



Mini Donuts

BUSINESS GROWTH PLAN

Zoey Heyn

1/21/2025

Bridgman High School

9964 Gast Rd.

Bridgman, MI 49106

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I. EXECUTIVE SUMMARY

OVERVIEW

Zo's Mini Donuts is a seasonal donut stand based in Southwest Michigan that serves hot, affordable, and sharable mini donuts. Founded by Zoey Heyn as a freshman in high school, Zo's operates from stationary food trucks or trailers, providing a quick-service restaurant (QSR) experience. Our focus on fresh, made-to-order donuts sets us apart from traditional bakeries. Zo's is committed to fostering a community-focused environment, creating a positive and lively atmosphere that welcomes everyone. Established on July 7th, 2023 in Sawyer, Michigan, Zo's Mini Donuts has since expanded to a second location in New Buffalo, Michigan, and is excited to continue spreading the sweetness.

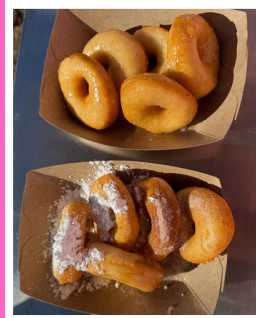
- Profitable
- Mobile
- Efficient and effective website
- Low overhead
- Strong social media presence

- Lack of road recognition
- Reliant on temporary permit
- Quality control

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- Diversify products
- Increase locations
- Increase collaborations
- Increase hours of operations

- Competition
- Weather
- Health Trends



MENU	
Glaze - 5 for \$6	
Cinn + Sugar - 5 for \$5	
Powdered Sugar - 5 for \$5	
Donut Holes - 10 for \$5	(If in Stock)

Seasonal
Operating Hours

OPEN DAILY 8am - 11am
SUNSET SPECIAL
FRIDAY - SUNDAY
8 pm - 10 pm

Products Offered

Zo's Mini Donuts has a sweet and simple menu with three flavors. The homemade glaze is the best seller, but the cinnamon and sugar is a close second. The donut holes come in various flavors and are a great bite-size treat for kids. The light and airy donuts come in packs of five and the donut holes come in packs of ten.



Inviting and
lively

Atmosphere



Community Focused



Family Friendly

- Expand Market - Grow Brand Image - Increase A.T.V. -

Growth Plan

Locations - Serves to have strategic placements and expand into the college markets widening our brand's demographics.

Menu - Serves to increase Average Transaction Value (ATV) by introducing new toppings, merchandise, and a take-home item.

Promotions - Serves to build and maintain brand image and expand our market by utilizing various social media and advertisement channels.

Five Year Goals

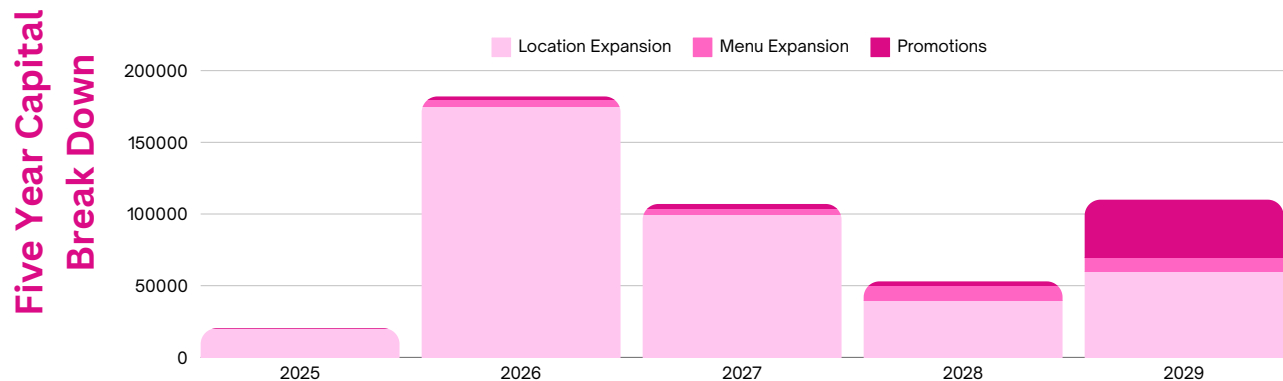
2025: Open a third location in St. Joseph, MI in a stationary trailer

2026: Open a fourth location in East Lansing, MI, and launch TikTok as a platform to engage a younger audience increase brand awareness, and introduce eco-friendly merchandise.

2027: Introduce new topping flavors and expand digital advertising efforts to grow brand recognition.

2028: Introduce coffee to the East Lansing location and maintain all four locations.

2029: Introduce coffee to seasonal locations, develop take-home items, research a fifth location, and launch a loyalty program which includes a mobile app.



