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FACULTY OF ACCOUNTANCY, FINANCE AND BUSINESS
DIPLOMA IN FINANCE AND INVESTMENT DFI2S3G1

ABDM3574 ENTREPRENEURSHIP



Title of Assignment: Business Plan

Name of the Business: G&C Sdn. Bhd

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PROJECT ASSIGNMENT EVALUATION

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Product: Portable Air Cooler

Organisation: G&C Sdn Bhd

Coursework: Group Project/Assignment

#	Criteria	Total	Score	Remarks
1.	Executive Summary (5a) <ul style="list-style-type: none">○ Informative, clear & in order.○ Completeness of summary.	10		
2.	Venture Team/Company Description (5b) <ul style="list-style-type: none">○ Formation of organisation.○ Goals and objectives of venture.○ Role played of team member.	10		
3.	Business idea relating to this venture (5c) <ul style="list-style-type: none">○ Creation of idea/opportunity.○ Quality of the opportunity.	10		
4.	Business opportunity analysis (5d) <ul style="list-style-type: none">○ Industry analysis.○ Market analysis.○ Competitor analysis.	10		
5.	Business model of the venture (5e) <ul style="list-style-type: none">○ Market segmentation.○ Target market.○ Product attribute mapping.	10		

6.	Marketing plan on the business (5f) o Marketing mix. o Marketing strategy (location, packaging, quality and etc.).	10		
7.	Product design and development (5g) o Description of product. o Design and development of product. o Production and preparation of product.	10		
8.	Financial projections (I) (5h) o Sources of funds (for new product). o Uses of funds (for new product). o Assumptions – breakdown of costs and revenues that lead to the financial projections.	10		
9.	Financial projections (II) (5h) o 3 years Pro-forma Income Statement, Pro-forma Cash Flow and Pro-forma Balance Sheet (yearly basis)	10		
10.	Quality of the written assignment o Cover page – layout, completeness, informative. o Quality of document – Structure, layout, length of document, and etc. o Language, clarity, readability, and etc. o Relevancy of References and/or appendix. o Documents attached – relevancy.	10		
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SUMMARY

G&C Sdn Bhd is a private limited company which was established on 1st January 2021. It is a company that manufactures mini portable air coolers. We aimed to become the world's most environmentally friendly company and hopes to provide a better life for people. The tagline of our company is Tech In Fresh Out. It matches our product which is a 3-in-1 mini portable air cooler called "Circle Seal". This is because there is innovative technology in the production of our products and the air coolers are able to produce cool and fresh air to the surroundings.

Before launching our new product, we had done a survey to identify our target market and consumers' buying behaviour. In Malaysia, people enjoy tropical weather throughout the year and sometimes it will be hot for them. Most people usually prefer a cool environment rather than a hot one. Hence, we came up with the idea to produce air coolers so that people can always stay in a healthy environment whenever and wherever they are. Based on our survey, most of the people are willing to pay RM 10-40000 for an air cooler. So we set our price within this range so that it is affordable for everyone.

Furthermore, we have a few competitive advantages against our competitor. Our products are multifunctional as they provide the function of air cooling, humidification, purification, diffusion and can be used as a LED lamp. It is unique as we can use solar panels to charge our air cooler. In this case, the consumers no need to worry when they forget to charge their air coolers. Our products are eco-friendly because the technology we use helps in substantial energy savings. And also, it is convenient and easy to access.

In financial projection, the total start-up budget is around RM44000.705. It includes the capital expenditure, working capital, other expenditure and contingency fund. The initial capital that the founders invest in is about RM100K-RM150K. We also obtain a RM300,000 of bank loan in order to run the business successfully. In addition, our first year sales projection in 2021 is RM1,000,000. We expect that the sales for the following years will be increased by 15% and the projected sales will be RM1,500,000 in 2022 and RM1,032,160 in 2023. The durable quality product with the attractive features at a reasonable price allows G&C to boost the sales.

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EXECUTIVE SUMMARY

G&C Sdn Bhd is a private limited company which was established on 1st January 2021. It is a company that manufactures mini portable air coolers. We aimed to become the world's most environmentally friendly company and hope that can provide a better life for people. The tagline of our company is Tech In Fresh Out. It matches our product which is a 3-in-1 mini portable air cooler called "Cooler Seal". This is because there is innovative technology in the production of our products and the air coolers are able to produce cool and fresh air to the surroundings.

Before launching our new product, we had done a survey to identify our target market and consumers' buying behaviour. In Malaysia, people enjoy tropical weather throughout the year and sometimes it will be too hot for them. Most people would prefer a cool environment rather than a hot one. Hence, we come up with the idea to produce air coolers so that people can always stay in a breezy environment whenever and wherever they are. Based on our survey, most of the people are willing to pay RM150-RM200 for an air cooler. So we set our price within this range so that it is affordable for everyone.

Furthermore, we have a few competitive advantages against our competitors. Our products are multifunctional as they provide the features of air cooling, humidification, purification, diffusion and can be used as a LED lamp. It is unique as we can use solar panels to charge our air cooler. In this case, the consumers no need to worry when they forget to charge their air coolers. Our products are eco-friendly because the technology we use helps in substantial energy savings. And also, it is convenient and easy to access.

In financial projections, the total start-up budget is around RM408,705. It includes the capital expenditure, working capital, other expenditure and contingency cost. The initial capital that the co-founders invest in is about RM108,705. We also obtain a RM300,000 of bank loan in order to run the business successfully. In addition, our first year sales projection in 2021 is RM1,600,000. We expect that the sales for the following years will be increased by 1% and the projected sales will be RM1,616,000 in 2022 and RM1,632,160 in 2023. The desirable quality product with the attractive features at a reasonable price allows G&C to boost the sales.

1. COMPANY DESCRIPTION

1.1 General description of business/Introduction of company

G&C Sdn Bhd is a private limited company that manufactures air coolers. The company was established on 1st January 2021. G&C was founded by Oon Yi Shien with his 4 university college friends who wanted to own a business. After discussion, we decided to open our first headquarter in Penang, Malaysia.

Diagram below (Figure 1.1.1) shows G&C's company logo. As you can see, the logo designed like a house is because we hope that five of us can unite as a family to manage the company together.



Figure 1.1.1: Company Logo

Our company name is G&C. The alphabet 'G&C' means Greening and Convenient, which means that our company will always meet the needs of the customers under the premise of protecting the natural environment and let our customer use the product to fulfil their needs more conveniently. So, we hope that our product which is a 3-in-1 mini portable air cooler can help our customers to feel coolzy all day and everywhere they are.

Our business idea is coming from when we are searching for what kind of business or product that we can do to build up our business, we found that one kind of thing is really needed in Malaysia. As we know, in Malaysia there are no so-called four seasons, the temperature in Malaysia is like summer all year round. So, the air conditional is a must for every family. However, air-conditioner is still a bit harmful to the environment when we overuse it and it is also not so convenient because air conditioning has not allowed us to take it everywhere. So,

even air conditioning is a very popular product to Malaysian, but it goes against the vision and mission of our company.

1.2 Products or Services

G&C has designed an advanced air cooler with innovative and evaporative technology that brings a lot of convenience to our users. It will be projected to launch to the market in 2021. Our 3-in-1 mini portable air cooler called “Cooler Seal”. It is a portable built-in device that users can use all the functions like air cooling, humidifier, and purifier anytime and anywhere. This mini cooler is also built with a solar panel, so the users do not need to worry about low battery problems.

1.3 Vision

G&C is aimed to become the world’s most environmentally friendly company in the 21st century and can see our products in every home and everywhere with innovative convenient products and useful in creating a better life for people.

1.4 Mission

G&C is committed to designing and manufacturing products that are friendly to the environment and convenient. Our products provide customers an efficient way to fulfil their daily needs issues by offering the highest quality of the air.

1.5 Objective

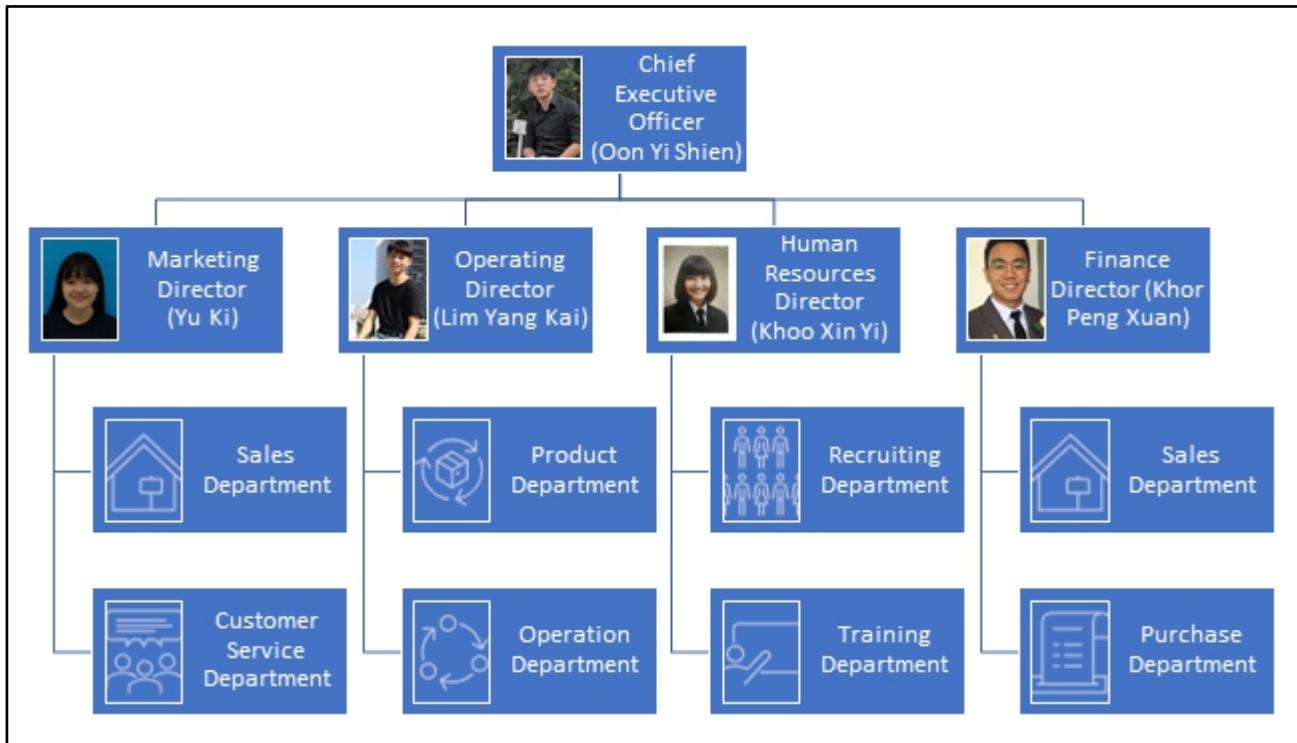
1. Having 5 branches in Malaysia by 2023.
2. Increase market share by 30% in 2021-2023.
3. Achieve annual profit of at least RM2,000,000 in 2021-2023.

