

Business Plan

WallFlower Customizable T-Shirts

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**Professional Issues in IT
Section: CS-A**

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Executive Summary

WallFlower is an exciting new business that gives people the option to customize T-Shirts however they like. Printex World will be responsible for the production of the T-Shirts and the product will cater to the needs of male, female, young adult and children. T-Shirts would be stored inside a storage area which has sufficient space to store T-Shirts for the scale of this business.

A website which is simple to use and user-friendly allows users to order T-Shirts based on their preferences from anywhere in Pakistan. They are able to choose the material and style of the shirt, and then choose where they want to place the image or graphic of their choosing.

Opportunity

We here at wallflower aim to design classic, fancy and fashionable T-shirts for our customers according to their requirements. Wallflower will harness the power of computer sublimation to produce arete class t-shirts.

What problems does your idea solve?

Wallflower aims to provide a convenient solution to its customers so that they can order their customized t-shirts online. They will explain their ideas to our designer and he will embed those ideas on t-shirts providing them with multiple options designed according to latest trends of market. Customers can choose from the multiple solutions whatever they want. From pictures of their favorite actors or musicians to artsy designs and digital prints, Wallflower will provide them with a solution to all their t-shirt problems.

Target Market

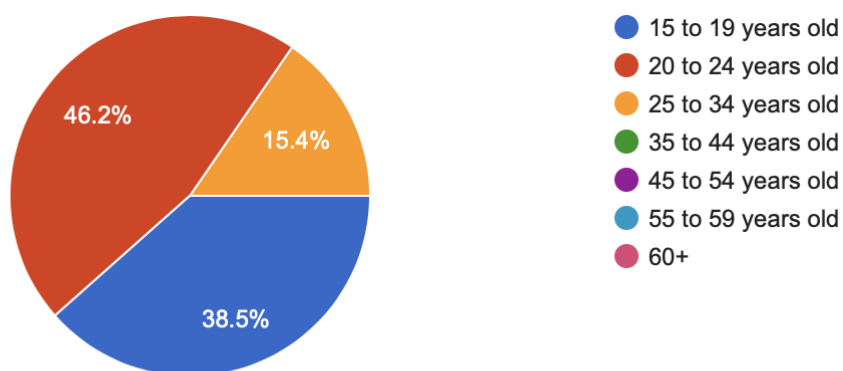
The technically inquisitive group(children and teenagers) prefer Graphics. This group prefers to have an existing graphic placed on the T-Shirt and make up about half of the customers.

The rest(24 and above) prefer having custom Artworks placed on their T-Shirt. If a customer cannot pinpoint the exact image he has in mind, either a WallFlower Graphic Artist or a Friend or another service provider can help him make one as desired.

Market Research

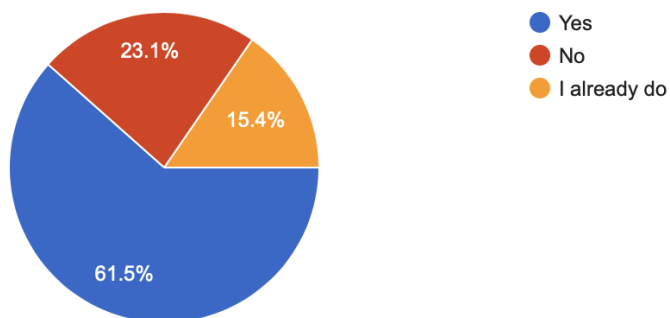
What age group do you fit in?

78 responses



Have you ever wanted to customise T-Shirts?

