

FRANCHISE OPPORTUNITY



HOW NASHVILLE HOT CHICKEN IS SETTING THE

FAST-CASUAL MARKET ON FIRE O

THE EXCITING SPARK FUELING
THE RED CHICKZ RESTAURANT FRANCHISE

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IN THIS BOOKLET

American consumers really love their chicken, as evidenced by how much they eat compared to other meats—more than 96 pounds per person in 2020, which has been increasing every single year since 1965! And while chicken has been the most talked-about food on Twitter as of late, hungry poultry lovers are helping to drive the trend toward hot chicken, in particular Nashville hot, which is sparking plenty of interest in the fast-casual and QSR segments.



WITH THIS BOOKLET, YOU WILL:

Discover more information about the fast-casual market, including how it is defined and distinguished from other areas of the restaurant landscape

Learn some of the benefits of investing in a franchise versus starting up all on your own

Explore why The Red
Chickz® represents a
franchise opportunity
worth exploring for
those who want to bring
the authentic Southern
flavors to other locales

CONTENTS

GETTING TO KNOW THE FAST-CASUAL	
CHICKEN RESTAURANT INDUSTRY	4
What is the Fast-Casual Category?	
Growth in the Fast-Casual Industry	5
Chicken and Spicy as Menu Item Mainstays	5
Breaking into Franchising	6
What is a Franchise?	6
FTC Protection (for Franchisor and Franchisee)	6
Franchise Industry Statistics	6
Benefits of Franchising	7
THE RED CHICKZ	
THE RED CHICKZ FRANCHISE OPPORTUNITY	7
Brand Introduction	7
More Reasons to Invest	8
Franchise Support	9

AN INTRO:

GETTING TO KNOW THE FAST-CASUAL CHICKEN RESTAURANT INDUSTRY

The U.S. certainly has a culture that is uniquely its own, but naturally we see variations from state to state – there's a reason they call America the "Melting Pot," and a big aspect of that is the impact of regional food and flavors. Whether it's a Tex-Mex chili, a Creole shrimp boil or California cuisine influenced by wine country, there is something for everyone when it comes to eating your way through the states. And that adds to the fuel behind the fast-casual food market across the country.

WHAT IS THE FAST-CASUAL CATEGORY?

Generally speaking, a fast-casual restaurant combines some aspects of the sit-down service of restaurant dining with the convenience and quickness of fast food establishments.

WHAT MAKES IT FAST?

The fast-casual concept provides a relatively quick service dynamic that is assisted by a streamlined menu, while delivering what is still considered made-to-order food.

WHAT MAKES IT CASUAL?

It's not full service, and there are no fine dining table cloths or dedicated servers. Instead, fast-casual restaurants typically feature a dining area where guests may wait for their food to be delivered by number or brought to their table, after ordering at a counter or kiosk.

Fast-casual dining may offer a more inviting ambiance, as well as the ability to customize orders, distinguishing it from what is usually seen at a fast food restaurant. Another characteristic is the tendency toward better quality ingredients than can be found at some fast food establishments. Yes, as a result the price point can be a bit higher, too – but consumers are willing to pay it.



GROWTH IN THE FAST-CASUAL INDUSTRY

In the U.S., growth in the fast-casual restaurant industry has been picking up speed for some time, with analysts estimating this promising potential to continue on for years. According to **one industry forecast**, between 2020 and 2024 the fast-casual market could experience growth up to \$35 billion, accelerating at almost 8% in those four years alone.

IF YOU'RE WONDERING WHAT'S DRIVING THAT SORT OF IMPRESSIVE GROWTH, <u>TECHNAVIO CITES</u> THE FOLLOWING:

- Growing demand for innovation and customization of menus
- Interest in more flavors and new flavor infusions
- Rise in dual-income families and busy lifestyles



CHICKEN AND SPICY AS MENU MAINSTAYS

As we stated, Americans sure do love their tried-and-true chicken. And yet, we are also hungry for new taste sensations! Did you know <u>64 percent of travelers choose</u> their next destination based on the food? At some point, many of us have explored a new city or state and wished we could experience those same flavors at home. Leaving Tennessee with a craving for its Nashville hot chicken is no exception.

In fact, when it comes to spice-seeking diners, one regular survey demonstrates how the food trend around heat is a blaze that continues to grow—more than half of consumers in 2019 said that they choose spicy for their meal options when they can, and that number is double the results of the same survey in 2017. It remains to be seen how much those numbers may expand in the 2020s.

