

A Business Plan for a Selected Company

Tomáš Čagaš

Bachelor's Thesis
2022



Tomas Bata University in Zlín
Faculty of Humanities

Univerzita Tomáše Bati ve Zlíně
Fakulta humanitních studií
Ústav moderních jazyků a literatur

Akademický rok: 2021/2022

ZADÁNÍ BAKALÁŘSKÉ PRÁCE

(projektu, uměleckého díla, uměleckého výkonu)

Jméno a příjmení:	Tomáš Cagaš
Osobní číslo:	H190204
Studijní program:	B7310 Filologie
Studijní obor:	Anglický jazyk pro manažerskou praxi
Forma studia:	Prezenční
Téma práce:	Podnikatelský plán pro vybranou společnost

Zásady pro vypracování

Zpracování literární rešerše k vybranému tématu
Provedení analýzy relevantního trhu
Sestavení podnikatelského plánu
Posouzení rentability předloženého plánu
Zhodnocení rizik a omezení navrženého plánu

Forma zpracování bakalářské práce: **tištěná/elektronická**
Jazyk zpracování: **Angličtina**


Seznam doporučené literatury:

- Abrams, Rhonda. 2019. *Successful Business Plan: Secrets & Strategies*. 7th ed. Palo Alto, CA: PlanningShop.
Finch, Brian. 2019. *How to Write a Business Plan: Win Backing and Support for Your Ideas and Ventures*. 6th ed. London: Kogan Page.
McKeever, Mike P. 2019. *How to Write a Business Plan*. 14th ed. Berkeley, CA: Nolo.
Pavláková Dočekalová, Marie. 2017. *Economics of Company*. Brno: Akademické nakladatelství CERM.
Taušl Procházková, Petra. 2017. *Úvod do podnikové ekonomiky*. 3rd ed. Pilsen: Západočeská univerzita v Plzni.

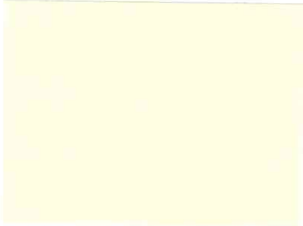
Vedoucí bakalářské práce: **Ing. Jiří Dokulil, Ph.D.**
Ústav krizového řízení

Datum zadání bakalářské práce: **8. listopadu 2021**

Termín odevzdání bakalářské práce: **9. května 2022**


Mgr. Libor Marek, Ph.D.
děkan

L.S.


doc. Mgr. Roman Trušík, Ph.D.
ředitel ústavu

Ve Zlíně dne 28. února 2022

PROHLÁŠENÍ AUTORA BAKALÁŘSKÉ PRÁCE

Beru na vědomí, že

- odevzdáním bakalářské práce souhlasím se zveřejněním své práce podle zákona č. 111/1998 Sb. o vysokých školách a o změně a doplnění dalších zákonů (zákon o vysokých školách), ve znění pozdějších právních předpisů, bez ohledu na výsledek obhajoby ¹⁾;
- beru na vědomí, že bakalářská práce bude uložena v elektronické podobě v univerzitním informačním systému dostupná k nahlédnutí;
- na moji bakalářskou práci se plně vztahuje zákon č. 121/2000 Sb. o právu autorském, o právech souvisejících s právem autorským a o změně některých zákonů (autorský zákon) ve znění pozdějších právních předpisů, zejm. § 35 odst. 3 ²⁾;
- podle § 60 ³⁾ odst. 1 autorského zákona má UTB ve Zlíně právo na uzavření licenční smlouvy o užití školního díla v rozsahu § 12 odst. 4 autorského zákona;
- podle § 60 ³⁾ odst. 2 a 3 mohu užít své dílo – bakalářskou práci - nebo poskytnout licenci k jejímu využití jen s předchozím písemným souhlasem Univerzity Tomáše Bati ve Zlíně, která je oprávněna v takovém případě ode mne požadovat přiměřený příspěvek na úhradu nákladů, které byly Univerzitou Tomáše Bati ve Zlíně na vytvoření díla vynaloženy (až do jejich skutečné výše);
- pokud bylo k vypracování bakalářské práce využito softwaru poskytnutého Univerzitou Tomáše Bati ve Zlíně nebo jinými subjekty pouze ke studijním a výzkumným účelům (tj. k nekomerčnímu využití), nelze výsledky bakalářské práce využít ke komerčním účelům.

Prohlašuji, že

- elektronická a tištěná verze bakalářské práce jsou totožné;
- na bakalářské práci jsem pracoval samostatně a použitou literaturu jsem citoval. V případě publikace výsledků budu uveden jako spoluautor.

Ve Zlíně 30. 4. 2022

1) zákon č. 111/1998 Sb. o vysokých školách a o změně a doplnění dalších zákonů (zákon o vysokých školách), ve znění pozdějších právních předpisů, § 47b Zveřejňování závěrečných prací:

(1) Vysoká škola nevydělečně zveřejňuje disertační, diplomové, bakalářské a rigorózní práce, u kterých proběhla obhajoba, včetně posudků oponentů a výsledku obhajoby prostřednictvím databáze kvalifikačních prací, kterou spravuje. Způsob zveřejnění stanoví vnitřní předpis vysoké školy.

(2) Disertační, diplomové, bakalářské a rigorózní práce odevzdané uchazečem k obhajobě musí být též nejméně pět pracovních dnů před konáním obhajoby zveřejněny k nahlázení veřejnosti v místě určeném vnitřním předpisem vysoké školy nebo není-li tak určeno, v místě pracoviště vysoké školy, kde se má konat obhajoba práce. Každý si může ze zveřejněné práce pořizovat na své náklady výpisy, opisy nebo rozmnoženiny.

(3) Platí, že odevzdáním práce autor souhlasí se zveřejněním své práce podle tohoto zákona, bez ohledu na výsledek obhajoby.

2) zákon č. 121/2000 Sb. o právu autorském, o právech souvisejících s právem autorským a o změně některých zákonů (autorský zákon) ve znění pozdějších právních předpisů, § 35 odst. 3:

(3) Do práva autorského také nezasahuje škola nebo školské či vzdělávací zařízení, užije-li nikoli za účelem přímého nebo nepřímého hospodářského nebo obchodního prospěchu k výuce nebo k vlastní potřebě dílo vytvořené žákem nebo studentem ke splnění školních nebo studijních povinností vyplývajících z jeho právního vztahu ke škole nebo školskému či vzdělávacímu zařízení (školní dílo).

3) zákon č. 121/2000 Sb. o právu autorském, o právech souvisejících s právem autorským a o změně některých zákonů (autorský zákon) ve znění pozdějších právních předpisů, § 60 Školní dílo:

(1) Škola nebo školské či vzdělávací zařízení mají za obvyklých podmínek právo na uzavření licenční smlouvy o užití školního díla (§ 35 odst.

3). Odpírá-li autor takového díla udělit svolení bez vážného důvodu, mohou se tyto osoby domáhat nahrazení chybějícího projevu jeho vůle u soudu. Ustanovení § 35 odst. 3 zůstává nedotčeno.

(2) Není-li sjednáno jinak, může autor školního díla své dílo užít či poskytnout jinému licenci, není-li to v rozporu s oprávněnými zájmy školy nebo školského či vzdělávacího zařízení.

(3) Škola nebo školské či vzdělávací zařízení jsou oprávněny požadovat, aby jim autor školního díla z výdělku jím dosaženého v souvislosti s užitím díla či poskytnutím licence podle odstavce 2 přiměřeně přispěl na úhradu nákladů, které na vytvoření díla vynaložily, a to podle okolností až do jejich skutečné výše; přitom se přihlédne k výši výdělku dosaženého školou nebo školským či vzdělávacím zařízením z užití školního díla podle odstavce 1.

ABSTRAKT

Tato bakalářská práce je zaměřena na sestavení podnikatelského plánu pro vybranou společnost, konkrétně se jedná o bistro zaměřené na prodej hamburgerů v Přerově. Cílem bakalářské práce je vytvoření komplexního podnikatelského plánu a vyhodnocení ziskovosti projektu. Bakalářská práce je rozdělena na dvě hlavní části – teoretickou část a analytickou část. Teoretická část práce se zabývá popisem základních pojmů spojených s podnikáním a definuje formy podnikání na základě českých právních norem. Teoretická část rovněž popisuje strukturu podnikatelského plánu a jeho jednotlivých částí. Praktická část je zaměřená na vytvoření konkrétního podnikatelského plánu pro bistro na základě teoretických poznatků získaných v části teoretické. Na základě analýzy trhu a finanční analýzy bylo zjištěno, že vytvořený podnikatelský plán lze považovat za rentabilní a tím pádem i aplikovatelný.

Klíčová slova: Podnikatelský plán, podnikání, bistro, analýza trhu, finanční analýza, rentabilita

ABSTRACT

This bachelor thesis focuses on creating a business plan for a selected company, namely, a hamburger-oriented bistro in Přerov. The aim of this thesis is to create a complex business plan and assess the rentability of the project. The thesis is divided into two main parts – the theoretical part and the analytical part. The theoretical part deals with the description of the basic terms associated with entrepreneurship, and it defines legal forms of entrepreneurship based on the Czech system of law. The theoretical part also describes the structure of a business plan and its contents. The analytical part focuses on creating a specific business plan for the bistro based on the knowledge obtained in the theoretical part. Following completion of the market and the financial analysis, it was found that the business plan can be considered profitable and consequently applicable.

Keywords: Business plan, entrepreneurship, bistro, market analysis, financial analysis, rentability

ACKNOWLEDGEMENTS

I want to thank my supervisor Ing. Jiří Dokulil, Ph.D., for his patience, support, flexibility, and valuable advice throughout the process of writing the thesis.

I hereby declare that the print version of my Bachelor's/Master's thesis and the electronic version of my thesis deposited in the IS/STAG system are identical.

CONTENTS

INTRODUCTION	9
I THEORY	10
1 BUSINESS.....	11
1.1 ENTREPRENEURSHIP	11
1.2 ENTREPRENEUR	11
1.3 BUSINESS ENVIRONMENT	11
1.3.1 Internal factors	12
1.3.2 External factors	12
1.4 ENTERPRISE.....	13
1.5 STAKEHOLDERS	13
2 CREATION OF A BUSINESS.....	14
2.1 BUSINESS OF A NATURAL PERSON	14
2.1.1 Notifiable trades	15
2.1.2 Permitted trades.....	15
2.2 BUSINESS OF A LEGAL ENTITY	16
2.2.1 Partnerships	17
2.2.2 Capital companies	17
2.2.3 Cooperatives.....	18
3 BUSINESS PLAN	19
3.1 GOALS AND BENEFITS OF A BUSINESS PLAN	19
3.2 CHAPTERS OF A BUSINESS PLAN.....	20
3.2.1 Title page.....	21
3.2.2 Executive Summary	21
3.2.3 Company Description.....	21
3.2.4 Product or Service Description	22
3.2.5 Market Analysis	23
3.2.6 Competition Analysis.....	24
3.2.7 Marketing Plan and Sales Strategy	26
3.2.8 Organizational Structure	28
3.2.9 Financial Plan.....	28
3.2.10 Risk Evaluation	29
3.2.11 Appendix	29
II ANALYSIS	31
4 A BUSINESS PLAN FOR A BISTRO.....	32
4.1 TITLE PAGE	32
4.2 EXECUTIVE SUMMARY	33
4.3 COMPANY DESCRIPTION	34
4.3.1 Mission statement.....	34
4.3.2 Legal form & ownership	34
4.3.3 Location.....	35
4.3.4 Opening hours	36

4.4	PRODUCT OR SERVICE DESCRIPTION	36
4.5	MARKET ANALYSIS	38
4.5.1	PEST analysis.....	38
4.6	COMPETITION ANALYSIS	42
4.6.1	Porter’s Five Forces analysis	42
4.7	MARKETING AND SALES STRATEGY	44
4.7.1	SWOT Analysis	45
4.7.2	Target Market.....	46
4.7.3	Marketing Mix	47
4.8	ORGANIZATIONAL STRUCTURE.....	50
4.9	FINANCIAL PLAN.....	50
4.9.1	Starting balance sheet.....	50
4.9.2	Initial costs	51
4.9.3	Costs of labour	52
4.9.4	Operating costs.....	53
4.9.5	Estimated revenues.....	54
4.9.6	Income statement	55
4.9.7	Return on Investment	57
4.10	RISK EVALUATION.....	58
	CONCLUSION	62
	BIBLIOGRAPHY	63
	LIST OF ABBREVIATIONS	67
	LIST OF FIGURES	68
	LIST OF TABLES	69

INTRODUCTION

This bachelor's thesis is written in order to create a business for a selected company, namely, a hamburger-oriented bistro in Přerov called Burger Hub and to assess the profitability of the project. The topic was chosen due to the author's desire to become a business owner at one point in his life. The author noticed a niche in the market and an increasing interest of people concerning the quality of the food they eat. As a result of these circumstances, it was decided to develop a project that might fill the niche in the market and subsequently provide the customers in the area with a place where they can eat food made of top-quality ingredients.

The thesis is divided into two parts – theoretical and analytical. The theoretical part describes the basic terms associated with entrepreneurship, as well as the legal forms of a business in the Czech Republic. The most significant segment of the theoretical part is devoted to the concept of a business plan and its components. Each of the chapters is consequently depicted in greater detail.

