

Economics And Management

Business Plan

Mine Friends and LLC



**MD MONIRUZZAMAN
MINHAZUL ISLAM
ESTHER OJINJI
MONJURUL ISLAM ZHIMON**

Business Purpose & Aims

Arrival at our proposition

Our vending machine business was founded with the goal of revolutionizing the sector. We conducted in-depth market research and assembled a collection of premium snacks and beverages after realizing the demand for quick refreshments. We put our equipment in high-traffic areas using cutting-edge technology and strategic alliances. Our trademarks became first-rate customer service and meticulously maintained equipment. Our dedication to innovation and customer satisfaction has helped us advance throughout time. We made a name for ourselves as a go-to source for delectable refreshments by expanding our offers and adjusting to shifting preferences. As industry innovators who enrich people's lives with joy, convenience, and connection, we take great satisfaction in our work today. As we accept new possibilities and technology, we continue on our path and mold the direction of vending machines.

Why we will succeed

The following are the current contributing aspects to the possible success of a vending machine business:

- Market demand is strong
- Quality and selection of goods
- Judicious positioning in busy places
- Regular upkeep and superior client service
- Integration of cutting-edge technologies Powerful marketing and branding techniques

After performing research, we got to the conclusion that we can plan and manage this company.

Mission Statement

Mine Friends LLC's goal is to meet the rising demand for rapid, easy access to pleasant refreshments by offering practical and enticing vending machine solutions. By providing a large assortment of high-quality snacks, beverages, and refreshments, we are committed to accommodating the wide range of preferences of our clients. We seek to improve people's daily lives by strategically placing them in high-traffic areas, integrating technology with ease, and being dedicated to providing outstanding service. By doing this, we hope to save people time and effort and provide a pleasurable experience with every interaction. Our goal is to be our client's go-to buddies, providing them with nourishment, energy, and a smile.

Vision & Values statement

Vision Statement

- Become the top provider of enjoyable vending experiences that go above and beyond convenience.
- Revolutionize the vending machine industry with cutting-edge, customer-focused solutions.
- Redesign consumer interactions with vending machines to foster joy and enduring relationships.

Values Statement:

- Consumer-Centricity: Give the needs, preferences, and satisfaction of the consumer top priority.
- Quality & Excellence: Provide products and services of the highest caliber.
- Embrace innovation and adaptability to stay ahead of changing needs.
- Integrity and Transparency: Run your company with ethics, trust, and honesty.
- Collaboration and Teamwork: Encourage a cooperative and welcoming workplace.
- Social responsibility and sustainability: Reduce environmental effects while assisting local populations.

Short-Term Objectives:

1. Create a noticeable presence in strategic, high-traffic areas.
2. Make sure vending machine operations are dependable and effective.
3. Increase brand recognition and draw in a foundation of devoted customers.
4. Achieve product selection optimization to accommodate various consumer preferences.
5. Introduce new technologies to improve consumer convenience and experience.
6. Create strategic alliances with neighborhood companies and suppliers

Long-Term Objective:

1. Increase market penetration by exploring new regions and markets.
2. Improve client loyalty and engagement by providing tailored experiences.
3. Introduce cutting-edge vending machine solutions and continuously innovate.
4. Encourage eco-friendly behaviors and sustainable activities.
5. Create a scalable business model to support development and growth.
6. Keep up the industry's top position for customer-focused vending solutions.

Action Plans

- a. Compile our cash and savings, and ask the bank for help.
- b. Visit locations and inquire about the need for vending machines (survey).
- c. Request government approval
- d. Lease space for the machine.
- purchase of vending machines.
- f. Employ Staff

Budget and Major Expenses.

We will require approximately €300,000 to launch and sustain our business for six months. The following are the major expense categories

- €60000 for surveying and marketing;
- €10,000 for legal reasons;
- €10,000 for transportation;
- €50000–60000 for renting and utilities;
- €40,000 for products; and
- €40000–50000 for vending machines.
- €20000 for backup,
- €25,000 for workers, and
- €25,000 for LLC registration.

Professional Adviser

We did a lot of background research on this business. Though it seems easy to conduct, there might be a lot of difficulties while running the business. We got to know about some of those from the internet. We also contacted some of the people who run such businesses. They provided us with a lot of useful information and tips. Among the people we contacted, one was Prof Kalee Shook. She owns a number of vending machines at various places and collects revenues. She provided us with the depth of this business.

Business Description

Business Name

Our company is known as **MINE Friends and LLC**. Three of us start with the letters M,I, N, and E. This gives the business a personal touch and a sense of community. We want to create a business that is founded on commitment, honesty, and trust. We had to be trustworthy and dependable with one another before we could be loyal to our clients. Therefore, this name symbolizes community and demonstrates that our business is family-friendly.

Experience and Skills

For running a business such as this we will need a lot of experience and skills. Among the three of us, we possess some of them. Such as:

- **Esther Ojinji**, our Financial Director comes from an Accounting background. She has a Bachelor's and Master's degree in that field. For 5 years she was the head of a startup company, which was successful due to her knowledge of her field and proper handling of the financial side.
- **Minhazul Islam**, our marketing and networking director worked as an assistant marketing manager at the Coca-cola bangladesh co. ltd. For 4 years, we trust him that his experience in this sector will help our company to grow fast.
- **MD Moniruzzaman**, our CEO is a visionary and planner. Coming from an Engineering background he later co-founded Pathao Bangladesh. His expertise helped the company become a successful franchise of ride-share service in Bangladesh. He is also the visionary of this company.
- **Monjurul Islam Zhimon**, our creative director, previously worked with many small startups like: B-Travelers, Voyage Bangladesh. We can use his field level experience for our company in a lot of sectors.

Employees and Required Skill

For running the business smoothly we will need a number of employees. As we are beginning we will need personals whose designations are

- a. Delivery Person- Their job is to restock and maintain the vending machines. They need to have a proper driving license and physical fitness.
- b. Manager- For quality management of our business we need a person who is experienced in managing the delivery person. They have to keep records of all kinds, eg, stocks, working hours.

Legal Forms of our trade

A limited liability company (LLC for short) is the United States-specific form of a private limited company. It is a business structure that can combine the pass-through taxation of a partnership or sole proprietorship with the limited liability of a corporation.^[1]Wikipedia As a company we want to provide service to each and every door as possible. We want to expand our business as much as possible. For this reason, we want to register as an LLC. As we will be a private company that provides services to everyone.

Brief summary of financial and marketing results and achievements to date.

Our business is not running currently. We are still in research and surveying. We are gathering all the information that is necessary for this business. After that we plan to make the plan based on those data. This will help our business to attract customers from the initial days rather. So rather than doing trial and error, we are hoping to get it correct with an attempt. We are still considering the mistakes that we will make along the way.

Description of our Products

Product Description

We are a company called Mine Friends and LLC designs and oversees vending devices. With the touch of a button, these devices offer a quick and practical way to obtain snacks, beverages, and other products. You may easily sate your cravings or pick up necessities on the road thanks to these scattered mini-stores. The staff makes sure the equipment is supplied and functional so you may have a hassle-free session.

Time and Budget

The price to start a vending machine business varies depending on the items, location, and additional costs, as well as the quantity and type of vending machines. A vending machine business normally requires several months to get off the ground. Research, planning, raising finance, buying equipment and stock, choosing and installing locations, testing, and finally launching are all steps in the process. Depending on the specifics and level of planning, the timing may change. It's crucial to do extensive study, make a comprehensive plan, and set aside enough money. Professional advice from those in the field can be quite helpful in streamlining the procedure.

After taking everything into consideration, we estimate that we will need approximately four months to launch the business and 300000 euros to maintain it.

Our Distinction

We as a company do not differ that much from other vending machine companies. Our service is almost similar to that of others. Yet we want to be different in terms of

- Availability- we want to be available all the time. Our service will be 24/7 On.
- Location- We want to put as much as we can. So that people don't have to move a lot to get to us.
- Product selection. We want to have a lot more products than a typical vending machine. So that people can rely on us and can come to us for almost everything they need.

Customers

Target Geographic Scope of the Market

We intend to first start small by serving and concentrating in the Hamburg area and later in the long term, expand to other cities in Germany. This is because we want to first identify our customers and their responses to our service in a big city like Hamburg in the first 3 months and then know how to expand to other cities.

Our Service Towards Customers

Our services will make crucial items easily accessible to our customers, especially on Sundays. These items will depend on the habitants of a particular area.

Types of customers for our product/service

1. Office workers: Busy workers looking for quick snacks and drinks throughout working hours.
2. Students: People attending schools and universities who require quick refreshments at a reasonable price.
3. Health-conscious People: Customers prioritized wholesome menu options and wholesome snacks.
4. Tourists and Travelers: People who need refreshments while they are on the go.
5. Fitness Enthusiasts: Vigorous people looking for foods and drinks with a fitness theme.
6. Professionals on the go: Busy individuals who depend on quick and convenient snacks.

Market Segments

Three market segments will be our main focus: students, office professionals, and residents. By concentrating on these demographics, we can meet the demands of commuters looking for nearby snacks and drinks, office workers in need of rapid energy boosts, and students looking for easy refreshments. This tailored strategy enables us to specifically customize our offers and services to each segment's demands, building customer loyalty and promoting long-term success for our vending machine business.

Features and benefits of our product/service

Learners:

- Feature: Reasonable pricing.
- Benefit: Students can have inexpensive snacks to keep them energized during study sessions.
- Proof: A study on student pricing preferences was conducted for market research.

Office Professionals:

- Feature: Numerous options for nutritious snacks.
- Benefit: By eating wholesome foods during busy workdays, professionals can maintain productivity.
- Proof: Worked with nutritionists and had good consumer feedback.

Residents:

- Feature: Sustainable and locally sourced goods are a feature.
- Benefit: Residents may make eco-friendly decisions and support neighborhood businesses.
- Proof: Established relationships with regional vendors and confirmed sustainable certifications.

Factors Important in the Customer's Decision

The kind of goods we give to customers determines a great deal of our vending machine company's sales. The primary variable influencing consumer choiceTo purchase from us or not depends on personal preference. The types and range of products we may offer are restricted by the size of vending machines. One can only dislike the kind of product we provide. Again, it's not inconceivable that you won't find the item you're looking for.

The main thing we rely on is hence that.

Competitors

Competition

- **Selecta:** Selecta is a leading vending machine operator in Europe, including Germany. They provide vending machines for coffee, snacks, and drinks to various locations like offices, public spaces, and universities.
 - Size: Selecta is a leading vending machine operator in Europe, indicating a significant market presence and a considerable number of machines deployed across various locations.
 - Profitability: As a prominent operator, Selecta likely benefits from economies of scale, allowing them to optimize costs and generate healthy profits. However, without specific financial data, the exact profitability cannot be determined.
 - Operating Methods: Selecta operates by providing vending machines for coffee, snacks, and drinks. Their machines are distributed in diverse settings such as offices, public spaces, and universities, catering to a wide customer base.
- **FAS International:** FAS International is a German company that specializes in the production and distribution of vending machines. They offer a wide range of vending machines, including those for drinks, snacks, and cigarettes.

