

LIFEWAY SOLAR MOBILE KITCHENS

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It's a Self-employment venture for youth in Kerala especially Gulf Returnees those who are struggling for an inclusiveness in Kerala's business community. With a rise in youth spending, middle-class expenditure, conscious consumerism, mobile lifestyle and requirement of food on the go, the Food Truck model has become quite a rage among the Kerala city/Town population. The future of the food truck industry seems bright with its projected revenue growth at a rate of 3.7% in the next five years in Kerala. If things work out this way, the industry will climb to mainstream food supply industry, which is massive growth for this newly introduced industry. Please find out how to open your own Food Truck Business here.

With low investments and minimal risks involved, Food Trucks are now becoming the popular choice for opening a restaurant business, especially for first-time restaurateurs. We can still help you understand the pros and cons of a food truck or a regular restaurant. Read carefully our studies.

Benefits of Running a Mobile Kitchen Over a Regular Restaurant

While there is common confusion, regarding which one is to begin with Food Cart or Mobile canteen. We here would explain to you why you should open a Mobile Canteen which is approved as per Kerala Motor Vehicle Act recently, instead of a regular restaurant.

1. Food Trucks Require Low Initial Investment

A food truck is considered to be a high-profit food business idea, mainly because it involves a much lower investment than a sit-down restaurant. This alone is a competitive advantage of running a food truck instead of a regular restaurant as the money you save in setting up can be used for other operations like marketing or menu engineering. The only main cost is buying your truck, which is also avoidable if you take advantage of the growing food truck rental business. With an old truck and re-used equipment, you can set up your food truck in less than Rs. 7.50 to Rs.10 Lakh. But in Kerala RTO insist for a New Truck.

Next, you will need to outfit your truck with the right equipment, including grillers, Burners, Bain Marie, Hot Plates and any other specialty equipment your particular food needs. Food truck kitchens are made of Food grade 304 Stainless Steel. A typical street vendor in Cochin, for instance, makes an average monthly profit of 40 to 50 thousand rupees; the basic food truck is rented out at Rs.25000 which is inclusive of added charges for upgrades like-extra hot plates, water filtration, and refrigeration units. Three-year sales and

lease options mean that vendors don't have to break the bank to get some fancy new equipment.

2. Food Truck Involves Relatively Low Operation Cost

Owning a restaurant requires you to invest in expensive utilities, hire a wide range of staff including cooks, cashiers, servers, kitchen managers, cleaners, etc., and pay property tax if you are the owner of your real estate or monthly rentals if the property is on rent. Hence, it becomes imperative for you to keep your operations cost, especially the hidden costs are may be bleeding your restaurant dry.

On the other hand, the operational costs of a food truck are month-to-month and limited to food, supplies, and gas. You don't need to have a full staff; just a small team will do, or can employ your family members while cooking food at home and most of your taxes will be much lower.

Repairs and fixes required in a restaurant can also burn a hole in your pocket. There is no denying that a brick and mortar real estate requires continuous maintenance. Maintaining furniture, electrical appliances, and other kitchen equipment, restaurant decor, leaking pipes or ceiling, etc., all require a lot of effort and of course- money.

Food trucks, on the other hand, can do well with just a little maintenance and repairs here and there over time. An estimate taken from internet given here.

Variable \ Cost	Cost in Indian Rupees
Commercial Vehicle (Rent)	₹ 10,000-50,000 (per month)
Commercial Vehicle (Purchase)	₹ 4.0-5.0 Lacs
Kitchen Equipment	₹ 3.0 Lacs
Licenses and Permits	₹ 50,000
POS Software	₹ 20,000-40,000 (per annum)
Raw Materials	25-33%
Staff Uniform	₹ 6,000 (per employee)
Staff (per employee)	₹ 10,000-35,000 (per month)
Marketing	~3-6% of sales
Total	₹ 8.0-11.0 Lacs

** This is an estimate based on the market costs. Actual cost may vary.*

3. Food Trucks Attract More Local Customers

With better quality food (as compared to the street vendors) at a marginally lesser price, Food Trucks have become the latest fad among the consumers as well. Even they call you for small kitty parties like Birthdays, Wedding Anniversaries. Family get together etc.