1.6 Profile of Founders & Company Ownership Structure

	<p>OON YИ SHIEN</p> <ul style="list-style-type: none">✧ Chief Executive Officer (CEO)✧ Making major corporate decisions, managing the overall operations and resources of a company.✧ Work as a sales promoter in Gurney Plaza, Penang for 5 months.✧ Tunku Abdul Rahman University College, Penang - Diploma in Finance and Investment (DFI).
	<p>YU KI</p> <ul style="list-style-type: none">✧ Marketing Director✧ Responsible for our company's marketing and communications strategies, as well as overall branding and image.✧ Have 5 months' experience as a part time sales promoter in Kedah.✧ Tunku Abdul Rahman University College, Penang - Diploma in Finance and Investment (DFI).
	<p>LIM YANG KAI</p> <ul style="list-style-type: none">✧ Operating Director✧ Manage the implementation of business guidelines and strategies, ensure everything runs smoothly and in accordance with guidelines.✧ Work as a sales promoter in Time Square, Penang for 5 months.✧ Tunku Abdul Rahman University College, Penang - Diploma in Finance and Investment (DFI).

	<p>KHOO XIN YI</p> <ul style="list-style-type: none"> ❖ Human Resources Director ❖ Khoo Xin Yi is the human resources manager at G&C. ❖ Responsible for the smooth and profitable operation of a company's human resources department. ❖ Have 6 months' work experience in a restaurant, Penang for 5 months. ❖ Tunku Abdul Rahman University College, Penang - Diploma in Finance and Investment (DFI).
	<p>KHOR PENG XUAN</p> <ul style="list-style-type: none"> ❖ Finance Director ❖ Khor Peng Xuan is the finance manager at G&C. ❖ Track cash flow and financial plans, analyze the company's financial strengths and weaknesses, and propose corrective measures. ❖ Work as a sales promoter in Tesco, Penang for 5 months ❖ Tunku Abdul Rahman University College, Penang - Diploma in Finance and Investment (DFI).

ORGANIZATION CHART



2. BUSINESS IDEA AND OPPORTUNITY ANALYSIS

2.1 IDEA GENERATION

Our business ideas are generated from having to live in a hot country for a long time. As we all notice that Malaysia has a tropical rainforest climate due to its proximity to the equator. It is a hot and humid country throughout the year, with an average temperature of 30°C and almost no variability in the yearly temperature. No matter if we are working outside or staying indoors, we cannot avoid enduring the hot climate. Besides, prolonged exposure to the hot sun may cause us heat stroke. Most of us hope that we can always stay in a cool and comfortable place to work or do anything. In this situation, we will think of air conditioning. However, we can't take the air conditioner anywhere we go. Even at home, we will not install air conditioners in all corners. So, mostly Malaysians are finding a way to get comfort especially during day events since the air conditionality cannot meet their needs. Therefore, we had an idea of manufacturing a mini portable air cooler that is easy and portable for the people to bring everywhere.

Moreover, we found that the conventional air cooler only focused on a specific function. Hence, we want to integrate more functions to solve the problems that people faced. The hot climate and haze problem in Malaysia had inspired us. There is no denying that the occurrence of haze can cause diseases such as asthma. Therefore, we include another two functions which are humidification and purification in our product, so that everyone can breathe cleaner air. The 3-in-1 mini portable air cooler can replace others products due to its multifunction so it is convenient for the user.

2.2 OPPORTUNITY ANALYSIS

One of the essential qualities is **attractive**. With the improvement of standard of living they are now paying more attention to their health, everyone wants clean air. However, the study shows that 92% of the people living in cities have unhealthy breathing (Get in the Ring n.d.). Therefore, people will start to focus on some environmentally friendly product in order to protect the environment. So, having a healthier living environment is a current trend in the market now and growth predicted to accelerate in 2021. Meanwhile, our business has real demand in the market.

The second essential qualities are **durable**. As we know, in Malaysia because of the hot weather it caused the Malaysian people to rely heavily on equipment such as air conditioners. Our products can meet their needs just like air conditioners and even better than the traditional air conditional. Because our product can be easily brought to anywhere with you and will not let you feel sultry for a second. So, based on the above that I mention, I can say that our product is one of the daily necessity things to every one of us and it will be consistent over time.

Furthermore, **timely** is also one of the essential qualities. Due to the economic trend right now I think that it is the right timing to enter the market because the Covid-19 pandemic has seriously impacted the Malaysia economy. In 2019, the unemployment rate of Malaysia shows there are 508,200 individuals unemployed (Arjuna Chandran Shankar 2020). The downturn of the economy means that people are not allowed to spend too much money. Then the people who are looking for air-conditional products will be looking for a cheaper product which has the same function as air-conditional instead of spending a huge amount of money to install an air-conditioner.

Lastly, I think that our final product has brought **value** to our customer. It is because our product may fulfill a lot of Malaysian's needs. For example, people nowadays will be more inclined to environmentally friendly products. It is because they want to take care of the environment in order to take care of themselves and their living places. Also our products are multifunctional products, it can meet the different needs of different customers. Therefore, our products definitely have a certain value and demand for them.

3. INDUSTRY ANALYSIS

3.1 DESCRIPTIVE ANALYSIS OF THE ANALYSIS

Firstly, there are 3 product categories in the air treatment industry which are air purifiers, air cooling and dehumidifiers. Based on table 3.1.1, there are 3,854,600 units of air treatment products sold in 2016, 3,871,000 units sold in 2017, 3,941,800 units sold in 2018, 4,056,900 units sold in 2019 and ultimately 3,968,400 units of air treatment products sold in 2020 although Covid-19 pandemic hit our country economy deeply. In the forecast period of 2021 to 2028, the air treatment market is projected to expand at a compound annual growth rate of 8.50% (Data Bridge Market Research n.d.).

Table 1 Sales of Air Treatment Products by Category: Volume 2015-2020						
'000 units	2015	2016	2017	2018	2019	2020
Air Purifiers	161.8	177.3	155.0	157.9	163.5	169.7
Cooling	3,642.9	3,676.6	3,715.2	3,783.0	3,892.5	3,797.9
- Air Conditioners	1,322.2	1,315.5	1,310.7	1,329.7	1,361.7	1,329.6
-- Portable Room Air Conditioners	80.6	76.3	72.1	69.3	69.8	68.8
-- Split Air Conditioners	1,241.6	1,239.2	1,238.7	1,260.4	1,291.9	1,260.9
-- Window Air Conditioners	-	-	-	-	-	-
- Air Coolers	110.6	111.1	111.7	112.5	115.3	113.1
- Cooling Fans	2,210.2	2,250.0	2,292.7	2,340.9	2,415.6	2,355.2
Dehumidifiers	0.7	0.8	0.8	0.8	0.9	0.9
Humidifiers	-	-	-	-	-	-
Air Treatment Products	3,805.5	3,854.6	3,871.0	3,941.8	4,056.9	3,968.4

Source: Euromonitor International from official statistics, trade associations, trade press, company research, stock checks, trade interviews, trade sources.

Table 3.1.1: Sales volume of air treatment product

Next, a 0.8% of compound annual growth rate within 5 years in sales volume. Moreover, a 4.3% growth rate from 2015 to 2020 reflects that demand for air treatment products is increasing over time (Euromonitor International 2021). Table 3.1.2 shows 2.2% falls in sales volume of air

treatment products from 2019 to 2020. The reason for a drop of 2.18% in sales is because Covid-19 pandemic hit our economy deeply and everyone is forced to work from home.

Table 3 Sales of Air Treatment Products by Category: % Volume Growth 2015-2020

% volume growth	2019/20	2015-20 CAGR	2015/20 Total
Air Purifiers	3.8	1.0	4.9
Cooling	-2.4	0.8	4.3
- Air Conditioners	-2.4	0.1	0.6
-- Portable Room Air Conditioners	-1.5	-3.1	-14.7
-- Split Air Conditioners	-2.4	0.3	1.6
-- Window Air Conditioners	-	-	-
- Air Coolers	-1.9	0.4	2.3
- Cooling Fans	-2.5	1.3	6.6
Dehumidifiers	-2.5	2.9	15.6
Humidifiers	-	-	-
Air Treatment Products	-2.2	0.8	4.3

Source: Euromonitor International from official statistics, trade associations, trade press, company research, stock checks, trade interviews, trade sources.

Table 3.1.2: Sales volume growth of air treatment products

Table 3.1.3 shows the top 3 brand shares in this industry to Panasonic Malaysia Sdn Bhd, Khind Holdings Bhd and, KDK Fans (M) Sdn Bhd. The competitive landscape has shown that the brand shares are 25.1%, 15.9%, 12.5% respectively among the brand share of air treatment. The concentration of the current air treatment industry is highly concentrated due to these 3 companies having accounted for 53.5% of the air treatment market. From this data we can conclude that the brand shares of Panasonic Malaysia Sdn Bhd is the highest percentage in this market industry.

Table 7 LBN Brand Shares of Air Treatment Products: % Volume 2017-2020

% retail volume Brand (GBO)	Company (NBO)	2017	2018	2019	2020
Panasonic (Panasonic Corp)	Panasonic Malaysia Sdn Bhd	24.1	24.5	24.8	25.1
KdK (Panasonic Corp)	KDK Fans (M) Sdn Bhd	12.0	12.1	12.4	12.5
Khind	Khind Holdings Bhd	11.6	12.1	12.4	12.4

Source: Euromonitor International from official statistics, trade associations, trade press, company research, stock checks, trade interviews, trade sources.

Table 3.1.3 Top 3 brand shares in air treatment industry

3.2 PEST ANALYSIS

POLITICAL ACTION AND REGULATORY CHANGE

According to Regulation 101A (3) of the Electricity Regulations of 1994, any equipment that meets all the criteria for efficient use of electricity under sub regulation shall be affixed with an efficiency rating mark in such type and manner as the Commission may decide (Energy Commission n.d.a). Furthermore, Regulation 97C requires any manufacturer who has been given a Certificate of Registration to apply a test report demonstrating that the equipment complies with the Commission's recognized safety standards (Energy Commission n.d.b). In short, the product of G&C should meet the requirements required by government Malaysia to ensure our product is beneficial to the public.