- Size: FAS International is a German company specializing in the production and distribution of vending machines. While their market presence may not be as extensive as Selecta, they contribute to the industry's supply chain.
- Profitability: Without specific financial data, it is challenging to assess FAS International's profitability. However, their focus on manufacturing and distribution suggests potential profitability through product sales.
- Operating Methods: FAS International's primary focus lies in manufacturing and distributing vending machines for various products, including drinks, snacks, and cigarettes. They likely collaborate with operators or resellers to supply machines to end customers.
- **Royal Vendors:** Royal Vendors is a US-based company that has a presence in Germany. They manufacture and supply vending machines for drinks, snacks, and fresh food.
 - Size: Royal Vendors, being a US-based company, has a presence in Germany, indicating a multinational operation. This suggests a relatively larger scale and resources compared to local German companies.
 - Profitability: As a manufacturer and supplier of vending machines for drinks, snacks, and fresh food, Royal Vendors can generate revenue from both equipment sales and potential recurring service contracts. Their multinational presence may contribute to profitability, but precise financial details are unavailable.
 - Operating Methods: Royal Vendors' operating model involves manufacturing and supplying vending machines. They likely collaborate with distributors, operators, or service providers to reach end customers and maintain machines.
- **N&W Global Vending:** N&W Global Vending is an Italian company that operates in Germany. They provide vending machines for coffee, snacks, and drinks.
 - Size: N&W Global Vending, an Italian company operating in Germany, signifies an international presence. They likely have a significant market share within the vending industry.
 - Profitability: With a diverse product line encompassing coffee, snacks, and drinks, N&W Global Vending can leverage its product offerings to drive revenue and profitability. However, specific financial details are required for an accurate assessment.
 - Operating Methods: N&W Global Vending operates by providing vending machines for coffee, snacks, and drinks. Their machines may be distributed through partnerships with operators or directly to end customers.
- **Sielaff:** Sielaff is a German company that produces vending machines for coffee, snacks, and drinks. They also offer customized vending machines for various purposes.
 - Size: Sielaff, being a German company, may have a relatively localized presence in the market. However, their specialization in producing vending machines indicates a notable contribution to the industry.
 - Profitability: Sielaff's profitability depends on factors such as manufacturing efficiency, sales volume, and customer demand. While specific financial data is not available, their reputation and product range suggest potential profitability.
 - Operating Methods: Sielaff manufactures vending machines for coffee, snacks, and drinks. They may supply machines directly to operators or collaborate with distributors to reach customers. Additionally, their offering of customized vending machines implies flexibility in meeting diverse customer requirements.

Relative strengths and weaknesses of competition

Relative Strengths:

Selecta: Selecta has a strong market presence and a wide range of vending machines, catering to diverse locations and customer segments.

FAS International: FAS International specializes in manufacturing and distribution, allowing them to have control over product quality and customization options.

Royal Vendors: Royal Vendors has a multinational presence and expertise in manufacturing vending machines for various products, including drinks, snacks, and fresh food.

N&W Global Vending: N&W Global Vending offers a diverse range of vending machines, particularly for coffee, snacks, and drinks, and benefits from its international operations.

Sielaff: Sielaff is a German company that produces vending machines and offers customization options, allowing them to meet specific customer requirements.

Relative Weaknesses:

Compared to MINE:

Limited Market Presence: MINE may have a relatively smaller market presence compared to established companies like Selecta, Royal Vendors, or N&W Global Vending.

Manufacturing Capacity: MINE may have limited manufacturing capacity compared to FAS International or Sielaff, potentially affecting scalability and customization capabilities.

International Reach: If MINE primarily operates in Germany, it may have a narrower geographic reach compared to companies like Royal Vendors or N&W Global Vending.

Compared to Each Other:

Selecta, FAS International, Royal Vendors, N&W Global Vending, and Sielaff may have their own unique strengths and weaknesses, depending on factors such as market position, product range, financial stability, and customer base. Specific weaknesses would require a detailed analysis of each company's operations and financials.

Critical Factors for Success

- **Strategic Location Selection:** Choosing and securing prime locations with high foot traffic is crucial for our business. The accessibility and visibility of our vending machines will significantly impact customer engagement and sales.
- **Operational Efficiency and Maintenance:** Maintaining operational efficiency by promptly servicing and repairing our vending machines is vital. Establishing regular maintenance schedules and providing responsive technical support will contribute to customer satisfaction and minimize downtime.
- **Technological Integration:** Embracing and leveraging technology will give us a competitive edge. Implementing cashless payment options, touchscreen interfaces, inventory management systems, and other technological advancements will enhance the customer experience and streamline our operations.
- **Customized Product Offerings:** Offering a diverse range of products tailored to consumer preferences is an important aspect of our business. We need to stay attuned to evolving trends, such as healthier snacks, organic options, or sustainable products, and ensure our vending machine inventory reflects these changing demands.

- **Customer Experience and Satisfaction:** Providing excellent customer service and ensuring a seamless experience is critical for our success. We should pay attention to factors such as machine cleanliness, ease of use, product quality, and responsive support to foster positive customer relationships and drive customer satisfaction.
- **Differentiation and Branding:** We should differentiate our business by emphasizing our unique selling points and building a strong brand. Highlighting the strengths that set our vending machines apart from competitors, whether it's prime locations, responsive service, or innovative technology, will help us stand out in the market.
- **Continuous Market Analysis:** Regularly analyzing the market landscape, staying updated on industry trends, consumer preferences, and competitor activities, is vital. By conducting thorough market research and adapting our strategies based on insights, we can remain competitive and identify emerging opportunities.

Stand Out Proposition

Customer Profiling: Through advanced data analytics and customer profiling, you gather information about each customer's preferences, dietary restrictions, and purchasing history.

Interactive Interface: Your vending machines feature interactive touchscreens or mobile apps that allow customers to input their preferences, create a personalized profile, and recommend products based on their tastes and dietary requirements.

Dynamic Product Selection: Using real-time inventory tracking and smart algorithms, your vending machines continuously update and adjust product offerings to align with customer preferences. This ensures that the available options are highly relevant and appealing to individual customers.

Exclusive Loyalty Program: Your business offers a loyalty program that rewards customers for their continued patronage. By collecting data from each transaction, customers receive personalized discounts, promotions, or special offers tailored to their preferences and purchasing habits.

Constant Innovation: You invest in research and development to continuously enhance the personalized vending experience. This includes exploring emerging technologies like facial recognition or machine learning algorithms to further refine product recommendations and customer interactions.

Market Research

Information on Customers, Competitors, Market

Currently, we have some basic information on customers, competitors, and the market in the targeted area. We have demographic data on our target audience in the area, an overview of existing vending machine businesses in the area, and general market trends.

Requisite Information

We still need more detailed information on customer preferences, specific locations for optimal vending machine placement, competitor strategies, pricing models, and potential partnership opportunities in the targeted area. This

information is essential for developing a targeted marketing strategy, identifying unique selling points, and optimizing our business operations in that area.

Requisite Research

To answer these questions, we will need to conduct desk research, which involves analyzing existing market reports, industry publications, competitor websites, customer surveys, and relevant online resources specific to the targeted area. This will help us gather insights into market trends, consumer behavior, and competitor analysis in that area.

Essential Field Research

For field research, we will need to conduct site visits to potential vending machine locations in the targeted area. This will allow us to assess foot traffic, observe competitor operations, and gather direct feedback from potential customers in that area. Additionally, conducting focus groups or interviews with target customers in the targeted area can provide valuable qualitative insights.

Budget for Market Research

The time and financial resources required for market research in the targeted area will depend on the scope and depth of the research activities. It is recommended to allocate a budget for data collection, analysis tools, travel expenses, and potential incentives for participants in that area. The timeline will vary but could range from a few weeks to a few months, depending on the extent of the research in the targeted area.

Responsible Personality for Research

The responsibility for market research activities in the targeted area should be assigned to a dedicated team or individual (MarketResearch.com, Ipsos or some local research firms). Ideally, this team would consist of market researchers, analysts, and project managers. The specific roles and responsibilities should be defined based on the research objectives and the skill set of team members in the targeted area.

The availability of key market research information in the targeted area will depend on the timeline of data collection, analysis, and reporting. Hopefully, by the end of this year. However, a tentative timeline should be established, and regular progress updates should be communicated to ensure timely completion. It is essential to set realistic expectations based on the complexity of the research and the availability of resources in the targeted area.

Strategic framework

Threat of Substitution

Companies that already provide snacks and drinks to-go already exist, so we can say there is a threat. Although there is no direct threat from any local or national company as most companies that exist only focus on drinks and snacks, and not necessarily on everyday items and functioning on Sunday which is the focus of MINE. The idea of MINE is unique because it is providing a service that already exists in a better and unique package.

The threat of New Entrants

The threats of new entrants are high, as the startup costs are sort of low when compared with other start-ups, and the requirements are not difficult to attain. The fact that we are incorporating a new idea of providing our services on Sundays with goods that are hardly available to customers on Sundays is what we are banking on. MINE will try to monopolize our customers early to create brand loyalty. This is why trust, loyalty, quality, and customer satisfaction are very important.

Supplier Power

MINE will not have many suppliers. Our supply will depend on strategic locations and what our customers require in that specific location.

Buyer Power

The buyers are directly our customers. Details about our customers and their numbers can be found in the next section. The market is small and the goods we will sell are not extremely sensitive to price changes.

Industry Competition

There are no direct competitors to INE. Although, there are some companies and franchises that offer the same services as us. The fact that we are available all through the week makes our business unique.

Business Strategies:

Our company will run on

Differentiation Strategy: We want to focus on offering unique and differentiated products or services that set our vending machine business apart from competitors. By providing innovative and exclusive product options, we will attract customers who are seeking novel or specialized offerings. This strategy allows us to command premium prices and build customer loyalty.

Market Expansion Strategy: We want to expand the geographic reach of our vending machine business by targeting new locations or regions within Germany. By identifying untapped markets or locations with high foot traffic, we can increase our customer base and revenue. This strategy is beneficial when there is a demand for vending machine products in specific areas that are currently underserved.

Pricing

Costs in Making or Marketing

Vending machine cost: This is the cost of buying or leasing the vending machine itself. The price may vary depending on the type, condition, and location of the machine. According to one source¹, the average vending machine cost is \$19,267, but it can range from \$62 to \$35,923.

