

https://dspace.org/

Dining Hall Facilities for Off-Campus Student Residents in Braamfontein, Johannesburg

Mashele, Sinomncedi

2023

University of the Witwatersrand, Johannesburg

https://hdl.handle.net/10539/40580

Mashele, Sinomncedi. (2023). Dining Hall Facilities for Off-Campus Student Residents in Braamfontein, Johannesburg [Master's dissertation, University of the Witwatersrand, Johannesburg]. WireDSpace.

Downloaded from a DSpace repository. https://dspace.org/

Dining Hall Facilities for Off-Campus Student Residents in Braamfontein, Johannesburg

Sinomncedi Mashele

0710709J

A business venture proposal submitted to the Faculty of Commerce, Law and Management, University of the Witwatersrand, in partial fulfilment of the requirements for the degree of Master of Business Administration

Johannesburg, 2023

Protocol number: WBS/BA0710709J/508

DECLARATION

I, Sinomncedi Mashele, declare that this business venture proposal is my own work except as indicated in the references and acknowledgements. It is submitted in partial fulfilment of the requirements for the degree of Master of Business Administration in the Graduate School of Business Administration, University of the Witwatersrand, Johannesburg. It has not been submitted before for any degree or examination in this or any other university.

Sinomncedi Mashele 

(Type your name in full here, and sign in the space above)

Signed at …Johannesburg…….

On the ……28……day of ……February…… 2023..

ACKNOWLEDGEMENTS

Then Jesus said, "Did I not tell you that if you believe, you will see the glory of God?" – John 11:40

First and foremost, I would like to give all glory and praise to my God Almighty, Jehovah Jireh, Jehovah Nissi. He has provided me with not only the funding that this once in a lifetime opportunity requires, but also blessed me with the courage, patience and endurance needed to successfully complete such a major undertaking.

My deepest thanks to Dr Robert Venter, my supervisor, who managed to give me invaluable guidance with patience and kindness throughout this journey. I would also like to thank my fellow MBA students who offered unwavering support and guidance.

My sincerest thanks to the student funding entities that were instrumental in providing invaluable insights in the research done. My deepest gratitude to the students who opened themselves to me to give me insight into their struggles with food access, an act of vulnerability, thank you.

To my heart, my people, my husband, Joshua, and my son, Kungawo, thank you for allowing me the time and space needed to commit myself to this work. Your support and encouragement have made this journey a little less difficult. Knowing that supper and evening bath-time would be taken care of made a priceless contribution to the successful completion of this project, thank you.

Finally, kuni Macriha amahle, onoJaholo, ooQanqolo, ooNtstwentswe – Hlomla lidala linempondo iphuthi. Ndiyabulela zidwesha ezintle. Nani maNgwevu amahle, boTshangisa, ooSkhomo, uyabulela umntwana wenu booZulu abahle.

SUPPLEMENTARY INFORMATION

Supervisor:	Robert Venter
Word count †:	17 495
Supplementary files:	Appendices A - R

† Including Executive Summary, References, and Actual Work (Introduction to Conclusion). Excluding Acknowledgements, Table of Contents, List of Figures and Tables, and Appendices.

EXECUTIVE SUMMARY

In 2015 the world was shocked by the unbelievable scenes from the #FeesMustFall protests that rippled through South Africa. University students were demanding free higher education for all South Africans. Even though society had always viewed tertiary students as part of the privileged few, it gradually became apparent that these students were not as privileged as many people believed. One of the main struggles for students in higher education institutions is insufficient access to food, a phenomenon that has left them exposed to food insecurity. A global phenomenon, even amongst first world higher education students. Piaget's theory of Cognitive Learning indicates that hunger, which may be caused by food insecurity, negatively affects academic performance. With the South African government having outlined in its National Development Plan the positive contribution high quality higher education outcomes can have on the country's future success, equipping students with everything they need to increase their chances of excelling academically has never been more critical.

In South Africa, there are various funders that financially support the needs of higher education students. Apart from paying for tuition and accommodation, they allocate funds for students to access food. Literature and the research conducted in this report have shown that students spend on more than just food and this contributes to them being left exposed to food insecurity. Literature and findings from the research done have shown that this negatively impacts the students' wellbeing and academic performance. The research done showed that the funders are not fully aware of the situation, however, they are interested and highly motivated in ensuring their students' well-being is taken care of.

The proposed business venture, "The Digz Diner", seeks to address this problem by offering off-campus dining hall facilities in Braamfontein, Johannesburg. Students that live in university on-campus accommodation have easy access to the on-campus dining halls that guarantee them access to food which off-campus students do not have. The business will use a subscription business model where funders can pay in advance for a pre-determined duration for their students to

access 3 meals a day, 7 days a week during academic calendar days. The dining hall facility will offer tasty and nutritionally valuable meals that can be eaten sitting at the well curated space at the facility with access to Wi-Fi or collected as a take-away option.

This will give the funders an assurance that the funds they provide are indeed being used for what they are intended for. The students can also rest assured that no matter how busy their academic schedule is and even if they do not have money to spend, they will have food to eat to help them stay energised to perform at their best.

In Braamfontein, the business will be competing with the Wits University dining halls that do offer meal packages for Wits' students staying off-campus, fast-food take away chains, local spaza shops, and a Pick 'n Pay supermarket that sells cooked meals and where students buy groceries to cook for themselves.

The research conducted shows that the business has an opportunity to gain a sustainable competitive advantage over its competitors by offering quality food that will be prepared and served by highly competent staff using a subscription model as funders have shown a great interest in the offering.

By securing endorsements and advertising platforms from the reputable universities, colleges, and trusted accommodation providers around Braamfontein, the business will be able to attract funders. Social media activity and involvement in youth TV and radio programmes will ensure current and potential students know about the offering.

Using a best cost provider strategy and employing a combination of a cost- and value-driven cost structure, the business stands to do well. Five-year financial projections indicate that after the first year of running at a loss, the business will make profit for at least the next four years. With an indication that it will have enough working capital to meet its day-to-day obligations throughout the five years.

Even though a risk analysis has shown that the business is exposed to risks such as loadshedding, crime, and rising food prices that may affect the chosen strategy,

the business has strong potential to succeed. With three more revenue streams that it can explore in the future, “The Digz Diner” is set-up to succeed now and in the future.

TABLE OF CONTENTS

DECLARATION ii

ACKNOWLEDGEMENTS iii

SUPPLEMENTARY INFORMATION iv

EXECUTIVE SUMMARY 5

LIST OF TABLES 11

LIST OF FIGURES 12

1. INTRODUCTION 13

1.1. SCOPE OF THE PROPOSED BUSINESS VENTURE 13
1.1.1. THE SCOPE 13
1.1.2. THE OBJECTIVES 13
1.2. IDENTIFICATION AND EVALUATION OF BUSINESS OPPORTUNITY 14
1.2.1. IMPACT OF HUNGER ON ACADEMIC PERFORMANCE 16
1.2.2. FUNDING FOR STUDENTS 17
1.2.3. STUDENT SPENDING 18
1.2.4. THE OPPORTUNITY 20

2. LITERATURE REVIEW 22

2.1. INTRODUCTION 22
2.2. A SUSTAINABLE COMPETITIVE ADVANTAGE 22
2.3. THE NATURE OF THE FOOD BUSINESS 22
2.4. THE RESOURCE–BASED VIEW 23
2.5. APPLICATION OF THE RESOURCE-BASED VIEW FOOD BUSINESS 24
2.6. THE BUSINESS MODEL 24
2.6.1. SUBSCRIPTION BUSINESS MODEL 25
2.6.2. OTHER BUSINESS MODEL CONSIDERATIONS 27
2.7. PREVIOUS BUSINESS IMPLEMENTATIONS 28
2.8. CONCLUSION 28

3. RESEARCH 30

3.1. INTRODUCTION 30
3.1.1. RESEARCH OBJECTIVES 30
3.1.2. RESEARCH QUESTIONS 30

3.2. Research Approach 31
3.3. Population and Sample 31
3.4. The Research Instrument 32
3.5. Data Collection Approach 33
3.6. Data Analysis 33
3.7. Validity and Reliability 35
3.8. Limitations 36
3.9. Ethics 37
3.10. Conclusion 38

4. RESEARCH RESULTS 39

4.1. Introduction 39
4.2. Student Research Results 39
4.2.1. Finance Spend 39
4.2.2. Food Access Experience 40
4.2.3. Appetite for Solution 40
4.3. Funder Research Results 41

5. DISCUSSION OF RESEARCH RESULTS 44

5.1. Introduction 44
5.2. Food Insecurity and the Findings 44
5.3. Research Questions and the Findings 46
5.3.1. How do the funders allocate their funding and how do the students actually spend? 46
5.3.2. What are the experiences and opinions on food insecurity by both funders and students? 47
5.3.3. What are the funders and students' appetite for the solution the proposed business venture offers? 47
5.4. Conclusion 48

6. BUSINESS VENTURE PROPOSAL 50

6.1. Introduction 50
6.2. The Business Statements 51
6.2.1. Vision 51
6.2.2. Mission 51
6.3. Situational Analysis 51
6.3.1. Macro-Environmental Analysis 51
6.3.2. Industry Analysis 56
6.3.3. Competitor Analysis 61
6.3.4. Internal Analysis 65
6.3.5. SWOT Analysis 71
6.4. The Strategy 73

6.5. THE MARKETING 76
6.5.1. MARKETING STRATEGY 76
6.5.2. MARKETING TACTICS 77
6.6. THE FINANCES 82
6.6.1. COST STRUCTURE 82
6.6.2. REVENUE STREAMS 82
6.6.3. FINANCIAL PROJECTIONS 83
6.7. RISK ANALYSIS 84
6.8. IMPLEMENTATION PLAN 87

7. CONCLUSION 89

8. REFERENCES 92

9. APPENDICES 104

9.1. RESEARCH INSTRUMENTS 104
APPENDIX A: STUDENT INTERVIEW INSTRUMENT 104
APPENDIX B: FUNDER INTERVIEW INSTRUMENT 106
9.2. ETHICS 108
APPENDIX C: ETHICS CLEARANCE CERTIFICATE 108
APPENDIX D: PARTICIPANTS CONSENT FORMS 109
APPENDIX E: PARTICIPANTS INFORMATION SHEET 111
9.3. STUDENT RESEARCH RESULTS 113
APPENDIX F: FINANCE SPEND 113
APPENDIX G: FOOD ACCESS EXPERIENCE 117
APPENDIX H: APPETITE FOR SOLUTION 121
9.4. FUNDER RESEARCH RESULTS 124
APPENDIX I: FUNDING ALLOCATIONS 124
APPENDIX J: FOOD INSECURITY AWARENESS 126
APPENDIX K: APPETITE FOR SOLUTION AND WILLINGNESS TO DONATE 127
9.5. FINANCIAL PROJECTIONS 129
APPENDIX L: FINANCIAL PROJECTION ASSUMPTIONS 129
APPENDIX M: PRO FORMA INCOME STATEMENT 137
APPENDIX N: PRO FORMA BALANCE SHEET STATEMENT 138
APPENDIX O: PRO FORMA CASHFLOW STATEMENT 139
APPENDIX P: BASIC RATIO ANALYSIS 140
9.6. RISK ANALYSIS 141
APPENDIX Q: RISK MATRIX 141
9.7. CONCLUSION 142
APPENDIX R: THE BUSINESS MODEL CANVAS 142

LIST OF TABLES

Table 1: VRIO analysis criteria 23

Table 2: Themes developed from student and funder interviews..... 44

Table 3: Summary of relevant findings..... 50

Table 4: PESTEL Analysis..... 52

Table 5: Competitor analysis using the Product/Service Comparative Analysis .. 63

Table 6: Resource and capabilities of “The Digz Diner”..... 66

Table 7: VRIO Analysis of identified resources and capabilities 68

Table 8: SWOT Analysis..... 72

Table 9: TOWS Matrix with Strategic Options..... 75

Table 10: The marketing mix for the proposed business 79

Table 11: Risk Analysis and Recommendations..... 86

Table 12: Implementation Milestone Schedule 88

Table 13: Thematic Development: Finance Spend 113

Table 14: Thematic Development: Food Access Experience..... 117

Table 15: Thematic Development: Appetite for Solution 121

Table 16: Theme Development: Funding Allocations 124

Table 17: Theme Development: Food Insecurity Awareness..... 126

Table 18: Theme Development: Appetite for Solution and Willingness to Donate 127

Table 19: Ratio Analysis Calculation Results..... 140

LIST OF FIGURES

Figure 1: Hunger trends in South Africa 2002 to 2017 15

Figure 2: GPA score comparison between students that reported to experience hunger versus those that reported to not 17

Figure 3: Student spending results as per Varsity Vibe 2021 survey 20

Figure 4: The business model “magic triangle” showing the cornerstones of a business model 25

Figure 5: The steps for data analysis in qualitative research 34

Figure 6: Transcript coding exercise on ATLAS.ti 35

Figure 7: Porter’s Five Forces Framework 57

Figure 8: Porter’s Five Forces Analysis for “The Digz Diner” 60

Figure 9: The Porter’s Generic Strategies Framework 73

Figure 11: Risk Matrix to determine level of risk (Guevara, 2022) 141

Figure 12: Risk Matrix scoring to determine action (Guevara, 2022) 141

1. INTRODUCTION

1.1. Scope of the Proposed Business Venture

1.1.1. The Scope

The proposed business venture, “The Digz Diner”, seeks to address the misalignment between funder fund allocations and student spending that contributes to the students’ exposure to food insecurity. The proposed business seeks to remove the responsibility of deciding to prioritise nutrition from the hands of the students and placing the responsibility in the hands of the funders.

“The Digz Diner” is a dining hall facility servicing students living off-campus in the private accommodation facilities in Braamfontein. The facility will be serving pre-ordered meals for either sit-down or take-away dining. The funders will make the payments in advance, on a subscription model, (yearly, per semester, or quarterly) and the funded students will then have access to the facilities that will profitably serve nutritious breakfast, lunch and supper daily when universities in the area are in session.

The facility will also strive to give a certain portion of students that do not have sufficient funding for food in the Braamfontein area access to food.

1.1.2. The Objectives

The objectives of “The Digz Diner” are,

- Provide an innovative, comfortable, clean and safe dining space for tertiary students,
- That serves wholesome and nutritious meals they can enjoy while relaxing or working.

- Have satisfied student funders that trust that funding allocated for the sustenance of their students is well utilised and serving its purpose.
- Assist a certain portion of struggling unfunded students with access to food.

1.2. Identification and Evaluation of Business Opportunity

The state of food security is described as when a person, at all times, has access physically, socially and economically to enough, safe and nutritionally valuable food which caters to their dietary needs and choices for a fully functional life (Sabi, Kolanisi, Siwela & Naidoo, 2020). It then stands to reason that food insecurity is the lack or absence of food security (Sabi et al., 2020) to some extent. Statistics South Africa reported in 2019 that South Africa as a country was food secure but found that food insecurity was a problem at household level with 20% of households reporting to have moderate to severe inadequate access to food in 2017 (Stats SA, 2019) . These households are poor households characterised by having few to no income-earners that have many people depending on them (Stats SA, 2019). Figure 1 shows the patterns of hunger in South Africa between the years 2002 to 2017 (Stats SA, 2019).

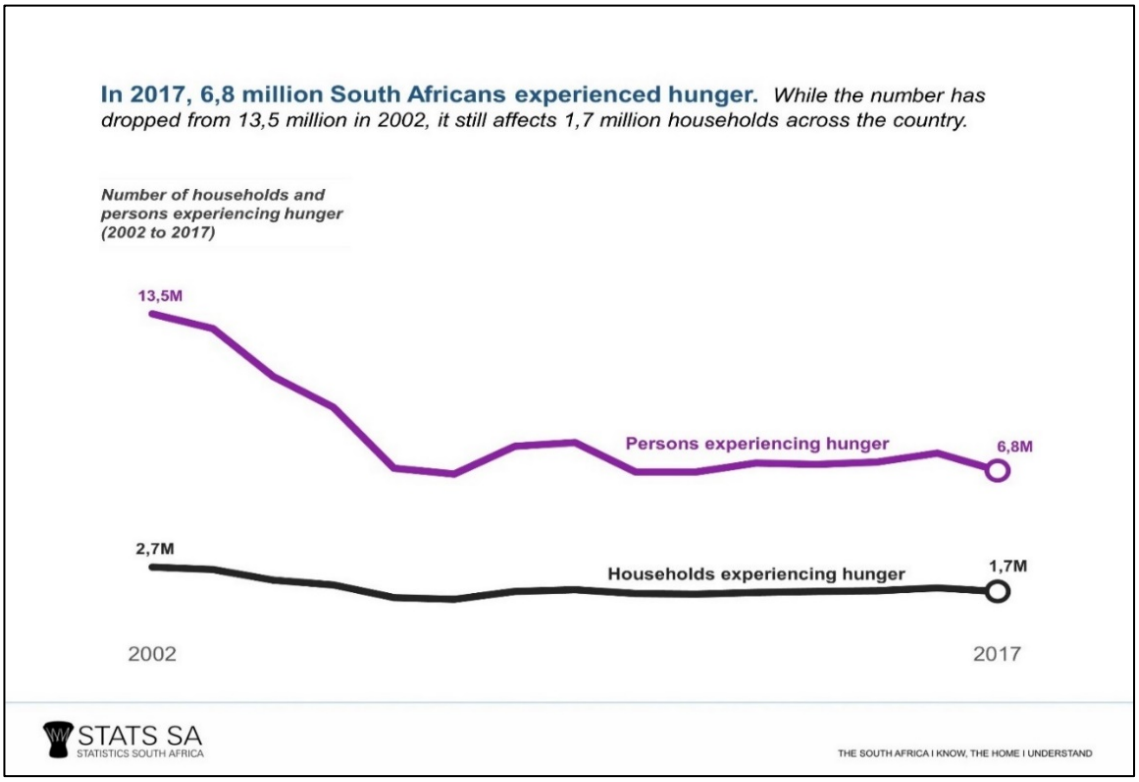


Figure 1: Hunger trends in South Africa 2002 to 2017

Food insecurity is not the feeling of hunger itself (Wagner, Kaneli & Masango, 2021). Hunger is the feeling a person physically experiences where they feel pain and discomfort as a result of having not consumed food, whereas food insecurity, as previously described is the lack of access to the right food, however, “food insecurity heightens the risk of hunger” (Wagner et al., 2021). For the purposes of this proposal, it can be assumed that where food insecurity is present, those experiencing it at one time, or another also experience hunger as a result. Food insecurity amongst students in higher education institutions (HEIs) is a global problem. In developed countries that are known to be economically sound such as Australia, Canada and the United States of America (USA), food insecurity amongst students in HEIs was reported in 2015 to be higher than the national food insecurity levels (van den Berg & Raubenheimer, 2015).

In 2015 the whole world watched as South African university students took to the streets protesting for free education under the banner #FeesMustFall. It was during this time that it became apparent that tertiary students were not as privileged as many people thought them to be. One of the key demands from the #FeesMustFall

movement was for free education in terms of the actual fees paid to tertiary education institutions (Mavunga, 2019), however, it stands to reason that the unaffordability of tertiary education goes beyond just the fees, but rather all the costs associated with getting a tertiary education in South Africa which include accommodation, transport, textbooks, and living expenses (which includes food) costs amongst others (NSFAS, 2022a). In 2018 at the National Colloquium on Access to Food for Students in South African Tertiary Institutions, Dr Stephen Devereux who at the time was the SA-UK Bilateral Research Chair in Food Security (SARChI), emphasised that, “it is a myth that if you can afford to go to university, you can afford basic needs” (Adeniyi, Nthoiwa & Mirugi-Mukundi, 2018, p. 22). At the colloquium Student Representative Council (SRC) delegates from various universities in the Western Cape gave testimonials on challenges faced by tertiary education students such as lack of food availability, high food prices, inferior food quality and lack of funding for food (Adeniyi et al., 2018).

1.2.1. Impact of Hunger on Academic Performance

Sabi et al. (2020, p. 144) makes reference to Piaget’s theory of Cognitive Learning and states that, “The ability of a learner to construct knowledge (cognitive power) (evidenced by, for example, academic performance) is dependent on intrinsic and extrinsic factors. Hereditary factors and the physiological state and health of the individual are prime intrinsic factors. The authors further assert that because the nutritional status is a major contributor to the physiological state and health of a person it would then mean should a learner’s need for food be not met, their academic performance stands to be negatively impacted. It stands to reason then that because food insecurity leads to the need of food not being met, food insecurity jeopardises the academic performance of those students experiencing hunger.

A study by Hickey, Shields and Henning (2019) at a HEI in the USA where 371 students completed a survey in 2018 revealed, as shown in Figure 2 (Hickey et al., 2019, p. 5), that students that were experiencing hunger had more grade point average (GPA) scores that were average to low. However, students who were not

experiencing hunger had more GPA scores that were higher than the average scores.

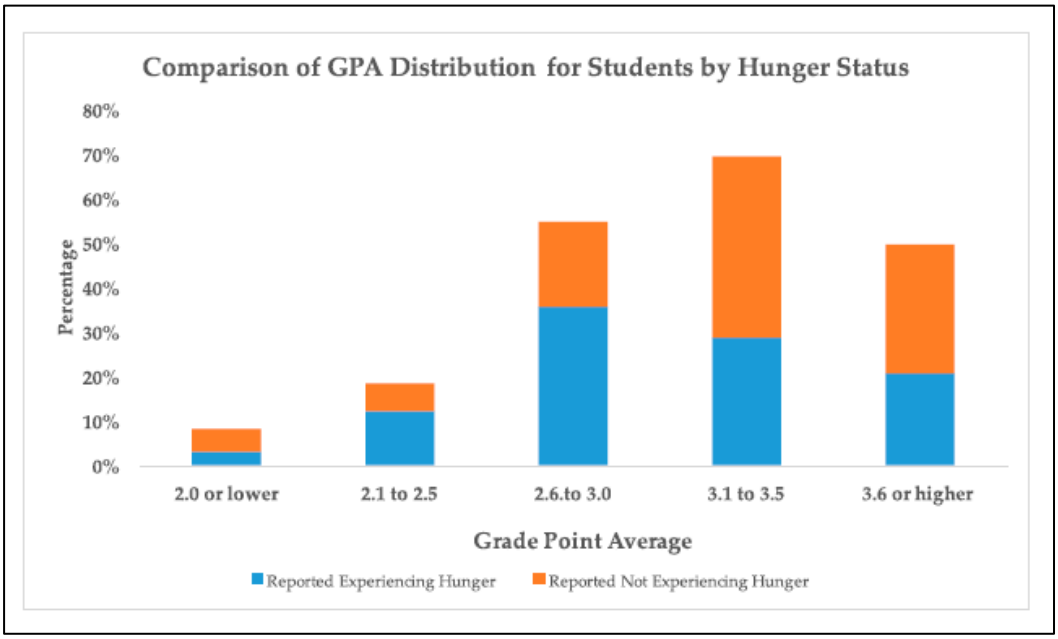


Figure 2: GPA score comparison between students that reported to experience hunger versus those that reported to not

In the South African context, a 2019 study by Sabi et al. (2020, p.148) conducted at the University of Kwa-Zulu Natal (UKZN) into food insecurity perceptions at the university revealed that students' concentration and attendance was impacted by hunger. There were 37.2% and 13.2% students at undergraduate level admitting to having their concentration and class attendance impacted by hunger, respectively.

From these studies it can be concluded that in South Africa, the lack of food which results in hunger can have an adverse effect on the academic success of a student.

1.2.2. Funding for Students

In December 2017, former president Jacob Zuma announced that South Africa would be instituting "free" higher education for all first year South African students from families with a household income less than R350 000 per year (Muller, 2018). It would mean in years to come; higher education would be free for all that met this financial criterion. The South African government's National Student Financial Aid Scheme (NSFAS) would oversee managing and distributing the free education

funds (NSFAS, 2022b) through financial aid. NSFAS funding covers tuition fees, accommodation fees, transport costs, living costs, textbook costs, and personal care costs (NSFAS, 2022a). The funds allocated for “living costs” include the cost of food (access to food).

Even though NSFAS is funding a large proportion of the South African post-school education and training (PSET) system, which included 42% of university students and 70% TVET students in 2020 (National Treasury, 2020), there is still a large portion of students that needs to be funded in other ways. There are students funded by parents or guardians that can comfortably afford funding their education and associated costs. However, not all students outside the NSFAS funding framework can afford the funding. There is what is termed the “missing middle”, which is the portion of students who are deemed by the system to be “not poor enough” to be funded by NSFAS but are “too poor” to afford the cost of higher education (ISFAP, 2021). Students in this group typically come from households with an income between R350 000 to R600 000 per year (ISFAP, 2021). This group of students have their studies and associated costs funded through scholarships, bursaries (government or private sector), study loans from banks or other finance lending institutions, or self or parent/guardian funded. These other forms of funding cover the costs fully or partially depending on what is offered and what the student’s household can afford to borrow or finance.

Regardless of the source, students do have some form of funds to be able to access food, these funds may be insufficient and hard to come by in the case of the “missing middle”.

1.2.3. Student Spending

The Sabi et al. (2020) study revealed that students across the funding types are vulnerable to food insecurity with 12.3% and 13.8% of NSFAS and student loan funded students, respectively, indicating vulnerability. From the pool of students being that were self-funding or funded by parents, 8% indicated vulnerability to food insecurity (Sabi et al., 2020).

Another study carried out at the University of the Witwatersrand (Wits) by Wagner, Kaneli and Masango (2021), suggested that those students receiving NSFAS funding are at risk of food insecurity in spite of the access to funds. The results from the study revealed that from the participants, 45% of them had NSFAS funding, and in this group 73% reported to be experiencing food insecurity, and from this group 23% reported to be experiencing physical hunger (Wagner et al., 2021).

These results indicate that even with funding, students managed to find themselves without food security. It would seem the funds are not enough or perhaps they are being spent on other needs or wants whether by choice or by circumstance.

In 2019 a report by Student Village provided insight into the spending habits of students in some South African HEIs. Student Village ran a survey with 3175 participants across more than 40 campuses with the participants sourcing funding from parents, employers, bursaries, and self-funding (Student Village, 2019). The results indicated that students' money was spent mainly on rent, food, clothing, entertainment, and alcohol (Student Village, 2019).

Another survey carried out in 2021 by Varsity Vibe, South Africa's first discount application (app) (Standard Bank, 2022), had 5 854 of the student participants with funding coming from parents or family, financial aid, loans, savings, employer, and "hustling" (Varsity Vibe, 2022). The survey revealed that on average students had R4 527 per month to spend, but on average actually spent R5 287 and how this money is spent is shown in Figure 3 (Varsity Vibe, 2022, p.2).

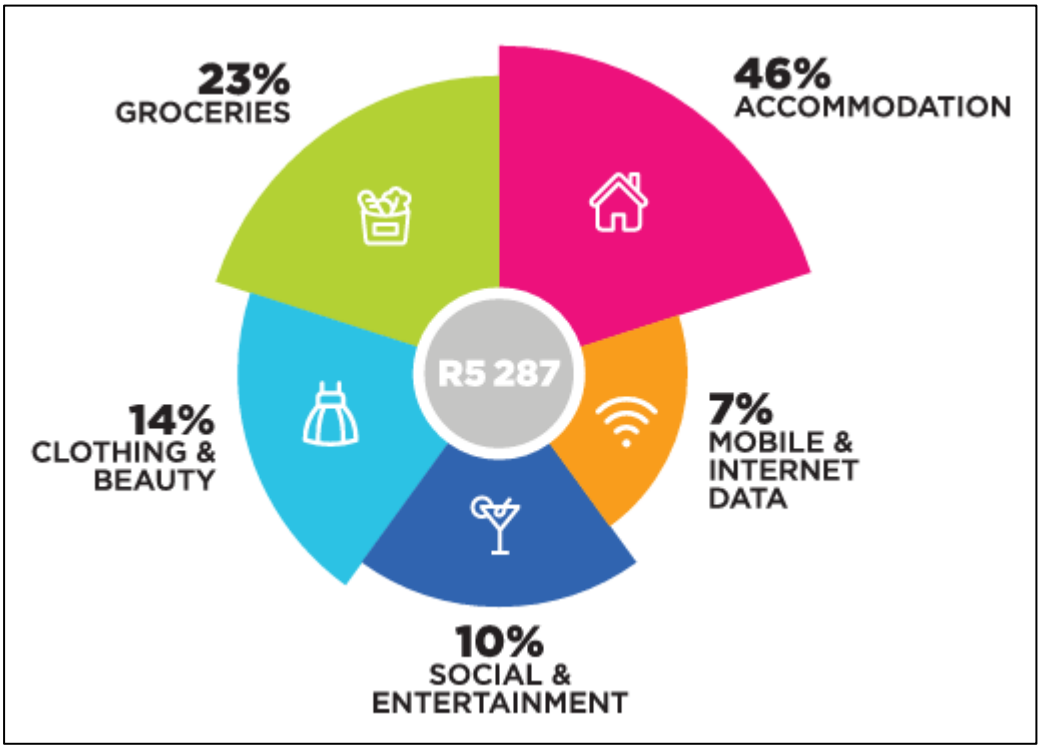


Figure 3: Student spending results as per Varsity Vibe 2021 survey

These results from both surveys show that a considerable portion of the money students have to spend is spent not just on food, but other goods and services they deem necessary, however, the funders have not allocated funds these other goods and services.

