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**Franchise Business Plan
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Valley Christian High School
100 Skyway Drive
San Jose, California 95111**





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I. Executive Summary

Company Synopsis

Menchie's Frozen Yogurt is the **world's #1 largest frozen yogurt franchise**, known for its **"We Make You Smile"** philosophy, self-serve model, and extensive customizable flavors and toppings. Since opening its first store in 2007 and beginning franchising in 2008, Menchie's has led the global frozen yogurt brand for 14 consecutive years, now with **540+** locations worldwide. With strong product innovation and localized marketing, the brand is **well-positioned to succeed in high-traffic environments**.



Strategic Location

In January 2027, Menchie's will open at **ICON Park on International Drive**, a location strategically chosen for its exceptional market opportunity, supported by the following key factors:



Figure 1: International Drive Map and Key Surrounding Attractions

1. HIGH-TRAFFIC: International Drive attracts over **28 million** visitors annually and sits just minutes from **seven major theme parks**, the Orange County Convention Center, **140+** hotels, **55+** attractions, and the Dr. Phillips suburb. ICON Park alone draws **10 million** visitors, and a Menchie's just outside the complex would capture both drive-by traffic on I-Drive and walkable guests from nearby hotels and businesses.

2. POWERFUL BRAND PRESENCE: In addition to its prime location, there are **no frozen yogurt competitors** within a 15 minute radius. As the **39th** Menchie's in Florida and the only one in Southwest Orlando, Menchie's will benefit from exceptional brand recognition and loyalty while maintaining a first-mover advantage in the area.

3. PROFESSIONAL VALIDATION: **Four Florida-based franchise consultants** with a collective **80+** years of local expertise have confirmed ICON Park's exceptional market opportunity for the Menchie's brand. (See Appendix)

Market Analysis

MARKET	DEMOGRAPHICS	PSYCHOGRAPHICS
Menchie's Primary Target: Families with Children	- Aged 25-40 with children - Middle to upper-middle class income	- Value high-quality treats for children - Enjoy family outings and convenient dessert options
Menchie's Secondary Target: Health-Conscious Young Adults	- Aged 16-25 (teens, college students & young professionals) - Lower to middle class income	- Prioritize low-fat, natural ingredients & gut health - Enjoy trying trendy, customizable desserts & sharing on social media
International Drive Market (Alignment with Menchie's Target Markets)	Tourists: 50% families 5x more spent on food than locals Local Residents: 64% families; #1 suburb for young professionals - Avg. Income: \$156K Age: 82% alignment Income: 72% alignment	- Orlando is #1 healthiest city in Florida - Tourists are impulse-driven with desire for visually appealing & unique food experiences 84% use social media Values: 86% alignment Behavior: 77% alignment

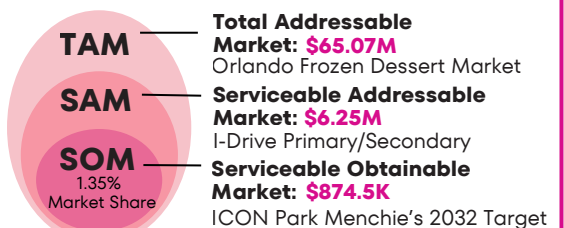
Growth Potential

MARKET TRENDS

- 75%** consumers seeking healthier food options in 2026
- 70%** consumers prefer and are willing to pay more for **customizability**
- 73%** consume **frozen desserts** at least once a week

GROWTH FACTORS

- 7.5%** **Frozen Yogurt Market** compound annual growth rate
- 2%** **Expanding Local Market:** Orlando population growth rate
- 25%** **Booming Tourism Industry:** Orlando tourism growth from 2024





Products and Services

PRODUCTS: Menchie's delivers a customizable frozen yogurt experience with **130+ flavors**, rotating seasonal creations, and a wide range of toppings, allowing every guest craft their own signature combination.

SERVICES:



Online Ordering: Available through its website and app, plus delivery via DoorDash, Uber Eats, Grubhub, and Postmates.

Rewards: The **MySmileage** program lets guests earn Smile Points for rewards, with point tracking in the Menchie's app.

Catering: Menchie's caters events of any size with **Full Service**, Drop Off, or Pick Up.

NEW Event Hosting: Introduce **in-store birthday parties** and private events, including **reserved seating**, pre-selected packages and more.

MENCHIE'S FLAVORS MENU SAMPLE



NEW EXCLUSIVE ICON PARK OFFERINGS



Diversifying Our Product Mix: We created ICON Park-**exclusive offerings** to target distinct customer segments and capitalize on emerging trends. Weekly Swirl Specials feature customer-voted combinations, leveraging limited-time offerings to **increase repeat visits by 30%**. Froyo Pops provide quick, **grab-and-go** options aligned with growing demand for convenient snack foods, making them ideal for ICON Park's busy crowds. Beachy Açaí Bowls target trendy, health-conscious consumers, with açaí demand rising by **359%**. This targeted approach appeals to different consumer groups, enhances cross-category penetration, and maximizes per-visit transaction value.

Marketing Strategy

Although Menchie's has strong brand recognition and a clear mission to "make every guest smile," its current tactics are not enough to fully leverage ICON Park's high-traffic potential. To strengthen visibility, guest loyalty, and community impact, Menchie's ICON Park will launch the **SMILE Initiative**, a targeted five-part marketing plan. Supported by **KPI-driven tracking**, the SMILE Initiative positions Menchie's as both a local favorite and a must-visit destination for Orlando's millions of tourists. Below is a breakdown of the SMILE initiative.



Social Media Campaign

- Native Marketing
- Hashtag Challenges
- Influencer Collabs
- Polls for Swirl Specials
- Geo-Targeting
- HubSpot CRM



Menchie's Events & Celebrations

- Grand Opening
- Birthday and Corporate Events
- Smile Wall for user-generated content



International Drive Outreach

- Partnerships with I-Drive hotels
- Orange County Convention Center catering & events



Local Community Outreach

- Fundraiser nights with local schools and businesses
- Gym partnerships
- Sticker Challenge Loyalty Program



Environmental Initiatives

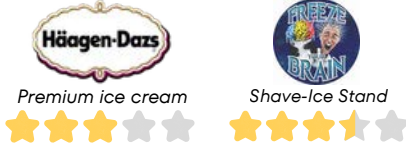
- Limited time, collectible, reusable, & recycleable spoons
- "Smile for the Planet" Days

Competitive Edge

As the **only frozen yogurt shop** in Southwest Orlando, Menchie's faces no direct competition near Icon Park. Major frozen dessert brands are over **15 minutes away**, giving Menchie's a prime opportunity to **dominate the local market**. However, a few potential competitors remain in the two categories outlined below:



ICON PARK COMPETITION



SOUTHWEST ORLANDO COMPETITION



MENCHIE'S



1. FLEXIBLE PRICING: Menchie's **weight-based** pricing allows guests to control portion sizes, appealing to **64% of shoppers preferring** a brands that provide transparency and control over their purchase.

2. FLAVOR VARIETIES: Unlike dessert chains like Tutti Frutti and Häagen-Dazs, Menchie's differentiates itself through an **expansive product** catalog, with a rotating selection of 14-16 flavors and high-profile collaborations with partners like Hershey's and Paramount Pictures.

3. HEALTHY, QUALITY INGREDIENTS: As the largest frozen yogurt brand, Menchie's benefits from **consistent ingredient standards** supported by a global supply network, resulting in fresher toppings, higher-quality mixes, and broader options than competitors with limited SKUs. This directly appeals to the **50%** of consumers who now prioritize ingredient quality and nutrition when looking for dessert options. Gut health is **#3** food trend in 2026, further increasing demand for probiotic products like Menchie's frozen yogurt.

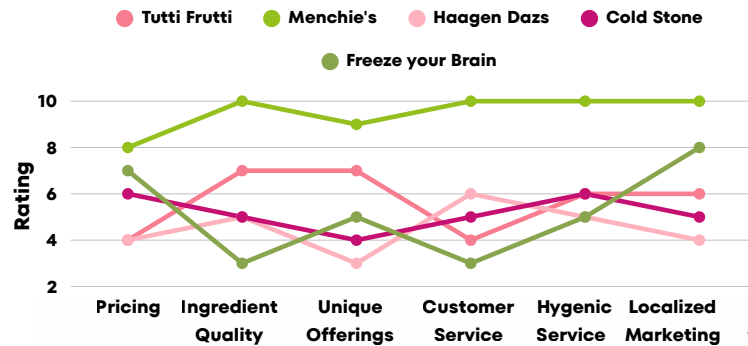


Figure 2: Blue Ocean Competition Strategy Canvas

Management Organization

Menchie's at ICON Park will be **co-owned** and operated by Revathi Mekkoth, Hannah Li, and Vivian Zhang. We'll hire an additional full-time **assistant manager** who oversees day-to-day operations, 6-8 **part-time employees** who will alternate shifts, and an accountant. To establish high service and operational standards, employees will complete Menchie's's 120-hour Training Program and our own **S.E.R.V.E** program (Service, Empathy, Respect, Versatility, Efficiency), a performance-based framework with mentorship and on-the-job training designed to increase skill acquisition by **65%** and ensure consistent execution of Menchie's brand standards.