ECONOMIC FORCES

Malaysia's economic growth, as calculated by gross domestic product (GDP), is forecast to be between 6% and 7.5 percent in 2021, according to Bank Negara Malaysia (BNM) (Wong 2021). An increase from negative GDP to positive GDP reflects that Malaysia economy is on track and under recovery stage. Malaysia's median income was RM5,873 in 2019, while the mean income was RM7,901 in 2019. Furthermore, median income increased by 4.2 percent in 2019 (Department of Statistics Malaysia Official Portal 2020). To conclude, Malaysian citizens' monthly income increases gradually thus their purchasing power and real income may increase too. We believe an increase in real income may bring a positive demand towards our products.

SOCIAL FORCES

Consumers no longer make purchasing decisions solely based on product quality and price. Consumers today are even more demanding, and they have shown a strong preference for environmental and people-friendly businesses. According to the survey, 55% of respondents are willing to pay more for products/services from companies that have a “positive social and environmental effect” (Gonnet 2021a). Simply put, if you're not people-friendly and committed to environmental protection, your market share is diminishing (Gonnet 2021b). As our air cooler is an eco-friendly product, we believe that our product may fit the needs of the public.

TECHNOLOGICAL ADVANCES

Evaporative air cooling is a natural form of cooling. This breeze reduces the temperature and gives a calming cooling feeling to those who are exposed to it. The evaporation of water cools the air in an evaporative air cooler. In dryer conditions, the temperature drop would be greater since the lower the humidity, the more evaporation occurs (The Home Depot n.d.a). The evaporative air cooler can be used for cooling in enclosed spaces or outdoors. It must be kept level and the water tank must be filled with water. During the colder months, evaporative air coolers may also be used to humidify dry air (The Home Depot n.d.b).

3.3 COMPETITOR ANALYSIS

Evapolar

Evapolar is a Cyprus company founded in 2016. There are 3 types of air coolers which are evaCHILL, evaLIGHTplus and evaSMART. For the past 20 years, Evapolar has been processing evaBREEZE, making it a superior commodity among others. Its inorganic nature makes it safe to use and does not transmit bacteria or mold. Next, nano-thin fibrous structure with a large surface area for water evaporation and a strong cooling effect. In contrast, the weakness for this company is this company is not famous in Malaysia and lacks publicity in Southeast Asia (Evapolar n.d.).

Sharp

Sharp Company was founded in 1912 and it committed to enhancing people's lives through innovative technology and an emphasis on creativity, efficiency, value, and design. (Sharp n.d.). The strength of Sharp company is they are trendsetters. Sharp Electronics was one of the first companies to enter the electronics industry. This gave them an advantage over lateral-entry players, especially in terms of goodwill and brand awareness (Hitesh Bahsin 2019a). In contrast, the weakness of Sharp is their inability to innovate. Sharp Electronics struggled to evolve or keep up with industry trends (Hitesh Bahsin 2019b).

KHIND

KHIND Holdings Berhad began operations in 1961. KHIND aims to develop both product innovation and customer support as it strives to be the leading one-stop supplier of the best home appliances in Malaysia and around the world (Khind n.d.). KHIND's strength is its outstanding after-sales operation and the brand name "KHIND" was already well-known in the region. (IPL n.d.). KHIND did not have a luxurious look from the outside lead's consumer would go to rival will be the weakness of it. KHIND invests less in R&D and does not frequently purchase new technology (Hearts in Danger n.d.).

Competitive Factors	G&C	Evaopolar	Sharp	KHIND
Price	2	4	1	3
Product features	1	2	3	4
Eco-friendly	1	2	4	3
Accessibility	2	4	1	3
Convenience	1	2	3	4

The number represents the ranking of products among these four companies.

Figure 3.3.1 : the Competitive Analysis Grid

COMPETITIVE ADVANTAGE

- 1 – Highest competitive advantage
- 2 – Highly competitive advantage
- 3 – Fair competitive advantage
- 4 – Weak competitive advantage

From a price factor perspective, our product is much cheaper compared to KHIND and Evapolar. Furthermore, we have the highest ranking in product features. For example, our product can control by phone or remote control and provide cooling, humidification and air purification function. Moreover, our product adopts evaporative cooling technology and solar panels, thus it may not cause any air, water and land pollution. Moreover, G&C also provide delivery service and they can view our product and get more detailed information through our website before purchase. Lastly, a light, small attractive feature brings convenience to the user because they can bring it to everywhere which include indoor and outdoor.

4. MARKET ANALYSIS

4.1 Market Segmentation

Product category

Firstly, personal air coolers are designed for smaller spaces and are very compact. These coolers are well-known for conserving energy while also cleaning the air in your room to provide fresh, cool air that relieves sweat and heat (Crompton n.d.a). Other than that, tower air coolers can cool a larger area or room, making them extremely powerful. Since they disperse air vertically, tower coolers will cool larger spaces in less time. To take in hot air and evaporate the heat to send out cold air, tower coolers use a combination of fan and water-cooling methods (Crompton n.d.b).

In addition, window air coolers are the third type of air cooler and it should be attached to the window frame. When mounted, the machine has a tank that is outside the house and takes up no interior space and it effectively cools the room. Window air coolers last a long time because they are made of high-quality plastic and have honeycomb pads (Crompton n.d.c). Lastly, desert air coolers are the last type of air cooler and it is best used in areas of low humidity and high temperatures. These coolers also operate by evaporating heat from water and forcing cool air through the system. Desert air coolers are useful for lowering the temperature in enclosed spaces (Crompton n.d.d).

Price point

The first type of price point segmentation is type of channel purchase. For example, consumers can consider a purchase made online versus one made in a shop. Customers who buy things online will get a better deal because the cost of serving them is lower (Ingrao n.d.a). Moreover, volume is the second type of price point segmentation. This one is very common, the larger the volume you order, the lower the price per unit. Consider an air cooler as a product for example. If you pay for an air cooler by every single purchase, you'll pay one cost. But if you pay for a bulk air cooler in single purchase, your cost per air cooler is often less for the same product (Ingrao n.d.b).

In addition, time of purchase will be the third type of price point segment. For example, many items are expensive when the products are initially launched to the market and it will become cheaper after a few months if a new product is launched to the market. Thus, if a consumer wants to buy an air cooler at an early stage, he needs to pay a higher price. In contrast, he can buy an air cooler at a cheaper price, but it is an older version.

4.2 Target Market Segment

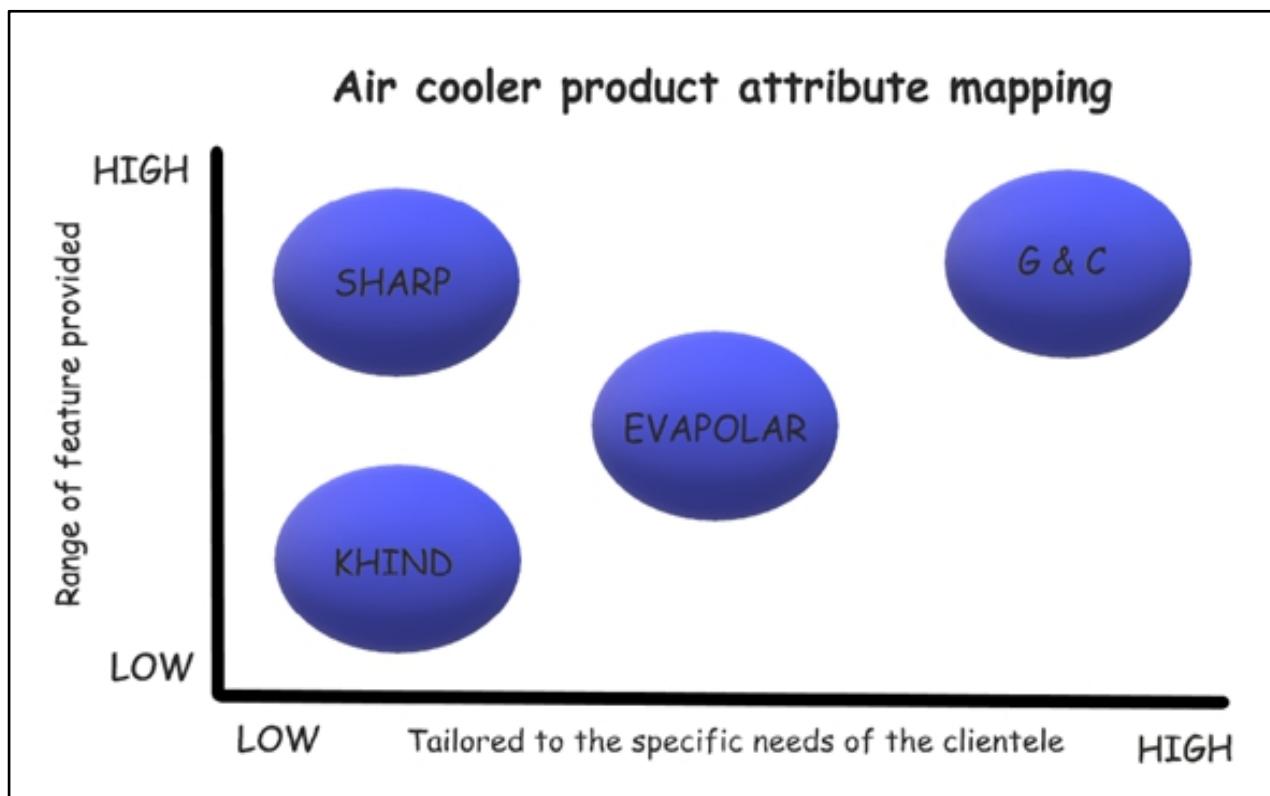
The first target market segment is personal air coolers. Personal air coolers are much less costly than air conditioners, and most people can afford them. Personal air coolers use far less energy than air conditioners, resulting in substantial cost savings (Oswald 2021a). When compared to house air conditioners, personal air coolers take up less space. If you rent a space or a smaller apartment, they are ideal. There is also no permanent installation, but you can take it down anytime you want if you move out (Oswald 2021b). Personal air coolers are easy to transport from one location to another. You can easily switch it to any space you like for immediate cooling needs (Oswald 2021c).

