

# Business Plan

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# 1 Executive Summary

Menuscan is an app used to scan menus to give more detail on certain dishes, and to hide items with certain allergens in them.

Menuscan can start without contact with businesses, using computer vision on the menus to get all the information it needs. However, as Menuscan grows we will gain sponsorship from businesses to promote certain deals in an overlay on their menu.

Menuscan can also have a long term goal of using all the data from the scanned menus, combined with location to provide a search feature to allow you to see where nearby serves certain dishes.

Another source of revenue would be normal advertising within the app, there are no plans to have any cost to the user of using the app.

## 2 Business Details

I am a one person developer aiming to produce the app at a low cost, the app will combine computer knowledge and processing with physical menus to give more information to people at restaurants. The target market for this business is everyone visiting restaurants and this is a for profit enterprise. The app should take 4 months to get an initial design and then continued development to add new features. This is a digital business in the technology sector, but it also has overlaps with the food industry. The longer term vision for this company is to continue developing features and increasing the reach of the company to allow it to grow.

### 2.1 Value Proposition

This business is different as nothing like this currently exists on the market. The current closest competitor would be the customer using google to search the items on the menu, but the increased friction of this process would allow my business to thrive.

This offering uses the ease of scalability within the technology sector to allow it to grow quickly and internationally. The speed of production for a product in the technology industry will allow me to start generating revenue after only 4 months, a huge advantage for the company. The ease to which updates can be provided to technological products is also an advantage as even in its infancy the app may be attractive to customers because they know that there will be continuous improvements.

This product offers customers an easier understanding of the items on the menu. It also provides restaurants with an opportunity to advertise with us, so that the view the customer sees would promote certain deals. As features develop there may be other ways that we could attract restaurants, for example by scanning menus we are able to get all the menu details of restaurants. This data could then be used in a searchable form so that customers could search for a certain dish and the restaurants what serve it would be shown, with promoted restaurants at the top.

We may consider applying for a patent for some of our intellectual property, but being first to market should give us enough advantage over any small company, the only concern would be if a large company created an imitation.

### 2.2 Business Model Canvas

This can be found in appendix A.1

## **2.3 SWOT Analysis**

This can be found in appendix A.2. Overall I think that the company passes the SWOT analysis as no critical flaws have been found with the business.

## **3 Industry and Market analysis**

The overall macro context in respect to how receptive the market would be to my venture is that there has been an increased demand in the restaurant industry with products such as Just Eat and Deliveroo, however there hasn't been as much growth in the sit in restaurant sector, so this new development could help revitalize that. But we do need to be aware of the lack of growth in restaurants as a possible problem with our business as they may be going out of fashion.

Our company spans two industries, the technology industry and the restaurant industry. The technology industry is highly competitive, but there is also a lot of growth and high demand. The restaurant industry is competitive, but is much more stagnant than the technology industry and is less receptive to disruption.

The market we are in has plenty of room for growth as there is no other company offering the exact service we provide. The closest competitor would be people googling items on the menu, but with the better ease of use, alongside extended functionality, our company should be able to thrive.

Into the future we hope that the company is successful in the market, allowing for further development as revenue increases. Developing more features could allow for additional revenue streams, alongside providing increased functionality to the user, making the app more appealing.

## **4 Customers and value proposition**

Our target customers for this product is all customers going to restaurants. This provides a very large client base. Using the scalability and ease of distribution of products in the technology sector we will be able to make this initially available to all English-speaking people. We will interact with these customers through official product pages, support contacts, through the app and through social media channels.

### **4.1 PESTEL Analysis**

This can be found in appendix B.1. There are no obvious issues found here, and we are happy to continue with the venture after doing this analysis.

## **5 Marketing strategy**

We plan to use a range of activities in order to promote our service, this will range from social media communications to a variety of advertising through apps, on the web, on billboards and through influencers.