The analytical part deals with applying the information gathered in the theoretical part. The gained theoretical knowledge is utilised to create a comprehensive business plan. The business plan for the bistro Burger Hub consists of ten chapters, namely Title page, Executive Summary, Company Description, Product or Service Description, Market Analysis, Competition Analysis, Marketing and Sales Strategy, Organizational Structure, Financial plan, and Risk Evaluation.

The main goal of the bachelor's thesis is to create a business plan for the bistro and assess the profitability of the business. The assessment is done using various tools and models commonly used in business plans. PEST Analysis is used to evaluate the market environment and the Porter's Five Forces model to analyse the competition. SWOT Analysis, Target Market and Marketing Mix can be found within a chapter called Marketing and Sales Strategy. The Financial plan consists of seven different subchapters that are consequently used to assess the rentability of the business – Starting balance sheet, Initial costs, Operating costs, Estimated revenues, Income Statement, and Return on Investment. Risks associated with the business are explained in the chapter Risk Evaluation.

I. THEORY

1 BUSINESS

The following chapter deals with the explanation of basic terminology connected with business. It describes elementary terms – particularly: entrepreneurship, entrepreneur, business environment, enterprise, and stakeholders.

1.1 Entrepreneurship

Entrepreneurship is a continuous and repeated activity performed to gain profit. This activity is conducted independently by an entrepreneur under its name and liability (Kašík 2013, 5). This activity is related to searching, exploring, and using business opportunities to fill a gap in the market. One of the main aspects of entrepreneurship is decision-making concerning the allocation of available resources, as well as the ability of an entrepreneur to use unconventional solutions and the entrepreneur's capability to take on risks connected with the business (Martinovičová, Konečný, and Vavřina 2019, 12-14).

1.2 Entrepreneur

According to Section 420 of The Czech Civil Code, an entrepreneur is a person who independently and consistently performs an activity such as a trade or a similar one. This activity is performed under his responsibility and aims to provide profit for the one performing the activity (ASPI, n.d.).

The complexity of the term “entrepreneur” is stressed by Kašík et al. (2013, 5-6) as it can be approached from numerous points of view, and the perception of the term has been changing throughout history.

1.3 Business Environment

The business environment includes factors that influence the business activity of an enterprise. These conditions or situations are dynamic, which consequently means that they change over the course of time. The business environment is formed by internal and external factors (Pavláková Dočekalová 2017, 9). According to Šafrová Drážilová (2019, 19-20), it is impossible to separate the concept of entrepreneurship and the business environment. The bigger enterprises tend to use their size and power to shape the business environment. Therefore, smaller enterprises need to be aware of these circumstances and accept them. Taušl Procházková (2017, 23) stresses the importance of understanding the business environment for the optimal management of an enterprise.

1.3.1 Internal factors

Internal factors can be influenced by the company itself (Taušl Procházková 2017, 23-26). This category involves aspects such as the skills and abilities of the employees, the attitude of the employees or relationships among all the company's employees. All these aspects can be shaped through the decisions of the managerial structure of the company (Pavláková Dočekalová 2017, 9).

1.3.2 External factors

External factors are influenced mainly by aspects outside the company's scope and cannot be affected by the company itself (Taušl Procházková 2017, 23-26). External factors that influence the enterprise are (Pavláková Dočekalová 2017, 9):

- **The social environment** – The social environment includes aspects such as beliefs, customs, values, preferences etc. It is also affected by religion, the standard of living or age distribution. An enterprise should take all these aspects into account, and it should try to look for a balance between economic rationality and social responsibility.
- **The culture-historical environment** – It is related to a population's education and cultural level as these aspects influence the development and technical progress.
- **The geographic environment** – The geographic environment is defined by natural conditions. Natural conditions have a major influence on the logistics of a company, and some industries are highly dependent on geographic conditions that include, for example, climate, water supply or topography as well as the number of natural resources etc.
- **The legal environment** – The legal environment consists of rules that create a system in which the business can operate. The legal environment lays a foundation for entrepreneurship in the country and sets the legal system for business. This environment is strongly connected with the political system and the history of the country. As this environment influences the company significantly, entrepreneurs should be familiar with the respective laws.
- **The economic environment** – The current macroeconomic situation heavily influences the decision making of the company. It is related to aspects such as taxation, inflation, interest rates, price of factors of production or currency exchange rates.

- **The political environment** – It includes factors such as legislation, regulations and government rules as the company must respect the valid rules. The changes in legislation are, however, connected with political development. Therefore, political instability might bring risks to the business.
- **The technological environment** – The technological environment is related to the acceptance of modern technologies from the point of the enterprise and the willingness of customers to adapt to it as well.
- **The ecological environment** – The ecological environment, in some ways, brings obstacles to business as the company must respect specific rules, however, this environment also generates opportunities such as the production of eco-friendly products.

Taušl Procházková (2017, 25-26) lists the same factors and adds one other – the ethical environment. The company is supposed to behave according to principles it believes in. It is mainly related to being transparent and disclosing correct information as well as behaviour towards both the customers and the company's employees.

1.4 Enterprise

An enterprise used to be described as an independent entity established with the aim of production of goods and services to satisfy the needs of the customers (Kašík et al. 2013, 3). As a result of the new Czech Civil Code, the term *enterprise* is no longer used in the Czech system of law. It was replaced by two new definitions – business enterprise and family enterprise (Martinovičová, Konečný, and Vavřina 2019, 14)

1.5 Stakeholders

Stakeholders are people connected with a particular company as they have some sort of interest in the company's business. Stakeholders can be divided into two groups – internal and external ones. Internal stakeholders include the shareholders, employees, and managers. The external stakeholders are not directly involved in the company, but they are affected by its performance. This category consists of customers, the government, community members, suppliers, creditors, investors, and competitors (Pavláková Dočekalová 2017, 11). Each of the stakeholders has its unique interests. Therefore, the interests of different stakeholders can conflict or even be contradictory. That is the reason why the company shall try to balance the interests of all the involved parties in the best possible manner, so every party can eventually benefit from the prosperity of the company (Srpková and Řehoř 2010, 29).

2 CREATION OF A BUSINESS

In order to create a business in the Czech Republic, it is necessary to evaluate possible options and choose the appropriate legal form of business as it is a long-term decision that significantly influences the company. Some of the criteria that shall be taken into consideration while choosing the appropriate legal form of a business are, for example, the number of people it takes to set up a business, the required amount of registered capital, the liability of the company, sharing of the profit and loss or taxation associated with the particular legal forms (Synek 2011, 26-27).

In the Czech Republic, there is a variety of possible legal forms of entrepreneurship. A natural person can use a concept called sole proprietorship, where one natural person runs the business and performs all activities associated with it. However, it is also possible to establish a legal entity (Pavláková Dočekalová 2017, 22).

2.1 Business of a natural person

Running a business as a natural person, also referred to as sole proprietorship, is a legal form based on the fact that only one natural person owns and runs the business. Sole proprietorship has five following characteristics (Pavláková Dočekalová 2017, 22-23):

- Single ownership – The business is owned by only one person responsible for the business's obligations.
- One-man control – The business owner has all the power and is obliged to make all the decisions.
- Unlimited liability – The owner is liable for the obligations of the company. This liability involves all assets of the owner and his/her private property.
- No sharing of profit and loss – The profit or, eventually, the loss is not shared with any other party. The sole owner is the only person bearing the risk associated with the business.
- Less administrative burden – The bureaucracy connected with a sole proprietorship is not as extensive as the burden associated with capital companies. For example, when running the business as a natural person, the owner is not required to keep a double-entry accounting which is mandatory in capital companies (Pavláková Dočekalová 2017, 22-23). Synek (2011, 28) claims that the process of creating a capital company itself is more complex than forming a sole proprietorship.

The Czech jurisdiction (specifically The Trade Licensing Act) describes notifiable trades and permitted trades (Pavláková Dočekalová 2017, 23).

To become a sole proprietor, it is necessary to gain a trade licence. The licence can be obtained after all the requirements are met. The general requirements include finding out whether the field of business can be classified within the boundaries of a sole proprietorship, filling in a form at Czech Point or CRM, enclosing the required documentation and paying the administrative fee (Srpková 2020, 167).

The requirements for the specific types of trade then differ. However, there are some general requirements for all the trades that need to be met to gain the license. These requirements include reaching the age of eighteen, having a clean criminal record and having the legal capacity (Taušl Procházková 2017, 45).

2.1.1 Notifiable trades

Notable trades are created by notifying the Trade Licensing Office, and they are divided into three separate categories. Each of the categories requires different qualifications. Those categories are unqualified trades, craft trades and professional trades. The categories have the following characteristics (Pavláková Dočekalová 2017, 23; Taušl Procházková 2017, 45):

- Unqualified trades – General requirements are the only necessity that needs to be fulfilled. This category involves trades such as retailing, real estate, or accommodation services.
- Craft trades – Craft trades require education in a particular area or a related field as well as professional experience in that specific area. Examples of such trades include butchery, carpentry, lock smithery or dairy farming.
- Professional trades – Professional trades require a special qualification. Examples of such trades include tobacco processing, production and the sale of dangerous chemicals, or construction design.

2.1.2 Permitted trades

Permitted trades require special permission granted by the Trade Licensing Office following the approval of a particular public authority responsible for the sector (Taušl Procházková 2017, 45). These trades require special expertise in the respective fields. This category is associated with such trades that might cause increased danger for health, safety, and property, as well as areas where the public interest is elevated. Examples of such trades

include road transport, public auctions, the operation of crematoria, tour operations or pyrotechnical research (Pavláková Dočekalová 2017, 23).

2.2 Business of a legal entity

The establishment of a business as a legal entity requires fulfilment of the legal requirements associated with the particular entity as well as being registered in the Commercial Registry (Pavláková Dočekalová 2017, 25).

To set up a legal entity in the Czech Republic, it is necessary to fulfil the steps required by the law. It is required to prepare a Memorandum of association, obtain the permissions required in the business field, pay the deposits, and write an application for enlistment into the business register. This application is then reviewed by a particular court. Following approval of the court, a legal entity can be enlisted into the business register. Furthermore, the legal entity is obliged to deal with other administrative requirements, such as registering at the Tax Office (Šilhán and Czudek 2015, 49-53).

In the Czech Republic, the Business Corporation Act distinguishes the following types of legal entities eligible to conduct business (Pavláková Dočekalová 2017, 24-26):

1) Commercial companies

- Partnerships
 - General commercial partnership
 - Limited partnership
- Capital companies
 - Limited liability company
 - Joint-stock company

2) Cooperatives

Taušl Procházková (2017, 46-47) points out the existence of so-called European Legal Forms. However, she admits that the significance of these forms is marginal at the moment.

- European Legal Forms are divided into:
- European economic interest grouping,
- European company
- European cooperative society

2.2.1 Partnerships

General commercial partnership

A General commercial partnership, in Czech, referred to as “veřejná obchodní společnost”, is established by at least two natural persons or two legal entities, alternatively by a combination of a natural person and a legal entity. These partners are unlimitedly liable for commitments of the company. The income of the partnership is not taxed; however, the partners are obliged to personally tax their revenue based on the size of their share in the partnership and the fact whether the partner is a natural person or a legal entity as the tax rates for natural persons, and legal entities differ. The profit, or loss, is equally divided among the partners. The registered capital is not required for this type of partnership (Šilhán and Czudek 2015, 56-57; Taušl Procházková 2017, 47-48).

Limited partnership

A limited partnership, in Czech, referred to as “komanditní společnost”, is established by at least two partners – one limited partner, who is liable for the company’s obligations up to the amount of their unpaid contribution and one unlimited partner, whose liability for the company’s debts is unlimited. General partners are the statutory body of general commercial partnership. The limited partners have the right to control the activity of the general partners (Šilhán and Czudek 2015, 57-58; Taušl Procházková 2017, 48-49).

2.2.2 Capital companies

Limited liability company

A limited liability company, in Czech, referred to as “společnost s ručením omezeným”, is a legal entity established by at least one partner. It is necessary to disclose a registered capital of at least 1 CZK. The establishing document for such a company is called a Memorandum of Association, or Founder’s Deed, in case of being established by only one partner. Such a legal entity is required to create a supreme body called the General Meeting of stakeholders. Partners represent the statutory body of such a company. A limited liability company is liable for all its debts, the partners are liable for the company’s debts up to the amount of their unpaid contribution to the registered capital of the company (Šilhán and Czudek 2015, 58-63, Taušl Procházková 2017, 51).

Joint-stock company

A joint-stock company, in Czech, referred to as “akciová společnost,” is a legal entity established by disclosing a registered capital of at least 2,000,000 CZK or 80,000 EUR. A joint-stock company is created by at least one natural person or one legal entity. The

registered capital is consequently divided into a certain number of shares with a particular nominal value. The company is liable for its obligations. The shareholders, however, are not personally liable and are entitled to get dividends. The foundation of a joint-stock company requires a document called Articles of Association. In terms of structure, Czech law allows two possible models of a joint-stock company – monistic and dualistic. General Meeting is the superior body of the company within both models. Nonetheless, the other bodies of a joint-stock company differ in the respective models. In the monistic model, the company is directed by the Administrative Board. In the dualistic model, the Board of Directors is in the role of a statutory body, and the Supervisory Board is used as an inspection body (Šilhán and Czudek 2015, 63-66, Taušl Procházková 2017, 52).

