

A Business Plan for a Bistro

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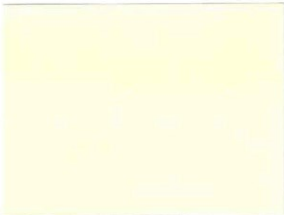
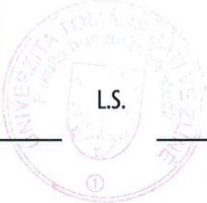
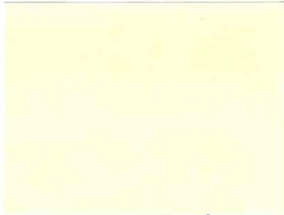
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ABSTRAKT

Tato bakalářská práce je zaměřena na sestavení podnikatelského plánu pro bistro. Práce je rozdělena na dvě části, teoretickou a praktickou. V teoretické části jsou vysvětleny důležité pojmy, jako je podnikání, podnik a podnikatel, včetně typů právních forem podnikání v České republice. Poté je zde podrobně popsána struktura podnikatelského plánu. Praktická část se zabývá sestaveným podnikatelským plánem pro bistro, jehož teoretické poznatky byly čerpány z části první. Dále byl vytvořen marketingový a finanční plán přímo pro tento typ podniku. Cílem práce je zjistit, zda je tento podnikatelský plán realizovatelný a zda má potenciál.

Klíčová slova: podnikatelský plán, podnikání, podnik, podnikatel, bistro, marketingový plán

ABSTRACT

This bachelor's thesis focuses on the creation of a business plan for a bistro. The thesis is divided into two parts, theoretical and analytical. The theoretical part describes important concepts such as entrepreneurship, enterprise and entrepreneur, including the types of legal forms of entrepreneurship in the Czech Republic. Then a structure of a business plan is described in detail here. The analysis deals with the compiled business plan for the bistro, whose theoretical findings were drawn from the first part. Then a marketing and financial plan has been created specifically for this type of enterprise. The bachelor's thesis aims to identify whether this business plan is feasible and if it has potential.

Keywords: business plan, entrepreneurship, enterprise, entrepreneur, bistro, marketing plan

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INTRODUCTION

The subject of this bachelor's thesis is a business plan for a bistro called Easy Bistro. The author has chosen this topic deliberately, as she wants to establish a business in the centre of Uherské Hradiště. Although there are many attractive restaurants in the city, none of them is interested in offering fresh and healthy meals with the aim to spread the word about a healthy lifestyle.

The thesis is divided into two main parts, the theoretical and analytical part. The theoretical part defines basic concepts of entrepreneurship, entrepreneur and enterprise. It also deals with the business environment in the Czech Republic, legal forms and business support. Furthermore, the individual steps that an entrepreneur must take in order to start this type of business are mentioned too. The last aspect included in the theoretical part is a detailed description of the business plan. It comprises and specifies all the important components that should be covered in the business plan.

The analysis contains the actual business plan for the bistro. This section includes all the key aspects of the new enterprise that are described in detail. In addition to basic information about the company, the analytical part contains an analysis of the competition, which is found to be crucial when starting a business. Moreover, the financing options of the company together with calculations of costs and revenues in the first year of business are also represented here. As for the marketing plan section, the founder explains how she is going to address the customers. The main goal of the company is to offer customers something new and unique.

The bachelor's thesis aims to create a business plan for Easy Bistro and prove its feasibility and viability. Also, among the main purposes of this business plan is to identify a business opportunity and fill the hole in the market.

I. THEORY

1 BUSINESS ENVIRONMENT

Entrepreneurship may be defined in many different ways. Generally speaking, entrepreneurship involves business processes in order to make a profit.

Concerning the regulations coming from the European Union, the European Commission characterizes entrepreneurship as “*acting upon opportunities and ideas and transforming them into value for others, which can be financial, cultural, or social.*” The Commission is engaged in supporting entrepreneurs as well as improving education and addressing the groups that have a potential for entrepreneurship. Since 99% of all enterprises in the EU are formed by small and medium-sized companies, they are the most important for driving Europe’s economy forward. Approximately 100 million people are employed there, representing more than half of Europe’s GDP. SMEs play a significant role for Europe to change into an economy that is sustainable and digital. These enterprises ensure European competitiveness, the importance of industrial ecosystems, to be sovereign in terms of economic and technological points of view and be resistive to outer impacts (European Commission 2020).

As far as the Czech laws are concerned, Act No. 89/2012 Coll. Civil Code has replaced Act No. 513/1991 Coll. Commercial Code, which specifically defined entrepreneurship. According to the Czech Civil Code, which regulates and specifies an entrepreneur, the definition of law is as follows: “*Anyone who independently conducts a gainful activity on his or her account and liability in a trade license or in a similar way with the intention of doing that systematically for the purpose of making a profit is considered to be an entrepreneur concerning this activity*” (Act No. 89/2012 Coll. Civil Code).

According to the Act No. 455/1991 Coll. Trade Licensing Act (§2), entrepreneurship is defined as: “*A systematic activity conducted independently, in his or her name, under his or her liability in order to make a profit under the conditions determined by this act.*” It is necessary to explain some of the terms to understand the definition correctly.

- Systematic activity – an activity done repeatedly on the regular basis, not only occasionally.
- Independently – a natural person acts in person, in case an entrepreneur is a legal entity, it acts through a statutory body.
- In his or her name – a natural person performs legal acts in his or her name whereas a legal entity performs legal acts in name of a company.

- Under his or her liability – an entrepreneur is fully responsible for all the risks that come with the business.
- Making a profit – the main purpose is to make a profit (Srpková, Řehoř, et al., 2010, 20).

1.1 Business environment in the Czech Republic

The Czech economy is driven mainly by small and medium-sized enterprises (SMEs). These businesses are defined as follows: the number of employees does not exceed 250 people and the annual turnover is 50 million EUR maximum, or the balance sheet total is less than 43 million EUR. Enterprises with up to 250 employees represent 99.8% of all businesses in the Czech Republic. These business entities are considered to be more adaptable especially in terms of their responses to market changes. They also differ in the organizational structure which is not so complex and therefore the bureaucracy is not as extensive as in the large enterprises. SMEs are also more customer oriented (Srpková, et al., 2020, 184-185). Since the employment in the small and medium-sized companies is around 62%, they are very important across all the regions. SMEs may be a good way to revitalize the regions economically. A lot of small companies such as cafés or small shops contribute to the welfare and urbanization of cities and preserve their history. Another important role that SMEs have is that their existence prevents the formation of a monopoly (Veber, Srpková, et al., 2012, 20-21).

1.2 Entrepreneur

According to Act No. 89/2012 Coll. Civil Code that replaced Act No. 513/1991 Coll. Commercial Code, an entrepreneur is defined as mentioned above, in the first chapter. An entrepreneur is characterized by the following aspects:

- A person who is registered in the Czech Trade Register.
- A person who owns the Czech Trade license according to the law for doing a business.
- A person who conducts a business according to special licensing other than the Czech Trade Licence.
- An entrepreneur without a business company must act under his or her name when performing legal actions (Act No. 89/2012 Coll. Civil Code).

An entrepreneur may be either a natural person or a legal entity, including for example public company, a limited liability company, or a joint-stock company (Srpková, Řehoř, et

al., 2010, 30). As Synek, Kislingerová, et al. (2010, 12) stated, a natural person or a legal entity may become an entrepreneur based on a Trade Licence regulated by the Act No. 455/1991 Coll., Trade Licensing Act. Any activity that is not prohibited or excluded by the law is considered to be a trade (Synek, Kislingerová, et al., 2010, 12).

There are two main aspects that may bring success for an entrepreneur. An entrepreneur should have entrepreneurial potential. Either he/she may be born with it or he/she may gain it during life. This aspect may include for example knowledge, abilities, skills but also personal qualities. Another element that is necessary for an entrepreneur is a success. It serves as an inner drive either to start or keep running a business. Motivation is an essential part of entrepreneurship. It refers to the forces causing actions and it affects a person to achieve goals. When a person is not motivated, he or she will not accomplish even though he obtained proper knowledge and abilities (Srpová, Řehoř, et al., 2010, 34-35).

1.3 Before the start of a business

An entrepreneur needs to think of many factors and take several steps before starting a business. Factors such as personal prerequisites, support of relatives, good business idea, and competitive advantage need to be taken into account. An entrepreneur should draw up the founding budget and think of the amount of initial capital that is needed. A business plan should always be a part of starting a business. It helps an entrepreneur to verify if his/her business idea is feasible and viable. Another step involves an acquaintance with the laws regulating entrepreneurship, then choosing an appropriate legal form of a business.

Every year, a lot of new companies are created and unfortunately, many of them disappear throughout the year. To avoid this fact, a few recommendations and steps for future entrepreneurs are listed below.

- To be motivated and determined to do a business.
- To consider personal prerequisites.
- To have a business idea.
- To draw up a founding budget for a business.
- To create a business plan.
- To choose a legal form for a company (Srpová, Řehoř, et al., 2010, 54).

2 ENTERPRISE

We may think of an enterprise as an entity performing economic activity consisting of:

- Tangible components of entrepreneurship containing movable and immovable property,
- Personal resources including employees and employers,
- Intangible elements of entrepreneurship involving the name of a company, patents, and licences, know-how, etc.).

An enterprise has the following features:

- Production function (represents the production of either a product or a service),
- Supply feature (targets market needs),
- Scientific and technological (involves using new technologies and scientific knowledge),
- Economic (contains satisfying needs to make a profit),
- Social (employee incomes affect the operation of a company),
- Political (influence on political decisions),
- Educational and cultural,
- Security in terms of work safety, asset protection or environment,
- Social responsibility (meaning to adapt to new expectations and take full responsibility for the actions) (Vochozka, Mulač, et al. 2012, 35-36).

From the widest point of view, an enterprise may be defined as an entity in which inputs are transformed into outputs. An enterprise is a unit that is economically and legally independent for business purposes. Economically means that owners are fully responsible for the company's results. Legally independent stands for the ability to perform legal actions and to enter into contracts with other entities. An enterprise consists of tangible, personal, and intangible elements accompanied by rights and other assets that serve in a company for the business purposes (Srpková, Řehoř, et al. 2010, 35).

An enterprise is located in an environment that has a great impact on it. An enterprise does not have the power to affect and change the surroundings. On the other hand, an environment affects an enterprise a lot. There are factors that are considered to have a certain influence, such as geographical, social, political, and legal as well as economic, technological, ethical, and culturally historical factors (Synek, Kislingerová, et al., 2010, 15).

