Master International Business MIB
FINAL MASTER PROJECT

FOOD LIKE HOME

BUSINESS PLAN
Latin native food for Latin American students and residents in Madrid

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Madrid, February 2020
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1. Executive Summary

Food Like Home is a company that aims to make Latin native meals mainly from countries like México, Perú, Ecuador, Colombia among others and focused to University and Master students from schools like EAE Business School, ESADE Business School, IE Business School, EUDE European Business School among other public and private universities and business schools located in Madrid.

It has been observed that Latin Americans are people who tend to miss family, customs and especially food, that is why this business idea focuses on satisfying one of the main needs of people (food) and instead of invest time, effort and money in going to the supermarket to find food that is similar to their native in order to prepare the recipes they already know and preparing their daily meals, they can use this time to focus in their studies, homework and even socialize or know the city for an extra percentage of the monthly budget and be able to taste the same food they would eat at home. That is why Food Like Home’s mission is to meet the daily needs of Latino residents and students of universities and postgraduate centers in Madrid, thus anticipating the aspirations of our customers through the delivery of quality and native products from their countries of origin.

The company’s vision is to be leaders in the field of food for Latino residents and students from different study centers, as well as allow our customers to enjoy their food in the comfort of their home or study centers optimizing their times and using them to concentrate on their studies.

All Food Like Home employees will be encouraged to defend the company’s values. The values of the organization are based on the respect, professionalism and development of our employees, since a happy and motivated worker is a good worker. The staff will be trained to develop quality products complying with the corresponding sanitary norms, as well as to give the correct follow-up and adequate customer service to create loyalty to the company. Apart from that, the organization will be dedicated to committing itself to the environment using ecological and recyclable materials, as well as in the social field supporting various associations of homeless people donating food in good condition that is not used.
With all these elements included in Food Like Home, it is time to position ourselves in the universities and business schools of Madrid. All trends, upcoming ideas and changes in student lifestyle are born here, and the company is ready to face this challenge.

The food distribution and logistics chain will be strategic, but it will not be enough to be in the right place if students do not go to this service, as a consequence, the marketing success of Food Like Home will be through advertising on the sites adequate, in addition to word of mouth marketing by students and through pages such as Facebook and Instagram segmented to the Latino population and students living abroad, in addition to influencers in technological and study subjects.

Food Like Home operations model begins with guaranteeing quality along the value chain from suppliers to after-sales service, with a robust team that will work flexible hours in a warehouse with industrial kitchen and located in a strategic neighborhood of Madrid, efficiency and commitment will be part of the success of the development.

Our services include two products, the first one is the native meals delivered to the principal universities and business schools in Madrid once a week selected from the website or the app and the second one is a native food box with approximately 15 products from a latin country as it works Lainboox for Spaniards.

In spite of requiring a huge financial effort, at the end of the third quarter of year 3, the expected results will be seen obtaining profits, just as the client will have of the platform and services. It should be noted that liquidity is something that will characterize the business and is practically what will keep it stable.
Examples of Our Service

Nuestra LAINBOOXPEOPLE
¡Mil de personas ya lo han probado!

Come bien todos los días
No cocines. No limpies. Disfruta
Cocinamos y te lo entregamos en tápers

HAZ TU PEDIDO
2. Environmental Analysis

2.1 PESTEL Analysis

Political Factor

Spain is a sovereign country, a member of the European Union, a democratic State governed by the rule of law and a parliamentary monarchy. Spain goes through a conflicting political position, both political differences between cities (Madrid - Barcelona) and the political parties at national level. Also, the current party in charge of the government was the socialist of those who are expected to support the new entrepreneurs.

One of the biggest problems that have to put under the table are the regulations for the entry of foreign people, decreasing highly the number of people in our main market. On the other hand, once we wanted to expand the business to the Spanish residents (because they would like taste Latin food) is important to take into consideration that it is a country marked by nationalisms where in addition to Spanish there are more official languages such as Galician, Basque or Catalan, a point to be taken into account as the obligations to be fulfilled by companies at national level are, for example, the marking of signs and posters in the various official languages or the possibility of serving clients in the different languages.

Economical Factor

The economy in Spain has improved over the years, however, economists predict a crisis that can affect not only Spain but the world. Economist expect that for 2019 the GDP (PIB) will decreased at least 0.2%. However, recently report by INE (Annex, Chart 1) shows as that the first trimester in 2019 the GDP (PIB) growth 0.7% compared to last year, leaving Spain as the best economy in Europe so far.

The recent uncertainty Political problem let the entrepreneurs and investors in limbo because in projects like FOOD LIKE HOME, any changed in regulations, rules, etc, can affect the economy of the country, affecting probably in higher demand foreign people, who send remittances to family and can start avoiding to spend money or adjust their expenses in food and taking cheaper local options.
Another important aspect for entrepreneurs and investors is continuous growing unemployment rate (tasa de paro) with 14.3% in 2018. Data in Annex, chart 2, 3 and 4 shows as the reality of the country per gender, age and the evolution of unemployment during the last years. Even so, Spain is one of the most visited countries that students choose to begin a master (the top 5 countries) with 20% of the total master students (chart 5) and with an important number of Latin American residents.

**Social Factor**

According to the 2017 INE report the average wage in Spain is 23k yearly with an average amount of consumption in 11k per capita. We can see in first place housing and services, second place no alcoholic drink and food.

Spain is a multicultural country with a large population of immigrants including Moroccans, Romanians, Italians, French, Mexicans, Peruvians and Ecuadorians like those who occupy the first places. A diverse society that has mostly learned to live together and accept different customs. In turn, cultural diversity has brought attractiveness to the city, showing neighborhoods with traditions such as Chinese, Moroccan, etc. It presents an education with figures reaching 96% (source, WDI) of the population with completed secondary studies. Chart 6, in the Annex, can show us the distribution of population in Spain for person in working age.

**Technological Factor**

Spain has an investment for the development of technologies in 1.19% on the value of GDP, which makes it a country with interests of growth and discovery in the EU. With the development of technology the country has benefited from the creation of apps, telephony, however the recent cyber conflict between US and China can affect this growth as well as impact on the economy of the world.

**Environmental Factor**

Last year’s Spain has been deeply interested in reducing the percentage of polluting gases in all its communities. There is a reduction in the use of cars, and they encourage the use of other ways of transport, besides, a culture of recycling and decrease in the use of plastic, evidenced in supermarkets, who no longer deliver free plastic bags. The rules supporting this initiative are: 293/2018, 782/2998, in the year 2016 Spain
invested around 639MM in recycling and developing tools and technology to process organic matter. (See Annex, chart 7)

**Legal Factor**

Spain is a country with laws that protect the citizen, consumer and that help to combat the difficulties that it has managed to identify:

- Consumer Law Spain Consequently fulfilling the mandate contained in the fifth final provision of Law 44/2006, of 29 December, on improving the protection of consumers and users, requires the incorporation into the consolidated text of the General Law for the Defense of Consumers and Users and other complementary laws.


- The draft comprehensive law on equal treatment and nondiscrimination was adopted by the Spanish Council of Ministers on 27 May 2011. The rule seeks to eliminate any type of inequality based on physical appearance, age, sexual orientation, race, disability, gender or belief. Unlike the EU guidelines, it will apply not only in the workplace but also in other areas, such as education.
2.2 Megatrends Affecting The Factors & Dimensions

The business of evaluations of trends and mega trends in the food sector has grown enormously in recent years. Companies are increasingly making use of this data to be able to reach their goals and not be affected on the road by the changing world of the consumer and be hit by future events.

Technology Dimension

Technological changes in the food industry offer great opportunities for FOOD LIKE HOME to achieve its objectives of consolidating itself as a powerful company and achieving the desired growth, due to the operations control strategies it has related to technology, such as, the use of an integrated system that allows us to know what happened at each stage of the operation from the sale through the preparation / packaging to the customer's feedback. In addition, the system that will allow you to control the stock of your products and know their rotation taking into account the demand and seasonality.

Environmental Dimension

**Global Warming**
It is important to consider that in the Latin American countries they present every year majors and new natural disasters that affect the harvest and production of products, affecting the crops. For example, the child's phenomenon, the girl's phenomenon, huaycos, river overflows due to excessive rain, etc.

**Shortage of Resources**
There are countries and cities in Latin America that have scans of essential products for the preparation of some dishes. This scale may be due to the prohibition of trade in products vs. season.
Economic Dimension
The economic crisis that occurs in various countries and with it the difficulty in the development of the country as the purchasing power evidenced in GDP and GDP indicates that in Spain the media class has a tendency to be less and less year by year.
On the other hand, globalization connects the economy and business globally but affects consumption trends and makes more powerful businesses succeed.

Political Dimension
The constant cases of corruption in Latin America that nowadays include the presidents of each country have an impact on the movement of resources between countries, the investment and the economy of the country.

Social Dimension
The overpopulation of some cities and in space the places where the land is adequate to cultivate hand in hand with the urbanization of these lands, directly affect the food business.

The pollution produced by this event affects the production and in the same way the products of the harvest, losing more and more the quality and the purity of the same.
2.3 Industry Analysis

The number of Latin American students who decided to apply for studies in Madrid and Europe is increasing year by year. Every year we find in classrooms around 17% of Latin people in Madrid. These people, according our surveys, have time to cook at the beginning, passing thought the exploration to Culture shock step, where people start missing home, family food, felling anxiety to find something similar to their countries.

On the other hand, 43% of the immigrant’s residents in Spain comes from Latin America (Ecuador 13%, Colombia 8%, Bolivia 6%, Peru 5%, Argentina 2%, Paraguay 1.5%, and Brazil 1%) which means a big market, that increase yearly, to sell the products that FOOD LIKE HOME offers.

FOOD LIKE HOME give them the possibility to mitigate these feelings offering high quality products. We also help you to focus on your studies, group works and rest after that sending them the food prepared and ready to eat.

According the last surveys in Latin America and some Schools in Europe, Madrid is in the top 10 of cities to study Masters in Europe, with that, there are a lot of foreign students that comes to the country, initially to find information but then to live there. We can see according to Minister of Education, the graph below. Note that the Latin Americans occupy second place in terms of students enrolled in master’s degree at private universities or schools. As we know, Latin American cultures are very close to family and customs, including food. The presence of Latin American students and residents in Madrid is increasing day by day because of that there are more traditional markets and restaurants in the city.