2.2.3 Cooperatives

A Cooperative, in Czech, referred to as “družstvo”, is established by a minimum of three members primarily to support its members or third parties. In some cases, it may be formed even because of entrepreneurial reasons. The members of a cooperative can be both natural persons and legal entities. The number of members involved in a cooperative is not limited. Each member is required to contribute to the Registered capital an equal sum of money. A Meeting of the Members is the superior body of a cooperative. The Cooperative Board has the function of the statutory body, and it is elected by the Meeting of the Members and Audit Commission. Audit Commission, which serves as a control body of a cooperative. A cooperative is liable for its obligations. The members are not personally liable (Šafrová Drážilová 2019, 196; Taušl Procházková 2017, 53-54).

3 BUSINESS PLAN

A business plan is a written document used to describe the concept of a company, its goals, and the ways the entrepreneur intends to use to achieve these goals (Abrams 2019, 5).

Finch (2019, 8) claims a business plan shall be brief and focused mainly on the most pressing aspects. Repetition of information shall be avoided. It is vital to keep the reader interested in the plan. Therefore, it is recommended to use action words.

Some people tend to start running a business without writing a business plan and without realising the possible consequences. Such unpreparedness may result in serious strategic mistakes that can eventually lead to the failure of their projects. Therefore, a business plan may prevent such errors from happening as it provides the entrepreneur with valuable information (Covello and Hazelgren 2006, 7-8).

According to Abrams (2019, 12-13), the following factors shall be taken into consideration while creating a business plan:

- Target market
- Competitors
- Suppliers
- Labour
- Legal issues
- Partners
- Social responsibility

3.1 Goals and benefits of a business plan

The reason why many businesses eventually fail can be found in the lack of planning. Even elementary plans are believed to be helpful. Business plans are designed to prevent critical situations. The primary purpose of a business plan is to seek potential threats associated with establishing a company and to the evaluation of the profitability of the business (Šafrová Drážilová 2019, 55-56). A business provides its creator with an opportunity to present his or her idea and vision of a business to investors, and at the same time, it serves the entrepreneur himself as a foundation of a business since it contains steps that need to be done while forming a business. These steps include, for example, taking into consideration what will be the target market for the intended product or service, how many employees will be required to operate the business, how will the business differentiate from its competitors, or whether

the production capacity of the business will be sufficient in case of increase in demand (Srpková 2011, 14).

3.2 Chapters of a business plan

The chapters of a business plan differ depending on the scientists' perception. Some authors list more chapters than other authors. Therefore, it is impossible to label a universal structure of a business plan. For example, Abrams (2019, 51) lists fourteen different components of a business plan. These components are:

- The Executive Summary
- Company Description
- Industry Analysis & Trends
- Target Market
- The Competition
- Strategic Position & Risk Assessment
- Marketing Plan & Sales Strategy
- Operations
- Technology Plan
- Management & Organization
- Social Responsibility & Sustainability
- Development, Milestones & Exit Plan
- The Financials
- The Plan's Appendix

An outline of a business plan by Šafrová Drážilová (2019, 57-60) will be used in this chapter and for the analytical part of the thesis. She lists the following chapters:

- Title page
- Executive summary
- Company description
- Product or Service description
- Market analysis
- Competition analysis
- Marketing Plan and Sales Strategy
- Organizational structure
- Financial plan

- Risk Evaluation
- Appendix

3.2.1 Title page

The Title page is created to provide the reader with basic information about the project. It should include information such as the name of the company, the names of people associated with the company, the logo of the company (Šafrová Drážilová 2019, 58). According to Srpová (2011, 15), it is recommended to label the information included in the business plan as confidential, forbidding the readers from distributing it without the permission of the entrepreneur.

3.2.2 Executive Summary

The Executive Summary is designed to raise the interest of the reader and consequently to make him read the whole business plan. The Executive Summary should be clear and objective. Sensation-seeking marketing empty phrases shall be avoided (Šafrová Drážilová 2019, 58). The executive summary briefly introduces the main parts of a business plan. Since investors tend to be extremely busy, it is essential for the Executive Summary to be brief and precise so that it can be read in less than five 5 minutes (Abrams 2019, 54-57). Executive Summary shall show the reader who you are, what are your goals, and how you intend to achieve them (Covello and Hazelgren 2006, 29). It is believed that the Executive Summary should not be longer than two to three pages. Despite being one of the first chapters in the business plan, the Executive Summary is recommended to be written at the last out of the chapters of the business plan (Abrams 2019, 54-57).

Knowing the target audience is crucial when writing an Executive Summary as investors from different segments may have different expectations. This is the reason why the Executive Summary should be adapted based on who the writer is targeting. A resemblance with resumés may be found within this aspect as resumés tend to be modified based on the position a person is applying for (Covello and Hazelgren 2006, 171-172). Abrams (2019, 55-56) distinguishes two distinct types of a summary – Synopsis Summary and Narrative Summary.

3.2.3 Company Description

A company description aims to provide the reader with basic information about the company. (Abrams 2019, 68-69). According to Abrams (2019, 68-77), this chapter is supposed to list the following information about the company:

- Company Name
- Mission Statement – explanation of the company’s philosophy, beliefs, and values.
- Legal Issues – choosing a legal form of a business (sole proprietorship or a legal entity), licensing issues, trademarks, patents, or copyrights.
- Products and Services – description of the products or services the company would like to provide the customers with.
- Management/Leadership – listing the key members of management as well as members of the bodies of the company and expressing how often the bodies of the company meet.
- Business Location – disclosing the locations of the headquarters and the place where the business is conducted if the sites differ
- Development Stage and Milestones Achieved to Date – explanation of the stage where the business stands at the moment and what has already been done to achieve the company’s goals.
- Financial Status – financials of the company shall be shown to provide the readers with information such as how has the entrepreneur financed the business till now, the amount of money the entrepreneur is seeking or whether the company has any financial obligations.

Mission statement

A mission statement shall be included in the Company Description. It is written to introduce the company’s goals, policies, and philosophy, as well as to show the vision of the company for the next few years to come (Abrams 2019, 70). According to Covello and Hazelgren (2006, 87-88), the following questions may be raised while writing the Mission Statement:

- Purpose Statement – Why does the company exist?
- Business Statement – What does the company want to do?
- Values – What are the beliefs shared among the people involved in the company?

3.2.4 Product or Service Description

The purpose of Product or Service Description within a business plan is to embrace what the product or service is, how does it work, what technology is needed for its proper functioning, what are the costs associated with the production of the product or service, what is the policy pricing, how does the packaging look like or what distribution channels are used (Covello and Hazelgren 2006, 171-172).

An important thing that needs to be taken into consideration is that many businesspeople incorrectly believe that the features of the product or service are the essential aspect. The real reason why a product or service is purchased is its benefits. Consumers decide based on the benefits of the product or service; therefore, it is necessary to describe what your product or service is offering and who is being targeted. Thorough research of the industry is strongly encouraged before setting up any business. It is vital to assess the viability of the product or service before stepping into the market. Moreover, consulting the contracts with lawyers is strongly suggested to prevent any unnecessary risks associated with the business (Covello and Hazelgren 2006, 171-172).

An aspect that can be mentioned within the Product or Service Description is Competitive Advantage. Competitive advantage is an aspect of a business that allows the company's product or service to stand out among its competitors (Finch 2019, 42-44). Finch (2019, 43) mentions the following types of competitive advantage:

- Cost
- Technology
- Brand
- Range
- Local monopoly
- Location
- Distribution
- Buying – e.g., an exclusive agreement with a particular business

3.2.5 Market Analysis

Market Analysis serves to gather, assess, and understand the factors that affect the business. Completing the market analysis is one of the crucial aspects of a business plan (Šafrová Drážilová 2019, 65-66). Understanding the market is vital as this information must be reflected in the other chapters of the business plan, such as Product or Service Description, Marketing Plan or Financial Plan (Abrams 2019, 116).

According to Abrams (2019, 107), it is essential to define the target market using the following criteria:

- Definable
- Meaningful
- Sizeable
- Reachable

PEST Analysis

PEST analysis is a tool commonly used while assessing the macroenvironment of the business. It takes into consideration the following factors (Šafrová Drážilová 2019, 69-70):

- Political-legal factors – e.g., the system of law and its stability.
- Economic factors – e.g., the overall state of the economy, average wage, minimum wage, interest rests, costs of labour.
- Socio-cultural – e.g., birth rate, education, traditions, religion, the trends concerning lifestyle.
- Technological – e.g., the infrastructure of the region, trends in technology, the development of the region.

3.2.6 Competition Analysis

When analysing the competition, Abrams (2019, 124) recommends focussing on the following aspects:

- Who – who are the main competitors of the business.
- What – what do the competitors do, and how do they operate.
- How – the comparison of the business concerning and its competition.
- Future – who might be the competitor in the future.
- Barriers – barriers to potential competition while entering the market.

Covello and Hazelgren (2006, 102) stress the importance of the competition assessment process irrespectively who the entrepreneur's competition is. The assessment needs to be done both in the business-to-business market as well as in the business-to-customer market.

While analysing the competition, it is essential for the entrepreneur to put himself into the position of his customers to assess his or her competitors as objectively as possible. In some cases, this evaluation of the competition may be biased due to the personal views and prejudices of an entrepreneur. It is recommended to assess the strengths and weaknesses of each of the competitors (McKeever 2019, 181)

According to Šafrová Drážilová (2019, 59), an entrepreneur should use this chapter to demonstrate his knowledge of the targeted market and to prove his ability to adjust to the situation in the market. Therefore, it is advised not to use it to criticise the competition.

Šafrová Drážilová (2019, 73-74), Srpová (2011, 14), Puranam and Vanneste (2018, 7-8) and Hill (2012, 136) all agree that Porter's Five Forces Model belongs among the best methods used to assess the situation.

Porter's Five Forces Model

Porter's Five Forces Model is an analytic tool used while evaluating the market a business is about to enter. These forces impact the company and its development. The model consists of the following five forces (Hill 2012, 136; Šafrová Dražilová 2019, 76-83):

- Threat of new entrants – New entrants are potential competitors who either are not in the market yet but intend to enter it or competitors that might arise and enter the market in the future. Both of these groups represent a threat to the business. It is recommended for an entrepreneur to be aware of what is happening in the respective market. The entry of new competitors into the market is distinguished mainly by entrance barriers such as the costs, regulations, insufficient infrastructure, or the strong position of companies who are already in the market.
- Competitive rivalry – The relationships among the competitors significantly influence how the market works and its atmosphere. There might be a respectful relationship among the competitors and even a slight collaboration. On the other hand, the relationships can also be highly vicious if the competitors try to destroy each other. The more intense the relationships are, the trickier it is to enter the market.
- Bargaining power of buyers – The power and influence of customers on a business differs according to the number of customers and competitors. In an ideal scenario from the perspective of the business, there would be a lot of customers in the market, and the impact of a single customer on the revenues of the company would be relatively small. In such a case, the customer would be forced to accept the conditions the business is offering as he/she would not have any other choice and at the same time, from the point of view of the business, losing a customer would not represent a significant issue.
- Bargaining power of suppliers – Regardless of the type of business, suppliers are a crucial aspect. An issue may emerge when there is only one supplier in the market as it puts him into a compelling situation, if a business has strong ties with the supplier and cutting the relationship would result in high costs, or if the price of the distributed product or service is increased by the supplier as this would necessarily lead to the rise of price of the final product or service.
- Threat of substitute products or substitute services – Substitutes are products or services of competitors of the business. These products and services intend to solve

the same problem of the customer but in a different manner. The classification varies. It depends on how the business plans to solve the problems of its customers.

Srpová (2011, 168) mentions the possibilities of adaptation on Porter's Model. Six Forces Model by Grover is sometimes used. It consists of five forces out of Porter's Model and adds the sixth force: Complementary Products. This force stresses the correlation between a product or service and its complements. Examples of Complementary Products may be found in IT or automotive.

3.2.7 Marketing Plan and Sales Strategy

After completing market analysis and competition analysis, it is crucial to use the gathered information to develop marketing and sales strategies for the business. The Marketing Plan and Sales Strategy present the potential investor and lenders with an idea of how the entrepreneur would like to promote the brand. The chapter is believed to be a crucial part of the business plan irrespectively whether the entrepreneur is about to launch a small business or whether a large, well-established company is trying to persuade the lenders or investors while obtaining a loan (Covello and Hazelgren 2006, 109-110).

Šafrová Drážilová (2019, 92) claims that many entrepreneurs believe that a marketing department shall be established in their company due to conventions and traditions, but they might not be aware of the fact that a complex marketing approach may bring many valuable benefits and information for the entrepreneur. It may answer the following questions: What does the customer want? For what price would the customer buy the product or service? From whom does the customer want the product or service? In this manner, marketing may provide the entrepreneur and employees of the company with information concerning the wants and needs of the customers.

Segmentation, targeting, positioning

While creating the marketing strategy, information obtained during market analysis and competition analysis shall be used to differentiate the market into smaller segments. This process is called segmentation. Consequently, the segments shall be evaluated by the entrepreneur and one of them is supposed to be chosen and targeted. The process of selection of a segment is classified as targeting. Once the previous steps are completed, it is necessary to verbalise the critical feature, aspect, or value the business would like to present to the customers. This step is referred to as positioning (Kotler and Armstrong 2018, 400-401; Šafrová Drážilová 2019, 93).