2.1 Division of enterprises

Enterprises may be divided according to the forms of ownership into private and partnership. In private enterprise, there is only one person who owns assets of a company. Partnership involves at least two persons who are in a business together, conducting the business activities under a name of a company.

Enterprises are divided according to their size as follows: micro, small, medium-sized and large enterprises. Two main criteria effect how enterprises are divided. The first one is related to the number of employees; the second factor involves an annual turnover expressed in millions of Euros. There are less than 10 employees in micro-enterprises and the annual turnover cannot exceed 2 million EUR. Small enterprises employ less than 50 people and the annual turnover cannot be more than 10 million EUR. The limit for the number of employees for the medium-sized enterprises is set for less than 250 employees with an annual turnover of less than 50 million EUR. Large enterprises are not limited, as long as they have more than 250 employees with an annual turnover of more than 50 million EUR (Vochozka, Mulač, et al., 2012, 37-38).

Concerning the legal forms, enterprises are divided into natural person and legal entity. Before establishing a business, it is necessary to choose the legal form of a company. The first step involves a decision between a natural person or a legal entity. Then taking into account trade licenses or other special licences needed to do a business (Srpková, Řehoř, et al., 2010, 56). Act No. 89/2012 Coll. Civil Code regulates entrepreneurship of natural persons and legal entities. These two forms are described in detail below.

Enterprises may be classified according to the industry. Since January 2008 when the classification CZ-NACE has started to be used, enterprises are divided according to the industry they belong to. It is a classification of economic activities which divides all the activities into 99 groups which are further divided into subgroups (Vochozka, Mulač, et al., 2012, 38). Code number 56 includes Food and beverage service activities, which are associated with the immediate consumption of meals or drinks. The subgroup with code number 5610 comprises Restaurants and mobile food activities including activities of restaurants, cafeterias, fast-food restaurants, take-out eating places, and some others (Czech Statistical Office 2021).

2.2 Entrepreneurship of a natural person

A company of a natural person is owned completely independently, by one person. This type of entrepreneurship comes with two main advantages: Only a small capital is needed for

establishing a business and the state regulates the minimum of the company's business activities. What may be a downside is a problem associated with difficulties of acquiring capital, unlimited liability and that a company will last according to the owner's length of life (Synek, Kislingerová, et al., 2010, 76).

In the Czech Republic, entrepreneurship of natural person is usually associated with an abbreviation OSVČ (in Czech "osoba samostatně výdělečně činná"). This term often occurs in the Income Tax Act, Social Security Act, and Health Insurance for a natural person whose income comes from entrepreneurship or other self-employed activity. A typical self-employed person (OSVČ) may be considered for example sole trader, independent farmer, self-employed artist, or court expert.

Before starting a business, a natural person needs to get a Trade License or other special license for doing business activities. After choosing the proper activity, next move is to find out what trade group it is belonged to and get a proper license. Classification of trades according to expertise:

- **Notifiable trades** – a person must notify a trade to the Czech Trade Licensing Office which is then certified by a statement from Trade Register. These notifiable trades are divided into:
 - Skilled trades – to do this type of trade, an entrepreneur must prove proper education in the field that is necessary for a particular job. For example, butchery, hospitality activities, and plumbing are included.
 - Restricted trades – obtaining Trade License for this particular trade require professional competence stated by Trade Licensing Act. Among those are, for example, massage services and running a driving school.
 - Free trades – there is no need for any professional competence at all. An entrepreneur's task is to choose from 80 activities that he/she will do. Free trades include for example accommodation services and photographic services.
- **Permitted trades** – these trades require permission (concession) and professional competence. An entrepreneur must meet special conditions and get consent from a State Administration. For example, taxi service and running a travel agency are included (Srpová, Řehoř, et al., 2010, 67).

Trades may be classified according to the scope of entrepreneurship. There are three types: commercial, manufacturing and providing services (Synek, Kislingerová, et al., 2010, 76).

Act No. 455/1991 Coll., Trade Licensing Act is a law that regulates conditions concerning obtaining Trade Licences for doing a business and to check compliance with regulations. To get a Trade license or special license, an entrepreneur must meet general and special conditions required by the Trade Licensing Act. General conditions include:

- Legal age (18 years),
- Legal capacity to perform legal actions,
- To be irreproachable (to have a clear criminal record certificate).

Special conditions contain professional or other competence if required by the type of profession (Srpová, Řehoř, et al., 2010, 67).

2.3 Entrepreneurship of a legal entity

Apart from a natural person, a legal entity is the second option in terms of the legal form of an enterprise. In terms of legislation, Act No. 89/2012 Coll., Civil Code regulates and modifies entrepreneurship of legal entities. Every legal entity must be registered in the Czech Business Register (Vochozka, Mulač, et al. 2012, 40). Establishing a company as a legal entity may be demanding concerning administration and initial capital (Srpová, Řehoř, et al., 2010, 68).

According to the Civil Code, a legal entity is characterized by a legal personality from its origin to its dissolution. Concerning the establishment of a legal entity, either a founding legal act, a law, decision of public authority, or another way set by legal regulation may be taken into account. A legal entity is established after enrolling in the Czech Business Register. The Civil Code distinguishes three main types of legal entities:

- **Corporation** – is either formed by a community of persons, or by a single member.
- **Foundation** – consists of the assets which serve for a specific purpose. All activities are linked to the purpose for which it was established.
- **Institution** – established for the economically and socially useful activities using both personal assets and property (Act No. 89/2012 Coll. Civil Code).

Another law related to legal entities is Act No. 90/2012 Coll., Business Corporations Act. This law follows the Civil Code and regulates business corporations. It divides corporations into two groups, commercial companies and cooperatives. Among commercial companies are a public company, a limited partnership, a limited liability company, a joint-stock company, a European Company, and a European Economic Interest Grouping. Cooperatives include a cooperative and a European Cooperative (Act No. 90/2012 Coll., Business Corporations Act).

2.4 Advantages of a natural person over a legal entity

Entrepreneurship of natural person brings many advantages to entrepreneur, especially at the beginning of starting a business. The very first advantage comes with administrative activities which are considered to be easier and quicker when choosing a natural person. Unlike a legal entity, an entrepreneur is obliged to go to the Central Registration Point (CRM) and report the chosen trade by filling in the registration form. Thanks to the CRM, an entrepreneur may communicate with the Czech Trade Licensing Office, the Czech Social Security Administration, the Health Insurance Company, and the Tax Office. If an entrepreneur wants to register the very first trade, he or she pays an administrative fee of CZK 1000. For any other trade registration or application for a concession, an entrepreneur must pay CZK 500. Together with the registration form, an entrepreneur must attach required documents containing an identity document, professional or other competence for particular business activity, and the right of using the premises listed as a place of business. Apart from the CRM, an entrepreneur may choose to go to the CzechPoint, which serves as an assisted place of public administration. An entrepreneur may start conducting a trade as a natural person on the day of trade registration. If all the conditions are met, the Czech Trade Licensing Office makes an entry in the Trade Register within five working days and an entrepreneur gets an extract from the Trade Register. Conducting a business as a natural person does not require a registered capital, enrolling in the Business Register is not obligatory and the rate of income tax is 15%. Nevertheless, entrepreneurship of a natural person may come with some disadvantages. For instance, an entrepreneur is liable for all the assets and business obligations of an enterprise and a company cannot be inherited after a death of an entrepreneur unlike a share in a business company (Srpková, et. al., 2020, 169-176). The main differences between a natural person and the commercial companies may be seen in *Table 1*.

Table 1: Specification of legal forms of entrepreneurship (Martinovičová, Konečný, and Vavřina, 2019, 22).

	Natural person	Public company	Limited partnership	Limited liability company	Joint-stock company
Number of founders	1	At least 2	At least 2	At least 1	At least 1 legal entity
Establishment	Enter the Trade Register	Enter the Business Register	Enter the Business Register	Enter the Business Register	Enter the Business Register
Liability	Unlimited liability	Unlimited liability	Limited liability	Limited liability	Shareholder is not liable
Registered capital	-	Not specified	At least 1 CZK	At least 1 CZK	CZK 2 mill. or EUR 80000

2.5 Business support

The beginning of entrepreneurship may be very challenging and difficult for an entrepreneur. Not only in terms of uncertainty, fear of failure, or administrative activities, but also in the financial aspect. Many organizations may help an entrepreneur with the start of a business. The support may either have a financial or non-financial form. Concerning the financial aspect, an entrepreneur may apply for grants, contributions, or preferential loans. Regarding the non-financial form, it contains information services, education, conferences, or professional consulting. This support aims to help an entrepreneur to adapt to a business environment and provide useful information concerning the current changes and trends. Therefore, an entrepreneur may devote time and effort mainly to the subject of a business. Those who provide support may be divided into private and public. Ministry of Industry and Trade is one of the many which is involved the most in supporting the entrepreneurs. Under this particular ministry, there are other organizations such as API (in Czech: Agentura pro podnikání a inovace), CzechInvest (in Czech: Agentura pro podporu podnikání a investic), and CzechTrade. The Ministry of Industry and Trade is engaged in preparing the programs for improving the competitiveness of the Czech companies in the market. A new or existing entrepreneur may ask for preferential financial instruments such as a loan that is in the competence of Českomoravská záruční a rozvojová banka, a.s., and get access to financial capital.

Apart from the organizations that may help and support an entrepreneur, there is a possibility to use the institutions and buildings as a place to develop a business. This is so-

called a business infrastructure and it may include the business incubators, accelerators, science and technology parks, and innovation centres. An entrepreneur may use a lot of different services for a lower price including reception services, mentoring, or workshops. These places create a great atmosphere for entrepreneurs to support each other, stay motivated, and get inspired for further development.

Concerning other sources to get useful information about entrepreneurship quickly, online resources and websites are very popular nowadays. Among the most important websites are Enterprise Europe Network when dealing with the European market; BusinessInfo.cz, which is considered to be the most helpful Czech website for entrepreneurs in terms of taxes, accounting, financing, and laws; then Podnikatel.cz, BusinessCenter.cz and Jakpodnikat.cz (Srpková, et. al., 2020, 184-191).

Since the Czech Republic belongs to and is part of the EU, there are European Union funds that provide help for the beginning entrepreneurs. Websites such as Startup Europe Club or Startup Europe Partnership may be helpful in terms of financing and business expansion (Your Europe 2020).