<b>Price</b>	This will appeal to customers as it is free
<b>Product</b>	<ul style="list-style-type: none"> <li>• This satisfies customers who don't understand items on a menu</li> <li>• It has the feature of showing images and descriptions of items on a menu</li> <li>• The customer will use it on the app in restaurants</li> <li>• It is called MenuScan</li> <li>• It is differentiated as there is not another product on the market that does this</li> </ul>
<b>Promotion</b>	<ul style="list-style-type: none"> <li>• Promotion can be done through many channels <ul style="list-style-type: none"> <li>– Online</li> <li>– Billboards</li> <li>– TV</li> </ul> </li> <li>• There isn't a lot of seasonality in the market, however targeted advertisements around Mother's Day, Father's Day and Valentines could prove useful</li> </ul>
<b>Place</b>	This product will be available on the Android and iOS app stores

## 6 Operations plan

The product will be produced in WeWork offices, these are £250 per month for a hotdesk and so are cheaper than an office, alongside coming with all maintenance etc. covered. No more equipment will need to be purchased as the products can be produced using my current computers. The logistics for the product will be simple as it is a digital product, so it can be uploaded to app stores and instantly distributed to customers around the world. The production process will be done solely by me in order to reduce costs, I will start on development of the Android app due to the larger market share and that should be complete in 4 months, and then the iOS app should take a further 4 months.

Due to my knowledge of IT systems no external people will be needed to help set up the IT systems. In terms of my capability, as I am a sole person, I can only work on one project at once, increasing the team size would allow for simultaneous development, but I haven't deemed the additional cost worth it in order to speed up production. As this is a digital product no supply chain will be needed, further cutting costs. There will be additional costs for accounting and marketing as I do not have the necessary skills. The calculated development lead time will be 4 months.

## 7 Management team and company structure

The company will start very small, with only me as a permanent employee and outsourcing marketing and accounting to temporary workers.

I have expertise in Programming and am enrolled in a Computer Science Degree, so I have the capability to make the app, but I do not have the skills for marketing or accounting so those will be outsourced.

## 8 Financing and Financial Projections

The table for the financials can be found in appendix C. These show that the breakeven point will be reached in 11 months. Initial capital of £5664 will be needed to sustain the company before it starts making profit.

## 9 Risk and Strategic options

One of the risks to the company would be competitor action. Against another start-up we would have the first mover advantage and so I believe that our market penetration and industry contacts gained over that time would allow us to succeed and the imitator company fail. However, against a larger company, their significantly larger resources for things such as marketing and development would allow them to succeed over us. If this was to happen I believe that it would be best to change our business model somehow to fit in alongside them.

Another risk is commercial issues, such as not getting enough revenue. This would happen if companies didn't take to sponsoring us as much as expected, if this was to happen then we would have to find additional funding to give us time to grow and so become more attractive to sponsors. This additional funding would be best sought from venture capital firms, but if in a small amount could also be sought as a loan from a bank.

If we were to have issues with operations, such as slower production than expected, then we would need additional funding to continue development, this would be sought in the same way as for commercial issues.

While I am the sole employee there will be no issues, as long as there is enough money for a living wage. When it comes to expanding the business we would hire employees with skill in proportion to the amount of money we are able to give them. We would potentially hire temporary workers to start with to have increased flexibility.

If there was any disaster with the offices, as we are working out of WeWork offices we would be compensated and would be able to move to alternate offices without having to deal with any of the issues. If there was a disaster regarding data, all the code would be regularly backed up and so could not be lost.