Organizational Chart

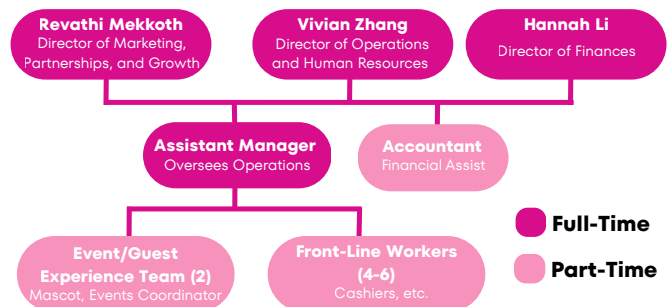


Figure 3: ICON Park Menchie's Management

Financial Viability

Revenue/Expense Projections

The ICON Park Menchie's anticipates first-year revenue of **\$560,640** and a gross profit of **\$392,448**, according to a **70%** industry-average gross margin. Revenue will come from in-store sales, online orders, and catering, with **seasonal increases** during summer and holidays. These calculations align with foot traffic at ICON Park and financial statements from other Menchie's stores in similar locations. Year two revenue is projected to grow by **11.9%**, driven by the successful SMILE initiative. Although initial costs are high, these investments are expected to support profitability and growth by year two.

Financial Request

Menchie's seeks a **\$250K** loan to cover startup costs and support **\$30K** personal investments per franchisee. In **5 years** at a **7%** compound annual rate, a total of **\$304,863** in principal and interest will be repaid to the lender, yielding a **\$54,863** return on the initial investment.



FY2027 Cash-Flow Statement

Cash Flow Statement (FY2027)	
Cash Inflows	
Sales Revenue	\$ 560,640
Franchisee Investments	\$ 90,000
Loan	\$ 250,000
Total Inflows	\$ 900,640
Cash Outflows	
Cost of Goods Sold	\$ 168,192
Labor Costs	\$ 135,967
Property Lease	\$ 28,800
Utilities	\$ 1,600
Furniture & Equipment + Maintenance	\$ 98,241
Technology Systems & Support	\$ 2,562
Marketing (SMILE Initiative)	\$ 36,255
Insurance	\$ 2,136
Miscellaneous	\$ 9,650
Loan Repayment (Principal + Interest)	\$ 60,973
Initial Franchise Fee	\$ 35,000
Franchise Royalty (6%)	\$ 33,638
Marketing Fee (2%)	\$ 11,213
Total Outflows	\$ 624,227
Total Cash Available	\$ 276,413



II. Business History, Background and Objectives

A. Company Description

Founded in 2007 in Valley Village, California by Adam and Danna Caldwell, Menchie's was inspired by the couple's first date at a frozen yogurt shop. The brand name and mascot originate from Adam's nickname for Danna, "Menchie," reflecting a personal foundation that evolved into its core philosophy: **"We Make You Smile."** Guided by its **"Three Ps"** (People, Place, and Product), Menchie's rapidly expanded, becoming the **world's fastest-growing** frozen yogurt franchise by 2010, and maintained that position for 14 consecutive years. In 2023, it was the only frozen yogurt brand named to Yelp's **Top 50 Most Loved Brands**. Today, with over **540 locations** worldwide, Menchie's remains a globally recognized and trusted brand.



B. Short-Term and Long-Term Objectives

	Goal	Action Plan	Key Metrics
Short Term (Pre-opening to first 12 months)	Secure Operational Compliance	Finalize all Florida DBPR filings , health permits, and city business tax receipts; schedule final inspections 90 days before launch	100% first-time pass rate & mitigate launch delays
	Build an Effective Team	Execute the SERVE hiring and training program (pg. 16) focusing on efficiency and customer service	Employee turnover < 45%
Medium Term (1-2 years)	Capture Initial Market Share	Deploy geo-targeted ads , influencer collabs, and I-Drive partnerships to drive foot traffic and validate early demand	Reach 65% of projected monthly sales targets in Year 1-2
	Secure Customer Retention	Maximize mySmileage enrollment at POS and use HubSpot CRM for automated offers and local promos.	Maintain a 75% customer return rate
Long Term (3-7 years)	Expand Regional Footprint	Identify 3 high-traffic, high-density Central Florida sub-markets for expansion	Open 3 locations in the surrounding region within 7 yrs
	Increase Profit Margin	Integrate automated inventory tracking and product bundling to reduce waste and increase profits	Achieve a 15% year-over-year increase in net profit

C. Major Successes and Achievements to Date



Beyond its global expansion, Menchie's gained national recognition when CEO Amit Kleinberger appeared on the TV show **Undercover Boss**, reinforcing the brand's commitment to a guest-first experience. The company has received the Technomic Chain Restaurant **Consumer Choice Award** and was named one of Forbes' Most Promising Companies. Additionally, Menchie's integrates corporate social responsibility through the Menchie's Group Foundation. Through initiatives such as Smile World and **Spirit Night fundraisers**, the brand has raised millions of dollars for nonprofit organizations, including a long-standing partnership with **St. Jude Children's Hospital**.



D. Challenges and Obstacles

Challenges

A Miami Menchie's was closed after inspectors found 15 **health-code violations** highlighting failures in daily cleaning (2024).

A Menchie's franchise operator in WA and OR was fined \$117K for **violating labor laws** including unpaid overtime and improper tip sharing (2022).

Menchie's has also faced scrutiny for **"no-poaching" clauses** that restricted employee movement between locations. (2018)

Mitigation

ICON Park Menchie's will use Jolt-based **digital checklists** to ensure daily deep cleaning and inspection of yogurt and topping stations.

For transparency, our POS and payroll systems will enforce **role-based permissions**, preventing managerial access to tip pools while automatically **tracking hours** and **overtime**.

A **local recruitment model** (pg.18) will attract talent through competitive wages and professional development, **prioritizing employee satisfaction**.

E. Requirements to Franchise

After extensive analysis of Menchie's **Franchise Disclosure Document (FDD)**, we created this personalized timeline for us to meet all requirements:

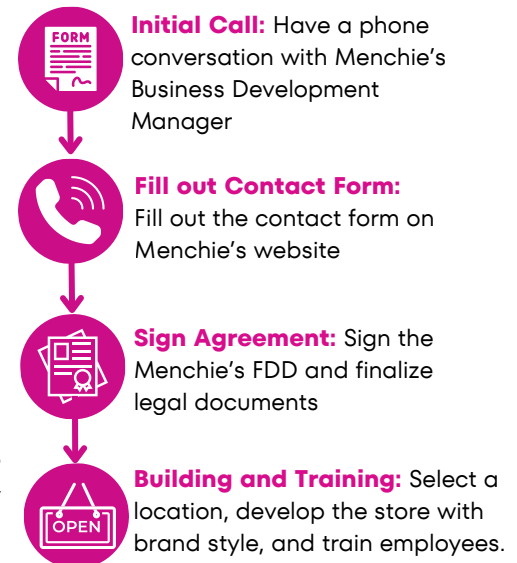
Mission & Strategy: Menchie's Frozen Yogurt franchisees must align with the company's mission to **create smiles** through high-quality frozen yogurt, excellent guest service, and community involvement. Menchie's locations typically range from **800 to 1,500 square feet** in high-traffic areas.

Financial Requirements

- **Franchise Fee:** \$40,000
- **Liquid Capital:** \$80,000-\$120,000
- **Net Worth:** \$300,000-\$350,000
- **Ongoing Fees:** 6% Royalty on Gross Sales; 2% Marketing

Total Investment: \$142,683-\$471,087

Training & Support: Upon agreement, franchisees complete **classroom and hands-on training** in operations, guest experience, and management, followed by on-site corporate support during the grand opening for consistent quality and customer satisfaction.



III. Business Environment

Menchie's will be franchised just outside Icon Park, located at **8375 International Drive** in the heart of Orlando, Florida. This is a **highly attractive business environment** for Menchie's for several key reasons:

HIGH-TRAFFIC STRATEGIC LOCATION:

International Drive: International Drive attracts over **28 million** visitors annually and sits at the **center** of Orlando's top destinations, including seven of the world's **largest theme parks** and the nation's third-largest convention center. With over **140 hotels** and **55+ attractions**, the area generates consistent traffic from tourists, families, and business travelers, which are the exact customers Menchie's aims to target.

ICON Park District: Within International Drive, ICON Park is a **premier entertainment** complex drawing **10 million** visitors annually. With major attractions such as The Orlando Eye and Madame Tussauds, the district creates a dense, walkable environment.

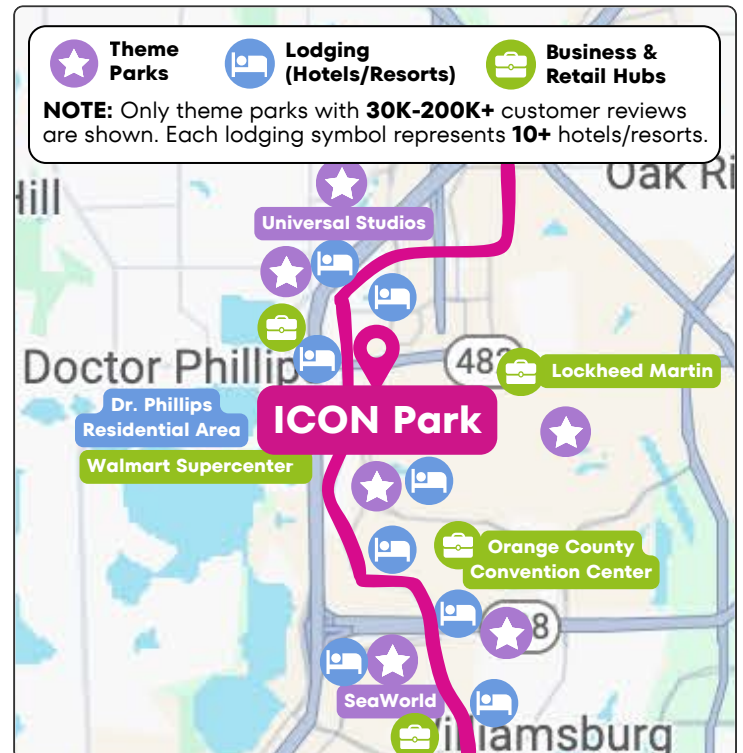


Figure 4: Orlando International Drive Map (3-mile radius around Icon Park)



Figure 5 illustrates Menchie's strategic location, which is just outside ICON Park to capture both International Drive's **drive-by traffic** and the park's foot traffic. Major hotels, a seven-story parking garage, and prominent attractions like the internationally acclaimed **Arte Museum** coming to ICON Park in **2027**, are all within walking distance.