1.2.4. The Opportunity

The presented insights on the impact of hunger on academic performance, funding for students, and student spending indicates that a number of students in HEIs in South Africa, are struggling with food insecurity in spite of the access to funding from various sources.

There is evidence that this lack of access to food security (food insecurity) has an adverse impact on the academic performance of students which contributes to failure and poor outcomes. This inevitably threatens the potential successful return on investment for those parties funding the studies of students. The South African government, as one of the major funders of HEI students cannot afford poor

outcomes as the future development and success of the country is directly tied to the success of students in HEI's.

The surveys done on student spending show that students spend on other wants or needs that are not specifically allocated funds for by funders. It would mean that funds are potentially channelled from food and accommodation allocation to financing the other needs or wants which in one way or another impact on food access.

To ensure that funds allocated for the sole purpose of having access to food are spent on exactly that, there needs to be a system that ensures that accessing food and ensuring that one is fed sufficiently is not a choice that students need to make, but funders can make that choice for them. This is a business opportunity that has been identified.

2. LITERATURE REVIEW

2.1. Introduction

When a business venture idea is first established, many questions are likely to arise. These may include, “how can this business venture be better than its competitors?”, “what would be the best business model to use to make a sizable profit?”, and perhaps, “has such a business venture ever been successfully implemented?”. For the proposed business venture, the literature review will seek to answer these questions. The answers to these questions can be used to inform the strategic direction choices of the proposed business.

2.2. A Sustainable Competitive Advantage

For a business to be profitable and remain profitable, it needs to work to retain its current customers and attract more customers, perhaps from its competitors. A business will be able to achieve this if it has an advantage over its competitors – competitive advantage. Competitive advantage can be described as ways a business can deliver its services or goods better than its competitors allowing it to achieve sizable margins and create value for itself and its shareholders (Peterdy, 2023). Once this competitive advantage can be sustained for an extended period such as several years or perhaps forever, it becomes a sustainable competitive advantage (SCA) (Dubey, Goel & Sahu, 2013).

2.3. The Nature of the Food Business

The food industry, especially the restaurant sector, is characterised by undifferentiated markets that lead to high levels of competitive rivalry that increase the level of risk for businesses (Jogaratnam, 2018). The level of risk in the sector is also intensified by the high levels of imitation and substitution of what the businesses offer (Jogaratnam, 2018). It can then be said that the success of a food business is heavily dependent on how well it manages to set itself apart from its

competitors with regards to what is important to the customer base. The proposed business venture is a food business that will be entering a space that has successfully operating competitors. The best management theory that is most suitable for the proposed business venture, is one that will assist the business to not just set itself apart but create a sustainable competitive advantage. The Resource-Based View management theory has been found to be the most suitable.

2.4. The Resource–Based View

The Resource-Based View (RBV) is a management theory that seeks to explain the internal source of sustainable competitive advantage in a business (Kraaijenbrink, Spender & Groen, 2010). It was Jay Barney, in 1991, that studied and found a link between sustainable advantage and the resources of a business (Taher, 2012). This work revealed that for a business to gain a SCA it needs to have and control internal resources and capabilities that are valuable, rare, inimitable, and non-substitutable (VRIN) (Kraaijenbrink et al., 2010). Later, in 1995, Barney revised the fourth requirement from non-substitutable to having an organisation that can support it, which lead to the requirements being abbreviated to VRIO (Kraaijenbrink et al., 2010). The resources being referred include intangible and tangible assets that can be used to provide the service or product the business is selling, while capabilities are the repeated action patterns that use these assets to the advantage of the business (Dubey et al., 2013). Table 1 provides the explanation of what the four requirements mean (Scholes et al., 2017, p. 101).

Table 1: VRIO analysis criteria

V	**Value:** Do resources and capabilities exist that are valued by customers and enable the organisation to respond to environmental opportunities or threats?
R	**Rarity:** Do resources and capabilities exist that no (or few) competitors possess?
I	**Inimitability:** Are resources and capabilities difficult and costly for competitors to obtain and imitate?
O	**Organisational support:** Is the organisation appropriately organised to exploit the resources and capabilities?

2.5. Application of the Resource-Based View Food Business

In the food industry, which includes restaurant businesses, there are several resources and capabilities that can be a source of a SCA for a business. The most notable being human capital (Jogaratnam, 2018).

Human capital is an intangible resource, it is employee characteristics such as their knowledge, skills, and experience that the business can use to increase its productivity and value (Cook, 2021) and, therefore, generate a SCA for the business. This means human capital is one of the resources the proposed business venture can benefit from investing in. Human capital also includes the employee's intelligence, loyalty, communication skills, management ability, and overall well-being (Cook, 2021). All these characteristics seem to be what is critical in an employee in order for them to understand a business's strategic direction and work well in order to assist the business reach its strategic goals. It will be imperative that the proposed business venture makes means to secure superior human capital and if that is not possible, be willing to invest in employees to improve the business's human capital.

Marketing literature has also revealed how the "voice of the customer", which is the feedback from current and potential customers, can play an integral part in informing a business's decisions on the resources and capabilities to invest in to produce a product or service that most satisfies the needs of the customers (Carù & Cova, 2015) which may lead to the business gaining a SCA.

2.6. The Business Model

Hedman and Kalling (2003) suggest that a business model is a term that describes the important components that make up a business. In more recent times the definition of a business model has become more robust. Gassmann, Frankenberger & Choudury (2020, p. 7) assert that the business model is a concept a business can apply to create and capture value by "defining its four cornerstones". Two of these cornerstones speak to the external aspects of the business and include who the customer is, and what is the business selling. The other two cornerstones speak

to the internal aspect of the business; how the business produces the product or service they offer, and why is it that the business thinks it is creating value (Gassmann et al., 2020). The authors formulated a “magic triangle”, as shown in Figure 4, to visually represent what business model (Gassmann et al., 2020, p. 7).

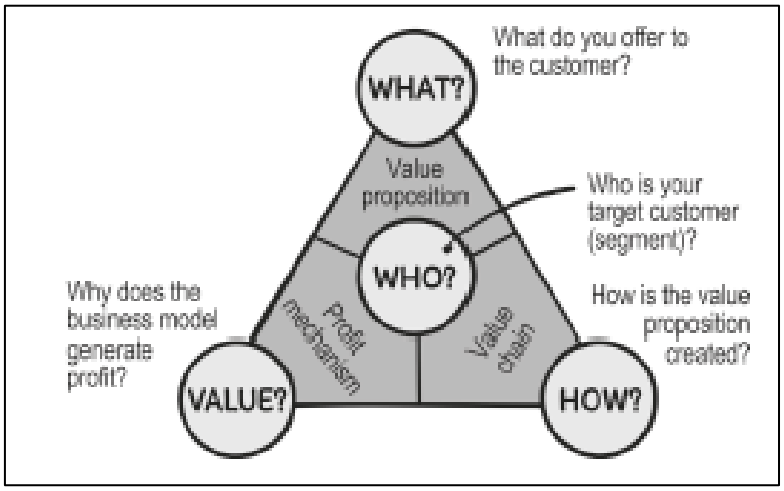


Figure 4: The business model “magic triangle” showing the cornerstones of a business model

Gassmann et al. (2020) believe that businesses whether new or old can benefit in repeating, albeit with necessary modifications, the business model patterns of other businesses that have implemented their model successfully and saw the company thrive. They outline up to sixty business model patterns from across the world that successful companies have adopted.

The proposed business venture is not just a restaurant or cafeteria that students can buy food from, but a dining space where funders would have to pay in advance to ensure their students have access to ready to eat food. A business model that would be most ideal is the “subscription” business model.

2.6.1. Subscription Business Model

This kind of model is employed when a business enters into a contract with a customer in order for the customer to receive some product or service regularly for some defined time period (Gassmann et al., 2020). This model was first applied by booksellers in Germany that were selling expensive multi-volume books such as

encyclopaedias (Gassmann et al., 2020). Gassmann et al (2020) notes that this model is best to use when the customer requires the product or service on a regular basis.

In 2020, the whole world was plunged into disarray at the onset of the COVID-19 pandemic. With countries all over the world announcing that they would be shutting down and any social activities where people would be in close proximities were halted to curb the spread of the virus. The restaurant business globally was hard-hit financially by this. Ever since, the restaurant industry has been trying to come up with innovative ways to revive business (Katy, 2021). One of the ways some restaurants are changing their business models is to introduce a model where customers pay in advance for certain food items that they will get at determined time intervals (Katy, 2021). In South Africa, Kauai, a quick service restaurant focussed on healthy food, was the first to introduce a subscription offering where customers pay a fixed sum in advance to get a smoothie per day for 15 or 30 days (Katy, 2021). In America, the famous Taco Bell, introduced a subscription where customers pay in advance for one taco a day for 30 consecutive days (Garwood, 2022). Panera Bread, another restaurant in America introduced a coffee or tea subscription in 2020 and had nearly 500 000 subscriptions (Garwood, 2022). With the phenomenon being new, there is still to be academic research done on the model performance in food businesses, however, it would seem paying in advance to have access to food for a particular time frame is a concept people in general are open to.

The advantages of this model for the customer are that once they pay, they can save time and money by not having to concern themselves with having to purchase the same product or service over and over again (Gassmann et al., 2020). Usually, the cost of a subscription works out cheaper than repeatedly purchasing the same item due to the discount subscription businesses usually offer (Gassmann et al., 2020). An important advantage for the business is that it can plan effectively and accurately knowing exactly the number of customers it will cater for in a certain period (Gassmann et al., 2020) which would be ideal in a restaurant setting to curb the wastage of food and supplies that can occur with fluctuating customer numbers.

However, for this model to work, the customer needs to always feel the benefits (Gassmann et al., 2020). It is imperative to ensure that customer needs are always met and often exceedingly so and this means being willing as a business to constantly improve your offering (Garwood, 2022) which means the “voice of the customer” needs to be always heard.

2.6.2. Other Business Model Considerations

The proposed business venture will not just cater for the funders who will be paying, but for the students that will actually consume the offering, and which are critical to the success of the business. Even though they are not the ones paying, they have the power to inform the decisions of the funders. It is imperative that special attention be paid to the students and what they would want from a facility of this nature. There needs to be an element of the “experience selling” business model which ensures that the product or service offered gives an additional experience to the customer by shaping their “observable environment” which will feed into their impression of the offering (Gassmann et al., 2020). By giving this special and additional attention to the dining facility space design and “perks” that come from dining at the facility there may be increased desirability and loyalty from the students (Gassmann et al., 2020).

Special consideration also needs to be given to the students that cannot afford food due to various financial constraints, but most likely due to being part of the “missing middle”. A business model that could prove successful for this segment of the business is the “robin hood” business model where “the rich” will pay for “the poor” my introducing a mark-up on the prices of those that can afford or simply requesting that they donate or pay extra towards the cause (Gassmann et al., 2020). Funders can be encouraged to take on the cause and make a financial contribution towards these students.

2.7. Previous Business Implementations

An extensive search of various sources of information revealed that a dining hall facility or any kind of food catering services aimed at students living off-campus that has meals paid for in advance, as the proposed business venture, does not exist in South Africa. If such a business is in existence, it is not documented in mainstream sources of information.

A business targeting students without access to the traditional dining hall facilities appears at UKZN. Even though UKZN has on-campus residences, it does not have dining hall facilities and students are expected to self-cater (UKZN, 2022). In 2018, a UKZN medical student noticed that students in her residence and surrounding ones either did not know how to cook or did not have time and she decided to start cooking meals in her residence kitchen and sell to other students (Sosibo, 2022). In 2020 she relocated the business to its own premises and employed a cook and delivery person where she cooks and packs meals that are ordered telephonically by students across nearby residences and the meals are delivered for free and payment made upon delivery (Sosibo, 2022).

It appears that the common practice for off-campus living students is to purchase groceries from nearby supermarkets and prepare their own cooked meals at accommodation kitchens. A common alternative is to buy prepared meals from nearby supermarkets or fast-food outlets in the area. All these ways of accessing food require that they pay on demand.

2.8. Conclusion

The literature review sought to answer the critical questions that may be asked when a business idea is formed.

For a business to be better than its competitors it needs to have a sustainable competitive advantage. The Resource-Based View is the management theory that can be applied to determine critical resources and capabilities that a business needs to generate the sustainable competitive advantage.

When a business seeks to charge its customers upfront for a service, the best business model to employ is the subscription business model.

The concept proposed is a unique one in the student feeding realm, however, in recent years restaurants inside and outside South Africa have explored the concept of the subscription business model in their restaurants. The earliest record of this model application was in 2020 and at this time there is no academic research on the sustainability of the model in food businesses.

In line with the marketing literature regarding the importance of the voice of the customer, for the proposed business venture, it will be beneficial to conduct a research study following academically sound methods to collect data from potential customers (funders and students) in order to gain critical insights that will reveal what is important to the customers. This information can then be used to propose resources and capabilities that can be evaluated for a SCA.

3. RESEARCH

3.1. Introduction

To get the “voice of the customer” regarding the proposed business venture, a research study was conducted to answer specific research questions. The findings will be used to inform the strategic direction of the proposed business venture and ensure that the offering addresses the needs of the funders and students better than how competitors have been addressing them.

3.1.1. Research Objectives

The objectives of the research project are to;

- Determine if funders’ funding allocations are aligned with student spending.
- Determine if the students are indeed exposed to food insecurity and if the funders are aware of the issue.
- Determine if funders are willing to take full responsibility of the students’ access to food and if the students are willing to have the funders control their access to food.

3.1.2. Research Questions

This research project seeks to answer the questions;

- How do the funders allocate their funding and how do they students actually spend?
- What are the experiences and opinions on food insecurity by both funders and students?
- What are the funders and students’ appetite for the solution the proposed business venture offers?

3.2. Research Approach

In this study the qualitative research approach was employed. Myers (2013) asserts that qualitative research methods can be used to assist researchers understand not just the things people say and do, but the people themselves and in so doing, the researcher can be able to understand the social and cultural context the people within the research live in (Myers, 2013). When people or groups of people are faced with a social or human problem, the research into understanding and exploring how they relate to the problem is qualitative research (Creswell & Creswell, 2018).

The research design used in the study was a generic qualitative research design. For the purposes of this study, the traditional research designs, such as the grounded theory, ethnography, and phenomenology, were not necessary because this study simply sought to explore the perspectives of the students and funders. Because the study was not focussed on examining cultural rules or build a theory as is done in ethnography and grounded theory, respectively, the generic qualitative design was most suitable (Cooper & Endacott, 2007). When seeking to get a broader range of ideas, opinions and reflections without necessarily going into a “deep” understanding of these, a generic qualitative research design is most appropriate (Percy, Kostere & Kostere, 2015).

This study sought to understand the lived experiences of the participants with regards to access food in order to inform the decisions around the proposed business venture. This research approach offered the best way to go about that.

3.3. Population and Sample

Qualitative research seeks to increase the understanding of a particular phenomenon instead of forming a generalised opinion of a whole population that has been drawn from a data extrapolated from a sample of this population (Byrne, 2001). There is no specific number of participants that can be identified as the “golden number” of the sample size, but what is critical is that the interviews take into account as many different perspectives and “voices” as possible (Myers, 2013).

The group of participants in generic qualitative research may be small, but because they are highly informed, they can be a rich source of information on the topic of interest (Percy et al., 2015). The researcher needs to provide a thorough description of the context of the sample and findings so that it can be adequately decided if these findings can be applied to another group of people with a similar or even different type of phenomenon (Byrne, 2001).

In this study, there were 14 student participants and 3 funder participants. The students were selected based on them living in the off-campus (privately owned) student residences located in Braamfontein. These students were randomly selected and approached for participation in the study in the vicinity of the University of the Witwatersrand (off-campus) and the mini shopping complex in Braamfontein. Once the students identified themselves as students of a HEI that lives in these residences in Braamfontein, the study process commenced. Students that identified themselves as living in on-campus residences were not included. The participants were all Black students comprising of 6 male and 8 female students. The students had varying sources of funding for their studies, and this was not used as a criteria of participant selection. The funders approached included a bursary management services company, a scarce skills funding programme, and a parent funder. Funders that were approached were those responsible for not just the tuition costs, but also the costs of gaining access to food for students.

3.4. The Research Instrument

In generic qualitative research, data is usually collected by the use interviews (Kahlke, 2014). The instrument used was an interview schedule based on Creswell and Creswell's interview protocol (Creswell & Creswell, 2018, p. 267). Different interview schedules were developed for the student and funder interviews consisting of different questions aimed at addressing the same research questions. These are shown in Appendix A and B.

3.5. Data Collection Approach

The data collection was done using semi-structured interviews for both the student and funder interviews. Semi-structured interviews allow for questions to be formulated prior to the interview being conducted, but it is not mandatory to adhere to them and also new questions may arise that may be included (Myers, 2013). This was how the semi-structured interviews in this study were designed. The main advantage of this approach is that while having the structure of pre-formulated questions that will lead and guide the interviews and ensure critical information is not missed, the approach still allows room for the participants to talk freely which may reveal additional information that is valuable and may reveal areas of the study the researcher may have overlooked (Myers, 2013). All student interviews were conducted face-to-face on the streets of Braamfontein, while all funder interviews were conducted on Microsoft Teams.

3.6. Data Analysis

The data analysis process employed in the study followed Creswell and Creswell's (2018, p. 269) recommended analysis sequence as shown in Figure 5. The analytical model used was thematic analysis which is an analysis method that can be used to identify, organise, and report themes within data (Braun & Clarke, 2006). The themes reached from the analysis capture important information about the data in relation to a particular research question (Braun & Clarke, 2006). The thematic analysis approach taken for the study is the inductive approach which allows for the themes to develop and emerge organically from the data without using a predefined coding system (Braun & Clarke, 2006). This allows the themes to be strongly related to the data itself, but this also means the themes generated may not have a strong relationship with specific questions asked in the interview as the coding of the data is not made to fit a predetermined notion (Braun & Clarke, 2006). The process involves an iterative cycle of generating codes,

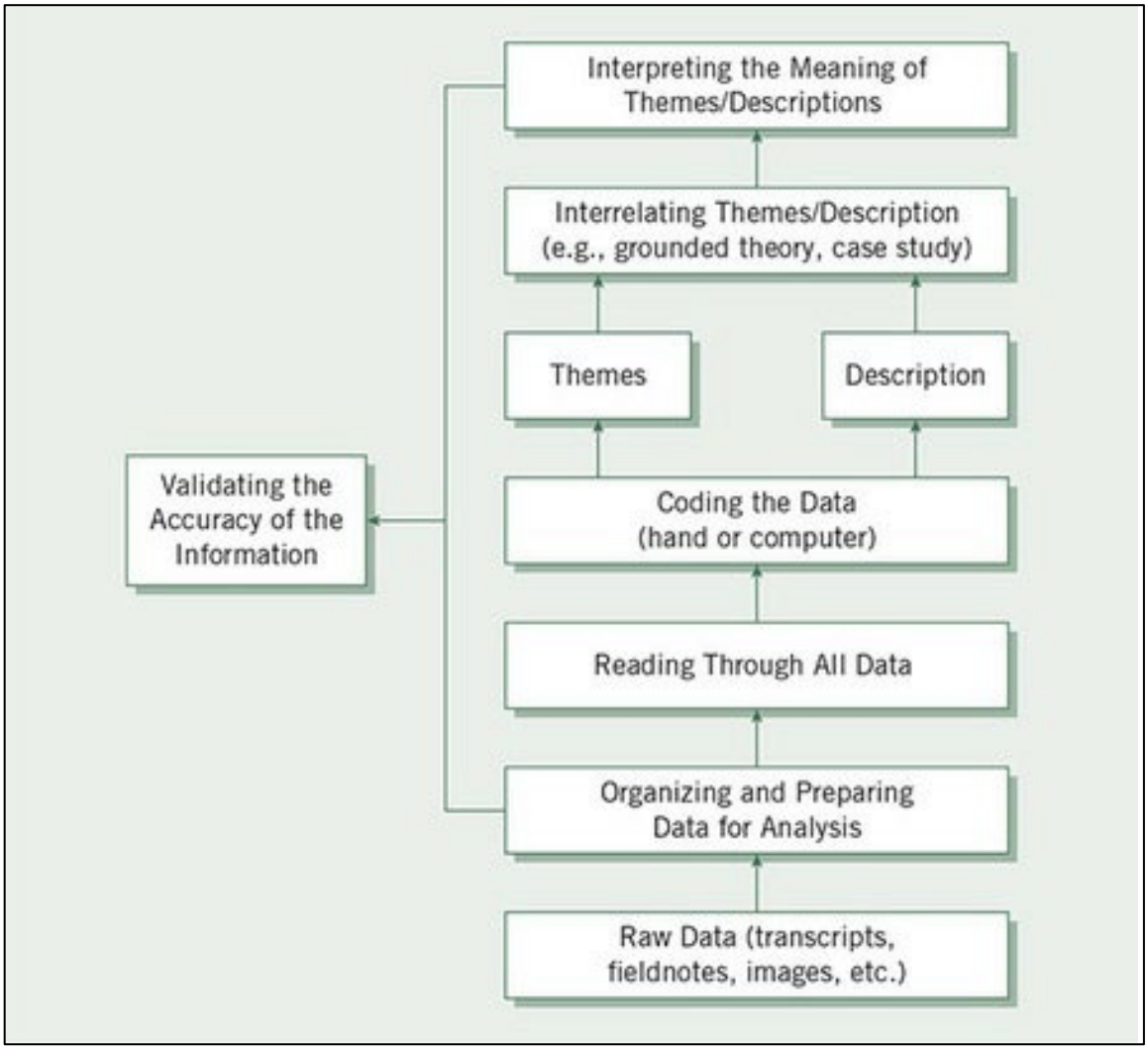


Figure 5: The steps for data analysis in qualitative research

The actual coding, categorising and theme identification process is an iterative process that involves generating initial codes, collating the codes into categories, and search for a theme from these (Braun & Clarke, 2006). It is important to then also review these themes in order to refine them by joining those that may speak to each other or perhaps even broken down to further themes (Braun & Clarke, 2006). In this study open coding was used using a Computer-Aided Qualitative Data Analysis Software (CAQDAS) called ATLAS.ti. Using the Code Book from the software, these codes were further categorised, and themes identified using Microsoft Excel. Figure 6 shows an example of a transcript analysis on ATLAS.ti.

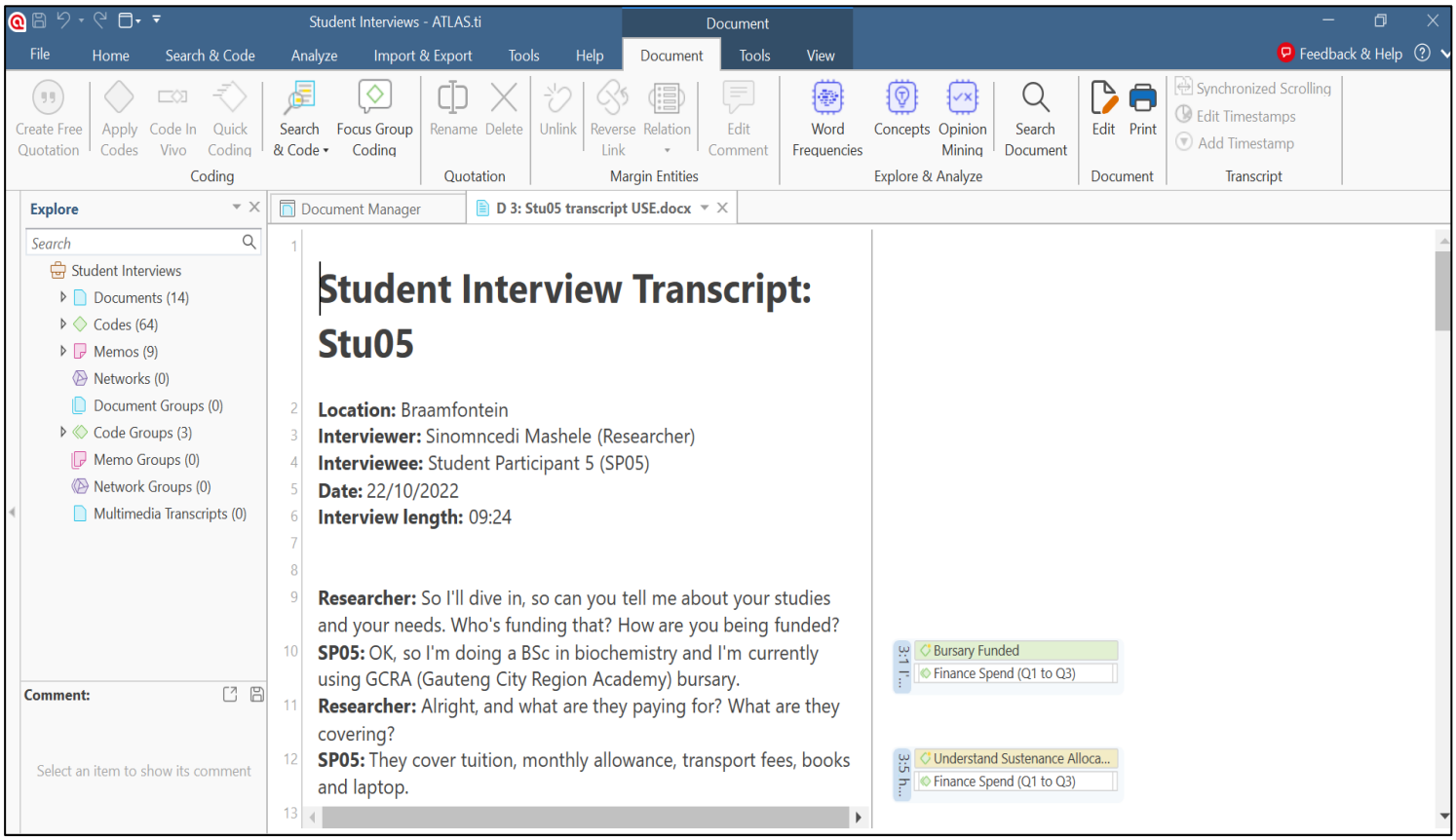


Figure 6: Transcript coding exercise on ATLAS.ti

The themes obtained and analysed will be presented and discussed in the following chapters.

3.7. Validity and Reliability

Validity in qualitative research refers to the accuracy of the findings (Creswell & Creswell, 2018). It speaks to how precisely the findings accurately reflect the data (Noble & Smith, 2015). This involves the researcher recognising that their own personal biases may impact the research methods and interpretation of the respondents' views (Noble & Smith, 2015). In order to achieve validity in the study the following were employed:

- According to Noble and Smith (2015), the researcher needs to use reflexivity (Noble & Smith, 2015) which involves the researcher declaring and reflecting on their own perspectives that will shape their interpretation of the findings (Creswell & Creswell, 2018). In this study the researcher acknowledged that their personal experience and intimate understanding of the phenomenon

being studied will impact the data collection process. To avoid this, the researcher consistently went through a pre-written list of possible biases they may introduce during interviews before commencing with an interview to remind themselves to remain impartial.

- Noble and Smith (2015) also highlighted the importance of the researcher establishing representativeness of the findings in relation to the phenomenon under investigation. In this study, the researcher audio recorded the interviews which allowed them to revisit the recordings during the data analysis stage to ensure that their interpretation of the data did not lose its meaning and remain true to the voice of the participants. This was particularly helpful during the theme development stage.

