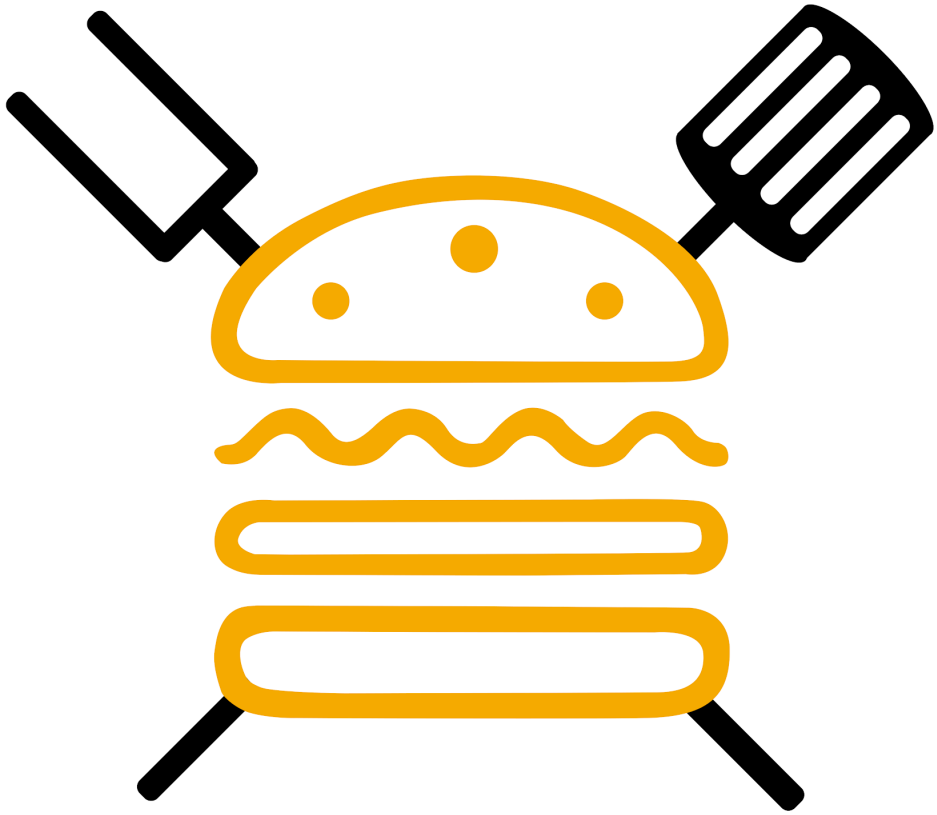


Burger Chef

Group 9

Spring 2018

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SWOT Analysis

Strengths

Consistency: Burger Chef is consistent in the way new franchises are trained. Each new location will undergo training on hiring procedures, accounting skills, and how to act and dress around customers[1]. A streamlined, consistent process speeds up the onboarding process and increases employee efficiency.

Unique product: Each Burger Chef burger is fully customizable from start to finish, creating a product unlike any other on the market. Qualtrics data indicates that 78% of consumers consider variety in food to be of importance when choosing fast food[2]. With more than 20 toppings and ingredients to choose from, customers have the ability to create a unique burger according to their tastes, thus satisfying the need for variety.

Weaknesses

Poor brand recognition: In 1968, Burger Chef was sold to General Foods, and later to Hardee's in 1982[3]. As the Burger Chef brand passed from owner to owner, its branding and logos changed several times, weakening consumer brand recognition. This necessitates a change to a consistent brand image that Burger Chef's customers will recognize and trust[4].

Lack of differentiation: Burger Chef was the first to market the fast food staple of a burger-fries-and-drink combo, called the "Triple Threat." However, Burger Chef's product was not differentiated well and was too similar to McDonald's "Happy Meal,"[5] along with other meal combos from popular burger restaurants, with nothing to set it apart as unique or different.

Opportunities

Growing demand: Quick service restaurants are on the rise and growing in popularity. Consumer spending in the industry has risen steadily for years,[6] and projected revenues for the industry follow this trend[7]. Growing demand for quick service gives Burger Chef an opportunity to expand into this industry and differentiate itself from other fast food (burger) chains by providing fully customizable burgers.

Similar company success: Many of the fastest-growing restaurants in the U.S. as of 2016 were quick service restaurants[8]. Restaurants with a similar business model as Burger Chef — Chipotle, Blaze Pizza,

[1] (Dodds, 2014)
[2] (Qualtrics, 2018)
[3] (A Brief . . . Systems, n.d.)
[4] (Pop-Nikolov, 2017)
[5] (Dodds, 2014)
[6] (Restaurant Business, 2016)
[7] (Quick Service Restaurants, 2016)
[8] (Restaurant Business, 2016)

and Five Guys, a few restaurants that custom make the customer's order in front of them — have grown rapidly, by as much as 130%[9]. Burger Chef's spin on this popular method of service has incredible potential to target these consumers.

Threats

Trend toward healthier eating: Attitudes in the U.S. continue to favor healthy food options, including organically grown, plant-derived, and non-processed foods[10]. Approximately 50% of consumers do not consider burgers to be a healthy food, which could pose a problem for Burger Chef[11].

Fast food and quick service restaurant competitors: Big-name fast food chains that sell burgers such as McDonald's, Wendy's, and In-N-Out are well-established competitors that have created significant barriers to entry in the industry. McDonalds alone held 17% of the fast food market as of 2015,[12] and other QSR's such as Subway and Chipotle also hold a large market share, holding about 6.2% and 2.2%, respectively[13]. The industry will prove challenging to break into, and it may be difficult for Burger Chef to differentiate itself from other brands.

[9] (Technomic, 2013)
[10] (Durisin, 2013)
[11] (Qualtrics, 2018)
[12] (IBISWorld, 2015)
[13] (IBISWorld, 2015)

Segmentation, Targeting, and Positioning Analysis

Segmentation

32.02% of adults with middle-class income (ranging from $75,000- $149,000) and 74.1% of white adults have visited a fast food location over nine times in the past 30 days[14]. Members of the population that read family-centered magazines, specifically home service and news and entertainment type magazines, are 27.06% and 29.91% more likely to visit fast food locations respectively[15]. This indicates that family lifestyle is a relevant psychographic variable with respect to fast food and quick service industries. A desire for new experiences also divides the market and is increasingly a trend in younger generations such as Millennials and Generation Z[16].