Marketing Mix

The marketing mix consists of tools that combine with each other. Selected market segments and positions are considered while creating a marketing mix. The most common marketing is called 4P of the following tools (Abrams 2019, 165; Kotler and Keller 2016, 47):

- Product
- Price
- Place
- Promotion

Product

The combination of goods and services that is being offered to the customer by the company. It includes aspects such as quality, packaging, design, brand name, features, and variety (Kotler and Armstrong 2018, 77-78).

Price

Price represents the amount of money needed to purchase the product. It is associated with list price, allowances, payment period, credit terms and discount. (Kotler and Armstrong 2018, 78)

Place

Activities the company must do to get the product to the customers. These activities consist of advertising, public relation, sales promotion, personal selling, as well as direct and digital promotion. (Kotler and Armstrong 2018, 78).

Promotion

The way the company communicates the features of the product to persuade them to buy the product. Aspects such as channels, locations, inventory, logistics, transportation, and coverage are involved in promotion (Kotler and Armstrong 2018, 78).

The 4P model can be modified in numerous ways. For example, the 7P model is used by some companies. The 7P includes the same four tools as 4P. However, other devices are added – politics, public opinion, and people (Srpová et al. 2011, 22-23).

From the point of view of a company, a model called 4C might be established. This model approaches the product or service from the perspective of a customer. It consists of the following tools (Srpová et al. (2011, 22-23):

- Customer

- Cost
- Convenience
- Communications

SWOT Analysis

SWOT Analysis is used while evaluating all the aspects of the business in terms of four sections – strengths, weaknesses, opportunities, and threats (Srpková et al. 2011, 31). Such assessment may be helpful as it can provide the company with valuable information. For example, it provides information about the opportunities the company can pursue. It is also encouraged to combine the strengths and opportunities the company has while diminishing the weaknesses and threats (Kotler and Armstrong 2018, 79-80).

3.2.8 Organizational Structure

Organizational structure is used to introduce the managerial structure of the business to the readers of the business plan, therefore mainly potential investors or lenders. It is essential to explain why the particular managerial structure and the specific people were chosen. The organizational structures vary based on the type of business. The necessary capabilities differ based on the specifics of the particular industry (Evans 2016, 108-110).

Finch (2019, 61) recommends providing the reader with essential information and the background of every single member of the top management. Aspects such as their qualifications, experience and past successes or share of the person in the company should be among the provided information.

Šafrová Drážilová (2019, 59) claims that Organizational Structure does not obligatorily need to be mentioned as a whole chapter of a business plan itself. However, at the same time, she stresses that information about the structure of the business must be present in the business plan at some point.

3.2.9 Financial Plan

A financial plan is used to transfer the information used in other parts of the business plan into numbers. These numbers are consequently used to assess the viability of the business plan (Srpková et al. 2011, 28).

The ideas of authors about what metrics shall be used in a Financial Plan differ significantly. An author might even list the same metrics as the other author but may use different names for them. For example, Finch (2019, 100) recommends using a Profit and loss account, Balance sheet, Cash forecast, and Funds flow. Abrams (2019, 294-295) lists

metrics such as Income Statement, Cash Flow Projection, Break-Even Analysis, and Balance Sheet. Srpová et al. (2011, 29-31) add other options such as Discounted Cash Flow or Net Present Value.

Balance sheet

The balance sheet is used to outline the financial situation of the company. It portrays the company's assets as well as liabilities. It is commonly used by investors as it provides them with an overview of the value of the company (Abrams 2019, 316).

Income statement

An income statement is a form designed to display whether the company is still profitable following paying all the costs associated with the production of products/services. An income statement is created by writing down every possible information concerning sales and expenses of the company (Abrams 2019, 310-311).

3.2.10 Risk Evaluation

Abrams (2019, 154) recalls the fact that risk is involved in any business irrespectively of the industry, and therefore it is essential to be aware of the risks associated with the kind of business an entrepreneur is about to enter. It is recommended to the entrepreneur to be honest while writing down the risks and to take into consideration all of them. It is often believed by many entrepreneurs that listing too many risks may put the investors off. In reality, a complex risk assessment is usually appreciated by the investors as the entrepreneur can prove to the investors his/her awareness of the risks.

Martinovičová, Konečný, and Vavřina (2019, 15) claim that risk in entrepreneurship does not necessarily be a negative aspect. The business needs to be ready to take on a risk in order to succeed. That is the reason why risk in entrepreneurship is essential. The risk may be a sort of accelerator for the success of the company. The success of the companies then consequently serves as a booster for the economy as a whole.

3.2.11 Appendix

An appendix is designed to provide additional information. It is checked only if the readers have read the plan and are interested in it. It may be seen as a marketing tool as it may influence the decisions of potential investors (Abrams 2019, 334-336). An appendix shall be organized in a logical order, and it should include things such as for example (Abrams 2019, 334-336; McKeever 2019, 211):

- Resumes of key employees

- Proposed lease agreements
- Drawings of logos or signs of a business
- Construction plans
- Photos
- Market Research Results
- Work Schedule
- Key Contracts
- Floor Plan

II. ANALYSIS

4 A BUSINESS PLAN FOR A BISTRO



Figure 1: Logo of the company (own creation)

4.1 Title page

Name of the company:	Burger Hub
Legal form:	Business of a natural person
Address:	Čechova 929, Přerov (Galerie Přerov shopping centre)
Owner:	Tomáš Cagaš
Contact:	cagas@burgerhub.cz
Website:	www.burgerhub.cz
Financing:	Savings of the founder (900,000 CZK)

Company description: Burger Hub is a predominantly hamburger-oriented bistro in Přerov. We aim to offer the customers high-quality food made primarily of ingredients provided by the local farmers. Due to its relaxed atmosphere, Burger Hub is a place where you would like to spend your time.

4.2 Executive Summary

The business plan deals with establishing a premium quality hamburger-oriented bistro located in the town of Přerov. The bistro is being established to offer the inhabitants of the town and its surroundings high-quality food made of ingredients supplied predominantly by local farmers. It is intended to use as many local products as possible. Nonetheless, due to climate conditions in the country, especially in winter, the availability of fresh fruit and vegetables may be limited. Some of the ingredients would consequently have to be imported from abroad in such a situation.

From the short-term point of view, the owner's ambition is to create a bistro that would establish itself in the market. In terms of medium to long-term goals, it is intended to gain the reputation of being the best place to eat in the town.

The bistro is established by Tomáš Cagaš, who will also be one of the three full-time employees. The administrative operations such as dealing with the suppliers, marketing activities or accounting will be conducted by the owner mostly during the day of the week when the bistro will be closed.

The bistro will be located in the centre of Přerov as it belongs among the areas of the town where the movement of people is the biggest. At the same, due to the convenience of the location, the bistro will be close to both the bus and train stations and other prominent places in the town.

The creation of the company will be founded by 900,000 CZK the owner managed to accumulate based on his savings and loans from family and friends.

Due to the Covid pandemic, any bistro or restaurant needs to have a strategy in place should the restaurants and bistros be shut down once again as a result of the government's measures. It is important to note that the businesses were able to operate up to a certain degree. The customers were able to pick up the order in a restaurant and take it away or have the food delivered home by food delivery services such as Dáme jídlo, Wolt or Bolt. To keep the business running should the government's measures return, a partnership with the food delivery service Dáme jídlo would be established. Dáme jídlo would therefore be responsible for delivering the food directly to the customers.

4.3 Company Description

Burger Hub is a bistro established with the intention of filling the niche in the market and offering the inhabitants of the Přerov district a pleasant, friendly, welcoming place suitable for spending time with their friends as well as for special occasions such as celebrations or dates.

4.3.1 Mission statement

The aim of the owner & employees is to establish a premium quality hamburger-oriented bistro in Přerov. The bistro is created to offer high-quality food made primarily of ingredients provided by the local farmers. It is desired to create a community of returning satisfied customers and become the first place people think of when it comes to bistros and restaurants in Přerov.

As a small business itself, the bistro's philosophy is to cooperate with other small to medium-sized companies in the area of Haná on a daily basis to offer the customers food made of the best possible ingredients.

For the safety and welfare of customers, the health of the customers, the detailed information about allergens included in the meals will be provided and, if necessary, explained by the trained staff.

4.3.2 Legal form & ownership

The bistro will be owned and run by Tomáš Cagaš in the form of a sole proprietorship. The owner will conduct the business as a natural person. The reason contributing to the choice of legal form is a lower tax rate, as a sole proprietor is subject to a 15% tax rate while the rate is 19% for legal entities in the Czech Republic. The other reason in favour of sole proprietorship is the administration, which is less complicated compared to administration associated with legal entities.

Since The Trade Licensing Act No. 455/1991 Coll. qualifies bistros among the craft trades, it is necessary not only to fulfil the general criteria (which the owner does) but also to fulfil the criteria concerning professional qualifications.

As the owner does not fulfil all the necessary prescribed criteria connected with the establishment of the bistro, it is needed to hire an employee with a particular qualification. At the time of establishment, the bistro will have three full-time employees. One of them will be a cook with appropriate qualifications as it is necessary for at least one employee to

fulfil the requirements in order to gain the trading licence and consequently to be able to run the business.

The qualification required for obtaining the trade licence may be fulfilled by enclosing a certificate proving education in gastronomy or having six years of experience working in the industry (ProfiSpolečnosti.cz, n.d.).

4.3.3 Location

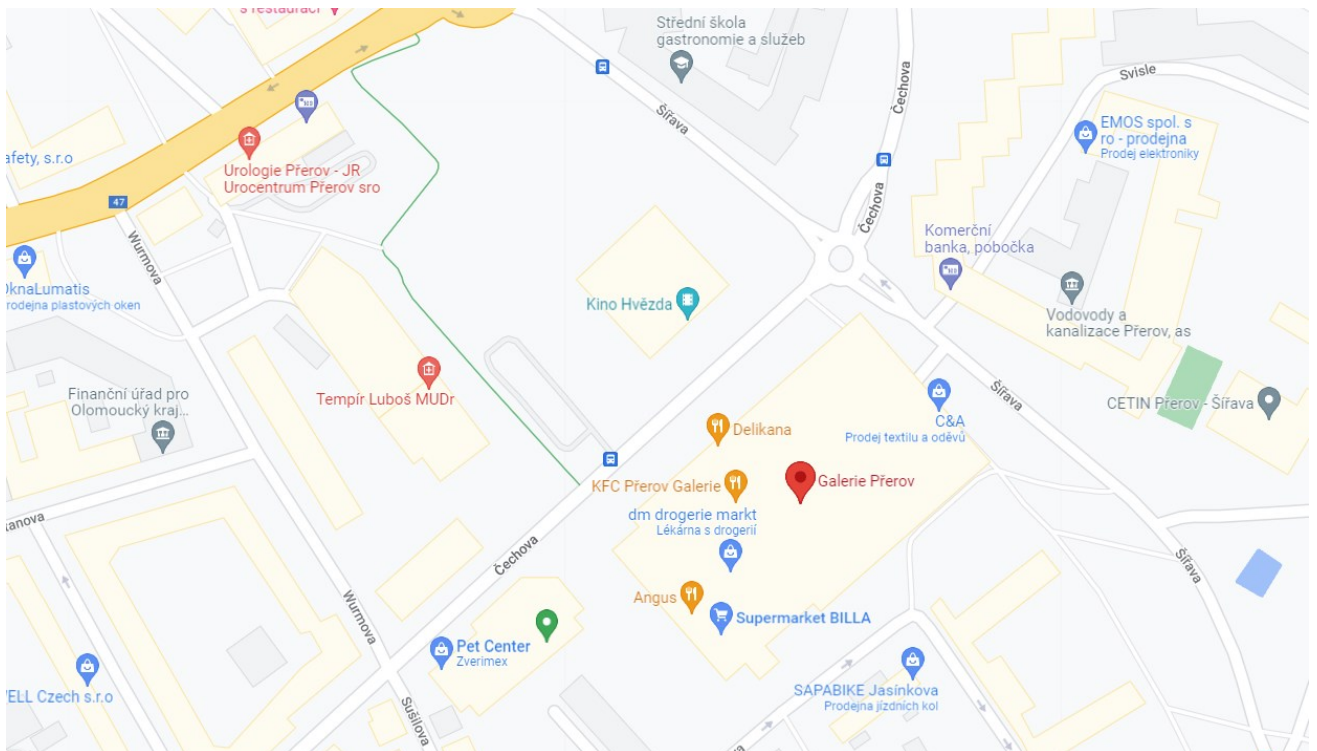


Figure 2: Location of the company (Source: Google Maps)

The bistro is located in Galerie Přerov, a shopping mall located in the centre of the town. The centre and its surroundings belong among the areas with one of the highest movement of people in the town. The convenience of the location may be expressed in more aspects. One of the critical factors is that the shopping centre is near both bus and train stations (approximately 900 metres and a 10-minute walk). Another factor contributing to the choice of location is that most of the targeted customers spend a lot of their time in the centre of the town as they work or study here. The vast majority of schools in Přerov are located within a 10-minute walk from the location.