Inventory cost: This is the cost of purchasing the products that you will sell in your vending machines, such as snacks, drinks, or other items. The inventory cost may depend on the type, quantity, and quality of the products, as well as the supplier and delivery fees. According to another source², the average inventory cost is \$250 per machine.

Moving cost: This is the cost of transporting and installing your vending machine in your chosen location. The moving cost may include hiring a professional mover, renting a truck or trailer, paying for gas and tolls, and obtaining any permits or licenses required. According to the same source², the average moving cost is \$200 per machine.

Cash and coins cost: This is the cost of obtaining and maintaining enough cash and coins to operate your vending machine. You may need to buy coins from a bank or a coin dispenser or exchange bills for coins at a store or a kiosk. You may also need to pay for a coin counter or sorter, a cash box, and a lock for your machine. According to the same source², the average cash and coins cost is \$50 per machine.

Marketing cost: This is the cost of promoting your vending machine business and attracting customers to your location. The marketing cost may include creating a website, printing flyers or business cards, advertising online or offline, offering discounts or coupons, or joining a vending association or network. The marketing cost may vary depending on your strategy and budget.

These are some of the main costs that you may encounter in your vending machine business plan. However, there may be other costs that are specific to your situation, such as:

Location fee: This is the fee that you may have to pay to the owner or manager of the property where you place your vending machine. The location fee may be a fixed amount per month, a percentage of your sales revenue, or a combination of both. The location fee may depend on the type, size, and popularity of the location, as well as your negotiation skills.

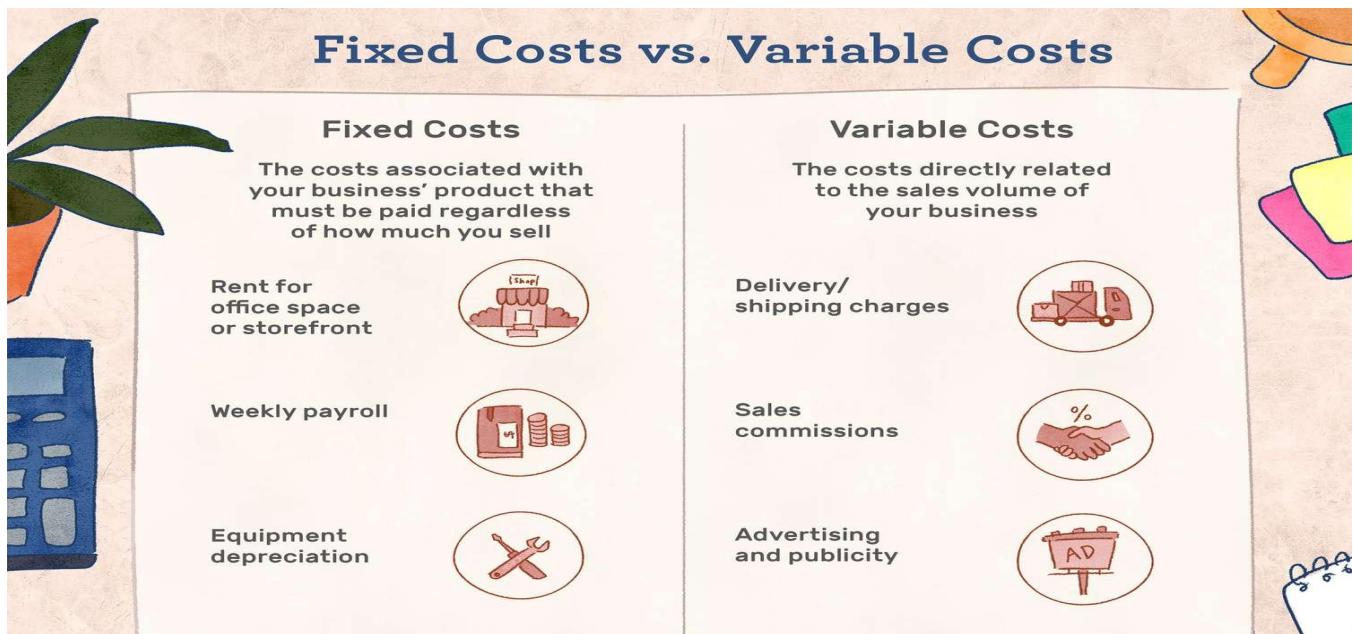
Maintenance fee: This is the fee that you may have to pay for repairing or servicing your vending machine in case of any malfunction or damage. The maintenance fee may include hiring a technician, buying spare parts or tools, or replacing your machine if necessary. The maintenance fee may depend on the age, condition, and warranty of your machine, as well as the frequency and severity of the issues.

Electricity fee: This is the fee that you may have to pay for powering your vending machine with electricity. The electricity fee may be included in your location fee if you use the property's electricity supply, or you may have to pay it separately if you use your own generator or solar panel. The electricity fee may depend on the power consumption and usage time of your machine, as well as the electricity rate in your area.

Taxes and fees: These are the taxes and fees that you may have to pay to comply with the legal and regulatory requirements of your vending machine business. These may include income tax, sales tax, business license fee, health inspection fee, insurance fee, or any other applicable fees in your state or city.

These are some of the additional costs that you may incur in your vending machine business plan. However, there may be other costs that are specific to your situation.

Fixed and Variable Costs



Optimal Price

Product	Category	Cost (€)	Price (€)	Profit (€)	Margin(%)
Cola	Drinks	0.50	1.50	1.00	66.7
Snickers	Snacks	0.30	0.80	0.50	62.5
Water	Drinks	0.20	1.00	0.80	80.0
KitKat	Snacks	0.25	0.70	0.45	64.3
Coffee	Drinks	0.40	1.20	0.80	66.7
Chips	Snacks	0.35	0.90	0.55	61.1
Orange Juice	Drinks	0.50	1.50	1.00	66.7
M&M's	Snacks	0.30	0.80	0.50	62.5
Energy Drink	Drinks	0.60	2.00	1.40	70.0
Pretzels	Snacks	0.40	1.00	0.60	60.0
Dish Soap	Household	0.80	2.50	1.70	68.0
Notepad	Stationary	0.50	1.20	0.70	58.3
Batteries	Household	0.60	1.80	1.20	66.7
Pen Set	Stationary	0.40	1.00	0.60	60.0
Tissues	Household	0.30	0.80	0.50	62.5
Sticky Notes	Stationary	0.20	0.50	0.30	60.0

Competitors Price

FAS International :

Product	Category	Price (€)
Cola	Drinks	1.50
Snacks	Snacks	1.00
Water	Drinks	1.20
Coffee	Drinks	2.00
Chocolate Bar	Snacks	0.80

Sandwich	Food	3.50
Fruit Juice	Drinks	1.80
Chips	Snacks	0.90
Energy Drink	Drinks	2.50
Muesli Bar	Snacks	1.00

Royal Vendors:

Product	Category	Price (€)
Cola	Drinks	1.20
Snacks	Snacks	0.90
Water	Drinks	1.00
Coffee	Drinks	1,80
Chocolate Bar	Snacks	0.70
Sandwich	Food	3.00
Fruit Juice	Drinks	1.50
Chips	Snacks	0.80
Energy Drink	Drinks	2.20

Selecta:

Product	Category	Price (€)
Cola	Drinks	1.30
Snacks	Snacks	1.10
Water	Drinks	1.10
Coffee	Drinks	1,90
Chocolate Bar	Snacks	0.90
Sandwich	Food	3.20
Fruit Juice	Drinks	1.60

Chips	Snacks	0.70
Energy Drink	Drinks	2.30

Potential market segments with different levels of price sensitivity

- (Segment A) Office workers: favor convenience, quality, and diversity and are prepared to spend more for high-end and diverse products since they have more disposable cash and less time.
- Because they have tighter budgets and are exposed to a wider range of vending machine options, students
- (Segment B) Students: are more price-sensitive.
- They shop around for the best deals and compare pricing.
- By providing competitive pricing and specialized product selections, vending machine firms can target these market sectors.

Vending machine businesses can increase profitability by customizing pricing tactics to various market segments. Offering premium items at somewhat higher pricing can take advantage of the convenience-focused mindset of the office professional sector (sector A). Competitive pricing and solutions that are good value for money can draw in the attention of the price-conscious student segment (Segment B). Customized pricing techniques cater to the needs of each consumer segment while maximizing profitability. Effective pricing strategies require in-depth market research and analysis.

Advertising & Promotion

The leaflet



Press release

MINE FRIENDS and LLC



FOR IMMEDIATE RELEASE

20 June 2023

Innovative Vending Machine Company Launched by **MINE FRIENDS AND LLC**, Revolutionizing Convenience

Hamburg and Germany, A pioneering leader in the vending machine sector, **MINE FRIENDS AND LLC**, is excited to announce its formal launch, ushering in a new era of accessibility and convenience. Mine Friends and LLC is poised to revolutionize the vending machine industry with a dedication to transforming how people access goods and services.

MINE FRIENDS AND LLC is ready to challenge established vending machine business models by providing a wealth of cutting-edge features and a first-rate user experience. The company seeks to redefine convenience and fulfill the changing requirements of today's consumers by utilizing cutting-edge technology and a customer-centric approach.

The founder and CEO of **MINE FRIENDS AND LLC**, MD Moniruzzaman, stated, "Our vision at **MINE FRIENDS AND LLC** is to make everyday necessities and distinctive products accessible to everyone, anytime, anywhere." "We are excited to introduce a new generation of vending machines that will not only increase customer satisfaction through cutting-edge features and tailored interactions, but also provide convenience."

Key attributes of the vending machines from **MINE FRIENDS AND LLC**:

- a. **Advanced Technology:** Our vending machines use cutting-edge touchscreens and user-friendly interfaces to provide a smooth and engaging user experience.
- b. **Product Diversity:** Our machines offer a wide range of goods that are suited to satisfy a range of consumer expectations, from everyday necessities to niche and specialized items.
- c. **Cashless Payments:** Customers can have a hassle-free transaction thanks to safe and practical cashless payment methods.
- d. **Real-Time Inventory Monitoring:** Our smart vending machines use real-time data analytics to monitor inventory levels and replenish supplies as needed.
- e. **Personalization:** Our vending machines assess user preferences and provide customized product recommendations using machine learning algorithms, increasing consumer happiness.

MINE FRIENDS AND LLC is devoted to environmental responsibility and sustainable business methods. Our vending machines encourage the use of recyclable packaging materials and are outfitted with energy-saving technologies, which helps to preserve the environment.

MINE FRIENDS AND LLC is providing exclusive promotions and discounts at particular locations to commemorate the launch. Customers can anticipate experiencing our vending machines' ease and fun firsthand.