2.6 Other regulatory laws

There are other laws that regulate entrepreneurship concerning hospitality. According to the Government Regulation No. 278/2008 Coll., hospitality activities are defined as “*The activities of preparing and selling food and drinks for immediate consumption on the premises in which they are sold.*” This regulation serves to characterize and divide the activities into groups according to the expertise of a trade (Act No. 278/2008 Coll.). An ordinance No. 602/2006 Coll. regulates the hygienic requirements for catering services. It includes food storage, food handling, maintaining cleanliness, use of cleaning products, etc (Ordinance No. 602/2006 Coll.). Act No. 258/2000 Coll., the Public Health Protection Act should also be taken into account. Other regulations related to catering services are introduced in it. It defines the service, the dish, the conditions under which the activity may be performed. Not later than on the day of commencement of a business, an entrepreneur is obliged to notify the activities to the competent public health authority. Apart from the Czech laws, many of the European regulations on catering facilities must be complied with and respected when conducting this kind of business (Act No. 258/2000 Coll.).

3 BUSINESS PLAN

A business plan is considered to be a written document that is used for characterization and an analysis of a company, containing the future predictions (McKeever, 2010, 6). It is created by an entrepreneur, in which he or she analyses the factors, both internal and external related to establishing and running a business (Koráb, Peterka and Režňáková, 2007, 11).

A reason for creating a business plan may be the courage to become independent and establish a company. Basically, it is a written document that should serve as a helpful tool in terms of starting their own business and managing business activities. The goals and objectives that are set in a business plan may later serve as a control to find out if the business is successful.

A business plan may play a significant role in finding the right investor or getting a loan from a bank. Such a plan is crucial in terms of banks' choice to provide an entrepreneur required amount of money. One of the conditions may be the role of a bank in an entrepreneur's business and conviction that a company will work for more than a decade. Unfortunately, only a few companies are able to comply.

A well-done business plan should be based on taking an advantage of opportunities and strengths and evaluating risks and threats that may be harmful to a particular business (Červený, Fickbauer, et al., 2014, 1-2). Thanks to a business plan, an entrepreneur is able to plan the expenses. A business plan may also warn an entrepreneur in a situation of failing and force him/her to act and improve.

This document may serve either internally for the company owners and the managers or externally for the investors. It may testify to the viability of a company, to obtain financial resources, and to control the business activities of an entrepreneur (Koráb, Peterka and Režňáková, 2007, 13).

3.1 Structure of a business plan

There are many types of structuring a business plan. The content depends on a particular company since it is an individual matter. But some aspects must always appear in a business plan no matter what (Koráb, Peterka and Režňáková, 2007, 36). It is better to follow the given steps and stick to instructions on how a business plan should look like, because not always an entrepreneur is the only one who will ever read it (Koráb, Peterka and Režňáková, 2007, 72). A business plan should contain the following parts:

- Title page,
- Executive summary,
- Enterprise description,
- Market analysis,
- Marketing plan,
- Personnel resources,
- Financial plan,
- Risk evaluation,
- Appendices (Koráb, Peterka and Režňáková, 2007, 73).

3.2 Title page and executive summary

The title page is the very first page of a business plan. This page provides basic information about a company and a founder such as a name and location of a company, name of an entrepreneur, contact information including a phone number and e-mail, a legal form of a business or a financing method.

As Koráb, Peterka and Režňáková (2007, 36) claim, executive summary is a very important part of the whole structure of a business plan. It may be a key factor for potential investors to be interested in a particular business plan. That is why it is essential to pay close attention to this part. This is where an entrepreneur should summarize the main points such as the purpose of a business plan, strengths, expectations, products and services, strategy, and highlight something from the financial plan for example by creating tables. The main purpose is to make readers continue reading the rest of a business plan (Koráb, Peterka and Režňáková, 2007, 36).

3.3 Enterprise description

Before writing more complicated information about marketing strategy and other important elements, a description of an enterprise is vital. It provides important details of a company such as the mission of a company, a legal form, products and services, location, or financial status (Abrams, 2019, 68). The description should be written concisely to provide information on what an entrepreneur's business is based on. If a company has its vision, it may be listed here together with a long-term strategic goal of a business (Koráb, Peterka and Režňáková, 2007, 76-77).

Company's mission is considered to be the most difficult one to formulate. A mission statement includes the goals and objectives an entrepreneur wants to achieve. It basically provides information about the plan of a business for the next few years. A couple of sentences should be sufficient for clarifying the philosophy of a company. This statement should also include information about the principles and financial goals of a company (Abrams, 2019, 70). It is also used as a guide in a company that leads people to achieve the

goals of an organization. According to Armstrong, Kotler and Opresnik (2017, 69), the statement of a company shall be market oriented. It is important to give a mission statement its meaning and to determine intentions clearly (Armstrong, Kotler and Opresnik, 2017, 69).

Concerning legal issues before starting own business, it is important to choose a legal form. There are two options of a legal form of a company. Either there is a natural person or a legal entity to select from (Abrams, 2019, 71).

The section of products and services serves as a description of the products that will be offered. It may also include the products that a company is planning to have in the future. An entrepreneur should introduce and characterize the nature of the products (Abrams, 2019, 76).

Location is the part which provides information on the company's location. The location should be described in detail if a company determined it. If not, it is important to provide at least an approximate location for doing a business and provide reasons why an entrepreneur decided for that particular location (Abrams, 2019, 77).

Financial status is the section where an entrepreneur provides information concerning finances. If there are any financial obligations such as loans, they should be listed here. When looking for funding, the intention and an amount of money should also be suggested (Abrams, 2019, 81).

3.4 Market analysis

Before establishing a company, market research is very instrumental. Market analysis is used to define the customers while a marketing plan serves to determine how to attract them.

Market analysis may serve as a helpful tool to save money. It is essential to know the market; how large it is and what is its potential for doing a business. Defining the target market means knowing the people, businesses, or organizations that may become potential customers, that may purchase the products or services (Abrams, 2019, 106-107). A company chooses its customers and tries to satisfy their needs in the best possible way (Armstrong, Kotler, and Opresnik, 2017, 79).

Differentiation

A business may succeed either because of the lower price of a product or a different kind of product. When thinking of a differentiation related to the products which are offered, an entrepreneur may consider being different in some of the following aspects: benefits, product quality, after-sales support, appearance or image. Defining what makes the product better and different can lead to success (Finch, 2010, 43).

Market segmentation

Since there are many kinds of consumers, products, and needs in the market, a company should be able to estimate which segment would be a good option in terms of opportunities. There are four types of factors to divide the customers, such as geographic, demographic, psychographic, and behavioural. Market segmentation means defining different kinds of people, with different kinds of needs and allocate them into groups. A market targeting involves the activities according to which a company chooses one or more segments it will focus on and will attempt to satisfy its needs (Armstrong, Kotler and Opresnik, 2017, 79-80).

Analysis of competition

Many companies make an assumption there is no competition for their business and then a company is likely to fail in achieving its goals. Recognizing the competitors may significantly help an entrepreneur to understand both customers and their products. An entrepreneur should assess only those competitors who focus on the same target market (Abrams, 2019, 124). The main goal of this analysis is to understand who the major competitors are, their strategies and objectives, their reaction to a company's activities, and how to gain a competitive advantage. According to Michael Porter, there are four main aspects of this analysis: strategy, objectives, assumptions and resources, and capabilities (Vochozka, Mulač, et al., 2012, 346). As Koráb, Peterka, and Režňáková (2007, 36) suggest, it is beneficial to list the main competitors including their strengths and weaknesses.

3.5 Marketing plan

According to Koráb, Peterka, and Režňáková (2007, 82), a marketing plan is basically a strategic plan of a company providing information about plans for succeeding in the market. It is very important to choose the right strategic planning if a company wants to operate on a long scale (Armstrong, Kotler, and Opresnik, 2017, 68).

As Červený, Fickbauer, et al. (2014, 153-54) claim, a marketing plan together with a financial plan may serve as a test of feasibility. It is a kind of double-check system that one's business is going to succeed. If a marketing plan is well set, a product will probably reap success in the market. And the same theory is behind the well-done financial plan concerning a successful business (Červený, Fickbauer, et al., 2014, 153-154).

3.5.1 Marketing mix

A marketing mix as a part of a marketing plan has a great impact on customers in terms of purchase (Abrams, 2019, 165). It consists of the four Ps that serve as marketing tools: product, price, place, and promotion. These tools may help a company to gain a stronger position and accomplish in the market (Armstrong, Kotler, and Opresnik, 2017, 81-83).

Product is considered to be the most important tool of a marketing mix. Thanks to it, the needs of customers are met (Srpková, Řehoř, et al., 2010, 199). It represents all products and services that are offered by a company in order to satisfy the target market (Armstrong, Kotler, and Opresnik, 2017, 81). It may include material things, services, people and organizations, an idea or a place (Srpková, Řehoř, et al., 2010, 199). This part may provide information about variety, quality, design, features, brand name, packaging, and services (Armstrong, Kotler, and Opresnik, 2017, 81). The goal is to make the product profitable (Srpková, Řehoř, et al., 2010, 203).

Price and pricing policy may be regarded as an essential part of a competitive strategy of a company. The incomes of a company are closely related to the price of products or services. Factors such as supply, demand, and competition play a crucial role in determining the prices (Srpková, Řehoř, et al., 2010, 205-206). Price deals with the amount of money that a customer needs to have to purchase a product or service that a company offers (Armstrong, Kotler, and Opresnik, 2017, 81). In other words, the price also means a monetary value of a product (Srpková, Řehoř, et al., 2010, 206).

According to Armstrong, Kotler, and Opresnik (2017, 81), the place contains all the actions that are necessary for making a product accessible for a target customer. Place covers the transportation from a producer to a customer. The process of moving the product from a producer to a customer can be defined as a distribution channel. The distribution may be done either directly by the producer or indirectly using distributors or resellers (Srpková, Řehoř, et al., 2010, 213-214). A company may deal with the fact of what channels it will use, where it will sell the products and how the product will reach the customers (Armstrong, Kotler, and Opresnik, 2017, 81).

The final aspect covered in the marketing mix is promotion. It includes communication with customers and the main goal is to convince the target consumer to buy a product or service that a company offers (Armstrong, Kotler, and Opresnik, 2017, 83). There are five elements a promotional mix is formed from. It consists of advertising, sales promotions, public relations, personal selling, and direct marketing. Advertising is considered to be the most important one. This tool is paid and is used to reinforce the brand and ensure the

purchase. It is usually done via mass media but also billboards, posters or brochures may be used. Sales promotions aim is to motivate customers to buy a product and increase their interests. This method includes bonuses, loyalty programs, or free samples. The most effective and at the same time the most expensive method of communication is personal selling. The purpose of public relations is to create a positive image of a company. It may cover sponsoring and communication with media. Direct marketing targets pre-selected customers through telephone, fax, or e-mails (Srpová, Řehoř, et al., 2010, 218-224).