Reliability in qualitative research refers to the consistency in the chosen analysis procedures (Noble & Smith, 2015). With regards to consistency, the researcher needs to ensure that their decisions are clear and transparent and if a different researcher is to undertake the same research, they should arrive at similar or comparable results (Noble & Smith, 2015). Consistency can be achieved through ensuring auditability which can be achieved by ensuring that the researcher maintain a “decision-trail” (Noble & Smith, 2015) by having a well detailed and documented procedures of the research conducted in way that another researcher could follow the steps in doing the same research (Creswell & Creswell, 2018). In this study the researcher kept detailed comments and several memos during the analysis phase while developing the codes to themes. This will make it clear why certain decisions were made during the analysis stage. The researcher has compiled a detailed report on how the study was conducted and clearly reported the findings in the report to ensure transparency.

3.8. Limitations

There are limitations that were identified in various parts of the study. In the methodology, the nature of qualitative research and restrictions in its sample size make it difficult for the researcher to generalise the findings to the population (Creswell & Creswell, 2018). In this study, the findings made cannot answer

whether the proposed business venture will be welcomed by most students and funders or not.

The sampling of funders was not random as only a limited number of funders made themselves available to be interviewed while others did not show interest. Also, in South African HEIs, NSFAS is one of the major funders, however, an interview with them could not be secured and as a result the biggest voice amongst the funders is not represented in this study.

During the data collection phase, student participants could not be approached for participation according to where they live as previously proposed. They were randomly approached in in the vicinity of the University of the Witwatersrand and the shopping complex in Braamfontein, this meant that the likelihood of these students being mostly students of this one university were high. This meant the student sample may not be representative enough to incorporate the voice of students coming from other institutions.

3.9. Ethics

In order to ensure that no ethical codes were breeched during the study, the researcher did the following:

- Sought ethics clearance from the Wits Business School's Ethics Committee before commencing with any data collection. The clearance certificate is included in Appendix C.
- Ensured that the student participants did not present with vulnerabilities and that both the student and funder participants had no association with the researcher.
- The participants' consent was obtained before commencing with any interviewing. An example of a completed and signed consent form is included in Appendix D. Also, the participants were made aware that they can pull out of the interview at any moment they did not wish to continue.
- Avoided as far as possible from gathering personal details of student participants that may further reduce anonymity and confidentiality. However,

all participants were made aware that the anonymity cannot be guaranteed, however they will be confidential. This was indicated in the Participant Information Sheet included in Appendix E.

3.10. Conclusion

The research methodology employed in the study was a qualitative research approach with a generic qualitative research design. In collecting data, semi-structured interviews were conducted with students in person on the streets of Braamfontein and funders via Microsoft Teams. To analyse the data, an inductive thematic analysis approach was used and ATLAS.ti software was used to code the data in order to develop the themes. Special consideration in ensuring validity and reliability was made by ensuring reflexivity, representativeness, and consistency in the study. The researcher also remained aware of the limitations the study presented and ensured a high ethical standard.

4. RESEARCH RESULTS

4.1. Introduction

In this chapter, the results obtained from the data collected in the study are presented. For the proposed business venture, it was students and funders that were identified as the main customers and both their voices were identified as being critical in gaining more insight into food insecurity amongst students and appetite for the proposed solution to that. As previously mentioned, there were interviews conducted for both customer groups. Using the data analysis method presented in the previous chapter, themes were developed from the primary data from the interviews, and these capture the essence of the responses. In this chapter the data will be presented according to these identified themes using tables.

4.2. Student Research Results

The student interviews sought to gain more understanding in three areas. In the first section of the interviews, the aim was to gain understanding of the types of funding the students have, their understanding of the purpose of their funding, and what they spend their finances on. The second section of the interviews was aimed at gaining an understanding of the views and experiences of the students with accessing food and the factors that influence that. The final section was aimed at understanding if the students would find the solution the proposed business venture offers appetising. The findings are presented in Table 13 to 15 in Appendices F to H.

4.2.1. Finance Spend

Table 13 in Appendix F presents the thematic development for the finance spend.

The data revealed that the students receive funding from various funders. There are funders that have contractual agreements with the students such as the government's NSFAS. There are also familial funders such as parents. However,

some students also contribute to their own funding from savings and income from being employed. The students expressed a general understanding of what the funds they received were for which they seemed to indicate that sourcing food was the primary purpose. The students indicated that they had the responsibility of managing their own finances because the funds were received, at the least, monthly and at most per semester. The data revealed that students have needs or wants that go beyond what could be deemed as necessities, such as food and hygiene products. Their spending goes beyond these necessities to things that could be deemed as nonessential such as gambling, supporting family, and savings.

4.2.2. Food Access Experience

Table 14 in Appendix G presents the thematic development for the views and experiences students have with food access.

The data revealed that students may be exposed to lack of access to enough food because there are times in a month that they may not have access to food and resort to skipping certain meals. Students use various alternative sources of food during this time to fill the gap such as collecting food donations from feeding programmes in the area, the Wits food bank being the primary source for Wits' students. Students have to compromise on the method of sourcing food and even the type of food they prefer in order to have enough access to food in a month. The limited access to sufficient food seems to have a negative impact on the academic success of the students. However, there are students fortunate enough to have sufficient access to food throughout the month which demonstrates that creating sufficient access to food for students is possible and that insufficient funds does not have to mean no access to food.

4.2.3. Appetite for Solution

Table 15 in Appendix H presents the thematic development for the views and experiences students have with food access.

The students acknowledged that what the dining hall facility solution offers is a certain level of peace of mind with the guarantee to access to food it offers. It seems that the solution would offer a reduction in the anxiety students feel with regards to the struggle around access to food. However, several issues linked to what they have seen with on-campus dining halls would have to be addressed and mitigated in the offering. This includes challenges with things around time allocations and how those may at times clash with classes. Also, concerns with regards to the convenience of the location. The students seem to conditionally accept the offering.

4.3. Funder Research Results

The funder interviews were also conducted to gain insight into three areas and as such had three sections addressing each of these. The first section was aimed at understanding how the funders allocate funds to the students and other resources they might offer. The second section seeks to understand the funders' awareness and exposure to student struggles with food access and the potential threat this may have on their investment. The final section is aimed at gauging the appetite funders could have towards the proposed solution along with their willingness to support struggling students they do not fund with access to food. Table 16 to 18 in Appendices I to K presents the thematic development for these sections.

4.3.1. Funding Allocations

Table 16 in Appendix I presents the thematic development for the funding allocations made by the funders.

The funders are invested parties that need the students to succeed. The funders make well informed decisions regarding how to allocate funds that involves exercises such as researching the requirements of students living off campus. They then make provisions for all expenses pertaining to day-to-day living of students. However, they offer weak underperformance consequences because there are no expectations for students to pay back the funding in the event of failure and no guarantees for employment if they do succeed. The funders are not anticipating

financial problems amongst students because they give generous allowances or top them up during the month when they request. The funders also have efforts in place to develop the students' financial sense through things such as life-skill programmes they offer them.

4.3.2. Food Insecurity Awareness

Table 17 in Appendix J presents the thematic development for the funding allocations made by the funders.

Funders have seen minimal dropping-out rates amongst their students and deem the risk to dropping-out low. They have drop-out mitigating efforts in place such as providing holistic support that includes mental health programmes to assist students. They have been aware of food access issues experienced by few students but were able to resolve those issues. However, food insecurity is a concept they are blind to. The phrase does not even come up in conversations and it is something they do not grapple with.

4.3.3. Appetite for Solution and Willingness to Donate

Table 18 in Appendix K presents the thematic development for the funding allocations made by the funders.

Because the funders have not been exposed to or made aware of the food insecurity plight amongst their own students, what the solution offers is not something they had thought of. However, despite that, the funders conditionally approve of the solution. They see the value in the concept and confirm that management structures would be open to discuss such a solution. However, there would be requirements that would have to be met. Things such as a sound report with the facts and figures around the difficulties faced by their students. Also, the facility offering would have to meet a high standard and ensure it is suitable for all student requirements. The major concern is that the funders do not want to take

away the opportunity to learn how to handle finances from students because that takes away from the financial independence of students as well.

The funders are not actively involved in social responsibility efforts outside the students they fund, they are not sensitized to the general plight of other students. However, with the right approach to the management teams and allowing financial circumstances on their part, they are willing to support causes outside their own students.

5. DISCUSSION OF RESEARCH RESULTS

5.1. Introduction

The discussion will first investigate the relationship between the data and the definition of food insecurity as defined in the literature review. The discussion in this chapter is also aimed at answering the three research questions posed.

This will involve combining the insight gained from the student and funder interviews and interpreting them in unison. Table 2 shows the themes developed from the data collected in the interviews with the two groups. These are grouped according to the related research questions.

Table 2: Themes developed from student and funder interviews

Research Question	Student Themes	Funder Themes
How do the funders allocate their funding and how do they students actually spend?	Students are dependants	Need Students to Succeed
	Independent Finance Management	Weak Underperformance Consequences
	Sustenance is critical	No Financial Problems Anticipated
	Spending goes Beyond Necessities	Develop Student Financial Sense
		Well Informed Funding
		All expenses funded
What are the experiences and opinions on food insecurity by both funders and students	Lack of access to enough food	Reduced Dropping Out Risk
	Compromising on preferred food source and access method	Resolve Food Access Difficulty
	Academic success negatively impacted	Blind to Food Insecurity
	Sufficient Food Access is Possible	
What is the funders and students' appetite for the solution the proposed	Solution is conditionally acceptable to students	Solution is conditionally acceptable to students
		Not sensitized to masses
		Potential Saviours

5.2. Food Insecurity and the Findings

Food insecurity was defined as when a person is experiencing a lack of (Sabi et al., 2020):

- access to enough food,
- physical, social, and economic access to food,
- access to safe and nutritionally valuable food, and
- access to food that caters to their dietary needs and choices

The findings from the student interviews show that the students experience:

- Lack of access to enough food because they found the food funds to be insufficient and they are unable to purchase enough food that will last a full month. They also find themselves using the services of feeding scheme programmes such as the Wits food bank where they eat lunch and collect food parcels. Other students may go as far as asking other students for food or simply cutting out certain meals in a day to preserve the food they have. This also indicates that students also struggle to access food physically, socially, and economically.
- In trying to ensure they can purchase as much food as possible with the funds they receive from the funders, students source food in ways and places they would not ordinarily. Because of the limited time they have with excessive academic demands, they would prefer to buy ready-made food such as takeaways, however, because these are expensive, they are forced to cook which is more cost effective. Also, because of the time constraints they have, they would prefer to purchase food from the nearest retailers, however, they find themselves having to travel to retailers far from their residences that sell food at cheaper prices. In an effort to save as much money as possible, some students have cut out certain foods from their diets, such as meat, which are expensive. This means the students are struggling to gain access to food that has the nutritional value they need and that they would ordinarily choose.

From these findings it can be seen that students experience the elements that define food insecurity, and this indicates that students are indeed experiencing food insecurity. This means the proposed business venture will be targeting a real problem the students have. If the funders have paid, their students will have access to enough, quality and nutritionally balanced food – in essence removing the food insecurity. The business needs to ensure that it invests in resources and capabilities that will allow it to seamlessly provide these services

5.3. Research Questions and the Findings

There were three research questions the study was designed to answer. The findings will be explored in an attempt to answer these questions.

5.3.1. How do the funders allocate their funding and how do the students actually spend?

The findings revealed that students and funders have a symbiotic relationship where the students are fully dependent on the funders for survival, while the funders need the students to succeed in order for their programmes or ability to fund others to continue. The funders seem to have a good understanding of what the students need through rigorous research and recognise that in order to succeed these needs must be met. There are different expenses that the different funders are responsible for, but whatever is stipulated in agreements with the students is taken care of as agreed upon. They do not just cover tuition and accommodation, but also the supporting needs such as books, computers, and meals which can be deemed as necessities. This is in line with what students indicated they get supported for. The funders give the funding to students in predetermined intervals and the expectation is that these students spend these funds on the agreed upon items. This means the students are expected to have a certain level of independent financial management skills and the funders provide the programmes that are designed to help groom these skills.

Students seem to understand that sustenance, food, is the main thing their funders want them to use the funding for. This is indeed the expectation. The students spend on the necessities as expected, however, they spend on other items that can be deemed as non-essentials that the funders have not identified and included in their allocations. This includes spending on gambling, supporting families, and entertainment. There seems to be a misalignment between the funding provided and the actual spend. These findings are in line with the literature presented.

5.3.2. What are the experiences and opinions on food insecurity by both funders and students?

As already discussed, the findings from the students indicate that they are exposed to food insecurity. The students showed concern that this exposure to food insecurity impacted them negatively academically. This was because the anxiety that stems from worrying about sourcing food or having the time needed to prepare food led to mental discomfort. Also, the physiological consequences of not having access to food, hunger, made them feel incapable of focusing on academics. These findings are in line with Piaget's theory of Cognitive Learning previously presented which asserts that going without food to the point of hunger has a negative impact on the academic performance of a learner (Sabi et al., 2020). However, the funders seem to be blind to the general food insecurity plight of some of their own students and that of other students they do not fund. They understand that "few" students may struggle now and again with accessing food due to poor finance management, but they are ready to assit those "few" students as need be.

There seems to be a misalignment between the perceptions of the funders and the lived experiences of students. Funders seem to be secure in their view that they are "generous" in their offering, while the students express a concern of insufficient funds.

5.3.3. What are the funders and students' appetite for the solution the proposed business venture offers?

Both the funders and students find value in the proposed solution of prepaid dining hall facilities in Braamfontein. The students recognise that the solution would go a long way in reducing their exposure to food insecurity which in turn will reduce the negative impact it has on their academic performance. Funders were more concerned with the type of food the students have access to rather than the actual overall access. They saw the solution as a way of ensuring their students will eat a well-balanced diet that they believe contributes to success. However, the acceptance of the solution was conditional. The students and funders seem to have the same concerns regarding the facility that they would need addressed before

buying into the offer. The facility's ability to provide enough and quality food in a well-structured, and well-operated space was an important requirement. The scheduling of meals and easy access to the facility is another critical consideration that would be made before buying in.

The findings from the funders showed that there is a willingness from funders to make such a contribution. Even though they seem to be not sensitized to the plight of students in general, when presented with the facts and figures, they could be motivated to make the contributions needed.

It is important that the current opportunity students have to learn to be responsible and financially savvy young adults is not completely removed by the offering. That should not be a problem, because even though the students' financial control over their food access will be removed by the offering, they will still be receiving additional allowances for non-food related needs that they will still need to manage by themselves. They can continue to grow their financial management skills with these funds without risking their academic success. The strategic decisions the proposed business venture will make will have to consider the conditions the students and funders have cited as critical for them to fully accept the offering. This is the important voice of the customer that has the potential to give the proposed business a SCA.

5.4. Conclusion

The findings revealed the experiences of students with food access are similar to the experiences of food insecure people. There is a misalignment between what the students spend on and what the funders allocate the funding for. Students spend on more than the necessities, but also on non-essential items. There is also a disconnect between the lived experiences of students with regards to difficulty accessing food and the perceptions of the funders. Funders believe all is well, while students indicate that they are food insecure. Both the students and funders conditionally accept the proposed business venture offering. There are

requirements that would have to be met in order for them to buy in. The funders are also willing to donate towards unfunded students' access to food in this facility.

6. BUSINESS VENTURE PROPOSAL

6.1. Introduction

In this chapter the business venture proposal will be presented. The literature review and research done reveal important factors that the proposal needs to take into consideration to improve its chances in succeeding. These are summarised in Table 3.

Table 3: Summary of relevant findings

Relevant Findings to Consider	
From Research	Students have non-food related needs that require ongoing funding support
	Funders are not fully aware of food insecurity amongst their students
	Students Need the Offering to :
	Be appropriately priced
	Have good quality food that tastes good
	The location of facility must be within reasonable walking distance
	Dining times must be long enough and take into account most demanding class times
	Funders Need the Offering to :
	Not take away life lessons from students
	Have good quality food that tastes good
	The facility needs to be administratively and physically well-structured
From Literature Review	Resources and capabilities required need to meet the VRIO criteria
	Human capital can be a key source of SCA
	Ensure that feedback from the potential customers informs strategic options
	Restaurant business allows for the use of a subscription business model

6.2. The Business Statements

6.2.1. Vision

“To be the dining facility of choice amongst government (NSFAS), private entities and individuals funding tertiary students around South Africa, offering an exceptional dining experience for students helping them invest their precious time in what matters most.”

6.2.2. Mission

“The business is focussed on giving the entities and programmes funding tertiary students the peace of mind in knowing that the funding that has been allocated for the students’ sustenance does just that – provide the students with access to wholesome and nutritional sustenance while at school so they may be able to perform at their peak academically.”

6.3. Situational Analysis

It is important to first understand the environment the proposed business venture is set to enter, the external environment, and its own internal environment. All the external environment analyses will be done within the South African context. The external environment analysis will consist of PESTEL, Porter’s Five Forces, and a competitor analysis. The internal environment analysis will consist of an analysis of the business’s resources and capabilities and their ability to give the business a SCA.

6.3.1. Macro-Environmental Analysis

The PESTEL framework looks at six types of macro-environmental factors: political, economic, social, technological, ecological (environmental) and legal (Scholes, Johnson, Whittington, Angwin & Regner, 2017). The PESTEL analysis is presented in Table 4.

Table 4: PESTEL Analysis

OPPORTUNITIES		THREATS
• Since the end of the apartheid era in 1994, the South African government has been focussed on making higher education equal and a level playing field (Sehoole & Adeyemo, 2016). The National Development Plan (NDP) outlines that the country should have a higher education and training that is accessible to all South Africans by the year 2030 (GCIS, 2016). The NDP also calls for this education and training to be of high quality so that it may produce the best possible learning outcomes (GCIS, 2016). The Department of Higher Education (DHET) seeks to improve the quality of higher education and training as well with the hopes that the completion rates will increase as a result (DHET, 2020). • In the 2022 budget allocation to DHET was increased by 7% (DHET, 2022).		• The South African government is riddled with corruption that has taken centre stage in the recent years. It has managed to seep its way into every aspect of the government systems and departments. South Africans have continued to suffer and bear the brunt of this malfeasance. • In the year 2021, faced with the challenge of an ailing economy during the COVID-19 pandemic, the government in trying to juggle financial resources to help the country recover, cut the budget to the DHET by over R20 billion from which NSFAS saw a cut of over R6 billion (PMG, 2021).
The government, through NSFAS is the largest single funder of students in HEI's which means it is one of the most important funders to get on board in the venture. The government's ambitions to improve the higher education experience and produce the best possible outcomes with increased rates of completion of studies amongst students means that it will be more open to ideas aimed at contributing meaningfully to its cause. The DHET may be more receptive to the proposed solution to have their NSFAS funded students subscribed to the offering because as the research findings showed, having such a facility would alleviate the stress that comes with accessing food which would then improve academic performance.	**P**	The government run institutions and programmes are riddled with corruption. The proposed business venture may not be enticing enough to the DHET if officials cannot somehow benefit financially from the venture. There may be bribery requests to get the department on board. With the budget allocation increases from the government to the DHET, the department may have the necessary funds to afford getting on board with the venture. However, in times of a crisis, it is departments such as the DHET that see their budgets and spending cut. This may affect the stability of the business if there is a possibility of payment issues from a major funder and customer such as NSFAS.
• To slow down and reduce the unemployment rate, the South African government introduced the Employment Tax Incentive (ETI) policy in January 2014 (Muller, 2021). The ETI is a 50% subsidy paid the government to firms that employ youth workers aged 18 to 29 years earning less than R 6000 so that the employers effectively only pay 50% of the salary (Muller, 2021).	**E**	• McKinsey & Company reports that 87% of South African consumers feel that they are economically stretched and burdened (Hattingh & Ramlakan, 2022). From these consumers 37% feel that they are in financial crisis, with 32% saying they are struggling to make ends meet, and 42% say they must make financial adjustments in order to survive (Hattingh & Ramlakan, 2022). • South Africa is faced with unprecedented levels of unemployment that were reported to be 35.3% in the fourth quarter of 2021 (Stats SA, 2022).

The venture could consider employing young and unemployed youth in the operation of the facility and perhaps to produce food on small scale farms that could be in parts of Johannesburg. The venture could also benefit from the ETI to reduce its wage bill. In terms of securing funding from government business development agencies, showing that the venture will be effectively reducing unemployment amongst the youth could be an advantage.		South Africans are stretched financially, and consumers do not have the financial capacity to spend. Coupled with the fact that the South Africa is challenged with a very high unemployment rate, there is simply not enough disposable income in households to spend on even the basics. This may mean that those funders funding students from their personal funds, such as parents, may not afford to take up the offering because they simply do not have the money. However, this can also be a good selling point. To ensure that the little money they do have does what it needs to do, signing up their students for the offering may give them the peace of mind they need.
• Even with the difficult financial situation South African consumers are faced with, they still are willing to pay a premium for healthy food that has been sustainably sourced and processed (Hattingh & Ramlakan, 2022). On average 29% of South African consumers are looking for food that is rich in minerals and vitamins, and about 13% are looking for vegetarian and vegan food (Hattingh & Ramlakan, 2022). Despite these financial difficulties, reports indicate that consumers are still willing to pay more for healthy and nutritiously valuable food which is what the business venture is seeking to offer. This may motivate the funders to subscribe their students if they know that the food that they will be getting is sustainably sourced and filled with nutrition. As seen in the research findings, quality and nutritious food is an important requirement for both the students and funders.	**S**	
• In 2014, 9.7 million people in South Africa were using smartphones, in 2017 this number grew to 16.1 million and it was predicted that in 2021 it would be 21.9 million users (Sovtech, 2017).		

• To address the lack of access to the internet and digital inequality, the City of Johannesburg relaunched its free Wi-Fi hotspots around the city with 84 spots active in 2020 in places such as the Braamfontein Precinct (Odendaal, 2020). • The technology sector has developed a host of applications (apps) that have become popular amongst small business owners in South Africa (Santam, 2022). These apps have been able to save both time and money for many small business owners in various business functions with apps such as Xero.com that can assist with accounting needs (Santam, 2022). Considering how technology can make processes efficient, the business venture stands to benefit by incorporating its use wherever possible. With the improved access to smartphones in South Africa over the years, there is a good chance that most of the students will have smartphones that they can use to access the facility app where they can place orders and interact. With the government initiatives to give access to Wi-Fi, the students will not struggle with accessing and using the app that will be in place. Technology can also be used in the business operations to lower costs where instead of employing an accounting professional, an app can be used to manage the accounting needs of the business.	T	
	E	• According to the World Health Organisation (WHO), climate change is affecting things critical to social and environmental health such as "clean air, safe drinking water, sufficient food and secure shelter" (WHO, 2021). South Africa has been challenged with severe weather patterns with devastating floods in the Eastern Cape and Kwa-Zulu Natal that had a significant impact on the agricultural sector (Burger, 2022). Crops were destroyed and livestock killed (Mabaso, 2022). The global temperatures are increasing because of the climate change and these higher temperatures are bound to have a negative impact on the agricultural produce of South Africa. As a result of these extreme patterns on the agricultural output, food prices are bound to be affected and they will most likely increase across the board (Masipa, 2017).

		• The extreme and unpredictable weather patterns have seen infrastructure destroyed and as a result insurance rates for properties will most likely increase, driving up rental fees (Bosman, 2019). Climate change stands to negatively impact the proposed business venture. With food prices that have increased due to the negative impact climate change is has had on the agricultural sector, the operational costs of the business may be high. The increased property insurance rates because of climate change may mean increased rental prices which will also drive up the costs for the business.
• South Africa has strict labour laws enforced using the Labour Relations Act of 1995 (LRA); the Basic Conditions of Employment Act of 1997 (BCEA) (DEL, 2022); and Employment Equity Act 55 of 1998 (EEA) (Levy, 2021). • There are also laws that oversee the health and safety of employees at work in South Africa such as the Occupational Health and Safety Act 85 of 1993 (OHSA) that seeks to ensure that workers are working in environments that are safe and healthy (Esterhuyzen, 2019). With the stringent labour laws and health and safety laws in South Africa can impact the business positively. If the business can manage to ensure that it meets the requirements, it can use this to market itself to the funders. The funders will be looking to associate themselves with a well-structured and run business and being able to show that, legally, everything is sound might increase the confidence funders have in the business.	**L**	• South Africa has strict labour laws enforced using the Labour Relations Act of 1995 (LRA); the Basic Conditions of Employment Act of 1997 (BCEA) (DEL, 2022); and Employment Equity Act 55 of 1998 (EEA) (Levy, 2021). • There are also laws that oversee the health and safety of employees at work in South Africa such as the Occupational Health and Safety Act 85 of 1993 (OHSA) that seeks to ensure that workers are working in environments that are safe and healthy (Esterhuyzen, 2019). With the stringent labour laws and health and safety laws in South Africa, it will impact the business negatively because it may mean increased costs for the business to ensure that it complies and receives the necessary licensing.

(Sehoole & Adeyemo, 2016) (GCIS, 2016) (DHET, 2022) (PMG, 2021) (Muller, 2021) (Hattingh & Ramlakan, 2022) (Stats SA, 2022) (Sovtech, 2017) (Odendaal, 2020) (Santam, 2022) (WHO, 2021) (Burger, 2022) (Masipa, 2017) (Bosman, 2019) (Levy, 2021) (Esterhuyzen, 2019)

6.3.2. Industry Analysis

There are three primary types of food-serving businesses in the South Africa which, according to Statistics South Africa, can be described as follows;

- Restaurants and coffee shops that are, “Enterprises involved in the sale and provision of meals and drinks, ordered from a menu, prepared on the premises for immediate consumption and with provided seating.” (Stats SA, 2021).
- Takeaway and fast-food outlets that are, “Enterprises involved in the sale and provision of meals and drinks, ordered from a menu, prepared on the premises for takeaway purposes in a packaged format, at a stand or in a location, with or without provided seating.” (Stats SA, 2021).
- Catering services are, “Enterprises involved in the sale and supply of meals and drinks prepared on the premises on a contract basis and brought to other premises chosen by the person ordering them, to be served for immediate consumption to guests or customers. Catering services also include bars, taverns, other drinking places, ice-cream parlours, etc.” (Stats SA, 2021).

The proposed business venture, “The Digz Diner”, can be defined as a restaurant, however, the students will have an option to have the meals as a takeaway if they do not wish to sit in. Also, since the payment method for the services will be on a contract basis, it could be said that the business will have an element of being a catering service. Nevertheless, all three categories fall under the same main industry, the South African hospitality industry’s food and beverage sector (Nicolaides & Kearney, 2012).

The industry players (competitors) in the Braamfontein area that cater to the students in the area include;

- Supermarkets (especially the Pick n Pay and Food Lover’s Market stores located in Braamfontein) that sell groceries as well as cooked meals.
- Restaurants in Braamfontein and nearby shopping malls.
- Fast-food outlets in Braamfontein.

- University of the Witwatersrand- (Wits) which allows oppidani (day) university students that do not live on-campus to purchase a certain number of meals to be eaten in the on-campus dining halls (Wits University, 2018).

To analyse the industry, the Porter's Five Forces Framework, as shown in Figure 7, which looks at five forces said to make up the structure of the industry will be used (Scholes, Johnson, Whittington, Angwin & Regner, 2017, p. 64).

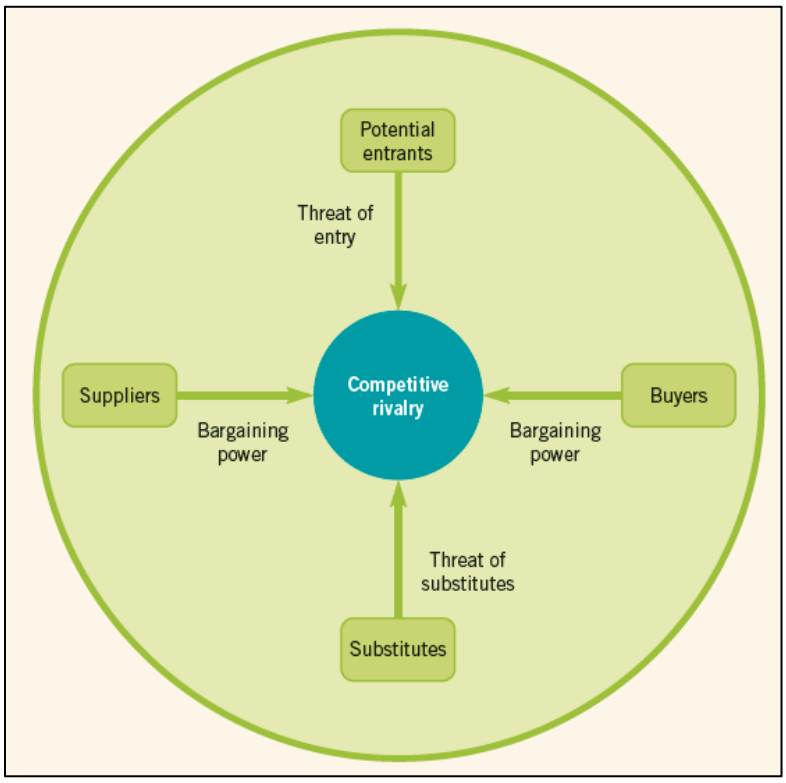


Figure 7: Porter's Five Forces Framework

Threat of Entry

This is the ease or difficulty new entrants experience when entering a particular industry (Scholes et al., 2017). The stronger the force of threat to entry would mean the easier it is to enter the industry which becomes a problem for the incumbents in the industry (Scholes et al., 2017).