FIRST-MOVER ADVANTAGE:

As the 39th Menchie's location in Florida, but the **only one** in Southwest Orlando, our franchise benefits from established brand recognition while capturing a **first-mover advantage**. Direct competitors are over 5 miles away, which is incredibly valuable as first movers in a defined territory can achieve up to **125% higher market share** than later entrants.

LOCAL PROFESSIONAL SUPPORT:

To better understand our business environment, we worked with **four Florida-based franchise consultants** with a combined 80+ years of industry experience. After evaluating our plan, they all **confirmed** ICON Park as a high-potential site for Menchie's success (see Appendix).



Figure 5: ICON Park Map

ENVIRONMENTAL FACTORS ANALYSIS

Benefits



Florida has **no personal income tax** and **no corporate tax** on LLCs like Menchie's. It's the **#1** state for starting a business, attracting **4x** more new businesses due to favorable policies (Florida Chamber of Commerce).



Orlando is the **#1 fastest-growing** major metro area in the U.S, leading in **employment & population growth**. It has a **\$94.5B** tourism market and **\$164M** of direct visitor spending daily.



Orlando's **74M annual tourists** have higher discretionary spending & impulse purchases. **64%** of Orlando residents are families, aligning with Menchie's target market.



51% of consumers prefer **contactless payments**, especially in Orlando's high tech environment; Orlando's **"Digital Twin"** provides businesses predictive analytics for foot traffic.



Florida's **Protected Series LLCs** law provides franchisees **horizontal liability shielding** & reduced filing costs. Menchie's must comply with **Chapter 64E-11** of the Florida Administration Code for food safety.



Orlando's **year-round warm climate** and frequent 95°F+ days ensure consistent demand for frozen yogurt. The city's **Zero Waste by 2040** goal provides rewards for business who reduce single-use plastics.

Challenges → Menchie's Adaptations

Reliance on tourism makes customer traffic vulnerable to **travel/immigration policy changes** (e.g. 2026 DHS shutdown caused TSA staff shortage & major travel delays) → **Target local repeat customers through loyalty programs.**

Middle East conflict could push U.S. **inflation above 4%**, decreasing spending & raising interest rates on business loans → **Weight-based pricing** offers flexibility and high-traffic location delivers **faster payback periods** to reduce interest expenses.

Shift toward **health-conscious** consumption may reduce demand for desserts → **Diversify** product offerings to include Açaí bowls and **sugar-free** froyo and emphasize froyo's **probiotic benefits.**

Florida experiences **50-100 power disruptions** annually due to natural disasters that risk inventory spoilage → Invest in **Industrial-Grade Power Conditioners** to prevent equipment failure during outages/surges.

Florida's minimum wage increases to **\$15/hour** by **September 2026**, increasing labor costs and wage-theft litigation risks → Self-serve model enables lean staffing + implement precise payroll tracking

Proximity to the Gulf exposes Orlando to hurricane **risks** → Carry commercial **property** insurance with windstorm coverage, separate flood insurance (NFIP or private), **business interruption** insurance, and equipment breakdown insurance.



IV. Products and Services

A. Products Offered

Menchie's offers delicious frozen yogurt using fresh, **high-quality** ingredients. Made with real, rBST/rBGH-free dairy and enriched with live, **active cultures**, their frozen yogurt blends clean ingredients with bold, unforgettable flavor. Served alongside **fresh fruit** and over 75 options of premium toppings, guests can mix and match flavors to create their own one-of-a-kind combinations. With more than **130 proprietary flavors**, rotating seasonal offerings, and exclusive brand collaborations, Menchie's delivers endless opportunities for **personalization** and keeps customers coming back year-round.

FROZEN YOGURT FLAVORS (108+ CORE FLAVORS)



ICON PARK EXCLUSIVE OFFERINGS:

OFFERING:



BEACHY AÇAÍ BOWLS: Inspired by Florida's beach culture and health-focused trends, these açai bowls combine **Sambazon** açai with non-fat yogurt to create a **better-for-you** dessert option.

RATIONALE:

TARGETING HEALTH-CONSCIOUS CONSUMERS

- **359% increase** in açai popularity due to rising health & wellness trends; the global açai market is projected to grow at over 10% annually
- **High return on investment** because Menchie's can reuse existing toppings and only needs a new açai base for low-cost entry into a fast-growing market



FROYO POPS: Froyo pops turn Menchie's flavors into **grab-and-go** options, offering **convenience** at the high-traffic ICON Park. Their fun Florida-themed designs appeal to tourists and families seeking photo-worthy and **souvenir-like treats**.

TARGETING FAMILIES & ON-THE-GO TOURISTS

- 56% of consumers **regularly** purchase portable snacks; at theme parks, 67% of visitors make **spontaneous food decisions** based on immediate accessibility and ease of carry
- Tourists are more prone to **impulse purchases** of items perceived as exclusive or location-specific



WEEKLY SPECIALS: Distinct from Menchie's seasonal flavor rotations, Weekly Swirl Specials are unique combinations of flavors and toppings curated via **social media voting** or staff picks that drive repeat visits.

TARGETING REPEAT LOCAL CUSTOMERS

- Limited-time offers increase **repeat visits 20-30%**
- Scarcity marketing increases purchase likelihood by 30%
- Weekly specials model **proven successful** by Crumbl Cookies (900+ locations & \$1B+ in revenue)

B. Services Offered

ONLINE ORDERING:

Menchie's offers **online ordering** and scheduled **pickup** through its website and mobile app. Partnerships with **major third-party platforms**, including DoorDash, Uber Eats, and Grubhub, extend reach and ensure fast, reliable delivery. To maintain product quality, the franchise will utilize **insulated packaging** and dry ice/cold packs to preserve temperature during transit. Additionally, delivery radius and timing will be optimized to minimize melt risk.

REWARDS PROGRAM:

The **MySmileage** rewards program incentivizes repeat visits by allowing guests to earn Smile Points redeemable for free frozen yogurt, birthday rewards, and exclusive promotions. Loyalty programs in the QSR industry have been shown to **increase visit frequency** by **15-25%**. Customers can join through the Menchie's app, which also offers order-ahead options, a store locator, and promotional updates.



Figure 6:
MySmileage
Rewards



FUNDRAISING: Menchie's **supports local** schools, clubs, sports teams, and **nonprofits** through community-focused fundraising programs. Organizations purchase products at a discounted rate and resell at retail price, retaining all proceeds.

CATERING: Menchie's offers flexible catering for events of any size, including corporate gatherings, school functions, and private celebrations. Service options include **Full Service** (on-site staff), **Drop-Off** (pre-prepared servings), and **Pick-Up**.

V. Present Market

A. Present Market

GEOGRAPHIC SEGMENTATION:

Geographically, there are **two types of customers** in the present market that our Menchie's franchise aims to attract:



Figure 7: International Drive Neighborhood Segmentation

1. TOURISTS:

International Drive attracts **28 million tourists** annually. This includes **leisure tourists** prone to impulse purchases, and **1.7 million business travelers** attending events at the nearby Orange County Convention Center. Menchie's status as a **globally recognized brand** with 540 locations across the same continents as Orlando's international tourists boosts its appeal.

International Drive Tourists

Total Population **28M**
Household Type **50% families**
Avg. Trip Spending per Visitor **\$1,070**
5x more spent per day on food than the average Orlando local.

Motivation/Travel Purpose:

Business 11% **Leisure 89%**

Origin Market:

Europe 34%
North America 31%
South America 30%
Asia 5%

2. LOCAL RESIDENTS:

The surrounding neighborhood, with a population of **12,458**, offers a stable base of repeat customers. With schools and business districts nearby, this area is made up of families and **working professionals**, well-aligned with Menchie's target market. As one of the most affluent neighborhoods in Orlando, residents have the **disposable income** needed to regularly enjoy Menchie's high-quality offerings.

Doctor Phillips Neighborhood Residents

(Within 2 mile radius of the franchise)

Total Population **12,458**
Population Density **3,626 ppl/mi²**
Median Age **44 years**
Average Household Income **\$156,440**
***Significantly above national average (\$66,662)**
Employed **93.9%**

#1 ranked for young professionals in Orlando (#2 in Florida)

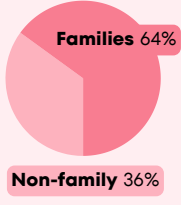


Figure 8: Doctor Phillips Neighborhood Demographics (Niche.com)

Both of these two types of customers (tourists and local residents) possess demographic and psychographic traits that align with **Menchie's primary and secondary markets**:

DEMOGRAPHIC/PSYCHOGRAPHIC SEGMENTATION:

MARKET	DEMOGRAPHICS	PSYCHOGRAPHICS	RATIONALE (MARKET TRENDS + ALIGNMENT)
Primary: Families with Children	- Parents aged 25-40 with children Middle to upper-middle class households with disposable income	- Values wholesome, high-quality treats for their children - Enjoys family outings at destinations like ICON Park - Wants convenient, quick bite to eat while traveling or on-the-go	56% of froyo consumers are 25-34 years old and 77% have children (<i>National Frozen Yogurt Consumer Survey</i>) 64% of Orlando households are families



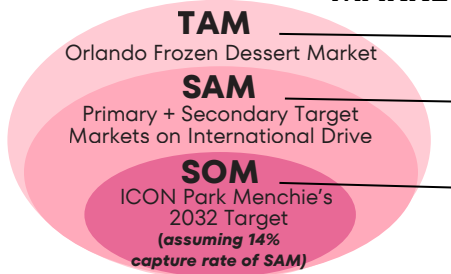
Secondary:
Health-Conscious
Teens +
Young Adults

- **Aged 16-25**
- **Moderate income** levels (Young professionals from Dr. Phillips & Orange County Convention Center)

- Values froyo's **probiotic** benefits & healthy eating; prioritizes **low-fat, natural** ingredients
- Enjoys trying **trendy**, customizable desserts and **sharing experiences on social media**

- Orlando is **#1** healthiest city in Florida; **38%** of Orlando consumers prioritize gut health
- **84%** individuals aged 18-29 use social media, the highest among all age groups (*Forbes*)

MARKET SIZE ANALYSIS



Total Addressable Market: \$65.07M
8.3M Customers

Serviceable Addressable Market: \$6.25M
833K Customers

Serviceable Obtainable Market: \$874.5K
116.6K Customers; (1.35% Market Share)

In Year 1, Menchie's projects to capture approximately **30% of its SOM**, increasing to 55% in Year 2 and over 70% by Year 3, as brand awareness, repeat traffic, and local partnerships strengthen over time, consistent with early-stage **QSR growth patterns**.

