can get their food as quickly as possible after ordering by phone/online.
2. Open a drive-up window for customers in a hurry. This would allow customers to park very close and quickly pick up their food that they had pre-ordered without having to wait in a long line.
3. Improve parking for dine-in customers.
4. Buy a food truck and set up a strategic alliance with breweries around town. Food trucks have a low overhead, with high profit potential.
5. Open a location in a more concentrated area (Colorado Mills).
6. Improve outdoor seating to be used during nice weather. Provide umbrellas or other shade options. Can make it dog-friendly, too.
7. Consider extending hours on weekend nights to attract more late-night diners.
8. Provide health care options for full-time employees, as well as PTO accrual options. This will help to generate loyalty among managers and other full-time employees.