Ali Al-Musawi

**ALI-KYOTECH**

1. First, since the business is based at the owner’s personal address, we exclude any expenses incurred for personal use. This includes rent, travel, internet plan, phone plan, and Hydro bills. The initial business costs include business registration and copyrighting ($300), purchasing of a powerful commercial printer ($1000), and buying initial supplies (paper, cardboard, and printer cartridge – $200). Afterwards, each month, the following operation expenses will be incurred: domain purchase and web hosting ($15/Mo), banking fees ($6/Mo), social network advertising ($20/Mo), supplies ($10/Mo), salary ($2000/Mo), and shipping ($75/Mo). This totals to: $2126/Mo. Considering the nature of the customized products the business offers, there is a flexibility in determining the retail price. On average, a product will be sold for $60. Hence, we need to sell at least 36 products per month to break even.
2. In addition to sales figures and invoices, we will study customer feedback carefully as this is the best way to secure a stronghold in the board game market and gain customer loyalty. We will also monitor all reactions to our advertisements, and act on them based on the type of response generated; if it is negative, change ad content and/or product in question, if the response is positive, sell the product in question for a higher price. It is also extremely important to ensure all business expenditures remain separate from personal expenditures. As such, inventory and business supplies will be kept track of at all times. Inventory and other operational expenses will be recorded as they are incurred. We will pay a special attention to our cash flows as this determines the viability of the business. While we will accept payment on credit, we will ensure most of the revenue generated will be collected in cash form. Indeed, our cash outflows will be capped at 30% of our cash inflows, so there will be a great deal of budgeting and cost cutting to a reasonable extent. Thus far, we mentioned internal details that we will track. However, this is not sufficient; we will devote some time to monitor actions of competitors in the market and develop strategies to counteract their threats (as will be mentioned in the next paragraph). Specifically, we will keep track of any copyright violations (‘copycats’), new competitor promotional events and products, and consumer reactions to competitors’ ads and products in the market.
3. According to data offered by Statistics Canada, the game industry is currently in a great shape with a profitability of 77.3%. This means there is no market risk, so our focus will be devoted on developing strategies that grow our customer base. One main strategy is to contract with municipal and provincial educational institutions as they are naturally our largest consumer in terms of wealth. They will choose our products because we turn learning in classroom from dry and dreaded experience into a fun memory. Emphasizing the flexibility and customizability of our products is important to give our customer a sense of control in the deal. Without it, nothing distinguishes us from any other business. Our advertising will convey a message of social support, skill growth, and fun in learning. This element of emotional appeal is crucial as humans react to their emotions, so our customers are likely to feel intrigued to learn about us and our promise to them. We will also develop a slogan that we live by. A candidate slogan is: ‘Play a game, Ace a test!’. We will practise price discrimination. That it, we will not post our prices, and every sale will be negotiated. Depending on the type of customer, we have different prices. Large institutional customers will be charged the maximum they are willing to pay. The extra profits will be used to expand our operations as well as subsidize some of our products that are intended to be sold for individual customers (i.e. private tutors, small businesses, teachers, families, etc) that are willing to pay prices that match large competitors but are below the cost of production. The goal of this strategy is to build customer loyalty and a mechanism to spread the word by making our products more accessible. Another strategy is maintaining social network presence. We will be very active by making and responding to comments, commenting on news, public figures, and pop culture pages, and playing games and appearing on game leaderboards. Giving a life to our business increases our chance to reach as many potential customers as possible. We will host game tournaments in cooperation with large educational institutions and seek sponsorships from former business connections (i.e.: Tim Hortons franchisee). Not only does this advertise our products to the public, but it also fosters our alliance with other entities. In sum, our products will be successful because they are designed to meet the demands of our customers, and we will develop appropriate strategies to maintain the success of our business by keeping us distinguishable from our competitors.

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