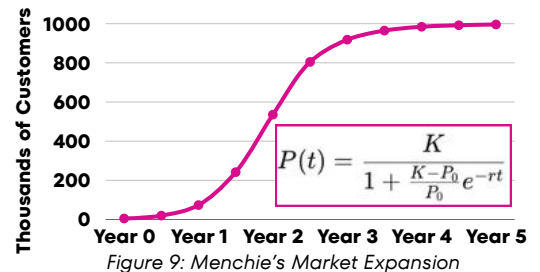
B. Growth Potential

As the **fastest-growing metro** in the U.S., Orlando adds over 1,000 residents per week and is projected to welcome nearly 1 million more residents by 2045. With 74 million annual visitors, new developments like Universal's new Epic Universe and the internationally-acclaimed Arte Museum opening 2027 are expected to further accelerate tourism beyond the 25% year over year increase. This growth is reinforced by major infrastructure investments, including the Orange County Convention Center's 2026 **\$560 million expansion project** and the addition of **5,000+** new hotel rooms on I-drive, which will increase both professional and leisure travel. Beyond tourism, Orlando's customer base is also expanding through economic and transit developments. Relocations by companies like **AMD** and **SimSpace** are introducing a weekday audience with high disposable income, while enhanced transit (Brightline) connects ICON Park to over **8 million** South Florida residents, unlocking a new segment of day-trip visitors. These local trends align with broader industry growth, with the frozen dessert market expanding at a **7.5% CAGR** and frozen yogurt projected to **capture 87%** of the category by 2036, driven by **9,500%** rise in **gut-health health awareness** that **increases demand for probiotics** like froyo.

C. Pricing Policy

Menchie's utilizes a **weight-based pricing** model that is strong from both a customer and business standpoint. Customers like it because it feels more flexible and fair to have control over portion sizes and only pay for what they take. Despite creating that perception, this model ultimately still ends up being **more profitable** for the business, with customers empirically spending 13% more on weight-based transactions and labor costs being significantly reduced. ICON Park Menchie's will initially price froyo at \$0.67/oz so that a typical 12-oz cup costs ~\$8, keeping us competitively priced against nearby dessert competitors. Our location will continually adapt using a **market-oriented pricing strategy** reviewed quarterly that sets prices based on demand, ingredient availability, and competitor pricing.

Logistic Growth Function



Applying this model, Menchie's customer growth follows a logistic (S-shaped) curve, providing a reliable approximation of small business expansion.

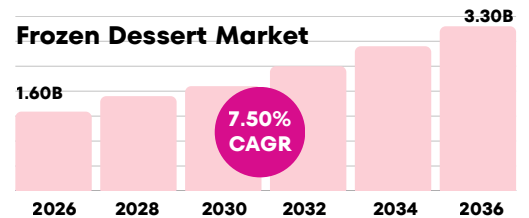


Figure 10: Global Frozen Dessert Market Forecast



Price Estimates (\$0.67/oz. for Froyo Cups)

Small (8 oz)	\$4-6
Medium (12 oz)	\$6-9
Large (18 oz)	\$9-13
Catering	\$118-208
Froyo Pops	\$4.50



D. Adjustments to Seasonal Factors

To adjust for seasonal factors, Menchie's will align flavor/topping selection, promotions, and staffing with Orlando tourism patterns, with Q2 averaging **31.2 million visitors**. To meet rising demand, Menchie's will apply an **Economic Order Quantity** (EOQ) approach to optimize inventory levels and reduce holding costs and wait times. Promotions will shift from **summer impulse deals** (e.g. free toppings with purchase) to off-season incentives such as BOGO offers, **bundled discounts**, and double rewards points to maintain consistent traffic. Staffing will scale from **4 employees per shift** in peak periods to **2-3** in slower months, balancing service speed with **labor efficiency** (Figure 12). Flavor offerings will also adjust seasonally, with summer months featuring fruit-based options and off-season menus shifting toward richer, comfort flavors (Figure 11).



Figure 11:
Sample
Seasonal
Offerings

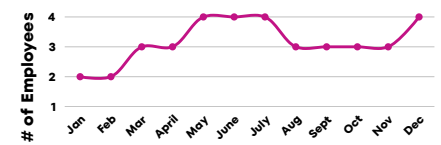


Figure 12: Seasonal Staffing Changes

VI. Competition

A. Primary Competitors

As the only frozen yogurt shop in Southwest Florida, Menchie's faces **no direct competitors** within a 5 mile radius of ICON Park. The nearest major frozen dessert brand is hidden within a mall **over 15 minutes away** under typical traffic, giving Menchie's the unique opportunity to dominate the region's frozen dessert market. However, there are still a few potential competitors to consider. Our research focused on **brand analysis** and **location-specific customer feedback**.

ICON PARK COMPETITION

The matrix below lists the only frozen dessert shops currently located near ICON Park. Since they **don't offer frozen yogurt** and are **located on opposite sides of the complex**, they are indirect competitors that pose minimal threats.

Brand	Strengths	Weaknesses
 Premium ice cream	Large brand presence with 900 locations across more than 50 countries worldwide - Known for their premium ingredients (eg. Madagascar vanilla, real cream) and wide range of flavors	- Hidden within the park with low visibility to International Drive traffic - ICON Park location has unexperienced staff and poor, very slow customer service - Ingredients contain excessive calories, sugar, and saturated fat
 Shave-Ice Stand	Authentic Hawaiian style shave ice - Huge flavor selection & creative recipes with customization Exceptional service	Low brand recognition with only two locations across the brand Small stand and staff size limits customer volume, leading to significantly high wait times

SOUTHWEST ORLANDO COMPETITION

Brand	Strengths	Weaknesses
 Self-serve frozen yogurt	- Appealing flavor and toppings selection with unique offerings such as "yoghund" for dogs Clean, well decorated facilities - Offers innovative social media discounts and promotions	Not visible or accessible to drive-by traffic due to location within a mall - Customers consistently said products were extremely overpriced - Employees have been rude and restrictive with flavor sampling
 Premium ice cream	Large brand presence with 1,044 locations in the U.S. and 300 locations internationally - Known for customizable, on-the-spot ice cream creations and premium ingredients Popular brand collaborations (eg. Reese's for peanut butter ice cream cup)	- International Drive location has unfriendly staff and slow wait times - Considered very overpriced even for local Orlando residents and former Cold Stone store managers from other locations Unsanitary facilities



B. Menchie's Advantages

FLEXIBLE SELF-SERVE MODEL + WEIGHT-BASED PRICING:

Menchie's self-serve format allows full customization through a **transparent, weight-based** pricing model where guests pay only for what they take. This hands-on experience **increases average spending by 15–25%**, as customers naturally add toppings and choose larger portions. Research shows that customizable offerings deliver stronger perceived value, with 48% of customization occasions resulting in higher check sizes. At the same time, the model appeals to customers seeking pricing **flexibility** and predictability. Operationally, self-serve **reduces labor dependency** and supports faster output during peak hours.

QUALITY INGREDIENTS:

Menchie's demonstrates a commitment to quality by using real California milk from rBST-free cows and offering **vegan**, dairy-free, gluten-free, and no-sugar-added options. This positioning aligns with evolving consumer trends, as **gut health** ranks among the top three priorities in 2026.

EXTENSIVE FLAVORS + PARTNERSHIPS:

With 16 rotating flavors and 130+ combinations, Menchie's offers one of the **largest** and most **diverse flavor selections** in the industry. Menchie has **partners** such as HI-CHEW, **Hershey's**, and **Paramount**, creating a unique brand image.

POST-DINING DESSERT DEMAND:

Menchie's proximity to other restaurants may raise concerns regarding reduced dessert demand due to post-meal satiation. However, approximately **40%** of consumers still **purchase dessert after meals** at least **twice per week**, with **36%** more likely to order if desserts are perceived as smaller or healthier like a froyo. Fewer than half of consumers purchase dessert at the same establishment as their meal, even lower at restaurants surrounding Menchie's who offer minimal dessert options.