Financial Request:

Principal	Interest Rate	Months for Payments	Monthly Payment	Total Paid with Interest	Return on Investment	Percent ROI
\$250,000.00	8.0%	60	\$5,069.10	\$304,145.91	\$54,145.91	22%

II. INTRODUCTION

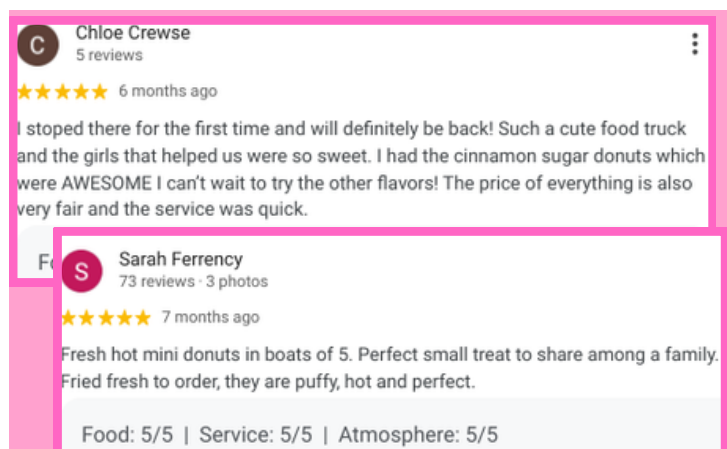
A. TYPE OF BUSINESS OWNED AND OPERATED AND A DESCRIPTION OF THE CURRENT BUSINESS OPERATIONS

I started Zo's Mini Donuts on July 7th, 2023, just after my freshman year of high school. My sister and I ran it for four weeks out of a food trailer at 12816 Red Arrow Hwy. in Sawyer, Michigan. Baking has always been a passion of mine, and mini donuts have always been a family and friend favorite. Not only did I want to share these delicious donuts, but I also wanted to create an environment that fostered community with a positive and inviting atmosphere that

anyone could be a part of. In my first season, 2023, I sold 15,000 donuts and was able to purchase a mobile food truck for my business. This purchase allowed me to start a second location and offer private events. In my second season, 2024, I added another location by operating out of the stationary food truck at 200 W Buffalo St. in New Buffalo Michigan, operated for six weeks, and hired seven employees. I am currently the sole proprietor of Zo's Mini Donuts and I want to continue to spread the sweetness.



First Location
12816 Red Arrow Hwy,
Sawyer, MI.



Customer Google Reviews found on Zo's Mini Donuts Google profile

B. PRODUCTS AND/OR SERVICES OFFERED

Zo's Mini Donuts makes made-to-order fresh mini donuts. The menu I created is sweet and simple, it includes fresh homemade glaze, cinnamon and sugar, and powdered sugar. The donuts are fried, light, and airy yeast donuts, only served hot with no heat lamps involved. The donuts come in orders of five allowing families to share and try different



flavors. Our best-seller is the glazed donuts, priced \$6 for five donuts, while the cinnamon and powdered sugar are \$5 for five donuts. All donuts and toppings are also vegan-friendly. In addition to serving delicious donuts, I wanted Zo's to offer a fun,



The Sweet and Simple Menu

positive experience. The donut stand has seating, lively music, and chalk for creating art, making it a welcoming spot for everyone. With the mobile food truck, I've been able to offer private events such as weddings, birthday parties, farmers markets, and collaborations with local businesses. For private events, customers pre-order a set number of donuts, and I serve them directly to their guests. At farmer's markets and collaborations, customers can purchase donuts directly from the truck.

C. UNIQUE CHARACTERISTICS OF THE BUSINESS

Mobility

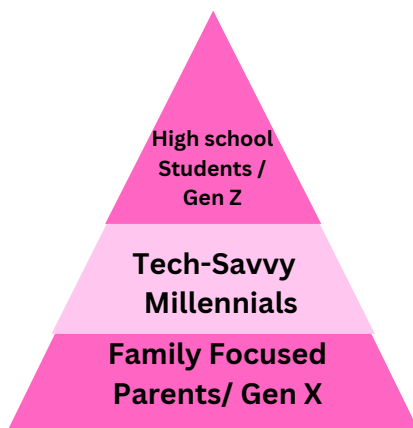
The first donut trailer was stationary, but after the 2023 season, I purchased a mobile food truck. The mobile truck allows me to offer private events. During the summer months (June - August), both locations are stationary during operating hours, but the mobility of the food truck allows me to go to farmers markets, weddings, birthdays, etc. The mobility also allows me to collaborate with local businesses and reach a wider market.