FOOD LIKE HOME was created to satisfy the needs of Latin people, focus on meeting one of the primary needs (food), making the time they would invest in preparing their daily foods or finding native products, in study, socialize, know the city, etc.
2.3.1 Porter's Five Forces Analysis

- **Bargaining Power of Buyers**
  - Few Latin products suppliers
  - Costs of products imported can increase suddenly
  - Meals can be by season
  - Suppliers have control of the prices

- **Threat of New Entrants**
  - Fast food restaurants like McDonalds and Burger King
  - Going to the supermarket
  - Specialized Latin stores

- **Bargaining Power of Suppliers**
  - Barriers to entry are low
  - Low capital of investment
  - New Brand
  - New concept
  - Distribution channels like Uber eats and Glovo

- **Threat of Substitute**
  - There are 2 companies that have this concept but with different food
  - All restaurants and Apps like Uber eats and Glovo could be considered as competitors
  - Apps companies make restaurants to offer discounts

- **Rivalry Among Existing Competitors**
  - Consumers do not know the concept
  - Latin consumers in schools can vary
  - Price sensitivity
2.3.2 Industry Attractiveness Analysis

The number of Latin American students who decided to apply for studies in Madrid and Europe is increasing year by year. Every year we find in classrooms around 17% of Latin people in Madrid. These people, according our surveys, have time to cook at the beginning, passing thought the exploration to Culture shock step, where people start missing home, family food, felling anxiety to find something similar to their countries.

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FOOD LIKE HOME give them the possibility to mitigate these feelings offering high quality products. We also help you to focus on your studies, group works and rest after that sending them the food prepared and ready to eat.
2.4 Market Analysis

It has been observed that Spain is in first place in the top 10 of European countries to study abroad, with a population of 46.7 million people and 60,000 international students. Another reason why students choose Spain to study is because of the cost of living is relatively low, it has a fantastic climate, exciting cities, beautiful landscapes to explore and more than 70 universities to choose from, besides studying in Spain also gives the opportunity to learn the second most spoken language in the world.¹

On the other hand, Madrid is in the top 10 of cities to study Masters in Europe, especially for American and Latin-American students who want to study either a semester of the degree or a master to improve their knowledge.²

According to Ministerio de Educación, Latin-Americans occupy the second place in terms of students enrolled in any program in a university in Madrid and according to Ministerio de Ciencia, Innovación y Universidades occupy the first place in master’s degrees at private universities or schools as it can be seen in the following graphs.

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¹ (Educations, 2019)
² (McCollum, 2019)
Strategic Map

The following Strategic Map was elaborated to show our goals in every field of the entirely operational process. The first field, Financial, let us know that we would like to focus on generate money, which is the base of any company, but without losing the focus on our customers, with whom we need to work very closely to get good feedback, to be well-positioned in the market that we want to penetrate.

In addition, working close with customer means to work close with our people. We would like to have people who feel comfortable to make feel comfortable others, which is why we have the objective to train constantly, develop skills and have an open doors culture.

Our first step to accomplish all the goals that we have is to attract talent to the company and make them feel what the partners feel and to share with them all the goals of the company.
2.4.1 Offer Analysis: Strategic Groups

2.4.1.1 Direct Competitors

Food options in Madrid that offer delivery / convenience for customers

It is important to mention that in Madrid there are several platform options that offer quality and healthy elaborate meals for the whole week, taking into account that people’s awareness of the importance of time in a city as large as Madrid has increased in recent years. In addition to applications such as Uber eats, Deliveroo and Glovo, they have grown in popularity because of the effectiveness of bringing restaurant meals to homes, universities and offices, therefore, ordering prepared meals is becoming a worldwide trend.

Some examples of platforms similar to our concept are:

1.- Wetaca

Wetaca is a platform that offers gourmet dishes such as meat, fish, pasta, salads and desserts delivered weekly in the comfort of home. Their main objective is to ensure that food worries disappear, and people do not have to spend their free time cooking. Making people feel like children, like when eating was simply enjoying, providing food to anyone who doesn’t want to cook.³

2.- Tupperdición

Tupperdición is a platform that offers a balanced weekly menu with seasonal products vacuum packed and delivered in the place of preference. Its main objective is to provide food to anyone who does not want to cook or does not have time to do so, without the rush, lack of time, restaurant prices and the limited offer of local menus or simply not having the desire or the knowledge to cook.⁴

³ (Wetaca, s.f.)
⁴ (Tupperdición, s.f.)
2.4.1.2 Indirect Competitors

Food options in Madrid that offer delivery / convenience for customers

1. - Foodinthebox

Foodinthebox is a platform that offers a box with recipes and ingredients to cook healthy and balanced dishes with simple steps that explain in detail how to prepare them. Their main objective is to provide sustainable recipes and products, where food is organic, personalized and maximizes health benefits by eliminating intermediaries.

2. - LainBoox

Lainboox is a platform that offers a box with Spanish products such as Cola Cao, Cocido Gallina Blanca, Fuet, among other Spanish products. Their main objective is to ensure that Spaniards living abroad can obtain the products they miss from their country and somehow, they can feel at home.

2.4.2 Competitive Analysis
### Why Conduct This Analysis?

Anticipate changes in the market that we can use as a competitive advantage and help us develop strategies and plan the growth of the company by discovering opportunities and threats.

### Competitive Analysis

<table>
<thead>
<tr>
<th>Food Like Home</th>
<th>Wetaca.com</th>
<th>Tupperdición.com</th>
<th>FoodInTheBox</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provide native food to Latin residents and students from different study centers, with an extra percentage of the monthly budget they have to buy in supermarkets and taste the same food they would eat at home.</td>
<td>Get the worry about food disappear and people do not have to spend their free time cooking. Make people feel like children, when eating was just enjoying, providing food to any person that do not want to cook.</td>
<td>The rush, the lack of time, the prices of the restaurants, and the limited offer of the local menus or simply not having the desire or knowledge to cook, providing food to any person that do not want to cook or do not have the time to it.</td>
<td>Provide sustainable recipes and products, where food is organic, food is personalized and maximizes health benefits removing the intermediaries and receiving the products at home.</td>
</tr>
</tbody>
</table>

### Profile

**Overview**

Native food from Latin America at reasonable prices that will make students and immigrants feel at home without the need to be.

**Competitive Advantage**

What value do you offer customers?

Native food from Latin America at reasonable prices that will make students and immigrants feel at home without the need to be.

Gourmet dishes such as meat, fish, pasta, salads and desserts delivered weekly in the comfort of home.

Weekly menu balanced with seasonal products vacuum packed and delivered to the place of preference.

Box with recipes and ingredients to cook delicious healthy and balanced dishes with simple steps explaining in detail how to prepare them.

### Target Market

**LATAM students who do not have time and knowledge to cook with ingredients from other countries.**

People who do not have the time to worry about cooking.

People who do not have the time or knowledge to cook.

People who want to avoid wasting food that do not use and have a healthy lifestyle.

### Marketing Strategies

Segmented Instagram and Facebook campaigns, Word of Mouth between students and in Facebook groups focused on LATAM people, advertising and agreements of discounts with Universities.

Social Media campaigns, Word of Mouth, emailing and Google research.

Social Media campaigns, Word of Mouth, emailing and Google research.

Social Media campaigns, Word of Mouth, emailing and Google research.

### Product Profile

**Products & Services**

Native dishes and native box with LATAM products.

Gourmet dishes.

Dishes with seasonal products.

Box with healthy products and a recipe to prepare them.

**Pricing**

6€ - 8€ per dish and a 50€ native box with LATAM products for a month.

6€ - 8€ per dish with a minimum order of 22€.

7€ - 9€ per dish.

35€ - 90€ box with healthy products and recipes.

**Distribution Channels**

Delivered to Universities or place of preference through private transport and carriers.

Delivered to the place of preference through private transport and carriers.

Delivered to the place of preference through carriers.

Delivered to the place of preference through carriers.
2.4.3 Competitive Profile Matrix

As we can see on the table above, “FOOD LIKE HOME” has the highest total score on the competitive profile matrix, followed by Wetaca.com competing in price, quality, platform and distribution.

However, it is important to point out that FOOD LIKE HOME has a different target that is more focused to foreign students principally from Latin American countries studying in a University in Madrid and do not have time to cook while are studying and miss their native cuisine.
2.4.4 Competitive Advantage

FOOD LIKE HOME plans to be the biggest company in prepared and non-prepared native food for Latin American students and residents. In strategies to get that we are focusing in develop the business in the following way:

- Use of organic materials to protect the environment and to reduce the monthly variable costs
- Use of Hybrid cars to deliver the food to the final destination to reduce the expenses in gasoline and protect the environment
- Our cookers are going to be South American and prepare professionals to maintain the quality and original taste of the food
- The import of principal products is going to be with well-known distributors and taking care of the quality (fresh products)
- To provide the “Box of food” service we are going to base the information in monthly or quarterly surveys to know the real necessity of our clients and provide the right products to be seen as a real investment in exchange for a useful return
2.4.5 SWOT Matrix

- **Strengths**
  - Excellent customer service
  - Variety of dishes for Latin students
  - Lower prices in comparison with restaurants and food centers

- **Weaknesses**
  - New brand and time to be known for students

- **Opportunities**
  - There is a large number of foreign students in the main schools in Madrid
  - Few places of international food near schools
  - High food costs near schools

- **Threats**
  - Difficulty getting supplies in Spain
  - Coffee Shop in schools
  - Coffee shop with more variety of products (different than meal)
3. FOOD LIKE HOME

3.1 Introduction of the Company

Food Like Home is a service to provide native food to Latin residents and students from different study centers, with an extra percentage of the monthly budget they have to buy in supermarkets and taste the same food they would eat at home. The service includes two products: box with native food and delivered native food.
3.2 Vision, Mission & Values

3.2.1 Vision

Be leaders in the field of food for Latin residents and students from different study centers and allow our clients to enjoy their food and optimize times.

3.2.2 Mission

To satisfy the daily needs for Latin residents and the students of the postgraduate centers in Madrid, anticipate the aspirations of our customers through the delivery of quality products.

3.2.3 Values

1. **Respect**, we respect all our workers, train them and take care about them and the things that are important to them.
2. **Professionalism**, our compromise is to bring a good service to all our customers following our standards, ethics and high-quality product.
3. **Development**, we have interest in help our workers to develop their personal skills and professional career.
3.3 Products and Services

Food like home have plans to have two types of service in this project:

1. **Delivery Native Food:** We offered the possibility to have your native country food ready to eat at your School, University, etc. The list of dishes you can choose from Monday to Friday can be picked up in our web platform or App. The selection of dishes and country of food can be changed weekly.

