

# Snack Pro

For all your in game snacking needs!

## Introduction to the product:

Millions of sports fans attend professional or NCAA sports events each year. No matter if they spend thousands for a super bowl ticket, or less than a hundred dollars to attend a college game, there is a common problem they all share. Nobody wants to miss the excitement of the game! There is often the want of food during the game. The obvious thought is to go to the concession stands, but then you have to navigate the long lines that can cause you to miss the game. .

The goal of Snack Pro app is to provide a product that provide a convenient service for fans. With this app you will be able to order from your seat on your phone or device and product will be delivered to your seat. The app will be delivered and marketed to all season ticket holders. They will be able to open the app and choose from the user interface any of the various vendors throughout the venue and before your delicious food will be delivered to your seat.

## Description of the market for the product or service:

The primary market to sell the Snack Pro app to is the stadiums of all major sports and athletic facilities concessions managers. We are selling them on efficiency and convenience. This app can help deliver product to customers in a more efficient manner and in a way that is much more convenient for the consumer. With this they will be able to deliver a better experience for fans. There are 1,281 NCAA universities, 30 NBA teams, 32 NFL teams, 30 MLB teams, 35 professional soccer teams and various other entertainment options throughout the U.S. attracting thousands of fans every game. The NFL's average attendance per game is 70,000 people

This app would be targeted fans and especially season ticket holders who would have a greater value for the app because it would likely be used more than once. They would be able to regularly and repeatedly use the app. This would allow us to create behaviors in our customers that are coming to events on a regular basis and would use the service regularly.

## Marketing plan:

Our marketing plan would be focused on a dual platform. We would need to sell to the concessions managers of venues and then market to fans to get them to use the app service. We would have professional salespeople to pitch the app to concessions managers via skype and other online sales platforms. We would start off with only 5 local sports teams to allow us to

work out the kinks in the software for year 1. To establish fans to use the app, we would target and use the teams established social media platforms.

After the first year we would get in contact and stay in contact with NCAA schools and eventually professional stadiums and their concession managers. We would use the current schools as testimonials and be able to leverage the data collected from the test sites as far as increases in revenue and increased fan experience.

We would also work with the teams to be able to get ahold of the season ticket holders. This would happen by an email with a basic introduction of the app and download instructions. We would have halftime and break advertisements on the big screens for the whole crowd to see several times. Once we have an established group of users of the app we would work closely with the concessions managers to push reminders and promotions out to the fans. This would provide a useful platform to market directly to the fans themselves and remind them of all the concession options. We would have motivated salespeople to setup individual in game promotions as they would receive compensation based on a percentage of revenue generated by the use of the app.

## **Financial Plan:**

Snack Pro would operate on a small scale initially to work through all the bugs and get things perfected on the software side and then we would expand on a much larger scale. Year one we would experience our largest financial outlay to get the software developed. We would have a software developer program that we would use as a template for future venues. Each venue would have unique menus and would have another initial setup expense to get the software adapted and developed for their needs. We would also have to employ a marketing manager who would be in charge of managing the direct sales of all the new clients. This person would also be responsible for pushing out specials and promotions specific to all the new events to the season ticket holders. This person would operate on a commission basis and be paid on a percent of total sales. This would motivate them to make and create more revenue for the company. Below is our estimate of our profit and loss for first two years.

## Year 1 Estimated Profit and Loss Statement:

### Revenue:

Software Site Sales (5 Locations--\$500 per location)	\$2500.00
Transaction Fees Revenue (5 Locations, 8 Events, 200 Transactions/Event) \$.75 per transaction	<u>\$6000.00</u>
<b>Total Revenue</b>	<b><u>\$8500.00</u></b>

### Expenses:

Software Development Expense	\$5000.00
Site Setup and Demonstration Expense (\$250 per site)	\$1250.00
Sales Commission 35%	\$875.00
Sales Commission on Transaction Fees 35%	<u>\$2100.00</u>
<b>Total Expenses</b>	<b><u>\$9225.00</u></b>

**TOTAL LOSS \$725.00**

## Year 2 Estimated Profit and Loss Statement:

### Revenue:

Software Site Sales (5 Initial Locations Upgrades--\$200 per location)	\$1000.00
Software Site Sales (25 New Locations )	\$12,500.00
Transaction Fees Revenue (30 Locations, 8 Events, 300 Transactions/Event) \$.75 per transaction	<u>\$54,000.00</u>
<b>Total Revenue</b>	<b><u>\$67,500.00</u></b>

### Expenses:

Software Development Upgrade Expense (\$250 per upgrade)	\$1250.00
Site Setup and Demonstration Expense (\$250 per site)	\$6250.00
Sales Commission 35% of new customers	\$4375.00
Sales Commission 20% of repeat customers	\$200.00
Sales Commission on Transaction Fees 35%	<u>\$18900.00</u>
<b>Total Expenses</b>	<b><u>\$30975.00</u></b>

**Profit Year 2: \$36525.00**