Hours of Operation

The hours are short and sweet, just like the menu. Zo's Mini Donuts is open daily from 8 am to 11 am and reopens Friday through Sunday for Sunset Special from 8 pm to 10 pm. Sunset Special is only on weekends, but it is perfect for a sweet treat before or after sunset. Both seasonal locations, New Buffalo and Sawyer, are located near Lake Michigan, and countless people, including myself, visit the beach to see the sunset. These unique hours also provide the opportunity for customers who work in the morning to enjoy Zo's. These evening hours have turned into a favorite spot for teens, families, and the community to enjoy their summer weekends.

Wide Demographics



My main target market is Gen X since most have kids and buy for their families. This expands my customer base beyond just individuals. The affordable price and shareable donuts make it easy for families to enjoy and try all three menu options. My secondary target is Millennials, whom I connect with mainly through social media. Gen Z is my tertiary target, and the low price, shareable snacks, and fun atmosphere also appeal to them.

III. SWOT ANALYSIS

A. STRENGTHS OF THE BUSINESS

Profitable

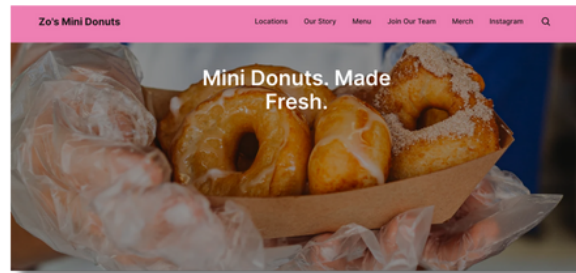
I have a high-profit margin on my donuts, and my low prices attract a wide range of customers. The profitability helps me expand my business, allowing me to hire employees and invest in new equipment. The low start-up costs led to making a profit quickly, which gave me the chance to expand and reach into new markets.

Mobility

Being mobile gives me more opportunities to gain recognition and connect with customers. I can offer private events, collaborate with local businesses, and join their events. Plus, since my donuts are best when they're fresh, mobility allows me to come to my customers to enjoy them hot and fresh, rather than getting a cold donut from pre-order that is large.

Efficient and Effective Website

I currently have an effective and clear website ran through Square that allows customers to access information about my business and understand what Zo's Mini Donuts is about.



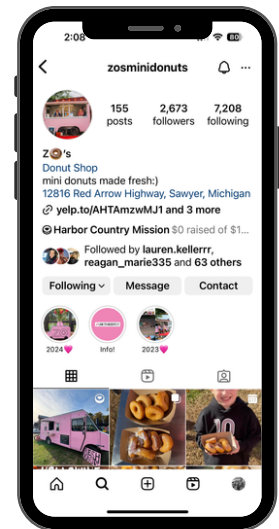
Screen-Shot of Homepage

Low Overhead

I have a low overhead compared to many competitors. Key expenses are primarily production costs, labor, and required permits. Due to a supportive community, I faced minimal rent expenses and spent no money on marketing. Instead, I invited the local press to visit both locations and solely used free social media channels. Operating out of a mobile unit instead of a commercial kitchen further reduces my overhead expenses compared to traditional brick-and-mortar establishments.

Strong Social Media Presence

I've used social media to help grow Zo's Mini Donuts and connect with customers. With 2,673 followers on Instagram, which continues to increase, not only do I build a community-based business online but also connect with local businesses. I also have a Facebook account that allows me to tailor posts specifically to niche Facebook groups. I stay active on both accounts and post regularly during the summer to take advantage of the free marketing social media has to offer.



B. WEAKNESSES OF THE BUSINESS

Lack of Road Recognition

Both seasonal locations need better road visibility and will benefit from better road recognition. I'll keep focusing on social media to build brand recognition, and I plan to invest in feather banners, signs with lights for nighttime visibility, and more overall lighting for better recognition at night. Since both locations are on Red Arrow Highway, road recognition is vital in reaching customers who are driving by, new to the area, or lack social media.

Reliant on Temporary Food Permit

I currently operate under temporary food permits. The temporary permit from the Berrien County Health Department costs \$140 and lasts for only two weeks. To address this, I plan to complete a Commissary agreement, which will allow me to pay renewal fees annually. I've been in contact with the Berrien County Health Department to work through the process.

Quality Control

Hiring seven new employees and maintaining consistent quality across both locations along with maintaining the sense of community is something I want to always focus on. With more orders coming in, mistakes can happen, and I can't always ensure every customer gets their donuts cooked correctly and with the right toppings. I always thoroughly train each employee and highlight great customer service and high-quality donuts. I also supply a timer for consistent fry times, but I know it's important to focus on communication with all team members.

C. OPPORTUNITIES AVAILABLE FOR THE BUSINESS

Diversify Products

Currently, I sell one product with three flavors, but there are always opportunities to grow. I could add different toppings such as chocolate or maple. Another idea is offering take-home options or pre-orders, especially since the donuts are best when fresh, which would help during busy times. Selling merchandise or coffee could also boost sales and offer a greater variety of products.