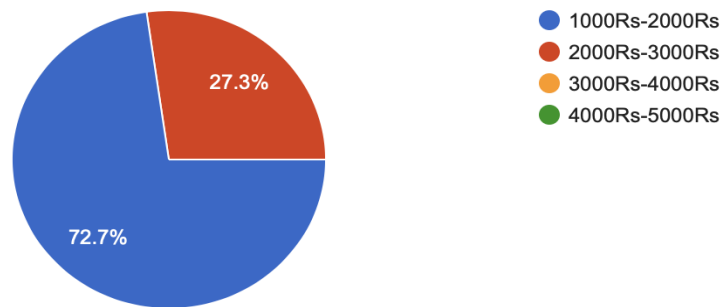
78 responses



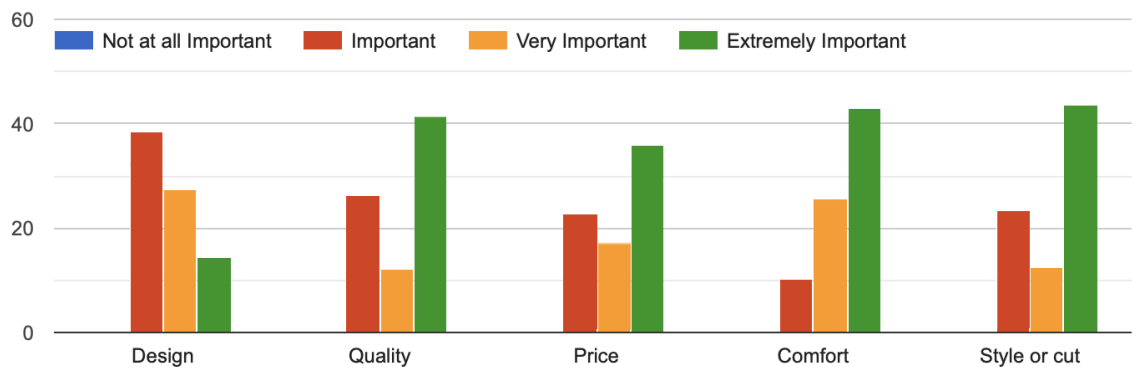
How much would you be willing to spend on a T-Shirt, if it was customised according to your preferences?



78 responses



Below are a list of features that are part of the T-shirt. How important is each feature to you?



Competitor Matrix

Competition	Design logo	Price	On Site Sale(s)	Premium Quality	Variety	Caters to all age groups	Custom Designer
thewarehouse.pk	Yes	Rs. 799- Rs.1799	No	Yes/No	Yes	Yes	No
dexpel	Yes	Rs. 1200	No	Yes	No	No	No
virginteez	Yes	Rs. 850- Rs.1500	No	Yes/No	Yes	No	No
customfreaks	Yes	Rs.1599	Yes	Yes	Yes	No	No
WallFlower	Yes	Rs.719- 1400	Yes	Yes/No	Yes	Yes	Yes

Execution

Positioning Statement

For every age client who wants high quality shirts with trendy designs, our t shirts will provide A class shirts with trending designs according to age and gender. Unlike Levis, its collections are targeted specific to teenagers with B class shirts.

Pricing

For pricing we will follow cost plus pricing strategy in which we will make a little amount of profit and value ourselves in the position of market. Our competitor's follow the market based pricing strategy so cost plus pricing would help us establish a place in market with valuable customers initially. After we have established our place in market, we will switch to low end Market based strategy to meet our customer requirements at low cost.

Average selling price= $1200+2100/2=1650$

Profit for small design= Revenue - Cost
 =1200 -719
 =481

Profit for full design= Revenue - Cost
 = 2100 -1671
 =429

Average Max selling price for full design= $0.67 \times 2100 + 0.33 \times 1200$
 =1803

Average Max manufacturing price for full design= $0.70 \times 1667 + 0.30 \times 719 = 1401.56$

Promotion Strategy

The Promotion strategy is to make ordering T-Shirts a very easy and fast process. The website will be continuously developed to provide a user friendly interface.

The marketing campaign will emphasize on how the customer is able to completely customize a T-Shirt based on their preferences. Marketing strategy is discussed in Market Plans.

Milestones would be set, these milestones are goals that the company sees as a measure of success.