Bargaining Power of Suppliers

Suppliers are not just the vendors that supply a business with raw materials or equipment, they also include the workers and institutions or individuals providing

financial means for the business (Scholes et al., 2017). The more power the suppliers have, the less attractive the industry because they have the potential of inflating their costs to a point that the business no longer becomes sustainable (Scholes et al., 2017). For “The Digz Diner”, the key suppliers will include:

- Fresh produce suppliers
- Non-perishable foods suppliers
- Utility suppliers (water and electricity from municipality)
- Building landlords

Threat of Substitutes

A substitute for a product or service is another product or service that will offer the same benefit to the customers, but it would be of different nature (Scholes et al., 2017). A strong threat would mean there is a potential of the current product or service to be driven out of the market completely by the substitute (Scholes et al., 2017). There is no substitute for food for human beings, all humans need to eat to survive. However, for the restaurant, takeaway and catering industry, the substitute is people cooking their own food at home.

Bargaining Power of Buyers

The buyers in a business are classified as the immediate customers (paying for the product or service) but they may not be the actual consumers of the product or service (Scholes et al., 2017). It has been shown that, in this industry, because of low switching costs and high number of available substitutes, buyers have a strong bargaining power (Mhlanga, 2018).

Competitive Rivalry

Competitive rivalry is competition between the industry incumbents who are vying for the same customers and offering them similar products or services (Scholes et al., 2017). What influences how strong or weak this force is for the restaurant, takeaway and catering industry will be competitor concentration where the more the competitors present in the industry, the stronger the rivalry, especially if the rivals

have similar power (Scholes et al., 2017). Where the products or services on offer do not differ much, there will be high rivalry and that rivalry is usually based on prices (Schoeman & Saunders, 2018).

Figure 8 presents Porter's Five Forces analysis for "The Digz Diner".

Threat of Entry (Weak)

The proposed business venture will be a new entrant into the industry. It will be very difficult to enter the due to the:

- High capital costs required to secure the property, cooking equipment, and furniture needed to set up the dining space.
- Relationships with suppliers will not yet be established and because the business reach will still be small at the beginning, the business cannot order in bulk and negotiate lower prices with suppliers – cannot capitalise on economies of scale (Mack, 2022).
- There are several licenses that need to be acquired for a business that sells and supplies food in South Africa which include a business license, health and safety certificate, and for playing music on the premises 2 licenses are required from SAMRO and SAMPRO. These licenses are not expensive to acquire, but the inefficiencies and briberies expected in government institutions may make the process difficult and delay.

Bargaining Power of Buyers (Strong)

- The potential funders, which include government institutions and large private companies, will be the buyers. Also, the students with the power od social media will be the buyers. They have the power to influence and demand the same offering from other established restaurants, take-away and catering service providers in the Braamfontein area if they are dissatisfied with pricing or quality of what will be offered. The funders can also choose to continue with simply giving out food allowances as is if the benefit of the offering does not come through clearly. The students, even though they expressed the difficulties around securing food, they are not desperate enough to accept a substandard offering.
- When the time comes to renew contracts with funders, they may be quick to change to a different offering because of the low switching costs and high number of available substitutes.

Competitive Rivalry (Medium)

There is a high number of industry competitors in Braamfontein. They all offer cooked meals of various kinds to the students living off-campus in Braamfontein. These competitors exist across the affordability spectrum of the students. However, even though the competitors all offer cooked food, according to the findings from students, they do not satisfy what the students want because students indicated that they do not ordinarily source food from them.

Bargaining Power of Suppliers (Medium)

- The business will be new industry and the suppliers may feel they have an upper hand, however, in South Africa the bargaining power of suppliers is generally low because the is strong competition amongst food suppliers (Mhlanga, 2018). The possibility of another supplier getting the contract will lessen their power.
- Property landlords in Braamfontein may have an upper-hand as the area is predominantly populated with student accommodation and not much business spaces, especially in the prime spots. This allows them to charge premium rates for business spaces in the area.
- South Africa is challenged with loadshedding and regular water supply issues and so businesses- relying on electricity and water have to spend considerably for back-up power systems (Schoeman & Saunders, 2018).

The bargaining power of food suppliers is weak, however, suppliers of labour, utilities and premises have quite a considerable amount of power.

Threat of Substitutes (Strong)

Even though "The Digz Diner" is a new concept not yet in existence in Braamfontein, the major private student accommodation companies could decide to introduce dining facilities in their residences and include the dining fee in the monthly rent rate. They would be saving on the cost of having to lease out premises and would offer convenience as students would have the dining facilities where they live. The property companies belong to the real estate industry but could have a detrimental impact on the business in this industry. During the student interviews, a student mentioned that one particular residence, Campus Africa, already has done this at one of their buildings.

Figure 8: Porter's Five Forces Analysis for "The Digz Diner"

Implications

The Porter's Five Forces analysis reveals that entering and operating in the restaurant, fast food and catering industry in the Braamfontein area will be difficult. It may even be said that entering this industry is unattractive because of the medium to strong Porter's forces and the weak threat of entry force. However, it is not completely unattractive with no potential for success.

What makes entering the industry attractive includes;

- The cost barrier to enter the industry is not extremely high. Instead of purchasing equipment, some of the equipment could be hired initially which may be more cost-effective than buying.
- The cost of sourcing food may be reduced over time if the business aligns itself with local, preferably Black, farmers that are looking for meaningful partnerships. Being local may reduce the supply chain cost which may mean reduced pricing. Johannesburg has urban farming initiatives such as Neighbour Roots, a rooftop farm on top of a shopping centre in Morningside Sandton, co-founded and co-owned by a Black female entrepreneur, Zandile Kumalo (Masiwa, 2021). There is also, Urban Grown, a Black founded and owned urban farming business that partners with new-generation farmers in townships around Johannesburg such as Diepsloot and is currently supplying Shoprite and restaurants around Johannesburg (Shoprite, 2022).
- The industry does not have an offering the same as what "The Digz Diner" is offering in terms of the payment structure, dining space and types of meals to be served.

6.3.3. Competitor Analysis

For a business to be successful, it needs to consider who its competitors are and what they offer that could potentially take customers away from it. Marketing experts warn about the importance of understanding the strengths and weaknesses of a competitor and being able to draw learnings from these to strengthen the business's

chosen strategy (Fleisher & Bensoussan, 2015). A product/service comparative analysis can be used to do this (Fleisher & Bensoussan, 2015).

The competitors that will be comparatively analysed for “The Digz Diner” include:

- Wits on-campus dining hall. A direct competitor.
- Fast-food outlets in Braamfontein (KFC, McDonalds, Nando’s, local spaza shops). A direct competitor.
- Supermarkets that sell groceries as well as cooked meals in Braamfontein (Pick n Pay). An indirect competitor.

Ordinarily the comparative analysis tool used includes an analysis of the home-firm, in this case “The Digz Diner”. However, this business is not yet in existence. The analysis will compare the industry incumbents. This will give insight into the areas “The Digz Diner” can access a competitive advantage which should ideally be sustainable.

Table 5 presents the comparative analysis.

Table 5: Competitor analysis using the Product/Service Comparative Analysis

Competitor		Direct Competitor 1 Wits On-Campus Dining Hall	Direct Competitor 2 Fast-food Outlets (KFC, McDonalds, Nando's, Spaza Shops)	Indirect Competitor Supermarkets (Pick n Pay)
The product		A dining hall facility catering prepared meals (breakfast, lunch, and supper Monday to Friday) and (lunch and supper Saturday and Sunday)	Fast-food/take-away outlets that sell prepared meals (same menu items) throughout the day, 7 days a week.	A supermarket primarily selling grocery items used for home-cooking and offer a prepared meals section in-store throughout the day, 7 days a week.
Description of the targeted market (include demographic information)		- Targeting Wits students living on and off-campus in Braamfontein. - Age group: All ages above 17 years - All ethnicities and cultural backgrounds	- Targeting all students, workers, and public in Braamfontein area. - Age group: 18 – 45 years - All ethnicities and cultural backgrounds	- Targeting all students, workers, and public in Braamfontein area. - Age group: 18 – 45 years - All ethnicities and cultural backgrounds
Key locations where the company provides/ distributes this product to		Located on campus at Wits University with access control.	Located in various locations in Braamfontein	Located in Braamfontein's prime spot near Wits University and main public transport route.
Key features and benefits (as per research findings)	**Pricing** (Extremely Important)	About 90% of the total cost of meals for the year are paid for by end of March at a total cost of about R34 000 per year and the students will be able to access breakfast, lunch and supper Monday to Friday, and lunch and supper only Saturday and Sunday (Gulwa & Smith, 2022). This works out to about R3400 per month. Students will not be required to make any payments for these meals daily.	Meal prices vary accordingly, but from the research findings, students expressed that take-away meals are quite expensive and generally unaffordable for every-day sustenance.	The cooked food sold at the supermarkets is usually very reasonably priced depending on the type of meal purchased. A student indicated that a small plate of pap with chicken gizzard soup cost as little as R6 at Pick n Pay.
	Food Quality (Extremely Important)	According to the research findings, students with experience with the Wits dining hall food complain that the menu does not change, and the quality of food is unimpressive.	Typical fast-food quality that can be found in any outlet in the country. Fast-food is notorious for its minimal nutritional value and adverse health impact on the body. The menu also does not change often and does not cater for the different times of day well.	According to the research finding from the students, the prepared food sold at the supermarkets is not very tasty or of impressive quality. The menu does not change with little variety. The meals are suited for lunch or supper, but not breakfast.
	Walking Distance (Mildly Important)	There is quite a long distance to walk from Braamfontein residences to Wits campus and once on campus there is still quite a distance to walk to reach the actual dining hall.	A reasonable distance to walk generally from the residences in Braamfontein depending on the outlet one is going to; however, they are distributed quite well around Braamfontein.	The distance varies from reasonable to quite long for students to walk from their residences depending on the location of the residence. However, it is conveniently located on major route students use to and from major universities.

	Dining Times (Extremely Important)	According to the research findings, the students indicated that the times at the dinging hall were inconvenient. The supper slot, most importantly, is too short with supper starting as early as 16:00 and is finished by 19:00.	The fast-food outlets usually operate until late with McDonald's closing as late as 23:00 weekdays.	The supermarket operates until 19:00 weekdays.
		Students indicated that they usually worked late into the night and eating too early means they get hungry soon into the night.		
	Well-structured facilities (Extremely important)	This is a trusted and well-established facility affiliated with Wits University. It has been operational for many years with the necessary experience.	All fast-food outlets are major food providers that have high national standards. These establishments are highly experienced in food services and can be trusted to meet the necessary standards.	The supermarket is a well established and trusted brand. However, they do not have a reputation or clear experience in offering a dining service.
Summary of strengths of each product		The fact that this business is well-established, reputable, and experienced makes it a better choice amongst funders that need to ensure their students are well taken care of.	These establishments are experienced in serving food and offering dining facilities. They are well distributed throughout Braamfontein making them highly accessible. Their operating hours cater for the late nights students usually have.	The supermarket has a very strong brand presence and may even have the power and financial resources to open its own facility similar perhaps even in nature. The brand is powerful enough to have discussions with the most prominent funders to put a stop to them signing up for the proposed offering which threatens to impact their store's revenue since students would no longer buy their monthly groceries.
Summary of weaknesses of each product		This establishment is too far for students that live in Braamfontein to comfortably and conveniently access. It only caters to Wits students and students from other institutions in Braamfontein cannot access it. It only offers 2 meals a day during the weekend. According to the research findings, students do not enjoy it's food. The pricing is quite high and well above what funders pay and students use to purchase food.	The type of food that is sold in fast-food outlets is not the most nutritious and the pricing is unaffordable for funders and students to maintain. The establishments have set menu's that cannot be tailor-made for students.	The supermarket's focus is not providing cooked food to students. Their primary focus is selling groceries. They do not have the facilities to offer dining. They do not have the capacity to shift their focus to catering for students only.

Implications

According to the research findings, the students tend to buy groceries and cook more than accessing food from these competitors. The areas that both the funders and students are most concerned about are the pricing, food quality, walking distance from residences to access the food, dining times, and structure and organisation of establishment. None of these competitors offer what the funders and students require in all these areas of concern. For example, while a competitor may have a good pricing structure, it may not have suitable dining time slots. This means if “The Digz Diner” can be able to satisfy all these areas in its offering, it stands a good chance to compete successfully and edge out a competitive advantage that may possibly be sustainable.

These insights from the analysis need will be used to decide on the critical resources and capabilities and when formulating the marketing plan for the proposed business venture.

6.3.4. Internal Analysis

The internal analysis will assist in determining whether the resources and capabilities the proposed business venture is planned to have will be able to give the business a competitive advantage over its competitors (Scholes et al., 2017).

The resources and capabilities discussed, as shown in Table 6, have not yet been acquired, but the plan is to secure them for “The Digz Diner”. Using the findings from the literature review and the research conducted as previously presented in Table 3, it will be important to ensure that the resources and capabilities the business will have will speak to what the funders and students indicated to be requirements for their complete approval of the proposed business venture.

Table 6: Resource and capabilities of "The Digz Diner"

Resources	Capabilities
Location: The aim will be to locate the facility as close as possible to the majority of residences in Braamfontein.	**Pricing:** The plan is to have the access to meals prepaid by the funders so that students simply access the food without paying. The pricing is aimed at the funders' affordability which will be aligned with what they currently allocate for food for students.
Food Quality: The plan is to have home-style cooked food made from good quality produce. The menu will change according to the season to ensure variety. The menu will also allow for "junk" food prepared in a healthy manner.	**Dining Schedule:** The plan is to have extended time windows for each meal of the day, especially lunch and supper, to allow for students to have ample time to collect or dine in for meals. This will reduce the possibilities of students missing meals due to time clashes with classes.
Facility Structure: The plan is to have clean and well setup facilities that meets the legal requirements such as health and safety certifications.	**Ability to Generate Interest and Appetite from Funders and Students:** Findings from the research showed that funders and students are willing to buy into the offering should the conditions and requirements be met.
Human Capital: The aim will be to employ a combination of staff with solid experience and knowledge (which may not be in the youth bracket) as well as staff made up of unemployed youth that has hospitality industry skills, experience or at the very least, demonstrated interest.	**Adoption of Subscription Business Model:** The model will allow for contractual agreements to lock in customers for a certain period and also upfront payments that guarantee operating working capital.
	Addressing Food Insecurity Amongst Unfunded Students: Ability to also assist a certain number of unfunded students that struggle with food insecurity

Competitive Advantage

The RBV VRIO framework can be used to analyse the proposed resources and capabilities to determine if they will be able to generate a SCA for the proposed business venture.

A VRIO analysis of the resources and capabilities identified can be done to evaluate the extent to which these resources and capabilities meet the four criteria which include valuable, rare, inimitable, and supported by the business structure. The

more of these criteria are met by the resource or capability, the more it stands to provide a sustainable competitive advantage for the business (Scholes et al., 2017).

Table 7 presents the VRIO analysis.

Table 7: VRIO Analysis of identified resources and capabilities

Resource or Capability: Brand reputation	Is it Valuable? (Value)	Is it Rare? (Rare)	Is it difficult to imitate (Inimitability)?	Does it have organizational support (Organisational support)	Competitive Implications
Resource 1 Location	**Yes:** Students voiced concerns about having to walk long distances to source food	**No:** Out of the 3 competitors, it is only the Wits on-campus dining hall that is located far.	----	----	**Competitive parity**
Resource 2 Food Quality	**Yes:** Both the students and funders expressed the importance of having good quality food that tastes good.	**Yes:** Students were not happy with the food offered by all 3 competitors.	**Yes:** The only competitor that has the ability to drastically change its food quality quickly is the Wits dining hall. The fast-food outlets are governed by a strict global menu that cannot be tailor made for small areas. The supermarket is not focussed on catering and their focus is not just on students, but public masses that buy the cooked food.	**Yes:** The proposed business venture will have experienced cooks and quality research on which foods to prepare will be done. Perhaps asking the students themselves. Finding out what kind of food the students want and using quality ingredients is not a difficult undertaking.	**Sustainable Competitive Advantage**
Resource 3 Facility Structure	**Yes:** The funders indicated that a well-structured and organised facility is imperative. The students need facilities that are clean and inviting to keep them happy.	**No:** Out of the 3 competitors, it is only the supermarket that does not and cannot offer such a facility. The other 2 competitors already have well organised facilities that meet the necessary legal standards.	----	----	**Competitive parity**
Resource 4 Human Capital	**Yes:** A knowledgeable, skilled, experienced, and motivated compliment can provide the students with superior service that can add to their experience and	**No:** It is easy to find a person to employ, however, it is difficult to find an employee that has the human capital traits because businesses that already employ them usually do their best	**Yes:** For the same reasons why, human capital is rare.	**Yes:** The proposed business venture's plan will allocate time to finding these employees with the se traits. It will also set aside financial provisions to provide the necessary training to develop those human	**Sustainable Competitive Advantage**

	motivate them to continue using the service. This compliment can also contribute to the driving of the various strategies to ensure success of the business.	to retain them. They usually come at a high wage bill which may mean those available, the business may not afford.		capital characteristics that can be groomed into an individual.	
Capability 1 Pricing	**Yes:** The main concern students had with sourcing food is the fact that it is expensive. The funders will also be concerned about not spending more than they're currently spending on food allowances.	**Yes:** Students expressed how expensive buying groceries is and they often run out of food and must depend on food donation programmes for food. Fast-food outlets are also expensive, and students expressed that this is the reason they do not buy them often.	**Yes:** The prices at the supermarkets and fast-food outlets are guided by inflation and are linked to the prices the companies decide on for the whole country. They cannot be simply changed to suit the students in Braamfontein only.	**No:** Even though the students will be shielded from the prices of food because it is the funders that will be paying, the funders will be exposed to the expensive state of food in the country. The aim is to price within the already existing spend, however, the business will be sourcing food from the same market suppliers as the competitors and will also be exposed to the same uncontrollable inflation and food shortage issues.	**Temporary Competitive Advantage**
Capability 2 Dining Schedule	**Yes**: It was one of the concerns students had. They did not want to have to miss meals due to classes clashing with dining times.	**No:** Out of the 3 competitors, it is only the Wits dining halls that have dining times that affect the students negatively. The other 2 competitors have operating hours that cater well for the students.	----	----	**Competitive parity**
Capability 3 Ability to Generate Interest and Appetite from Funders and Students	**Yes:** Funders will want to be satisfied that this solution is something that will please their students before signing them up for it. Also, being able to get the funders and students interested enough	**Yes**: From the research done with the students and funders, findings showed that they both have an appetite for the proposed business. The funders demonstrated willingness to hear	**Yes**: The other competitors have failed to impress both the funders and students for years. It would be the Wits dining hall that could easily address most, but not all requirements of funders and students	**Yes**: The proposed business venture's offering has already enticed both the students and funders. The plan it has already satisfies all the requirements of the funders and students	**Sustainable Competitive Advantage**

	means the business will be able to secure the agreements with the funders.	more and buy in should there be more information. There is no particular interest shown for the other 3 competitors. In fact, funders prefer that their students do not eat too much fats foods. Funders d not generally sign up their off campus living students to the Wits dining halls.	to have them interested to sign on. The other 2 competitors cannot easily change things around to satisfy the requirements quickly and easily.		
Capability 4 Adoption of Subscription Business Model	**Yes**: The students expressed approval to letting funders pay for food directly for them. The funders showed concern with removing the responsibility of handling finances from the students but would be willing to if indeed the students demonstrated misspending. This model will be good for the business because it will be able to better plan and have operational working capital.	**Yes**: It is only the Wits dining hall that offers this payment model where funders pay for the students' access to food upfront. The other competitors demand payment on purchase which means without the money, the students cannot access food from them.	**Yes**: The competitors that do not offer this business model have never offered it and it is not how they operate. They will not be able to make the change for a small area only because they are governed by parent company rules.	**Yes**: The proposed business venture will be able to easily implement this business model.	**Sustainable Competitive Advantage**
Capability 5 Addressing Food Insecurity Amongst Unfunded Students	**Yes**: This is not of particular importance for the students and funders themselves, but it is a critical element of the proposed business venture. Being able to address food insecurity amongst unfunded students is a passion project that is very important for the business. Even though it is not particularly important to the customers, it may show the values of the business and may motivate the funders to associate with it.	**Yes**: None of the competitors address food insecurity. They do not run any programmes to assist unfunded students secure food.	**No:** Any of these competitors can make provisions to feed students that do not have food. They have the finances needed and it would not be a difficult undertaking to achieve.	----	**Temporary Competitive Advantage**

The VRIO analysis shows that the proposed business venture can gain sustainable competitive advantage through the food quality it offers, its ability to generate interest and appetite towards its offering from the funders and students, by adopting the subscription business model, and acquiring the necessary human capital. These four actions are of utmost importance and attention needs to be given to how exactly these will be implemented. A sustained competitive advantage is not forever. Things change and competitors do what they need to survive. The proposed business will have to work tirelessly to stay ahead of the pack in these areas. It may take time and effort for competitors to do this, but it can always be done.

By implementing a pricing plan that will see funders not paying more than they already are and addressing food insecurity amongst unfunded students will only offer a temporary competitive advantage which means competitors can take that advantage away easily.

Everything else that the proposed business venture offers is equal to what at least one competitor is currently offering. But it does not mean that these areas should be ignored, but reasonable investment in these areas needs to be put in withing financial reason.

6.3.5. SWOT Analysis

All the outcomes of the analyses done up to this point can be consolidated into a SWOT analysis. The SWOT analysis will present the summary of strengths and weaknesses of the proposed business as arising from the internal analysis (Scholes et al., 2017). The SWOT analysis will also present the opportunities and threats that may impact the proposed business venture arising from the macro-environmental, industry, and competitor analyses (Scholes et al., 2017). Table 8 presents the SWOT analysis for “The Digz Diner”.

Table 8: SWOT Analysis

	Strengths	**Weaknesses**
Internal Factors	• The planned superior food quality and service could be the business's greatest strength seeing that the students are not pleased by any of the competitors when it comes to food quality. • The subscription business model can lend a solid financial footing for the business. It will be better able to plan and avoid wastage which can be crippling financially. • Ability to generate interest and appetite from funders and students. • The plan to have an application that will be used by the students to place orders, cancel meals, and submit complaints and suggestions will allow for efficient planning and daily execution.	• Pricing is heavily impacted by the economy which is something the business cannot control. The intended pricing plan may not be realistic or even profitable enough to implement and sustain. There is a possibility that funders, especially those that were providing very low amounts of money for food allowances to begin with, may end up paying more than they are accustomed to. Which may negatively impact their buy in. • Addressing the food insecurity issue amongst unfunded students is heavily dependent on the funders' willingness to sponsor or pay more than they need to for their own funded students. This may not be accepted by the funders, and it may have to be removed from the business model. Having to pay extra may negatively impact the funders' buy in. • The business does not have a recognisable brand reputation and experience. This may mean funders' scepticism may be enough for them to not be onboard and take up the offer.
	Opportunities	**Threats**
External Factors	• Government is serious about realising the NDP goals. This means it will be open to ideas that may can assist it realise the higher education improved outcomes goals. NSFAS may be willing to listen. • Most students have access to smartphones and internet connectivity to be able to access and use phone-based applications. • Government has measures in place (Employment Tax Incentive (ETI) policy) to address the high unemployment rate which involves the subsidising the salaries of the unemployed youth. This could reduce the labour costs of the business. • There are several applications available that can be used at low cost to complete important business functions such as accounting.	• The corruption in government departments may cause delays and increase the cost of obtaining funding and licensing to establish the proposed business venture. • The economic climate sees households with reduced disposable income. Parent funders may not afford to pay the large upfront payment that the business model calls for. • The increased food prices and property rates will increase the cost of starting and running the business. It may render the proposed pricing plan unrealistic. • The strong bargaining power of buyers may force the business to lower its pricing plan to a point that it becomes unsustainable. • The threat of substitution from private accommodation companies in Braamfontein could see a fierce new competitor that will have a financial advantage over the proposed business venture.

6.4. The Strategy

The strategy can be described as the direction and scope a business will follow over the long-term which informs how it will use its resources and capabilities to meet the identified needs in the market and satisfy the expectations of all stakeholders involved (Johnson, Scholes & Whittington, 2008). There are multiple levels of strategy within a business which include the “mother” strategy, the corporate level strategy, which then informs the business-level strategy which is focussed on how the business units must compete in the market, and finally the operational-level strategy which is focussed on how the individual departments will function to support the business-level strategy (Johnson et al., 2008). For a company with a single business unit, like the proposed business venture – “The Digz Diner” - the corporate and business-level strategies will be almost identical (Johnson et al., 2008).

The business-level strategy for “The Digz Diner” will be identified by using Porter’s Generic Strategies Framework as shown in Figure 9 (Gulwa, 2021, p. 122).

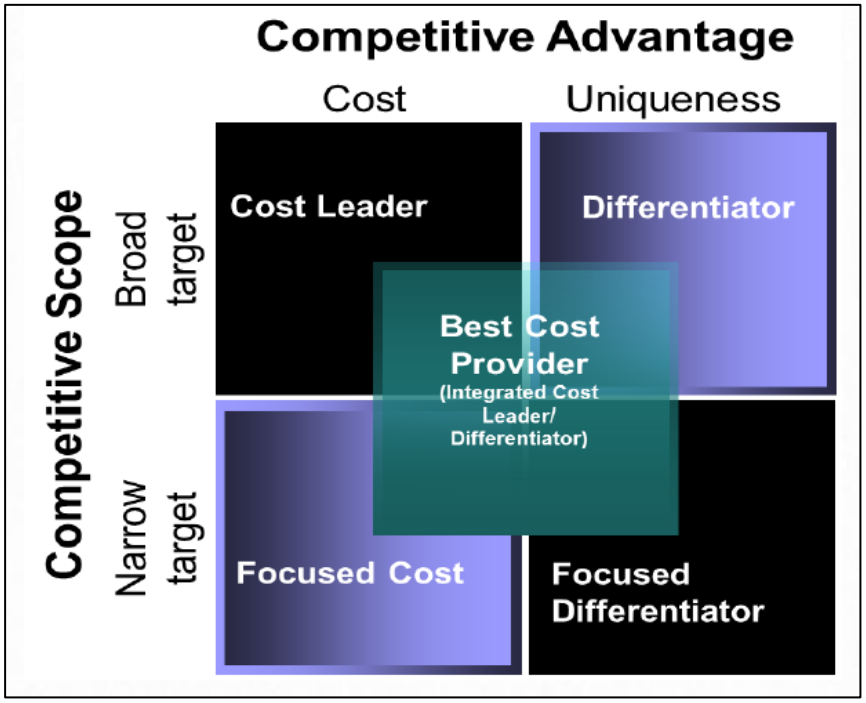


Figure 9: The Porter’s Generic Strategies Framework

The strategy to be employed for “The Digz Diner” is the “Best Cost Provider” strategy. This strategy focusses on providing a high-quality product or service at the lowest possible cost where the customer will get a product or service more valuable than what was paid for it (Danna & Porche, 2008). To achieve this strategy, the business will have to focus its energies on satisfying the main needs of the customers – make sure it delivers appealing features in what is important to them (Gamble, Peteraf & Thompson, 2015). For this strategy to be profitable, the proposed business venture will have to be able to include attractive and up-market qualities in its offering at a lower cost than the competitors (Gamble et al., 2015). This can be done by doing the following (Gamble et al., 2015):

1. Ensure that the value chain is configured in a way that will minimise or even eliminate any activities in the offering that do not add the value the business is seeking to create.
2. Ensure efficient management of the critical parts of the value chain.
3. Ensure that the resources and capabilities that give the business differentiation from its competitors are incorporated at the lowest cost.