Increase Locations

Buying another food trailer or a brick-and-mortar location is a great opportunity to tap into new markets. Adding more locations would help raise brand awareness and increase revenue. With low overhead costs and high-profit margins, this is a viable option for growth. I want to continue running a community-focused business and share that experience across multiple locations.

Increase Collaborations

I see a great opportunity for Zo's Mini Donuts to collaborate with local businesses like coffee shops, event venues, and markets. Partnering with these businesses could help attract new customers who haven't tried our donuts yet. Collaboration also allows me to be more involved in the local community, which could lead to more word-of-mouth and marketing across different platforms.

Increase Hours of Operations

By opening earlier and staying open later, I could attract more customers. With more flexible hours, I'd be able to reach different markets who can't make it during our current operating times. This could lead to an increase in sales and help grow Zo's Mini Donuts' customer base.

D. THREATS TO THE BUSINESS

Competition

Threat: Donut shops, bakeries, and evening dessert restaurants, such as ice cream shops, that are located near my locations, can draw customers away from choosing my business as a breakfast stop or an evening sweet treat.

Response: To stand out from nearby competitors, I'll focus on what makes Zo's Mini Donuts special—our made-to-order freshness, fun atmosphere, and sunset special hours. We'll create a community-focused environment that offers a safe place to hang out or just grab a quick treat. I'll highlight that we're offering more than just donuts; we're giving people a great experience, whether it's for breakfast or a late-night snack.

Health Trends

Threat: The rising demand for healthier snacks could pose a challenge to our donuts as consumers increasingly strive for lower-calorie, plant-based, or sugar-free alternatives.

Response: Innovate the menu and introduce a gluten-free donut option to cater to evolving dietary preferences. Focus on using high-quality, minimally processed ingredients to appeal to health-conscious consumers and highlight that our donuts are already vegan.



Local Competition: Luisa's Bakery and Black Current Bakehouse



Community-focused and product Instagram and Facebook posts

Weather

Threat: Since both current locations are outside, poor weather can decrease foot traffic. It also reduces the time customers stay at the truck and the amount they purchase.

Response: I plan to introduce either a rainy day special, a loyalty program, or take-home items to make rainy or cold days more appealing to customers. These strategies will encourage more people to visit Zo's Mini Donuts and make a purchase, even in cold or rainy weather.

IV.FIVE YEAR PLAN TO GROW AND EXPAND THE BUSINESS

A. EXPANSION OPPORTUNITIES

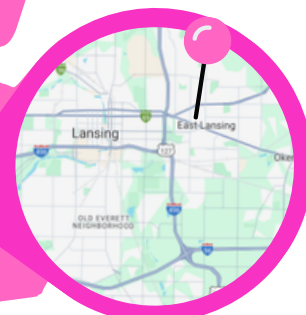
Location Expansion

I currently have two seasonal locations, **Sawyer, MI**, and **New Buffalo, MI**. Both operate out of a mobile unit and I plan to expand into two new locations over the next five years. First, I'll set up a food trailer in **St. Joseph, MI**, before the summer of 2025. St. Joseph attracts both locals and tourists and does not have much competition. The low overhead of the trailer will help generate more cash flow, allowing me to later invest in a brick-and-mortar location in **East Lansing**, near Michigan State University. This will open up a brand-new market, especially with college students since it will appeal to their love of the affordable donuts as a late-night snack or a morning treat. I plan to attend MSU and manage the East Lansing location while promoting one of my employees to oversee the three locations in Southwest Michigan.

**3 seasonal
locations in
Berrien
County beach
towns by 2025**



**1 brick and mortar
location in East
Lansing by 2026**



Social Media Expansion

I see a great opportunity to use social media to connect with customers and reach new audiences that would be hard to access otherwise. TikTok is perfect for reaching Gen Z since they make up most of the users, and it's a fun way to engage with them. YouTube is another awesome platform where I can share behind-the-scenes content and show what it's like being a young business owner, which could help me attract more customers. By focusing on these platforms, I'll be able to connect with younger generations and continue to grow my presence on the social media accounts I already have.



Menu Expansion

The current simplicity of Zo's Mini Donuts presents a great opportunity for expansion. In addition to the core menu featuring three classic donut flavors, introducing new toppings, such as chocolate for \$6.00, along with seasonal flavors like cherry— a popular fruit grown locally in Michigan— would not only attract a broader market but also allow Zo's to support local farmers. Creating **merchandise** using second-hand clothes and heat-pressed designs is another expansion opportunity. This not only supports eco-friendly practices but also engages customers, making them feel more connected to the brand. Fresh donuts paired with **coffee** are a perfect match, and adding coffee will increase the Average Revenue Per Customer (ARPC), especially in East Lansing, where busy college students are always looking for a quick, satisfying drink. To cater to those who want to enjoy Zo's treats later, a **take-home item** like a cinnamon roll could be introduced. These rolls are perfect for reheating and can easily be packaged for customers to enjoy at home, expanding the brand's appeal beyond just the in-store experience.