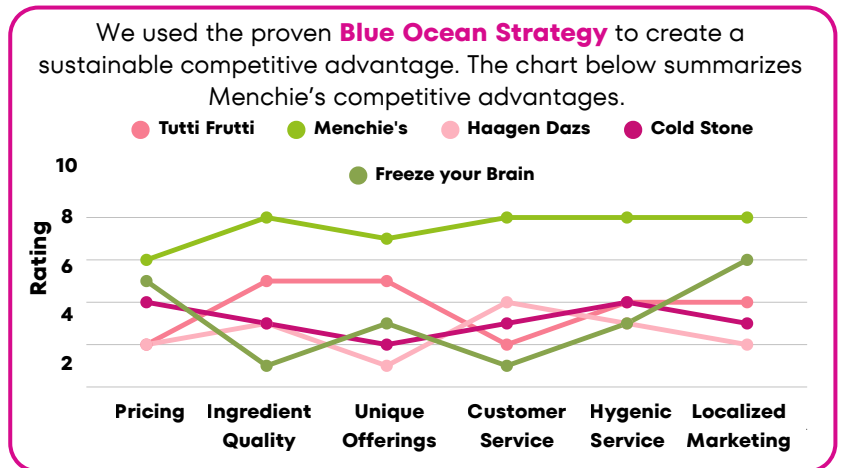


Figure 13: Blue Ocean Graph

B. Menchie's Disadvantages

DISADVANTAGE

1. Self-Serve Hygiene Concerns: Menchie's self-serve model gives customers greater control over their orders, but it can also raise health and safety concerns, especially post **COVID-19**.

2. Unpredictable Pricing for Tourists: Menchie's pay by weight model can feel **uncertain** for visitors who prefer clear, fixed pricing. Tourists at ICON Park, especially families, may worry about accidentally building expensive cups compared to nearby dessert options with set prices.

3. High Foot Traffic leads to Operational Stress: ICON Park's constant visitor flow places pressure on Menchie's self serve model, requiring **frequent restocking**, machine monitoring, and continuous cleaning. Without strong operational control, high demand can lead to low topping availability, equipment strain, or **crowded serving areas**.

MITIGATION

The ICON Park Menchie's will follow **strict sanitization procedures** for all shared equipment, prep areas, and customer spaces. **Hand sanitizer stations** will be placed before the froyo machines and topping counters.

ICON Park Menchie's will provide clear **"Build Your Budget Cup"** examples at the entrance, showing typical cup sizes with **estimated costs**. Additionally, cups will include subtle color bands inside that indicate light, medium, and full portions, **giving guests an easy visual guide** to estimate price before they reach the register.

To manage heavy crowds, ICON Park Menchie's will use **express refill kits** to restock toppings quickly and keep the bar fully supplied. **Small digital screens** above machines will show simple **status indicators** so guests know when a machine is refilling or ready to use. A designated **Menchie's photo spot** will also be placed away from the self serve area to reduce lingering and keep traffic moving smoothly.



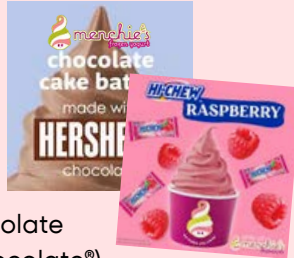
VII. Marketing Plan

A. Existing Marketing Techniques, Strategies, and Tools

EXCLUSIVE BRAND PARTNERSHIPS

Menchie's frequently rotates **limited-time flavors** to drive repeat visits. Many of these are tied to **major brand partnerships**, such as the Nerds Rainbow Candy

Sorbet (NERDS Candy®), Chocolate Dipped Churro (Hershey's Chocolate®), and Key Lime Pie (HI-CHEW®). These collaborations create **excitement and differentiate** Menchie's from smaller froyo competitors.



COMMUNITY-CENTERED CONNECTION

Menchie's **"Make You Smile"** mission is brought to life through its **mascot** who often interacts directly with guests in store. Menchie's franchises further builds community presence through **event catering** and **fundraisers** and partnerships with local schools, sports teams and nonprofits. This creates brand connection by positioning each store as an active part of its community.



MYSMILEAGE REWARDS PROGRAM

Menchie's operates a mySmileage rewards program through its app at participating U.S. locations.



Customers earn 25 points called "smiles" for joining by signing up in the app, earn **1 "smile" per \$1 spent**, and get a **\$5 reward** each time they reach 50 smiles to encourage repeat visits. Menchie's also hosts **Double-Smile** days during special days like National Frozen Yogurt Day, where customers can earn double the amount of points for their purchases, incentivizing **impulse purchases**.

INTERNET PRESENCE

Menchie's has **600K+ followers** across social media accounts on Instagram, Facebook, X and TikTok, where it posts seasonal flavor drops, brand collaborations, special deals, and in-store experiences. Menchie's emphasizes strong community connection through **location-specific social accounts**, with some reaching **31K** followers and **4.5M** likes alone. The brand also encourages guests to share their own mixes and topping combinations online to boost **word of mouth**, with the hashtag **#menchies** mentioned on **11.4K** posts on TikTok. The website **menchies.com** receives **70,000-90,000** monthly visits, with nearly half of all traffic coming from **direct searches**, a good indicator of brand recognition.

B. Future Marketing Techniques and Strategies

To develop an informed marketing strategy, we engaged in both **primary and secondary market research**.

We conducted a survey through **Centiment** using their audience panel tool to reach respondents within our target market. We set our sampling criteria to residents and tourists in the Orlando-Kissimmee-Sanford area aged 18-45 with an income above \$50,000. The survey received **252 responses**, resulting in a **< 6% margin of error**. Survey results are summarized on the right.

Secondary research focused on better understanding the business environment and market trends (see Business Environment p.5 and Present Market p.8) These findings revealed **valuable customer preferences** and location-specific factors that directly shaped our marketing plan.

centiment SURVEY HIGHLIGHTS

From 252 respondents in Orlando area

- 66%** say social media influences which dessert spots they try
- 72%** are more likely to return with a rewards program
- 79%** are somewhat or very likely to choose dessert spontaneously while traveling or going out
- 58%** are interested in engaging in sustainability initiatives
- 42%** interested in Menchies for birthdays or groups celebrations

Figure 14: Centiment Survey Findings



THE SMILE INITIATIVE

Building upon the brand's mission to **"make every guest smile,"** Menchie's ICON Park will introduce the **SMILE Initiative**, a five-part, localized marketing campaign consisting of: Social Media Marketing, Menchie's Events and Celebrations, International Drive Outreach, Local Community Outreach, and Environmental Initiatives. Each of these pillars works together to position Menchie's as both a **local favorite** and a **must-visit destination** for Orlando's millions of annual tourists. The franchise will implement **SMART** (Specific, Measurable, Achievable, Relevant, and Time-bound) **goals**, supported by continuous tracking and **quarterly performance reviews**.

Social Media Marketing

Because 66% of our target market discovers dessert spots through social media, Menchie's at ICON Park will leverage localized social media accounts. Social media in the food industry already has a solid average conversion rate of 2.1%, but we'll also utilize **native marketing**, proven to achieve 53% more views, and hashtag marketing, shown to increase brand engagement by over 70%. The **#Menchie'sSmiles** hashtag challenge will encourage customers to share photos of their Menchie's flavor and toppings creations for monthly **giveaways entries**. **#SwirlOfTheWeek** will boost engagement for our weekly **Swirl Specials Rotations**. We'll **collaborate with Florida-based influencers** who will create their own swirls to be featured in our weekly rotation to attract new customers and launch **interactive polls** on our platforms where customers vote on upcoming weekly swirls. To capitalize on the spontaneity of Orlando customers when it comes to desserts, we'll implement **geo-targeting** to attract locals and tourists in proximity to ICON Park. Additionally, we will use **HubSpot Marketing Hub (CRM)** to efficiently track campaign performance, segment customers, and actively adapt to which offers, flavors, and content generate the most engagement.

Metrics to Success:

- Grow to **8,000-10,000** local followers across Instagram, Facebook, and TikTok & **3 micro-influencer partnerships** in Y1
- Generate **1,000** monthly interactions (hashtags, poll votes, likes, comments, etc.) & a click through rate of **3%+** on geo-targeted ads



Menchie's Events and Celebrations

Menchie's ICON Park will launch with a **high energy Grand Opening** where the Menchie's mascot will roam the park, interact with visitors, take photos, and distribute samples and coupons. This will be highly effective in attracting customers to our store because it emulates the **character experiences** people enjoy at nearby theme parks and encourages sales as studies reveal 65% of customers who try a sample are likely to make a purchase the same day. **Free mini cups** for the first 200 guests and **exclusive ICON Park flavors** will give visitors an added reason to stop by. A live DJ and custom photo backdrop with instant-print Polaroids will encourage guests to share their experience online, generating rapid local visibility from day one.

Menchie's will also transform parties and group events into high-value experiences that secure **larger prepaid purchases** and attract new customers, with 85% of customers likely to buy after participating in a branded event (Forbes). Exclusive party-only toppings and cakes, mini DIY stations, guided activities, and a dedicated host will increase perceived value, while the mascot and **Smile Wall** (see Figure 15) will create organic, shareable content that **expands social reach at no cost**, especially as user-generated content is the #1 priority for customers in 2026. Personalized touches like take-home Menchie's gifts will **support repeat visits**, while **corporate packages** will capture large group bookings from Convention Center's business traffic.

Metrics to Success:

- Attract **1,000+ guests** at Grand Opening and distribute all **200** free cups
- **8-12** party bookings per month with **90%+** event satisfaction
- Convert **20%** of party/corporate guests into customers using take-home coupons



Figure 15: "Smile Wall"



International Drive Outreach

The Orange County Convention Center on International Drive hosts over 200 events annually with **1.7M attendees** and is located just **5 minutes away** from ICON Park. Menchie's will not only partner with the center to offer catering packages for various events but also set up **branded booths** during major conventions to offer free samples and coupons.

We'll also partner with some of the 140 hotels along International Drive to place promotions in their lobbies and tourist guides, while encouraging **concierge recommendations**, as over 60% of guests view hotel staff as "local experts" for food and attraction recommendations. This targeted outreach creates multiple touchpoints that increase awareness and convert International Drive's massive tourist traffic into Menchie's customers.

