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COURSE TITLE: Introduction to Entrepreneurship

Question:

Using a company or business of your choice, write a good and customised business plan, covering all relevant aspects and analyses. Your submission should strictly be in the following format and saved as pdf; Times New Roman, 12, and 1.5 line spacing. Page limit, minimum of 5 and maximum of 10. Any student seeking genuine upward adjustment to the page limit may pchat me. The writeup must be submitted not later than 22nd May, 2020. Two similar writeups will be outrightly rejected and scored ZERO. Do not forget to write your details; fullname, matriculation number and department, Thank you

INTRODUCTION

WHAT IS A BUSINESS PLAN?

A business plan is a written document that describes in detail how a business usually a new one is going to achieve its goals. A business plan lays out a written plan from a marketing, financial and operational viewpoint. Although they're especially useful for new companies, every company should have a business plan. Ideally, a company would revisit the plan periodically to see if goals have been met or have changed and evolved. Sometimes, a new business plan is prepared for an established business that is moving in a new direction.

A business plan is a fundamental tool any startup business needs to have in place prior to beginning its operations. Usually, banks and venture capital firms make a viable business plan a prerequisite to the investment of funds in a business.

Even though it may work, operating without a business plan is not a good idea. In fact, very few companies are able to last without one. There are definitely more benefits to creating and sticking to a business plan including being able to think through ideas without putting too much

money into them and, ultimately, losing in the end. A good business plan should outline all the costs and the downfalls of each decision a company makes. Business plans, even among competitors in the same industry, are rarely identical. But they all tend to have the same elements, including an executive summary of the business and a detailed description of the business, its services and or products. It also states how the business intends to achieve its goals. The plan should include at least an overview of the industry of which the business will be a part, and how it will distinguish itself from its potential competitors.

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1. BRIEF DESCRIPTION OF THE PROJECT

This business plan examines the economic viability of the development of a retail store offering home decorator fabrics and complementary home accessories and resources. The store offers the advantages of providing fabrics specifically designed for home decorator use in fabric widths of 54 inches and greater. Over 900 fabrics are available on the floor at any time with more than 10,000 sample fabrics for custom "cut" orders. Customers see, touch, feel, and take the fabric to their home as they work through with their purchasing decision. Custom Made Interior has learned much from the past years of operation, the market has changed, and will be making key

decisions, including the upcoming 5-year lease. Now is the time to step back, look at the past, and attempt to set a strategic direction for the future. It will address location, finance, product, and service issues that will be key to the future success of the business.

Custom Made Interior currently has a local informational content website but has not given it the attention or focus needed to assess its marketing potential. The site offers information content, but it does little to produce revenue or enhance the image of the business. Market research indicates a specific and growing need in and beyond the local area for the products and services Interior Views offers in the local retail market it serves and there are indications that Web sales will play an increasing role in connecting customers with sellers. The most significant challenge is that the core target customer, women between the ages of 35 and 50, are some of the least likely of groups to shop on the Web. Shopping for decorator fabric presents an additional challenge.

The online marketing objective is to actively support continued growth and profitability of Custom Made Interior through effective implementation of the strategy. The online marketing and sales strategy will be based on a cost effective approach to reach additional customers over the Web through the use of an eBay website to generate attention and revenue for the business. The Web target groups will include the more Web-savvy younger customer base that the store currently serves (women between the ages of 25 and 35) and out-of-area potential customers that are already shopping on the Web for the products Interior Views offers. The eBay website will focus on its selection, competitive pricing, and customer service to differentiate itself among other Internet options.

2.Environmental and Industry Analysis

Custom Made Interior is located in Lagos state, Nigeria. The location was selected due to the "destination" aspects of the target market--they will seek out these types of stores regardless of location as long as there is parking and it is safe. The look and feel of the street environment continues to improve with recent parking and landscape enhancements. The attractive aspect is the cost of the space and it's "warehouse" charm. The challenging aspect is the lack of foot traffic and drive-by exposure.