4.3.4 Opening hours

During the start, the bistro will be open every day except Tuesdays. On Tuesdays, the bistro will be closed as the owner will be conducting the necessities associated with the bistro, such as ordering ingredients and dealing with suppliers.

The usual opening hours shown on table 1 may be changed as a result of customer demand or the change of the season. For example, the opening hours in summer may be extended should the customer interest increase.

Opening hours of the bistro	
Monday	15:00 – 21:00
Tuesday	Closed
Wednesday	15:00 – 21:00
Thursday	15:00 – 21:00
Friday	15:00 – 21:00
Saturday	15:00 – 21:00
Sunday	15:00 – 21:00

Table 1: Opening hours of the bistro (own creation)

4.4 Product or Service Description

The bistro aims to use as many ingredients from local producers as possible. Many of the suppliers are recipients of a quality award called Region Haná. Meat for the burgers will be supplied by Farma Marcela a Martin Ležákovi from Kostelec u Holešova and the company Tagros based in Troubelice. Potatoes used for fries will be supplied by Slavětínské brambory. The burgers buns will be baked by Pekárna Racek, a bakery with a long tradition based in Přerov.

Hamburgers

Product	Price (in CZK)
Cheeseburger (beef, cheddar, lettuce, onion, tomatoes, pickles, BBQ sauce & Honey Mustard Sauce)	200
Double Cheeseburger (double beef, cheddar, lettuce, onion, tomatoes, pickles, BBQ sauce & Honey Mustard Sauce)	270
Bacon Burger (beef, bacon, extra cheddar onion, tomatoes, BBQ sauce & Honey Mustard sauce)	225
Royal Burger (beef, cheddar, Emmental, tomatoes BBQ sauce & Honey Mustard sauce)	230
Blue Cheese (beef, cheddar, blue cheese, onion, pickles, BBQ sauce & Honey Mustard sauce)	225
Local One (beef, cheddar, Olomoucké syrečky, onion, pickles, BBQ sauce & Honey Mustard sauce)	235

Table 2: Hamburger menu (own creation)

It is possible to modify any of these hamburgers. Therefore, while ordering, the customers may ask the waiter/waitress not to include any of the ingredients or, for example, choose only one of the sauces.

Fries

Product	Price (in CZK)
Homemade fries – regular size	50
Homemade fries – large size	75

Table 3: Fries (own creation)

Beverages

The bistro intends to offer a variety of beverages. The customers may choose a product of the world's biggest brands, such as Coca Cola or Pepsi, as well as local products from Hanácká kyselka. Hanácká kyselka is a local business that creates its products in Horní Moštěnice, a village approximately 6 kilometres from Přerov.

Product	Price
Still/Tap water (500 ml)	10
Hanácká kyselka – non flavoured & sparkling (500 ml)	15
Hanácká kyselka flavoured (Lemon, Orange, Grapefruit, Grapes, Raspberry) [500 ml]	15
Coca Cola (330 ml)	25
Coca Cola Zero (330 ml)	25
Pepsi (330 ml)	25
Pepsi Max (330 ml)	25
Sprite (330 ml)	25
Fanta (330 ml)	25
7Up (330 ml)	25
Red Bull (330 ml)	40

Table 4: Beverages (own creation)

Private events

Following the successful establishment of the bistro in the market, the owner intends to offer the possibility to rent the premises for private use, such as birthday celebrations in the future.

4.5 Market Analysis

The market analysis deals with the assessment of the external environment of the company. The evaluation is done by PEST analysis which takes into consideration the factors impacting the company.

4.5.1 PEST analysis

PEST analysis belongs to the most common tools used in market analysis. The letters in the abbreviation PEST represent Political environment, Economic environment, Socio-cultural environment, and Technological environment.

Political-legal factors

As it was selected to conduct the business as a natural person, it is crucial for the owner to be familiar with political-legal factors associated with the legal form. As sole proprietor in the Czech Republic, the owner is obliged to pay 15% income tax as well as social and health

insurance. According to Finance.cz (2022), the current minimum monthly rate for social insurance is 2,841 CZK and 2,627 CZK for health insurance.

Any business operating in the Czech Republic might be scrutinized and examined by a particular state authority responsible for its respective field. Such controls are pretty typical in the Czech Republic. Therefore, the likelihood of the business being checked by such institutions is relatively high.

Examples of such authorities are the Czech Hygiene Station, Financial Administration of the Czech Republic, Czech Trade Inspectorate, Czech Social Security Administration, Trade Licensing Office, or Czech Agriculture and Food Inspection Authority (Podnikatel.cz 2014).

Electronic sales registration

Electronic sales registration is a project established by the government of Andrej Babiš in 2016. The project was established to record every transaction of the business and connect the entrepreneurs with the Financial Administration. The main argument for the electronic registration of sales mentioned by the government at the time was to prevent malicious practices in accounting from happening, as there were concerns that some of the entrepreneurs may not be sincere and transparent in their tax returns and may consequently conceal some of the sales to artificially bring down the taxable income and illegally keeping parts of the profit for themselves. The registration of sales was temporarily suspended for two years as a result of Covid 19, namely until the end of 2022. Following the latest Chamber of Deputies elections in 2021, the new prime minister Petr Fiala revealed the government's plan to shut the registration of sales down ultimately. However, as this intention has not yet been approved by the Chamber of Deputies and the Senate, it is still taken into account for the purpose of the business plan, and an electronic cash register that has the function of registering the sales built-in will be purchased. The suspension of the project until the end of 2022 is valid at the moment. However, the final decision to abandon the project has not been agreed upon by the chambers of Parliament. Should the plan of abandoning the project not be realized, a cash register with the function of the electronic evidence would have to be purchased in the future. Therefore, the owner decided to buy a cash register that has this function already built-in. It is possible to use this example to illustrate the importance of political-legal factors in the business environment.

Economic factors

The global economy has been growing rather rapidly for years. However, the world was impacted by the Covid pandemic in an extreme manner in late 2019 and mainly in 2020 &

2021. Gastronomy belongs among the industries that were affected by Covid and the government's measures the most. Some restaurants even went bankrupt. In addition, even a major website called Restu, a system that offered reservations in many restaurants all over the country, ran out of business.

According to The World Bank (2021), on a global level, the economy was recovering in 2021 after the Covid crisis. The USA and China were the leaders in economic growth.

As the economy was recovering, the most developed countries in the world were expected to have achieved the pre-pandemic level of unemployment and their inflation goals by 2023. These projections were impacted by the outbreak of the Russia – Ukraine war. The war is associated not only with an immense humanitarian crisis but also with economic problems. Neither Russia nor Ukraine belongs among the most significant players in the global economy. However, Russia is a major exporter of wheat, corn, gas and even materials such as palladium. Since financial sanctions were placed on Russia, it made the business operations more difficult and made the supply chain more complicated, resulting in a lack of certain supplies. The lack of certain supplies consequently contributes to the rising inflation. An important aspect that needs to be taken into consideration is that the EU is reliant on importing energy from Russia, and a decline in the amount of energy that can be imported contributes to the growing prices of energy (OECDiLibrary 2022). Increasing prices of energy represent a threat to the bistro. They might dramatically increase the costs, and the rising inflation rate that would have to be reflected in the prices of the products may discourage some customers from spending.

Concerning the economic situation on the national level, according to the Czech Statistical Office, as of March 2022, the average gross wage in the Czech Republic is 40,135 CZK. The inflation rate rose to 6,1%. The unemployment rate currently stands at 2,5%. The bistro is situated in Přerov, which belongs to the Olomouc region. Therefore, it is important to take into consideration the economic situation of the region. The average wage in the region is 34,537 CZK, and the unemployment rate is 2,4% (Český statistický úřad 2022).

Socio-cultural factors

While the price of the product used to be the key factor in customer behaviour for decades, the trends have started to change. The preferences of customers are being scrutinized in research and in questionnaires. It has been found that the interest in the quality of food is rising among the population of the Czech Republic.

According to Akademie kvality (2021), for 90% of the customers quality of the product is the most essential. Also, 61% of Czech customers prefer Czech products to products

imported from other countries in 2021. Compared to 2020, the number rose from 55%. Quality awards such as Klasa or Regionální potravina can be considered an important factor in the customer's preferences. 75% of the respondents confessed that these quality awards had influenced their preferences, and 61% of the respondents mentioned that they seek products bearing these awards.

Another trend that can be observed is the fact the customers demand transparency in relation to the products in terms of what the products are made of. The customers also appreciate the brand with ethical values they can relate to (Olayanju 2019).

Burger Hub intends to utilise these trends by offering high-quality food made of ingredients supplied by companies who are recipients of these awards. In fact, most of the suppliers the bistro will cooperate with are recipients of the Regionální potravina award.

Since Přerov has over 41,000 inhabitants (Místopisy 2022) and is visited by thousands of other people due to work or study commitments as well and taking into consideration the fact Přerov is an important public transport junction; the market should be sufficient for the bistro to successfully establish itself in the market.

Technological factors

Approaching technological factors from the perspective of the town, Přerov is one of the most important railway junctions in the country. The town is located on one of the most important railways and the most used railway corridors. The central bus station can be found just next to the railway station. An advantage for the bistro is that both stations are located only about an 8-to-10-minute walk from the bistro. Most people who arrive in Přerov by bus or train head in the direction where the bistro is located. To conclude, Přerov is easily reachable using public transport.

While using a car, the situation is not ideal. As of Spring 2022, the town is still not fully connected to the Czech motorway network as there are still a few kilometres of the motorway that need to be constructed to classify Přerov as a fully integrated part of the Czech motorway system. This aspect is covered more thoroughly in Risk Evaluation.

Concerning the technological factors from the perspective of the business, the bistro belongs among the kinds of the business that do not require significant technological innovation, such as companies in manufacturing or aviation. Because of that, the bistro does not need to invest in expensive machinery valued at hundreds of thousands or even millions of CZK, expensive software licenses and so on.

The immense growth of technology in the past decades, however, has to be reflected. Therefore, it is vital to provide the customers with Wi-Fi within the bistro and also to accept payments by credit card should the customers prefer to use the cashless payment method.

The bistro intends to be as convenient for the customers as possible. Therefore, the customers will be allowed to charge their mobile devices for free. All of the mentioned factors may increase the satisfaction of the customer resulting in they may spend more time in the bistro and potentially returning more often.

4.6 Competition Analysis

Porter's five forces model belongs among the most popular tools for assessing the competition. Due to the model's highly informative value, it was selected to assess Burger Hub's competitors.

4.6.1 Porter's Five Forces analysis

Competitive rivalry

Thanks to the population of over 40,000 inhabitants, Přerov may be considered one of the larger towns in the context of the Czech Republic. Since the town itself has over 40,000 inhabitants and thousands of people commute to Přerov every day to work or school, the number of businesses in gastronomy is relatively large. Most of these restaurants, however, are not direct competitors to Burger Hub. Most of the restaurants within the town and villages nearby are focused on traditional Czech cuisine. However, it is possible to find competitors that offer hamburgers as a part of their menu and therefore, these businesses can be considered the main competitors.

Bistrov

Bistrov is a newly established company in Přerov. The company was founded in late 2021, and it is focused on selling hamburgers and sandwiches. Bistrov is open every day of the week, excluding Mondays. The most significant difference between Burger Hub and Bistrov is that Bistrov is mainly oriented towards takeaway. There is only one table in Bistrov that can be used to consume the food. In addition, the customer would have to stand while eating, as there are no chairs around the table. In comparison, Burger Hub offers the customers the traditional infrastructure of a restaurant allowing the customers to have a seat and stay in a pleasant environment even for a couple of hours.

Concerning the price policy, the average price of a burger in the bistro is 235 CZK making Bistrov more expensive than Burger Hub. The company promotes itself via its website and social media accounts – Facebook and Instagram.

Route 66

Route 66 is a restaurant that offers a wide range of products. The restaurant is not oriented toward hamburgers. The hamburgers represent just a part of the menu. Concerning advantages, the restaurant offers a playground for children and outdoor seating. Route 66 is, however, considerably larger in size, limiting the privacy of the customers. The location of the restaurant may be considered its biggest weakness. It is located in the village called Čechy, located approximately 8 kilometres from Přerov. Even though the village is situated on an important road connecting Přerov and Bystřice pod Hostýnem, the movement of people is comparatively significantly lower than the movement of people in the centre of Přerov.

Concerning the price policy, all the hamburgers offered in the restaurant cost 216 CZK, making them slightly less expensive than the average price of a hamburger at Burger Hub. Route 66 uses a variety of marketing tools – its website, banners in the town, as well as Facebook and Instagram accounts.

KFC

KFC belongs among the most influential brands in the world, and the familiarity with the products may be why customers might prefer to eat there compared to Burger Hub. The standardized product among every branch of KFC may be suitable for some people who might prefer getting a product they know very well instead of trying a relatively unknown alternative.

Since KFC is a fast-food chain, the difference between the philosophies of both companies is rather significant. Burger Hub offers the customers a place where they are expected to spend a lot of time, while KFC is designed to get the food as possible and consequently leave within a brief period of time.

Bargaining power of suppliers

The area of Haná, where Přerov is located, is one of the most important agricultural territories in the Czech Republic. Many of the producers have been awarded prestigious awards relating to the quality of their products.