Most people have a clear understanding of what is cheap and expensive. Thus, time to purchase will be our second target segment. For our first product, we will price at RM160. In addition, when our second product is launched to the market, the price of the first product will become cheaper and our newest product will launch at a high price. It is because every single new product will come with some new and attractive features. Thus, if consumers are willing to pay a higher price, they can prioritize and enjoy a high technology air cooler. In contrast, if consumers have a lower purchasing power, they can wait for some time and purchase an older version of air cooler. This price target market segment strategy helps our company meet different types of purchasing power of consumers.

4.3 Customer's needs and wants

Refer to the google form survey, there are 5 things to note that most of the consumers' needs, wants and behaviours. Firstly, 92% of consumers are willing to purchase a portable air cooler thus they may bring it out and use it during hot weather (Appendix 1). Moreover, 53.3% of the respondents prefer cooling, purification, humidifier, diffuser, LED lamp included in the portable air cooler (Appendix 2). In addition, we found that 97.3% of the consumers prefer eco-friendly products due to it won't bring any harm to our environment (Appendix 3). With the development of the times and technology, 93.3% of consumers prefer app control to operate the air cooler due to it providing convenience as most of the public will carry their phones with them when they travel to anywhere (Appendix 4). Lastly, 91.4% of consumers prefer solar panels as a charging method for portable air coolers as it may be used under hot weather (Appendix 5).

4.4 Product Attribute Mapping



Based on the product attribute mapping, G&C has the highest competitive advantage compared to Sharp, Evapolar and KHIND. Firstly, G&C provides cooling, humidity and air filter function to meet the needs of consumers. To highlight our products, we provide 3 types of air filter which are washable pre-filters, activated carbon filter and true high efficiency particulate air filter while other company air coolers provide 1 filter layer only. In addition, we come out with a solar panel special features attached to an air cooler is our best-selling point due to it being eco-friendly and its able user used it without connect to the plug. On top of that, a small, light portable air cooler meets the specific needs of clients because they are able to carry the portable air cooler to anywhere (indoor and outdoor) due to its light weight and take up very little space. Lastly, app control features make our product look high technology and provide convenience to the users because they can control it by connecting by using Bluetooth.

5. MARKETING PLAN

5.1 Overall market positioning strategy

G&C provides multifunctional and innovative products for customers. We want to provide users with an image that our product is greening and convenient. We introduce a product which is a 3-in-1 mini portable air cooler. Unlike those conventional air conditioners, its small size and various functions allow us to create a new opportunity to enter the market.

We create our tagline is **Tech In. Fresh Out**. The ‘Tech’ refers to the evaporative cooling technology used in the production of air coolers. Water is recirculated and cooled through the evaporative cooling system. This technology enables the air cooler to cool the air. Most importantly, it is eco-friendly. Meanwhile, the phrase ‘fresh out’ indicates the fresh air produced by the air cooler. It had purified the air around us and also prevented the contribution to the air pollution. This is in line with our mission that we committed to produce a convenient, environmentally friendly and quality product.

5.2 Marketing Mix (4Ps or 7Ps) strategy

5.2.1 Product

The products that G&C produced are mainly aimed at customers' needs and wants. Based on our survey, the majority of the respondents prefer portable air coolers instead of tower air coolers or industrial air coolers (Appendix 6). The three most important features that consumers would like to have in an air cooler product are cooling, purification and humidification. 53.3% of the consumers prefer to include all these features, including diffuser and LED lamp (Appendix 2).

The new product, "Cooler Seal" with various functions that are preferred by the consumers is launched. Our intention is to provide customers fresh and cool air. These features can help to prevent dryness and moisturise the air as well as help us breathe easily. Before sleeping, one can add in a few drops of essential oil so that the air cooler can produce a fragrant smell. With these features, the users can get a better sleep with a perfect combo of hydration and aromatherapy.

Besides that, Cooler Seal is unique with the use of solar panels. When it is running out of battery, the solar panel will transform the sunlight into energy and the air cooler will continue working. Moreover, the air cooler comes with a LED lamp. It can be used as a standard night light. For example, when travelling, one can bring this 3-in-1 mini portable air cooler instead of other extra lights or fans. The air cooler's light weight and convenience will benefit the consumer since it is multifunctional.

5.2.2 Price

Based on our survey from different groups of people with different income levels, 6.7% of consumers expect to pay RM80-RM100, 20.7% of the consumers expect to pay RM100-RM120, 12% of the consumers willing to pay RM120-RM150 and 60.7% of the consumers willing to pay RM150-RM200 for the air cooler (Appendix 7). Thus, we decided to set the price of "Cooler Seal" in the range by following the willingness of the respondents.

The pricing strategy that G&C uses is value-based pricing. It is setting prices based on the product benefits perceived by the customer instead of the exact production cost. It indicates the product value and the willingness of the market to pay for the product. We use this value-based strategy because it helps to develop higher quality products and increase the brand value (Ferguson 2020). Moreover, this strategy allows us to stay competitive and earn more profits. Our average cost per unit is RM80 and we decide to set the selling price at RM160. Although the markup price is quite high, it is still affordable because the price of goods sold is in the acceptable range of the consumers.

5.2.3 Promotion

Firstly, the promotional tool used by G&C is social media marketing since it has been an important part of people's lives these days. Based on the survey, it shows that 88% of the consumers would like to get our latest information through social media. Other methods like email advertising, newspapers and flyers are only 4.7%, 2% and 5.3% respectively (Appendix 8).

Accordingly, we will establish good connections with customers through the popular social media platforms. For example, we create a Facebook, Instagram and Twitter account (@G&C) to provide remarkable information to the public to promote our products. We can upload some videos or photos about how our products work on those social media platforms. Visual content works well on attracting people's attention and it may make people want to follow us on social sites and help content to spread (Lu 2017).

Moreover, our company uses sales promotion to promote our product. For example, we will give a discount on special days such as Black Friday, vouchers, rebates and so on. During Black Friday, there will be a 15% discount on all the products of G&C. We will also provide customers with a voucher which worth RM20 for one-time purchase of RM100 and above on their birthday month. These sales promotions help to enter the new markets and stabilize the sales volume or stimulate demand by making the product look like a great deal (Aashish Pahwa 2021).

5.2.4 Place

G&C uses direct distribution to deliver products to the customers. Direct distribution allows our company to fully control our products like determine the prices and methods of selling the products. Moreover, we don't have to find intermediates to sell our products. We can save up some expenses and increase the profit. Customers will prefer to purchase directly from the seller because if there is any damage they can communicate directly to the company and can avoid misunderstanding. Based on our survey, 78% of the respondents prefer to shop both physical and online stores (Appendix 9).

We decided to establish our store in Gurney Plaza, Penang which is a prime location that attracts lots of local and foreign visitors. The large flow of foot traffic provides us with a potential customer base that will visit our shop initially out of interest, but will eventually become our customer (Chron 2020). When we put an advertisement of our product on the window, it will grab the attention of people passing by. This provides us the opportunity to promote and sell our products.

In addition, we will create an online platform to sell our products. Consumers can view all the products, directly make orders and payments through the G&C website. According to the preferred method of delivery by consumers, we will deliver the customers' products to the door (Refer to Appendix 10). This provides the customer's convenience as they don't need to line up and wait at the store.

6. PRODUCT DESIGN AND DEVELOPMENT / SERVICE OPERATION PLAN

6.1 Description and design of product/service

Our product, "Cooler Seal" is a mini portable air cooler that provides **three-in-one air cooling, humidification, and air purification functions**. This means that it will help us prevent air drying as well as lowering the temperature. A mechanism is integrated into the same system for the purpose of air purification. This enables the only clean air to come out. However, the **True High Efficiency Particulate Air (HEPA) filter** is the key factor to decide the performance of one air purifier. This filter will theoretically eliminate 99.97% of dust, pollen, mold, bacteria, and any other airborne particles smaller than 0.3 microns. Thus, a True HEPA filter is a more delicate main filter than the **washable pre-filters** and **activated carbon filters**. These 2 filters only help filter out odor-causing pollutants and dirt from the indoor atmosphere.

Besides, "Cooler Seal" is using **evaporative cooling technology** to operate. It works by using the principle of evaporation to reduce the temperature of the air. For this reason, there is no need for venting. The method does not send out warm air to the room. The only air it produces is cool, and moistened air. Therefore, the user **does not require any wall-drilling** to install the "Cooler Seal" as it is ready for use when the user unboxes it. Additionally, the "Cooler Seal" was created to promote energy efficiency and sustainability. This is because it uses far less electricity to operate which means lowering the carbon footprint.

Not only that, it also has an **exclusive aroma diffuser function** in which the user can drop essential oil in the aroma diffuser compartment that is built-in atomization design and located behind the "Cooler Seal" air circulator. While the **mini plastic fan with 4 blades** in "Cooler Seal" will circulate the air to cool down the temperature and also silently diffuses the room with the aroma. Additionally, the **plastic fan finger guard** fits over the back of the mini plastic fan. It essentially provides protection for cooling fans from damage due to foreign objects, and keeps the cooling fan in excellent condition.

Moreover, **mini Monocrystalline solar panels (mono)** is a unique feature that mounts on the top of the product. This feature allows the user to charge “Cooler Seal” in an eco-friendly way as solar thermal technology simply transforms sunlight into heat. Mini solar panels are much smaller than their larger counterparts, and thus can be used for “Cooler Seal” due to space constraints. While the mono can produce enough electricity to power the “Cooler Seal”, it can also be **charged via USB cable**. The cables come at the back of the mini portable air cooler. It is compatible with laptops, power banks, and other USB-powered devices. The user just needs to charge for 30 minutes then the “Cooler Seal” can uninterrupted run for 12 hours. When there is a power shortage, it doesn’t affect the operation of the “Cooler Seal” as the mono is able to use the reserve solar energy to generate power.

Furthermore, the water tank is visible on the side of the “Cooler Seal”. The transparent water level indicator on the **300ml water tank** ensures that the consumer is never without cool air. The “Cooler Seal” was easy to operate, simply filling the water tank with water for continuous heat relief and a cool breeze. The consumer can also add some ice for additional cooling capacity. When the water supply begins to dwindle, the “Cooler Seal” has a water scarcity indicator that flashes a **warning light** in red to alert the user. Although the shutter is attached to the external Cooler Seal but the flashing light can be seen through the shutter. It also stops the humidification process automatically which protects the "Cooler Seal" from damage when the water supply is low. “Cooler Seal” also comes with an **LED lamp** that provides soft aura-style illumination as an alternative to traditional night lights. It offers changing 7 colors LED lights, which can be used as mood lights when sleeping to create a romantic atmosphere at the party. It is a helpful feature for those who are afraid of sleeping in darkness.

