**Analysis of Pingers Business Plan.**

**By (Njoroge Zacharia)**

Executive summary.

This analysis has been undertaken for academic purposes and for the reasons for discussing deeply the reasons why business plans are important for any given individual business entity. The analysis has aimed at evaluating the significance of Pingers business plan and how realistic it can be as well. This analysis can be used to evaluate the strengths and weaknesses of other companies' business plans as well. The business plans made are important steps in the growth of companies as they set visions as well as restrict directors in maintaining the lane towards the visions. Major themes and qualities that describe a good business plan have been discussed deeply and reasons why some attributes are important features in any company’s business plan.

Pingers being a beginner business entity, the analysis has been done with considerations of vulnerabilities of a beginner business. This includes major concerns on the usage of available resources and the maximum utilization of available opportunities and resources. The growth of capital and the management of operational costs being an important inclusion in the business plan have been discussed further using this analysis and with proper management, Pingers is a great role model for planning a startup business.

**Table of content.**

1. **Introduction.**

Pingers is a company that began as a company supplying pie in the shape of fingers. It has a business plan well outlined and detailed well enough to tackle a business plan analysis in relation to it. According to Chen et al., (2009, pg. 199-214), business plan analysis is an important activity done by investors before investing in a company, and therefore it is important to analyze it before displaying it for potential investors to view. This business analysis contains details on market research, marketing strategy, locations, operations and staffing, financial analysis, and goals for the future. This makes the business plan transparent enough and visible enough to relate it to any other company. Below is the analysis of a business plan by Pingers LLP.

1. **Business plan executive summary analysis.**

According to Lasher (2010), a business plan should begin by a synopsis of the whole plan and should be the last thing written in the business plan. This should include descriptions of how the business was founded as well as the purpose of the business plan. Here, a description of the products offered by the business and highlights of the growth from the beginning to the current position is included. In the Pingers business plan, there has been the involvement of one page plus of executive summary which begins by stating the purpose of the business plan and a brief description of the nature of the business in question.

In this business plan, Pingers’ executive summary has fulfilled the expectations of a good executive summary by outlining the highlights of the plan of operation. This would serve as an attraction of repulsion in the eyes of lenders who are not ready to read the whole business plan and determine whether it is worth reading or not. The executive summary is attractive and breaks down the whole document into several paragraphs and with the will for lenders to give a helping hand to the business, they would be compelled to go through the whole document finally.

1. **Marketing strategy plan.**

According to Chitoor et al., (2007, pg. 65-79), marketing is one of the main determinants of the success of a company over its competitors. Including marketing strategies is also one of the main attributes of a good business plan and other than including these strategies, they should be strategies that are capable of convincing the potential investors into doing business with the company. In the Pingers business plan, there are included marketing strategies, and below is the analysis of the marketing strategies.

The marketing statements used are quite convincing. The mention of not having to bake yourself a pie to enjoy one is a quite challenging statement that would leave the customers in the urge to taste different kinds of pies by the Pingers to try to taste a better pie than they can make on their own. This shows an interest to relate with the customers which are a smart marketing strategy. This would make customers feel free to share their ways of making pies to get their tastes represented in the products of Pingers LLP. Eventually, somehow all the pie lovers would taste the kind of pies sold by the Pingers to satisfy their urge to differentiate their pies from what they make at home.

According to Giannakopoulos et al., (2014), using their competitive advantage when doing marketing makes a company stand out over other companies that do not take advantage of theirs. In Pingers marketing strategies, there is the proper use of their unique featured pies and makes it possible to gain a competitive advantage if at all the proceeds in marketing find the right customers. Pingers have put it in their business strategies to mention sizes and with the sizes being smaller, the people who take small quantities at a time and children are perfectly catered for. It would be automatic that customers would as well buy the quantity of one big pie in two pieces of Pingers pies and find it convenient to take one and carry one rather than have a big one divided into two. Pingers has also mentioned some other common but important features of their products just as the other companies do too to retain their competitiveness in those areas too. The mention of distinct flavors, mashed potatoes, and bundled food deals, has been made to throw it high in consumers’ comparison of companies.