Taking this into consideration, new suppliers can be found in the case should the bistro need to replace the current ones. For example, the supplier of potatoes Slavětínské brambory could be replaced by Zemědělské družstvo Parturovice, a recipient of a quality award called

Moravská brána. The burgers buns may be provided by the bakery Wellart from Hranice na Moravě. Should one of the two suppliers of meat be changed, the meat would be provided by AGRO Lemi. The company, based in Karolín, is also a recipient of quality – Moravský kras.

Bargaining power of buyers

Due to the fact that there are many different kinds of restaurants in the town, the power of customers shall not be underestimated. Burger Hub, however, provides the customers with a concept that has not been realized in Přerov. Even though there seems to be an increasing trend of Czechs looking for food of the highest quality, the prices of the products may be considered too high by some customers in the region, resulting in low demand for the products.

Threat of new entrants

As a result of the entry barriers not being so strict in the industry, it is probable that the new competitors will enter the market in the near future following the establishment of the company. One of the most significant barriers a potential competitor within the town may face is the lack of business premises that can be turned into a restaurant or a bistro, as most available premises are warehouses.

Threat of substitute products or services

As a bistro, Burger Hub faces many risks from the perspective of substitute products as customers have loads of options where to eat. Ultimately any restaurant or bistro in the town can be perceived as a competitor. It is, however, important to mention that due to its price policy, Burger Hub does not directly compete with the cheapest restaurants in the town.

Since the main competitor, Bistrov, is better suited for takeaways than eating the meals in the restaurant, the concept of Burger Hub is unique in the town.

4.7 Marketing and Sales Strategy

The chapter Marketing Plan and Sales Strategy is created based on the information collected in the chapter called market analysis. The information is used to assess the company through SWOT Analysis, define the Target Market, and create a Marketing Mix.

4.7.1 SWOT Analysis

SWOT Analysis is a tool commonly used in a marketing plan. It sums up the strengths, weaknesses, opportunities, and threats associated with establishing a particular company.

Table 5 illustrates the SWOT Analysis of Burger Hub.

Strengths	Weaknesses
<ul style="list-style-type: none"> • Professional & cheerful staff with experience in the industry • Unique concept • Convenient location • The possibility to pre-order the food and pick it up at a time suitable for the customer • The possibility of customizing the hamburger 	<ul style="list-style-type: none"> • The owner does not have any experience with running a business • Completely new company with no reputation
Opportunities	Threats
<ul style="list-style-type: none"> • The rising interest of customers regarding the quality of their food • Potential growth of a town due to a motorway connection that is being constructed • Filling the market niche 	<ul style="list-style-type: none"> • Possibility of the bistro being shut down in case of another Covid wave • Cooperation with local suppliers instead of wholesale suppliers may increase the costs • A small number of places to rent in need of relocation • Entry of new competitors • The rise of costs in relation to the macroeconomic situation (impacts of Covid, the Russia - Ukraine conflict, etc.)

Table 5: SWOT analysis of the bistro (own creation)

Strengths

The main strengths of the bistro are its professional, experienced staff, the quality of the ingredients and the location. The staff will be encouraged to continuously improve their qualification in the field, for example, by attending courses.

Both location and the quality of the food can be considered among the most significant strengths of the bistro. Their significance was explained in greater detail in chapters 4.4 and 4.5.

Weaknesses

The main weakness that shall be mentioned is that the owner does not have any experience with running a business on his own. Therefore, it is highly likely that mistakes will be made

throughout the process despite the owner's preparation and effort. As the bistro will be started from scratch, it has no reputation to rely on. Therefore, it is crucial for the bistro to choose the right marketing strategy in order to raise awareness of the bistro.

Opportunities

As mentioned in the PEST analysis, there is a trend concerning the awareness of the customers in relation to the quality of their food. This trend represents a decent opportunity for the bistro to establish itself on the market.

Also, the current development of the infrastructure of the town can be perceived as an opportunity for the bistro as it would bring new opportunities to the town and therefore, people may be encouraged to move to the town.

Threats

As of Spring 2022, the Covid pandemic seems to be over. Nonetheless, it is impossible to confirm this assumption at the moment. That is the reason why the pandemic is still considerably reflected in the threats. In the case of another Covid wave, the bistro might have to be closed, which may have severe consequences. In such a situation, the owner is prepared to start cooperation with the food delivery service Dáme jídlo to keep the business running at least on some level. The collaboration with Dáme jídlo would necessarily lead to sharing a part of the revenues with the company Dáme jídlo reducing the profit significantly. Another threat is associated with the lack of premises that are suitable for restaurants, cafés, bistros, and similar businesses. The threats are described in greater detail in chapter 4.10 - Risk Evaluation.

4.7.2 Target Market

In gastronomy, the types of the customers may differ significantly. The youngest customers may be babies a couple of weeks old, primary school students around the age of 10, and at the same time, it can be visited by pensioners.

As the prices of the products in the bistro will be to some extent higher compared to the standards in the area, it was decided to focus on two main customers who should have sufficient income, so paying over 200 CZK for a single meal would not represent a major issue for them from the financial point of view.

Segment 1 – High school & university students, 15-26 years of age.

Due to relatively high prices, the bistro may not be financially suitable for young children and elementary school students. Therefore, the focus is put on high school students and

university students as their income from part-time jobs might be sufficient enough to buy the products.

Segment 2 – People aged between 27 and 40 with stable jobs.

This segment of customers is targeted due to the fact to their economic situation and stable income, as paying around over 200 CZK for a meal in a restaurant may not have a significant impact on their financial situation.

The upper age boundary of 40 years for this segment was selected due to the fact that people over 40 may have enough money, however, they may be rather conservative, which may consequently lead to the preference for Czech cuisine compared to hamburgers.

4.7.3 Marketing Mix

Marketing Mix is one of the important parts of the chapter Marketing and Sales strategy. As mentioned in the theoretical part, the marketing mix is represented by 4Ps – product, price, place, and promotion. The marketing mix for the bistro was created with respect to the segments that are being targeted.

Product

The owner's vision is to create a bistro predominantly oriented toward hamburgers. Currently, the bistro offers only hamburgers, fries, and beverages. There is a possibility the bistro might start offering other products in the future, but even in such a case, hamburgers would still remain the main focus of the business.

The bistro produces food made of top-quality ingredients. At the moment, the bistro offers six different kinds of hamburgers, fries, and a variety of beverages. Due to the already mentioned possibility of the customers tailoring the products to their liking by removing any of the ingredients, it was decided not to adjust the products for the targeted segments. By default, the products are the same for both the targeted segment. However, it is likely the difference among generations would be visible mainly in the choice of beverages, as the younger segment of people may prefer Pepsi, Sprite or Fanta, while still water or Hanácká kyselka may be more popular within the “older” segment of customers.

Price

The chosen price policy places the bistro among the more expensive restaurant or bistros in the town. Nonetheless, while looking at the main competitors, the differences in prices are rather marginal. As the bistro uses only premium quality ingredients, this consequently increases the prices. Table 6 displays the price ranges of the products in the bistro.

Product	Price range (CZK)
Hamburger	200 – 270
Fries	50 – 75
Beverages	10 – 40

Table 6: Price ranges of the products in the bistro (own creation)

Place

It was intended to place the bistro in a convenient location. Therefore, the owner tried to find suitable premises in the centre of the town. The bistro will be located in the Galerie Přerov shopping centre.

As the cinema called Hvězda is just across the street and both bus and train stations are located within a 10-minute-walk, these factors contributed to the choice of the placement. The customers may want to visit Burger Hub, whether prior to or after watching the movie. Also, some customers may want to eat a quality late lunch or dinner before catching their trains/buses.

Concerning the premises, the bistro has a total amount of 6 tables and 18 chairs. The pieces of furniture in the interior are made mainly of oak wood, as it was intended to equip the bistro with bright materials. The bistro is decorated in a minimalist design.

Even though the bistro is designed to accommodate the customers in a pleasant environment, it has been noted that some people choose not to eat in restaurants or bistros, and they prefer to eat at home. As the bistro intends to be as convenient as possible for the customers, it has been decided that the customers will be able to pre-order the food and pick it up in the bistro at the time that is suitable for them. The packaging of the product in these situations will be free of charge.

Promotion

Because promotion is a crucial aspect of any business, and especially for a newly established business, therefore, it is important to develop a complex strategy to promote the brand. It was decided to use the following marketing channels: Social media, website, leaflets, word of mouth, event marketing and advertisement in public transport. The owner initially considered using guerrilla marketing, but eventually decided not to, as this strategy might annoy a large number of people, and this consequently would not be a great start for a new business with no reputation.

Social media

During the first two months since establishment, paid advertisements on social media will be used. The advertising campaign targeting people living in Přerov and its surroundings

will be done on Facebook and Instagram. The campaign is designed to raise awareness of the company, especially at the start. The costs associated with the campaign are approximately 8,000 CZK as both platforms allow the business to set a budget for the promotion. Both Facebook and Instagram themselves consequently adjust the advertising campaign based on the budget that is set.

At the same time, the owner will create the bistro's own social media profile on Instagram and Facebook. While the paid advertising campaign will only last two months, the owner will keep running and growing both profiles indefinitely. Both Facebook and Instagram will be used as marketing tools in the long term.

Due to the age structure of the users of both sites, it is expected that Instagram will mostly impact the first target segment - high school & college students, Facebook, on the other is expected to attract customers from the second segment – people aged 27 to 40.

Website

The bistro will also have its website designed in advance before the start. The website will serve both as an informational tool as it will include the menu with a thorough description of the products, the story behind the foundation of the bistro and contact information.

Leaflets

Leaflets have been one of the most common marketing tools for decades, and they will be of the marketing strategy of Burger Hub. Over 2,000 will be created in cooperation with an advertising agency who will also be responsible for distributing the leaflets in the town. The costs associated with this tool are approximately 2,500 CZK.

Event marketing

During the first couple of days since the opening, event marketing would be used. A kiosk offering free samples of the products would be created in the front of the shopping centre Galerie Přerov in the centre of the town. Since the establishment of the shopping centre, the area where the centre is located has become one of the places with the highest movement of people in the town. It is intended to utilise the location as thousands of people pass by every day. Family and friends of the owner will be handing samples of the hamburgers out to people who are passing by for free. This event would be organized with the intention of raising awareness of the bistro.

Word of mouth

The owner believes it is vital to make a great first impression on the customers. If the bistro manages to impress the customer, there is a high chance the customers will recommend the

bistro to people they know, consequently making word of mouth a powerful marketing tool free of charge.

The impact of word of mouth marketing can be amplified if it is combined with event marketing mentioned above. Therefore, creating a kiosk that would offer samples of the hamburgers. The people who would receive the samples might spread the information of a new bistro being opened among their friends and families.

Public transport advertisement

A marketing channel that will be used for the first two months after the establishment of the bistro is an advertisement on public transport. This strategy is used with the intention of promoting the bistro in places that are frequently used or visited, and public transport in the town fulfils these desires. The price for two months of advertising will be 8,000 CZK.

4.8 Organizational Structure

The bistro will be run by the owner Tomáš Cagaš who will be responsible for the administrative part. Apart from the owner, two other people will be employed as full-time employees – one experienced cook who will also have the required qualification needed for the establishment of the bistro. The cook will only be responsible preparations of the meals, but he will also be involved in the process of coordinating supplies and will communicate with the owner concerning the inventory. Due to his experience, the cook will also be encouraged by the owner to occasionally come up with a special seasonal hamburger that will be part of the menu for only a limited amount of time.

The bistro will also occasionally use the services of two part-time workers – a cook and a waitress who are both retired. These two workers, however, live nearby the bistro and are ready to immediately if help is needed in case of illness of one of the workers or other unforeseen situations.

4.9 Financial plan

The aim of this chapter is to assess the rentability of the project from a financial perspective. The chapter is divided into the following seven subchapters: Starting balance sheet, initial costs, costs of labour, operating costs, estimated revenues, income statement and return on investment.

4.9.1 Starting balance sheet

Table 7 represents the balance sheet of the bistro's assets and liabilities at the start. The registered capital of the company is 900,000 CZK. The registered capital consists of the

savings of the owner and loans from the owner's family and friends who decided to support the idea financially. Due to the fact the owner managed to accumulate over 900,000 CZK, it was decided not to apply for a loan provided by a bank or any other financial institution. Investors will also not be involved in the business.

Assets (in CZK)		Liabilities (in CZK)	
Long-term assets	0	Equity	900,000
		Registered capital	900,000
Current assets	899,000	Current liabilities	0
Bank Account	849,000		
Cash	50,000		
Other assets	1,000	Other liabilities	0
Trade license	1,000		
Total	900,000	Total	900,000

Table 7: Starting balance sheet (own creation)

4.9.2 Initial costs

Table 8 below portrays the initial costs associated with the establishment of the bistro. These costs represent a significant part of the budget related to the bistro. It is, however, important to mention these costs will be paid only once as they are not recurring, such as costs associated with rent or inventory.

The initial costs are divided into three categories – trade licences, promotion, and machinery & equipment of the bistro.