3.5.2 SWOT analysis

SWOT analysis is used to determine the factors which influence a company concerning its strategic positioning. It is a combination of internal and external analysis. An internal analysis includes strengths and weaknesses, an external analysis consists of opportunities and threats (Srpová, Řehoř, et al., 2010, 131-132). It is used to determine factors that come from the external environment, expectations of stakeholders, and the internal surrounding of a company. The key to making this analysis beneficial is to make sure the facts are relevant and important. Any information listed in the SWOT analysis should be trustworthy (Červený, Fickbauer, et al., 2014, 135-136).

3.6 Personnel resources

Including this section in a business plan depends on the size and type of a business. When running a micro company, a description of personnel resources is not necessary. On the other hand, a complex or extensive business plan which requires a team of specialists should contain a detailed characterization of a personnel plan. This part should include the members of a team, their qualification, a hiring process, their salary, benefits, and personnel costs (Koráb, Peterka and Režňáková, 2007, 87).

Not only personnel but also an organizational plan is important for starting your own business. The resources as people, equipment, finances, and knowledge are considered to be an essential part. Therefore, the main inputs will be people, process, and planning (Červený, Fickbauer, et al., 2014, 155).

Every company has its personality which customers may recognize via employees. It is the way they see a company and how they react, what kind of effect it has on them. As the founder of a company, the person has the right to decide what the personality of a company will be. After determining a company's personality, it is the right time to find proper employees for a business (McKeever, 2010, 152).

According to Abrams (2019, 236), success is dependent on the people who are part of a business. People involved in a company are extremely important as well as their experience and skills that may affect a company in the long run. Providing a positive working environment that contains the motivation of employees, encouraging them, and rewarding them for their accomplishments may bring a competitive advantage to one's business (Abrams, 2019, 236).

3.7 Financial plan

According to Srpová, Řehoř, et al. (2010, 65), a financial plan serves to transform a business plan into numbers and proving the feasibility from an economic point of view. The main goal of a financial plan is to ensure a profit from a business. A company needs to be sustainable in the long run, in terms of finances. A financial plan also accompanies the strategy selection of a company. It controls a business strategy from the financial aspect. This section should include making and using profit and defining costs. Another thing that should be taken into account is the possibility of financing, either using own resources or a bank loan. Then defining the amount of money that is needed for establishing a business together with the probable revenues, costs, and profit. After that, an entrepreneur is able to draw up a balance sheet. A financial plan may consist of preliminary income statement, investment plan, balance sheet, and cash flow (Červený, Fickabuer, et al., 2014, 152-153). The following methods selected for this work are explained in more detail.

Income statement

An income statement also known as a Profit and Loss statement or an Income and Expense statement is a document included in a financial plan. This financial document is used to provide information on whether a company generates profit or not for a specific period of time. For making this statement, precise information about sales and expenses is needed. Nevertheless, an income statement does not provide an overall picture of the value of a company (Abrams, 2019, 310).

Balance sheet

A balance sheet represents the assets of a company and how they are financed. The balance sheet is divided into two main categories, assets and liabilities. The assets and liabilities must be equal, there is a balance rule applied between them. The left side consists of assets concerning its function and liquidity. It includes fixed assets and current assets. The right side represents financing the assets and is divided into two groups, ownership equity and liabilities (Koráb, Peterka and Režňáková, 2007, 128-131). When a difference between the

assets and liabilities appears, it is considered to be the net worth of the company. A balance sheet provides information about an overall picture of a company's value. Thanks to this, either entrepreneurs or bankers and investors may see what kind of property and equipment a company possesses (Abrams, 2019, 316).

4 SUMMARY OF THEORETICAL PART

The theoretical part deals with a business environment and business plan. The terms related to entrepreneurship, entrepreneur and enterprise are described in detail.

The first and second part defines the business environment and highlights the SME segment. The existence of small and medium-sized enterprises is vital both in the EU and in the Czech Republic. Not only may they respond better to market demand, but they also represent over 99% of all business entities in the Czech Republic. An entrepreneur must be devoted as well as have the motivation to conduct a business and be supported by family, relatives, or friends. He or she may use programs created by ministries and ask for providing funding or preferential loans. Concerning the non-financial form, an entrepreneur may use information services, consulting, or different institutions for business purposes. Before a person starts his or her own business, many steps must be taken into account. The hospitality activities belong to notifiable trades; therefore, a person is obliged to notify a trade to the Czech Trade Licensing Office. Hospitality further falls into skilled trades, which means that a person must meet general as well as special conditions, such as proper education or practice in the field. The hospitality activities require special regulations, and an entrepreneur must comply with them.

The third part focuses on the description of a business plan. The creation of a business plan should be an essential part of a beginning entrepreneur. It may serve as a strategy on which entrepreneurship is based and lead an enterprise in the right direction. There is also a possibility to use a business plan to persuade a potential investor or a bank to provide him or her a loan.

As far as the current situation is concerned, the COVID-19 pandemic must be mentioned too. There is no doubt that many companies all over the world have been affected and hospitality facilities are no exception. The pandemic resulted in an economic crisis and therefore lots of enterprises must face critical threats from the economic perspective. According to the research conducted in the Czech Republic and Slovakia, small and medium-sized enterprises have suffered the most due to the pandemic crisis. The perception of business risks before and during the COVID-19 crisis has changed in the SME segment. Among the three main risks are market risk, financial risk, and personnel risk. The most serious change has come with the financial risk. Before the COVID-19 crisis, only about 35.7% of SMEs thought of a financial risk as fundamental. This number has changed during the COVID-19 crisis to 53.6% of SMEs in the Czech Republic (Cepel, et al. 2020, 248-261).

II. ANALYSIS

5 THE BUSINESS PLAN

5.1 Competitive analysis for the bistro in a given location

A founder would like to situate a food establishment Easy Bistro in the centre of Uherské Hradiště. As far as bistros are concerned, there are a couple of possible competitors in this city. Only a few of them represent direct competition in the market, while others are indirect competitors, which mainly include restaurants. All potential competitors for the Easy Bistro are mentioned and described in detail below.

CORSO Pamlserie

CORSO Pamlserie is one of the main direct competitors in Uherské Hradiště. This facility is located on Masaryk square right in the centre of the city. It is a relatively newly opened business with a café, fresh bar, and bistro. Apart from its modern appearance, it offers its customers both indoor and outdoor seating. The menu is currently very narrow but under normal circumstances, it provides a very wide selection of homemade desserts, ice cream, lunch menus as well as take-out snacks, such as wraps and sandwiches from the fresh bar. Unlike many other facilities, CORSO Pamlserie is open during the whole week even on the weekends. As a result, it is visited quite frequently throughout the week despite the current situation. Its opening hours now differ from the standard operation but as mentioned earlier, currently it is open daily from 8:30 a.m. to 6 p.m. except Sundays, it is open from 11 a.m. The biggest advantage is the location, the range of selection and sitting opportunity (CORSO Pamlserie 2021).

Polévkárna U Hroznu

Among the other direct competitors is Polévkárna U Hroznu. This business is also situated on Masaryk square in the city centre. It focuses mainly on healthy lunch menus, offering daily up to five types of soups. Customers may come and mix their lunch menu according to their taste and size portion preference. Polévkárna U Hroznu offers five different soups, homemade savoury and sweet pastries, pasta, risotto, and a wide range of variously prepared vegetables. This facility is open on weekdays only and its opening hours are from 8:30 a.m. to 2:30 p.m. The advantage covers to position and the wide menu, on the other hand, the disadvantage is that the business is open only for a couple of hours during weekdays (Menicka.cz 2021).

EzoBooster

Another direct competitor for Easy Bistro in Uherské Hradiště is a bistro called EzoBooster. This small family business is located in the city centre in the street Na Morávce, a short walk

from the main square. It offers only vegan and vegetarian lunches, as well as homemade desserts without using sugar or gluten. Ezobooster specializes in lunch menus and offers one different meal each day. The food is usually very tasty, nutritionally balanced, and nice to look at. Their main philosophy is in using organic ingredients. The place is very cosy and well-furnished although it is small and does not offer a place to sit. Therefore, the food is possible only as a takeaway. Concerning its opening hours, it is open on weekdays only, from 9 a.m. to 2 p.m. The biggest advantage is that there is no other business in the city with such philosophy as Ezobooster. It is the only facility that targets vegetarian and vegan customers only. The disadvantage is the short opening hours only on working days, narrow menu, and the place it is located at is less frequented (EzoBooster 2021).

Kafec U Komína Uherské Hradiště

This business belongs to indirect competitors since it is not a bistro but more like a café serving mainly breakfast menus. However, it is open the whole week throughout the day offering not only breakfast but different kinds of meals till the evening. This facility specializes in serving salt and sweet breakfast menus, such as waffles, sandwiches and toasts. At this time, they adjusted their offer so that everything could be taken away and added various salty snacks, such as wraps or sandwiches, to the range. Its opening hours are from 8 a.m. to 7 p.m. and in summer it tends to be much longer. It is situated about 10 minute long walk from the centre, on Moravian Square (Kafec U Komína Uherské Hradiště 2021).

Tom Restaurant

Another indirect competitor is Tom Restaurant, which is an Asian restaurant in the city centre in the busiest street called Prošřední. It is a freshly opened restaurant with a modern interior offering Vietnamese, Thai and Japanese specialities and using the freshest ingredients. In addition to traditional dishes, Tom Restaurant also offers a discounted lunch menu during the workdays. Customers may choose from five different dishes and five sushi menu each day. Regarding its opening hours, it is open daily from 10:30 a.m. to 10 p.m. (Tom Restaurant 2021).

Burger & Bar Brothers

Among other indirect competitors is Burger & Bar Brothers specializing in burgers. This restaurant is also located in the city centre and is very popular among people. In addition to its tasty burgers, it offers hot dogs, double sandwiches and chicken strips. During the workdays there are lunch menus at discounted prices and customers may choose either from beef or vegetarian burgers. At this time, they have not only dispensed window but also food delivery, which is widely used by customers nowadays (Burger & Bar Brothers 2021).

There are other restaurants in the city, which mainly offer Czech cuisine and are not simply such competition in the market. All hospitality facilities mentioned above target a similar segment and customers with similar preferences. Whether it is a bistro or restaurant, these businesses will influence the customer's decision on where to go to eat.

