

8 Reasons to Consider Opening a Hot Dog Cart Business

1. Low Start Up Costs

The specific cost will vary, depending partially on the cost of the hot dog cart that you purchase. But if you compare the cost of operating a hot dog cart with the start up costs of different restaurant or fast food franchises it is significantly cheaper.

2. Low Overhead

Along with the low start up, the overall operating cost are significantly cheaper than conventional restaurant opportunities. Most carts run on propane so you save on electricity. To begin with you may choose to completely work the cart yourself. Even if you do hire employees to help leverage your time, you generally do not need more than one employee working at a time to operate a hot dog cart. So you save considerable cost on staffing.

3. High return on your investment

Because of the low start up costs and overhead it doesn't take long to start to turn a profit. A good location can make \$300-\$500 a day fairly quickly (and that can be with only a few hours of work). Also once you have the opportunity to build your business; it is possible to sell it for a profit.

4. Location Flexibility

A typical restaurant owner or fast food franchisee is generally required to commit to a long-term lease. If the location you select does not pan out, it can be difficult (and expensive) to get out of a location and to negotiate a new one.

With a hot dog cart business if your location is not working for you, it is generally a lot simpler to move your location. It could also be possible to operate one hot dog cart at multiple locations. He may have one location for lunch, one location for evenings and on the weekends he may operate at different sporting/special events.

5. Not Time bound

A typical restaurant owner is generally tied to his business for long, gruelling hours. For several restaurant owners, instead of owning their restaurant, their restaurant owns them.

With your hot dog cart you have flexibility with your hours of operations. You can choose to make it a full time job, but you can also choose to only work on weekends or special events as a means of supplementing your existing income. When selecting location(s) you can select locations that may only require you to be there for a few hours a day. You have control on how the business will fit into your schedule.

6. You can sell your hot dog cart business for a profit

We already mentioned the low start up costs. This can help turn a profit, if you feel a need to get out of it.

As you know purchasing a hot dog cart is only one small part of operating a hot dog cart business. If you already have a busy location, an establish base of loyal customers, a commissary, etc... people would be willing to pay for that. You may be able to sell your hot dog cart business for anywhere in the \$12,000-\$25,000 range, depending on the success of your business.

7. You can build your business quickly

For many businesses it may take years to build up a regular stream of loyal customers. With a hot dog cart the process can start the day you open. Of course you want to advertise, but if you are set up in a busy and visible location you are going to benefit from an immediate flow of customers.

8. Recession proof business

It may seem bold to make this statement. Even though it is possible to fail in any business, if you do your homework and have a good location, you almost have to go out of your way to fail.

One reason why it can be described as a recession proof business is because people still have to eat. During tough economic times people prefer cheaper take out foods than more expensive full service restaurants.

Also as touched upon because of the low start up cost and overhead, it can be considered a truly low risk business. Also with our business guide we will provide you with all of the tools you need to succeed in your business.