B. NEW MARKET ANALYSIS

Overview of the Market

The college student market is a large and influential group. They have an age range from 18-24. They are tech-savvy, socially conscious, and quick to adopt trends. They will likely spend on technology, fashion, food, and entertainment, driving consumer behavior. In 2022, there were about 18.58 million college students in the U.S. (Statista).

Marketing Strategy

When expanding Zo's Mini Donuts, I will focus on highlighting the brand's key strengths: affordability, shareability, a lively atmosphere, and a strong sense of community. These values will resonate with the target market and set Zo's apart from competitors. To engage with this new market, I will use multiple social media platforms and measure the interaction of likes, views, and follows to see what is favored. In addition to social media engagement, I will track Zo's Mini Donuts' Google business profile interactions, including: how many people asked for directions, website clicks, profile views, and searches which will also allow me to analyze and change what is needed. By monitoring and analyzing the key metrics of website traffic, social media engagement, and customer satisfaction, I will gain valuable feedback on what the new target market values, and adjust my marketing strategies accordingly.



C. MARKETING PLAN

Expanding into the college student market makes the target market of Zo's have a huge range of customer profiles with a variety of ages, income, lifestyles, and locations. I want to maintain customer loyalty with Gen X and engage Gen Z as we move to the college campus and maximize profits. I will use social media and Google **advertisements**, multiple **social media** channels, and niche markets for my specific target market, invest in **storefront visibility**, launch a **loyalty program**, and continue to stay consistent with the main focus of the sense of community Zo's Mini Donuts has to offer.

Advertisements

With my Meta business profile, I plan to invest in Instagram and Facebook ads. I'll primarily focus on Instagram ads, as Gen Z is likely to engage with the platform more. I'll start with a \$1,000 ad spend, track its performance, and adjust based on the results. For Google, I'll invest \$700, since I believe Meta will be more effective in reaching my target market, but I want to test both platforms to compare and make adjustments if needed. Both ad strategies will help grow brand recognition and reach both my Gen X and Gen Z target audiences.



Social Media

I will continue focusing on Instagram and Facebook as my primary marketing platforms, using them to highlight the affordability and welcoming atmosphere of Zo's Mini Donuts. I'll create engaging, interactive content by creating polls and relevant hashtags. In addition to Instagram and Facebook, I plan to launch a TikTok account in May 2026 to connect with the Gen Z market and college students at MSU. This will help strengthen my brand before opening our brick-and-mortar location in East Lansing. While our locations in New Buffalo, Sawyer, and St. Joseph will remain seasonal, the East Lansing store will operate year-round. I will use niche marketing by joining specific Facebook groups and tailoring posts to different communities, but I will also maintain the same accounts on each social media platform. I hope to use hashtags to further encourage customers to share their experience of Zo's Mini Donuts and grow all social media platforms with a community focus.

Storefront Visibility

A great location and strong visibility are key to driving foot traffic. To attract customers at all locations including Michigan State University students, who may not know about Zo's Mini Donuts, I plan to invest in eye-catching feather flags, bold pink signs, vibrant music, and lighting. These will make the storefront stand out and draw attention, especially on campus. This strategy will help increase local awareness, attract new customers, and build brand recognition with the student crowd.



Temporary road signs donated by a local business and lights I put up. This visibility led to a noticeable increase in sales leading to the emphasis on the importance of roadside and storefront visibility.

Mobile App

In 2029, Zo's Mini Donuts will launch a mobile app for customer convenience and to support our Combo Club loyalty program. The app will allow customers to track points and redeem rewards. It will feature Zo's locations, hours of operation, and menu. Additionally, the app will offer a platform for brand updates, promotions, and new product launches. This digital experience will strengthen customer engagement, ultimately elevating Zo's brand as we expand.



Loyalty Program

To show our appreciation for loyal customers and encourage larger orders from our simple menu, we will introduce the Combo Club. A loyalty program that will reward and encourage customers to purchase both a donut and a coffee, aligning with our goal to offer a simple yet rewarding experience. Starting in 2029, when Zo's Mini Donuts expands to offer coffee at all locations, the Combo Club will be launched. The program will operate on a point system, where each donut-and-combo earns customers 5 points. After completing a purchase, customers will receive a receipt with a pink QR code. Scanning the code will direct them to the Zo's Mini Donuts app (or prompt them to it from the app store). Once in the app, customers will be welcomed to the Combo Club and informed about the point system, showing them that they've already earned their



first 5 points. As customers continue to purchase combos, they can scan QR codes from receipts of more combos to gain more points. Once they accumulate enough points for a reward, They can exchange them by clicking "Use Points" in the app, which will generate a QR code that can be scanned by the cashier in-store to redeem their prize. To ensure accessibility for customers without

Combo Club Point System

25 PTS . FREE COFFEE

35 PTS . \$1 OFF FOR AN ORDER OF GLAZE

50 PTS . FREE ORDER OF DONUT HOLES

100 PTS . FREE ORDER OF GLAZE

a mobile phone, we will also offer a punch card option. This card will visually track their points, with a clear explanation of the program, allowing them to participate without the need for a smartphone. The Combo Club will enhance each customer's ATV, simplify rewards, and make every visit a little sweeter!