Targeting

Burger Chef will target millennials ages 18-34, specifically those at the end of that age range with families, that earn $75,000-$149,000 a year who highly value experiences over a traditional product. Data shows that 33.05% of this age group and 42.41% of this income level have the disposable income to spend more than $201 a month on fast food[17]. Additionally, this age group's consumption of fast food has been trending upward since 2015[18], therefore making them an excellent target for Burger Chef's marketing efforts. Lastly, millennials highly value experiences[19], making this age group perfect as Burger Chef will be selling the experience of watching as the burger is prepared in front of the customer.

Persona

Burger Chef's target customer is Michelle. Michelle is a 32-year-old businesswoman and mother of two who keeps busy with work and taking care of her family. Michelle values thriftiness, efficiency, and family. She and her husband combined make about $120,000 per year. Michelle prioritizes quality time with her family and cherishes every moment she spends with them. When she comes home from work, she has to spend at least an hour daily cooking a meal for her children and husband, which detracts from time she could spend with family. As a result, she is an ideal Burger Chef customer. Burger Chef can provide her quality food at reasonable prices, which allows her to buy food for her family, avoid cooking herself, and enjoy time with her family.

Perceptual Map

Burger Chef falls into the market gap between high - medium quality and high - medium price.

[14] (MRI, 2017)
[15] (MRI, 2017)
[16] (Fromm, 2017)
[17] (MRI, 2017)
[18] (MRI, 2017)
[19] (Fromm, 2017)



Positioning

Burger Chef differentiates itself by providing an affordable, customizable, and high quality product. 40% of consumers consider menu variety to be important to them when choosing a quick service restaurant[20]. Additionally, about 50% of QSR customers are motivated to try menu items that allow them to mix and match ingredients, and 45% are motivated to try entrées they can build themselves [21]. Burger Chef provides the high quality, customizable option that the target market is seeking and caters to individual desires, making it amenable to the whole family. Burger Chef therefore offers a quality, healthy meal with the efficiency of fast food to its selected target market.

[20] (QSR Web, 2015)
[21] (Packaged Facts, 2014)

Product Strategy

Primary Features

Burger Chef differentiates itself from other burger joints by providing its customers with a customizable and affordable way of creating their own burger. Each burger is constructed to the customer's exact specifications in front of them. Burger Chef offers a wide variety of patties, including 100% Angus beef, chicken, soy, and quinoa/black bean patties — along with more than 20 toppings and condiments — to choose from. This satisfies the consumer's desire for customization and healthy options[22]. Since 2004, U.S. consumer spending at QSRs has increased by $103.2 billion dollars.[23] Furthermore, there is increased desire for healthy options[24]; 76% of adults stated they would return to a restaurant that offers healthier options.[25] Lastly, there is a desire for quality in Burger Chef's target market, with 85% of U.S. consumers stating that the quality of the food makes them choose places to eat or pick up food from.[26] Burger Chef's commitment to high quality, locally sourced, fresh ingredients will provide its customers with an experience that sets it apart from its competitors.

[22] (Qualtrics, 2018)
[23] (NPD Group, 2017)
[24] (Qualtrics, 2018)
[25] (Danahy, 2017)
[26] (Statista Survey, 2016)



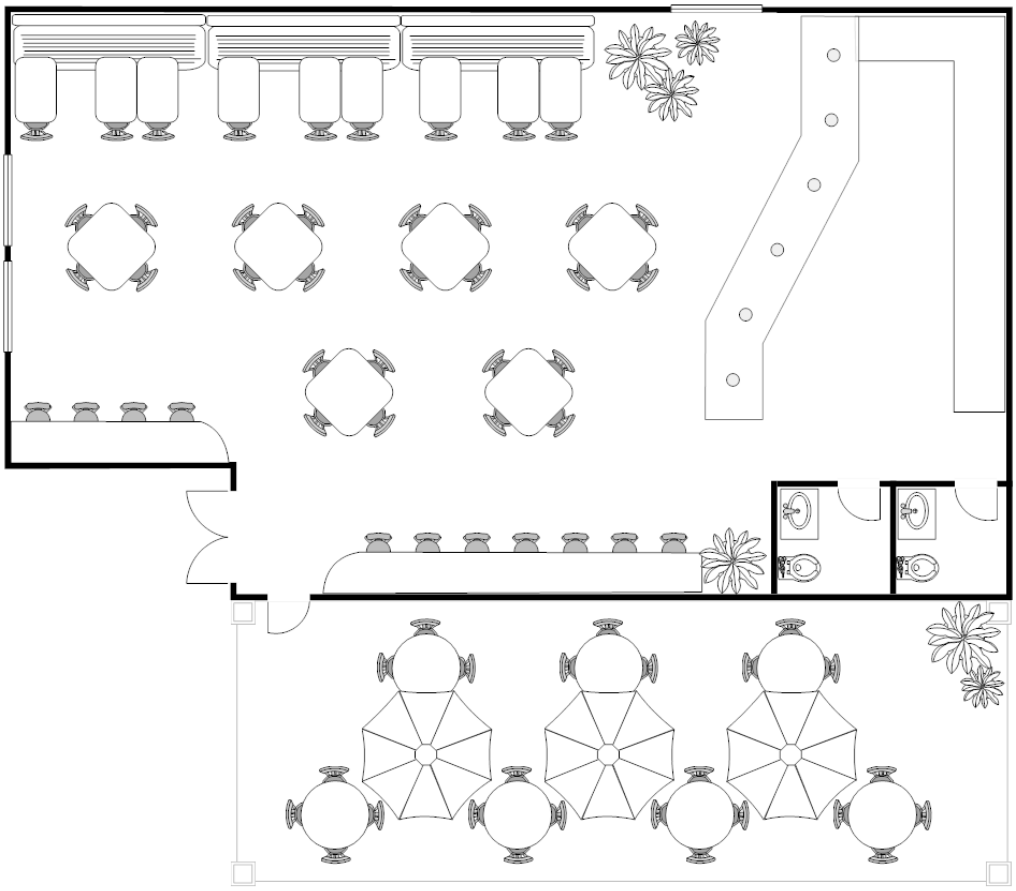
Packaging

Burgers will be served either in a biodegradable box for to-go orders, or on a reusable plate for customers dining in. All utensils, napkins, and other single use items will be biodegradable or recyclable,

as over 75% of consumers surveyed indicated they value environmentally friendly products[27]. Boxes for to-go orders will be branded with the Burger Chef logo, as well as the carry out bags.

Every Burger Chef location will follow a distinct layout. Customers will first select their burger patty followed with their choice of toppings and condiments. After making their way down the assembly line, customers will complete their purchase at the register and proceed to the dining area or leave.