Hamburger Abendblatt

Contact: Peter Ulrich Meyer

Position: Editor-in-Chief

Email: peter.ulrich.meyer@abendblatt.de

Phone: +49 40 55 44 41 50

For more information about **MINE FRIENDS AND LLC**, its innovative vending machines, and the launch, please visit [Your Company Website]. Follow us on [Social Media Handles] for the latest updates and announcements.

Media List for Hamburg, Germany:

1. Hamburger Abendblatt - www.abendblatt.de
2. NDR Fernsehen Hamburg - www.ndr.de/fernsehen/sendungen/hamburg
3. Radio Hamburg - www.radiohamburg.de
4. Hamburg News - www.hamburg-news.hamburg/en
5. Hamburg.de - www.hamburg.de
- 6.

Blogs and Influencers in the Vending Machine Industry:

1. VendingInside - www.vendinginside.de
2. Snack Connection - www.snack-connection.de

Objectives:

- a)** Increase brand awareness and recognition.
- b)** Drive sales and revenue growth.
- c)** Expand the customer base.
- d)** Enhance customer loyalty and retention.

Value Proposition:

A 30% increase in overall sales, or a \$2,000,000 increase in revenue, is what we hope our advertising efforts will accomplish. We think this investment will pay off since it will provide us with a competitive advantage, grow our market share, and promote steady business expansion.

Key Messages:

- a) Quality and Reliability: Emphasize the superior quality and reliability of our products/services.
- b) Differentiating Features and Benefits: Emphasize the special qualities and advantages that set us apart from rivals.
- b) Customer Satisfaction: To promote trust and satisfaction, highlight positive customer comments and reviews.
- d) Value for Money: Emphasize affordability and cost-effectiveness while communicating the value proposition.

Media Selection: In order to effectively reach our target audience, we will use a multi-channel strategy that consists of the following media:

- a) Digital advertising: Use social media campaigns, paid search advertising, and online banner ads to target particular demographics and boost website traffic.
- b) Print Media: To reach specialty audiences and build a reputation, place adverts in publications and newspapers that are specific to your sector.
- c) Outdoor Advertising: Utilize billboards and transit advertisements in high-traffic areas to capture the attention of commuters and increase brand exposure.

The media choices are made with the intention of combining broad reach (outdoor) and targeted reach (print and digital) to increase the effect of our advertising messages.

Monitoring and Evaluation: We'll use the following measurement techniques to keep tabs on the success of our advertising initiatives:

- a) Sales Data Analysis: Track sales results and compare them to marketing initiatives to spot trends and patterns.
- b) Website analytics: Monitor website traffic, conversions, and engagement data to assess how well digital advertising campaigns are working.
- c) Surveys and feedback: Use customer surveys to determine how well-known a brand is and how well-remembered it is.
- d) Social Media Monitoring: To determine the reach and impact of a campaign, keep an eye on mentions, sentiment analysis, and engagement levels on social media platforms.

Budget Allocation: For the upcoming year, we have allotted the following budget based on our goals and our media choices:

\$20k for digital advertising, \$20k for print media, and \$10k for outdoor advertising.

Budget for all advertising: \$50 billion

Budget distribution is based on each media channel's predicted efficacy and reach, resulting in a balance that is ideal for our goals and target audience.

We hope to significantly increase brand awareness, sales, and customer loyalty by putting this all-encompassing advertising and promotional plan into practice, all while optimizing the return on our advertising spend.

Place and Distribution

The type and size of premises required for our business will mostly depend on our target market which is students, people that train in stadiums, and some residential areas. Typically, a storage facility or warehouse space is needed to store inventory, restock machines, and maintain equipment. The size of the premises will depend on the scale of operations and the number of machines we plan to operate in a particular location.

Description of the Location:

For the location of our business, we will consider these factors:

- High Foot Traffic: Our vending machines will be located in areas with a high volume of potential customers, such as student dorms, residential areas for families, and stadiums.
- Target Market: student dorms, residential areas for families, and stadiums.
- Accessibility: Our locations are easily accessible for customers and vending machines can be placed conveniently, without obstruction.

Reasons for Choosing these Locations

3. Student Dorms:

- High Foot Traffic: Student dormitories typically have a concentrated population of students, resulting in a consistent flow of foot traffic. This translates to a higher potential customer base for our vending machines.
- Convenience for Students: Dormitories often lack on-site food and basic necessity options or have limited dining hours. Placing vending machines in these locations provides convenient and accessible snack and beverage solutions for students, especially during late-night study sessions or when other food options are unavailable.
- Targeted Product Offerings: Students often have specific preferences, such as quick energy-boosting snacks or healthier options. By catering to their needs and preferences, we can tailor our product selection to appeal to the student demographic.

4. Residential Areas for Families:

- Convenience for Busy Families: Residential areas with families typically have busy schedules and limited time for grocery shopping or preparing meals. Placing vending machines in these areas offers quick and convenient snack options for families on the go, such as after-school snacks for children or grab-and-go items for parents.
- Healthy Snack Options: Families often prioritize healthier snack choices for their children. By offering a selection of nutritious snacks in our vending machines, we can cater to their preferences and provide healthier alternatives to traditional vending machine fare.
- Local Community Engagement: Placing vending machines in residential areas fosters a sense of community engagement. It allows us to establish relationships with local residents, understand their needs, and potentially expand our customer base through positive word-of-mouth recommendations.

5. Stadiums:

- Event-driven Foot Traffic: Stadiums attract a large volume of people during sports events, concerts, or other entertainment activities. This creates a captive audience for our vending machines, as attendees often seek quick snacks and beverages during breaks or intermissions.
- Enhanced Revenue Potential: Major events at stadiums generate significant foot traffic and provide an opportunity to generate higher sales volumes within a shorter time frame. Capitalizing on these events allows us to maximize your revenue potential.

- Tailored Product Offerings: Offering a diverse range of products suitable for stadium-goers, including snacks, beverages, and even merchandise related to the event or sports teams. This allows us to cater to the specific needs and preferences of the stadium audience.

By strategically placing vending machines in student dorms, residential areas for families, and stadiums, we can leverage the advantages of high foot traffic, convenience, targeted product offerings, and community engagement. These locations align with specific customer segments and their unique needs, allowing us to provide relevant and accessible vending solutions while gaining a competitive edge in the market.

Channel of Distribution

Direct Distribution: In direct distribution, we will directly manage and operate our vending machines, ensuring that they are stocked, maintained, and serviced by our own team.

The direct distribution offers maximum control over our operations, allowing us to maintain quality standards, monitor inventory levels, and promptly address any issues that may arise. It also enables us to have a direct relationship with our customers, gaining valuable insights and feedback.

The Selling Methods Plan

1. The selling of our business will be conducted by a team from Dr. Baumer, a German sales outsourcing company. They have been professionally trained to sell and will leverage their expertise in prospecting, qualifying leads, and delivering results.
2. Minhazul Islam, with previous experience in the sector, will direct, monitor, and control our sales effort. His skills in sales management and experience in the industry will guide the team's activities. He will ensure effective sales strategies, provide guidance, and oversee the performance of the sales team.
3. The team from Dr. Baumer will employ various selling methods, including targeted research to identify potential customers and business partners, contacting prospects via different channels, arranging sales meetings, and delivering persuasive presentations tailored to customer needs.
4. We will use point-of-sale material to support our sales efforts. Currently, we are focusing on short videos, approximately 30 seconds in length, as they are effective in capturing attention and conveying key messages quickly.
5. The selling process starts with prospecting and initial contact, followed by qualifying leads and conducting a needs analysis. The team will then present solutions, handle objections, provide demonstrations or trials, and negotiate proposals. Identification of decision-makers, closing the sale, and post-sale follow-up are also essential steps in converting a prospect into a client.
6. We have established procedures for handling customer complaints, ensuring prompt resolution and customer satisfaction. Specific details about our complaint handling procedures would be needed to provide a more comprehensive answer.
7. Sales volumes and activity targets, such as calls per day or meetings per week, would depend on the specific goals and resources of the sales team. It would be beneficial to define these targets based on market analysis and the team's capabilities.
8. Incentives for meeting sales targets can include performance-based bonuses, commissions, recognition, and career development opportunities. Motivation can be fostered through regular communication, feedback, coaching, and creating a positive sales culture that rewards success.
9. The process from becoming aware of our product/service to making the buying decision, receiving the product or service, and paying for it can vary depending on factors such as customer needs, decision-making processes,

and product complexity. Understanding the typical timeline for our specific industry and customer base is crucial for cash flow management and sales forecasting.

10. To ensure timely payments, we will implement processes such as setting clear payment terms and conditions, conducting creditworthiness checks on customers, and using online credit reporting services. Accepting various payment methods, including cash, direct bank transfers, and credit cards, can also facilitate prompt payment.

Making, Outsourcing & Supplies

As a vending machine business, our operations are primarily focused on managing, maintaining, and repairing vending machines rather than producing things internally. But I can give you a quick rundown of the key elements of our strategy's implementation:

Product/Service Production:

We do not intend to manufacture the goods ourselves. Instead, we will buy a wide selection of snacks, drinks, and other goods from reliable manufacturers who focus on creating items that work well in vending machines.

Production Process and Competitors:

Our main concern is taking care of the vending machines and making sure they operate properly. Although competitors in the vending machine sector may employ diverse strategies, they frequently depend on outside vendors to manufacture their products, which is comparable to our tactic.

Plant and Equipment:

Vending machines will be the main piece of equipment used in our business, thus we will need them. Vending machine prices and features might change depending on things like size, functionality, and technology. The producers or suppliers of the vending machines will be reputable names in the business.

Bought-in Materials and Services:

The main bought-in materials will be the products stocked in the vending machines. We will buy them from a number of providers, including producers, wholesalers, and distributors of snacks and beverages. Depending on the kind, quantity, and sourcing agreements we create, the price of these materials will vary.

Office Equipment:

Standard office supplies, furniture, and equipment including computers, printers, and communication systems, will be needed for our office. Depending on the size and requirements of our workplace, the specific equipment and costs will vary. We'll buy office supplies from reliable market suppliers or merchants.

People & Related Administrative Procedures

Essential stakeholders in addition to our vending machine business

- Suppliers: Trustworthy suppliers for stock.
- Providers of maintenance and repair services: Professionals to maintain the efficiency of our machines.
- Owners of high-traffic locations for machine deployment are known as location partners.
- Companies that enable cashless transactions and a variety of payment options are known as payment processing providers.
- Experts in marketing and advertising will help us advertise our vending machines.
- Support for monetary and legal compliance is provided by accounting and legal professionals.

These stakeholders are essential to our first year's success.

Support for monetary and legal compliance is provided by accounting and legal professionals.