In addition, “Cooler Seal” can be switched on by the **remote control** (Appendix 12). To transmit signals from the remote control to the “Cooler Seal”, point the front part of the remote handset towards the control panel on the mini portable air cooler. Besides, our remote control allows the user to control “Cooler Seal” from literally anywhere using a smartphone. They come with a native application and easily connect with “Cooler Seal” by downloading the **“Cielo Home” App**. through Google Play Store or Apple App Store (Appendix 13). The remote control allows the user set temperature triggers as it features a **silent-running three-speed motor**. The user can

adjust freely (low / medium / high) according to their requirements. Therefore, it is perfectly suited for sleeping adults who require high-quality sleep and children who prefer to sleep with set temperatures. The **shutter** that is attached on the external of the Cooler Seal can adjust the air flow direction by using the remote controller or smartphone.

Since “Cooler Seal” are very small in size, the **product dimensions** (L x W x H) only 172 x 170 x 170 mm. Therefore, the user can fit them beside their desktop in the office, study table etc. The compact and convenient size of the “Cooler Seal” makes it ideally suited for those on the go. The “Cooler Seal” is available in **four color options** ideal for any home, office or bedroom decor. The consumer can choose from pure white, forest green, navy blue, and baby pink (Refer Appendix 11 and 15 for the details).

For the **packaging** of “Cooler Seal”, we will use plastic bags to pack the “Cooler Seal”. Then, we will pack the removable parts like remote control and the USB cable in plastic bags separately. To keep damage-free from impact for our product during the transportation, we will wrap them with a tight bubble wrap. After that, we will create padding at the bottom of the box which is made of recycled cardboard, then put the mini portable air conditioner, remote control, and USB cable into it. In addition, we will put in the product’s instruction manual and fill all the remaining space with bubble wrap and wrapping paper to ensure that there is no free space in the box. Finally, we will seal the box with adhesive tape. Before delivery, we need to stick a “Caution” sticker in order to prevent damage to goods and injuries (Refer Appendix 14 for the details).

For the **warranty** information of “Cooler Seal”, G&C will provide warranty to customers under the terms and conditions of its limited warranty within one year from the date of original purchase. This warranty is only available to the original mini portable air cooler. After the warranty period has expired, “Cooler Seal” will not cover any other warranty or replacement. The warranty is only valid in Malaysia. G&C will also give consumers the right to enquire the factory to deal with any issues according to their terms and conditions. For instance, the users will get a free repairing service or even get a return when the “Cooler Seal” does not function as originally described or intended. Under the following circumstances, the parts of “Cooler Seal”

will be chargeable even during the warranty period: the product unit has been tampered with, subject to misuse, negligence and damage.

6.2 Analysis of quality

Based on the survey, “Cooler seal” has fulfilled customer’s needs and wants as it is multifunction. Such as diffuser, LED lamp, air cooling, humidification, and air purification functions. It can last longer for 12 hours. The minimalist size of the product would allow the consumer to carry around. This feature is suitable for those who prefer cool air in their surroundings. Furthermore, the consumer can adjust the cooling speed freely according to their requirement. Besides, most of the consumers preferred to have many ways of control and charging in “Cooler Seal”. Therefore, we built in the mini Monocrystalline solar panels (mono) and USB cable for the charging method. Then, the consumer can control the “Cooler Seal” either with their mobile phone or remote control. Moreover, the customers are concerned about the eco-friendly product, therefore our product is using evaporative cooling technology to operate which is the most environmentally friendly cooling technique. Although the survey shows that most of the customers are not high income earners, they are willing to pay a higher price to buy our products which is in the range of RM150 - RM200. This shows that our products are attractive enough for the customers to purchase.

6.3 Production and Preparation (Refer Appendix 16 for the details)

<u>Step 1</u> Product Research Process	<ul style="list-style-type: none"> ❖ Our research is conducted through the surveys on Google form. ❖ It helps to ensure our product meets market needs and fills a gap.
<u>Step 2</u> Computer-aided design and drafting (CADD)	<ul style="list-style-type: none"> ➤ The technology of CADD is used to design the mini portable air cooler which replaces manual drafting with an automated process. ➤ It allows us to visualize the construction.
<u>Step 3</u> Collecting component and raw materials	<p>Different component and materials are used as the body of the mini portable air cooler which is :</p> <p>(i) Component</p> <ul style="list-style-type: none"> ❖ Water tank ❖ LED lights ❖ Silent-running three-speed motor ❖ USB cable ❖ Mini plastic fan with 4 blades ❖ Plastic fan finger guard <p>(ii) Raw materials</p> <ul style="list-style-type: none"> ❖ Washable pre-filters ❖ Activated carbon filters ❖ True High Efficiency Particulate Air (HEPA) filter ❖ Mini Monocrystalline solar panels (mono) ❖ Acrylonitrile Butadiene Styrene (ABS) plastic ❖ Polyvinyl Chloride (PVC or Vinyl) Plastic

<u>Step 4</u> Examining the component and raw materials	<ul style="list-style-type: none"> ➤ The components and raw materials that mention above should be examined carefully. ➤ Defective materials will be sorted out and returned back to the suppliers. ➤ Raw materials that are in good condition will then be used in the processing stage.
<u>Step 5</u> Melting & Moulding the raw materials	<ul style="list-style-type: none"> ❖ Before molding the “Cooler Seal” body, we need to melt the composite materials such as ABS plastic and PVC Plastic. ❖ ABS plastic is used to make the external appearance of Cooler Seal. ❖ PVC plastic is used to make the shutter. ❖ When the material is processed into fabrication cells, it will be cut, formed, punched, drilled, sheared, and bent into a useful shape.
<u>Step 6</u> Assembling & installation	<ul style="list-style-type: none"> ➤ Every component and raw materials are assembled using automated assembly machines into final goods. ➤ “Cooler Seal” needs to install the Android and IOS system. ➤ Thus, the user can install the “Cielo Home” app and connect with their mini portable air cooler.
<u>Step 7</u> Testing the final product	<ul style="list-style-type: none"> ❖ After assembling all of the components, the product is validated by connecting the power source. ❖ Then, the mini portable air cooler was put to the test in two different environments: a small confined space and outdoor to measure the effectiveness of the air cooler to cool the environment. ❖ Moreover, they will test the connectivity of the AI assistant and Application to ensure every “Cooler Seal” is able to connect with “Cielo Home” App.

<u>Step 8</u> Packaging the product	<ul style="list-style-type: none"> ➤ The final good: “Cooler Seal” will be packed according to batch and shipments. ➤ The staff will record the numbers of the items and place the products onto the van. ➤ The batches will be examined by the production staff to ensure there is no defect in its packaging.
<u>Step 9</u> Delivering the product	The mini portable air cooler will be transferred to the warehouse in order to prepare to deliver to the retail store.

7. FINANCIAL PROJECTIONS

Our source of funds comes from the Soft Loan Scheme For Small And Medium Enterprise (SLSME) which is a government loan scheme that assists new start-up enterprises in projects, fixed assets and working capital financing. We are planning to use these funds as our working capital for the parts of marketing, production and administrative for 3 months.

Paid-in capital also being the initial source of funds for G & C. We plan to raise equity capital through issuance of shares rather than debt equity. Shareholders who are interested in the technology field will inject funds into our company as we believe that they will be more willing to purchase and guarantee our company's future prospects.

The funds may then be utilized for the day to day operations of the company to pay salary and other expenses for pre-operating. We plan to utilize the funds to purchase a delivery van. This is because our products are expensive and we believe that owning a delivery van is more reliable than courier services. The funds may also be utilized for the renovation of our store that is rented in the factory.

We planned to renovate the shop to an elegant comfy style to give our customers a homely feeling as well as match with the style of our products that we proposed.

7.1 Start-up Budget

Start-up Budget		
	RM	RM
A. Capital Expenditure		
Machinery & Equipment	100,000	
Furniture & Fixtures	60,000	
Vechile- van(hire purchase)	90,000	
Renovation cost	50,000	
Sub-total B		300,000
B. Working Capital (3 months)		
Marketing	15,000	
Production/Operation	40,000	
General/Administrative	10,000	
Sub-total		65,000
C. Other Expenditure		
Pre-Operating Business Registration	2,500	
Insurance	1,500	
Road Tax	300	
Sundries	400	
	4,700	
Deposits		
Utilities (Telephone/water/electricity)	1,850	
Sub-total		6,550
Grand Total		371,550
D. Add: Contingency cost (10%)		37155
Total Start up cost		408,705
Paid in capital	108,705	
Bank Loan	300,000	
Total Financing		408,705

Refer to Appendix 17

	Fixed Assumption	RM
1	Annual license-business & signboard	900
2	Annual accounting, audit, legal & secretarial fees	4,200
3	Annual insurance-fire,burglary,product liability	14,400
4	Annual directors' remuneration	12,000
5	Monthly utilities- water, eletric, internet, telephone	1,850
6	Monthly utilities-increase 2 % in Year 3	1,887
7	Monthly rental	4,500
8	Monthly staff salaries-Year1 & 2	12,400
9	Monthly staff salaries-Year 3 (increased by 2%)	12,648
10	Monthly EPF & SOCSO@ approx. 13% of wages (Y1 & Y2)	1,612
11	Monthly EPF & SOCSO@approx. 13% of wages (Y3) (increased by 2%)	1,644
12	Monthly equipment repairs & maintenance	1,000
14	Quarterly Advertising & Promotion	2,500
15	Corporate Tax Rate % (paid in the month or quarter it becomes payable)	**24%
16	Loan Tenure	5 years
17	Loan interest	6%

Working refers to Appendix 18

7.2 Pro Forma Income Statement

PRO FORMA INCOME STATEMENT (G&C)						
	2021 Projected		2022 Projected		2023 Projected	
	RM	RM	RM	RM	RM	RM
Sales		1,600,000		1,616,000		1,632,160
Cost Sales		-800,000		-808,000		-816,080
Gross Profit		800,000		808,000		816,080
Operating Expenses						
Rent	54000		54000		54000	
Insurance	1,500		1,500		1,500	
Markgeting expenses	30,000		30,000		30,000	
Salary and Wages (Year 3 increase by 2%)	148800		148800		151776	
Administration expenses	20,000		20,000		20,000	
Annual license-business & signboard	900		900		900	
Annual secretarial fee	4,200		4,200		4,200	
Annual directors' remuneration	12,000		12,000		12,000	
Utilities (increase 2% in Year 3)	22,200		22,200		22,644	
EPF & SOCSO	19,344		19,344		19,728	
Equipment repair & maintance	12,000		12,000		12,000	
Other expenses						
Depreciation:						
Office Equipment 10%	10000		9000		8100	
Fixture & Fittings 10%	6000	340944	5400	339344	4860	341708
Profit/Loss before tax		459,056		468,656		474,372
Less: Taxes (24%)		110173		112477		113849
Net Profit		348,883		356,179		360,523