## 10 Key Milestones

1. Start Development
2. Launch
3. First Sponsor
4. Breakeven Point
5. Hiring another employee

# Appendices

## A Business Details

### A.1 Business Model Canvas

Value Propositions	<ul style="list-style-type: none"> <li>• Find out what the items on a menu are</li> <li>• Allows restaurants to promote deals when their menus are scanned</li> </ul>
Key Activities	<ul style="list-style-type: none"> <li>• Service development and maintenance</li> <li>• Marketing and ads</li> <li>• Operations</li> </ul>
Key Resources	<ul style="list-style-type: none"> <li>• Tech Platform</li> <li>• Talented employees</li> <li>• Brand</li> </ul>
Key Partners	<ul style="list-style-type: none"> <li>• Computer Vision Companies</li> <li>• Image provision companies</li> <li>• Investors</li> <li>• Dictionary/description companies</li> </ul>
Customer Segments	<ul style="list-style-type: none"> <li>• People who don't know what an item on a menu is</li> </ul>
Customer Relationships	<ul style="list-style-type: none"> <li>• Review of result system</li> <li>• Social Media Channels</li> <li>• Official Product Pages</li> <li>• Support contact</li> </ul>
Channels	<ul style="list-style-type: none"> <li>• The app</li> </ul>
Cost Structure	<ul style="list-style-type: none"> <li>• Software development</li> <li>• Business expenses</li> <li>• Image royalties</li> </ul>
Revenue Streams	<ul style="list-style-type: none"> <li>• Ads</li> <li>• Restaurants pay to have their deals shown when the menu is scanned.</li> </ul>

## A.2 SWOT Analysis

Strengths	<ul style="list-style-type: none"> <li>• First to the market with this idea</li> <li>• Give more details on menus more than anyone else</li> <li>• Can draw upon personal programming expertise</li> <li>• People in the market see us being free as a strength</li> </ul>
Weaknesses	<ul style="list-style-type: none"> <li>• Improve feature set</li> <li>• Avoid poor user experience leading to a slow experience</li> <li>• Avoid the interface becoming so cluttered with ads it is difficult to use</li> <li>• People in the market will see our small size as a weakness</li> <li>• Bad customer relations could lose sales</li> </ul>
Opportunities	<ul style="list-style-type: none"> <li>• Improve feature set</li> <li>• Avoid poor user experience leading to a slow experience</li> <li>• Avoid the interface becoming so cluttered with ads it is difficult to use</li> <li>• People in the market will see our small size as a weakness</li> <li>• Bad customer relations could lose sales</li> </ul>
Threats	<ul style="list-style-type: none"> <li>• A larger company could see our app idea and could potentially easily replicate it</li> <li>• If development takes longer than expected then cash flow could be a problem</li> </ul>

## B Customers and Value Proposition

### B.1 PESTEL Analysis

Political	There are no government policies which could impact the company
Economic	With economic growth more people would visit restaurants, and so the app would have more use
Social	A young and technologically apt group of customers would be best for using this product. Luckily there is a social trend towards increased technological awareness
Technological	As the technological landscape changed we will have to change features, but in its current state the app seems to fit in well
Environmental	The app uses no resources so there are not environmental concerns with that. Using a co-working space is very environmentally friendly.
Legal	We will hire an external legal expert to ensure that everything is done to code, there doesn't seem to be any large legal issues that would prevent the company's existence.

## C Financials



	January	February	March	April	May	June	July	August	September	October	November	December
Cost					50	50	50	50	50	55	55	55
Number of Units					10	20	30	40	50	60	70	80
Sales					500	1000	1500	2000	2500	3300	3850	4400
<b>Variable Costs</b>	0	0	0	0	0	0	0	0	0	0	0	0
<b>Fixed Costs</b>												
Rent(WeWork)	250	250	250	250	250	250	250	250	250	250	250	250
Wages	944	944	944	944	944	944	944	944	944	944	944	944
Marketing												
<b>Total Fixed Costs</b>	1194	1194	1194	1194	1194	1194	1194	1194	1194	1194	1194	1194
<b>Balance</b>	-1194	-1194	-1194	-1194	-694	-194	306	806	1306	2106	2656	3206
<b>Brought Forward</b>	0	-1194	-2388	-3582	-4776	-5470	-5664	-5358	-4552	-3246	-1140	1516
<b>Actual Balance</b>	-1194	-2388	-3582	-4776	-5470	-5664	-5358	-4552	-3246	-1140	1516	4722

**Breakeven Point**