According to Guido et al., (2016, pg. 6048-6057), the use of attractive logos and convincing displays play an important role during marketing. In Pingers, there have been extremely attractive pie photos to be used in the display for marketing purposes. The display is vital in marketing where competition is to be done with other companies without such forms of displays. This would automatically capture the eye and even without noticing get the customers doing impulse buying and there Pingers get a chance to serve a potential loyal customer. If the product can fulfill the expectations of a customer after seeing the displayed photo, then there is a great likelihood that the customer is going to become loyal.

Deepak et al., (2019) mentions of the forms of marketing in consideration to the target consumers. From this, it is possible to attain maximum coverage by taking statistics and identifying the greatest consumers to target. Concerning this, Pingers has put in place the various ways they are going to market their products. The use of word of mouth, websites, and use of social media has been strategized as a form of reaching the target customers. The use of word of mouth is an important way to reach a great percentage of the people around the region that Pingers is located. On the other hand, the use of websites and social media is aimed at reaching the people who would possibly be interested in the products yet they do not have to have business around the area Pingers is located. This would help reach the given population as the ads are placed on various websites and sites that relate to the products produced by Pingers.

* 1. ***Recommendations on marketing strategies.***

Offering loyalty programs such as points earned with purchases that earn customers an extra pie after a certain number of purchases or a certain amount spent in Pingers. This would help get the lovers of the products to remain attached to Pingers as Pingers gets better terms on top of better qualities compared to her competitors.

Follow the healthier route of marketing to help the people trying to avoid junk foods but still have cravings for such products as they produce. People would try reducing the intake of calories and having healthier terms such as involving ingredients that fight calories or involve a healthier bundle into the available options of taking with the pies could be more attractive, and a possible way to attain a competitive advantage.

1. **Location, operations, and staffing.**
   1. **Location.**

According to Dirgiatmo (2015), the location of a business affects the success of a business plan. There are situations when a company performs best placed abroad or overseas. Before locating a business, considerations such as accessibility, business rates, competition, security, and possibilities of future growth are considered. However, for Pingers, the location was determined by the best chances to stand the longest. There was the consideration of the availability of both favorable and unfavorable external factors such as different seasons which all influence the performance of Pingers. The location selection, therefore, necessitates that considerations are done for places that the business can remain operational throughout the seasons affordably. The location is, however, suitable as they can go popular during the peak seasons on recreational events around the location which is also a good startup.

* 1. **Operational process.**

The operational process for the business plan has been put per the available resources and by this, maximum utilization of resources is possible. This is a major step in planning where startup issues regarding operations are pointed out at the start and well planned to avoid surprises in the future of unforeseen losses or unattainable bills. The business plan lays down the plans of the various functionalities of the unit steps involved and this helps visualize the possibilities and impossibilities even before the task begins.

1. **Financial analysis.**

According to Vos et al., (2007, pg. 2648-2678), small businesses mostly suffer from inadequate finances and eventually die if necessary precautions are not put in place. On the Pingers’ operational plan, the feasibility study has been done to view the available resources and the affordability of the non-available resources which are important for the business to start. Ways of ensuring maximum sales possible have been identified and costs calculated. This is important for the proper prioritizing to be done to contribute to the success of Pingers. Pingers is aimed at attaining most of its customers in the location of origin and hence, the best qualities are expected right from the beginning of the business which has been involved in the feasibility study. To achieve the goals according to the feasibility study, only three people are involved in the staff section. This would reduce payments made and instead of salaries since they are the business owners, they will receive dividends adding up to 40% of the profits made until the business can stand on its own.

To tackle issues relating to finance, the business plan has included the financial projections and major planning put on paper. The startup finances requirements are to be availed before the business begins and this would necessitate the availing of this cash before the business startup. To ensure that the business is not monkey business, the projections will involve the potential profits expected and proper record keeping put in place. The calculations would help determine whether the positive expectations are worth the available risks expected and whether the business can stand if the financial threats were to materialize into real risks.

To determine the possibilities expected in the business operations, three scenarios are created and each having the calculations done of the effects of the outcome. This would help attempt to hit the accuracy of the financial planning according to reality and not according to the desires. If an investor was willing to invest in the risky business, they would as well look at the possibility of the projections' accuracy before joining the business and this would be the determining factor whether or not they are to join. The figures indicated in the business plan are convincing and with greater capital, the business progress would possibly move faster.

