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Finance and Marketing Speech

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# Niche Slide

As more households become two income families, the adults have less time to prepare meals. Going out to dinner eliminates the need to prepare a meal and offers time to catch up with each other. But what about health and cost?

Between Uni lectures, jobs, family and our social lives we often don’t find the time to prepare healthy meals to nourish ourselves. Instead, we turn to faster and easier option of takeaways or going out, and ultimately our health suffers with an added extra cost.

eCook aids people in making healthier choices as will as being cost effective and time efficient. The step by step recipes makes cooking simple and fun with the added benefit is learning how to cook and knowing exactly what is going inside you.

# Unique selling point

The unique selling point of eCook is it how it becomes a focal point where a user can get all the cooking information they need making it an electronic library of ones cooking predilections.

* Timer
* Encompasses load of cooking features needed in the kitchen
* Enrapturing the whole Cooking experience

# Marketing

We have kept the idea of the four P’s of marketing in the centre of out marketing research.

* Product: software that encompasses all the requirements of someone who is learning to cook, from the text of recipe information to the video demonstration of the cooking process. eCook is holding the hands of its users and walking them through the cooking process. We know that just by making people move from questionable take out to home cook meals, they are trading an unhealthy lifestyle for a healthier one.
* Place: Our niche is a student, where better to find them than university campuses. (Promotion:)By making apparent to them, the health and cost consequences of take out over home cooked meals and showing them that the highest percentage of “food group” they consume is not even food, but emulsifiers and preservatives, we expect them to accept the move and integrate eCook into their lives.
* Price: Through a survey of university students run by Spoon, we have derived a comfortable price of $5.50 for eCook further supported by the absurd price of its competitors reaching a startling $30.

# Target Market

Initially we aimed for our target market to be university students, however recognising that the unhealthy takeout lifestyle extends beyond the university campuses into working families, we as a group have decided to expand our product’s scope to a wider target market. Not only including university and university aged students, working families and teenagers looking to gain cooking ability.

Old people outside of this because the number of old people who cannot cook and are looking to learn how to cook and ALSO have laptops and are willing t

o pay for eCook is too small.

Low-income persons are also excluded as the aim of eCook eating healthy, is lost in this demographic.

# Market Analysis

* The Spoon survey run asked the participants if they would buy for software like eCook. Of the participants, 84% said that indeed, they would be willing to pay.
* This means that just as big a market or bigger is looking to eat healthier.
* The health angle of eCook is not just a fantasy; it is rooted in reality where we are in the middle of obesity epidemic.
* Once considered a problem only of high-income countries, obesity rates are rising worldwide. These increases have been felt most dramatically in urban settings
* The top five countries with the highest obesity rates are as follows: Mexico, United States, United Kingdom, Canada and Australia. All of which are viable targets for eCook particularly the US and UK.

Future-

-eCook mobile, even easier accessibility to tonnes of recipes

-Social media app where users can share pictures of cooked food linking to eCook (further permeation of market increasing market presence)

# Competitors

Although is there a gap in the market for interactive cooking there are competitors that eCook will be faced with. To overcome competition we have been researching on key aspects of the competitor’s techniques and unique selling points and trying to make a place for eCook in the market. Some of the key aspects that we have been researching into are:

* The prices they charge
* The devices they employ to enhance customer loyalty
* How they Distribute and Deliver
* Their brand and design values
* Their media Activities

After comparing each company in this sector (higher end or low) we have come to the conclusion of making eCook suitable for anyone who wants a healthier, easier and cheaper way of cooking rather than just university students that was what we had planned initially.

# Finance

Considering the market research made, we have looked closely into the selling price of the product and the packages.

We have been working towards forecasting the sales revenue of the product also financially analysing the business currently and for the near future.

Let me start by first talking about the selling prices and then how we came about achieving a selling price for the product and the packages.

# Selling Price

The price you charge your customers or clients will have a direct effect on the success of your business. After having analysed different types of costing systems we decided to use marginal costing system as this allows us only treat the cost of sales as the product cost and overheads as the period costs.

We have come to the conclusion of selling eCook at £5.50 and there are various aspects or marketing and budgeting, which have, contributes to this. After have done the product idea survey and final product sales survey it was concluded by the consumers what and average cost of £5.50 would be suitable for this product and they now being the extended market would be willing to purchase it for this price.

Considering that we are not comparing this price wit the selling price of apps, £5.50 is in between the higher end products which go up to £30 and the lower end products which sell at around £2.50. In the future once the company has been established into the market and created awareness of its brand name and added functionality we are planning to increase the selling price. We are also looking into making app versions of the software, which will sell on the iOS and Android market.

As for the packages sold by eCook we are planning to sell these at a price of £8 for celebrity chef packages and anywhere between £1 - £5 for the lesser-known chefs. Out of this we aim take some cut from the profit.

# Sales Revenue

Once we calculated out costs and liabilities from the business plan we realised that we needed 20,000 copies of eCook to be sold at £5.50 to breakeven at this current moment in time.

As shown on the profit and loss statement:

The sales Revenue is:

Taking cost of sales into consideration the gross profit is then:

And finally taking the overheads such as…. into consideration the net profit becomes:

# Financial Analysis

After the first quarter, we are able to pay back some of our loan thus decreasing the interest rate

The remaining loan drops to £28,971.15 with an interest value of £1,628.18 payable at the end of the second quarter

By the end of the third quarter (June 2015) our loan is fully repaid and we have a gross profit of £25640.12

After the first year of projected sales years we will make £53,827.62 profit minus the shareholders equity

# Business Plan Forecast

Strategies:

Adding extra functionality to eCook

Careful consideration of assets and liabilities as investments need to be returned with interest

Product should still break-even and start making profit