Metrics to Success:

- Distribute **150-250** coupons **per major Convention Center event**
- Establish partnerships with at least **20%** of the 140 hotels by end of Y1



Figure 16: Menchie's Convention Center Booth

Local Community Outreach

To increase community engagement, Menchie's ICON Park will partner with schools, nonprofits, and youth groups through **fundraiser nights**. Each organization will receive custom digital flyers, social media graphics, and a unique code or designated event day to promote, and Menchie's will donate a percentage of qualifying sales back to the group. Partnerships with nearby gyms like **Planet Fitness** and the Rosen Fitness Center (just across the street from ICON Park), will make Menchie's a **go-to post-workout treat**.

To further boost customer loyalty, Menchie's will introduce the **Sticker Challenge**, where guests earn a random collectible sticker **featuring "Menchie's Friends"** characters like Menchie, Mookie, Chip, and Barry with every purchase. Once all eight spots on the sticker sheet are filled, customers can **redeem it for a frozen yogurt**. The surprise of each sticker will make Menchie's a recurring destination for families.

Metrics to Success:

- Distribute **100** sticker sheets monthly & achieve **15%** redemption rate in Y1
- **>10%** gym referral visits per month
- Support **20+ off-site fundraisers** in Y1



Figure 17: Planet Fitness Coupon + Sticker Rewards Sheet

Environmental Initiatives

Menchie's ICON Park will make sustainability a visible and fun part of the guest experience through the **"Collect Your Smile"** campaign. Customers will collect Menchie's **reusable and recycleable** spoons, which can be used at home or returned to our store to earn a free Froyo Pop (10 spoons = 1 free Froyo Pop). The returned spoons will be processed by a local third-party **recycling** partner like TerraCycle, creating a closed-loop system that reduces landfill waste. Inspired by Dum-Dum Lollipop's successful Save Wraps program, this initiative not only promotes sustainability but also positions the sticks as **unique collectibles**. Collectibles have been shown to increase brand loyalty by up to 35% and brand recall by as much as 89%, making these spoons a simple but effective way to encourage repeat visits while reducing waste. Standard designs will feature Menchie's characters and we will also launch **special limited editions** tied to holidays and brand partnerships for added excitement.

The store will also host "Smile for the Planet" Days, donating a portion of proceeds to local nonprofits such as **Keep Orlando Beautiful** to build a positive brand image. To further reduce its footprint, Menchie's will also transition to energy-efficient equipment, LED lighting, and locally sourced fruit.

Metrics to Success

- Collect & recycle **1,500+** spoons through "Collect Your Smile" in Y1
- Release 3-5 limited-edition spoon designs per year
- Donate **\$5,000 to "Keep Orlando Beautiful"** by the end of Y1



Figure 18: Menchie's collectible spoons



Strategic Marketing Timeline

Phase	Prior to Opening	2027	2028	2029+
S	Launch ICON Park social accounts; set up HubSpot	1,000 monthly interactions & a click through rate of 3%+ on geo-targeted ads	8,000-10,000 local followers & 3 micro-influencers partnerships	Implement automated customer segmentation for hyper-personalized promotions
M	Build party packages and plan grand opening events (aim for 1,000+ guests) Establish hotel and attraction partnerships	Add cross-promotions with ICON attractions 8-12 party bookings per month with 90% satisfaction rate	Analyze customer interaction and response to optimize marketing strategies	Convert 20% of party/corporate guests into customers
I	Place small "Visit Us at ICON Park" cards in hotel lobbies and tourist kiosks.	Set up weekend sampling tables in high-traffic ICON Park areas Run geo-fenced mobile ads during peak convention weeks targeting hotel guests and Convention Center attendees	Establish partnerships with at least 20% of the 140 hotels	Offer "Late-Night Smile Specials" aimed at evening foot traffic
L	Expand menu offerings to Weekly Swirl Specials and froyo pops	Introduce Sticker Sheet Challenge Establish partnership with Planet Fitness	Achieve >10% gym referral visits per month Support 20+ off-site fundraisers	Incorporate AI-driven tools to tailor offers based on purchase behavior
E	Finalize design & production of the spoons	Launch "Collect Your Smile" spoons Start "Smile for the Planet" Day	Release new spoon series Expand eco-events to schools	Explore automated inventory management tools to minimize waste

VIII. Management and Organization

A. Management Team Strengths and Weaknesses

Structuring leadership across Operations, Finance, and Marketing aligns with the core indicators of QSR success while improving **efficiency by 30%** through clearer decision-making and reduced overlap. The leadership structure at ICON Park Menchie's is intentionally designed to align each franchisee's strengths.

	STRENGTHS	BENEFITS	WEAKNESSES	MITIGATION
Vivian Zhang (Operations & HR)	Organized & Proactive	Ensures smooth daily operations by optimizing staff scheduling, maintaining topping bar availability, and enforcing sanitation protocols aligned with FDA standards and daily Jolt checklists.	May take on too many tasks during peak hours	Delegates tasks to shift leads and assistant manager, supported by structured scheduling systems, digital checklists, and the SERVE training framework, which standardizes workflows
Hannah Li (Finance)	Analytical & Detail-Oriented	Collaborate with the accountant to drive financial performance through accurate budgeting, cost control, and KPI tracking . Supports profitability targets such as achieving 15% year-over-year net profit growth and maintaining industry-standard 65–75% margins.	May overanalyze data, slowing decision-making	Implements structured decision timelines and prioritizes high-impact financial metrics, while leveraging POS and CRM systems (Clover + HubSpot) for real-time data tracking to streamline decisions
Revathi Mekkoth (Marketing)	Adaptable & Outgoing	Leads the SMILE Initiative , driving customer acquisition and engagement. Supports key goals such as reaching 8,000–10,000 followers, generating 1,000+ monthly interactions, and converting tourists through geo-targeted marketing.	Timelines can be overly optimistic	Aligns marketing timelines with operational capacity and staffing levels, uses HubSpot to track campaign performance, and conducts weekly check-ins to adjust strategies based on real-time engagement data



B. Plan to Further Develop Team

According to **Menchie's Franchise Disclosure Document (FDD)**, franchisees must attend Menchie's **55 hour Training Program**, consisting of classroom and on-the-job training, covering store operations, customer service, and team collaboration (Figure 19). This will be completed no later than **3 months before store opening**.

To align all future employees with Menchie's standards, we will implement the **S.E.R.V.E program** (Service, Empathy, Respect, Versatility, Efficiency). This initiative will ensure key training principles and procedures are passed down to all employees, with an emphasis on serving customers with smiles. The program includes **on-the-job training** (OTJ) paired with a mentorship component, proven to enhance skill acquisition by **65%**. Structured onboarding, monthly team check-ins, and customer feedback integration will ensure continuous service quality improvements.

Our approach incorporates the GRPI model to ensure team alignment from the outset. Research shows that clearly defined goals and roles can improve team **productivity** by up to **25%**. In a QSR environment, this structured approach minimizes miscommunication, improves execution speed, and supports a more reliable customer experience.

Subject	Classroom	On-the-Job
Foundation & Culture	6.25 hours	2 hours
Products & Operations	7.25 hours	13 hours
Branding & Experience	6.25 hours	2 hours
Evaluation & Application	3.5 hours	10 hours

Figure 19: Menchie's Training Program Breakdown

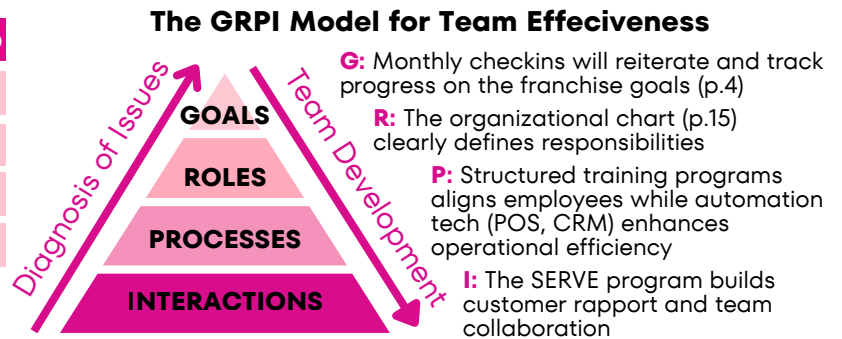


Figure 20: GRPI Model

C. Management Succession Plan

In the event that a franchisee is unable to fulfill their responsibilities, their equity will be **bought out** by the remaining parties, with a payout proportional to the franchise's net worth at the time of exit, and a new director will be appointed. If all franchisees leave Menchie's, ownership will first be offered to the **Assistant Manager** as part of an internal succession plan. Should the Assistant Manager accept, a qualified full-time employee will be promoted. To support these transitions, Menchie's will implement **cross-training** across all roles. If the Assistant Manager declines ownership, franchisees will evaluate internal and external candidates consistent with criteria outlined in the FDD. The franchisor retains the right to review and approve any ownership transfer, including exercising its **Right of First Refusal (ROFR)** where applicable. A formal **contingency plan**, supported by cross-trained staff and franchisor guidance, will ensure that the business can respond effectively to unexpected circumstances while maintaining operational stability and long-term success.

D. Method for Obtaining Additional Management Personnel

Menchie's at the ICON Park does not plan to expand its main management team. If sales exceed 25% of projected revenue, a second assistant manager will be hired. **Internal promotions** will be prioritized, and shift leaders will be selected from general employees.



EMPLOYEE RETENTION:

To strengthen retention, Menchie's will implement cross-training, enabling employees to build transferable skills (shown to **increase retention by up to 30%**). The franchise will also offer **student-centered benefits**, including exam-week scheduling accommodations and flexible shift swapping. High-performing employees will be **incentivized with rewards** redeemable at ICON Park businesses, while a "Grow with Menchie's" pathway will provide resume-building experience for entry-level staff.