Notes:

Project Sales of G&C	
Estimate year 1 revenue 2021	10,000 air coolers Price = RM160 per unit Cost = RM80 per unit Profit = RM80 per unit Total sales for year 1 $10,000 \times RM160 = RM1,600,000$ Total Cost for year 1 $RM80 \times 10,000 = RM800,000$
Estimate year 2 revenue 2022(sales increase by 1%)	Total sales for year 1 $RM1,600,000 \times 1.01 = RM1,616,000$ Total Cost for year 1 $RM800,000 \times 1.01 = RM808,000$
Estimate year 3 revenue 2023(Sales increase by 1%)	Total sales for year 1 $RM808,000 \times 1.01 = RM1,632,160$ Total Cost for year 1 $RM808,000 \times 1.01 = RM816,080$

7.3 Pro Forma Cash Flows Statement

PRO FORMA STATEMENT OF CASH FLOW FOR(G&C)		
	2021 PROJECTED	2022 PROJECTED
(A) Opening Balance (D from previous year)	0	1,589,761
<u>Cash Flow</u>		
Sales	1,600,000	1,616,000
Paid in capital	108,705	
Bank Loan	300,000	
(B.) Subtotal	2,008,705	
<u>Cash Outflow</u>		
Rent	54000	54000
Insurance	1,500	1,500
Markgeting expenses	30,000	30,000
Salary and Wages (Year 3 increase by 2%)	148800	148800
Administration expenses	20,000	20,000
Annual license-business & signboard	900	900
Annual secretarial fee	4,200	4,200
Annual directors' remuneration	12,000	12,000
Utilities (increase 2% in Year 3)	22,200	22,200
EPF & SOCSO	19,344	19,344
Equipment repair & maintance	12,000	12,000
Other expenses		
Depreciation:		
Office Equipment 10%	10,000	10,000
Fixture & Fittings 10%	6,000	6,000
Loan repayment of principle	60000	60000
Loan interest @6%	18000	18000
(C) subtotal	418944	418944
(D) Closing Balance (A+B-C)	1,589,761	2,786,817

7.4 Pro Forma Balance Sheet

End of.	Year 1: 2021	Year 2: 2022 (RM)	Year 3: 2023 (RM)		Year 1: 2021 (RM)	Year 2: 2022 (RM)	Year 3: 2023 (RM)
Asset				Liabilities			
Current Assets				Current Liabilities			
Cash	1,589,761	2,786,817	2,367,873	Account Payable	1,193,023	2,416,783	2,029,095
Deposit & Repayments (W1)	10850	10850	10850	Long-term Liabilities:			
Account Receivables	-	-	-	Bank Loan (W2)	250,000	200,000	150,000
Inventory	-	-	-				
Total Current Assets	1,600,611	2,797,667	2,378,723	Total Liabilities	1,443,023	2,616,783	2,179,095
Non Current Assets (Fixed Assets):NBV*				Shareholder's equity:			
Renovation and decoration	50,000	50,000	50,000	Paid in capital	108,705	108,705	108,705
Vehicle van	90,000	90,000	90,000	Retaining Earnings (refer to net profit)	348,883	356,179	360,523
Machinery & Equipment	100,000	90,000	81,000				
Furniture & Fittings	60,000	54,000	48,600				
Total Non-Current Assets (Fixed Assets)	300,000	284,000	269,600	Total Shareholder's equity	457,588	464,884	469,228
TOTAL ASSETS	1,900,611	3,081,667	2,648,323	TOTAL LIABILITIES & SHAREHOLDER'S EQUITY	1,900,611	3,081,667	2,648,323

Notes:

W1:	
Rental Deposit (2 month)	9,000
Utilities Deposit	1850
Total Deposit & Repayments	10,850

W2:			
Loan	300,000	250,000	200,000
Loan repayment	50,000	50,000	50,000
Year end Loan Balance Outstanding	250,000	200,000	150,000

Non-current assets	Year 2021	Year 2022	Year 2023
Machinery & Equipment	100,000	(100,000*10%)=90,000	(90,000*10%)= 81,000
Furniture & Fittings	60,000	(60,000*10%)=54,000	(54,000*10%)= 48,600

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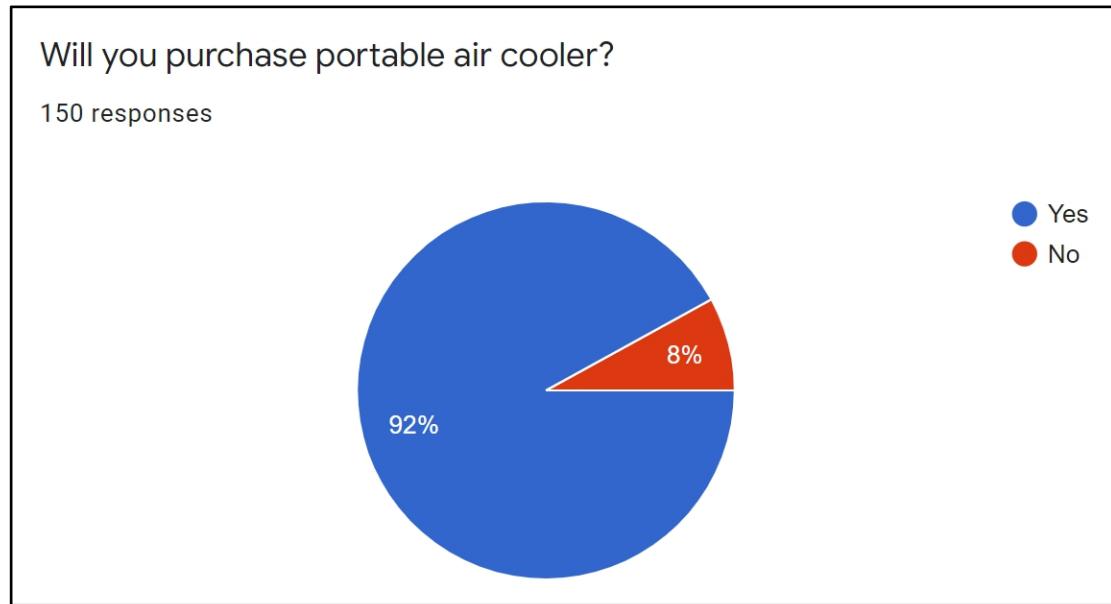
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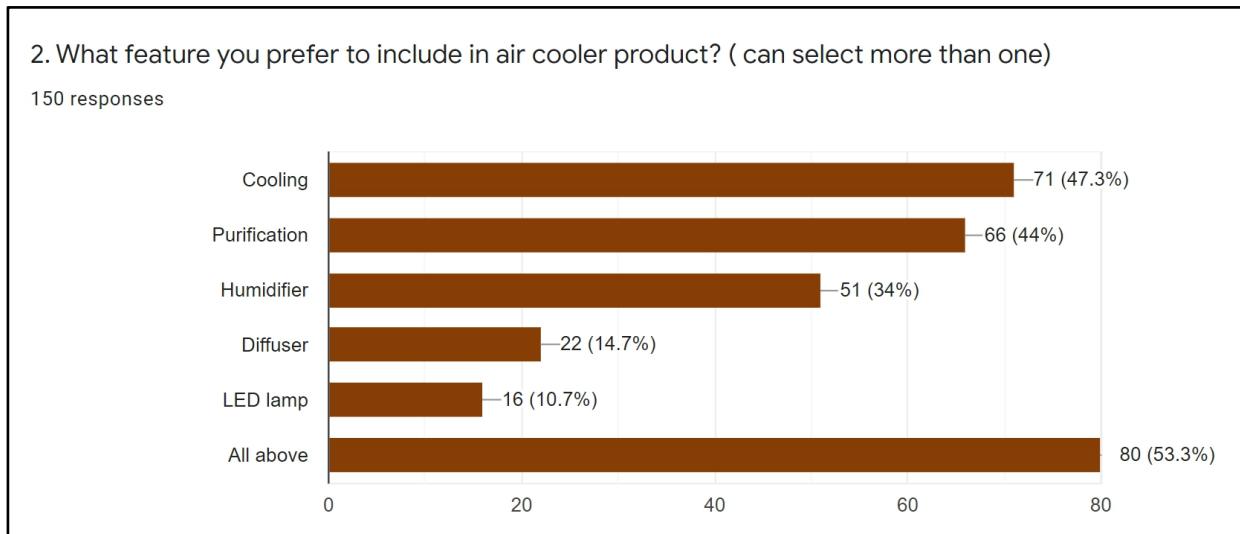
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9. APPENDICES