The founder plans to establish Easy Bistro after the situation improves when there are no critical measures that would endanger the operation of the business. A pandemic has affected many hospitality facilities in Uherské Hradiště and unfortunately, some of them are slowly closing. The situation does not look good for them in the long run and the entrepreneurs have started losing motivation and hope. After all, it may result in terminating competing enterprises. When the pandemic is over, there will be not so many competitors in the market anymore which may bring a great opportunity to establish your own business. That will be the time when an entrepreneur seizes the opportunity and breaks into the market.

5.2 Analysis of financing the bistro

Due to lack of finances, the founder has decided to borrow money from the bank. Since she is a long-term client of Komerční banka, a.s., she has decided to take a loan from this particular bank institution. She was offered two funding options, a personal loan or a business loan.

Personal loan

Regarding a personal loan, she would apply for a loan of CZK 500,000 to start the business. The loan is set at eight years with a fixed interest rate of 3.8% p.a., and the monthly instalment is CZK 6,603. This amount includes monthly solvency insurance of CZK 500. The APR is 3.87%, and the total amount to be repaid is CZK 580,230. Because she cannot prove her incomes, her parents will have to submit their incomes, and they will become the guarantors since the amount exceed CZK 300,000.

Business loan

As for this option, the owner would apply for a business loan of the same amount, CZK 500,000. With this type of loan, the maturity is shorter, namely five years. The bank guarantees that the interest rate will be no more than 9.9% p.a. The business loan is suitable for start-up businesses in particular. Since the loan term is shorter, the monthly instalments are much higher, especially at the beginning. The amount is not fixed, it gradually decreases over the years. For instance, the first instalment will be around CZK 10,000, while the instalment at the end of the loan repayment will be around CZK 7,000. This could be a huge advantage, along with the fact that the business loan is tax deductible.

5.3 Title page

Figure 1: Company logo (own creation).



A Business Plan for Easy Bistro

Name of the company:	Easy Bistro
Legal form:	Natural person
Location of the company:	Masaryk square, 686 01 Uherské Hradiště
Date of establishment:	2022 – 2023
Name of the founder:	Tereza Pondělková
Contact details:	Phone number: 734741872 E-mail: t.pondelkova@seznam.cz
Financing method:	Personal loan of CZK 500,000, building savings of CZK 150,000 and savings account of CZK 200,000. The sum is CZK 850,000.

5.4 Executive summary

This part provides crucial information about a new start-up company called Easy Bistro which will be located in the heart of Uherské Hradiště in the Czech Republic with the aim to fill the hole in the market. The company will be established by one natural person, Tereza Pondělková. She will be in charge of operating the business and managing the socials.

Easy Bistro will be a small food establishment that will provide healthy and fresh meals, non-alcoholic beverages and selected coffee. It will differ from the competition in many

ways, such as an original menu, usage of premium quality ingredients, offering nutritionally balanced dishes, two types of selected fair-trade coffee, homemade lemonades and serving mainly in recycled paper packaging. Also, the enterprise will focus on vegetarians and vegans and people with various intolerances.

The initial costs of the establishment will be covered by a personal loan of CZK 500,000 and the founder's money from the savings account and building savings. The financial plan may be found at the end of the business plan and besides to initial balance sheet, it also includes expected revenues and profit from the first year.

The main goal of the enterprise is to make a profit and satisfy customers by offering them something new and exceptional.

5.5 Enterprise description

This section covers all the important information about the company containing the mission, legal form, products description, location and business financing.

5.5.1 Company's mission

The company's main mission is to offer customers a simple combination of high-quality, healthy, and fresh food as well as spread the idea of a healthy lifestyle. Easy Bistro wants to serve food that is nourishing, rich in macronutrients, and without using industrially processed raw materials, saturated fat or sugar. The company's philosophy stands for beliefs that food is essential as fuel for our body, but it also serves as a pleasure that brings joy.

5.5.2 Legal form

Easy Bistro will be established by one natural person, Tereza Pondělková. According to Act No. 89/2012 Coll. Civil Code, she will become an entrepreneur based on a Trade License. The hospitality activities belong to notifiable trades, specifically into skilled trades requiring both general and special conditions. Since she does not have the appropriate education nor practice in the field, she will conclude a contract with the responsible representative who meets the requirements. This person will then accept responsibility for proper operation and compliance with the regulations.

The founder evaluated all possibilities, and despite the many disadvantages of a natural person, the positives predominate over negatives. Having considered the choices available, she decided to go for this one.

5.5.3 Description of the products

Easy Bistro will primarily offer fresh and healthy dishes based on natural ingredients inspired by international cuisine. It will specialize in lunch menus as well as meals and homemade desserts serving throughout the day. The customer will be able to choose from a wide range of meals during the whole week. In addition, Easy Bistro plans to offer its customers selected coffee, tea, and non-alcoholic beverages including homemade lemonades. The business will focus not only on carnivores but also on vegetarians and vegans, or people with various intolerances. Thus, every customer will be able to choose exactly what he or she likes. The products are described in detail in appendices.

5.5.4 Location

The enterprise would like to be located in the centre of Uherské Hradiště. Since Masaryk square is the most frequent place in the centre, it would be the most suitable position for the business. Currently, the city does not offer many premises for rent, therefore there are only two possibilities for positioning the enterprise. The options are described and compared in detail in *Table 2*.

Table 2: Premises for rent (own creation).

Place	Shopping centre Slunce	Business premise with own entrance
Location	Masaryk square	Zelný Trh
Floor	Second floor	Ground floor
Area in m ²	50	101
Price per month	CZK 9,500	CZK 23,000
Price per m ²	CZK 190	CZK 228
Barrier-free	Yes	No
Equipment	Yes	No
Sanitary facility	In common areas	Own

The table above describes two possible rental spaces for Easy Bistro. As can be seen in the table, the first possible location is Masaryk square, and the second premise is situated in Zelný Trh which is about an alley next to the main square. The premises available in shopping centre Slunce are located on the second floor, in a former restaurant. The area is not very large, and the price is set at CZK 9,500 per month with the landlord having to pay a commission to the real estate agency and a refundable deposit of three months' rent. The premises have wheelchair access and basic equipment which makes it a great place to open

a new hospitality facility. Unfortunately, the premises do not permit to have own sanitary facility. The business premises available in Zelný Trh are situated on the ground floor and offer an area of up to 101m². The rent here is a bit more expensive, on the other hand, the premise has its own entrance, sanitary facility, and storage space in the yard. However, the building is not equipped or barrier-free (Sluneční reality 2021; Sreality 2021).

The founder is aware of the fact that both rental prices and premises may change in the following years, therefore she will have to look for a suitable location again. Thanks to this, however, she gained an overview of rental prices in the city.

5.5.5 Business financing

As mentioned earlier, the founder would like to borrow money from the bank to start the business. After considering the options, she has decided on a personal loan of CZK 500,000. Besides, she has a building savings of CZK 150,000 and saved money in her savings account of CZK 200,000, which she plans to use as well. She will therefore have a sum of CZK 850,000.

5.6 Market analysis

Understanding the market, recognizing potential customers and their needs is one of the main aspects which may guarantee success. One of the instrumental analyses, a competitive analysis has already been performed and is described in subchapter 5.1.

Differentiation

Implementing a differentiation strategy may lead to an increase in competitive advantage. Easy Bistro will be different in many ways, such as an original menu, usage of premium quality ingredients, offering nutritionally balanced dishes, and serving food mainly in recycled paper food packaging. Sustainability is one of the most important values of the company. Also, Easy Bistro would like to be as much authentic as possible to create its identity. Concerning the practises, the company will treat its employees with respect to build a sense of community. The facility will be avoiding the use of sugar, excess salt and saturated fats. In addition, the bistro will be opened every day throughout the week. Thanks to that, the founder believes the products will be more desirable to the target market.

Market segmentation

As far as market segmentation is concerned, Easy Bistro would like to target young people who are interested in a healthy lifestyle and proper diet. The target group will be mainly between the ages of 20 and 40. In addition, the business would like to show others that

healthy food does not have to be boring and tasteless. Anyone with an open mind and desire to taste new things is very welcome. Since the company defined the target audience, it may deliver more targeted and valuable messages to them.

5.7 Marketing plan

The marketing plan serves as a strategic plan; therefore, it is necessary to pay close attention to it. This section includes marketing mix as well as SWOT analysis because they are found to be very important.

5.7.1 Marketing mix

Product

Since the product is the most important tool from the marketing mix, special attention is given to it. A detailed description of the products may be found in the appendices.

The most important products that Easy Bistro will focus on, are lunch and dinner meals. Every day, the customer will be able to choose from eight kinds of dishes and a soup of the day. The menu will remain the same throughout the week, only the soup will vary each day. The type of soup will depend mainly on seasonal vegetables and local ingredients. Easy Bistro offers a variety of different kinds of meat and seafood. For all plant diet enthusiasts, there are possibilities of choosing a plant-based meal. Each dish will be nutritionally evened and contain all three macronutrients: carbohydrates, proteins, and healthy fats. So, neither carnivores nor vegans do not have to worry about protein deficiency and low satiety.

The menu includes other products, such as healthy homemade desserts. None of the desserts contains added sugar, and they consist of only a few ingredients. Two of the four desserts are gluten-free, so any customer with gluten intolerance will be able to choose. Additionally, the desserts will be a load off with nutrients and rich in protein. Thus, anyone may indulge in them at any time during the day without remorse.

Last but not least, the menu contains non-alcoholic beverages and hot drinks. Non-alcoholic beverages include a variety of kombucha, water, and homemade lemonades. As for hot drinks, Easy Bistro offers two types of selected fair-trade coffee, organic matcha tea, loose green tea as well as fresh mint and ginger tea. Concerning plant-based customers and people with lactose intolerance, the bistro has decided to offer plant-based milk alternatives to cow's milk for coffee.

Concerning the serving, Easy Bistro will use mainly recycled paper food packaging and will avoid serving in plastics in order to reduce the ecological footprint. Thereby the facility

does not want to contribute to the increasing amount of waste. Nowadays, there is a great emphasis on ecology and Easy Bistro is aware of it, therefore it wants to lead by example.