HERE ARE A FEW MORE DATA POINTS TO CONSIDER AS YOU LEARN ABOUT THE FAST-CASUAL INDUSTRY AND THE BLAZING FLAVOR OPTIONS OFFERED BY NASHVILLE HOT CHICKEN:

- Fried chicken and chicken sandwiches are longtime favorites in the fast-casual space, but large players and new chains are working to meet the demand for different twists on chicken items
- Studies show that 82% of consumers order ethnic flavors and cuisine, and 32% of those are willing to pay more for authentic dishes.
- Consumers seek easy-to-eat, hearty handheld food choices. Sandwiches and other handheld items answer today's growing demand for convenient, portable, on-the-go dining options.



BENEFITS OF FRANCHISING

WHAT IS A FRANCHISE?

A basic definition of a franchise is that it's a business system where potential franchise owners pay a fee to utilize and grow an existing brand. The transaction is regulated by the Federal Trade Commission for the protection of both parties, and a Franchise Agreement spells out the intricacies of the deal.

A franchisor has laid much of the groundwork for you as a franchise owner. Typical franchisors provide their awarded franchisees the business blueprint for operations and training, along with a wealth of support that includes everything from site selection guidance to technology tools to exclusive recipes and marketing assistance! Most importantly, a franchise disclosure document will include details of expected and required initial costs, as well as any potential ongoing fees, so you'll have an informed perspective of what the business expenditures will entail before you even get started.

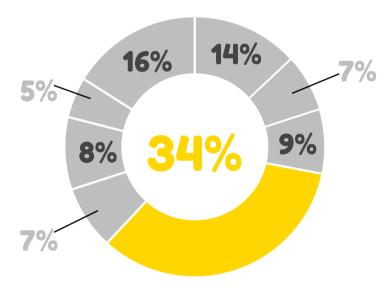
RESTAURANT FRANCHISING INDUSTRY STATISTICS



The largest segment of the franchising industry is quick service restaurants, the close cousin of fast casual, comprising more than \$250 billion of the industry's total economic output.



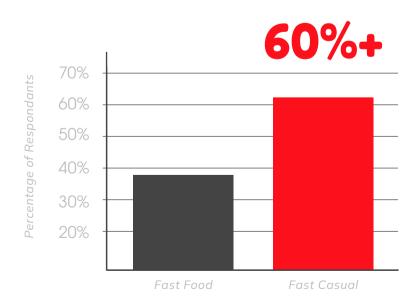
Fast casual restaurants tend to be ahead of the game on food trends, so entrepreneurs with an eye on the trends will excel in the role of fast casual restaurant franchise owner.



Quick-service restaurants earned approximately 34% of the U.S. franchise establishment output in 2021 compared to other franchise industries.



One recent survey found that consumers are more likely to choose a fast-casual restaurant as an alternative to fast food than casual dining.



PERSONAL BENEFITS

Entrepreneurs tend to want to create something of their own so they can see their ideas come to life, and become the new owner in town with an overnight fast-casual sensation. On the other hand, what we often don't realize is everything it takes to start a restaurant—research, time, effort, capital, skills, vendor contacts, experience ...and the list goes on. That's why folks who are thinking about starting their own business will turn to the idea of going with a franchise. Franchise ownership offers several advantages that might otherwise escape an entrepreneur building a business from the ground up. The potential perks include a direct track to owning your own business, starting with an established business model and brand, receiving training from dedicated professionals who are ready to support your efforts from the start, and more.

THE RED CHICKS®

FRANCHISE OPPORTUNITY

With a tremendously popular flavor profile drenched in sunny Southern heat, The Red Chickz is more than a fast-casual food restaurant. With recipes based on Nashville authenticity, but then honed to proprietary perfection with a flavor refined approach suitable for replicating in a fastcasual environment, The Red Chickz is on the leading edge of a growing American trend.

Here is a new concept in made-to-order, fastcasual restaurant food, fully focused on bringing the trailblazing flavor of the Nashville hot style to more than just fried chicken sandwiches. Within





MORE REASONS THE RED CHICKZ IS AN APPEALING CHOICE



A bold brand image and highimpact menu, atmosphere and slogan: We're Hotter Than You!



A popular flavor trend that is founded on Nashville hot, but goes well beyond chicken sandwiches



Proprietary recipes and brilliant food combinations including tacos, waffles and more



A founder and team with ample industry experience and a commitment to excellence

HOW WE SUPPORT OUR FRANCHISE OWNERS

At The Red Chickz, we provide firstrate training, our proprietary recipes, and comprehensive materials designed to propel you through to the franchise ownership you're dreaming of, including:

ASSISTANCE SETTING UP YOUR RESTAURANT.

Guidance on site selection, along with detailed restaurant designs and specifications to best suit your local protected territory.

THOROUGH PRE-OPENING TRAINING.

