

Hawk Dogs: A Business Venture

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Preamble

Being a student of the business school at SUNY New Paltz has provided many experiences and knowledge which not only has helped develop skills as a student, but also as a entrepreneur. As an entrepreneur, the eye is trained to see a problem or a need as an opportunity. This was experienced through venturing on Main street in New Paltz on a Friday night, where a problem was spotted. The problem was the lack of food options late at night for college students who went to the bars throughout the week. While Main street has a plethora of restaurants, the only place open near by late at night to cater the needs of inebriated college kids was a pizzeria. Convenient Deli was also an option, however, the trek from the bars to the deli was lengthy, and the deli stopped making sandwiches by 2 AM.

Thus, the gears began turning to introduce a late night eatery which would be easily accessible and affordable to college students at the bars. While the intention of a business is to be profitable and fill a need, the primary motivation behind building this business was to earn real world experience in terms of being a business owner. For a student, obtaining first hand experience of running a business was far valuable than the monetary reward that comes with the business. The social aspect of running a business was also very rewarding. The connections that were made by meeting different customers every night was immense. Learning about the lives and aspirations of others through conversation provided a sense of empathy which helped in developing skills of rapport. These social interactions were not exclusively limited to students, but also other business owners in New Paltz. Conversing and establishing a connection with other business owners provided knowledge which was inaccessible by only being a student. Overall, the experience of owning and running a business proved to be a rewarding experience.

Hawk Dogs: The Beginning

While the idea of starting and running a business was appealing, it was soon realized that doing so alone would be an uphill battle. A partner would be needed to ensure the venture went smoothly. It was at this point where Lorenzo Nicastro was met over the summer before senior year. Lorenzo liked the idea, and agreed to become an equal partner in the business venture. Together, the search for a hot dog cart, as well as research for the required paperwork for permits was underway. As an equal partner, brainstorming ideas pertaining to operations of the cart were done together, and any decision that had to be made would have to be agreed upon by both partners. Since maintaining communication was a necessity, it was also decided that living together would be ideal for the sake of the business. Living together helped in terms of quick decision making, and proper planning in terms of acquiring and running the hot dog cart.

The hot dog cart was purchased from a man named Dino, who owned properties along Main street in New Paltz. Dino was a charismatic businessman who admired the drive of college students to open a business. The acquisition of the cart was only half of the struggle, since permission from the town was still required. Gaining permission from the town was a bit tedious. The town required a variety of paperwork. After the paperwork was submitted, there was a meeting at Town Hall, which consisted of a panel. This panel would decide through democratic voting if the permit for the cart would be granted with specific hours of operation and location. The location which was granted was a parking lot space in between Tokyo Sushi and Murphy's on Main street. The hours of operations granted were from 11 PM to 4 AM on Tuesdays, Thursdays, Fridays, and Saturdays.

Operations of Hawk Dogs

After the purchase of the cart, and permission to run the cart granted from the town, Hawk Dogs was almost in business. The next step was to acquire membership to Restaurant Depot, a wholesale store where businesses buy supplies for relatively cheap prices compared to local groceries and stores. The application was completed online, and after showing the business license and tax exemption at the location, the membership card was obtained. Restaurant Depot had everything which was required to run the cart, from the hot dogs and buns, all the way down to the paper plates. Upon the gathering of materials, it was time to test run the first night with Hawk Dogs.

One thing learned from this entire experience is that business never run smoothly immediately. It requires a lot of trial and error to observe what works and what doesn't for a business. Hawk Dogs was no exception to this. The first night of operations, there was some trouble with the cart. The propane tank which fueled the fire to heat the hot dogs was leaking gas. Luckily, Dino was there to assist with the malfunction in the cart. It took approximately three hours to diagnose and replace parts in the cart until the cart was safe to operate. However, by the time the cart was operational, it was approximately 3:30 AM, and most of the bars were emptying out. The decision was made to hold off selling hot dogs until the next night.

Setting up the cart was relatively simple. The cart would be rolled down Main street from behind Bangkok Cafe, the storage location of the cart, to the parking lot between Tokyo Sushi and Murphy's. P&G's was another location which was used. There were four containers the cart carried, two large rectangular containers, and two small square containers. One of the large containers was filled with water from four Poland Spring water bottles which would then be used

to boil the hot dogs. The second large container was used to heat up the hot dog buns. The other two containers were used for toppings such as sauerkraut, jalapenos, and onions with sauce. Ketchup, mustard, relish, barbeque sauce, and other condiments were available as well.