Creating Strategy Options

Using the SWOT analysis outcomes, several strategic options can be created. The chosen Best-Cost Provider strategy will also be used to inform these options. The TOWS matrix will be used in doing this. These options are presented in the TOWS matrix in Table 9.

Table 9: TOWS Matrix with Strategic Options

	Strengths	**Weakness**
Opportunities	**SO OPTIONS** • **<u>Implement app use for day-to-day:</u>** The fact that most students have access to smartphones and Wi-Fi will enable the business to base its day-to-day planning and functioning on the use of the app. The business will create and implement the app without the concern of limited access for students. The app will be a source of invaluable data that can be used to improve the offering.	**WO OPTIONS** • **<u>Recruit unemployed youth:</u>** Access the pool of unemployed youth with hospitality industry knowledge and interest for hiring. This could reduce labour costs with the government. The business may be able to recruit some unemployed youth with experience which may be beneficial to the business since it currently does not have experience in the industry. This will also assist in keeping the pricing as low as possible by keeping costs as low as possible where they can be controlled. • **<u>Use food insecurity fight as selling point:</u>** The element of addressing food insecurity amongst unfunded students alongside offering a quality service for funded students could be a selling point. By adding to what was already going to be paid for the funded students may be an easier undertaking than giving full attention to the plight of the unfunded students. This may be an attractive proposal to funders that may benefit from the social responsibility optics of the exercise. This would speak to the government's efforts in working to achieve their NDP higher education goals. They will be addressing the needs of NFAS qualifying students, but also those of the "missing middle" that will also contribute to the success of higher education outcomes.
Threats	**ST OPTIONS** • **<u>Implement subscription business model:</u>** With the economic climate that has seen households struggle to make ends meet, with less disposable income, having a subscription business model will require funders to pay upfront. This will shield the business from payment defaults, especially by parent funders, but it will also give funders relief that once they pay upfront, the burden of constant payments would have been removed. • **<u>Upfront payments fund starting operational capital:</u>** By having funders sign agreements and make upfront payment will generate income that can be used to source the operational requirements, such as the food and produce, at the beginning of the venture. • **<u>Show the funders the value for money:</u>** The funders can be convinced or prevented from demanding unsustainable lower prices by showing them the quality service and products they will be getting. The higher quality offering will explain why prices need to be where they will be set. When they can see that they are getting value for money, they might have less resistance to the appropriate pricing structure. The fact	**W & T OPTIONS** • **<u>Consider partnerships:</u>** Consider partnering with the already established brands such as SouthPoint student accommodation providers. They have the property and space needed that could accommodate the proposed facilities. This could reduce the costs for the business. They also have the reputable brand which already has affiliation and association with NSFAS, the biggest single funder. This would also reduce or even eliminate the threat of substitution.

6.5. The Marketing

The marketing plan is all about satisfying the needs of the customer so that the business can remain profitable. It is imperative to define who the customers that the "The Digz Diner" will be selling the offering to as accurately as possible. Also, it is important to present how exactly the offering will be presented to these customers.

6.5.1. Marketing Strategy

The marketing strategy outlines the decisions and actions the business will undertake to establish a sustainable competitive advantage compared to its competitors, in the minds of the customers, and create value for all its stakeholders (Palmatier & Sridhar, 2017).

According to the First Principle of Marketing, all customers differ. This is because customers have different wants, needs, and behaviours (Palmatier & Sridhar, 2017). This is a fundamental problem that may lead to a business not properly aligning their offering to what their customers really need and may result in the loss of the customers. To avoid this, it is best that a business focusses its efforts on the needs of a specific and smaller group of customers that have the same needs (Palmatier & Sridhar, 2017). This can be done by using the Segmenting, Targeting, and Positioning (STP) marketing approach.

Segmenting

Looking at the overall market of tertiary student funders, they can be segmented into;

- Funders that do not offer living or meal allowances but fund the students' tuition and/or accommodation only. These include banks and student loan providers.
- Funders that offer a form of living allowance with a provision for meals. These include bursary offering private organisations, parents or guardians and government agencies such as NSFAS and SETAs.

Looking at the overall market of tertiary students in the Braamfontein area, they can be segmented into;

- Students that live on campus in the residences belonging to the tertiary institutions in and around Braamfontein.
- Students that live off-campus in the self-catering privately owned student residences in Braamfontein.
- Day students that come to Braamfontein to attend one of the various tertiary institutions in and around the area but live outside the Braamfontein area.

Targeting

The customer groups that proposed business venture will sell the services of “The Digz Diner” are;

1. Funders that offer a form of living allowance with a provision for meals. These include the funders that offer generous and limited allowance amounts.
2. Students that live off-campus in the self-catering privately owned student residences in Braamfontein.

Positioning

The positioning statement for the dining hall services to be brought into the market is as follows;

“The Digz Diner is a student dining facility that provides university student funders and their students with the peace of mind that comes with knowing that the students are guaranteed access to wholesome and delicious food every day of the week”

6.5.2. Marketing Tactics

For the business to successfully sell it’s offering to the targeted customer group, the are certain tactics it needs to employ. One of these tactics is deciding on how to effectively configure important marketing elements which include this such as the offering price, promotion, and places to sell (McKay, 2016). The 7Ps model is a

framework which incorporates these key elements (product, price, place, promotion, people, process, and physical evidence) that a business can “mix” together to create the best marketing mix for its offering (McKay, 2016).

From the research done the funders and students that the important requirements they need addressed for them to consider buying into the offering are:

- Pricing
- Food Quality
- Walking distance (location)
- Dining Schedule (time)
- Facility structure and organisation

When making the marketing mix decisions it is important to ensure that these requirements will be satisfied.

The marketing mix considerations for “The Digz Diner” are presented in Table 10.

Table 10: The marketing mix for the proposed business

The "P"	Decision
Product (The offering)	- **Quality:** The dining hall facilities will offer good quality food that will be cooked well and made tasty. In trying to keep costs low, non-perishables and non-essential perishable foods will be bought at the best negotiated prices, however the main ingredients such as vegetables and meats will be bought at a price that guarantees superior quality and taste. - **Branding and image:** The food offered will have a healthy but hearty feel to it. The image of the facilities will be modern and contemporary, yet comfortable. A facility that is dark and moody with wood and dark colours, something with a "Woolworths feel" – affordable quality. - **Availability:** The dining hall facilities will be accessed by the fully paid for students, 7 days a week, excluding academic breaks. Ample dining time slots will be given with breakfast served 07:00 – 09:00, lunch between 12:00 – 15:00, and supper between 17:00 – 20:00. - **Features:** Students will be able to dine-in or request a take - away meal. There will be hot meals (e.g., rice and stew) and cold meals (e.g., sandwiches).
Promotion (How offering will be marketed/advertised)	- **Direct Marketing:** will be used to promote the offering with organisational funders such as Careerwise and NSFAS. One-on-one engagements through online meeting platforms (Teams and Zoom) and face-to-face meetings will be used. Presentations will be given with a question-and-answer session. - **Word-of-mouth:** Parent funders are many and widespread. Word-of-mouth from students to parents will be the main way to market the offering to parent funders. University open days and school information events will be used to set up offering activations to make the upcoming students aware of the offering. Universities will be approached to advertise offering on the platforms they use to engage with potential first year students. Pamphlets and posters at the Braamfontein private residences to advertise to already existing students. There will be orientation week activations on campuses. - **Marketing Communications:** Social media platforms such as Twitter and Facebook will also be used, perhaps the use of brand-aligned influencers may be used. Youth related educational TV and radio shows may be used as platforms to discuss and introduce offering. - **Public Relations:** Funders will want to see a wholesome and trustworthy brand. It will be important to always associate with the right celebrities, events, and institutions. Getting an endorsement from a higher education institution such as Wits University or Boston City College and a well-known and trusted student accommodation provider such as SouthPoint will solidify the brand image.
Price (Cost of buying product)	- **Positioning:** The aim is to keep the prices low to average with superior quality key features. The aim is to stay within the spend of the generous funders' (such as Careerwise and private companies) budget. Government funders such as NSFAS may have to be convinced about increasing their fund allocation for food to be in line with the current economic climate. However, the funders must not be made to feel burdened or stretched unnecessarily. - **Payment Method:** Funders will be expected to pay upfront/in-advance for the offering for the chosen length of time – subscription business model. - **Donations towards unfunded students:** Funders will be given a choice in selecting the marked-up pricing structure. The markup in the pricing for the donation towards the unfunded students will be made clear in the pricing structure to maintain transparency.

Place (Where and through which channels)	- **Trade channel:** The dining hall facility will be a brick-and-mortar facility where students are expected to walk to either sit down and eat or collect a take-away packed meal. - **Location:** The facility will be located in the part of Braamfontein with the highest concentration of residences to be able to reduce the walking distances for most students on the programme. The facility must be easily accessible on the main walking and public transport routes from the universities and other learning institutions.
People (Business's human resources)	- **Insourced functions:** Facility manager, cooking and serving staff, cleaning staff and business finance functions' staff will be insourced due their critical role in the business. - **Outsourced functions:** App developers and app maintenance, security personnel, facilities maintenance, legal counsel for the drawing-up of contracts with suppliers and funders, marketing/advertising, dietitian/nutritionist to ensure food offering addresses and meets nutritional value demands for students, and human resources/staffing services. **As far as possible, unemployed youth and Black businesses will be used or the focus of the human resources recruitment process. Funds will be included in the labour costs to train and develop the necessary human capital characteristics.**
Process (Series of actions involved in delivering offering)	The whole process needs to ensure that students have access to quality food timeously and hassle-free as far as possible. The process needs to be efficient and use as much technology as possible. There must be an opportunity to collect as much data as possible throughout the process. - **App Usage:** An everyday use app will be developed. All registered students will be required to download the app. On the app, the students will be able to engage with the business fully. The app will offer the following functionalities for the students: o Pre-order all meals latest 24 hours in advance from an online menu (food and beverages) o Cancellations if they will not be coming in to dine. o Service rating and reporting o Suggestions on what meals to serve or do away with. o Payment status - For the funders: o A separate section for funders to login and access financial information and keep track of their students' dining trends. o To send and receive back messages to the business to raise queries and make recommendations. - Students will then come to the facility to collect food or dine in. When accessing the facility, students will be required to "clock in" with a fingerprint/access card which will be linked to payment status. - Students that miss meals will not be reimbursed. - The facility will have a seasonal menu. Types of meals offered will be changed according to days of the week. Students will be required to place the orders at the latest 24 hours in advance from the pre-planned menu. This will allow the business to source the necessary stock in advance and then also enough time to prepare the meals. The menu will be simple

	enough to be executed within time constraints. - There will be cold meal supplies on hand to accommodate those students that will miss booking meals. So that quick sandwich and snack packs can be prepared for them on demand.
Physical Evidence (Tangible cues of the quality offered)	The chosen Best-Cost Provider strategy needs for the superior quality feel of the offering to come across to both the funders and students. The areas of focus to demonstrate the quality of the offering will include: - **Food quality:** the menu will offer a predominantly healthy menu with several heart-warming dishes that will remind the students of the meals they grew up eating at home. - **Surroundings:** The dining space will be furnished with quality furniture where it matters, for example the seats, tables and décor. However, good looking affordable pieces will be used in areas that are not much in the public eye. - **Well presented and skilled staff:** The staff will have a comfortable modern look that they feel good in and boosts their confidence in order to deliver quality a service.

6.6. The Finances

6.6.1. Cost Structure

The cost structure of the business includes the important expenses that will go into executing the business model (Neck, Neck & Murray, 2019). The cost structure can be cost-driven focussing on minimising costs as far as possible, or value-driven which primarily focusses on creating value at whatever the cost (Osterwalder & Pigneur, 2010). For the proposed business venture, a cost-structure between the two will be used because, as dictated by the Best-Cost Provider strategy chosen, the focus is on minimising costs in non-critical areas while creating value in the critical areas.

6.6.2. Revenue Streams

An income stream will only be realised if the business manages to deliver its value proposition successfully to the customers' satisfaction (Neck et al., 2019). There are multiple revenue models that can be applied simultaneously in this business which will include (Neck et al., 2019):

1. Subscription revenue model where the revenue will be generated by charging the funders a fee to allow their students access to the dining facilities and the meals it offers for a specific length of time.
2. Advertising revenue model where space in the facility or its app can be sold to various businesses to advertise their products and services.
3. Data revenue model where should a reasonable amount and quality of data be available over time and it becomes in demand to certain businesses, that could also be sold, observing all legal protocols required.
4. With the success of the Braamfontein proposed business venture, there is a possibility of introducing a franchising revenue model in the future. Revenue would be generated from selling franchises of "The Digz Diner"

to allow other interested parties in other areas to open their own “The Digz Diner” facilities.

6.6.3. Financial Projections

For future business planning, pro forma financial statements are best for forecasting financial performance (Miller, 2021).

The assumptions made to make the projections are presented in Appendix K. The three pro forma statements are presented in Appendix L to N.

Analysis

The income statement shows that in the first year of business, the proposed business venture will make a loss of about R 2.2 million. From the second year to the fifth, the business is set to make a profit starting from about R2.6 million in the second year and R3.5 million by the fifth year. In the first year the business will not be generating enough sales since the expectation is that government’s NSFAS will not yet be one of the customers. The expectation is that with the right marketing strategy and good feedback from the few funders the business will have in the first year, NSFAS will be convinced to subscribe its students for the offering. However, the expectation is that students will not be forced, but they will be given a choice to be subscribed for the offering, hence the projections do not consider the full number of potential NSFAS students living in Braamfontein. The basic ratio analysis, as shown in Appendix P Table 19, also shows the same trend with both the gross and net profit margins set to increase over the projected period from the successful controlling of its costs. The return on assets also shows a positive pattern that indicates that the business is using its assets well over this period.

From the balance sheet, the working capital shows that over the five-year period, the business is projected to have enough funds to fulfil its short-term obligations and so have enough funds to operate successfully over the period. The business also shows a strong liquidity with its current ratio over the period increasing from 2.85 to 9.41 between the first and third years. This should be encouraging to short-

term potential short-term creditors as the business will be in a good position to meet their obligations. However, in the fourth and fifth years the current ratio will be too high, and this is an indication that the business will not be utilising its current assets efficiently. This is something the business will have to tackle in its early stages by finding ways to create value, perhaps by investing in what will be needed to get the identified additional revenue streams going.

The debt ratio over the projection period will decrease from 1.5 to 0.005 by the fifth year. This shows that over the period, less and less of the business's assets will be funded by debt. The solvency position will be improving with the business set to be able to meet its long-term debt obligations better and better over the period. It is encouraging to see that the business will rely less on debt over the period. However, this must not mean that the business stagnates, it will have to take up some long-term debt if need be to grow and create more value.

From the cashflow statement, it can be seen that indeed, in the first year of operations the business will not be generating enough funds and new debt is needed to cover both the short-term and long-term obligations. This is a typical expectation for a business that is starting up. Between the second and fourth years, projections show a pattern that is underwhelming. The company may be in decline. However, in the fifth year, the company begins to grow moderately with enough money being generated from operations to fund capital investments and repay debt the business may have. This indicates that the in the second to fourth year of the business, it is important that the business invests in its growth. With the growing number of students from the NSFAS agreement, the business may have to look at increasing its footprint, by perhaps acquiring a second location to accommodate the new students. Technology will also be improving, and the business may benefit with ensuring that the website and app are up to standard to avoid customer complaints.

6.7. Risk Analysis

Risk analysis is a process that can be used to identify the potential problems or challenges that have the potential to derail the chosen strategy and various

initiatives planned for the business (Audit Board, 2021). To logically analyse the risk, it is best to break the analysis into four categories: strategic risk, operational risk, financial risk, and external risk (Audit Board, 2021).

The standard Risk Matrix (Guevara, 2022), as shown in Appendix O, was used to determine the overall level of risk and the appropriate action to take. The overall risk is determined by considering the level of probability of the risk occurring and the severity of the impact should the risk indeed occur (Guevara, 2022). Table 11 presents the risk analysis of the proposed business venture and recommendations of the actions to mitigate the risk.

Table 11: Risk Analysis and Recommendations

Strategic Risk				Financial Risk			
Risk	**Probability**	**Impact**	**Action**	**Risk**	**Probability**	**Impact**	**Action**
Best-Cost Provider strategy may fail: This strategy is based on offering a high quality products and service at low prices. However, the global economy has seen food prices increasing due to various factors. One of the biggest cost in a restaurant business is food cost, as was seen in the financial analysis. The business may not be able to keep prices low if it needs to deliver quality. Should the prices be kept low, the quality of the offering may have to be reduced.	**Likely**	**Significant**	**Risk Level = High, Tolerable** - This risk needs to be reviewed and improvement strategies sought. - The business needs to seek any possible partnerships with the department of agriculture that may have farming initiatives that involves emerging farmers that may be selling produce and meat at more reasonable prices compared to larger producers.	**Difficulty of securing funding:** In order to secure funding, it is imperative that there is a significant number of funders who would have agreed to subscribe their students because the success of this business needs that. With this being a new concept that has never been seen in action, it may be difficult to convince the funders. There is a risk f not being able to secure funding.	**Moderate**	**Severe**	**Risk Level = High, Tolerable** - This risk needs to be reviewed and improvement strategies sought. - There are significant partnerships that may give the offering the credibility it needs to secure funders. By partnering with South Point or one of the other major accommodation providers in Braamfontein may be beneficial. They could be approached to include the cost of accessing food in their rental structure and the proposed business venture will service their students rather than focusing on the funders themselves. Even a partnership with Wits University where the facility is associated with the university to service the Wits students living in Braamfontein, but also allow students from other institutions to subscribe. These partnerships may secure the support and brand reputation boost needed to secure funding.
Addressing Food Insecurity Amongst the Unfunded Students May Be Compromised: Being able to assist other unfunded students with accessing food is highly dependent on the willingness of the funders to donate by paying more. The government funder, NSFAS, may be unwilling to make this contribution as it will already be forced to increase its fund allocation for food for its qualifying students. There may not be enough funds to feed enough unfunded students.	**Moderate**	**Minor**	**Risk Level = Medium, Adequate** - This risk needs to be considered for further analysis. - Not being able to assist the unfunded students will not take away from the quality and value of the offering, however it may take away from the mission and core of the business. The private funders stand to reduce their funding allocations for meals, they may be more amenable to contributing a portion of that saving towards the donations. When pitching the private funders, the donation element needs to be prominent.				
Operational Risk				**External Risk**			
Risk	**Probability**	**Impact**	**Action**	**Risk**	**Probability**	**Impact**	**Action**
Space May not be Enough: As the research reveal, Braamfontein has about 6700 students. Even though the goal of each business is to secure as many customers as possible, this is a very large number to cater for. A standard large restaurant will probably seat 160 customers. Should the business have an overwhelming success in its early stages, it will have to be able to expand its space significantly which it may not be able to do in the space it initially occupies and invests in renovating. There may not be enough spaces in the right locations in Braamfontein for expansion.	**Unlikely**	**Major**	**Risk Level = Medium, Adequate** - This risk needs to be considered for further analysis. - This is where a partnership with one of the major accommodation providers in Braamfontein may also be advantageous. The already have buildings in the right locations and they could provide spaces in those. The could be a single central kitchen facility and dining areas scattered around Braamfontein in these buildings.	**Crime:** South Africa is riddled with crime, especially in the Johannesburg inner city which is close to Braamfontein. There will be more students walking around in the evenings to come and go to the facility which will expose them to criminal activity.	**Likely**	**Significant**	**Risk Level = High, Tolerable** - This risk needs to be reviewed and improvement strategies sought. - Braamfontein has a heavy security guard presence that is already there. The business has also planned to make significant investments in security to ensure the safety of students. Students will have access to an escort to their residence from the facility in the evenings if they request.
Possible Food Wastage: Restaurants are notorious for food wastage and with food costs being one of the major costs this could be a problem. This concept has a partly-buffet serving system which may be difficult to manage and control. If food wastage is not monitored and tightly controlled, this could negatively impact the financial success of the business.	**Moderate**	**Significant**	**Risk Level = Medium, Adequate** - This risk needs to be considered for further analysis - One of the advantages of the subscription business model that the business will be using is that it will be aware of the exact number of students to cater for. Then the business will be using an app where students are expected to put in their orders at least 24 hours before the next meal from a menu that will allow for limited wastage. this will allow for better planning of how much food to prepare and purchase. It will be important to design a menu that can have the same ingredients used in multiple ways without having to throw out ingredients not used.	**Loadshedding:** All South African businesses are struggling under the, now, consistent loadshedding of electricity. For a restaurant business, electricity is a major and integral part of operations. There has been a significant allowance made in the budgeting to source back-up power. This is a major cost that cannot be sustained. The business may be forced to make a significant investment in renewable energy which is currently a very expensive task to undertake. The properties in use will be leased and making significant renewable energy undertakings without the landlord's buy will be difficult. Continued loadshedding may reduce the profitability.	**Moderate**	**Major**	**Risk Level = High, Tolerable** - This risk needs to be reviewed and improvement strategies sought. - Government has recently announced an incentive for businesses that invest in renewable energy. This may incentivise landlords to partner with the proposed business venture to install renewable energy solutions which require a significant capital investment, but with time may significantly reduce the cost of energy for the business. Having this conversations and agreements with investors and property owners from the initial stages may be beneficial.

6.8. Implementation Plan

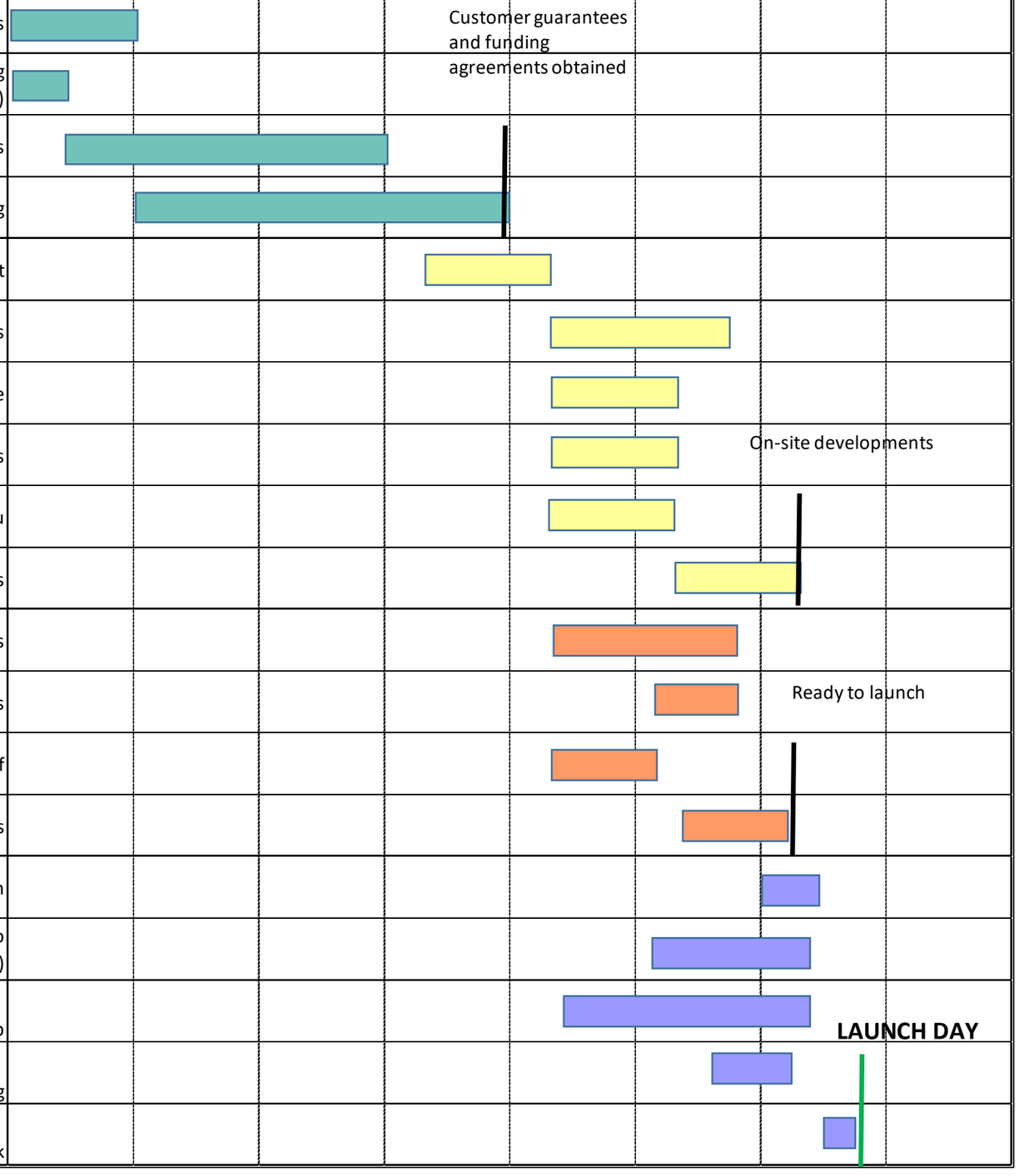
It has been said that the true measure of the success of a strategy is in its execution (Gulwa, 2021). To effectively execute the strategy's elements successfully, a sound milestone schedule will be presented. This schedule clearly sets out the time allocations for activities that are required to realise the full implementation and launching of the business and its strategy (Westland, 2021).

The business implementation milestone schedule is presented in Table 12.

The plan is to take a maximum of 14 months (1 year and 2 months) to fully establish the business – from registering the business, getting all the permits, and finally having a fully equipped and staffed facility opening its doors to the first customer. Nothing can be done, apart from registering the business, without first securing funding which will be influenced by securing agreements of interest from several funders first. Anything that has to do with securing permissions from one of the state departments will most likely take longer than anticipated due to the nature of how inefficient state departments can be in South Africa. Nothing can be done in terms of the actual structure of the restaurant without all permits being finalised first. Employing the services of competent and efficient contractors for the preparation of the location will be costly, however it is necessary to ensure a smooth and timely completion of establishing the facilities.

Table 12: Implementation Milestone Schedule

		Time Allocation (at 2 month intervals)							
Phase	**Milestone**	**2 Months**	**4 Months**	**6 Months**	**8 Months**	**10 Months**	**12 Months**	**14 Months**	**16 Months**
1. Start Up	Register the business								
	Consult marketing consultant for branding and marketing tools (pitch slides and social media content)								
	Pitch and secure agreements with funders/partners								
	Pitch and secure funding								
2. Secure Resources (once funding has been secured)	Secure location and lease agreement								
	Apply and obtain certificates and licenses								
	Develop and launch website								
	Develop and launch marketing activities for awareness								
	Finalise menu								
	Negotiate and secure supplier contracts								
3. Building and People	Renovate, prepare and furnish premises								
	Install technology solutions								
	Hire insourced staff								
	Secure contractor services								
4. Prepare for launch day	Plan for launch								
	Train staff for different duties (satefy courses also included)								
	Develop, test and launch app								
	Menu tasting and testing								
	Purchase stock								



7. CONCLUSION

It can be said that, yes, the proposed business venture will succeed. The research conducted and analyses performed have proven a strong case for the success of the venture. These include:

- **The business has value adding properties:** The research conducted revealed that indeed, the students living in Braamfontein are experiencing a food insecurity problem at different levels. The business is offering a value creating solution for the students. Even though the dining hall service cannot guarantee that students will successfully complete their studies in the required timeframe because there are other factors that contribute to failure, however, it does guarantee that a crucial building block to the success of the student is taken care of. This will contribute towards the funders realising their return on investment.
- **Potential customers have the appetite:** The research conducted shows that both the students and funders appreciate what the proposed business venture has to offer and have shown an interest in the offering. They have indicated that should certain conditions be met by the offering, they would commit to an offering like what “the Digz Diner” would offer.
- **Funding avenues are available:** Research has shown that there are avenues, apart from the notorious banks, that can offer funding. Institutions such as the Industrial Development Corporation (IDC) are government agencies that can be approached for funding. There are partnerships, such as those with accommodation providers in Braamfontein, that could be a source of funding as well.
- **Financial projections are positive:** The finance projections indicate a healthy pattern of performance where there is a loss in the first year, but as of the second-year profits can be made for a duration of 4 years minimum. The projections also showed that the business will be able to satisfy its day-to-day operations for at least five years.