Packaging

Advertising

ATL:

Print Media: promotional messages in newspaper

BTL:

Outdoor advertisements: Fliers, Brochures

Direct marketing: Social Media

In-store promotion: Sales promotion

Mixed:

Photoshoot published in a magazine

Digital marketing:

Social media posts, blog articles

Operations

A graphic or an image is sent to *Printex World* which is transferred on to the T-Shirt by the process of sublimation. Printex World is responsible to get the raw materials required, the dyes and cotton. MAN series hand carusel would be used to make the screens. SPECTRUM-SL would be used - an automatic press used to print T-Shirts with a customized design.

Technology

Wallflower is a custom T-shirt company that offers its customers to design a t-shirt according to their requirements with the help of our designer. We use digital printing (sublimation technology) for printing as it has low cost and best results.

Sublimation is a process which uses heat to transfer dye onto a fabric surface such as a shirt. There is a second method which is used to print t-shirt designs which is called screen-printing. In screen-printing a screen is formed based on an image which is then placed onto a shirt. This method of screen printing is very costly for small productions. Another detriment of using is that screen printing applies a thin layer of ink to the surface the shirt which inhibits breathability. This is avoided when using sublimation as in sublimation the ink is embedded in the fabric rather than coating the fabric's surface. Considering the two options, sublimation technology is suitable for startups such as Wallflower. Our customers can choose from our pre-existing designs or give us their custom artwork or requirements. These pre-existing designs can be viewed and ordered online through social media and our website, providing our customers with flexibility and convenience.

Distribution Plan

The graphic artist designs an artwork based on the customers preference. The artwork is then shown to the customer and awaits their approval. When the customer approves it, the artwork is sent to *Printex World* where T-Shirts are printed and packaged. Alternatively some existing graphic designs which already exist are sent to *Printex World*. The T-Shirts are then sent to be stored in a storage area in one of the business owner's home which are then shipped via a courier service as per customer's demands.

Key assumptions and risks

Key assumptions:

- Affiliate relations with related vendors
- Affordable price in covid times

Risks:

- Competitors already exist
- Increase in pricing can cause upward pricing
- The need to be always creative

Company Overview and Team

Mission statement

“Wear your own designs”

Intellectual property

- Trademark -- The Company Name, Logo
- Copyrights -- Some graphic arts, Website, Database
- Patents -- prevent others for making, using or selling our invention

Management Structure

Initially Wallflower will have an HR for handling account, creative head for designing shirts, customer relation officer to manage orders and connecting to customer. Another officer will be to handle social media and promotions.

- CEO -- Business development, Finance and Accounting, Customer Service.
- Creative Head
- Bookkeeper
- Independent contractor -- Graphic artist

Location

The business will be located in Lahore. We may expand to other cities; delivery is possible to other cities with the use of the courier services but we do not have warehouses in other cities right now.

Financial Plan

For the initial capital, we start with private equity. We have to successfully pitch our ideas to investors and have them invest in us. We will also approach a Commercial Bank and ask for a loan. Lastly, we will rely on private individuals (rich relatives) or angel investors to invest in the company. These are the three sources of raising a good initial capital.

Purchases

Purchases	Unit	Cost/Unit	Total
Year 2020(Summer)			
Men (full design)	115	Rs.1400	Rs.161,000
Women (full design)	115	Rs.1400	Rs.161,000
Men	310	Rs.719	Rs.222,890
Women	310	Rs.719	Rs.222,890
Children	590	Rs.719	Rs.424,210
Teen	590	Rs.719	Rs.424,210
			Rs.1,616,200

Purchases	Unit	Cost/Unit	Total
Year 2020(Winter)			
Men(full design)	115	Rs.1400	Rs.161,000
Women(full design)	115	Rs.1400	Rs.161,000
Men	310	Rs.719	Rs.222,890
Women	310	Rs.719	Rs.222,890
Children	770	Rs.719	Rs.553,630
Teen	770	Rs.719	Rs.553,630

			Rs.1,875,040
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Purchases	Unit	Cost/Unit	Total
Year 2021(Summer)			
Men(full design)	195	Rs.1400	Rs.273,000
Women(full design)	195	Rs.1400	Rs.273,000
Men	410	Rs.719	Rs.294,790
Women	410	Rs.719	Rs.294,790
Children	770	Rs.719	Rs.553,630
Teen	950	Rs.719	Rs.683,050
			Rs.2,372,260