Initial training on site and/or on the job at one of our designated corporate locations.

ONGOING SUPPORT.

Periodic on-site support visits once your restaurant is in operation as well as on-demand remote support.

COMPREHENSIVE DOCUMENTATION.

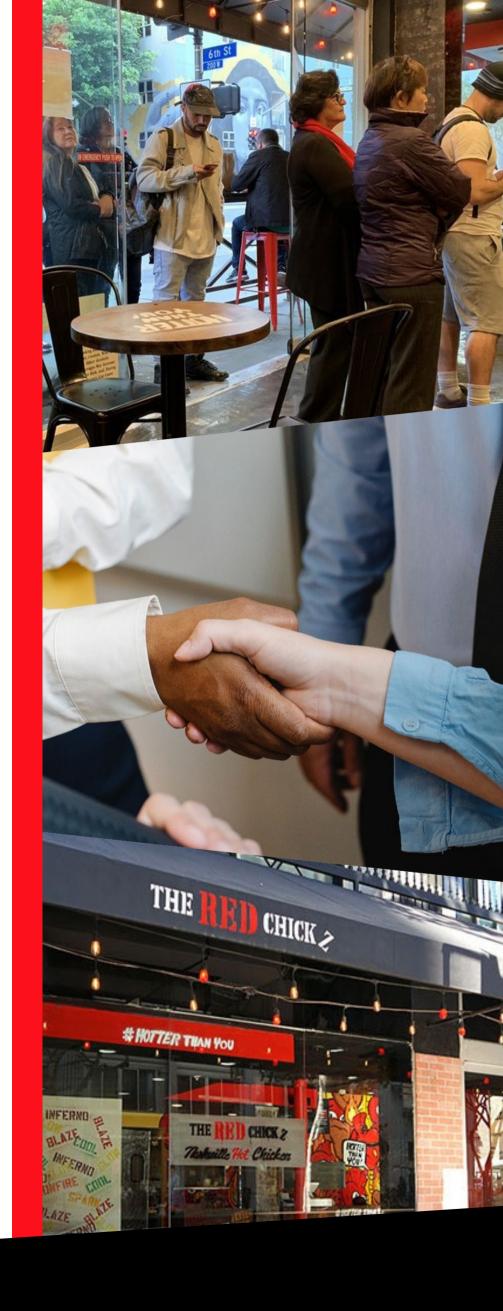
Access to our confidential operations manual, detailing important operational procedures, front- and back-of-house processes, inventory and quality control and so much more.

ACCESS TO ESTABLISHED SUPPLIER RESOURCES.

A fully developed supply chain, including exclusive access to The Red Chickz proprietary ingredients, so you can offer the same special Nashville hot favorites in your location.

MARKETING SUPPORT AND GUIDANCE.

Tools, materials and guidance for your local marketing campaigns, to help you introduce The Red Chickz to your community and to keep the customers coming.



CONTACT US

IT'S TIME TO SHARE NASHVILLE HOT ACROSS THE U.S.A

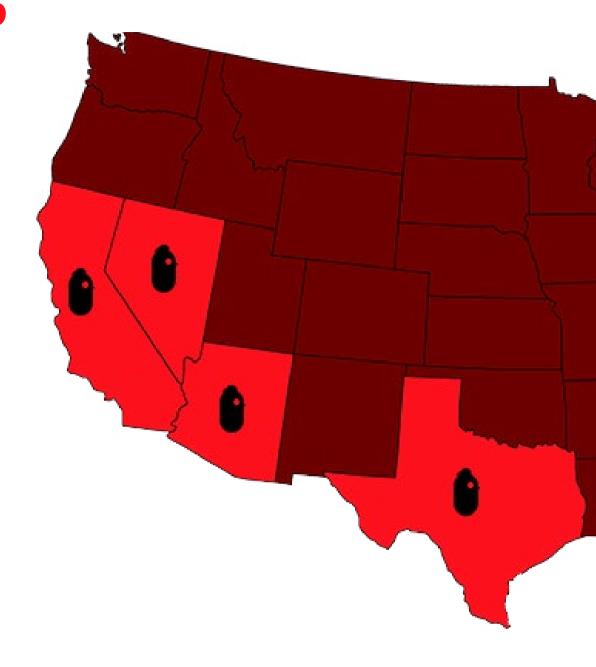
We have been feeding hungry spicy chicken lovers in California to rave reviews, and are now ready to bring the heat to other states like Arizona, Nevada, Florida and more. Our experts are ready to guide you through the process of becoming an owner in The Red Chickz family. From the day you make the decision to join us, and every day after that, we want to be here for you!

For more information on how you can join The Red Chickz family as a franchise owner, contact us today!

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