- **Sources of a sustainable competitive have been identified:** The situational analysis showed that there are potentially two resources and two capabilities that can be exploited for the business to gain a sustainable competitive advantage (SCA). With a SCA, the business will be in a good position to continue generating profit and expanding the business.
- **Potential for growth:** There are possible additional revenue streams have been identified that the business could exploit to further grow its margins which include digital and on-site advertising, data sales, and franchising.

All these strategic decisions have been included in the Business Model Canvas included in Appendix R, which quickly and easily communicates business detail.

This proposed business venture has a future and potential to grow. However, the chosen strategy should be continuously monitored and revised as needed. Strategy development and implementation is a continuous and iterative process and as the external and internal environments of the business evolve and change with time, there may be options developed that need to be discarded and new ones developed.

As already revealed by the risk analysis, there is a completely different way of securing customers that may not involve funders at all. By partnering with Braamfontein accommodation providers who could offer a dining inclusive package to their accommodation rental rates, the proposed business venture would essentially be a service provider for them. This on its own could potentially change the business model framework of the business. Without losing the mission and vision of the business, the business will need to be flexible enough to make the changes and moves it needs to grow and combat food insecurity amongst students.

South Africa is in a precarious place. Through the great minds of the youth and their highly capable hands, it still has a chance to come back from the slippery slope it finds itself navigating. The youth are hungry for knowledge and deliberate support from the government who stands to win from their academic success. Private organisations also have a role to play in ensuring that this youth excels and achieves greater heights because it is where they need to recruit their next talent

from. So, together, government and private organisations need to fully equip the promising youth with the basic tools to succeed, one of which is, simply, food.

8. REFERENCES

Adeniyi, O., Nthoiwa, J., & Mirugi-Mukundi, G. (2018). National Colloquium on Access to Food for Students in South African Tertiary Institutions: Challenges of Hunger among Students in Higher Education in South Africa (13–14 August 2018). *ESR Review*, *21*(4), 21–33.

Audit Board. (2021, March 18). *What Is a Risk Assessment Matrix? And Why Is It Important?* Audit Board. Retrieved 23 February, 2023, from https://www.auditboard.com/blog/what-is-a-risk-assessment-matrix/

BFAP, & Louw, M. (2022). *Food Inflation Brief*. Retrieved 21 February, 2023, from chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.bfap.co.za/wp-content/uploads/2022/09/Food-Inflation-brief_August_2022.pdf

Bosman, W. (2019, May 20). *The future of short-term insurance in the face of climate change*. PPS for Professionals. Retrieved 10 October, 2022, from https://www.pps.co.za/future-short-term-insurance-face-climate-change

Braun, V., & Clarke, V. (2006). Using thematic analysis in psychology. *Qualitative Research in Psychology*, *3*(2), 77–101.

Burger, S. (2022, April 28). *PwC highlights impact of floods, prices increases, inflation on South Africa's economy*. Engineering News. Retrieved 19 September, 2022, from https://www.engineeringnews.co.za/article/pwc-highlights-impact-of-floods-prices-increases-inflation-on-south-africas-economy-2022-04-28

BusinessTech. (2022, August 31). *How much money the poorest in South Africa are living on each month*. BusinessTech. Retrieved 21 February, 2023, from https://businesstech.co.za/news/government/621595/how-much-money-the-poorest-in-south-africa-are-living-on-each-month-2/

BusinessTech. (2023, January 5). *Rough start to 2023 for hungry South Africans*. BusinessTech. Retrieved 21 February, 2023, from

https://businesstech.co.za/news/lifestyle/653981/rough-start-to-2023-for-hungry-south-africans/

Byrne, M. (2001). Sampling for Qualitative Research . *AORN Journal* , *73*(2), 494–498.

Carù, A., & Cova, B. (2015). Co-creating the collective service experience. *Journal of Service Management*, *26*(2), 276–294.

City Power Joburg. (2022). *Understanding Electricity Tariffs*. Retrieved 22 February, 2023, from chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.joburg.org.za/documents_/Documents/Tariffs%202022-2023/Electricity%20Tariff.pdf

Comfort Digital. (2022). *Average Monthly Website Maintenance Fees*. Comfort Digital. Retrieved 22 February, 2023, from https://comfortdigital.co.za/average-monthly-website-maintenance-fees/

Cook, J. (2021, December 31). *What is Human Capital in Economics?* Study.Com. Retrieved 24 February, 2023, from https://study.com/academy/lesson/what-is-human-capital-importance-to-an-organization.html

Cooper, S., & Endacott, R. (2007). Generic qualitative research: a design for qualitative research in emergency care? *Emergency Medicine Journal*, *24*, 816–819.

Creswell, J. W., & Creswell, J. D. (2018). *Research Design: Qualitative, Quantitative, and Mixed Methods Approaches, (5th ed.)*. California: SAGE Publications.

Daniel, L. (2021, November 9). *Restaurants roll out generators to fight load shedding – at a cost of R1,000 per hour*. Business Insider South Africa. Retrieved 21 February, 2023, from https://www.businessinsider.co.za/how-much-a-generator-costs-during-load-shedding-2021-11

Danna, D., & Porche, D. (2008). Entrepreneurial Strategy. *The Journal for Nurse Practitioners*, *4*(8), 573–575.

DHET. (2022, May 12). *Minister Blade Nzimande: Higher Education and Training Dept Budget Vote 2022/23*. South African Government: Speeches. Retrieved 10 September, 2022, from https://www.gov.za/speeches/minister-blade-nzimande-higher-education-and-training-dept-budget-vote-202223-12-may-2022

Dubey, A. M., Goel, G., & Sahu, G. P. (2013). Effective implementation of competitive advantage and sustainable competitive advantage: a conceptual model. *International Journal of Business Innovation and Research*, *7*(5), 519–535.

Esterhuyzen, E. (2019). Small business barriers to occupational health and safety compliance. *The Southern African Journal of Entrepreneurship and Small Business Management*, *11*(1), 1–8.

Fleisher, C. S., & Bensoussan, B. E. (2015). *Business and Competitive Analysis, Second Edition* (2nd ed.). New Jersey: Pearson Education, Inc.

FNB. (2023, January 27). *Prime Lending Rate*. FNB. Retrieved 22 February, 2023, from https://www.fnb.co.za/rates/LendingRates.html

Gamble, J. E., Peteraf, M. A., & Thompson, A. A. (2015). *Essentials of Strategic Management the Quest for Competitive Advantage* (4th ed.). New York: McGraw-Hill Education.

Garwood, G. (2022, January 11). *What is the Net Value of Restaurant Subscription Services?* Retrieved 6 June, 2022, from https://foodinstitute.com/focus/what-is-the-net-value-of-restaurant-subscription-services/

Gassmann, O., Frankenberger, K., & Choudury, M. (2020). *The Business Model Navigator*. Harlow: Pearson Education Limited.

GCIS. (2016). *South Africa Yearbook 2015/16: Education*.

Gregory, J. J., & Rogerson, J. M. (2019). Studentification and commodification of student lifestyle in Braamfontein, Johannesburg. *Urbani Izziv*, *30*(30).

Guevara, P. (2022, November 30). *A Guide to Understanding 5x5 Risk Matrix*. Safety Culture. Retrieved 23 February, 2023, from https://safetyculture.com/topics/risk-assessment/5x5-risk-matrix/

Gulwa, M. (2021). Strategy NQF 9. In *Strategy Course Presentation* (pp. 84–85). Johannesburg: Wits Business School.

Hattingh, D., & Ramlakan, S. (2022, March 24). *Stretched South African consumers put health and sustainability on the shopping list*. McKinsey & Company. Retrieved 11 September, 2022, from https://www.mckinsey.com/za/our-insights/stretched-south-african-consumers-put-health-and-sustainability-on-the-shopping-list

Hickey, A., Shields, D., & Henning, M. (2019). Perceived Hunger in College Students Related to Academic and Athletic Performance. *Education Sciences*, *9*(3), 242–250.

ISFAP. (2021, February 18). *The pandemic of the missing middle*. Retrieved 4 June, 2022, from https://www.isfap.co.za/2021/02/18/the-pandemic-of-the-missing-middle/#.YpsLjHZByUl

Jogaratnam, G. (2018). Human Capital, Organizational Orientations and Performance: Evidence from the Restaurant Industry. *International Journal of Hospitality & Tourism Administration*, *19*(4), 416–439.

Johnson, G., Scholes, K., & Whittington, R. (2008). *Exploring Corporate Strategy, 8th Edition*. Harlow: Prentice Hall.

Kahlke, R. M. (2014). Generic Qualitative Approaches: Pitfalls and Benefits of Methodological Mixology. *International Journal of Qualitative Methods*, *13*(1), 37–52.

Katy, R. (2021, March 4). *Restaurants on demand: Could food subscriptions be the future of how we eat?* Retrieved 6 June, 2022, from https://www.eatout.co.za/article/restaurants-demand-food-subscriptions-future-eat/

Kgosana, R. (2023, January 31). *NSFAS to introduce new perks, more money for 2023 students*. Sunday Times. Retrieved 21 February, 2023, from https://www.timeslive.co.za/news/south-africa/2023-01-31-nsfas-to-introduce-new-perks-more-money-for-2023-students/

Kraaijenbrink, J., Spender, J. C., & Groen, A. J. (2010). The Resource-Based View: A Review and Assessment of Its Critiques. *Journal of Management*, *2010*(36), 349–372.

Krook, D. (2023). *How to Calculate Your Restaurant Labor Cost Percentage*. Touch Bistro. Retrieved 21 February, 2023, from https://www.touchbistro.com/blog/how-to-calculate-your-restaurant-labor-cost-percentage/#subheading=1

Legalese. (2023). *Lawyers for startups, tech and creatives*. Legalese. Retrieved 22 February, 2023, from https://legalese.co.za/#price-list-section

Levy, A. (2021). *Labour Law in Practice: A Guide for South African Employers*. Cape Town: Zebra Press.

Longley, J. (2023). *How much energy does an average restaurant use every year?* Utility Bidder. Retrieved 22 February, 2023, from https://www.utilitybidder.co.uk/compare-business-energy/how-much-energy-does-an-average-restaurant-use-every-year/

Mandy, K. (2022, December 12). *Corporate - Taxes on corporate income*. Pwc. Retrieved 22 February, 2023, from https://taxsummaries.pwc.com/south-africa/corporate/taxes-on-corporate-income#:~:text=A%20South%20African%20(SA)%2D,companies%20is%20a%20flat%2028%25.

Masipa, T. S. (2017). The impact of climate change on food security in South Africa: Current realities and challenges ahead. *Jàmbá - Journal of Disaster Risk Studies*, *9*(1), 1–7.

Masiwa, D. (2021, July 5). *Meet the woman behind Sandton's rooftop farm*. Food for Mzanzi. Retrieved 26 February, 2023, from https://www.foodformzansi.co.za/meet-the-woman-behind-sandtons-rooftop-farm/

Mavunga, G. (2019). #FeesMustFall Protests in South Africa: A Critical Realist. *Journal of Student Affairs in Africa*, *7*(1), 81–99.

McKay, G. (2016). Marketing to Create Value. In Arshed, N., McFarlane, J. & MacIntosh, R. (Eds), *Enterprise and its Business Environment* (pp. 95–98). Oxford: Goodfellow Publishers Limited.

Meritage Technologies. (2023). *Rules Of Thumb for Beverage Costs: How's Your Restaurant Doing?* Meritage Technologies. Retrieved 21 February, 2023, from http://meritagepos.com/rules-of-thumb-for-beverage-costs-hows-your-restaurant-doing/

Mhlanga, O. (2018). The fast-food industry in South Africa: the microenvironment. *African Journal of Hospitality, Tourism and Leisure*, *7*(4), 1–17.

Miller, K. (2021, October 28). *What are Pro Forma Financial Statements?* Harvard Business School Online. Retrieved 20 February, 2023, from https://online.hbs.edu/blog/post/pro-forma-financial-statements

Muller, S. M. (2018, January 24). *Free higher education in South Africa: cutting through the lies and statistics*. Retrieved 3 June, 2022, from https://theconversation.com/free-higher-education-in-south-africa-cutting-through-the-lies-and-statistics-90474

Muller, S. M. (2021, September 29). *South Africa's employment tax incentive is not a success story*. The Conversation. Retrieved 15 June, 2022, from

https://theconversation.com/south-africas-employment-tax-incentive-is-not-a-success-story-168124

Myers, M. (2013). *Qualitative Research in Business & Management*. London: SAGE.

National Treasury. (2020). *Annual Report 2019/2020 Financial Year*.

Neck, H. M., Neck, C. P., & Murray, E. L. (2019). *Entrepreneurship: The Practice and Mindset (Second Edition)*. SAGE Publications, Inc.

Nedbank. (2023). *Small Business Services pricing guides*. Nedbank. Retrieved 22 February, 2023, from https://business.nedbank.co.za/rates-and-fees.html

Nicolaides, A., & Kearney, J. (2012). Promoting awareness of legal requirements and liabilities in food and beverage operations. *African Journal of Hospitality, Tourism and Leisure*, *2*(1), 1–10.

Noble, H., & Smith, J. (2015). Issues of validity and reliability in qualitative research. *Evidence-Based Nursing*, *18*, 34–35.

NSFAS. (2022a). *The DHET Bursary Scheme*. Retrieved 4 June, 2022, from https://www.nsfas.org.za/content/bursary-scheme.html

NSFAS. (2022b, June 4). *Our Mission*. Retrieved 4 June, 2022, from https://www.nsfas.org.za/content/mission.html

Odendaal, N. (2020, September 14). *City of Johannesburg resumes free WiFi hotspots roll-out*. Engineering News. Retrieved 23 January, 2023, from https://www.engineeringnews.co.za/article/city-of-johannesburg-resumes-free-wifi-hotspots-roll-out-2020-09-14

Osterwalder, A., & Pigneur, Y. (2010). *Business Model Generation: A Handbook for Visionaries, Game Changers, and Challengers*. John Wiley & Sons.

Palmatier, R. W., & Sridhar, S. (2017). *Marketing Strategy*. Palgrave.

Percy, W. H., Kostere, K., & Kostere, S. (2015). Generic Qualitative Research in Psychology. *The Qualitative Report*, *20*(2), 76–85.

Perrill, T., & Minton, D. (2020, September 21). *Managing Packaging Costs in the COVID-19 Era*. GBQ. Retrieved 21 February, 2023, from https://gbq.com/managing-packaging-costs-in-the-covid-19-era/

Peterdy, K. (2023, February 21). *Competitive Advantage*. Corporate Finance Institute. Retrieved 24 February, 2023, from https://corporatefinanceinstitute.com/resources/management/competitive-advantage/

PMG. (2021, May 26). *Appropriation Bill: DHET briefing*. Retrieved 10 September, 2022, from Parliamentary Monitoring Group. https://pmg.org.za/committee-meeting/33055/

Pro Compare. (2023). *How much does a security company cost?* Procompare.Co.Za. Retrieved 22 February, 2023, from https://www.procompare.co.za/prices/security-companies/security-companies-prices

Property24. (2023, February 21). *Commercial Property to Rent in Braamfontein*. Property24. Retrieved 21 February, 2023, from Commercial Property to Rent in Braamfontein

Sabi, S. C., Kolanisi, U., Siwela, M., & Naidoo, D. (2020). Students' vulnerability and perceptions of food insecurity at the university of KwaZulu-Natal. *South African Journal of Clinical Nutrition*, *33*(4), 144–151.

SAGE. (2023). *How much does it cost to open a restaurant ?* SAGE. Retrieved 22 February, 2023, from https://www.sage.com/en-us/accounting-software/startup-costs/restaurant/

Said, I. (2022). *Restaurant Food Cost*. Ideal Software. Retrieved 21 February, 2023, from https://idealsoftware.co.za/restaurant-food-cost/

SAIPA. (2022). *Tax Guide 2021/2022*. Retrieved 22 February, 2023, from chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.saipa.co.za/wp-content/uploads/2022/05/SAIPA-Tax-Guide-2022-2023.pdf

Santam. (2022). *Useful apps for small business owners*. Santam. Retrieved 22 February, 2023, from https://www.santam.co.za/blog/business-advice/useful-apps-for-small-business-owners/

Schoeman, T., & Saunders, M. (2018). The Impact of Power Outages on Small Businesses in the City of Johannesburg. *10th Int'l Conference on Education, Business, Humanities and Social Sciences Studies*, 328–333.

Scholes, K., Johnson, G., Whittington, R., Angwin, D., & Regner, P. (2017). *Exploring Strategy: Test and Cases, 11th Edition*. Pearson.

Sehoole, C., & Adeyemo, K. S. (2016). Access to, and Success in, Higher Education in Post-apartheid South Africa. *Journal of Higher Education in Africa / Revue de l'enseignement Supérieur En Afrique*, 1–18.

Shoprite. (2022, February 9). *How food waste inspired Urban Grown - a black female-owned urban farm now supplying Shoprite*. Shoprite. Retrieved 24 February, 2023, from https://www.shopriteholdings.co.za/articles/Newsroom/2022/urban-grown-black-female-owned-urban-farm-supplier.html

SME South Africa. (2021, September 28). *Licensing and Permits for the Food Industry [COVID-19 Update]*. SME South Africa. Retrieved 29 March, 2022, from https://smesouthafrica.co.za/FAQs-licenses-and-permits-food-service/

Sosibo, L. (2022, February 28). *Medical Student Establishes a Catering Business to Serve Students*. Retrieved 5 June, 2022, from https://chs.ukzn.ac.za/news/medical-student-establishes-a-catering-business-to-serve-students/

Sovtech. (2017, May). *Has There Been An Increase In Mobile Applications Development In South Africa*. Sovtech. Retrieved 10 October, 2022, from https://www.sovtech.co.za/mobile-application-development-sa/

Standard Bank. (2022, June 4). *Access exclusive student deals and discounts with Varsity Vibe*. Retrieved 4 June, 2022, from https://www.standardbank.co.za/southafrica/personal/learn/access-student-deals-and-discounts-with-varsity-vibe

Stats SA. (2019, May 16). *The Extent of Food Security in South Africa*. Retrieved 3 June, 2022, from https://www.statssa.gov.za/?p=12135

Stats SA. (2021, February 28). *Statistical Release: Food and Beverages (Preliminary)*. Statistics South Africa. Retrieved 22 August, 2022, from chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/http://www.statssa.gov.za/publications/P6420/P6420February2021.pdf

Stats SA. (2022). *Quarterly Labour Force Survey (QLFS) – Q4:2021*. Retrieved 11 October, 2022, from chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/http://www.statssa.gov.za/publications/P0211/Media%20release%20QLFS%20Q4%202021.pdf

Stats SA. (2023, February 15). *Inflation cools to 6,9%*. Statistics South Africa. Retrieved 22 February, 2023, from https://www.statssa.gov.za/?p=16079

Student Village. (2019). *Student Spend Report 2019*. Retrieved 4 June, 2022, from https://studentvillage.co.za/category/research/

Summers, D. (2020, October 28). *Digital Marketing Costs South Africa | inSyte Blog*. Syte. Retrieved 22 February, 2023, from https://syte.co.za/digital-marketing-costs-south-africa-insyte-blog/#:~:text=Freelance%20or%20Independent%20Digital%20Marketing%20Overview%3A&text=You%20can%20expect%20to%20pay,but%20your%20mileage%20may%20vary.

Taher, M. (2012). Resource-Based View Theory. In *Information Systems Theory* (Vol. 1, pp. 151–163).

The Internet Upstart. (2023). *How much does it cost to develop an app in South Africa?* The Internet Upstart. Retrieved 22 February, 2023, from https://internetupstart.com/much-cost-develop-app-south-africa/

UKZN. (2022). *Student Residence Affairs*. Retrieved 5 June, 2022, from https://dsra.ukzn.ac.za/

UpKeep. (2023). *How to Calculate Restaurant Food Waste*. UpKeep. Retrieved 21 February, 2023, from https://www.upkeep.com/learning/how-to-calculate-restaurant-food-waste

van den Berg, L., & Raubenheimer, J. (2015). Food insecurity among students at the University of the Free State, South Africa. *South African Journal of Clinical Nutrition28*, *28*(4), 160–169.

Varsity Vibe. (2022). *Students & Money 2021*. Retrieved 4 June, 2022, from chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://info.varsityvibe.co.za/wp-content/uploads/2022/02/2021-VV-SSR_Final1.pdf

Vodacom. (2023). *A Ready Business is Connected Wirelessly.* Vodacom. Retrieved 22 February, 2023, from https://www.vodacombusiness.co.za/business/solutions/business-internet/business-internet-wireless

Wagner, F., Kaneli, T., & Masango, M. (2021). Exploring the Relationship Between Food Insecurity with Hunger And Academic Progression at a Large South African University. *South African Journal of Higher Education*, *35*(5), 296–309.

Westland, J. (2021, June 2). *What Are Milestones in Project Management?* Project Manager. Retrieved 23 February, 2023, from https://www.projectmanager.com/blog/milestones-project-management

WHO. (2021, October 30). *Climate change and health*. World Health Organization. Retrieved 9 September, 2022, from https://www.who.int/news-room/fact-sheets/detail/climate-change-and-health

Wits. (2023). *RESIDENCE RENTALS MEAL PRICES AND LEVIES*. Residence Fees 2023. Retrieved 21 February, 2023, from chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.wits.ac.za/media/wits-university/students/accommodation/documents/Residence%20Fees%20-%202023%20(Final)%2013.01.22.pdf

Wits University. (2018). *Wits Smart Dining Hall*. University of the Witwatersrand, Johannesburg. Retrieved 22 August, 2022, from https://witsapps.wits.ac.za/meals/help

Wu, W. (2020, February). *How to Budget for Restaurant Maintenance*. FSR. Retrieved 22 February, 2023, from https://www.fsrmagazine.com/expert-takes/how-budget-restaurant-maintenance

9. APPENDICES

9.1. Research Instruments

Appendix A: Student Interview Instrument

INTERVIEW SCHEDULE: STUDENTS

Interview Details		
Date:	Time:	Location:
Interviewee:		Interviewer:
Length of interview:		File Name:
Introduction		
• The purpose of this study is to gain insights into the funding allocations and spending, access to food of students in the area, and views on possible solutions to challenges. • Please sign the consent form provided. • Do you have any questions before we start?		
Opening		
• How are you finding the post-school education experience so far?		
Content		

Finance Spend

- **Question 1:** Can you tell me about how your studies and supporting needs funded?
- **Question 2:** Tell me how your funder has allocated the funds? Do you think they have allocated them well?
- **Question 3:** Can you describe for me how in a typical month you would spend your funds?

Food Access Experience

- **Question 4:** Tell me about funds allocated for food, do you feel you need more?
- **Question 5:** Tell me how you gain access to food. Do you cook or buy ready-to-eat? What do you prefer?
- **Question 6:** Tell me about any challenges you have with regards to access to food and anything around that.

Appetite for Solution

- **Question 7:** What is your opinion on students that live on campus and have their food access paid for directly by funder?
- **Question 8:** What would you say or do if your funder would arrange that, instead of an allowance for food, you instead get the food or meals already prepared? Like how residence students have it on-campus.

Closing

- Are there any questions the interviewee would like to ask?

Findings from the study will be shared via e-mail for those that request feedback.

Thank you.

Appendix B: Funder Interview Instrument

INTERVIEW SCHEDULE: FUNDERS

Interview Details		
Date:	Time:	Location:
Interviewee:		Interviewer:
Length of interview:		File Name:

Introduction

- The purpose of this study is to gain insights into the funding allocations, opinions on access to food funded students have, and views on possible solutions to challenges.
- Please sign the consent form provided.
- Do you have any questions before we start?

Opening

- Can you tell me more about your organisation and role?

Content

Funding Allocations

- **Question 1:** Tell me about how you decide on how funds are allocated for students.
- **Question 2:** What allocations do you have for food access specifically?
- **Question 3:** (If no allocation for food access) What is the organisation's expectation with regards to students accessing food?

Return on Investment

- **Question 4:** Tell me about any challenges around student dropping out or defaulting on pay-back conditions.
- **Question 5:** Tell me about any issues raised by students with regards to access to food.
- **Question 6:** What do you (as the organisation) think about food insecurity amongst students in general?

Appetite for Solution

- **Question 7:** Would you be willing to have food access paid for upfront for your students? Is it something that would make financial sense for organisation?
- **Question 8:** What would it take for the organisation to pay upfront for food access for those students that do not live in catering residences?

Contributing to Fighting Hunger

- **Question 9:** Tell me more about any social responsibility efforts of the organisation with regards to HEI students.
- **Question 10:** Tell me about the financial ability and willingness of the organisation to sponsoring access to food for students in need in HEI's?

Closing

- Are there any questions the interviewee would like to ask?

Findings from the study will be shared via e-mail.

Thank you.

9.2. Ethics

Appendix C: Ethics Clearance Certificate

Graduate School of Business Administration
University of the Witwatersrand, Johannesburg

Wits Business School

Wits Business School Ethics Committee
Constituted under the University Human Research Ethics Committee (Non-Medical)

Ethics Clearance Certificate

Ethics protocol number: WBS/BA0710709J/508
This certificate is only valid with a legitimate ethics protocol number and signed by the Researcher (below)

This certificate is only valid if accompanied by formal permission from the relevant stakeholder(s).

Project title	"Dining hall" facilities in Braamfontein for non-res/off-campus residing students
Investigator / Researcher	Mrs Sinomncedi Mashele
Nature of Project	MBA (Business Venture Proposal)
Decision of the Committee	Approved, provided stakeholders and participants are advised that anonymity and confidentiality cannot be guaranteed.
Issue Date of Certificate	16 09 2022
Expiry date	Date of submission of the project / research report
Chairperson	Prof Anthony Stacey ☎ +27 11 717 3587 +27 82 880 4531 anthony.stacey@wits.ac.za

Declaration by Researcher

One copy must be signed by the Researcher and returned to the Chairperson of the Wits Business School Ethics Committee.

I fully understand the conditions under which I am authorized to carry out the abovementioned research and I guarantee to ensure compliance with these conditions. Should any departure to be contemplated from the research procedure as approved I undertake to resubmit the protocol to the Committee.

Signature

16/09/2022
Date:

Appendix D: Participants Consent Forms

Student Interview Consent Form

Project: Applied Research Project

Name of researcher: Sinomncedi Mashele

I, ..., agree to participate in this research project. The research has been explained to me and I understand what my participation will involve. I agree to the following:

(Please circle the relevant options below)

I agree that my participation will not remain anonymous

YES NO

I agree that the researcher may use anonymous quotes in his / her research report

YES NO

I agree that the interview may be audio recorded

YES NO

I agree that the information I provide may be used in an anonymized format after this project has ended, for academic purposes by other researchers, subject to their own ethics clearance being obtained.

YES NO

.....(signature) .....(name of participant) .....(date)

.....(signature).....(name of researcher) .....(date)

Funder Interviews Consent Form

Project: Applied Research Project

Name of researcher: Sinomncedi Mashele

I, ……, agree to participate in this research project. The research has been explained to me and I understand what my participation will involve. I agree to the following:

(Please circle the relevant options below)

I agree that my participation will not remain anonymous

YES NO

I agree that the researcher may use anonymous quotes in his / her research report

YES NO

I agree that the interview may be audio recorded

YES NO

I agree that the information I provide may be used in an anonymized format after this project has ended, for academic purposes by other researchers, subject to their own ethics clearance being obtained.

YES NO

……(signature) ……(name of participant) ……(date)

……(signature)……(name of researcher) ……(date)

Appendix E: Participants Information Sheet

Participant Information Sheet

Dear Sir / Madam,

My name is Sinomncedi Mashele, student number: 0710709J, and I am an MBA student at the University of the Witwatersrand Business School, Johannesburg. As part of my studies, I have to undertake an applied research project, and I am working under the supervision of Dr Rob Venter. The aim of this research project is to find out more about funding allocations, access to food, and interest in having the access to food managed by funding parties instead of students themselves.

As part of this project, I would like to invite you to take part in an interview. This interview will involve answering no more than 10 questions and will take around 60 minutes. With your permission, I would also like to audio record the interview using a digital device. This recording will be stored in a password-protected computer and only the researcher and supervisor will have access to this recording. It will be deleted after 2 years.

