**Assignment no.2**

**Managerial economics**

**Student id 16962**

**Submitted by Shoaib Ahmed**

**Submitted to sir Zafar**

**Business plan using through managerial skills.**

 **Business nature: Fast Food**

Every business is depend on economics if there is no economics then the business would b flopped. So for the successful business we follow the following assumptions.

**1. Market survey:**

Before going to market we conduct market survey with the help of questionnaire or face to face meetings with customers. Through which we collect information from customers which item they are most like to purchase and also judge the customer buying habits. After that that we conduct SWOT analysis,

**What is the strength of our business?**

Product quality, price, standard and business location is strength for us.

**What is the weakness of our business?**

Our business weakness may be competitors price and quality.

**What is the opportunity for our business?**

if our target customers in Peshawar will be at Saddar market and university road then we provide standard quality product with less price as compare to our competitor then its our opportunity.

**What is the threat for our business?**

Threats for our business may be large number of competitors, natural and legal threats.

 In market survey phase we makes different segment geographically and biographically.

**Geographical segment**

in this segment we would divide market in different place according to customer buying habits. Sadar market, university road, city Peshawar, ring road, and bhara road. So our potential customers are in sadar and university road as compare to bhara road and ring road.

**Biographical segment**

In this segment market division into different ages of people, children, youngster and old agers. Youngster are more likely to purchase fast-food as compare to old agers.

**2. Demand analysis**

This is the second phase of our business where we meet with customer to analyze the demand of fast food in different market place.

Demand of fast food in Peshawar sadar, Hayatabad and university road would be very high as compare to Peshawar karkhano market.

**3. cost analysis**

Cost analysis conduct through collect information from different market place. Business cost is low if business resources is easily available to market place and vice versa. Business cost may include transportation cost, utility bills, salaries, rent, advertisement cost and production cost. So our product price must cover above cost and makes business profitable.

We use business resources effectively and efficiently without wastage of it.

|  |  |
| --- | --- |
| **description** | **Cost/day** |
| Transportation cost | 500 |
| Utility bills | 300 |
| salaries | 1000 |
| rent | 400 |
| advertisement | 600 |
| Production cost | 300 |
| **Total cost** | **3100** |
| Total unit produce/ day 300 |  |
| Per unit cost 50 | 300×50= 4500 |
|  | 4500-3100 |
| **per day profit** | **1400** |

**4. Monetary return**

After successfully done the cost analysis then there is nothing difficult to tell abut the monetary returns. For monetary return we have been successfully done above table.

**5. Social benefit**

after successfully done the previous steps then I am able to work for society.

Corporate social responsibility

Sustainable development

Environmental impact assessment

Work for human welfare.