Appendix 1



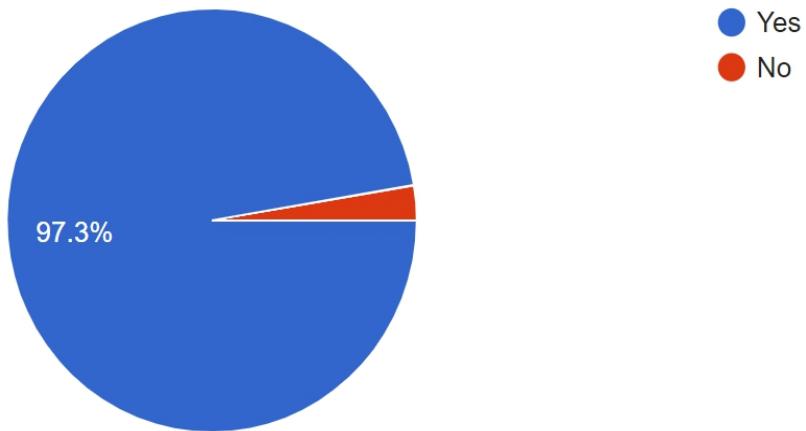
Appendix 2



Appendix 3

3. Do you concern whether a product is eco friendly?

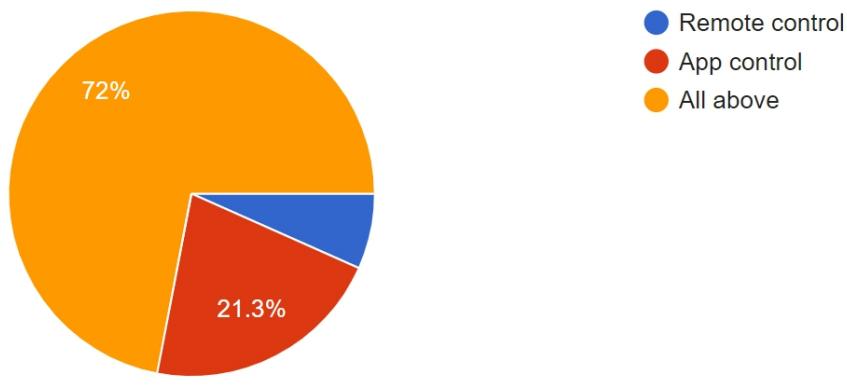
150 responses



Appendix 4

4. Do you prefer remote control or app control?

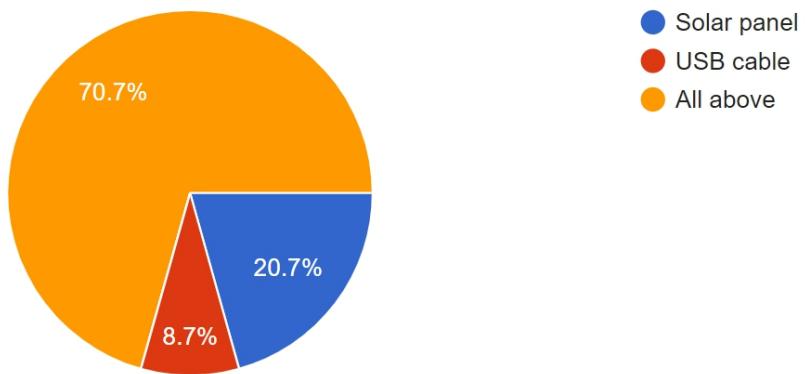
150 responses



Appendix 5

7. What types of charging in air cooler you preferred?

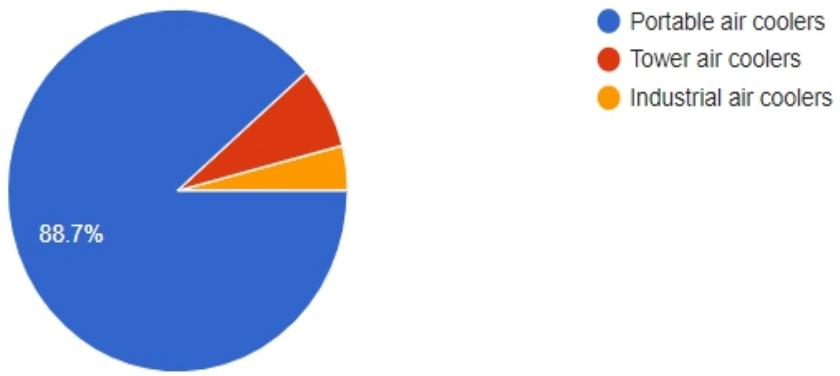
150 responses



Appendix 6

1. What types of air cooler do you like ?

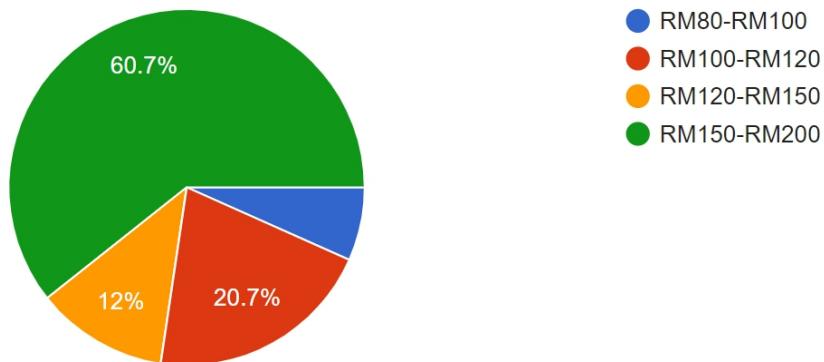
150 responses



Appendix 7

9. What price do you expect to pay for the product?

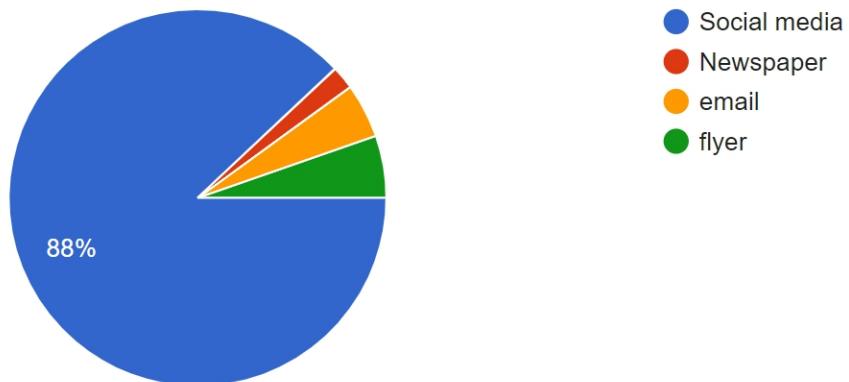
150 responses



Appendix 8

12. Where do you like to get our latest information?

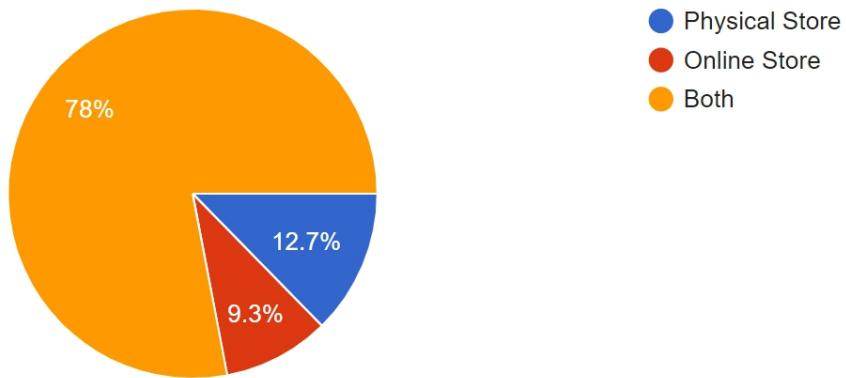
150 responses



Appendix 9

11. Which distribution channel do you prefer?

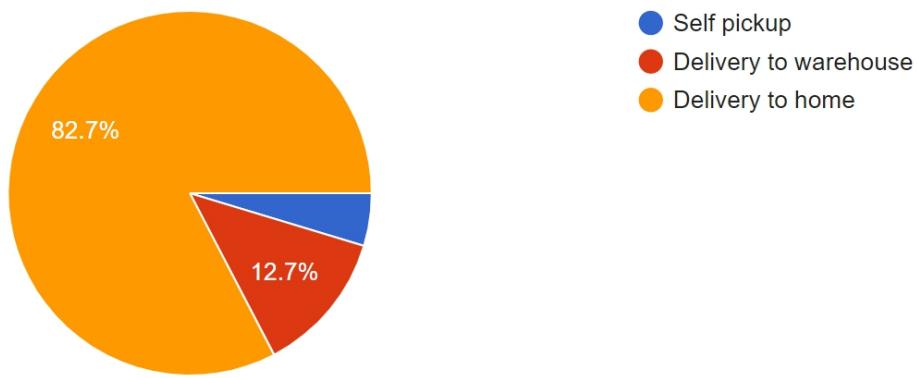
150 responses



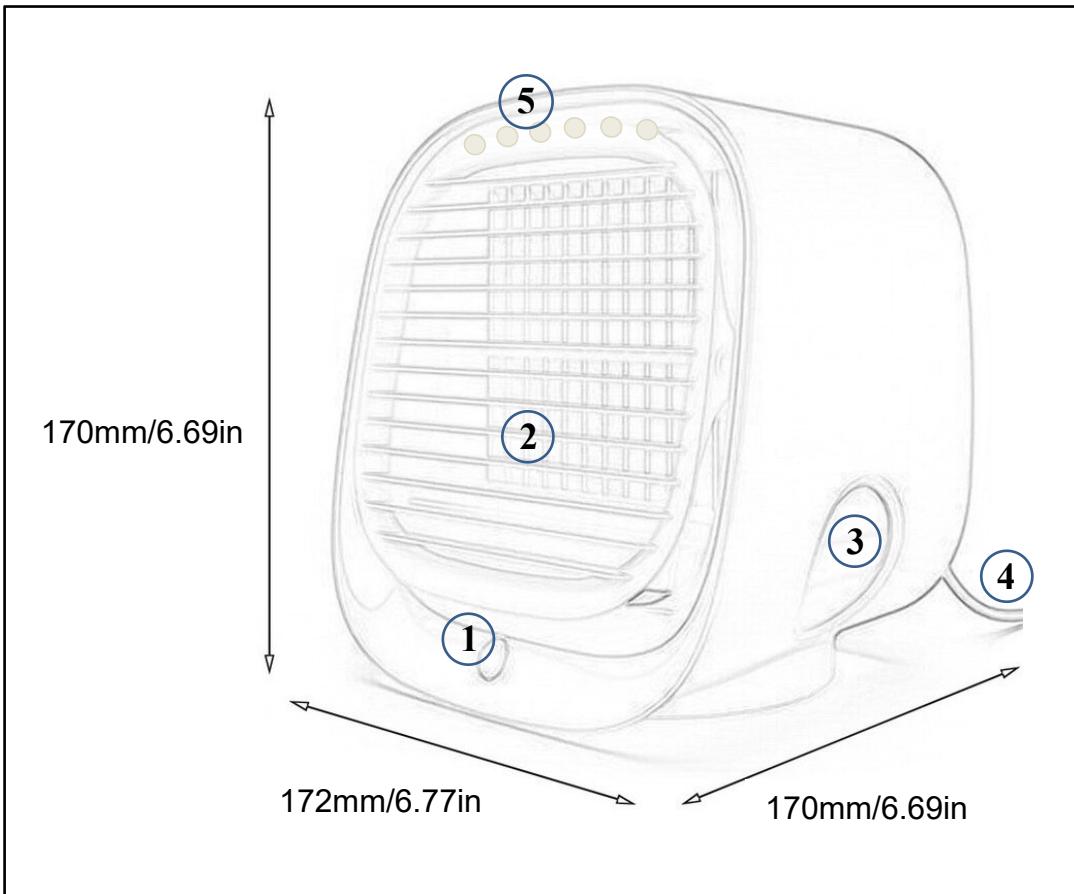
Appendix 10

10. What is your preferred method of delivery?

150 responses

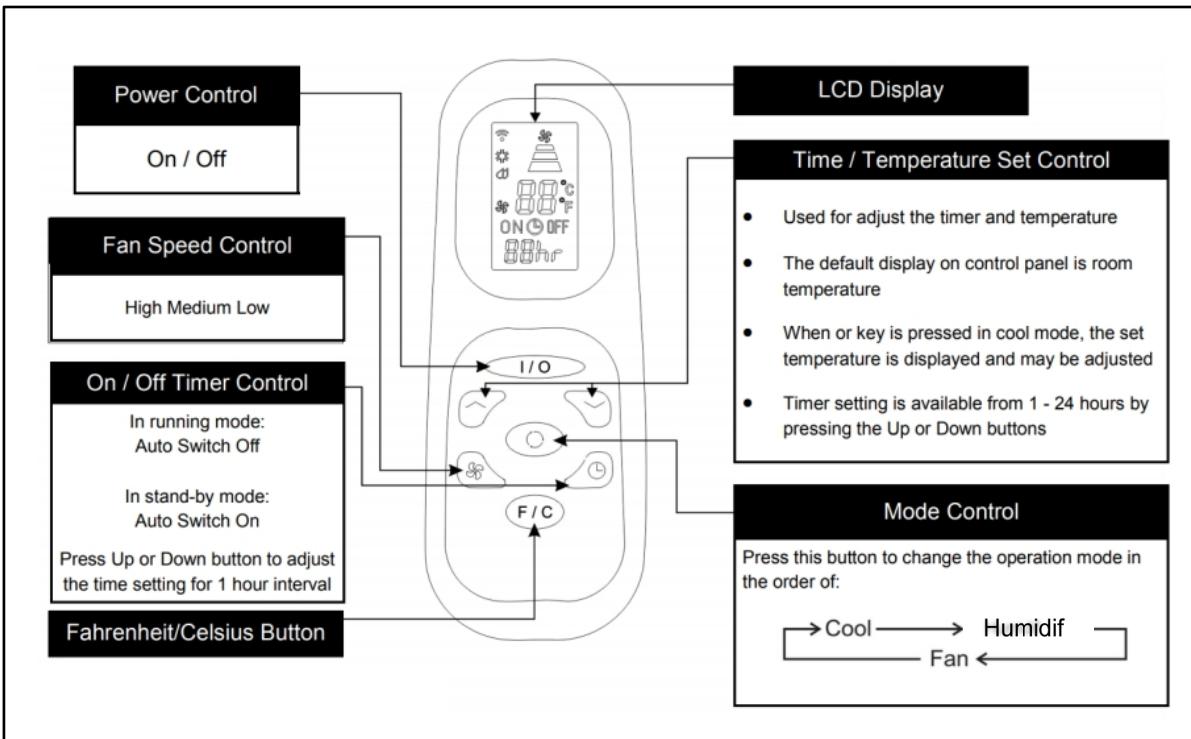


Appendix 11 : Prototype of mini portable air cooler

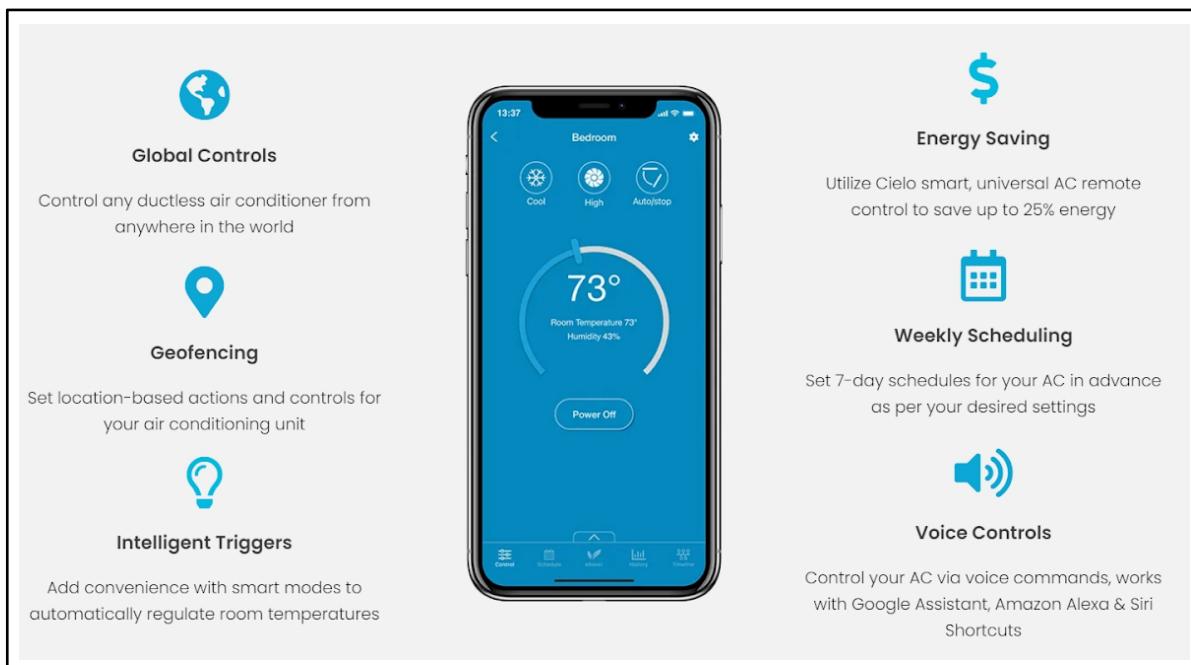


- ① Powered on Button
- ② Shutter
- ③ Water tank
- ④ USB cable
- ⑤ humidification

Appendix 12 : Prototype of Remote Control



Appendix 13 : Cielo Home App



Appendix 14 : Packaging of “Cooler Seal”

1. Pack the mini portable air conditioner, remote control, and USB cable with plastic bag



2. Wrap them with a tight bubble wrap



3. Create padding at the bottom of the box



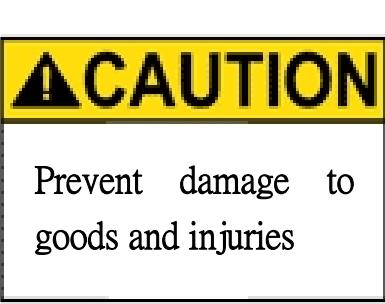
4. Put the mini portable air conditioner, remote control, USB cable, and instruction manual into the box



5. Seal the box with adhesive tape.



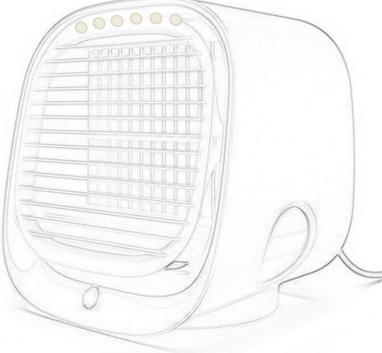
6. Stick a “Caution” stickers on the box before delivery



Appendix 15 : Specifications of “Cooler Seal”

SPECIFICATIONS	
Name	Cooler Seal
Operational modes	Three-in-one air cooling, humidification, and air purification
Capacity	3000mAh
Voltage (V)	5V 1A
Coverage Area	Up to 3 m ² / Up to 33 ft ²
Power Consumption	7.5 W
Power Source	Mini Monocrystalline solar panels (mono) & USB Cable
Noise Level	25-43dBA
Win Speed	3 gear
Wind Type	Natural Wind, Sleep Wind, Prevailing Wind
LED Light	Build in 7 Different Color of LED Light
App Controlled	“Cielo Home” App
Water tank Capacity	300 ml / 10.2 floz