Purchases	Unit	Cost/Unit	Total
Year 2021(Winter)			
Men(full design)	195	Rs.1400	Rs.273,000
Women(full design)	195	Rs.1400	Rs.273,000
Men	410	Rs.719	Rs.294,790
Women	410	Rs.719	Rs.294,790
Children	950	Rs.719	Rs.683,050
Teen	1130	Rs.719	Rs.812,470
			Rs.2,631,110

Purchases	Unit	Cost/Unit	Total
Year 2022(Summer)			
Men(full design)	215	Rs.1400	Rs.360,000

Women(full design)	215	Rs.1400	Rs.360,000
Men	570	Rs.719	Rs.409,830
Women	570	Rs.719	Rs.409,830
Children	950	Rs.719	Rs.683,050
Teen	1140	Rs.719	Rs.818,660
			Rs.3,042,370

Purchases	Unit	Cost/Unit	Total
Year 2022(Winter)			
Men(full design)	215	Rs.1400	Rs.360,000
Women(full design)	215	Rs.1400	Rs.360,000
Men	570	Rs.719	Rs.409,830
Women	570	Rs.719	Rs.409,830
Children	1130	Rs.719	Rs.812,470
Teen	1310	Rs.719	Rs.941,890
			Rs.3,294,020

Sales	Unit	Cost/Unit	Total
Year 2020(Summer)			
Men(full design)	100	Rs.1800	Rs.180,000
Women(full design)	100	Rs.1800	Rs.180,000
Men	260	Rs.1200	Rs.312,000
Women	260	Rs.1200	Rs.312,000
Children	540	Rs.1000	Rs.540,000
Teen	540	Rs.1200	Rs.648,000

			Rs.2,172,000
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Sales Forecast

Sales	Unit	Cost/Unit	Total
Year 2020(Winter)			
Men(full design)	100	Rs.1800	Rs.180,000
Women(full design)	100	Rs.1800	Rs.180,000
Men	260	Rs.1200	Rs.312,000
Women	260	Rs.1200	Rs.312,000
Children	720	Rs.1000	Rs.720,000
Teen	720	Rs.1200	Rs.864,000
			Rs.2,568,000

Sales	Unit	Cost/Unit	Total
Year 2021(Summer)			
Men(full design)	180	Rs.1800	Rs.324,000
Women(full design)	180	Rs.1800	Rs.324,000
Men	360	Rs.1200	Rs.432,000
Women	360	Rs.1200	Rs.432,000
Children	720	Rs.1000	Rs.720,000
Teen	900	Rs.1200	Rs.864,000
			Rs.3,096,000

Sales	Unit	Cost/Unit	Total
Year 2021(Winter)			

Men(full design)	180	Rs.1800	Rs.324,000
Women(full design)	180	Rs.1800	Rs.324,000
Men	360	Rs.1200	Rs.432,000
Women	360	Rs.1200	Rs.432,000
Children	900	Rs.1000	Rs.900,000
Teen	1080	Rs.1200	Rs.1,296,000
			Rs.3,708,000

Sales	Unit	Cost/Unit	Total
Year 2022(Summer)			
Men(full design)	200	Rs.1800	Rs.360,000
Women(full design)	200	Rs.1800	Rs.360,000
Men	520	Rs.1200	Rs.624,000
Women	520	Rs.1200	Rs.624,000
Children	900	Rs.1000	Rs.900,000
Teen	1080	Rs.1200	Rs.1,296,000
			Rs.4,164,000

Sales	Unit	Cost/Unit	Total
Year 2022(Winter)			
Men(full design)	200	Rs.1800	Rs.360,000
Women(full design)	200	Rs.1800	Rs.360,000
Men	520	Rs.1200	Rs.624,000
Women	520	Rs.1200	Rs.624,000
Children	1080	Rs.1000	Rs.1,080,000
Teen	1260	Rs.1200	Rs.1,512,000
			Rs.4,560,000

Cost categorization:

- Website development cost
- Designing cost
- Transportation
- Printing

Variable Costs		Fixed Costs	
T-Shirt	200-250	Website Development	10,000
Tag Printing	5-7	Promotional Shoot Cost	50,000
Carriage Cost(stock lot)	10(4000)	Social Media Advertisements	7000
Designing Cost	300-400		
Printing Cost	200-1000	Celebrity packaging	50
Packaging Cost	4		
Total	719-1671	Total	67,050

Income Statement

Income Statement						
	Year 2022 (Winter)	Year 2022 (Summer)	Year 2021 (Winter)	Year 2021 (Summer)	Year 2020 (Winter)	Year 2020 (Summer)
Sales	Rs.4,560,000	Rs.4,164,000	Rs.3,708,000	Rs.3,096,000	Rs.2,568,000	Rs.2,172,000
Purchases	Rs.3,294,020	Rs.3,042,370	Rs.2,631,110	Rs.2,372,260	Rs.1,875,040	Rs.1,616,200
Opening Inventory	Rs.75,000	Rs.70,000	Rs.60,000	Rs.50,000	Rs 30,000	Rs.25,000
Less Closing Inventory	Rs.97,500	Rs.91,000	Rs.78,000	Rs.65,000	Rs 39,000	Rs.32,590

Repairs and maintenance	1k	-	1k	-	1k	-	1k	-	1k	-	1k	-
Taxes and licenses	300k	-	-	-	-	-	-	-	-	-	-	-
Travel	10k	10k	10k	10k	10k	10k	10k	10k	10k	10k	10k	10k
Utilities	30k	30k	30k	30k	30k	30k	30k	30k	30k	30k	30k	30k
Meals and entertainment	20k	20k	20k	20k	20k	20k	20k	20k	20k	20k	20k	20k
Miscellaneous	20k	20k	20k	20k	20k	20k	20k	20k	20k	20k	20k	20k
TOTAL(k)	463	160	159	160	159	160	159	160	159	160	159	160

Balance Sheet

Income Statement						
As period of end	Year 2022 (Winter)	Year 2022 (Summer)	Year 2021 (Winter)	Year 2021 (Summer)	Year 2020 (Winter)	Year 2020 (Summer)
Sales	Rs.4,560,000	Rs.4,164,000	Rs.3,708,000	Rs.3,096,000	Rs.2,568,000	Rs.2,172,000
Purchases	Rs.3,294,020	Rs.3,042,370	Rs.2,631,110	Rs.2,372,260	Rs.1,875,040	Rs.1,616,200
Opening Inventory	Rs.75,000	Rs.70,000	Rs.60,000	Rs.50,000	Rs 30,000	Rs.25,000
Less Closing Inventory	Rs.97,500	Rs.91,000	Rs.78,000	Rs.65,000	Rs 39,000	Rs.32,590
Total Current Assets	1,438,480	1,282,630	1,149,023	1,123,223	1,023,222	1,010,129
Accounts Payable	300,000	250,000	200,000	150,000	100,000	50000
Sales Tax Payable	50000	45000	40000	35000	30000	25000
Short Term Debit	10,000	10,000	10,000	10,000	10,000	10,000

Total current liabilities	600,000	500,000	450,000	400,000	350,000	300,000
Paid in Capital	6,000,000	5,500,000	5,000,000	4,500,000	4,000,000	3,500,000
Retained Earning	686,379	618,587	601,574	599,499	358,622	275,472
Total Owner Equity	1,534,223	1,423,322	1,223,321	1,122,232	10,222,121	992,221
Total Liabilities & Equity	2,242,121	2,133,112	2,045,765	1,924,554	1,832,543	1,735,324

Use of Funds

The business can be expanded through three options:

- Financing through retained profits
- Investments
- Partnership

Financing through retained earnings:

The business has earned some profits which will be used for financing and investing for further expansion.

Exit Strategy

If the business becomes successful the owners will potentially sell it for a substantial profit. When sales go low, we would focus on marketing and promotional activities. We will also offer discount coupons, promo codes, sales.

If customer preferences change we would provide them with: new designs, consider preferences and work on them if possible.