Burger Chef's dining area will have a minimalistic, simple design to impart a modern feel while saving money on decor[28], much as pictured. A variety of seating options will be utilized, including large booths to accommodate families and high top tables. Other features include TVs playing sports games and free WiFi. These features encourage the customer to stay and enjoy their dining experience, providing the feel of a high quality sit-down restaurant without the cost.



Source: fitsmallbusiness.com

[27] (Qualtrics, 2018)
[28] (Fabregas, 2018)



Branding

Burger Chef's logo and branding incorporate yellow patterns in order to foster a sense of excitement[29] and stimulate hunger[30] in its customers. The clean and simplistic logo follows recent trends in design toward minimalism to achieve a modern feel[31].

Warranty

Burger Chef offers a 100% customer satisfaction guarantee; if the customer is unhappy with their meal at the time of purchase, they can exchange it for another or receive their money back.

Mobile App

52% of millennials want food and beverage loyalty programs they can manage on their mobile devices[32]. To accommodate this demand, Burger Chef will feature a mobile app that allows customers to order and pay for their meals online. The app will also contain information about calorie content and news about deals and promotions.

[29] (Labrecque, 2011)
[30] (Breyer, 2015)
[31] (Warden, 2017)
[32] (Comcast Business, 2017)

Distribution Strategy

Channel Strategy

Burger Chef's initial location will be Newport Beach, CA, due to a high concentration of the target market (white middle-class adults)[33]. Consequently, Burger Chef will utilize West Central Food Service for food distribution services, as well as for distribution of beverages and paper goods. West Central Food Service is a wholesale distribution center based out of Norwalk, CA, that has established itself as one of Southern California's leading wholesale distributors, offering a wide array of fresh, sustainable products[34] [35]. Using a wholesale distributor as Burger Chef's primary intermediary increases efficiency because wholesalers are able to guarantee the supply of food and control their stock on hand[36].

West Central Food Service is dedicated to using a "Farm to Table Sustainable Program," meaning the company is committed to serving the freshest produce, dairy, and protein while creating relationships with local farmers[37]. Partnering with West Central Food Service allows Burger Chef to incorporate fresh, local ingredients into its products while staying committed to its goal of sustainability.

Transportation

Transportation for Burger Chef will also be handled by West Central Food Service. Not only will it ensure timely and convenient delivery of ingredients to Burger Chef stores with 24-hour availability, but will also provide quality assurance through refrigerated trucks and temperature-controlled units[38]. This provides form utility, as Burger Chef's products will be prepared and delivered to Burger Chef stores in proper condition. Trucking will be utilized as it is a relatively timely method of transportation and provides regularly scheduled deliveries as needed[39].

As Burger Chef is located in Southern California, using West Central Food Service will cut down on transportation costs considering they have a 180,000 sq.ft. facility nearby in Norwalk, CA.[40] Additionally, outsourcing transportation to West Central will help Burger Chef avoid repair and maintenance expenses that would be accumulated if it were to maintain its own trucks[41].

[33] (U.S. Census Bureau, 2016)
[34] (West Central Food Service, 2018)
[35] (West Central Food Service, 2018)
[36] (IBIS World, 2017)
[37] (West Central Food Service, 2018)
[38] (West Central Food Service, 2018)
[39] (Carnarius, 2018)
[40] (West Central Food Service, 2018)
[41] (Trucking Industry, 2018)



Channel Management

After a long history of past mergers and acquisitions, Burger Chef would currently be under parent company Altria. Due to Burger Chef's new mission to be seen as a healthy company, Burger Chef will choose not to align itself with its parent company any longer. Instead, Burger Chef will partner with West Central Food Service, which will manage and be liable for distribution and transportation of Burger Chef's entire supply chain. Burger Chef will be liable for all operations that occur at its physical location. Since distribution and transportation will be run by West Central, it will be liable for these operations.

Furthermore, Burger Chef will be run in a traditional restaurant management style. The general manager will oversee the entire operation, primarily handling payroll, health/safety regulations, and other financing operations. The kitchen manager will oversee all aspects of the kitchen, including ordering and logging inventory, preparation, and health/safety regulations.The assistant manager's role will focus on front-of-house operations, which includes handling customer complaints, employees, and guest experience.

Promotion Strategy

Pull Strategy

Burger Chef's strategy is to build a strong presence in its target market and community. 68% of people indicated they would be more apt to try a new restaurant through recommendations by friends[42]. By carefully placing locations around shopping centers, busy streets, and high traffic areas, Burger Chef will further spread this brand awareness and attract customers. Additionally, 58% of individuals stated that promotions or advertisements would make them try a new restaurant[43]. By creating local advertisements such as signs on busy streets and in malls, direct mail advertisements, and geo-targeted ads, Burger Chef will be able to expand its reach beyond word of mouth.

Burger Chef will also pull customers to its restaurants by capitalizing on social media. Qualtrics data states that 81% of consumers would expect to hear about a new brand through social media[44]. Furthermore, 71% are more likely to buy from brands they "like" on social media sites[45]. Burger Chef will maintain social media accounts on Facebook, Instagram, and Twitter. By emphasizing social media campaigns, Burger Chef can create a positive brand image, foster relationships, and interact with customers[46]. Likewise, by starting a hashtag on Facebook — the most widely used form of social media with 51% usage in the last month[47] — as well as on Instagram, Burger Chef can engage with consumers across the age spectrum, but specifically customers aged 18-44, which includes Burger Chef's target market[48].

Burger Chef will also utilize a mobile app to bring awareness to the brand. Research suggests 77% of Americans own smartphones, allowing access to mobile apps[49]. Burger Chef will offer discounts and deals to customers who invite their friends to download the mobile app. This will incentivize returning customers to spread the word and further increase brand awareness.

Push Strategy

Burger Chef's targeted age group, 18-34, currently spends the most on mobile apps and is also the group that redeems the most mobile coupons at 35.89%[50]. Therefore, Burger Chef will sell coupons for discounted food and services on Groupon, a worldwide internet marketplace for coupons on activities, food, travel, and goods[51]. Through a partnership with Groupon, Burger Chef will drive sales and spread further awareness of its brand.

Another factor in Burger Chef's push strategy is employee retention rate. In 2016, the turnover rate of employees in the restaurant sector was 73%. Additionally, turnover costs at full-service

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[42] (Statista, 2016)
[43] (Statista, 2016)
[44] (Qualtrics, 2018)
[45] (Lauren Friedman, 2017)
[46] (De Vries, 2012)
[47] (Retail . . . Social Media, 2015)
[48] (Retail . . . Social Media, 2015)
[49] (Pew Research Center, 2018)
[50] (MRI, 2017)
[51] (Groupon, 2018)

restaurants averaged $146,600, including training, paperwork, and uniforms.[52] In order to keep retention rate high, Burger Chef will offer competitive wages to employees, extensive training, and opportunities for promotion.