RECRUITMENT:

For recruitment, Menchie's will utilize **Indeed** as its primary hiring platform due to its strong reach among hourly and entry-level workers, often generating **2-3x more applicants** than traditional platforms. In addition, the franchise will recruit locally from **Dr. Phillips High School** for part-time roles and partner with the **University of Central Florida**, ranked among the top hospitality programs globally, to source qualified candidates for management positions through the Rosen College of Hospitality Management.



IX. Business Resources

A. Major Operating Equipment

We created a detailed **CAD** (Computer-Aided Design) model of our Menchie's at ICON Park. Using **Onshape** (cloud-based CAD software), we designed and 3-D printed the store layout, ensuring optimal placement and functionality of each piece of equipment.



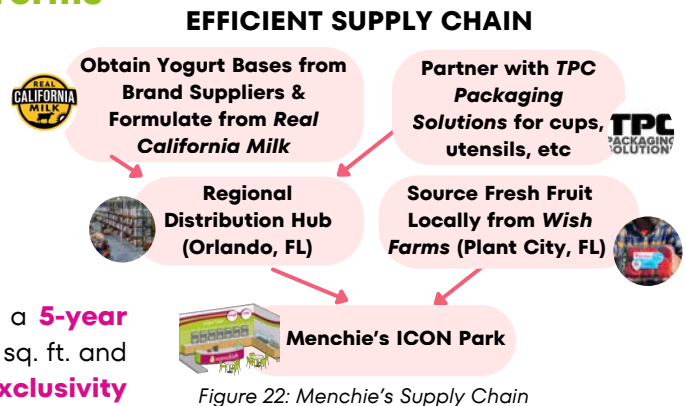
Figure 21: Our Physical 3-D Printed Model

1	(7) yogurt machines to dispense over 14 flavors	\$12,000
2	Toppings bar with over 24 clear display bins	\$2,500
3	(1) point-of-sale system from Clover to ensure smooth transactions and inventory management	\$850
4	(3) interior cabinets to store dry toppings, utensils, and promotional materials	\$1,000
5	Digital Weigh-and-Pay Scale with POS Integration	\$350
6	Storage for cups, utensils, napkins, etc	\$1,000
7	Seating area for guests to enjoy their froyo	\$2,000
TOTAL EQUIPMENT COST:		\$93,700

B. Major Suppliers, Location, and Payment Terms

PAYMENT TERMS: Payments to Wish farms and TPC Packaging will follow **Net 30** terms, while frozen yogurt base suppliers will operate on **Net 45** by large-scale procurement standards. To optimize costs, Menchie's will leverage **bulk purchasing** and pursue early payment discounts with TPC packaging. All transactions will be processed via **ACH transfers** and automated invoicing to ensure operational efficiency and financial accuracy.

ICON PARK LEASE: Menchie's at ICON Park will operate under a **5-year lease** with a 5-year renewal option. This full-sized store will be 800 sq. ft. and is leased at \$36/sqft under a **triple net (NNN)** structure, with an **exclusivity clause** ensuring Menchie's is the only frozen yogurt in the area. The NNN lease lowers base rent and provides greater cost control, allowing us to maintain long-term profitability.



C. Outside Resources Needed to Fulfill Customer Requirements

ICON Park exclusive menu items, such as Froyo Pops and Beachy Açaí Bowls, will be sourced from the specialized suppliers like Sambazon, as they fall outside standard franchise provisions. Second to ensure cleanliness, we must secure a **food facility health permit**, ensure all employees are food handler certified, and conduct regular health inspections. **Coordination with ICON Park** management will be necessary for maintenance and participation in park-wide promotions. Additionally, we will partner with **Clover** for **POS and tech support** including system maintenance and HubSpot CRM integration, enabling loyalty program tracking and automated marketing. Finally, we will work with Sir Speedy, a local vendor, for the design and production of promotional materials, including loyalty cards, and stickers.

D. Quality Control Procedures

To ensure the ICON Park Menchie's complies with the **FDA Food Code and OSHA sanitation regulations**, strict food safety and quality control measures will be enforced. **Daily cleaning** and disinfection protocols will be followed, along with **biweekly deep cleaning** and maintenance checks. The kiosk will operate in accordance with **FDA 21 CFR Part 110**, which outlines current Good Manufacturing Practices (cGMPs) for food handling, storage, and sanitation. All ingredients will be **stored according to FDA temperature standards**: dairy at or below 41°F (5°C), and frozen items at 0°F (-18°C) or lower. The toppings bar will feature a climate-controlled display, maintaining dry toppings at or below 70°F (21°C) and perishable toppings at 41°F (5°C) or lower, following ServSafe guidelines. Weekly sanitation audits will be conducted, and all employees will participate in quarterly food safety training based on **HACCP principles**.



E. Availability of Skilled Labor

Orlando's **1.2%** annual employment growth and low 3.5% unemployment indicate a **strong labor market**. Menchie's frontline roles (mascot, cashiers, etc.) require minimal experience, so hiring will focus on nearby **Dr. Phillips High School**, offering a reliable pool of students seeking flexible, part-time work. For management roles, Menchie's will recruit from **UCF's Rosen College** of Hospitality Management, located just two miles from ICON Park and ranked **top 5 globally**. This proximity enables a direct pipeline, with internships and part-time roles that train students in operations and managerial processes, creating a steady flow of qualified managers.

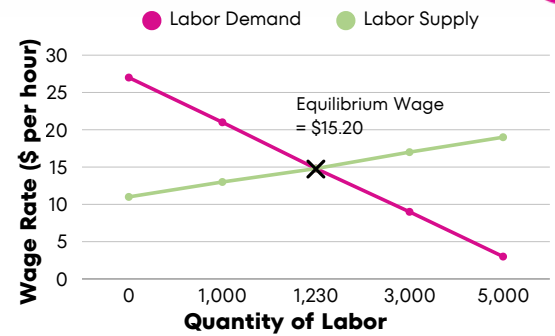


Figure 23: This labor supply and demand graph models Orlando's labor market dynamics, aligning with conditions like minimum wage, cost of living, employer hiring behavior, and more.

F. Training to Upgrade Skills of Labor and Administrative Employees



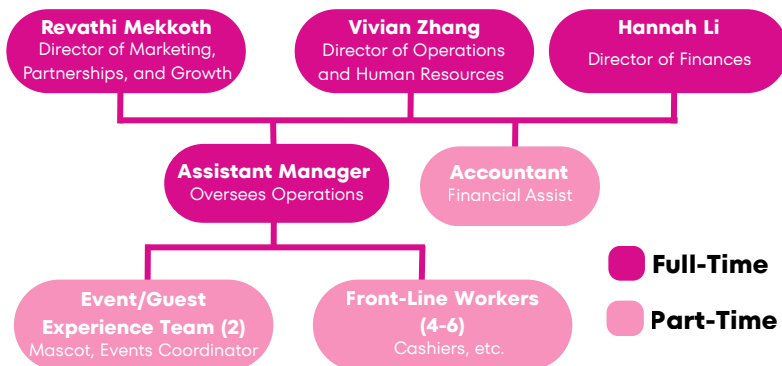
Figure 24: SERVE Training Program Structure

The general manager will be trained directly by the franchisees to establish strong operational standards. Team members will learn in **small mentorship groups** led by shift leads, covering key procedures such as toppings-bar rotation, machine maintenance, POS/MySmileage systems, and customer service during peak hours. New hires will complete a 2-3 week onboarding program; training costs are estimated at **\$363 per employee**. This approach is further supported by a 2025 Florida policy that provides up to **100% wage reimbursement** for on-the-job training in Opportunity Zones, allowing Menchie's to maintain thorough training while minimizing costs.

G. Projected Number of Full-Time and Part-Time Employees

Our initial staffing plan for Menchie's ICON Park includes the franchisees and one assistant manager, supported by **6-8 part-time** general team members and one part-time **accountant**. As franchisees and operators, we will draw approximately **two-thirds of net profit**, reinvesting the remaining portion back into ICON Park Menchie's. The assistant manager will oversee daily operations and will earn a salary of **\$53,760/yr** to ensure consistency. The general team members will be compensated on an hourly basis (**\$15.20/hr**) and will rotate across roles, including product preparation, customer service, and cleaning. As a full-size store, we will schedule **2-4 team members per shift**. The accountant (**\$26/hr**) will manage monthly financial tracking, payroll, and taxes. While staffing needs vary seasonally, our team size will remain between **10-12 employees**, providing reliable coverage and strong service throughout the year.

H. Organizational Chart



X. Financial Plan and Data

A. Company Sales and Profit Trends

According to Menchie's FDD, average gross sales across franchise locations is **\$465,716**, with **42%** of locations exceeding this. With Orlando's seasonal **tourism influx**, Menchie's expects **spikes in sales** during the summer and major holidays, while catering demand will peak in the winter. Based on data obtained from Hollywood City Walk Menchie's, a similar high-traffic location to ICON Park, we project **150-210 in-store** and **12-20 online orders per day**, alongside **3-7 catering** events monthly. This results in an estimated first-year gross revenue of **\$560,640** and a gross profit of **\$392,448** according to the frozen yogurt industry's 65-75% average gross margin (See Section C).