2. **Box full of Latin Products:** Paying a membership you can have in your home a monthly box full of Latin American products. The type of products can be chosen in the web platform: To cook or candies and cookies and beverage.
3.4 Technology

Information technology drives innovation and innovation is the path to the success. It’s hard to imagine any business that has not benefited from the digital revolution. The formula for business success is simple: drive innovation with information technology.

Our technology department has the objective, as well as the entire FOOD LIKE HOME team, to be able to provide the best experience when purchasing our products, making your passage through our platforms a unique, simple and generate the feeling of help and understanding.

Thus, our goal in the area of technology is to work through a process union tool, which allows the company to help make the best decisions, purchasing, inventory, times, quality and also to collect the comments of our customers in relationship not only to food but to the customer service.

Our customer support tools in which you can learn about the company and everything related to our products and services.
3.4.1 Our Web Site

Our business is having a strong IT background. www.foodlikehome.es is an official website which is very easy to use:

- Client’s just have to register by Name, mail address and phone number. All the information is stored into database, which is much secured, all the information is kept individually and private.
- After the registration all the users have their unique login name and password so they can access their account.

The user have two types of page view one is for native food user and another for box product. Any user can switch their page during their session just by clicking on “switch to native” or “switching to box product”.

All the peoples have a doubt in their mind is there Account information (card number, password, cvv number) and many more information are safe or not. For this we are using the QR code which means none of your account information is going to share with us.

The FoodLikeHome application for android mobile and IOS mobile users can download directly from play store or App Store, just search Foodlikehome/FLH. Very easy and secure to use.
3.4.2 Our App

Another way to get to know the company and start the adventure of tasting the dishes offered is through the LIKEHOME application. In this you can access both the platform of prepared dishes and boxes. You can also know the status of your order in real time.
3.5 Service Process Model to Replicate

Food like home has a way to process the delivery of your orders quickly and take care of the quality of the deliverable.

The process is the following:
3.6 Location, Objectives & Strategy

FOOD LIKE HOME is a new company that plans to open operations in Madrid and will have 20 different dishes and divided by country within its initial product range. The choice of starting operations in Madrid has been due to the increase of Latino students to the most important schools that are located in this city.

3.6.1 Location: Madrid

Food Like Home will be working in Madrid with meals and within Spain sending the boxes. Therefore, the next step for the company will be to send the boxes throughout Europe for Latinos residing abroad.

This city is selected because:

• It is the tenth most chosen city in Europe to do masters.
• As stated before, it has the largest population of Latino master’s students in private schools.
3.6.2 Objectives

- Get 8% of the target market in 1 year

16.4% of the Latin market studying in Madrid is a small market, in addition to taking into account that the master's degrees last approximately 1 year plus one year of practice. The achievement of the target market translates into 2,500 clients, being that in 2017 in Madrid there were a total of 5,182 master's students.5

- Expansion plan for sending boxes to the entire European Union in 1 year.

In this objective, we intend in 1 year to expand our sales to Latinos living in countries such as Germany, United Kingdom, Ireland, France, among others.

- To be among the first options when it comes to food prepared by delivery.

In this objective, we will seek to position the brand and that among the students it sounds and there is one more option when I am doing a job and say I have to go to the supermarket.

- Create brand awareness in social networks by segmenting the target market in Madrid, reaching 8% of our target (2,500 potential customers)

Social networks have become the latest form of advertising through which companies have taken these platforms to understand the needs and preferences of consumers through segmentation and cookies. For example, through social networks, it is possible to apply big data analysis in order to learn and predict consumer trends. In addition, we plan to use promotions as “Get a 10% discount when ordering through Instagram or Facebook”.

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5 (Garcinuño, 2017)
3.6.3 Strategies

To achieve the above objectives, different approaches will be established.

• Position the brand through approaches such as advertising to generate familiarity with customers. This will ensure that the target market segment is well informed of our products and services, so it will influence your intention to buy.

• Promote customer satisfaction through approaches such as quality and price to meet and maintain their expectations.

• Ensure fresh products to compete to gain a competitive advantage ahead of competitors in the industry.

• Create a shipping plan either supported by Correos de España or some private company to be able to have reduced shipping costs and to be able to offer the box with free shipping.

• Create a marketing plan focused on social networks. In this approach, the role of social networks is considered due to the fact that the majority of the target market has access to one or more social networks such as Facebook, YouTube, Instagram, between others.
Since every year that passes more students from Latin American countries choose Madrid as a place to study either a semester of the career or a master's degree the market is much wider now than ten years ago. In addition, Food Like Home does not position itself as a leader in prices, nor a leader in the sector of healthy or gourmet prepared meals and it is not interested that its customers perceive them that way, since the business is focused on Latino students who just want to feel at home eating dishes originating from their country. Consequently, the company is identified within the "differentiation" strategy.

Food Like Home seeks to be unique in the niche market of prepared meals originating from Latin America. This strategy will be achieved by not selling to our customers in a restaurant or a healthy gourmet meal, but by selling them through a delivery to the universities and business schools of Madrid. In the same way, Food Like Home seeks to differentiate its products from direct and indirect competitors by offering its customers fresh and delicious Latin meals vacuum-packed in order to preserve the flavor and quality of the product so that they save time, money and can enjoy them during the week.

The company wants to sell products that are perceived to have greater value for its consumers and will constantly implement strategies to attract current and new customers to try this service.
FOOD LIKE HOME plans to be the biggest company in prepared and non-prepared native food for Latin American students and residents. In strategies to get that we are focusing in developing the business in the following way:

- Use of organic materials to protect the environment and to reduce the monthly variable costs.
- Use of Hybrid cars to deliver the food to the final destination to reduce the expenses in gasoline and protect the environment.
- Our cooks are going to be South American and prepare professionals to maintain the quality and original taste of the food.
- The import of principal products will be with well-known distributors and taking care of the quality (fresh products).
- To provide the “Box of food” service we are going to base the information in monthly or quarterly surveys to know the real necessity of our clients and provide the right products to be seen as a real investment in exchange for a useful return.
3.6.5 Kotler Competitive Strategies

Food Like Home does not seek to position itself as a market leader, since there is not much competition in the market with the same specific products for the same specific segment. Nor does it seek to position itself as a market challenger or a market follower, since it will not compete against someone else or following the steps of a specific brand. The main objective of Food Like Home is to offer its consumers: people who have little time available and are focused on their studies, a variety of options known to them in a convenient way. Therefore, Food Like Home is considered a "Market Nicher".

A market niche is a small segment of consumers in the market that are willing to pay a premium price for a product that satisfy their needs. A market nicher is “a company that sells a product or service that few other companies provide” or a company that “has a distinctive product that appeals strongly to a particular consumer group” and therefore market Nicholsoner need to design specific products with certain qualities and value for this limited group of customers.
4. Planning Phase

4.1 CANVAS Business

**Key Partners**
- Latin-American product importers or distributors
- Boxes and recycled suppliers
- Ecommerce logistics companies
- Universities and Business Schools
- Social media
- Influencers

**Key Activities**
- Quality Control
- Manufacturing

**Key Resources**
- Quality
- Manufacturing
- Environmental Friendly
- Product Variety

**Value Proposition**
- Save time
- Save money
- Do not cook
- Enjoy
- Feel Like home
- Experience
- Convenience

**Customer Relationships**
- Self Service
- Sales and Customer Support

**Customer Segments**
- Segmented market
- Master students

**Channels**
- Food Like Home.com
- Food Like Home App
- Distribution Van

**Cost Structure**
- Cost Driven
- Production Cost
- Procurement
- Marketing
- Post-sales Service

**Revenue Streams**
- Online Sales
- Meals sales
- Box sales
- Subscription Revenue
4.2 Marketing Plan

4.2.1 Objectives & Strategies

Objectives

Food Like Home will go to the market with three prime objectives. First, it aims to introduce the company and the brand in Madrid. The company is aware that will face huge challenges at the beginning, that are to make known the brand and service among Latino students of career and masters in the main universities and business schools of Madrid, and also to making it known Latino residents who are not studying or not just come to spend a season in the country.

The second objective in this marketing plan is targeted to the students or residents from Latin America in Spain interested more in the meals in native products in our boxes.

In addition, that along the way the company will encounter different challenges for the business, which will be learning points and improvement of the service, since its objective is to meet the needs of those who will be loyal customers and new customers every year, since the school periods and the master's degrees end and each time new students enter as new final customers.

Finally, this marketing plan aims to transmit the essence of Food Like Home while trying to expand and increase its market share, the organization will seek to uphold its defining characteristics that includes freshness, convenience and the experience of feeling at home.
**Strategies**

By using Facebook, Instagram and advertising in universities and business schools Food Like Home would be able to increase its brand awareness and popularity in Madrid. It could be said that Facebook and Instagram are the largest social media platforms, not only in Spain but also in the world. Therefore, they offer the opportunity to publicize the unexploited, but potential market where Food Like Home could share its aspirations to live a unique experience and make people who are somehow outside their native countries either by a definite time or an indeterminate time feel at home.

The plan aims through Facebook, use groups and communities of Latinos in Madrid that are used either to make inquiries about the country, procedures, lifestyle, look for a room and act as brand ambassadors to be fundamental in the Food Like Home promotion among social media users. On the other hand, we will take advantage of Instagram by using a service of segmentation aimed at Latin people in Madrid, so that when they are on the platform they will see advertising of our product and service, as well as through cookies and Latin people who look for Latin food options, they can know our business.
4.2.2 Target Market, Persona & Forecasting

4.2.2.1 Segmentation

In order to recognize Food Like Home’s target, the process must delimitate Madrid’s population by different and valuable criteria.

The main elements to delimit for this segmentation are:

• Delimitation by universities: Due to master students often choose between the most prestigious and best ranked universities to do a master's degree in Madrid, market segmentation is one of the keys to the success of the company.

• Location delimitation: Company location is another key to success, Food Like Home should aim to be in the right neighborhood of Madrid, as this will be very helpful when it comes to the correct distribution of the product.

• Ethnicity: Although it is not a service that is necessarily offered to Latin people we must take into account that a potential client would not be a European person, since they could not know neither the dishes nor Latin American culture, so the origin of the person is also an important factor.

• Age range: The age range is a very important influencer at the time of market segmentation, since the majority of students who make exchanges during their career or a master are between 18 and 35 years, so it is a factor that must be taken into account.

• Education level: As it is mainly focused on students, the level of education is an important factor as well.

