

CHAPTER 3: MARKETING PLAN

3.1 INTRODUCTION TO MARKETING

3.1.1 Marketing Objectives

1. To increase customers tendency to purchase the product offered.
2. To maintain and grow sales by promoting repeat sales.
3. To establish connections and engage with customers through social media platforms.

3.2 INTRODUCTION TO PRODUCT OR SERVICE

i.	The proposed product	: Perfumes
ii.	Brand	: The Scent Lab
iii.	Selling Price	: RM25.00
iv.	Product features	: Small and eco-friendly
v.	Product benefits	: Provide a long-lasting scent and increase serenity
vi.	Product uniqueness	: Using only natural ingredients

3.2.1 Market area and business location

We have chosen Emhub, Kota Damansara, 47810 Petaling Jaya, Selangor as the location for our business as it is undeniably a highly strategic spot. Residing in a developing area is a major contribution in growing the business. In addition, this location provides easy access to customers and at the same time being near to suppliers. Therefore, it is obviously seen as an excellent choice of business location.

3.2.2 Collect information and data of customers

An emerging township in Selangor, Kota Damansara, is just 20 minutes by car to the west of KLCC. It is a township that covers 16.2 km² or 4,000 acres. In between Subang and Petaling Jaya, it serves as a state seat constituency. The Sultan Abdul Aziz Shah Airport and the Rubber Research Institute of Malaysia are notable landmarks close by. Kota Damansara also known as Seksyen PJU 5 (Petaling Jaya Utara 5) and is divided into 13 sections.

According to the living standard in this particular area, citizens here have high living standard whom really prioritise how they smell. Hence, people who seek for a glimpse of professionalism and wealthiness find enchanted body scent contributed positively. Projecting a professional profile is crucial among these people and it obviously leads to a good first impression that will then surely carve a path to other possible things such as new business opportunities, occupations and many more.

3.2.3 Segmenting the market

1. Geographic

Kota Damansara is where the premise is located at, hence, we aim for residents that lives within 30 km radius from the premise. As Kota Damansara is a developing urban area and the population density is 38,000, it is undoubtedly an outstanding opportunity to kick-start a business.

2. Demographic

Citizens mostly have high and stable incomes of their own. Owning or renting a property in Kota Damansara alone requires huge amount of money. Thus, citizens of Kota Damansara can surely afford our product as it is only sold at a considerably low price. Mostly, both male and female living here are either youth, adult or elderly. This indicates that they are most likely to be students or employees. Majority of them are obviously employees as the cost of living here is definitely high. People around these ages emphasize the scent around them especially their bodies. Thus, our product will elevate their life comfort and standard.

3. Psychographic

Based on our observation, citizens of Kota Damansara pay extra attention to their physical appearance which focuses on how they smell. Moreover, they are also perfume enthusiasts. As our company produces perfumes, it will be a great opportunity to grow as our potential customers will always demand for our products.

3.3 TARGET MARKET

From the observation of the market segmentation above, we can conclude that our target market for this business is youth and adult with middle and high income which are also perfume enthusiasts.

3.4 MARKET SIZE

Table 6: Market size

Market Segment	Population	Target Market (%)	Target Market
Youth	4,000	55	2,200
Adult	9,000	45	4,050

Market Segment	Target Market	Potential Purchase RM	Total Potential Purchase (monthly) RM
Youth	2,200	35/month	$35 \times 2,200 = 77,000$
Adult	4,050	50/month	$50 \times 4,050 = 202,500$
TOTAL			RM 279,500

Market size per year = RM 3,354,000 ($279,500 \times 12$)

3.5 COMPETITORS

3.5.1 Analysis of Competitor

Table 7: Competitor Strengths and Weaknesses

Competitor	Strengths	Weaknesses
Competitor 1 Bath and Body Works	In order to guarantee that its products are constantly accessible in shops and online, BBW maintains a reliable supply chain. Due to this, client loyalty and satisfaction have been preserved.	Apart from skin and body care, the company's product line is quite homogenous. This may reduce the company's appeal to consumers who favour, for instance, natural or cruelty-free products.
Competitor 2 Victoria's Secret	Annual fashion show which is broadcasted on all significant fashion websites and networks. The show highlights both expensive fashion events as well as the newest trends for the season.	Majority of their stores are located in urban areas, and the brand has very little presence in rural areas. On the other hand, most markets are concentrating on these regions.
Competitor 3 Playboy	The Playboy Mansion has served as a site for events and as a brand showcase, functioning as a representation of exclusivity and luxury.	Playboy's magazine business has been impacted by the fall of print media, which has resulted in lower circulation and advertising revenue.

3.5.2 Analysis of The Scent Lab Opportunities and Threats

Table 8: Business Opportunities and Threats

Opportunities	Threats
1. Explore possibilities in rural market as the product is sold at low price	1. Difficulty convincing cost-conscious customer to spend
2. Acceptance of the internet as a marketing and customer service medium	2. Growing cost of employee benefits, which contributes to increased product prices

3.6 MARKET SHARE

3.6.1 Market Share before entry of The Scent Lab

Table 9: Market Share before entrance

Competitors	Market Share (%)	Market Share/ yearly (RM)
Bath and Body Works	45	1,509,300
Victoria's Secret	30	1,006,200
Playboy	25	838,500
Total	100	3,354,000