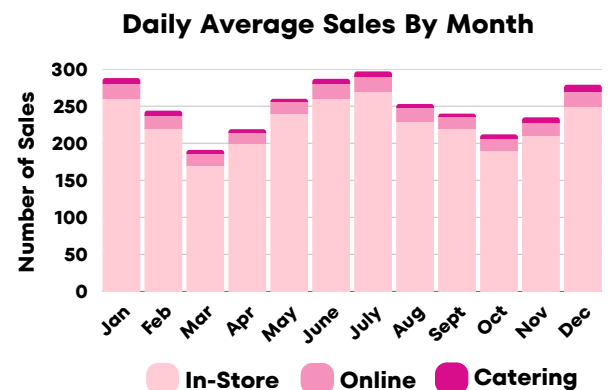


Figure 25: Avg. Sales at Hollywood City Menchie's



B. Strategy and Timing for Obtaining Capital

To cover initial startup costs, each of the 3 franchisees will make a personal contribution of **30K** for a total of **90K**, with the remaining **\$250K** financed through a loan. This loan will be repaid over a **5-year period** with a **7%** interest compounded annually. Over this period, a total of **\$304,863** will be repaid to the lender, including both principal and interest. This represents an excellent return of **\$54,863** on the initial \$250K loan investment (**21.95% ROI**). The amortization table explains how exactly the loan is structured and will be paid back.

C. Two-Year Projected Operating Statement

Operating Statement										
	FY 2027					FY 2028				
Revenue	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
In-store Sales	\$ 125,181	\$ 135,739	\$ 141,555	\$ 145,120	\$ 547,595	\$ 141,129	\$ 154,215	\$ 168,515	\$ 148,141	\$ 612,000
Online Ordering	\$ 1,298	\$ 1,412	\$ 1,476	\$ 1,505	\$ 5,691	\$ 1,730	\$ 1,840	\$ 1,860	\$ 1,230	\$ 6,660
Catering	\$ 1,391	\$ 1,520	\$ 1,661	\$ 2,782	\$ 7,354	\$ 2,050	\$ 2,180	\$ 2,210	\$ 2,110	\$ 8,550
Total Gross Revenue	\$ 127,870	\$ 138,671	\$ 144,692	\$ 149,407	\$ 560,640	\$ 144,909	\$ 158,235	\$ 172,585	\$ 151,481	\$ 627,210
Cost of Goods Sold (COGS)	\$ 38,361	\$ 41,601	\$ 43,408	\$ 44,822	\$ 168,192	\$ 43,473	\$ 47,471	\$ 51,776	\$ 45,444	\$ 188,163
Gross Profit	\$ 89,509	\$ 97,070	\$ 101,284	\$ 104,585	\$ 392,448	\$ 101,436	\$ 110,765	\$ 120,810	\$ 106,037	\$ 439,047
Operating Expenses										
Labor	\$ 33,384	\$ 33,384	\$ 33,384	\$ 33,384	\$ 133,536	\$ 29,678	\$ 41,305	\$ 34,912	\$ 31,729	\$ 137,624
Training (assuming lowered 55% turnover)	\$ 608	\$ 608	\$ 608	\$ 608	\$ 2,431	\$ 468	\$ 468	\$ 468	\$ 468	\$ 1,872
Property Lease	\$ 7,200	\$ 7,200	\$ 7,200	\$ 7,200	\$ 28,800	\$ 7,200	\$ 7,200	\$ 7,200	\$ 7,200	\$ 28,800
Utilities	\$ 400	\$ 400	\$ 400	\$ 400	\$ 1,600	\$ 700	\$ 700	\$ 700	\$ 700	\$ 2,800
Furniture, Fixtures, & Equipment + Maintenance	\$ 96,320	\$ 1,201	\$ 360	\$ 360	\$ 98,241	\$ 1,200	\$ 280	\$ 1,463	\$ 2,343	\$ 5,286
Technology Systems & Support	\$ 641	\$ 641	\$ 641	\$ 641	\$ 2,562	\$ 700	\$ 700	\$ 700	\$ 700	\$ 2,800
Marketing (S.M.I.L.E Initiative)										\$ -
Social Media Marketing	\$ 4,200	\$ 2,510	\$ 3,030	\$ 3,140	\$ 12,880	\$ 2,945	\$ 2,765	\$ 2,990	\$ 3,180	\$ 11,880
Menchie's Events & Celebrations	\$ 4,150	\$ 200	\$ 200	\$ 250	\$ 4,800	\$ 1,950	\$ 930	\$ 1,820	\$ 983	\$ 5,683
International Drive Outreach	\$ 3,963	\$ 450	\$ 2,613	\$ 2,613	\$ 9,639	\$ 3,200	\$ 3,000	\$ 1,898	\$ 2,950	\$ 11,048
Local Community Outreach	\$ 950	\$ 450	\$ 700	\$ 400	\$ 2,500	\$ 4,490	\$ 4,495	\$ 4,492	\$ 4,497	\$ 17,974
Environmental Initiatives	\$ 2,139	\$ 2,003	\$ 1,374	\$ 1,550	\$ 6,436	\$ 2,400	\$ 2,150	\$ 1,980	\$ 2,240	\$ 8,770
Insurance	\$ 534	\$ 534	\$ 534	\$ 534	\$ 2,136	\$ 534	\$ 534	\$ 534	\$ 534	\$ 2,136
Miscellaneous/Contingency Budget	\$ 4,500	\$ 2,150	\$ 1,500	\$ 1,500	\$ 9,650	\$ 6,500	\$ 3,460	\$ 4,500	\$ 5,124	\$ 19,584
Total Operating Expenses	\$ 158,988	\$ 51,730	\$ 52,543	\$ 52,579	\$ 315,211	\$ 61,965	\$ 67,987	\$ 63,657	\$ 62,648	\$ 256,257
Non-Operating Expenses										
Interest on Loan	\$ 4,375	\$ 4,375	\$ 4,375	\$ 4,375	\$ 17,500	\$ 3,614	\$ 3,614	\$ 3,614	\$ 3,614	\$ 14,457
Initial Franchise Fee	\$ 35,000	\$ -	\$ -	\$ -	\$ 35,000	\$ -	\$ -	\$ -	\$ -	\$ -
Franchise Royalty (6% of Total Gross Rev)	\$ 7,672	\$ 8,320	\$ 8,682	\$ 8,964	\$ 33,638	\$ 9,950	\$ 9,960	\$ 9,905	\$ 10,010	\$ 39,825
Marketing Fee (2% Total Gross Revenue)	\$ 2,557	\$ 2,773	\$ 2,894	\$ 2,988	\$ 11,213	\$ 2,898	\$ 3,165	\$ 3,452	\$ 3,030	\$ 12,544
Net Profit	\$ (119,084)	\$ 29,871	\$ 32,791	\$ 35,678	\$ (20,114)	\$ 23,009	\$ 26,039	\$ 40,182	\$ 26,735	\$ 115,964

***TAX NOTE:** The Menchie's ICON Park franchise will be structured as an LLC and taxed as a pass-through entity so it will not need to pay Florida's corporate income tax.

Loan Amortization Schedule

Year	Principal Payment	Interest Payment	Remaining Balance
1	\$43,473	\$17,500	\$206,527
2	\$46,516	\$14,457	\$160,012
3	\$49,772	\$11,201	\$110,239
4	\$53,256	\$7,717	\$56,983
5	\$56,984	\$3,989	\$0

Menchie's ICON Park is projected to generate **\$612,000** revenue in FY2028, reflecting **12%** revenue growth from FY2027. FY2027 ends with a net loss of \$(20,114), driven mainly by upfront startup costs like the initial franchise fee and expensive equipment, but the store turns **profitable in FY2028** where net profit reaches \$115,964, boasting a solid **18.5%** net margin.



Please scan this QR code for a detailed financial analysis breakdown including daily sales projections, leasing, wages etc.

D. One-Year Projected Cash Flow Statement

Cash Flow Statement (FY2027)	
Cash Inflows	
Sales Revenue	\$ 560,640
Franchisee Investments	\$ 90,000
Loan	\$ 250,000
Total Inflows	\$ 900,640
Cash Outflows	
Cost of Goods Sold	\$ 168,192
Labor Costs	\$ 135,967
Property Lease	\$ 28,800
Utilities	\$ 1,600
Furniture & Equipment + Maintenance	\$ 98,241
Technology Systems & Support	\$ 2,562
Marketing (SMILE Initiative)	\$ 36,255
Insurance	\$ 2,136
Miscellaneous	\$ 9,650
Loan Repayment (Principal + Interest)	\$ 60,973
Initial Franchise Fee	\$ 35,000
Franchise Royalty (6%)	\$ 33,638
Advertising Fee (2%)	\$ 11,213
Total Outflows	\$ 624,227
Total Cash Available	\$ 276,413

The first year's cash flow reflects **strong total inflows** of \$900,640, driven largely by the \$250,000 loan and initial investment rather than operating profit. While Menchie's generates \$560,640 in revenue, startup and operating costs keep the business below break-even in Year 1. As these initial costs decline and repeat customer traffic increases, Menchie's is projected to **break even in Year 2** and move into **sustained profitability** thereafter.

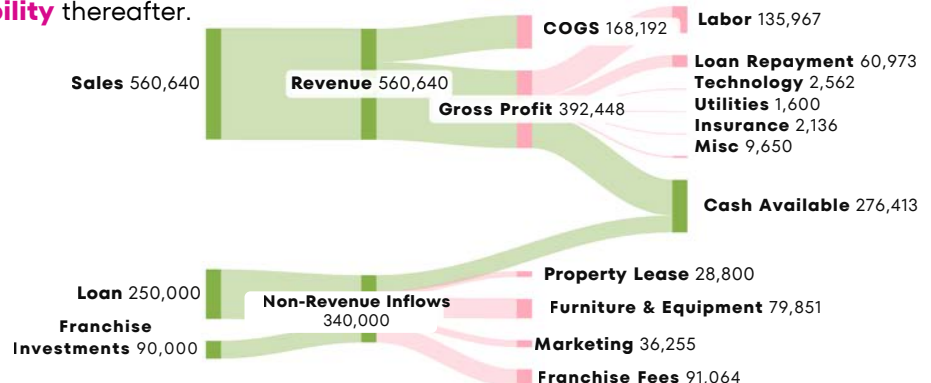


Figure 26: Sankey Diagram Visualizing FY 2027 Cash Flow



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