Price

It is crucial to set the prices right because the product prices determine the profit of the company. The product prices will depend not only on the prices of competitors but also on the price of ingredients used, location, rent, and the packaging. The founder is aware the product price cannot be higher than the competitors' one, and at the same time must be profitable thus cannot be set too low. Prices are usually lower around lunchtime, assuming that the facility offers a lunch menu. In Uherské Hradiště, the lunch menu costs around CZK 120. Therefore, the meal prices in Easy Bistro will be approximately around this amount, and the price of desserts will not exceed CZK 60. The listed product prices also include the price of the package, in which it will be served. The detailed product price description is presented in the appendices.

The founder considers various discounts mainly during lunchtime. For instance, customers would get a soup of the day for free with each lunch menu. During the workweek, mainly from Monday to Thursday, Easy Bistro would like to have happy hour in the evening to attract customers. Regarding payment, both cash and card payment will be possible.

Place

Easy Bistro will be located in the centre of Uherské Hradiště, on Masaryk square. The exact location is not known yet, but sales will mainly take place directly on the premises. In the case of food delivery, an intermediary between the enterprise and the end customer will deliver the products to the customers. Easy Bistro would like to cooperate with Dáme jídlo, which is a food delivery company. This platform operates throughout the Czech Republic, including Uherské Hradiště, where it cooperates with 13 hospitality facilities. It helps to find customers and ensures efficient food delivery. The company Dáme Jídlo would also help raise awareness about the start-up among people, which is needed especially at the beginning of conducting a business. Also, the founder is aware that she will pay a 30% commission to the delivery company (Dáme jídlo 2021).

Promotion

The promotion of the business is very crucial in terms of spreading awareness among potential customers. It should be done even before opening the facility to be as effective as possible. The founder would like to pay the most attention to advertising, social networks, leaflets and sales promotions. When it comes to social networking services, the company will mainly focus on platforms, such as Facebook and Instagram. The establishment of these

two social networks is completely free of charge. These platforms will be exploited the most as they are widespread and used by many young people nowadays. Besides, Easy Bistro will have its website. The company believes social networking is a powerful way to promote the business and build a strong relationship with the customers.

- **Facebook** – The founder wants to have a Facebook page to provide information about opening hours, location, special offers, and show the product photos to the target audience. This platform allows customer interaction as well as leaving reviews to a company.
- **Instagram** – Similarly to Facebook, Instagram will be used for business promotion and providing basic information. The founder wants to use Instagram mainly to build a community and establish a loyal following. By regular and relevant posts, the company will encourage people to contribute with comments, share their opinions and give feedback.
- **Website** – To increase the credibility of a company, the founder decided to have a website. The website page may give a great impression and attract new customers. Thus, people may have easy access to the basic information, the menu, and the whole company's philosophy. The website will be created through the online tool.
- **Leaflets** – A leaflet as a form of cost-effective advertising will help raise awareness about new business. It will contain the company's name, location, website, social platforms, and special offers. The leaflets will be distributed a month before the actual opening. The founder will place them in the centre of Uherské Hradiště, mainly in coffee shops, banks, doctors' offices, gas stations, bus and train stations, and schools. The leaflet design will be created free of charge in an online platform and the print will be conducted by JKPlocha s.r.o. The founder and the company agreed on a quantity discount of CZK 2.5 per piece when taking 500 pieces.

As far as paid advertising is concerned, the founder would like to use social networks for these purposes. By advertising across the platforms, such as Facebook and Instagram, she will have an opportunity to address the potential customers. The prices are very similar on both platforms, starting at CZK 30 per day. The campaigns will start a month before the opening, and the founder would like to invest CZK 100 in one ad per day, which means that she will pay CZK 6,200 per month for both social networks. After opening, she plans to spend monthly around CZK 2,000 on the regular campaigns to target the customers.

Regarding sales promotion, as mentioned earlier, Easy Bistro will offer special offers during lunch. This special offer includes buying lunch while getting a soup of the day for free and will be available during the workweek from 11 a.m. until 2 p.m. Also, happy hour will be implemented as a part of the marketing strategy. Customers will be able to buy products at a lower price from Monday to Thursday in the evening. Happy hour will be set fixed and will start two hours before closing time. The percentage discount will be around 10 to 15 %, and the discounted products will vary according to the daily sales. Also, the company will imply loyalty programs.

- **Loyalty programs** – Loyalty programs in the form of loyalty cards will be used to create customer loyalty and make consumers purchase repeatedly. And because Easy Bistro offers two types of selected fair-trade coffee, the loyalty program will focus on that. Every tenth coffee will be for free for anyone who holds the coffee loyalty card. This loyalty card will be provided free of charge upon customer request. The design of the card will be created in an online graphic design platform called DesignWizard.

Table 3: Promotion input costs (own creation).

Type of promotion	Price
Social networks	CZK 0
Advertising	CZK 6,200
Website	CZK 499 per year
Loyalty program	CZK 53
Leaflets	CZK 1,250
Total input costs of promotion	CZK 8,002

5.7.2 SWOT analysis

The following table represents internal factors, such as strengths and weaknesses, and external factors containing opportunities and threats.

Table 4: SWOT analysis (own creation).

STRENGTHS	WEAKNESSES
High-quality products	High start-up costs
Affordable prices	Beginner on the market
Special offers	Risk of failure
Excellent location	
Minimalist modern interior	
OPPORTUNITIES	THREATS
Using fresh and healthy ingredients	Direct competitors
Homemade desserts	New competitor entering the market
Happy hour	Lack of interest of customers
Recycled paper food packaging	Measures and restrictions

The strengths of the company include high-quality products offered at affordable prices. The business will be in an excellent location which is the city centre. The minimalist modern interior will create a positive atmosphere to make people feel good. Unlike the competition, Easy Bistro will offer special offers during lunchtime.

High start-up costs are considered a weakness because the initial investment will be very high. The founder does not have any experience with conducting a business, and therefore she is aware that she goes at serious risk and may not succeed.

Opportunities belong to external factors and include using fresh and healthy ingredients. Other aspects covered are offering healthy homemade desserts without added sugar, then having happy hour from Monday to Thursday and serving food only in recycled paper packaging.

The founder considers both existing and new competitors to be the main threat. Also, she worries that potential customers will not be interested in her products. Last but not least, she thinks that some measures or restrictions adopted by the government would dramatically jeopardize her start-up.

5.8 Personnel resources

The operation of the bistro is determined by the team of employees. Apart from the owner, two full-time cooks and two full-time waiters or waitresses will be employed. Together, the team will consist of five people. There will be two groups of workers each consisting of one cook and one waiter/waitress. Each group will work two short and two long weeks in a month. They will not be meeting and will alternate between days at work. This means that the first group of workers will work only for two days (Wednesday and Thursday), and the second group will work for five days (Monday, Tuesday, Friday, Saturday and Sunday) in one week. Next week there will be a switch, and the first group will have to work for five days while the second group will work only for two days. They will take turns every week to have approximately the same number of hours worked. There will be at least two workers in the facility every day to ensure running the business and provide excellent customer service. The owner assumes, that she will hire two part-timers for the summer season if the demand increases. Individual job positions are described in detail below.

Owner

The owner will be responsible for the operation of the business as well as supervising employees. She will be in charge of promotion to attract more customers and communicate with them via social networks. She plans to be active on social networks and add posts regularly. Through the platforms, she will inform customers about special offers, happy hours and loyalty programs. She will also manage finances and do accounting. Then she will carefully maintain inventories and monitor stock to lower costs. Her other responsibilities include adhering to food safety regulations, ensuring customer satisfaction and equipment repairs. Lastly, she will bake homemade desserts as well as helping with preparing and serving the meals.

Cook

This position requires a gastronomic education. The cook will work eleven hours a day, fifteen days a month, on average. An employee will come to work an hour before opening, i.e., at 9 a.m. to have time to prepare the machines, cook the soup of the day, prepare and slice all the food and ingredients so that Easy Bistro is ready to start serving food at 11 a.m. This employee will be responsible for preparation as well as service of the meals and cleaning.

Waiter/waitress

It would be great if this employee had a gastronomic education, but it is not a condition. The waiter/waitress should come half an hour before opening and clean the facility, help a colleague prepare everything so that the facility may open at 10 a.m. This person will be responsible for preparing drinks and serving the desserts, cleaning, taking customers' orders, operating the cash register and dealing with customers issues and complaints. Concerning the working hours, the worker will work approximately 11 hours a day, fifteen days a month.

Table 5: Salaries (own creation).

Job position	Number of employees	Gross salary per employee
Owner	1	CZK 30,000 per month
Cook	2	CZK 26,000 per month
Waiter/waitress	2	CZK 26,000 per month
Total expenses for salaries		CZK 134,000 per month

Table 5 describes the approximate gross salaries of each job position in the business. There is also information regarding the total monthly expenses for salaries that are anticipated. The owner together with the full-time employees will have a fixed salary, while part-time workers would have an hourly wage. As an hourly worker, he/she will get CZK 120 per hour. If the founder hires part-timers for the summer season, expenses for salaries will be even higher. The above gross salaries are only starting salaries. If the business thrives, the salaries will increase gradually. As for the tips, the employees will split them among themselves.

5.9 Organizational plan

The organizational plan covers all the resources and important information that is necessary for operating the business. Concerning the personnel, it is described in detail above.

Financial resources

As mentioned earlier in the business plan, the founder will apply for a personal loan of CZK 500,000 to start the business. Besides, she plans to use money from her building savings of CZK 150,000 and money from her savings account of CZK 200,000. Therefore, the financial resources are CZK 850,000. She will use this amount of money for the establishment of the company.

Equipment

The interior will be both minimalist and modern with the aim to create a positive atmosphere to make people feel good in there. It will be tuned to white with the elements of wood and a large number of flowers. Thanks to that, space will be clean and cosy. The meals will be prepared directly in front of the customers, so there will be an open kitchen with a large bar, a few barstools and a bakery display counter. Behind the counter, there will be a blackboard with the menu. Except for the menu, the blackboard will contain the special offers during lunchtime and happy hour offers. *Table 6* represents the equipment and its prices for the facility. For the detailed description, please see the appendices.

Table 6: Equipment (own creation).

Item	Price in CZK
Technical equipment	329,200
Furniture	45,500
Other equipment	35,500
Total equipment costs	410,200

Recycled paper packaging

Concerning the packaging, the founder has decided to serve both meals and drinks in recycled paper packaging. Therefore, she needs to have an adequate number of disposable paper packaging for the customers every month. The recycled packaging contains paper cups and lids for both hot drinks and homemade lemonades, then paper boxes and lids for soup, paper boxes and paper bags for the main dish, paper trays for desserts and also wooden cutlery, such as spoon, fork, knives, and stirrers for hot drinks and paper straws. Recycled napkins are also listed. The table below shows the approximate prices per one piece of recycled paper packaging when taking larger quantities.