• As for the residents that may be interested in food for not having enough time due to their work or the products box for the simple fact of missing certain things that do not exist in the country or are very difficult to obtain and very expensive.
4.2.2.2 Target

We are considering focusing on people from the following segment:

Product 1:
- Latin American students, from 18 to 35 years old
- Students from Universities, Business School.
- Madrid, inside M30 for daily delivery

Product 2:
- Latin American residents and students from 18 to 60 years old
- Comunidad de Madrid, Madrid
### 4.2.2.3 Persona

#### Persona 1

**Personal Information:**
- Name: Diego Sanchez
- Age: 26 years
- Occupation: Master Student
- Country: Chile
- Status: Single no kids
- Parental Support: 1,100€ / month

**Important attitudes:**
- Goes to the mater from Monday to Thursday
- Does not like to try new things
- Does not know how to cook
- Goes to the gym at least 3 times a week
- Misses the food from Chile

**Goals:**
- To graduate his master
- To start his trainee and find a job in Spain
- To have time to study, go to the gym and have social life

**Challenges:**
- Does not have time to study, do homework, go to the gym and go out with his friends
- Finding enough time during the week for everything and learn how to cook

**Main sources of information:**
- Social Media (Instagram or Facebook)
- Friend’s Recommendations

**How we help:**
- Offer affordable native meals delivered to his university so he has time to do the things he loves, eating food he knows and like without the concerning on how to cook it.
**Persona 2**

<table>
<thead>
<tr>
<th>Personal Information:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Name: Laura Morales</td>
</tr>
<tr>
<td>• Age: 22 years</td>
</tr>
<tr>
<td>• Occupation: University Student</td>
</tr>
<tr>
<td>• Country: México</td>
</tr>
<tr>
<td>• Status: Single no kids</td>
</tr>
<tr>
<td>• Parental Support: 900€ / month</td>
</tr>
</tbody>
</table>

**Important attitudes:**

- Goes to College every day
- Misses her family
- Loves going shopping and to the movies
- Misses her mother homemade food
- Loves spicy food

**Goals:**

- To graduate college
- To go back to his country
- To have time to study and going shopping

**Challenges:**

- Does not have time to study, do homework, and go out shopping or to the movies
- Because of the home sick she gets depressed sometimes

**Main sources of information:**

- Social Media (Instagram or Facebook)
- Friend’s Recommendations

**How we help:**

- Offer affordable native meals delivered to his university so she has time to do the things she loves feeling like she is eating her mother’s food.
Persona 3

**Personal Information:**
- Name: Juan Benitez
- Age: 32 years
- Occupation: Electrician
- Country: Perú
- Status: Married with two children
- Income: 1.200€ / month

**Important attitudes:**
- Goes to work from Monday to Saturday
- Enjoys having a good lunch with products from Perú
- Misses having some Pisco with his friends

**Goals:**
- To get a resident visa with his family
- To get a better job
- To enjoy the weekends with his family and friends

**Challenges:**
- Does not have the ingredients to make a Peruvian lunch every day
- Pisco is low quality and too expensive in the Latin American stores

**Main sources of information:**
- Advertising
- Friend’s Recommendations

**How we help:**
- Offer an affordable box of native products delivered to his home and he can choose between 15 products from Peru or other Latin American countries.
4.2.2.4 Forecasting

Once having the objective and a clear idea of the people who get our product, the next step is the forecast.

Variables
The elements considered for project sales are:
- Target by university
- Expansion plan and launch dates.
- Average number of students per university or business school
  - Positive Seasons:
    - Pre-summer season (May and June)
    - Post-holiday season (January and February)
  - Negative stations:
    - Summer (August)
    - Holiday season (December)

Forecasting Method
1. Once set the expansion objectives by University
2. Project the positive / negative effects on demand due to seasons, promotional activity and launching of new products
3. Divide the sales according to the type of product and service.
4.2.3 Marketing Mix

4.2.3.1 Product

Food Like Home is a company that will work to change the paradigm of obtaining food or products native to Latin America that are very expensive or difficult to obtain.

With an active interaction in social networks, events related to food and making each communication channel more interactive Food Like Home will develop solid advertising that will be recognized among students for its quality and freshness of the products delivered, as well as the most requested native products in each Latin American country.

• Product: Products made as Latin foods will be the most requested meals by Latinos per country and will be a variety of dishes per week. In relation to the products inside the box, customers will be able to mix approximately 15 native products with an approximate portfolio of 30 products per country.

• Packaging: all packaging used for the meals, and cutlery will be fully recyclable, an aspect that supports Food Like Home’s idea of doing business responsibly.

• Quality products: all raw materials and finished products must pass an internal quality control before they are processed or delivered, in addition to their compliance with the corresponding food safety standards. All this, with the idea of always offering fresh and high-quality products to the final consumer.
• New products per season: to compensate the low Christmas and summer season, we will launch seasonal products related to events in each country, such as Independence Day in Mexico during September, having products such as pozole, tacos dorados and tostadas.

List of products

Food Like Home will have a broad portfolio of products. Eventually new dishes will be introduced. It is important to establish that the recipes can be adjusted to the wishes of the Latino population in Madrid, therefore, Food Like Home will need to go through an adaptation process.

Some of the products of the list of meals for Madrid will be the following for each country:
Mexico:

Milanesa de pollo empanizada. (Peso 400 grs):
• Breaded chicken breast with red rice, lettuce salad with cherry tomato, cucumber, onion and avocado.

Alambre de res. (Weight 400 grs):
• Beef steak with red pepper, green pepper, onion and lemon, red rice and beans.
Perú:

*Lomo Saltado. (Weight 400 grs)*:
- Beef, cooked rice and french fries.

*Aji de Gallina. (Weight 400 grs)*:
- Thick cream with shredded chicken, cooked potatoes, boiled egg and white rice.
Ecuador:

Seco de Pollo. (Weight 400 grs):
• Chicken meat stew, marinated in vinegar, accompanied by rice and a sauce of chili, lemon and coriander.

Chaulafán. (Weight 400 grs):
• Chinese fried rice prepared with chicken, bacon, onion, garlic, peppers, peas, carrots, eggs, raisins, spices and herbs.
Colombia

*Bandeja Paisa. (Weight 400 grs):*
- Ground beef with white rice, fried egg, banana, chorizo with lemon, tomato, onion, beans and avocado.

*Chuleta de cerdo al limón. (Weight 400 grs):*
- Pork chops with lemon, thyme, bay leaf, sugar and pepper accompanied by vegetables.
Regarding the boxes Food Like Home will have a wide portfolio of products and over the time will get a wider range of products to be introduced for the boxes.

Some of the products of the list for the boxes will be the following for each country:

**México:**

![México products](image)

**Peru:**

![Peru products](image)
Ecuador:

Colombia:
4.2.2.2 Price

Price strategy

In order to have the correct pricing strategy we will focus on the competitive pricing to be able to reach the best price based on competition, since prices in Madrid are constant and businesses have to be in the margin of competition to be competitive, but first it is important to verify our price position.

As explained above, Food Like Home does not have an equal competitor, but the attribute of differentiation is something that cannot be found in competitors such as Wetaca, Tupperdición and Lainboxx, these competitors will be used to measure the prices of the meals and boxes among other comparable products.

Price per product

The price list for the food will vary in relation to the supplements and how elaborate the dish is, but on average and based on the costs the price would be around 11€.

<table>
<thead>
<tr>
<th>Overhead calculation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Variable Cost</strong></td>
</tr>
<tr>
<td>+ Raw material</td>
</tr>
<tr>
<td>+ Packaging</td>
</tr>
<tr>
<td>+ Production</td>
</tr>
<tr>
<td>= Total Production</td>
</tr>
<tr>
<td><strong>Fixed Cost</strong></td>
</tr>
<tr>
<td>+ Services (Electricity, Gas, etc.)</td>
</tr>
<tr>
<td>+ Marketing</td>
</tr>
<tr>
<td>+ Administrative</td>
</tr>
<tr>
<td>+ Distribution</td>
</tr>
<tr>
<td>= Total Cost</td>
</tr>
<tr>
<td>+ Profit surcharge (35%)</td>
</tr>
<tr>
<td>= Retail price</td>
</tr>
<tr>
<td>+ Margin retail 25%</td>
</tr>
<tr>
<td>= Net price</td>
</tr>
<tr>
<td>+ VAT (21%)</td>
</tr>
<tr>
<td>Calculated retail price</td>
</tr>
<tr>
<td>Specified retail price</td>
</tr>
</tbody>
</table>
For the boxes the price will be € 60, however, the number of products that go in the box may vary depending on whether you choose an alcoholic or spirited drink.

<table>
<thead>
<tr>
<th>Overhead calculation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Variable Cost</td>
</tr>
<tr>
<td>Products (Importation included)</td>
</tr>
<tr>
<td>+ Packaging</td>
</tr>
<tr>
<td>+ Production</td>
</tr>
<tr>
<td>= Total Production</td>
</tr>
<tr>
<td>Fixed Cost</td>
</tr>
<tr>
<td>+ Services (Electricity, Gas, etc)</td>
</tr>
<tr>
<td>+ Marketing</td>
</tr>
<tr>
<td>+ Administrative</td>
</tr>
<tr>
<td>+ Distribution (Delivery)</td>
</tr>
<tr>
<td>= Total Cost</td>
</tr>
<tr>
<td>+ Profit surcharge (35%)</td>
</tr>
<tr>
<td>= Retail price</td>
</tr>
<tr>
<td>+ Margin retail 25%</td>
</tr>
<tr>
<td>= Net price</td>
</tr>
<tr>
<td>+ VAT (21%)</td>
</tr>
<tr>
<td>Calculated retail price</td>
</tr>
<tr>
<td>Specified retail price</td>
</tr>
</tbody>
</table>
4.2.2.3 Promotion

The promotional activity is key for a brand in development in a new city and more if the product or service is completely new and there is nothing like it in the market, which is why propaganda and advertising will focus on these criteria:

• Potentialize the launch of the brand.
• Offer promotions to new subscribers.
• Offer discount codes through Instagram.
• Offer gift codes when recommending to a friend and being recommended.
• Improve sales in low seasons by giving codes like “HOLIDAYSLIKEHOME”
• Work on brand awareness.
Launch strategy

For the launch strategy it is essential that we position ourselves and be recognized within the market of students and Latino residents in Madrid.
In order to achieve this position and recognition, the launch strategy consists of a campaign in different types of events during the year:

1.-Educational offer shows in Spain and Latin America: Attendance at events where the different types of opportunities and universities offered in Europe are offered may be a good option to publicize the service.

2. Email marketing: Use the email marketing platform with universities and business schools with which we would have agreements in exchange for discounts for their students and based on the data protection law will work for making promotion within Latin American students.