V. FINANCING PLAN

A. CURRENT FINANCIAL SITUATION, INCLUDING FINANCIAL DOCUMENTS

Zo's Mini Donuts currently has an overall profit of \$50,446.00 after two years of seasonal operation. In 2023 profit was made through only the Sawyer location. My sister and I worked for free and a local non-profit, Harbor Country Mission, let us stay on their land for free. The trailer was my father's so we were able to use it free of charge. The main cost for 2023 was supplies, producing the product, and permits. As for 2024, I remained in the same location in Sawyer and rented from a church for the New Buffalo location. They were strongly supportive of my business and gave me a great deal on rent and utilities. The main costs for 2024 were labor, since we welcomed seven new employees, and product costs, since the demand increased, and permits. We can decrease costs by gaining a Commissary License which does not require a two-week fee and purchasing supplies directly from the distributor.

Income Statement

<u>Revenue:</u>		
Sales		\$64,000.00
<u>Expenses:</u>		
Operating Expenses	\$3,150.00	
Insurance Expense	\$1,675.00	
Miscellaneous expense	\$225.00	
Supplies Expense	\$8,380.00	
Utilities Expense	\$124.00	
Total Expenses		\$13,554.00
<u>Net Income</u>		\$50,446.00

*Includes 2023 and 2024 seasonal operations

B. FIXED OVERHEAD AND COST OF OPERATIONS

In 2024, with two locations running for six weeks, fixed overhead and operational costs increased significantly compared to 2023. Key expenses included labor, which totaled \$2,520 for the season, and rent, which was just \$300 at the second location for the six-week season. Other costs, such as permits and product materials, also rose, with permits costing \$720 and product costs totaling \$7,740. These costs bring the total **gross expenses for 2024 to \$11,280**. Despite these increased costs, the seasonal net **income** for **2024** reached **\$37,720**. After combining the **2023** and **2024** seasonal operations, which totaled thirteen weeks—four weeks in 2023 and six weeks in 2024—the net income amounted to **\$50,446**.

C. CAPITAL NEEDED FOR EXPANSION OPPORTUNITIES

Location Expansion

Year 1 In Year 1, I will focus on purchasing a food trailer, with a budget of \$13,000 to \$18,000, including the trailer and necessary equipment. The land will be rented from the city for \$2,000 for the season, giving a total budget of **\$20,000**.

Year 2 will have a **\$175,000** budget to lease a restaurant in downtown East Lansing, with annual rent expected to be between \$17,000 - \$20,000. A commercial kitchen has to be installed or fixed to meet health department standards, costing \$70,000 - \$115,000. Staffing will also cost an additional \$20,000 - \$40,000.

Year 3 I aim to manage all four locations while finishing college. The focus will be on maintaining high-quality donuts and training staff. The budget will be **\$220,000** to have consistency across all locations and sustain growth. I will not add another location, but I will have an increase in labor with nonseasonal operating hours in East Lansing.

Year 4 This year I will extend the operating seasons for the Sawyer, New Buffalo, and St. Joseph locations. The budget for this year is **\$40,000**, including \$15,000 for rental expenses and additional operational costs to pay the brick-and-mortar rent and all equipment in top condition.

Year 5 will have a **\$60,000** budget and include research on potential locations for another brick-and-mortar store near another college, while also hiring a manager for the three trailers at the Southwest Michigan locations.

Menu Expansion

Year 1 With a **\$0** budget, I will keep the menu simple and focus on maintaining quality and consistency to build a strong foundation for the brand.

Year 2 A **\$5,000** budget will be to design and print merchandise. This includes \$200 for a heat press, \$3,000 for shirts, \$1,000 for heat transfer prints, and \$800 for staffing.

Year 3 With a **\$4,000** budget, I will research and introduce a new chocolate topping. This will include \$400 for research, \$2,000 for purchasing the topping, and \$1,600 for installing dispensers in all four locations to ensure efficiency for staff.

Year 4 Incorporating coffee into the menu at the East Lansing location will require a **\$10,000** budget. This will cover \$400 for research, \$4,000 for beans, and \$5,600 for equipment.