3.6.2 Market Share after entry of The Scent Lab

Table 10: Market Share after entrance

Competitors	Market Share (%)	Loss of Market Share (%)	Market Share (%)	Market yearly (RM)
Bath and Body Works	45	4	41	1,375,140
Victoria's Secret	30	4	26	872,040
Playboy	25	3	22	737,880
The Scent Lab	-	-	11	368,940
Total	100	11	100	3,354,000

3.7 SALES FORECAST

Table 11: Sales Forecast for three consecutive years

SALES PROJECTION / FORECAST		
Year	Month	Sales Collection
	Month 1	3,800
	Month 2	7,200
	Month 3	11,400
	Month 4	15,315
	Month 5	21,825
	Month 6	26,790
	Month 7	31,940
	Month 8	37,765
	Month 9	41,980
	Month 10	47,398
	Month 11	55,887
	Month 12	67640
2023	Total Year 1	368,940.00
2024	Total Year 2 (increase by 3%)	383,697.60
2025	Total Year 3 (increase by 5%)	402,882.48

3.8 MARKETING STRATEGY

3.8.1 Product or service strategy

The Scent Lab promises a high quality and eco-friendly product. It has a simple and minimalist packaging design which represents the serenity provided by the product. In addition, it is easy and quick to use. Not to forget that it is also lightweight and small in size. The visual of the product itself appears attractive to customers. The Scent Lab products are safe as we ensure the ingredients used are all from natural sources. The labelling on the packaging displays fragrance name, illustrations and volume.

3.8.2 Price strategy

Competition based pricing is what our company choose for pricing strategy. It is easier to set a price by comparing with current prices of what competitors offer.

Brand	Price (RM)
Bath and Body Works	40
Victoria's Secret	100
Playboy	90
The Scent Lab	25

3.8.3 Distribution strategy

1. Direct to customer

We retain our own products in stock and handle the product's sorting, packaging, and shipping when a customer makes a purchase. The products can be delivered without us needing to rely on outside parties. This offers us the ability to interact with customers directly and manage the fulfilment process as a whole. Moreover, it also puts us nearer to the customer, fostering ties and relationships and providing them with a first-hand understanding of who is purchasing our products and why.

2. Selling through retailers

This is the type of intermediaries that customers engage and are most familiar with. Retail establishments include stores, markets, online marketplaces, etc. Retailers can reach more audiences. They have a wider selection of products but buy fewer items than other intermediaries. Retail includes e-commerce sites like Shopee and Lazada. Since the world nowadays are at the tip of our finger, majority of people prefer online shopping rather than the traditional way mainly due to time and energy consumption.

3.8.4 Promotion strategy

1. Advertising

Advertising of the brand was displayed in plethora of media such as the newspapers, television, radio, internet and also signboard. We display our best products on the signboard and place them outside our premise to attract customers. This method had contributed in introducing the brand to new potential customers as well as encouraging and convincing current customers to continue purchasing our products.

2. Publicity

As social media plays a huge part in our daily life; it is undeniably a good initiative to take this advantage and use it as promoting platform. Influencers and artists have enormous number of followers. Thus, having them to promote and review our products will definitely lead to increasing sales.

3.9 MARKETING PERSONNEL

Table 12: Position and number of personnel

Position	Number Of Personnel
Sales Assistant	1
Total	1

3.10 SCHEDULE OF TASKS AND RESPONSIBILITIES

Table 13: Schedule of Tasks and Responsibilities

Position	Tasks and Responsibilities
Sales Assistant	<ul style="list-style-type: none"> i. Ensure high levels of customer satisfaction through excellent sales service ii. Recommend and display items that match customer needs iii. Maintain high standards for visual merchandising and store condition

3.11 SCHEDULE OF REMUNERATION

Table 14: Schedule of Remuneration

Position	No	Monthly salary (RM)	EPF Contribution (RM)	SOCSO Contribution (RM)	Total (RM)
Sales Assistant	1	1500.00	195.00	27.15	1,722.15

3.12 LIST OF OFFICE FURNITURE AND FITTINGS

Table 15: List of Office Furniture and Fittings

Item	Quantity	Price per unit (RM)	Total Cost (RM)
TOTAL			

3.13 LIST OF OFFICE EQUIPMENT

Table 16: List of Office Furniture and Fittings

Item	Quantity	Price per unit (RM)	Total Cost (RM)
Whiteboard	1 unit	250.00	250.00
Printer (Epson)	1 unit	3,000.00	3,000.00
Camera (Canon EOS 600D)	1 unit	1,700.00	1,700.00
Backdrop (Arctic white)	1 unit	828.00	828.00
Strobe Studio Flash Light Kit (Godox)	1 unit	1,450.00	1,450.00
Adobe Creative Suite 6 (CS6) Master Collection	1 unit	4,500.00	4,500.00
TOTAL			11,728.00

3.14 MARKETING BUDGET

MARKETING BUDGET				
Particulars	Fixed Assets Expenses (RM)	Monthly Expenses (RM)	Other Expenses (RM)	Total (RM)
Fixed Assets				
Signboard	1000.00			1000.00
Motor Vehicle	-			-
Office Furniture and fittings	-			-
Office Equipment	11,728.00			11,728.00
Working Capital				
Remuneration		1,722.15		1,722.15
Travelling expenses		-		-
Office supplies		-		-
Stationaries		150.00		150.00
Other Expenditure				
			-	-
Pre-Operations				
Deposit (rent, utilities, etc.)		-		-
Business Registration & Licenses	-			-
Insurance & Road Tax for Motor Vehicle			-	-
Other Pre-Operations Expenditure			-	-
Total	12728.00	1,872.15		14,600.15