Social media

As mentioned earlier, social media is a key tool to publicize our services and product box among the Latino community in Madrid, with a solid social media marketing strategy focused on saving students time and money, as well as residents who miss their native country. Therefore, the approach for opening up in the Madrid market is to maintain the different social media platforms (Facebook, Instagram) and constantly innovate.

It is also very important that the company pay close attention to customer opinions and consider them as comments for future improvements. Since we will be a company that understands its customers and wants them to feel at home even if they are far from it, as well as project ourselves as an ecological company and let them know that they are contributing to take care for the environment.

It is also intended to create YouTube videos to show our customers the process and preparation of the dishes and the quality of our products.
**New products**

As mentioned before, our plan is to create seasonal dishes like "Pozole" in September that Mexicans celebrate the independence of México or in Halloween bring native sweets from each country with toys that remind us of our childhood. By creating these seasonal products, our goal is to generate more commitment from our customers and increase the frequency of purchase of our products in the seasons that could be considered lower.

**Influencers**

Nowadays, influencers capture the attention of thousands of people in the world, and many people follow their advice and meet new brands when these influencers try and recommend new products or services, that is why it is so important to make potential customers through them and make them see our service as a product that could be part of their daily lifestyle. With this, it is important to connect them with the right person from social networks and that is why we have chosen the following influencers to represent the brand.
List of influencers:

@tadevlogs

An account managed by a Spaniard who likes to taste typical Latin American food, especially from Peru, since this influencer invites us to try and take the risk of trying the unknown because we might be surprised. This influencer could also attract European customers, although it is not our target market at first, we could grow the Latin food market in Spain.
Social networks: Instagram and YouTube
Instagram Followers: 21.8K

@londonvlogss

An account managed by a couple of Spaniards living in London who love to travel to Latin America and try the delicious food offered in that part of the continent.
Social networks: Instagram and YouTube. Instagram Followers: 14.1K
4.2.2.4 Place

Food Like Home plans to establish agreements with the most important universities and business schools in Madrid to be able to offer its services to their students, thus monopolizing the Latino market in Madrid.

Strategically, the following universities and business schools will be sought as strategic allies:

- EAE Business School
- EUDE European Business School
- ESADE Business School
- IE Business Institute
4.3 Operations Plan

4.3.1 Production

FOOD LIKE HOME has within its information integration system, to use an ERP that helps to know systematically and with a quick visualization all the processes that the product goes through before reaching the hands of the customer. In this way, we try to know the most consumed or requested products, considering seasonality vs. demand, with which we plan to have a minimum indicator of decline.

In addition, in order to achieve good results, the work of our suppliers is important, who must work based on our standards and times.
The process starts with the end of the cycle buying process and with the information in the system.
4.3.1.1 Stock Policy and Security Stock

As part of the warehouse development, cameras for meats and vegetables and others for foods that do not require temperatures different than the ambient temperature have been incorporated.

It is contemplated by the nature of the business to have the products stored between 7 to 10 days. It is also contemplated to have a 2% overstock in order to combat any fluctuation in demand.
4.3.1.2 Production Model

Process

FOOD LIKE HOME has the projections of placing 2700 menus and 1200 food boxes the first year. This will have to deploy the work team in the following way:

Working time:
- Morning Shift
  - 8hrs – 16hrs
- Night Shift
  - 16hrs – 20hrs
4.3.1.3 Quality Management

The plans for the T.Q.M in FOOD LIKE HOME involve not only the customer service but all the areas working for develop the final product for clients. What we are looking with this is to let the clients live a great experience eating through the use of our platform and choosing our well-kept services:

- Experts in recruiting the best talent in the market. “The best for the best”. Our plan is to have a recruiter’s team with high capabilities to find integrity persons with notorious interest in satisfying and taking care of clients.

- Recruiter with highly expertise in recruiting personnel of the area. Not only have the best but also have the best in the area (HORECA), people who have expertise in recruiting chefs, cookers, delivery man, etc.

- Constant trainings, not only for the personnel who prepared the food but also for people in office. Our projections are to have annual training plans where workers can improve their knowledge in customer service, business, soft skills, etc.

- Use of ERP or Intelligent system, basically to have the organization of products (inventory), order trend, feedback for clients, buy, etc. This system let us know the entirely process of our business, being prepared for unexpected situations and to have action plans

- Have a schedule to provide the service on time. There is a guide (chief) who have to provide well-elaborated plans for the personnel in plant

- Make contracts with the best suppliers in the market. Pay attention to the quality of products instead of price. We as a client too, know what people need which is why we warrantied high quality products to have a delicious final dish

- Use high quality materials for the entirely service (toppers, cutlery, paper bags, etc.) joining the fight to save the planet.
4.3.1.4 Warehouse: Local description and Layout

FOOD LIKE HOME’s warehouse and offices will be located in a strategic area of Madrid, with quick access to the main spaces and in the center of the M30 to be able to supply all our customers.

The design and distribution of the warehouse and office has been thought of taking a centralized model, where different areas can relate at any time and take care of the quality of each process.
4.3.2 Logistics

The objective of FOOD LIKE HOME is to deliver the orders in the proposed time, taking into consideration that the delivery is made in the city of Madrid and initially in the main schools of the city: EAE, IE, ESADE, EUDE, IMF

The delivery process is carried out every day at certain times by each study center.

1. Forecast order per center per year

<table>
<thead>
<tr>
<th>Route</th>
<th>Schools</th>
<th>Orders</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>EAE Príncipe de Vergara</td>
<td>Y1 2,400  2,340  6,669</td>
</tr>
<tr>
<td>A</td>
<td>EAE Joaquin Costa</td>
<td>Y2 1,440  2,808  8,003</td>
</tr>
<tr>
<td>B</td>
<td>EUDE</td>
<td>Y3 1,680  3,276  9,337</td>
</tr>
<tr>
<td>B</td>
<td>ESADE</td>
<td></td>
</tr>
<tr>
<td>C</td>
<td>IE</td>
<td></td>
</tr>
<tr>
<td>C</td>
<td>IMF</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>Y1 10,800</td>
</tr>
</tbody>
</table>

2. Number of Kilometer per route per group (Google maps)

<table>
<thead>
<tr>
<th>Route</th>
<th>Km per route</th>
</tr>
</thead>
<tbody>
<tr>
<td>Warehouse Route A</td>
<td>10.8</td>
</tr>
<tr>
<td>Warehouse Route B</td>
<td>19.3</td>
</tr>
<tr>
<td>Warehouse Route C</td>
<td>12.3</td>
</tr>
</tbody>
</table>

3. Average cost of gas consumption per year

<table>
<thead>
<tr>
<th>Calculation</th>
<th>Y1</th>
<th>Y2</th>
<th>Y3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Routes</td>
<td>720</td>
<td>720</td>
<td>720</td>
</tr>
<tr>
<td>total Km in routes</td>
<td>42.4</td>
<td>42.4</td>
<td>42.4</td>
</tr>
<tr>
<td>euros/liter</td>
<td>1.385 €</td>
<td>1.385 €</td>
<td>1.385 €</td>
</tr>
<tr>
<td>liters/ km</td>
<td>0.095</td>
<td>0.095</td>
<td>0.095</td>
</tr>
<tr>
<td>Total Consumption</td>
<td>2,900.16 €</td>
<td>2,900.16 €</td>
<td>2,900.16 €</td>
</tr>
</tbody>
</table>
Reverse Logistic

Even when the operation is projected to have very few or no number of losses. If there is one, we plan to separate the products that can be consumed even if they would no longer comply with our quality policy and deliver them to churches or child help centers. In addition, vegetable products may be provided for companies that are dedicated to the transformation of food into fertilizer for cultivated fields.

Cars maintenance

We plan to carry out preventive and projective maintenance of our units, complying with the time standards for the safety of our workers.

- Oil change: every 5000 km
- Change of wheels: considering the wear and the year of validity of the wheels
- Brake maintenance: oil change check
4.4 Human Resource Plan

4.4.1 Culture

One of the most important things for the company is the environment we are going to create for our employees and clients. Our main objective related to this topic is that our employees can feel comfortable and secure in their positions and transmit this feeling to the clients. We want to create an open-door system, with no chief but leaders, with no horizontal but vertical structure, an environment where you can feel free to express, suggest. Also, we look for a company where the employees could develop their skills and get better and strategic positions in the company. The Chart below describe the actions to achieve the culture of the company for employees and clients:

<table>
<thead>
<tr>
<th>Employees</th>
<th>Clients</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flexible Schedule</td>
<td>Fast customer service</td>
</tr>
<tr>
<td>Work under objectives</td>
<td>Promotions</td>
</tr>
<tr>
<td>Annual training plan</td>
<td>Personal answer to complains</td>
</tr>
<tr>
<td>Celebrate goals and birthdays</td>
<td>Presents for birthday</td>
</tr>
<tr>
<td>Sport/Casual clothing</td>
<td></td>
</tr>
<tr>
<td>Weekly meetings</td>
<td></td>
</tr>
<tr>
<td>Very useful benefits (food, gyms, studies)</td>
<td></td>
</tr>
</tbody>
</table>
4.4.2 Organizational Structure

In the Following structure graph, we can see the initial structure we are going to plan to begin this project. The partners are the investor of this start up and who are going to determine at the beginning incorporation of the bet professionals to the team.
4.4.3 Description of the departments

- **Partners**: Are the 3 investors and the ones who are going to take the first decisions in the company. Responsible for the HR, Sales, Finance and Operations area at the beginning.

- **Marketing Coordinator**: Responsible for the exposition of the brand, ads, social networks and email campaigns.

- **Staff Chief**: Responsible for the team in charge to attract the best talent in the market to fulfil the goals of the company, develop the annual training for people and to face the complains of the employees. Also, the responsible to maintain the environment.

- **Key Account Manager**: Responsible to get new clients, to make agreements with business schools and to find new niches where the company can expand the boundaries.

- **Accountant**: Responsible to organize the accounts payable and receivable, prepared reports to the Partners and present the income statement and cash flow.

- **Buyer**: Responsible to organize the inventory and connections with suppliers to supply the warehouse maintaining the production in high standards.

- **Operation Chief**: Responsible to maintain the performance to all Operation Area, control de KPI`s and look for new business opportunities.

- **Chef**: Responsible to prepare the first dishes and get the perfect taste, like home, elaborate the nutritional scale for every dish.

- **Cooker**: Responsible to prepare the daily dishes, maintaining the stocks and taking care for food quality.
- **Cooker Assistant**: Help the cooker to get the ingredients ready, clean the kitchen and take responsibility of cook when the cooker is absent.