Table 7: Prices of recycled paper packaging (own creation).

Item	Quantity	Price in CZK	Price/piece in CZK
Paper cup	1,000	800	0.8
Plastic lid	1,000	1,000	1
Paper box for soup	1,000	1,500	1
Paper box for main dish	1,000	2,000	1.5
Paper bag for main dish	1,000	200	0.2
Paper tray	1,000	500	0.5
Wooden cutlery	1,000	500	0.5
Wooden stirrers	1,000	100	0.1
Paper straws	1,000	500	0.5
Napkins	1,000	500	0.5

Opening hours

Regarding the opening hours, it has been decided, that Easy Bistro will be open every day throughout the week. On Fridays and Saturdays, the opening hours will be longer, due to the higher concentration of people in the city. During the working week, the facility will provide lunch menus with a soup of the day for free. The customers will be able to buy a lunch menu from 11 a.m. to 2 p.m. In the evening from Monday to Thursday, Easy Bistro will have happy hour and will offer meals at a discounted price. Hereby, the bistro not only wants to motivate customers to come and buy products but also to avoid wasting food. Opening hours are described in the following table.

Table 8: Opening hours (own creation).

Opening hours	
Monday	10.00 am – 20.00 pm
Tuesday	10.00 am – 20.00 pm
Wednesday	10.00 am – 20.00 pm
Thursday	10.00 am – 20.00 pm
Friday	10.00 am – 21.00 pm
Saturday	10.00 am – 21.00 pm
Sunday	10.00 am – 20.00 pm

Process

As for the process of operating the bistro, there will always be two workers on the shift every day. One will be responsible for preparing the meals while the other will take orders and serve drinks. The orders will only be accepted at the counter, where food and drinks will then be issued. All meals will be served in recyclable paper boxes along with disposable wooden cutlery. Drinks such as water and kombucha will be served in plastic bottles, which will be kept in the bar fridge. Other drinks, including coffee and tea, will be served in paper cups. Along the bar, there will be several bar stools, which customers may use in case of either waiting for the meal or eating the food in the facility.

In the morning, a cook will be at work an hour before the opening and will cook the daily soup and prepare all ingredients. A waiter or waitress will also come at 9.00 and will help a colleague and fill the fridge to the full. After lunch menus around 2 p.m., the workers will prepare everything for the evening operation and decide about the meals for the happy hour, if it is offered that day. At the end of the day, after each shift, the full-time employees' task will be to clean the equipment and premises, storing food and ingredients and calculate the daily sales.

The owner will be at work throughout the whole week and must control the food stock. She will make sure there are enough fresh ingredients to make everything from the menu. During the day, she will help her subordinates and will take care of social networks.

Concerning the orders, the food and drinks will be served throughout the day and the last order will be accepted from Sunday to Thursday at 7.50 p.m. and on Fridays and Saturdays at 8.50 p.m.

5.10 Financial plan

This chapter deals with expected revenues, costs and profit of the company. Also, it contains financial statements such as a balance sheet and income statement.

Initial costs

All initial costs for the establishment and opening of the bistro are described in the table below. The first item for the establishment is a trade licence that costs CZK 1,000. To take a loan, the founder must pay a loan processing fee of CZK 490. Another item is a reconstruction that includes painting and minor adjustments in the facility. The founder would like to go to the premises that served as the hospitality facility earlier and therefore assumes that the reconstruction might not be so expensive. The average rental price is around CZK 209 per square meter, and if the area is 70 m², the monthly rent will be CZK 14,630

without energy. Another item is promotion, and the input costs are CZK 8,002. For a detailed description, see *Table 3*. The most expensive item is equipment, which will cost over CZK 410,000. This includes, for instance, kitchen appliances, furniture and decorations. A more detailed list of equipment is provided in the appendices. Another item in the table is the HACCP system, whose deployment costs CZK 4,500. The HACCP abbreviation stands for Hazard Analysis and Critical Control Points which ensures food safety in the facility (EUR-Lex 2021). Concerning the stock, it is necessary to buy food ingredients, raw material, beverages, coffee beans and tea packaging. Thus, the initial costs of stock are CZK 39,800.

The founder must meet other conditions without paying additional costs, such as eligibility for the establishment. To make sure this has been complied with, she needs to go to the building authority. Then she must ensure that the facility meets hygiene standards, and therefore she needs the confirmation from regional hygiene station (Krajská hygienická stanice 2020). Last but not least, according to the Ministry of Interior, the establishment must meet the fire safety conditions (Ordinance No. 246/2001 Coll.).

Table 9: Initial costs (own creation).

Items	Price in CZK
Trade licence	1,000
Loan processing fee	490
Reconstruction	50,000
Rent	14,630
Promotion	8,002
Equipment	410,200
HACCP system	4,500
Stock	39,800
Total initial costs	528,622

5.10.1 Initial balance sheet

After the determination of initial costs, the initial balance sheet has been created. *Table 10* represents all assets together with all liabilities after the establishment of an enterprise. The assets provide an overview of the property and consist of long-term assets and current assets. The long-term assets include technical equipment and furniture, while the current assets contain other equipment, stock and money in a bank account. On the right side, there are total liabilities and include equity and liabilities, which both serve as sources of coverage.

The equity consists of the owner's equity, while liabilities represent obligation, in this case, it is the bank loan.

Table 10: Initial balance sheet (own creation).

Total assets		Total liabilities	
Long-term assets	374,700	Equity	150,000
Technical equipment	329,200	Owner's equity	150,000
Furniture	45,500		
Current assets	275,300	Liabilities	500,000
Other equipment	35,500	Bank loan	500,000
Stock	39,800		
Bank account	200,000		
Total value	650,000	Total value	650,000

Depreciation

By 2021, tangible assets worth over CZK 80,000 may be depreciated. This includes, for example, the coffee machine, which acquisition cost was CZK 100,000. It belongs to the 2nd depreciation group; therefore, the depreciation period is five years. The founder decided on accelerated depreciation, which is calculated based on a specified coefficient for the first year and subsequent years of depreciation. The table below shows the depreciation of the coffee machine (Act No. 586/1992 Coll.).

Table 11: Depreciation (own creation).

Depreciation in CZK				
Year	Coefficient	Annual depreciation	Accumulated depreciation	Salvage value
1	5	20,000	20,000	80,000
2	6	32,000	52,000	48,000
3	6	24,000	76,000	24,000
4	6	16,000	92,000	8,000
5	6	8,000	100,000	0

Production costs

The following table represents the production costs of the products offered in Easy Bistro. The listed prices are calculated based on wholesale prices because the founder will use the supplier services to buy raw material and food ingredients at reasonable prices.

The average production cost of one meal is CZK 21.25 and CZK 5.5 for dessert. As for drinks, the average production cost is around CZK 3.7. The acquisition cost of bottled drinks, such as still and sparkling water is CZK 5 and CZK 25 for kombucha. Concerning the plant-based milk alternatives, the average price per litre is CZK 20.

Table 12: Production costs (own creation).

Product	Production cost in CZK	Product	Production cost in CZK
Soup of the day	7	Raw energy balls (3 pcs)	4
Easy chicken wrap	21	Carrot cake	7
Mexican beef burrito	23	Ristretto or espresso	2
Shredded chicken quesadilla	21	Flat white	5
Falafel pita sandwich	18	Cappuccino	3
Goat cheese wrap	22	Latte	4
Buddha bowl	20	Loose green tea	3
Summer rolls (2pcs)	23	Fresh mint tea	3
Salmon sandwich	22	Ginger tea	3
Banana bread (2 pcs)	5	Organic matcha tea	6
Chocolate beanies	6	Homemade lemonades	5

Operating costs

Operating costs consist of variable and fixed costs. Variable costs are dependent on the production volume, while fixed costs are not. The monthly fixed costs contain rent, energy and water consumption, expenses for salaries, loan instalment, business insurance, internet connection, and some others. In addition to gross salaries, the founder must also take into account the payment of health and social insurances for the employees. Currently, the social insurance rate is set at 24,8%, the health insurance rate is set at 9%, and both insurances must be paid monthly (Act No. 589/1992 Coll.). Due to a large number of appliances, regular monthly repairs are required. Last but not least, the founder would like to pay attention to

advertising; therefore, she will spend monthly around CZK 2,000 on Facebook and Instagram campaigns. The variable costs contain only stock and recycled paper packaging including wooden cutlery and napkins. The stock includes raw material and food ingredients for soup, meals and desserts, beverages such as bottles of water and kombucha, then coffee beans and loose tea, and other ingredients needed for preparing drinks. Both types of operating costs are listed in *Table 13*.

Table 13: Operating costs (own creation).

Fixed costs	Monthly in CZK
Rent	14,630
Energy and water consumption	7,000
Gross salaries	134,000
Loan monthly instalment	6,603
Insurance	1,000
Health insurance	12,060
Social insurance	33,232
Internet connection	599
Hygiene products and cleansers	1,500
Repairs	1,000
Promotion	2,000
Variable costs	Monthly in CZK
Stock	80,000
Recycled paper packaging	14,722
Total costs	308,346

Regarding the stock size, it has been calculated on the optimistic daily production of 80 main meals and 30 desserts. She assumes that most people will also take free soup with the lunch menu, so 40 soups a day will be needed. As for the drinks, she thinks that she will sell around 60 cold drinks and 40 hot drinks a day. Therefore, the monthly costs for producing and purchasing the products are CZK 83,080. However, she has already made some stocks at the beginning of the establishment, so she assumes she will spend roughly CZK 80,000 a month on the stock.

Concerning the recycled paper packaging, she expects to spend approximately CZK 13,222 on the packages for food and drinks per month. This amount is calculated for

estimated 80 meals, 40 soups, 30 desserts, and drinks served in the paper packaging a day. She will also buy napkins worth CZK 1,500; therefore, the total money spend on recycled paper packaging is CZK 14,722 per month.

The stock and paper packaging expense will be adjusted according to the frequency of customers. The tables representing the production costs with the packaging costs of the daily and monthly sold items are included in the appendices.

Revenues

It is very difficult to estimate revenues, and therefore, three possible scenarios are presented, of which one is optimistic, the other is realistic, and the last one is pessimistic. It is expected that most customers will come during lunchtime on weekdays and in the evening on Fridays and Saturdays. The largest sales will probably be during the summer holidays when there are many events in the city.

