

HOW TO START A

-Street Food-

BUSINESS

BY LOUISE PETTY





Above - Pig Feet Burger
Shiitake mushrooms, cabbage, roasted eggplant, spicy lemon vinaigrette.

Introduction

In recent years street food has become a hot topic, with people flocking from miles around to get a taste of the latest pop-up kitchen and develop a palate for the latest foodie craze. Whether it's an old fashioned food truck, a more modern street kitchen, a market stall or a food festival, it's evident that there's money to be made in the street food business. Originally food trucks were created to bring hot food to struggling areas of big cities, feeding the hungry workers who were often working very early or very late shifts and had no access to the usual restaurant opening times.

These days however, food trucks are just as prolific as many of the highest quality restaurants, gastropubs and wine bars that you see on the high street, and people are actively seeking them out for a dining experience like no other. It's no wonder that so many people are pursuing the quest to start up their own street food business – but where do you start? This guide aims to provide you with all the information you need to get you started on the street food road to success!

The Pros of Starting a Street Food Business

There are many advantages to launching your own food truck or market stall which is why so many people choose to do just that. These positives include:

- *Low start-up costs.*
- *Less risk than opening up a restaurant storefront.*
- *The ability to be your own boss.*
- *Little restaurant experience is required.*
- *The flexibility to work when and where you want.*
- *The current popularity of the business area.*

Street food is a very current and popular trend which unquestionably works in your favour. Doing a quick online search will bring up hundreds of results featuring guides to the best street-eateries, locations of the finest 'secret eats' and information on the latest food festivals. This solid momentum means that now is definitely a great time to start up your own street food venture!

Street Food Success Stories

There are so many success stories when it comes to street food which really helps to confirm that it's a great business



Above - The Halal Guys NYC
2 Ave, Manhattan, NY

area to be part of. In New York, almost a quarter of all food trucks eventually upgrade to a restaurant and London has just as many fruitful examples. Here are three of our favourite street food success stories:

The Halal Guys

The Halal Guys began as a small food cart in Manhattan, New York, serving authentic halal food to the Muslim cabbies in the city. The cart soon gained a following and reputation amongst the local cab drivers and, as a result of its success, has recently opened its first shop-front location with another one to follow soon. Fransmart, the company that owns Five Guys, is also working with the Halal Guys to open further halal restaurants around the USA and eventually in Asia and the Middle East.

Cantine California

Cantine California is an American-themed food truck based in Montparnasse, Paris. The aim of the food truck was to bring authentic US flavours from San Francisco to the streets of Paris but by only using local French organic meat, locally farmed cheeses and homemade bread and sauces. The food truck's success, uniqueness and innovative idea have since led to a permanent kitchen and restaurant being set up in the city.

MeatLiquor

In 2009, Yianni Papoutsis set up a street food burger van called MeatWagon, and quickly became one of London's biggest street food success stories. Originally just a burger van in Peckham, Papoutsis made the leap to opening a pop-up restaurant (MeatEasy) in local pubs to help push his business. Through word of mouth and hard work, MeatWagon now owns two permanent sites in London - MeatMarket and MeatLiquor – and has become one of London's biggest go-to venues for foodies

Why You Shouldn't Start a Street Food Business

However, don't be fooled by all the tales of fame and fortune – working in a street food business can be hard work and there are a few things that you need to be certain about before you begin: It's hard to make money at first, so be prepared for a lot of hard work and not a lot of pay back until your business picks up.

- *A lot of early mornings, weekend work and late nights are needed.*
- *Being self-employed can be a struggle for some.*
- *It's easy to make costly mistakes.*



Above - Food Truck, NYC

- *There is a lot of competition out there already.*
- *Trends fade, so be prepared to work hard if street food suddenly becomes last year's fad.*
- *Your vehicle might breakdown or you could get stuck in traffic en-route to a venue.*
- *There are many regulations and laws to comply with.*
- *Customer service plays a huge role so be wary if you're only all about the cooking.*
- *The British weather is unpredictable – what will you do if it rains all day and you have no passing trade?*
- *Finding a suitable location to set up shop can be difficult.*

Be sure to consider all of the pros and cons before setting out on your venture so that nothing takes you by surprise as your company grows. Being well prepared is the best route to success!

