

NAME: KAINÉ MAGDALENE ISHIOMA

MATRIC NO: 18/LAW01/131

COURSE TITLE: INTRODUCTION TO ENTREPRENEURSHIP

COURSE CODE: GST 212

ASSIGNMENT TITLE: BUSINESS PLAN

QUESTION: Using a company or business of your choice, write a good and customised business plan, covering all aspects and analyses.

BUSINESS PLAN FOR PEARL'S ORGANIC SKINCARE LIMITED

TITLE: Business plan on the production of more organic skincare products and the expansion of the company from solely a skin care production company, to both a skin care production company and a spa.

Prepared by: The Exco Consultants.

For: Pearl's Organic Skincare Limited.

Note: the information in this document are to be treated as highly confidential.

Table of Contents

- Executive summary
- Introduction
- Description of the venue
- Industry analysis
- Market analysis
- Human resources planning
- Production plan
- Marketing plan
- Organisational plan
- Assessment of risks
- Financial plan

Executive Summary

Pearl's Organic Skincare Limited is a skincare company of over six(6) years which has specialised in various kind of skin care line productions as well as skin care consultations. Due to the popular demands and requests from out regular customers, the management has decided to include more organic products into the company's recipe, as organic products have proven to be really effective in treating skin problems.

The management has also decided to expand the services of the company from only producing skincare products and recommending them to people based on their skin care needs, to also the rendering of spa services to our customers, so as to enable professionals to administer the products in the right manner and take better care of their skin.

Introduction

Pearl's Organic Skincare Limited is the name of the company, established to produce and administer skincare products in order to help people to get rid of skin problems like acne, uneven skin tone or pigmentation, texture of the skin, eye patches among others.

It is located at 21, Royal Highness way, Rumuolumeni, Port-Harcourt. The business is a sole-proprietorship of a multi-awarded skincare specialist.

Description of the Venture

Pearl's Organic Skincare Limited is composed to highly tested and certified organic skincare products for all types of skin; whether oily, dry or combination skin. The target market for these products are literally everyone, particularly those who have skin problems. Those without skin problems can also take good care of their skin in order to prevent all kinds of skin irritation. These products are produced to suit the skincare needs of a vast number of people in the society.

Industry Analysis

Skincare, as a market segment, is growing faster than any other part of the beauty industry. Consumer demand for skincare is growing faster than for its fellow beauty category, makeup. This is because a lot of people now prefer to show their glowing skin to the world rather than their makeup filled face. A lot of people no longer want to hide the flaws of their skin under makeup. They want to get rid of those flaws so that their skin can look and feel nice, and they can feel better about themselves.

A lot of people suffer from low self esteem because of the poor conditions of their skin. A lot of people have lost their confidence and no longer feel beautiful as a result of skin problems. These are the issues that the company seeks to address and tackle.

Market Analysis

The company would concentrate its marketing efforts on all scales of skin care distributing companies. That is, the large, medium and small scale distributing companies. The company will also establish branches at various parts of the country to enable easy and quick access to the customers. This will help benefit not only the customers in terms of easy and quick access to skin care services. It will also benefit the company in terms of more customers and more income, and also, the satisfaction derived from helping people reach their skin goals.

Strategic Human Resources Planning.

At the start of the business, the business will operate with two sets of skincare specialists, with a set consisting of the group manager, a researcher, two scientists, two producers, two marketers, a task support personnel and a financial secretary.

The group manager shall be responsible of directing the affairs of the group, giving the go ahead to produce a certain product and the overall supervision of the group. The researcher and the scientist shall work hand-in-hand to find, experiment on organic and chemical ingredients and come up with results and procedures for the producer to follow in carrying out his or her duty. The marketer will be responsible for bringing up marketing ideas and promoting the products and marketing the products. The task support personnel will be responsible for aiding any of the aforementioned persons as may be required by them. The financial secretary will be in charge of the finances of the group.

The package for a three year structure is shown in the table below.

PROJECTED STAFF STRENGTH

TITLE	YEAR 1	YEAR 2	YEAR 3
Manager/Supervisor	2	2	2
Researcher	2	2	2
Scientists	4	4	4
Producers	4	4	4
Marketing officers	4	4	4
Task supporter	2	2	2
Financial secretary	2	2	2
Security	3	3	3

Projected Total Compensation Package Per Annum

Manager/Supervisor	- 1,800,000
Researcher	- 1,200,000
Scientists	- 1,200,000
Producers	- 1,080,000
Marketing Officers	- 1,000,000
Task Supporter	- 720,000
Financial Secretary	-1,500,000
Security	-600,000

Production Plan

The production process involves the mixture of the heating of the ingredients that require heat, the mixture of the various ingredients to form the product, the cooling of the products, and then, the packaging of the products.

A set of the skincare specialists can produce 90,000 skin care products in a month, using a shift of 10 hours a day with a 1 hour break.

Marketing Plan

The demand for skincare products in the country, and even globally, cannot be met by the number of existing skincare lines. This is because people have different skin types. A product that will work perfectly fine for one person, may not do same for another person. So, we would first of all, have consultations with our customers, to be able to prescribe which of our products would be best for them to use. This consultation services will also give us insight as to what kind of products to produce.

Organisational Plan

The form of ownership is a private limited liability. This is because most of our customers would prefer to deal with a legal entity separate from its owners. Also, limited liability enhances the personality of the organisation. The managers shall report to the owner on a weekly basis on the activities of the business.

Assessment of Risks

From our research, we noticed the following risks:

- Power supply
- Raw and organic materials
- Competition, e.t.c.

On the issue of power supply, a 100 KVA generator shall be provided for. We would build a network of reliable raw and organic materials suppliers. In business, competition is inherent and we shall use our added value and consultation strategy to retain and grow our customers.

Financial Plan

Below is the financial plan of the company for two relevant years.

TITLE	YEAR 1	YEAR 2
Raw and organic materials	600,000	600,000
Equipments/Machines	800,000	400,000
Rates/salaries	95,000	95,000
Heat,light and power	100,000	100,000
General repairs in the	50,000	50,000

company		
Sales	67,500,000	67,500,000
Gross profit	375,000	375,000
Rent	12,000	12,000
Distribution expenses	20,000	20,000
Taxation	30,000	30,000