The hot dogs were sold in two varieties: a regular hot dog, and the Big Dog. A regular hot dog included a regular sized hot dog with any toppings and condiments, and were sold for two dollars. The Big Dog was a bigger hot dog with any toppings and condiments. The cart also sold drinks such as water, Sunny-D, Arizona, and soda for a dollar each. Chips, such as Lays, Cheetos, Fritos, and Doritos were sold at fifty cents each. While cash was accepted for all transactions, there were people who didn't carry cash with them. Therefore, a card reader from Square was purchased, which allowed credit and debit payments. Venmo and Cash App were also accepted as payment methods.

The operations of Hawk Dogs was aided by educational experience from the classrooms of SUNY New Paltz. Hawk Dogs was not simply intended to be just a hot dog cart, but also a place where people could socialize in an outdoor eatery. This vision was constructed with help from the teachings obtained in Strategic Management, Sales Management, and Digital Marketing Strategy. The teachings from Sales Management assisted in the customer decision process, marketing mix, segmentation, targeting, and positioning. The customer decision process began with identifying a problem. After finding the lack of a late night eatery as a problem, research into how to tackle the problem was done. After extensive research, alternatives were evaluated to explore other options to deal with the problem. The results of the process thus far indicated the hot dog cart to be a sufficient solution to the problem. Purchases of the cart and supplies were then made, and analysis of post-purchase behavior were done to optimize cart operation.

During the decision making process, the concepts of segmentation, target market, and positioning were utilized. Segmentation is the process of dividing the total market in homogenous groups, which led to the decision of college kids as the target market. Positioning, which is the process of creating and maintaining a firm's intended image in the minds of the target market, was used to determine how Hawk Dogs was going to be marketed and advertised. The concept of marketing mix was also utilized through the four P's: Product, Price, Place, and Promotion. The product was the hot dog, and the price was determined after analyzing gross margins for both the regular hot dog, and the Big Dog. The place was optimized to be close to the bars by being stationed next to Murphy's, and promotion was done through a variety of methods discussed later.

Strategic Management contributed to the business by inspiring the idea to make Hawk Dogs as a social space. Rather than just having the cart and selling hot dogs, a table was borrowed from Murphy's and an umbrella was purchased. Music was also played through a Beats Pill, and lights were added to the cart to make it look more appealing. The addition of the table, umbrella, and music helped create an environment where people could sit with friends, eat, and enjoy some time outside of the bars.

The teachings of Digital Marketing Strategy assisted in social media presence and advertising. One concept which was utilized was the Five C's of Analysis. The Five C's of Analysis consist of: resources of the company, current and potential competitors, consumer characteristics and trends, current and potential collaborators, and the context or environmental factors. The resources required from Hawk Dogs for marketing were not taxing, since only a phone was required to do the majority of advertising on Instagram. While there were no current

competitors, the idea that two college students could run a hot dog cart meant that anyone else could have opened a similar business, and compete with Hawk Dogs. This possibility was dealt with by establishing a social media presence and connection to customers to maintain customer loyalty. Prices were also kept low in anticipation for competition. Consumer characteristics and trends were analyzed as the cart was selling hot dogs, and Instagram was the trend which was utilized due to its popularity with the target market. Current and potential collaborators were also considered, which led to gaining permission from the owner of P&G's to set up the cart in front of the bar. The context or environmental factors were considered when deciding how to post on Instagram. By posting customers and giving a short bio of the customer on the post, relations to the customers were maintained.

Advertising/Marketing

Marketing for Hawk Dogs began with flyers for the opening of the cart. Flyers were posted on campus, and along Main st. in New Paltz. The flyers had information on the business hours of the cart and the location, as well as prices for the hot dogs. While the flyers were successful in terms of introducing the cart to people, it was not very successful in terms of reaching many people. It was then decided that social media would be a highly effective space to advertise the cart.

Before utilizing social media, it was decided that an image, such as a logo, was required to brand Hawk Dogs. The image needed to relate to the name and to stand out enough for people to recognize it as Hawk Dogs. A Third Party graphics designer was consulted to design the logo. The logo consisted of a hawk holding a hot dog in its beak, colored blue and orange in honor of

SUNY New Paltz. This logo later was utilized for promotional material, as well as the image used for social media accounts. The cost to design the logo was forty dollars.

Upon observing which social media is used the most by college students, Instagram was the most appealing. Instagram was also easy to run and maintain since it only required a mobile phone. Through Instagram, a “personality” was made for the cart. This was done by taking pictures with customers, and adding a caption which gave a bit of information about the customer, and what they thought about the hot dogs. This slowly began a trend which was popular amongst college students. The account had reached over one thousand followers within a couple of months. Eventually, Hootsuite was utilized to promote the cart on social media as well. Hootsuite is a platform utilized to automatically post predetermined pictures by adding Instagram and Facebook accounts.