There will be no personal costs to you if you participate in this project, you will not receive any direct benefits from participation but there are no disadvantages or penalties if you do not choose to participate or if you withdraw from the study. You may withdraw at any time or not answer any question if you do not want to. The interview will be completely confidential, however, not anonymous as I will be having a face-to-face interview with you, but the information you give to me will be held securely and not disclosed to anyone else. I will be using a pseudonym (false name) to represent your participation in my final research report. If you experience any distress or discomfort at any point in this process, we will stop the interview or resume another time.

If you have any questions during or afterwards about this research, feel free to contact me on the details listed below. This study will be written up as a research report which will be available online through the school. The data collected from this research project will be stored in password-protected computer and will be kept for

2 years. With your permission the data collected from this research project may be used by other researchers in an anonymized format. If you have any concerns or complaints regarding the ethical procedures of this study, you are welcome to contact the University Human Research Ethics Committee (Non-Medical), telephone +27(0) 11 717 1408, email hrecnon-medical@wits.ac.za

Yours sincerely,

Sinomncedi Mashele



Researcher:

Sinomncedi Mashele, 0710709J@studnets.wits.ac.za, 0836829510

Supervisor:

Dr Rob Venter, Robert.Venter@wits.ac.za, 0117178090

9.3. Student Research Results

Appendix F: Finance Spend

Table 13: Thematic Development: Finance Spend

Quote from Interview	Interview No.	Code(s)	Category(ies)	Theme(s)
OK, so basically my bursary pays for like everything.	Stu01	Bursary Funded	Contractual funding	**Fully Dependant on External Funding**
I'm currently using GCRA (Gauteng City Region Academy) bursary.	Stu05			
I'm using a bursary	Stu09			
bursary	Stu11			
I am a NSFAS funded student	Stu06	NSFAS Funded		
So now I'm still being funded by NSFAS.	Stu03			
NSFAS	Stu10			
NSFAS	Stu08			
I'm being funded by NSFAS	Stu12			
this year I am funded by NSFAS.	Stu14			
Researcher: OK. So, at the moment you basically you're saying that you are funded tuition only by your mother's employer, and then who's paying for everything else. SP02: Yeah , yeah. Mom. My parents do.	Stu02	Partial Bursary Funded		
But for this year, postgrad, I did not have any funding. So, I was using the Hardship Fund to get accommodation. And then I also use PMA (Postgraduate Merit Award)	Stu04			
Researcher: So, who then pays for accommodation? SP05: My mom.	Stu05			
My parents.	Stu07	Parent Funded	Familial Funding	
my parents.	Stu13			
Only when I asked for a top up.	Stu04	Parent Contribution		
with everything else my family has been supporting me.	Stu09			
from the parents I get it sometimes not every month.	Stu10			
I only get from home is when I don't have food	Stu12			
I do get some money from home, but only when I ask	Stu14			
OK so I only rely for the food allowance on the bursary, and I only get like R1700.	Stu05	No Parent Contribution		
No.	Stu06			
At home they don't.	Stu03			
So I work as an administrative assistant at the psychology department. I get paid once it's R4800 per block. We also invigilate during exams.	Stu04	Work Income Funded	Personal Funding	
but I told you that I get like my allowance at the end of the year sometimes. So, like last year I got my allowance at the end of the year and then I still had that money this year so, I just use some of it.	Stu09	Savings Income		

Quote from Interview	Interview No.	Code(s)	Category(ies)	Theme(s)
give me money for three months quarterly	Stu01	Lump Sum	- No prepaid living allowances - Funder gives bundled allowance	**Independent Finance Management**
It depends because sometimes they give us allowance per semester or sometimes they just give us the whole allowance at the end of the year.	Stu09			
Monthly	Stu02	Monthly Sum		
Yes. Just for the month	Stu07			
R1500 monthly, yeah?	Stu03			
Researcher: So, who's been sending the money monthly? Stu09: My mom.	Stu09			
allowance per month	Stu10			
The monthly allowance is R1500	Stu08			
Per month	Stu11			
R1500 when they give you that money?	Stu12			
Once a month	Stu13			
OK so when NFSAS gives you that R1500,	Stu14			
They don't really say what it's for	Stu07	No Funder Expectations	- Funders communicate, but do not dictate - Students understand	**Sustenance is critical**
allowance for food	Stu03	Understand Sustenance Allocation		
It's for toiletries.	Stu09			
I think their intention is for us to buy food. Food and toiletries.	Stu10			
The monthly allowance is R1500. It's for buying groceries and toiletries as well and just maintaining yourself. So, within that R1500 you have to buy everything like food and toiletries. Everything.	Stu08			
It's supposed to be for food	Stu11			
They stated it clear that it's for living allowance. So from how I understand it, it's like for me to get food.	Stu12			
For food, that's the basic of it.	Stu13			
Well, basically I understand it's for food. That's the main thing, I think. Secondly, to buy any stationery that you may not have so you have to use that money for that, and any other essentials. Yeah, basically just grocery.	Stu14			

Quote from Interview	Interview No.	Code(s)	Category(ies)	Theme(s)
airtime	Stu04	Communication	Essential Spend	**Spending goes Beyond Necessities**
also buy airtime	Stu01			
I buy data	Stu13	Connectivity		
if we buy R100 electricity	Stu11	Electricity Supply		
I also buy electricity	Stu13			
my roommate contribute 750 rand each.	Stu02	Groceries		
I don't spend a lot of money on my grocery. It's about like R300 or R400.	Stu04			
I'm in a month, minus the takeaways and stuff, I'd say I spend maybe R600 and something.	Stu05			
I buy grocery	Stu06			
1000 for groceries	Stu01			
just groceries	Stu07			
I spend a lot of it on food	Stu03			
R900 every month.	Stu10			
So I don't buy carbs and stuff like that. I only buy things like meat and tinned stuff.	Stu08			
R2000 for actual groceries.	Stu11			
grocery.	Stu12			
I buy food.	Stu13			
for groceries I normally like allocate close to R500	Stu14			
toiletries	Stu04	Hygiene		
toiletries?	Stu05			
rest are the cosmetics	Stu06			
So basically, yeah, for those groceries I include everything. The toiletries are all included there so.	Stu01			
toiletries	Stu07			
I also need toiletries	Stu03			
toiletries	Stu09			
toiletries, R200 or R250 a month.	Stu10			
for maintenance and doing my hair.	Stu08			
toiletries are included in the R2000.	Stu11			
Toiletries	Stu12			
toiletries contribute to the other R500.	Stu13			
printing I have to pay for those things.	Stu01	School related costs		
buy clothes	Stu02	Clothing		
I have a clothing account	Stu01			
buy maybe some clothes.	Stu09			
maybe I'll buy a T-shirt or something	Stu10			
buy clothes.	Stu12			

Quote from Interview	Interview No.	Code(s)	Category(ies)	Theme(s)
I hardly do that. Maybe after I've had a busy week at school maybe I'll reward myself. So, yes.	Stu04	Dining Out	Nonessential Spend	**Spending goes Beyond Necessities**
Maybe R300 and more a month?	Stu05			
no, maybe 350. Yeah, I don't go that much. So, what else?	Stu01			
That's where most of my money goes.	Stu07			
maybe if I really want it.	Stu03			
Sometimes, but not really.	Stu09			
Like this year to be honest with you, It's been like once or twice a month.	Stu10			
, I don't buy that. I usually buy the pap. There's this pap and gizzards meal for R6 there, but then I try to avoid buying cooked food because it is expensive.	Stu08			
takeaways	Stu11			
Once in a while.	Stu12			
Maybe three times in a month. That's the absolute max	Stu13			
Takeaways, yes.	Stu14			
just to go out with friends	Stu07	Entertainment		
entertainment	Stu11			
R100 on betting stuff. Like, that's my form of entertainment. Researcher: That's like Hollywood Bets? Stu14: Yes	Stu14	Gambling		
In between you will need like money maybe to buy bread	Stu04	Nonessential Sustenance		
I include snacks money on that	Stu01			
Or spending on campus or whatever really.	Stu07			
I use it for maybe snacks and that kind of stuff.	Stu10			
I want, especially snacks.	Stu14			
save some of the money	Stu02	Personal Savings		
I've been saving like the R4000	Stu04			
I save it	Stu09			
I put aside R2000	Stu11			
saving every month.	Stu12			
Normally I try to save at least R200	Stu14			
so some of the money I sometimes have to help out at home when I can	Stu04	Send Money Home		
Yes, my little brother I sometimes send him R200 or R300.	Stu06			
Yes, I do send them around R250 and also pay for our DSTV.	Stu08			
No, it was at the beginning and sometimes during the year. So that's where the savings comes in. So, last time I gave my mom R1000 something, I give her out of the savings, not out of my money so it doesn't affect me.	Stu11			
Yes, my cousins if they need it.	Stu12			
I pay for subscriptions. Yeah, subscriptions say 250	Stu01	Subscriptions		

Appendix G: Food Access Experience

Table 14: Thematic Development: Food Access Experience

Quote from Interview	Interview No.	Code(s)	Category(ies)	Theme(s)
No, it's not enough	Stu02	Food funds insufficient	- Food runs out - Seeking supplementary food sources - Not eating	Lack of access to enough food
It's not enough compared to the money that I was getting last year	Stu04			
It's not enough.	Stu06			
I think it's not even enough.	Stu03			
if I spend like R800 on groceries, by the 25th it's out.	Stu03			
It's not really enough	Stu09			
No, it's definitely small.	Stu10			
I feel like it's not enough	Stu08			
Not really, it's not enough.	Stu12			
Oh no.	Stu13			
food bank as well.	Stu04	Uses Food Bank		
sometimes you go to WCCO for food.	Stu06			
So how does it work? Do they cook or today give packages for you to go cook? *SP03: They do both. Actually, they serve free lunch. Then after serving free lunch, they give the food packages.*	Stu03			
I don't buy that much food with my allowance because they they're giving out food at the Food Bank at Wits	Stu08			
Usually when I attend my classes I go there and get food around past 12:00 and then food parcels I also do go there to get.	Stu12			
Yes, there I normally have lunch	Stu14			
So, they only give parcels once a month, but then if you if you're only eating in the evening it's going to be enough.	Stu08	Cutting meals		
Sometimes I eat with friends and yeah	Stu08	Sources Food From Others		

Quote from Interview	Interview No.	Code(s)	Category(ies)	Theme(s)
you can't really cover certain things, yeah, you can't buy everything you want. Always have to settle for like the cheap stuff. Like those canned foods.	Stu04	Unsatisfied Preference	- Food access method and lifestyle misalignment - Food Preference and reality misalignment	Compromising on preferred food source and access method
have to make compromise	Stu06			
SP01: Sometimes getting things that I don't want, so I should. Researcher: Like what? SP01: OK, like I buy certain things. Like I say I don't eat beef and if I get there and there is beef only.	Stu01			
No, sometimes I am not happy because I feel like sometimes the food is not really nice, but	Stu09			
I was trying to go vegetarian these days, so I'm trying to avoid buying meat.	Stu08			
I'd choose takeaways.	Stu02	Dining out preference		
Takeaways	Stu04			
No no no, ready cooked	Stu01			
I wouldn't even cook, I wouldn't. I would buy takeaways and those ready meals from Pick 'n Pay. I wouldn't touch a pot	Stu03			
Most of the time I would buy takeaways	Stu10			
I'd just buy takeaways, honestly	Stu11			
I would not prefer to cook.	Stu14			
Cooking food.	Stu05	Cooked food preference		
Yes, I'd still choose to cook.	Stu06			
I'd probably just cook.	Stu07			
I prefer cooking for myself.	Stu09			
I prefer to cook	Stu12			
I'd cook. I love cooking. I feel like takeaways can't really sustain you. I love eating so cooking is best.	Stu13			
We decide to cook because it is better when you cook	Stu02	Mainly cooks		
I hardly do that.	Stu04			
Yes.	Stu05			
I love cooking.	Stu06			
I purely cook.	Stu03			
, I do cook I would say maybe 3 times a week I will cook.	Stu10			
No, I don't buy takeaways	Stu08			
Yes, but I rarely buy takeaways. Rarely.	Stu11			
Yes, that's what I do.	Stu13			
I hardly cook.	Stu07	Mainly Dines Out		
I actually do both. Yeah 'cause I buy groceries. But then when I don't feel like cooking I have to go buy it already cooked.	Stu01	Equally cook and dine out		
I cook, and then if I don't, it's takeaways	Stu07			
they allow us to take food from the dining hall.	Stu09	Access to On Campus Dining		

Quote from Interview	Interview No.	Code(s)	Category(ies)	Theme(s)
sometimes all of us are busy and then you have to cook	Stu02	Time Constraint	-Physical Wellbeing Impacted - Academic Focus Impacted	Academic success negatively impacted
we don't really have time to like cook	Stu04			
it will save us time to study. You just eat and go back to your room.	Stu06			
And the time you will have to take. To go to a restaurant order, wait for.	Stu01			
I don't have a lot of time	Stu07			
It's time consuming	Stu03			
There are days I can't go to campus because I have to study	Stu08			
cooking takes your time	Stu11			
It's time management	Stu12			
it takes so much of my time,	Stu13			
It takes a lot of time.	Stu14			
prices have increased	Stu02	Expensive		
I buy from those cheap shops like Boxer and Shoprite.	Stu04			
Yes, because the food is expensive	Stu06			
And cheaper as well.	Stu01			
Yeah, those ones there. I bet the expensive. If so, that's what I normally do. I'll say yeah, this much money I spend on KFC I can get a meal for two days.	Stu01			
meat is expensive.	Stu03			
prices from 2019 have risen. So, this year it's been rough.	Stu10			
Food is expensive.	Stu11			
money is not enough. Now things are expensive	Stu12			
Obviously, they're expensive.	Stu14			
Loadshedding	Stu07	Electricity Interruptions		
So electricity is another big thing.	Stu11			
wash dishes	Stu02	Cooking related Housekeeping		
The dishes! Hectic.	Stu03			
Off campus room mostly don't have a kitchen and you have to share like in a commune, so I am lazy to always have to walk and clean afterwards.	Stu07	Inconvenient Accommodation		
warming up without a microwave as well. It just takes a little bit more time than it than it should	Stu13			
Yes, except for walking from off campus to get food at the hall. The distance is to much	Stu09	Distance to access food		
No, sometimes I am not happy because I feel like sometimes the food is not really nice,	Stu09	Food Quality		

Quote from Interview	Interview No.	Code(s)	Category(ies)	Theme(s)
Do you feel like a lack of access to food it can impact how you do? It can impact your success, your passing? Stu06: Yes, it can.	Stu06	Impact on Success	-Physical Wellbeing Impacted - Academic Focus Impacted	Academic success negatively impacted
It does put it at risk because you can't study without the energy, so you still have to eat. If you haven't eaten, you don't have the energy to studying and it also makes you actually get depressed	Stu08			
Definitely, definitely yes. Like I could take it with me. Sometimes I lose appetite for eating and you can see that the energy that I have, it's not the same as when I ate.	Stu12			
Because this thing of cooking it's tiring sometimes	Stu10	Impacts Rest Time		
Sometimes you're tired.	Stu12			
I need to make a plan to rest	Stu13			
don't have to worry about budgeting	Stu05	Anxiety		
Like it's the stress and hunger. Worrying about what you're going eat during the day.	Stu06			
I am sure I will have a meal every day. Unlike, now I have to think. OK, it's 10:00 o'clock. I have to go rush and buy food during those times you see.	Stu01			
Yes, it's challenging and also having to call friends and asking them if they've cooked? Have you eaten? It's a lot on their side as well.	Stu08			
o, I think with meals I think it's minus a problem.	Stu12			
So yes, there balance there is kind of tricky.	Stu13			
just takes a toll on you	Stu14			
Yes, I think it's enough.	Stu05	Food funds sufficient	- Providing sufficient funds is not impossible - Even without the funds students can still eat	Insufficient Funds Does Not Have To Mean No Access to Food
No, I am okay.	Stu01			
For one person I feel like it's enough.	Stu11			
Yes, for me it's enough. The month finishes and I'm still OK.	Stu14			
One thing about me is that I prioritize my groceries. So, I could literally be broke, but I will still have groceries.	Stu07	Funds Insufficient with Food Sufficient		
I do run out of money, but I don't run out of food. Which is important that even if the money is not there I can still eat.	Stu11			

Appendix H: Appetite for Solution

Table 15: Thematic Development: Appetite for Solution

Quote from Interview	Interview No.	Code(s)	Category(ies)	Theme(s)
I think they're more privileged and in a way, because they have access to almost like everything.	Stu04	Approval of On Campus Dining	- Acknowledgement of dining hall benefits - Solution has appeal	Solution is conditionally acceptable to students
I think it's convenient for them	Stu05			
That that's brilliant. I don't want to lie	Stu01			
Yes, I would believe that that's a nice thing	Stu13			
It's very helpful.	Stu14			
Yes. That's exactly what I want, I don't want to lie.	Stu01	Complete Solution Approval		
That'd be nice. Yes, that would work. I would not have to worry about cooking.	Stu11			
I would definitely agree to that and I would definitely sign up for on campus. Yeah, that's that. Yes, food is life.	Stu12			
But that would be a good idea for off campus students. Researcher: But for your lifestyle? Would it work? You'll still have to leave your place and walk there. SP13: Yes, I mean I feel like everything has a sacrifice. That would be a sacrifice. Most students are willing to make.	Stu13			
Even food, like I said, you don't have to stress out cooking. You don't have to stress out what am I going to eat. Do I even your food today? You see you will you know that you have a meal, that's all. So it's actually less stress as well.	Stu01	Less Anxiety		
I'd be OK with it because then it kind of takes off the load from my shoulders with	Stu07			
they don't have to worry	Stu10			
It's minus a problem.	Stu12			
you don't really worry about where's your next meal coming from.	Stu13			
You're not worried about, "what am I going to eat tomorrow"	Stu14			

Quote from Interview	Interview No.	Code(s)	Category(ies)	Theme(s)
but not for me. Because of you find that sometimes I am reading around 2:00 AM or so and then you get hungry. You won't be able to eat, and some of them eat twice a day, and I don't think it will be enough for me.	Stu02	Disapproval of On Campus Dining	- Acknowledgment of disadvantages of dining hall - Hesitation with solution adoption	Solution is conditionally acceptable to students
My friend is always at a disadvantage because she stays off campus, but she eats at the dining hall. So like she always has to leave her place and go eat and then go back and then go back like a few hours later for the same thing.	Stu07			
My problem is that if you're on NSFAS and you eating at the dining hall, you only get to eat twice a day. And if you miss a meal, you're not going to get it back. And if you miss a meal, it's over. There are actually people I know who sometimes sleep without eating because they missed their meals.	Stu08			
from my own situation that won't really work for me	Stu04	Complete Solution Disapproval		
I wouldn't like that because then I have to waste time walking there	Stu05			
I wouldn't really go for it.	Stu03			
To be honest, I don't think, me personally, I will approve of such	Stu10			
The problem will be maintaining yourself as well.	Stu08			
OK. So, I feel like it would be inconvenient	Stu14			
Maybe it will work	Stu06	Partial Approval of On Campus Dining		
I think it's better actually, but the downside to it for me	Stu03			
I mean it's OK. It is a very nice setup	Stu11			
But for me a challenge would be if you take a meal during the day. Also, when you stay on campus you don't usually get this R1500	Stu12			
Yeah, if it's like that I would have. Yeah I would agree.	Stu02	Partial Solution Approval		
But I think I'd be OK with that	Stu07			
I don't know because like you never know if the food will be better or what.	Stu09			
Yes, I think for them it's fine	Stu10			

Quote from Interview	Interview No.	Code(s)	Category(ies)	Theme(s)
It depends like. Sometimes I eat once. But then like I just want to eat whenever I'm hungry and at res like they're allocated times to eat. So for me it won't work. For me it's not the best option.	Stu02	Problem with Set Dining Times	- Acknowledgment of disadvantages of dining hall - Hesitation with solution adoption	Solution is conditionally acceptable to students
downside to it for me would be you have to eat on a schedule.	Stu03			
Yes. I actually do mind, especially with supper, because we allowed to take supper from 16:00 to 18:00. You restricted to eat like around that time and I'm someone who prefers to eat, maybe around 20:00 and 21:00.	Stu09			
they have to eat that food. So, I think I prefer my situation, even though it's not convenient because there is even the time issue. So, they can only take lunch from particular time slots, and for me that just doesn't work because I just never know if I'll have time.	Stu11			
Yeah, not even flexible. It will work for them to just like have a dining hall that just operates 24/7. I don't think that's like probably possible, but maybe close at like 9 so that if I feel like I want to get lunch at like 14:00 and not 15:00 and not too late, I can go there.	Stu11			
I've told you, first year I was staying on campus and I was eating food from the dining hall. But as time went by I realized I don't like this food anymore and I'd prefer to cook my own food.	Stu10	Food Quality Concern		
Also my friends are always complaining that the food there is bad and they don't have a choice, they have to eat that food.	Stu11			
Except on like rainy days like this	Stu07	Walking Concern		
But even with them they have to go to the dining hall and stand in line	Stu11			

9.4. Funder Research Results

Appendix I: Funding Allocations

Table 16: Theme Development: Funding Allocations

Quote from Interview	Interview No.	Code(s)	Category(ies)	Theme(s)
- bursary management and services company called Career Wise - We call ourselves the middleman between clients and students, or we bridge the gap between the two, which stems from finding the students for the client and then also taking care of the students on behalf of the client	Fu01	Bursary Management Service Funder	- Invested Funders	**Need Student to Succeed**
We are a foundation. So, we are an extension of government, but we are independent.	Fu02	Public-Private Partnership Initiative Funder		
I am a mother to a son who is currently studying, at Wits and staying in Braamfontein. And who has no funding. So, at the moment I am currently funding	Fu03	Parent Funder		
They join the market just like any other student	Fu02	No employment promise	- Reduced motivation -Reduced pressure	**Weak Underperformance Consequences**
They do not pay back anything	Fu02	No payback requirements		
so we still do lump sum payments, but with those lump sum payments we send a student a breakdown.	Fu01	Lump Sum	- Generous funding - Trusting Students to Self Manage	**No Financial Problems Anticipated**
they've got about R3500 or less for them to sustain themselves during the month	Fu02	Monthly Sum		
for the whole month.	Fu03			
deciding on how much we give them, it's basically market related, but we go beyond the market	Fu02	Market Plus Costing		
Researcher: Do you find yourself giving him extra money during the month to just make sure that he has food. Fu03: Yes, yes, there are months I might be able to help him out and actually give him the food and all of that	Fu03			
then we would have a standardized amount which is slightly more than the average across the country, for all the institutions across the country, the HET institutions. And then the same type of research happens with a food allowance or meal allowance. So, we look at the cost of living and usually we also give students slightly bit more.	Fu01			

Quote from Interview	Interview No.	Code(s)	Category(ies)	Theme(s)
we are also giving them holistic Wrap Around Support because we are supporting them. We're trying to make sure that there's nothing that will distract their academic lifestyle.	Fu02	Holistic Support	- Caring Funders - Understand Potential Issues	**Develop Student Financial Sense**
mentorship and constant liaison with the students.	Fu01			
because before he went to varsity where I had to set the ground rules. I had to teach him everything	Fu03			
And we also give them sessions around financial education, we have partnered with the likes of ASISA. This year we're working with ASISA to give them a six week webinar programme where they were teaching them about how to manage your finances	Fu02	Finance Management Lessons		
e push for this, we have life skills, programmes or life skills programmes which has about 3 phases. It's done by an external service provider, and they zone in on these topics. They zone in on food and the type of food you should eat, so diet, health and budget. They go in-depth when it comes to the budget.	Fu01			
First and foremost, we actually understand the setting of higher education, students' expectation and their needs and that is based on research.	Fu02	Research Based Allocation	- Understand financial requirements	**Well Informed Funding**
We first do a bit of research	Fu01			
we've done our research when it comes to these allowances, in the sense that we get a feel of how much accommodation costs at around specific institutions.	Fu01			
I basically looked at what are the necessities in university	Fu03			
accommodation	Fu02	Accommodation	- Living expenses - School expenses	**All expenses funded**
accommodation	Fu01			
Books	Fu02	Books		
Books	Fu01			
Books	Fu03			
cash	Fu02	Cash		
tuition	Fu02	Tuition		
tuition	Fu01			
tuition	Fu03			
transport allowance	Fu02	Travel Allowance		
meal allowance	Fu02	Dedicated Meal Allowance		
food	Fu01			
then with the living allowances, it's for the meals and toiletries, whatever he might need.	Fu03			

Appendix J: Food Insecurity Awareness

Table 17: Theme Development: Food Insecurity Awareness

Quote from Interview	Interview No.	Code(s)	Category(ies)	Theme(s)
Most definitely I do. So yes, I do worry about that and I try to counteract that from happening.	Fu03	Concern about possible dropping out	- Aware of possible dropping out - Mitigating Efforts	Reduced Dropping Out Risk
Part of our strategic objectives is to reduce the number of dropouts. We do have a few, you know that it's really difficult to control, but the number is not really high for us. We've tried to reduce it since our inception.	Fu02	Low dropout rate		
If you're on the scheme, like if you are funded for that particular year and you're on a corporate bursary, food shouldn't be an issue because you have the means	Fu01			
So, we've had students who have misused their funding, despite the guidance that they've received and only then would they come back to us and say, "I don't have money for food"	Fu01	Food Access Difficulty Reported	- Few Cases - Bail Outs Offered	Resolve Food Access Difficulty
So yes, we have received issues, but we try by all means to help them at that point in time but not to save them.	Fu01			
he will tell me that he is short of money and during the month that he might need extra money for food and all of that.	Fu03			
So, as a person who had the experience, I know that it actually does happen.	Fu03	Aware of Food Access Difficulty		
They give us monthly reports, so by now would have known if there were issues around that.	Fu02	No Funders Food Insecurity Talks	- Food Insecurity Unknown - Food Insecurity a Non Factor	Blind to Food Insecurity
we have not had any engagement around that and I assume it's simply because we have placed programme managers in all our universities	Fu02			
but they've never brought anything to our attention. So, I would be lying if I were to say we had any engagements around food security at the moment.	Fu02			
So, the issue is not access to food, I would say on our side the issue is the type of food - the type of nutrition that they take in. You try by all means to guide them	Fu01			

Appendix K: Appetite for Solution and Willingness to Donate

Table 18: Theme Development: Appetite for Solution and Willingness to Donate

Quote from Interview	Interview No.	Code(s)	Category(ies)	Theme(s)
Yeah, I think so. Definitely	Fu01	Solution Approval	- Acknowledge the value of solution - Concerned about overall impact on independence - Organisational funders open to engagement	Solution is conditionally acceptable to funders
I think clients will definitely buy into that.	Fu01			
So, definitely that would definitely work, but not for all bursaries. Not for all types of funding. But it does have a place. It would have a place for certain type of funding.	Fu01			
Definitely, definitely because that serves as a security for me that he is actually getting food.	Fu03			
hope this thing comes up one day. I hope it comes up because it will be great.	Fu03			
to be acute on your question and I don't think so	Fu02	Solution Disapproval		
So can we do it? Yes, it can be done. I'm not going to lie, we can give them like a meal card and they can go to Pick n Pay or they can go to a franchise where they can get access to food. But students always find a loophole. That's one thing I've learned about students, students are very smart. They'll find a way to not use the funds properly.	Fu01			
Because if you treat them like kids, they'll act like kids and find these loopholes.	Fu01			
Because if you treat them like kids, they'll act like kids and find these loopholes	Fu01	Student May Disapprove		
knowing him at first, he wouldn't because he might want the money and all of that.	Fu03			
it's a difficult one to answer directly, but we are cultured and responsible organization which cares about students and the society. But to answer your question directly to say yes, we can or no, we can't. It's a really difficult at my position, but I think it's a question that EXCO may take a decision on.	Fu02	Management Would be Open to Discuss		
I know that our CEO and our EXCO have got an open-door policy and they're very responsive, especially to external stakeholders and very responsible. I trust them. I know that they can discuss it given a chance. I just do not know of the outcomes.	Fu02			
So yes, it's definitely something one can look at.	Fu01			
if really we had students who are misusing their money to such an extent that they suffer, probably we would consider that	Fu02			

Quote from Interview	Interview No.	Code(s)	Category(ies)	Theme(s)
There will be enough food for him throughout	Fu03	Requirement: Consistency in catering	'- Acknowledge the value of solution - Concerned about overall impact on independence - Organisational funders open to engagement	Solution is conditionally acceptable to funders
since we come from a family that doesn't eat pork, so will he be accommodated for that? And if he has certain preferences and all of that	Fu03	Requirement: Dietary preferences met		
especially if it's well-structured and that the facility that provides the food it caters for everyone. Well, you have to consider that students come from different backgrounds and they as much as nutrition is good, you also want them to enjoy what they have and not "rather not eat than go and eat that stuff"	Fu01			
assurance that he will get enough food.	Fu03	Requirement: Guaranteed to get food		
At what times and all of that.	Fu03	Requirement: Suitable Dining Times		
Definitely, especially if it's well-structured	Fu01	Requirement: Well organised system and facility		
if the research presented itself, and the proposal would have more facts and figures around it.	Fu02	Requirement: Sound research results proving issue		
and if it was one of our predicaments, our students' predicament to say that they are not utilizing their money well, yes, they would actually consider that.	Fu02			
we actually try to give liberty to our students and when we give them cash, we believe that they use that cash accordingly. And also, we are trying to make them be aware and have that sense of responsibility and how to use their finances because remember these people will be joining corporate in few years and they need to be ready. They need to know how to use cash.	Fu02	Promote Student Financial Independence		
we have not tampered outside our cohorts because we are mandated by our strategic intent and by our vision and mission.	Fu02	No social responsibility initiatives	- Focus on wellbeing of own students - No need to do more	Not sensitized to masses
No, we've had a Career Wise bursary before. We still do, but we take on a handful of students, and it's not a constant thing	Fu01			
due to me having to fund my son and having other commitments, I can't really help out financially for them	Fu03			
The nature of our foundation, we look after the society and I think 100% of what we do is around social responsibility,	Fu02	Work is Social Responsibility Itself		
But I can't say we cannot do it because really it depends on EXCO and the proposal made and the recommendations made.	Fu02	Willing to Contribute	- May be motivated to go beyond - Not ignorant to other causes	Potential Saviours
If I had the financial means, I would want to help. In fact, I would really want to help out by donating, and actually taking out money from my own pocket	Fu03			
But it's not set in stone. It's not an actual bursary version that we run, and we make sure that we recruit X amount of students every year. Now it depends on our finances. If we're able to fund students and the situation and find a student in dire need.	Fu01			

9.5. Financial Projections

Appendix L: Financial Projection Assumptions

Income Statement Assumptions

Market Sizing

It was reported that in 2019, Braamfontein had about 6700 students living in the various accommodations (Gregory & Rogerson, 2019).