According to Whitmore (2010), the use of performance indicators is key in every business, whether beginning or in progress. Having this into consideration is important for the Pingers to indicate means they are going to evaluate their performance and determine whether their goals are turning to reality. On the business plan, it is indicated that the business will have performance indicators active right from the first year and projections to the third year made clearly for adequate evaluation. The use of profit margins has been put in place, both for gross profit and operating profits, and preparations for recordings done and projected for the first three years of operation. The business plan has also involved the use of net present value as a performance indicator which is also an effective way of determining whether the business has any chances of making it through in a significant way.

1. **Future analysis.**

According to Schwetje & Vaseghi (2007), the long term plans and business interests for the future are a necessity for a good performance. This could be in the form of attracting ambitious investors as well as helping the directors remain on track towards the long term goals of the business. In the Pingers business plan, there has been a mention of the plans in case the business can make it through as projected. According to the business plan, the business is aimed at going nationwide which means having more locations around the country and operating in busy places such as transport hubs and zoos. This would possibly attract potential incomes as they get more and more established by the multitude and their progress seen by potential job providers as they are likely to come to the minds of their customers whenever services of their nature are required in events and distinct occasions.

1. **Considerations of startup operational issues.**

Being a beginner business, there are obvious expected issues with the operations. According to Sowmya et al., (2010), it is even likely that the attitude of the people towards starting businesses may hinder their success consequently. For new entrepreneurs, the new businesses may likely find it hard to cope with the environment surrounded by people full of trust issues and who do not want to be the first to try out the offers of the business. By this, new businesses need to plan to persist through the first few months of startup until they are accepted in society.

In this business plan by Pingers, there have been considerations of management and ownership issues at the beginning of the operations. It is mentioned in the business plan that the owners will do the staff work and pay themselves using dividends until the startup issues are sorted. Also, it is visibly a good business plan as possible threats and project management of the implementation have been considered and planned for. The business plan has included ways that the business will survive at the low capital available and the unsatisfied resources. The business plans for the available resources at hand to perform the major tasks as the expected resources cover the less urgent plans which the business can startup without though not comfortably.

According to Ries (2011), on the occasions where the business makes small profits at startup, there is a great possibility that the business may end up failing due to its costs of operations. This is possible where operations are running on a different level of business as they are running in. this could include payments made to staff and suppliers by the business. The involvement of workers who are highly educated and very experienced may not always be a good idea for a starting business and hence in the business plan, the startup operations should be the operations with the best survival chances. In this business plan, there has been mention of no staff brought from outside as the entrepreneurs involved are confident in what they are doing and hence not necessary to have the employments done. Besides, the business plan mentions the availability of favorable agreed terms with the suppliers, and hence the startup will have minimal costs of running the operations.

1. **Ethical issues considerations analysis.**

According to Fassin (2005, pg. 265-279), in the current situations around the globe, there has been a lot of issues related to ethics in an attempt to make money out of possible operations. Startup businesses are most affected as they suffer threats of failure. However, in this business plan, there have been positive thoughts about ethical issues and ways to ensure ethical business operations is ensured. The business plan by Pingers has the mission statement declaring their intentions to maintain ethics at all costs through the use of ethical ingredients. This helps in the urge to declare their operations’ qualities and performance measurements and declare their intentions to see to it that the quality is not distorted since a business plan is something to act as a guiding tool. The business plan mentions the three Fs where one of them resembles the ethical farms that the business is looking forward to work with to ensure the customers feed on the best pies around the South. This is a possible way of showing the business integrity and reasons for acceptability within the society even without much considerations of the expected prices.

1. **Conclusion.**

Pingers' business plan is a business plan that can make investors desire to work with the upcoming business. This happens to be a good sample of the expected business plans and with proper details outlined, any investor would wish to be a part of their projected success. A business plan like this one can help guide the business into a great company and with the entrepreneurial role outlined in the business plan, it is a seemingly realistic plan. This analysis has been made and can serve as a guide for aspiring business entities and can also help determine whether a given business plan is realistic as well as whether it reaches the standards of a good business plan.

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