[52] (Kelso, 2018)

Pricing Strategy

Pricing

Burger Chef plans on selling all of its products at or near $6.99 because Qualtrics data indicates that consumers are on average likely to buy a Burger Chef burger at that price[53].

Variable costs for Burger Chef will include the ingredients of the products and labor. Burger Chef's burgers include costs for bun and patty with a combination of on average 7 condiments and toppings that equal an average of $3.02. To determine this price, a standard sizing of ⅕ lb patties was used, along with the average number of toppings. Other variable costs include sides and drinks at $0.77, which bring the meal to an average price of $3.79. Labor costs of $0.88/unit (based on 200 units a day) will be included, bringing the total variable costs of Burger Chef to an estimated $4.67 per unit.

Projected marketing expenses are expected to be about $20,000 per year. Marketing will be focused on social media and local TV news stations and will emphasize product quality and customizability. Television advertising costs are expected to be $1,500 per year[54]. Twitter's ad platform costs $1.35 per engagement and $4 per confirmed follower[55], Facebook's is priced at $0.27 per click and $7.19 per 1,000 impressions[56], Instagram's at an average of $6.70 per 1,000 impressions[57], and Snapchat geofilters cost $1,750 per year[58]. Additionally, Burger Chef will be located at The Garden, a highly visible, heavily foot-trafficked location in a newly constructed plaza off of Pacific Coast Highway in Costa Mesa. This environment justifies Burger Chef's low marketing budget. Additional budgeting for print media such as banners, flyers, and other tangibles has also been included.

Burger Chef's first location will be located in "The Garden," a new complex at 149 Riverside Ave. This location off Pacific Coast Highway in the city of Newport Beach has guaranteed high traffic exposure [59] [60]. Projected rent is $6,980 per month for a first floor unit with 1,551 sq/ft[61]. The city of Newport Beach imposes a $336 annual business license fee as well as an annual food service license of $405 [62] [63]. For product preparation and storage, Burger Chef will purchase commercial gas ranges for $4,598, a deep fryer for $6,709.45, french fry cutters for $61.26, prep coolers for $3,798, and a reach-in freezer for $1,429 [64]. A point of sale (POS) system will be utilized through Square Inc., where the base price for the system will be $999, which accepts all major cards at a 2.5% rate per transaction[65].

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[53] (Qualtrics, 2018)
[54] (Aland, 2017)
[55] (ThriveHive, 2017)
[56] (Blue Corona, 2017)
[57] (ThriveHive, 2017)
[58] (FilterPop, 2018)
[59] (Villa Real Estate, 2018)
[60] (The Garden, 2018)
[61] (Loopnet, 2018)
[62] (City of Newport Beach, 2018)
[63] (California Department of Public Health, 2018)
[64] (Webstaurant, 2018)
[65] (Square Inc., 2018)

Financial Reports

Burger Chef's profit margin is roughly 45% and its price elasticity is 0.86[66], so demand is inelastic. First year break-even analysis indicates that 213 burgers will need to be sold daily to cover costs.

Sales in year 2 are anticipated to increase due to a 25% increase in marketing budget as well as an increase in labor costs to accommodate expected increase in demand.

	200 Burgers/Day	250 Burgers/Day	213 Burgers/Day
Sales @ $6.99	$364,878.00	$456,097.50	$388,595.07
COGS @ $3.79	$197,838.00	$247,297.50	$210,697.47
Gross Margin	$167,040.00	$208,800.00	$177,897.60
Fixed Expenses	$122,095.71	$122,095.71	$122,095.71
Variable Expenses	$55,057.95	$55,057.95	$55,057.95
Net Income	-$10,113.66	$31,646.34	$743.94

Two Year Forecast	Year 1	Year 2
Sales @ $6.99	$364,878.00	$456,097.50
COGS @ $3.79	$197,838.00	$247,297.50
Gross Margin	$167,040.00	$208,800.00
Fixed Expenses		
Rent	$83,760.00	$83,760.00
Business License	$336.00	$336.00
Food License	$405.00	$405.00
Equipment & POS	$17,594.71	$999.00
Marketing	$20,000.00	$25,000.00
Total Fixed Expenses	$122,095.71	$110,500.00
Variable Expenses		
Labor @ 11/hour	$45,936.00	$68,640.00
POS @ 2.5% of sales	$9,121.95	$11,402.44
Total Variable Expenses	$55,057.95	$80,042.44
Net Income	-$10,113.66	$18,257.56

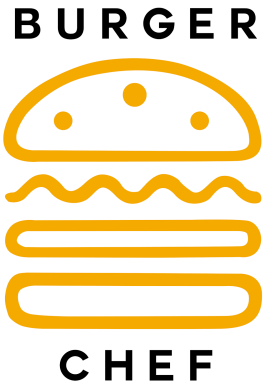
[66] (Qualtrics, 2018)

Appendix

Appendix A: Logos

Various applications of the logos will be used on all promotional materials and branding for Burger Chef.