Do Your Product & Market Research

Market research will help you to identify the areas that are the most important to focus on for your business to succeed. Things that you need to find out during the market research stage include:

- *Why are you setting up a business? What are your motivations and aims?*
- *Who are your customers and what is their demographic?*
- *When will you open to ensure the best business?*
- *What products are you going to sell?*
- *What do people think of your products and branding?*
- *Where will you set up your street food business?*
- *Do you have good footfall for passing trade?*
- *Do you need any insurance, certificates or licences to operate the business?*
- *Will you rent or buy the stall, truck, cart etc?*
- *Is there any existing competition? What do they offer?*
- *Will you operate from a market, street or festival?*
- *Will the weather affect your trade?*

Choose Your Street Food Vehicle

Aside from the food itself, setting your business up in a good location is essential for your success. Your market research should have determined which areas are better than others and which will receive the most passing trade. You'll also need to consider the site's safety as well as any local parking laws. If your vehicle is moveable, or



Above - Street Food Truck
London, UK

required to move due to local laws, how will you keep your customers updated about your latest location?

Perhaps the biggest question in this debate is what exactly are you going to trade from? Do you want a market stall, a truck, a van, a cart, a tent or a trailer? Where will you buy or lease it from? You need to make sure that the vehicle/venue you choose is big enough for your business. For example, does it have the right layout and enough room to prepare all your food on-site or will you have to do the preparation elsewhere? Consider whether there is enough storage space and whether you're going to choose a vehicle that is custom built or ready-made. All of these decisions will greatly affect how comfortable you are in the future.

It's also important to consider the maintenance side to street food vehicles. Do you know a mechanic who can do the repairs should you breakdown? Most foodies and chefs aren't mechanics in their spare time so it's more than useful to have someone to hand when you need them!

15 Essential Items for Your Food Truck

The equipment you keep on board your food truck, van or cart will depend on how much space you have and what you will be cooking but as a guide we recommend you look into the following items:

- *Separate sinks for hand-washing and dish-washing.*
- *A draining board.*
- *A grease trap.*
- *A clean and secure waste disposal system.*
- *Water heaters and tanks.*
- *An extractor fan for steam.*
- *Good lighting.*
- *Electrical outlets away from water.*
- *Suitable fire-fighting equipment.*
- *A protective screen at the ordering window to protect the food from customers.*
- *Storage for utensils.*
- *Storage for food and ingredients.*
- *A fridge (and freezer if necessary).*
- *A grill/fryer/stove or other relevant cooking equipment.*
- *A safe, clean food preparation area.*

Branding & Funding Your Street



Above - Vietnamese Street Food Vendor
Hanoi, Vietnam

Food Business

Having a strong and unique brand identity will help your business stand out from the crowd and create a lasting impression upon your customers. Your brand identity, including the logos, fonts and colours you choose, are what people will see everywhere in the absence of eating your food, such as on your truck, your menus, your website and your advertising.

Your brand identity should encapsulate what you represent as a business as it communicates a lot of things about yourself, not just your food. Your brand needs to have a 'voice' that portrays the image you want to show your customers. For example, an organic company may choose shades of green to represent the environment and an American burger van may use the American flag in its logo. These are simple, and sometimes obvious, things but they can make a huge difference.

Choose a name for your business that is catchy and easy to remember – as well as one that isn't in use already! Think about what you are selling and try to come up with a name that reflects that. Consider the examples used in the Success Stories section above – The Halal Guys, Cantine California and MeatLiquor – what kind of image do they portray as you read them?

Funding Your Street Food Business

Getting the money to start your venture can be one of the most difficult parts of starting a street food business. Whilst some people choose to fund it entirely themselves, this approach can be quite risky if things go wrong, so others often approach the bank for a loan or share the input 50/50 with a friend.

However, whilst it may seem like a lot of money to start a street food business, compare these costs to those of starting a restaurant with a shop-front: buying or renting a food truck is a lot cheaper than buying or renting floor space!

You also need to keep in mind that, in the early stages of your business, you may not make enough money to pay yourself a solid salary. This needs to be considered carefully – can you manage with the loss of income whilst you get up and running? Most experts recommend that you have at least 6-12 months' worth of living expenses saved before you start a street food business, otherwise you may find that your venture is unsustainable.