Year 5 I will expand the coffee offering to the Midwest locations, which are seasonal. The budget will be **\$10,000**, which will be used throughout all three locations, with costs broken down the same as the East Lansing location: \$400 for research, \$4,000 for beans, and \$5,600 for equipment. I will also start researching a take-home item.

Promotions

Year 1 With a **\$300** budget, I will invest in road visibility promotions like feather flags, lights, and signs to attract attention and build brand awareness. The goal is to collect market data and assess the effectiveness of these efforts.

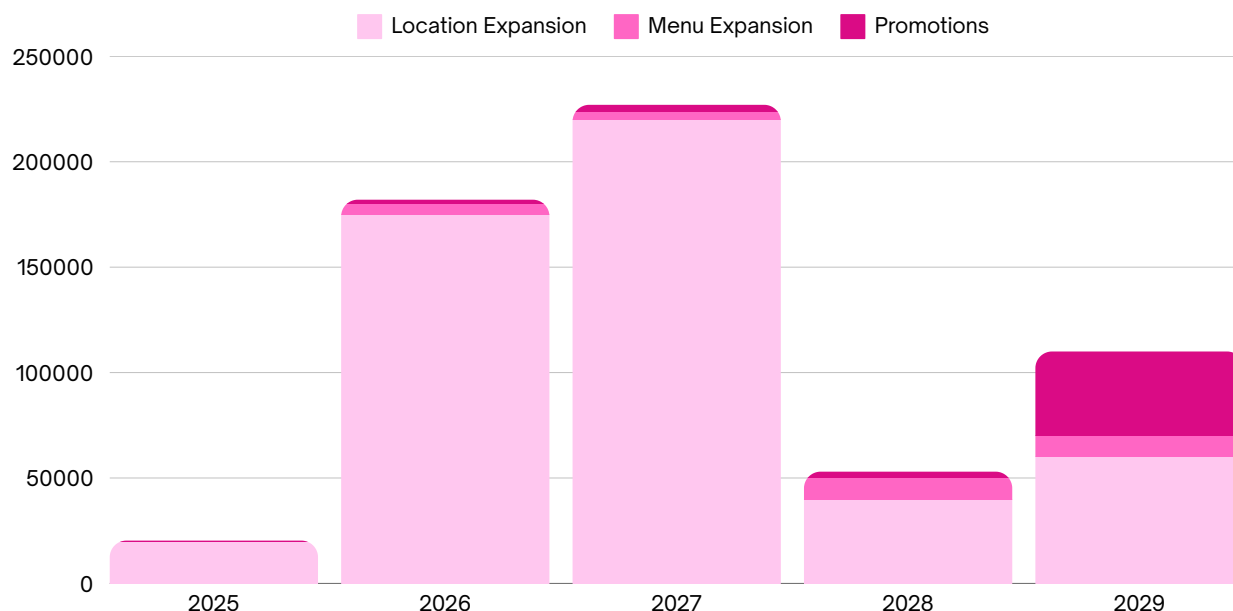
Year 2 A **\$2,000** budget will be used to run small Instagram and Facebook advertisement tests. This will help analyze the market response and determine whether it's worth increasing investment in digital ads.

Year 3 For **\$3,000**, I'll put \$1,000 into Google Ads and \$2,000 into Instagram/Facebook ads based on previous year's performance. This year will focus on defining optimal platform performance.

Year 4 I'll maintain a **\$3,000** budget and use data from previous years to decide whether to invest more in Google, Facebook, or Instagram ads. The goal is to target the most effective audience segments.

Year 5 In Year 5, I plan to hire a social media manager with a **\$40,000** budget to enhance content production and scale our social media efforts, further driving brand awareness and engagement. I also hope to launch a loyalty program that includes a mobile app.

Five Year Capital Breakdown



Financial Request

To achieve a fourth location in East, Lansing MI I am requesting a loan of \$250,000.00 to be paid back in 5 years at an 8% interest compounded annually. This investment will cover the expansion into the college market by establishing a brick-and-mortar store in East Lansing, Michigan which is year two and three of my expansion plan.

Principal	Interest Rate	Months for Payments	Monthly Payment	Total Paid with Interest	Return on Investment	Percent ROI
\$250,000.00	8.0%	60	\$5,069.10	\$304,145.91	\$54,145.91	22%

D. TIME TO ACHIEVE PROFITABILITY

Zo's Mini Donuts is already profitable and will continue to be throughout this strategic expansion plan. Although an investment will be required in year two to target the college student market and open a brick-and-mortar location in East Lansing, several cost-saving measures will help maintain profitability. By switching to a Commissary License to lower permit costs, purchasing ingredients directly from the distributor, and keeping seasonal trailer operations in the Midwest, Zo's will reduce overhead and remain financially sustainable.