For the purpose of bringing on the required stakeholders, we will:

- Suppliers: Look up potential suppliers, get in touch with them, evaluate their dependability and product quality, and bargain amiable conditions.
- Maintenance and Repair Service Providers: Ask for referrals, conduct interviews with potential candidates, and select reliable service companies with experience in vending machine repair.
- Location Partners: Make connections with property owners, offer value propositions, and bargain deals for placing high-traffic machines.
- Payment Processing Providers: Research and assess payment processing firms, taking into account costs, security, and machine compatibility.
- Marketing and advertising experts should post job openings, examine applications and portfolios, and choose applicants who have experience working with our target demographic and executing effective campaigns.
- Accounting and legal professionals: Ask for recommendations, assess credentials, and bargain deals with reputable accounting and legal experts.

A pay and reward structure with competitive base pay rates will be put into place.

In addition, we will provide performance-based rewards based on KPIs like sales volume or customer happiness. Outstanding performance will be recognized and rewarded, and we'll offer possibilities for professional advancement through training programs and mentoring efforts. There will be a full range of benefits available, including retirement savings plans and health insurance. With flexible work schedules and acceptable hours, we will put a priority on work-life balance. Pay modifications will be based on routine performance assessments. Our goal is to establish a supportive and inspiring work environment that draws and keeps brilliant people while encouraging their dedication to the success of our business.

In order to properly manage our stakeholders, we will:

- Create open lines of communication.
- Create trust-based, long-lasting partnerships.
- Hold regular conferences and evaluations of performance.
- Promote cooperation and teamwork.
- Monitor performance using important metrics.

- Resolve disputes swiftly and politely.
- Constantly enhance our organizational procedures.

By implementing these procedures, we will establish a collaborative climate that supports effective stakeholder management.

Legal matters to be taken into account

- Compliance with employment laws.
- Confirmation of work authorization.
- Contracts and agreements that are lucid and legitimate.
- Protection of the rights to intellectual property.
- Compliance with data protection and privacy legislation.
- Adherence to safety and health laws.

To maintain compliance and reduce potential risks, seeking legal counsel while addressing certain legal concerns is advised.

Legal & Regulatory Factors

License to Operate

Yes, our business may need a license to operate. Common licenses and permissions include:

- Business license: Enables us to conduct business legally.
- Food Service Permit: Required if we provide food and drinks.
- Sales Tax Permit: Required to gather and send sales tax.
- Special Permits: May be required for particular goods or services, such alcohol or cigarettes.

Consult with authorities, do your research on local licensing requirements, and make sure to submit your application and comply with them on time.

Data Protection Act

Yes, we will keep records of our clients, partners, and workers. The following are the effects of the Data Protection Act (DPA) on our plans:

- Data Collection and Consent: Ensure that the person providing the consent has the legal right to do so.
- Data Security: Put in place the necessary safeguards to prevent unauthorized access to or disclosure of personal information.
- Data Retention: Create guidelines for the safe storage and removal of personal data.
- Individual Rights: Respect the rights of individuals to view, amend, and delete their personal information.
- When exchanging or transferring data, make sure the proper security measures are taken.
- Data Protection Officer: Take into account designating a Data Protection Officer to manage compliance.

The DPA will preserve privacy, reduce risks, and guarantee compliance with data protection laws if it is understood and followed.

Advertising Regulations

Yes, the proposed print and online advertising complies with all applicable advertising laws. Consider the following important points:

- Accuracy and Truthfulness: Ensure that our advertisements are accurate, truthful, and not deceptive.

- Clearly Described Pricing and Promotions: Clearly describe pricing and promotions, including any relevant terms and limitations.
- Non-discrimination: Steer clear of prejudice based on protected traits.
- Respect for intellectual property rights and avoiding infringement are important.
- Endorsements and Testimonials: Comply with laws governing the disclosure and veracity of such statements.
- Children and Vulnerable Audiences: Follow rules when marketing to kids or other vulnerable groups.

We will assure adherence to advertising laws and uphold moral standards in our marketing endeavors by adhering to these rules.

Refunds

Our method for handling refunds will be as follows:

- Clearly Stated Refund Policy: Create a clear refund policy that spells out the prerequisites for claiming a refund.
- Devoted Customer Support: Offer a helpful customer support staff to deal with refund questions.
- Refund Evaluation: Evaluate refund requests in accordance with our policy, taking into account the reason, the state of the product, and the terms.
- Timely Refund Processing: Complete authorized refunds as soon as possible, taking into account the payment type and required checks.
- Communication and Notification: Keep in constant contact with clients, informing them of the status of their refunds and addressing any issues they may have.
- Continuous Improvement: Track refund patterns, pinpoint areas for development, and improve goods and services to reduce the need for refunds.

By putting these procedures in place, we hope to provide a customer-focused and effective refund process, encouraging client pleasure and trust.

Registration for VAT

To ascertain if registering for Value Added Tax (VAT) is advantageous for our firm, we will weigh the advantages of doing so. Potential advantages consist of:

- Reclaiming Input VAT: By registering, we can claim the VAT we paid on large purchases, cutting costs.
- Credibility and Professionalism: Our reputation as a reliable and long-standing company is improved by our VAT registration.
- Competitive Advantage: It provides pricing parity with rivals who are VAT-registered.
- Attracting VAT-Exempt Customers: By registering, we may send out VAT-exempt bills, which appeals to some clients.

However, we must take into account the administrative requirements and potential rise in costs linked to VAT registration. Making an informed choice based on our unique circumstances necessitates careful study and contact with financial specialists.

The Flat Rate Scheme (FRS) would be the greatest option for us as a vending machine business if we had to file for VAT. By applying a predetermined flat rate percentage to our gross turnover, the FRS simplifies VAT calculations. This program benefits companies with low input VAT and seeks to simplify VAT management.

We would continue to charge VAT on our sales as we always have under the FRS, but we would instead pay HM Revenue and Customs (HMRC) a flat rate percentage of our revenue that is less than the ordinary VAT rate. This makes our VAT computations easier to understand and lessens the administrative work required by complicated schemes.

We would speak with HMRC or seek advice from a tax professional to ascertain the precise flat rate percentage that would apply to our vending machine business. They will help us comprehend the registration process and determine whether the FRS is the most advantageous program for our particular set of circumstances.

TAX

The tax responsibilities in Germany will be governed by the country's applicable tax regulations. We must specifically take into account the criteria for corporate income tax (CIT) and value-added tax (VAT). Here is a broad summary:

- Value-Added Tax (VAT): The typical VAT rate in Germany is 19%. As a vending machine business, we usually apply this rate to consumer purchases. The VAT we receive from clients would be subtracted from the VAT we fork over for legitimate business costs.
- Corporate Income Tax (CIT): Germany now levies a 15% corporate income tax. The company's taxable profits—which are computed by deducting permitted expenses from revenue generated—are used to determine this tax. Then, the taxable gains are subject to the

We would need to take into account a number of variables, including operational costs, depreciation, applicable deductions, and any available tax incentives, in order to calculate the precise amount of tax owed. To accurately determine our tax liabilities based on our unique circumstances and assure compliance with the relevant legislation, we would need to speak with a tax counselor or accountant who specializes in German tax laws.

Employee TAX and Insurance

I shall be liable for paying social security contributions in Germany as an employer, which will include, among other things, contributions for unemployment insurance (Arbeitslosenversicherung). Employer earnings and the appropriate rates established by the German government are just two of the many variables that will affect the precise amount of employment insurance contributions.

Germany now charges 2.4% of an employee's gross salary as unemployment insurance, up to the contribution assessment ceiling (Beitragsbemessungsgrenze). However, it's crucial to note that the contribution rates and levels can change, so for the most recent information it's imperative to contact the necessary authorities or a payroll specialist.

We would multiply the employee's total annual compensation of €25,000 by the applicable unemployment insurance rate to determine the employment insurance contributions. For example, if the rate is 2.4%, the contributions would be $\text{€}25,000 \times 2.4\% = \text{€}600$

Yes, I have taken into account in my financial projections the costs associated with these operational restrictions, including employment insurance contributions. I have made sure that my financial projections account for these charges by taking into account the pertinent rules and their associated costs, enabling a more precise evaluation of the company's financial performance and viability. I can better prepare for and manage the financial parts of the firm, ensure compliance with legal obligations, and prevent any unforeseen financial consequences by including these operating regulations in the financial predictions.

Website

Websites may be maintained by rivals or groups with a similar mission in the vending machine sector. These tasks may involve:

- Providing details on their business, services, and goods.
- displaying the models and features of their vending machines.
- Present bundle and price alternatives.
- soliciting bids or offering online ordering.
- Providing customer service and inquiry contact details.
- publishing news, information, and blog posts on vending machines and the related sector.
- integrating login portals for customers to manage accounts and track use or sales information.

Selling goods and services on your website can be advantageous as it gives potential clients convenience and accessibility. Your company model and target market will determine the precise goods and services you decide to sell on your website. Offering vending machine consumables (such as snacks, drinks, and coffee pods), maintenance and repair services, or even leasing or renting vending machines are typical alternatives for vending machine businesses.

The following operational tasks can also be performed via a website:

- Online help and support for customers.
- Getting input from customers and running surveys.
- Managing client preferences and accounts.
- Monitoring stock levels and keeping tabs on sales information.
- Offering downloaded materials, instructions, or manuals.
- Running marketing promos and campaigns.
- Providing a forum for prospective business partners or suppliers to connect.

Choosing between selling directly on your website and selling through a middleman (like an online marketplace) depends on a number of different considerations. You have more control over the consumer experience, branding, and profit margins when you sell on your own website. Using an intermediary, however, can provide you access to a larger consumer base, a more established infrastructure, and even greater visibility. When making this choice, take into account your resources, target market, and business objectives.

Credit/debit cards, digital wallets (such as PayPal, Apple Pay), bank transfers, or even cryptocurrencies are all acceptable forms of payment for web-based transactions. To ensure secure transactions, you need to establish secure payment gateways. Web-based orders can be filled in a variety of ways, including internal delivery, working with logistics firms, or arranging pick-up sites.

We can increase website traffic by using a variety of marketing techniques, such as:

- To increase the visibility of your website on search engines, use search engine optimization (SEO).
- Use content marketing to reach and engage your target audience through blog posts, articles, and social media.
- Pay-per-click (PPC) or social media ad campaigns are examples of online advertising.
- Marketing and engagement on social media to promote your business and goods.
- Partnerships with bloggers or influencers in related businesses.

- Email marketing to connect with new clients and share updates or exclusive offers.
- Offline marketing initiatives, such as handing out pamphlets or attending pertinent events while promoting your website.

Additional opportunities for making money besides selling goods include:

- Providing vending machine upkeep and repair services.
- Offering companies seeking customized vending solutions consultation or customization services.
- Collaborating with businesses or marketers to display tailored adverts on your website or vending machines.
- Selling client information (while maintaining confidentiality and legal compliance).