- **Delivery Man**: Responsible to pick up the products and deliver to the final destination, being aware of the time.
4.4.4 Value Chain Analysis

The graph above is describing how the value chain of FOOD LIKE HOME is going to work, reflecting the reasons the company is different to others.

The graph is assembled considering:

- Support activities: Infrastructure, Human Resource and Finance, Technology and Procurement
- Primary Activities: Inbound and Outbound Logistics, Operations, Marketing and Sales and Services

Primary Activities

- Receiving the material-whole sale market, shops.
- Warehouse- Manufacturing and production plant only.
- Buy a food from the whole sale market (which will be the cost effective). And we kept this into the same place where we going to make the food (production plant).
Operations, Outbound logistics, Marketing and Sales, Services

- Raw food is going to cook in the production plant.
- The meal is going to be delivered in different business schools from 12m to 2pm
- The meal is delivered by delivery boy
- Pamphlets and cards are distributed to every student.
- Asking every student to login on our webpage where they can find the videos how we prepare a food and all the relative information.
- Quality of food.
- Customer satisfaction
- Comment box for customer. They are free to comment about service in general
4.5 Law Framework

4.5.1 Company Structure, Name & Bank Account

Food Like Hoes will be an LTD Limited Company registered in Madrid. To register the name, companies must go to the Central Mercantile Registry and request a certificate stating that the name chosen does not match that of any other existing company.

Once the certificate is granted, the name will be reserved for the applicant for six months, although it will only be valid for three months until it is registered with the notary. If this period is exceeded, it must be renewed. After six months without its use, the name is again available to anyone.

Once the certificate has been obtained, a bank account must be opened in the name of the company with a minimum initial capital of 3,000 euros. The bank will issue a certificate of deposit, which will then have to be presented at the notary's office. Partners must write down the Articles of Association. There are certain minimum elements that must be contained in any statute of the company:

- Name of the company
- Corporate purpose
- Closing date of financial operation year
- Registered office within the Spanish territory
- Share capital
- Shares into which it is divided
- Nominal value of each share
- Management system of the company
4.5.2 VAT Number & Documentation

After signing the deeds, the company should go to the tax office to obtain a provisional tax number, as well as labels and identification cards. In this way, company will be assigned a provisional VAT number that will be valid for six months, during this time the company must exchange it for a definitive one.

In addition, specific documentation must be provided to open this type of business:

- Opening license
- Local building license
- Document proving ownership of the company
- Technician certificate of compliance with current fire regulations.
- City Council certification that the establishment is connected to the public water network and the municipal sewerage system.
- Complaint forms provided by the Unified Claims System (SUR).
- Certificate of food handler
- Sanitary authorization
- Price list according to Royal Decree 126/2015 approving the regulation on food information, labeling and food allergens
- Civil Responsibility Insurance\(^6\)

4.5.2.1 Social Security

- Company registration with the Social Security
- Registration of Self-employed of the company owners
- Registration of Work Centre
- Work Calendar.
- Evaluation of risks and plan of prevention of labor risks
- Accident Insurance\(^7\)

\(^6\) (Tributaria, 2008)
\(^7\) (Madrid, 2002)
4.5.3 Contracts

4.5.3.1 Rental

It will be an essential requirement to prepare a specific lease for the rental of the premises in which the following points are included:

- Description of the parties involved
- Determination of the object of the contract
- Description of the premises
- Duration of the contract, extensions and early termination by either party.
- Monthly rent and payment method.
- Inventory
- Sublease Prohibition
- Communications between the parties
- Responsibility of the parties
- Work, maintenance and repair tips
- Obligations
- Expenses and taxes
- Applicable Law and Competent Jurisdiction

4.5.3.2 Supply

It would work with suppliers for successive supply contract. For this contract, the supplier must deliver a series of goods or services for a unit price to the one supplied continuously.  

4.5.3.3 Labor

The volume of work may vary at different times of the year due to Christmas or Easter holidays, so we will work with 1-year contracts with their respective vacation days during those dates exchanging guards to not leave the business unattended.

---

8 (Paluzie, 2013)
4.5.3.4 Data Protection Agency

- Declaration of personal data of employees.
- Declaration of personal data of suppliers and customers
- Security document if the data is stored on an own computer

4.5.4 Sanitary Requirements

A key requirement for food preparation companies is to document the processes used to manufacture or sell food, making sure they are safe to eat, and keep such documents and records up to date, even the smallest places where food is handled must have food safety management procedures based on HACCP principles.

Good food hygiene ensures that prepared foods offer maximum safety. In addition, avoid harmful microorganisms that cause serious diseases transmitted through contaminated food.

In Spain there are some legal requirements in terms of health and hygiene that are mandatory to open a restaurant, bar or cafeteria in the city of Madrid. The obligation to comply with the technical-sanitary requirements in these activities derives, among others, from the content of Article 42 of Law 14/1986, of April 25, General Health and Article 137 of Law 12/2001, of December 21, on Health Regulations of the Community of Madrid.
4.5.4.1 Staff training

Personnel handling food must be instructed or trained in food hygiene so that they understand the necessary requirements to ensure that the food supplied is fit for human consumption.

4.5.4.2 Premises

Each building must comply with the rules of food hygiene that marks both regional and Spanish legislation.

Food safety laws are designed to ensure facilities are clean and well maintained and consist of the following:

- Ensure sufficient available space to work.
- Comply with the best practices of food hygiene.
- Prevent food contamination.
- Ensure that food is free and safe from organisms and pests that cause disease.
- Store food safely and hygienically.

The premises must also provide adequate facilities for:

- Washing areas that preserve maximum hygiene, separated from food preparation areas. (These areas must be equipped with the necessary products to ensure proper hand hygiene).
- Ventilation.
- Illumination.
- Sewer system.
- Areas so that employees can change clothes, when necessary.
- Storage of cleaning chemicals and disinfectants in a separate area to prevent contamination of food.
4.5.4.3 Design of food preparation area

The design of food preparation areas should follow good food hygiene processes and practices, including protection against contamination during food preparation. Food safety laws will have specific requirements for the area of food preparation depending on the condition and design of:

- Floors.
- Walls.
- Roofs.
- Windows.
- Doors.
- The surfaces.
- Facilities for washing equipment, food and personnel.

4.5.4.4 Equipment

In the same way, all equipment that comes into contact with food must comply with the same legislation, must be elements of the appropriate material, have an effective cleaning, and be properly equipped to allow proper cleaning.

4.5.4.5 Water supply

Water that is used as a food ingredient or comes into contact with food (for example for cleaning, heating, cooling, ice or steam) should be potable.

Water for fire control and heating must be kept in an isolated system so that it cannot contaminate food and beverages used for consumption.

4.5.4.6 Personal hygiene

Personnel working in food handling areas need to maintain good personal hygiene and be aware of the practices and factors that can cause food contamination. There is a requirement for staff training, as with the Food Safety Modernization Act (FSMA).

These personal hygiene factors include:
• The use of clean and appropriate clothing.
• Cover the hair with elements such as hair nets.
• Do not wear watches or jewelry.
• Abstinence from smoking, spitting, touching hair and / or face and eating.
• Keep hands clean, especially after handling raw meat, waste, and cash, as well as after going to the bathroom, cleaning and using items such as phones and door handles.
• Do not work in a food handling area if have diarrhea, vomiting, infectious diseases or wounds or skin infections.

4.5.4.7 Food

To comply with food safety standards, all raw materials and ingredients used must be safe and not contaminated with anything that would make the final product unfit for human consumption.

4.5.4.8 Food waste

Food waste should be removed from the food preparation area as soon as possible and stored in containers suitable for waste disposal services, which can be cleaned, avoid contamination and prevent access to pests.

Waste disposal must also comply with environmental and hygiene regulations.

Storage, processing and distribution systems must protect food from contamination. This includes pest control, control of pets and internal processes and procedures that limit the development of bacteria.

4.5.4.9 Storage

Storage, processing and distribution systems must protect food from contamination. This includes pest control, control of pets and internal processes and procedures that limit the development of bacteria.
4.5.4.10 Temperature

The temperature of the food and the time required to reach it may vary according to the stage of preparation. This may include, for example, storage before preparation, storage and display after preparation, when serving hot food, when food is served cold after cooking, and when heating food.

4.5.4.11 Defrosting

Defrosting food has risks of growth and development of bacterial toxins. Some foods such as meat release liquids for defrosting that can drip and contaminate other foods and surfaces. It is important to follow the food safety guidelines for temperature control at each stage.

4.5.4.11 Packaging

The materials used to package food must also be stored in a safe way to avoid contamination, since they will later be used to store food.

4.5.4.12 Transport

Vehicles and containers used to transport food must meet the same standards of food hygiene: good condition, protection against contamination, and storage at appropriate temperatures.
4.6 Internationalization

Internationalization is one of the medium-term projections for FOOD LIKE HOME, trying to replicate the same model in other European countries where there are equal numbers of Latinos and people who like American food.

Having as our allies partners in the import, the objective is to be able to make known the food of America to more countries of Europe.

**Partners in Importation:**

- America Import
- Intertropico
- Taste
4.6.1 Internationalization Impact

In order to decide which will be the first country where we plan to expand we have carried out an analysis considering the most important aspects and those that have the most impact on our business.