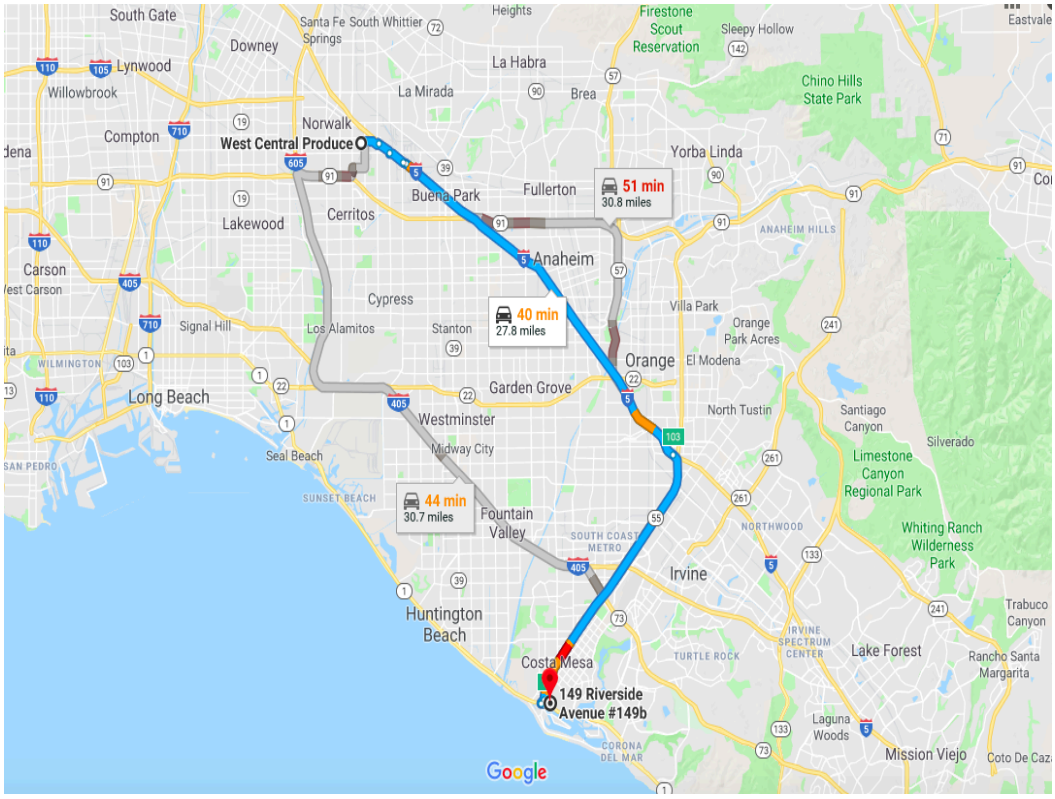
Appendix B: Perceptual Map



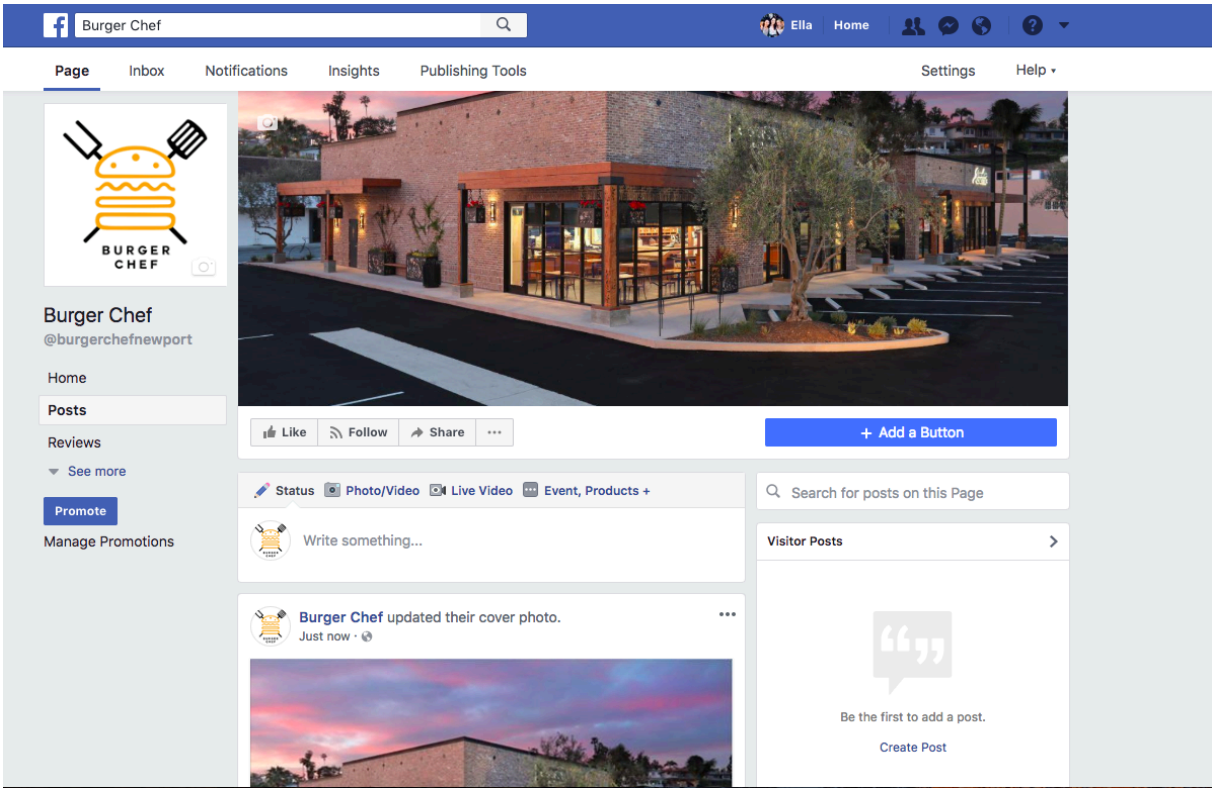
Appendix C: Distribution Strategy Supplementals



Burger Chef's location in relation to its distributor's location.



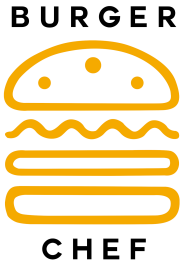
Appendix D: Social Media



Appendix E: Qualtrics Survey

Thank you for taking our survey. We will first describe our new product concept and then describe what would likely be our new product's main competitor. Next, you will answer some questions about our new product concept and the competition.

Burger Chef is a burger bar that offers fully customizable burgers made in front of you. Burger Chef offers regular burgers as well as vegan and vegetarian options to accommodate a variety of dietary needs. Burger Chef sources its ingredients locally to support local businesses and packages all its food in biodegradable wrappers and are packaged optimally to minimize waste.



In-N-Out Burger is a fast food burger chain that offers basic staples offered at burger chains, such as hamburgers, cheeseburgers, fries and milkshakes, with locations primarily in the American Southwest. In-N-Out is known for its quality burgers at reasonable prices; their food is not frozen, pre-packaged, or microwaved in any way and is prepared in house.



Please rate each of the following in terms of the list of attributes in the left column

	How is Burger Chef doing (based on what you read above)?				How do you think In N Out is doing?				How important is this attribute to you?			
	Very poor	poor	well	Very well	Very poor	Poor	Well	Very well	Very unimportant	unimportant	Important	Very important
Convenient	○	○	○	○	○	○	○	○	○	○	○	○
Variety of options	○	○	○	○	○	○	○	○	○	○	○	○
Healthy	○	○	○	○	○	○	○	○	○	○	○	○
Environmentally friendly	○	○	○	○	○	○	○	○	○	○	○	○
Locally sourced	○	○	○	○	○	○	○	○	○	○	○	○
Affordable	○	○	○	○	○	○	○	○	○	○	○	○

How likely would you be to buy Burger Chef for $13.99?