Costs associated with the establishment of the bistro	
Trade license	1,000
Promotion	38,500
Leaflets – creation & distribution	2,500
Social media advertising campaign	8,000
Event marketing – ingredients	2,000
Advertisement in the public transport – for two months	8,000
Web design	18,000
Machinery & other equipment of the bistro	248,950
Contact grill	14,000
Oven	17,000
Locker for personal stuff of the employees	3,000
Electronic cash register with EET function	12,000
Dishwasher	8,500
Sink	2,500
Refrigerator	22,000
Beverage refrigerator	17,000
Tables (6 pieces, 3,000 CZK per one)	18,000
Chairs (18 pieces, 2,000 CZK per one)	36,000
Kitchenware (plates, pots, pans, cutlery, glasses, etc.)	14,000
Decorations	8,000
Coat hanger	1,200
Dustbin	600
Sanitary products	3,000
Lighting	9,500
Wi-Fi router	650
Chair for infants	2,000
Financial reserve	60,000
Total costs	288,450

Table 8: Initial costs associated with the establishment of the bistro (own creation)

4.9.3 Costs of labour

The bistro will be run by the owner, who will be responsible for conducting the essential business operations such as ordering the stocks, accounting, or strategic planning. The bistro will have two full-time employees – an experienced cook and a waiter/waitress. Due to the fact that the bistro will be open six days a week, both employees will work 7 hours a day compared to conventional 8 hours shifts at different workplaces. The owner will be present at the workplace at 14:00, an hour before the bistro opens, to start the preparations. The shift

of the employees begins at 15:00. The bistro closes at 21:00, and the employees will be helping the owner with cleaning and, in some cases, preparation for the next day. Their shift ends at 22:00. The employees shall work approximately 182 hours a month - 7 hours * 26 days.

While calculating the costs associated with the wages of the workers, it is necessary to take into consideration the fact the employer in the Czech Republic is obliged to cover a part of both social and health insurance of their employees. Social and health insurance represent 34% of the gross monthly wage.

The bistro will also establish cooperation with a cook and waiter who are both retired and will be ready to offer a helping hand when necessary. As both workers will work only in unforeseen situations such as sickness of the full-time employees, they are not taken into consideration within the calculation of costs of labour as the time they spend working may drastically change on a monthly basis. In some months, the part-time workers may not be asked to come at all, and in some cases, they might be present rather frequently. The part-time workers will work on DPP. As their maximum monthly income should not exceed 10,000 CZK, it is not necessary for the owner to pay for the social and health insurance of these workers. Their hourly wages, 180 CZK for the cook and 145 CZK for the waitress, would consequently have to be reflected in variable costs, should the bistro need their help.

Costs of labour					
	Gross monthly wage	Social insurance (25%)	Health insurance (9%)	Wage including health and social insurance	Annual costs
Full-time cook	27,000	6,750	2,430	36,180	434,160
Full-time waiter/waitresses	23,000	5,750	2,070	30,820	369,840

Table 9: Costs of labour (own creation)

4.9.4 Operating costs

Table 10 describes operating costs associated with the bistro – both fixed and variable costs. Fixed costs consist of rent, wages, insurance premium, internet services, webhosting, consumption of energy & water and mobile phone services. Variable costs are represented by the stock – ingredients used for the preparation of food and are calculated for each of the three possible scenarios.

The wages of the part-time workers are intentionally expressed by exclamation marks due to the fact the number of hours worked will drastically change every single month. In some months, the help of part-time workers may not be required at all and in some months, they might work, for example, 40 hours a month.

Operating costs of the bistro		
	Monthly costs	Annually costs
Fixed costs	109,160	1,309,920
Rent	27,000	324,000
Wages of full-time employees	67,000	804,000
Insurance	4,000	48,000
Internet	500	6000
Webhosting	60	720
Energy consumption & Water supply	10,000	120,000
Mobile phone services	600	7,200
Variable costs		
The stock – pessimistic scenario	37,492	449,904
The stock – realistic scenario	74,022	888,264
The stock – optimistic scenario	119,366	1,432,292
Wages of the part-time cook (180 CZK/hour)	?	?
Wages of the part-time waitress (145 CZK/hour)	?	?
Total costs – pessimistic scenario	144,652	1,759,824
Total costs – realistic scenario	181,182	2,198,184
Total costs – optimistic scenario	228,526	2,742,312

Table 10: Operating costs of the bistro (own creation)

The stock in table 10 for each of the scenarios was calculated as the average variable costs per product * estimated sales of the product per one day. This number was finally multiplied by 26, which represents the days of the month when the bistro will be open.

4.9.5 Estimated revenues

The sales of products in all three scenarios are based on the expectations of the cook, who will be employed at the bistro, following his experience in the industry. The estimates of the cook were also consulted with three other entrepreneurs who are familiar with the market. It is expected that the revenues may significantly differ on a daily basis. Chances are the sales will be noticeably higher, especially on Fridays, Saturdays, and Sundays, and on the other hand, the demand for the products may not be as strong on Mondays, Wednesdays, or Thursdays.

The estimated revenues in the following three tables are calculated using the multiplication of the estimated revenues per day by the number of days of a month the bistro will be open – 26 days.

Pessimistic scenario

Product	Estimated sales of the product (one day)	Average price of the product	Estimated revenues per product (day)	Estimated revenues per product (month)
Hamburgers	14	230	3,220	83,720
Fries	11	63	693	18,018
Beverages	13	23	299	7,774
Total estimated revenues per month:				109,512

Table 11: Estimated revenues in pessimistic scenario (own creation)

Realistic scenario

Product	Estimated sales of the product (one day)	Average price of the product	Estimated revenues per product (day)	Estimated revenues per product (month)
Hamburgers	27	230	6,210	161,460
Fries	24	63	1,512	39,312
Beverages	25	23	575	14,950
Total estimated revenues per month:				215,722

Table 12: Estimated revenues in realistic scenario (own creation)

Optimistic scenario

Product	Estimated sales of the product (one day)	Average price of the product	Estimated revenues per product (day)	Estimated revenues per product (month)
Hamburgers	43	230	9,890	257,140
Fries	40	63	2,520	65,520
Beverages	41	23	943	24,518
Total estimated revenues per month:				347,178

Table 13: Estimated revenues in optimistic scenario (own creation)

4.9.6 Income statement

The owner believes it is important to stress that the costs in the first month of entrepreneurship are considerably higher than the costs in the following months. The reason for that is the fact that all the initial costs associated with the establishment of the company

are paid in the first month, and they need to be taken into consideration as they add up to the fixed and variable costs for that month. Consequently, the earnings in the following eleven months are not impacted by these costs. Monthly costs reflect both fixed and variable costs of the particular month.

Concerning the calculation, EBT is calculated by deducting costs from revenues. EBT is then used in the calculation of the yearly revenues. The yearly revenues are calculated as: monthly EBT multiplied by 11 minus the costs in the first month.

The yearly EBT is calculated by deducing yearly costs from yearly revenues. The yearly EBT is then subject to taxation. As it was decided to run the business as a natural person, the tax represents 15 % of the earnings before taxes. This tax has to eventually be deducted from the EBT. By doing that, it is possible to spot EAT.

As the initial costs were spent only once, they would not have to be reflected in the following years. This would consequently result in a rise in revenues and, therefore, earnings in the following years.

Pessimistic scenario

Income statement for pessimistic scenario			
	First month	Monthly	Yearly
Revenues	109,512	109,512	1,314,144
Costs	496,002	146,652	2,109,174
Earnings before taxes	-386,490	-37,140	-795,030
Taxation (15%)			
Earnings after taxes			-795,030

Table 14: Income statement for pessimistic scenario (own creation)

In pessimistic scenarios, the revenues are not high enough to pay all the expenses associated with the creation of the bistro. In such a case, the bistro would be unprofitable, achieving a loss of 795,030 CZK in the first year.

Realistic scenario

Income statement for realistic scenario			
	First month	Monthly	Yearly
Revenues	215,722	215,722	2,588,664
Costs	347,172	181,182	2,462,634
Earnings before taxes	-146,750	34,540	126,030
Taxation			18,905
Earnings after taxes			107,125

Table 15: Income statement for realistic scenario (own creation)

The revenues in realistic scenarios are sufficient to cover all the expenses associated with the creation of the bistro. The bistro would also generate a profit of 107,125 CZK, which may not be enough to cover the yearly living expenses of the owner. Nonetheless, it is important to note that the financial result is severely impacted by the expenses associated with the establishment. Since the initial expenses were paid only once at the start of entrepreneurship, they would not affect the revenues in the following years. As a result of that, earnings after taxes in the second and third years shall increase.

Optimistic scenario

Income statement for optimistic scenario			
	First month	Monthly	Yearly
Revenues	347,178	347,178	4,166,136
Costs	577,876	228,526	3,091,662
Earnings before taxes	-230,698	118,652	1,074,474
Taxation			1,611,171
Earnings after taxes			913,303

Table 16: Income statement for optimistic scenario (own creation)

In optimistic scenario, the revenues would cover all the costs generating a profit of 913,303 CZK after the first year. As mentioned in realistic scenario, even in this case, earnings are affected by the initial costs in the same manner. Consequently, the earnings in the second year and the following years shall be even higher.

4.9.7 Return on Investment

Return on investment (also abbreviated as ROI) is a metric that expresses the benefit the investor/owner receives from an investment. In case the result is positive, it signals that the entrepreneur will receive more money than he/she initially invested in the business.

$$\text{ROI} = \frac{\text{Net Income}}{\text{Investment}} * 100$$

$$\text{ROI for realistic scenario} = (107,125 / 900,000) * 100 = 11,90\%$$

$$\text{ROI for optimistic scenario} = (913,303 / 900,000) * 100 = 101,48\%$$

The return on investment in realistic and optimistic scenarios is positive, meaning that in both cases, all the costs would be repaid within a year and even generate profit. This consequently leads to the fact the owner would receive more money than he invested in the business initially.

It is important to mention that the profitability of the bistro in the first year was severely impacted by the initial costs that had to be invested in the project right at the start. These costs represented slightly less than a third of the overall budget assigned for the project. As the initial costs were already paid in the first year, in the following years the profit would be even higher.

4.10 Risk Evaluation

The establishment of a new business always comes with some risks. The risks for each company differ as many variables are included. The variables change based on the industry the business operates in, the current macroeconomic situation or, in some cases, the climate conditions. In the case of the bistro, the following risks shall be taken into consideration.

Temporary shutdown due to the Covid pandemic

The Covid pandemic represents a considerable threat to any business in gastronomy, and Burger Hub is no exception. Every owner of a business in gastronomy shall be aware of the fact that their business may be temporarily shut down following the increase of Covid cases. Should the cases increase, the bistro might be temporarily shut down as a result of government measures. The previous shutdowns have significantly impacted businesses in 2020 and 2021.

The possibility of this scenario is one of the aspects that contributed to the decision of the bistro to establish cooperation with the company *Dáme jídlo* should the restaurants and bistro be closed as a result of the government measures. In that case, the company *Dáme jídlo* would be responsible for the food delivery. The cooperation with *Dáme jídlo* would represent both opportunities and risks. The cooperation might represent an opportunity in a way since the bistro would be more visible as a result of being listed on the website of one of the biggest and most successful companies in the Czech Republic. However, it is important to take into account the fact that *Dáme jídlo* charges a fee of around 30% of the total order cutting the margin of the bistro significantly. Consequently, should the cooperation started, the bistro would have to charge a fee for packaging and the delivery as compensation to make up for the cut in profit margin.

As a result of the previous experience with Covid in the Czech Republic, businesses in gastronomy could not be visited in the usual manner by the customers. However, the business and the staff could work to some extent. The customers were not able to consume the food directly in the businesses (restaurants, bistros, pubs, etc.), but it was possible to have the food delivered to their homes. In case of a shutdown where the customers would

not be able to come to the bistro, the bistro might therefore be still able to operate and at least able to do takeaways or home deliveries with cooperation with Dáme jídlo.

The pandemic is also taken into consideration in a way that the owner decided to increase the number of financial reserves compared to the number of financial reserves that would be kept aside during pre-pandemic times.

Lack of customers

Arguably the biggest risk associated with the bistro is a situation when the customers would not be interested in the concept at all. To prevent this from happening, it is important to provide the customers with excellent service as disappointment in the customers may result in word-of-mouth marketing being used as a negative form of promotion from the bistro's perspective as the customers might share their negative experience resulting in the harm caused on the reputation of the bistro. To avoid disappointing customers, it is fundamental to listen to the criticism of the customers and consider it. Following acknowledging the issues, it is necessary for the bistro to always try to evolve and learn from the previous mistakes.

The lack of interest among the customers may not necessarily be caused purely by a negative experience but also in case the bistro is not marketed in the right manner. The wrong choice of marketing strategy may result in the bistro not being visible enough to attract customers.

To sum up, to prevent a lack of customers, it is crucial to come up with a complex and appropriate marketing strategy. Such a strategy would ensure the awareness of the customers in relation to the bistro. It is also important not to disappoint the customer, as mentioned above, because negative emotions towards the bistro may be equally devastating as a wrong marketing strategy.