<table>
<thead>
<tr>
<th>Factor</th>
<th>Criteria</th>
<th>Weight</th>
<th>Italy</th>
<th>Value</th>
<th>Germany</th>
<th>Value</th>
<th>France</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td># of master students</td>
<td>Statistics</td>
<td>0.25</td>
<td>4</td>
<td>1</td>
<td>3</td>
<td>0.75</td>
<td>2</td>
<td>0.5</td>
</tr>
<tr>
<td># of latin residents</td>
<td>Statistics</td>
<td>0.25</td>
<td>5</td>
<td>1.25</td>
<td>4</td>
<td>1</td>
<td>3</td>
<td>0.75</td>
</tr>
<tr>
<td>Legal Barriers</td>
<td>Government information</td>
<td>0.2</td>
<td>2</td>
<td>0.4</td>
<td>4</td>
<td>0.8</td>
<td>2</td>
<td>0.4</td>
</tr>
<tr>
<td># of Competitors</td>
<td>Statistics</td>
<td>0.15</td>
<td>3</td>
<td>0.45</td>
<td>3</td>
<td>0.45</td>
<td>3</td>
<td>0.45</td>
</tr>
<tr>
<td>% monthly expenditure on food</td>
<td>Statistics</td>
<td>0.15</td>
<td>4</td>
<td>0.6</td>
<td>4</td>
<td>0.6</td>
<td>3</td>
<td>0.45</td>
</tr>
</tbody>
</table>

3.7                    3.6                    2.55
4.6.2 Internationalization, Industry Size

- Italian consumer habits have changed in recent years. The consumer today is characterized by its practicality and sophistication, and is the protagonist of their own decisions when buying food.
- Main factors that guide the buyer:
  - The price is the only agent that affects the choice for 1.3%, much lower than the rest of the world 32%
  - Taste 29%
  - Brand 18%.
  - Transparency and origin of the ingredients 94.4%
  - The functionality of the products 75.1%
- More and more are being bought online, 790,000 persons included food products in 2016. 85.7% of them reported before purchasing a product through the Internet (57%)
- The online purchases of products are estimated to grow this year by 25%
### 4.6.3 Internationalization, Political Risk

Some of the most important aspects that could affect internationalization would be:

<table>
<thead>
<tr>
<th>Risks</th>
<th>Probability</th>
<th>Impact</th>
<th>P*I</th>
<th>Mitigation Strategy</th>
</tr>
</thead>
</table>
| Percentage of unemployment | 0.2         | 5      | 1   | Be clear of the minimum revenue to have an emergency plan before eventualities and seasonality  
|                          |             |        |     | Promotion, special prices                                                            |
| # of taxes per companies  | 0.3         | 4      | 1.2 | Make contact with suppliers with a lower import and export prices                     |
| Food regulations         | 0.2         | 4      | 0.8 | Hire a professional in food regulation                                               |
|                          |             |        |     | Talk with our supplier and work with them in standard quality product service         |
| Terrorism                | 0.1         | 2      | 0.2 | Make contracts with security companies and insurance companies                       |
|                          |             |        |     | Have agreements with Municipalities                                                   |
| Bank transactions cybercrime | 0.1       | 2      | 0.2 | Hire an IT guy                                                                        |
|                          |             |        |     | Have a stronger firewall to prevent those events                                     |
| Political uncertainty    | 0.1         | 3      | 0.3 | Make contacts in the government                                                      |
|                          |             |        |     | Develop a social program with the local government                                  |
5. Financial Phase & Feasibility

General Assumptions

- All numbers are based on projections and objectives that the company has set and for which a marketing plan has been developed
- All the statements are done in Euros
- We are considering an average inflation from the last 4 years, 1.62%

5.1 Long Term Financial Plan

5.1.1 Income Statement (P&L Projections)

In the Income Statement sheet, we can evaluate profits, losses, expenses and revenues FOOD LIKE HOME over a period of time (3 years).

The approximation of the sales the company will have in the next 3 years in their different services and the projected cost of those specific types of products are reflected in the table below to be able to calculate the gross margin

<table>
<thead>
<tr>
<th></th>
<th>Y1</th>
<th>Y2</th>
<th>Y3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>€ 195,900.00</td>
<td>€ 382,005.00</td>
<td>€ 1,088,714.25</td>
</tr>
<tr>
<td>Prepared food</td>
<td>€ 129,600.00</td>
<td>€ 252,720.00</td>
<td>€ 720,252.00</td>
</tr>
<tr>
<td>Boxes</td>
<td>€ 66,300.00</td>
<td>€ 129,285.00</td>
<td>€ 368,462.25</td>
</tr>
<tr>
<td>Variable Cost</td>
<td>€ 100,708.39</td>
<td>€ 196,381.36</td>
<td>€ 559,686.89</td>
</tr>
<tr>
<td>Prepared food</td>
<td>€ 56,618.89</td>
<td>€ 110,406.84</td>
<td>€ 314,659.49</td>
</tr>
<tr>
<td>Boxes</td>
<td>€ 44,089.50</td>
<td>€ 85,974.53</td>
<td>€ 245,027.40</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>€ 95,191.61</td>
<td>€ 185,623.64</td>
<td>€ 529,027.36</td>
</tr>
</tbody>
</table>

As can be seen in the table, the approximations of sales are based on a specific number of orders for each service offered by day, month and year. This number is based on a minimum objective that the company must meet.
Likewise, the variable costs are calculated using the costs of the raw material products in a unitary way, either by calculating kilos or liters.

In the following table we can see the calculation of the operating costs of the different areas of the company and the expenses incurred for the benefit of the sale. In addition, the calculation of the depreciation of the acquired equipment.

### Operating Expenses

<table>
<thead>
<tr>
<th></th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administrative Expenses</td>
<td>€ 68,000.16</td>
<td>€ 56,602.50</td>
<td>€ 57,519.46</td>
</tr>
<tr>
<td>Marketing Expenses</td>
<td>€ 6,000.00</td>
<td>€ 6,097.20</td>
<td>€ 6,195.97</td>
</tr>
<tr>
<td>Rental expenses</td>
<td>€ 8,400.00</td>
<td>€ 8,536.08</td>
<td>€ 8,674.36</td>
</tr>
<tr>
<td><strong>Total Operating Expenses</strong></td>
<td><strong>€ 82,400.16</strong></td>
<td><strong>€ 71,235.78</strong></td>
<td><strong>€ 72,389.80</strong></td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>€ 12,791.45</td>
<td>€ 114,387.85</td>
<td>€ 456,637.56</td>
</tr>
</tbody>
</table>

In the following table, the interest proceeds of the loan requested from the bank for the start of operations, as well as the taxes that every company must pay to comply with the laws of each community.

<table>
<thead>
<tr>
<th></th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Depreciation</td>
<td>€ 3,733.33</td>
<td>€ 3,733.33</td>
<td>€ 3,733.33</td>
</tr>
<tr>
<td><strong>EBIT</strong></td>
<td>€ 9,058.11</td>
<td>€ 110,654.52</td>
<td>€ 452,904.23</td>
</tr>
<tr>
<td>Interest</td>
<td>€ 19,201.03</td>
<td>€ 12,800.68</td>
<td>€ 6,400.34</td>
</tr>
<tr>
<td><strong>EBT</strong></td>
<td>-€ 10,142.91</td>
<td>€ 97,853.84</td>
<td>€ 446,503.88</td>
</tr>
<tr>
<td>Taxes</td>
<td>€ 0.00</td>
<td>€ 25,436.17</td>
<td>€ 129,486.13</td>
</tr>
<tr>
<td><strong>Net Income</strong></td>
<td>-€ 10,142.91</td>
<td>€ 72,417.67</td>
<td>€ 317,017.76</td>
</tr>
</tbody>
</table>

This last box shows the year-to-year comparison of sales, GP and Net sales which are growing every year as a result of the increase in sales and the proper use of resources.
## INCOME STATEMENT

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<td>€ 317,017.76</td>
</tr>
</tbody>
</table>
5.1.2 Balance Sheet Projections

FOOD LIKE HOME balance sheet show a progressively increase on assets every year. That is because we don’t pay dividends consequently an advantage to keep our assets high. On the long-term assets, we have applied depreciation in order to see the impact since is basically our initial investment.

<table>
<thead>
<tr>
<th>Assets</th>
<th>Y0</th>
<th>Y1</th>
<th>Y2</th>
<th>Y3</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>€ 181,008.55</td>
<td>€ 108,622.79</td>
<td>€ 265,496.56</td>
<td>€ 528,338.64</td>
</tr>
<tr>
<td>Bank</td>
<td>€ 181,008.55</td>
<td>€ 108,622.79</td>
<td>€ 156,873.77</td>
<td>€ 528,338.64</td>
</tr>
<tr>
<td>Inventory</td>
<td>€ 0.00</td>
<td>€ 0.00</td>
<td>€ 0.00</td>
<td>€ 0.00</td>
</tr>
<tr>
<td><strong>Total Current Assest</strong></td>
<td>€ 181,008.55</td>
<td>€ 108,622.79</td>
<td>€ 156,873.77</td>
<td>€ 528,338.64</td>
</tr>
<tr>
<td><strong>Fixed Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equipment</td>
<td>€ 0.00</td>
<td>€ 11,200.00</td>
<td>€ 11,200.00</td>
<td>€ 11,200.00</td>
</tr>
<tr>
<td>Depreciation</td>
<td>€ 0.00</td>
<td>€ 3,733.33</td>
<td>€ 7,466.67</td>
<td>€ 11,200.00</td>
</tr>
<tr>
<td><strong>Total Fixed Assest</strong></td>
<td>€ 0.00</td>
<td>€ 7,466.67</td>
<td>€ 3,733.33</td>
<td>€ 0.00</td>
</tr>
<tr>
<td><strong>Intangible Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ERP</td>
<td>€ 0.00</td>
<td>€ 1,200.00</td>
<td>€ 1,200.00</td>
<td>€ 1,200.00</td>
</tr>
<tr>
<td>Web Service</td>
<td>€ 0.00</td>
<td>€ 120.00</td>
<td>€ 120.00</td>
<td>€ 120.00</td>
</tr>
<tr>
<td>App Service</td>
<td>€ 0.00</td>
<td>€ 120.00</td>
<td>€ 120.00</td>
<td>€ 120.00</td>
</tr>
<tr>
<td><strong>Total Intangible Assets</strong></td>
<td>€ 0.00</td>
<td>€ 1,440.00</td>
<td>€ 1,440.00</td>
<td>€ 1,440.00</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>€ 181,008.55</td>
<td>€ 117,529.46</td>
<td>€ 162,047.10</td>
<td>€ 529,778.64</td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current Liabilities</td>
<td>€ 0.00</td>
<td>€ 0.00</td>
<td>€ 25,436.17</td>
<td>€ 129,486.13</td>
</tr>
<tr>
<td>Note payable</td>
<td>€ 0.00</td>
<td>€ 0.00</td>
<td>€ 25,436.17</td>
<td>€ 129,486.13</td>
</tr>
<tr>
<td><strong>Total Current Liabilities</strong></td>
<td>€ 0.00</td>
<td>€ 0.00</td>
<td>€ 25,436.17</td>
<td>€ 129,486.13</td>
</tr>
<tr>
<td><strong>Long Term Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long Term bond</td>
<td>€ 160,008.55</td>
<td>€ 106,672.37</td>
<td>€ 53,336.18</td>
<td>€ 0.00</td>
</tr>
<tr>
<td><strong>Total long term liabilities</strong></td>
<td>€ 160,008.55</td>
<td>€ 106,672.37</td>
<td>€ 53,336.18</td>
<td>€ 0.00</td>
</tr>
<tr>
<td><strong>Equity</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital</td>
<td>€ 21,000.00</td>
<td>€ 21,000.00</td>
<td>€ 21,000.00</td>
<td>€ 21,000.00</td>
</tr>
<tr>
<td>Retained Earnings</td>
<td>€ 0.00</td>
<td>€ 0.00</td>
<td>€ 10,142.91</td>
<td>€ 62,274.76</td>
</tr>
<tr>
<td>Utilities</td>
<td>€ 0.00</td>
<td>€ 10,142.91</td>
<td>€ 72,417.67</td>
<td>€ 317,017.76</td>
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<tr>
<td><strong>Total Equity</strong></td>
<td>€ 21,000.00</td>
<td>€ 10,857.09</td>
<td>€ 83,274.76</td>
<td>€ 400,292.51</td>
</tr>
<tr>
<td><strong>Total Liabilities and Equity</strong></td>
<td>€ 181,008.55</td>
<td>€ 117,529.46</td>
<td>€ 162,047.11</td>
<td>€ 529,778.64</td>
</tr>
</tbody>
</table>
## 5.1.3. Cash Flow

The first box shows the variation of the period with its previous period so that with this data you can obtain the cash flow.