The assumption made is that this number has stay more or less the same between 2019 and 2023. This assumption is based on the fact that the major institutions of higher education around Braamfontein (Wits and UJ) have not significantly increased their intake in this time period.

As previously presented, NSFAS funds about 42% of university students and 70% TVET students in 2020 (National Treasury, 2020). Since, NSFAS was not engaged in the research study, it is hard to estimate their appetite for the solution. So, the assumption is that of the total students living in Braamfontein, 42% of them are funded by NSFAS. At this stage with no clear understanding of NSFAS's appetite for the solution, these students will be excluded as potential subscribers. This leaves 3886 potential subscriptions.

As a conservative estimate, it will be assumed that only 10% of these students will be subscribed by the various funders. Meaning, the assumption is that there will be about 390 students subscribed in the first year of the offering.

Pricing

Students at Wits University catered residences pay R34 570 per annum for 3 meals a day (Monday to Friday) and 2 meals a day (Saturday to Sunday), which is the premium meal plan (Wits, 2023). This is equivalent to R3 457 per months over the 10-month university calendar.

Government's NSFAS allocates R16 500 for students living in off-campus residences (Kgosana, 2023). This is equivalent to R1 650 per months over the 10-month university calendar.

The Bureau for Food and Agricultural Policy (BFAP) Thrifty Healthy Food Basket (THFB), which measures the cost of a nutritionally balanced basket of 26 food items for a typical low-income household of 2 adults, an older and younger child, in South Africa, was reported to be R3 270 per household in 2022 (BFAP & Louw, 2022).

Assuming that the children together make up 1 adult, this means for an adult to get a basket of basic healthy foods in a low-income household it will cost R1 090.

In 2022 the extreme poverty line, which indicates the cost incurred by an individual to get the minimum required daily energy intake, was reported to be R663 per person per month (BusinessTech, 2022).

Wits University, which is a direct competitor, charges over double of what government provides to access 3 meals a day for students. From the research conducted for this proposal, the organisational funders (private bursaries) indicated that they allocate around R3 500 a month for access to food. This is inline with what the university charges. But government's NSFAS provides a little over the cost of basic healthy food supplies for a month and more than double the cost of accessing food for an adult in extreme poverty.

There is a big gap in the affordability or willingness to pay of the funders. By charging rates similar to the university which is an experienced direct competitor is the soundest approach. However, the government funding (NSFAS) affordability or willingness to pay is much lower. By charging the university rates, the risk is that the NSFAS's appetite for the offering may be compromised. However, there needs to be realistic pricing in line with the country's economic climate. The BFAP reported that food inflation is consistently increasing in South Africa and as such food prices are rising also (BusinessTech, 2023).

Taking this into consideration, the monthly subscription fee for the offering will be set at: R2 000.

This is based on the BFAP Thrifty Healthy Food Basket, but also takes into account the other costs involved in providing the meals. It is above what NSFAS is currently allocating for total living expenses and may compromise the buy-in of government. However, the government has students on NSFAS living in catered residences in the university campus and as seen from the Wits University meal plans, the government is paying R3 475 for them to access 3 meals a day. A case can be made that off-campus students also deserve the same.

Sales

It is standard practise to include the sales of non-alcoholic beverages (soft drinks, juice, water, and tea and coffee which includes use of milk and sugar) in the sale of food (Meritage Technologies, 2023). For the proposed business venture, the subscription will allow students to access both food servings and a single beverage per mealtime.

Annual Sales = (Monthly Subscription Fee x No. of students subscribed) x 12

= (R2 000 x 390) x 12

= R7 800 000

Cost of Sales

When calculating the food cost, which is a direct cost, research shows that in South Africa in order for the business to break-even and perhaps start realising a profit, the food cost needs to be at 35 – 37% with 31% being the most desirable target of the sales of food products (Said, 2022). For the purposes of this proposal, a conservative and worst-case-scenario estimate of 35% will be used. As previously mentioned, the food cost includes the cost of the non-alcoholic beverages that will be served.

Annual Food Cost = 35% of Annual Sales

= R2 730 000

The cost of disposable items such as serviettes and takeaway packages for a casual full-service restaurant, the ideal cost should be 1 - 2% of the total sales (Perrill & Minton, 2020). For the purposes of this proposal, a conservative and worst-case-scenario estimate of 2% will be used.

Annual Disposable Items = 2% of Annual Sales

= R156 000

Research indicates that restaurants incur food wastage in the range of 4 – 10% of the food cost (UpKeep, 2023). For the purposes of this proposal, a conservative and worst-case-scenario estimate of 4% will be used.

Annual Cost of Food Wastage = 4% of Annual Food Cost

= R109 200

The cost of labour for a restaurant business in South Africa can range between 25 – 30% of total sales, which includes both the variable and fixed labour (Krook, 2023). For the purposes of this proposal, a conservative and worst-case-scenario estimate of 30% will be used. This will also include cost of training and preparing the labour force.

Annual Labour Costs = 30% of Annual Sales

= R 2 340 000

Which works out to be R195 000 per month. For 8 servers/front staff at R5 000 per month each, 5 kitchen staff at R7 000 per month each, facility manager at R12 000 per month, 4 cleaners at R5000 per month, bookkeeper at R12 000 per month, 2 facilities maintenance staff at R7 000 per month each, administrative clerk at R8 000 per month, and manager/owner doing back-end work and overseeing everything at R15 000 per month. Remainder of funds go towards employee benefits contributions and the hiring of temporary workers when needed.

Operating Expenses

- Building rent at R1 800 000 per year for a 1200 – 1500 sq. metre space (Property24, 2023)
- Utilities (gas, water, electricity, and garbage collection) at R240 000 per year (City Power Joburg, 2022; Longley, 2023)
- Backup power (generator and maintenance) at R270 000 per year assuming Stage 6 Loadshedding for 15 days a month (Daniel, 2021).
- Licensing fees at R2 000 per year (SME South Africa, 2021).
- TV license and DStv subscription at R1 500 per year
- Insurance at R18 000 per year according to Old Mutual.
- Bank Charges at R9 600 per year (Nedbank, 2023).

- Internet Connection at R36 000 per year (Vodacom, 2023).
- Company vehicle maintenance and fuel at R100 000 per year
- Access control security system maintenance at R80 000 per year.
- Contractor or consultant services
    - Security (alarm system and guards) at R300 000 per year (Pro Compare, 2023).
    - Equipment maintenance at 1.5% average of total sales (Wu, 2020). For the proposed business venture that will be R117 000 per year.
    - IT, website and app maintenance at R70 000 per year (Comfort Digital, 2022; The Internet Upstart, 2023).
    - Legal counsel consultant at R80 000 per year (Legalese, 2023).
    - Marketing (independent digital marketing consultant) at R100 000 per year (Summers, 2020).
    - Chef and nutritionist consultations for menu development at R50 000 per year.
- Depreciation Expense
    - A company vehicle is depreciated by 15% for each 12 months using the reducing balance method (SAIPA, 2022).
    - Qualifying new or used plant and machinery that is used in manufacturing, or a similar process depreciated at 20% per annum (SAIPA, 2022).

For a utility vehicle (Toyota Quantum Panel Van) costing R600 000, depreciation is R90 00 in the first year.

For restaurant plant and equipment (kitchen and dining room set up) costing R1 500 000 (SAGE, 2023), depreciation is R300 000 for the first year.

Total Operating Expenses = R3 814 100

Other Income

- Proceeds from advertising on digital platforms and premises at R50 000 per year.

Interest Expense (interest on debt)

There will be a considerable amount of debt that will be taken to start the business.

Total cost of sales = R R5 335 200

Kitchen equipment and tools = R1 000 000 (SAGE, 2023)

Dining Area Furniture, décor, and systems = R500 000 (SAGE, 2023)

Rental = R1 800 000 (Property24, 2023)

Website and App development = R380 000 (The Internet Upstart, 2023)

Initial marketing = R25 000

Initial legal fees = R20 000

Total funding needed = R 9 060 200

Government funding agencies at most often do not grant 100% loan and require the business owner to have at least 35% of the required amount (SME, 2022). A government funder like the Industrial Development Corporation (IDC) indicates that lenders should budget a loan interest of a minimum of the prime lending rate (IDC, 2018). The current prime lending rate in South Africa is reported at 10.75% (FNB, 2023).

Taking this into account, for a start-up loan of R5 889 130 @ 10.75% interest will result in a yearly repayment of R633 081 in the first year.

The vehicle at R600 000 at a prime lending rate of 10.75% will result in a loan repayment of R64 500 in the first year.

Total Interest Expense = R697 581

Tax

Corporate tax in South Africa for a South African resident company is 27% (Mandy, 2022).

Projections

Projections will be done for a 5-year period.

It is expected that in year 2, government's NSFAS will buy in and allow perhaps the first-year students to be enrolled for the offering. This may mean an additional 200 students from the Braamfontein area will be onboarded along with another 50 students funded by various other funders, a total of 250 additional students. Once the NSFAS students join, the student numbers will stabilise with the number of students graduating and exiting the programme almost equal to the new students coming in. For the 3rd to 5th year, we will assume the same number of students.

All operating expenses will increase by the inflation rate which is currently at 6.9% (Stats SA, 2023). While the tax rate will remain the same.

Cost of sales is expected to increase with inflation.

The subscription fee will also be increased to account for just the inflation over the years.

The income from selling advertising space will increase drastically from year 2 as the business would have established itself with more students. It will also increase with inflation increases.

(Gregory & Rogerson, 2019), (National Treasury, 2020), (Wits, 2023), (Kgosana, 2023), (BFAP & Louw, 2022), (BusinessTech, 2022), (BusinessTech, 2023), (Meritage Technologies, 2023), (Said, 2022), (Perrill & Minton, 2020), (UpKeep, 2023), (Krook, 2023), (Property24, 2023), (City Power Joburg, 2022), (Longley, 2023), (Daniel, 2021), (SME South Africa, 2021), (Nedbank, 2023), (Vodacom, 2023), (Pro Compare, 2023), (Wu, 2020), (Comfort Digital, 2022; The Internet Upstart, 2023), (Legalese, 2023), (Summers, 2020), (SAIPA, 2022), (SAGE, 2023), (The Internet Upstart, 2023), (FNB, 2023), (Mandy, 2022), (Stats SA, 2023).

Appendix M: Pro Forma Income Statement

The Digz Diner										
Pro Forma Income Statement for Period 2023 to 2028										
	Y1 (Projected)		**Y2 (Projected)**		**Y3 (Projected)**		**Y4 (Projected)**		**Y5 (Projected)**	
Net Sales	R	7 800 000.00	R	13 683 200.00	R	14 627 340.80	R	15 636 627.32	R	16 715 554.60
Cost of Sales	R	5 335 200.00	R	5 703 328.80	R	6 096 858.49	R	6 517 541.72	R	6 967 252.10
Food Cost	R	2 730 000.00	R	2 918 370.00	R	3 119 737.53	R	3 334 999.42	R	3 565 114.38
Disposable Items	R	156 000.00	R	166 764.00	R	178 270.72	R	190 571.40	R	203 720.82
Labour Costs (variable and fixed)	R	2 340 000.00	R	2 501 460.00	R	2 674 060.74	R	2 858 570.93	R	3 055 812.33
Cost of Food Wastage	R	109 200.00	R	116 734.80	R	124 789.50	R	133 399.98	R	142 604.58
Gross Profit	**R**	**2 464 800.00**	**R**	**7 979 871.20**	**R**	**8 530 482.31**	**R**	**9 119 085.59**	**R**	**9 748 302.50**
Operating Expenses	R	3 614 100.00	R	3 863 472.90	R	4 130 052.53	R	4 415 026.15	R	4 719 662.96
Operating Profit	**-R**	**1 149 300.00**	**R**	**4 116 398.30**	**R**	**4 400 429.78**	**R**	**4 704 059.44**	**R**	**5 028 639.54**
Other Income	R	50 000.00	R	106 900.00	R	114 276.10	R	122 161.15	R	130 590.27
Investment Income	R	-	R	-	R	-	R	-	R	-
Interest Expense	R	697 581.00	R	622 591.47	R	555 662.88	R	420 939.12	R	308 759.58
Profit before tax	-R	1 796 881.00	**R**	**3 600 706.83**	**R**	**3 959 043.00**	**R**	**4 405 281.47**	**R**	**4 850 470.23**
Income tax	R	485 157.87	R	972 190.85	R	1 068 941.61	R	1 189 426.00	R	1 309 626.96
Net Profit	**-R**	**2 282 038.87**	**R**	**2 628 515.99**	**R**	**2 890 101.39**	**R**	**3 215 855.48**	**R**	**3 540 843.27**

Appendix N: Pro Forma Balance Sheet Statement

The Digz Diner					
Pro Forma Balance Sheet as at 31 December 2023 - 2028					
	Y1 (Projected)	**Y2 (Projected)**	**Y3 (Projected)**	**Y4 (Projected)**	**Y5 (Projected)**
ASSETS					
Current Assets					
Cash	R 490 760.83	R 523 641.81	R 558 725.81	R 596 160.44	R 636 103.19
Inventory	R 227 500.00	R 242 742.50	R 259 006.25	R 276 359.67	R 294 875.76
Advance Paid	R 780 000.00	R 1 140 266.67	R 1 218 945.07	R 1 303 052.28	R 1 392 962.88
Total Current Assets	**R1 498 260.83**	**R 1 906 650.98**	**R 2 036 677.12**	**R 2 175 572.38**	**R 2 323 941.84**
Non-Current Assets					
Kitchen Equipment and Furniture	R1 200 000.00	R 960 000.00	R 768 000.00	R 674 400.00	R 647 520.00
Vehicle	R 510 000.00	R 433 500.00	R 368 475.00	R 326 703.75	R 302 673.19
Leasehold Improvements	R 300 000.00	R 150 000.00	R 150 000.00	R 150 000.00	R 300 000.00
Total Non-Current Assets	**R2 010 000.00**	**R 1 543 500.00**	**R 1 286 475.00**	**R 1 151 103.75**	**R 1 250 193.19**
Total Assets	**R3 508 260.83**	**R 3 450 150.98**	**R 3 323 152.12**	**R 3 326 676.13**	**R 3 574 135.02**
LIABILITIES					
Current Liabilities					
Rent	R 150 000.00	R 205 408.75	R 108 262.68	R 27 705.16	R 8 322.94
Equipment rent	R 180 000.00	R 41 081.75	R 21 652.54	R 5 541.03	R 1 664.59
Labour	R 195 000.00	R 164 327.00	R 86 610.15	R 22 164.13	R 6 658.35
Total Current Liabilities	R 525 000.00	R 410 817.49	R 216 525.37	R 55 410.33	R 16 645.88
Non-Current Liabilities					
Loan	R5 265 299.70	R 410 817.49	R 216 525.37	R 55 410.33	R 16 645.88
Total Non-Current Liabilities					
Total Liabilities	R5 790 299.70	**R 821 634.99**	**R 433 050.74**	**R 110 820.66**	**R 33 291.75**
OWNER'S EQUITY					
Retained Earnings	-R2 282 038.87	R 2 628 515.99	R 2 890 101.39	R 3 215 855.48	R 3 540 843.27
Total Owner's Equity	**-R2 282 038.87**	**R 2 628 515.99**	**R 2 890 101.39**	**R 3 215 855.48**	**R 3 540 843.27**
Total Liabilities and Shareholder's Owner's Equity	**R3 508 260.83**	**R 3 450 150.98**	**R 3 323 152.12**	**R 3 326 676.13**	**R 3 574 135.02**

Appendix O: Pro Forma Cashflow Statement

The Digz Diner					
Pro Forma Statement of Cash Flows for the Period 2023 to 2028					
Cash flow from operating activities (CFO)	Y1 (Projected)	Y2 (Projected)	Y3 (Projected)	Y4 (Projected)	Y5 (Projected)
EBIT	-R 1 796 881.00	R 3 600 706.83	R 3 959 043.00	R 4 405 281.47	R 4 850 470.23
Add back non-cash items					
Depreciation	R 390 000.00	R 316 500.00	R 257 025.00	R 135 371.25	R 50 910.56
Adjust for working capital (current assets - liabilities):					
Inventory	R -	-R 15 242.50	-R 16 263.75	-R 17 353.42	-R 18 516.10
Advance Paid	R -	-R 360 266.67	-R 78 678.40	-R 84 107.21	-R 89 910.61
Rent	R -	R 55 408.75	-R 97 146.06	-R 80 557.52	-R 19 382.23
Equipment rent	R -	-R 138 918.25	-R 19 429.21	-R 16 111.50	-R 3 876.45
Labour	R -	-R 30 673.00	-R 77 716.85	-R 64 446.02	-R 15 505.78
Total CFO	**-R 1 406 881.00**	**R 3 427 515.16**	**R 3 926 833.73**	**R 4 278 077.06**	**R 4 754 189.64**
Cash flow from investing activities (CFI)					
Kitchen Equipment and Furniture	-R 1 200 000.00	R 240 000.00	R 192 000.00	R 93 600.00	R 26 880.00
Vehicle	-R 510 000.00	R 76 500.00	R 65 025.00	R 41 771.25	R 24 030.56
Leasehold Improvements	-R 300 000.00	R 150 000.00	R -	R -	-R 150 000.00
Total CFI	**-R 2 010 000.00**	**R 466 500.00**	**R 257 025.00**	**R 135 371.25**	**-R 99 089.44**
Cash flow from financing activities (CFF)					
Loan	R 5 265 299.70	-R 4 854 482.21	-R 194 292.13	-R 161 115.04	-R 38 764.45
ecord it here)					
Total CFF	**R 5 265 299.70**	**-R 4 854 482.21**	**-R 194 292.13**	**-R 161 115.04**	**-R 38 764.45**
Net Cash Flow (Tot CFO+ Tot CFI + Tot CFF)	R 1 848 418.70	-R 960 467.05	R 3 989 566.60	R 4 252 333.27	R 4 616 335.75
Add: Cash (previous year's cash)	R -	R 490 760.83	R 523 641.81	R 558 725.81	R 596 160.44
Cash Available in 2013	**R 490 760.83**	**R 523 641.81**	**R 558 725.81**	**R 596 160.44**	**R 636 103.19**

Appendix P: Basic Ratio Analysis

Basic Ratio Analysis Equations:

Profitability

Return on Sales:

Gross Profit Margin = (Gross Profit/Sales) x100

Net Profit Margin = (Net Profit/Net Sales) x100

Return on Assets: Return on Assets = Operating Income/Average Total Assets

Liquidity

Current Ratio = Current Assets/Current Liabilities

Solvency

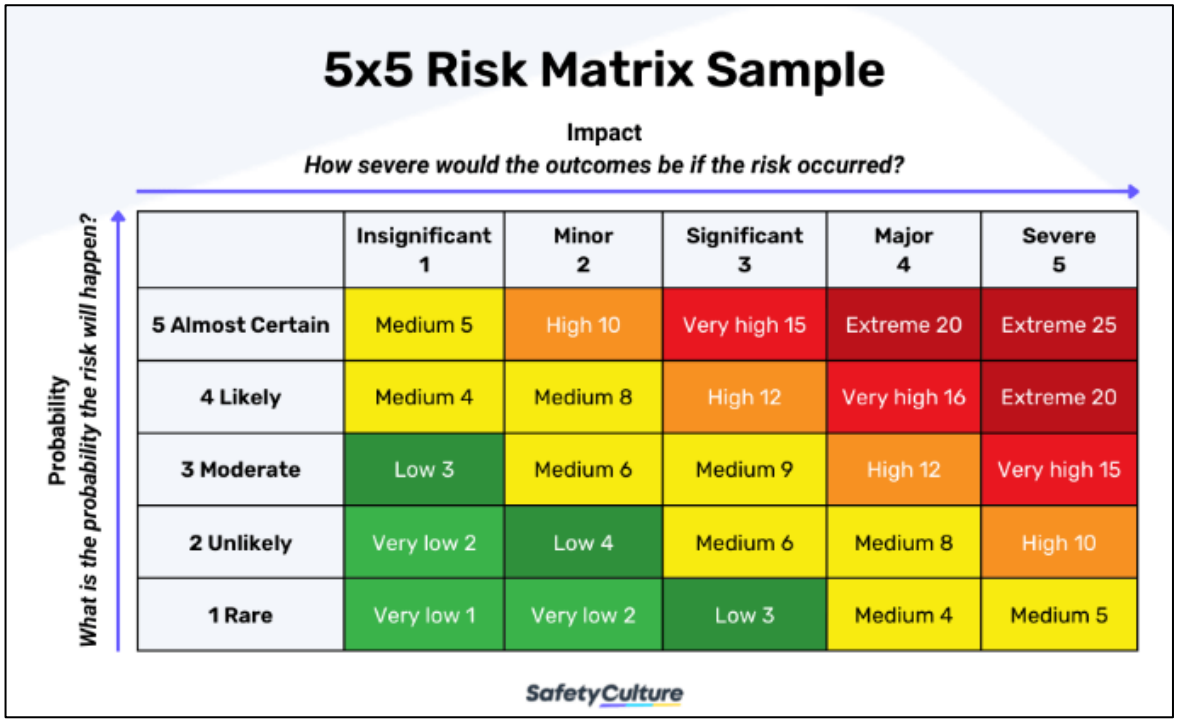
Debt Ratio = Total Debt/Total Assets

Table 19: Ratio Analysis Calculation Results

	Y1 (Projected)	Y2 (Projected)	Y3 (Projected)	Y4 (Projected)	Y5 (Projected)
Gross Profit Margin	31.60%	58.32%	58.32%	58.32%	58.32%
Net Profit Margin	-29.26%	19.21%	19.76%	20.57%	21.18%
Return on Assets	-0.33	1.19	1.32	1.41	1.41
Current ratio	2.85	4.64	9.41	39.26	139.61
Debt Ratio	1.5008	0.1191	0.0652	0.0167	0.0047

9.6. Risk Analysis

Appendix Q: Risk Matrix



	Insignificant 1	Minor 2	Significant 3	Major 4	Severe 5
5 Almost Certain	Medium 5	High 10	Very high 15	Extreme 20	Extreme 25
4 Likely	Medium 4	Medium 8	High 12	Very high 16	Extreme 20
3 Moderate	Low 3	Medium 6	Medium 9	High 12	Very high 15
2 Unlikely	Very low 2	Low 4	Medium 6	Medium 8	High 10
1 Rare	Very low 1	Very low 2	Low 3	Medium 4	Medium 5

Figure 10: Risk Matrix to determine level of risk (Guevara, 2022)

- **1-4: Acceptable** – no further action may be needed and maintaining control measures is encouraged
- **5-9: Adequate** – may be considered for further analysis
- **10-16: Tolerable** – must be reviewed in a timely manner to carry out improvement strategies
- **17-25: Unacceptable** – must implement cease in activities and endorse for immediate action

Figure 11: Risk Matrix scoring to determine action (Guevara, 2022)

9.7. Conclusion

Appendix R: The Business Model Canvas

Business Model Canvas

Designed for:	Designed by:	Date:	Version:
The Digz Diner	S. Mashele	26/02/2023	Final

Key Partners

- **Food Suppliers:**
Local Black Suppliers including urban farmers for fresh produce, wholesalers for non-perishables, and meat and poultry suppliers.
- **IT Developers:**
Business app is integral part of operations. App and web developers and maintenance to ensure seamless function.
- **Government Business Funding Agencies:**
To secure funding from
- **Security Contractor:**
To ensure the safety of students using the facility.
- **Local Universities and Colleges:**
To secure endorsement from and advertising opportunities.
- **Local Accommodation Providers:**
To secure endorsement from and advertising opportunities.

Key Activities

- **Food Preparation:**
3 meals a day, 7 days a week
- **Serving Food:**
Buffet, plated and take-away
- **Food Packaging for Takeaways:**
Cold meal packs
- **Stock Management:**
To avoid wastage and shortage
- **Marketing:**
To grow customer base
- **Facilities Management:**
Ensure working order

Key Resources

- **Staff:**
Cooks, servers, cleaners, admin, contractors with key human capital characteristics.
- **App:**
All planning and stock management based on orders placed via app.
- **Access control system:**
To ensure security and it will control student activity

Value Propositions

- **For Funders:**
- Guarantee that the students they are funding will have access to food as per allocated funds for the duration the funds are allocated for.
- Improved chances of academic success for funded students – reduced risk to investment return.

- **For Students:**
- Students get to enjoy tasty and nutritional meals every day.
- Peace of mind that no matter what happens, their nutritional needs will be met.
- Burden of having to prepare food removed – more time to focus on the actual studies.

- **Struggling Students:**
Struggling students that cannot afford food will have access to food from donated funds.

Customer Relationships

- **For Funders:**
Business shares the same goal with them, so their reputation and offering are not compromised. Business will be accessible and available to address concerns raised.
- **For Students:**
Business has best interest at heart by listening and implementing suggestions for menu. Responding to feedback on app.

Channels

- **App:**
Students can order and send feedback. Funders can check student activity and give feedback.
- **Universities and Accommodation Providers:**
They will promote and guide funders to the offering.
- **Social Media and Youth TV and Radio**

Customer Segments

- **Funders:**
Funders that offer a form of living allowance with a provision for meals. These include bursary offering private organisations, parents or guardians and government agencies such as NSFAS and SETAs.

- **Students:**
Students that live off-campus in the self-catering privately owned student residences in Braamfontein.

Cost Structure

- **Combination of cost-driven and value-driven structure**

- Food Costs (including food, beverages and wastage)
- Labour costs
- Utilities
- Back-up power
- Other overheads
- Tax
- Loan repayments
- Advertising and marketing
- App and website maintenance

Revenue Structure

- **Subscription revenue model:** revenue will be generated by charging the funders a fee to allow their students access to the dining facilities and the meals it offers for a specific length of time. Payments in advance.

- **Advertising revenue:** where space in the facility or its app can be sold to various businesses to advertise their products and services to the student.

- **Future Possibilities:**
- Data revenue: where should a reasonable amount and quality of data be available over time and it becomes in demand to certain businesses, that could also be sold, observing all legal protocols required.
- Franchising revenue: revenue would be generated from selling franchises of "The Digz Diner"

Designed by: The Business Model Foundry (www.businessmodelgeneration.com/canvas). Word implementation by: Neos Chronos Limited (https://neoschronos.com). License: CC BY-SA 3.0