Alongside social media, promotional materials were utilized to promote the cart and raise extra funds. Shirts with the logo printed on them were sold for \$15.00. Stickers were also printed, and were given with a purchase of a hot dog. By the second week of running the cart, an idea from a customer was given to have a street sign which would be visible to those who pass by. A local artist by the name of Eugene was consulted for designing the sign. The sign was wooden, and had a painted hot dog and the prices for the hot dog and the Big Dog. The size of the sign was approximately three feet by two feet. The cost to design the sign was sixty dollars.

Fraternities and sororities were also reached out to promote Hawk Dogs. One particular example was hosting a hot dog eating contest with the fraternity Kappa Sigma. The contest was held a week after the pledges joined the fraternity, and was held at the Kappa Sigma house. Approximately 150 hot dogs were cooked and served for the contest. The contest comprised of

two teams facing off to see who can eat the most hot dogs. Each team had six participants. The contest assisted in social media presence, since many people know of Kappa Sigma. By building this relationship with Kappa Sigma, many loyal customers were gained, as well as new customers due to recommendations from Kappa Sigma members. While no money was made off of the contest, the result of increased customers paid off the costs in the long run.

Financial Information

The initial cost of the cart was \$1,000.00, and was split evenly with Lorenzo. With respect to the regular hot dog, there were approximately 11 hot dogs per pound. Sabrett sold a 5 lbs package for \$17.50. The cost of one hot dog was \$0.32. The cost of 16 hot dog buns was \$1.00. The cost of each bun was \$0.06. The cost of one hot dog and one hot dog bun valued the cost of goods sold to \$0.38. A regular hot dog was sold for \$2.00, which gave a net profit of \$1.62. Approximately 350 hot dogs were sold in the span of a week. Thus, the weekly profit income from the regular hot dogs was \$567.00.

With respect to the Big Boy hot dog, there were approximately 4 hot dogs per pound. Sabrett sold 20 hot dogs for \$17.50. The cost of one hot dog was \$0.88. Since the same buns were used when selling Big Dog hot dogs, the price of the bun remains the same at \$0.06 per bun. The total cost of goods sold for the Big Dog was \$0.94. The Big Dog was sold for \$5.00, therefore, the net profit was \$4.06. On average, 100 Big Dogs were sold in a week. Hence, the weekly profit income from the Big Dog was \$406.00.

Feedback

From the humble beginnings of Hawk Dogs to the height of its success, feedback from other individuals has always catalyzed improvement. One example was a suggestion from a

customer from the earlier days of Hawk Dogs. When the cart was just starting, there were no uniforms which differentiated Hawk Dogs from the rest of the crowd. A customer began explaining how having a uniform would not only make Hawk Dogs look more official, but it would indicate to other people who to pay, who to give orders to, and who was actually working for the cart. This feedback was taken to heart, and the t-shirts which were printed for promotion, as well as hoodies for cold weather became the official uniform for Hawk Dogs. By implementing this feedback, the customers knew who they were dealing with, and felt the business transaction was more professional. Another example of feedback being utilized was toppings. The original toppings were onions and sauce, ketchup, mustard, and sauerkraut. As hot dogs were being sold, customers were asking for other variety of toppings, such as shredded cheese, and relish. By implementing this feedback, customer satisfaction was achieved and maintained.

Moving the location of the cart to P&G's on Thursdays was also a result of feedback from customers. It was recommended to make the move particularly on Thursdays to take advantage of an event P&G's hosts every Thursday called Towers. Towers offers customers a large pitcher of Beer for a reduced price. The cost efficiency and social aspect of Towers brings about a large crowd to P&G's. This feedback was considered and eventually acted upon. The result of it was greater range to reach customers as opposed to setting up at Murphy's on Thursdays, since the walk from P&G's to Murphy's is brief, yet uphill and tiring. It was constructive advice such as the examples mentioned above which helped improved the business through a collection of multiple perspectives. Overall, the sum of feedback received was a significant force behind the success and growth of Hawk Dogs.

The Future of Hawk Dogs

Hawk Dogs has been a growing experience which provided lessons and an education which could not have been obtained in a classroom. However, upon graduating, it is time to move forward to other opportunities. The plan for the business is to sell the business, preferably to students as a demonstration to the fact that anyone can open and run a business. While the cart was acquired for \$1,000.00, the business is aimed to be sold for \$4,000.00. The price is determined from the idea that most trial and error to determine what works for the cart and what doesn't has been completed. The cart will come with the knowledge to run the cart, how to create an atmosphere which caters best to the target audience, and the business relations which had been forged during the days of Hawk Dogs. Hawk Dogs has been an experience unlike any other, and it is with gratitude and hope to sell the business to others, and see it thrive.