<table>
<thead>
<tr>
<th>Item</th>
<th>Y0 Vs. Y1</th>
<th>Y1 Vs. Y2</th>
<th>Y2 Vs. Y3</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Inflow</td>
<td>Outflow</td>
<td>Inflow</td>
</tr>
<tr>
<td><strong>Current Assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inventory</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Fixed Assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equipment</td>
<td>€ 11,200.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>€ 3,733.33</td>
<td>€ 3,733.33</td>
<td></td>
</tr>
<tr>
<td><strong>Total Fixed Assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Intangible Assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ERP</td>
<td>€ 1,200.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Web Service</td>
<td>€ 120.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>App Service</td>
<td>€ 120.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Intangible Assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current Liabilities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Note payable</td>
<td>€ 0.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Current Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Long Term Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long Term bond</td>
<td>€ 53,336.18</td>
<td>€ 53,336.18</td>
<td></td>
</tr>
<tr>
<td><strong>Total long term liabilities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Equity</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retained Earnings</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Utilities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>€ 16,373.33</td>
<td>€ 53,336.18</td>
<td>€ 3,733.33</td>
</tr>
</tbody>
</table>
### Cash Flow

<table>
<thead>
<tr>
<th></th>
<th>Y1</th>
<th>Y2</th>
<th>Y3</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash Flows for operating activities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Income</td>
<td>-$10,142.91</td>
<td>$72,417.67</td>
<td>$317,017.76</td>
</tr>
<tr>
<td>Additions to net income</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>$3,733.33</td>
<td>$3,733.33</td>
<td>$3,733.33</td>
</tr>
<tr>
<td>Taxes</td>
<td></td>
<td>$25,436.17</td>
<td>$104,049.96</td>
</tr>
<tr>
<td><strong>Total Operating Activities</strong></td>
<td>-$6,409.58</td>
<td>$101,587.17</td>
<td>$424,801.05</td>
</tr>
<tr>
<td><strong>Cash Flows from long-term investing activities</strong></td>
<td>-$12,640.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>Equipment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ERP</td>
<td>-$1,200.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>Web Service</td>
<td>-$120.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>App Service</td>
<td>-$120.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td><strong>Cash Flows from financing activities</strong></td>
<td>-$53,336.18</td>
<td>-$53,336.18</td>
<td>-$53,336.18</td>
</tr>
<tr>
<td>Capital</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>Long Term debt</td>
<td>-$53,336.18</td>
<td>-$53,336.18</td>
<td>-$53,336.18</td>
</tr>
<tr>
<td><strong>Flow Variation</strong></td>
<td>-$72,385.76</td>
<td>$48,250.98</td>
<td>$371,464.87</td>
</tr>
<tr>
<td>Cash from accounting and banks</td>
<td>$181,008.55</td>
<td>$108,622.79</td>
<td>$156,873.77</td>
</tr>
<tr>
<td>Cash at the end of the year</td>
<td>$108,622.79</td>
<td>$156,873.77</td>
<td>$528,338.64</td>
</tr>
</tbody>
</table>
5.2. Initial Investment Analysis

5.2.1. Financing Initial Investment

For the creation of FOOD LIKE HOME it is planned to obtain the initial capital from 2 sources:

- Partner investment
- 3 year bank loan

<table>
<thead>
<tr>
<th>Investment &amp; Loan</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>€ 181,008.55</td>
</tr>
<tr>
<td>Capital</td>
<td>€ 21,000.00</td>
</tr>
<tr>
<td>Loan</td>
<td>€ 160,008.55</td>
</tr>
<tr>
<td>Interest</td>
<td>€ 19,201.03</td>
</tr>
<tr>
<td>Total debt</td>
<td>€ 160,008.55</td>
</tr>
<tr>
<td>Time of payment</td>
<td>3</td>
</tr>
</tbody>
</table>

The initial loan will be used to acquire the necessary equipment for production, as well as the tools to distribute the orders. Also, the money will be allocated for the rental of the operations center and to make the initial purchase of the inventory that will allow us to start production and generate sales according to the objectives shown above.

- Kitchen: purchase and implementation. It is planned to acquire an industrial kitchen with scope to be able to have the dishes in a shorter time and to increase the chef's operational capacity
- Hood Extractor: industrial model, which allows to have the environment free of gases that can affect the quality of the food
- Oven: instrument that allows to prepare certain foods to be able to give them the desired flavor
- Van, it is projected to acquire a VW Transporter to be able to supply the demand in time and reach the areas that are indicated on previous pages
• Freezer, 200 liter Freezer, which allows to receive hot food and keep it at the desired temperature to achieve the maintenance cycle of the food.

<table>
<thead>
<tr>
<th>Implementation</th>
<th>€ 12,300.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kitchen</td>
<td>€ 1,000.00</td>
</tr>
<tr>
<td>Utensils</td>
<td>€ 500.00</td>
</tr>
<tr>
<td>Extractor hood</td>
<td>€ 500.00</td>
</tr>
<tr>
<td>Oven</td>
<td>€ 1,000.00</td>
</tr>
<tr>
<td>Frezzer</td>
<td>€ 400.00</td>
</tr>
<tr>
<td>refrigerator</td>
<td>€ 300.00</td>
</tr>
<tr>
<td>Kitchen shelves</td>
<td>€ 200.00</td>
</tr>
<tr>
<td>warehouse shelves</td>
<td>€ 200.00</td>
</tr>
<tr>
<td>Van (truck)</td>
<td>€ 8,000.00</td>
</tr>
<tr>
<td>Uniforms</td>
<td>€ 200.00</td>
</tr>
</tbody>
</table>

• The depreciation of the equipment is considered in 3 years during which the market and new trends in cooking will be investigated to make the decision 6 months before, to buy new equipment.

<table>
<thead>
<tr>
<th>Depreciation</th>
<th>Y1</th>
<th>Y2</th>
<th>Y3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kitchen</td>
<td>€ 1,000.00</td>
<td>€ 333.33</td>
<td>€ 333.33</td>
</tr>
<tr>
<td>Extractor hood</td>
<td>€ 500.00</td>
<td>€ 166.67</td>
<td>€ 166.67</td>
</tr>
<tr>
<td>Oven</td>
<td>€ 1,000.00</td>
<td>€ 333.33</td>
<td>€ 333.33</td>
</tr>
<tr>
<td>Frezzer</td>
<td>€ 400.00</td>
<td>€ 133.33</td>
<td>€ 133.33</td>
</tr>
<tr>
<td>refrigerator</td>
<td>€ 300.00</td>
<td>€ 100.00</td>
<td>€ 100.00</td>
</tr>
<tr>
<td>Van (truck)</td>
<td>€ 8,000.00</td>
<td>€ 2,666.67</td>
<td>€ 2,666.67</td>
</tr>
<tr>
<td></td>
<td>€ 3,733.33</td>
<td>€ 3,733.33</td>
<td>€ 3,733.33</td>
</tr>
</tbody>
</table>
5.2.2 Break-Even Point

Our breakeven point will be determined by the relationship between net income and sales generated at the end of the year.

Our goal is to achieve 30% net income, where we should stay and increase the number year by year.
### 5.2.3 Expenses

#### 5.2.3.1 Operation Expenses & Variable Cost

<table>
<thead>
<tr>
<th>Products</th>
<th>Prepared food</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Price per dish</td>
<td>Price per Kg</td>
<td>Price per gr</td>
<td>Quantity gr</td>
<td></td>
</tr>
<tr>
<td>Rice</td>
<td>€ 0.0690</td>
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<td>€ 0.00069</td>
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<td></td>
</tr>
<tr>
<td>Potato</td>
<td>€ 0.0550</td>
<td>€ 0.55</td>
<td>€ 0.00055</td>
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</tr>
<tr>
<td>Angus meat</td>
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<td>€ 40.00</td>
<td>€ 0.04000</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>onions</td>
<td>€ 0.03</td>
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</tr>
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<td>tomato</td>
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<td></td>
</tr>
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<td>oil</td>
<td>€ 0.10</td>
<td>€ 1.00</td>
<td>€ 0.00100</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>pisco</td>
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<td>€ 20.00</td>
<td>€ 0.02000</td>
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<td></td>
</tr>
<tr>
<td>sal</td>
<td>€ 0.00</td>
<td>€ 0.35</td>
<td>€ 0.00035</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>pimienta</td>
<td>€ 0.03</td>
<td>€ 33.00</td>
<td>€ 0.03300</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>sillao</td>
<td>€ 0.07</td>
<td>€ 13.00</td>
<td>€ 0.01300</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>ajo</td>
<td>€ 0.02</td>
<td>€ 4.36</td>
<td>€ 0.00436</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>€ 4.6925</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- To calculate the variable costs, we are using the mixture of several inputs to create a dish that could be within the average price range and material needed to use in the orders.
5.3 Financial Ratios

To be able to make a correct control of the finances in the company, the main indicators at the beginning of the operations will be:

- Gross Profit Margin
- Net Profit Margin
- ROA
- ROE.

<table>
<thead>
<tr>
<th></th>
<th>Y1</th>
<th>Y2</th>
<th>Y3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Profit Margin</td>
<td>-5.18%</td>
<td>18.96%</td>
<td>29.12%</td>
</tr>
<tr>
<td>Gross Profit Margin</td>
<td>48.6%</td>
<td>48.6%</td>
<td>48.6%</td>
</tr>
<tr>
<td>Return on Total Assets (ROA)</td>
<td>-8.63%</td>
<td>44.69%</td>
<td>59.84%</td>
</tr>
<tr>
<td>Return on Common Equity (ROE)</td>
<td>-48.30%</td>
<td>667.01%</td>
<td>380.69%</td>
</tr>
</tbody>
</table>
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