Wrong choice of employees

Employees are key to a successful, prospering business. Therefore, it is crucial to choose and hire the right employees, especially at the start of entrepreneurship. Two distinct kinds of risks associated with the employees may occur. In the first case, there is a change the staff may behave unprofessionally and disrespectful to the customers. As a result of that, the reputation of the bistro may be harmed should the unsatisfied customers mention the issue to their friends or family or should they write a critical review. Due to the mentioned reasons, it is essential the hired staff are friendly, welcoming, and able to control their emotions and stay professional in case of a problem arising. Secondly, as mentioned in the Company Description, the business will be run by the owner. However, since the owner does not have

the required qualification in the field, it is necessary to hire at least one employee with the obligatory certification to be able to conduct the business. Should the employee leave or be fired due to some serious reasons, the bistro would face the risk of not being to conduct the business until a new employee with a particular qualification is hired. It is important to note that during the Covid pandemic, many businesses in gastronomy ran out of business, and some of the workers with experience in the industry moved their careers in different directions and have found jobs in completely different industries. As a result of that, they might not be willing to work in gastronomy again, limiting the number of potential candidates for the jobs.

As the wrong choice of employees represents a considerable threat, it is important for the owner to be extremely cautious in the hiring process and assess the candidates for the jobs thoroughly. If a hired employee behaves disrespectfully towards the customers, it is crucial to replace him/her in the shortest period of time possible since having such an employee might deteriorate the perception of the bistro.

Rising costs due to the macroeconomic situation

Following the current events as of Spring 2022, such as increasing inflation, the Ukraine-Russia war, or the possibility of an energy crisis, the prices of resources, products and services are rising in a quick manner. Consequently, should the increase in prices continue, this factor would have to be reflected, and the prices of the products in the bistro would have to be adjusted. An increase in prices of the products may result in a decrease in interest among the customers as the prices may exceed the rate the customers would tolerate.

Lack of business premises in the town

If the business needed to relocate to other premises in the town, an issue may occur, as there are not many available premises within the town of Přerov suitable for conducting gastronomy business. According to the author's research of the business premises available for rent as of Spring 2022, most of the premises are warehouses. Consequently, these premises may be suitable for different kinds of retail, such as sporting goods stores. Premises of this kind, however, are not suitable for businesses with rather strict regulations in terms of hygiene, such as restaurants or bistros.

In case of imminent relocation, such as in the case of expiration of the rental agreement, the owner must be aware of the situation in the real estate market and follow its development closely, so he is ready to react promptly by renting other suitable premises.

Legal factors

As for any kind of business, gastronomy might also be subject to change in terms of politics and legislation. Since the political situation may change suddenly as a result of elections or by a collapse of the government. Consequently, any administration that gets in power can change the laws and regulations. Since the laws are a significant factor in entrepreneurship, the owner will therefore try to monitor the political situation both on the national level and the level of the municipality to be updated with the news and consequently to be prepared should the legislation the change on the national level or should the municipality take actions that might affect the bistro. An example of such change may be abandoning the project of electronic registration of sales mentioned in the PEST analysis.

Complications concerning the construction of the motorway

The fact that Přerov is at the moment being connected to the Czech motorway network was mentioned among the opportunities for the businesses in the SWOT analysis as it is believed the connection to the motorway network shall bring new opportunities into the town. Following the completion of the motorway, a new industrial zone is planned to be built at Přerov airport. This industrial zone would bring more people into the town. Consequently, the people who would move into the town due to this industrial zone would most likely be younger people, as older people might not be willing to move because of work. As the target customers of the bistro are younger people (under 40 years of age), new customers may be found within this group of people. However, the situation is rather complicated as the construction is being blocked by ecological activists. Should the activists succeed in their protests and Přerov is not fully connected to the motorway network, it is likely that the industrial zone at the airport may not be built. Consequently, the bistro may miss out on a worthy opportunity.

Damage to the property

As any property faces the risk of being damaged by natural disasters, such as floods, fires, etc. To minimize the risk of damage and avoid possible costs associated with the potential repairs, a contract with an insurance company will be signed.

CONCLUSION

The purpose of this bachelor thesis was to develop a business plan for a selected company and to assess the rentability of the business. Explicitly, a business plan for a hamburger-oriented bistro in Přerov was created. The bistro intends to fill the niche in the market in the area of Přerov by providing the customers with high-quality food made predominantly out of ingredients supplied by local farmers.

The thesis consists of two parts. The theoretical part covered key business terminology, legal forms of entrepreneurship, as well as the description of a business plan, its purpose, and its individual chapters.

The analytical part dealt with the creation of the business plan based on the obtained theoretical knowledge. The business plan was divided into ten chapters and copying the structure used in the theoretical part. The plan consisted of the following chapters: Title page, Executive Summary, Company Description, Product or Service Description, Market Analysis, Competition Analysis, Marketing and Sales Strategy, Organizational Structure, Financial plan, and Risk Evaluation. The market was assessed using PEST analysis, and the competition was examined by Porter's Five Forces model. Marketing and Sales strategy was conducted by SWOT analysis, defining the target market, and designing a marketing mix for the bistro. Risk Evaluation served to provide both the author and the reader with information about the risks associated with the business and the coping strategies to prevent the risks.

The most crucial part of the thesis was the assessment of the profitability of the bistro, which was conducted in the chapter Financial plan. The profitability was calculated based on estimated revenues that were consulted with entrepreneurs familiar with the industry.

Based on the market research and consequently the financial projections in the financial plan, it was conducted that the business plan is applicable as in both realistic and optimistic scenarios, the company manages to cover all the expenses within a year and at the same time even generate profit. The bistro, therefore, can be considered profitable. The net profit in the first year was 107,125 CZK in realistic scenario and 913,303 CZK in optimistic scenario. It is, however, necessary to note that the profit in the first year is significantly impacted by the initial costs associated with the establishment of the bistro. As these costs are not recurring, they will not impact the financial results of the bistro in the following years. Consequently, the profit in the following years is expected to increase.

BIBLIOGRAPHY

- Abrams, Rhonda. 2019. *Successful Business Plan: Secrets & Strategies*. 7th ed. Palo Alto, CA: PlanningShop.
- Covello, Joseph A., and Brian J. Hazelgren. 2006. *The Complete Book of Business Plans: Simple Steps to Writing Powerful Business Plans*. 2nd ed. Naperville, IL: Sourcebooks.
- Evans, Vaughan. 2016. *The FT Essential Guide to Writing a Business Plan: How to Win Backing to Start up or Grow Your Business*. 2nd ed. Harlow: Pearson Education.
- Finch, Brian. 2019. *How to Write a Business Plan: Win Backing and Support for Your Ideas and Ventures*. 6th ed. London: Kogan Page.
- Hill, Arthur V. 2012. *The Encyclopedia of Operations Management: A Field Manual and Glossary of Operations Management Terms and Concepts*. Upper Saddle River, NJ: FT Press.
- Kašík, Josef. 2013. *Základy podnikové ekonomiky*. Ostrava: VŠB-TU Ostrava.
- Kotler, Philip, and Gary Armstrong. 2018. *Principles of Marketing*. 17th ed. Harlow: Pearson Education.
- Kotler, Philip, and Kevin Lane Keller. 2016. *Marketing Management*. 15th ed. Harlow: Pearson Education.
- Martinovičová, Dana, Miloš Konečný, and Jan Vavřina. 2019. *Úvod do podnikové ekonomiky*. 2nd ed. Prague: Grada.
- McKeever, Mike P. 2019. *How to Write a Business Plan*. 14th ed. Berkeley, CA: Nolo.
- Pavláková Dočekalová, Marie. 2017. *Economics of Company*. Brno: Akademické nakladatelství CERM.
- Puranam, Phanish, and Bart Vanneste. 2018. *Corporate Strategy: Tools for Analysis and Decision-Making*. Cambridge: Cambridge University Press.
- Šafrová Dražilová, Alena. 2019. *Základy úspěšného podnikání: průvodce začínajícího podnikatele*. Prague: Grada.
- Šilhán, Josef, and Damian Czudek. 2015. *Základy obchodního práva pro ekonomy*. Ostrava: VŠB-TU Ostrava.
- Srpová, Jitka, and Václav Řehoř. 2010. *Základy podnikání: Teoretické poznatky, příklady a zkušenosti českých podnikatelů*. Prague: Grada.

Srpová, Jitka. 2011. *Podnikatelský plán a strategie*. Prague: Grada.

Srpová, Jitka. 2020. *Začínáme podnikat: s případovými studii začínajících podnikatelů*. Prague: Grada.

Synek, Miloslav. 2011. *Manažerská ekonomika*. 5th ed. Prague: Grada.

Taušl Procházková, Petra. 2017. *Úvod do podnikové ekonomiky*. 3rd ed. Pilsen: Západočeská univerzita v Plzni.

Veber, Jaromír, and Jitka Srpová. 2012. *Podnikání malé a střední firmy*. 3rd ed. Prague: Grada.

ONLINE SOURCES:

- Akademie kvality. 2021. "Lidé více preferují tuzemské výrobky. Co vše prozradil výzkum o kvalitě potravin?". Accessed 20 February 2022.
<https://www.akademiekvality.cz/clanek/lide-vice-preferuji-tuzemske-vyrobky-co-vse-prozradil-vyzkum-o-kvalite-potravin>.
- ASPI. n.d. "89/2012 Sb. občanský zákoník". ASPI. Accessed 20 February 2022.
<https://www.aspi.cz/products/lawText/1/74907/1/2/zakon-c-89-2012-sb-obcansky-zakonik>.
- Český statistický úřad. 2022. "Nejnovější ekonomické údaje". Český statistický úřad. Accessed 22 April 2022. <https://www.czso.cz/csu/czso/aktualniinformace>.
- Český statistický úřad. 2022. "Nejnovější údaje: Olomoucký kraj". Český statistický úřad. Accessed 26 April 2022 <https://www.czso.cz/csu/xm/1-xm>.
- Finance.cz. 2022. "Odevzdali jste přehledy pro zdravotní pojišťovnu a OSSZ? Kdy si změnit zálohy na pojištění?". Finance.cz. Accessed 22 April 2022.
<https://www.finance.cz/515713-minimalni-zalohy-osvc/>.
- Místopisy. 2022. "Počet obyvatel obce Přerov". Místopisy. Accessed 24 April 2022.
<https://www.mistopisy.cz/pruvodce/obec/6383/prerov/pocet-obyvatel/>.
- OECDiLibrary. 2022. "OECD Economic Outlook, Interim Report March 2022: Economic and Social Impacts and Policy Implications of the War in Ukraine". OECDiLibrary. Accessed 26 April 2022. <https://www.oecd-ilibrary.org/sites/4181d61b-en/index.html?itemId=/content/publication/4181d61b-en>.
- Olayanju, Julia B. 2019. "Top Trends Driving Change In The Food Industry". Forbes. Accessed 22 April 2022. <https://www.forbes.com/sites/juliabolayanju/2019/02/16/top-trends-driving-change-in-the-food-industry/?sh=4c70a2660633>.
- Podnikatel.cz. 2014. "5 úřadů, na jejichž kontrolu se podnikatelé mohou nejčastěji „těšit“". Podnikatel.cz. Accessed 16 April 2022. <https://www.podnikatel.cz/clanky/5-uradu-na-jejichz-kontrolu-se-podnikatele-mohou-nejcasteji-tesit/>.
- ProfiSpolečnosti.cz. n.d. "Založení firmy určené k hostinské činnosti - provozu restaurace". ProfiSpolečnosti.cz Accessed 16 April 2022.
<https://www.profispolecnosti.cz/cs/zalozeni-spolecnosti/zalozeni-firmy-urcene-k-hostinske-cinnosti-provozu-restaurace/a-1647/>.
- The World Bank. 2021. "The Global Economy: on Track for Strong but Uneven Growth as COVID-19 Still Weighs". The World Bank. Accessed 23 April 2022

<https://www.worldbank.org/en/news/feature/2021/06/08/the-global-economy-on-track-for-strong-but-uneven-growth-as-covid-19-still-weighs>.

LIST OF ABBREVIATIONS

CZK – Czech Crown

DPP – Dohoda o provedení práce

EAT – Earnings after taxes

EBT – Earnings before taxes

EET – Czech electronic evidence of sales

EUR - Euro

ROI – Return on investment

LIST OF FIGURES

<i>Figure 1: Logo of the company (own creation)</i>	32
<i>Figure 2: Location of the company (Source: Google Maps)</i>	35

LIST OF TABLES

<i>Table 1: Opening hours of the bistro (own creation)</i>	36
<i>Table 2: Hamburger menu (own creation)</i>	37
<i>Table 3: Fries (own creation)</i>	37
<i>Table 4: Beverages (own creation)</i>	38
<i>Table 5: SWOT analysis of the bistro (own creation)</i>	45
<i>Table 6: Price ranges of the products in the bistro (own creation)</i>	48
<i>Table 7: Starting balance sheet (own creation)</i>	51
<i>Table 8: Initial costs associated with the establishment of the bistro (own creation)</i>	52
<i>Table 9: Costs of labour (own creation)</i>	53
<i>Table 10: Operating costs of the bistro (own creation)</i>	54
<i>Table 11: Estimated revenues in pessimistic scenario (own creation)</i>	55
<i>Table 12: Estimated revenues in realistic scenario (own creation)</i>	55
<i>Table 13: Estimated revenues in optimistic scenario (own creation)</i>	55
<i>Table 14: Income statement for pessimistic scenario (own creation)</i>	56
<i>Table 15: Income statement for realistic scenario (own creation)</i>	56
<i>Table 16: Income statement for optimistic scenario (own creation)</i>	57