- **Inexpensive:** Almost all food trucks are pocket-friendly; a meal at food trucks starts from as low as Rs.50. The target audiences that cannot afford a five-star restaurant, yet desire a scrumptious, quality meal. Vegetarian dishes at the five-star associated food truck start at Rs 150-Rs 200, and non-vegetarian dishes start from Rs 250. Since the food costs are low, you can please your customers with budget-friendly meals.
- **Health and Hygiene:** Food trucks are a safer and healthier alternative to street food. We won't serve deep frozen food. With growing health consciousness, more and more people are switching to alternatives like small restaurants and food trucks.

4. Food Trucks Can Experiment with Location

Restaurants rise and die with their location. **Around 60 percent of new restaurants fail within the first year. And nearly 80 percent shut before their fifth year of operation, and one of the primary reasons being the poor location and high rentals.** This is why you must choose wisely while going for a food truck or a restaurant.

Fortunately, Food Trucks are immune to this problem, they are mobile, and you can choose the location of your food truck as per your choice. **If your services do not seem to work well at a particular location, you can move to some other location and see if your business model is capable of thriving there.**

Apart from keeping all your documents ready while you are on the move, you will have to take permission from the Local municipalities before parking your food truck in posh residential areas.

You can use this mobility of food trucks to attract potential customers as well. Being a food truck, it will be far more comfortable for you to take part in different events and food fests so you can introduce your dishes to your potential customers. You can also strategically change your location on a daily or weekly basis depending on the rise and fall of footfall in some areas Just remember to choose your location which is easily accessible for cars and other vehicles, and sees ample footfalls.

5. Food Trucks Allow You to Build A Brand

With a mobile food van, you can build your brand at a smaller level before expanding into something more significant, such as a sit-down restaurant or possibly franchising your trucks. The confusion of a few restaurateurs between going for a food truck or a regular restaurant could be solved by using a good example of both the restaurant formats. A good example would be Our Mobile canteen trucks are different from a sit-down restaurant. Analysing the best location, trying new recipes, modifying plans and menus can be a lot easier in a food truck model as compared to a restaurant. Since sit-down restaurants are of a fixed nature, it can be difficult and expensive to change your brand name and image if needed.

A food truck allows you to have better control and more flexibility. This is seemingly the best avenue for first-time entrepreneurs since they can research, and experiment with their model before they venture into establishing a sit-down restaurant with high investments and risks. **After gaining comprehensive knowledge, you can then dive into a conclusion about what would work best for your sit-down restaurant. This knowledge will help you in your business expansion.**

The incorporation of restaurant management software would be a great idea to streamline operations for your food truck. The kind of ease that a restaurant brings in to manage your food truck helps you to increase sales directly. With Camera on truck you could even monitor many trucks on your camera while sitting in your central kitchen.

6. Food Trucks Have Lower Staffing Costs

Due to space constraints, food trucks usually house a limited staff. Since food trucks mostly serve only fast food, their food offerings are fewer vis-a-vis a restaurant that may offer multiple cuisines. This brings down the cost of hiring multiple chefs. Besides, there are no requirements for hiring employees as waiters and cleaning staff, unlike in restaurants.

Therefore, a food truck business can usually make do with a chef and 1-2 servers who serve in multiple roles. This may, however, go up to 4-5 during peak hours, but such staffing needs can be met through temporary/part-time workers. This results in lower payroll costs, thus improving profit margins. The future of food trucks seems to move high on the profit graph in developing India. If the revenue growth continues to grow as estimated, there are tremendous scope and growth opportunities for entrepreneurs who already are, or wish to step into the Mobile Kitchen business in Kerala. Banks are already extending loans to Trucks. You need to raise 4 to 5 Lakhs for Kitchen set up. With food only we could survive, so it's a good business.