Yearly Breakdown

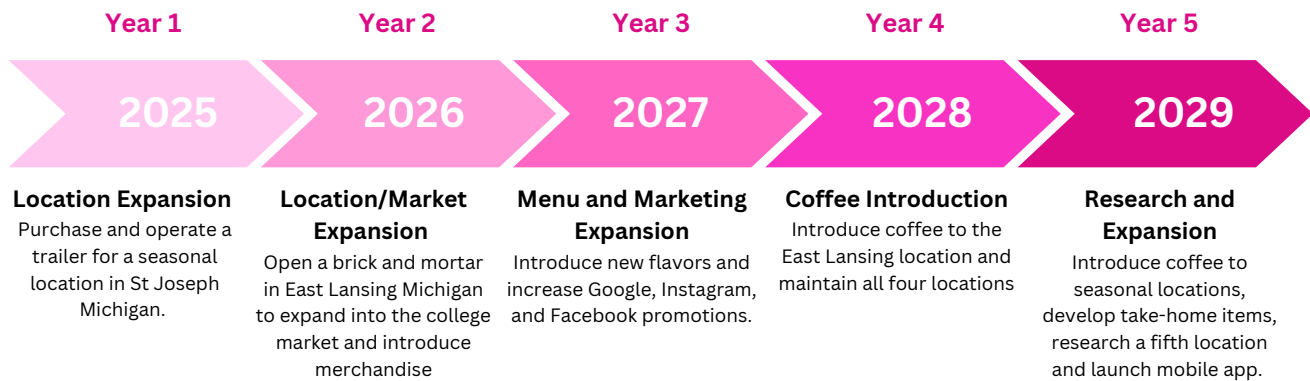
Year	Project Sales	Expenses	Net Income
2025	\$100,000.00	\$20,300.00	\$79,700.00
2026	\$300,000.00	\$182,000.00	\$118,000.00
2027	\$475,000.00	\$107,000.00	\$368,000.00
2028	\$565,000.00	\$53,000.00	\$512,000.00
2029	\$650,000.00	\$110,000.00	\$540,000.00

VI. CONCLUSION

Five Year Expansion Plan

Year	Expansion Strategy
2025	Establish a food trailer in St. Joseph, MI to build brand recognition.
2026	Open a brick-and-mortar location in East Lansing, MI, focusing on the college market, kitchen installation, and staffing.
2027	Manage four locations, introduce new products like chocolate toppings, and refine the marketing strategy.
2028	Expand seasonally and introduce coffee at the East Lansing store.
2029	Explore opening a fifth location, developing take-home products, expanding the coffee offering across all seasonal locations, and launching a mobile app.

Timeline



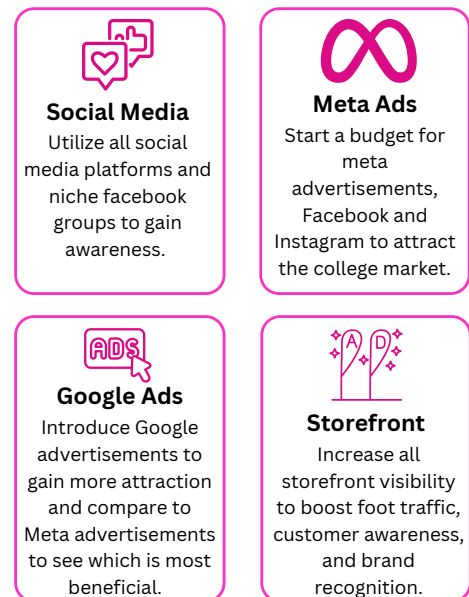
Finance Plan

Zo's Mini Donuts achieved a total profit of **\$50,446.00** over two years of seasonal operation. Revenue in 2023 came from a single trailer operating for four weeks, generating \$15,000.00 in gross income. In 2024, revenue grew with two locations running for six weeks, reaching a gross income of \$49,000.00. The primary expenses have been ingredient costs, labor, and permits. As a growing business, Zo's Mini Donuts plans to **reduce production and operational costs by purchasing the product from the distributor and shifting to a commissary license.** The goal of this plan is to lower costs and maximize profit margins. With this strategy and necessary investments, Zo's Mini Donuts will remain self-sustaining and profitable in the years ahead.

Business Overview

Zo's Mini Donuts is a donut stand owned by Zoey Heyn, a Junior at Bridgman High School in Bridgman, Michigan. Zo's Mini Donuts specializes in selling high-quality, hot, fresh, made-to-order mini donuts but it also aims to be more than just a donut stand. The goal is to offer a positive and welcoming environment where everyone is welcome. Zo's Mini Donuts currently has zero debt and has increasing profits, with a strategic expansion plan. I am asking for a loan of \$250,000.00 with an 8% interest rate paid back over 60 months with an ROI of 22%

Marketing Plan



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