Water-shortage Power-off Protection	Yes
Remote Control Function	Yes
Colour	Pure White, Forest Green, Navy Blue, Baby Pink
Size	172 x 170 x 170 mm OR 6.77 x 6.69 x 6.69 inch
Net Weight	400g
Package Weight	520g
Package	Mini Portable Air Cooler + USB Cable + User manual + Plastic + Bubble Wrap + Color Box
Warranty	1 Year

Appendix 16 : Production and Preparation of “Cooler Seal”

<p><u>Step 1</u></p> <p>Product Research Process</p> 	<p><u>Step 2</u></p> <p>Computer-aided design and drafting (CADD)</p> 
<p><u>Step 3</u></p> <p>Collecting component and raw materials</p> 	<p><u>Step 4</u></p> <p>Examining the component and raw materials</p> 
<p><u>Step 5</u></p> <p>Melting & Moulding the raw materials</p>  	

Step 6

Assembling & installation



Step 7

Testing the final product



Step 8

Packaging the product



Step 9

Delivering the product



Appendix 17 : Capital Expenditure

Appendix 6.2			
Capital expenses			
Furniture & Fitting			
Items	Price by unit (RM)	Units	Total (RM)
1. Table	300	10	3,000
2. Chair	500	20	10,000
3. Ceiling Air Conditioner	5,000	9	45,000
4. CCTV camera	200	10	2,000
Total:			60,000
Computer & Machine			
Items	Price by unit (RM)	Unit	Total (RM)
1. Ordering Machine	8,000	10	80,000
2. Computer	2,000	10	20,000
Total:			100,000
Renovation			
Items	Price by units (RM)	Unit	Total (RM)
1. Renovation & decoration	50,000		
Total:			50,000
Vehicles			
Items	Price by units (RM)	Unit	Total (RM)
Van	45,000	2	90,000
Total:			90,000

Appendix 18 : Income Statement

Position	Number required	Salary (RM)/employee	Total salary
1. Supervisor	1	3,500	3,500
2. Sales assistants	2	2,200	4,400
3. Cleaner	1	900	900
4. Cashier	3	1,200	3,600
Total:	7		12,400

Annual License Fees			
Particular	Month	RM	
Business license	12	350	
Signboard license	12	550	
Total:		900	

Annual secretarial fees			
Particular	Month	RM	
Tax Agent	12	1,500	
Auditors	12	2,700	
Total:		4,200	

Monthly/ Annual Utilities fees			
Particular	Month	Monthly	Annual
Water	12	300	3,600
Electric	12	1,000	12,000
Internet & Telephone	12	550	6,600
Total:		1,850	22,200

Monthly Salary			
Salary of employee	Number of personnel	Total salary	
3,500	1	3,500	
2,200	2	4,400	
1,200	3	3,600	
900	1	900	
Total			12,400

EPF Contributed by Employer			
Salary of employee	Number of personnel	Rate	Total
3,500	1	13%	455
2,200	2	13%	572
1,200	3	13%	468
900	1	13%	117
Total			1,612