Very Unlikely	Unlikely	Somewhat Unlikely	Undecided	Somewhat Likely	Likely	Very Likely
○	○	○	○	○	○	○

How old are you?

- ○ 18 or under
- ○ 19-24
- ○ 25-35
- ○ 36-50
- ○ 51-60
- ○ 61 or above

What is your annual income?

- ○ Below $25,000
- ○ $25,000-35,000
- ○ $35,000-50,000
- ○ $50,000-75,000
- ○ $75,000-100,000
- ○ $100,000-125,000
- ○ $125,000-150,000
- ○ $150,000 or above

How much do you value products that are produced and packaged in environmentally friendly ways on a scale of 1-5 where 5 is valued the most?

- ○ 1
- ○ 2
- ○ 3
- ○ 4
- ○ 5

How often do you eat out a month?

- ○ 1 or less
- ○ 2-5
- ○ 5-10
- ○ 10+

How often do you watch sports each week?

- ○ 1 or less
- ○ 2-4
- ○ 4+

Which of the following ways would you expect to hear about Burger Chef? (select all that apply)

- [ ] social media
- [ ] print advertisements (magazines, newspapers)
- [ ] word of mouth
- [ ] On TV
- [ ] On streaming platforms (hulu, youtube, etc.)
- [ ] Sponserships
- [ ] Billboard Campaigns
- [ ] An online news outlet
- [ ] Email promotions or newsletter subscriptions
- [ ] Radio
- [ ] In-app advertisement
- [ ] Free samples or trial

Which of the following ways would you expect to purchase Burger Chef? (select all that apply)

- [ ] In store locations
- [ ] Food Truck
- [ ] Order online and pick up in store
- [ ] Delivery

How much do you value healthy food options on a scale of 1 to 5 with 5 being most valued?

- ○ 1
- ○ 2
- ○ 3
- ○ 4
- ○ 5

Appendix F: Qualtrics Data

Respondents' likelihood of purchasing at different price points

Exhibit 1:

At Price $6.99:

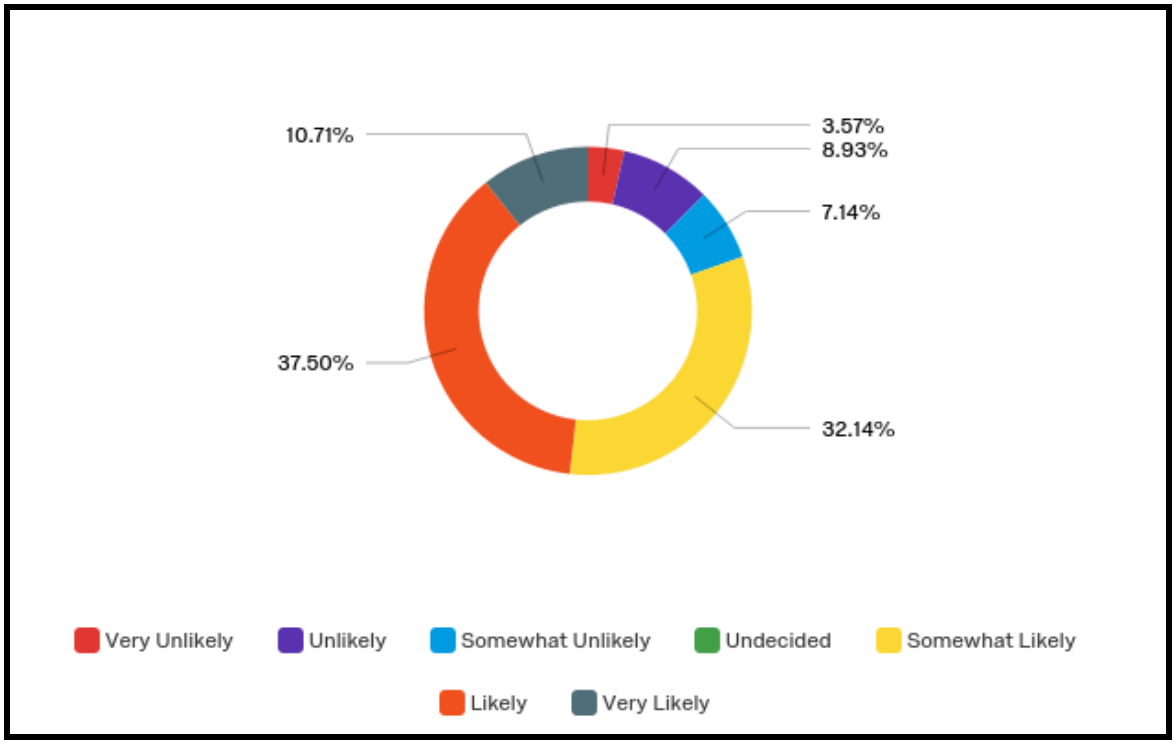


Exhibit 2:

At Price $13.99:

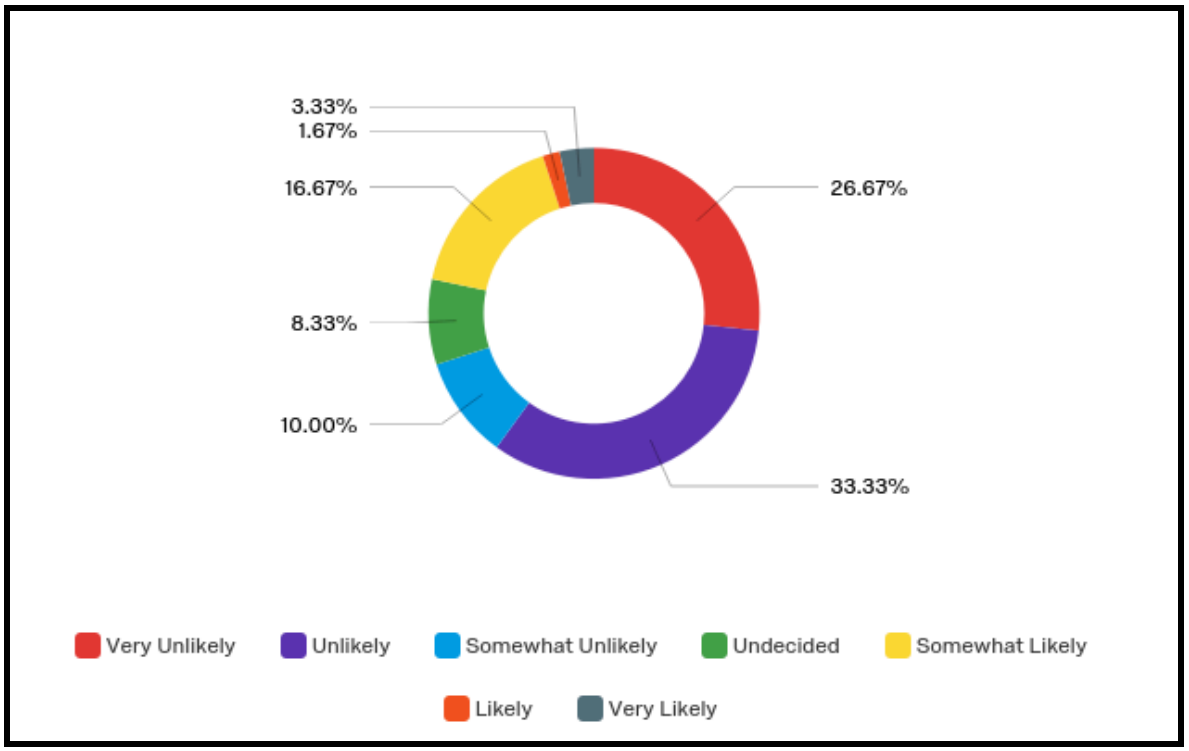


Exhibit 3:

Number of Respondents by Age:

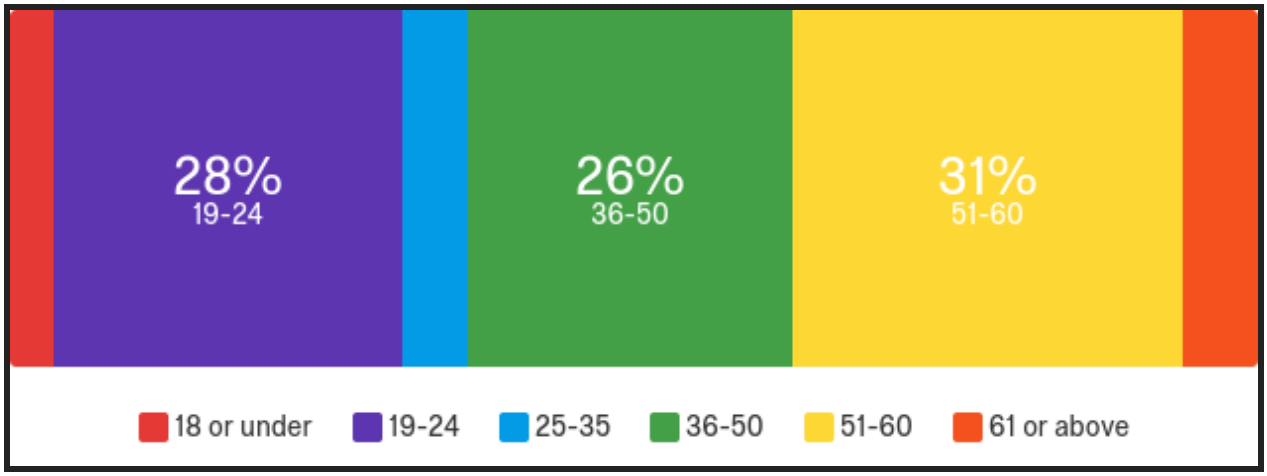
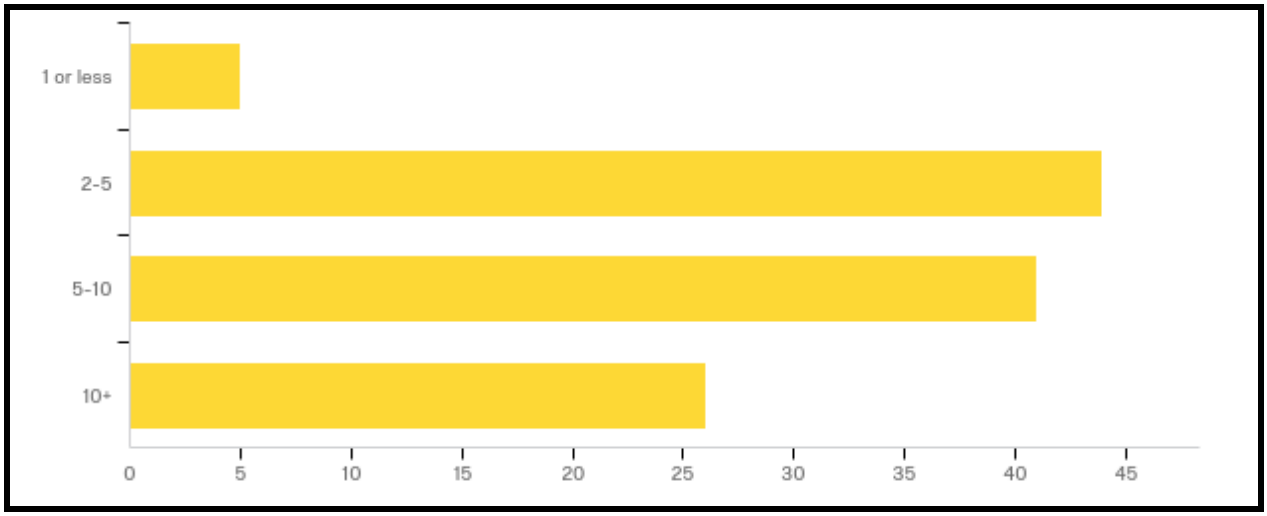


Exhibit 4:

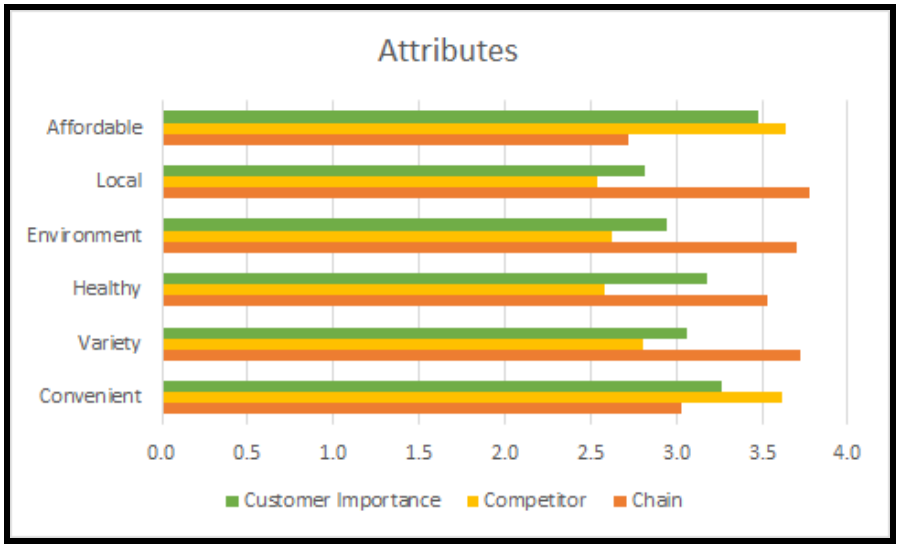
How Often Respondents Ate Out Per Week:



