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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:



**ICON Park**  
(Orlando, FL)



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 **39<sup>th</sup>** 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
<b>Menchie's Primary Target:</b> Families with Children	<ul style="list-style-type: none"> <li>Aged 25-40 with children</li> <li>Middle to upper-middle class income</li> </ul>	<ul style="list-style-type: none"> <li>Value high-quality treats for children</li> <li>Enjoy family outings and convenient dessert options</li> </ul>
<b>Menchie's Secondary Target:</b> Health-Conscious Young Adults	<ul style="list-style-type: none"> <li>Aged 16-25 (teens, college students &amp; young professionals)</li> <li>Lower to middle class income</li> </ul>	<ul style="list-style-type: none"> <li>Prioritize low-fat, natural ingredients &amp; gut health</li> <li>Enjoy trying trendy, customizable desserts &amp; sharing on social media</li> </ul>
<b>International Drive Market</b>  (Alignment with Menchie's Target Markets)	<b>Tourists:</b> <ul style="list-style-type: none"> <li><b>50%</b> families</li> <li><b>5x</b> more spent on food than locals</li> </ul> <b>Local Residents:</b> <ul style="list-style-type: none"> <li><b>64%</b> families; <b>#1</b> suburb for young professionals</li> <li>Avg. Income: \$156K</li> </ul> <b>Age: 82% alignment</b> <b>Income: 72% alignment</b>	<ul style="list-style-type: none"> <li>Orlando is <b>#1</b> healthiest city in Florida</li> <li>Tourists are <b>impulse-driven</b> with desire for visually appealing &amp; unique food experiences</li> <li><b>84%</b> use social media</li> </ul> <b>Values: 86% alignment</b> <b>Behavior: 77% alignment</b>

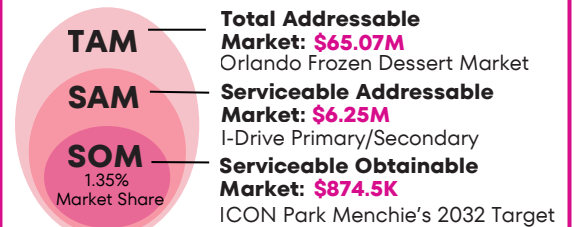
## Growth Potential

### 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.

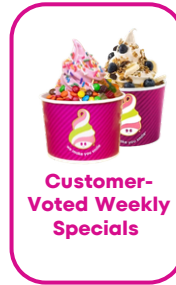
**NEW Event Hosting:** Introduce **in-store birthday parties** and private events, including **reserved seating**, pre-selected packages and more.

### MENCHIE'S FLAVORS MENU SAMPLE



126+ more

### 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 açai 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, & recyclable 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**

Häagen-Dazs  
Premium ice cream  
★★★★☆

Freeze Your Brain  
Shave-Ice Stand  
★★★★☆

**SOUTHWEST ORLANDO COMPETITION**

Tutti Frutti  
Self-serve froyo  
★★★★☆

Cold Stone Creamery  
Premium ice cream  
★★★★☆

**MENCHIE'S**

menchie's  
frozen yogurt  
Self-Serve froyo  
★★★★☆

**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.

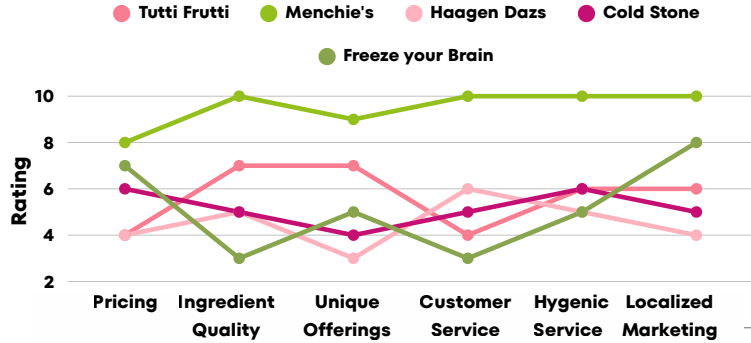


Figure 2: Blue Ocean Competition Strategy Canvas

## 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

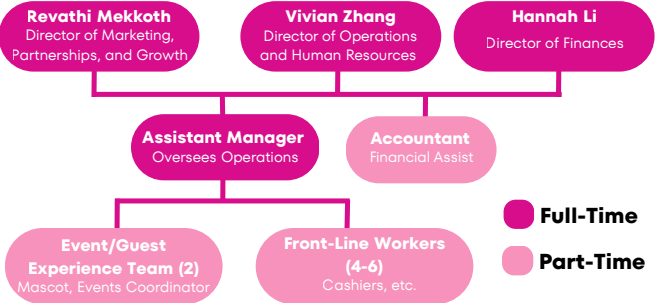


Figure 3: ICON Park Menchie's Management

## 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)	
<b>Cash Inflows</b>	
Sales Revenue	\$ 560,640
Franchisee Investments	\$ 90,000
Loan	\$ 250,000
<b>Total Inflows</b>	<b>\$ 900,640</b>
<b>Cash Outflows</b>	
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
<b>Total Outflows</b>	<b>\$ 624,227</b>
<b>Total Cash Available</b>	<b>\$ 276,413</b>