The average price of the main meal is CZK 125 and CZK 52 for dessert. The customer spends an average of CZK 35 on a cold drink and approximately CZK 51 on a hot drink. The following tables represent three different scenarios with the estimated revenues of Easy Bistro by multiplying the number of products sold by their average price. The monthly revenues have been calculated based on 31 days per month.

Table 14: Expected optimistic revenues (own creation).

Optimistic scenario					
	Amount	Price	Daily	Monthly	Annually
Main meal	80	125	10,000	310,000	3,720,000
Dessert	30	52	1,560	48,360	580,320
Cold drink	60	35	2,100	65,100	781,200
Hot drink	40	51	2,040	63,240	758,880
Total expected revenues in CZK			15,700	486,700	5,840,400

Table 15: Expected realistic revenues (own creation).

Realistic scenario					
	Amount	Price	Daily	Monthly	Annually
Main meal	60	125	7,500	232,500	2,790,000
Dessert	20	52	1,040	32,240	386,880
Cold drink	40	35	1,400	43,400	520,800
Hot drink	20	51	1,020	31,620	379,440
Total expected revenues in CZK			10,960	339,760	4,077,120

Table 16: Expected pessimistic revenues (own creation).

Pessimistic scenario					
	Amount	Price	Daily	Monthly	Annually
Main meal	50	125	6,250	193,750	2,325,000
Dessert	10	52	520	16,120	193,440
Cold drink	30	35	1050	32,550	390,600
Hot drink	15	51	765	23,715	284,580
Total expected revenues in CZK			8,585	266,135	3,193,620

Profit

The profit of the company has been calculated based on expected revenues and operating costs. As before, three different scenarios are presented in Table 17 to Table 19.

Table 17: Expected optimistic profit (own creation).

Optimistic profit in CZK		
	Monthly	Annually
Optimistic revenues	486,700	5,840,400
Operating costs	308,346	3,700,152
Expected profit	178,354	2,140,248

Table 18: Expected realistic profit (own creation).

Realistic profit in CZK		
	Monthly	Annually
Realistic revenues	339,760	4,077,120
Operating costs	308,346	3,700,152
Expected profit	31,414	376,968

Table 19: Expected pessimistic profit (own creation).

Pessimistic profit in CZK		
	Monthly	Annually
Pessimistic revenues	266,135	3,193,620
Operating costs	308,346	3,700,152
Expected profit	-42,211	-506,532

The owner is aware that the profit will be gradual and will be certainly lower at the beginning. She also counts on the variant that some months may be weaker, for example, in winter, and could be loss-making. *Table 18* shows the expected realistic profit, which could serve as an indicator of the average profit during the first year. However, the earnings are not final yet, they need to be taxed. In the Czech Republic, the income tax for a natural person is 15%, which means CZK 56,545 of CZK 376,968 (Act No. 586/1992 Coll.). Therefore, the EAT will be CZK 320,423. This money could be used both to partially repay the loan, and also to purchase more modern appliances and equipment. The founder is also thinking about expanding the menu, buying more seats and hiring other workers. Most of the net profit will be invested back into the business.

5.10.2 Income statement

This financial document serves to show whether the enterprise is profitable or not. The purpose is to show the company's financial performance over the first year, not its value. This financial statement is based both on sales and expenses. The calculation includes 12 months, as the founder wants to open the bistro at the beginning of the year, in January. The table below represents the income statement of Easy Bistro.

Table 20: Income statement (own creation).

Total revenues	4,077,120
Depreciation	20,000
Fixed costs	2,563,488
Rent	175,560
Energy and water consumption	84,000
Gross salaries	1,608,000
Loan monthly instalment	79,236
Insurance	12,000
Health insurance	144,720
Social insurance	398,784
Internet connection	7,188
Hygiene products and cleansers	18,000
Repairs	12,000
Promotion	24,000
Variable costs	1,136,664
Stock	960,000
Recycled paper packaging	176,664
Total expenses	3,700,152
Profit	356,968
Tax 15%	53,545
Net income	303,423

CONCLUSION

The purpose of this bachelor's thesis was to create a business plan for Easy Bistro and find out whether the enterprise will be feasible and viable. A crucial part was to recognize the business opportunity with the aim to fill a hole in the market.

The thesis is divided into two parts, theoretical and analytical. The theoretical part deals with the business environment and characterizes entrepreneurship, enterprise and entrepreneur. Besides, the fundamental elements of the business plan are specified and described in detail. The analytical part includes the compiled business plan of the company. Its whole elaboration is based on the knowledge from the theoretical part. The author focused predominantly on creating a marketing strategy and developing a financial plan.

By evaluating the competitors and their offering, the author was able to identify the gap in the market. She believes there is an opportunity in a chosen location for a new enterprise to break into the market. These findings are based on market analysis containing competitive analysis.

Concerning the enterprise, the author is aware that one of the ways to ensure success is differentiation. Easy Bistro differs in many ways, such as an original menu, usage of premium quality ingredients and offering nutritionally balanced dishes. Also, the company wants to be sustainable in the long run and therefore will serve food only in paper packaging. Unlike other businesses, it will take care of people's health by avoiding the use of sugar, excess salt and saturated fats. The bistro will focus not only on those who eat animal products, but also on vegetarians and vegans, or people with various intolerances.

When setting up a new business, financial resources play a crucial role. After determining of initial costs for the company establishment, the author collected data regarding the financing. She has decided on a personal loan and also to use her money from building savings and savings account. A detailed financial plan which includes estimated revenues, costs and profit during the first year has been created. According to the results in the financial plan, the business plan is considered to be feasible and profitable.

Regarding the current situation, the COVID-19 pandemic resulted in a crisis and economically threatens many enterprises. Therefore, the bistro will be established after the situation improves when there is no such danger from the economic perspective. Furthermore, when the pandemic is over, there may not be such competition anymore, which is a great opportunity to establish the business. That will be the right time to seize the opportunity and break into the market.

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LIST OF ABBREVIATIONS

APR	Annual percentage rate
a.s.	Akciová společnost
Coll.	Collection
CRM	Central registration point
CZK	Czech koruna
EAT	Earnings after taxes
etc.	Et cetera
EU	European Union
GDP	Gross domestic product
i.e.	Id est
No.	Number
p.a.	Per annum
SME	Small and medium enterprise
s.r.o.	Společnost s ručením omezeným

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APPENDIX P I: COMPANY'S LOGO AND LOYALTY CARD



APPENDIX P II: COMPANY'S PRODUCTS

Soup	
Soup of the day	cream soups according to the daily menu (from red lentils, chickpeas, pumpkin, broccoli, etc.)
Meals	
Easy chicken wrap	grilled chicken with fresh vegetables and yogurt dressing wrapped in a wholemeal tortilla
Mexican beef burrito	ground beef in tomato sauce with beans, corn, rice and guacamole
Shredded chicken quesadilla	shredded chicken with tomato salsa and cheddar
Falafel pita sandwich	chickpea falafel with hummus and fresh vegetables
Goat cheese wrap	wholemeal tortilla with beetroot, goat cheese, baby spinach and hummus
Buddha bowl	quinoa with tofu/eggs, beans, fresh vegetables, avocado, and hummus or cashew sauce
Summer rolls (2pcs)	crab sticks/tofu/prawns with rice noodles, red cabbage, carrot, cucumber and mango in a rice paper
Salmon sandwich	smoked salmon with cream cheese, avocado, dill, sprouts, and wholemeal bread
Desserts	
Banana bread (2pcs)	extra moist without added sugar
Chocolate beanies	gluten-free brownies from red beans
Raw energy balls (3pcs)	gluten-free date balls with oats, nuts and cocoa beans
Carrot cake	with walnuts and cream cheese frosting
Drinks	
Selected coffee	two types of fair-trade coffee
Tea	loose green tea, ginger tea, fresh mint tea, matcha tea
Non-alcoholic beverages	still and sparkling water, kombucha in various flavours
Homemade lemonades	made from organic sirups and seasonal fruits

APPENDIX P III: PRODUCT PRICES

Product	CZK price	Product	CZK price
Soup of the day	49	Ristretto or espresso	39
Easy chicken wrap	119	Flat white	59
Mexican beef burrito	129	Cappuccino	49
Shredded chicken quesadilla	129	Latte	59
Falafel pita sandwich	119	Extra shot	15
Goat cheese wrap	129	Plant-based milk	15
Buddha bowl	119	Loose green tea	44
Summer rolls (2pcs)	129	Fresh mint tea	44
Salmon sandwich	129	Ginger tea	44
Banana bread (2 pcs)	49	Organic matcha tea	69
Chocolate beanies	54	Still or sparkling water	25
Raw energy balls (3 pcs)	44	Kombucha	64
Carrot cake	59	Homemade lemonades	59

APPENDIX P IV: LIST OF EQUIPMENT

Technical Equipment	Quantity	Price in CZK
Coffee machine	1	100,000
Coffee grinder	1	5,600
Bar fridge	1	20,500
Counter fridge	1	20,200
Counter freezer	1	24,000
Ice cube maker	1	9,200
Saladette	1	12,000
Convection oven	1	50,000
Electric grill plate	1	7,000
Contact electric grill	1	8,400
Induction fryer	1	3,000
Cooker	1	4,800
Electric rice cooker	1	3,800
Bakery display counter	1	8,300
Blender	1	4,000
Food processor	1	6,800
Dishwasher	1	25,000
Cash register	1	7,000
Sink	1	7,500
Soup kettle	1	2,100
Furniture	Quantity	Price in CZK
Bar	1	40,000
Bar stool	4	5,500
Other equipment	Quantity	Price in CZK
Cookware (pots, saucepans, pans)	-	18,000
Kitchen utensils (knives, spoons)	-	3,000
Food storage containers	-	3,000
Baking supplies	-	4,500
Flowers, decorations	-	7,000
Total equipment costs		410,200

APPENDIX P V: PRODUCTION COSTS WITH PACKAGING COSTS

Production costs in CZK					
	Amount	Cost	Packaging	Daily	Monthly
Soup	40	7	2.5	700	21,700
Main meal	80	21.25	2.5	4,250	131,750
Dessert	30	5.5	0.5	82.5	2,557.5

Production costs in CZK					
	Amount	Cost	Packaging	Daily	Monthly
Water	40	5	-	200	6,200
Lemonade	15	5	1.3	97.5	3,022.5
Kombucha	5	25	-	125	3,875

Production costs in CZK					
	Amount	Cost	Packaging	Daily	Monthly
Coffee	20	3	2.3	138	4,278
Tea	15	3	2.3	103.5	3,208.5
Matcha tea	5	6	2.3	69	2,139