Professional web designers and developers can take care of the design of your website. You can use a third-party agency or web design-specific freelancers. As an alternative, you could decide to create the website yourself provided you have the necessary resources and skills.

Your website can be kept up-to-date and relevant by:

- Update the descriptions, prices, and product listings frequently.
- Post blog entries or news about vending machines, market trends, or client success tales.
- Install a content management system (CMS) that makes it simple to edit and update the content of websites.
- Keep track of consumer comments and questions. Utilize analytics technologies to monitor

Communication Systems

Absent answering systems and the telephone:

We require a landline or a Voice over Internet Protocol (VoIP) system, pick a dependable phone system that will meet our demands.

When we're not able to take calls, think about using an automated attendant or voicemail to manage incoming calls. This makes sure that consumer inquiries are noted and may be responded to right away.

Computer System Specifications:

- Processor: For effective multitasking and processing capabilities, use an Intel Core i5 or AMD Ryzen 5 (or higher) processor.
- RAM: 8 GB (or more) is recommended to ensure lag-free operation when running numerous applications at once.
- Storage: A Solid State Drive (SSD) with at least 256 GB of space is recommended for quick data access and fast boot times.
- System: Depending on your preferences and program compatibility, either Windows 10 or macOS.
- Display: A 22-inch (or larger) monitor with a minimum 1920x1080 pixel resolution is recommended for multitasking and comfortable viewing.

- Graphics: For routine commercial operations, integrated graphics should be adequate. Consider using a dedicated graphics card if we want to use graphically demanding software or programs.
- Connectivity: Make sure the computer has numerous USB ports and built-in Wi-Fi so you can connect peripherals like printers, scanners, and external storage systems.
- Peripherals: A printer and scanner for managing documents, as well as a keyboard and mouse for input.

Implement a trustworthy backup method, such as cloud storage or external hard drives, to routinely back up vital data. To safeguard against security risks, install trusted antivirus software and keep it updated.

Incoming and Outgoing Mail Handling:

- To efficiently sort and distribute mail, set up a mechanism for receiving it, such as a special mailbox or a mailroom.
- Consider employing postal services, couriers, or technological techniques like email or online document sharing for outbound letters.

Data Backup Systems:

- To ensure that important data is not lost, regularly implement data backup methods. Cloud storage, external hard drives, or backup software that automatically creates backups at predetermined intervals can all be used for this.

Software for Effective Business Operations:

- Determine whether software programs, such as inventory management, accounting, customer relationship management (CRM), and vending machine management software, can assist your company's operations. Pick trustworthy and reputable software providers.

1. Additional Hardware:

- Consider other gear you might require besides computers, such as printers, scanners, barcode readers, cash handling devices, or specialized vending machine hardware if necessary.

2. Computer System Security and Virus Protection:

- Put strong security measures in place to safeguard your computer system. This may entail setting up firewalls, installing antivirus and anti-malware software, and routinely updating software and operating systems.
- Teach your workers the best practices for cybersecurity, such as using strong passwords and staying away from dubious links and attachments.
- To protect sensitive information, think about putting access controls and data encryption into place.
- Data should be regularly backed up, and backups should be securely kept.

Financial Overview

Monthly Forecast for the first Year

Unit Sales:

Products	January	February	March	April	May	June	July	August	September	October	November	December	For Year
Cola	423	392	168	483	419	222	111	310	413	180	269	487	3877
Snickers	100	483	397	266	100	476	296	306	381	320	213	221	3559
Water	411	463	317	481	162	244	424	392	116	458	335	356	4159
Kitkat	449	488	190	146	441	131	342	120	432	397	498	208	3842
Coffee	362	468	150	469	367	208	423	401	395	461	269	129	4102
Chips	438	492	229	454	237	230	120	469	415	258	209	202	3753
Orange Juice	315	166	259	236	448	137	363	224	175	463	459	175	3420
M&M	406	101	154	425	213	222	406	108	270	177	245	113	2840
Pretzels	267	258	101	352	380	127	450	304	456	135	474	420	3724
Dish Soaps	374	206	174	140	107	400	276	425	136	301	103	167	2809
Notepads	136	201	264	309	448	197	388	479	438	453	239	491	4043
Batteries	206	469	401	287	361	178	334	261	311	378	158	295	3639
Pen Set	338	326	251	128	239	219	413	333	187	280	332	431	3477
Tissues	355	154	388	170	247	381	127	410	338	396	134	402	3502
Sticky Note	401	170	207	293	194	119	409	272	359	291	409	419	3543
Total	4981	4837	3650	4639	4363	3491	4882	4814	4822	4948	4346	4516	54289

Cost:

Products	January	February	March	April	May	June	July	August	September	October	November	December	For Year
Cola	211.50	117.60	33.60	60.75	119	77	55.50	93	247.50	72	78	292.20	1441.65
Snickers	60	145.20	118	66.50	30	63	33.60	91.80	57.60	40	22.80	110.40	769.90
Water	82.20	138.90	63.40	92.75	64.8	85.4	123.50	49.20	69	183.20	58.40	71.20	1042.65
Kitkat	110	87.60	38	36.50	54	45.8	151	26	259.20	158.80	171.20	69.60	1218.90
Coffee	171.60	140.40	30	117.25	147	50	253	66	198	204.80	161.20	77.40	1535.65
Chips	155.40	147.60	45.80	108.50	94.8	80.5	60	69	277.80	93.60	89.60	80.80	1359.90
Orange Juice	157.50	51.90	51.80	59	120	38.8	181.50	67.20	52.80	107	111.60	35	1083.40
M&M	60	30.30	30.80	106.25	85.2	77.7	243	32.40	60	39.60	106	33.90	923.15
Pretzels	133.50	77.40	20.20	88	152	44.5	225	91.20	273.60	54	379.20	168	1838.50
Dish Soaps	187	61.80	34.80	35	42.8	140	151.80	55.20	114	166.40	80.80	83.20	1169.90
Notepads	112	105.30	52.80	77.25	185	122.5	185	143.40	315	186.80	175.20	135.60	1926.05
Batteries	103.80	175.20	146.20	97.75	96	62.3	159	34.80	194.40	104.80	126.40	258	1793.85
Pen Set	169	97.80	50.20	32	95.6	76.3	206.50	99	112.20	112	264.80	258.80	1771.20
Tissues	75.60	46.20	97.60	42.50	98.8	133.5	27	123.60	135.20	124.80	40.80	120.60	1203.60
Sticky Note	60	51	41.40	73.25	77.6	41.6	244	54.60	107.40	46.40	63.60	125.40	1038.85
Total Cost	2578.70	2054.10	1023.50	1301.15	1534.6	1357.9	2963.80	1269.60	2229.20	1753.20	2265.60	1697.40	22209.15

Sales Price:

Products	January	February	March	April	May	June	July	August	September	October	November	December	For Year
Cola	634.50	470.40	252.00	725.70	629.40	333.00	166.50	465.00	613.50	270.00	403.50	730.50	5793.00
Snickers	80.00	386.40	316.40	177.20	80.00	380.80	236.80	244.80	305.60	256.00	170.40	176.80	2845.60
Water	411.00	370.40	317.00	481.00	194.40	219.60	636.00	313.60	116.00	458.00	335.00	356.00	4159.00
Kitkat	628.50	609.60	133.00	213.20	521.40	163.20	513.00	144.00	518.40	397.00	597.60	249.60	4646.50
Coffee	434.40	561.60	180.00	556.80	440.40	187.20	507.00	320.80	395.00	553.60	314.40	154.80	4625.80
Chips	657.00	452.40	209.10	414.20	267.30	207.00	90.00	375.20	415.00	267.60	172.80	151.20	4048.50
Orange Juice	472.50	133.20	259.00	236.00	537.60	137.00	544.50	179.20	175.00	463.00	460.50	210.00	4118.50
M&M	324.80	80.80	154.00	384.00	91.20	144.00	324.80	86.40	270.00	124.80	294.00	135.60	2958.80
Pretzels	534.00	206.40	101.00	466.40	456.00	127.00	675.00	243.20	547.20	135.00	710.40	504.00	5234.80
Dish Soaps	561.00	169.60	174.00	98.00	75.60	360.00	414.00	340.00	136.00	301.00	103.00	167.00	2919.20
Notepads	204.00	402.40	264.00	309.00	448.00	197.00	388.00	479.00	438.00	453.00	239.00	491.00	4163.40
Batteries	247.20	438.60	401.00	287.00	361.20	213.60	668.00	261.00	311.00	378.00	189.60	295.00	3790.20
Pen Set	573.60	529.60	502.00	140.80	286.80	394.20	413.00	333.00	187.00	280.00	332.00	777.60	4369.60
Tissues	177.50	123.20	388.00	119.00	247.00	381.00	63.50	410.00	338.00	396.00	134.00	201.00	3639.20
Sticky Note	320.80	136.00	165.60	205.10	232.80	142.80	545.00	217.60	359.00	291.00	490.40	209.50	3895.00
Total	7478.40	7295.60	5485.10	6867.70	6391.20	4867.20	5867.80	6030.40	5905.70	6515.00	6354.10	5811.00	75347.50

Profit:

Products	January	February	March	April	May	June	July	August	September	October	November	December	For Year
Cola	423.00	196.00	134.40	217.35	335.20	122.10	111.00	155.00	577.20	108.00	458.30	341.40	3547.95
Snickers	100.00	241.50	317.60	119.70	80.00	261.80	296.00	153.00	533.40	192.00	361.20	154.70	3231.90
Water	411.00	231.50	253.60	216.45	129.60	134.20	424.00	313.60	162.40	274.80	536.50	213.60	3431.25
Kitkat	449.00	244.00	152.00	65.70	353.20	72.05	342.00	96.00	605.80	238.20	847.60	145.60	3703.17
Coffee	362.00	234.00	120.00	211.05	293.60	114.40	423.00	320.80	553.00	276.60	454.60	90.30	3552.35
Chips	438.00	246.00	183.20	204.30	189.60	126.50	120.00	234.40	498.00	154.80	253.70	60.60	3132.10
Orange Juice	315.00	83.00	207.20	106.20	358.40	75.35	363.00	179.20	245.00	394.80	781.30	122.50	3468.95
M&M	406.00	50.50	123.20	191.25	170.40	122.10	406.00	54.00	378.00	106.20	416.50	79.10	2747.25
Pretzels	267.00	129.00	80.80	158.40	304.00	69.85	450.00	152.00	638.40	81.00	806.80	293.70	3978.85
Dish Soaps	374.00	103.00	139.20	63.00	85.60	220.00	276.00	170.00	190.40	180.60	176.70	100.20	2159.70
Notepads	136.00	100.50	211.20	139.05	358.40	108.35	388.00	383.20	612.00	271.80	405.30	294.60	3913.30
Batteries	206.00	234.50	320.80	128.15	433.20	98.90	334.00	208.80	435.40	226.80	268.60	88.50	3228.45
Pen Set	338.00	163.00	200.80	57.60	286.80	120.45	413.00	166.50	261.80	168.00	562.40	258.60	3148.95
Tissues	355.00	77.00	310.40	76.50	197.60	209.55	127.00	205.00	474.40	80.40	228.20	120.60	2929.25
Sticky Note	401.00	85.00	165.60	131.85	155.20	65.45	409.00	136.00	502.60	174.60	696.10	251.40	3549.20
Total	4981.00	2418.50	3650.40	1652.75	3059.60	1323.40	4882.00	2402.40	6743.80	2475.40	7166.70	3355.60	46377.75