This then makes it necessary to consider what will



Above - Cemitas Mexican Sandwiches
Brooklyn, NY

happen if, despite your best efforts, your street food business does fail. You will have lost a lot of financial investment (as well as time) – can you afford to live with the consequences? As long as you have thought about this before beginning then the prospect of failure shouldn't hold you back or, indeed, catch you off guard.

How Much Does it Cost to Start a Street Food Business?

Whilst there is no definitive answer to this question, general guidelines may be:

- **Under £5,000** – for this amount you may get a small second hand catering trailer or a market stall.
- **£5,000 - £10,000** – for this amount you may get a small new trailer, a second hand van, a second hand truck or a small refrigerated vehicle.
- **£10,000 - £20,000** – for this amount you may get a new, larger trailer, a new van or a better quality second hand vehicle.
- **£20,000 - £50,000** – for this amount you should get a large new vehicle, converted for your needs.
- **£50,000+** - for this amount you should get a large new van, converted for your needs.

How to Write a Business Plan

Every street food business needs a business plan to show that you have a carefully considered focus on what you're going to do. This means writing down everything about your new business to make your venture sound appealing to potential lenders and business partners and to keep the emphasis on your business objectives so that you understand exactly what you're aiming for.

Writing a business plan isn't a complicated job and it doesn't have to be very long. Keep it concise, to the point and ensure that you cover each of the following topics:

- *The name, address and contact details of your business.*
- *Information on the management of the business; who's in charge?*
- *Your company's Mission Statement: in one sentence, summarise the aim of your street*



Above - Hot Fudge Froyo
fro-zen-yo, Downtown Washington D.C

food business.

- *Your vehicle: are you using a truck, van, stall or cart etc and what are the overhead costs involved?*
- *Start-up costs: what do you need to buy to get started? Do you have any insurance or training to pay for?*
- *The everyday costs of the business; how much will you spend on ingredients and overhead costs on a weekly or monthly basis?*
- *Funding and financial projections; where do you plan to get the money from to start the business and what are your projected profits/ losses for the next month, year, 2 years etc?*
- *How will you maintain the cash-flow?*
- *Will you work on the business full-time or alongside your day job?*
- *Does your business have any competition and what are the features and benefits of your own business that will make it stand out?*
- *What is your marketing strategy?*
- *Do you have the logistics in place to deal with delivery, customer service, insurance etc?* If you need further help with learning how to start a business, High Speed Training's 'Starting a Business' online training course covers a lot of the essential start-up topics. Take the course online, at home and in your own time and learn all about the basics for starting your own business. You can find more details about the training here:

How and Where to Register Your Street Food Business

When you first set up a business you will need to register with various different people:

Register with your local authority - you must register your street food business, 28 days before you start trading, with the Environmental Health Department at the local authority closest to where your business will be based, or in the case of mobile vehicles, where it is kept. It's free to register with your local authority.

Once you have registered, an Environmental Health Officer (EHO) will come round and inspect and certify your vehicle in line with health and hygiene regulations. They will also advise you on matters such as nut content, food allergies and product labelling.



Above - San Fran Street Food Wrap
San Fransisco

To register your street food business you'll need to download an application form and fill it in. You can either get a form direct from your local authority or download the standard form produced by the Food Standards Agency.

To find details of your local authority, enter the street, town or postcode of your business into the form on the Food Standards Agency's website.

Register with HMRC – you need to register your street food business with HM Revenue and Customs (HMRC), no matter how small your business is. You need to register as self-employed (or as an employer if you have staff) and ensure that you keep up-to-date records of your business' money for your income tax self-assessment each year. Learn more about how to register your business with HMRC on their website. **Get a trading licence** – a trading licence is needed if your business plans to operate on public streets or roadsides (though you might not need a street trading licence if you have a pedlar's certificate). A licence is not needed if you are operating on private land or at organised events. To apply for a trading licence, simply contact your local council and tell them where and when you plan to trade. Note that the council can refuse to give you a licence, or give you one for fewer days and times than you asked for. If you disobey your given licence or don't apply for one then you can be fined up to £1000 so it's definitely something you can't afford to not do!

Business insurance - by law, all caterers must have Employers Liability Insurance which covers you for the health and safety of your employees. All caterers should also have Public Liability Insurance to cover injuries to the public and Product Liability in case anyone gets food poisoning as a result of eating your food. Doing a simple search online for 'small business insurance' will help you to find a suitable insurance company.