The 5-year lease will be up in 2025 December and potential relocation or reductions in the lease are both a possibility with one of the highest vacancy rates of commercial and retail space in the market the past decade.

3. Background of entrepreneurs

Interior Views is a Limited Liability Company. It is owned by two sisters, Miss Janet and Miss Abiola at a combined 70% ownership and at 30% ownership respectively. Miss Janet is president, Miss Abiola assists her in selected areas of marketing and store layout.

Custom Made Interior is a store for discerning, quality-conscious buyers of decorator fabrics and complementary home accessories and furniture. The store celebrates the home through the color and texture of fabric. The experience informs, inspires, and shows people how to transform their home into a unique and personalized expression of themselves. Custom Made Interior seeks to encourage people to imagine what can be, and help make this vision a reality.

4. Products

Custom Made Interior focuses on selling decorator fabric for use in the home. It is available through the purchase of in-stock fabric and through a special order arrangement. Other fabric-related complementary products include trims, pillows, ribbon, and thread.

Additional products now available in the store include:

- i. Hunter Douglas products including a variety of hard window coverings.
- ii. Interior shutters made of wood and a plastic/resin product called "polywood."
- iii. An in-house line of drapery hardware (replacing "Antique Drapery Rod" products) locally manufactured products that we design and market under the product name of "Oval Office Iron" offering wrought iron drapery hardware (We have plans to expand this to also include other metal home decor products and potentially outdoor garden products.).
- iv. Home accessories.
- v. Antiques.

The Online store will focus on fabrics and home decorating products and accessories. The size, weight, and custom dimension shipping constraints on our "Oval Office Iron" wrought iron drapery hardware will initially preclude our offering this product line on the eBay store.

5. Production Plan

1. Maintain a healthy gross margin each month.
2. Generate sales each business day each month.
3. Realize a modest annual growth rate this year.
4. Increase revenues.
5. Enhancing "information channels" with the established customer base to provide additional options to receive information from the store.
6. Meet the needs of customers outside the immediate serving area through Web accessibility.

6. Organizational plan

The organizational structure is simple. Abiola manages all employees and professional contacts, as well as interfacing with more than 12 account executives/vendors. She determines staffing requirements, assigns and delegates responsibilities, and reviews employee performance on an annual basis.

7. Marketing

The primary keys to success for the company will be based on the following factors:

- i. Sell products of the highest quality with excellent customer support
- ii. Communicate with our customer base through continued use of the newsletter, postcards, and our website.
- iii. Maintain gross margins in excess of 45%
- iv. Retain customers to generate repeat purchases and make referrals.

v. Generate additional sales to cover all expenses in support of the website as an individual profit center.

Quarterly Newsletter containing three elements:

1. Sales Event - Sales in order to make everyone buy for affordable prices
2. Fabric Oriented Classes - Predominately sponsored without an associated fee to get people into the store.
3. Events - open house, demonstrations, and/or charity fund raiser.
4. Newspaper ad with "call to action" sale events activities with the Wednesday "Entree" section announcing the sale.
5. Television advertising-30 second commercials:
6. Co-sponsorship of the local broadcast of Big brother Niger on a consistent, ongoing basis throughout the year.
7. Select sponsorship of the local broadcast of "Interior Motives" on the local cable channel.

8. Appendix

GENERAL ASSUMPTIONS

From January to December

Current Interest Rate will be 9.50% monthly

Long-term Interest Rate will be 8.50% monthly

Tax Rate will be between 28.00% and 30.00% for tthe whole year

Others - 0

CONCLUSION

Custom Made Interior offers quality products for home decorating featuring first quality decorator fabrics, related drapery hardware, pillow forms and other sewing notions, as well as

home accessories and select antiques to complement the home's interior. The store is also a resource for the "do-it-yourselfers" through hosting associated classes that focus on the use of fabric, as well as for the "make-it-yourself" customer who is able to take advantage of the craftspeople who will use their fabrication and upholstery services based on the fabric purchase of the customer. The intent of the store and its website is to be considered the premier choice for these products and services within our market and beyond.