Pro forma Cash flow:

Months	January	February	March	April	May	June	July	August	September	October	November	December	Total
Receipts													
Sales	7478,40	7295,6	5485,1	6867,7	6391,2	4867,2	5867,8	6030,4	5905,7	6515	6354,1	5811	74869,20
Cash	300000												
Total Cash In	307478,40	7295,60	5485,10	6867,70	6391,20	4867,20	5867,80	6030,40	5905,70	6515,00	6354,10	5811,00	74869,20
Payments													
Purchases	3000	2500	4000	3300	1200	3000	1000	1700	5000	3100	2800	1500	32100
Utilities	5000	5000	5000	5000	5000	5000	5000	5000	5000	5000	5000	5000	60000
Wages	2000	2000	2000	2000	2000	2000	2000	2000	2000	2000	2000	2000	24000
Advertizing	3750	3750	3750	3750	3750	3750	3750	3750	3750	3750	3750	3750	45000
Office Supplies	3500												
Total Cash Out	17250	13250	14750	14050	11950	13750	11750	12450	15750	13850	13550	12250	161100
Monthly Cash													
Surplus(Deficit)	290228,40	-5954,40	-9264,90	-7182,30	-5558,80	-8882,80	-5882,20	-6419,60	-9844,30	-7335,00	-7195,90	-6439,00	
Cmmulative Cash Balance	290228,40	284274,00	275009,10	267826,80	262268,00	253385,20	247503,00	241083,40	231239,10	223904,10	216708,20	210269,20	

Pro forma Profit and Loss:

	Year 1	Year 2	Year 3
Sales	74869,2	140000	225000
Cost of Goods Sold	32100	37900	56000
Gross Profit	42769,2	102100	169000
Expenses			
Utilities	60000	87000	103200
Wages	24000	60000	82000
Advertizing	45000	45000	45000
Office Supplies	3500	5000	6800
Vending Machines	50000	82000	100000
Maintainance	0	20000	25000
License	20000	20000	20000
Location Cost	30000	42150	56378
Total Expenses	232500	361150	438378
Profit Before Tax	-189730,8	-259050	-269378

Balance Sheet:

	Year 0 (Before Trading)			
	Qtr1	Qtr2	Qtr3	Qtr4
1. Fixed Assets	€ 50,000			
- Cost	€ 50,000			
- Accumulated Depreciation	€ 0			
2. Net Book Value	€ 50,000			
3. Current Assets				
- Stock & WIP	€ 10,000			
- Debtors	€ 5,000			
- Bank & Cash	€ 20,000			
4. Current Liabilities				
- Trade Creditors	€ 2,000			
- Bank Overdraft				
- Short-term Loan				
5. Net Current Assets	€ 33,000			
6. Net Assets	€ 83,000			
7. Financed by				
- Called Up Shares	€ 50,000			
- Accumulated Profits	€ 0			
- Loan Capital	€ 33,000			

List of assumptions underpinning our financial forecasts:

Revenue Growth: Assumptions about the expected growth rate of vending machine sales based on market demand, target locations, and product offerings.

Cost of Goods Sold (COGS): Assumptions about the cost of purchasing inventory for the vending machines, including snacks, beverages, or other products.

Operating Expenses: Assumptions about various expenses to operate the vending machine business, such as machine maintenance, restocking, utilities, and servicing.

Pricing: Assumptions regarding pricing levels for products sold through vending machines, taking into account market prices, competitive analysis, and profit margins.

Capital Expenditures: Assumptions about the initial investment in vending machines, including purchase or lease costs, installation, and any required customization or upgrades.

Financing: Assumptions about the funding sources for acquiring vending machines, such as personal investment, loans, or leasing arrangements.

Tax Rates: Assumptions about applicable tax rates and any tax incentives or deductions available for vending machine businesses.

Market Factors: Assumptions about the demand for vending machine services in specific locations of target markets, consumer preferences, and potential competition.

Operating Efficiency: Assumptions about the efficiency of vending machine operations, including uptime, maintenance costs, and product spoilage or waste.

External Events: Assumptions about any external factors that may impact the vending machine business, such as changes in regulations related to food safety, health requirements, or vending machine placement

Break-even Analysis:

Break-Even Analysis

Fixed Costs: 250000

Variable Cost per Unit: 1.25

Selling Price per Unit: 2

Profit Objective: 800000

Break-Even Point:

$$\text{Break-Even Point (in units)} = \frac{\text{Fixed Costs}}{\text{Selling Price per Unit} - \text{Variable Cost per Unit}}$$

$$\text{Break-Even Point (in units)} = \frac{250000}{2 - 1.25}$$

$$\text{Break-Even Point (in units)} = 333333.33 \text{ units}$$

Break-Even Profit Point:

$$\text{Break-Even Profit Point (in units)} = \frac{\text{Fixed Costs} + \text{Profit Objective}}{\text{Selling Price per Unit} - \text{Variable Cost per Unit}}$$

$$\text{Break-Even Profit Point (in units)} = \frac{250000 + 800000}{2 - 1.25}$$

$$\text{Break-Even Profit Point (in units)} = 1400000 \text{ units}$$

Estimated effect of 10% rise or fall in the break point analysis:

The previously calculated break-even point of 333,333.33 units may be affected as follows:

(a) Sales Volume:

- A 10% rise in sales volume would increase the break-even point to approximately 625,000 units.
- A 10% fall in sales volume would decrease the break-even point to approximately 416,667 units.

(b) Unit Selling Price:

- A 10% rise in unit selling price would decrease the break-even point to approximately 270,270.27 units.
- A 10% fall in unit selling price would increase the break-even point to approximately 500,000 units.

(c) Variable Costs per Unit:

- A 10% rise in variable costs per unit would increase the break-even point to approximately 384,615.38 units.
- A 10% fall in variable costs per unit would slightly decrease the break-even point to approximately 416,666.67 units.

(d) Fixed Costs:

- A 10% rise in fixed costs would increase the break-even point to approximately 458,333.33 units.

- A 10% fall in fixed costs would decrease the break-even point to approximately 375,000 units.

The requirement to achieve our targeted profit:

The break-even point, which represents the volume of products needed to cover all costs and achieve zero profit, is calculated as follows:

$$\text{Break-Even Point (in units)} = \text{Fixed Costs} / (\text{Selling Price per Unit} - \text{Variable Cost per Unit})$$

$$\text{Break-Even Point (in units)} = €250,000 / (€2 - €1.25)$$

$$\text{Break-Even Point (in units)} \approx 333,333.33 \text{ units}$$

Therefore, to break even and cover all costs, we would need to sell approximately 333,333.33 units of our product.

To achieve our profit objective of €800,000 in year 1, we would need to sell an additional volume of products above the break-even point. The specific volume required depends on the profit margin per unit. Assuming a profit margin of €0.75 per unit (selling price per unit - variable cost per unit), we can calculate the additional volume needed:

$$\text{Additional Volume (in units)} = \text{Profit Objective} / \text{Profit Margin per Unit}$$

$$\text{Additional Volume (in units)} = €800,000 / €0.75$$

$$\text{Additional Volume (in units)} = 1,066,666.67 \text{ units}$$

Cash-flow Forecast, Investment Options, and Risk Mitigation:

- Based on our cash-flow forecast, we need \$500,000. It will be used for purchasing vending machines, stocking inventory, marketing, and operational expenses.
- We plan to raise funds through personal savings (\$100,000), a bank loan (\$250,000), and potentially peer-to-peer lending (\$50,000).
 - Funds will be required in the first month for vending machines and inventory, in the second month for marketing, and ongoing for operational expenses.
 - Borrowings will be repaid over five years through monthly installments.
 - If we issue shares, the business will be valued based on market, cost, and income valuation approaches.
 - We are prepared to sell up to 30% of the venture to raise the required funds.
 - Potential exit routes/strategies for investors include private sales, an initial public offering (IPO), or acquisition by a larger vending machine company.
 - The vending machines themselves can serve as collateral for any loans.
 - We are actively seeking grants and loans from government programs or startup support organizations.
 - No additional private cash is available for investment at the moment.
 - Key risks include market saturation, competition, changing consumer demand, technical issues, and regulatory changes.
 - Contingency plans include market research, preventive maintenance, diverse product inventory, and staying informed about regulations.

Financial Controls:

Basic business ratios after the first year when we achieve our financial objectives:

Revenue: €500,000

Cost of Goods Sold: €250,000

Operating Expenses: €100,000

Taxes: €50,000

Interest Expense: €10,000

Total Assets: €400,000

Total Debt: €200,000

Shareholders' Equity: €200,000

1. Gross Profit Margin:

Gross Profit Margin = (Revenue - Cost of Goods Sold) / Revenue

Gross Profit Margin = (€500,000 - €250,000) / €500,000

Gross Profit Margin = €250,000 / €500,000

Gross Profit Margin = 0.5 or 50%

2. Net Profit Margin:

Net Profit Margin = Net Income / Revenue

Net Income = Revenue - (Cost of Goods Sold + Operating Expenses + Taxes + Interest Expense)

Net Income = €500,000 - (€250,000 + €100,000 + €50,000 + €10,000)

Net Income = €90,000

Net Profit Margin = €90,000 / €500,000

Net Profit Margin = 0.18 or 18%

3. Return on Assets (ROA):

ROA = Net Income / Total Assets

ROA = €90,000 / €400,000

ROA = 0.225 or 22.5%

4. Return on Equity (ROE):

ROE = Net Income / Shareholders' Equity

ROE = €90,000 / €200,000

ROE = 0.45 or 45%

5. Current Ratio:

Current Ratio = Current Assets / Current Liabilities (assuming current liabilities are €100,000)

Current Assets = Revenue (since it's assumed that all revenue is collected)

Current Assets = €500,000

Current Ratio = €500,000 / €100,000

Current Ratio = 5

6. Debt-to-Equity Ratio:

Debt-to-Equity Ratio = Total Debt / Shareholders' Equity

Debt-to-Equity Ratio = €200,000 / €200,000

Debt-to-Equity Ratio = 1

Comparison with competitors:

Competitor's Financial Data:

Revenue: €600,000

Cost of Goods Sold: €300,000

Operating Expenses: €120,000

Taxes: €60,000

Interest Expense: €12,000

Total Assets: €500,000

Total Debt: €150,000

Shareholders' Equity: €350,000

The ratios of a competitor:

1. Gross Profit Margin:

Gross Profit Margin = (Revenue - Cost of Goods Sold) / Revenue

Gross Profit Margin = (€600,000 - €300,000) / €600,000

Gross Profit Margin = €300,000 / €600,000

Gross Profit Margin = 0.5 or 50%

2. Net Profit Margin:

Net Profit Margin = Net Income / Revenue

Net Income = Revenue - (Cost of Goods Sold + Operating Expenses + Taxes + Interest Expense)

Net Income = €600,000 - (€300,000 + €120,000 + €60,000 + €12,000)

Net Income = €108,000

Net Profit Margin = €108,000 / €600,000

Net Profit Margin = 0.18 or 18%

3. Return on Assets (ROA):

ROA = Net Income / Total Assets

ROA = €108,000 / €500,000

ROA = 0.216 or 21.6%

4. Return on Equity (ROE):

ROE = Net Income / Shareholders' Equity

ROE = €108,000 / €350,000

ROE = 0.308 or 30.8%

5. Current Ratio:

Current Ratio = Current Assets / Current Liabilities (assuming current liabilities are €150,000)

Current Assets = Revenue (since it's assumed that all revenue is collected)

Current Assets = €600,000

Current Ratio = €600,000 / €150,000

Current Ratio = 4

6. Debt-to-Equity Ratio:

Debt-to-Equity Ratio = Total Debt / Shareholders' Equity

Debt-to-Equity Ratio = €150,000 / €350,000

Debt-to-Equity Ratio = 0.43 or 43%

Our Company Vs Competitor:

Gross Profit Margin:

our Company: 50%

Competitor: 50%

The gross profit margins are the same for both companies.

Net Profit Margin:

our Company: 18%

Competitor: 18%

The net profit margins are the same for both companies.

Return on Assets (ROA):

Our Company: 22.5%

Competitor: 21.6%

Your company has a slightly higher ROA compared to the competitor.

Return on Equity (ROE):

our Company: 45%

Competitor: 30.8%

our company has a significantly higher ROE compared to the competitor, indicating better profitability relative to shareholder investment.

Current Ratio:

our Company: 5

Competitor: 4

our company has a higher current ratio, indicating better short-term liquidity.

Debt-to-Equity Ratio:

our Company: 1

Competitor: 0.43

our company has a higher debt-to-equity ratio, suggesting a higher proportion of debt financing relative to equity financing compared to the competitor.

Please note that these ratios alone do not provide a complete picture of the overall performance and success of the businesses. Other factors such as market share, customer satisfaction, and growth.

Ratio Analysis and Our possible actions:

Based on the ratio analysis, there are a few areas you might consider changing or improving in your vending machine company:

- 1. Accounts Receivable:** If we find that our current ratio is high and we have a significant amount of outstanding accounts receivable, it might be beneficial to focus on collecting money faster. Implementing efficient payment collection processes, offering incentives for early payment, or tightening credit terms could help reduce the time it takes to receive payments from customers.
- 2. Inventory Management:** If our company has a high current ratio or a high inventory turnover ratio, it could indicate that you are carrying excessive stock. Consider analyzing your inventory management practices and identifying opportunities to optimize inventory levels. This could involve implementing just-in-time inventory systems, negotiating better terms with suppliers, or identifying slow-moving items to avoid tying up excessive capital in inventory.
- 3. Cost Control:** Assess your operating expenses and look for areas where you can reduce costs without compromising the quality of your services. Analyze expenses such as rent, utilities, maintenance, and marketing to identify potential cost-saving measures. Implementing cost control measures can help improve your net profit margin and overall profitability.
- 4. Debt Management:** If your debt-to-equity ratio is high, it may indicate a heavier reliance on debt financing. Evaluate your debt obligations and consider refinancing options or debt restructuring to reduce interest expenses. Managing debt effectively can improve your financial stability and reduce the financial risk associated with high debt levels.
- 5. Capital Allocation:** Consider evaluating our return on assets and return on equity ratios. If our company is not generating satisfactory returns on its assets or shareholder investments, we may need to reassess our capital allocation strategies. This could involve reallocating resources to more profitable ventures, divesting underperforming assets, or exploring investment opportunities that align with our business goals.

Sales & Marketing Controls

Records of monitoring sales activities:

We will maintain various records to track and analyze sales performance. Here are some records that would be helpful in monitoring our sales activities:

- 1. Sales Transaction Logs:** These logs would contain detailed information about each vending machine transaction. They would include the date, time, location, product(s) purchased, quantity, and sales amount for every transaction. This data helps track the volume and value of sales at each vending machine.
- 2. Revenue and Sales Reports:** Regular revenue and sales reports would be generated to provide an overview of sales performance. These reports would include total revenue generated, sales by product or category, sales by location or machine, and comparisons to previous periods. They would help identify trends, popular products, and potential areas for improvement.
- 3. Inventory Management System:** An inventory management system would be essential for tracking product inventory levels and sales patterns. It would record inventory replenishment dates, stock quantities, and sales data to monitor product availability and ensure timely restocking.
- 4. Customer Data and Analytics:** Customer data would be captured and stored in a customer relationship management (CRM) system or database. This would include information such as customer contact details, preferences, purchase history, and feedback. By analyzing customer data, you can identify loyal customers, understand their preferences, and personalize sales and marketing efforts accordingly.
- 5. Sales Forecasting:** Sales forecasting records would help predict future sales based on historical data, market trends, and other factors. These records would include projected sales figures for specific time periods, considering factors such as seasonality, promotions, and customer behavior. Sales forecasting helps with inventory planning, resource allocation, and overall business planning.
- 6. Performance Metrics and KPIs:** Key performance indicators (KPIs) would be established to assess sales performance. These metrics could include average sales per machine, sales conversion rates, customer acquisition rates, and profitability ratios. Monitoring these metrics helps evaluate the effectiveness of sales strategies and track progress toward business objectives.

Customer record card for business :

Customer Record Card				
Customer Name:				
Customer ID:				
Phone Number:				
Email Address:				
Mailing Address:				
Preferred Products:				
Special Requests:				
Purchase History:				
Transaction Date	Vending Machine Location	Products Purchased	Quantity	Total Amount
Feedback and Notes:				
Customer Feedback:				
Notes:				

Other marketing records

We will maintain various marketing records to track and evaluate our marketing efforts. Here are some examples of marketing records we might consider keeping:

1. Marketing Campaigns:

- Campaign Name/ID
- Campaign Objectives
- Start and End Dates
- Target Audience
- Marketing Channels Used (e.g., social media, email, flyers)
- Budget Allocation
- Key Performance Indicators (KPIs) and Metrics (e.g., reach, engagement, conversions)
- Campaign Results and Analysis

2. Advertising Records:

- Advertisements Placed (e.g., digital ads, print ads)
- Advertising Platforms/Channels
- Ad Copy and Design
- Ad Placement Dates
- Costs and Budget Allocation
- Performance Metrics (e.g., impressions, click-through rates, conversions)

3. Promotions and Offers:

- Promotion/Offer Details
- Duration and Timing of Promotions
- Discount Amounts or Special Offers
- Channels Used to Promote (e.g., social media, website, in-store)
- Performance Metrics and Results (e.g., increased sales during promotion period)

4. Market Research:

- Research Studies Conducted (e.g., customer surveys, focus groups)
- Research Objectives and Questions
- Research Methodology and Tools Used
- Data Collected and Findings
- Analysis and Insights Derived from Research

5. Customer Feedback and Reviews:

- Customer Feedback Collection Methods (e.g., feedback forms, online reviews)
- Feedback/Review Contents
- Dates and Sources of Feedback
- Analysis and Actions Taken Based on Feedback

6. Competitor Analysis:

- Competitor Information and Profiles
- Competitor Marketing Strategies and Tactics
- Comparative Analysis (e.g., pricing, promotions, product offerings)
- Findings and Insights from Competitor Analysis

These marketing records can help us track the effectiveness of our marketing efforts, understand customer preferences, evaluate ROI, and make data-driven decisions to optimize your marketing strategies.

Other business controls to be introduced

Here are three example business controls we should introduce at the outset and why they are important:

Inventory Control:

Implementing robust inventory control measures is vital to manage your product stock efficiently. This control involves closely monitoring inventory levels, tracking product usage, and implementing processes to replenish stock when needed. Inventory control is important because it helps you:

- Avoid stockouts and lost sales by ensuring sufficient product availability.
- Minimize excess inventory and associated carrying costs.
- Identify popular and slow-moving products, allowing you to adjust your offerings accordingly.
- Optimize cash flow by aligning inventory levels with customer demand.

Cash Flow Management:

Maintaining effective cash flow management controls is essential for the financial health of your vending machine business. Cash flow refers to the inflow and outflow of money in your business. By implementing cash flow management controls, you can:

- Monitor and project your cash flow to ensure you have enough funds to cover expenses, such as restocking inventory and maintaining equipment.
- Establish payment terms with customers that promote timely payment collection.
- Negotiate favorable terms with suppliers to manage outgoing cash flow.
- Plan for contingencies and unexpected expenses to maintain financial stability.

Quality Control:

Implementing quality control measures is crucial to deliver excellent customer experiences and protect your brand reputation. Quality control involves establishing standards for product quality, ensuring proper maintenance of vending machines, and addressing any customer complaints promptly. Quality control is important because it allows you to:

- Provide consistently high-quality products, which can lead to customer satisfaction and repeat business.
- Identify and address product issues early on, minimizing customer complaints and returns.
- Protect your brand reputation by delivering reliable and satisfactory products.
- Gain a competitive edge by differentiating yourself through superior quality and service

Appendix:

1. Vereniging Van Automatenhandelaren (VA) - Netherlands: <https://www.vending ва.nl/>
2. Associazione Italiana Distributori Automatici (CONFIDA) - Italy: <https://www.confida.com/>
3. Automatic Vending Association (AVA) - UK: <https://www.ava-vending.co.uk/>
4. AutomatenMarkt: <https://www.automatenmarkt.de/>
5. Bundesverband der Deutschen Vending-Automatenwirtschaft (BDV): <https://www.bdv-vending.de/>
6. Vending Management: <https://www.vending-management.de/>
7. Vending Inside: <https://www.vendinginside.de/>
8. National Automatic Merchandising Association (NAMA): <https://www.namanow.org/>
9. Small Business Administration (SBA): <https://www.sba.gov/>