Qualtrics Tables and Graphs

Attributes table, all respondents:

	Convenient	Variety	Healthy	Environment	Local	Affordable
Chain	3.0	3.7	3.5	3.7	3.8	2.7
Competitor	3.6	2.8	2.6	2.6	2.5	3.6
Customer Importance	3.3	3.1	3.2	2.9	2.8	3.5



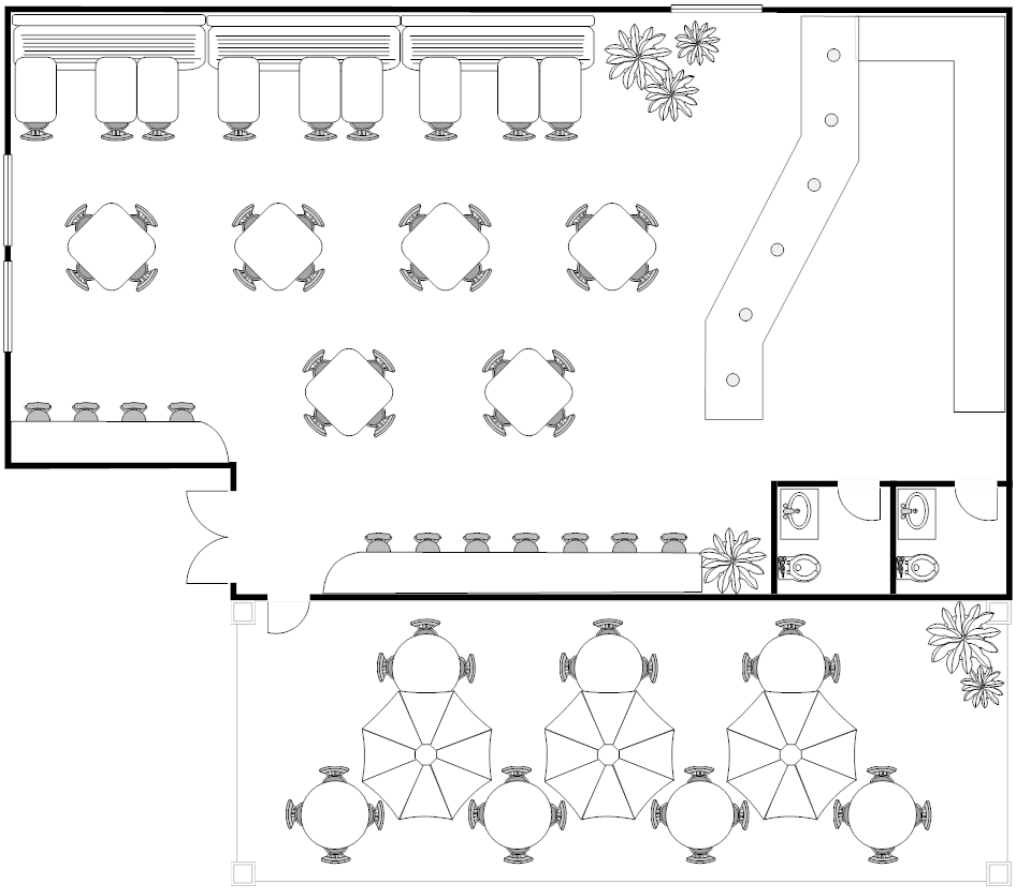
Appendix G: Qualtrics Calculations

Discount for Intent, Price A (13.99):
.39 /57 = .0068
Discount for Intent, Price B (6.99):
2.67 / 53 = .050

Target profit:
Price A: 342,821 * .0068 * (13.99-3.79) = 23,778.06
Price B: 342,821 * .050 * (6.99-3.79) = 54,851.36

(QdH - QdL) / QdL = % Change in Quantity Demanded
(Price H - Price L) / Price L = % Change in Price
(% Change in Qd) / (% Change in Price) = Price Elasticity of Demand
(.0068 - .050) / .050 = -.864
13.99 - 6.99 / 6.99 = 1.001
-.864 / 1.001 = |-.864| = .864 price elasticity for demand, inelastic

Appendix H: Store Menu, Design, Layout



BURGER CHEF

SINCE 2018

MENU

"PATTIES" 6.99

- BEEF
- CHICKEN
- QUINOA/BLACK BEAN
- SOY

SAUCE

- KETCHUP
- MUSTARD
- MAYO
- 1000 ISLAND
- BBQ
- AIOLI
- Garlic, Chipotle
- SRIRACHA

BUNS

- SESAME SEED
- BRIOCHE
- WHEAT

SIDES 2.99

- FRENCH FRIES
- SWEET POTATO FRIES
- ONION RINGS

TOPPINGS

CHEESE
Cheddar, Swiss, Jack, Gouda, Blue

LETTUCE
Romaine, Arugula

ONIONS
Caramelized, Regular

TOMATOES
JALAPENOS
SAUTEED MUSHROOMS
PICKLES

BACON	0.99
FRIED EGG	0.99
AVOCADO	1.99

"BURGERS"

CLASSIC CHEESEBURGER 7.45
Lettuce, Tomato, Onion, pickles, and your choice of cheese

GARDEN BURGER 7.45
Quinoa/Black bean patty, with tomato, lettuce, onions and sauteed mushrooms on a wheat bun

EARLY RISER 7.45
A fried egg, bacon, avocado, arugula and garlic aioli on a brioche bun

BURGER BOWL 7.45
Choice of meat and cheese with mixed greens, tomato, avocado, onions, and a balsamic vinaigrette

Appendix I: Pricing Justification

To calculate an average cost for Burger Chef burgers, an average number of toppings was calculated, as well as the average price per topping. The average number of toppings was multiplied by the average price per topping to yield the average cost of toppings per burger. The average cost per side and average cost per patty was also calculated similarly, and then the average costs were summed to produce an average cost per burger that was used to determine the unit cost of goods sold. The average cost per burger is $3.79, and the selling price is $6.99. Therefore, profit margin is about $3.2, or 45.77%.

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