Gas/electrical safety certificates - all gas-powered equipment used for catering purposes, such as your gas hob, must be installed, inspected and tested annually by a Gas Safe engineer. It is also important to get all of your electrical equipment tested every 6 or 12 months by a registered electrician to ensure that it is safe to use. Safe electrical equipment will be issued a PAT (portable



Above - Lobster Roll
Lobster Shack

appliance testing) sticker.

Get a Food Hygiene Certificate

Food safety regulations state that anyone responsible for handling and selling food must ensure that the food they sell is safe to eat. This applies to all street food traders, as well as any people you have working for you in your business. The easiest way to prove that you are complying with the regulations is to take a food safety training course that covers all of the essential food hygiene topics, including areas such as safe food holding temperatures, cooking temperatures, use-by dates, cleaning procedures, preventing cross-contamination and allergen labelling. This training should then be refreshed every 3 years to ensure that you keep up to date with any changes in the law or food safety practices.

Undertake a risk assessment – all street food businesses should also undertake a risk assessment to ensure that any food safety hazards are eliminated or minimised. This is known as a 'HACCP' control system, which you can find out more about with an online training course or on the Food Standards Agency website.

Food Hygiene Rating Scheme (FHRS) – the FHRS is a scheme developed by the UK government and the Food Standards Agency to help promote the importance of good food hygiene practices. When your street food business has a food safety inspection, the food safety officer will give you a rating from 1-5 depending on how hygienically food is handled, the condition of your premises and how you manage and document food safety procedures. All businesses should aim to achieve the highest level 5 score. You can find out more here.

Marketing & Customer Service Skills

Once you've established what your street food business represents, where you will trade from and what you will sell, it then becomes important to get the word out and advertise your business. You cannot rely completely on passing trade to make



your food truck a roaring success.

Options for advertising include:

- *Advertising in magazines/newspapers, issuing a press release or doing an interview.*
- *Word of mouth.*
- *Handing out free samples on the street or at events.*
- *Designing business cards and letterheads.*
- *Using signage and packaging with your logo on.*
- *Advertising on websites or having your own website.*
- *Social media; Twitter, Facebook, Instagram etc.*
- *Handing out leaflets.*

Social media - for a mobile street food business or pop-up restaurant, social media is perhaps the most useful marketing tool you can use – and best of all, it's free! Social media, such as Facebook, Twitter and Instagram, play a huge role in spreading the word and getting people interested in, and talking about, your business. Make sure you sign up for one of each account in your business name as part of your business planning stage. up for one of each account in your business name as part of your business planning stage.

Food festivals – if you operate a mobile food truck then it makes sense that you should take advantage of your business' mobility and take your business 'on tour' to new places and new customers. Food festivals and other events are a great way to do this and you can guarantee that the footfall will be high. Big events for you to look out for include the Real Food Festival, music festivals, local markets, Urban Food Fest, Street Feast, Kerb, local food and drink festivals and local farmers markets. All you need to do is contact the venue and arrange a spot for you to set up shop in on the day.

Work on Your Customer Service Skills

There are two straightforward ways for street food businesses to increase their sales: get new business or increase repeat business. Repeat business is



Above - **Bannana Skin Wrap**

invaluable and will encourage word of mouth referrals, customer confidence and enhance your reputation. But how do you keep your customers coming back time and time again?

Aside from the food, the customer experience is what will ensure your customers return to buy from you again. Think of a time when you received incredible customer service and then compare it with a time when you received terrible customer service – which one are you most likely to revisit?

The value of making customers happy, treating them well and giving them a 5 star experience cannot be underestimated. It's also incredibly easy and cheap to do! Simple things like remembering to smile, treating everyone equally and going the extra mile for each customer will generate a positive experience and a happy memory for each person that you serve. People are also more likely to discuss negative experiences than positive ones, so try to keep those to a minimum!

Why not consider offering incentives and freebies to loyal customers, too? Try out a customer loyalty scheme, a free hot drink scheme or exclusive extras for those who visit you regularly.

Epilogue

We hope that you've found this guide to starting your own street food business useful as starting anything from the beginning (and on your own) can be a daunting and overwhelming process.

To learn more about starting a business, use the 'Contact' section of the High Speed Training website where we'll be able to aid you further with the online training courses that we provide. We wish you the best of luck with your business!